

Press release

RWE expected to close fiscal 2022 with an adjusted net income of €3.2 billion

- RWE Group's earnings for fiscal 2022 higher than in the previous year according to preliminary figures
- Outlook for 2022 to be exceeded due to earnings from the Hydro/Biomass/Gas and Supply & Trading segments
- RWE's net cash investments in fiscal 2022 amount to €4.4 billion
- Capacity expansion contributes to a significant increase in earnings from renewables
- Earnings in German coal and nuclear energy business below previous year's level
- Dividend target of €0.90 per share for fiscal 2022 confirmed

Essen, 25 January 2023

Michael Müller, CFO of RWE AG: "Based on the preliminary figures, we expect to close fiscal 2022 above the previous year. Due to the earnings development in the Supply & Trading segment and the higher deployment of our power plants in the Hydro/Biomass/Gas segment, we expect earnings to exceed our forecast. A key driver for our earnings growth year-on-year was the increase of our generation capacity based on renewables. In the past year, we continued to successfully expand our portfolio of wind farms and solar plants and we significantly increased our total net cash investments to €4.4 billion. The 2022 business performance underlines the Group's strategy 'Growing Green'."

RWE expects to close fiscal 2022 with an adjusted net income of €3.2 billion according to preliminary figures. The forecast is thus expected to be exceeded. This is due to high earnings from the Supply & Trading and Hydro/Biomass/Gas segments. RWE has significantly increased net cash investments to €4.4 billion in 2022 compared to €2.9 billion in 2021. This is also reflected in the results. A driver of the growth in earnings year-on-year is the increase in generation capacity based on renewables. RWE commissioned the offshore wind farm Triton Knoll off the British coast at the beginning of 2022. In addition, the turbines at the newly built Kaskasi offshore wind farm off the German island of Heligoland have been feeding green electricity into the grid with all turbines since the end of the year. In contrast to the trend in RWE's international core business, the German coal and nuclear energy business is expected to record lower earnings in fiscal 2022 than 2021.

RWE Group's adjusted EBITDA (earnings before interest, taxes, depreciation and amortisation) is expected to reach €6.3 billion, exceeding the forecast range. Adjusted EBITDA in the core business is assumed to be €5.6 billion, which is also above the upper end of the forecast range.



For fiscal 2022, an adjusted net income of €3.2 billion is expected, which is also more than forecast.

Regarding the planned dividend for fiscal 2022, Michael Müller commented: “We confirm our dividend target of €0.90 per share for fiscal 2022 and we will propose this to our Annual General Meeting on 4 May 2023, which will be held virtually. We will also continue to massively invest in the energy transition.”

Business performance in fiscal 2022 in the international core business by segment

Offshore Wind: Adjusted EBITDA in the Offshore Wind segment is expected to be €1,412 million, compared to the prior year figure of €1,110 million, driven by the commissioning of new capacity. Wind levels were higher year-on-year, however, they were still below the long-term average.

Onshore Wind/Solar: Adjusted EBITDA in the Onshore Wind/Solar segment is expected to be €827 million compared to €258 million in fiscal 2021. Here, too, additional capacity and more favourable wind conditions had a positive impact, although wind levels were again below expectations. In addition, the previous year’s earnings included substantial one-off burdens due to the extreme cold snap in Texas in February 2021.

Hydro/Biomass/Gas: Adjusted EBITDA is expected to increase to €2,369 million compared to €731 million in the previous year. This was mainly the result of higher earnings from short-term power plant deployment and higher international generation margins. Power plants were increasingly used due to less favourable wind conditions at the end of the year.

Supply & Trading: Due to a strong trading performance across almost all commodities and regions, adjusted EBITDA in fiscal 2022 in this segment is expected to increase to €1,161 million, compared to €769 million in 2021.

RWE earns less in German coal and nuclear energy business

The Coal/Nuclear segment is expected to record an adjusted EBITDA of €751 million compared to €889 million in 2021. The decrease in earnings was the result of power plant closures. RWE had also sold forward the majority of the electricity production from its German lignite and nuclear power stations before the onset of the current energy crisis.

Final figures for fiscal 2022 will be released as planned on 21 March 2023.



Overview of selected key figures (preliminary earnings)

€ million	Actuals 2022	Outlook 2022 (July 2022)	Actuals 2021
Adjusted EBITDA Offshore Wind	1,412	1,350 – 1,600	1,110
Adjusted EBITDA Onshore Wind/Solar	827	900 – 1,100	258
Adjusted EBITDA Hydro/Biomass/Gas	2,369	1,400 – 1,700	731
Adjusted EBITDA Supply & Trading	1,161	significantly above 350	769
Adjusted EBITDA Core Business	5,559	4,300 – 4,800	2,761
Adjusted EBITDA Coal/Nuclear	751	650 – 750	889
Adjusted EBITDA Group	6,310	5,000 – 5,500	3,650
Adjusted EBIT	4,567	3,400 – 3,900	2,185
Adjusted financial result	-441	--450	-226
Adjusted taxes on income	-619	15%	-294
Adjusted minority interest	-279	--350	-111
Adjusted net income	3,228	2,100 – 2,600	1,554

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RWE

RWE is leading the way to a green energy world. With an extensive investment and growth strategy, the company will expand its powerful, green generation capacity to 50 gigawatts internationally by 2030. RWE is investing more than €50 billion gross for this purpose in this decade. The portfolio is based on offshore and onshore wind, solar, hydrogen, batteries, biomass and gas. RWE Supply & Trading provides tailored energy solutions for large customers. RWE has locations in the attractive markets of Europe, North America and the Asia-Pacific region. The company is responsibly phasing out nuclear energy and coal. Government-mandated phaseout roadmaps have been defined for both of these energy sources. RWE employs around 19,000 people worldwide and has a clear target: to get to net zero by 2040. On its way there, the company has set itself ambitious targets for all activities that cause greenhouse gas emissions. The Science Based Targets initiative has confirmed that these emission reduction targets are in line with the Paris Agreement. Very much in the spirit of the company's purpose: Our energy for a sustainable life.

Forward-looking statements

This press release contains forward-looking statements. These statements reflect the current views, expectations and assumptions of management, and are based on information currently available to management. Forward-looking statements do not guarantee the occurrence of future results and developments and are subject to known and unknown risks and uncertainties. Actual future results and developments may deviate materially from the expectations and assumptions expressed in this document due to various factors. These factors primarily include changes in the general economic and competitive environment. Furthermore, developments on financial markets and changes in currency exchange rates as well as changes in national and international laws, in particular in respect of fiscal regulation, and other factors influence the company's future results and developments. Neither the company nor any of its affiliates undertakes to update the statements contained in this press release.

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