

Press release

RWE significantly expands its green portfolio in fiscal 2023 while reducing CO₂ emissions by 27 percent

- **Net investments of €11.4 billion in 2023: generation portfolio expanded by more than 160 facilities with a total capacity of 6.3 gigawatts**
- **RWE's green electricity production increases by 27% – CO₂ emissions decline by 27%**
- **Very good Group earnings in 2023; dividend target of €1.00 for fiscal 2023 reaffirmed**
- **Outlook for 2024 confirmed, earnings at the lower end of the forecast range expected; dividend set to increase to €1.10 per share for fiscal 2024**

Essen, 14 March 2024

RWE continued to forge ahead with its 'Growing Green' investment and growth strategy in 2023: the company's portfolio is growing continuously and sustainably. In the past year, RWE invested a total of €11.4 billion net, compared to €4.4 billion in 2022. The acquisition of Con Edison Clean Energy Businesses in the US accounted for the largest share of capital expenditure at €6.3 billion. Further funds were invested in new wind and solar power facilities and battery storage systems in Europe and the US, supplemented by acquisitions in the Netherlands and the UK. As a result, the company's portfolio grew by more than 160 facilities with a total capacity of 6.3 gigawatts (GW). At the same time, RWE reduced the CO₂ emissions of its power plant portfolio by 27% in fiscal 2023 – from 83 million metric tons in 2022 to 60.6 million metric tons in the year under review. [RWE's electricity production](#) from renewables increased by 27% to 45.2 terawatt hours (TWh) in 2023 compared to 35.5 TWh in the same period the previous year.

Markus Krebber, CEO of RWE AG: "RWE looks back on a successful fiscal 2023. We achieved very good earnings, significantly expanded our green portfolio and at the same time substantially reduced our CO₂ emissions. The fact that RWE is becoming increasingly climate-friendly while remaining a reliable energy company is not least thanks to our employees, whom I would like to thank for their outstanding performance last year. We are resolutely pursuing our 'Growing Green' strategy: another 100 projects with a total capacity of more than 8 gigawatts are already under construction."

RWE

Business performance 2023

The RWE Group's adjusted EBITDA (adjusted earnings before interest, taxes, depreciation and amortisation) for fiscal 2023 amounted to €8.4 billion, and thus exceeded the forecast range. At €7.7 billion, adjusted EBITDA from the core business also surpassed the outlook. This was mainly due to higher earnings from international electricity generation and the strong trading performance. Another key driver of earnings growth was the capacity expansion in renewables. Adjusted net income, at €4.5 billion, also exceeded the outlook. In contrast to developments in the RWE Group's international core business, its coal and nuclear business contributed less to earnings than in the previous year. RWE confirms its dividend target of €1.00 per share for fiscal 2023.

Offshore Wind: Adjusted EBITDA in the Offshore Wind segment amounted to €1.7 billion in fiscal 2023, compared to the prior-year figure of €1.4 billion. The increase in earnings is due to the commissioning of new capacity. More favourable wind conditions also had an impact, especially at RWE's UK sites.

Onshore Wind/Solar: The Onshore Wind/Solar segment recorded adjusted EBITDA of €1.2 billion in fiscal 2023 compared to €0.8 billion in fiscal 2022. This was primarily due to the earnings contribution from the business activities acquired as a result of the takeover of Con Edison Clean Energy Businesses in the US that were fully consolidated as of 1 March 2023, as well as the commissioning of new wind farms, solar parks and batteries. Lower realised power prices had a counteracting effect.

Hydro/Biomass/Gas: Adjusted EBITDA increased in fiscal 2023 to €3.2 billion, compared to €2.4 billion in the prior-year period. This is largely attributable to higher earnings from the commercial optimisation of our power station dispatch in the international generation portfolio and higher generation margins.

Supply & Trading: Due to a strong trading performance across almost all commodities and regions, adjusted EBITDA in fiscal 2023 increased to €1.6 billion, compared to €1.2 billion the previous year. Fiscal 2022 was negatively impacted by a one-off effect: sanctions on coal supplies from Russia led to an impairment of €748 million.

Phaseout business with coal and nuclear energy declining: RWE's Coal and Nuclear business is the only segment which closed below its prior-year level. Adjusted EBITDA declined to €705 million, compared to €751 million in 2022. This was below the forecast range. The decrease in earnings is a result of lower realised power prices. In addition, the Emsland nuclear power plant only contributed to earnings until it was shut down on 15 April 2023.

RWE

Solid financial position despite massive investments

In 2023, RWE invested €11.4 billion, more than doubling its capital expenditure (capital expenditure in 2022: €4.4 billion). The leverage factor, which reflects the ratio of net debt to adjusted EBITDA of the core business, remained well below the self-imposed upper limit of 3.0 at the end of 2023. As at 31 December 2023, RWE had net debt of €6.6 billion and an equity ratio of 31%, which is 10 percentage points higher than at the end of 2022.

Key figures for fiscal 2023 at a glance

€ million	Actuals 2023	Outlook 2023 (July 2023)	Actuals 2022
Adjusted EBITDA Offshore Wind	1,664	1,400-1,800	1,412
Adjusted EBITDA Onshore Wind/Solar	1,248	1,100-1,500	827
Adjusted EBITDA Hydro/Biomass/Gas	3,190	2,600-3,000	2,369
Adjusted EBITDA Supply & Trading	1,578	significantly above 600	1,161
Adjusted EBITDA Core business	7,673	6,300-6,900	5,559
Adjusted EBITDA Coal/Nuclear	705	800-1,200	751
Adjusted EBITDA Group	8,378	7,100-7,700	6,310
Adjusted EBIT	6,349	5,000-5,600	4,568
Adjusted financial result	-495	-550	-417
Adjusted taxes on income	-1,171	20%	-623
Adjusted minority interest	-147	-250	-275
Adjusted net income	4,536	3,300-3,800	3,253

Outlook 2024

In the current fiscal year, RWE expects that it will not be able to match the very good earnings achieved in 2023. RWE communicated its guidance at a Capital Markets Day last November. It envisages adjusted EBITDA within a range of €5.2 billion to €5.8 billion. This guidance remains unchanged despite the significant drop in power prices since then. However, the company currently expects a figure at the lower end of the range. The same applies to adjusted net income of the core business, which RWE anticipates will amount to between €1.9 billion and €2.4 billion. The dividend for the current fiscal year is expected to be raised to €1.10 per share. Details on the earnings forecast for the individual segments can be found in the [Annual Report 2023](#).

Michael Müller, CFO of RWE AG: “We confirm today the outlook for fiscal 2024 that we communicated at our Capital Markets Day. Due to the recent significant drop in power prices on the European wholesale markets, we expect a figure at the lower end of the forecast range. We stick to the planned increase in our dividend: this is set to rise to €1.10 per share for fiscal 2024.”

RWE

Outlook 2024

€ million	Outlook 2024	Actuals 2023*
Adjusted EBITDA Offshore Wind	1,450-1,850	1,664
Adjusted EBITDA Onshore Wind/Solar	1,500-1,900	1,248
Adjusted EBITDA Flexible Generation	1,800-2,200	3,217
Adjusted EBITDA Supply & Trading	100-500	1,578
Adjusted EBITDA	5,200-5,800	7,749
Adjusted EBIT	3,200-3,800	5,802
Adjusted financial result	-500	-495
Adjusted taxes on income	20%	-1,061
Adjusted minority interest	approx. -250	-148
Adjusted net income	1,900-2,400	4,098

*Partly adjusted figures to allow for comparison with the 2024 outlook.

Commentary on reporting

From fiscal 2024 onwards, the Hydro/Biomass/Gas segment will be renamed 'Flexible Generation'; it includes the activities from 'Hydro/Biomass/Gas' and the 30% stake in EPZ. The Coal/Nuclear segment, in which the lignite business and the nuclear decommissioning activities are pooled, has been renamed 'Phaseout Technologies'. RWE manages these based on adjusted cash flows. Coal and Nuclear are no longer included in adjusted EBITDA, adjusted EBIT and adjusted net income.

For further enquiries: Stephanie Schunck
RWE AG
Director Group Corporate
Communications & Public Affairs
T +49 (0) 201 5179-5177
M +49 (0) 162 26 555 88
E stephanie.schunck@rwe.com

Vera Buecker
RWE AG
Head of Media Relations
International & Finance
T +49 (0) 201 5179-5112
M +49 (0) 162 251 73 29
E vera.buecker@rwe.com

RWE

RWE is leading the way to a green energy world. With its investment and growth strategy Growing Green, RWE is contributing significantly to the success of the energy transition and the decarbonisation of the energy system. Around 20,000 employees work for the company in almost 30 countries worldwide. RWE is already one of the leading companies in the field of renewable energy. Between 2024 and 2030, RWE will invest 55 billion euros worldwide in offshore and onshore wind, solar energy, batteries, flexible generation, and hydrogen projects. By the end of the decade, the company's green portfolio will grow to more than 65 gigawatts of generation capacity, which will be perfectly complemented by global energy trading. RWE is decarbonising its business in line with the 1.5-degree reduction pathway and will phase out coal by 2030. RWE will be net-zero by 2040. Fully in line with 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.

Data Protection

The personal data processed in connection with the press releases will be processed in compliance with the legal data protection requirements. If you are not interested in continuing to receive the press release, please inform us at Datenschutz-kommunikation@rwe.com. Your data will then be deleted and you will not receive any further press releases from us in this regard. If you have any questions about our data protection policy or the exercise of your rights under the GDPR, please contact datenschutz@rwe.com.

