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Presentation by:

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Please check against delivery

Good afternoon ladies and gentlemen. Let me first welcome you to the analyst and investor conference for our 2008 full year results.

On February 10th, 2009, we already communicated you some preliminary figures for the 2008 annual results. Let me therefore briefly pass through the main financials for 2008.

We can look back at a strong operational performance in 2008. Adjusted EBITDA grew by 8 percent year-on-year to 13.4 billion Euros. Adjusted EBIT increased by 7 percent to 9.9 billion Euros. And Adjusted net income reached 5.6 billion Euros, up 9 percent year-on-year.

However, as a consequence of the impairments that we have already announced, as well as other non-operating items, net income attributable to shareholders declined from 7.2 to 1.3 billion Euros.

The Supervisory Board proposes to pay out a dividend of 1.50 Euro per share. At 51 percent, the proposed dividend payout is in line with our objective of distributing 50 to 60 percent of Adjusted net income. With an increase of 9 percent compared to last year, our shareholders will be able to share with the company’s success.

Finally, the acquisition of Viesgo and selected Endesa assets propelled E.ON’s economic investments to an all time high of 26 billion Euros. Economic net debt thus increased from 23 to 45 billion Euros, close to our targeted financial structure.

Strategy

Ladies and Gentlemen, let me now discuss our strategy for the coming years.

During 2007 and 2008, E.ON has successfully positioned itself on the European scale like no other competitor. In parallel, the group has accelerated organic investments to renew and grow its power generation portfolio, acquire a global scale in renewables, and strengthen its gas business.

However, over the last six months, we have witnessed deep upheaval in the international financial and capital markets. At an unprecedented pace, the entire economy has fallen into a recession which appears to be spreading wider, going deeper and lasting longer than most had anticipated.

Although E.ON remains probably more shielded than many other companies, the economic crisis will not leave us unaffected.

Four developments in particular are affecting our business prospects:

- First, the collapse of oil prices and of all other energy prices.
- Second, the devaluationof the currencies of a number of countries where we operate.
- Third, the unusual contraction of power and gas demand.
- And finally, the widening of credit spreads following the bankruptcy of Lehman Brothers.

As a consequence, we now expect 2009 Adjusted EBIT to match the level of 2008. And we have to acknowledge that it will not be feasible to achieve the 2010 Adjusted EBIT of 12.4 billion Euros before portfolio measures that we had committed to in May 2007. We now expect to achieve a 2010 Adjusted EBIT of 11 billion Euros before portfolio measures.

Marcus Schenck will provide you a more detailed explanation in a moment. Clearly, most of the changes to our 2009 outlook and 2010 target are due to external factors on which we have no control.

But we are not standing still. We are going to tackle the crisis head-on by focusing our strategy on the following three axes:

- First, we want to improve operational performance by our own efforts.
- Second, we want to further focus our business model and streamline our portfolio.
- And finally, we want to concentrate on organic investments and prioritize them more stringently.

Improving operational performance

Let me start with our first strategic priority: improving operational performance. We have already informed you on the key elements when we presented you the Perform-to-Win initiative one month ago.

Perform-to-Win will address the entire value chain and all functions within the group. The steering team has already identified more than 100 potential performance improvement measures.

Although many specific projects are still in validation phase, we expect that Perform-to-Win will help improve Adjusted EBIT by up to 1.5 billion Euros in 2011. The improvement of performance will be somewhat back-end loaded.

Cost savings would contribute about 1.1 billion Euros out of the 1.5 billion total, while the other 400 million Euros would be generated by a better utilization of our assets.

In addition to improving adjusted EBIT Perform-to-Win also aims to enhance and accelerate decision making by streamlining decision structures, clarifying responsibilities and simplifying lines of reporting.

Over the last years, E.ON has gained in size, and we firmly believe that this will support value creation in the future. But our vision of making E.ON the leading power and gas company is not only about size, it is also about quality. With Perform-to-Win, we want E.ON to move to the top of the rankings in operational excellence.

Portfolio streamlining

Ladies and gentlemen, let me now move to our second priority: portfolio streamlining.

In less than 12 months, we have doubled the number of Market Units, from 5 to 10. Most market unit count several business units, which in some cases comprises a number of activities.

There is no doubt that E.ON has become a complex group. To some extent, we can try to simplify what is existing. But we have come to the conclusion that we need to focus on fewer activities, and that we must run harder those we decide to stay in. That is what the portfolio review is about.

In practice, we are testing each business and each asset for its strategic fit on the one hand, and for its financial performance and prospects on the other hand.

The portfolio review has already yielded substantial results.

- At the end of 2008, we completed the asset swap with Statkraft, which provides us full control over E.ON Sweden.
- We have signed agreements with Electrabel and EnBW to swap 1.7 GW and sell 0.5 GW of generation capacity in Germany.
- We are currently negotiating the swap of 2.9 percent of our Gazprom stake for 25 percent minus one share in the Yuzhno Russkoje gas field.
- We are preparing the disposal of the power transmission network in Germany
- We are looking at the possibility of a disposal of Thüga.

For several of these steps, we succeeded to combine portfolio streamlining with other strategic objectives. The asset swap with Electrabel for example helps us fulfill the compromise with the EU Commission while allowing us to extend our presence in generation outside Germany. Another example is the Gazprom –Yuzhno Russkoje asset swap, which would bring us close to our target of producing 10 bcm of equity gas per year.

Our short-term priority regarding the portfolio review is to execute on the already announced transactions, as most of them are still pending. I am thus not going to announce any specific new steps today.

Nevertheless, rest assured that the portfolio review is gathering strength. All in all, our goal is to achieve more than 10 billion Euros of cash-effective divestments by the end of 2010, capital market conditions permitting. This includes those disposals that we have already announced, plus a number of options that we are currently evaluating but which we are not yet ready to communicate on.

Investment plan

Let me now come to E.ON’s third strategic axis: prioritize our investments.

Last year, we invested 26 billion Euros. Thereof, 11.5 billion Euros was spent on the acquisition of Viesgo and selected Endesa assets, and 4.4 billion Euros on the cash-neutral Statkraft asset swap.

The other 10 billion Euros were mainly invested in our priority areas for organic growth: conventional power generation, renewables, and the gas business.

We planned initially to invest 36 billion Euros over the period 2009 to 2011, in line with the run rate of the previous investment plan for the period 2009-2010.

However, we have decided to limit investments for the period 2009-2011 to 30 billion Euros, or approximately 10 billion Euros per year. Obviously, due to the economic downturn, it makes sense to postpone or cancel some investments. Furthermore, even at 30 billion Euros, the overall level of investments remains high, and we want to keep our financing in balance.

We have rechecked the value creation potential of a sample of our investment projects. In power generation for example, most projects that are currently under construction were ordered when component prices were at attractive levels. This stress-testing exercise indicated that, even in a more stressful environment, these investments fulfill all our financial criteria. We are thus confident that the investments that are fully committed to, and especially the 18 power plants under construction, will create value for shareholders.

The 6 billion reduction of our investments for the period 2009-2011 will thus mostly apply to projects for which we have easy options to postpone or cancel. Before taking firm decisions, we will carry out a thorough re-assessment of each project, and establish a stringent prioritization among all the potential investments.

This should ensure that the projects with the highest value creation potential come on top of the list.

Dividend policy and share buy-back

Ladies and Gentlemen, before handing over to Marcus Schenck, I would like to say a few words about our dividend policy.

Our dividend policy remains unchanged: we want to pay out between 50 and 60 percent of Adjusted net income as dividends. However, as we do not expect to achieve 12.4 billion Euros of adjusted EBIT in 2010, we can not confirm our previous expectation of growing the dividend by 10 to 20 percent per year on average between 2006 and 2010.

It is also likely that we will postpone the completion of our share buy-back program for much longer than we initially anticipated.

Nevertheless, we believe that, in these difficult times, our dividends will remain attractive compared to many companies and sectors, and will allow our shareholders to share in E.ON’s success.

I will now hand over to Marcus Schenck, who will discuss our 2008 results in more detail, and present our outlook for 2009 and 2010.

Thank you Marcus.

Ladies and gentlemen, Marcus Schenck has just given you a detailed outline of our prospects for 2009 and 2010. Let me provide some insights on the perspectives for 2011 and beyond.

We believe that the current economic crisis will not fundamentally change the dynamics of our industry. We therefore remain optimistic about E.ON's medium and long-term prospects.

In power generation, replacement requirements play a much larger role than demand growth in the balance between supply and demand. The current economic crisis does not change anything to the fact that most of the existing UK nuclear fleet will shut down by 2020 for example. The Large Combustion Plant Directive will also remove coal-fired capacity in many countries. And the growth of renewables will have to be backed by flexible capacity.

The current weakness of demand will therefore have only a limited and temporary impact on the equilibrium of the market. Furthermore, we are likely to see the postponement or the cancellation of many new-build projects.

We therefore expect power prices and margins to recover during the next decade. We currently have 18 conventional plants under construction. Many will come into service in 2010 and 2011, and contribute to earnings growth after 2010.

The recent dispute between Russia and Ukraine has also underlined the strength of our strategy of diversified supplies backed by a solid infrastructure. In the gas business, the development of our gas upstream and storage businesses will provide most of the earnings growth after 2010.

Of course, renewables also remains a growth story. The sector might benefit from additional public support as part of so-called 'Green Deals'. E.ON is rolling out its strategy of driving renewables to industrial levels. We have multiplied our renewable capacity by five in less than 18 months. We are adding about 1 GW of renewable capacity per year, and have thus joined the very select 'Gigawatt Club'. As a result, we expect to reach around 4 GW of renewable capacity in 2010 and about 10

GW in 2015. The earnings contribution of our market unit Climate & Renewables will grow rapidly, in line with its asset base.

Our new markets, especially Russia, should also see strong earnings growth after 2010. The liberalization of the Russian market is scheduled to complete in 2011. Power prices and spreads should progressively converge to market levels. In addition, the 4 power plants that will be commissioned there between 2010 and 2012, will add substantial earnings.

The extensive commissioning of new power plants, the development of our gas business, the growth of renewables and of new markets form a substantial number of growth drivers for 2011 Adjusted EBIT. On top of that, we will also see the completion of the Perform-to-Win initiative.

The question remains what will be the impact of commodity prices, as the current 2011 power forwards are trading at lower levels than 2010 hedged power prices.

Conclusion

Ladies and gentlemen, let me now conclude.

The last few months have seen an extremely rapid turnaround of economic fortunes.

In all likelihood, 2009 and 2010 will be dominated by the economic crisis. To some extent, we had to adjust our strategy and expectations. Nevertheless, E.ON's broad geographic presence, diversified asset base and solid finances provide us trump cards to overcome the crisis successfully.

Furthermore, by improving our operational performance, streamlining our portfolio, and prioritizing our investments, we are laying solid foundations for E.ON's future growth.

This concludes our presentation. Thank you for your attention. We are now ready to take your questions.