



Welcome to E.ON's Conference Call

First Half Results 2000

August 17, 2000

Agreement between E.ON and BT

- E.ON receives a Put-Option to sell its 45% stake in VIAG Interkom to BT between 1st of January to 31st of January 2001
- BT receives a Call-Option to acquire a 45% stake in VIAG Interkom between 1st of May to 31st of July 2001
- The exercise price for Put and Call-Option is set at roughly 6.6 billion Euros and can be adjusted in accordance with the price for UMTS license.
- Minimum option price is 6 billion Euros and the maximum 7.8 billion Euros

E.ON Group`s 1st Half Results

- Accounting and valuation policies are not yet harmonized
- Former VIAG numbers are based on International Accounting Standards (IAS)
- Former VEBA numbers are based on US GAAP, insofar as permissible under German GAAP
- The results are simply added together and are not consolidated

Group Performance (1)

€ in millions

	1st half 2000	1st half 1999	+/- %
Group External Sales	46,881	34,878	+34
Group Internal Operating Profit	1,712	1,896	-10
Electricity	1,118	1,665	-33
Oil	55	-27	-
Chemicals	379	377	+1
Telecommunications	-274	-374	+27
Real estate	39	79	-51
Other Activities	454	129	+252
E.ON AG/consolidation	-59	47	-



Group Performance (2)

€ in millions

	1st half 2000	1st half 1999	+/- %
Group Internal Operating Profit	1,712	1,896	-10
Net book gains	4,464	1,875	+138
Cost-management and restructuring expenses	-116	-81	-43
Other non-operating earnings	-620	-200	-210
Foreign E&P taxes	224	118	+90
Pretax Income	5,664	3,608	+57
Income taxes	-2,344	-843	-178
Income after taxes	3,320	2,765	+20
Minority interests	-288	-183	-57
Group Net Income	3,032	2,582	+17

Electricity - Power supply (pro forma figures)*

kWh in millions

	1st half 2000	1st half 1999	+/- %
Standard-rate customers	15,908	15,189	+4,7
Special-rate customers	26,891	24,399	+10,7
Distributors	61,422	49,878	+22,9
Foreign utilities	14,450	6,606	+118,7
Traders	3,327	1,664	+100,0
Total power supplied	104,221	89,466	+16,5

* preliminary

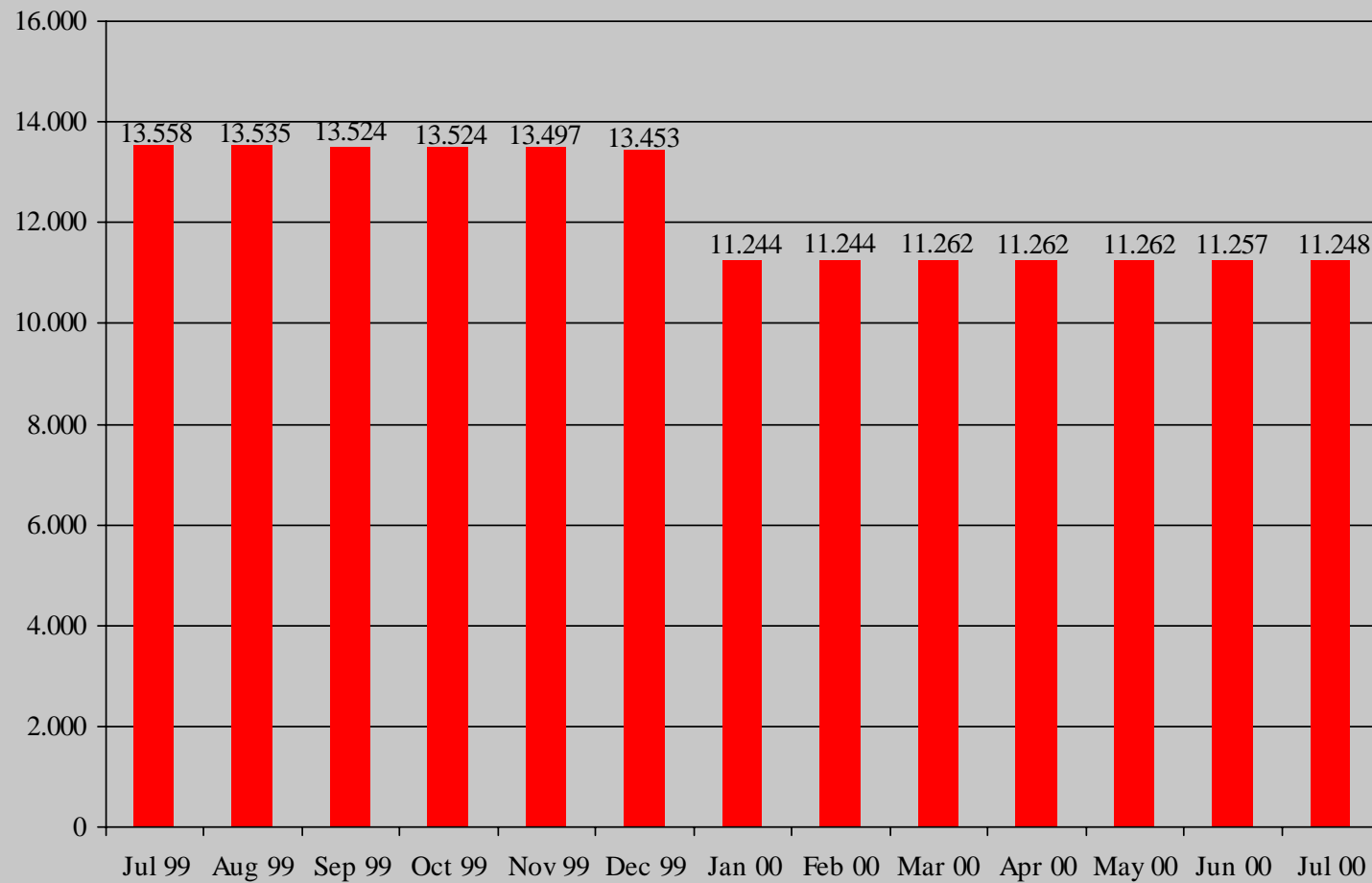
Electricity - Internal Operating Profit

in millions

	PreussenElektra 1st half 2000	+/-% 1st half 2000 vs. 99	Bayernwerk 1st half 2000	+/- % 1st half 2000 vs. 99	Total	+/- % 1st half 2000 vs. 99
Sales Volume (kWh)	63,101	+17	41,120	+16	104,221	+16
Sales (€)	4,031	+4	2,325	-17	6,356	-5
Internal Operating Profit (€)	528	-42	590	-22	1,118	-33

Electricity - German industrial power prices

in Pf/kWh



Source: VIK

Electricity - Price comparison special-rate customers*

in Pf/kWh

	July 2000	July 1999	+/- Pf/kWh	+/- %
VEAG	12.163	14.175	-2.01	-14.19
EnBW	13.131	13.512	-0.38	-2.82
Bayernwerk	10.270	13.653	-3.38	-24.78
BEWAG	12.120	13.720	-1.60	-11.66
Germany	11.248	13.558	-2.31	-17.04
VEW	12.835	13.163	-0.33	-2.49
HEW	13.690	14.870	-1.18	-7.94
RWE	9.862	13.439	-3.58	-26.62
PreussenElektra	11.795	13.142	-1.35	-10.25

* average prices, excl. electricity taxes and sales taxes
Source: VIK

Electricity - Price comparison standard-rate customers*

in Pf/kWh

	June 2000	June 1999	+/- %
PreussenElektra	25.78	27.20	-5.25
Bayernwerk	30.03	32.36	-7.21
BEWAG	28.32	31.46	-9.98
EnBW	30.15	29.65	+1.69
HEW	29.72	31.92	-6.88
RWE	26.17	27.28	-4.09
VEW	27.80	30.80	-9.74

* average prices, incl. electricity taxes but excl. sales taxes
Source: E.ON Energie

Oil - Key figures

€ in millions

	1st half 2000	1st half 1999
Internal Operating Profit	55	-27
Upstream	71	-20
Downstream	9	33
Others	-25	-40
Average crude oil price (\$/barrel)	26.8	13.4
Refinery margins (\$/ton)	20.4	11.0
Hedging losses	-104	-38

Chemicals - Internal Operating Profit

€ in millions

	Degussa-Hüls 1st half 2000	+/- % 1st half 2000 vs. 99	SKW Trostberg 1st half 2000	+/- % 1st half 2000 vs. 99	Total 1st half 2000	+/- % 1st half 2000 vs. 99	+/- % adj.* 1st half 2000 vs. 99
Sales	7,644	-	2,068	+20	9,712	+3	+28
Internal Operating Profit (€)	276	+1	103	-	379	+1	+22

* Adjusted for Degussa`s 4th quarter 1998 sales of € 1.8 billion and IOP of € 66 million

Telecommunications - Key figures

€ in millions

	1st half 2000	1st half 1999
Sales	467	239
Internal Operating Profit	-274	-374

Mobile Communications by Country

Market Share

Germany:	1,800,000 subscribers	6%
Austria:	730,000 subscribers	16%
Switzerland: over	600,000 subscribers	17%
France:	over 3,800,000 subscribers	19%

Real estate - Key figures

€ in millions

	1st half 2000	1st half 1999
Sales	563	515
Internal Operating Profit	39	79

- **Energy Services:**
 - Income is now distributed over the entire 12-month period instead of a lump sum in one quarter
- **Number of housing units sold:**
 - 585 units vs. 1,307 units
 - Full year housing units to be sold: 4,100 units vs. 2,935 units (1999)

Internal Operating Profit - Other Activities

€ in millions

	1st half 2000	1st half 1999	+/- %
VAW Aluminium	156	102	+53
Distribution/Logistics	330	118	+180
Stinnes	104	74	+41
VEBA Electronics	153	22	+596
Klöckner & Co.	73	23	+217
Schmalbach Lubeca	22	18	+22
Gerresheimer Glas	8	9	-11
Silizium-Wafer	-62	-118	+48
Total	454	129	+252

Outlook

- Full year Group internal operating profit to be lower in 2000 than in 1999
- Electricity's full year earnings to come in markedly below the prior year's showing
- Oil's internal operating profit will be considerably higher year-on-year
- Chemicals to report higher earnings than in 1999
- Telecommunications to report considerable start-up losses, but on a level that is lower than in prior years
- Aluminum to report internal operating profit on par with the 1999 figure
- All other activities to report higher - in some cases quite considerably higher - internal operating profit than in 1999
- Pre-tax and Net Consolidated Income will come in far ahead of last year's figures

Summary

- The First Half Results are gratifying
- In the Electricity division, the worst is behind us, but we will continue to cut costs further
- Focus and streamline our portfolio rapidly
- A strong competition player worldwide, especially in Europe