



**Telephone Conference on the Release of
E.ON AG's Interim Report for January 1 – June 30, 2007**

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Presentation by:

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Chairman of the E.ON AG Board of Management and CEO

Please check against delivery

Ladies and gentlemen, welcome to today's telephone conference. E.ON put in another very successful performance last quarter. In the first six months of 2007, we increased sales by 4 percent to €35.6 billion and adjusted EBIT by 7 percent to €5.4 billion. The increases posted by our U.K. and Nordic market units made a key contribution to this solid result.

In late May, we presented a package of strategic initiatives and investments as part of the E.ON Group's continuing development. These initiatives and investments are designed to make us an even more successful company in the future, but above all to help us seize the opportunities created by the integration of Europe's energy markets. We set new growth and profitability targets and announced measures regarding the management of our capital structure. In a few moments, Marcus Schenck will be updating you on these issues. Our main aim, though, was to combine key functions in order to lay the foundation for further growth. We'll be taking this route with energy trading, the planning and construction of power plants, and renewable energy.

Europe's national borders have ceased to be relevant for power trading. That's why we're combining all of our European trading activities—including power, gas, coal, oil, and CO₂ emission allowances—in a new unit which will be called E.ON Energy Trading. Compared with organizationally separate trading companies, a single unit will better enable us to seize the earnings and growth opportunities created by European market integration. We're in the middle of establishing this new unit. In the weeks ahead we'll announce where our European trading business will have its headquarters.

Similarly, a single unit will manage the construction of new coal-fired and gas-fired power plants across Europe. We're already building our new power plants assembly-line style. We're building three identical

coal-fired power plants in Datteln, Rotterdam, and Staudinger and two technically similar gas-fired power plants in northern Italy and Munich. By centralizing planning and construction and establishing uniform technical standards, we achieve decisive cost advantages. It makes sense to realize these synergies and this savings potential. After all, we're investing a total of approx. €16 billion to construct technologically advanced, climate-friendly power plants, one of the key focuses of our €60 billion investment program.

The construction of more efficient power plants also makes an important contribution to climate protection. By 2030, we aim to halve the specific carbon-dioxide emissions of E.ON's generation fleet compared with 1990 levels. In the future, we'll thus also play a leading role internationally in climate protection and renewable energy and support the EU Commission's objective that renewables account for at least 20 percent of the EU's primary energy by 2020.

Consequently, we're significantly expanding our renewable-energy operations. Through 2010 alone, we plan to invest €3 billion in renewables. Our first big step in this direction was the acquisition of wind farm operator Energi E2 Renovables Ibéricas from Dong Energy, a Danish power company, which substantially enlarges our wind-power business. We have other wind power projects in various stages of planning. The most significant is a 1,000 megawatt wind farm sited in the Thames estuary that we plan to build with other partners. It will be the world's largest offshore wind-power facility. Our goal is to have 2,600 megawatts of installed wind power capacity within the next few years. This would make us one of Europe's leading companies in this business. A new unit will also centrally manage our renewables operations. This is also a sign that renewables will play an increasingly important role in E.ON's energy mix.

The acquisition of Dong's wind-power activities also marks our return to Spain, where this past April we'd said "hasta pronto" ("see you

soon”). We’re back faster than some would’ve thought. The new wind farms complement the Enel Viesgo and Endesa power plants that we’ll acquire under the agreement we reached with Enel and Acciona in connection with the Endesa takeover process. By 2010, this would give E.ON more than 7 gigawatts of generating capacity in Spain.

Last week, the EU Commission unconditionally approved our acquisition of Endesa Europa and Viesgo. This represents an important step in the takeover process and gives E.ON the opportunity to make substantial progress implementing its strategy. We expect the transaction to close in the first half of 2008.

Another focus of our strategy is the expansion of our gas business, in which we intend to invest €10 billion through 2010. We’re investing in new infrastructure by building new storage facilities, pipelines like the Nord Stream Baltic Sea pipeline, and LNG terminals. But the main focus is to significantly expand our position as a gas producer. In late July, we acquired 28 percent of Skarv and Idun, important natural gas fields in the Norwegian North Sea. We’re investing just under €2 billion to acquire a stake in the fields and tap their reserves. For ten years after production begins, our annual share of the fields’ production will be about 1.4 billion cubic meters, enough gas to supply a city of 2.5 million people for one year. We continue to work towards sourcing 10 billion cubic meters of natural gas from our own production portfolio.

In addition to enhancing security of supply for customers, we also continue provide clear impetus for more competition. “E wie einfach” (“E as in Easy”), our new power and gas retail brand, has been a real success. In just under six months, we already have more than 100,000 customers, and the business continues to grow. Its success is about more than attractive prices. In an independent survey of Germany’s main power suppliers, “E wie einfach” received top marks for service quality and the customer-friendliness of its contractual terms. These,

along with price, are customers' most important criteria when choosing an electricity supplier. This shows me that we're focusing on the right thing: the customer.

By rapidly implementing our strategic initiatives, we're once again showing that we're working hard to meet our growth targets and boost our performance. Our first-half results demonstrate that we're well positioned to get there. Thank you for your attention.

I'll now hand things over to Marcus Schenck who will now give you a detailed look at our first-half results.

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