



**E.ON International Media Trip “Offshore Windparks”
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Renewables in E.ON Markets – We follow the Resources

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Ladies and gentlemen,

Giving the final speech after two days packed with information and impressions is never an easy task. Even more because I'm convinced that my colleagues provided you with all the necessary information you need to get a comprehensive picture of E.ON's wind business and the challenges the industry is facing. So I can focus on summarizing our two days before we head back home.

First of all, I'd like to thank all of you for the huge interest you've shown and for the broad, international presence on your side that reflects the pan European position of E.ON and our renewables business

In only two years, we have managed to gain a secure foothold in the strategically attractive and rapidly growing renewables business. Wulf Bernotat and Frank Mastiaux already provided you with a detailed insight of our view of the global development of the renewable industry and the rationale for E.ON to enter this business *now* –with the aim of taking it from boutique to industrial. I don't need to repeat that. Instead, I want to point your attention to another aspect of E.ON's strategy. Thanks to the broadness of our technological expertise, our geographical diversification and our international market presence we are in the unique position to develop our renewables business much better than many other players in this field. Why?

Let's take a look at our Markets Central Europe, UK, Scandinavia, France, Italy and Spain. In all those Market we have a good, sometime even a very strong generation basis with our thermal, sometimes nuclear and sometimes large hydro generation assets. Sometimes we also run or manage parts of the grids. So in all those regions we really know how the structure of the energy market works, we are part of them. Based on that strong foothold we can then carefully but decidedly invest into the most appropriate renewables technologies. Other than running that business stand alone we can use the advantages of a company that knows the market, for example regarding administrative and regulatory processes.

In our markets we follow a very strict logic if it comes to the decision, which generation technology should be used in which region. The

logic is: “We follow the resources”. We implement and operate only those technologies in a respective country or region which can be operated in a sustainable manner. Whose economics are, for example, comparatively robust against politically induced changes in subsidy schemes. Of course, we invest for long term energy security but we do this wisely by making sure every Euro counts. We truly believe that a Euro wasted in wind farms that don’t run or solar parks in cloudy regions is one Euro too much if you take the challenge of climate change seriously – and we do. We at E.ON do not need to forcefully implement and use any technology in only one market. On the contrary: The unique international presence of E.ON makes it possible to work along an intelligent matrix of technologies and regions, so that we are able to combine our renewables activities with the development or expansion of positions in diverse markets.

Take Spain: It is one of E.ON's most dynamic markets. Here we primarily have onshore wind farms with over 250 MW installed capacity. And we want to grow further in this sector in Spain. At present, we intend to participate in the bidding for over 1,000 MW of new wind capacity in the Aragon region, the same region as our new Escatron gas-fired power station. Spain will thus remain a pioneer in the use of onshore wind energy within the E.ON Group.

Onshore has also still a very strong potential in Northern America, one of the most attractive markets for renewable energy in the world and at present our largest single renewables market. Today we operate six large wind farms in the US, one of them is Roscoe in Texas, which will be completed in Autumn. When built, Roscoe will be the world’s largest wind farm with 627 wind turbines and a total capacity of nearly 800 MW – that’s enough power for 265,000 Texan homes. There you can see what we mean when we talk about “industrial scale”.

While we still see lots of possibilities to grow our wind generation capacity onshore in Spain or the US, northern Europe’s wind future lies offshore. At E.ON we are increasingly focusing on the development of our offshore wind capacities, in the Nordic region, in Germany and of course in the UK. Over the past two days, you have

gained a good insight into what we already achieved and what we're heading for in offshore technology.

Due to its high market maturity and available resources, wind energy will thus be the technology that has the greatest worldwide share of capacity by 2020. But on a long-term basis, we think that solar energy has an even greater potential than wind energy. In the next few years alone, the use of solar energy will be considerably boosted by photovoltaics and solar-thermal power known as concentrated solar power (CSP).

We are therefore intensifying our efforts in this respect too. But again: No solar farm in Nordic or Scotland, but strictly only where the resource – sunshine and clear skies – is given: in Southern Europe, Northern Africa or generally speaking: in the Mediterranean. We've only started our solar story. Only a few weeks ago, we opened our first solar farm in southern France. We intend to considerably step up these activities in France and in other E.ON markets. We can also imagine targeting Italy, clearly one of the markets generally qualified for efficient use of solar energy.

As a result, we will have an excellent portfolio of the right renewable technologies in the right places with bright development prospects. This will enable us to continue the steep growth path we entered in 2007.

We intend to massively expand the share of renewables in our energy mix. We will do this with the aid of wind, hydro and solar energy as well as biomethane and biomass and, in the long run, wave and tidal energy. By 2011, we will have invested €8 billion in the expansion of renewables. This is an enormous effort for an investor-owned company, both regarding our management capacity and our financial scope. It is more than we invested in our important entry into the Russian market, roughly 10 % of the E.ON market value and even more than the market value of some other stock listed companies in the German DAX 30.

By 2015 we will increase the share of renewables to 18 % – with our total generation capacity increasing significantly. By 2030 the share of renewables will then treble against a backdrop of rising overall

capacities: It will reach 36 %, far more than nuclear which then will account for some 11 %. This means that in E.ON's energy mix in 2030 - half of which will be carbon-free - renewables will have the largest stake. It will be over three times that of nuclear energy.

This demonstrates once more E.ON's strategy for the future. Only if we, as one of Europe's leading energy companies, offer innovative solutions and viable concepts for the future at all three corners of the energy triangle, can we hold our own in competition to gain customers and market shares - and live up to our social responsibility. We are in an excellent starting position: In the field of renewables, we are already one of Europe's leading companies – and we will redouble our efforts. And we will of course keep you and the public informed about our next steps. You should expect more to come from E.ON.

Thank you for your attention and for some excellent discussions over the past days. We now must start our journey back to Dusseldorf. I wish you all a safe trip home.

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