Non-Deal Debt Investor Call

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23 November 2010

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Financial update 2010

Q3 reporting

- Adj. EBIT +9%, Adj. EBITDA +9%
- Adj. net income +2%
- Operating cash flow +37%
- Impairment charge of ~€2.6bn

Outlook FY 2010

Confirm 2010 target of

- Adj. EBIT +0-3%
- Adj. net income in-line with prior year (+/- 3%)

Portfolio management

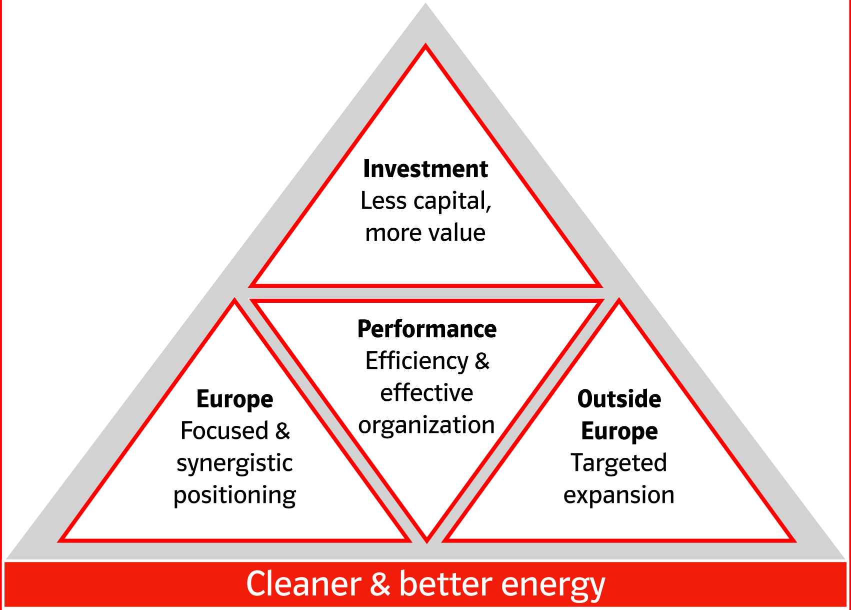
Status quo as of Q2: on track to generate ~€13bn of disposal proceeds

Since then…

- Closed sale of E.ON US as of Nov 1 (disposal proceeds of €6.0bn)
- Various additional disposals leading to cash proceeds of ~€0.5bn

Good financial results and strong track record in execution of disposal program

E.ON strategy – Transform a European utility into global, specialized energy solutions provider



From		To
Integrated across value chain	▶	Focus on competitive businesses
Eurocentric	▶	Targeted expansion outside Europe
Selective efficiency programs	▶	Sustainable performance culture
Capital intensive	▶	Competence-based

Cleaner & better energy for our customers - Less capital, more value for our investors

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E.ON's skills & assets

Broad European position and strong expertise & experience

Generation	• World-class nuclear operator • Operational success via innovative functional fleet management • Successful delivery of new-builds in Europe
Renewables	• World-class operator in on- and offshore wind, rapid increase of solar position • "Boutique to industrial" approach with substantial benefits in capex, project delivery and operational performance
Global Gas	• One of the largest European gas players • Secure and diversified gas supply, long-term relations with producers • Expertise in management of supply, sales and infrastructure positions
Trading	• Leading pan-European energy trading house • Superior asset optimization and origination results • Leading risk-management capabilities
Sales & Infrastructure	• Experienced sales provider with more than 26m customers across Europe • Successful development of innovative energy solutions • One of the largest European players in distribution

Leverage competitive advantages in changing energy environment

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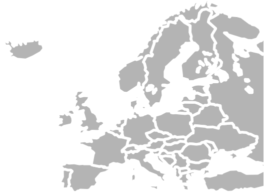
Current market challenges and future developments

Current market challenges

- Lower consumption, unconventional gas and additional LNG: gas prices and gas/oil-linkage under pressure
- Reduced demand and commodity prices due to economic crisis: lower power prices and spreads

→ Earnings pressure in next 3-4 years



Future developments in Europe

- Low energy demand growth
- However, transformation towards greener energy system requires significant investments and better energy solutions
- Increasing political interventions
- However, further integration of European regions

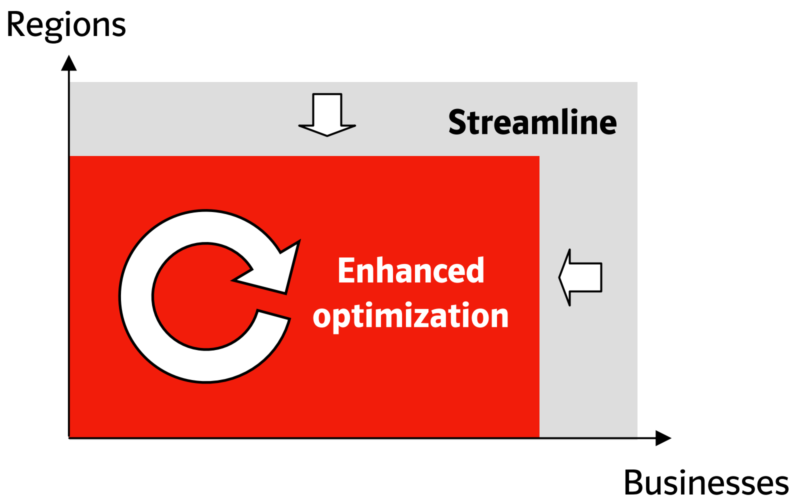
Future developments outside Europe

- Sustainable demand growth especially in emerging and developing countries
- Increasing need for better energy expertise, both technological and system related
- Demand for cleaner technologies

System transformation in Europe, demand growth & need for expertise globally

Europe – Focused & synergistic positioning

Transformation



Streamlining expected to deliver ~€15bn proceeds by end 2013

Priorities for key segments

Generation & Trading

- Selective investments in flexible and low-carbon conventional generation
- Continued investments in industrial-scale and cost-efficient renewable generation

Gas

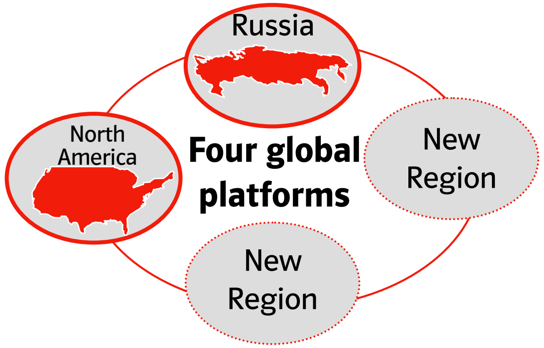
- Adapt LTCs to de-risk Supply & Sales business
- Realize synergy potential and extract full asset value by integrated European optimization

Downstream

- Strengthen competitiveness through efficient operations and innovative customer solutions

Free up resources and drive transformation of businesses

Outside Europe – Targeted expansion



E.ON already present in 2 regions outside Europe

- North America (renewable generation): develop further in line with political framework and market development
- Russia (conventional generation): complete new build program

E.ON will develop 2 additional high growth regions

Strategy for growth in new geographical regions

- Focus on segments with proven outstanding expertise, in particular conventional & renewable generation
- Combine own expertise with market know-how from local partners
- Limit commodity exposure through business model design
- Focus on organic developments with highly disciplined investment approach

Dedicated accountabilities

- Frank Mastiaux accountable to develop outside Europe, reporting to Marcus Schenck in the E.ON Board

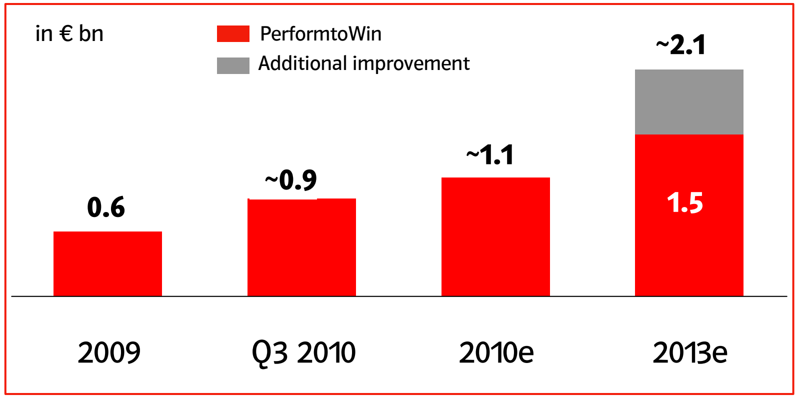
Target to increase non-EU adj. EBITDA from 5% to 25% by end 2015

Efficiency

From program to sustainable performance culture

PerformtoWin program

- Basis for group wide efficiency culture
- Started in 2009 with target of €1.5bn annual adj. EBIT impact by end 2011
- Well on track to achieve €1.5bn target



Performance culture

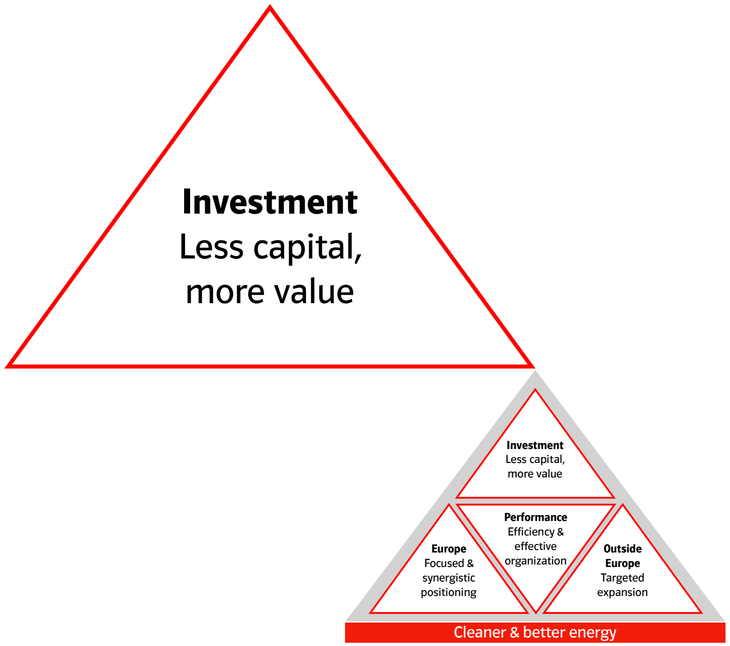
- Efficiency as fundamental value for all of E.ON's business activities
- Objective of belonging to top quartile of competitors in all businesses and processes

- Further efficiency improvements due to ongoing measures
- New management model improves transparency and allows identification of further efficiency potentials

→ Additional improvement: +€0.6bn by end 2013

Target €2.1bn by end 2013

Less capital, more value



Principles

Investment philosophy

Competence-based, not capital-based approach

- Past emphasis on full ownership resulted in high capital needs
- Now utilize capital as enabler rather than end in itself – focus on process steps with higher value creation potential

Financial criteria for new growth investments

- Demanding investment hurdles:
  Post tax project returns > cost of capital + 150 bp

More efficient use of capital

Structure

Key enabler to execute strategy and become more efficient & transparent

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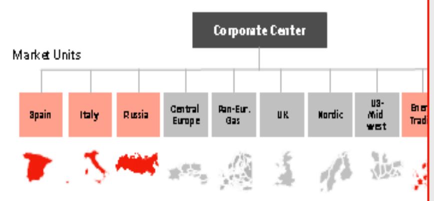

To

Group Management

- Generation[1]
- Renewables[2]
- Trading
- Global gas
- Germany[3]
- Other EU countries[3]
- Russia[4]
- Support functions[5]

Global units | Regional units | Support functions

Future external reporting structure[6]

Leaner and more market oriented organization

1. Incl. EBITDA of all conventional generation (previously in Market Units) 2. Incl. hydro 3. Distribution and sales; gas sales included in Germany 4. Special focus country 5. IT, Procurement, Insurance, Consulting, Business Processes, these are not reported separately externaly 6. "Outside Europe" to be reported separately after having reached the necessary size

Financial targets – Summary

Results	• Adj. EBITDA 2013 >€13bn (vs. 2010 adj. EBITDA of >13bn) • Adj. EPS 2013 ~€2.4 (vs. ~€2.7 for 2010)
Dividend	• Dividend policy: pay-out 50-60% of adjusted net-income • Target €1.5 DPS for 2010; minimum €1.3 DPS for 2011 & 2012
Rating/Credit ratios	• Solid single A rating • Medium term debt factor ≤3x • Target disposal proceeds of ~€15bn by end 2013 to reduce debt and execute strategy

Less capital
more value
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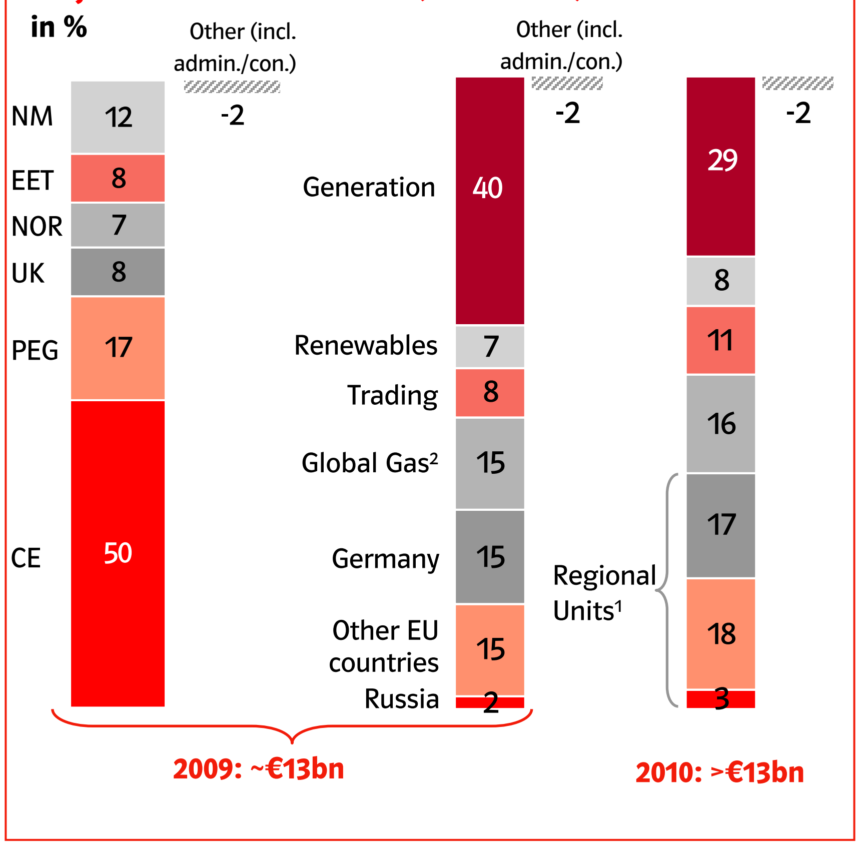
Financial targets – Group

Adj. EBITDA development

Adj. EBITDA 2009 & 2010 (indicative)



Adj. EBITDA 2013 (€bn)

Generation:	**2.2 - 2.7bn**
Renewables:	**1.1 – 1.5bn**
Trading:	**0.3 – 0.5bn**
Global Gas:	**2.5 – 3.0bn**
Germany:	**2.0 – 2.5bn**
Other EU countries:	**2.7 – 3.0bn**
Russia:	**0.8 – 1.0bn**
Group:	**> 13bn**

Stable earnings on a like-for-like basis

1. For functional split see chart 34
2. Thüga presented in regional activities

Less capital more value

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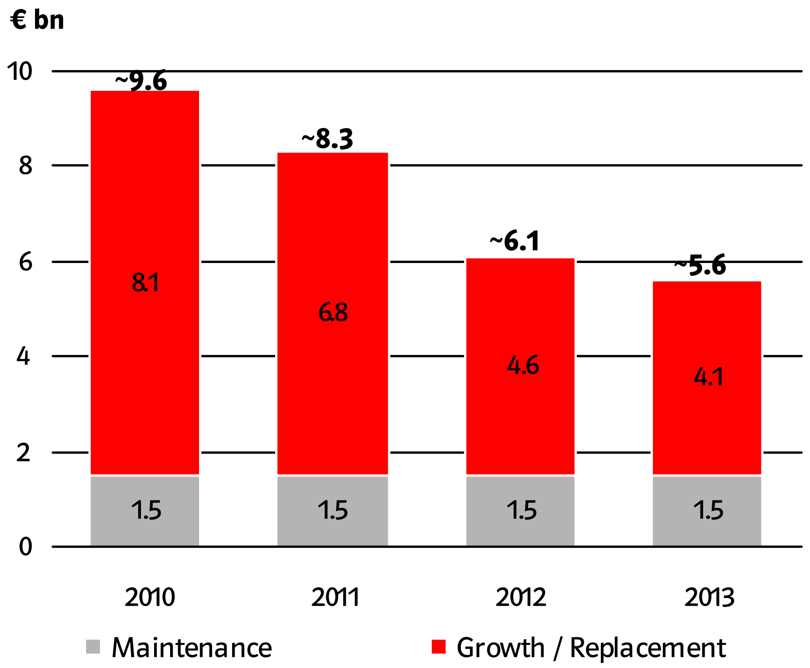
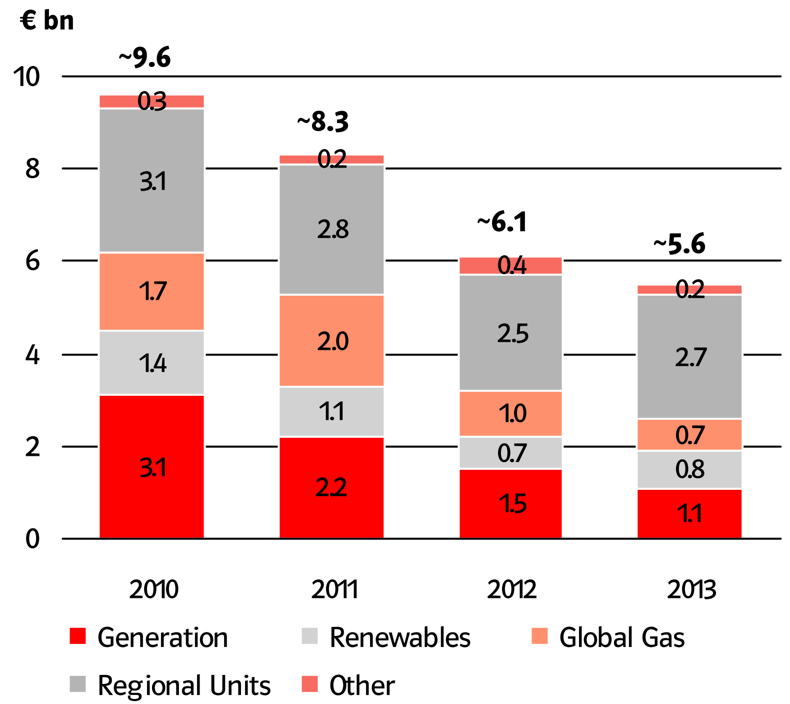
CAPEX plan 2010-2013

E.ON Group capex



→ Total E.ON Group capex 2011-2013: ≤€20bn

E.ON Group capex split

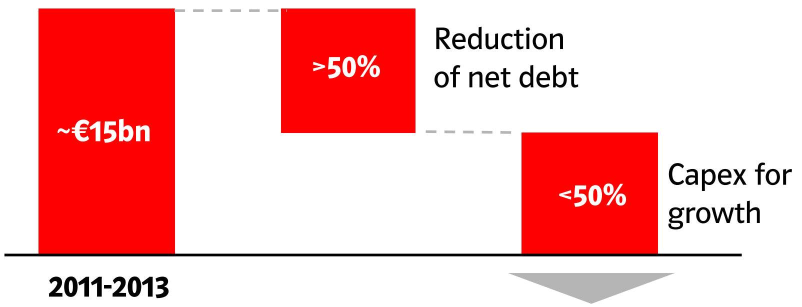


Execute existing project pipeline which is close to completion (assumption of stable portfolio)

Portfolio & balance sheet management

Disposal program and use of proceeds

Debt reduction and additional growth capex



Additional growth capex

>50% in Renewables

>50% Outside Europe

Portfolio management objectives

Review process

- Review entire asset portfolio on basis of strategic and financial criteria
- Dispose additional ~€15bn worth of assets by end 2013
- Proceeds mainly used for:
  - Reduction of economic net debt
  - Implementation of strategy

Effects of disposals

- Increased financial flexibility and strengthened balance sheet
- ~€15bn disposals reduce adj. EBTIDA by €1.5–2.0bn

→ Redeployed capital to deliver higher value

Reduction of economic net debt & acceleration of business development

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Summary

Key strategic statements	**Transform a European utility into a global, specialized energy solutions provider** • Within Europe, focus on competitive businesses & integrated markets and release capital • Outside Europe, targeted expansion in conventional and renewable generation (25% of group adj. EBITDA by end 2015) • Develop and foster high-performance culture (increase performance improvements by €0.6bn to €2.1bn by end 2013) • Employ less capital, create more value by using competencies & skills rather than our balance sheet only
Key financial targets	• 2013 vs. 2010 adj. EBITDA unchanged (>€13bn) • Target disposal proceeds of ~€15bn by end 2013 to reduce debt and execute strategy
Dividends & Rating	• Target €1.5 DPS for 2010; minimum €1.3 DPS for 2011 & 2012 • Solid single A rating

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Q&A

Back-up Charts

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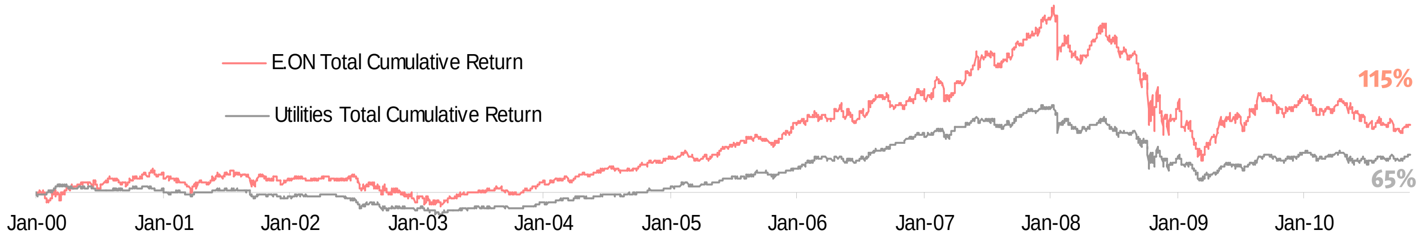
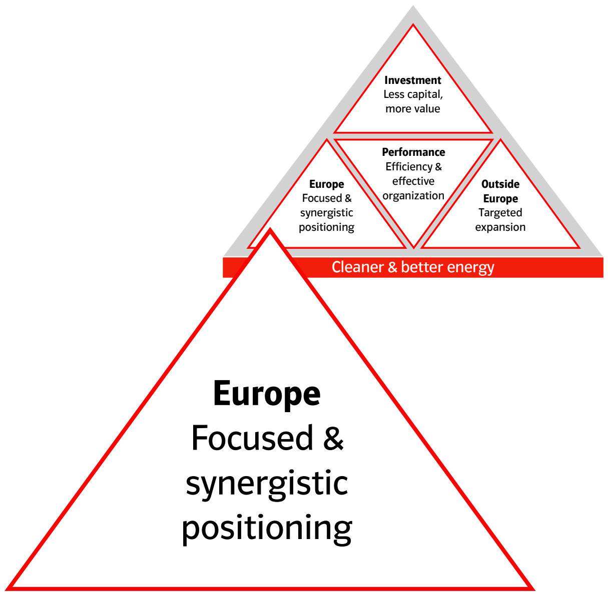
E.ON's history

	2000-05: from conglomerate to energy utility	2006-08: development of pan-European scale	2009-10: performance and streamlining
Environment	Liberalization & privatization Low commodity prices	EU integration, climate policy Strong commodity cycle	Financial & economic crisis Weaker commodity prices
Strategy	Transform conglomerate into European utility	Broaden pan-European portfolio	Strengthen balance sheet and improve efficiency
Performance			
Implementation	M&A driven transformation Ruhrgas, Powergen, Sydkraft, Eastern Europe	Growth through mix of M&A / organic capex Renewables, conventional generation, E&P, centralized trading	Capex cut, portfolio management Performance program



Continuous successful adaptation to changing environment

Europe – Focused & synergistic positioning



Principles for focused & synergistic positioning

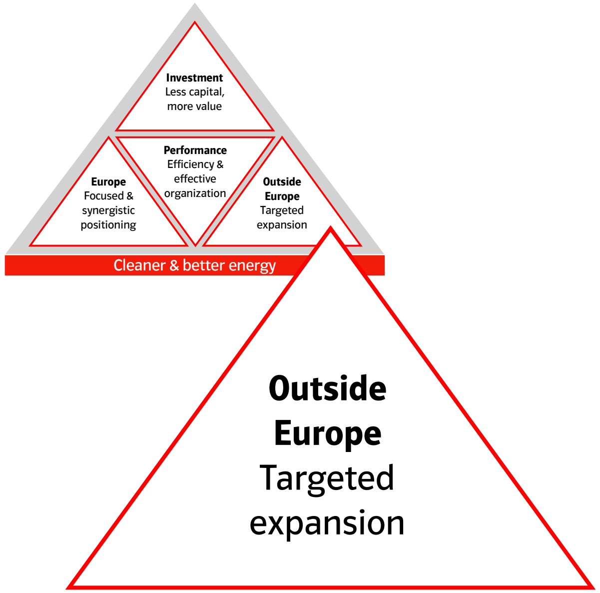
- Competitive, non-regulated businesses
- Scale advantages
- Optimization across businesses
- Integrating EU energy markets

Rationale

- Presence in competitive, non-regulated businesses enables transformation of better skills & assets into value
- Businesses with scale allow lower costs and higher performance
- Optimization of different energy businesses reduces risk and increases value
- Presence in integrating EU markets allows capture of cross-border synergies

Realize full optimization potential, but be more focused

Outside Europe – Targeted expansion



Principles for targeted expansion

- High growth potential
- Need for E.ON's superior skills and application of system competence
- Attractive risk/return profile

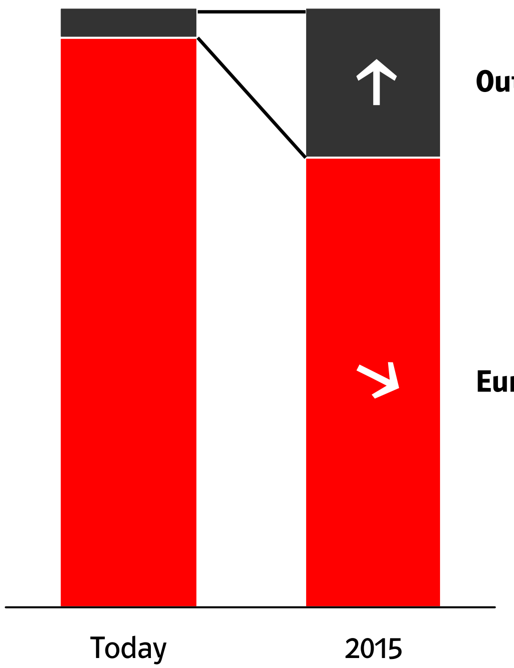
Rationale

- Greater presence in international growth regions enable return to long-term sustainable growth track
- Leverage superior skills into new growth regions gives source of competitive advantage and value creation beyond pure capital growth
- Diversified presence outside Europe makes earnings less susceptible to single-region risks

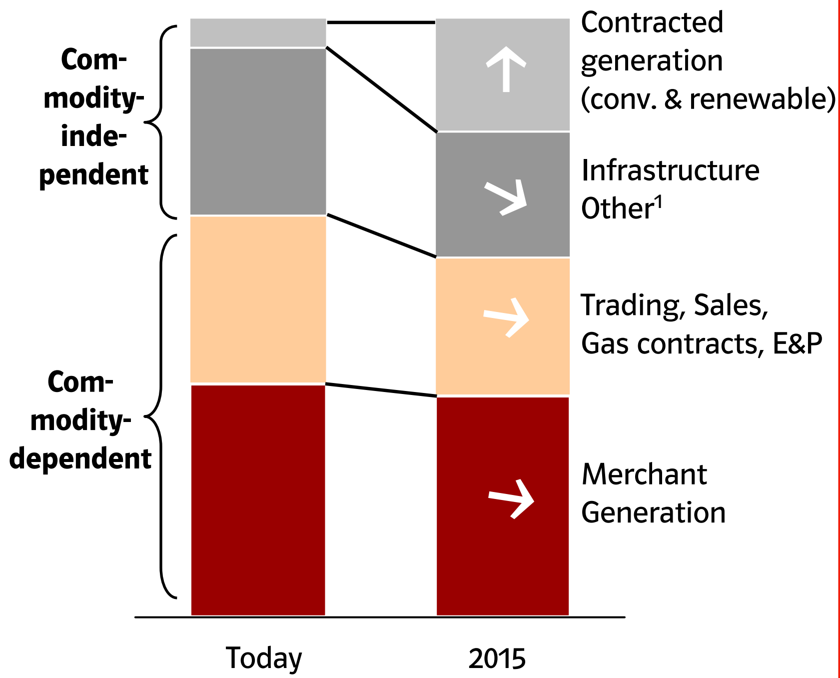
Capture global growth potential to create additional value

Illustration of E.ON's future portfolio direction

Target for regional split of E.ON adj. EBITDA



Schematic split of E.ON adj. EBITDA



More international, less commodity dependent

1. Incl. gas storage, heat, waste incineration, (today excl. E.ON US)

Performance – Efficiency & effective organization

Principles

- **Efficiency:** from single programs to sustainable performance culture
- **Structure:** reduced layers – key enabler to optimal strategy execution
- **Management:** new transparent and measurable processes via centrally monitored KPI system and functional accountabilities

Target

- Top quartile in all businesses and processes
- Reduction of complexity

Higher efficiency, transparency, and control

Management

Transparent and measurable

Group wide KPI system	• Covers financial and operational aspects • Future (drivers) and past oriented (results) indicators • Short, mid and long term key success factors for group and each business
Main financial indicators	• Adjusted EBITDA, adjusted net income, controllable costs, achieved margin • Operating cashflow, net operating working capital • Capex, ROACE • Debt factor, economic net debt
Main operational indicators	• Availability, avg. ramp-up time, cost-to-serve, hedge ratios • Customer satisfaction, corporate image • Employees satisfaction, diversity

Performance to be managed via group wide KPI system

Less capital, more value

Examples

Optimization/Origination: Grain LNG

Build & operate for 3rd party: Schkopau

Design-build-optimize: wind projects

Fast payback: new build Russia

Focus on competencies

How are we making energy better and cleaner

Cleaner & better energy

	Wherever we are present	In our home market Europe	In selected global regions
Cleaner energy	Only provide energy solutions that substantially **improve** the state of the **energy systems** we serve	Focus our activities based on **scope and scale synergies** in a **competitive market** environment as well as on the **energy transformation concern** of our European communities	Allow a **successful adaptation** of our outstanding production, origination and trading **expertise** in power and gas beyond Europe in order to improve the quality of energy globally
Better energy	Pursue only such energy businesses where we can sustain a **significant competitive advantage** over the market and offer **superior products** and **services** to our customers		

Clear targets – e.g. cleaner Europe: reduce specific CO_2 emissions by 50% already by 2020[1]

1. Taking into account life-time extension of German nuclear plants

Benefits for all our stakeholders

Our employees

- Attractive place to work
- Rewards for high performance
- Strong European business
- Development perspectives

Our customers

- Superior products and services
- Competitive and reliable energy solutions
- Cleaner energy environment

Our investors

- Attractive risk/return profile
- Value creating growth perspective
- Attractive dividends
- Solid credit rating

Valuable company with industry leading public reputation

Our business strategy - Generation

Optimizing the pan-European fleet

Market environment

- Short-term well supplied market in spite of demand recovery
- Growing share of intermittent renewable generation increases demand for highly flexible conventional generation
- Mid-term replacement needs, lack of infrastructure investments
- Elevated political risk

Strategic priorities

- Exploit economies of scale and structural advantages of fleet management approach, e.g.
  - Further develop operation excellence
  - Higher utilization of internal engineering expertise
  - Capitalize negotiating position towards suppliers and decrease dependency from OEM
- Use of superior access to sites and efficiency in construction
- Reduce carbon intensity and further increase flexibility of fleet

Extract full value across all technologies

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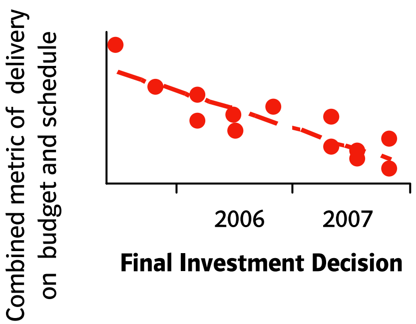
Our business strategy - Generation

Examples of skills & assets

Fossil fleet : first EBITDA improvements of ~€100m p.a. identified

15%	New maintenance strategies
22%	Extension overhaul timeframes
18%	Independent parts supply
22%	Process Management systems
24%	Optimized fuel specification

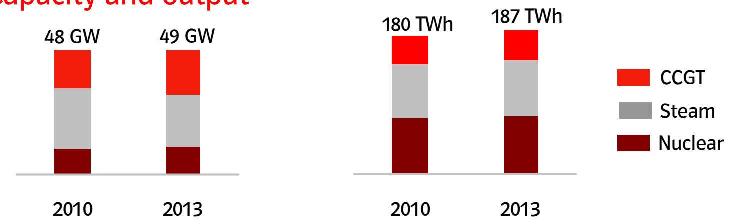
New build and technology: learning curve



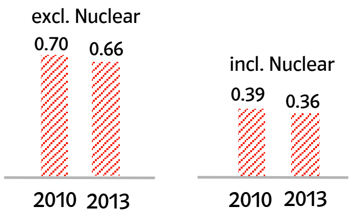
- Dedicated function for execution and support of new build projects
- Wide experience with various contractual setups
- Clear learning from problems experienced
- Supplier volume discounts

Performance targets

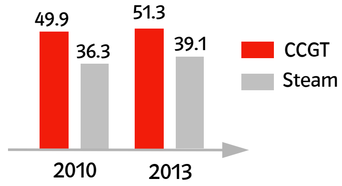
Capacity and output[1]



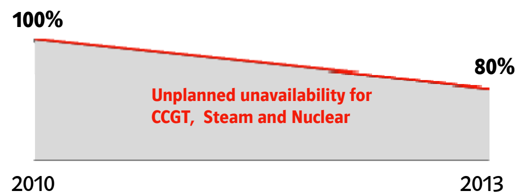
CO_2 intensity (tCO_2/MWh)



Efficiency (%)



Unplanned unavailability



- Target to reduce average unplanned unavailability for CCGT, Steam and Nuclear by at least 20%

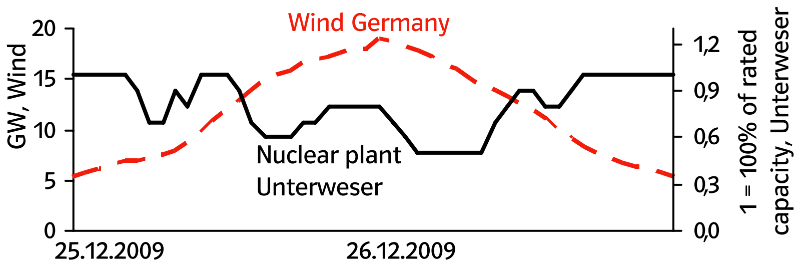
Adj. EBITDA 2013: €2.2 – 2.7bn

1. Total own generation; all figures presented in accounting view: only full consolidated plants, fully owned plants & ownership in fractional shares

Our business strategy - Generation

Exploit flexibility of fleet

Example nuclear fleet



Example new fossile power plant

	„Off the shelf" Hard Coal (800MW)	E.ON 1100MW plants (e.g. Maasvlakte)
Ramp rate	+/-24MW/min	**+/- 26 MW/min**
Min capacity	25%	**25%**
Start up time to base load	Cold: 10 h Warm: 3 h Hot: 110 min	**Cold: 3,5 h** **Warm: 1,8 h** **Hot: 25 min**

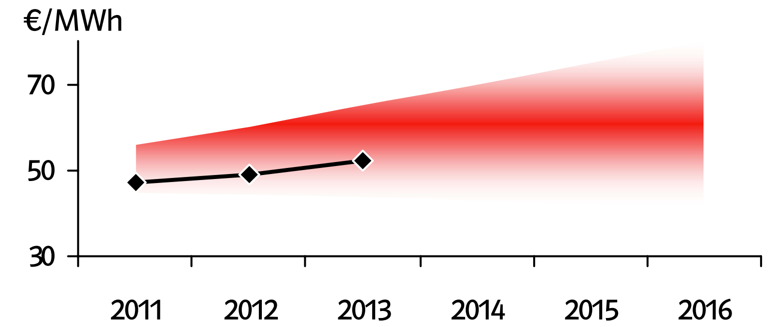
Key points

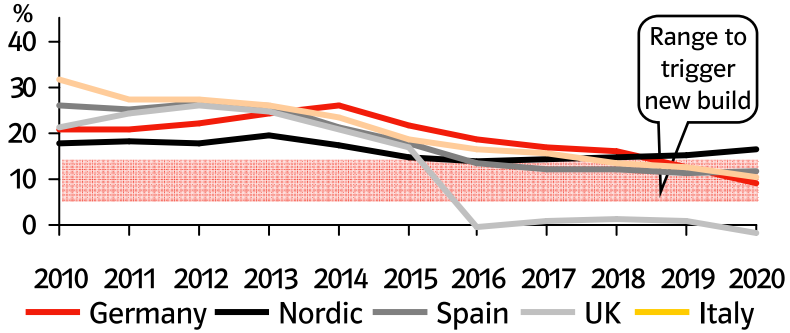
- Even nuclear portfolio is already flexible and can react to market/system needs if necessary (e.g. to benefit from extreme price movements as over Christmas 2009)
- Coal and gas fleet also with high degree of flexibility especially in terms of minimum zero times
- Discussions with the manufacturers to further enhance flexibility towards full technical potential
- New coal plants (e.g. Maasvlakte) with industry-leading flexibility performance
- Mid-term new-build focus on plants that can benefit from higher demand of flexibility (e.g. CCGT/OCGT and hydro pump storage)

Flexibility is key

Our business strategy - Generation

Price & spread environment in Europe with upside potential





Power price upsides

- Increase of fuel prices due to rapid demand growth in emerging markets
- Increase of CO2 prices due to tightening CO2 targets

Power price downsides

- Significant build-up of renewables leading to low price zones

Tighter supply/demand balances around 2016

- Demand recovery
- Increased project cancellations
- Coal and oil-fired capacity shutdowns in 2013-15 due to CO2 auctioning and LCPD

→ Increase of dark and spark spreads from current low levels

Higher power prices and spreads envisaged post 2013

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Our business strategy – Renewables

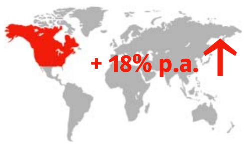
Key growth area

Market environment

EU 2020 Growth Targets[1]

- National Renewable Action Plans confirm strong European growth prospects – offset regulatory risks
- Current regulatory interventions reflect stronger ambitions for cost effectiveness of RES growth

Global 2020 Growth Forecast[1]



- Strong prospects in global markets
- Aside from EU and US new growth regions are emerging globally (e.g. China, India, Brasil)

1. Capacity growth

Strategic priorities

- Develop wind offshore into true leadership in terms of operational performance
- Bring solar competence (CSP & PV) to wind levels within 3 years
- More systematically leverage all E.ON's core competences, asset base and relationships
- Continue to seek alliances with leading players (i.e. Masdar, Dong, Abengoa)

Industrial approach creates additional value

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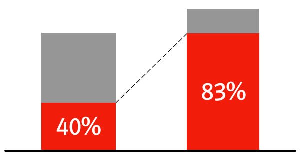
Our business strategy – Renewables

Examples of skills & assets

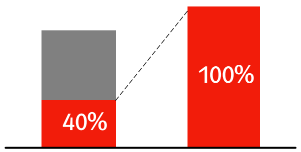
Superior track record in project delivery

Performance of US renewable projects (Airtricity)

Share of projects on time

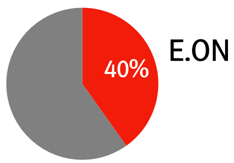


Share of projects within budget

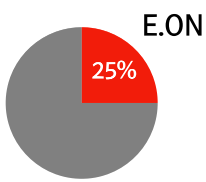


Pioneering competitive advantage in offshore wind

Share of global offshore installations 2010

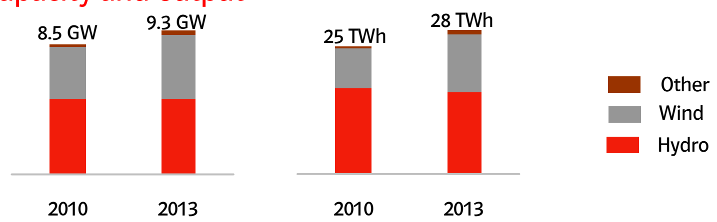


Share of global offshore operational capacity in 2010

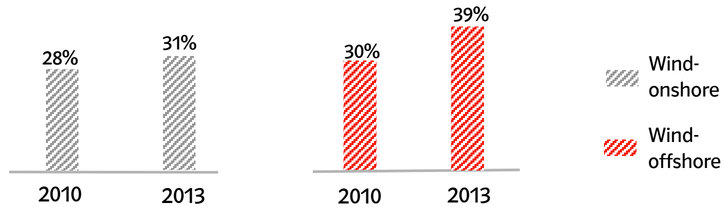


Performance targets

Capacity and output[1]



Load factor



Turning leadership into economic value

- Target to reduce average installation cost of offshore wind energy to 60% of 2010 levels

Adj. EBITDA 2013: €1.1 – 1.5bn

1. All figures presented in accounting view

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Our business strategy – Global Gas

Diversified business model

Market environment

- Systemic change of gas market functioning over last 2 years: oversupply due to demand contraction, US unconventional gas, and LNG capacity growth
  - → Decoupling of oil-linked LTCs vs. hub prices
  - → Hub prices relevant price signal for sales
  - → Change in global gas flows
- Low carbon-intensity and increased import needs in Europe secure long-term market potential for gas midstream business
- Gas to power key demand driver
- Strict unbundling of regulated gas transport

Strategic priorities

- Adapt long-term contracts (LTCs) to de-risk Supply & Sales business: restructure LTC portfolio to bring it in-line with market conditions
- Capture opportunities from shorter-term gas sourcing, in particular LNG
- Realize synergy potential and extract full asset value (supply & sales contracts and infrastructure positions) by integrated European optimization
- Sustain performance of upstream position

Adapted LTCs and European sales portfolio are backbone of gas midstream business – Integrated European optimization is basis for creating additional value

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Our business strategy – Global Gas

Examples of skills & assets

Diversified gas supply

- Strong gas supply position in Europe from diversified sources
- Proven track record of collaboration with gas producers

Unique infrastructure positions for optimization

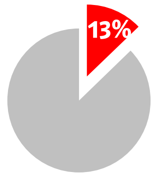
- Comprehensive and unique portfolio of storage, transport and regasification across Europe

Gas upstream business delivers on expectations

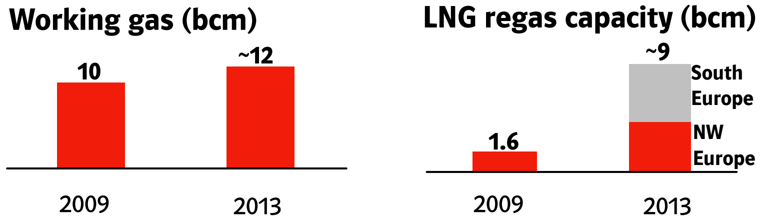
- Strong production and earnings increase
- Well-established North Sea player with proven operating skills
- One of few players with significant Russian upstream participation

Performance targets

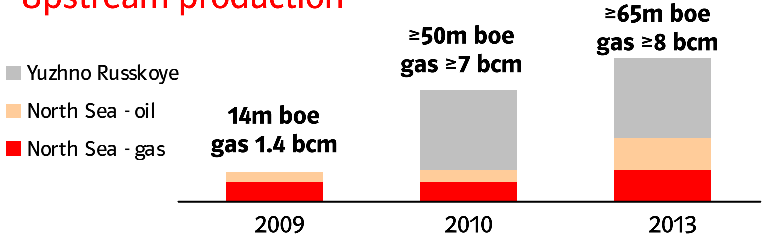
E.ON's share of European supplies



Storage and LNG regas capacity



Upstream production

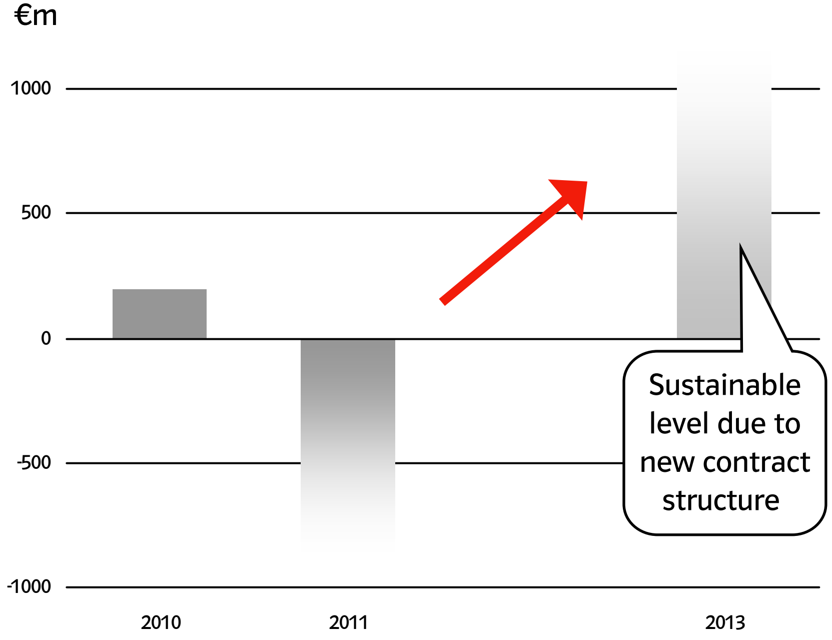


Adj. EBITDA 2013: €2.5 – 3.0bn

Our business strategy – Global Gas

Challenges in gas Supply & Sales

Illustration of Supply & Sales adj. EBITDA



Renegotiation process

- New round already started
- Main targets:
  - Adjustment to current market price level
  - Re-adjust LTC with respect to risk/return profile
- Requires at least several months, in case of arbitration significantly longer

Adj. EBITDA development

- 2010: negative margin starting in Q4
- 2011: significant negative margin possible
- 2013: positive range
  - Return to sustainable level
  - Possibly compensation in case of slower renegotiations

Short-term uncertainty, but determined to bring Supply & Sales back to sustainable profit level

Our business strategy – Trading

Optimize commodities exposure and support business

Market environment

- Increasing scope and scale of integration of power markets across EU (e.g. market coupling between Nordic and CWE in November 2010)
- Increasing gas to gas competition in Europe
- Key commodities as well as LNG and CO2 traded on global markets

Strategic priorities

- Monetize (better/more) value of flexibility in power plants, supply contracts, gas storage (by capturing cross-regional and cross-commodity synergies)
- Seek new opportunities in cross-border activities (e.g. intra-day)
- Origination activities to earn higher margins on non-standard, non-commodity specific, longer term products
- Global commodity trading (e.g. coal & freight) backed by European portfolio

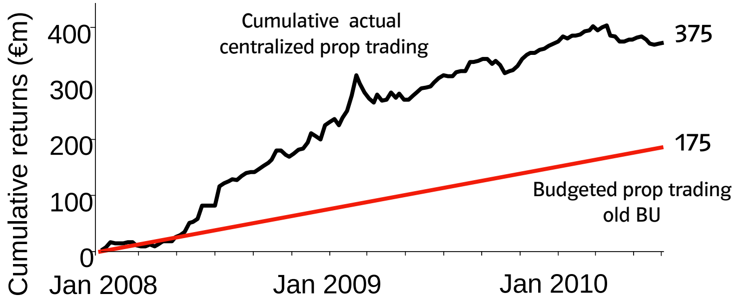
Leading energy trader

Cleaner & better energy

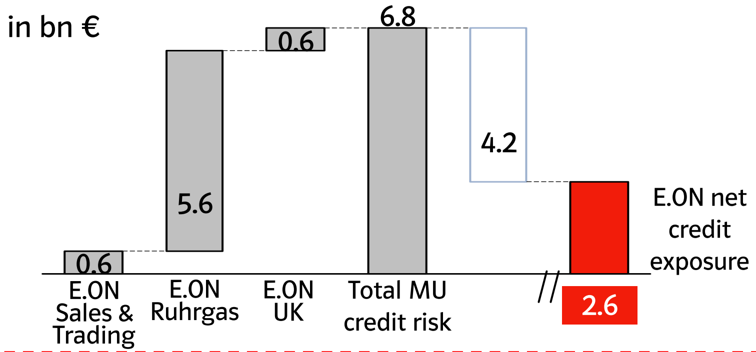
Our business strategy – Trading

Examples of skills & assets

Prop trading centralization - Higher returns with reduced risks



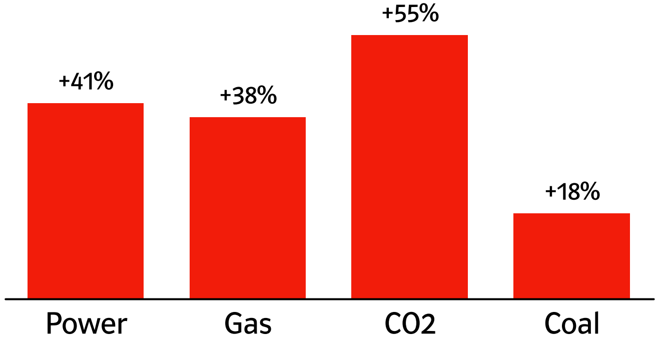
Reduced credit risk exposures by 4.2bn€ as per Aug 2010



Leading energy trader

- One of the biggest and most diversified underlying power & gas asset position
- Market access throughout Europe to capture synergies (e.g. reduction of credit risk)
- Global scope of trading to cover most of E.ON's commodity risk position
- Strong support of European liberalization agenda (e.g. engagement for market coupling)

Year on year increase in trading volumes (H1/2010)



Adj. EBITDA 2013: €0.3 – 0.5bn

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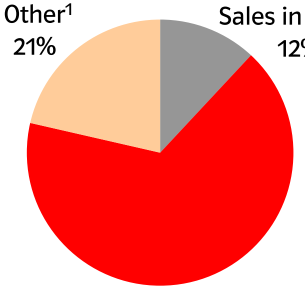
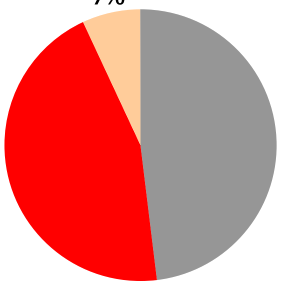
Our business strategy – Regional businesses

Functional & regional adj. EBITDA split 2010



Adj. EBITDA 2010:
~€5bn



- Strong regional presence across Europe
- Regional units act as platform for several different activities
  - European sales: >26m customers
  - European distribution: over 15% market share in our three core markets (Germany, UK, Nordic)
  - European heat activities
  - Russian generation: 8.7 GW of production capacity operational
- Future reporting will be based on regional view with separate split for Germany, Russia and other EU markets

Adj. EBITDA 2013: €5.5 – 6.5bn

1. Other includes mainly Heat, Services, Waste and Russia

Our business strategy – Regional businesses

Sales – Better energy solutions

Market environment

- Increasingly competitive markets across Europe
- Increasing similarities between markets
- Customers becoming more aware and diverse, increasingly demanding new types of products & services
- Sensitivity to energy prices and environmental consciousness continue to be key

Strategic priorities

- Increase efficiency by leaner organization, optimized sales processes & channels, cross-regional best practice transfer
  - Focus more on most profitable customer segments
  - Strengthen customer loyalty and satisfaction
- Develop and market innovative energy solutions in existing and new business areas (using smart technologies)

Efficient & effective sales organization

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Our business strategy – Regional businesses

Sales – Better energy solutions

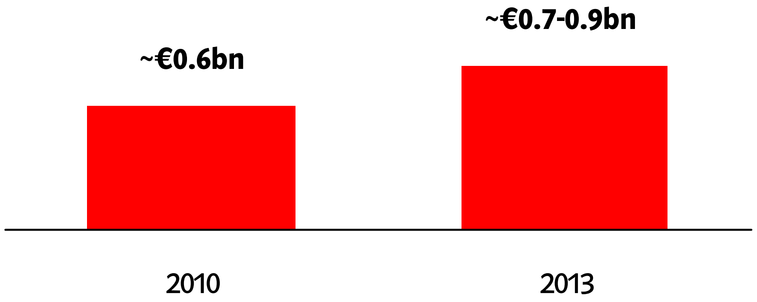
Examples of our skills & assets

- Strong position (gas, power, heat) in most markets: excellent basis for cross-selling
- Uniquely positioned to transfer lessons learnt from competitive markets to developing markets
- Increased business scope through:
  - Product bundles
  - Value-added services
  - Decentralized generation
- Significant scale allowing price competitiveness

Performance targets

- Raise sales profitability through operational excellence (e.g. cost to serve & process quality)
- Margin improvement through optimization of core products and additional services

Adj. EBITDA development of sales activity



Adj. EBITDA 2013: €0.7 – 0.9bn

Our business strategy – Regional businesses

Distribution – Reliable supply and facilitator of smart energy world

Market environment

- Predictable returns and stable cash flows, however limited value creation potential despite improved regulatory environment across Europe
- Integration of renewables, expanding small scale generation and replacement needs lead to growing distribution grid investments
- Need for smarter distribution grids pushes network business towards innovative technologies
- Political desire for stronger unbundling

Strategic priorities

- Shape regulatory framework towards attractive investment conditions
- Continuously improve distribution performance whilst simultaneously integrating renewable generation into the networks
- Develop competencies for smart distribution world
- Secure license to operate by positioning as neutral partner
- Successful renegotiation of concessions in Germany
- Reconsider E.ON position based upon individual market circumstances

Stable cash flows, but high investment needs limit value creation potential

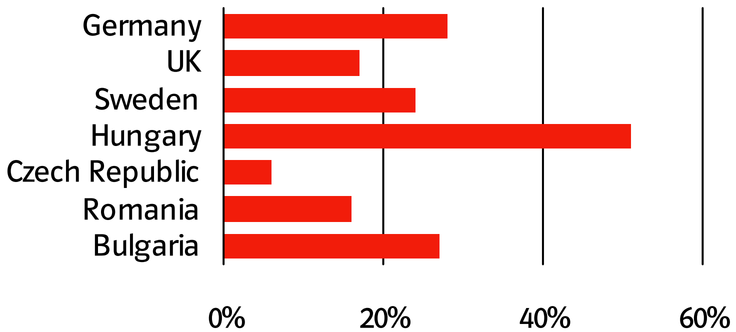
Our business strategy – Regional businesses

Distribution - Reliable supply and facilitator of smart energy world

Examples of skills & assets

- One of Europe's largest players (23m network customers) with strong domestic positions
- Successful integration of renewables in Germany
- Diversification effect due to different regulatory schemes across our markets
- 6 out of 7 power DSOs top (regulatory) benchmark in Germany (industry average 25%)

Market share in power distribution[1]



1. On the basis of network length in km

Performance targets

- Generate stable and sustainable value
- Above average efficiency in operating, maintaining and developing distribution grids
- Improve security and reliability of distribution in CEE

Adj. EBITDA development of distribution activity

Adj. EBITDA 2013: €3.1 – 3.7bn

e·on

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Our business strategy – Russia

Value creation in conventional generation outside Europe

Market environment

- Ca. 1,000 TWh/a electricity market (#4 in the world)
- Acute need of large-scale replacements (46% of capacity exceeded lifespan)
- Wholesale electricity market liberalization on track (fully liberalized from 2011 onwards)
- Strong demand recovery, power prices set to rise further (support from gas price growth)
- Clear long-term capacity market rules:
  - Covered fixed costs of existing plants
  - Covered fixed and capital costs of new power plants plus return on investments
  - Capacity supply agreements for new capacity for 10 years (quasi-PPA)

Strategic priorities

- Develop portfolio via successful realization of new build program
- Operational focus on cost control and efficiency enhancements
- Fuel cost management

Attractive market fundamentals and remuneration schemes

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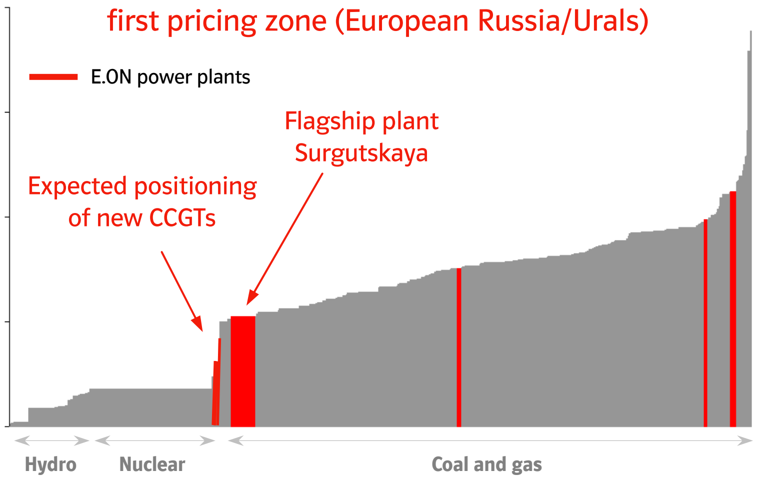
Our business strategy – Russia

Value creation in conventional generation outside Europe

Examples of skills & assets

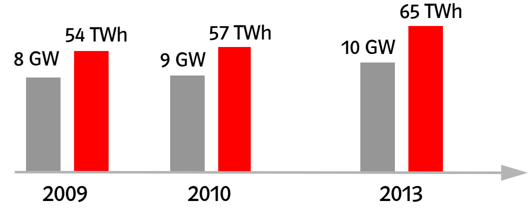
Illustrative representation of merit order in first pricing zone (European Russia/Urals)



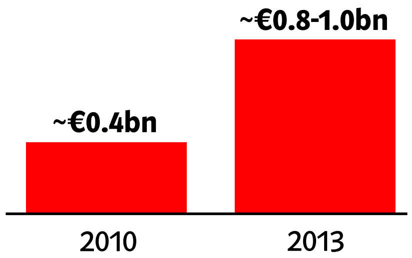
- Very well positioned in merit order due to superior efficiency of generation fleet driven by flagship plants Surgutskaya and Berezovskaya (2nd zone)
- Exposure to energy intensive regions exhibiting strong demand

Performance targets

Capacity and output



Adj. EBITDA development



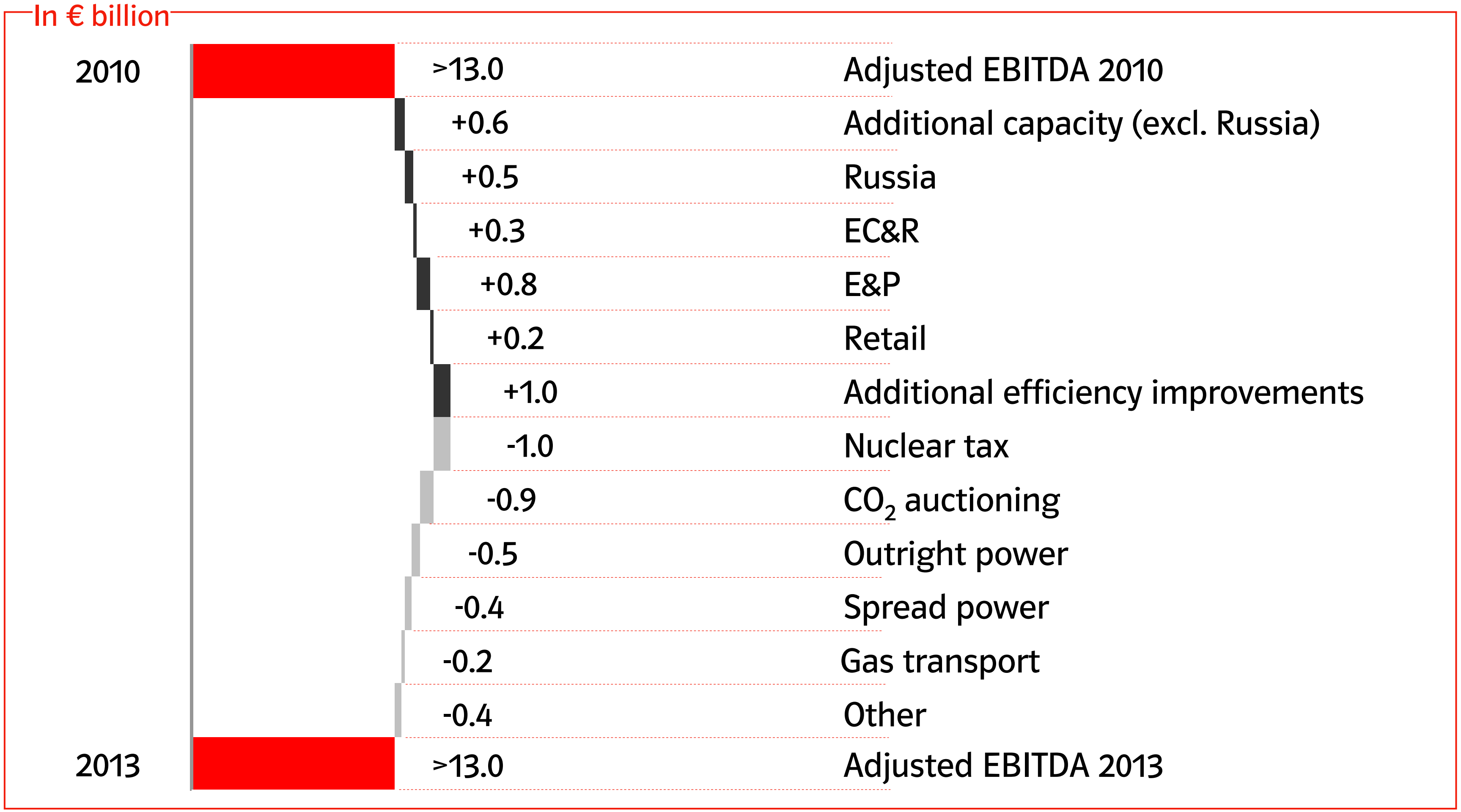
Main drivers:

- Further cost-control and optimization measures
- New & more efficient CCGT capacities
- Higher capacity payments for old capacities, adequate remuneration for new capacities
- Market liberalization and expected growth of wholesale power price

Adj. EBITDA 2013: ~€0.8-1.0bn,
thereof >50% from capacity payments which reduces exposure to commodity price volatility

Key drivers of group adjusted EBITDA 2010 vs. 2013

Assumption: unchanged portfolio

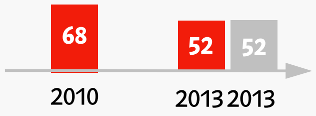


Less capital
more value
Cleaner & better energy

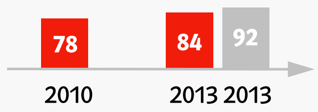
Key assumptions for commodity business – Group

Price assumptions

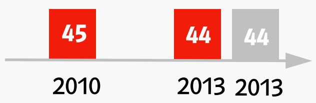
Outright power CE
(€/MWh)



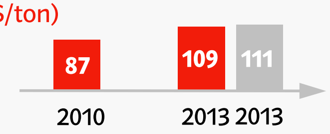
Oil
($/barrel)



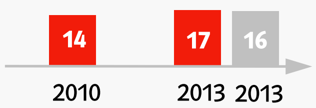
Outright power Nordic
(€/MWh)



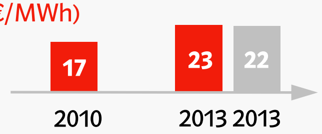
Coal (API#2)
($/ton)



CO_2
(€/MWh)



Gas TTF
(€/MWh)



E.ON actual achieved price respectively estimate of achieved price

Current forward price per 04.11.2010

Volume assumptions (2010/2013)[1]

	CE	Nordic	UK	Italy	Spain
Nuclear (TWh)	55/65	19/21	-/-	-/-	-/-
Hydro (TWh)	5/5	8/8	-/-	2/1	1/1
Coal (TWh)	21/27	-/-	10/11	4/4	4/4
Gas (TWh)	11/9	3/3	22/19	8/9	5/9

Assumptions in perspective

- Demand expected to increase along industrial recovery
- Coal prices & gas spot prices have upside potential
- CO2 prices have rather up than downside
- Dark and spark spreads currently at historic lows

Main assumptions underlying our 2013 targets are marked-to-market

1. Only volumes marketed via EET for CE, UK and Nordic. (excluding contract steered power plants; mainly coal in Germany e.g. Scholven, Datteln, etc.)

From adj. EBITDA to Adjusted EPS – Group

		2010	2013
Adj. EBITDA	• 2013 adj. EBITDA target : >€13bn • Average cash conversion factor of ~70%	>13bn	>13bn
Depreciation	• Higher share of new assets	~3.9bn	~4.5bn
Net interest	• Increase due to lower capitalized interest	~-2.2bn	~-2.4bn
Tax rate	• Assumed average tax rate of ~27%[1] on operating profit		
Adj. net income	• Increasing depreciation and interest result	~5.1bn	~4.5bn
Adj. EPS	• Assumed constant number of shares	~2.7€	~2.4€

Solid EPS development on a like-for-like basis

1. The future tax rate is significantly impacted by external factors such as regional tax regimes, local tax laws etc. and therefore is indicative only.

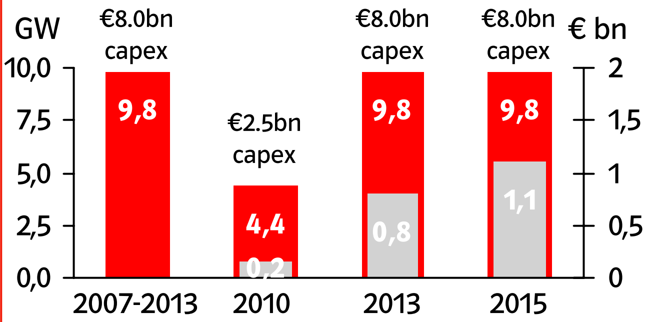
Less capital more value

Cleaner & better energy

CAPEX returns

Adj. EBITDA return from generation capacity

Capex and adjusted EBITDA conventional generation new build[1]



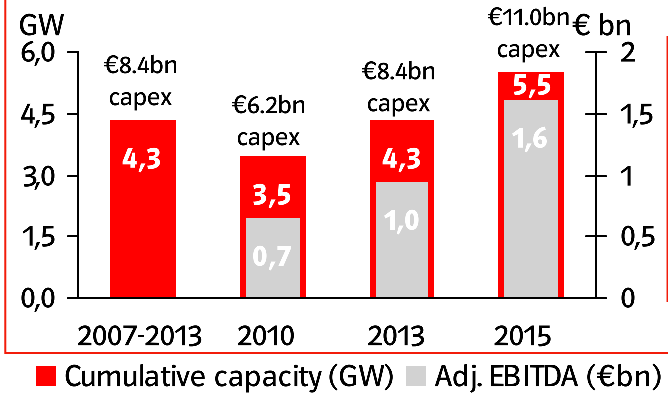
Key assumptions:
(example CE West)

2013
Dark spread: 11 €/MWh
Spark spread20 €/MWh

2015
Dark spread: 24 €/MWh
Spark spread27 €/MWh

- Capex of €8bn between 2007-2013 will yield €0.8bn adj. EBITDA (€0.5bn EBIT) in 2013
- Assuming normalization of prices and spreads this capex inhibits €300m EBITDA upside in 2015
- ROCE in 2015: ~11.3%

Capex[2] and adjusted EBITDA[3] renewable generation new build



Key assumptions:
2011+2013
In line with mid term planning

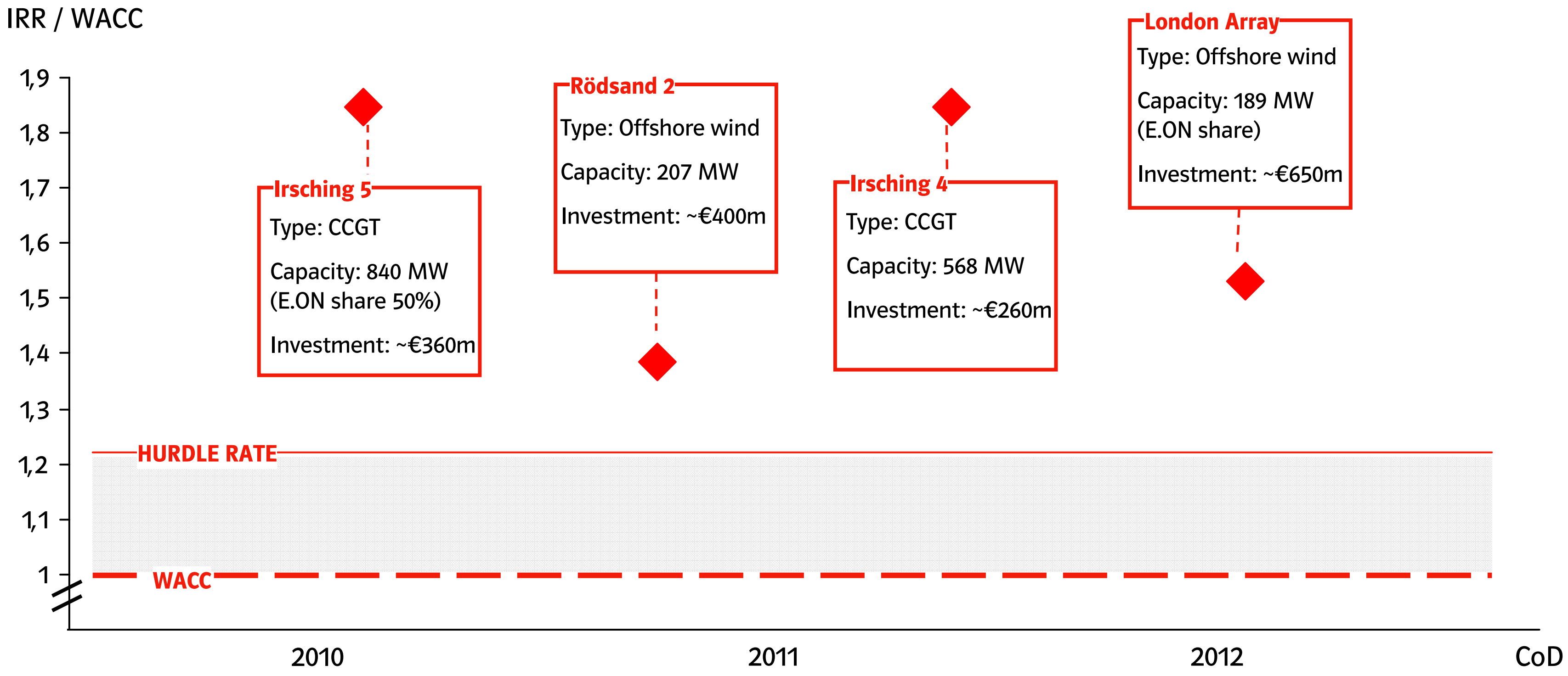
2015
- Power prices in US returning to more normal (pre-crisis) levels
-Tax benefits NPV moved into EBITDA (theoretical assumption)

- Capex of €8,4bn[2] between 2007-2013 will yield €1.0bn adj. EBITDA[3] (€0.6bn EBIT[3]) in 2013
- Further adjusted EBITDA upside potential from additional capacity and normalization of prices in the US of €600m till 2015
- ROCE in 2015: ~13.0%[3]

1. Europe excluding Russia
2. Capex incl. acquisition of pipeline (Airtricity/E2I); Cumulative capex adjusted for cumulative cash grants (received and assumed). It is currently unclear if cash grant regime will continue to exist post 2010 construction start
3. EBITDA/EBIT from EC&R not including overheads and development cost

CAPEX returns

Examples for conventional/renewable generation

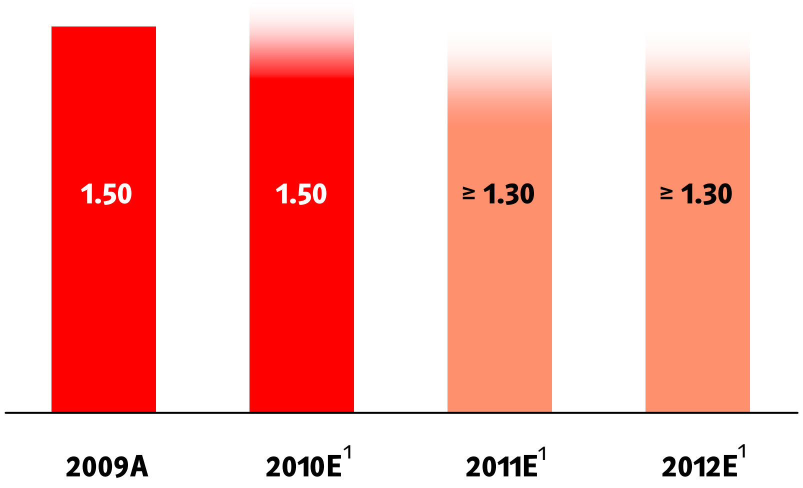


Value creation despite depressed power prices and spreads

Dividend policy

Dividends

€ per share



1. Management proposal

Dividend policy

- Overall dividend policy unchanged: payout of 50 to 60% of Adjusted Net Income as dividends
- 2010 proposal:
  - DPS €1.50
  - Payout ratio of 54% to 58%
- 2011 and 2012 target:
  - DPS ≥ €1.30
  - Payout ratio could end up above 60%

Dividend payout of 50% to 60% - Minimum DPS of €1.30 in 2011 and 2012

Summary

Europe – Focused and synergistic positioning

- Focus on competitive businesses in integrating European markets and participate in energy system transformation

Target ~€15bn proceeds by end 2013
Adj. EBITDA share 75% by end 2015

Outside Europe – Targeted expansion

- Expand beyond Europe where E.ON can utilize its superior capabilities

Adj. EBITDA share from 5 to 25% by end 2015

Performance – Efficiency and effective organization

- From single programs to sustainable performance culture; align corporate structure for more transparency and control

€600m additional performance improvements by end 2013

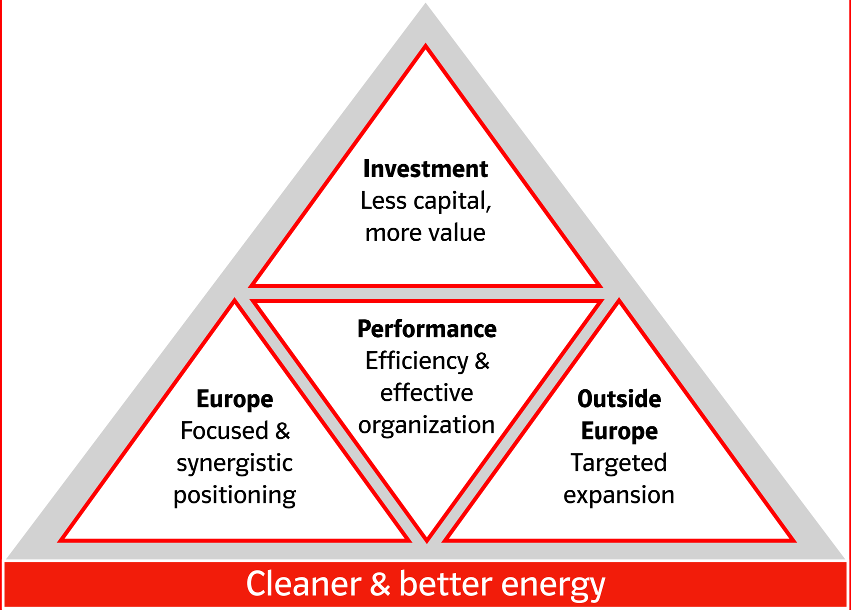
Investment – Less capital, more value

- Monetize our competencies & skills rather than our balance sheet

Target €1.5 DPS for 2010
Minimum €1.3 DPS for 2011 & 12
Solid single A rating

A transformation story...

Summary



E.ON's future profile

Improved risk-return profile

- Higher growth perspective
- Better geographical diversification
- Less commodity exposure
- Lower leverage

Clearer & more transparent business set-up

Best-in-class in all efficiency measures

Cleaner generation mix, better product portfolio

. . . creating an attractive investment proposition

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