

PRESS RELEASE  
Arnhem, 6 August 2009

## Outlook more than fulfilled

- The continuing operations again show a solid performance which has led to **19% higher normalised earnings (EBIT)**
- **Expected growth of normalised profit from continuing operations for the whole of 2009 amounts to at least 10% compared to the whole year 2008**
- **Essent is on track with the execution of its strategic plans. As per June 30, 2009 Enexis has been legally unbundled and continues to operate as an independent network company**
- **The transaction with RWE is expected to be completed in the third quarter of 2009**

## Key figures

In million of euros	First half year 2009	First half year 2008 <sup>1</sup>	Full year 2008
Revenue	4,014.1	3,611.6	7,521.2
Gross margin	994.4	953.9	1,787.2
Earning before interest and tax (EBIT)	301.7	336.0	518.2
Normalised EBIT	467.9 <sup>2</sup>	394.0 <sup>2</sup>	607.8
Profit from continuing operations attributable to shareholders of Essent N.V.	185.6	237.9	482.1
Earnings per share from continuing operations ( <i>in euros per share</i> )	1.24	1.59	3.22
Profit from discontinued operations	2,412.6	223.6	404.9
Earnings per share from discontinued operations ( <i>in euros per share</i> )	16.12	1.49	2.71

1 — Unaudited figures

2 — Detailed information on normalised results is given in the note "normalised earnings"

## 2009 Highlights

On 12 January 2009, RWE and Essent announced their agreement on the terms of a binding offer by RWE for the shares in Essent n.v. Following a favourable recommendation by Essent's Central Works Council, the contract was signed on 20 February 2009. On 23 June 2009, a statement was received from the European Commission that it considered the measures RWE proposed for preventing undesirable market concentration to be adequate. These measures only require Essent's 51% interest in swb AG to be sold. Early July, all shareholders had offered their shares for sale.

In the third quarter of 2009, the transaction with RWE is due to be finalised, whereafter the shareholder will be RWE.

On 30 June 2009, the ownership unbundling of the regulated network activities from the commercial energy activities came to realisation, with the network activities continuing under the name Enexis. This unbundling is the outcome of several legal amendments, which could collectively be called the unbundling legislation. Enexis had been operationally unbundled already from 1 January 2009 onwards. The ownership unbundling was effected by the distribution of a dividend in kind in the form of Enexis Holding b.v. shares to the shareholders of Essent n.v. Under the terms of the unbundling, Enexis' major operating assets - the electricity and gas networks - were appraised at fair value, with disclosure of the included hidden reserves. At the time of unbundling, these hidden reserves emerge as non-recurring income to be realised in cash, not by Essent, but (for the most part) by the new shareholders of Enexis. This non-recurring income (EUR 2.3 billion) is a component of the profit from discontinued operations.

In line with the strategy approved by the shareholders, Essent conducted a process in the first half of 2009 to sell its waste management activities. As none of the shortlisted candidates satisfied the prerequisites set by Essent, it recommended the shareholders to terminate the sales process and acquire ownership of the activities themselves. The transfer will be at estimated fair value, as part of the completion of the transaction with RWE.

Thanks to a combination of favourable conditions in the US and a proactive attitude on Essent's part, we identified an opportunity for early termination of several Cross-Border Leases (CBL's) in consultation with the parties concerned. The terminations involved non-recurring compensatory payments totalling to EUR 226 million.

Due to these consensual terminations, Essent's exposure for early termination payments of the remaining CBL's (payments for equity components and the potential costs for cancellation of the financing and similar elements, net of the value of related financial instruments and other collateral) have decreased to approximately USD 200 million by June 2009. This is a significant reduction compared

to the approximately USD 1 billion exposure on 1 January 2009. If the opportunity occurs, Essent intends to terminate more CBL's in consultation with the parties concerned.

## Operations

The continuing operations again show a solid performance. High availability of our power stations and an effective sourcing strategy have resulted in increasing trading results. Essent's green energy generating capacity has expanded with the Westereems wind farm in Eemshaven, opened by the Minister of Economic Affairs, Mrs. van der Hoeven in May 2009. With 52 turbines of 3 MW each, Westereems is the largest on-shore wind farm in the Netherlands.

On 1 July, Essent lowered its energy tariffs by over 25%. The reduction represents decreases in the supply tariffs for gas and electricity of 35% and 5%, respectively. Thanks to lower commodity prices and an astute sourcing strategy, our tariffs are now even more attractive. Essent's energy prices for private and small business customers are among the lowest in the Netherlands.

Essent believes in the opportunities offered by electric transportation. This is the motivation for investing jointly with Enexis in 200 electric cars for our own fleet of vehicles. In addition, Essent, Enexis, the Province of Noord-Brabant and the Municipality of 's-Hertogenbosch have agreed to include electric cars in their car pooling base.

In the first half of 2009, a number of major investments started to take shape. In April, the 500<sup>th</sup> pile was driven for Claus C, the new gas-fired power station in Maasbracht. With the construction of this state of the art power station, we will replace an existing one of 620 MW, which is no longer efficient, by three smaller units of 425 MW each. This will enable a considerably more flexible deployment of capacity, at far greater efficiency. In mid-July, similar action was undertaken concerning Moerdijk II, another new gas-fired power station. On completion, it will represent a highly efficient expansion of our generating capacity by 425 MW. We also made progress with the Nordsee Ost offshore wind farm, to be located in the German part of the North Sea, to the north of Helgoland. The planned capacity for the wind farm is 288 MW.

## Health, safety and environment

Essent considers health, safety and environment as extremely important themes. For many years, the company has been pursuing a policy to reduce absence from work because of industrial and other accidents by at least 20% each year. Due to the changing structure and the reduced size of the organisation, it is becoming even more susceptible to incidents, increasing the need for additional prevention. Root cause analyses, training courses, safety walks and information

are tools we often employ to embed the awareness of safety in the organisation. Experience has taught us that constant vigilance is essential. The same applies to the health of our employees. Essent has extensive precautionary measures in place to deal with a pandemic. The work put in is now paying off given the confirmed cases of swine flu in the Netherlands and Belgium.

Essent's operating activities alone show that the company is highly environmentally conscious. We not only constantly monitor compliance with the terms of licences, but also actively seek new ways to reduce the impact of our activities on the environment. One example is a policy of actively discouraging business travel if there is an alternative to a face-to-face meeting, such as a telephone or video conference. Flexible and distance working is being tested for feasibility using sample groups. If the results are positive, its implementation could produce further savings, not only in kilometres travelled, but also business accommodation, causing attractive financial propositions to arise.

## Consolidated results

Revenue for the first half of 2009 increased by 11% to reach EUR 4.0 billion (first half of 2008: EUR 3.6 billion). Apart from larger gas volumes because of the cold weather in the first quarter and higher prices resulting from a rise in commodity prices, an increase in trading activities in electricity underlies the above growth in revenue. Moreover, the high availability of our power stations and an effective sourcing strategy both contributed to the increase in gross margin. This effect was partly negated, however, because the cost of sales included an addition to the provision for legal claims, resulting in the consolidated gross margin showing less growth in absolute terms than revenue. Reported gross margin for the first half of 2009 amounted to EUR 994 million, equivalent to almost 25% of revenue (first half 2008: EUR 954 million, more than 26% of revenue). Normalised for one-off effects, gross margin improved to 28% of net sales.

Operating expenses showed a steep rise for the first six months of 2009, mainly the effect of non-recurring items. A large number of the CBL's were terminated early. There were also additional non-recurring costs resulting from the unbundling of Enexis and the intended sale of Essent Waste Management. Reported expenses climbed by 29% to EUR 948 million (first half of 2008: EUR 735 million). Normalised operating expenses increased by 10% to EUR 764 million (first half of 2008: EUR 694 million), the rise being mainly due to additions to employee benefits and salary increases under the terms of the collective labour agreement.

The share of the results of joint ventures and associates went up in 2009 because of non-recurring gains.

### About Essent

Essent is the largest energy company of the Netherlands and supplies electricity, gas and heat to private and business customers. Essent is active in the whole energy chain: from the production of energy to the supply to consumers. In 2008 Essent quoted, including gridcompany Enexis, a revenue of EUR 9,0 billion and a profit after tax of EUR 887 million. Essent has over 7.000 employees. The total production capacity of the power plants and the windparks of Essent is calculated to be 6.000 Megawatt. For more information, please visit our website: [www.essent.eu](http://www.essent.eu).

For more information please contact:

Bert Hendriks, Essent spokesman, tel.: 0800-02 44 022 (+31 73 853 4939 when phoning from abroad), e-mail: [mediarelaties@essent.nl](mailto:mediarelaties@essent.nl)

Earnings before interest and tax (EBIT) for the first half of 2009 amounts to EUR 302 million (first half of 2008: EUR 336 million), equivalent to a fall of 10%. As stated above, the fall is attributable to non-recurring items. Normalised for non-recurring items, the EBIT comes to EUR 468 million (first half of 2008: EUR 394 million), a rise of 19%. The improved normalised EBIT is thanks to a higher normalised gross margin, as an absolute amount as well as a percentage of revenue, and to cost control.

The net finance income in the first half of 2008 has turned around to a net finance expense in the first half of 2009. This development is due to a smaller average balance of net cash and cash equivalents as a result of dividend distributions, payments entailed by the early termination of CBL's, and an increase in capital expenditure. In addition, finance income was down in 2009, mainly because of less interest due to recapitalization of the financing granted to the network operation in anticipation of its unbundling.

The effective tax rate for 2009 is 26.9%, which is below the weighted average statutory tax rate. This results from the application of the participation exemption, adjustments for prior years, and non-deductible costs.

## Outlook

In the third quarter of 2009, Essent is due to become an independent company within the RWE Group, with responsibility for the Dutch and Belgian markets.

The integration with RWE will require a fair amount of effort, only producing real synergies in subsequent years. In the first six months of the year, Essent proved it could remain focussed on its operations, despite the considerable restructuring taking place. The increase in normalised earnings before interest and tax achieved in this period is partly thanks to the favourable 2008-2009 winter and will not be paralleled in the second half of 2009. Essent's attractive propositions place it in a strong competitive position relative to both the consumer and the business markets. And now that the company has completed the strategic journey to secure a new future and can benefit from the support an integrated business enjoys, it intends to play a far more active role in the above-mentioned markets. The integration of RWE's Dutch and Belgian activities presents Essent with opportunities to deliver a wider range of solutions that also address individual customer needs. Positioning the new Essent will entail serious investment, as will getting the new customer relationship management system up and running.

Barring unforeseen circumstances, we expect the normalised profit from continuing operations for the whole of 2009 to be at least 10% higher than the comparable figure for 2008.

# Consolidated income statement

In millions of euros	First half year 2009	First half year 2008 <sup>1</sup>	Full year 2008
<b>Continuing operations</b>			
Revenue from the supply of goods and services	4,012.5	3,562.1	7,423.3
Fair value changes IAS 39	1.6	49.5	97.9
<b>Revenue</b>	<b>4,014.1</b>	<b>3,611.6</b>	<b>7,521.2</b>
Cost of energy, raw materials and consumables	3,019.7	2,657.7	5,734.0
<b>Gross margin</b>	<b>994.4</b>	<b>953.9</b>	<b>1,787.2</b>
Other operating income	212.3	86.7	187.7
<b>Gross margin plus other operating income</b>	<b>1,206.7</b>	<b>1,040.6</b>	<b>1,974.9</b>
Employee benefit expenses	370.6	308.6	612.2
Depreciation, amortisation and impairments	169.6	131.7	286.9
Contracted work, materials and other external costs	306.7	239.7	512.8
Other operating expenses	100.8	55.1	90.6
<b>Total operating expenses</b>	<b>947.7</b>	<b>735.1</b>	<b>1,502.5</b>
<b>Operating profit</b>	<b>259.0</b>	<b>305.5</b>	<b>472.4</b>
Share of result of joint ventures and associates	42.7	30.5	45.8
Financial income and expenses	(31.5)	59.6	88.8
<b>Profit before tax</b>	<b>270.2</b>	<b>395.6</b>	<b>607.0</b>
Tax	(72.6)	(134.9)	(96.5)
<b>Profit from continuing operations</b>	<b>197.6</b>	<b>260.7</b>	<b>510.5</b>
<b>Discontinued operations</b>			
Profit from discontinued operations	2,412.6	223.6	404.9
<b>Profit after tax</b>	<b>2,610.2</b>	<b>484.3</b>	<b>915.4</b>
<i>Of which:</i>			
Profit attributable to minority interests	12.0	22.8	28.4
Profit attributable to shareholders of Essent n.v.	2,598.2	461.5	887.0
<b>Earnings per share attributable to shareholders of Essent n.v.</b> (in euros per share) <sup>2</sup>	<b>17.36</b>	<b>3.08</b>	<b>5.93</b>
<i>Of which:</i>			
From continuing operations	1.24	1.59	3.22
From discontinued operations	16.12	1.49	2.71

1 — Unaudited figures

2 — Basic and diluted earnings per share

# Consolidated balance sheet

(before profit appropriation)

In million of euros	30 June 2009	30 June 2008 <sup>1</sup>	31 December 2008
Property, plant and equipment	3,075.0	4,790.9	5,206.6
Intangible assets	306.5	342.1	337.5
Financial assets	1,819.6	3,670.2	2,081.8
<b>Non-current assets</b>	<b>5,201.1</b>	<b>8,803.2</b>	<b>7,625.9</b>
Inventories	207.3	321.7	344.2
Receivables	5,971.2	8,264.7	4,222.1
Current non-interest-bearing liabilities	(3,972.6)	(7,394.2)	(4,553.2)
<b>Net working capital</b>	<b>2,205.9</b>	<b>1,192.2</b>	<b>13.1</b>
Assets held for sale and liabilities for assets held for sale	14.5	163.2	190.6
<b>Capital employed</b>	<b>7,421.5</b>	<b>10,158.6</b>	<b>7,829.6</b>
Equity attributable to shareholders of Essent n.v.	4,544.5	5,602.5	5,039.0
Minority interests	200.0	298.0	213.6
<b>Total equity</b>	<b>4,744.5</b>	<b>5,900.5</b>	<b>5,252.6</b>
Provisions	1,127.0	1,471.6	1,319.1
Non-current non-interest-bearing liabilities	794.2	2,528.4	679.2
Non-current interest bearing liabilities	336.8	794.5	687.0
Current interest-bearing liabilities	779.3	73.5	484.6
Balance of cash and cash equivalents <sup>2</sup>	(360.3)	(609.9)	(592.9)
<b>Financing</b>	<b>7,421.5</b>	<b>10,158.6</b>	<b>7,829.6</b>

1 — Unaudited figures

2 — Cash and cash equivalents net of current liabilities owed to banks

# Condensed consolidated cash flow statement

In millions of euros	First half year 2009	First half year 2008 <sup>1</sup>	Full year 2008
Profit from continuing operations	197.6	260.7	510.5
Depreciation, amortisation and impairments	169.6	131.7	286.9
Changes in provisions, working capital, derivative financial instruments and other items	237.6	(355.0)	(361.1)
<i>Cash flow from operating activities:</i>			
Continuing operations	604.8	37.4	436.3
Discontinued operations	(119.7)	107.7	180.0
<b>Cash flow from operating activities</b>	<b>485.1</b>	<b>145.1</b>	<b>616.3</b>
Additions to property, plant, equipment and intangible assets	(534.0)	(226.3)	(727.6)
Investments in Group companies	(14.7) <sup>2</sup>	(47.0) <sup>3</sup>	(48.2) <sup>3</sup>
Proceeds from sale of property, plant, equipment and intangible assets	3.4	3.4	11.7
Proceeds from sale of investments in joint ventures and associates	5.2	24.4	26.9
Other changes	(27.5)	226.8 <sup>4</sup>	255.7 <sup>4</sup>
<i>Cash flow from investing activities:</i>			
Continuing operations	(567.6)	(18.7)	(481.5)
Discontinued operations	(4.2)	(126.7)	(314.8)
<b>Cash flow from investing activities</b>	<b>(571.8)</b>	<b>(145.4)</b>	<b>(796.3)</b>
<b>Cash flow before financing activities</b>	<b>(86.7)</b>	<b>(0.3)</b>	<b>(180.0)</b>
Settlement of interest-bearing liabilities	(56.5)	(31.1)	(163.2)
Dividend paid and non-recurring distributions	(443.5)	(397.8)	(547.8)
Dividend paid to minority interest	(20.2)	(22.4)	(22.7)
Increase in interest-bearing liabilities	454.1	12.5	339.8
<i>Cash flow from financing activities:</i>			
Continuing operations	(66.1)	(438.8)	(393.9)
Discontinued operations	(28.4)	32.1	149.9
<b>Cash flow from financing activities</b>	<b>(94.5)</b>	<b>(406.7)</b>	<b>(244.0)</b>
<b>Cash flow</b>	<b>(181.2)</b>	<b>(407.0)</b>	<b>(424.0)</b>
Cash and cash equivalents from discontinued operations at end of financial year	(51.4)	—	—
Balance of cash and cash equivalents at beginning of period <sup>5</sup>	592.9	1,016.9	1,016.9
<b>Balance of cash and cash equivalents at end of period <sup>5</sup></b>	<b>360.3</b>	<b>609.9</b>	<b>592.9</b>

1 — Unaudited figures

2 — Purchase of shares in Windfarm Märkisch Linden GmbH & Co.KG (Märkisch Linden)

3 — Purchase of remaining shares in Abfallbehandlung Nord GmbH (ANO)

4 — Mainly the sale of investments held for trade securities

5 — Cash and cash equivalents net of current liabilities owed to banks

# Financial ratios <sup>1</sup>

Financial ratios	Target	First half year 2009	First half year 2008 <sup>2</sup>	Full year 2008
Leverage (total debt basis in %)	< 50%	20.0	13.4	18.4
Solvency (%)		37.8	32.4	40.4
EBITDA as % of total interest-bearing liabilities	> 35%	68.1 <sup>3</sup>	76.7 <sup>3</sup>	67.8
Interest cover	7,5x	358.7x <sup>4</sup>	21.2x <sup>4</sup>	9.1x
Non-current interest-bearing liabilities as % of total interest-bearing liabilities		28.4	87.2	57.9

1 — The calculation of the ratios is based on the figures presented in the balance sheet and income statement

2 — Unaudited figures

3 — Calculation based on interest-bearing liabilities as at 30 June of the year under review and EBITDA of the preceding 12 months

4 — Calculation based on EBITDA and net interest expenses of the preceding 12 months

## Definition of financial ratios

### *Leverage (total debt basis)*

Total interest-bearing liabilities divided by total interest-bearing liabilities plus equity, expressed as a percentage.

### *Solvency*

Equity divided by total assets, expressed as a percentage.

### *EBITDA*

EBIT plus depreciation, amortisation and impairments.

### *Interest cover*

EBITDA divided by net finance expenses.

### *EBIT*

Operating profit plus share of result of joint ventures and associates.

# Normalised earnings

In million of euros

	First half year 2009	First half year 2008 <sup>1</sup>
Revenues (reported)	4,014.1	3,611.6
Gross margin (reported)	994.4	953.9
<i>Normalisations cost of energy, raw materials and consumables:</i>		
Addition provision legal claims	118.0	17.1
<b>Gross margin (normalised)</b>	<b>1,112.4</b>	<b>971.0</b>
Other operating income (reported)	212.3	86.7
<i>Normalisations other operating income:</i>		
Book profit sell of high voltage grid	(136.0)	—
<b>Other operating income (normalised)</b>	<b>76.3</b>	<b>86.7</b>
<b>Total gross margin including other operating income (normalised)</b>	<b>1,188.7</b>	<b>1,057.7</b>
Total operating expenses (reported)	947.7	735.1
<i>Normalisations operating expenses:</i>		
- Corporate restructuring	(87.0)	(29.0)
- Impairments	(57.6)	(11.9)
- Early termination Cross-Border Leases	(39.6)	—
Total normalisations in operating expenses	(184.2)	(40.9)
<b>Total operating expenses (normalised)</b>	<b>763.5</b>	<b>694.2</b>
Share of result of joint ventures and associates	42.7	30.5
<b>Earnings before interest and tax / EBIT (normalised)</b>	<b>467.9</b>	<b>394.0</b>

1 — Unaudited figures