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## **innogy IPO about to enter final stage**

- **innogy shares expected to be offered at an issue price between EUR 32 to EUR 36 per share**
- **Placement of 20 per cent of innogy shares (including greenshoe) firmly planned**
- **Capital increase of approximately 10 per cent expected to generate proceeds of EUR 1.8 billion to EUR 2.0 billion for innogy's future-oriented investments**
- **Secondary placement of at least 10 per cent of existing innogy shares by RWE intended (including 1.8 per cent greenshoe)**
- **Upsizing of placement up to approximately 25 per cent possible**
- **BlackRock to invest EUR 940 million**

Essen, 22 September 2016

The planned IPO of innogy SE is about to enter its final stage. Today, the Executive and Supervisory Boards of RWE AG ("RWE") and innogy SE ("innogy") decided on the details of the planned offering. The innogy shares are expected to be offered at a price of between EUR 32 to EUR 36 per share. The planned capital increase of innogy of around 10 per cent and the offering of 8.2 per cent of the existing innogy shares from the holdings of RWE (calculated based on the capital post planned capital increase excluding up to 1.8 per cent from the greenshoe) corresponds to a total of about 101 million shares to be placed. Depending on the final offer price, innogy could receive gross proceeds from the IPO between EUR 1.8 billion and EUR 2.0 billion, RWE could receive between EUR 1.5 billion and EUR 1.6 billion. Furthermore, up to 25.3 million additional shares could be offered in case of strong demand (upsized option).

A binding purchase order has already been submitted for shares with a total investment volume of EUR 940 million. The shares will be purchased via a private placement by different funds and accounts under the management of BlackRock, on behalf of its clients. The number of shares finally allotted to them depends on the issue price set under the IPO.

The implementation of the offering is subject to the approval of the prospectus by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin).

“We are now putting in the final sprint in the innogy IPO. We have worked hard, diligently and quickly to reach this point and we will continue to do so until we cross the finish line. I am really excited about the enormous level of commitment and team spirit that has brought us to where we are today,” said Peter Terium, at present Chief Executive Officer of RWE and innogy. “We believe that innogy is an attractive investment. We want to grow innogy sustainably and we want our shareholders to participate in this development through an attractive dividend policy. In our talks with institutional investors and analysts we were met with significant interest in innogy shares, which reinforces our assessment.”

### **Planned offer: new shares from a capital increase and existing innogy shares from the holdings of RWE**

The offer is expected to consist of four components: 55.6 million new shares are expected to be issued in innogy’s planned capital increase of about 10 per cent. Furthermore, 45.5 million innogy shares from the holdings of RWE will be offered. In addition, RWE reserves the right to offer up to 25.3 million additional existing shares from its holdings in the event of strong demand (upsize option). Moreover, up to 12.6 million existing shares from RWE’s holdings can be placed to cover potential over-allotments (greenshoe option).

### **Between EUR 1.8 billion to EUR 2.0 billion to fund innogy’s future-oriented investments**

Proceeds from the capital increase will solely accrue to innogy. Depending on the final issue price, innogy could receive between EUR 1.8 billion to EUR 2.0 billion. It is intended to predominantly use these proceeds for investments in the core business areas of innogy. RWE could receive proceeds between EUR 1.5 billion and EUR 1.6 billion if all existing shares under the base offer are placed and between EUR 2.7 billion and EUR 3.0 billion if both the upsize option and greenshoe option are exercised.

### **innogy valued at between EUR 17.8 billion and EUR 20.0 billion**

Based on the price range and assuming implementation of the capital increase in full, innogy’s market capitalisation would be between EUR 17.8 billion to EUR 20.0 billion. RWE will remain innogy’s majority shareholder post IPO, holding 75 per cent to 82 per cent of innogy’s shares depending on the exercise of the upsize option and the greenshoe option. Neither innogy nor RWE are allowed to sell innogy shares for a period of six months from the first day of trading (lock-up period).

### **Offer price to be set on the basis of an approximately two-week bookbuilding process**

The offer price will be set on the basis of a bookbuilding process. innogy shares are expected to be offered publicly in Germany and Luxembourg. In addition, private placements with investors outside these countries are envisaged. innogy and RWE strive for a listing of the innogy shares on the Prime Standard sub-segment of the regulated market of the Frankfurt Stock Exchange.

Deutsche Bank and Goldman Sachs International are acting as the Joint Global Coordinators in the planned transaction. Together with BNP Paribas, BofA Merrill Lynch, Credit Suisse and UBS Investment Bank, they are the Joint Bookrunners. Banco Santander, Berenberg and RBC were appointed as Co-Lead Managers.

Following the approval by the BaFin, the prospectus and additional information will be published on the innogy website at [www.innogy.com/ipo](http://www.innogy.com/ipo).

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