



An **RWE** company

PRESS RELEASE

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RWE npower announces strategic review of Horizon Nuclear Power

Following a strategic review, separately carried out by both parent companies, RWE npower and E.ON UK said today that they would not proceed to develop new nuclear power projects in the UK through the Horizon joint venture.

RWE and E.ON will now focus on finding a new owner for Horizon Nuclear Power. Both parties will endeavour to ensure that Horizon's assets and work on development can be taken up quickly by other potential investors.

A number of factors have changed since the formation of Horizon in 2009:

- The global economic crisis has meant that capital for major projects is at a premium and nuclear power projects are particularly large scale, with very long lead times and payback periods;
- The effect of the accelerated nuclear phase out in Germany, which has led to RWE adopting a number of measures, including divestments, a capital increase, efficiency enhancements and a leaner capital expenditure budget;

A combination of these strategic factors, together with the significant ongoing costs of running the Horizon joint venture, has led to a situation where capital investment plans have been reviewed.

A strategic decision has therefore been made by both RWE and E.ON that they will not develop new nuclear power projects in the UK through the Horizon joint venture.

Senior figures from RWE, E.ON and Horizon informed Horizon staff of the decision at its headquarters near Gloucester this morning.

Volker Beckers, CEO, RWE npower, said,

“We remain convinced that Horizon’s development projects represent excellent sites for new nuclear power stations in the UK, and we would like to express our sincere thanks to the Horizon employees for their hard work in bringing the projects to this stage of development. We would also like to thank the communities around Wylfa and Oldbury, the business partners we have worked with during development, and everyone who has shown support for our development work.”

“It is because of the strength of support for our development work, particularly on the Island of Anglesey, that we continue to believe that nuclear power has an important role to play in the UK’s future energy mix. We are therefore looking to ensure that work on development, including grid connection, can be taken up quickly by other potential investors.”

“RWE npower has more than 12,000 employees and has invested more than three times its profits in the UK over recent years. We remain committed to the need for significant investment in low carbon energy technologies. RWE has invested over £1.2 billion into new renewable energy in Britain over the last three years, and more than £1.6 billion into new, highly efficient, flexible gas-fired power stations over the same period. In the same period, RWE has been one of the largest investor in Wales in any sector.”

(Ends)

Notes to Editors

- RWE npower is an integrated energy business, generating electricity and supplying gas, electricity and related services to customers across the UK. We operate and manage 10 flexible, low-cost coal, oil, biomass and gas-fired power stations - generating over 11GW of electricity. We serve around 6.5 million customer accounts, produce more than 10% of the electricity used in England and Wales, and have more than 12,000 employees nationwide.
- RWE is committed to developing low carbon options for the UK and in the past three years has invested over £3.4 billion in delivering clean, efficient energy supplies for the UK. Our new £650m CCGT power station in Staythorpe, Nottinghamshire opened in 2011 and our £1 billion Pembroke Power Station is due to come online by the end of 2012.
- RWE is one of the leading developers of renewable technology in the UK through our sister company RWE Innogy, and of the over £3.4 billion, RWE has invested in the UK in the past three years, over £1.2 billion has been in new renewable energy technologies