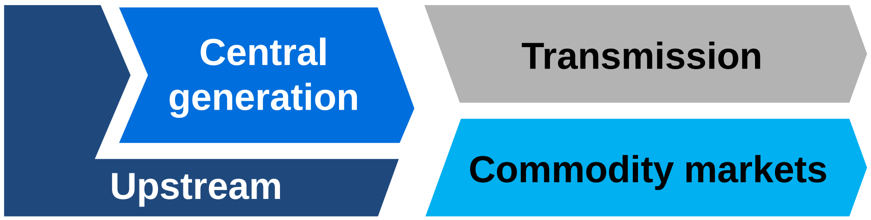
New set-up for new challenges

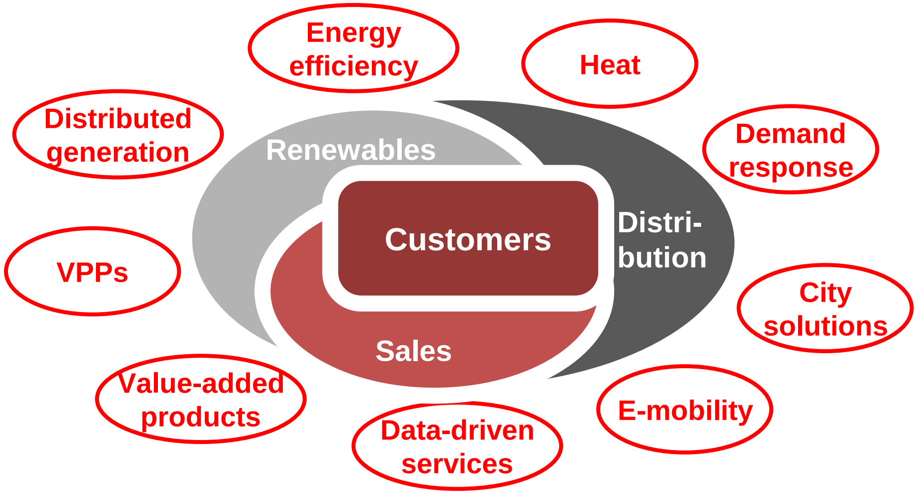
Klaus Schäfer, CEO Uniper

Two very different energy worlds emerging



Conventional energy world

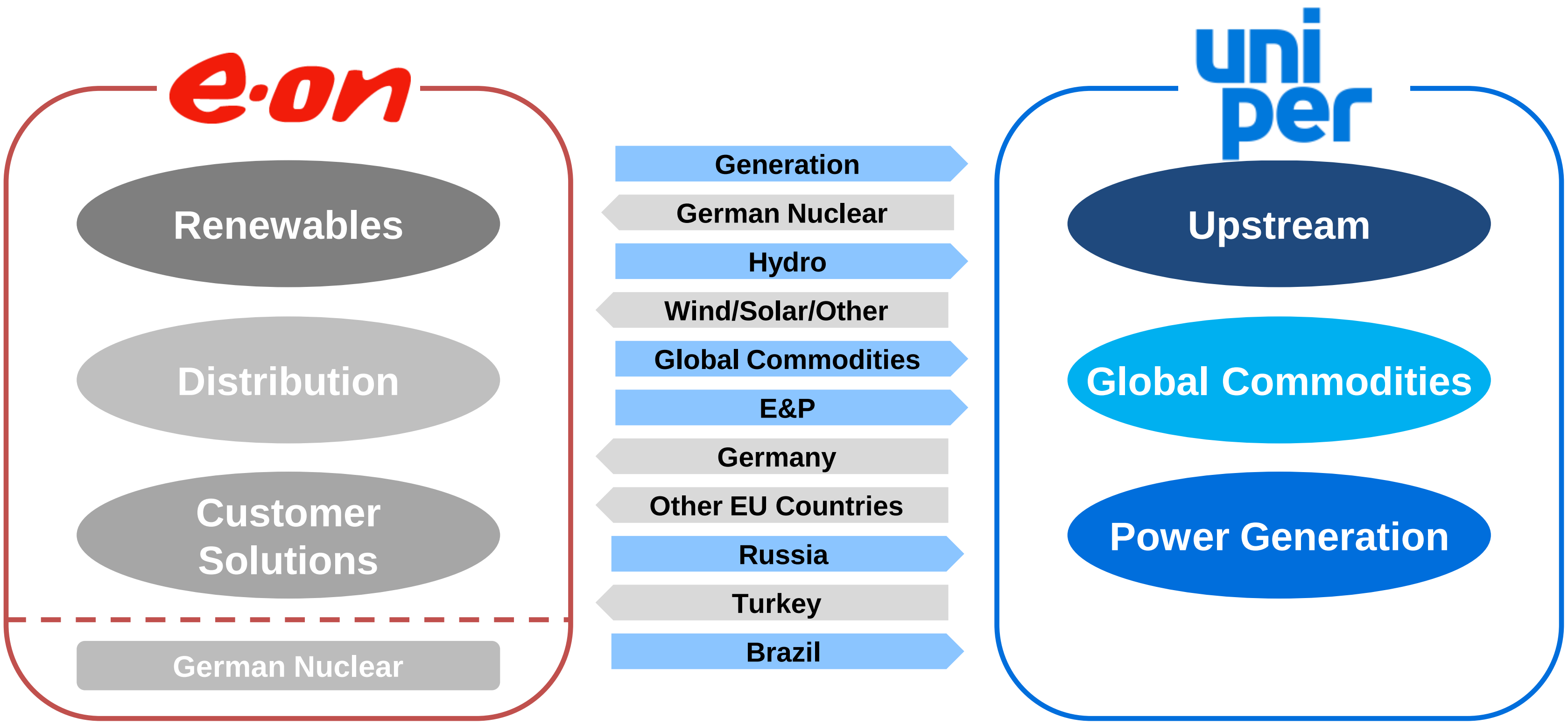
- System-centric
- Security of supply
- Global/regional perspective
- Large scale, central
- Conventional technologies



New energy world

- Customer-centric
- Sustainability
- Local proximity
- Small scale, distributed
- Clean technologies

Two leading companies for two energy worlds



Distinct opportunities, mindsets and capabilities

Business portfolio of Uniper[1]

Upstream[2]

Gas Production
of 6 bcm in Russia

Global Commodities

Gas LTCs	35 bcm
Gas storage	9 bcm
LNG regas	4.7 bcm
Coal supply	29 mt

Power Generation

Generation capacity of ~40 GW[3]
Main countries: Germany, UK, Sweden, Russia
Approx. 50% gas fired

Among the top in European power and gas

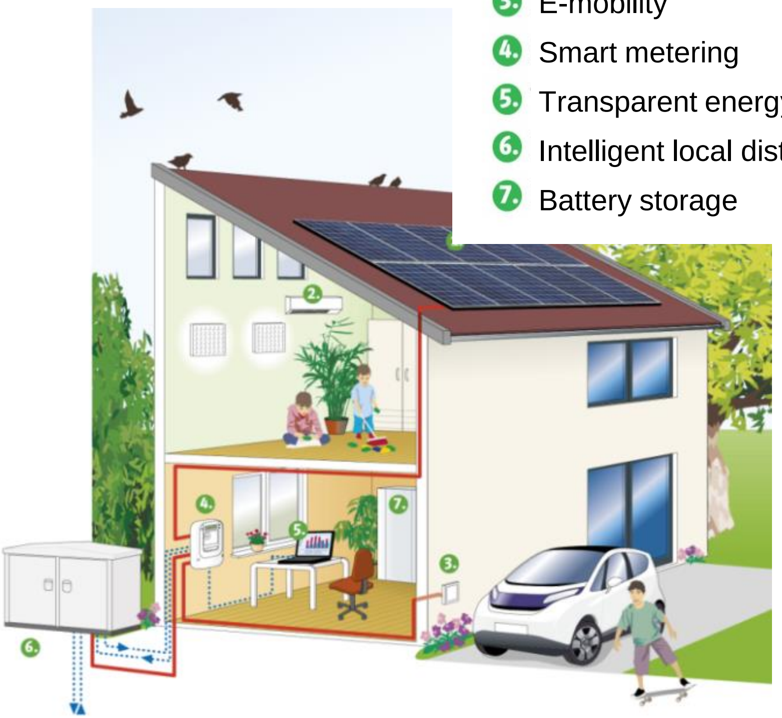
1. 2014 figures, corrected for Spain & Italy
2. Strategic review of E&P UK
3. Uniper Russia included at 100%, Eneva not included.

10 years ago clear vision of the gas industry: "Gas is the perfect partner for Renewables"

The “2006 vision” has not become reality

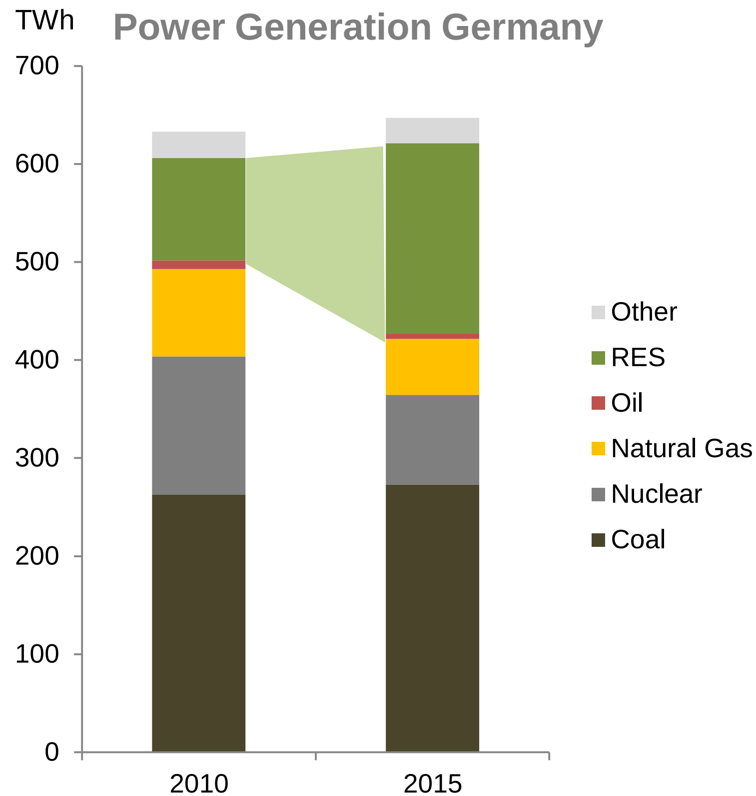
Downstream: Electrification

1. Photovoltaic
2. Air conditioning
3. E-mobility
4. Smart metering
5. Transparent energy consumption
6. Intelligent local distribution system
7. Battery storage



Source: E.ON Innovation Center Distribution

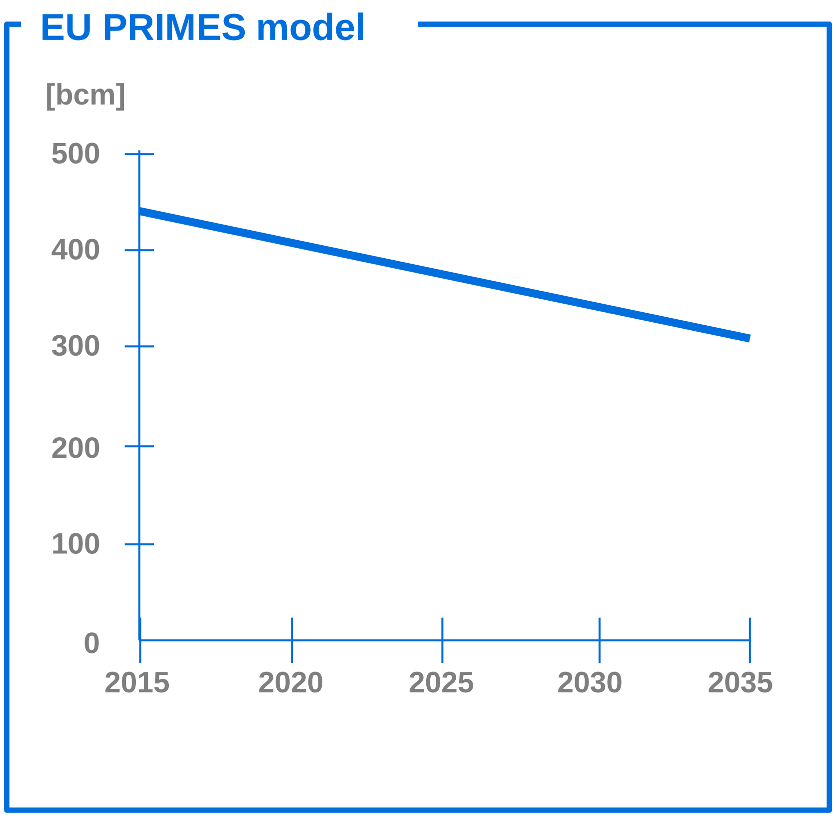
Upstream: Coal RES partner of choice



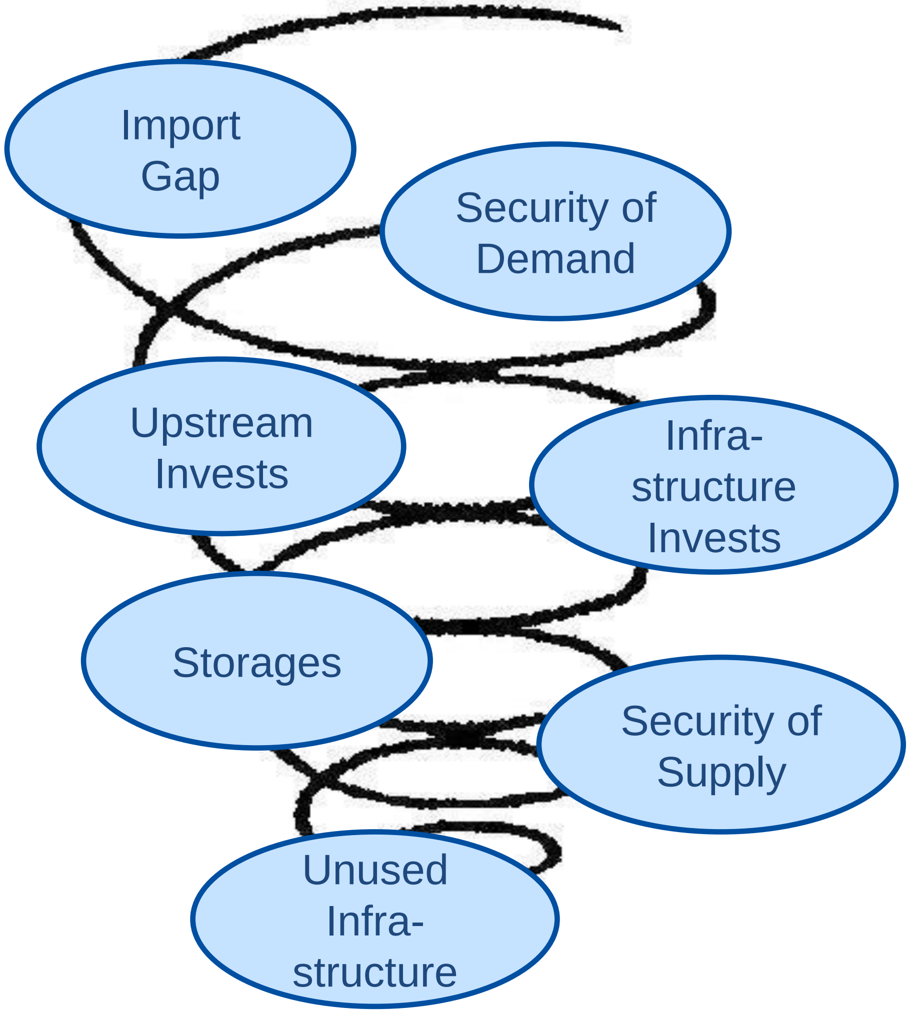
Source: Statistisches Bundesamt; BMWi, BDEW, AG Energiebilanzen.

➔ Too little focus on innovation, too little political support, adverse pricing conditions

Will the lights go out for gas in Europe?
EU forecasts rapidly declining demand



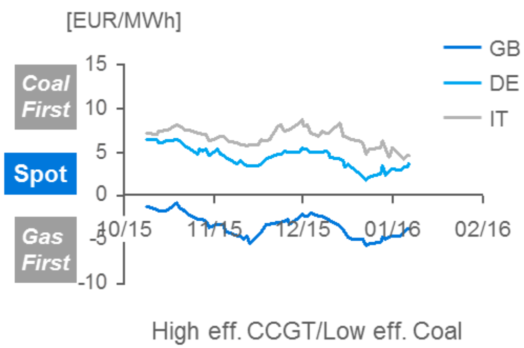
Source: PRIMES EE27 scenario based on 2013 reference scenario, using 2010 Eurostat data, and for the year 2030 involves 40% reduction in GHG relative to 1990, 27.8% renewables energy as a share of final energy consumption and 27.4% energy savings relative to a 2007 baseline.



Gas could play an essential role for reaching Europe's energy targets…

Gas-to-Power

Switching possible



Power to Gas remains biggest growth segment:

+55 bcm/a until 2030

Political framework (CO2 price) key for future development

Downstream

PV+Battery vs. Micro-CHP

Trend: from consumer to prosumer

Either via PV + Battery or via Micro-CHP

Are we competitive?

Transport

High potential

Potential for gas in transport: +20 bcm/a until 2030

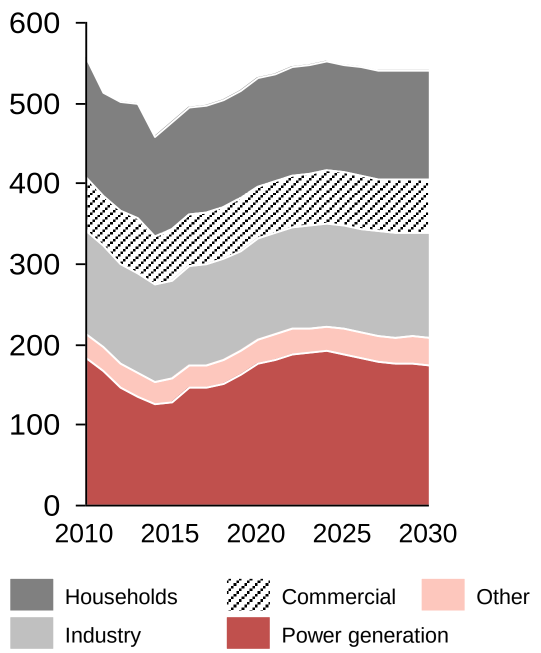
Dynamic development possible in LNG for trucks

Political framework important, too

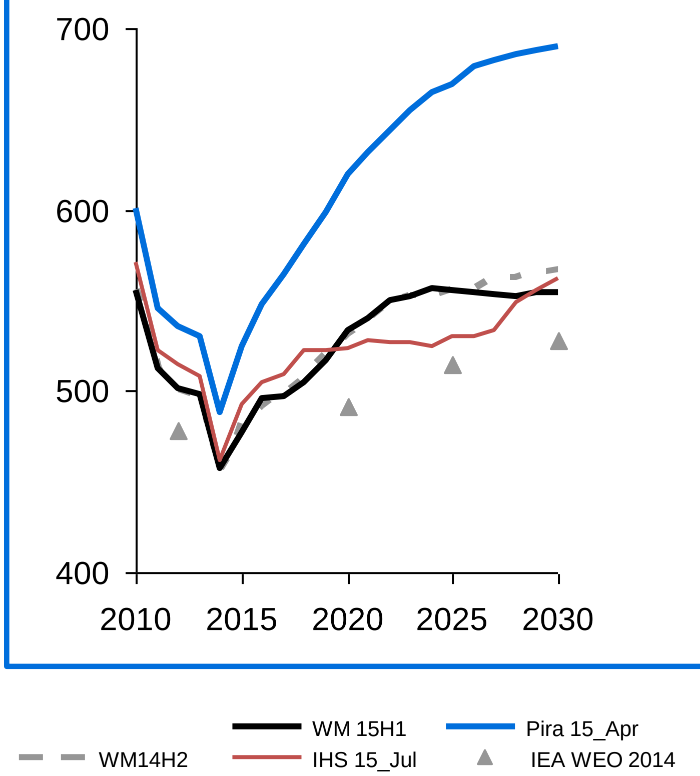
uni per

… which would lead to forecasts with increasing demand

Gas demand in Europe [bcm]



Comparison of forecasts [bcm]



Source: WoodMackenzie (WM) 2015 H1, IHS, Pira und IEA WEO NPS Scenario, WM „Europe“ incl. Turkey, IEA WEO only EU, 1) Referenzszenario

We need a joint industry effort to promote gas

1 **Consider full system cost**

Highlight cost competitiveness of gas

2 **Implement decarbonization**

Use gas for energy-systems & transport-sector

3 **Define right political framework**

Create long-term planning horizon