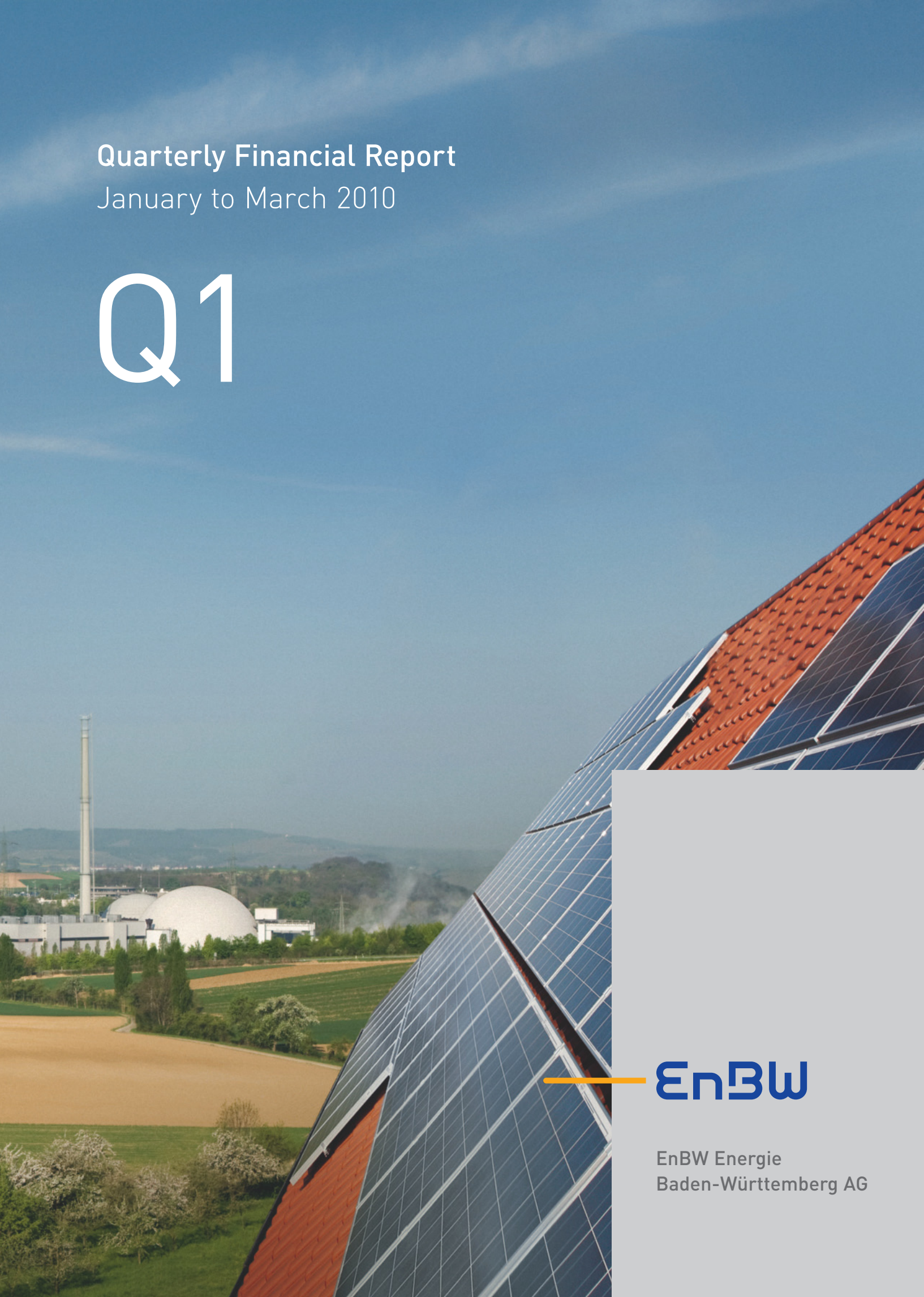


Quarterly Financial Report
January to March 2010

Q1



 EnBW

EnBW Energie
Baden-Württemberg AG

At a glance

EnBW group		1/1– 31/3/2010	1/1– 31/3/2009	Variance %	1/1– 31/12/2009
Revenue					
Electricity generation and trading	€ millions	1,218.4	715.8	70.2	2,357.5
Electricity grid and sales	€ millions	2,727.8	2,685.2	1.6	10,031.3
Gas	€ millions	783.2	1,211.6	-35.4	2,453.1
Energy and environmental services	€ millions	170.2	179.7	-5.3	722.3
External revenue, total	€ millions	4,899.6	4,792.3	2.2	15,564.2
Adjusted EBITDA	€ millions	1,082.9	896.5	20.8	2,615.3
EBITDA	€ millions	1,329.0	915.5	45.2	2,748.2
Adjusted EBIT	€ millions	875.7	697.4	25.6	1,793.9
EBIT	€ millions	1,121.8	708.6	58.3	1,889.3
Adjusted group net profit ¹	€ millions	598.2	424.9	40.8	879.1
Group net profit ¹	€ millions	817.1	397.6	105.5	768.2
Earnings per share from group net profit ¹	€	3.35	1.63	105.5	3.15
Cash flow from operating activities	€ millions	554.5	467.2	18.7	2,443.4
Free cash flow ²	€ millions	373.8	266.4	40.3	1,292.1
Capital expenditure	€ millions	530.6	247.1	114.7	4,374.1

Energy sales of the EnBW group		1/1– 31/3/2010	1/1– 31/3/2009	Variance %	1/1– 31/12/2009
Electricity	billions of kWh	38.0	31.9	19.1	119.7
Gas	billions of kWh	24.2	27.5	-12.0	65.8

Employees of the EnBW group ³		31/3/2010	31/3/2009	Variance %	31/12/2009
Employees	Number	19,987	20,725	-3.6	21,124

¹ In relation to the profit shares attributable to the equity holders of EnBW AG.

² Free cash flow before financing.

³ Number of employees without apprentices and without inactive employees.

IMPORTANT NOTE

No offer or investment recommendation

This report has been prepared for information purposes only. It does not constitute an offer, an invitation or a recommendation to purchase or sell securities issued by EnBW Energie Baden-Württemberg AG (EnBW), a company of the EnBW group or any other company. This report does not constitute a request, instruction or recommendation to vote or give consent. All descriptions, examples and calculations are included in this report for illustration purposes only.

Future-oriented statements

This report contains future-oriented statements that are based on current assumptions, plans, estimates and forecasts of the management of EnBW. Such future-oriented statements are therefore only valid at the time at which they are published for the first time. Future-oriented statements are indicated by the context, but may also be identified by the use of the words "may", "will", "should", "plans", "intends", "expects", "believes", "assumes", "forecasts", "potentially" or "continued" and similar expressions.

By nature, future-oriented statements are subject to risks and uncertainties that cannot be controlled or accurately predicted by EnBW. Actual events, future results, the financial position, development or performance of EnBW and the companies of the EnBW group may therefore diverge considerably from the future-oriented statements made in this report. Therefore it cannot be guaranteed nor can any liability be assumed otherwise that these future-oriented statements will prove complete, correct or precise or that expected and forecast results will actually occur in the future.

No obligation to update the information

EnBW assumes no obligation of any kind to update the information contained in this report or to adjust or update future-oriented statements to future events or developments. This quarterly financial report can also be downloaded from the internet in German or English. In case of doubt, the German version shall prevail.

Significant financial developments

- > The business situation in the first quarter of 2010 is satisfactory. Adjusted EBIT and adjusted group net profit increased significantly.
- > Free cash flow increased by 40.3% to € 373.8 million.
- > Total capital expenditure more than doubled to € 530.6 million.
- > Net debt fell primarily on account of the sale of GESO Beteiligungs- und Beratungs-AG and its subsidiaries by 9.4% to € 8,307.0 million.

Top issues January to April 2010

January

Increase in power station capacities in Germany

A total of 1,215 MW of installed power station capacity is economically transferred to EnBW as of 1 January 2010. The development of its generation capacities is one of EnBW's most important strategic objectives.



Formation of the Brandenburg energy efficiency network

To use energy more efficiently, reduce costs and the impact on the environment: eleven industrial companies from Berlin and Brandenburg take new paths to pursue these goals. In cooperation with EnBW they form an efficiency network with plans to sustainably reduce their energy consumption over the next four years.

February



EnBW launches Germany's largest electric fleet

EnBW's hopes are riding on two wheels – and it kick-starts a field test with 700 e-bikes in Stuttgart region. It is intended to test electric mobility behaviour in a real environment. The first e-bikes are going to the city of Stuttgart.

Community energy cooperatives – a model for success

Schemmerhofen is home to the tenth community energy cooperative in the network territory of EnBW's Oberschwaben regional centre. The first step is the construction of a photovoltaic system with an investment volume of some € 77,000.

March

City of Dresden approves acquisition of GESO

Dresden city council approves the acquisition of the Saxony-based holding company GESO from EnBW. EnBW welcomes this approval. This means that the GESO group will remain intact with its DREWAG and ENSO subgroups.



An additional 40 MW of output for unit 7

Following its successful modernisation, unit 7 of Heilbronn combined heat and power plant generates more electricity from the same quantity of fuel.

April



Inauguration of EnBW's solar farm

Some 600 households are supplied with electricity from Leibertingen (Sigmaringen district) solar facility. As the first large-scale solar farm, it marks the starting point for EnBW's investment in photovoltaics. Together with the solar power facility under construction in Ulm-Eggingen, EnBW is going to boost installed output to around ten MW.

Start to generation of electricity from biomass

EnBW signs a master purchase agreement with Altus AG on the acquisition of 12 biogas plants. There has been a joint venture between the two companies since 2009. The facilities will be built mainly in Lower Saxony and eastern Germany and integrated into agricultural enterprises.



Hans-Peter Villis, Chief Executive Officer

Letter to our shareholders

Dear shareholders,
investors and friends of EnBW,

EnBW got off to a good start in fiscal year 2010. In the first three months, the EnBW group achieved adjusted earnings before interest and taxes (adjusted EBIT) of € 875.7 million. This is an increase of 25.6% compared to the prior year.

The improvement in adjusted EBIT is due, among other things, to a higher generation margin in the electricity generation and trading segment. Earnings also rose in the electricity grid and sales segment, although sales in particular were faced with strong competition. In spite of the fall in unit sales, the gas segment also made a positive contribution to earnings on account of higher income in the regulatory area.

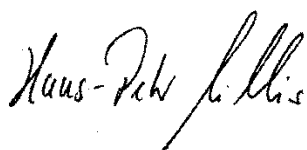
Adjusted group net profit in terms of the profit shares attributable to the equity holders of EnBW AG rose by 40.8% to € 598.2 million in the first quarter of 2010 compared to the prior-year quarter. This was due not only to the growth in operating business, but also to the overall improved financial result, which benefitted from the situation on the capital markets returning to normal.

Despite the positive results and the growth rates recorded in the first quarter, we are only cautiously optimistic for the year as a whole. The market environment in the energy industry remains difficult and, based on the currently valid nuclear energy agreement, the generation capacity of Neckarwestheim nuclear power plant's block I will be available only to a limited extent. The contribution to earnings made by this nuclear power plant will be much lower accordingly. Earnings in the gas segment will probably be negatively affected by the development of oil prices and the competitive environment, particularly in the fourth quarter. On aggregate, we therefore continue to work on the assumption that we will achieve an adjusted EBIT in 2010 at the level seen in the prior year.

EnBW consistently pursued its growth and investment programme further in the first few months of the fiscal year 2010. Gross investments for the period from January to March totalled € 530.6 million. Capital expenditures on intangible assets and property, plant and equipment focused on ongoing projects, such as the construction of the RDK 8 hard coal power station in Karlsruhe or the continual modernisation and expansion of our networks. The financial acquisitions primarily related to the purchase of the shareholding in Rostock power station. For the period from 2010 to 2012, there are no changes to EnBW's budgeting for gross investments totalling € 7.9 billion.

Our gross investment programme is accompanied by divestitures. The sale of GESO Beteiligungs- und Beratungs AG, which was concluded in the first quarter of 2010, was already a step in that direction. Taking the sales proceeds into account, total net investments came to € -327.9 million in the reporting period. As a result, EnBW generated a net cash inflow. Our net debt dropped by € 865.0 million compared to year-end 2009 to € 8,307.0 million. It is anticipated that EnBW's growth strategy can be financed from current cash flow over the coming years. That is important to us as we attach great value to maintaining a sustainable, sound financial position for the group.

Yours sincerely,



Hans-Peter Villis
Chief Executive Officer

Karlsruhe, May 2010

EnBW on the capital market

In January 2010, Fitch was the third rating agency to confirm our A rating. We continue to pursue the aim of meeting the information requirements of investors, analysts, rating agencies and banks in full and without delay. This is why financial communications activities in the first quarter were dominated by intense public relations at numerous events. The annual general meeting on 29 April 2010 approved the distribution of a dividend of € 1.53 per share.

Established issuer on the debt capital market

The debt capital market continues to play an important role in EnBW's financing. This means that, in addition to financing from the group's own cash flow from operating activities, EnBW has a wide range of short to long-term debt financing instruments that facilitate flexible access to the capital market. In addition to a commercial paper programme and the Euro Medium Term Note programme, these include a syndicated line of credit of € 2.5 billion. Of this amount, € 1.0 billion revolves on an annual basis; we recently succeeded in extending this tranche by a further year.

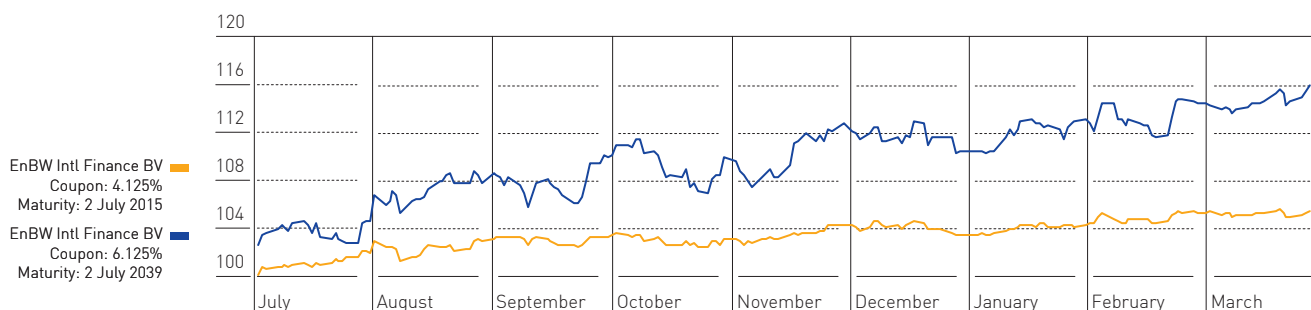
EnBW's objective is to ensure an A rating in the medium term and to optimise the capital structure under these conditions. One important criterion is the gearing level that we manage within an appropriate range on the basis of the dynamic leverage ratio (net liabilities to adjusted EBITDA). Under the investment programme for the period from 2010 to 2012 we aim to achieve a net investment volume of € 5.1 billion taking divestitures into account. This level is generally equal to the cash flow expected for this period. The sale of GESO Beteiligungs- und Beratungs-AG and its subsidiaries is one of the first important steps in the planned divestitures. EnBW has always met its objective of maintaining an A rating in the past. Currently, ratings have been issued by Fitch (A/outlook stable), Moody's (A2/outlook stable) and Standard & Poor's (A-/outlook negative). Standard & Poor's justifies the negative outlook with the uncertainties it sees in the current market environment and also in the complexity of EnBW's investment programme. Fitch most recently confirmed its rating on 29 January 2010.

Development on the bond market

In the first quarter of 2010, the price development of government bonds was overshadowed in particular by worries concerning the budgetary and financial stability of some countries such as Greece, Portugal, Japan and the UK. The iBoxx € Eurozone index, which tracks the return on government bonds of a number of European countries, increased by 2.4% (to 169.13 points) over the first three months of 2010. The performance of the iBoxx € Utilities index, which covers the bonds issued by European utility companies, saw an increase of 3.0% over the same period. EnBW's bonds continue to be priced above par, at times significantly, and saw further price growth in the first quarter of 2010.

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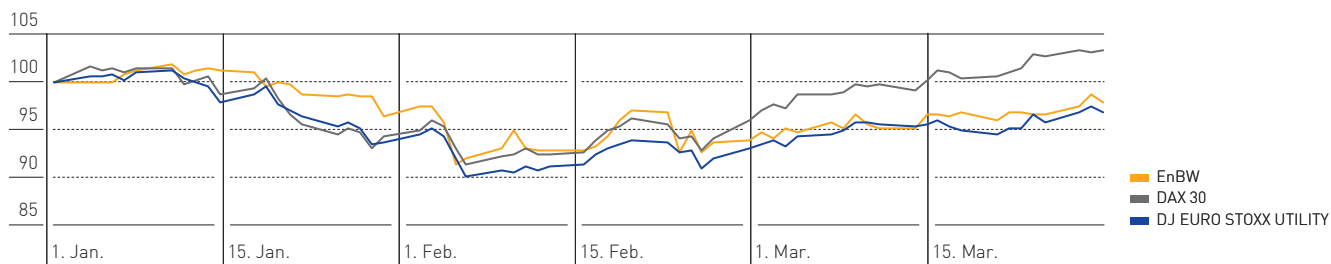
Performance of the EnBW bonds issued in 2009 in %



Development of the EnBW share in the first quarter of 2010

At the beginning of 2010, the EnBW share stood at exactly € 40. In the wake of the general drop in the market, the EnBW share fell by 9% to its lowest level so far this year of € 36.51 on 4 February 2010. The price then rose again, reaching € 39.10 at the end of the first quarter of this year. In contrast, the leading share index in Germany, the DAX, more than made good the losses suffered until February, closing at 6,159 points on 31 March 2010 up 3% in comparison to the end of 2009. The DJ EURO STOXX UTILITY index, which reflects European utilities, followed a similar pattern in the reporting period but at the end of March was still slightly below the level seen at the end of 2009. Over the course of the first quarter of 2010, the French banks Société Générale and Oddo & Cie lowered their forecasts for the EnBW share. Société Générale downgraded EnBW from “buy” to “hold” with a price target for the share of € 39. One of the reasons given for the downgrade, which also affected other German energy suppliers, was the uncertainty regarding the issue of the working lives of nuclear power plants in Germany. Oddo & Cie adjusted its price target to € 42 from the previous € 50. The arguments for this are the lower dividend in 2009 than the prior year and the moderate growth expected for the company this year in comparison to the prior year.

Performance of the EnBW share from January to March 2010 in %



As of 31 March 2010, there were no changes to the shareholder composition in comparison to the end of the year 2009. E.D.F. INTERNATIONAL SA and OEW Energie-Beteiligungs GmbH each hold 45.01% of the capital stock of EnBW. Further shareholders are Badische Energieaktionärs-Vereinigung (2.55%), Gemeindeelektrizitätsverband Schwarzwald-Donau (1.28%), Neckar-Elektrizitätsverband (0.69%), Landeselektrizitätsverband Württemberg (0.54%) and other municipal shareholders (0.78%). The free float totals 1.84%. EnBW holds treasury shares of 2.30% of the capital stock.

Numerous financial communications activities

In order to maintain and further increase investor confidence in EnBW, we carried out numerous communications measures over the first few months of 2010. These kicked off in January with two investor conferences in New York and Paris. At the beginning of February we held a conference call on the publication of the preliminary figures for 2009 for analysts and investors. Publication of the annual report for 2009 was immediately followed by our spring road show in March and April 2010. On our way through Europe, we stopped off in Frankfurt, London, Edinburgh, Paris, Amsterdam, Den Bosch, The Hague, Zurich, Milan, Stuttgart and Munich, meeting around 100 investors and analysts in eight group presentations and 35 personal talks. The talks covered such topics as EnBW's strategy, the expansion of its generation capacities in 2009, further development of the gas segment as well as our investment programme. EnBW's traditional Bankers' Day was then held at the end of March. Around 60 bank representatives were given a deeper insight into the company at various presentations and during a visit to the RDK 8 construction site.

2010 annual general meeting approves dividend of € 1.53 per share

The annual general meeting of EnBW Energie Baden-Württemberg AG was held in Karlsruhe on 29 April 2010. A total of 95.37% of the voting rights was represented. All draft resolutions to the annual general meeting were passed virtually unanimously. In accordance with the proposal made by the Board of Management and Supervisory Board, a dividend of € 1.53 per share was distributed as of 30 April 2010. In relation to the share price at the end of the first quarter of 2010, this is equivalent to a dividend yield of 3.9%.

Business activity and economic environment

As an energy company spanning the entire value added chain with its business segments, EnBW is present on three different markets – wholesale markets, regulated markets and retail markets. An extensive investment programme is at the core of the corporate strategy. The overall economic situation stabilised at the beginning of 2010. The prices of some primary energy sources recovered significantly in comparison to the prior-year period. In contrast, the increase in the wholesale market prices of electricity is not yet sustainable. There are still fundamental decisions to be made in Germany.

Business activity

The EnBW group covers the whole value added chain. In the field of electricity, for example, EnBW operates in two segments: electricity generation and trading as well as electricity grid and sales. The activities in the gas segment currently extend to the midstream and downstream areas. The midstream business includes import agreements, import infrastructure, gas storage, and trading and portfolio management. Downstream covers the transmission, distribution and sales of gas. Our energy and environmental services segment provides network and energy-related services, thermal and non-thermal waste disposal and water supply services. Contracting constitutes the largest portion of energy-related services. It covers the entire value added chain from the initial needs analysis through planning, financing and realisation through to the operation, servicing and maintenance of facilities at the customer. This not only includes energy and (combined power and) heating plants but also media infrastructure. The electricity generation and trading segment is vital to the earnings situation of the group.

Heterogeneous market structures

EnBW has a broad business portfolio. Its operations relate to products and services in four business segments in three markets. These cover a very wide range. The wholesale markets in which EnBW procures primary energy sources and CO₂ allowances, and generates and trades in electricity are characterised by intense competition. The efficiency and flexibility of the generation and procurement portfolio are decisive success factors in this respect. In contrast, prices on the regulated market are formed through regulatory procedure. This market environment applies to our grids and to renewable energies, in particular hydro-electric and wind power. On the end customer market, EnBW provides services to and supplies a total of some six million business and retail customers. The traditional business as an energy company is in a state of upheaval: customer-focused energy consulting and services relating to energy use are increasingly gaining in competitive importance.

Growth and investment programme

In Europe, EnBW is one of the ten largest energy companies; in Germany it takes third place. We intend to reinforce and expand this position. In the gas segment, we aim to strengthen our position through assets that provide us with flexibility and the potential to optimise our business. Our objective is to double revenue in the energy and environmental services segment by 2020. This strategic development on the part of EnBW involves greater capital expenditure over the next few years. We have budgeted gross investments of € 7.9 billion for the period from 2010 to 2012. Growth projects account for a 59% share of investments. The remaining 41% is attributable to replacement and renewal measures, in particular for power stations and grids.



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The group



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Capital expenditures and
acquisitions p.18

With our growth and innovation programme, we are concentrating on the following strategic areas:

- > Developing of generation capacity: We are investing € 2.9 billion over the next three years in the construction of thermal power stations and facilities to exploit renewable energies (hydro-electric and wind power).
- > Gas business: We see further business potential in the gas sector, especially in expanding midstream activities. We are budgeting for investments of € 1.6 billion in this field. The focus is on our gas storage project in Etzel and the call option for a share of 48% in VNG.
- > Core market Germany, select growth abroad: The focus of investments totalling € 1.0 billion are hydro-electric power stations and wind turbines in Turkey. Our objective is to create generation capacities of 2,000 MW here by 2020 as part of a joint venture
- > Establishing new fields of business: With a volume of € 400 million, we intend to push forward the energy-related services and contracting business with new products for our end customers.
- > An amount of € 2.0 billion will be put into securing and optimising existing business by 2012. This will also benefit our grids as we see them as an integral part of our electricity and gas business. They generate a positive cash flow and contribute to diversification of our business portfolio. Efficiency measures are put into practice on an ongoing basis under the Impuls programme. Joint projects with our strategic partner and major shareholder EDF will be used to exploit synergies.

Economic environment

EnBW's business is influenced by various external factors. These include, in particular, the general economic environment and price developments on the markets for electricity, fuels and CO₂ allowances. Furthermore, political and regulatory decisions have, in some cases, a considerable impact on the company.

Overall economic developments

According to statistics provided by the International Monetary Fund (IMF), global economic output contracted by 0.8% in 2009 in comparison to 2008. Starting the year with a severe financial and economic crisis, the global economy already saw a return to growth in the second half of 2009. According to information provided by Deutsche Bundesbank, this trend continued in the first few months of 2010. The recovery was primarily borne by the dynamic expansion in China and India. Industrialised countries have also passed the lowest point of the crisis, but a return to growth is still difficult in many cases.

According to Eurostat estimates for the fourth quarter of 2009, the gross domestic product (GDP) in the euro area contracted by 2.1% compared to the same prior-year period. The contraction came to 4.1% for the year as a whole. Similarly, Germany has not yet experienced any noticeable economic recovery. The German Institute for Economic Research (DIW) works on the assumption that there will be a minor increase in GDP of 0.3% in the first quarter of 2010 in comparison to the first quarter of 2009. In the last quarter of 2009, GDP had stagnated in comparison to the third quarter of 2009. All in all, GDP in 2009 was down 5.0% on the prior year in Germany.

In light of the significantly lower level of overall economic output, electricity consumption in 2009 was roughly down 5.0% on the prior year, according to statistics provided by the German Energy and Water Association (BDEW). Gas consumption fell by 5.5% in 2009. One of the main causes of the significant drop in electricity and gas consumption was the much lower demand from industry. According to the most recent BDEW estimates, electricity consumption in February 2010 saw minor growth of 2.8% in comparison the prior-year period.

Market situation for primary energy sources, CO₂ allowances and electricity

EnBW procures the quantities of primary energy sources and CO₂ emission allowances required for electricity generation in advance on the forward market. At the same time, it likewise sells the budgeted electricity production on the forward market. This enables EnBW to reduce the uncertainties for the company's generation margin arising from the price development. Costs and revenue in the first quarter of 2010 can therefore mainly be attributed to the conditions agreed in the supply contracts concluded in previous years. Accordingly, the price developments seen in the first three months of 2010 will mainly have an effect on subsequent periods. This likewise applies to the quantities of electricity procured by the sales function on the forward market.

Oil market: Following the fall in the price of Brent oil to US\$ 39.55 per barrel (159 l) for short-term deliveries (front month) in February 2009, the price of oil increased significantly over the rest of the year. By the end of the year 2009, it reached US\$ 77.93. In the first quarter of 2010, the price of oil fluctuated in a corridor between US\$ 69 and 83 per barrel. This means that, on average, it was 69% above the price in the prior-year quarter. Prices were buoyed by some early indicators that boosted hopes of a sustained recovery of the global economy and the associated increase in demand for oil. The high stockpiles of oil and oil products, OPEC's high level of reserve capacities and the declining quota discipline of some OPEC countries have so far not been able to exert downward pressure on the price of oil. The prices for forward delivery of oil in 2011 tracked front month prices at a generally higher level.

Coal market: In contrast to oil prices, the import prices of hard coal for short-term deliveries to the ARA ports (Amsterdam, Rotterdam, Antwerp) did not start their upward movement until the end of the third quarter of 2009, but it accelerated in particular towards the end of 2009. In the first week of 2010, prices on the spot market reached as much as US\$ 93.76/t, a level not seen since November 2008. The price increase at the start of the new year was caused mainly by the increase in imports to China as a consequence of the colder weather and local production and transport difficulties due to snow. This was augmented by greater demand in Europe due to low temperatures and rising gas prices on the spot market. Prices fell again later as a result of Indian and Chinese purchasers withdrawing from the market in addition to milder temperatures and falling freight prices. At the end of the first quarter, the price stood at US\$ 75.10/t. By the end of the second quarter of 2009, the prices for delivery in 2011 had already made up the losses seen at the beginning of the year. Prices then stagnated, but weakened in the first quarter of 2010 as a result of falling gas prices.

Price development on the oil and coal markets	Average Q1 2010	Average Q1 2009	Average 2009
Crude oil (Brent) front month (daily quotes in US\$/bbl)	77.37	45.72	62.67
Crude oil (Brent) annual price 2011 (daily quotes in US\$/bbl)	83.27	63.00	74.50
Coal – weekly index for short-term delivery (API #2 index) in US\$/t	78.17	71.24	70.42
Coal – API #2 annual price 2011 in US\$/t	93.83	86.79	94.91

Gas market: Long-term gas import contracts form the basis of gas supplies in Germany. As a rule, the price of gas tracks the price of oil with a time lapse of around six months. As a consequence of the drop in the price of oil in the second half of 2008, the border price index for natural gas compiled by the Federal Office of Economics and Export Control (BAFA) fell from € 30.03/MWh (megawatt hour) to € 16.84/MWh between January and August 2009. This is equivalent to a drop of 44%. In light of the rise in oil prices in the course of 2009, the border price index started rising again as of August 2009, reaching € 18.34/MWh in December. The price averaged at € 21.10/MWh for the year 2009, roughly 22% down on the prior year (2008: € 27.06/MWh).

The wholesale market is another source of natural gas in addition to the gas import contracts. The most liquid of the Continental European wholesale markets is currently the Dutch Title Transfer Facility (TTF) closely followed by the German wholesale market NetConnect Germany (NCG). The annual average price on the TTF for natural gas for immediate delivery (spot market) in 2009 stood at € 12.12/MWh, more than 50% below the figure for 2008. In the course of the year, the price fell significantly below € 10/MWh. Lower-than-average temperatures at the end of 2009 and the beginning of 2010 caused prices to rise above € 15/MWh in January and February. In March, the price returned to under € 11/MWh. On average, the price in the first quarter of 2010 was 25% down on the figure seen in the first quarter of 2009. The price of forward contracts for 2011 continually fell as of mid-2009. The continuing weak demand for gas as a result of the economic environment, combined with minimum purchase obligations on the part of importers in addition to new LNG production capacities in the Middle East have caused an underlying excess supply. This brought about a significant increase in the price mark-up on the border price compared to market prices over the course of 2009. Excess supply levels will continue in the near future. This is reflected in current forward market prices.

Development of prices for natural gas on the TTF (Dutch wholesale market) in €/MWh	Average Q1 2010	Average Q1 2009	Average 2009
Spot	13.32	17.75	12.12
Delivery 2011	16.59	22.41	21.76

CO₂ emission allowances: EnBW's electricity generation portfolio also includes CO₂-emitting power stations. Under the European emissions trading system, the requisite number of emission allowances have to be evidenced for the CO₂ emissions generated.

The price of emission allowances (EU Allowances – EUA) for delivery in December 2010 (EUA-10) came to an average of € 13.09/t CO₂ in the first quarter of 2010, after the average of € 11.92/t CO₂ seen in the first quarter of 2009 and of € 13.77/t CO₂ seen over the prior year seen as a whole. Prices in the first quarter of 2010 remained within a corridor roughly between € 12.5/t CO₂ and € 13.5/t CO₂. Figures fundamental to the CO₂ market, such as fuel switch costs and emissions, remain at a very low level. The higher EUA price prevailing in this quarter in comparison to the prior-year quarter can be explained primarily by the lower volume of sales by industrial companies and the incipient demand by energy companies for EUA 13 allowances. Uncertainties regarding the verified 2009 emissions published on 1 April probably prevented a further price increase.

Companies can also cover part of their emissions with allowances from projects to reduce emissions in emerging and developing countries (Certified Emission Reductions – CER). The price of CER-10 allowances also generally tracked the development of the price of EUA-10 allowances in the first three months of 2010. They are, however, somewhat more favourably priced on account of the higher risk, with a price difference of around € 1.50/t CO₂ in the first quarter of 2010.

Development of prices for emission allowances/daily quotes in €/t CO ₂	Average Q1 2010	Average Q1 2009	Average 2009
EUA-10	13.09	11.92	13.77
CER-10	11.57	10.35	11.73

Wholesale electricity market: In 2009, the price of electricity for immediate delivery (base load product on the spot market of the European Energy Exchange – EEX) was significantly below the prior-year level (-41%). This was the result of the cost of the primary energy sources, i.e. oil, coal and natural gas, averaging considerably below the prior-year level as well as lower CO₂ emission allowance prices. In addition, the poor economic situation meant that there was a significant fall in load in comparison to the prior year. In the first quarter of 2010, the significantly lower gas prices in comparison to the corresponding prior-year period and a higher level of wind energy being fed in caused a drop in the price of electricity to an average of € 41.03/MWh (prior year: € 47.36/MWh).

The average price for delivery in 2011 came to € 48.09/MWh in the first quarter of 2010. This meant that the price was lower than the quotations prevailing in the first quarter of 2009 (€ 52.01/MWh) and the fourth quarter of 2009 (€ 52.42/MWh). This is due to the drop in the price of gas on the wholesale market and the economic outlook which remains modest.

Development of prices for electricity (EEX) base load product, in €/MWh	Average Q1 2010	Average Q1 2009	Average 2009
Spot	41.03	47.36	38.85
Delivery 2011	48.09	52.01	53.91

Prices for retail and industrial customers: BDEW statistics reveal that an average household with an annual consumption of 3,500 kWh paid an average of € 67.70 a month for its electricity in 2009, following some € 63.15 in the prior year (as of autumn 2009). This is due, among other things, to the fact that some quantities of electricity for retail customers and commercial businesses are purchased several years in advance and in individual tranches via the wholesale market. This reduces the risk of price peaks but, on the other hand, causes a delay in any adjustment to rapidly falling prices. One of the factors reflected in the 2009 price level is the marked increase in the electricity price on the wholesale market in the first half of 2008. Furthermore, higher expenses relating to the German Renewable Energies Act (EEG) contributed to the higher price level. In the first

two months of 2010, the German Federal Statistics Office established a further rise in the price of electricity paid by retail customers in comparison to the same months in the prior year. The increase was, however, lower than in the previous months. According to BDEW statistics, the prices for industrial customers (typical industrial SME) that are, as a rule, more closely linked to the current price level on the wholesale market fell from 13.25 ct/kWh in 2008 to 11.23 ct/kWh in 2009. According to statistics provided by the German Federal Statistical Office, gas prices paid by retail customers fell noticeably from July 2009. In the first two months of 2010, the fall had reached as much as 20% in comparison to the prior year, although some companies had already started raising their prices as of the beginning of the year.

Political and regulatory environment

European energy policy

The climate package (“green package”) and the third energy liberalisation package were the most recent legislation to be passed at a European level in April and June 2009. The climate package contains regulations on reductions in greenhouse gas emissions, on emissions trading, renewable energies and carbon dioxide capture and storage (CCS). The beginning of the third trading period from 2013 means that all CO₂ allowances for the energy industry will be auctioned, which constitutes additional costs for energy companies depending on the share of CO₂-emitting power stations in their generation portfolios. This will lead to higher costs for fossil-fuelled generation.

The energy liberalisation package provides alternatives to ownership unbundling of the transmission networks when transposing the legislation into national law. This means that there is still the option of creating an independent system operator or an independent transmission operator (“third way”). Accordingly, disposal of transmission grids will not be mandatory. Neither package has been transposed into national law in Germany so far. It remains to be seen which path Germany will take.

Directive on industrial emissions: The EU intends to pass a directive aimed at lowering the upper emission limits for industrial facilities in order to reduce the pollution burden to air, water and soil before the year is out. It would then likewise be transposed into national law. The consequences for EnBW depend on the upper emission limits that are set.

Energy policy in Germany

Both the CCS directive and directive on energy services and energy end-use efficiency have yet to be transposed into national law. The latter is scheduled to be transposed into national law in the form of the German Energy Services Act (EDL-G) within the first half of 2010. It is likely that further regulations will follow in the wake of the federal government’s energy concept announced for autumn 2010.

The Federal Network Agency’s regulation governing implementation of the Compensation Mechanism Ordinance (AusglMechV), which regulates the marketing of the electricity for which remuneration has to be paid under the Renewable Energies Act, has been in effect since 27 February 2010. Supplementing the Compensation Mechanism Ordinance, which came into force in 2009, it provides detailed regulations providing for transparent and cost-efficient marketing of electricity fed in under the EEG by transmission system operators. The regulation provides transmission network operators with clear guidelines on the marketing itself as well as on the publication duties regarding their marketing activities and the keeping of accounts. It further creates an incentive system to market the EEG electricity in the best possible way.

Amendment of the Energy Tax Act: The Federal Ministry of Finance plans to amend energy and electricity tax legislation in such a way that tax relief is only granted in the event of genuine contracting agreements. The contracting industry has made proposals that will make it possible to prevent abuse in future by assuming responsibility for the efficiency of energy transformer facilities. Following the initial hearings of the relevant associations by the ministry, a reworked bill is expected in May 2010.

CCS directive: The European Union's CCS directive from 2009 was the first legal framework enacted at European level governing the capture, transportation and storage of CO₂. The federal government is obliged to transpose this directive into national law within two years. One CCS bill failed to be passed in the last legislative period, which means a repeat of national legislative procedure. In this context, there are currently discussions in progress between the European Commission and the member states as to whether some regulations of the CCS directive already apply directly without transposition into national law. Such direct effect – as argued by the European Commission – could mean a review of the general feasibility of CCS measures ("CCS readiness") as part of the approval procedure for new power stations currently under construction.

Extension of the term of nuclear power plants: In their coalition agreement concluded in November 2009, the governing three-party coalition came to a consensus to extend the term of German nuclear power plants. No details on the extent and any conditions for a potential extension of the term of their working lives have been revealed to date. EnBW had indicated on many occasions that it is generally in favour of extending the term of nuclear power plants and welcomes talks on this issue.

Regulation of the electricity and gas markets

Grid balancing organisation for German electricity grids: The Federal Network Agency decided to introduce a single grid balancing organisation by 31 May 2010 for the whole of Germany. This will oblige the four transmission system operators to cooperate closely in providing balancing power in Germany's electricity grids. For more than one year now, EnBW has been one of three transmission system operators participating in a grid balancing organisation that the remaining transmission system operator is now joining.

Network user charges: For the operators of electricity and gas grids in Germany, 2010 is the second year of incentive regulation under which an individually set cap is imposed on the revenue from network user charges for a period of four years (for gas grids) and five years (for electricity grids). As the revenue caps specified by the Federal Network Agency for EnBW are generally above the 2008 network user charges, the ones most recently approved, this gave rise to a positive effect on revenue and earnings for the fiscal year 2009. On the other hand, a burden on revenue will arise in 2010 from the absorption of surplus revenues following the rulings by the Federal Court of Justice (BGH) of August 2008.

If there is a permanent change to their supply duties, network operators may apply for a higher cap on revenue in the course of the regulation period. This means that distribution network operators can apply for an extension factor, while transmission system and long-distance network operators can apply for an investment budget. This was possible for the first time as of 30 June 2009. Any EnBW companies operating as network operators that meet the necessary requirements have applied for an extension factor. The regulatory authority's approval for the respective cap on revenue will come into effect for the first time in 2010.

The EnBW group

In a brighter economic environment, EnBW generated adjusted EBIT of € 875.7 million in the first quarter of 2010 – a rise of 25.6% in comparison to the prior year, the electricity and gas grids making the largest contribution. There was a significant improvement in the non-operating result compared to the prior-year period. The divestiture of GESO Beteiligungs- und Beratungs-AG and its subsidiaries reduced net debt.

Results of operations

Unit sales and revenue

Electricity sales of the EnBW group in billions of kWh	Generation and trading		Grid and sales			Total
	1/1–31/3/2010	1/1–31/3/2009	1/1–31/3/2010	1/1–31/3/2009	1/1–31/3/2010	1/1–31/3/2009
Retail customers (B2C)	0.0	0.0	6.7	7.1	6.7	7.1
Industry and redistributors (B2B)	0.8	0.7	11.5	12.8	12.3	13.5
Trade	16.0	8.4	3.0	2.9	19.0	11.3
Total	16.8	9.1	21.2	22.8	38.0	31.9

In the first three months of 2010, the EnBW group's unit sales of electricity totalled 38.0 billion kilowatt-hours (kWh), i.e. up 19.1% on the level seen in the corresponding prior-year period when sales came to 31.9 billion kWh. This significant rise is mainly the result of an increase in trading activities. In contrast, sales of electricity to retail customers fell in comparison to the prior year, from 7.1 billion kWh to 6.7 billion kWh, due to fiercer competition. The fiercer competition also led to a drop in sales to business customers (B2B) of 8.9% to 12.3 billion kWh.

Gas sales of the EnBW group in billions of kWh	1/1–31/3/2010	1/1–31/3/2009	Variance %	1/1–31/12/2009
Retail customers (B2C)	6.4	6.1	4.9	12.3
Industry and redistributors (B2B)	17.8	21.4	-16.8	53.5
Total	24.2	27.5	-12.0	65.8

The EnBW group's unit sales of gas fell by 12% in the first quarter of 2010 in comparison to the first three months of the prior year, from 27.5 billion kWh to 24.2 billion kWh. The decisive factor was the fall in B2B sales from 21.4 billion kWh to 17.8 billion kWh. In contrast, unit sales of gas to retail customers increased by 4.9% to 6.4 billion kWh in the reporting period, the colder weather in eastern Germany making a major contribution.

External revenue of the EnBW group by segment in € millions ¹	1/1– 31/3/2010	1/1– 31/3/2009	Variance %	1/1– 31/12/2009
Electricity generation and trading	1,218.4	715.8	70.2	2,357.5
Electricity grid and sales	2,727.8	2,685.2	1.6	10,031.3
Gas	783.2	1,211.6	-35.4	2,453.1
Energy and environmental services	170.2	179.7	-5.3	722.3
Total	4,899.6	4,792.3	2.2	15,564.2

¹ After deducting electricity and natural gas tax.

Seen as a whole, the external revenue of the EnBW group before deducting electricity and natural gas tax came to € 5,187.4 million in the period from January to March 2010. After deduction of electricity and natural gas tax, external revenue comes to € 4,899.6 million, which is 2.2% up on the prior-year level of € 4,792.3 million. Adjusted for consolidation effects, external revenue rose by 0.4% or € 19.9 million.

Electricity generation and trading: The external revenue in this segment rose strongly from € 715.8 million to € 1,218.4 million. The increase is a result of the growth in unit sales. This is due, among other things, to the increase in generation capacities within the EnBW group in Germany. Adjusted for consolidation effects, the increase in the electricity generation and trading segment in comparison to the prior-year period comes to 51.6% or € 414.5 million. This segment's share of total group revenue increased by 10.0 percentage points in comparison to the prior year to 24.9%.

Electricity grid and sales: In the first quarter of 2010 revenue in the electricity grid and sales segment saw a minor rise of 1.6% to € 2,727.8 million. A drop in unit sales was more than offset by positive price effects. At 55.7%, the segment's share of revenue remains greatly unchanged in comparison to the prior year (56.0%).

Gas: Revenue in the gas segment fell by 35.4% to € 783.2 million, i.e. much more noticeably than unit sales. This was a consequence of our passing on lower gas procurement prices to our customers. This meant that this segment's share of group revenue fell from 25.3% to 16.0%.

Energy and environmental services: At € 170.2 million in the first quarter of 2010, revenue in this segment lagged 5.3% behind the prior-year figure. This segment's share in total group revenue comes to 3.5% following the 3.7% in the prior year.

Material developments in the income statement

A significant rise in other operating income from € 209.2 million in the first quarter of 2009 to € 429.4 million in the reporting period made a noticeable contribution to the ongoing improvement in the earnings situation of the group. Material factors in this context included the gain on deconsolidation of GESO Beteiligungs- und Beratungs-AG and its subsidiaries and the compensation for the premature termination of a long-term electricity supply agreement. The cost of materials fell by € 100.0 million to € 3,373.7 million, resulting from a fall in gas procurement costs (volume and price). Personnel expenses increased by around 10% to € 405.6 million. This was due to a higher average headcount as of the end of the reporting period and collectively bargained wage increases. The rise in investment result of € 56.1 million to € 90.8 million is essentially the result of the inclusion of EWE Aktiengesellschaft. The financial result that, in net terms, improved from € -187.2 million to € -138.8 million was influenced by opposing effects. A lower level of impairment losses on financial assets and an improved operating performance from securities was offset by higher interest expenses for the borrowings taken out to finance the investment programme.

Earnings

Group net profit in relation to the profit attributable to the shareholders of EnBW AG reached € 817.1 million in the first quarter of 2010. This is more than double the figure seen in the corresponding prior-year period of € 397.6 million. The non-operating group net profit made a considerable contribution to this increase in earnings, improving from € -27.3 million in the prior year to the current € 218.9 million. The adjusted group net profit in relation to the profit attributable to the shareholders of EnBW AG also rose strongly from € 424.9 million to € 598.2 million.

Adjusted earnings and non-operating result

One key performance indicator within the EnBW group is adjusted EBIT. Adjusted EBIT is an earnings ratio adjusted for non-operating effects to accurately reflect the development of results of operations. The non-operating result includes extraordinary effects such as gains or losses on the disposal of non-current assets, extraordinary effects relating to the nuclear power provisions, income from the reversal of other provisions, expenses relating to restructuring, material effects on earnings resulting from changes in the law as well as impairment losses.

Adjusted EBIT of the EnBW group by segment in € millions	1/1– 31/3/2010	1/1– 31/3/2009	Variance %	1/1– 31/12/2009
Electricity generation and trading	732.0	661.9	10.6	1,590.9
Electricity grid and sales	25.0	-61.9	-	130.9
Gas	123.8	101.3	22.2	152.0
Energy and environmental services	27.5	29.0	-5.2	86.2
Holding/consolidation	-32.6	-32.9	0.9	-166.1
Total	875.7	697.4	25.6	1,793.9

In the first three months of the fiscal year 2010, the EnBW group achieved adjusted EBIT of € 875.7 million. The increase on the level of € 697.4 million seen in the comparable period of the prior year comes to 25.6% or € 178.3 million; adjusted for consolidation effects it comes to 23.0% or € 163.9 million.

Over the period from January to March 2010, the electricity generation and trading segment increased its adjusted EBIT by 10.6% in comparison to the corresponding prior-year period to € 732.0 million. Adjusted to eliminate the consolidation effects, the increase comes to 8.3%. The rise is primarily the result of improved terms for the forward agreements on electricity generation concluded in prior years for the fiscal year 2010. The improvement is thanks to the fact that a large volume of electricity for 2010 was secured on the basis of the sharp increase in electricity prices on the wholesale market in the first half of 2008. In addition, the economic crisis had a negative effect on earnings in the first quarter of 2009 as a consequence of the resale of quantities not sold to B2B customers.

The electricity grid and sales segment achieved an increase from € -61.9 million in the prior year to € 25.0 million in the reporting quarter. In the regulated area, earnings improved on account of the higher network user charges and lower costs relating to the feeding-in of wind energy and energy needed to cover grid losses. The sales function also increased its earnings in the first quarter of 2010. This was mainly due to the seasonal effects of the burden arising from the EEG in the first quarter of 2009.

The gas segment's adjusted EBIT increased by 22.2% to € 123.8 million on account of an improvement in earnings in the gas grid. This is due, among other things, to an increase in network user charges on account of higher revenue caps.

Tracking the revenue of the energy and environmental services segment that was slightly below the prior-year level, earnings also experienced a minor fall from € 29.0 million in the prior year to € 27.5 million in the reporting period.

The holding/consolidation segment reported earnings of € -32.6 million, a figure that is virtually unchanged on the prior-year period.

Earnings indicators of the EnBW group (adjusted) in € millions	1/1-31/3/2010	1/1-31/3/2009	Variance %	1/1-31/12/2009
Adjusted investment result	94.4	56.5	67.1	221.2
Adjusted financial result	-134.9	-152.6	11.6	-680.5
Adjusted income taxes	-204.3	-157.5	-29.7	-403.4
Adjusted group net profit	630.9	443.8	42.2	931.2
of which profit attributable to minority interests	(32.7)	(18.9)	73.0	(52.1)
of which profit attributable to the shareholders of EnBW AG	(598.2)	(424.9)	40.8	(879.1)

The adjusted investment result increased from € 56.5 million in the first quarter of 2009 to € 94.4 million in the reporting quarter. Adjusted to eliminate changes in the consolidated companies – essentially due to the investment in EWE Aktiengesellschaft – adjusted investment result grew by 16.4%. This was mainly due to EVN AG's improved results. The adjusted financial result benefited from improved gains on securities. Interest expenses increasing in connection with the higher level of debt had the opposite effect. In total, the negative balance of the adjusted financial result fell from € -152.6 million to € -134.9 million. Adjusted income taxes increased from € 157.5 million to € 204.3 million on account of the earnings. The adjusted income tax rate fell from 26.2% to 24.5%. Essentially, the adjusted group net profit in terms of the profit attributable to the shareholders of EnBW AG increased by 40.8% to € 598.2 million in the first three months of 2010.

Non-operating result of the EnBW group in € millions	1/1-31/3/2010	1/1-31/3/2009	1/1-31/12/2009
Non-operating EBIT, electricity generation and trading	64.8	0.5	39.1
Non-operating EBIT, electricity grid and sales	177.4	10.0	32.7
Non-operating EBIT, gas	0.1	0.1	-1.0
Non-operating EBIT, energy and environmental services	0.9	-5.4	1.0
Non-operating EBIT, holding/consolidation	2.9	6.0	23.6
Non-operating EBIT	246.1	11.2	95.4
Non-operating investment result	-3.6	-0.4	-138.9
Non-operating financial result	-3.9	-34.6	-33.9
Non-operating income taxes	-20.2	-3.3	-29.4
Non-operating group net profit	218.4	-27.1	-106.8
of which profit shares attributable to minority interests	(-0.5)	(0.2)	(4.1)
of which profit attributable to the shareholders of EnBW AG	(218.9)	(-27.3)	(-110.9)

There was a notable improvement in the non-operating result of the EnBW group in the first quarter of 2010 in comparison to the situation at the end of the prior year. The non-operating EBIT in the electricity generation and trading segment grew strongly from € 0.5 million to € 64.8 million, primarily due to compensation for the premature termination of a long-term electricity supply agreement. The non-operating EBIT in the electricity grid and sales segment also leapt upwards from € 10.0 million in the prior year to € 177.4 million in the first quarter of 2010. This is due to positive effects from the deconsolidation of GESO Beteiligungs- und Beratungs-AG and its subsidiaries. The third development worthy of mention is the non-operating financial result. The effects of the financial crisis necessitated the recognition of impairment losses on financial assets in this area in the prior year. To a large extent, this negative effect was not repeated in the reporting period. In total, non-operating group net profit in terms of the profit attributable to the shareholders of EnBW AG came to € 218.9 million, after € -27.3 million seen in the prior year.

Financial performance of the EnBW group in € millions

Adjusted EBITDA	1,082.9	896.5	+20.8%
Non-operating EBITDA	246.1	19.0	
EBITDA	1,329.0	915.5	+45.2%
Adjusted EBIT	875.7	697.4	+25.6%
Non-operating EBIT	246.1	11.2	
EBIT	1,121.8	708.6	+58.3%
Adjusted group net profit ¹	598.2	424.9	+40.8%
Non-operating group net profit ¹	218.9	-27.3	
Group net profit ¹	817.1	397.6	
	01/01 – 31/03/2010	01/01 – 31/03/2009	Variance (%)

¹ In relation to the profit attributable to the shareholders of EnBW AG.

Financial position

Financing

EnBW uses its high cash flow from operating activities that amounted to € 554.5 million in the first three months of 2010 for financing purposes. Furthermore, the company has various debt instruments at its disposal, some not fully utilised:

- Commercial paper programme for a total of € 2.0 billion (undrawn as of 31 March 2010)
- Syndicated line of credit for € 2.5 billion (undrawn as of 31 March 2010, € 1.0 billion of the line of credit revolves on an annual basis)
- Bilateral short-term lines of credit (€ 317 million, undrawn as of 31 March 2010)
- Euro Medium Term Note (EMTN) programme with a line of € 7.0 billion (€ 5.2 billion utilised as of 31 March 2010)
- Measures to strengthen equity and issue special products (e.g. bond denominated in Swiss francs from 2008 with a volume of CHF 300 million)

Throughout the group, two bonds issued with a volume of € 217 million will become due for repayment in the third quarter of 2010. There are no maturities on the capital market in 2011. EnBW's bonds have a well-balanced maturity profile.

Capital expenditures and acquisitions

As part of its corporate strategy, EnBW is planning to implement an investment programme with a volume of € 5.1 billion over the period from 2010 to 2012. In the first quarter of 2010, total investments came to € 530.6 million following € 247.1 million in the comparable prior-year period. At € 204.8 million, 38.6% of total investment related to capital expenditure on intangible assets and property, plant and equipment. Of this amount, € 88.6 million was invested in the electricity generation and trading segment, primarily on current projects such as the construction of the RDK 8 hard coal power station in Karlsruhe and the hydro-electric power station in Rheinfelden. Ongoing investments in the modernisation and extension of our networks are included in the € 59.9 million pertaining to the electricity grid and sales segment. € 18.4 million was invested in expanding the gas segment, in particular for the storage project in Etzel. In the energy and environmental services segment, we invested € 37.9 million in the construction of a substitute fuel power plant in Eisenhüttenstadt in the course of the first three months of 2010.

EnBW's financial acquisitions came to a total of € 325.8 million over the period from January to March 2010. They are therefore significantly higher than in the prior year and constitute a share of 61.4% of total investments. The financial acquisitions primarily consist of the purchase of the shareholding in Gesellschaft für die Beteiligung an dem Kraftwerk Rostock mbH.

EnBW's investment programme is accompanied by divestitures. A volume of € 858.5 million was realised in the first quarter of 2010, most of which stems from the sale of GESO Beteiligungs- und Beratungs-AG and its subsidiaries. Total net investments thus came to € -327.9 million in the reporting period.

Net cash investments of the EnBW group in € millions	1/1– 31/3/2010	1/1– 31/3/2009	Variance %	1/1– 31/12/2009
Electricity generation and trading	88.6	127.8	-30.7	620.7
Electricity grid and sales	59.9	50.4	18.8	385.7
Gas	18.4	7.0	-	62.8
Energy and environmental services	37.9	45.6	-16.9	240.2
Total capital expenditures on intangible assets and property, plant and equipment	204.8	230.8	-11.3	1,309.4
Cash paid for the acquisition of fully and proportionately consolidated entities and entities accounted for using the equity method ¹	320.4	16.3	-	3,041.5
Cash paid for the acquisition of investments ²	5.4	0.0	-	23.2
Total investments	530.6	247.1	114.7	4,374.1
Cash received from disposals of intangible assets and property, plant and equipment	-9.4	-21.4	-56.1	-93.0
Cash received from construction cost and investment subsidies	-14.7	-8.6	70.9	-65.1
Cash received from the sale of fully and proportionately consolidated entities and entities accounted for using the equity method ³	-834.4	0.0	-	-45.0
Cash received from the sale of investments ²	0.0	0.0	-	-1.3
Total divestitures	-858.5	-30.0	-	-204.4
Net cash investments	-327.9	217.1	-	4,169.7

¹ This does not include cash and cash equivalents acquired. In the reporting period, these amounted to € 0.2 million (1 January to 31 March 2009: € 0.1 million; 1 January to 31 December 2009: € 24.8 million).

² Without investments held as financial assets.

³ This does not include cash and cash equivalents disposed of upon sale. In the reporting period, these amounted to € 24.2 million (1 January to 31 March 2009: € 0.0 million; 1 January to 31 December 2009: € 0.0 million).

Liquidity analysis

Free cash flow in € millions	1/1– 31/3/2010	1/1– 31/3/2009	Variance %	1/1– 31/12/2009
FFO (funds from operations) before taxes and financing	1,185.1	719.9	64.6	2,427.7
Change in assets and liabilities from operating activities	-586.1	-257.0	-128.1	212.7
Income tax paid	-44.5	4.3	-	-197.0
Cash flow from operating activities	554.5	467.2	18.7	2,443.4
Capital expenditures on intangible assets and property, plant and equipment	-204.8	-230.8	-11.3	-1,309.4
Cash received from disposals of intangible assets and property, plant and equipment	9.4	21.4	-56.1	93.0
Cash received from construction cost and investment subsidies	14.7	8.6	70.9	65.1
Free cash flow before financing	373.8	266.4	40.3	1,292.1
Interest and dividends received	89.5	116.6	-23.2	378.5
Interest paid for financing activities	-94.8	-115.1	-17.6	-357.4
Free cash flow after financing	368.5	267.9	37.6	1,313.2

Funds from operations (FFO) before taxes and financing improved from € 719.9 million in the comparable prior-year period to € 1,185.1 million in the reporting period. This is mainly due to the significant increase in EBITDA of 45.2%. In contrast, the cash flow from operating activities grew by only 18.7% to € 554.5 million. This is attributable to a significant increase in the balance of assets and liabilities from operating activities in comparison to the prior-year period. In this context, security deposits for forward contracts with electricity, coal and emission allowances had a negative effect on the cash flow from operating activities in the current period, whereas these had brought about an improvement in the cash flow from operating activities in the first three months of the prior year. Furthermore, the cash flow from operating activities was positively influenced in the first quarter of 2009 by tax refunds relating to withholding tax payments made in prior years and payment of the corporate income tax credit. The free cash flow after financing increased from € 267.9 million to € 368.5 million.

Cash flow statement in € millions	1/1– 31/3/2010	1/1– 31/3/2009	Variance %	1/1– 31/12/2009
Cash flow from operating activities	554.5	467.2	18.7	2,443.4
Cash flow from investing activities	436.6	-515.6	-	-4,629.6
Cash flow from financing activities	-159.0	-124.5	-27.7	678.6
Net change in cash and cash equivalents	832.1	-172.9	-	-1,507.6
Net foreign exchange difference	4.4	0.3	-	2.0
Change in cash and cash equivalents	836.5	-172.6	-	-1,505.6

The cash flow from investing activities amounted to € 436.6 million in the reporting period, after € -515.6 million in the comparative period of the prior year. The cash inflow in the first quarter of 2010 is essentially attributable to the divestiture of GESO Beteiligungs- und Beratungs-AG and its subsidiaries. Payments for the purchase of a shareholding in Gesellschaft für die Beteiligung an dem Kraftwerk Rostock mbH caused a cash outflow in the cash flow from investing activities. The cash flow from financing activities amounted to € -159.0 million, after € -124.5 million in the prior year. All in all, the cash and cash equivalents of the EnBW group increased by € 836.5 million in the reporting period, taking the net foreign exchange difference into account.

Net assets

The total assets of the EnBW group remained greatly unchanged in a comparison between the end of the first quarter of 2010 and the end of the fiscal year 2009; as of 31 March 2010 they totalled € 34,676.6 million (31 December 2009: € 34,698.3 million). As of the end of the reporting period, the group's equity ratio came to 20.4%, following 18.5% seen at the end of 2009. Intangible assets and property, plant and equipment increased through the acquisition of the shareholding in Gesellschaft für die Beteiligung an dem Kraftwerk Rostock mbH. The disposal of GESO Beteiligungs- und Beratungs-AG and its subsidiaries means that the assets and liabilities classified as held for sale were reduced, whereas cash and cash equivalents increased.

Net debt

The drop in net debt of € 865.0 million to € 8,307.0 million as of the end of March 2010 results from the positive free cash flow and the predominance of divestitures in the first quarter of 2010.

Net debt in € millions	31/3/2010	31/12/2009	Variance %
Cash ¹	-1,834.4	-1,217.8	50.6
Short-term investments ¹	-143.1	-154.3	-7.3
Cash and cash equivalents¹	-1,977.5	-1,372.1	44.1
Bonds ²	5,472.6	5,446.6	0.5
Liabilities to banks	937.0	962.5	-2.6
Other financial liabilities	693.8	726.1	-4.4
Financial liabilities²	7,103.4	7,135.2	-0.4
Net financial liabilities^{1,2}	5,125.9	5,763.1	-11.1
Pension and nuclear power provisions	9,434.4	9,355.8	0.8
Long-term investments and loans ³	-4,969.3	-4,983.3	-0.3
Cash and cash equivalents of the special funds and short-term investments to cover the pension and nuclear power provisions	-1,110.3	-785.2	41.4
Other	-120.2	-117.9	2.0
Subtotal^{2,3}	8,360.5	9,232.5	-9.4
Net debt directly associated with the assets classified as held for sale	-53.5	-60.5	-11.6
Net debt^{2,3}	8,307.0	9,172.0	-9.4

¹ Without cash and cash equivalents of the special funds and short-term investments to cover the pension and nuclear power provisions.

² Adjusted for valuation effects from interest-induced hedging transactions.

³ Includes investments held as financial assets.

Related parties

Transactions with related parties are disclosed in the notes and explanations contained in the interim consolidated financial statements.

Dr. Rudolf Schulten resigned his office as CFO of EnBW Energie Baden-Württemberg AG for health-related reasons in March 2010. The segments and group companies allocated to the finance portfolio will continue to be managed by the four other members of the Board of Management for the time being.

Employees

Employees of the EnBW group ¹	31/3/2010	31/12/2009	Variance %
Electricity generation and trading	4,976	4,794	3.8
Electricity grid and sales	6,275	6,420	-2.3
Gas	696	733	-5.0
Energy and environmental services	7,533	8,586	-12.3
Holding	507	591	-14.2
Total	19,987	21,124	-5.4
Number of full-time equivalents ²	19,101	20,064	-4.8

¹ Number of employees without apprentices and without inactive employees.

² Number of employees translated into full-time equivalents.

As of 31 March 2010, the EnBW group had a total of 19,987 employees, that is 1,137 or 5.4% fewer than as of the end of 2009. This is primarily due to the deconsolidation of GESO Beteiligungs- und Beratungs-AG and its subsidiaries, involving a total of 1,487 employees. Former trainees being taken over, new hires as well as newly consolidated companies had the opposite effect. The strategic alignment of the holding company meant that the share of operating activities was reduced and tasks were transferred to other group companies. This caused the number of employees in the holding company to fall by 84 employees to 507. The increase in the electricity generation and trading segment is primarily due to the consolidation of KNG Kraftwerks- und Netzgesellschaft mbH involving 128 employees. In the energy and environmental services segment, ESG Operations GmbH was consolidated for the first time with 41 employees. Adjusted for the above changes in the consolidated group, the number of employees increased by 0.9%.

EnBW remains one of the most attractive employers in Germany. This was confirmed by an independent study in which EnBW received good to very good grades in all categories, which permits it to call itself "Germany's Top Employer 2010" once again this year.

EnBW's career section of its website, redesigned in September 2009, was also covered by the study. EnBW participated for the first time and reached 12th place in this analysis of more than 100 German companies. EnBW made 4th place in the category of "user friendliness", a sign that it is also an attractive employer online.

The results of the employee survey held at the end of 2008 led to a development programme for the team leaders of the core companies being launched in the first quarter of 2010. The modular programme for the around 770 team leaders contributes to strengthening the role and responsibilities of the team leaders, promotes networking between companies and creates a uniform understanding throughout the group.

The 2009/2010 group trainee programme has come to a successful conclusion and all 15 trainees have taken jobs in various EnBW companies. The 2010/2011 trainee programme started immediately afterwards. The participants are prepared for their later professional life in the course of various training phases and get to know the EnBW group in a number of practice phases.



FURTHER INFORMATION
www.enbw.com > Careers

Research and development

EnBW's research and innovation function implements new developments along the company's entire value added chain as well as applying them directly at the customer. We pursue various aims in this context.

- › **Using conventional energy sources more efficiently and reducing emissions:** We strive to achieve this through various means such as increasing the efficiency of power stations, as well as solutions to capture CO₂ from flue gases for transportation, storage or further use.
- › **New viable sources of energy:** These include issues such as how the quantities of energy from offshore wind facilities can be brought onto the electricity market in a grid-friendly way, the extraction of combustible gas from previously unused biomass, the refining of biogas to bio-natural gas or the further development of electricity generation from deep geothermal energy.
- › **Better grid management both on the consumer and generation ends (smart grid):** Tests are being performed on how decentralised renewable sources of energy can be integrated into the grid and made available locally – one important contribution to avoiding greenhouse gas emissions and reducing costs. Furthermore, this aim includes the development of new small-scale power stations and improvements in geothermal heating systems at home.
- › **Pressing forward with electromobility:** EnBW is cooperating with partners in a number of model and pilot projects to research and test ways of pioneering tomorrow's individual mobility – emission-free .

We work on solutions that generate added value in our own facilities and at our customers, thus smoothing the path towards sustainable energy supplies. The following projects are exemplary of our activities in certain key areas of research in the first quarter of 2010.

Natural-gas-based micro gas turbine CHP plant: The objective of the joint project between EnBW and the German Aerospace Centre (DLR) is the construction of a pilot plant for a small-scale natural-gas-based power plant with a micro gas turbine and combined provision of electricity and heat. This small-scale power plant can then be used to generate electricity and heat close to where it is needed by consumers in hospitals, industrial businesses, nursery schools or in residential homes. It thus constitutes an efficient and low-emission supplement to large-scale power stations as part of future energy supplies. The research project is subsidised by the Federal Ministry of Economics and Technology and is a further component in EnBW and DLR's joint research platform for local generation of energies. The project focuses primarily on improving the viability of small-scale, decentralised power plants, with electrical outputs ranging from only a few kilowatt (kW) to a maximum of 500 kW. In addition, these power stations will play an even more important role as scalable facilities in the smart grids of the future.

Fuel cells for power supplies to households: This March, a fuel cell heating system was put into operation at EnBW-City's child daycare centre in Stuttgart. The system is part of the CALLUX project within the framework of the national hydrogen and fuel cell innovation programme that was launched jointly by three federal ministries. Fuel cell heating systems consume less primary energy and reduce CO₂ emissions. Since 2001, EnBW has been pursuing the objective of actively driving forward this environmentally friendly source of energy to serial use. In addition to the 39 systems already installed, EnBW plans to install a total of 222 fuel cell heating systems at chosen locations in Baden-Württemberg in the coming three years.

Electromobility: EnBW is actively participating in a number of electromobility (e-mobility) projects. As part of the two-year MeRegio mobile research project, EnBW is working in cooperation with other research partners to investigate the possibility of integrating electric vehicles in a smart home by using smart charging stations. Another project has progressed to practical application. EnBW has already handed over the first 25 e-bikes to be added to the government of Stuttgart's fleet of vehicles as part of the project sponsored by federal funds to make Stuttgart a model region. CO₂-free transport will soon be available to municipal officials for research purposes. When 500 private individuals join the experiment as test riders in July 2010, EnBW will have the largest electric fleet in Germany.

Subsequent events

In April, EnBW signed a master purchase agreement with ALTUS AG on the acquisition of 12 biogas plants. The first biogas plants are expected to go into operation by mid-2010, with all others following by mid-2011. The planned facilities will have an electrical output of around 4 MW and generate an annual average of 30,000 MWh per annum.

Risk management

The risk situation of the EnBW group remains largely unchanged. While certain risk items increased, risks relating to economic developments fell. There were no risks to the group's ability to continue as a going concern.

The risk management of the EnBW group covers the identification, analysis as well as the assessment and reporting of risks. This process facilitates the early detection of risks in an appropriate manner. The group's risk management at the level of the holding company is responsible for specifying group-wide methods and processes and determining the group's risk exposure and risk reporting to the Board of Management. The risks for the EnBW group can be subdivided into the following areas: systemic and industry risks, strategic risks, IT risks, personnel risks, financial risks, operating risks and other risks. Building on the reporting contained in the annual report 2009, we report here on the material risks that have changed or come into being in the first quarter of 2010.



FURTHER INFORMATION
Annual Report 09 >
Risk and opportunities
report p.90f.

Systemic and industry risks

Economic risks

Development of the economy: In 2009, Germany did not escape the major decline in overall economic output caused by the global economic crisis. The associated significant decline in demand for electricity and gas – especially from industry – left its mark on EnBW's earnings, particularly as a result of the resale of quantities not sold and a lower level of unit sales. Economic forecasts currently give reason to anticipate a more stable outlook for economic development which means that the potential risk to which EnBW is exposed from changes to the economic development have recently been reduced. Nevertheless, it is still not possible to exclude the quantity and price risks associated with economic development.

Market and price risks: In the gas segment, the risk of a reduction in the sales margin has continued to increase. This is primarily the result of more intense competition and the development of the oil price.

Political and regulatory risks

Anti-trust pricing reviews: The Federal Court of Justice confirmed the review of the water prices performed by the state anti-trust authorities. Currently, no EnBW companies are affected by such reviews relating to the lowering of water prices. It is not possible to exclude price reviews being extended to other companies, however.

German Renewable Energies Act: Since the ordinance on the financial transfer under the German Renewable Energies Act (EEG) came into effect at the beginning of 2010, EnBW's sales companies have had to pay an EEG cost allocation. In this context there is the risk that the burden on the sales functions' earnings from the allocation cannot be fully offset on the market.

The federal government's energy concept: The decisions relating to the federal government's energy concept have yet to be made. This also applies to the working lives of EnBW's nuclear power plants, which causes uncertainty in planning the further operation of the facilities.

Strategic risks

Implementation of the strategy: EnBW's strategy provides for an extensive investment programme with a large number of construction projects to safeguard EnBW's generation capacities. These include large-scale projects such as the RDK 8 coal power station, Etzel gas storage facilities, EBS power station Eisenhüttenstadt and EnBW's Baltic 1 wind farm that are currently under construction. At this stage in the project, such large-scale projects are frequently subject to disruptions on account of their complexity and the interaction of a large number of participants (including suppliers). We counter the resulting risks with an intense and extensive project and claim management system. Nevertheless, it is never possible to fully exclude any delays or further costs.

Loss of franchises: The competition for franchises continues. The Federal Network Agency has continued to develop the system of allocating revenue caps to individual franchises. These are taken into consideration in the risk management system. EnBW underlines its role as a strong partner in Baden-Württemberg through active franchise and relationship management with regard to towns and municipalities.

Operating risks

Stuttgart 21 project: Supply lines (electricity, gas, heating, telecommunications) have to be laid as part of the Stuttgart 21 project. The obligation on the part of Deutsche Bahn AG and EnBW to bear the costs of relocating such lines is currently subject to court reviews.

Financial risks

Counterparty risk: We continue to see an increased risk of default in conjunction with an increasing number of company insolvencies. As a consequence, we anticipate increased delays in the payment of receivables. In order to curtail these effects, EnBW actively manages customer and trading partner credit risks. An increasing number of company insolvencies leads to additional burdens arising from the obligations from the cross-industry pension guarantee association.

Asset management: In pursuit of its conservative cash investment strategy, EnBW is guided by the aims of achieving a good credit standing, a high level of liquidity and broad diversification of the investments. Despite stabilisation of the general economic situation, there is an impairment risk on account of long-term impairment losses on EnBW's portfolio of securities.

Overall assessment

All in all, the risk situation of the EnBW group remains unchanged as of the end of the first quarter of 2010. While potential risks arising from the financial and economic crisis which had made itself clearly felt in the past year decreased, some other risks increased that may have a negative impact on EnBW's results of operations in 2010 and subsequent years. In our opinion, there are no discernable risks to the continued existence of the EnBW group either from individual risks or from its overall risk position.

Forecast

The improvement in the overall economic situation in comparison to the prior year benefits EnBW. Moderating effects will also arise in the further course of 2010, such as a much smaller contribution to earnings from the GKN I power station. We continue to work on the assumption that in 2010 we will achieve adjusted EBIT of the same level seen in the prior year.

In the following forecast, we take an in-depth look at the expected future development of EnBW and the business environment for the current fiscal year. It can be seen that the present economic environment increases the uncertainty with regard to predictions of future development, as the premises on which they were based can quickly become outdated. The framework conditions give rise to opportunities and risks for the business development of EnBW. Current risks are summarised in the section entitled "risk management". An exhaustive presentation of anticipated business development up to 2011 can be found in our annual report for 2009.



FURTHER INFORMATION
Annual Report 09 >
Forecast p.110f.

Future economic conditions

Overall economic developments: The International Monetary Fund anticipates a 3.9% increase in global gross domestic product (GDP) for 2010. Emerging and developing countries are expected return growth of 6%, but industrialised countries only 2.1%. For the euro area, the European Commission anticipates minor growth of 0.7%. The German Institute for Economic Research (DIW) works on the assumption that German GDP will grow by 1.7 % in 2010.

Demand for energy: As became very apparent in 2009, phases of strong growth or contraction in the economy as a whole primarily affect industrial demand for energy. As the economic growth stabilises, industrial production should likewise recover and demand for electricity and gas should grow slightly in 2010 in comparison to the prior year.

Markets for primary energy sources: Working on the basis of the expectation that the global economy will recover and demand for oil will likewise increase, market participants expect higher oil prices in the next few years. At the end of March 2010, the forward market prices for 2011 and 2012 stood at US\$ 85/bbl and US\$ 86/bbl, respectively. The main factors influencing the current price expectations are the actual developments of supply and demand, the future value of the US dollar and the attractiveness of crude oil as an asset class. The forward contracts for coal also reveal an upward price trend for subsequent years. Alongside the recovery of the global economy, an important role is played in particular by the uncertainty with regard to the quantities imported by China and India. The good supply situation on the gas market can be expected to continue. The market does, however, expect significantly higher prices in the next few years. The average price for imported gas (border price) will probably continue to increase over the next few months.

CO₂ emission allowances: The major factors in the development of the price of CO₂ allowances are future energy demand and the related volume of emissions. In addition to the economic development, the decision on what form the auction of allowances will take as of 2013 as well as the climate protection conference to be held in Mexico in December of this year and the preparatory meeting in Bonn scheduled for June will be important for the development of the markets.

Electricity market: Upward forward price curves for primary energy sources and CO₂ allowances mean that the prices of future electricity supplies are also higher than the current level seen on the spot market. The increase in the feed-in level of renewable energies has led to a further increase in volatility on the wholesale spot market due to the purchase obligation under the Renewable Energies Act. This leads to the more frequent occurrence of low and, under certain circumstances, negative prices in some hours. At the same time, the cost allocation under the Renewable Energies Act causes a rise in the costs for end customers.

Future development of the company

Investments and strategy: For the period from 2010 to 2012, EnBW has budgeted gross investments of € 7.9 billion. Capital expenditures account for around € 5.2 billion of this total, financial acquisitions for € 2.7 billion. Growth projects account for a 59% share of investments. The remaining 41% is attributable to replacement and renewal measures, in particular for power stations and grids.

The investment programme is accompanied by divestitures. Equity investments are being examined to determine whether they belong to EnBW's core business. In this context, we plan to make divestitures amounting to € 2.8 billion. Overall, this brings net investments for the period from 2010 to 2012 to € 5.1 billion.

Financing: It is anticipated that net investment can be financed completely from current cash flow over the coming years. This means that, apart from any short-term borrowings, net financial liabilities will probably fall until the end of 2012, despite the budgeted investment programme of some € 7.9 billion.

Anticipated development of earnings: In light of the improved overall economic environment and on account of the colder winter experienced in some regions, EnBW achieved overall results in the first quarter of 2010 that were above our original expectations in all segments. Moderating effects will also arise in the further course of 2010. In the electricity generation and trading segment, the limited availability of generation capacities from GKN I on account of the currently valid nuclear energy agreements means that this power plant will make a much smaller contribution to earnings than in the prior year. Earnings in the gas segment will probably be negatively affected by the development of oil prices and the competitive environment, particularly in the 4th quarter.

Development of earnings 2010 (adjusted EBIT) compared to the prior year	Annual report 2009	Q1 2010
Electricity generation and trading segment	rising moderately (+1 to +3%)	rising moderately (0 to +3%)
Electricity grid and sales segment	stable (-1 to +1%)	rising moderately (0 to 3%)
Gas segment	falling (double digit)	falling (double digit)
Energy and environmental services segment	rising (double digit)	rising (double digit)
Consolidated companies	-1% of adjusted EBIT, group	-1% of adjusted EBIT, group
Adjusted EBIT, group	stable (-1 to +1%)	stable (-1 to +1%)

We continue to work on the assumption that the EnBW group will achieve adjusted EBIT for 2010 as a whole at the same level as in the prior year. Non-operating EBIT should be positive in 2010.

INTERIM FINANCIAL STATEMENTS OF THE ENBW GROUP (UNAUDITED)

Income statement

€ millions	1/1 – 31/3/2010	1/1 – 31/3/2009
Revenue including electricity and natural gas tax	5,187.4	5,102.5
Electricity and natural gas tax	-287.8	-310.2
Revenue	4,899.6	4,792.3
Changes in inventories	3.5	5.2
Own work capitalised	11.1	6.9
Other operating income	429.4	209.2
Cost of materials	-3,373.7	-3,473.7
Personnel expenses	-405.6	-369.5
Other operating expenses	-235.3	-254.9
EBITDA	1,329.0	915.5
Amortisation and depreciation	-207.2	-206.9
Earnings before interest and taxes (EBIT)	1,121.8	708.6
Investment result	90.8	56.1
of which net profit from entities accounted for using the equity method	(82.0)	(43.2)
of which other income from investments	(8.8)	(12.9)
Financial result	-138.8	-187.2
of which finance revenue	(108.4)	(125.7)
of which finance costs	(-247.2)	(-312.9)
Earnings before tax (EBT)	1,073.8	577.5
Income taxes	-224.5	-160.8
Group net profit	849.3	416.7
of which profit shares attributable to minority interests	(32.2)	(19.1)
of which profit attributable to the shareholders of EnBW AG	(817.1)	(397.6)
Shares outstanding (millions), weighted average	244.257	244.257
Earnings per share from continuing operations (€)¹	3.35	1.63
Earnings per share from group net profit (€)¹	3.35	1.63

¹ Basic and diluted; in relation to the profit attributable to the shareholders of EnBW AG.

Statement of comprehensive income

€ millions	1/1 – 31/3/2010	1/1 – 31/3/2009
Group net profit	849.3	416.7
Difference from currency translation	16.0	-40.2
Cash flow hedge	-104.6	-23.3
Available-for-sale financial assets	49.7	-90.1
Entities accounted for using the equity method	-46.3	-136.5
Income taxes on other comprehensive income	25.9	22.6
Other comprehensive income	-59.3	-267.5
Total comprehensive income	790.0	149.2
of which profit shares attributable to minority interests	(28.5)	(19.9)
of which profit attributable to the shareholders of EnBW AG	(761.5)	(129.3)

Balance sheet

€ millions	31/3/2010	31/12/2009
Assets		
Non-current assets		
Intangible assets	1,953.0	1,806.4
Property, plant and equipment	12,064.2	11,925.2
Investment properties	69.6	70.3
Entities accounted for using the equity method	3,781.2	3,756.7
Other financial assets	5,695.0	5,691.4
Trade receivables	444.1	425.9
Income tax refund claims	218.4	215.9
Other non-current assets	271.9	203.8
Deferred taxes	37.7	29.2
	24,535.1	24,124.8
Current assets		
Inventories	918.1	944.8
Financial assets	811.2	771.7
Trade receivables	2,202.1	2,807.5
Income tax refund claims	245.5	241.2
Other current assets	3,429.3	2,639.5
Cash and cash equivalents	2,362.3	1,470.8
	9,968.5	8,875.5
Assets held for sale	173.0	1,698.0
	10,141.5	10,573.5
	34,676.6	34,698.3
Equity and liabilities		
Equity		
Group shares		
Subscribed capital	640.0	640.0
Capital reserve	22.2	22.2
Revenue reserves	5,419.7	4,596.9
Revaluation reserve in accordance with IFRS 3	43.9	49.6
Treasury shares	-204.1	-204.1
Other comprehensive income	169.6	225.2
	6,091.3	5,329.8
Non-controlling interests	994.3	1,077.9
	7,085.6	6,407.7
Non-current liabilities		
Provisions	9,486.8	9,399.8
Deferred taxes	1,823.2	1,677.0
Financial liabilities	6,761.0	6,737.0
Other liabilities and subsidies	1,992.5	1,993.0
	20,063.5	19,806.8
Current liabilities		
Provisions	1,056.1	1,006.2
Financial liabilities	414.9	447.3
Trade payables	1,627.8	2,803.4
Income tax liabilities	30.1	27.1
Other liabilities and subsidies	4,377.2	3,431.7
	7,506.1	7,715.7
Liabilities directly associated with the assets classified as held for sale	21.4	768.1
	7,527.5	8,483.8
	34,676.6	34,698.3

Cash flow statement

€ millions	1/1 – 31/3/2010	1/1 – 31/3/2009
1. Operating activities		
EBITDA	1,329.0	915.5
Change in non-current provisions	-40.5	-51.9
Gain/loss on disposal of non-current assets	-177.5	-2.2
Other non-cash expenses/income	74.1	-141.5
Funds from operations (FFO) before taxes and financing	1,185.1	719.9
Change in assets and liabilities from operating activities	-586.1	-257.0
Inventories	[86.9]	[71.7]
Net balance of trade receivables and payables	[-593.6]	[-492.4]
Net balance of other assets and liabilities	[-84.5]	[186.2]
Current provisions	[5.1]	[-22.5]
Income tax paid	-44.5	4.3
Cash flow from operating activities	554.5	467.2
2. Investing activities		
Capital expenditures on intangible assets and property, plant and equipment	-204.8	-230.8
Cash received from disposals of intangible assets and property, plant and equipment	9.4	21.4
Cash received from construction cost and investment subsidies	14.7	8.6
Cash paid for the acquisition of fully and proportionately consolidated entities and entities accounted for using the equity method	-320.2	-16.2
Cash received from the sale of fully and proportionately consolidated entities and entities accounted for using the equity method	810.2	0.0
Change in securities and investments	37.8	-415.2
Interest received	55.5	82.1
Dividends received	34.0	34.5
Cash flow from investing activities	436.6	-515.6

€ millions	1/1 – 31/3/2010	1/1 – 31/3/2009
3. Financing activities		
Interest paid for financing activities	-94.8	-115.1
Dividends paid	0.0	0.0
Proceeds from financial liabilities	14.2	53.5
Repayment of financial liabilities	-78.4	-62.9
Cash flow from financing activities	-159.0	-124.5
Net change in cash and cash equivalents	832.1	-172.9
Net foreign exchange difference	4.4	0.3
Change in cash and cash equivalents	836.5	-172.6
Cash and cash equivalents at the beginning of the period	1,578.9	3,084.5
Cash and cash equivalents at the end of the period	2,415.4	2,911.9
of which cash and cash equivalents recognised as current assets	(2,362.3)	(2,911.9)
of which cash and cash equivalents of assets held for sale	(53.1)	(0.0)

€ millions	1/1 – 31/3/2010	1/1 – 31/3/2009
Interest paid for investing activities (capitalised borrowing costs)	-6.0	-6.8
Interest paid for financing activities	-94.8	-115.1
Total interest paid in the period	-100.8	-121.9

Statement of changes in equity

€ millions	Subscribed capital	Capital reserve	Revenue reserve	Revaluation reserve in accordance with IFRS 3	Treasury shares
As of 31 December 2008	640.0	22.2	4,319.7	49.6	-204.1
Other comprehensive income					
Group net profit			397.6		
Total comprehensive income	0.0	0.0	397.6	0.0	0.0
As of 31 March 2009	640.0	22.2	4,717.3	49.6	-204.1
As of 31 December 2009	640.0	22.2	4,596.9	49.6	-204.1
Other comprehensive income					
Group net profit			817.1		
Total comprehensive income	0.0	0.0	817.1	0.0	0.0
Other changes			5.7	-5.7	
As of 31 March 2010	640.0	22.2	5,419.7	43.9	-204.1

¹ Of which other comprehensive income directly associated with assets classified as held for sale amounting to € 15.5 million as of 31 March 2010 [of which profit attributable to shareholders of EnBW AG: € 15.5 million].

> Statement of changes
in equity

	Other comprehensive income ¹				Group shares	Non- controlling interests	Total
	Difference from currency translation	Cash flow hedge	Available-for- sale financial assets	Entities accounted for using the equity method			
	-3.2	-184.7	16.8	131.8	4,788.1	803.4	5,591.5
	-40.9	-5.3	-85.7	-136.4	-268.3	0.8	-267.5
					397.6	19.1	416.7
	-40.9	-5.3	-85.7	-136.4	129.3	19.9	149.2
	-44.1	-190.0	-68.9	-4.6	4,917.4	823.3	5,740.7
	-4.3	-130.3	336.0	23.8	5,329.8	1,077.9	6,407.7
	18.2	-75.7	48.2	-46.3	-55.6	-3.7	-59.3
					817.1	32.2	849.3
	18.2	-75.7	48.2	-46.3	761.5	28.5	790.0
					0.0	-112.1	-112.1
	13.9	-206.0	384.2	-22.5	6,091.3	994.3	7,085.6

Notes and explanations

Accounting policies

The interim financial statements of the EnBW group are prepared according to the International Financial Reporting Standards (IFRS) the adoption of which is mandatory in the EU at the balance sheet date. In addition, the related interpretations (IFRIC/SIC) are observed. Standards and interpretations that have not yet come into force have not been adopted.

The accounting policies applied for the interim consolidated financial statements as of 31 March 2010 are the same as those for the consolidated financial statements as of 31 December 2009 with the exception of the following new policies.

In compliance with IAS 34, the reporting scope selected for the presentation of the consolidated financial statements of EnBW AG as of 31 March 2010 was condensed compared to that of the consolidated financial statements as of 31 December 2009.

The income statement as well as statement of comprehensive income, the balance sheet, the condensed cash flow statement and the statement of changes in equity of the EnBW group are presented separately.

All significant transactions and events in the reporting period are explained in the interim group management report.

Changes in accounting policy

The International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) have issued the following new standards and interpretations, the adoption of which is mandatory as of the fiscal year 2010:

- **Omnibus of amendments to various IFRSs (2009) "Improvements to International Financial Reporting Standards"**: The amendments are the product of the IASB's annual improvements project and affect a number of IFRSs. The amendments are intended to clarify the wording of the standards and remove any unintended inconsistencies between them. First-time adoption of these amendments did not have any significant effect on EnBW's consolidated financial statements.
- **IFRS 1 (2008) "First-time Adoption of International Financial Reporting Standards"**: The amendments to IFRS 1 only relate to the formal structure of the standard. The amendments to IFRS 1 did not have any effect on EnBW's consolidated financial statements.
- **Group Cash-settled Share-based Payment Transactions – amendments to IFRS 2 (2009) "Share-based Payment"**: The amendments are intended to clarify the accounting for cash-settled share-based payment transactions within the group. First-time adoption of the amended IFRS 2 did not have any effect on EnBW's consolidated financial statements.
- **IFRS 3 (2008) "Business Combinations"**: The main changes relate to the scope and accounting for business combinations achieved in stages. The standard also introduces an option: Minority interests can either be measured at fair value or at the proportionate share of the net identifiable assets. Depending on how the option is used, any goodwill arising in the course of the business combination is either disclosed in full or on a pro rata basis. The revised standard also contains new provisions regarding the recognition and measurement of acquired assets and liabilities. The amendments to IFRS 3 have an effect on the accounting for business combinations in the EnBW group.

- > **IAS 27 (2008) "Consolidated and Separate Financial Statements"**: The amended IAS 27 contains in particular amended rules on accounting for changes in ownership interests. In future, the transactions by which a parent company has changed its ownership interest in a subsidiary without losing control of the subsidiary will be recorded directly in equity. The amended IAS 27 affects accounting for changes in ownership interests.
- > **Eligible hedged items – amendment to IAS 39 (2008) "Financial Instruments: Recognition and Measurement"**: The amendment to IAS 39 clarifies how the principles of hedge accounting should be applied in the designation of inflation as a hedged risk and the designation of a one-sided risk in a hedged item. The amendments do not have any effect on EnBW's consolidated financial statements.
- > **IFRIC 12 "Service Concession Arrangements"**: IFRIC 12 governs the accounting for arrangements under which a public sector entity as the grantor awards contracts to private operators for the provision of services to the public such as airports, prisons, utilities, etc. In order to perform these duties, the operator uses infrastructure which continues to be controlled by the grantor. Nevertheless, the operator is responsible for construction, operation and maintenance. First-time adoption of IFRIC 12 does not have any material effect on EnBW's consolidated financial statements.
- > **IFRIC 15 "Agreements for the Construction of Real Estate"**: IFRIC 15 addresses the accounting treatment for the sale of real estate where an agreement is reached with a third party before the construction of the real estate is completed. IFRIC 15 clarifies when IAS 11 "Construction Contracts" or IAS 18 "Revenue" apply. In addition, the interpretation determines the timing of revenue recognition. The interpretation does not have any effect on EnBW's consolidated financial statements.
- > **IFRIC 16 "Hedges of a Net Investment in a Foreign Operation"**: IFRIC 16 provides guidance on identifying the risks that qualify for hedge accounting in the hedge of a net investment in a foreign operation and on where within the group the hedging instruments can be held in the hedge of a net investment. The interpretation does not have any effect on EnBW's consolidated financial statements.
- > **IFRIC 17 "Distributions of Non-cash Assets to Owners"**: This interpretation addresses the accounting treatment for distributions of non-cash assets in the financial statements, prepared in accordance with IFRSs, of the entity making the distribution. The obligation arising from a distribution of non-cash assets is measured in accordance with IAS 37. It is recognised when the distribution is appropriately authorised and is no longer at the discretion of the entity. First-time adoption of IFRIC 17 does not have any effect on EnBW's consolidated financial statements.
- > **IFRIC 18 "Transfers of Assets from Customers"**: This interpretation applies to the accounting for assets that an entity receives from a customer and must use to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services, or to do both. First-time adoption of IFRIC 18 does not have any material effect on EnBW's consolidated financial statements.

Basis of consolidation

The financial statements of the domestic and foreign subsidiaries and joint ventures included in consolidation were prepared in accordance with the accounting policies of EnBW.

Subsidiaries are consolidated in accordance with the acquisition method. The cost of a business combination is measured based on the fair value of the assets acquired and liabilities assumed or entered into as of the acquisition date. Non-controlling interests are measured at the proportionate share of fair value of the assets acquired and liabilities assumed. Acquisition-related costs are expensed as incurred. If the business combination is achieved in stages, the acquisition date fair value of the acquirer's equity interest previously held in the acquiree is remeasured to fair value as at the acquisition date through profit and loss. Goodwill is measured at cost being the excess of the consideration transferred over the group's net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets acquired, the difference is recognised immediately in profit or loss following further review.

A change in the ownership interest of a subsidiary which continues to be fully consolidated is accounted for as an equity transaction. All remaining shares are revalued at fair value upon loss of control.

Receivables, liabilities and provisions between the consolidated entities are netted. Intercompany income is offset against the corresponding expenses. Intercompany profits are eliminated, unless they are immaterial. Deferred taxes are recorded.

Joint ventures are consolidated according to the same principles as subsidiaries.

The same accounting policies apply to entities accounted for using the equity method. Goodwill is included in the carrying amount of the investment. Negative differences are recognised in profit or loss via investment result.

Changes in the consolidated companies

Acquisitions

Rostock power station

In order to increase its domestic generation capacities, EnBW acquired a 100% share in Gesellschaft für die Beteiligung an dem Kraftwerk Rostock mbH, Hanover, with effect as of 1 January 2010. The company holds a 50.4% shareholding in Rostock power station. The purchase price came to € 320.9 million and was settled in cash. The company accounted for revenue of € 21.8 million and earnings after tax of € 1.5 million in the first quarterly financial statements for 2010. The following assets and liabilities were acquired in the acquisition.

€ millions	Carrying amount under IFRS	Recognised on acquisition
Intangible assets	0.0	164.2
Property, plant and equipment	11.2	116.7
Current assets	0.0	52.0
Total assets	11.2	332.9
Non-current liabilities	0.0	0.0
Current liabilities	0.0	12.0
Total liabilities	0.0	12.0
Net assets ¹	11.2	320.9
Cost		320.9
Goodwill		0.0

¹ The calculation of the fair value of the assets and liabilities has not been finalised yet. As a result, provisional values were recognised pursuant to IFRS 3.45.

Disposals of entities

GESO Beteiligungs- und Beratungs-AG (GESO)

Based on a condition imposed by the anti-trust authorities in connection with the purchase of shares in EWE Aktiengesellschaft, EnBW AG's Supervisory Board passed a resolution in December 2009 to sell the shares in GESO. The sale of GESO and its subsidiaries was completed in March 2010. The purchaser was Technische Werke Dresden GmbH (TWD), a wholly owned subsidiary of Dresden, the capital city of the German state of Saxony. The gain on sale before costs to sell came to € 176.6 million. The purchase price amounted to € 834.4 million and includes settlement of group loans of € 220.6 million.

Consolidated companies

Under the full consolidation method, all subsidiaries are included over whose financial and business policy control can be exercised as defined by the control concept. In this case, the assets and liabilities of a subsidiary are included in full in the consolidated financial statements.

Jointly controlled entities are included in the consolidated financial statements by way of proportionate consolidation. In the case of the proportionate consolidation, the assets and liabilities of the subsidiary are only considered in the consolidated financial statements in proportion to the shareholding of the parent company.

The equity method is used when a significant influence may be exercised over the business policy of the associate, but the entity does not qualify as a subsidiary or a joint venture. When measuring shares this means that only the pro rata equity of the entity is included in consolidated financial statements, and not its assets and liabilities.

Type of consolidation and number	31/3/2010	31/12/2009	31/3/2009
Full consolidation	96	99	94
Proportionate consolidation (joint ventures)	35	36	11
Associates	16	17	17

Investment result

€ millions	1/1- 31/3/2010	1/1- 31/3/2009
Share of profit of entities accounted for using the equity method	82.0	43.6
Write-downs of entities accounted for using the equity method	0.0	-7.1
Write-ups of entities accounted for using the equity method	0.0	6.7
Net profit from entities accounted for using the equity method	82.0	43.2
Investment income	12.5	12.9
Write-downs of investments	-3.7	0.0
Other income from investments	8.8	12.9
Investment result	90.8	56.1

Financial result

€ millions	1/1- 31/3/2010	1/1- 31/3/2009
Interest and similar income	53.2	63.4
Other finance revenue	55.2	62.3
Finance revenue	108.4	125.7
Borrowing costs	-80.2	-69.4
Other interest and similar expenses	-9.1	-9.3
Interest portion of increases in provisions	-125.8	-125.6
Personnel provisions	(-56.7)	(-57.0)
Provisions relating to nuclear power	(-68.3)	(-65.0)
Other non-current provisions	(-0.8)	(-3.6)
Other finance costs	-32.1	-108.6
Finance costs	-247.2	-312.9
Financial result	-138.8	-187.2

Assets held for sale and liabilities directly associated with assets classified as held for sale

The decrease in assets held for sale and liabilities directly associated with assets classified as held for sale is attributable to the disposal of GESO Beteiligungs- und Beratungs-AG (GESO) and its subsidiaries in March 2010. The assets and liabilities of Pražská teplárenská Holding a.s. (PT), Prague, Czech Republic, continue to be classified as held for sale as of 31 March 2010. EnBW intends to sell its interest in PT in 2010 as part of restructuring measures for the Czech equity investments.

The assets and liabilities of the PT disposal group (prior year: PT and GESO) break down as follows:

€ millions	31/3/2010	31/12/2009
Non-current assets		
Intangible assets	0.6	157.6
Property, plant and equipment	101.1	908.2
Other non-current assets	1.2	409.1
	102.9	1,474.9
Current assets	67.2	221.4
Assets held for sale	170.1	1,696.3
Non-current liabilities		
Provisions	0.3	65.3
Deferred taxes	7.9	108.1
Liabilities and subsidies	0.0	338.1
	8.2	338.1
Current liabilities		
Provisions	1.4	40.6
Liabilities and subsidies	11.8	389.4
	13.2	430.0
Liabilities directly associated with the assets classified as held for sale	21.4	768.1

The remaining assets held for sale totalling € 2.9 million essentially relate to land and buildings (prior year: € 1.7 million).

Notes to the cash flow statement

Funds from operations (FFO) in € millions	1/1– 31/3/2010	1/1– 31/3/2009
FFO before taxes and financing	1,185.1	719.9
Income tax paid	-44.5	4.3
Interest and dividends received	89.5	116.6
Interest paid for financing activities	-94.8	-115.1
FFO after taxes and financing	1,135.3	725.7

Contingent liabilities and financial commitments

Compared to 31 December 2009, contingent liabilities and financial commitments have decreased by € 1,688.1 million to € 21,135.2 million. The decrease stems from the sale of GESO Beteiligungs- und Beratungs-AG and its subsidiaries and from the acquisition of Gesellschaft für die Beteiligung an dem Kraftwerk Rostock mbH.

Related parties

Related parties mainly include Electricité de France (EDF) and Zweckverband Oberschwäbische Elektrizitätswerke (OEW). The financial statements of EnBW AG are included in the consolidated financial statements of EDF on a proportionate basis.

The business transacted with EDF during the first quarter had the following impact on the consolidated financial statements of EnBW:

Income statement in € millions	1/1– 31/3/2010	1/1– 31/3/2009
Revenue	306.2	195.9
Cost of materials	-319.9	-194.3

Balance sheet in € millions	31/3/2010	31/12/2009
Receivables	22.3	149.7
Payments on account	47.4	47.1
Liabilities	98.0	258.1
Payments on account received	26.4	33.0

The revenue and cost of materials mainly result from electricity supply and electricity procurement agreements. All business relations with EDF are at arm's length.

The business relations with joint ventures conducted at market conditions were as follows:

Income statement in € millions	1/1- 31/3/2010	1/1- 31/3/2009
Revenue	6.4	9.3
Cost of materials	-3.9	-3.6

Balance sheet in € millions	31/3/2010	31/12/2009
Other loans	13.2	12.7
Receivables	2.4	6.8
Liabilities	0.2	5.9
Payments on account received	0.1	0.1

In the course of ordinary business activities, transactions are also made with associates, including among others municipal entities (public utilities, in particular) that are accounted for using the equity method. Goods and service transactions with these entities took place at arm's length and had the following impact on the income statement and balance sheet of the EnBW group:

Income statement in € millions	1/1- 31/3/2010	1/1- 31/3/2009
Revenue	54.4	45.8
Cost of materials	-21.7	-14.7

Balance sheet in € millions	31/3/2010	31/12/2009
Other loans	3.2	2.4
Receivables	20.3	24.1
Liabilities	102.8	118.8
Payments on account received	0.1	0.0

The EnBW group has not entered into any significant transactions with individuals that are related parties.

Dividends

On 29 April 2010, the annual general meeting of EnBW approved the proposal put forward by the Board of Management and the Supervisory Board to pay a dividend of € 1.53 per share for the fiscal year 2009. This corresponds to a dividend payment of € 373.7 million.

Treasury shares

As of 31 March 2010, EnBW AG holds 5,749,677 treasury shares that are valued at € 35.79 in the separate financial statements of EnBW AG. They account for 2.3% of the capital stock.

Segment reporting

1/1 – 31/3/2010 € millions	Electricity generation and trading	Electricity grid and sales	Gas	Energy and environmental services	Holding/ consolidation	Total
External revenue	1,218.4	2,727.8	783.2	170.2	0.0	4,899.6
Internal revenue	1,272.7	67.8	34.1	107.3	-1,481.9	0.0
Total revenue	2,491.1	2,795.6	817.3	277.5	-1,481.9	4,899.6
Adjusted EBIT	732.0	25.0	123.8	27.5	-32.6	875.7
EBIT	796.8	202.4	123.9	28.4	-29.7	1,121.8
Amortisation and depreciation	-94.9	-58.2	-18.2	-35.6	-0.3	-207.2
Impairment losses	0.0	0.0	0.0	0.0	0.0	0.0
Capital employed as of 31/3/2010	5,984.6	4,085.3	1,431.3	1,226.9	2,664.5	15,392.6

1/1 – 31/3/2009 € millions ¹	Electricity generation and trading	Electricity grid and sales	Gas	Energy and environmental services	Holding/ consolidation	Total
External revenue	715.8	2,685.2	1,211.6	179.7	0.0	4,792.3
Internal revenue	1,330.8	114.1	23.4	90.1	-1,558.4	0.0
Total revenue	2,046.6	2,799.3	1,235.0	269.8	-1,558.4	4,792.3
Adjusted EBIT	661.9	-61.9	101.3	29.0	-32.9	697.4
EBIT	662.4	-51.9	101.4	23.6	-26.9	708.6
Amortisation and depreciation	-81.2	-59.7	-22.7	-35.2	-0.3	-199.1
Impairment losses	-0.2	0.0	0.0	-7.6	0.0	-7.8
Capital employed as of 31/12/2009	5,473.7	3,973.3	1,682.1	1,351.0	3,099.6	15,579.7

¹ The figures of the comparative period have been restated.

One of the key performance indicators within the EnBW group is adjusted EBIT. Total adjusted EBIT of the reportable segments can be reconciled to the earnings before tax (EBT) as follows:

€ millions	1/1– 31/3/2010	1/1– 31/3/2009
Adjusted EBIT ¹	908.3	730.3
Non-operating EBIT ¹	243.2	5.2
Holding/consolidation	-29.7	-26.9
Earnings before interest and taxes (EBIT)	1,121.8	708.6
Investment result	90.8	56.1
Financial result	-138.8	-187.2
Earnings before tax (EBT)	1,073.8	577.5

¹ The segment reporting comprises the reportable segments of electricity generation and trading, electricity grid and sales, gas and energy and environmental services.

Segment reporting comprises the reportable segments of electricity generation and trading, electricity grid and sales, gas and energy and environmental services and is based on the internal reporting structure. The electricity generation and trading segment contains the value added stages of generation as well as trading and procurement. The electricity grid and sales segment comprises the value added stages of transmission, distribution and sales. The gas segment comprises the midstream area including import agreements and infrastructure, storage, trading, portfolio management as well as the downstream area including transmission, distribution and sales. The energy and environmental services segment includes the areas of thermal disposal, non-thermal disposal, water and other services.

Assets, liabilities, revenue and expenses allocable to EnBW AG, our shareholdings in EWE Aktiengesellschaft and EVN AG and other activities not allocable to the segments presented separately are disclosed in the holding/consolidation column together with eliminations. EVN AG is allocable to the holding segment from 2010 onwards. The figures of the comparative period have been restated. The direct costs of EnBW AG are allocated between the individual segments using allocation keys.

The segment figures have been determined in accordance with the accounting policies used in the consolidated financial statements. Internal revenue shows the level of sales between group companies. Intersegment sales were made at market prices.

Board of Management and Supervisory Board

Board of Management

Hans-Peter Villis, Castrop-Rauxel/Karlsruhe
Chief Executive Officer
since 1 October 2007
Appointed until 30 September 2012

Dr. Bernhard Beck LL.M., Leonberg
Chief Personnel Officer
since 1 October 2002
Appointed until 30 September 2012

Christian Buchel, Karlsruhe
Chief Operating Officer
since 1 February 2009
Appointed until 31 January 2012

Dr. Rudolf Schulten, Mühlhausen
Chief Financial Officer
from 1 January 2009
until 11 March 2010

Dr. Hans-Josef Zimmer, Steinfeld (Rhineland-Palatinate)
Chief Technical Officer
since 1 October 2007
Appointed until 30 September 2010

Supervisory Board

Dr. Claus Dieter Hoffmann, Stuttgart
Managing partner of
H + H Senior Advisors GmbH
Chairman

Dietrich Herd, Philippsburg
Chairman of the central works council
of EnBW Kraftwerke AG
Deputy chairman

Marc Boudier, Sèvres
Directeur Europe
at Electricité de France SA

Dr. Daniel Camus, Croissy-sur-Seine
Directeur Exécutif Groupe Activités
Internationales & Stratégie
at Electricité de France SA

Dirk Gaerte, Sigmaringendorf
District administrator of the
Sigmaringen district

Josef Götz, Stuttgart
Chairman of the central works council
of EnBW Regional AG

Reiner Koch, Glienicke/Nordbahn
Responsible for
supply and waste disposal divisions
at ver.di head office

Marianne Kugler-Wendt, Heilbronn
Regional director at ver.di,
Heilbronn-Neckar-Franconia district

Wolfgang Lang, Karlsruhe
Chairman of the central works council
of EnBW Systeme Infrastruktur Support
GmbH

Gérard Roth, Bois d'Arcy
Directeur Allemagne
at Electricité de France SA

Klaus Schörnich, Düsseldorf
Chairman of the works council of
Stadtwerke Düsseldorf AG

Heinz Seiffert, Ehingen
District administrator
of the Alb-Donau district

Gerhard Stratthaus MdL, Brühl
Former finance minister of
the state of Baden-Württemberg

Laurent Stricker, Paris
Advisor to the president
at Electricité de France SA

Werner Vorderwülbecke, Stuttgart
Regional department head at ver.di,
Baden-Württemberg

Christoph Walther, Langebrück
Deputy chairman of the works council
of ENSO Energie Sachsen Ost AG

Dietmar Weber, Esslingen
Chairman of the central works council
of EnBW Vertriebs- und Service-
gesellschaft mbH

Kurt Widmaier, Ravensburg
District administrator of the
Ravensburg district

Dr.-Ing. Gérard Wolf, Paris
Directeur Général Adjoint Filiales
et Développement à l'International
at Electricité de France SA

Dr. Bernd-Michael Zinow, Pfinztal
Senior vice president public affairs
at EnBW Energie Baden-Württemberg
AG

As of 31 March 2010

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Published by

EnBW Energie
Baden-Württemberg AG
Durlacher Allee 93
76131 Karlsruhe
www.enbw.com

Coordination and editor

Corporate Communications,
Karlsruhe

Design and lithography

3st kommunikation GmbH,
Mainz

Typesetting

In-house using FIRE.sys

Printed by

Sommer Corporate Media
Elanders GmbH, Waiblingen



ISBA: R.2466.1005

Publication of the
Quarterly Financial Report
January to March 2010:
7 May 2010

Cover

Dominik Obertreis, Althütte

Photos "Top issues"

EnBW Energie Baden-Württemberg
AG

Photo of the Board of Management

Catrin Moritz, Essen

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Our cover shows Neckarwestheim nuclear power plant and solar panels on a rooftop. The discussion on whether to extend the working life of German nuclear power plants often gives rise to the argument that such an extension would be made at the expense of renewable energies. The very opposite is true: The interaction of renewable energies and nuclear power is essential to safeguarding supply reliability in Germany. Scientific studies by Stuttgart University and Consentec GmbH in cooperation with RWTH Aachen University reveal that the rapid scalability of nuclear power plants can balance out weather-related fluctuations in output from renewable sources. That is the prerequisite for the stability of electricity grids and therefore for supply reliability.

Further information on this can be obtained from
www.enbw.com/netzpartner.

Financial calendar

7 | 5 | 2010

Publication of the Quarterly Financial Report January to March 2010

30 | 7 | 2010

Publication of the Six-Monthly Financial Report January to June 2010

12 | 11 | 2010

Publication of the Nine-Monthly Financial Report January to September 2010

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