



EnBW Energie Baden-Württemberg AG

(Karlsruhe, Federal Republic of Germany)

EUR [●]

Subordinated Resettable Fixed Rate Notes due 2076

ISIN XS1044811591,

Common Code 104481159, WKN A11P78

Issue Price: [●] per cent.

EnBW Energie Baden-Württemberg AG, Durlacher Allee 93, 76131 Karlsruhe (the "Issuer" or "EnBW AG") will issue on 18 March 2014 (the "Issue Date") EUR [●] Subordinated Resettable Fixed Rate Notes due 2076 (the "Notes") in the denomination of EUR 1,000 each. The Notes will be governed by the laws of the Federal Republic of Germany ("Germany").

The Notes will bear interest from and including 18 March 2014 to but excluding 2 April 2021 (the "First Call Date") at a rate of [●] per cent. *per annum*, payable annually in arrear on 2 April of each year, commencing on 2 April 2015 (long first coupon).

Thereafter, unless previously redeemed, the Notes will bear interest from and including the First Call Date to but excluding 2 April 2026 (the "First Modified Reset Date") at a rate *per annum* equal to the 5-year Swap Rate for the relevant Reset Period (each as defined in § 3(2) of the terms and conditions of the Notes (the "Terms and Conditions")) plus a margin of [●] basis points per annum (not including a step-up) (the "Margin"), payable in arrear on 2 April of each year, commencing on 2 April 2022. Thereafter, unless previously redeemed, the Notes will bear interest from and including the First Modified Reset Date to but excluding 2 April 2041 (the "Second Modified Reset Date") at a rate *per annum* equal to the 5-year Swap Rate for the relevant Reset Period plus a margin of [●] basis points per annum (including a step-up of 25 basis points) (the "Modified Margin"), payable on 2 April of each year, commencing on 2 April 2027. Thereafter, unless previously redeemed, the Notes will bear interest from and including the Second Modified Reset Date to but excluding 2 April 2076 (the "Maturity Date") at a rate *per annum* equal to the 5-year Swap Rate for the relevant Reset Period plus a margin of [●] basis points per annum (including a step-up of 100 basis points) (the "Second Modified Margin"), payable on 2 April of each year, commencing on 2 April 2042.

The Issuer is entitled to defer interest payments under certain circumstances (as set out in § 4(1) of the Terms and Conditions) (such payments the "Deferred Interest Payments"). The Issuer may pay such Deferred Interest Payments (in whole or in part) at any time upon due notice (as set out in § 4(2) of the Terms and Conditions) and it shall pay such Deferred Interest Payments (in whole, but not in part) under certain other circumstances (as set out in § 4(3) of the Terms and Conditions). Such Deferred Interest Payments will not bear interest themselves.

Unless previously redeemed or repurchased, the Notes will be redeemed at par on 2 April 2076.

The Notes will initially be represented by a Temporary Global Note, without interest coupons, which will be exchangeable in whole or in part for a Permanent Global Note without interest coupons, not earlier than 40 days after the Issue Date, upon certification as to non-U.S. beneficial ownership.

The Issue Price, the aggregate principal amount of Notes to be issued, the issue proceeds and the yield of the issue will be included in the Pricing Notice (as defined in the section "Offer, Sale and Subscription of the Notes" below) which will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) on or prior to the Issue Date of the Notes.

This prospectus relating to the Notes (the "Prospectus") constitutes a prospectus within the meaning of Article 5.3 of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (as amended, inter alia, by Directive 2010/73/EU) (the "Prospectus Directive"). This Prospectus will be published in electronic form together with all documents incorporated by reference on the website of the Luxembourg Stock Exchange (www.bourse.lu).

This Prospectus has been approved by the *Commission de Surveillance du Secteur Financier*, Luxembourg ("CSSF") in its capacity as competent authority under the Luxembourg law dated 10 July 2005 relating to prospectuses for securities, as amended (*Loi du 10 juillet 2005 relative aux prospectus pour valeurs mobilières*, the "Luxembourg Prospectus Law"). By approving this Prospectus, the CSSF gives no undertaking as to the economic and financial soundness of the operation or the quality or solvency of the Issuer in line with the provisions of article 7 (7) of the Luxembourg Prospectus Law. The Issuer has requested CSSF to provide the competent authorities in Austria, Germany and the Netherlands, and may request CSSF to provide competent authorities in additional host Member States within the European Economic Area, with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Luxembourg Prospectus Law.

Application has been made to the Luxembourg Stock Exchange for the Notes to be listed on the official list of the Luxembourg Stock Exchange (the "Official List") and to be admitted to trading on the Luxembourg Stock Exchange's regulated market. Application has also been made to the Frankfurt Stock Exchange for the Notes to be listed on the Frankfurt Stock Exchange and to be traded on the regulated market of the Frankfurt Stock Exchange. The Luxembourg Stock Exchange's regulated market and the regulated market of the Frankfurt Stock Exchange are regulated markets for the purposes of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments.

Joint Structuring Advisers / Joint Bookrunners / Joint Lead Managers

Deutsche Bank

HSBC

Joint Bookrunners / Joint Lead Managers

Barclays

Credit Suisse

SOCIETE GENERALE
Corporate & Investment
Banking

RESPONSIBILITY STATEMENT

The Issuer with its registered office in Germany accepts responsibility for the information contained in this Prospectus and hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the importance of such information.

The Issuer further confirms that (i) this Prospectus contains all information with respect to the Issuer and its subsidiaries taken as a whole (the "**Group**" or "**EnBW Group**" or "**EnBW**") and to the Notes which is material in the context of the issue and offering of the Notes, including all information which, according to the particular nature of the Issuer and of the Notes is necessary to enable investors and their investment advisers to make an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer and the Group and of the rights attached to the Notes; (ii) the statements contained in this Prospectus relating to the Issuer, the Group and the Notes are in every material particular true and accurate and not misleading; (iii) there are no other facts in relation to the Issuer, the Group or the Notes the omission of which would, in the context of the issue and offering of the Notes, make any statement in the Prospectus misleading in any material respect; and (iv) reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such information and statements.

NOTICE

No person is authorised to give any information or to make any representation other than those contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer or the Managers (as defined in the section "Offer, Sale and Subscription of the Notes").

This Prospectus should be read in conjunction with any supplement hereto and the Pricing Notice, once available, and with any other documents incorporated herein by reference.

This Prospectus contains certain forward-looking statements, including statements using the words "believes", "anticipates", "intends", "expects" or other similar terms. This applies in particular to statements under the caption "GENERAL INFORMATION ON THE ISSUER AND THE GROUP" and statements elsewhere in this Prospectus relating to, among other things, the future financial performance, plans and expectations regarding developments in the business of the Group. These forward-looking statements are subject to a number of risks, uncertainties, assumptions and other factors that may cause the actual results, including the financial position and profitability of the Group, to be materially different from or worse than those expressed or implied by these forward-looking statements. The Issuer does not assume any obligation to update such forward-looking statements and to adapt them to future events or developments.

Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. This Prospectus does not constitute an offer of Notes or an invitation by or on behalf of the Issuer or the Managers to purchase any Notes. Neither this Prospectus nor any other information supplied in connection with the Notes should be considered as a recommendation by the Issuer or the Managers to a recipient hereof and thereof that such recipient should purchase any Notes.

This Prospectus reflects the status as of its date. The offering, sale and delivery of the Notes and the distribution of the Prospectus may not be taken as an implication that the information contained herein is accurate and complete subsequent to the date hereof or that there has been no adverse change in the financial condition of the Issuer since the date hereof.

To the extent permitted by the laws of any relevant jurisdiction, neither any Manager nor any of its respective affiliates accepts responsibility for the accuracy and completeness of the information contained in this Prospectus or any other document incorporated by reference.

This Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The distribution of this Prospectus and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required to inform themselves about and to observe any such restrictions. For a description of the restrictions applicable in the European Economic Area, the United States of America and the United Kingdom, see "Offer, Sale and Subscription of the Notes – Selling Restrictions". In particular, the Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, and are subject to United States tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States of America or to U.S. persons.

The legally binding language of this Prospectus is English. Any part of the Prospectus in German language constitutes a translation, except for the Terms and Conditions of the Notes in respect of which German is the legally binding language.

IN CONNECTION WITH THE ISSUE OF THE NOTES, DEUTSCHE BANK AG, LONDON BRANCH (THE "**STABILISING MANAGER**") (OR ANY PERSON ACTING ON BEHALF OF ANY STABILISING MANAGER) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILISING MANAGER (OR ANY PERSON ACTING ON BEHALF OF THE STABILISING MANAGER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILISING MANAGER (OR ANY PERSON ACTING ON BEHALF OF THE STABILISING MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

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SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

Section A – Introduction and warnings

Element	Description of Element	Disclosure requirement
A.1	Warnings	<p>This summary should be read as an introduction to the Prospectus.</p> <p>Any decision to invest in the Notes should be based on consideration of the Prospectus as a whole by the investor.</p> <p>Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation in its Member State, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.</p>
A.2	<p>Consent to the use of the prospectus</p> <p>Indication of the offer period</p> <p>Member States in which the prospectus may</p>	<p>The Issuer consents to the use of the Prospectus by all financial intermediaries (general consent) and accepts responsibility for the content of the Prospectus also with respect to subsequent resale or final placement of the Notes by any financial intermediary which was given consent to use the Prospectus.</p> <p>The subsequent resale or final placement of Notes by financial intermediaries can be made from the later of the time of effectiveness of the notifications (passporting) of the Prospectus into the eligible jurisdictions and 11 March 2014 until 18 March 2014 (being the date of issuance of the Notes).</p> <p>Financial intermediaries may use the Prospectus for subsequent resale or final placement of the Notes in Austria, Germany,</p>

Element	Description of Element	Disclosure requirement
	<p>be used</p> <p>Conditions attached to the consent</p> <p>Notice in bold</p>	<p>Luxembourg and The Netherlands.</p> <p>Any financial intermediary using the Prospectus has to state on its website that it uses the Prospectus in accordance with the consent and the conditions attached thereto.</p> <p>In the event of an offer being made by a financial intermediary, this financial intermediary will provide information to investors on the terms and conditions of the offer at the time the offer is made.</p>

Section B – Issuer

Element	Description of Element	Disclosure requirement
B.1	Legal and commercial name of the Issuer	EnBW Energie Baden-Württemberg AG (" EnBW AG ") is the legal name. EnBW is the commercial name.
B.2	Domicile /legal form /legislation /country of incorporation of the Issuer	EnBW AG is a German stock corporation (<i>Aktiengesellschaft</i>) incorporated under the laws of and domiciled in the Federal Republic of Germany.
B.4b	Trends affecting the Issuer and the industries in which it operates	<p>The following external factors exert a significant influence on the course of EnBW's business:</p> <ul style="list-style-type: none"> – macroeconomic phases of growth or contraction; – prevailing weather conditions; – political decisions at national and pan-European level, in particular market- and competition-related regulations; - extensive legislative intervention in the field of energy, for example the stepping up of climate protection or the conservation natural resources; – prices on the fuel and CO₂ markets as well as on electricity wholesale markets; – the prices of primary energy sources and CO₂ allowances which must be procured in the context of European CO₂ emissions trading; – the steady growth in the supply of renewable energies

Element	Description of Element	Disclosure requirement
B.5	Group/ Issuer's position within the Group	<p>The EnBW Group is one of the major German energy groups with international operations and one of the four entities in Germany operating the electricity transmission grid. The EnBW Group consists of 117 fully consolidated companies and 19 companies accounted for using the equity method.</p> <p>EnBW AG is the parent company of the EnBW Group.</p> <p>The EnBW Group is currently undertaking an organisational realignment called "One EnBW", which commenced in 2013 and is scheduled for completion in 2014. The intention is to achieve an integrated group without the central holding company, by combining its major core companies.</p>
B.9	Profit forecast or estimate	Not applicable. No profit forecast or estimate has been included.
B.10	Qualifications in the audit report	Not applicable. The audit opinions with respect to the financial statements of EnBW AG for the financial years ended 31 December 2013 and 2012 do not include any qualifications.
B.12	Selected historical key financial information	<p>Selected historical financial information on the Issuer</p> <p>The financial information presented below is taken from the consolidated financial statements which are included in the annual financial statements of the EnBW Group 2013, unless otherwise indicated. The consolidated financial statements for 2013 have been audited by KPMG AG Wirtschaftsprüfungsgesellschaft, Mannheim, and the financial information for 2012 is presented as comparative information. Certain figures pertaining to 2012 differ from the audited consolidated financial statements for 2012 presented in the EnBW Group annual financial report 2012 due to the fact that such figures have been restated in the comparative period balances to the consolidated financial statements for 2013 that are included in the annual financial statements of the EnBW Group 2013.</p>

Balance sheet of the EnBW Group

€million

31 December 2013 31 December 2012

Assets

Non-current assets	25,498.7	25,136.6 ¹
Current assets	10,551.5	10,948.0
Assets held for sale	90.3	681.1
Assets, total	36,140.5	36,765.7 ¹

€million

Equity and liabilities

Equity	6,082.7	6,375.9 ¹
Non-current liabilities	21,082.6	21,116.8 ¹
Current liabilities	8,942.6	9,272.4
Liabilities directly associated with the assets classified as held for sale	32.6	0.6
Equity and liabilities, total	36,140.5	36,765.7 ¹

¹ Restated, unaudited.

Income statement of the EnBW Group

€million	2013	2012 ¹
Revenue	20,540.3	19,324.4
EBITDA	1,991.4	2,307.2
Earnings before interest and taxes (EBIT)	1,020.4	1,289.3
Earnings before tax (EBT)	169.9	722.7
Group net profit ²	51.0	484.2
Shares outstanding (millions), weighted average	270.855	257.265
Earnings per share from group net profit (€) ³	0.19	1.88

¹ Restated, unaudited.

² In relation to the profit shares attributable to the equity holders of EnBW AG.

³ Basic and diluted; in relation to the profit shares attributable to the equity holders of EnBW AG.

Statement of comprehensive income of the EnBW Group

€million	2013	2012 ¹
Group net profit	122.3	545.6
Total of other comprehensive income and expenses without future reclassifications impacting earnings	23.1	-748.3
Total comprehensive income and expenses with future reclassifications impacting earnings	-134.0	-11.1
Total comprehensive income ²	-42.9	-278.6

¹ Restated, unaudited.

² In relation to the profit shares attributable to the equity holders of EnBW AG.

Cash flow statement of the EnBW Group

€million	2013	2012
Funds from operations (FFO)	1,658.5	1,781.7
Cash flow from operating activities	1,908.5	856.3
Cash flow from investing activities	-559.7	-274.3
Cash flow from financing activities	-1,509.7	-730.8
Net change in cash and cash equivalents	-160.9	-148.8
Change in cash and cash equivalents	-162.1	-149.0
Cash and cash equivalents at the end of the period	2,421.2	2,583.3
Total interest paid in the period	-357.9	-387.2

Consolidated key figures of the EnBW Group

€million	2013	2012
Revenue		

Sales	9,569.4	9,278.2
Grids	5,707.6	5,339.5
Renewable Energies	369.4	352.5
Generation and Trading	4,885.7	4,346.1
Other/consolidation	8.2	8.1
External revenue, total	20,540.3	19,324.4¹
Capital expenditures	1,100.5	877.4

¹ Restated, unaudited.

Energy sales of the EnBW Group

billions of kWh	2013	2012
Electricity	128.0	135.6 ¹
Gas	100.0	73.1

¹ Restated, unaudited.

Employees of the EnBW Group¹

Number	31 December 2013	31 December 2012
Employees	19,839	19,998

¹ Number of employees excluding apprentices/trainees and excluding inactive employees.

	No material adverse change/significant changes in financial or trading position	There has been no material adverse change in the prospects of the Issuer since 31 December 2013. There have been no significant changes in the financial or trading position of the Issuer and its subsidiaries taken as a whole since 31 December 2013, except for an increase of gross debt by approximately EUR 730 million, mainly due to a project finance loan by European Investment Bank for the projects Baltic II and a project finance loan for EnBW's subsidiary Stadtwerke Duesseldorf which is, however, largely covered by cash on balance and therefore will not result in an increase of net debt.
B.13	Recent events, which are to a material extent relevant to the evaluation of the Issuer's solvency	Not applicable. There are no recent events since the date of the last published audited financial report (31 December 2013) particular to EnBW AG which are to a material extent relevant to the solvency of EnBW AG.
B.14	Description of the Group/	Please read Element B.5 together with the information below:

	Issuer's position within the Group/ Dependency of the Issuer upon other entities within the group	Not applicable. EnBW AG is not dependent upon other entities within the EnBW Group.
B.15	Issuer's principal activities	<p>The EnBW Group is one of the major German energy groups with international operations, and one of four companies in Germany operating the electricity transmission grid. In total, EnBW supplies and advises approximately 5.5 million customers group-wide.</p> <p>As an integrated energy supplier, the EnBW Group operates along the entire value chain, offering an extensive portfolio of services, subdivided into four segments: sales, grids, renewable energies and generation and trading.</p> <ul style="list-style-type: none"> – The sales segment encompasses the distribution of electricity and gas, and the provision of energy-related services, such as invoicing services and energy supply and energy savings contracting. – The grids segment comprises stages along the value chain entailing the transportation and distribution of electricity and gas, the providing of grid-related services, for instance the operation of grids for third parties, and water supply services. – Activities in the field of renewable energies generation are combined under the renewable energies segment. – The generation and trading segment includes power generated from other sources and trading in electricity, the gas midstream business (long-distance gas distribution) as well as waste disposal activities. <p>Furthermore, the other/consolidation segment combines EnBW AG's other activities which are not allocated to the individual segments reported separately.</p>
B.16	Controlling interest over the Issuer	Not applicable. EnBW AG is to its knowledge not controlled.

B.17	Credit ratings	<p>The Issuer has received the following ratings¹:</p> <p>Standard & Poor's Credit Market Services Europe Limited ("Standard & Poor's") has assigned the credit rating of A-² to EnBW AG.</p> <p>Moody's Investors Service Ltd ("Moody's") has assigned the credit rating of A3³ to EnBW AG.</p> <p>Fitch Ratings Ltd. ("Fitch") has assigned the credit rating of A-⁴ to EnBW AG.</p>
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Section C – Securities

Element	Description of Element	Disclosure requirement
C.1	Type and class of securities being offered / security identification numbers	<p>The Notes are subordinated resettable fixed rate notes.</p> <p>Security codes:</p> <p>ISIN: XS1044811591</p> <p>Common Code: 104481159</p> <p>WKN: A11P78</p>
C.2	Currency	Euro
C.5	Restrictions on free transferability	Not applicable. There are no restrictions on free transferability of the Securities in the European Economic Area.

¹ Credit ratings included or referred to in this Prospectus have been issued by S&P, Moody's and Fitch, each of which is established in the European Union and registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, amended by Regulation (EC) No 513/2011 of the European Parliament and of the Council of 11 May 2011 (the "**CRA Regulation**"). A list of credit rating agencies registered under the CRA Regulation is available for viewing at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>.

A credit rating assesses the creditworthiness of an entity and informs an investor therefore about the probability of the entity being able to redeem invested capital. It is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

² Standard & Poor's defines "A" as follows: "strong capacity to meet financial commitments, but somewhat susceptible to adverse economic conditions and changes in circumstances". Ratings by Standard & Poor's from "AA" to "CCC" may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

³ Moody's defines "A" as follows: "obligations rated A are judged to be upper-medium grade and are subject to low credit risk". Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

⁴ Fitch defines "A" as follows: " 'A' ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings." The modifiers "+" or "-" may be appended to a rating by Fitch from "AA" to "B" to denote relative status within major rating categories.

Element	Description of Element	Disclosure requirement
C.8	Rights attached to securities/ ranking of the securities/ limitations to the rights attached to the securities	<p>The Notes constitute subordinated and unsecured obligations of the Issuer ranking <i>pari passu</i> among themselves and with any Parity Securities, subordinated to all present and future unsubordinated and subordinated obligations of the Issuer, and at least <i>pari passu</i> with all other present and future unsecured obligations of the Issuer ranking subordinated to all unsubordinated and subordinated obligations of the Issuer, except for any subordinated obligations required to be preferred by mandatory provisions of law; and ranking senior only to the rights and claims of holders of Junior Securities.</p> <p>"Parity Security" means any security, registered security or other instrument which (i) is issued by the Issuer and ranks or is expressed to rank <i>pari passu</i> with the Notes, including the Issuer's Subordinated Resettable Fixed Rate Notes due 2072, ISIN XS0674277933, or (ii) is issued by a Subsidiary and guaranteed by the Issuer or for which the Issuer has otherwise assumed liability where the Issuer's obligations under the relevant guarantee or other assumption of liability rank <i>pari passu</i> with the Issuer's obligations under the Notes.</p> <p>"Junior Security" means (i) the ordinary share of the Issuer, (ii) any share of any other class of shares of the Issuer ranking <i>pari passu</i> with the ordinary shares of the Issuer, (iii) any other security, registered security or other instrument of the Issuer the Issuer's obligations under which rank or are expressed to rank <i>pari passu</i> with the ordinary shares of the Issuer and (iv) any security, registered security or other instrument which is issued by a Subsidiary and guaranteed by the Issuer or for which the Issuer has otherwise assumed liability where the Issuer's obligations under such guarantee or other assumption of liability rank or are expressed to rank <i>pari passu</i> with ordinary shares of the Issuer.</p>
C.9	Interest/ Due dates and redemption/ Indication of yield/ Name of Securityholders' representative	<p>See C.8.</p> <p>Interest Rate</p> <p>The Notes will bear interest from and including 18 March 2014 (the "Issue Date") to but excluding 2 April 2021 (the "First Call Date") at a fixed rate of [●] per cent. per annum payable in arrear on 2 April of each year, commencing on 2 April 2015 (long first coupon).</p> <p>From and including the First Call Date to but excluding 2 April 2026 (the "First Modified Reset Date") the Notes will bear interest at the 5-year Swap Rate for the relevant Reset Period plus a margin of [●] basis points per annum (not including a step-up), payable in arrear on 2 April of each year, commencing on 2 April 2022.</p>

Element	Description of Element	Disclosure requirement
		<p>From and including the First Modified Reset Date to but excluding 2 April 2041 (the "Second Modified Reset Date") the Notes will bear interest at the 5-year Swap Rate for the relevant Reset Period plus a margin of [●] basis points per annum (including a step-up of 25 basis points), payable in arrear on 2 April of each year, commencing on 2 April 2027.</p> <p>From and including the Second Modified Reset Date to but excluding 2 April 2076 (the "Maturity Date") the Notes will bear interest at the 5-year Swap Rate for the relevant Reset Period plus a margin of [●] basis points per annum (including a step-up of 100 basis points), payable in arrear on 2 April of each year, commencing on 2 April 2042.</p> <p>"Reset Date" means each of the First Call Date, 2 April 2026, 2 April 2031, 2 April 2036, 2 April 2041, 2 April 2046, 2 April 2051, 2 April 2056, 2 April 2061, 2 April 2066 and 2 April 2071.</p> <p>"Reset Period" means each period from and including the First Call Date to but excluding the next following Reset Date and thereafter from and including each Reset Date to but excluding the next following Reset Date and, in the case of the final Reset Period, from and including the final Reset Date to but excluding the Maturity Date.</p> <p>Optional Interest Deferral</p> <p>The Issuer may elect to defer the payment of interest which will be due and payable (fällig) on an Interest Payment Date, upon giving not less than 10 and not more than 15 Business Days' prior notice to the Holders.</p> <p>If the Issuer elects not to pay accrued interest on an Interest Payment Date, then it will not have any obligation to pay interest on such Interest Payment Date. Any such failure to pay interest will not constitute a default of the Issuer or any other breach of its obligations under the Notes or for any other purpose.</p> <p>Deferred Interest Payments will not bear interest.</p> <p>Optional Payment of Deferred Interest Payments</p> <p>The Issuer is entitled to pay outstanding Deferred Interest Payments (in whole or in part) at any time on giving not less than 10 and not more than 15 Business Days' notice to the Holders specifying the amount of Deferred Interest Payments to be paid and the date fixed for such payment (the "Optional Settlement Date").</p> <p>Mandatory Payment of Deferred Interest Payments</p> <p>The Issuer must pay outstanding Deferred Interest Payments (in</p>

Element	Description of Element	Disclosure requirement
		<p>whole but not in part) on the next Mandatory Settlement Date.</p> <p>"Mandatory Settlement Date" means the earliest of:</p> <ul style="list-style-type: none"> (i) the date falling five Business Days after the date on which a Compulsory Settlement Event has occurred; (ii) the date on which the Issuer pays scheduled interest on the Notes which does not constitute a Deferred Interest Payment; (iii) the date on which the Issuer or any Subsidiary pays any dividend, other distribution or other payment in respect of any Parity Security; (iv) the date on which the Issuer or any Subsidiary redeems any Parity Security, or the date falling five Business Days after the date on which the Issuer or any Subsidiary repurchases or otherwise acquires (in each case directly or indirectly) any Parity Security; (v) the date on which the Issuer redeems Notes in accordance with the Terms and Conditions, or the date falling five Business Days after the date on which the Issuer or any Subsidiary repurchases or otherwise acquires (in each case directly or indirectly) Notes; and (vi) the date on which an order is made for the winding up, liquidation or dissolution of the Issuer (other than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent, where the continuing entity assumes substantially all of the assets and obligations of the Issuer), <p>provided that</p> <ul style="list-style-type: none"> (x) in the cases (iii) and (iv) above no Mandatory Settlement Date occurs if the Issuer or the relevant Subsidiary is obliged under the terms and conditions of such Parity Security to make such payment, such redemption, such repurchase or such other acquisition; (y) in the cases (iv) and (v) above no Mandatory Settlement Date occurs if the Issuer or the relevant Subsidiary repurchases or otherwise acquires (in each case directly or indirectly) any Parity Securities or Notes in whole or in part in a public tender offer or public exchange offer at a consideration per Parity Security or, as applicable, per Note below its par value; and (z) in the cases (iii) and (iv) above no Mandatory Settlement Date occurs if the relevant payments on, or in respect of, any Parity Securities are Intra-Group Payments.

Element	Description of Element	Disclosure requirement
		<p>"Intra-Group Payments" means payments made exclusively to the Issuer and/or one or more of its Subsidiaries.</p> <p>"Compulsory Settlement Event" means any of the following events:</p> <ul style="list-style-type: none"> (i) the ordinary general meeting of shareholders (ordentliche Hauptversammlung) of the Issuer resolves on the payment of any dividend, other distribution or other payment on any share of any class of the Issuer (other than a dividend, distribution or payment which is made in the form of ordinary shares of the Issuer); (ii) the Issuer or any Subsidiary pays any dividend, other distribution or other payment in respect of any Junior Security (other than a dividend, distribution or payment which is made in the form of ordinary shares of the Issuer); or (iii) the Issuer or any Subsidiary redeems, repurchases or otherwise acquires (in each case directly or indirectly) any Junior Security. <p>The cases (ii) and (iii) above are subject to the proviso that no Compulsory Settlement Event occurs if</p> <ul style="list-style-type: none"> (x) the Issuer or the relevant Subsidiary is obliged under the terms and conditions of such Junior Security to make such payment, such redemption, such repurchase or such other acquisition; (y) the Issuer or the relevant Subsidiary repurchases or otherwise acquires (in each case directly or indirectly) any share of any class of the Issuer or any Junior Security pursuant to the obligations of the Issuer under any existing or future stock option or stock ownership programme or similar programme for any members of the executive board or supervisory board (or, in the case of affiliates, comparable boards) or employees of the Issuer or any of its affiliates; or (z) the relevant payments on, or in respect of, any Junior Securities are Intra-Group Payments. <p>Redemption</p> <p>Unless previously redeemed or repurchased, the Notes will be redeemed at par on 2 April 2076.</p> <p>After the occurrence of a Gross-up Event, a Tax Event, an Accounting Event a Rating Agency Event or in case that the Issuer or any Subsidiary has purchased or redeemed Notes equal to or in excess of 80 per cent. of the aggregate Principal</p>

Element	Description of Element	Disclosure requirement
		<p>Amount of the Notes initially issued, the Issuer may, by giving not less than 30 and not more than 60 Business Days' prior notice to the Holders, call the Notes for redemption (in whole but not in part).</p> <p>In the case such call notice is given following a Gross-up Event, the Issuer shall redeem the remaining Notes on the specified redemption date at the Principal Amount plus any accrued and unpaid interest on the Notes to but excluding the date of redemption and, for the avoidance of doubt, any payable Deferred Interest Payments.</p> <p>In the case such call notice is given following a Tax Event, an Accounting Event a Rating Agency Event or in case of minimal outstanding aggregate principal amount, the Issuer shall redeem the remaining Notes on the specified redemption date (i) at 101.00 per cent. of the Principal Amount if the redemption occurs prior to the First Call Date and (ii) at the Principal Amount if the redemption occurs on or after the First Call Date, in each case plus any accrued and unpaid interest on the Notes to but excluding the date of redemption and, for the avoidance of doubt, any payable Deferred Interest Payments.</p> <p>An "Accounting Event" shall occur if a recognised accountancy firm has delivered an opinion to the Principal Paying Agent, stating that as a result of a change in accounting principles the funds raised through the issuance of the Notes must not or must no longer be recorded as "liability" pursuant to the International Financial Reporting Standards ("IFRS").</p> <p>A "Gross-up Event" will occur if the Issuer has or will become obliged to pay Additional Amounts as a result of any change in the laws of Germany or any change in their official application of those laws, and that obligation cannot be avoided by the Issuer.</p> <p>A "Rating Agency Event" will occur if the Issuer has received written confirmation from Moody's and/or S&P that the Notes will no longer be eligible, due to a change in hybrid capital methodology or another relevant methodology or the interpretation thereof, for the same or higher category of "equity credit" or such similar nomenclature used by Moody's and/or S&P, as applicable, from time to time to describe the degree to which the terms of an instrument are supportive of the issuer's senior obligations, attributed to the Notes at the date of issuance or at the time when Moody's and/or S&P, as applicable, first confirmed the "equity credit" attributed to the Notes following the date of issuance, in each case as published by Moody's and/or S&P, as applicable.</p> <p>A "Tax Event" will occur if on or after the date of issue of the</p>

Element	Description of Element	Disclosure requirement
		<p>Notes as a result of any amendment to, or change in, the laws (or any rules or regulations thereunder) of the Federal Republic of Germany or any political subdivision or any taxing authority thereof or therein, or as a result of any amendment to, or change in, an official interpretation or application of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination), interest payable by the Issuer in respect of the Notes is no longer fully deductible by the Issuer for German income tax purposes, and that risk cannot be avoided by the Issuer taking such reasonable measures as it (acting in good faith) deems appropriate.</p> <p>The Issuer may redeem the Notes (in whole but not in part) at the Principal Amount plus any accrued and unpaid interest on the Notes to but excluding the date of redemption but yet unpaid and, for the avoidance of doubt, any payable Deferred Interest Payments with effect as of the First Call Date or on any Optional Call Date thereafter, upon giving not less than 30 and not more than 60 days' prior notice to the Holders.</p> <p>"Optional Call Date" means each Interest Payment Date falling on or nearest to 2 April 2021, 2 April 2026, 2 April 2031, 2 April 2036, 2 April 2041, 2 April 2046, 2 April 2051, 2 April 2056, 2 April 2061, 2 April 2066 and 2 April 2071.</p> <p>Indication of Yield</p> <p>The yield will be determined on the pricing date which is expected to be on or about 11 March 2014 and will be published in a pricing notice.</p> <p>Securityholders' representative:</p> <p>The Holders may by majority resolution appoint a joint representative. A representative of the Holders is not initially appointed.</p>
C.10	Derivative component in interest payment	<p>See C.9.</p> <p>Not applicable. The Notes have no derivative component when paying interest, which could influence the value of the Notes by having an impact on the value of the underlying instrument or several underlying instruments.</p>
C.11	Admission to trading of securities on a regulated market	<p>Application has been made to the Luxembourg Stock Exchange for the Securities to be admitted to trading on the Luxembourg Stock Exchange's regulated market. Application has also been made to the Frankfurt Stock Exchange for the Notes to be traded on the regulated market of the Frankfurt Stock Exchange.</p>

Section D – Risks

Element	Description of Element	Disclosure requirement
D.2	Key risks specific to the Issuer	<p>Energy market risks</p> <p>In its electricity and gas transactions, the EnBW Group is exposed to pricing and sales risks.</p> <p>Risks arising from economic development</p> <p>Any significant negative deviation between actual and projected economic development exposes EnBW to numerous risks.</p> <p>Competition risks in the retail markets</p> <p>A significant part of EnBW's business is the retail distribution of energy, gas and water to consumers. To cover the consumer's demand, the energy sourcing and allocation processes occur significantly before the ultimate delivery. Since a broad range of different procurement strategies are implemented to meet customers' needs and since retail consumers are free to change their provider, EnBW may not be able to pass on the acquisition costs, e.g. for energy sourcing, renewable energy compensation fees, transmission charges, sales and distribution costs to customers.</p> <p>Operating risks</p> <p>The EnBW Group operates technologically complex production facilities with considerable supply chains and is thus exposed to the associated operational risks, such as unscheduled downtimes or the implementation of additional measures due to operational or regulatory reasons. EnBW's activities are also subject to obligations arising from environmental legislation and the associated risks. Furthermore, the EnBW Group's operations are exposed to seasonal and weather-related fluctuation, exposing it to the risk of fluctuating demand depending on the development of the weather. In addition, EnBW's fossil fuel supply chain could also be affected by adverse weather conditions or changes in the regulatory environment.</p> <p>Regulatory and political risks</p> <p>EnBW and its operations are subject to significant regulation and supervision by various regulatory bodies, including German municipal, state, federal and EU authorities. Such governmental regulation and supervision, as well as future changes to laws, regulations or government policy (or in the interpretation or enforcement of existing laws or regulations) that affect EnBW, its competitors or the industry as a whole may result in increased operational and administrative expenses and thus adversely affect the the net assets, financial position and results of</p>

Element	Description of Element	Disclosure requirement
		<p>operations of the EnBW Group.</p> <p>New energy concept</p> <p>Important energy policy decisions and directions from the new German federal government are to follow by mid-2014. The risk exists that the political processes required for this are delayed, so that the energy sector has no reliable framework data for its strategic decisions available until well into 2014. Additional risks include a change in the support provided to renewable energy forms.</p> <p>Network use</p> <p>The German Incentive Regulation Ordinance and the associated revenue caps and network user charges may be subject to changes within a regulation period and could therefore result in increased costs.</p> <p>Renewal of franchise agreements</p> <p>The EnBW Group operates significant parts of its transmission to customers on the basis of franchise agreements with municipalities relating on the use of the relevant local infrastructure. There is the risk that competitors of EnBW, in particular integrated energy suppliers, may acquire franchises currently held by EnBW and thereby negatively impact EnBW's business base.</p> <p>Temporary shortfall in the German Renewable Energies Act (<i>Erneuerbare Energien Gesetz</i>, "EEG")</p> <p>The greater-than forecast expansion in EEG quantity volumes increases the EEG remuneration payments within TransnetBW GmbH and could increase EnBW's net debt.</p> <p>Operation and decommissioning of nuclear technology plants</p> <p>The operation and decommissioning of nuclear technology plants involves various risks, e.g. delay and the incurrence of additional costs.</p> <p>High-voltage DC transmission technology projects</p> <p>EnBW's transmission system operator, TransnetBW GmbH, intends to set up new high-voltage DC transmission technology lines with other transmission system operators. In the context of these projects ("Ultranet" project up to 2019 and "SUED-LINK" up to 2022), risks exist relating to potential delays and additional costs as well as that the risk that such connections can no longer be confirmed within a new grid development plan.</p> <p>The realisation of any of these risks could result in material</p>

Element	Description of Element	Disclosure requirement
		<p>adverse effects on the net assets, financial position and results of operations of the EnBW Group and on the Issuer's ability to fulfil its obligations under the Notes.</p> <p>Legal and Tax risks</p> <p>In addition to political, legislative and regulatory risks, contractual relationships are subject to a number of risks which can result in legal disputes. These risks/disputes include: disputes relating to antitrust pricing, disputes relating to EnBW's pension scheme and the disputes relating to EWE/VNG claims for damages.</p> <p>Financial market risks</p> <p>In the course of its ordinary operations, the EnBW Group is exposed to financial market risks such as financial asset price, interest rate, discount and inflation rate and currency risks, or credit risks and liquidity risks.</p> <p>Personnel risks</p> <p>A key success factor in EnBW's operating and strategic corporate development is its personnel. In this respect, EnBW is exposed to the risk of not having a sufficient number of employees with the necessary qualifications or skills.</p> <p>"FOKUS" efficiency programme</p> <p>Although the "FOKUS" efficiency programme was concluded in the 2013 fiscal year, there is still the risk in future years of the structural and value added chain projects not realising their full potential in terms of planned improvements in earnings.</p> <p>ICT risks</p> <p>Information and communication technology ("ICT") has an important role in the production and business processes of the EnBW Group. EnBW is exposed to ICT risks in connection with the development, deployment and usage (plan, build, run) of ICT solutions designed to support the business processes. Further risks exist in the context of the storing and usage of business-related data.</p> <p>Strategic risks</p> <p>As is the case with any business undertaking, EnBW's strategic development involves risks. Development opportunities always harbour the risk of a potential loss of income.</p> <p>In particular, the strategy known as "EnBW 2020" involves risks of erroneous corporation and tax law analyses, delays, and additional expenses.</p>

Element	Description of Element	Disclosure requirement
D.3	Key risks specific to the Securities	<p>Viability of capital expenditures</p> <p>The EnBW Group is pursuing numerous construction projects that are highly complex and involve the interaction of a large number of participants. There is a risk of incurred project expenses having to be written off.</p> <p>Investments and divestitures</p> <p>EnBW's investment programme involves the sale of assets and companies. In this respect, there is a general risk of it not being possible to obtain adequate sales prices on the market, which may result in allowances.</p> <p>Risks resulting from a change of control</p> <p>Some of EnBW's agreements with third parties include change of control clauses, which entitle the relevant counterparty to terminate the agreement in the event of a change of control. In the event that the parties do not come to a mutual agreement, there is a risk that the purchase price will be below the current carrying amount at EnBW. This could result in an adverse effect on the financial position and results of operations of EnBW Group.</p> <p>The occurrence of the above mentioned risks could have material adverse effects on the net assets, financial position and results of operations of the EnBW Group and the Issuer's ability to fulfil its obligations under the Notes.</p> <p>Compliance Risks</p> <p>The EnBW Group is subject to various compliance risks, e.g. risks in the areas of corruption and data protection.</p> <p>An investment in the Notes involves certain risks associated with the characteristics of the Notes which could lead to substantial losses the Holders would have to bear in the case of selling their Notes or with regard to receiving interest payments and repayment of principal. Those risks include the following:</p> <ul style="list-style-type: none"> • The Notes may not be a suitable investment for all investors. • The Notes will be redeemed on 2 April 2076. The Issuer is under no obligation to redeem the Notes at any time before this date and the Holders have no right to call for their redemption. At the Issuer's option, the Notes may be redeemed after the occurrence of a Gross-up Event, a Rating Agency Event, an Accounting Event, a Tax Event, or if 80 per cent. or more of the principal amount of the Notes initially issued have been redeemed or purchased, or with effect as of the First Call Date or any Optional Call Date

Element	Description of Element	Disclosure requirement
		<p>thereafter. In such case, it may be the case that Holders are only able to reinvest the redemption proceeds in securities with a lower yield.</p> <ul style="list-style-type: none"> • The obligations of the Issuer under the Notes are unsecured subordinated obligations of the Issuer. • The Terms and Conditions do not contain any express provisions setting out events of default. • There is no restriction on the amount of debt which the Issuer may issue ranking equal or senior to the obligations under or in connection with the Notes. • Application has been made for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and to be listed on the Official List, and to the Frankfurt Stock Exchange for the Notes to be listed on the Frankfurt Stock Exchange and to be traded on the regulated market of the Frankfurt Stock Exchange. However, there can be no assurance that a liquid secondary market for the Notes will develop. • During the period from the Issue Date to the First Call Date, it cannot be ruled out that the price of the Notes may fall as a result of changes in the current interest rate on the capital market (market interest rate), as the market interest rate fluctuates. • After the First Call Date, investors should be aware that the interest rate will be determined on each Reset Date at the 5-year Swap Rate for the relevant Reset Period plus a margin. The performance of the 5-year Swap Rate and the interest income on the Notes cannot be anticipated and a definite yield of the Notes cannot be determined. In addition, during each Reset Period, it cannot be ruled out that the price of the Notes may fall as a result of changes in the current interest rate on the capital market (market interest rate), as the market interest rate fluctuates. • Holders should be aware that interest may be deferred. Deferred interest will not bear interest. Any deferral of interest will likely have an adverse effect on the market price of the Notes. The market price of the Notes may be more volatile than the market price of other debt securities. • The rating of the Notes, if any, is subject to change at all times and is not a recommendation to buy, sell or hold the Notes. • The Euro-denominated Notes could represent a currency risk for a Holder if the Euro represents a foreign currency to such Holder; in addition governments and competent authorities could impose exchange controls in the future.

Element	Description of Element	Disclosure requirement
		<p>The interest rate for the Notes which will be determined on each Reset Date at the 5-year Swap Rate for the relevant Reset Period plus a margin, from and including the First Call Date to but excluding the Final Maturity Date, could be affected if the Reset Date on which the interest rate for the Notes is determined, falls in times of high volatility due to the sovereign debt crisis or for other reasons.</p> <ul style="list-style-type: none"> • Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer. • The Terms and Conditions of the Notes, including the terms of payment of principal and interest, can be amended by a Holders' resolutions and any such resolution will be binding for all Holders. Any such resolution may effectively be passed with the consent of less than a majority of the aggregate principal amount of the Notes outstanding. • Since no noteholders' representative will be appointed as from the issue date of the Notes, it will be more difficult for Holders to take collective action with respect to the Notes. • It is possible that a Holder may be deprived in its individual right to pursue and enforce its rights under the Terms and Conditions if such right was passed on to a noteholders' representative. • The market value of the Notes could decrease if the creditworthiness of the Group worsens or the market participants' estimation of the creditworthiness of corporate debtors in general or of debtors operating in the same business as the Group adversely changes.

Section E – Offer

Element	Description of Element	Disclosure requirement
E.2b	Reasons for the offer and use of proceeds	The net proceeds will be used for general corporate purposes of the Group.
E.3	Terms and conditions of the offer	<p>The Securities will be offered in Austria, Germany, Luxembourg and the Netherlands during an offer period which will commence not earlier than 11 March 2014 and which will be open until the Issue Date subject to a shortening or extension of the offer period.</p> <p>The Issue Price, the aggregate principal amount of the Notes to</p>

Element	Description of Element	Disclosure requirement
		<p>be issued, the interest rate, several margins, the issue proceeds and the yield to the First Call Date will be included in the Pricing Notice which will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) on or prior to the Issue Date of the Notes.</p> <p>There are no conditions to which the offer is subject. Investors may submit their offers to buy Notes, using the information system Bloomberg or any other commonly used information systems. Any investor who has submitted an order in relation to the Notes whose order is accepted will receive a confirmation by electronic mail, fax or through commonly used information systems relating to the respective allotment of Notes.</p> <p>Delivery and payment of the Notes will be made on 18 March 2014 and the confirmation of the allotment to investors will be made by electronic mail, fax or through commonly used information systems. The Notes will be delivered via book-entry through Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme (each a "Clearing System" and together, the "Clearing Systems") and their depository banks against payment of the issue price.</p>
E.4	Material interests in the offer	<p>Following the determination of the Pricing Details, Barclays Bank PLC, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, HSBC Bank plc and Société Générale (together, the "Joint Lead Managers") will, pursuant to a subscription agreement to be signed on or about 14 March 2014 (the "Subscription Agreement"), agree to subscribe the Notes. The Joint Lead Managers will be entitled, under certain circumstances, to terminate the Subscription Agreement. In such event, no Notes will be delivered to investors. Furthermore, the Issuer will agree to indemnify the Joint Lead Managers against certain liabilities in connection with the offer and sale of the Notes.</p> <p>The commission payable to the Joint Lead Managers in connection with the offering, placement and subscription of the Notes will be up to 0.55 per cent. of the aggregate principal amount of the Notes.</p> <p>The Joint Lead Managers or their affiliates have provided from time to time, and expect to provide in the future, investment services to the Issuer and its affiliates, for which the Joint Lead Managers or their affiliates have received or will receive customary fees and commissions.</p> <p>There are no interests of natural and legal persons other than the Issuer involved in the issue, including conflicting ones that are material to the issue.</p>

Element	Description of Element	Disclosure requirement
E.7	Estimated expenses	Not applicable. The Issuer will not charge any costs, expenses or taxes directly to any investor in connection with the Notes.

GERMAN TRANSLATION OF THE SUMMARY

ZUSAMMENFASSUNG

Zusammenfassungen bestehen aus Informationsblöcken, die als "Angaben" bezeichnet werden. Diese Angaben sind in Abschnitten A-E (A.1 – E.7) nummeriert.

Diese Zusammenfassung enthält alle Angaben, die für eine Zusammenfassung für diese Art von Wertpapier und diese Emittentin erforderlich sind. Da einige Angaben nicht aufgenommen werden müssen, kann die Nummerierung Lücken enthalten.

Auch wenn eine Angabe für diese Art von Wertpapier und diese Emittentin in diese Zusammenfassung aufgenommen werden muss, kann es sein, dass keine relevanten Informationen zur Verfügung stehen. In diesem Fall wird eine kurze Beschreibung der geforderten Angabe mit dem Hinweis "entfällt" in die Zusammenfassung aufgenommen.

Abschnitt A – Einleitung und Warnhinweise

Punkt	Beschreibung	Geforderte Angaben
A.1	Warnhinweise	<p>Die Zusammenfassung sollte als Prospekt einleitung verstanden werden.</p> <p>Ein Anleger sollte sich bei jeder Entscheidung, in die Schuldverschreibungen zu investieren, auf den Prospekt als Ganzes stützen.</p> <p>Ein Anleger, der wegen der in dem Prospekt enthaltenen Angaben Klage einreichen will, muss möglicherweise nach den nationalen Rechtsvorschriften seines Mitgliedstaats für die Übersetzung des Prospekts aufkommen, bevor das Verfahren eingeleitet werden kann.</p> <p>Zivilrechtlich haften nur diejenigen Personen, die die Zusammenfassung samt etwaiger Übersetzungen vorgelegt und übermittelt haben, und dies auch nur für den Fall, dass die Zusammenfassung verglichen mit den anderen Teilen des Prospekts irreführend, unrichtig oder inkohärent ist oder verglichen mit den anderen Teilen des Prospekts wesentliche Angaben, die in Bezug auf Anlagen in die Schuldverschreibungen für die Anleger eine Entscheidungshilfe darstellen, vermissen lassen.</p>
A.2	Zustimmung zur Verwendung des Prospekts	Die Emittentin stimmt der Verwendung des Prospekts durch alle Finanzintermediäre zu (generelle Zustimmung) und übernimmt die Verantwortung für den Inhalt des Prospekts auch im Hinblick für die spätere Weiterveräußerung oder endgültige Platzierung der Schuldverschreibungen durch einen Finanzintermediär, der die Zustimmung zur Verwendung des Prospekts erhalten hat.

Punkt	Beschreibung	Geforderte Angaben
	<p>Angabe der Angebotsfrist</p> <p>Mitgliedstaaten, in denen der Prospekt verwendet werden darf</p> <p>Bedingungen für die Zustimmung</p> <p>Hinweis in Fettschrift</p>	<p>Die spätere Weiterveräußerung oder endgültige Platzierung der Schuldverschreibungen durch Finanzintermediäre kann während des späteren der folgenden Zeiträume erfolgen: ab dem Zeitpunkt der Wirksamkeit der Notifizierungen (Einmalzulassung) des Prospekts in den geeigneten Jurisdiktionen oder ab dem 11. März 2014 bis jeweils zum 18. März 2014 (dem Tag der Begebung der Schuldverschreibungen).</p> <p>Finanzintermediäre können den Prospekt für die spätere Weiterveräußerung oder endgültige Platzierung der Schuldverschreibungen in Österreich, Deutschland, Luxemburg, und den Niederlanden verwenden.</p> <p>Jeder Finanzintermediär, der diesen Prospekt verwendet, muss auf seiner Website bestätigen, dass er diesen Prospekt in Übereinstimmung mit der Zustimmung und den ihr beigefügten Bedingungen verwendet.</p> <p>Falls ein Angebot durch einen Finanzintermediär erfolgt, wird dieser Finanzintermediär den Anlegern Informationen über die Bedingungen des Angebots zum Zeitpunkt der Vorlage des Angebots zur Verfügung stellen.</p>

Abschnitt B – Emittent

Punkt	Beschreibung	Geforderte Angaben
B.1	Gesetzliche und kommerzielle Bezeichnung der Emittentin	Gesetzliche Bezeichnung ist EnBW Energie Baden Württemberg AG (" EnBW AG "), kommerzielle Bezeichnung ist EnBW.
B.2	Sitz /Rechtsform / geltendes Recht / Land der Gründung der Emittentin	EnBW AG ist eine nach dem Recht der Bundesrepublik Deutschland gegründete deutsche Aktiengesellschaft mit Sitz in der Bundesrepublik Deutschland.
B.4b	Trends mit Auswirkung auf die Emittentin und ihre Branchen	<p>Folgende externe Faktoren wirken auf den Geschäftsverlauf der EnBW in erheblichem Umfang ein:</p> <ul style="list-style-type: none"> - gesamtwirtschaftliche Wachstums- oder Schrumpfungphasen; - Witterungsbedingungen; - politische Entscheidungen auf nationaler und gesamteuropäischer Ebene, insbesondere markt- und

Punkt	Beschreibung	Geforderte Angaben
		<p>wettbewerbsorientierte Regelungen;</p> <ul style="list-style-type: none"> - gesetzgeberische Maßnahmen im Energiebereich, beispielsweise um den Klimaschutz zu intensivieren oder natürliche Ressourcen zu schonen; - Preise an den Brennstoff- und CO₂-Märkten und an den Stromgroßhandelsmärkten; - Preise der Primärenergieträger und der CO₂-Zertifikate, die im Rahmen des europäischen CO₂-Emissionshandels beschafft werden müssen; <p>das kontinuierlich steigende Angebot an erneuerbaren Energien.</p>
B.5	Gruppe/ Stellung der Emittentin innerhalb der Gruppe	<p>Der EnBW-Konzern zählt zu den großen deutschen, international tätigen Energiekonzernen und ist einer von vier Betreibern von Strom-Übertragungsnetzen in Deutschland. Der EnBW Konzern besteht aus 117 vollkonsolidierten und 19 at equity konsolidierten Gesellschaften.</p> <p>Die EnBW AG ist die Muttergesellschaft des EnBW-Konzerns.</p> <p>Der EnBW-Konzern verfolgt derzeit eine organisatorische Neuausrichtung mit dem Titel "EINE EnBW", die im Jahr 2013 begonnen wurde und im Jahr 2014 abgeschlossen sein soll. Ziel ist die Schaffung eines integrierten Konzerns ohne zentrale Holding durch Verschmelzung der wesentlichen Kerngesellschaften.</p>
B.9	Gewinnprognosen oder - schätzungen	Entfällt. Gewinnprognosen oder –schätzungen wurden nicht aufgenommen.
B.10	Beschränkungen im Bestätigungsvermerk	Entfällt. Die Bestätigungsvermerke in Bezug auf die Konzernabschlüsse der EnBW AG für die zum 31. Dezember 2013 und 2012 endenden Geschäftsjahre enthalten keine Einschränkungen.
B.12	Ausgewählte wesentliche historische Finanzin- formationen	<p>Ausgewählte historische Finanzinformationen zur Emittentin</p> <p>Die nachstehend dargestellten Finanzinformationen wurden, soweit nicht anders angegeben, dem Konzernabschluss entnommen, der im Finanzbericht 2013 des EnBW-Konzerns enthalten ist. Der Konzernabschluss 2013 wurde von der KPMG AG Wirtschaftsprüfungsgesellschaft, Mannheim, geprüft und die Finanzinformationen für 2012 dienen als Vergleichsinformationen. Bestimmte Zahlen für 2012 unterscheiden sich von denjenigen im geprüften Konzernabschluss 2012 im Finanzbericht 2012 des EnBW-Konzerns, da sie in den Darstellungen von Vergleichszeiträumen im Konzernabschluss 2013, die im Finanzbericht 2013 des</p>

Punkt	Beschreibung	Geforderte Angaben
		EnBW-Konzerns enthalten sind, angepasst wurden.

Bilanz des EnBW-Konzerns

Mio. €	31. Dezember 2013	31. Dezember 2012
Aktiva		
Langfristige Vermögenswerte	25.498,7	25.136,6 ¹
Kurzfristige Vermögenswerte	10.551,5	10.948,0
Zur Veräußerung gehaltene Vermögenswerte	90,3	681,1
Summe Vermögenswerte	36.140,5	36.765,7 ¹

Mio. €

Passiva

Eigenkapital	6.082,7	6.375,9 ¹
Langfristige Schulden	21.082,6	21.116,8 ¹
Kurzfristige Schulden	8.942,6	9.272,4
Schulden in Verbindung mit zur Veräußerung gehaltenen Vermögenswerten	32,6	0,6
Summe Eigenkapital und Schulden	36.140,5	36.765,7 ¹

¹ Angepasst, ungeprüft.

Gewinn- und Verlustrechnung des EnBW-Konzerns

Mio. €	2013	2012 ¹
Umsatzerlöse	20.540,3	19.324,4
EBITDA	1.991,4	2.307,2
Ergebnis der betrieblichen Tätigkeit (EBIT)	1.020,4	1.289,3
Ergebnis vor Ertragsteuern (EBT)	169,9	722,7
Konzernüberschuss ²	51,0	484,2
Aktien im Umlauf (Mio. Stück), gewichtet	270,855	257,265
Ergebnis je Aktie aus Konzernüberschuss (€) ³	0,19	1,88

¹ Angepasst, ungeprüft.

² Bezogen auf das auf die Aktionäre der EnBW AG entfallende Ergebnis.

³ Verwässert und unverwässert; bezogen auf das auf die Aktionäre der EnBW AG entfallende Ergebnis.

Gesamtergebnisrechnung des EnBW-Konzerns

Mio. €	2013	2012 ¹
Konzernüberschuss	122,3	545,6
Summe der direkt im Eigenkapital erfassten Aufwendungen und Erträge ohne künftige ergebniswirksame Umgliederung	23,1	-748,3
Summe der direkt im Eigenkapital erfassten Aufwendungen und Erträge mit künftiger ergebniswirksamer Umgliederung	-134,0	-11,1
Gesamtergebnis ²	-42,9	-278,6

¹ Angepasst, ungeprüft.

² Bezogen auf das auf die Aktionäre der EnBW AG entfallende Ergebnis.

Kapitalflussrechnung des EnBW-Konzerns

Mio. €	2013	2012
Funds from operations (FFO)	1.658,5	1.781,7
Operating Cashflow	1.908,5	856,3
Cashflow aus Investitionstätigkeit	-559,7	-274,3
Cashflow aus Finanzierungstätigkeit	-1.509,7	-730,8
Zahlungswirksame Veränderung der flüssigen Mittel	-160,9	-148,8
Veränderung der flüssigen Mittel	-162,1	-149,0
Flüssige Mittel am Ende der Periode	2.421,2	2.583,3
Gesamtbetrag der in der Periode gezahlten Zinsen	-357,9	-387,2

Kennzahlen des EnBW-Konzerns

Mio. €	2013	2012
Umsatz		
Vertriebe	9.569,4	9.278,2
Netze	5.707,6	5.339,5
Erneuerbare Energien	369,4	352,5
Erzeugung und Handel	4.885,7	4.346,1
Sonstiges/Konsolidierung	8,2	8,1
Außenumsatz gesamt	20.540,3	19.324,4¹
Investitionen	1.100,5	877,4

¹ Angepasst, ungeprüft.

Energieabsatz des EnBW-Konzerns

Mrd. kWh	2013	2012
Strom	128,0	135,6 ¹
Gas	100,0	73,1

¹ Angepasst, ungeprüft.

Mitarbeiter des EnBW-Konzerns¹

Anzahl	31. Dezember 2013	31. Dezember 2012
Mitarbeiter	19.839	19.998

¹ Anzahl der Mitarbeiter ohne Auszubildende und ohne ruhende Arbeitsverhältnisse.

Keine wesentliche Verschlechterung der Aussichten/ Wesentliche Veränderungen bei Finanzlage oder Handelsposition	Seit dem 31. Dezember 2013 haben sich die Aussichten der Emittentin nicht wesentlich verschlechtert. Seit dem 31. Dezember 2013 gab es keine wesentlichen Veränderungen bei der Finanzlage oder Handelsposition der Emittentin und ihrer Tochtergesellschaften insgesamt, bis auf eine Erhöhung der Bruttoverschuldung um ca. EUR 730 Millionen, die vor allem auf ein Projektfinanzingsdarlehen der European Investment Bank für die Projekte Baltic II und ein Projektfinanzingsdarlehen für die Tochtergesellschaft Stadtwerke Düsseldorf zurückzuführen ist. Diese Erhöhung der Bruttoverschuldung ist jedoch derzeit weitgehend durch das
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		Barguthaben gedeckt und führt nicht zu einer Erhöhung der Nettoverbindlichkeiten.
B.13	Für die Zahlungsfähigkeit der Emittentin in hohem Maße relevante Ereignisse der jüngsten Zeit	Entfällt. Es gibt keine Ereignisse aus der jüngsten Zeit der Geschäftstätigkeit der EnBW AG seit dem letzten veröffentlichten geprüften Finanzbericht vom 31. Dezember 2013, die für die Bewertung der Zahlungsfähigkeit der EnBW AG in hohem Maße relevant sind.
B.14	Beschreibung der Gruppe/ Stellung der Emittentin	Bitte Punkt B.5 zusammen mit den unten stehenden Informationen lesen.
	innerhalb der Gruppe/ Abhängigkeit der Emittentin von anderen Unternehmen der Gruppe	Entfällt. Die EnBW AG ist nicht von anderen Unternehmen innerhalb des EnBW-Konzerns abhängig.
B.15	Hauptaktivitäten der Emittentin	<p>Der EnBW-Konzern zählt zu den großen deutschen, international tätigen Energiekonzernen und ist einer von vier Betreibern von Strom-Übertragungsnetzen in Deutschland. Insgesamt versorgt und berät die EnBW rund 5,5 Millionen Kunden konzernweit.</p> <p>Als integriertes Energieversorgungsunternehmen ist der EnBW-Konzern entlang der gesamten Wertschöpfungskette tätig und verfügt über ein breites Geschäftsportfolio, unterteilt in vier Geschäftsfelder: Vertriebe, Netze, Erneuerbare Energien, sowie Erzeugung und Handel.</p> <ul style="list-style-type: none"> - Das Geschäftsfeld Vertrieb umfasst den Vertrieb von Strom und Gas sowie die Erbringung energienaher Dienstleistungen wie Abrechnungsservice oder Energieliefer- und Energieeinsparcontracting. - Das Geschäftsfeld Netze umfasst die Wertschöpfungsstufen Transport und Verteilung von Strom und Gas, die Erbringung von netznahen Dienstleistungen – zum Beispiel den Betrieb von Netzen für Dritte – sowie die Wasserversorgung. - Aktivitäten im Bereich der Erzeugung aus erneuerbaren Energien sind im Geschäftsfeld Erneuerbare Energien zusammengefasst. - Das Geschäftsfeld Erzeugung und Handel umfasst neben der Erzeugung von Strom aus anderen Quellen und dem Handel von Strom das Gas-Midstream-Geschäft (Ferngasstufe) sowie Aktivitäten in der

		<p>Entsorgung von Abfällen.</p> <p>Im Bereich Sonstiges/Konsolidierung sind andere Aktivitäten der EnBW gebündelt, die nicht den gesondert dargestellten Geschäftsfeldern zugeordnet werden können.</p>
B.16	Beteiligungen an der Emittentin/ Beherrschungsverhältnisse	Entfällt. die EnBW AG wird ihrer Kenntnis nach nicht von einer anderen Gesellschaft beherrscht.
B.17	Ratings	<p>Der Emittentin wurden die folgenden Ratings erteilt¹:</p> <p>Der EnBW AG wurde von Standard & Poor's Credit Market Services Europe Limited ("Standard & Poor's") das Rating A-² erteilt.</p> <p>Der EnBW AG wurde von Moody's Investors Service Ltd ("Moody's") das Rating A3³ erteilt.</p> <p>Der EnBW AG wurde von Fitch Ratings Ltd. ("Fitch") das Rating A-⁴ erteilt.</p>

Abschnitt C – Wertpapiere

Punkt	Beschreibung	Geforderte Angaben
C.1	Art und Gattung der angebotenen	Die Schuldverschreibungen sind nachrangige, resettable festverzinsliche Schuldverschreibungen.

¹ In diesem Prospekt enthaltene oder in Bezug genommene Ratings wurden von S&P, Moody's und Fitch erteilt, die jeweils ihren Sitz in der Europäischen Union haben und nach der Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen, geändert durch Verordnung (EU) Nr. 513/2011 des Europäischen Parlaments und des Rates vom 11. März 2011, (die "**Ratingverordnung**") registriert sind. Ein Verzeichnis der nach der Ratingverordnung registrierten Ratingagenturen kann auf der Website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs> abgerufen werden.

Ein Rating ist eine Einschätzung der Kreditwürdigkeit einer Rechtsperson und informiert den Anleger daher über die Wahrscheinlichkeit mit der die Rechtsperson in der Lage ist, angelegtes Kapital zurückzuzahlen. Es ist keine Empfehlung Wertpapiere zu kaufen, zu verkaufen oder zu halten und kann jederzeit durch die Ratingagentur geändert oder zurückgenommen werden.

² Standard & Poors definiert "A" wie folgt: "Starke Fähigkeit zur Erfüllung seiner finanziellen Verpflichtungen, aber etwas anfällig gegenüber nachteiligen wirtschaftlichen Bedingungen und Veränderungen äußerer Umstände". Die Ratings durch Standard & Poor's von "AA" bis "CCC" können durch das Hinzufügen eine Plus- (+) oder Minuszeichens (-) modifiziert werden, um die relative Stellung innerhalb der Hauptratingkategorien zu verdeutlichen.

³ Moody's definiert "A" wie folgt: "A-geratete Verbindlichkeiten werden der "oberen Mittelklasse" zugerechnet und bergen ein geringes Kreditrisiko". Moody's verwendet in den Ratingkategorien "Aa" bis "Caa" zusätzlich numerische Unterteilungen. Der Zusatz "1" bedeutet, dass eine entsprechend bewertete Verbindlichkeit in das obere Drittel der jeweiligen Ratingkategorie einzuordnen ist, während "2" und "3" das mittlere bzw. untere Drittel anzeigen.

⁴ Fitch definiert "A" wie folgt: "Ein 'A'-Rating bedeutet die Erwartung eines geringen Ausfallrisikos. Die Fähigkeit zur Zahlung der finanziellen Verbindlichkeiten wird als stark beurteilt. Diese Fähigkeit kann jedoch anfälliger gegenüber nachteiligen geschäftlichen oder wirtschaftlichen Bedingungen sein als bei höheren Ratings." Die Ratings durch Fitch von "AA" bis "B" können durch das Hinzufügen eines Plus- (+) oder Minuszeichens (-) modifiziert werden, um die relative Stellung innerhalb der Hauptratingkategorien zu verdeutlichen.

Punkt	Beschreibung	Geforderte Angaben
	Wertpapiere/ Wertpapierkenn- nummern	Wertpapierkennung: ISIN: XS1044811591 Common Code: 104481159 WKN: A11P78
C.2	Währung	Euro
C.5	Beschränkungen für die freie Übertragbarkeit	Entfällt. Im Europäischen Wirtschaftsraum bestehen keine Beschränkungen für die freie Übertragbarkeit der Schuldverschreibungen.
C.8	Mit Wertpapieren verbundene Rechte/ Rangordnung/ Beschränkungen der Rechte	Die Schuldverschreibungen begründen nachrangige und nicht besicherte Verbindlichkeiten der Emittentin, die untereinander und mit allen Gleichrangigen Wertpapieren im gleichen Rang und nachrangig gegenüber allen anderen gegenwärtigen und zukünftigen nachrangigen und nicht nachrangigen Verbindlichkeiten der Emittentin sind, und mit allen anderen gegenwärtigen und zukünftigen nicht besicherten und nachrangigen Verbindlichkeiten zumindest gleichrangig sind, soweit nicht zwingende gesetzliche Bestimmungen solche anderen nachrangigen Verbindlichkeiten im Rang besser stellen, und die im Rang nur den Ansprüchen und Rechten von Inhabern von Nachrangigen Wertpapieren vorgehen.
		<p>"Gleichrangiges Wertpapier" bezeichnet jedes Wertpapier, Namenswertpapier oder jedes andere Instrument, das (i) von der Emittentin begeben ist und gleichrangig mit den Schuldverschreibungen oder als im Verhältnis zu den Schuldverschreibungen gleichrangig vereinbart ist, einschließlich der Subordinated Fixed Rate Resettable Notes fällig 2072 der Emittentin, ISIN XS0674277933, oder (ii) von einer Tochtergesellschaft begeben und von der Emittentin dergestalt garantiert ist oder für das die Emittentin dergestalt die Haftung übernommen hat, dass die Verpflichtungen der Emittentin aus der maßgeblichen Garantie oder Haftungsübernahme im Verhältnis zu den Verpflichtungen der Emittentin aus den Schuldverschreibungen gleichrangig sind.</p> <p>"Nachrangiges Wertpapier" bezeichnet (i) die Stammaktie der Emittentin, (ii) jede Aktie einer anderen Gattung von Aktien der Emittentin, die mit den Stammaktien der Emittentin gleichrangig ist, (iii) jedes andere Wertpapier, Namenswertpapier oder jedes andere Instrument, das von der Emittentin begeben ist und bei dem die daraus folgenden Verbindlichkeiten der Emittentin mit den Stammaktien der Emittentin gleichrangig oder als gleichrangig vereinbart sind und (iv) jedes Wertpapier, Namenswertpapier oder jedes andere Instrument, das von einer Tochtergesellschaft begeben ist, und das von der Emittentin dergestalt garantiert ist oder für das die Emittentin dergestalt die Haftung übernommen hat, dass die betreffenden</p>

Punkt	Beschreibung	Geforderte Angaben
		Verbindlichkeiten der Emittentin aus der maßgeblichen Garantie oder Haftungsübernahme mit den Stammaktien der Emittentin gleichrangig oder als gleichrangig vereinbart sind.
C.9	Verzinsung/ Fälligkeitstermin e und Rückzahlung/ Angabe der Rendite/ Name des Vertreters der Schuldverschrei- bungsgläubiger	<p>Siehe C.8.</p> <p><u>Verzinsung:</u></p> <p>Die Schuldverschreibungen werden vom 2. April 2014 (einschließlich) (der "Begebungstag") bis zum 2. April 2021 (der "Erste Rückzahlungstag") (ausschließlich) zu einem festen Zinssatz von [●] % per annum verzinst. Die Zinsen sind am 2. April eines jeden Jahres, beginnend am 2. April 2015, nachträglich zu zahlen (lange erste Zinsperiode).</p> <p>Vom Ersten Rückzahlungstag (einschließlich) bis zum 2. April 2026 (der "Erste Modifizierte Reset-Termin") (ausschließlich) werden die Schuldverschreibungen zum 5-Jahres-Swapsatz für den betreffenden Reset-Zeitraum zuzüglich einer Marge von [●] % per annum (ohne einen Step-up zu beinhalten) verzinst. Die Zinsen sind am 2. April eines jeden Jahres, beginnend am 2. April 2022, nachträglich zu zahlen.</p>
		<p>Vom Ersten Modifizierten Reset-Termin (einschließlich) bis zum 2. April 2041 (der "Zweite Modifizierte Reset-Termin") (ausschließlich) werden die Schuldverschreibungen zum 5-Jahres-Swapsatz für den betreffenden Reset-Zeitraum zuzüglich einer Marge von [●] % per annum (einschließlich eines Step-ups von 25 Basispunkten) verzinst. Die Zinsen sind am 2. April eines jeden Jahres, beginnend am 2. April 2027, nachträglich zu zahlen.</p> <p>Vom Zweiten Modifizierten Reset-Termin (einschließlich) bis zum 2. April 2076 (der "Endfälligkeitstag") (ausschließlich) werden die Schuldverschreibungen zum 5-Jahres Swapsatzes für den betreffenden Reset-Zeitraum zuzüglich einer Marge von [●] % per annum (einschließlich eines Step-ups von 100 Basispunkten) verzinst. Die Zinsen sind am 2. April eines jeden Jahres, beginnend am 2. April 2042, nachträglich zu zahlen.</p> <p>"Reset-Termin" bezeichnet jeweils den Ersten Rückzahlungstermin, den 2. April 2026, den 2. April 2031, den 2. April 2036, den 2. April 2041, den 2. April 2046, den 2. April 2051, den 2. April 2056, den 2. April 2061, den 2. April 2066 und den 2. April 2071.</p> <p>"Reset-Zeitraum" bezeichnet jeden Zeitraum ab dem Ersten Rückzahlungstermin (einschließlich) bis zum ersten Reset-Termin (ausschließlich) und nachfolgend ab jedem Reset-Termin (einschließlich) bis zu dem jeweils nächstfolgenden Reset-Termin (ausschließlich) und, im Fall des letzten Reset-Zeitraums ab dem</p>

Punkt	Beschreibung	Geforderte Angaben
		<p>letzten Reset-Termin (einschließlich) bis zu dem Endfälligkeitstag (ausschließlich).</p> <p>Fakultativer Aufschub von Zinszahlungen</p> <p>Die Emittentin kann sich dazu entscheiden, die Zahlung von Zinsen, die an einem Zinszahlungstag fällig werden, durch eine Bekanntmachung an die Anleihegläubiger innerhalb einer Frist von nicht weniger als 10 und nicht mehr als 15 Geschäftstagen vor dem betreffenden Zinszahlungstag, auszusetzen.</p> <p>Wenn sich die Emittentin an einem Zinszahlungstag zur Nichtzahlung aufgelaufener Zinsen entscheidet, dann ist sie nicht verpflichtet, an diesem betreffenden Zinszahlungstag Zinsen zu zahlen. Eine Nichtzahlung aus diesem Grunde begründet keinen Verzug der Emittentin und keine anderweitige Verletzung ihrer Verpflichtungen aufgrund dieser Schuldverschreibungen oder für sonstige Zwecke.</p> <p>Aufgeschobene Zinszahlungen werden nicht verzinst.</p> <p>Freiwillige Zahlung von Aufgeschobenen Zinszahlungen</p> <p>Die Emittentin ist berechtigt, ausstehende Aufgeschobene Zinszahlungen jederzeit insgesamt oder teilweise nach Bekanntmachung an die Anleihegläubiger unter Einhaltung einer Frist von nicht weniger als 10 und nicht mehr als 15 Geschäftstagen nachzuzahlen, wobei eine solche Bekanntmachung den Betrag an Aufgeschobenen Zinszahlungen, der gezahlt werden soll, und den für diese Zahlung festgelegten Termin (der "Freiwillige Nachzahlungstermin") enthalten muss.</p> <p>Pflicht zur Zahlung von Aufgeschobenen Zinszahlungen</p> <p>Die Emittentin ist verpflichtet, ausstehende Aufgeschobene Zinszahlungen insgesamt und nicht nur teilweise am nächsten Pflichtnachzahlungstag zu zahlen.</p> <p>"Pflichtnachzahlungstag" bezeichnet den frühesten der folgenden Tage:</p> <ul style="list-style-type: none"> (i) den Tag, der fünf Geschäftstage nach dem Tag liegt, an dem ein Obligatorisches Nachzahlungsereignis eingetreten ist; (ii) den Tag, an dem die Emittentin aufgelaufene Zinsen, die keine Aufgeschobenen Zinszahlungen sind, auf die Schuldverschreibungen zahlt; (iii) den Tag, an dem die Emittentin oder eine Tochtergesellschaft eine Dividende, sonstige Ausschüttung oder sonstige Zahlung auf ein Gleichrangiges Wertpapier zahlt;

Punkt	Beschreibung	Geforderte Angaben
		<p>(iv) den Tag, an dem die Emittentin oder eine Tochtergesellschaft ein Gleichrangiges Wertpapier zurückzahlt oder den Tag, der fünf Geschäftstage nach dem Tag liegt, an dem die Emittentin oder eine Tochtergesellschaft ein Gleichrangiges Wertpapier zurückkauft oder anderweitig erwirbt (jeweils direkt oder indirekt);</p> <p>(v) den Tag an dem die Emittentin Schuldverschreibungen gemäß der Anleihebedingungen zurückzahlt oder den Tag, der fünf Geschäftstage nach dem Tag liegt, an dem die Emittentin oder eine Tochtergesellschaft (jeweils direkt oder indirekt) Schuldverschreibungen zurückkauft oder anderweitig erwirbt; und</p> <p>(vi) den Tag, an dem eine Entscheidung hinsichtlich der Auseinandersetzung, Liquidation oder Auflösung der Emittentin ergeht (sofern dies nicht für die Zwecke oder als Folge eines Zusammenschlusses, einer Umstrukturierung oder Sanierung geschieht, bei dem bzw. bei der die Emittentin noch zahlungsfähig ist und bei dem bzw. bei der die fortführende Gesellschaft im Wesentlichen alle Vermögenswerte und Verpflichtungen der Emittentin übernimmt)</p> <p>mit der Maßgabe, dass</p> <p>(x) in den vorgenannten Fällen (iii) und (iv) kein Pflichtnachzahlungstag vorliegt, wenn die Emittentin oder die betreffende Tochtergesellschaft nach Maßgabe der Emissionsbedingungen des betreffenden Gleichrangigen Wertpapiers zu der Zahlung, zu der Rückzahlung, zu dem Rückkauf oder zu dem anderweitigen Erwerb verpflichtet ist;</p> <p>(y) in den vorgenannten Fällen (iv) und (v) kein Pflichtnachzahlungstag vorliegt, wenn die Emittentin oder die betreffende Tochtergesellschaft (jeweils direkt oder indirekt) Gleichrangige Wertpapiere oder Schuldverschreibungen (insgesamt oder teilweise) nach einem öffentlichen Rückkaufangebot oder öffentlichen Umtauschangebot mit einer unter dem Nennwert liegenden Gegenleistung je Gleichrangigem Wertpapier bzw. je Schuldverschreibung insgesamt oder teilweise zurückkauft oder anderweitig erwirbt; und</p> <p>(z) in den vorgenannten Fällen (iii) und (iv) kein Pflichtnachzahlungstag vorliegt, wenn die betreffenden Zahlungen auf oder in Bezug auf Gleichrangige Wertpapiere Konzerninterne Zahlungen sind.</p>

Punkt	Beschreibung	Geforderte Angaben
		<p>"Konzerninterne Zahlungen" sind Zahlungen, die ausschließlich an die Emittentin und/oder an eine oder mehrere ihrer Tochtergesellschaften erfolgen.</p> <p>Ein "Obligatorisches Nachzahlungsereignis" bezeichnet jedes der folgenden Ereignisse:</p> <ul style="list-style-type: none"> (i) die ordentliche Hauptversammlung der Emittentin beschließt, eine Dividende, sonstige Ausschüttung oder sonstige Zahlung auf eine Aktie einer beliebigen Gattung der Emittentin zu leisten (mit Ausnahme einer Dividende, Ausschüttung oder Zahlung in Form von Stammaktien der Emittentin); (ii) die Emittentin oder eine Tochtergesellschaft zahlt eine Dividende, sonstige Ausschüttung oder sonstige Zahlung auf ein Nachrangiges Wertpapier (mit Ausnahme einer Dividende, Ausschüttung oder Zahlung in Form von Stammaktien der Emittentin); oder (iii) die Emittentin oder eine Tochtergesellschaft (jeweils direkt oder indirekt) zahlt oder kauft ein Nachrangiges Wertpapier zurück oder erwirbt es anderweitig. <p>In den vorgenannten Fällen (ii) und (iii) tritt jedoch kein Obligatorisches Nachzahlungsereignis ein, wenn</p> <ul style="list-style-type: none"> (x) die Emittentin oder die betreffende Tochtergesellschaft nach Maßgabe der Emissionsbedingungen des betreffenden Nachrangigen Wertpapiers zu der Zahlung, zu der Rückzahlung, zu dem Rückkauf oder zu dem anderweitigen Erwerb verpflichtet ist; (y) die Emittentin oder die betreffende Tochtergesellschaft eine Aktie einer beliebigen Gattung der Emittentin oder ein Nachrangiges Wertpapier nach Maßgabe eines bestehenden oder zukünftigen Aktienoptions- oder Aktienbeteiligungsprogramms oder ähnlichen Programms für Mitglieder des Vorstands oder des Aufsichtsrats (oder, im Falle verbundener Unternehmen, ähnlicher Gremien) oder Mitarbeiter der Emittentin oder mit ihr verbundener Unternehmen (jeweils direkt oder indirekt) zurückkauft oder anderweitig erwirbt; oder (z) die betreffenden Zahlungen auf oder in Bezug auf Nachrangige Wertpapiere Konzerninterne Zahlungen sind. <p>Rückzahlung</p> <p>Die Schuldverschreibungen werden am 2. April 2076 zum Nennbetrag zurückgezahlt, sofern sie nicht zuvor zurückgezahlt oder zurückgekauft wurden.</p>

Punkt	Beschreibung	Geforderte Angaben
		<p>Die Emittentin ist berechtigt, die Schuldverschreibungen (insgesamt und nicht teilweise) nach Eintritt eines Gross-Up Ereignisses, eines Steuerereignisses, eines Rechnungslegungsereignisses, eines Ratingagenturereignisses oder falls die Emittentin oder eine Tochtergesellschaft Schuldverschreibungen im Volumen von 80 % oder mehr des ursprünglich begebenen Gesamtnennbetrages der Schuldverschreibungen erworben oder zurückgezahlt hat, durch eine Bekanntmachung an die Anleihegläubiger innerhalb einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen zu kündigen.</p> <p>Im Falle einer solchen Kündigung nach Eintritt eines Gross-Up Ereignisses hat die Emittentin die Schuldverschreibungen am festgelegten Rückzahlungstermin zum Nennbetrag zurückzuzahlen, zuzüglich der bis zum Tag der Rückzahlung in Bezug auf die Schuldverschreibungen aufgelaufenen Zinsen sowie, zur Klarstellung, sämtlicher fälligen Aufgeschobenen Zinszahlungen.</p> <p>Im Falle einer solchen Kündigung nach Eintritt eines Steuerereignisses, eines Rechnungslegungsereignisses, eines Ratingagenturereignisses oder bei geringem ausstehenden Gesamtnennbetrag hat die Emittentin die Schuldverschreibungen am festgelegten Rückzahlungstermin (i) zu 101,00 % des Nennbetrags, falls die Rückzahlung vor dem Ersten Rückzahlungstermin erfolgt, und (ii) zum Nennbetrag, falls die Rückzahlung an oder nach dem Ersten Rückzahlungstermin erfolgt, zurückzuzahlen, jeweils zuzüglich der bis zum Tag der Rückzahlung in Bezug auf die Schuldverschreibungen aufgelaufenen Zinsen sowie, zur Klarstellung, sämtlicher fälligen Aufgeschobenen Zinszahlungen.</p> <p>Ein "Rechnungslegungsereignis" liegt vor, wenn eine anerkannte Wirtschaftsprüfungsgesellschaft der Hauptzahlstelle ein Gutachten übermittelt, wonach aufgrund einer Änderung der Rechnungslegungsgrundsätze die durch die Ausgabe der Schuldverschreibungen beschafften Gelder nicht oder nicht mehr als "Verbindlichkeit" gemäß den International Financial Reporting Standards ("IFRS") ausgewiesen werden dürfen.</p> <p>Ein "Gross-up-Ereignis" liegt vor, wenn die Emittentin verpflichtet ist oder verpflichtet sein wird, Zusätzliche Beträge zu zahlen aufgrund einer Gesetzesänderung der Bundesrepublik Deutschland oder als Folge einer Änderung der offiziellen Anwendung dieser Gesetze und die Emittentin diese Verpflichtung nicht abwenden kann.</p> <p>Ein "Ratingagenturereignis" liegt vor, wenn die Emittentin von Moody's und/oder S&P schriftlich benachrichtigt wurde, dass die Schuldverschreibungen aufgrund einer Änderung der</p>

Punkt	Beschreibung	Geforderte Angaben
		<p>Hybridkapital Methodologie oder einer anderen relevanten Methodologie oder deren Auslegung nicht mehr derselben und auch nicht einer höheren Eigenkapitalanrechnungskategorie (oder einer anderen Klassifikation durch Moody's bzw. S&P, die beschreibt, in welchem Umfang der Bedingungen eines Finanzierungsinstruments die Fähigkeit des Emittenten zur Bedienung seiner vorrangigen Verbindlichkeiten stützt) zuzuordnen sind, der sie bei ihrer Begebung oder zu dem Zeitpunkt, an dem Moody's bzw. S&P die Eigenkapitalanrechnung nach Begebung erstmals bestätigt hat, ausweislich entsprechender Veröffentlichungen von Moody's bzw. S&P zugeordnet waren.</p> <p>Ein "Steuerereignis" liegt vor, wenn am oder nach dem Tag der Begebung der Schuldverschreibungen aufgrund einer Gesetzesänderung (oder einer Änderung von darunter erlassenen Bestimmungen und Vorschriften) der Bundesrepublik Deutschland oder einer ihrer Gebietskörperschaften oder einer ihrer Steuerbehörden, oder als Folge einer Änderung der offiziellen Auslegung oder Anwendung solcher Gesetze, Bestimmungen oder Vorschriften durch eine gesetzgebende Körperschaft, ein Gericht, eine Regierungsstelle oder eine Aufsichtsbehörde (einschließlich des Erlasses von Gesetzen sowie der Bekanntmachung gerichtlicher oder aufsichtsrechtlicher Entscheidungen), Zinsen, die von der Emittentin auf die Schuldverschreibungen zu zahlen sind, von der Emittentin nicht mehr für die Zwecke der deutschen Ertragsteuer voll abzugsfähig sind und die Emittentin dieses Risiko nicht abwenden kann, indem sie zumutbare Maßnahmen ergreift, die sie nach Treu und Glauben für angemessen hält.</p> <p>Die Emittentin ist berechtigt, die Schuldverschreibungen (ganz, jedoch nicht teilweise) mit einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen mit Wirkung zum Ersten Rückzahlungstermin oder jedem Wahl-Rückzahlungstag zu kündigen und zum Nennbetrag zuzüglich der bis zum Tag der Rückzahlung in Bezug auf die Schuldverschreibungen aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher fälligen Aufgeschobenen Zinszahlungen, zurückzuzahlen.</p> <p>"Wahl-Rückzahlungstag" bezeichnet jeden Zinszahlungstag, der auf den 2. April 2021, den 2. April 2026, den 2. April 2031, den 2. April 2036, den 2. April 2041, den 2. April 2046, den 2. April 2051, den 2. April 2056, den 2. April 2061, den 2. April 2066 und den 2. April 2071 fällt oder am nächsten dazu liegt.</p> <p>Rendite</p> <p>Die Rendite der Emission wird am Preisfestsetzungstag, welcher voraussichtlich am 11. März 2014 sein wird, festgesetzt und wird</p>

Punkt	Beschreibung	Geforderte Angaben
		<p>in der Preismitteilung (<i>Pricing Notice</i>) enthalten sein.</p> <p>Vertreter der Schuldverschreibungsgläubiger</p> <p>Die Gläubiger können durch Mehrheitsbeschluss einen gemeinsamen Vertreter bestellen. Ein gemeinsamer Vertreter ist anfänglich noch nicht bestimmt.</p>
C.10	Derivative Komponente bei Zinszahlung	<p>Siehe C.9.</p> <p>Entfällt. Die Schuldverschreibungen haben keine derivative Komponente bei der Zinszahlung, wegen derer der Wert der Schuldverschreibungen durch den Wert eines Basisinstruments oder verschiedener Basisinstrumente beeinflusst wird.</p>
C.11	Handel in Wertpapieren an einem geregelten Markt	<p>Bei der Luxemburger Wertpapierbörse wurde die Zulassung der Schuldverschreibungen zum Handel im regulierten Markt der Luxemburger Wertpapierbörse beantragt. Außerdem wurde bei der Frankfurter Wertpapierbörse die Zulassung zum Handel im regulierten Markt der Frankfurter Wertpapierbörse beantragt.</p>

Abschnitt D – Risiken

Punkt	Beschreibung	Geforderte Angaben
D.2	Zentrale Risiken der Emittentin	<p>Energiemarktrisiken</p> <p>Der EnBW-Konzern ist in seinem Strom- und Gasgeschäft Preis- und Absatzrisiken ausgesetzt.</p> <p>Konjunkturell bedingte Risiken</p> <p>Sollte die tatsächliche Wirtschaftsentwicklung erheblich schlechter ausfallen als prognostiziert, wäre EnBW zahlreichen Risiken ausgesetzt.</p> <p>Wettbewerbsrisiken im Endkundengeschäft</p> <p>Ein wesentlicher Teil des Geschäfts von EnBW ist der Vertrieb von Strom, Gas und Wasser an Verbraucher. Die zur Deckung der Nachfrage der Verbraucher erforderlichen Prozesse der Energiebeschaffung und -verteilung beginnen lange vor der Lieferung an die Endkunden. Da eine Vielzahl verschiedener Beschaffungsstrategien zum Einsatz kommt, um die Bedürfnisse der Endkunden zu befriedigen, und da es den Endkunden frei steht, ihren Anbieter zu wechseln, könnte EnBW nicht in der Lage sein, ihre Bezugskosten, z.B. für die Energiebeschaffung, Vergütungen für erneuerbare Energien, Netzentgelte und Vertriebs- und Verteilungskosten, an die Endkunden weiterzugeben.</p> <p>Operative Risiken</p>

Punkt	Beschreibung	Geforderte Angaben
		<p>Die EnBW betreibt technologisch komplexe Produktionsanlagen mit umfangreichen Logistikketten und ist daher entsprechenden Betriebsrisiken ausgesetzt. Hierzu zählen beispielsweise nicht geplante Ausfälle von Erzeugungsanlagen oder die diesbezügliche Durchführung zusätzlicher Maßnahmen aus operativen oder regulatorischen Gründen. Die Aktivitäten von EnBW unterliegen außerdem Verpflichtungen aufgrund von Umweltrechtsvorschriften und den damit verbundenen Risiken. Ferner sind die Geschäftsaktivitäten des EnBW-Konzerns saisonalen und witterungsbedingten Schwankungen ausgesetzt, und damit dem Risiko von Schwankungen der Nachfrage in Abhängigkeit von der Wetterentwicklung. Darüber hinaus könnte auch die Logistikkette von EnBW für fossile Brennstoffe durch ungünstige Witterungsverhältnisse oder Änderungen der regulatorischen Rahmenbedingungen beeinträchtigt werden.</p> <p>Regulatorische und politische Risiken</p> <p>EnBW und ihre Geschäftsaktivitäten unterliegen einer umfangreichen Regulierung und Aufsicht durch verschiedene Regulierungsbehörden, u. a. in Deutschland auf kommunaler, landes- und Bundesebene und auf Ebene der EU. Diese staatliche Regulierung und Aufsicht sowie künftige Änderungen von Gesetzen, Vorschriften oder der Regierungspolitik (oder der Auslegung oder Durchführung bestehender Gesetze oder Vorschriften), die EnBW, ihre Wettbewerber oder die gesamte Branche betreffen, könnten zu höheren Betriebs- und Verwaltungskosten führen und sich damit nachteilig auf die Vermögens-, Finanz- und Ertragslage des EnBW-Konzerns auswirken.</p> <p>Energiewende</p> <p>Wichtige Entscheidungen und Leitlinien der deutschen Bundesregierung zur Energiepolitik müssen ab Mitte 2014 befolgt werden. Es besteht das Risiko, dass sich die hierzu erforderlichen politischen Prozesse verzögern, so dass der Energiesektor bis weit in das Jahr 2014 hinein keine verlässlichen Rahmendaten für seine strategischen Entscheidungen haben wird. Zusätzliche Risiken bestehen unter anderem durch Änderungen in der Förderung erneuerbarer Energien.</p> <p>Netznutzung</p> <p>Die Anreizregulierungsverordnung und die damit verbundenen Erlösobergrenzen und Netznutzungsentgelte können innerhalb einer Regulierungsperiode angepasst werden und damit zu höheren Kosten führen.</p> <p>Wiederabschluss von Konzessionsverträgen</p>

Punkt	Beschreibung	Geforderte Angaben
		<p>Der EnBW-Konzern betreibt wesentliche Teile seiner Energieversorgung auf der Grundlage von Konzessionsverträgen mit Kommunen über die Nutzung der jeweiligen örtlichen Infrastruktur. Es besteht das Risiko, dass Wettbewerber von EnBW, insbesondere integrierte Energieversorgungsunternehmen, die derzeit von EnBW gehaltenen Konzessionen erwerben und somit die Geschäftsgrundlage der EnBW reduzieren.</p> <p>Zeitweise Deckungslücke EEG-Konto</p> <p>Der über den Prognosen liegende Zubau bei den EEG-Erzeugungsmengen erhöht die EEG-Vergütungszahlungen innerhalb der TransnetBW GmbH und könnte die Nettoverschuldung der EnBW erhöhen.</p> <p>Betrieb bzw. Rückbau von Kernkraftwerken</p> <p>Beim Betrieb bzw. Rückbau von Kernkraftwerken bestehen verschiedene Risiken, z.B. durch mögliche Verspätungen und zusätzliche Aufwendungen.</p> <p>Hochspannungs-Gleichstrom-Übertragungs-Projekte</p> <p>Beim Bau von Hochspannungs-Gleichstrom-Übertragungsleitungen bestehen verschiedene Risiken, z.B. durch mögliche Verspätungen und zusätzliche Aufwendungen.</p> <p>Rechtliche und steuerliche Risiken</p> <p>Neben politischen beziehungsweise legislativen und regulatorischen Risiken bergen vertragliche Beziehungen eine Vielzahl von Risiken, die zu Rechtsstreitigkeiten führen können. Hierzu zählen Risiken kartellrechtlicher Preisüberprüfungen, Streitigkeiten bezüglich der betrieblichen Altersversorgung bei der EnBW und bezüglich der Schadensersatzansprüche EWE/VNG.</p> <p>Finanzmarktrisiken</p> <p>Im Rahmen seiner gewöhnlichen Geschäftstätigkeit ist der EnBW-Konzern Finanzmarktrisiken ausgesetzt, wie z.B. der Entwicklung der Kurse von Kapitalanlagen, der Zinsen, des Diskontierungssatzes und der Inflationsrate sowie Währungs-, Kredit- und Liquiditätsrisiken.</p> <p>Personalrisiken</p> <p>Unsere Mitarbeiter sind ein wesentlicher Erfolgsfaktor der operativen und strategischen Unternehmensentwicklung. Daraus entsteht für die EnBW das Risiko, nicht in ausreichendem Maß über Mitarbeiter mit den erforderlichen Qualifikationen beziehungsweise Kompetenzen zu verfügen.</p>

Punkt	Beschreibung	Geforderte Angaben
		<p>Effizienzprogramm "FOKUS"</p> <p>Obwohl das Effizienzprogramm "FOKUS" im Geschäftsjahr 2013 abgeschlossen wurde, besteht für die Folgejahre noch das Risiko, dass die Struktur- und Wertschöpfungskettenprojekte den weiteren Hochlauf der geplanten Ergebnisverbesserungen nicht vollumfänglich erfüllen können.</p> <p>IuK-Risiken</p> <p>Informations- und Kommunikations-(IuK-) Technologien spielen in den Produktions- und Geschäftsprozessen des EnBW-Konzerns eine wichtige Rolle. EnBW ist in Verbindung mit der Entwicklung, der Implementierung und dem Einsatz (Plan, Build, Run) von IuK-Lösungen zur Unterstützung der Geschäftsprozesse Risiken ausgesetzt. Weitere Risiken bestehen in Verbindung mit der Speicherung und Nutzung von geschäftsbezogenen Daten.</p> <p>Strategische Risiken</p> <p>Wie bei jedem Unternehmen ist die strategische Entwicklung von EnBW mit Risiken behaftet. Entwicklungsmöglichkeiten bergen immer das Risiko eines potentiellen Ertragsverlusts.</p> <p>Insbesondere in Bezug auf die sogenannte "EnBW 2020"-Strategie bestehen Risiken durch möglicherweise fehlerhafte Einschätzungen des Gesellschafts- und Steuerrechts, durch mögliche Verspätungen und zusätzliche Aufwendungen.</p> <p>Wirtschaftlichkeit von Investitionen</p> <p>Der EnBW-Konzern treibt eine Reihe von Bauprojekten voran, die von einer hohen Komplexität und dem Zusammenwirken zahlreicher Beteiligter gekennzeichnet sind. Es besteht das Risiko, dass die bisher aufgelaufenen Projektaufwendungen abgeschrieben werden müssen.</p> <p>Investitionen und Desinvestitionen</p> <p>Das Investitionsprogramm der EnBW beinhaltet den Verkauf von Vermögenswerten und Unternehmen. In diesem Zusammenhang besteht ein allgemeines Risiko, dass kein angemessener Verkaufspreis im Markt erzielt werden kann und deshalb Wertberichtigungen vorgenommen werden müssen.</p> <p>Sich aus einem Kontrollwechsel ergebende Risiken</p> <p>Einige Verträge der EnBW mit Dritten enthalten Kontrollwechsel-Klauseln, wonach der betreffende Vertragspartner berechtigt ist, den Vertrag bei Eintritt eines Kontrollwechsels zu kündigen. Falls die Vertragspartner zu keiner Einigung gelangen, besteht das Risiko, dass der Kaufpreis unter dem bei der EnBW geführten Buchwert liegt. Dies könnte nachteilige Auswirkungen auf die</p>

Punkt	Beschreibung	Geforderte Angaben
		<p>Finanz- und Ertragslage des EnBW-Konzerns haben.</p> <p>Sollte sich eines der vorstehend genannten Risiken realisieren, könnte dies erhebliche nachteilige Auswirkungen auf die Vermögens-, Finanz- und Ertragslage des EnBW-Konzerns und die Fähigkeit der Emittentin zur Erfüllung ihrer Verpflichtungen aus den Schuldverschreibungen haben.</p> <p>Compliance-Risiken</p> <p>Der EnBW-Konzern ist verschiedenen Compliance-Risiken, z.B. in den Bereichen Korruption und Datenschutz, ausgesetzt.</p>
D.3	Zentrale Risiken der Schuldverschreibungen	<p>Eine Anlage in die Schuldverschreibungen ist mit bestimmten Risiken im Zusammenhang mit den Merkmalen, der Beschreibung und der Art der Schuldverschreibungen verbunden, die dazu führen könnten, dass die Schuldverschreibungsgläubiger im Falle eines Verkaufs ihrer Schuldverschreibungen oder im Hinblick auf Zinszahlungen und Kapitalrückzahlungen erhebliche Verluste oder einen Totalverlust erleiden würden. Zu diesen Risiken gehören u. a. die folgenden:</p> <ul style="list-style-type: none"> • Die Schuldverschreibungen sind möglicherweise keine für alle Anleger geeignete Anlage. • Die Schuldverschreibungen werden am 2. April 2076 zurückgezahlt, sofern sie nicht zuvor zurückgezahlt wurden. Die Emittentin ist nicht verpflichtet, die Schuldverschreibungen vor diesem Zeitpunkt zurück zu zahlen, und die Inhaber der Schuldverschreibungen sind nicht berechtigt, die Rückzahlung zu verlangen. Nach Wahl der Emittentin können die Schuldverschreibungen nach Eintritt eines Gross-up Ereignisses, eines Ratingagenturereignisses, eines Rechnungslegungsereignisses, eines Steuerereignisses, wenn mehr als 80 % oder mehr des ursprünglich begebenen Nennbetrags der Schuldverschreibungen zurückgezahlt oder zurückerworben wurden, oder zum Ersten Rückzahlungstermin oder zu jedem Wahl-Rückzahlungstag zurückgezahlt werden. In diesem Fall können die Anleihegläubiger die zurückgezahlten Beträge möglicherweise nur in Wertpapiere mit einer niedrigeren Rendite investieren. • Die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen stellen nicht besicherte, nachrangige Verbindlichkeiten der Emittentin dar. • Die Anleihebedingungen enthalten keine expliziten Kündigungsgründe für die Anleihegläubiger. • Es besteht keine Beschränkung hinsichtlich der Ausgabe von Schuldtiteln durch die Emittentin, die den Verpflichtungen aus oder im Zusammenhang mit den

Punkt	Beschreibung	Geforderte Angaben
		<p>Schuldverschreibungen im Rang gleichstehen oder gegenüber ihnen vorrangig sind.</p> <ul style="list-style-type: none"> • Die Zulassung der Schuldverschreibungen zum Handel im regulierten Markt der Luxemburger Wertpapierbörse und zur Amtlichen Notierung (Official List) sowie die Notierung an der Frankfurter Wertpapierbörse und die Zulassung zum Handel im regulierten Markt der Frankfurter Wertpapierbörse ist beantragt worden. Es kann jedoch keine Zusicherung dafür abgegeben werden, dass sich ein liquider Sekundärmarkt für die Schuldverschreibungen entwickeln wird. • In dem Zeitraum ab dem Begebungstag bis zum Ersten Rückzahlungstermin kann nicht ausgeschlossen werden, dass der Kurs der Schuldverschreibungen infolge von Veränderungen des derzeitigen Zinssatzes auf dem Kapitalmarkt (Marktzins) fällt, da der Marktzins Schwankungen unterliegt. • Ab dem Ersten Rückzahlungstermin sollten Anleihegläubiger berücksichtigen, dass der Zinssatz an jedem Reset-Termin mit Bezug auf den 5-Jahres-Swapsatz für den betreffenden Reset-Zeitraum zuzüglich einer Marge festgesetzt wird. Die Entwicklung des 5-Jahres-Swapsatzes und die Verzinsung der Schuldverschreibungen können nicht antizipiert werden und eine Rendite kann nicht berechnet werden. Zusätzlich kann in jedem Reset-Zeitraum nicht ausgeschlossen werden, dass der Kurs der Schuldverschreibungen infolge von Veränderungen des derzeitigen Zinssatzes auf dem Kapitalmarkt (Marktzins) fällt, da der Marktzins Schwankungen unterliegt. • Anleihegläubiger sollten berücksichtigen, dass Zinsen aufgeschoben werden können. Aufgeschobene Zinszahlungen werden nicht verzinst. Ein Zinsaufschub wird vermutlich nachteilige Auswirkungen auf den Marktpreis der Schuldverschreibungen haben. Der Marktpreis der Schuldverschreibungen kann volatil sein als der Marktpreis anderer Wertpapiere. • Das Rating der Schuldverschreibungen, sofern vorhanden, kann sich jederzeit verändern und stellt keine Empfehlung zum Kauf, Verkauf oder zum Halten der Schuldverschreibungen dar. • Die auf Euro lautenden Schuldverschreibungen könnten ein Währungsrisiko für einen Inhaber darstellen, wenn der Euro für den betreffenden Inhaber eine Fremdwährung ist; außerdem könnten Regierungen und zuständige Behörden künftig Devisenkontrollen verhängen.

Punkt	Beschreibung	Geforderte Angaben
		<ul style="list-style-type: none"> • Der Zinssatz der Schuldverschreibungen, welcher vom Ersten Rückzahlungstermin bis zum Endfälligkeitstag am Reset-Termin zum 5-Jahres-Swapsatz für den betreffenden Reset-Zeitraum zuzüglich einer Marge berechnet wird, kann dann beeinflusst werden, wenn der Reset-Termin in einen Zeitraum hoher Volatilität aufgrund der Staatsschuldenkrise bzw. aus anderen Gründen fällt. • Da die Globalurkunden von oder für Euroclear und Clearstream, Luxemburg gehalten werden, müssen sich Anleihegläubiger auf deren Verfahren zur Übertragung, Zahlung und Kommunikation mit der Emittentin verlassen. • Die Anleihebedingungen, einschließlich der Bestimmungen für die Zahlung von Kapital und Zinsen, können durch einen Beschluss der Gläubiger geändert werden, und ein solcher Beschluss ist für alle Gläubiger verbindlich. Ein solcher Beschluss kann effektiv mit Zustimmung von weniger als der Mehrheit des Gesamtnennbetrages der ausstehenden Schuldverschreibungen gefasst werden. • Da ab dem Begebungstag der Schuldverschreibungen kein gemeinsamer Vertreter der Gläubiger bestellt wird, ist es für die Gläubiger schwieriger, gemeinsam Maßnahmen in Bezug auf die Schuldverschreibungen zu treffen. • Einem Gläubiger könnte kein individuelles Recht zur Verfolgung und Geltendmachung seiner Rechte aus den Anleihebedingungen mehr zustehen, wenn dieses Recht auf den gemeinsamen Vertreter der Gläubiger übertragen wurde • Der Marktwert der Schuldverschreibungen könnte sinken, falls sich die Kreditwürdigkeit der Gruppe verschlechtert oder sich die Einschätzung der Marktteilnehmer hinsichtlich der Kreditwürdigkeit von Unternehmensschuldern allgemein oder von Schuldnern, die im selben Geschäftsbereich wie die Gruppe tätig sind, nachteilig verändert.

Abschnitt E – Angebot

Punkt	Beschreibung	Geforderte Angaben
E.2b	Gründe für das Angebot und Zweckbestimmung der Erlöse	Die Nettoerlöse werden für allgemeine Gesellschaftszwecke der Gruppe verwendet.

Punkt	Beschreibung	Geforderte Angaben
E.3	Angebotskonditionen	<p>Die Schuldverschreibungen werden in Österreich, Deutschland, Luxemburg und den Niederlanden innerhalb eines Angebotszeitraums angeboten, der nicht vor dem 11. März 2014 beginnt und bis zum Begebungstag dauern wird, vorausgesetzt, es findet keine Verkürzung oder Verlängerung des Angebotszeitraumes statt.</p> <p>Der Emissionspreis, der maximale Gesamtnennbetrag der zu begebenden Schuldverschreibungen, der Zinssatz, mehrere Margen, der Emissionserlös, die Rendite zum Ersten Rückzahlungstermin werden in der Preismitteilung enthalten sein, die am oder vor dem Begebungstag der Schuldverschreibungen auf der Internetseite der Luxemburger Wertpapierbörse (www.bourse.lu) veröffentlicht wird.</p> <p>Das Angebot unterliegt keinen Bedingungen. Anleger können Angebote zum Kauf der Schuldverschreibungen durch Nutzung des Informationssystems Bloomberg oder eines anderen üblicherweise verwendeten Informationssystems übermitteln. Jeder Anleger, der ein Angebot bezüglich der Schuldverschreibungen abgegeben hat und dessen Angebot angenommen wurde, erhält bezüglich der Zuteilung der Schuldverschreibungen eine Bestätigung per E-Mail, Fax oder über ein anderes üblicherweise verwendetes Informationssystem.</p> <p>Lieferung und Zahlung der Schuldverschreibungen erfolgen am 18. März 2014, und die Bestätigung der Zuteilung an die Anleger erfolgt per E-Mail, Fax oder über üblicherweise verwendete Informationssysteme. Die Lieferung der Schuldverschreibungen erfolgt durch buchmäßige Übertragung über Euroclear Bank S.A./N.V. und Clearstream Banking, société anonyme (jeweils ein "Clearingsystem" und zusammen die "Clearingsysteme"), und deren Depotbanken gegen Zahlung des Emissionspreises.</p>
E.4	Für die Emission wesentliche Interessen	<p>Nach Festsetzung der Preisdetails werden sich Barclays Bank PLC, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, HSBC Bank plc und Société Générale (zusammen die "Konsortialführer") nach Maßgabe eines Übernahmevertrags, der am oder um den 14. März 2014 unterzeichnet wird (der "Übernahmevertrag"), verpflichten, die Schuldverschreibungen zu übernehmen. Die Konsortialführer sind unter bestimmten Voraussetzungen berechtigt, den Übernahmevertrag zu kündigen. In diesem Fall werden keine Schuldverschreibungen an Anleger geliefert. Weiterhin wird die Emittentin sich bereit erklären, die Konsortialführer von bestimmten Haftungsrisiken im Zusammenhang mit dem Angebot und dem Verkauf der Schuldverschreibungen freizustellen.</p>

Punkt	Beschreibung	Geforderte Angaben
		<p>Die Provision, die im Zusammenhang mit dem Angebot, der Platzierung und der Zeichnung der Schuldverschreibungen an die Konsortialführer zu zahlen ist, beträgt bis zu 0,55 % des Gesamtnennbetrags der Schuldverschreibungen.</p> <p>Die Konsortialführer sowie mit ihnen verbundene Unternehmen haben bisher Investment-Dienstleistungen gegenüber der Emittentin und den mit ihr verbundenen Unternehmen erbracht und werden dies auch in Zukunft tun. Für diese Dienstleistungen haben die Konsortialführer und ihre verbundenen Unternehmen bisher marktübliche Gebühren und Provisionen erhalten und werden diese auch weiterhin erhalten.</p> <p>Außer den Interessen der Emittentin bestehen keinerlei Interessen natürlicher oder juristischer Personen an der Begebung, auch nicht solche Interessen, die im Widerspruch zur Begebung stehen und für diese wesentlich sind.</p>
E.7	Schätzung der Ausgaben	Entfällt. Die Emittentin wird den Anlegern in Verbindung mit den Schuldverschreibungen keine Kosten, Ausgaben oder Steuern unmittelbar in Rechnung stellen.

RISK FACTORS

Potential investors should read the entire Prospectus. Words and terms that are defined in the "Terms and conditions of the Notes" below or elsewhere in this Prospectus shall have the same meaning in this section. Investing in the Notes might pose certain risks. Potential investors should, among other things, consider the following:

Risk factors with regard to the Issuer

The following is a description of the risk factors, which may affect the ability of the Issuer to fulfil its obligations under the Notes. Potential investors should carefully read and consider these risk factors before deciding upon the purchase of the Notes.

Potential investors should consider all information provided in the Prospectus and consult their own experts. In addition, investors should bear in mind that several of the mentioned risks may occur simultaneously and that their implication can, possibly together with other circumstances, thus be intensified. The order in which the risks are described represents neither a conclusion about their probability of occurrence nor the gravity or significance of the individual risks. The following information may not prove to be exhaustive, and further risks, which are not currently known to the Issuer or which the Issuer currently believes are immaterial, may also affect the business activities of the EnBW Group and the ability of the Issuer to fulfil its obligations arising from the Notes. Due to the occurrence of each individual risk described in the following, investors could lose their invested capital in whole or in part.

The following description includes a disclosure of material risk factors which may affect the ability of EnBW AG to fulfil its obligations under the Notes. Potential investors should consider these risk factors before deciding on the purchase of Notes. There are a number of business and operational factors which might have a considerable adverse effect on the net assets, financial position and results of operations of the EnBW Group and the Issuer's ability to fulfil its obligations under the Notes. These include:

Energy market risks

In its electricity and gas transactions, the EnBW Group is exposed to pricing and sales risks. Since generation of electricity with its power stations is a cornerstone of the EnBW Group's business model, the market prices of electricity and fuels (including hard coal and gas) have a significant effect on the EnBW Group's financial performance. Further increases in fuel prices may substantially and negatively impact the operating result and consequently the financial position of the EnBW Group, in particular if higher fuel prices cannot be passed on. The same applies to CO₂ allowances (EUA, CER) if these must be purchased. The EnBW Group is also exposed to the risk that a decline in electricity prices is not compensated by a corresponding decline in fuel prices. With regard to the purchase and sale of gas to redistributors and end customers, the EnBW Group is also exposed to market price risks. The EnBW Group is further exposed to the risk of a decrease in unit sales. For most of the electricity sales volumes, there is no contractual obligation for customers to purchase the forecast consumption and, consequently, EnBW Group will not generate profits from quantities not purchased and may only be able to resell the difference between forecasted and actual consumption at a lower price or not at all. A further risk arises from the intensifying competition in the gas and electricity market which may result in decreasing sales volumes and

prices. The earnings performance of EnBW is affected by falling electricity prices on wholesale markets. In the light of the current and anticipated long-term development of prices, EnBW expects for its current planning period from 2014 to 2016 that it will have a negative impact on the net assets, financial position and results of operations.

Group electricity procurement agreements can give rise to financial burdens when market price conditions are unfavourable. The feasibility study of the conventional power station portfolio could result in early decommissioning of individual power plant units, thereby entailing the risk of impairment losses on residual carrying amounts. In particular, impairment risks also exist for EnBW's generation plants due to the current energy-sector market environment.

The occurrence of any of these risks could have material adverse effects on the net assets, financial position and results of operations of the EnBW Group and the Issuer's ability to fulfil its obligations under the Notes.

Risks arising from economic development

Forecasts of future economic development and the related demand for energy are essential components of EnBW's projection of unit sales of electricity and gas. Any significant negative deviation between actual and projected economic development exposes EnBW to numerous risks. A decline in industrial production may result in lower demand for electricity and gas and thus lower levels of demand from EnBW customers. A decline in sales volume also results in reduced transmissions via EnBW's grids and a decline in network revenues. Additionally, quantities already purchased will have to be resold and, depending on the then prevailing price levels, may have to be resold below procurement prices. Risks for EnBW could also arise from an unforeseen strengthening of the economy, as this could mean that additional primary energy sources and electricity must be procured at prices above the sales price contracted with customers. In case of a growing number of company insolvencies and companies experiencing financial difficulties, EnBW may face difficulties to recover customer claims and bad debts may increase.

Procurement agreements adversely affect the financial position of EnBW Group when market price conditions are unfavourable and EnBW has been and may be forced in the future to recognise provisions for onerous contracts if it is foreseeable that the procured electricity can only be sold at a loss.

The realisation of any of these risks could have material adverse effects on the net assets, financial position and results of operations of the EnBW Group and the Issuer's ability to fulfil its obligations under the Notes.

Competition risks in the retail markets

A significant part of EnBW's business is the retail distribution of energy, gas and water to consumers. To cover the consumer's demand, the energy sourcing and allocation processes occur significantly before ultimate delivery. Since a broad range of different procurement strategies are implemented to meet customers' needs and since retail consumers are free to change their provider, EnBW may not be able to pass on the acquisition costs, e.g. for energy sourcing, renewable energy compensation fees, transmission charges, sales and distribution costs to customers. The competition in retail markets might have significant adverse effects on the net assets, financial position and results of operations of the EnBW Group and on the Issuer's ability to fulfil its obligations under the Notes.

Operating risks

The EnBW Group operates technologically complex production facilities with considerable supply chains and is thus exposed to the associated operational risks, such as unscheduled downtimes or the implementation of additional measures due to operational or regulatory reasons. EnBW's activities are also subject to obligations arising from environmental legislation and the associated risks. Furthermore, the EnBW Group's operations are exposed to seasonal and weather-related fluctuation, exposing it to the risk of fluctuating demand depending on the development of the weather. In addition, EnBW's fossil fuel supply chain could also be affected by adverse weather conditions or changes in the regulatory environment.

The realisation of any of the foregoing risks could result in material adverse effects on the net assets, financial position and results of operations of the EnBW Group and have considerable negative impact on the Issuer's ability to fulfil its obligations under the Notes.

Regulatory and political risks

EnBW and its operations are subject to significant regulation and supervision by various regulatory bodies, including German municipal, state, federal and EU authorities. These regulations and supervision are subject to change (including the expansion to areas not yet regulated or subject to voluntary arrangements such as, for example, for balancing energy and grid loss energy) and it can be difficult to determine whether existing restrictions are fully complied with. Such governmental regulation and supervision, as well as future changes to laws, regulations or government policy (or in the interpretation or enforcement of existing laws or regulations) that affect EnBW, its competitors or the industry as a whole may result in increased operational and administrative expenses and thus adversely affect the net assets, financial position and results of operations of the EnBW Group and could have considerable negative impact on the Issuer's ability to fulfil its obligations under the Notes.

New energy concept

The new German federal government commenced its work at the end of 2013. Important energy policy decisions and directions are to follow by mid-2014. There is a risk that the required political processes may be delayed, so that the energy sector has no reliable framework data for its strategic decisions available until well into 2014. Additional risks can also arise, for example, given the change in the support provided to renewable energy forms in which EnBW has already made considerable investments. Additional charges in the nuclear energy area can also not be excluded. In general, the effects of the forthcoming energy policy decisions on the EnBW 2020 strategy need to be analysed, and realignments will be made if needed.

A consensus was reached in Germany in early April 2013 to further pursue the question of ultimate storage for highly radioactive waste by mandating an impartial enquete commission. As the legal obligation of operators such as EnBW to bear costs for an alternative site to Gorleben is under dispute, it cannot be ruled out that the costs of the exploration and development of ultimate storage locations as well as ultimate storage itself could have significant adverse effects on the net assets, financial position and results of operations of the EnBW Group. As an additional result of the consensus, reprocessing waste can no longer be transported to the central interim storage site at Gorleben. A risk exists that the return of waste to the interim storage facilities may be delayed. Additional costs may arise as the waste may have to be stored for a longer period in the UK and France, as well as for footing the costs of approval and authorisation procedures.

In the context of the new energy concept, EnBW shut down two nuclear power plants in March 2011 and operations finally ceased in summer 2011. In addition to the loss of electricity generated by these plants, EnBW is exposed to risks from its long-term uranium supply agreements. Failure to comply with the contractually agreed purchase volume may result in compensation payments to be made which, depending on the development of market prices, could exceed provisions.

After the nuclear fuel rod tax was announced for Neckarwestheim II ("**GKN II**") and Philippsburg 2 ("**KKP 2**") in 2011, 2012 and 2013, EnBW in each case submitted lawsuits to the Freiburg finance court on the basis of breaching constitutional and European law. The nuclear fuel rod tax that was to be announced prospectively for 2014 and 2015 was included as a charge on operating earnings in the medium-term planning. After the 13th amendment to the German Atomic Power Act (*Atomgesetz*, "**AtG**") came into force, nuclear power station operators take the view that the agreement on the fund to support renewable energies no longer creates any obligation to make advance payments to a fund for renewable energies.

According to the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety, the emplacement of low-level and intermediate-level radioactive waste in the Konrad repository is not expected to commence before 2022. In the event of further delays, resulting in increased intermediate storage requirements, EnBW may be exposed to additional costs.

In addition, the French president Hollande announced his intention to reduce the share of energy generated by nuclear power in France to 50 per cent. by 2025, primarily by shutting down individual nuclear power plants. As a result, the plant in Fessenheim in France will most likely be closed at the end of 2016. Even though EnBW contests this, there is a risk that EnBW is exposed to sharing the costs for dismantling the power plant. There is also a risk of higher than anticipated investments having to be made for modernising the power plants in Fessenheim and Cattenom resulting in higher electricity procurement expenses for EnBW.

On 18 December 2013, the EU Commission launched official examination proceedings to assess the reliability, from a subsidy law perspective, of the German Renewable Energies Act (*Erneuerbare Energien Gesetz*, "**EEG**") 2012. The Commission is of the view, among others, that the "special equalisation scheme for electricity-intensive enterprises and rail operators" pursuant to Sections 40 et seq. of the EEG should be seen as impermissible state aid. This scheme makes provision that some sectors, under certain conditions, receive a reduction to the EEG cost allocation in order to retain their competitiveness. The investigation proceedings are resulting in a worsening of the legal and locational security for the companies concerned, because, in the instance of a negative ruling by the Commission, they must anticipate retroactive EEG cost allocation claims, thereby jeopardising some of such companies as going concerns. As such retroactive claims are asserted by the electricity suppliers according to the current cost allocation mechanism, and must then be forwarded from the electricity suppliers to the transmission system operators, liquidity problems or insolvencies at affected customers can also indirectly affect EnBW Group sales companies. At the same time that it is conducting its state aid investigation, the Commission is also reviewing its guidelines on environmental and energy state aid. As a result of the investigation proceedings, the Commission, in the final analysis, is forcing the German government to concern itself intensively with the Commission's political and legal opinions when reforming the EEG.

The occurrence of one or more of the foregoing or other regulatory or political risks could have material adverse effects on the net assets, financial position and results of operations of the EnBW Group and the Issuer's ability to fulfil its obligations under the Notes investors.

Network use

The German Incentive Regulation Ordinance and the associated revenue caps and network user charges may be subject to changes within a regulation period. In accordance with Sec. 19 (2) of the ordinance on electricity user charges, German Electricity Network User Charges Ordinance (Verordnung über die Entgelte für den Zugang zu Elektrizitätsversorgungsnetzen), network user charges for energy-intensive customers do not apply or will be charged on an individual basis. The transmission system operators equalise their burdens and determine and publish a nationwide, standardised cost allocation. As specified by the Federal Network Agency on 14 December 2011, the cost allocation is to be initially determined on the basis of budget figures.

By the end of 2013, consensus existed between the transmission system operators and the German Federal Network Agency with regard to the voluntary commitments relating to balancing energy, grid losses and re-dispatch for the second regulatory period. The formal ruling by the Federal Network Agency relating to cost regulation is still outstanding. The risk exists that the resulting costs will not be recognised.

The German Energy Industry Act (*Energiewirtschaftsgesetz*) assigns EnBW, as an operator of transnational and long-distance transmission networks in the electricity and gas segments, with what is termed "system responsibility". The networks have been subject to changes in requirements over the last few years. Transmission system operators expect they will only be able to operate the transmission grid subject to more and more extensive intervention in accordance with European minimum safety standards. This has increased the risk of bottlenecks in the electricity and gas grid leading more frequently to supply-related irregularities or disruptions. If it proves to be impossible to eliminate a disruption or hazard to reliable network operations in good time, or at all, by means of the usual mechanisms in place, the operators of transnational and long-distances transmission networks are entitled by law to perform emergency measures for the duration of which all obligations to perform are suspended. As a transnational and long-distance transmission grid operator, EnBW's liability for asset losses arising from such emergencies is excluded. However, EnBW generally bears the risk relating to erroneous estimates concerning the actual instance of an emergency measure. If supply irregularities or interruptions arise, EnBW will be liable for any resulting damage, with the legislator having provided for certain limitations of liability (German Low-Voltage Grid Connection Ordinance – NAV). Furthermore, reputational risks cannot be ruled out.

The occurrence of one or more of the foregoing risks could have material adverse effects on the net assets, financial position and results of operations of the EnBW Group and the Issuer's ability to fulfil its obligations under the Notes investors.

Renewal of franchise agreements

The EnBW Group operates significant parts of its transmission to customers on the basis of franchise agreements with municipalities relating on the use of the relevant local infrastructure. In 2013, 48 franchise agreements were renegotiated and concluded. There is an increasing trend among municipalities to return their electricity, gas and water supply networks to public ownership. The city of Stuttgart, for example, has announced that it will resume operation of its own water supply as of 1 January 2014. It has also established a municipal utility for activities relating to the supply of energy. There is also the risk that competitors of EnBW, in particular integrated energy

suppliers, may acquire franchises currently held by EnBW, potentially allowing them to win EnBW customers.

The realisation of any of these risks could result in material adverse effects on the net assets, financial position and results of operations of the EnBW Group and on the Issuer's ability to fulfil its obligations under the Notes.

Temporary shortfall in the EEG

The greater than forecast expansion in EEG quantity volumes increases the EEG remuneration payments within TransnetBW GmbH. As the EEG cost allocation is set for each calendar year, higher payments are not settled during the relevant year. Consequently, the shortfall in one year is scheduled for final settlement with the EEG cost allocation in the next year. Net deficits in the EEG bank account (as for example as of 31 December 2013), temporarily increase EnBW's net debt.

Operation and decommissioning of nuclear technology plants

The operation and decommissioning of nuclear technology plants involves various risks. These include deadline-related risks arising from delays to approvals for transportation and warehousing containers for the interim storage of nuclear fuel rods and containers for the emplacement of radioactive waste in the Konrad repository. In the case of the decommissioning of the Obrigheim, Neckarwestheim I and Philippsburg 1 nuclear power plants, risks exist relating to delays due to changes in framework conditions or planning assumptions. Besides this, a further risk arises from the lawsuit against the second closure and decommissioning approval for the Obrigheim nuclear power station. If this proves successful, it would result in a delay to the decommissioning, with potential additional costs depending on the timing of the procedure. As a result of the resolution to transfer the nuclear fuel rods from the decommissioned nuclear power plant Obrigheim, and their storage in the existing interim storage facility of the Neckarwestheim nuclear power plant, risks exist that the project might fail, or might be implemented with a delay.

The realisation of any of these risks could result in material adverse effects on the net assets, financial position and results of operations of the EnBW Group and on the Issuer's ability to fulfil its obligations under the Notes.

High-voltage DC transmission technology projects

EnBW's transmission system operator, TransnetBW GmbH, intends to set up new high-voltage DC transmission technology lines with other transmission system operators. In the context of these projects ("Ultranet" project up to 2019 and "SUED-LINK" up to 2022), risks exist relating to potential delays and additional costs as well as that the risk that such connections can no longer be confirmed within a new grid development plan.

The realisation of any of these risks could result in material adverse effects on the net assets, financial position and results of operations of the EnBW Group and on the Issuer's ability to fulfil its obligations under the Notes.

Legal and Tax risks

Neither EnBW AG nor any of its subsidiaries is currently involved in any administrative, judicial, or arbitral proceedings directed against or affecting EnBW AG or any of its subsidiaries, nor was EnBW AG or any of its subsidiaries involved in any such proceedings in the past 12 months, nor is EnBW AG aware of any proceedings, whether pending or threatened, that have recently had, or that EnBW expects to have, material effects on the financial condition or profitability of EnBW AG or the EnBW Group.

In addition to political, legislative and regulatory risks, contractual relationships are subject to a number of risks which can result in legal disputes. There are also various proceedings, official investigations or procedures as well as other claims pending against EnBW, the success of which is considered very unlikely meaning neither contingent liabilities nor other financial obligations have been recognised. Major disputes include:

Anti-trust pricing reviews: The Group continues to be subject to anti-trust law risks in 2014 due to anti-trust abuse control in the pricing of district heating, gas, electricity and water supplies. The anti-trust reviews in which EnBW is involved are currently focused exclusively on the water area. More stringent decisions by the German Federal Court of Justice since 2010 as well as increased activities on the part of the relevant authorities at state and national level are indicative of a trend towards taking a more critical stance regarding the calculation of water prices. As a water supplier in Stuttgart, EnBW increased prices as of 1 August 2012, thereby passing on costs that had risen since 2007. The relevant anti-trust authority of Baden-Württemberg has since filed abuse proceedings against EnBW, which is not unusual given the comparably high prices in Baden-Württemberg. However, on account of the specific circumstances surrounding Stuttgart's water supply, EnBW deems it justified that it is passing on the entire cost increases. These proceedings could yet continue for some time.

Company pension scheme: Legal proceedings are pending before the competent labour courts relating to the reorganisation of EnBW's pension scheme. Based on the assessment of counsel, the Company considers the prospects for success to be very high.

EWE/VNG claims for damages: At the annual general meeting of VNG-Verbundnetz Gas Aktiengesellschaft ("**VNG**") on 15 December 2011, it was resolved to reject transferring the investment held by EWE Aktiengesellschaft ("**EWE**") in VNG to EnBW. In May 2013 EWE submitted an arbitration request to the German Institution of Arbitration ("**DIS**"), claiming € 500 million plus interest of approximately € 231 million. The claim is based upon the assertion that EnBW through its behaviour thwarted the approval of the annual general meeting of VNG relating to the share transfer. EnBW is, however, of the opinion that no basis exists for the claims that have been made.

The occurrence of one or more legal risks could have material adverse effects on the net assets, financial position and results of operations of the EnBW Group and the Issuer's ability to fulfil its obligations under the Notes.

Financial risks

Financial market risks

In the course of its ordinary operations, the EnBW Group is exposed to financial market risks such as financial asset price, interest rate and currency risks, or credit risks. The volatile financial markets mean that EnBW's financial assets are subject to price risks and other risks of potential losses. Impairment losses have to be recognised on securities if these risks lead to a significant or prolonged decline in the fair value of these investments below their cost. Depending on the market environment, there is a risk that impairment losses will have to be recognised on the portfolio of securities held as of the end of the current reporting period due to a prolonged decline in fair value. Pension provisions are subject to a risk in respect of the development of the interest rate, since the actual cash value of pension obligations is very dependent on the discount rate. A lower discount rate leads to a higher current actual cash value for future financial liabilities. As a result, this could have a negative impact on the value of net financial liabilities and, therefore, on EnBW's rating.

EnBW's rating is a key driver for the costs of funding and therefore a key risk factor. Recently the rating is at close observation by the rating agencies as a result of the changing conditions in the

business environment of the energy supply industry. The occurrence of such risks could have material adverse effects on the net assets, financial position and results of operations of the EnBW Group and the Issuer's ability to fulfil its obligations under the Notes.

Changes in Interest and Discount Rates

Key factors influencing the present value of nuclear power provisions are the discount rate and inflation rate. A potential diverging development of both factors – a downward trend in the discount rate in contrast to an upward trend for the inflation rate – gives rise to the risk of the present value of nuclear power provisions increasing. An increase in the present value could have a negative effect on the amount of adjusted net debt, thereby jeopardising EnBW's rating.

Credit risks

The EnBW Group is exposed to risks in connection with the default of customers or business associates, specifically in the case of them becoming insolvent. The default of customers or business associated risks may have material adverse effects on the net assets, financial position and results of operations of the EnBW Group and the Issuer's ability to fulfil its obligations under the Notes.

Liquidity risks

Risks arise from the process of ensuring adequate liquidity to meet the EnBW Group's financial obligations in due time. The EnBW Group is dependent upon adequate free lines of credit at banks, capital market access as well as free cash and cash equivalents in order to meet its financial obligations. Margin regulations for stock market transactions and bilateral margin agreements may lead to short-term cash outflows as a result of unfavourable market developments.

In the event that the EnBW Group does not have sufficient liquidity, this would result in material adverse effects on the net assets, financial position and results of operations of the EnBW Group and the Issuer's ability to fulfil its obligations under the Notes.

Other risks

Personnel risks

A key success factor in EnBW's operating and strategic corporate development is its personnel. In this respect, EnBW is exposed to the risk of not having a sufficient number of employees with the necessary qualifications or skills. When recruiting in the relevant target groups, for example, this risk is primarily caused by competition on the labour market from other companies, exacerbated by demographic developments and stricter conditions for the energy industry. Ongoing analyses provide us with information on areas in particular need of action. The risk also currently exists that EnBW's ability to respond sufficiently rapidly to changes in market conditions has not yet satisfactorily been formed.

Any of these risks could result in material adverse effects on the net assets, financial position and results of operations of the EnBW Group and on the Issuer's ability to fulfil its obligations under the Notes.

"FOKUS" efficiency programme

The "FOKUS" efficiency programme was concluded in the 2013 fiscal year, and tracking of the measures that were undertaken was transferred to individual operating line level. The full impact of

improvement measures will be felt as of 2014, one year earlier than originally planned. The earnings improvements in the 2013 fiscal year were already ahead of original expectations, allowing additionally identified opportunities to be exploited. In this context, there is a residual risk for 2014 and 2015 if the structural and value chain projects, as well as other efficiency measures that have been considered, fail to fully achieve the planned earnings improvement.

The occurrence of this risk may have material adverse effects on the net assets, financial position and results of operations of the EnBW Group and the Issuer's ability to fulfil its obligations under the Notes.

ICT risks

Information and communication technology ("ICT") has an important role in the production and business processes of the EnBW Group. Innovative and efficient ICT systems are a key success factor for the EnBW Group. For this reason, the security and availability of the ICT network and ICT applications employed are of special importance. EnBW is exposed to ICT risks in connection with the development, deployment and usage (plan, build, run) of ICT solutions designed to support the business processes. Further risks exist in the context of the storing and usage of business-related data. Unauthorized access to sensitive data from outside, the improper use of such data, or the unintentional forwarding of such data by employees might lead not only to the loss of company secrets, they may also breach data privacy regulations and terms. These kinds of ICT security incidents in the form of an unauthorized flow of confidential information or contravention of the law further can also involve considerable reputational damage.

The occurrence of ICT risks may have material adverse effects on the net assets, financial position and results of operations of the EnBW Group and the Issuer's ability to fulfil its obligations under the Notes.

Strategic Risks

As is the case with any business undertaking, EnBW's strategic development involves risks. Development opportunities always harbour the risk of a potential loss of income. In general, the latter arises from a misinterpretation of customer requirements and framework conditions as well as technological misjudgements. In implementing strategic projects, there is also a risk that the phase of economic viability may not be reached at all or only with a delay. In this respect, construction projects in the area of generation capacities entail three basic risks: Large-scale projects are subject to approval by the authorities which may be delayed in some cases and projects may have to be abandoned if approval is not forthcoming. As a consequence, any investments already made will have to be written off. In addition, there is a noticeable trend of subsequently questioning the legality of approvals that have already been issued. The current market environment may give rise to financing risks with consequences for the overall costs of the project. Furthermore, the implementation phase of a project generally entails quality, deadline and cost risks. EnBW aims to establish a long-term gas procurement portfolio as part of its gas strategy, involving risks due to a delay in implementing the strategy and to falling summer-winter spreads and lower volatilities.

As part of the EnBW 2020 strategy, a resolution was passed in 2013 to implement the so called "ONE EnBW" to create a new organisational structure and to establish a new management model with a corresponding reduction in the complexity of the Group. As part of this project, a large number of matters, including certain very complex matters, need to be taken into account and reviewed by the relevant specialist areas. Erroneous corporation and tax law analyses could

negatively impact earnings. Delays to the structural and process-related implementation of the strategy – for example, in controlling, finance, IT (in particular, SAP systems), organisation, personnel and accounting – could also result in considerable additional expenses, in order to comply with the project plan with its defined targets as approved by the Board of Management. Given the change in the market environment entailing a large number of external and internal factors, further risks cannot be excluded relating to the reliability of market estimates and economic calculations, as well as delays that have negative effects on the earnings contributions aimed for in the context of further project and product development.

The occurrence of any of these risks may have material adverse effects on the net assets, financial position and results of operations of the EnBW Group and the Issuer's ability to fulfil its obligations under the Notes.

Viability of capital expenditures

The EnBW Group is pursuing numerous construction projects that are highly complex and involve the interaction of a large number of participants. For this reason, it is impossible to rule out events in the construction process that will lead or could lead to deviations from the planned project schedules involving delays and cost increases. There is a risk that construction work for the new hard coal power station ("**RDK 8**") in Karlsruhe could be delayed further beyond spring 2014 (in particular, in light of a fire that broke out on 7 August 2013, caused by leakage in the hydraulic system in the nacelle of RDK 8) and that construction of unit 9 of the large-scale power plant in Mannheim ("**GKM 9**") could be delayed until 2015. For the offshore wind farm EnBW Baltic 2 currently under construction, there is a risk of costs increasing as well as the commissioning being delayed beyond 2014. As a result of the lengthy discussions on amending the EnWG and the EEG, EnBW postponed its investment decision for its planned wind farm EnBW Hohe See in the North Sea. The provisions of the EnWG regarding binding deadlines for connecting offshore wind farms to the grid do not themselves offer any planning certainty. The uncertain framework conditions mean there is a risk of incurred project expenses having to be written off.

The occurrence of any of these risks may have material adverse effects on the net assets, financial position and results of operations of the EnBW Group and the Issuer's ability to fulfil its obligations under the Notes.

Investments and divestitures

The EnBW Group is exposed to the risk of equity investments being impaired due to uncertainties as to assumptions on the future development of the business. This applies to newly acquired equity investments in particular, but is also valid for existing ones. EnBW's investment programme involves the sale of assets and companies. In this respect, there is a general risk of it not being possible to obtain adequate sales prices on the market, which may result in allowances.

EnBW offers opportunities to invest in its wind farm projects in Germany. In this context, there are risks involved in the possible miscalculation of interest among institutional and municipal investors in investment opportunities in the area of renewable energy. The risk also exists that the investment income achieved falls short of projections.

Changes in assumptions concerning the profitability of new and existing shareholdings as well as changes on the evaluation parameters may result in a lower fair value and also require write-downs.

The occurrence of one or more of these risks could have material adverse effects on the net assets, financial position and results of operations of the EnBW Group and the Issuer's ability to fulfil its obligations under the Notes.

Risks resulting from a change of control

Some of EnBW's agreements with third parties include change of control clauses, which entitle the relevant counterparty to terminate the agreement in the event of a change of control. Similarly, some of EnBW's joint venture agreements include change of control clauses that entitle the relevant counterparty to acquire EnBW's stake in the joint venture at the prevailing market price.

Neckarpri Beteiligungsgesellschaft mbH, a 100 per cent. subsidiary of the state of Baden-Württemberg, has announced that it acquired 45.01 per cent. of the shares in EnBW AG from E.D.F. International S.A., Paris ("**EDF**"), and published a public takeover offer to EnBW's outstanding shareholders. In April 2011, Neckarpri Beteiligungsgesellschaft mbH ("**NECKARPRI**") announced that it acquired an additional 1.54 per cent. in EnBW AG in connection with the takeover offer, resulting in a total shareholding of 46.55 per cent. in EnBW AG. EnBW has been informed by NECKARPRI that it does not intend to trigger change of control clauses of EnBW and that it entered into an agreement with OEW Energie Beteiligungs GmbH by virtue of which NECKARPRI is obliged to offer to OEW Energie Beteiligungs GmbH such number of shares so that its stake in EnBW does not exceed that of OEW Energie Beteiligungs GmbH.

If the acquisition of the EnBW shares held by EDF until 17 February 2011 by NECKARPRI, attributed to the federal state of Baden-Württemberg, and the conclusion of a shareholder agreement between NECKARPRI and OEW Energie-Beteiligungs GmbH were to represent a change of control within the meaning of the EWE shareholder agreement, EnBW would be obliged to offer its shares in EWE to the municipal shareholders of EWE at the market price as determined by an expert appraisal. EnBW holds the view that there was no change of control. The municipal shareholders, however, requested that EnBW make an offer. EnBW did not comply with this request. Although the municipal shareholders are not currently pursuing the matter, in the event that the parties do not come to a mutual agreement, there is a risk that the purchase price will be below the current carrying amount at EnBW. This could result in an adverse effect on the financial position and results of operations of EnBW Group.

Compliance risks

The EnBW Group is subject to compliance risks in the form of judicial or regulatory penalties; reputation losses due to non-compliance with laws; regulations or internal regulations; potential financial losses deriving from fraudulent activities; and compliance risks in the areas of corruption, data protection, competition and anti-trust law, and fraud.

The occurrence of one or more of these risks could have material adverse effects on the net assets, financial position and results of operations of the EnBW Group and the Issuer's ability to fulfil its obligations under the Notes.

Risks relating to the Notes

An investment in the Notes involves certain risks associated with the characteristics of the Notes. Such risks could result in principal or interest not being paid on time or at all by the Issuer and/or a material impairment of the market price of the Notes. The following is a description of risk factors in relation to the Notes.

Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of such investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes;
- (iv) understand thoroughly the terms of the Notes; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Long-term securities, Risk of Early Redemption

The Notes will be redeemed on 2 April 2076, unless they have been previously redeemed or repurchased. The Issuer is under no obligation to redeem the Notes at any time before this date. The Holders of the Notes have no right to call for their redemption. At the Issuer's option, the Notes may be redeemed pursuant to the Terms and Conditions of the Notes after the occurrence of a Gross-up Event, a Rating Agency Event, an Accounting Event, a Tax Event, or if 80 per cent. or more in principal amount of the Notes initially issued have been redeemed or purchased, or with effect as of the First Call Date or any Optional Call Date thereafter. In the event that the Issuer exercises the option to call and redeem the Notes, the Holders might suffer a lower than expected yield and might not be able to reinvest the funds on the same terms.

Subordination

The obligations of the Issuer under the Notes constitute unsecured obligations of the Issuer ranking *pari passu* among themselves and with any Parity Securities, subordinated to all present and future unsubordinated and subordinated obligations of the Issuer, at least *pari passu* with all other present

and future unsecured obligations of the Issuer ranking subordinated to all unsubordinated and subordinated obligations of the Issuer, except for any subordinated obligations required to be preferred by mandatory provisions of law; and senior only to the rights and claims of holders of Junior Securities. In a liquidation, dissolution, insolvency, composition or other proceeding for the avoidance of insolvency of, or against, the Issuer, the Holders may recover proportionately less than the holders of unsubordinated obligations of the Issuer. Holders of the Notes will have limited ability to influence the outcome of any insolvency proceeding or a restructuring outside insolvency. In particular, in insolvency proceedings over the assets of the Issuer, holders of subordinated debt, such as the Notes, will not have any right to vote in the assembly of creditors pursuant to the German Insolvency Code (*Gläubigerversammlung*).

Investors should take into consideration that unsubordinated liabilities may also arise out of events that are not reflected on the Issuer's balance sheet, including, without limitation, the issuance of guarantees or other payment undertakings. Claims of beneficiaries under such guarantees or other payment undertakings will, in winding-up or insolvency proceedings of the Issuer, become unsubordinated liabilities and will therefore be paid in full before payments are made to Holders.

No express Events of Default

The Holders should be aware that the Terms and Conditions of the Notes do not contain any express events of default provisions.

No limitation on issuing further debt

There is no restriction on the amount of debt which the Issuer may incur ranking equal or senior to the obligations under or in connection with the Notes. Such incurrence of further debt may reduce the amount recoverable by the Holders upon insolvency or winding-up of the Issuer or may increase the likelihood that the Issuer may defer payments of the principal amount or interest under the Notes.

Liquidity risk

There is currently no secondary market for the Notes. Application has been made for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and to be listed on the Official List of the Luxembourg Stock Exchange, application has also been made to the Frankfurt Stock Exchange for the Notes to be listed on the Frankfurt Stock Exchange and to be traded on the regulated market of the Frankfurt Stock Exchange. There can, however, be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue. In an illiquid market, an investor may not be able to sell his Notes at any time at fair market prices. The possibility to sell the Notes might additionally be restricted by country specific reasons.

Fixed Interest Rate Notes

The Notes bear interest at a fixed rate to but excluding the First Call Date.

A holder of a fixed interest rate note is exposed to the risk that the price of such note may fall because of changes in the market interest rate. While the nominal interest rate of a fixed interest rate note is fixed during the life of such note or during a certain period of time, the current interest rate on the capital market (market interest rate) typically changes on a daily basis. As the market interest rate changes, the price of such note changes in the opposite direction. If the market interest rate increases, the price of such note typically falls, until the yield of such note is approximately equal to the market interest rate. If the market interest rate falls, the price of a fixed interest rate note typically increases, until the yield of such note is approximately equal to the market interest rate. Holders should be aware that movements of the market interest rate can adversely affect the market price of the Notes and can lead to losses for the Holders if they sell their Notes.

Reset of Interest Rate linked to the 5-year Swap Rate

From and including the First Call Date to but excluding the Final Maturity Date, the Notes bear interest at a rate which will be determined on each Reset Date at the 5-year Swap Rate for the relevant Reset Period plus a margin.

Investors should be aware that the performance of the 5-year Swap Rate and the interest income on the Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of the Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. In addition, after interest payment dates, investors are exposed to the reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

Furthermore, during each Reset Period, it cannot be ruled out that the price of the Notes may fall as a result of changes in the current interest rate on the capital market (market interest rate), as the market interest rate fluctuates. During each of these periods, the investor is exposed to the risk as described in the section "Fixed Interest Rate Notes".

Optional deferral of interest payments

The Issuer may elect in its discretion to defer the payment of interest by giving not less than 10 and not more than 15 Business Days' prior notice to the Holders. Such interest will not be due and payable (*fällig*) on that Interest Payment Date.

Holders will not receive any additional interest or compensation for the optional deferral of payment. In particular, the resulting Deferred Interest Payments will not bear interest. Any failure to pay interest as a result of an optional deferral will not constitute a default of the Issuer or any other breach of obligations under the Notes or for any other purpose. While the deferral of interest payments continues, the Issuer is not prohibited from making payments on any instrument ranking senior to the Notes.

Any deferral of interest payments will likely have an adverse effect on the market price of the Notes. In addition, as a result of the interest deferral provision of the Notes, the market price of the Notes may be more volatile than the market prices of other debt securities on which interest accrues that are not subject to such deferrals and may be more sensitive generally to adverse changes in the Issuer's financial condition.

Ratings of the Notes, if any, may be subject to change at all times

The Notes are expected to be assigned credit ratings by Moody's and S&P. These ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. Rating agencies may also change their methodologies for rating securities with features similar to the Notes in the future. If the rating agencies were to change their practices for rating such securities in the future and the ratings of the Notes or the Issuer were to be lowered, this may have a negative impact on the market price of the Notes.

Currency Risk

The Notes are denominated in euro. If such currency represents a foreign currency to a Holder, such Holder is particularly exposed to the risk of changes in currency exchange rates which may affect the rate of return of such Notes measured in the Holder's currency. Changes in currency exchange rates result from various factors such as macroeconomic factors, speculative transactions and interventions by central banks and governments.

In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable currency exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Risks related to the Sovereign Debt Crisis

Increased government spending, high levels of national debt and loss of trust of market participants in the ability to repay these debts have led to the sovereign debt crisis, affecting the rating of various European States and the yield for sovereign bonds and leading to high volatility in the markets. From and including the First Call Date to but excluding the Final Maturity Date, the Notes bear interest at a rate which will be determined on each Reset Date at the 5-year Swap Rate for the relevant Reset Period plus a margin. Should a Reset Date fall into times of such high volatility, this could have an effect on the interest rate then determined.

Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer.

The Notes will be represented by one or more Global Notes. Such Global Notes will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg and the Issuer will discharge its payment obligations under the Notes by making payments to the common depositary for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of beneficial interests in the Global Notes.

The Terms and Conditions of the Notes, including the terms of payment of principal and interest, can be amended by a Holders' resolutions and any such resolution will be binding for all Holders. Any such resolution may effectively be passed with the consent of less than a majority of the aggregate principal amount of the Notes outstanding.

According to the Terms and Conditions and the German Act on Issues of Debt Securities of 2009 (*Schuldverschreibungsgesetz*; the "**SchVG**"), Holders can, by resolution, consent to amendments of the Terms and Conditions of the Notes. Accordingly, although no obligation to make any payment or render any other performance may be imposed on any Holder, the Holders may, by resolution, among other things agree to:

- change the due date for payment of interest and reduce, or cancel interest;
- change the maturity date of the Notes or reduce the principal amount payable on the Notes;
- convert the Notes into, or exchange the Notes for, shares or other securities or obligations;
- change the currency of the Notes;
- waive or restrict Holders' rights to accelerate the Notes; or
- subordinate some or all of the claims under the Notes in an insolvency proceeding.

Under the SchVG and the Terms and Conditions, such amendments require a resolution of Holders holding in the aggregate at least 75 per cent of the votes cast. Subject to contestation in court, any such resolution will be binding on all Holders.

The voting process under the Terms and Conditions will be governed in accordance with the SchVG, pursuant to which the required participation of Holder votes (*quorum*) is principally set at 50 per cent. of the aggregate principal amount of outstanding notes in the first Holders' meeting or a vote without meeting. In case there is no sufficient quorum in the first voting process, there is no minimum quorum requirement in a second meeting for voting on the same resolution (unless the resolution to be passed requires a qualified majority, in which case Holders representing at least 25 per cent. of outstanding notes by principal amount must participate in the meeting). As the relevant majority for Holders' resolutions is generally based on votes cast, rather than on principal amount of notes outstanding, the aggregate principal amount of notes required to vote in favour of an amendment will vary based on the Holders' votes participating. As a result, a Holder is subject to the risk of being outvoted and losing rights towards the Issuer against its will in the event that Holders holding a sufficient aggregate principal amount participate in the vote and agree to amend the Terms and Conditions by majority vote in accordance with the Terms and Conditions of the Notes and the SchVG.

Since no noteholders' representative will be appointed as from the issue date of the Notes, it will be more difficult for Holders to take collective action with respect to the Notes.

No initial noteholders' representative will be appointed under the Terms and Conditions. Any appointment of a noteholders' representative post issuance of the Notes will, therefore, require a majority resolution of the Holders. If the appointment of a noteholders' representative is delayed, this will make it more difficult for Holders to take collective action to enforce their rights under the Notes.

It is possible that a Holder may be deprived in its individual right to pursue and enforce its rights under the Terms and Conditions if such right was passed on to a noteholders' representative.

If a noteholders' representative is appointed by majority decision of the Holders, it is possible that a Holder may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions against the Issuer, if such right was passed to the noteholders' representative by majority vote who is then exclusively responsible to claim and enforce the rights of all the Holders.

The market value of the Notes could decrease if the creditworthiness of the Group worsens

If the likelihood that the Issuer will be in a position to fully perform all obligations under the Notes when they fall due decreases, for example, because of the materialisation of any of the risks regarding the Group, the market value of the Notes will suffer. In addition, even if the likelihood that the Issuer will be in position to fully perform all obligations under the Notes when they fall due actually has not decreased, market participants could nevertheless have a different perception. In addition, the market participants' estimation of the creditworthiness of corporate debtors in general or debtors operating in the same business as the Group could adversely change. If any of these risks occurs, third parties would only be willing to purchase Notes for a lower price than before the materialisation of mentioned risk. Under these circumstances, the market value of the Notes will decrease.

TERMS AND CONDITIONS OF THE NOTES

Anleihebedingungen

Diese Anleihebedingungen sind in deutscher Sprache abgefasst und mit einer Übersetzung in die englische Sprache versehen. Der deutsche Wortlaut ist allein rechtsverbindlich. Die englische Übersetzung dient nur zur Information.

§ 1

(Verbriefung und Nennbetrag)

- (1) Währung, Nennbetrag und Form.

Die EnBW Energie Baden-Württemberg AG (die "**Emittentin**") begibt auf den Inhaber lautende, nachrangige, resettable, festverzinsliche Schuldverschreibungen (die "**Schuldverschreibungen**") im Nennbetrag von je EUR 1.000 (der "**Nennbetrag**") und im Gesamtnennbetrag von EUR [●].

- (2) Globalurkunden und Austausch.

Die Schuldverschreibungen werden zunächst in einer vorläufigen Globalinhaberschuldverschreibung (die "**Vorläufige Globalurkunde**") ohne Zinsscheine verbrieft und am oder um den Tag der Begebung der Neuen Schuldverschreibungen bei einer gemeinsamen Verwahrstelle für Clearstream Banking, société anonyme, Luxemburg und Euroclear Bank SA/NV (beide gemeinsam nachstehend als "**Clearingsystem**" bezeichnet) hinterlegt. Die Vorläufige Globalurkunde wird nicht vor Ablauf von 40 und spätestens nach Ablauf von 180 Tagen nach dem Tag der Begebung der Neuen Schuldverschreibungen gegen Vorlage einer Bestätigung über das Nichtbestehen U.S.-amerikanischen wirtschaftlichen Eigentums (*beneficial ownership*) an den Schuldverschreibungen gemäß den Regeln und Betriebsabläufen des Clearingsystems gegen eine endgültige Globalinhaberschuldverschreibung (die "**Dauer-Globalurkunde**") und, gemeinsam mit der Vorläufigen Globalurkunde, jeweils eine "**Globalurkunde**") ohne Zinsscheine ausgetauscht. Zahlungen auf eine Vorläufige

Terms and Conditions

These Terms and Conditions are written in the German language and provided with an English language translation. The German text will be the only legally binding version. The English language translation is provided for convenience only.

§ 1

(Form and Denomination)

- (1) Currency, Denomination and Form.

EnBW Energie Baden-Württemberg AG (the "**Issuer**") issues subordinated, resettable, fixed rate bearer notes (the "**Notes**") in a denomination of EUR 1,000 each (the "**Principal Amount**") in the aggregate principal amount of EUR [●].

- (2) Global Notes and Exchange.

The Notes will initially be represented by a temporary global bearer note (the "**Temporary Global Note**") without coupons which will be deposited with a common depositary for Clearstream Banking, société anonyme, Luxembourg and Euroclear Bank SA/NV (together hereinafter referred to as the "**Clearing System**") on or around the date of issue of the Notes. The Temporary Global Note will be exchangeable for a permanent global bearer Note (the "**Permanent Global Note**") and, together with the Temporary Global Note, each a "**Global Note**") without coupons not earlier than 40 and not later than 180 days after the date of issue of the Notes upon certification as to non-U.S. beneficial ownership in accordance with the rules and operating procedures of the Clearing System. Payments on a Temporary Global Note will only be made against presentation of such certification. No definitive Notes or interest coupons will be issued.

Globalurkunde erfolgen nur gegen Vorlage einer solchen Bestätigung. Einzelurkunden oder Zinsscheine werden nicht ausgegeben.

- (3) Den Inhabern der Schuldverschreibungen (die "**Anleihegläubiger**") stehen Miteigentumsanteile bzw. Rechte an der Globalurkunde zu, die nach Maßgabe des anwendbaren Rechts und der Regeln und Bestimmungen des Clearingsystems übertragen werden können.

§ 2 (Status)

- (1) Die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen begründen nicht besicherte Verbindlichkeiten der Emittentin, die
- (a) untereinander und mit Gleichrangigen Wertpapieren gleichrangig sind,
 - (b) nachrangig gegenüber allen gegenwärtigen und zukünftigen nicht nachrangigen und nachrangigen Verbindlichkeiten der Emittentin sind,
 - (c) mit allen anderen gegenwärtigen und zukünftigen nicht besicherten Verbindlichkeiten, die nachrangig gegenüber allen nicht nachrangigen Verbindlichkeiten der Emittentin sind, zumindest gleichrangig sind, soweit nicht zwingende gesetzliche Bestimmungen solche anderen nachrangigen Verbindlichkeiten nicht im Rang besser stellen; und
 - (d) gehen im Rang nur den Ansprüchen und Rechten von Inhabern von Nachrangigen Wertpapieren vor.

Im Fall der Auflösung, der Liquidation, der Insolvenz oder eines der Abwendung der Insolvenz der Emittentin dienenden Verfahrens stehen die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen allen nicht nachrangigen und allen nachrangigen Verbindlichkeiten der Emittentin im Rang nach, so dass Zahlungen auf die Schuldverschreibungen erst erfolgen, wenn alle Ansprüche gegen die Emittentin aus Verbindlichkeiten, die den Verbindlichkeiten der

- (3) The holders of the Notes (the "**Holders**") are entitled to proportional co-ownership interests or rights in the Global Note, which are transferable in accordance with applicable law and the rules and regulations of the Clearing System.

§ 2 (Status)

- (1) The obligations of the Issuer under the Notes constitute unsecured obligations of the Issuer ranking
- (a) *pari passu* among themselves and with any Parity Securities,
 - (b) subordinated to all present and future unsubordinated and subordinated obligations of the Issuer,
 - (c) at least *pari passu* with all other present and future unsecured obligations of the Issuer ranking subordinated to all unsubordinated and subordinated obligations of the Issuer, except for any subordinated obligations required to be preferred by mandatory provisions of law; and
 - (d) senior only to the rights and claims of holders of Junior Securities.

In the event of the dissolution, liquidation, insolvency or any proceeding to avoid insolvency of the Issuer, the obligations of the Issuer under the Notes will be subordinated to all unsubordinated and all subordinated obligations of the Issuer so that in any such event payments will not be made under the Notes until all claims against the Issuer which pursuant to this § 2 are expressed to, or by operation of law, rank senior to the obligations of the Issuer under the Notes will first have

Emittentin aus den Schuldverschreibungen nach Maßgabe dieses § 2 oder kraft Gesetzes im Rang vorgehen, vollständig befriedigt sind; erst nach Befriedigung aller der vorgenannten Ansprüche und der Verbindlichkeiten aus den Schuldverschreibungen können die verbleibenden Vermögenswerte an die Eigner der Nachrangigen Wertpapiere der Emittentin verteilt werden.

"Gleichrangiges Wertpapier" jedes Wertpapier, Namenswertpapier oder jedes andere Instrument, das (i) von der Emittentin begeben ist und gleichrangig mit den Schuldverschreibungen ist oder als im Verhältnis zu den Schuldverschreibungen gleichrangig vereinbart ist, einschließlich der Subordinated Resettable Fixed Rate Notes fällig 2072 der Emittentin, ISIN XS0674277933, oder (ii) von einer Tochtergesellschaft begeben und von der Emittentin dergestalt garantiert ist oder für das die Emittentin dergestalt die Haftung übernommen hat, dass die Verpflichtungen der Emittentin aus der maßgeblichen Garantie oder Haftungsübernahme im Verhältnis zu den Verpflichtungen der Emittentin aus den Schuldverschreibungen gleichrangig sind.

"Nachrangiges Wertpapier" bezeichnet (i) die Stammaktie der Emittentin, (ii) jede Aktie einer anderen Gattung von Aktien der Emittentin, die mit den Stammaktien der Emittentin gleichrangig ist, (iii) jedes andere Wertpapier, Namenswertpapier oder jedes andere Instrument, das von der Emittentin begeben ist und bei dem die daraus folgenden Verbindlichkeiten der Emittentin mit den Stammaktien der Emittentin gleichrangig oder als gleichrangig vereinbart sind und (iv) jedes Wertpapier, Namenswertpapier oder jedes andere Instrument, das von einer Tochtergesellschaft begeben ist, und das von der Emittentin dergestalt garantiert ist oder für das die Emittentin dergestalt die Haftung übernommen hat, dass die betreffenden Verbindlichkeiten der Emittentin aus der maßgeblichen Garantie oder Haftungsübernahme mit den Stammaktien der Emittentin gleichrangig oder als gleichrangig

been satisfied in full; only after all of the aforementioned claims and claims under the Notes will first have been satisfied any remaining assets may be distributed to the holders of the Junior Securities of the Issuer.

"Parity Security" means any security, registered security or other instrument which (i) is issued by the Issuer and ranks or is expressed to rank *pari passu* with the Notes, including the Issuer's Subordinated Resettable Fixed Rate Notes due 2072, ISIN XS0674277933, or (ii) is issued by a Subsidiary and guaranteed by the Issuer or for which the Issuer has otherwise assumed liability where the Issuer's obligations under the relevant guarantee or other assumption of liability rank *pari passu* with the Issuer's obligations under the Notes.

"Junior Security" means (i) the ordinary share of the Issuer, (ii) any share of any other class of shares of the Issuer ranking *pari passu* with the ordinary shares of the Issuer, (iii) any other security, registered security or other instrument of the Issuer the Issuer's obligations under which rank or are expressed to rank *pari passu* with the ordinary shares of the Issuer and (iv) any security, registered security or other instrument which is issued by a Subsidiary and guaranteed by the Issuer or for which the Issuer has otherwise assumed liability where the Issuer's obligations under such guarantee or other assumption of liability rank or are expressed to rank *pari passu* with ordinary shares of the Issuer.

vereinbart sind.

"Tochtergesellschaft" bezeichnet jede Gesellschaft, Personengesellschaft und jedes sonstige Unternehmen oder jede andere Person an der bzw. dem die Emittentin direkt oder indirekt insgesamt mehr als 50 % des Kapitals oder der Stimmrechte hält.

- (2) Die Anleihegläubiger sind nicht berechtigt, Forderungen aus den Schuldverschreibungen gegen etwaige Forderungen der Emittentin gegen sie aufzurechnen, und die Emittentin ist nicht berechtigt, etwaige Forderungen, welche sie gegen einen Anleihegläubiger hat, gegen Forderungen dieses Anleihegläubigers aus den Schuldverschreibungen aufzurechnen.

§ 3 (Zinsen)

- (1) Zinslauf

Im Zeitraum ab dem 18. März 2014 (der **"Zinslaufbeginn"**) (einschließlich) bis zum Zinslaufende gemäß § 3(3) werden die Schuldverschreibungen bezogen auf den Gesamtnennbetrag in Höhe des Zinssatzes (wie nachstehend definiert) verzinst. Während dieses Zeitraums sind Zinsen nachträglich am 2. April eines jeden Jahres zur Zahlung vorgesehen, erstmals am 2. April 2015 (lange erste Zinsperiode) und vorbehaltlich einer vorzeitigen Rückzahlung oder eines Rückkaufs und anschließenden Entwertung letztmals am Endfälligkeitstermin (jeweils ein **"Zahlungstag"**), und werden nach Maßgabe der in § 4(1) dargelegten Bedingungen fällig.

- (2) Zinssatz.

- (a) Der **"Zinssatz"** entspricht

- (i) vom Zinslaufbeginn (einschließlich) bis zum 2. April 2021 (der **"Erste Rückzahlungstermin"**) (ausschließlich) einem Zinssatz in Höhe von jährlich [●] %;
- (ii) vom Ersten Rückzahlungstermin (einschließlich) bis zum 2. April 2026 (der **"Erste Modifizierte Reset-Termin"**) (ausschließlich) dem Reset-

"Subsidiary" means any corporation, partnership or other enterprise in which the Issuer directly or indirectly holds in the aggregate more than 50 per cent. of the capital or the voting rights.

- (2) The Holders may not set off any claim arising under the Notes against any claim that the Issuer may have against any of them. The Issuer may not set off any claims it may have against any Holder against any claims of such Holder under the Notes.

§ 3 (Interest)

- (1) Interest accrual.

In the period from and including 18 March 2014 (the **"Interest Commencement Date"**) to the cessation of interest accrual in accordance with § 3(3) the Notes bear interest on their aggregate principal amount at the Rate of Interest (as defined below). During such period, interest is scheduled to be paid annually in arrear on 2 April of each year, commencing on 2 April 2015 (long first coupon) with the last interest payment scheduled to be paid on the Maturity Date (subject to early redemption or repurchase and cancellation) (each an **"Interest Payment Date"**), and will be due and payable (*fällig*) in accordance with the conditions set out in § 4(1).

- (2) Interest rate.

- (a) The **"Rate of Interest"** will be

- (i) from and including the Interest Commencement Date to but excluding 2 April 2021 (the **"First Call Date"**) a rate of [●] per cent. per annum;
- (ii) from and including the First Call Date to but excluding 2 April 2026 (the **"First Modified Reset Date"**) the Reset Interest Rate for the relevant Reset

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| <p>Zinssatz für den betreffenden Reset-Zeitraum;</p> <p>(iii) vom Ersten Modifizierten Reset-Termin (einschließlich) bis zum 2. April 2041 (der "Zweite Modifizierte Reset-Termin") (ausschließlich) dem Ersten Modifizierten Reset-Zinssatz für den betreffenden Reset-Zeitraum; und</p> <p>(iv) vom Zweiten Modifizierten Reset-Termin (einschließlich) bis zum Endfälligkeitstermin (ausschließlich) dem Zweiten Modifizierten Reset-Zinssatz für den betreffenden Reset-Zeitraum.</p> <p>(b) Der "Reset-Zinssatz" ist der 5-Jahres Swapsatz für den betreffenden Reset-Zeitraum zuzüglich [\bullet]¹ Basispunkte per annum, wie von der Berechnungsstelle festgelegt.</p> <p>(c) Der "Erste Modifizierte Reset-Zinssatz" ist der 5-Jahres Swapsatz für den betreffenden Reset-Zeitraum zuzüglich [\bullet]² Basispunkte per annum, wie von der Berechnungsstelle festgelegt.</p> <p>(d) Der "Zweite Modifizierte Reset-Zinssatz" ist der 5-Jahres Swapsatz für den betreffenden Reset-Zeitraum zuzüglich [\bullet]³ Basispunkte per annum, wie von der Berechnungsstelle festgelegt.</p> <p>(e) Der "5-Jahres Swapsatz" für einen Reset-Zeitraum wird von der Berechnungsstelle vor dem Reset-Termin, an dem der betreffende Reset-Zeitraum beginnt, (der "Referenz-Reset-Termin") festgelegt und ist</p> <p>(i) das rechnerische Mittel der nachgefragten und angebotenen Sätze für den jährlichen Festzinssatzstrom (berechnet auf einer 30/360 Tageberechnungsbasis) einer fixed-for-floating Euro Zinsswap-</p> | <p>Period;</p> <p>(iii) from and including the First Modified Reset Date to but excluding 2 April 2041 (the "Second Modified Reset Date") the First Modified Reset Interest Rate for the relevant Reset Period; and</p> <p>(iv) from and including the Second Modified Reset Date to but excluding the Maturity Date the Second Modified Reset Interest Rate for the relevant Reset Period.</p> <p>(b) The "Reset Interest Rate" will be the 5-year Swap Rate for the relevant Reset Period plus [\bullet]¹ basis points per annum, as determined by the Calculation Agent.</p> <p>(c) The "First Modified Reset Interest Rate" will be the 5-year Swap Rate for the relevant Reset Period plus [\bullet]² basis points per annum, as determined by the Calculation Agent.</p> <p>(d) The "Second Modified Reset Interest Rate" will be the 5-year Swap Rate for the relevant Reset Period plus [\bullet]³ basis points per annum, as determined by the Calculation Agent.</p> <p>(e) The "5-year Swap Rate" for a Reset Period will be determined by the Calculation Agent prior to the Reset Date on which the relevant Reset Period commences (the "Reference Reset Date") and will be</p> <p>(i) the arithmetic mean of the bid and offered rates for the annual fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating Euro interest rate swap transaction which (x) has a term of 5 years and</p> |
|---|---|

¹ Ursprünglicher Credit Spread (kein Step-up).
Initial credit spread (no step-up).

² Ursprünglicher Credit Spread plus 25 Basispunkte.
Initial credit spread plus 25bps.

³ Ursprünglicher Credit Spread plus 100 Basispunkte (25+75 Basispunkte).
Initial credit spread plus 100bps (25bps+75bps).

Transaktion, (x) die eine 5-jährige Laufzeit hat und am Referenz-Reset-Termin beginnt, (y) die auf einen Betrag lautet, der dem einer repräsentativen einzelnen Transaktion in dem relevanten Markt zur relevanten Zeit eines anerkannten Händlers mit guter Bonität im Swap-Markt entspricht, und (z) deren variabler Zahlungsstrom auf dem 6-Monats EURIBOR Satz beruht (berechnet auf einer Actual/360 Tage-Berechnungsbasis), wie es am zweiten Geschäftstag vor dem Referenz-Reset-Termin (der "**Reset-Zinsfeststellungstag**") um 11:00 Uhr (Frankfurter Zeit) auf dem Reuters Bildschirm "ISDAFIX2" unter der Überschrift "EURIBOR BASIS" und dem Untertitel "11:00 AM Frankfurt time" (auf dem solche Überschriften und Untertitel von Zeit zu Zeit erscheinen) (oder eine andere Bildschirmseite von Reuters oder einem anderen Informationsanbieter, die diese Seite zur Anzeige des in diesem Absatz beschriebenen rechnerischen Mittels von Swap-Transaktionen ersetzt) (die "**Reset-Bildschirmseite**") angezeigt wird; oder

- (ii) falls irgendeine für Alternative (i) benötigte Information am Reset-Zinsfeststellungstag nicht auf der Reset-Bildschirmseite erscheint, der Reset-Referenzbankensatz am Reset-Zinsfeststellungstag,

wie jeweils von der Berechnungsstelle festgelegt.

- (f) Die Berechnungsstelle wird den Reset-Zinssatz für die Schuldverschreibungen am Reset-Zinsfeststellungstag bestimmen und veranlassen, dass dieser der Emittentin, der Hauptzahlstelle und jeder Börse, an der die Schuldverschreibungen zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, sowie den Anleihegläubigern gemäß § 11 unverzüglich, aber keinesfalls später als am achten auf

commencing on the Reference Reset Date, (y) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (z) has a floating leg based on the 6-months EURIBOR rate (calculated on an Actual/360 day count basis), as such arithmetic mean appears on the Reuters screen "ISDAFIX2" under the heading "EURIBOR BASIS" and the caption "11:00 AM Frankfurt time" (as such headings and captions may appear from time to time) as of 11.00 a.m. (Frankfurt time) (or another screen page of Reuters or another information service, which is the successor to such Reuters screen for the purpose of displaying the arithmetic mean of swap transactions as described in this paragraph) (the "**Reset Screen Page**") on the second Business Day prior to the Reference Reset Date (the "**Reset Interest Determination Date**"); or

- (ii) in the event that any of the information required for the purposes of alternative (i) does not appear on the Reset Screen Page on the Reset Interest Determination Date, the Reset Reference Bank Rate on the Reset Interest Determination Date,

in each case as determined by the Calculation Agent.

- (f) The Calculation Agent will, on the Reset Interest Determination Date, determine the Reset Rate of Interest and cause the same to be notified to the Issuer, the Principal Paying Agent and, if required by the rules of any stock exchange on which the Notes are then listed, to such stock exchange, and to the Holders in accordance with § 11 without undue delay, but, in any case, not later than on the eighth

dessen Bestimmung folgenden Geschäftstag mitgeteilt wird.

- (g) Die Zinsen für einen beliebigen Zeitraum werden auf der Grundlage des Zinstagequotienten berechnet.

"**Zinstagequotient**" bezeichnet bei der Berechnung des Zinsbetrages für einen beliebigen Zeitraum (ab dem ersten Tag dieses Zeitraums (einschließlich) bis zum letzten Tag dieses Zeitraums (ausschließlich)) (der "**Zinsberechnungszeitraum**"):

- (i) wenn der Zinsberechnungszeitraum der Feststellungsperiode entspricht, in die er fällt, oder kürzer als diese ist, die Anzahl von Tagen in dem Zinsberechnungszeitraum dividiert durch die Anzahl von Tagen in der betreffenden Feststellungsperiode; und
- (ii) wenn der Zinsberechnungszeitraum länger als eine Feststellungsperiode ist, die Summe aus
- (A) der Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum, die in die Feststellungsperiode fallen, in der der Zinsberechnungszeitraum beginnt, dividiert durch das Produkt aus (x) der Anzahl der Tage in der betreffenden Feststellungsperiode und (y) der Anzahl der Feststellungsperioden, die üblicherweise in einem Jahr enden; und
- (B) die Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum, die in die nachfolgende Feststellungsperiode fallen, dividiert durch das Produkt aus (x) der Anzahl der Tage in der betreffenden Feststellungsperiode und (y) der Anzahl der Feststellungsperioden, die üblicherweise in einem Jahr enden.

Dabei gilt folgendes:

Business Day after its determination.

- (g) Interest for any period of time will be calculated on the basis of the Day Count Fraction.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last day of such period) (the "**Calculation Period**"):

- (i) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the number of days in such Determination Period; and
- (ii) if the Calculation Period is longer than one Determination Period, the sum of:
- (A) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (B) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year.

Where:

"Feststellungsperiode" bezeichnet jede Periode ab einem Feststellungstermin (einschließlich), der in ein beliebiges Jahr fällt, bis zum nächsten Feststellungstermin (ausschließlich).

"Feststellungstermin" bezeichnet jeden 2. April.

(3) Zinslaufende.

Die Verzinsung der Schuldverschreibungen endet mit Beginn des Tages, an dem ihr Kapitalbetrag zur Rückzahlung fällig wird. Sollte die Emittentin eine Zahlung von Kapital auf diese Schuldverschreibungen bei Fälligkeit nicht leisten, endet die Verzinsung der Schuldverschreibungen mit Beginn des Tages der tatsächlichen Zahlung. Der in einem solchen Fall jeweils anzuwendende Zinssatz wird gemäß diesem § 3 bestimmt.

(4) In diesen Anleihebedingungen gilt Folgendes:

"Geschäftstag" bezeichnet einen Tag, an dem alle maßgeblichen Stellen des Trans-European Automated Real-time Gross settlement Express Transfer (TARGET 2) Systems Geschäfte tätigen;

Der **"Reset-Referenzbankensatz"** ist der Prozentsatz, der auf Basis der 5-Jahres Swapsatz-Quotierungen, die der Berechnungsstelle ungefähr um 11:00 Uhr (Frankfurter Zeit) von fünf führenden Swap-Händlern im Interbankenhandel (die **"Reset-Referenzbanken"**) gestellt werden, am Reset-Zinsfeststellungstag von der Berechnungsstelle festgelegt wird. Wenn mindestens drei Quotierungen genannt werden, wird der 5-Jahres Swapsatz das rechnerische Mittel der Quotierungen unter Ausschluss der höchsten Quotierung (bzw., für den Fall von gleich hohen Quotierungen, einer der höchsten Quotierungen) und der niedrigsten Quotierung (bzw., für den Fall von gleich hohen Quotierungen, einer der niedrigsten Quotierungen) sein.

"Reset-Termin" bezeichnet jeweils den Ersten Rückzahlungstermin, den 2. April 2026, den 2. April 2031, den 2. April 2036, den 2. April

"Determination Period" means each period from and including a Determination Date in any year to but excluding the next Determination Date.

"Determination Date" means each 2 April.

(3) Cessation of interest accrual.

The Notes will cease to bear interest from the beginning of the day their principal amount is due for repayment. If the Issuer fails to make any payment of principal under the Notes when due, the Notes will cease to bear interest from the beginning of the day on which such payment is made. In such case the applicable rate of interest will be determined pursuant to this § 3.

(4) In these Terms and Conditions the following applies:

"Business Day" means a day on which all relevant parts of the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET 2) system are operational;

"Reset Reference Bank Rate" means the percentage rate determined by the Calculation Agent on the basis of the 5-year Swap Rate Quotations provided by five leading swap dealers in the interbank market (the **"Reset Reference Banks"**) to the Calculation Agent at approximately 11.00 a.m. (Frankfurt time) on the Reset Interest Determination Date. If at least three quotations are provided, the 5-year Swap Rate will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

"Reset Date" means each of the First Call Date, 2 April 2026, 2 April 2031, 2 April 2036, 2 April 2041, 2 April 2046, 2 April 2051, 2 April

2041, den 2. April 2046, den 2. April 2051, den 2. April 2056, den 2. April 2061, den 2. April 2066 und den 2. April 2071.

"Reset-Zeitraum" bezeichnet jeden Zeitraum ab dem Ersten Rückzahlungstermin (einschließlich) bis zum ersten Reset-Termin (ausschließlich) und nachfolgend ab jedem Reset-Termin (einschließlich) bis zu dem jeweils nächstfolgenden Reset-Termin (ausschließlich) und, im Fall des letzten Reset-Zeitraums ab dem letzten Reset-Termin (einschließlich) bis zu dem Endfälligkeitstag (ausschließlich).

"5-Jahres Swapsatz-Quotierungen" bezeichnet das rechnerische Mittel der nachgefragten und angebotenen Sätze für den jährlichen Festzinszahlungsstrom (berechnet auf einer 30/360 Tagesberechnungsbasis) einer fixed-for-floating Euro Zinsswap-Transaktion, (x) die eine 5-jährige Laufzeit hat und am Referenz-Reset-Termin beginnt, (y) die auf einen Betrag lautet, der dem einer repräsentativen einzelnen Transaktion in dem relevanten Markt zur relevanten Zeit eines anerkannten Händlers mit guter Bonität im Swap-Markt entspricht, und (z) deren variabler Zahlungsstrom auf dem 6-Monats EURIBOR Satz beruht (berechnet auf einer Actual/360 Tage-Berechnungsbasis).

§ 4

(Fälligkeit von Zinszahlungen; Aufschub von Zinszahlungen;

Zahlung Aufgeschobener Zinszahlungen)

- (1) Fälligkeit von Zinszahlungen; wahlweiser Zinsaufschub.
- (a) Zinsen werden für jede Zinsperiode an dem unmittelbar auf diese Zinsperiode folgenden Zinszahlungstag fällig, sofern sich die Emittentin nicht durch eine Bekanntmachung an die Anleihegläubiger gemäß § 11 innerhalb einer Frist von nicht weniger als 10 und nicht mehr als 15 Geschäftstagen vor dem betreffenden Zinszahlungstag dazu entscheidet, die betreffende Zinszahlung auszusetzen.

Wenn sich die Emittentin an einem

2056, 2 April 2061, 2 April 2066 and 2 April 2071.

"Reset Period" means each period from and including the First Call Date to but excluding the next following Reset Date and thereafter from and including each Reset Date to but excluding the next following Reset Date and, in the case of the final Reset Period, from and including the final Reset Date to but excluding the Maturity Date.

"5-year Swap Rate Quotations" means the arithmetic mean of the bid and offered rates for the annual fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating Euro interest rate swap transaction which transaction (x) has a term of 5 years and commencing on the Reference Reset Date, (y) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (z) has a floating leg based on the 6-months EURIBOR rate (calculated on an Actual/360 day count basis).

§ 4

(Due date for interest payments; Deferral of interest payments;

Payment of Deferred Interest Payments)

- (1) Due date for interest payments; optional interest deferral.
- (a) Interest for each Interest Period will be due and payable (*fällig*) on the Interest Payment Date immediately following such Interest Period, unless the Issuer elects, by giving not less than 10 and not more than 15 Business Days' notice to the Holders prior to the relevant Interest Payment Date in accordance with § 11, to defer the relevant payment of interest.

If the Issuer elects not to pay accrued interest

Zinszahlungstag zur Nichtzahlung aufgelaufener Zinsen entscheidet, dann ist sie nicht verpflichtet, an dem betreffenden Zinszahlungstag Zinsen zu zahlen. Eine Nichtzahlung aus diesem Grunde begründet keinen Verzug der Emittentin und keine anderweitige Verletzung ihrer Verpflichtungen aufgrund dieser Schuldverschreibungen oder für sonstige Zwecke.

Nach Maßgabe dieses § 4(1)(a) nicht fällig gewordene Zinsen sind aufgeschobene Zinszahlungen ("**Aufgeschobene Zinszahlungen**").

"**Zinsperiode**" bezeichnet jeden Zeitraum ab dem Zinslaufbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und nachfolgend ab jedem Zinszahlungstag (einschließlich) bis zu dem jeweils nächstfolgenden Zinszahlungstag (ausschließlich).

- (b) Aufgeschobene Zinszahlungen werden nicht verzinst.
- (2) Freiwillige Zahlung von Aufgeschobenen Zinszahlungen.

Die Emittentin ist berechtigt, ausstehende Aufgeschobene Zinszahlungen jederzeit insgesamt oder teilweise nach Bekanntmachung an die Anleihegläubiger gemäß § 11 unter Einhaltung einer Frist von nicht weniger als 10 und nicht mehr als 15 Geschäftstagen nachzuzahlen, wobei eine solche Bekanntmachung (i) den Betrag an Aufgeschobenen Zinszahlungen, der gezahlt werden soll, und (ii) den für diese Zahlung festgelegten Termin (der "**Freiwillige Nachzahlungstermin**") enthalten muss.

- (3) Pflicht zur Zahlung von Aufgeschobenen Zinszahlungen.

Die Emittentin ist verpflichtet, ausstehende Aufgeschobene Zinszahlungen insgesamt und nicht nur teilweise am nächsten Pflichtnachzahlungstag zu zahlen.

"**Pflichtnachzahlungstag**" bezeichnet den frühesten der folgenden Tage:

- (i) den Tag, der fünf Geschäftstage nach

on an Interest Payment Date, then it will not have any obligation to pay interest on such Interest Payment Date. Any such failure to pay interest will not constitute a default of the Issuer or any other breach of its obligations under the Notes or for any other purpose.

Interest not due and payable in accordance with this § 4(1)(a) will constitute deferred interest payments ("**Deferred Interest Payments**").

"**Interest Period**" means each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and thereafter from and including each Interest Payment Date to but excluding the next following Interest Payment Date.

- (b) Deferred Interest Payments will not bear interest.
- (2) Optional Settlement of Deferred Interest Payments.

The Issuer will be entitled to pay outstanding Deferred Interest Payments (in whole or in part) at any time on giving not less than 10 and not more than 15 Business Days' notice to the Holders in accordance with § 11 which notice will specify (i) the amount of Deferred Interest Payments to be paid and (ii) the date fixed for such payment (the "**Optional Settlement Date**").

- (3) Mandatory payment of Deferred Interest Payments.

The Issuer must pay outstanding Deferred Interest Payments (in whole but not in part) on the next Mandatory Settlement Date.

"**Mandatory Settlement Date**" means the earliest of:

- (i) the date falling five Business Days after

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| | dem Tag liegt, an dem ein Obligatorisches Nachzahlungsereignis eingetreten ist; | | the date on which a Compulsory Settlement Event has occurred; |
| (ii) | den Tag, an dem die Emittentin aufgelaufene Zinsen, die keine Aufgeschobenen Zinszahlungen sind, auf die Schuldverschreibungen zahlt; | (ii) | the date on which the Issuer pays scheduled interest on the Notes which does not constitute a Deferred Interest Payment; |
| (iii) | den Tag, an dem die Emittentin oder eine Tochtergesellschaft eine Dividende, sonstige Ausschüttung oder sonstige Zahlung auf ein Gleichrangiges Wertpapier zahlt; | (iii) | the date on which the Issuer or any Subsidiary pays any dividend, other distribution or other payment in respect of any Parity Security; |
| (iv) | den Tag, an dem die Emittentin oder eine Tochtergesellschaft ein Gleichrangiges Wertpapier zurückzahlt oder den Tag, der fünf Geschäftstage nach dem Tag liegt, an dem die Emittentin oder eine Tochtergesellschaft ein Gleichrangiges Wertpapier zurückkauft oder anderweitig erwirbt (jeweils direkt oder indirekt); | (iv) | the date on which the Issuer or any Subsidiary redeems any Parity Security, or the date falling five Business Days after the date on which the Issuer or any Subsidiary repurchases or otherwise acquires (in each case directly or indirectly) any Parity Security; |
| (v) | den Tag an dem die Emittentin Schuldverschreibungen gemäß diesen Anleihebedingungen zurückzahlt oder den Tag, der fünf Geschäftstage nach dem Tag liegt, an dem die Emittentin oder eine Tochtergesellschaft (jeweils direkt oder indirekt) Schuldverschreibungen zurückkauft oder anderweitig erwirbt; und | (v) | the date on which the Issuer redeems Notes in accordance with these Terms and Conditions, or the date falling five Business Days after the date on which the Issuer or any Subsidiary repurchases or otherwise acquires (in each case directly or indirectly) Notes; and |
| (vi) | den Tag, an dem eine Entscheidung hinsichtlich der Auseinandersetzung, Liquidation oder Auflösung der Emittentin ergeht (sofern dies nicht für die Zwecke oder als Folge eines Zusammenschlusses, einer Umstrukturierung oder Sanierung geschieht, bei dem bzw. bei der die Emittentin noch zahlungsfähig ist und bei dem bzw. bei der die fortführende Gesellschaft im Wesentlichen alle Vermögenswerte und Verpflichtungen der Emittentin übernimmt), | (vi) | the date on which an order is made for the winding up, liquidation or dissolution of the Issuer (other than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent, where the continuing entity assumes substantially all of the assets and obligations of the Issuer), |
| | mit der Maßgabe, dass | | provided that |
| (x) | in den vorgenannten Fällen (iii) und (iv) kein Pflichtnachzahlungstag vorliegt, | (x) | in the cases (iii) and (iv) above no Mandatory Settlement Date occurs if the |

wenn die Emittentin oder die betreffende Tochtergesellschaft nach Maßgabe der Emissionsbedingungen des betreffenden Gleichrangigen Wertpapiers zu der Zahlung, zu der Rückzahlung, zu dem Rückkauf oder zu dem anderweitigen Erwerb verpflichtet ist;

(y) in den vorgenannten Fällen (iv) und (v) kein Pflichtnachzahlungstag vorliegt, wenn die Emittentin oder die betreffende Tochtergesellschaft (jeweils direkt oder indirekt) Gleichrangige Wertpapiere oder Schuldverschreibungen (insgesamt oder teilweise) nach einem öffentlichen Rückkaufangebot oder öffentlichen Umtauschangebot mit einer unter dem Nennwert liegenden Gegenleistung je Gleichrangigem Wertpapier bzw. je Schuldverschreibung zurückkauft oder anderweitig erwirbt; und

(z) in den vorgenannten Fällen (iii) und (iv) kein Pflichtnachzahlungstag vorliegt, wenn die betreffenden Zahlungen auf oder in Bezug auf Gleichrangige Wertpapiere konzerninterne Zahlungen sind.

(4) Definitionen.

In diesen Anleihebedingungen gilt Folgendes:

"Konzerninterne Zahlungen" sind Zahlungen, die ausschließlich an die Emittentin und/oder an eine oder mehrere ihrer Tochtergesellschaften erfolgen.

Ein **"Obligatorisches Nachzahlungsereignis"** bezeichnet vorbehaltlich des nachstehenden Satzes 2 jedes der folgenden Ereignisse:

(i) die ordentliche Hauptversammlung der Emittentin beschließt, eine Dividende, sonstige Ausschüttung oder sonstige Zahlung auf eine Aktie einer beliebigen Gattung der Emittentin zu leisten (mit Ausnahme einer Dividende, Ausschüttung oder Zahlung in Form von

Issuer or the relevant Subsidiary is obliged under the terms and conditions of such Parity Security to make such payment, such redemption, such repurchase or such other acquisition;

(y) in the cases (iv) and (v) above no Mandatory Settlement Date occurs if the Issuer or the relevant Subsidiary repurchases or otherwise acquires (in each case directly or indirectly) any Parity Securities or Notes in whole or in part in a public tender offer or public exchange offer at a consideration per Parity Security or, as applicable, per Note below its par value; and

(z) in the cases (iii) and (iv) above no Mandatory Settlement Date occurs if the relevant payments on, or in respect of, any Parity Securities are Intra-Group Payments.

(4) Definitions.

For the purposes of these Terms and Conditions:

"Intra-Group Payments" means payments made exclusively to the Issuer and/or one or more of its Subsidiaries.

"Compulsory Settlement Event" means any of the following events, subject to the proviso in sentence 2 below:

(i) the ordinary general meeting of shareholders (*ordentliche Hauptversammlung*) of the Issuer resolves on the payment of any dividend, other distribution or other payment on any share of any class of the Issuer (other than a dividend, distribution or payment which is made in

Stammaktien der Emittentin);

- (ii) die Emittentin oder eine Tochtergesellschaft zahlt eine Dividende, sonstige Ausschüttung oder sonstige Zahlung auf ein Nachrangiges Wertpapier (mit Ausnahme einer Dividende, Ausschüttung oder Zahlung in Form von Stammaktien der Emittentin); oder
- (iii) die Emittentin oder eine Tochtergesellschaft (jeweils direkt oder indirekt) zahlt oder kauft ein Nachrangiges Wertpapier zurück oder erwirbt es anderweitig.

In den vorgenannten Fällen (ii) und (iii) tritt jedoch kein Obligatorisches Nachzahlungsereignis ein, wenn

- (x) die Emittentin oder die betreffende Tochtergesellschaft nach Maßgabe der Emissionsbedingungen des betreffenden Nachrangigen Wertpapiers zu der Zahlung, zu der Rückzahlung, zu dem Rückkauf oder zu dem anderweitigen Erwerb verpflichtet ist;
- (y) die Emittentin oder die betreffende Tochtergesellschaft eine Aktie einer beliebigen Gattung der Emittentin oder ein Nachrangiges Wertpapier nach Maßgabe eines bestehenden oder zukünftigen Aktienoptions- oder Aktienbeteiligungsprogramms oder ähnlichen Programms für Mitglieder des Vorstands oder des Aufsichtsrats (oder, im Falle verbundener Unternehmen, ähnlicher Gremien) oder Mitarbeiter der Emittentin oder mit ihr verbundener Unternehmen (jeweils direkt oder indirekt) zurückkauft oder anderweitig erwirbt; oder
- (z) die betreffenden Zahlungen auf oder in Bezug auf Nachrangige Wertpapiere Konzerninterne Zahlungen sind.

the form of ordinary shares of the Issuer);

- (ii) the Issuer or any Subsidiary pays any dividend, other distribution or other payment in respect of any Junior Security (other than a dividend, distribution or payment which is made in the form of ordinary shares of the Issuer); or
- (iii) the Issuer or any Subsidiary redeems, repurchases or otherwise acquires (in each case directly or indirectly) any Junior Security.

The cases (ii) and (iii) above are subject to the proviso that no Compulsory Settlement Event occurs if

- (x) the Issuer or the relevant Subsidiary is obliged under the terms and conditions of such Junior Security to make such payment, such redemption, such repurchase or such other acquisition;
- (y) the Issuer or the relevant Subsidiary repurchases or otherwise acquires (in each case directly or indirectly) any share of any class of the Issuer or any Junior Security pursuant to the obligations of the Issuer under any existing or future stock option or stock ownership programme or similar programme for any members of the executive board or supervisory board (or, in the case of affiliates, comparable boards) or employees of the Issuer or any of its affiliates; or
- (z) the relevant payments on, or in respect of, any Junior Securities are Intra-Group Payments.

§ 5

(Rückzahlung und Rückkauf)

- (1) Rückzahlung des Kapitals bei Endfälligkeit.
Sofern nicht bereits zuvor zurückgezahlt oder zurückgekauft, wird die Emittentin den Gesamtnennbetrag der ausstehenden Schuldverschreibungen am 2. April 2076 (der "**Endfälligkeitstag**") zurückzahlen.
- (2) Rückkauf.
Die Emittentin oder eine Tochtergesellschaft, soweit gesetzlich zulässig, jederzeit Schuldverschreibungen auf dem freien Markt oder anderweitig sowie zu jedem beliebigen Preis kaufen. Derartig erworbene Schuldverschreibungen können entwertet, gehalten oder wieder veräußert werden.
- (3) Rückzahlung nach Wahl der Emittentin.
Die Emittentin kann die Schuldverschreibungen (insgesamt und nicht nur teilweise) mit Wirkung zum Ersten Rückzahlungstermin oder jedem nachfolgenden Wahl-Rückzahlungstag durch Erklärung gemäß § 5(5) kündigen. Im Falle einer solchen Kündigung hat die Emittentin die Schuldverschreibungen am festgelegten Rückzahlungstermin zum Nennbetrag zuzüglich der bis zum Tag der Rückzahlung in Bezug auf die Schuldverschreibungen aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 4(3) fälligen Aufgeschobenen Zinszahlungen zurückzuzahlen.
"Wahl-Rückzahlungstag" bezeichnet jeden Zinszahlungstag, der auf den 2. April 2021, den 2. April 2026, den 2. April 2031, den 2. April 2036, den 2. April 2041, den 2. April 2046, den 2. April 2051, den 2. April 2056, den 2. April 2061, den 2. April 2066 und den 2. April 2071 fällt oder am Nächsten dazu liegt.
- (4) Rückzahlung nach Eintritt eines Gross-up Ereignisses, eines Steuerereignisses, eines Rechnungslegungsereignisses oder eines Ratingagenturereignisses oder bei geringem ausstehenden Gesamtnennbetrag

(a) *Gross-up Ereignis.*

§ 5

(Redemption and Repurchase)

- (1) Repayment of Principal at Maturity.
Unless previously redeemed or repurchased, Issuer will repay the aggregate principal amount of the Notes outstanding on 2 April 2076 (the "**Maturity Date**").
- (2) Repurchase.
Subject to applicable laws, the Issuer or any Subsidiary may at any time purchase Notes in the open market or otherwise and at any price. Such acquired Notes may be cancelled, held or resold.
- (3) Redemption at the Option of the Issuer.
The Issuer may, upon giving notice in accordance with § 5(5), call the Notes for redemption (in whole but not in part) with effect as of the First Call Date or on any Optional Call Date thereafter. In the case such call notice is given, the Issuer shall redeem the remaining Notes at the Principal Amount plus any accrued and unpaid interest on the Notes to but excluding the date of redemption and, for the avoidance of doubt, any Deferred Interest Payments payable pursuant to § 4(3) on the specified redemption date.
- (4) Redemption following a Gross-up Event, a Tax Event, an Accounting Event or a Rating Agency Event, or in case of minimal outstanding aggregate principal amount.

(a) *Gross-up Event.*

"Optional Call Date" means each Interest Payment Date falling on or nearest to 2 April 2021, 2 April 2026, 2 April 2031, 2 April 2036, 2 April 2041, 2 April 2046, 2 April 2051, 2 April 2056, 2 April 2061, 2 April 2066 and 2 April 2071.

Die Emittentin ist jederzeit berechtigt, durch Erklärung gemäß § 5(5) die Schuldverschreibungen (insgesamt und nicht nur teilweise) nach Eintritt eines Gross-Up Ereignisses mit Wirkung zu dem in der Erklärung gemäß § 5(5) für die Rückzahlung festgelegten Tag zu kündigen. Im Falle einer solchen Kündigung hat die Emittentin die Schuldverschreibungen am festgelegten Rückzahlungstermin zum Nennbetrag zuzüglich der bis zum Tag der Rückzahlung in Bezug auf die Schuldverschreibungen aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 4(3) fälligen Aufgeschobenen Zinszahlungen zurückzuzahlen.

Ein "**Gross-up Ereignis**" liegt vor, wenn die Emittentin am oder nach dem Tag der Begebung der Schuldverschreibungen durch eine gesetzgebende Körperschaft, ein Gericht oder eine Behörde oder aufgrund einer Gesetzesänderung (oder einer Änderung von darunter erlassenen Bestimmungen und Vorschriften) der Bundesrepublik Deutschland oder einer ihrer Gebietskörperschaften oder Behörden oder als Folge einer Änderung der offiziellen Auslegung oder Anwendung dieser Gesetze, Bestimmungen oder Vorschriften durch eine gesetzgebende Körperschaft, ein Gericht oder eine Behörde verpflichtet ist oder verpflichtet sein wird, Zusätzliche Beträge gemäß § 7 zu zahlen und die Emittentin diese Verpflichtung nicht abwenden kann, indem sie zumutbare Maßnahmen ergreift, die sie nach Treu und Glauben für angemessen hält.

Die Bekanntmachung der vorzeitigen Rückzahlung darf nicht früher als 90 Tage vor dem Tag erfolgen, an dem die Emittentin erstmals verpflichtet wäre, Zusätzliche Beträge gemäß § 7 zu zahlen.

- (b) Rückzahlung nach Eintritt eines Steuerereignisses, eines Rechnungslegungsereignisses oder eines Ratingagenturereignisses oder bei geringem ausstehenden Gesamtnennbetrag.

Wenn

At any time the Issuer may upon giving notice in accordance with § 5(5) call the Notes for redemption (in whole but not in part) following the occurrence of a Gross-Up Event with effect as of the date fixed for redemption in the notice pursuant to § 5(5). In the case such call notice is given, the Issuer shall redeem the remaining Notes on the specified redemption date at the Principal Amount plus any accrued and unpaid interest on the Notes to but excluding the date of redemption and, for the avoidance of doubt, any Deferred Interest Payments payable pursuant to § 4(3).

A "**Gross-up Event**" will occur if on or after the date of issue of the Notes the Issuer has or will become obliged by a legislative body, a court or any authority to pay Additional Amounts pursuant to § 7 as a result of any change in or amendment to the laws (or any rules or regulations thereunder) of the Federal Republic of Germany or any political subdivision or any authority of or in the Federal Republic of Germany, or any change in or amendment to any official interpretation or application of those laws or rules or regulations, and that obligation cannot be avoided by the Issuer taking such reasonable measures it (acting in good faith) deems appropriate.

No such notice of early redemption may be given earlier than 90 days prior to the earliest date on which the Issuer would be for the first time obliged to pay the Additional Amounts pursuant to § 7.

- (b) Redemption following the occurrence of a Tax Event, an Accounting Event or a Rating Agency Event or in case of minimal outstanding aggregate principal amount.

If

- (i) ein Ratingagenturereignis eintritt; oder
- (ii) ein Rechnungslegungsereignis eintritt; oder
- (iii) ein Steuerereignis eintritt; oder
- (iv) die Emittentin oder eine Tochtergesellschaft Schuldverschreibungen im Volumen von 80 % oder mehr des ursprünglich begebenen Gesamtnennbetrages der Schuldverschreibungen erworben oder zurückgezahlt hat,

dann ist die Emittentin berechtigt, durch Erklärung gemäß § 5(5) die Schuldverschreibungen (insgesamt und nicht nur teilweise) jederzeit mit Wirkung zu dem in der Erklärung gemäß § 5(5) für die Rückzahlung festgelegten Tag zu kündigen. Im Falle einer solchen Kündigung hat die Emittentin die Schuldverschreibungen am festgelegten Rückzahlungstermin (i) zu 101 % des Nennbetrages, falls die Rückzahlung vor dem Ersten Rückzahlungstermin erfolgt, und (ii) zum Nennbetrag, falls die Rückzahlung an oder nach dem Ersten Rückzahlungstermin erfolgt, jeweils zuzüglich der bis zum Tag der Rückzahlung in Bezug auf die Schuldverschreibungen aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 4(3) fälligen Aufgeschobenen Zinszahlungen, zurückzuzahlen.

Ein "Ratingagenturereignis" liegt vor, wenn die Emittentin von Moody's und/oder S&P schriftlich benachrichtigt wurde, dass die Schuldverschreibungen aufgrund einer Änderung der Hybridkapital Methodologie oder einer anderen relevanten Methodologie oder deren Auslegung nicht mehr derselben und auch nicht einer höheren Eigenkapitalanrechnungskategorie (oder einer anderen Klassifikation durch Moody's bzw. S&P, die beschreibt, in welchem Umfang der Bedingungen eines Finanzierungsinstrumentes die Fähigkeit des Emittenten zur Bedienung seiner vorrangigen Verbindlichkeiten stützt) zuzuordnen sind, der sie bei ihrer Begebung oder zu dem Zeitpunkt, an dem Moody's bzw.

- (i) a Rating Agency Event occurs; or
- (ii) an Accounting Event occurs; or
- (iii) a Tax Event occurs; or
- (iv) the Issuer or any Subsidiary has purchased or redeemed Notes equal to or in excess of 80 per cent. of the aggregate Principal Amount of the Notes initially issued,

the Issuer may, upon giving notice in accordance with § 5(5), call the Notes for redemption (in whole but not in part) at any time with effect as of the date fixed for redemption in the notice pursuant to § 5(5). In the case such call notice is given, the Issuer shall redeem the remaining Notes on the specified redemption date (i) at 101.00 per cent. of the Principal Amount if the redemption occurs prior to the First Call Date and (ii) at the Principal Amount if the redemption occurs on or after the First Call Date, in each case plus any accrued and unpaid interest on the Notes to but excluding the date of redemption and, for the avoidance of doubt, any Deferred Interest Payments payable pursuant to § 4(3).

A "Rating Agency Event" will occur if the Issuer has received written confirmation from Moody's and/or S&P that the Notes will no longer be eligible, due to a change in hybrid capital methodology or another relevant methodology or the interpretation thereof, for the same or higher category of "equity credit" or such similar nomenclature used by Moody's and/or S&P, as applicable, from time to time to describe the degree to which the terms of an instrument are supportive of the issuer's senior obligations, attributed to the Notes at the date of issuance or at the time when Moody's and/or S&P, as applicable, first confirmed the "equity credit" attributed to the Note following the date of issuance, in each case as published by

S&P die Eigenkapitalanrechnung nach Begebung erstmals bestätigt hat, ausweislich entsprechender Veröffentlichungen von Moody's bzw. S&P zugeordnet waren.

Dabei gilt folgendes:

"Moody's" bezeichnet Moody's Investors Service Ltd oder eine ihrer Nachfolgesellschaften.

"S&P" bezeichnet Standard & Poor's Credit Market Services Europe Limited, a division of the McGraw-Hill Companies, Inc. oder eine ihrer Tochter- oder Nachfolgesellschaften.

Ein **"Rechnungslegungsereignis"** liegt vor, wenn eine anerkannte Wirtschaftsprüfungsgesellschaft, die im Auftrag der Emittentin handelt, der Emittentin ein Gutachten übermittelt, wonach aufgrund einer Änderung der Rechnungslegungsgrundsätze die durch die Ausgabe der Schuldverschreibungen beschafften Gelder nicht oder nicht mehr als "Verbindlichkeit" gemäß den International Financial Reporting Standards ("**IFRS**") bzw. anderen Rechnungslegungsstandards, die die Emittentin für die Erstellung ihrer konsolidierten Jahresabschlüsse anstelle der IFRS anwenden kann, ausgewiesen werden dürfen.

Ein **"Steuerereignis"** liegt vor, wenn am oder nach dem Tag der Begebung der Schuldverschreibungen aufgrund einer Gesetzesänderung (oder einer Änderung von darunter erlassenen Bestimmungen und Vorschriften) der Bundesrepublik Deutschland oder einer ihrer Gebietskörperschaften oder einer ihrer Steuerbehörden, oder als Folge einer Änderung der offiziellen Auslegung oder Anwendung solcher Gesetze, Bestimmungen oder Vorschriften durch eine gesetzgebende Körperschaft, ein Gericht, eine Regierungsstelle oder eine Aufsichtsbehörde (einschließlich des Erlasses von Gesetzen sowie der Bekanntmachung gerichtlicher oder aufsichtsrechtlicher Entscheidungen), Zinsen, die von der Emittentin auf die Schuldverschreibungen zu zahlen sind, von der Emittentin nicht mehr für die Zwecke der

Moody's and/or S&P, as applicable.

Where:

"Moody's" means Moody's Investors Service Ltd or any of its successors.

"S&P" means Standard & Poor's Credit Market Services Europe Limited, a division of the McGraw-Hill Companies, Inc., or any of its subsidiaries or successors.

An **"Accounting Event"** shall occur if a recognised accountancy firm, acting upon instructions of the Issuer, has delivered an opinion to the Issuer, stating that as a result of a change in accounting principles the funds raised through the issuance of the Notes must not or must no longer be recorded as "liability" pursuant to the International Financial Reporting Standards ("**IFRS**") or any other accounting standards that may replace IFRS for the purposes of the annual consolidated financial statements of the Issuer.

A **"Tax Event"** will occur if on or after the date of issue of the Notes as a result of any amendment to, or change in, the laws (or any rules or regulations thereunder) of the Federal Republic of Germany or any political subdivision or any taxing authority thereof or therein, or as a result of any amendment to, or change in, an official interpretation or application of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination), interest payable by the Issuer in respect of the Notes is no longer fully deductible by the Issuer for German income tax purposes, and that risk cannot be avoided by the Issuer taking such reasonable measures as it (acting in good faith) deems

deutschen Ertragsteuer voll abzugsfähig sind und die Emittentin dieses Risiko nicht abwenden kann, indem sie zumutbare Maßnahmen ergreift, die sie nach Treu und Glauben für angemessen hält.

- (5) Bekanntmachung der Vorzeitigen Rückzahlung.

Die Emittentin kann ein Recht zur vorzeitigen Rückzahlung gemäß § 5(3) und (4) durch eine Bekanntmachung an die Anleihegläubiger gemäß § 11 unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen ausüben. Die Bekanntmachung soll in den Fällen des § 5(4) diejenigen Tatsachen enthalten, auf welche die Emittentin ihr Kündigungsrecht stützt, und den für die Rückzahlung festgelegten Tag bezeichnen.

§ 6 (Zahlungen)

- (1) Die Emittentin verpflichtet sich, Kapital und Zinsen auf die Schuldverschreibungen bei Fälligkeit in Euro zu zahlen. Die Zahlung von Kapital und Zinsen erfolgt, vorbehaltlich geltender steuerrechtlicher und sonstiger gesetzlicher Regelungen und Vorschriften, über die Hauptzahlstelle zur Weiterleitung an das Clearingsystem oder nach dessen Weisung zur Gutschrift für die jeweiligen Kontoinhaber. Die Zahlung an das Clearingsystem oder nach dessen Weisung befreit die Emittentin in Höhe der geleisteten Zahlung von ihren entsprechenden Verbindlichkeiten aus den Schuldverschreibungen. Eine Bezugnahme in diesen Anleihebedingungen auf Kapital oder Zinsen der Schuldverschreibungen schließt jegliche Zusätzlichen Beträge gemäß § 7 ein.
- (2) Falls ein Fälligkeitstag für die Zahlung von Kapital und/oder Zinsen kein Geschäftstag ist, erfolgt die Zahlung erst am nächstfolgenden Geschäftstag; die Anleihegläubiger sind nicht berechtigt, Zinsen oder eine andere Entschädigung wegen eines solchen Zahlungsaufschubs zu verlangen.

appropriate.

- (5) Notification of Early Redemption.

The Issuer will give not less than 30 nor more than 60 days' notice to the Holders in accordance with § 11 of any early redemption pursuant to § 5(3) and (4). In the case of § 5(4) such notices will set forth the underlying facts of the Issuer's right to early redemption and specify the date fixed for redemption.

§ 6 (Payments)

- (1) The Issuer undertakes to pay, as and when due, principal and interest on the Notes in euro. Payment of principal and interest on the Notes will be made, subject to applicable fiscal and other laws and regulations, through the Principal Paying Agent for on-payment to the Clearing System or to its order for credit to the respective account holders. Payments to the Clearing System or to its order will to the extent of amounts so paid constitute the discharge of the Issuer from its corresponding liabilities under the Notes. Any reference in these Terms and Conditions of the Notes to principal or interest will be deemed to include any Additional Amounts as set forth in § 7.
- (2) If the due date for any payment of principal and/or interest is not a Business Day, payment will be effected only on the next Business Day. The Holders will have no right to claim payment of any interest or other indemnity in respect of such delay in payment.

§ 7
(Besteuerung)

Sämtliche Zahlungen von Kapital und Zinsen in Bezug auf die Schuldverschreibungen sind ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder sonstigen Abgaben gleich welcher Art zu leisten, die von oder in der Bundesrepublik Deutschland oder für deren Rechnung oder von oder für Rechnung einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde in der Bundesrepublik Deutschland auferlegt oder erhoben werden, es sei denn, die Emittentin ist gesetzlich zu einem solchen Einbehalt oder Abzug verpflichtet. In diesem Fall wird die Emittentin diejenigen zusätzlichen Beträge ("**Zusätzlichen Beträge**") zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Gläubigern empfangen worden wären; die Verpflichtung zur Zahlung solcher zusätzlicher Beträge besteht jedoch nicht im Hinblick auf Steuern und Abgaben, die:

- (i) auf andere Weise als durch Einbehalt oder Abzug von zahlbaren Beträgen zu entrichten sind; oder
- (ii) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers zu der Bundesrepublik Deutschland zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in der Bundesrepublik Deutschland stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder
- (iii) aufgrund der Richtlinie des Europäischen Rats 2003/48/EG oder jeder anderen Richtlinie, die die Schlussfolgerungen des Treffens des ECOFIN-Rates vom 26.- 27. November 2000 betreffend die Besteuerung von Zinserträgen, umsetzt, oder aufgrund einer gesetzlichen Vorschrift, die diese Richtlinie umsetzt oder befolgt oder erlassen wurde, um der Richtlinie zu entsprechen, von Zahlungen an eine natürliche Person oder eine sonstige Einrichtung im Sinne der Richtlinie des Europäischen Rates 2003/48/EG

§ 7
(Taxation)

All payments of principal and interest in respect of the Notes will be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes or duties of whatever nature imposed or levied by way of withholding or deduction by or in or for the account of the Federal Republic of Germany or any political subdivision or any authority thereof or therein having power to tax unless the Issuer is required by law to make such withholding or deduction. In such event, the Issuer will pay such additional amounts ("**Additional Amounts**") as shall be necessary in order that the net amounts received by the Holders, after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable on account of any taxes or duties which:

- (i) are payable otherwise than by withholding or deduction from amounts payable; or
- (ii) are payable by reason of the Holder having, or having had, some personal or business connection with the Federal Republic of Germany and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, the Federal Republic of Germany; or
- (iii) are withheld or deducted from a payment to an individual or a residual entity within the meaning of the European Council Directive 2003/48/EC and are required to be made pursuant to the European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or

einzubehalten oder abzuziehen sind; oder

- (iv) aufgrund einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § 11 wirksam wird; oder
- (v) von einer Zahlstelle abgezogen oder einbehalten werden, wenn eine andere Zahlstelle die Zahlung ohne einen solchen Abzug oder Einbehalt hätte leisten können.

§ 8

(Vorlegungsfrist, Verjährung)

Die Vorlegungsfrist der Schuldverschreibungen wird auf zehn Jahre reduziert. Die Verjährungsfrist für Ansprüche aus den Schuldverschreibungen, die innerhalb der Vorlegungsfrist zur Zahlung vorgelegt wurden, beträgt zwei Jahre von dem Ende der betreffenden Vorlegungsfrist an.

§ 9

(Zahlstellen und Berechnungsstelle)

- (1) Bestellung.

Die Emittentin hat Deutsche Bank Aktiengesellschaft als Hauptzahlstelle in Bezug auf die Schuldverschreibungen (die "**Hauptzahlstelle**" und gemeinsam mit jeder etwaigen von der Emittentin nach § 9(2) bestellten zusätzlichen Zahlstelle, die "**Zahlstellen**") bestellt.

Die Emittentin hat Deutsche Bank Aktiengesellschaft als Berechnungsstelle in Bezug auf die Schuldverschreibungen (die "**Berechnungsstelle**" und, gemeinsam mit den Zahlstellen, die "**Verwaltungsstellen**") bestellt.

Die Geschäftsräume der Verwaltungsstellen befinden sich unter den folgenden Adressen:

- (iv) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment of principal or interest becomes due, or, if later, is duly provided for and notice thereof is published in accordance with § 11; or

- (v) are deducted or withheld by a Paying Agent from a payment if the payment could have been made by another Paying Agent without such deduction or withholding.

§ 8

(Presentation Period, Prescription)

The period for presentation of the Notes will be reduced to 10 years. The period of limitation for claims under the Notes presented during the period for presentation will be two years calculated from the expiration of the relevant presentation period.

§ 9

(Paying and Calculation Agent)

- (1) Appointment.

The Issuer has appointed Deutsche Bank Aktiengesellschaft as principal paying agent with respect to the Notes (the "**Principal Paying Agent**" and, together with any additional paying agent appointed by the Issuer in accordance with § 9(2), the "**Paying Agents**").

The Issuer has appointed Deutsche Bank Aktiengesellschaft as calculation agent with respect to the Notes (the "**Calculation Agent**" and, together with the Paying Agents, the "**Agents**").

The addresses of the specified offices of the Agents are:

Hauptzahlstelle:

Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Federal Republic of Germany

Berechnungsstelle:

Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Federal Republic of Germany

Principal Paying Agent:

Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Federal Republic of Germany

Calculation Agent:

Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Federal Republic of Germany

(2) Änderung oder Beendigung der Bestellung.

Die Emittentin behält sich das Recht vor, jederzeit die Benennung einer Zahlstelle zu verändern oder zu beenden und Nachfolger bzw. zusätzliche Zahlstellen zu ernennen. Den Anleihegläubigern werden Änderungen in Bezug auf die Zahlstellen, deren angegebenen Geschäftsstellen umgehend gemäß § 11 bekannt gemacht.

(2) Variation or Termination of Appointment.

The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint successor or additional Paying Agents. Notice of any change in the Paying Agents or in the specified office of any Paying Agent will promptly be given to the Holders pursuant to § 11.

(3) Status der beauftragten Stellen.

Die Zahlstellen und die Berechnungsstelle handeln ausschließlich als Vertreter der Emittentin und übernehmen keine Verpflichtungen gegenüber den Anleihegläubigern; es wird kein Vertrags-, Auftrags- oder Treuhandverhältnis zwischen ihnen und den Anleihegläubigern begründet. Die Zahlstellen sind von den Beschränkungen des § 181 des Bürgerlichen Gesetzbuchs befreit.

(3) Status of the Agents.

The Paying Agents and Calculation Agent act solely as agents of the Issuer and do not assume any obligations towards or relationship of contract, agency or trust for or with any of the Holders. The Paying Agents are exempt from the restrictions of § 181 of the German Civil Code (*Bürgerliches Gesetzbuch*).

**§ 10
(Weitere Emissionen)**

Die Emittentin kann ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen begeben, die in jeder Hinsicht (mit Ausnahme der ersten Zinszahlung) die gleichen Bedingungen wie die Schuldverschreibungen dieser Anleihe haben und die zusammen mit den Schuldverschreibungen dieser Anleihe eine einzige Anleihe bilden.

**§ 10
(Further Issues)**

The Issuer may from time to time, without the consent of the Holders, create and issue further Notes having the same terms and conditions as the Notes in all respects (except for the first payment of interest) so as to form a single series with the Notes.

**§ 11
(Bekanntmachungen)**

(1) Alle Bekanntmachungen, die die Schuldverschreibungen betreffen, außer den in § 13 vorgesehenen Bekanntmachungen, die

**§ 11
(Notices)**

(1) All notices regarding the Notes, other than any notices stipulated in § 13 which shall be made exclusively pursuant to the provisions of the

ausschließlich gemäß den Bestimmungen des des Gesetzes über Schuldverschreibungen aus Gesamtemissionen ("**SchVG**") erfolgen, sind im Bundesanzeiger zu veröffentlichen. Jede derartige Mitteilung gilt am dritten Kalendertag nach dem Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am dritten Kalendertag nach dem Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.

- (2) Alle Bekanntmachungen, die die Schuldverschreibungen betreffen, werden (solange die Schuldverschreibungen an der Luxemburger Wertpapierbörse notiert sind) auf der Internet-Seite der Luxemburger Börse unter www.bourse.lu veröffentlicht. Für das Datum und die Rechtswirksamkeit sämtlicher Bekanntmachungen ist die erste Veröffentlichung maßgeblich.
- (3) Die Emittentin ist berechtigt, alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearingsystem zur Weiterleitung an die Gläubiger zu übermitteln.

§ 12 (Ersetzung)

- (1) Ersetzung.

Die Emittentin (oder die Nachfolgeschuldnerin) ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen oder einer anderen Zahlung aus den Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Gläubiger jede andere Gesellschaft, deren stimmberechtigte Gesellschaftsanteile zu mehr als 90 % direkt oder indirekt von der Emittentin gehalten werden und deren Geschäftszweck in der Aufnahme von Mitteln für die Refinanzierung von verbundenen Unternehmen besteht und die keine wesentlichen operativen Vermögenswerte hält oder Anteile an operative Gesellschaften der Emittentin oder deren Tochtergesellschaften hält, an Stelle der Emittentin als Hauptschuldnerin (die "**Nachfolgeschuldnerin**") für alle Verpflichtungen aus und im Zusammenhang mit dieser Emission einzusetzen,

German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen*, "**SchVG**"), shall be published in the Federal Gazette (*Bundesanzeiger*). Any notice will be deemed to have been validly given on the third calendar day following the date of such publication (or, if published more than once, on the third calendar day following the date of the first such publication).

- (2) All notices regarding the Notes will be published (so long as the Notes are listed on the Luxembourg Stock Exchange) on the website of the Luxembourg Stock Exchange on www.bourse.lu. Any notice will become effective for all purposes on the date of the first such publication.
- (3) The Issuer will be entitled to deliver all notices concerning the Notes to the Clearing System for communication by the Clearing System to the Holders.

§ 12 (Substitution)

- (1) Substitution.

The Issuer (or the Substitute Debtor) may, without the consent of the Holders, if no payment of principal or of interest or any other amount in respect of the Notes is in default, at any time substitute for the Issuer, any other company of which more than 90 per cent of the voting shares or other equity interests are directly or indirectly owned by the Issuer and which has the corporate function of raising financing and passing it on to affiliates and which holds no significant operating assets or has any ownership in the operating companies of the Issuer or its Subsidiaries as principal debtor in respect of all obligations arising from or in connection with the Notes (the "**Substitute Debtor**") provided that:

vorausgesetzt, dass:

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|--|---|
| (i) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin in Bezug auf die Schuldverschreibungen übernimmt; | (i) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes; |
| (ii) die Nachfolgeschuldnerin alle erforderlichen behördlichen Genehmigungen erhalten hat und berechtigt ist, an die Hauptzahlstelle die zur Erfüllung der Zahlungsverpflichtungen auf die Schuldverschreibungen zu zahlenden Beträge in Euro zu zahlen, ohne verpflichtet zu sein, jeweils in dem Land, in dem die Nachfolgeschuldnerin oder die Emittentin ihren Sitz oder Steuersitz haben, erhobene Steuern oder andere Abgaben jeder Art abzuziehen oder einzubehalten; | (ii) the Substitute Debtor has obtained all necessary governmental authorisations and may transfer to the Principal Paying Agent in Euro and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Notes; |
| (iii) die Nachfolgeschuldnerin sich verpflichtet hat, jeden Gläubiger hinsichtlich solcher Steuern, Abgaben oder behördlichen Lasten freizustellen, die einem Gläubiger infolge der Ersetzung auferlegt werden; | (iii) the Substitute Debtor has agreed to indemnify and hold harmless each Holder against any tax, duty, assessment or governmental charge imposed on such Holder as a result of such substitution; |
| (iv) die Emittentin unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zu zahlenden Beträge auf nachrangiger Basis garantiert; | (iv) the Issuer irrevocably and unconditionally guarantees on a subordinated basis in favour of each Holder the payment of all sums payable by the Substitute Debtor in respect of the Notes; |
| (v) aufgrund der Ersetzung kein Ereignis eintreten würde, welches die Neue Emittentin dazu berechtigen würde, die Schuldverschreibung gemäß § 5(4) zu kündigen und zurückzuzahlen; und | (v) no event would occur as a result of the substitution that would give rise to the right of the New Issuer to call the Notes for redemption pursuant to § 5(4); and |
| (vi) der Hauptzahlstelle jeweils ein oder mehrere Rechtsgutachten bezüglich der betroffenen Rechtsordnungen von anerkannten Rechtsanwälten vorgelegt werden, das bestätigt bzw. die bestätigen, dass die Bestimmungen in diesem § 12(1) erfüllt wurden. | (vi) there shall have been delivered to the Principal Paying Agent an opinion or opinions with respect to the relevant jurisdictions of lawyers of recognised standing to the effect that the provisions of this § 12(1) above have been satisfied. |

(2) Bezugnahmen.

Im Fall einer Schuldnerersetzung gemäß Absatz (1) gilt jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin als eine solche auf die Nachfolgeschuldnerin und jede Bezugnahme auf die Bundesrepublik Deutschland als eine solche auf den Staat (die Staaten), in welchem die Neue Emittentin steuerlich ansässig ist.

(3) Bekanntmachung und Wirksamwerden der Ersetzung.

Die Ersetzung der Emittentin ist gemäß § 11 bekannt zu machen. Mit der Bekanntmachung der Ersetzung wird die Ersetzung wirksam und die Emittentin und im Falle einer wiederholten Anwendung dieses § 12 jede frühere Nachfolgeschuldnerin von ihren sämtlichen Verbindlichkeiten aus den Schuldverschreibungen frei.

§ 13

(Änderung der Anleihebedingungen durch Beschluss der Anleihegläubiger; Gemeinsamer Vertreter)

(1) Die Emittentin kann die Anleihebedingungen mit Zustimmung aufgrund Mehrheitsbeschlusses der Anleihegläubiger nach Maßgabe der §§ 5 ff. SchVG in seiner jeweiligen gültigen Fassung ändern. Die Anleihegläubiger können insbesondere einer Änderung wesentlicher Inhalte der Anleihebedingungen, einschließlich der in § 5 Absatz 3 SchVG vorgesehenen Maßnahmen mit den in dem nachstehenden § 13(2) genannten Mehrheiten zustimmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Anleihegläubiger verbindlich.

(2) Vorbehaltlich des nachstehenden Satzes und der Erreichung der erforderlichen Beschlussfähigkeit, beschließen die Anleihegläubiger mit der einfachen Mehrheit der an der Abstimmung teilnehmenden Stimmrechte. Beschlüsse, durch welche der wesentliche Inhalt der Anleihebedingungen, insbesondere in den Fällen des § 5 Absatz 3 Nummer 1 bis 9 SchVG, geändert wird, bedürfen zu ihrer Wirksamkeit einer Mehrheit

(2) References.

In the event of a substitution pursuant to subsection (1), any reference in these Terms and Conditions to the Issuer will be a reference to the Substitute Debtor and any reference to the Federal Republic of Germany will be a reference to the New Issuer's country (countries) of domicile for tax purposes.

(3) Notice and Effectiveness of Substitution.

Notice of any substitution of the Issuer will be given by publication in accordance with § 11. Upon such publication, the substitution will become effective, and the Issuer and in the event of a repeated application of this § 12, any previous Substitute Debtor will be discharged from any and all obligations under the Notes.

§ 13

(Amendments to the Terms and Conditions by resolution of the Holders; Joint Representative)

(1) The Issuer may amend the Terms and Conditions with the consent of a majority resolution of the Holders pursuant to §§ 5 et seq. of the SchVG, as amended from time to time. In particular, the Holders may consent to amendments which materially change the substance of the Terms and Conditions, including such measures as provided for under § 5(3) of the SchVG by resolutions passed by such majority of the votes of the Holders as stated under § 13(2) below. A duly passed majority resolution will be binding upon all Holders.

(2) Except as provided by the following sentence and provided that the quorum requirements are being met, the Holders may pass resolutions by simple majority of the voting rights participating in the vote. Resolutions which materially change the substance of the Terms and Conditions, in particular in the cases of § 5(3) numbers 1 through 9 of the SchVG, may only be passed by a majority of at least 75 per cent. of the voting rights participating in the vote (a

- von mindestens 75 % der an der Abstimmung teilnehmenden Stimmrechte (eine "Qualifizierte Mehrheit").
- "Qualified Majority").
- (3) Beschlüsse der Anleihegläubiger werden entweder in einer Gläubigerversammlung nach § 13(3)(a) oder im Wege der Abstimmung ohne Versammlung nach § 13(3)(b) getroffen.
- (3) Resolutions of the Holders will be made either in a Holder's meeting in accordance with § 13(3)(a) or by means of a vote without a meeting (*Abstimmung ohne Versammlung*) in accordance § 13(3)(b).
- (a) Beschlüsse der Anleihegläubiger im Rahmen einer Gläubigerversammlung werden nach §§ 9 ff. SchVG getroffen. Anleihegläubiger, deren Schuldverschreibungen zusammen 5 % des jeweils ausstehenden Gesamtnennbetrags der Schuldverschreibungen erreichen, können schriftlich die Durchführung einer Gläubigerversammlung nach Maßgabe von § 9 SchVG verlangen. Die Einberufung der Gläubigerversammlung regelt die weiteren Einzelheiten der Beschlussfassung und der Abstimmung. Mit der Einberufung der Gläubigerversammlung werden in der Tagesordnung die Beschlussgegenstände sowie die Vorschläge zur Beschlussfassung den Anleihegläubigern bekannt gegeben. Für die Teilnahme an der Gläubigerversammlung oder die Ausübung der Stimmrechte ist eine Anmeldung der Anleihegläubiger vor der Versammlung erforderlich. Die Anmeldung muss unter der in der Einberufung mitgeteilten Adresse spätestens am dritten Kalendertag vor der Gläubigerversammlung zugehen.
- (a) Resolutions of the Holders in a Holder's meeting will be made in accordance with § 9 et seq. of the SchVG. Holders holding Notes in the total amount of 5 per cent. of the outstanding principal amount of the Notes may request, in writing, to convene a Holders' meeting pursuant to § 9 of the SchVG. The convening notice of a Holders' meeting will provide the further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions will be notified to Holders in the agenda of the meeting. The attendance at the Holders' meeting or the exercise of voting rights requires a registration of the Holders prior to the meeting. Any such registration must be received at the address stated in the convening notice by no later than the third calendar day preceding the Holders' meeting.
- (b) Beschlüsse der Anleihegläubiger im Wege der Abstimmung ohne Versammlung werden nach § 18 SchVG getroffen. Anleihegläubiger, deren Schuldverschreibungen zusammen 5 % des jeweils ausstehenden Gesamtnennbetrags der Schuldverschreibungen erreichen, können schriftlich die Durchführung einer Abstimmung ohne Versammlung nach Maßgabe von § 9 i.V.m. § 18 SchVG verlangen. Die Aufforderung zur Stimmabgabe durch den Abstimmungsleiter regelt die weiteren Einzelheiten der Beschlussfassung und der Abstimmung. Mit der Aufforderung zur Stimmabgabe werden die Beschlussgegenstände sowie die Vorschläge zur Beschlussfassung den Anleihegläubigern bekannt gegeben.
- (b) Resolutions of the Holders by means of a voting not requiring a physical meeting (*Abstimmung ohne Versammlung*) will be made in accordance § 18 of the SchVG. Holders holding Notes in the total amount of 5 per cent. of the outstanding principal amount of the Notes may request, in writing, the holding of a vote without a meeting pursuant to § 9 in connection with § 18 of the SchVG. The request for voting as submitted by the chairman (*Abstimmungsleiter*) will provide the further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions will be notified to Holders together with the request for voting.

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| <p>(4) Anleihegläubiger haben die Berechtigung zur Teilnahme an der Abstimmung zum Zeitpunkt der Stimmabgabe durch besonderen Nachweis der Depotbank gemäß § 14(5) und die Vorlage eines Sperrvermerks der Depotbank zugunsten einer Hinterlegungsstelle für den Abstimmungszeitraum nachzuweisen. Das Stimmrecht ruht, solange die Schuldverschreibungen der Emittentin oder einem mit ihr verbundenen Unternehmen (§ 271 Absatz 2 HGB) zustehen oder für Rechnung der Emittentin oder eines mit ihr verbundenen Unternehmens gehalten werden.</p> | <p>(4) Holders must demonstrate their eligibility to participate in the vote at the time of voting by means of a special confirmation of the Custodian in accordance with § 14(5) hereof and by submission of a blocking instruction by the Custodian for the benefit of a depository (<i>Hinterlegungsstelle</i>) for the voting period. The voting right is suspended as long as any Notes are attributable to the Issuer or any of its affiliates (within the meaning of § 271(2) of the German Commercial Code (<i>Handelsgesetzbuch</i>) or are being held for the account of the Issuer or any of its affiliates.</p> |
| <p>(5) Die Anleihegläubiger können durch Mehrheitsbeschluss die Bestellung und Abberufung eines gemeinsamen Vertreters, die Aufgaben und Befugnisse des gemeinsamen Vertreters, die Übertragung von Rechten der Anleihegläubiger auf den gemeinsamen Vertreter und eine Beschränkung der Haftung des gemeinsamen Vertreters bestimmen. Die Bestellung eines gemeinsamen Vertreters bedarf einer Qualifizierten Mehrheit, wenn er ermächtigt wird, wesentlichen Änderungen der Anleihebedingungen gemäß § 13(2) zuzustimmen.</p> | <p>(5) The Holders may by majority resolution provide for the appointment or dismissal of a joint representative, the duties and responsibilities and the powers of such joint representative, the transfer of the rights of the Holders to the joint representative and a limitation of liability of the joint representative. Appointment of a joint representative may only be passed by a Qualified Majority if such joint representative is to be authorised to consent, in accordance with § 13(2) hereof, to a material change in the substance of the Terms and Conditions.</p> |
| <p>(6) Bekanntmachungen betreffend diesen § 13 erfolgen gemäß den §§ 5ff. SchVG sowie nach § 11.</p> | <p>(6) Any notices concerning this § 13 will be made in accordance with § 5 et seq. of the SchVG and § 11.</p> |

**§ 14
(Schlussbestimmungen)**

- (1) Anzuwendendes Recht.
- Form und Inhalt der Schuldverschreibungen bestimmen sich nach dem Recht der Bundesrepublik Deutschland.
- (2) Gerichtsstand.
- Vorbehaltlich eines zwingend vorgeschriebenen Gerichtsstands für bestimmte Verfahren nach dem SchVG ist Frankfurt am Main nicht ausschließlicher Gerichtsstand für alle Rechtsstreitigkeiten aus den in diesen Anleihebedingungen geregelten Angelegenheiten. Die Emittentin verzichtet unwiderruflich darauf, gegenwärtig oder zukünftig gegen die Gerichte in Frankfurt am

**§ 14
(Final Provisions)**

- (1) Applicable Law.
- The Notes are governed by, and construed in accordance with, the laws of the Federal Republic of Germany.
- (2) Place of Jurisdiction.
- Subject to any mandatory jurisdiction for specific proceedings under the SchVG, the non-exclusive place of jurisdiction for all proceedings arising from matters provided for in these Terms and Conditions will be Frankfurt am Main. The Issuer irrevocably waives any objection which it might now or hereafter have to the courts of Frankfurt am Main being nominated as the forum to hear and determine

Main als Forum für Rechtsstreitigkeiten Einwände zu erheben, und versichern, keines der Gerichte in Frankfurt am Main als ungelegenes oder unangemessenes Forum zu bezeichnen.

(3) Erfüllungsort.

Erfüllungsort ist Frankfurt am Main, Bundesrepublik Deutschland.

(4) Geltendmachung von Rechten.

Jeder Anleihegläubiger ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen geltend zu machen gegen Vorlage:

- (i) einer Bescheinigung der Depotbank, die (A) den vollen Namen und die volle Anschrift des Anleihegläubigers bezeichnet, (B) den gesamten Nennbetrag von Schuldverschreibungen angibt, die am Ausstellungstag dieser Bescheinigung den bei dieser Depotbank bestehenden Depots dieses Anleihegläubigers gutgeschrieben sind und (C) bestätigt, dass die Depotbank dem Clearingsystem und der Hauptzahlstelle eine schriftliche Mitteilung gemacht hat, die die Angaben gemäß (A) und (B) enthält und Bestätigungsvermerke des Clearingsystems sowie des betroffenen Kontoinhabers bei dem Clearingsystem trägt sowie
- (ii) einer von einem Vertretungsberechtigten des Clearingsystems oder der Hauptzahlstelle bestätigten Ablichtung der Globalurkunde; oder
- (iii) eines anderen, in Rechtsstreitigkeiten in dem Land der Geltendmachung zulässigen Beweismittels.

"**Depotbank**" bezeichnet ein Bank- oder sonstiges Finanzinstitut, bei dem der Anleihegläubiger Schuldverschreibungen im Depot verwahren lässt und das ein Konto bei

any proceedings and to settle any disputes, and agrees not to claim that any of those courts is not a convenient or appropriate forum.

(3) Place of Performance.

Place of performance will be Frankfurt am Main, Federal Republic of Germany.

(4) Enforcement of Rights.

Any Holder may in any proceedings against the Issuer or to which the Holder and the Issuer are parties protect and enforce in his own name his rights arising under his Notes on the basis of:

- (i) a certificate issued by his Custodian (A) stating the full name and address of the Holder, (B) specifying an aggregate Principal Amount of Notes credited on the date of such statement to such Holder's securities account(s) maintained with his Custodian and (C) confirming that his Custodian has given a written notice to the Clearing System and the Principal Paying Agent containing the information specified in (A) and (B) and bearing acknowledgements of the Clearing System and the relevant account holder in the Clearing System and
- (ii) a copy of the Global Note relating to the Notes, certified as being a true copy by a duly authorised officer of the Clearing System or the Principal Paying Agent; or
- (iii) any other means of evidence permitted in legal proceedings in the country of enforcement.

"**Custodian**" means any bank or other financial institution with which the Holder maintains a securities account in respect of any Notes and having an account maintained with the Clearing

dem Clearingsystem hat, einschließlich des Clearingsystems.

System, including the Clearing System.

**§ 15
(Sprache)**

Diese Anleihebedingungen sind in deutscher Sprache abgefasst und mit einer Übersetzung in die englische Sprache versehen. Der deutsche Wortlaut ist allein rechtsverbindlich. Die englische Übersetzung dient nur zur Information.

**§ 15
(Language)**

These Terms and Conditions are written in the German language and provided with an English language translation. The German text will be the only legally binding version. The English language translation is provided for convenience only.

The following paragraphs in italics do not form part of the Terms and Conditions.

Restrictions regarding redemption and repurchase of the Notes

Unless the rating assigned by S&P to the Issuer is at least A- (or such similar nomenclature then used by S&P) and the Issuer is comfortable that such rating would not fall below this level as a result of such redemption or repurchase the Issuer intends (without thereby assuming a legal obligation), during the period from and including the issue date of the Notes to but excluding the Second Modified Reset Date, in the event of

- (x) an early redemption of the Notes pursuant to § 5(3), § 5(4)(b)(i) and § 5(4)(b)(ii) of the Terms and Conditions, or*
- (y) in the event of a repurchase of Notes pursuant to § 5(2) of the Terms and Conditions of more than (i) 10 per cent. of the aggregate principal amount of the Notes originally issued in any period of 12 consecutive months or (ii) 25 per cent. of the aggregate principal amount of the Notes originally issued in any period of 10 consecutive years,*

if the Notes are assigned an "equity credit" (or such similar nomenclature then used by S&P) by S&P at the time of such redemption or repurchase, that it will redeem or repurchase any Notes only to the extent the aggregate principal amount of the Notes to be redeemed or repurchased does not exceed the amount of equity credit assigned, at issuance, to the net proceeds received by the Issuer or any Subsidiary during the 360-day period prior to the date of such redemption or repurchase from the sale or issuance of securities by the Issuer or such Subsidiary to third party purchasers (other than group entities of the Issuer) (but taking into account any changes in hybrid capital methodology or another relevant methodology or the interpretation thereof since the issuance of the Notes).

Terms used but not defined in the preceding sentence shall have the meaning set out in the Terms and Conditions.

GENERAL INFORMATION ON THE ISSUER AND THE GROUP

General Information about EnBW Energie Baden-Württemberg AG

EnBW Energie Baden-Württemberg AG (hereinafter also referred to as "**EnBW AG**" and together with its consolidated subsidiaries "**EnBW**" or the "**EnBW Group**") is a stock corporation (Aktiengesellschaft) organized under the laws of Germany, and was formed on 1 January 1997 for an indefinite period of time from the merger of Energie-Versorgung Schwaben AG and Badenwerk AG, two integrated groups based in Baden-Württemberg. The predecessor of Badenwerk AG was Badische Elektrizitätsversorgungs AG, founded in 1921. Energie-Versorgung Schwaben was founded in 1939 as a public utility for the state of Württemberg. In 1973, private shareholders were brought into Badenwerk AG by way of a capital increase and the company was admitted to the stock exchange. The listing on the stock exchange was maintained following the merger of Badenwerk AG and Energie-Versorgung Schwaben AG. EnBW AG is listed on the regulated market, both on the Frankfurt Stock Exchange (General Standard) and on the Stuttgart Stock Exchange.

EnBW AG has its registered office at Durlacher Allee 93, 76131 Karlsruhe, Germany (tel. +49 (0)721 6300). It is registered with the commercial register at the Mannheim local court under the number HRB 107956 and the name "**EnBW Energie Baden-Württemberg AG**". It also trades under the commercial name "**EnBW**".

Business overview – main activities

The EnBW Group is one of the major German energy groups with international operations, and one of four companies in Germany operating the electricity transmission grid. In total, EnBW supplies and advises approximately 5.5 million customers group-wide. In the fiscal year 2013, unit sales of energy came to 228.0 billion kWh (2012: 208.7 billion kWh). About 91 per cent. of group revenue in 2013 was generated by EnBW in Germany (2012: 89 per cent.). EnBW's vertically integrated activities are managed by EnBW AG as holding company and are subdivided into four segments: sales, grids, renewable energies and generation and trading. Furthermore, the other/consolidation segment combines EnBW AG's other activities which are not allocated to the individual segments reported separately. The EnBW Group is in the process of realigning its organisational structure (see paragraph Organisational Structure below).

As an integrated energy supplier, the EnBW Group operates along the entire value chain, offering an extensive portfolio of services. The sales segment encompasses the distribution of electricity and gas, and the provision of energy-related services, such as invoicing services and energy supply as well as energy savings contracting. The grids segment comprises stages along the value chain entailing the transportation and distribution of electricity and gas, the providing of grid-related services, for instance the operation of grids for third parties, and water supply services. Activities in the field of renewable energies generation are combined under the renewable energies segment. The generation and trading segment includes power generated from other sources and trading in electricity, the gas midstream business (long-distance gas distribution) as well as waste disposal activities.

Business overview – markets and customer base

The EnBW Group's home market is Baden-Württemberg, where the group considers itself to be a market leader. EnBW operates throughout Germany and in Europe: Stadtwerke Düsseldorf, in which EnBW holds a stake, has a large share of the market in the Düsseldorf region. EnBW is also present in Central Europe through its participating investment in Pražská energetika a.s. ("**PRE**"),

the third largest energy supply company in the Czech Republic. Energiedienst Holding AG, another participating investment of EnBW, supplies companies in the region of southern Baden and Switzerland with electricity and grid-related services. EnBW participates in the growth market of Turkey through a joint venture with the industrial company Borusan, the Borusan EnBW Enerji yatirimlari ve Üretim A.S..

The approximately 5.5 million customers to whom EnBW supplies energy are assigned to two customer groups: the B2C (business to customer) group includes private customers, commercial, housing industry and agricultural customers. The B2B (business to business) comprises large commercial enterprises, industrial customers as well as redistributors, public utilities and municipalities.

Organisational Structure

Until 2014, EnBW AG has been the holding company of the EnBW Group, performing its management functions. EnBW AG has been responsible for the strategic management and control of the group at all key stages of the value chain in the various business segments. The holding company has also been responsible for the group-wide finance and liquidity management, human resource management, external communications and group development. Until 2014, the operational business of the EnBW Group has been bundled and concentrated in direct subsidiaries, with EnBW AG controlling and supporting their business activities through a strategic planning and control process. The management board of EnBW AG has been responsible for the group-wide strategies as well as the management and control of the entire EnBW Group.

Against the backdrop of far-reaching changes in the energy industry, and with a view to fulfilling regulatory requirements, EnBW is in the process of realigning its Group organization structure. The aim is to achieve an integrated group under the slogan of "ONE EnBW" without the central holding company. Combining its major core companies is aimed at reducing the complexity of the EnBW Group. Their integration into EnBW AG is to take place by 30 April 2014.

Major entities in the EnBW Group and their operations

The EnBW Group consists of 117 fully consolidated companies and 19 companies accounted for using the equity method. The operating activities of the EnBW Group are divided into the four segments of sales, grids, renewable energies and generation and trading.

Sales

The sales segment plays a key role in EnBW's strategic realignment, reflecting the EnBW Group's focus on its customers' individual requirements and on direct dialogue with customers. The new sales organisation structure and workflows already form a key component of the EnBW Group's 2020 structure.

The municipal relationships and investments business unit was created on 31 January 2014 during the process of changing the legal form of EnBW Regional AG and renaming it Netze BW GmbH. The forming of this new business unit reflects the significance that EnBW focuses on municipalities and public utilities as well as regional business units of the public sector as some of its key customers and partners. Along with sales and advisory services, the range of tasks of the new business unit encompasses the development of the "Sustainable City" project as well as support for municipalities, including agreements in concession contracts and cooperation with public utilities.

As an active partner for the sustainable future of electricity, gas, district heating, water as well as, to an increasing degree, energy services to retail and commercial customers, EnBW Vertrieb GmbH concentrates on sales under the EnBW brand. Its offering focuses on Baden-Württemberg.

Yello Strom GmbH is responsible for national sales of electricity, gas and other products to retail and commercial customers through the Yello Strom brand.

Sales & Solutions GmbH ("**SSG**"), with its EnBW and Watt brands, specialises in the national sale of electricity and gas to major industrial customers, redistributors, industrial customers, small and medium-sized enterprises, chains and municipalities. Its range of services also extends to energy, efficiency and system services.

Energiedienst Holding AG ("**ED**"), with its subsidiaries EnAlpin AG (Switzerland), NaturEnergie AG and Energiedienst AG, fields electricity sales in south Baden and Switzerland. As an energy service provider with an ecological profile, ED has been supplying all of its retail and commercial customers in its home market of south Baden more than ten years with green electricity generated 100 per cent. from hydro-electric power.

NaturEnergie+ Deutschland GmbH acts as an energy service provider through its NaturEnergiePlus Brand to environmentally oriented customers throughout Germany.

EnBW Ostwürttemberg DonauRies AG ("**ODR**") is considered by EnBW to be among Germany's most innovative regional suppliers, particularly with regard to technology and processes for cutting-edge infrastructures supporting the implementation of Germany's exit from nuclear and fossil-fuel energy (*Energiewende*).

ZEAG Energie AG ("**ZEAG**") secures the supply of energy in the region of Heilbronn. ZEAG's objective is to generate a major part of low-carbon electricity itself as far as possible in the region.

EnBW operates in the business of selling electricity through its participating investment in Stadtwerke Düsseldorf AG ("**SWD**") in North Rhine-Westphalia. SWD delivers energy and water and offers infrastructure services.

The customers of GasVersorgung Süddeutschland GmbH ("**GVS**") are largely public utilities as well as industrial customers. GVS's home territory covers Germany, Switzerland, Lichtenstein and Austria. GVS offers its customers a product portfolio which includes flexible and flat deliveries, increasingly supplemented by a broad-based range of services. GVS's indirect shareholders are EnBW and the Italian energy conglomerate Eni.

EnBW Operations GmbH ("**EOG**") is EnBW's service provider for the complete meter-to-cash settlement of suppliers and grid operators. It offers process services and systems solutions for this purpose. The settlement of energy-related services and decentralised generation facilities in private households also features in the service portfolio of EOG.

Grids

The electricity and gas grid lengths of the EnBW Group are shown in the table below:

Electricity grid length of the EnBW Group including service connections	2013	2012
Transmission Grid		
Extra-high voltage 380 kV	2,000	2,000
Extra-high voltage 220 kV	1,700	1,700
Distribution Grid		
High voltage 110 kV	8,600	8,600
Medium voltage 30/20/10 kV	46,300	46,200
Low voltage 0.4 kV	96,000	96,300

^RRounded Figures.

Gas grid length of the EnBW Group including service connections	2013	2012
Long-distance transmission network		
High pressure	1,900	2,000
Distribution grid		
High pressure	2,200	2,200
Medium pressure	7,400	7,200
Low pressure	4,900	4,900

1 Rounded Figures.

Special statutory provisions, designed to guarantee independence, apply to transmission grid operators in Germany. The German supervisory authority responsible for transmission grid operators is the Federal Network Agency (*Bundesnetzagentur*).

TransnetBW GmbH ("**TNG**"), one of the four transmission grid operators in Germany, is an independent company owned by the EnBW Group. Accordingly, the transmission grid (380 kV and 220 kV) remains within the Group, but strict unbundling provisions apply between TNG as an Independent Transmission Operator ("**ITO**") and EnBW. TNG is the owner of the transport grid infrastructure and operates the transmission grid in Baden-Württemberg. Its statutory duty consists in permanently guaranteeing system stability. TNG is thus responsible for the maintenance and the demand-driven expansion of the transmission grid. In addition, it continuously controls and manages electricity flows within Baden-Württemberg. It also regulates the electricity exchange between neighbouring transmission system operators within and outside Germany. The Company currently maintains business relations with some 400 balancing group managers.

The terranets bw GmbH ("**terranets bw**") is an independent long-distance transmission grid for natural gas and has been certified by the Federal Network Agency (*Bundesnetzagentur*) and the European Commission as an ITO since the end of 2012. The indirect shareholders of terranets bw are EnBW and the Italian energy group Eni. It acts as a separate entity under the umbrella of the parent company EnBW Eni Verwaltungsgesellschaft mbH, fulfilling its duties as operator of a long-distance transmission system for natural gas. Its main tasks include the safe, economical and non-discriminatory transport of natural gas.

Netze BW GmbH ("**NETZ**") became the successor company to EnBW Regional AG ("**REG**") as of 31 January 2014. As the largest distribution network operator in Baden-Württemberg, NETZ is responsible for the distribution of electricity and gas through its own distribution network. It provides transparent and non-discriminatory access to reliable distribution of electricity and gas to suppliers within and outside the Group. Sales support for the municipalities was hived off from REG and has been provided by EnBW AG's new municipal relationships and investments business unit since 31 January 2014. These restructuring measures were instrumental in implementing the new organisational structure for ONE EnBW as well as the regulatory unbundling rules.

NETZ has taken over the water business from REG. It is responsible for drinking water supplies in Stuttgart. Furthermore, NETZ also offers water and waste water operations throughout the whole of Baden-Württemberg. NETZ covers grid-related and other services in the electricity and gas business.

Together with other grid operators in the EnBW Group, such as Energiedienst Netze GmbH, Netzgesellschaft Ostwürttemberg GmbH, and Erdgas Südwest Netz GmbH, NETZ ensures the efficient and safe operation of the electricity and gas grids across large parts of Baden-Württemberg. EnBW companies also function as local partners with the aim of advancing

Germany's exit from nuclear and fossil-fuel energy in an expedient manner. For example, long-standing relationships with municipalities in the electricity and gas grid were concluded in more than twenty grid sectors in the financial year 2013 alone.

Renewable Energies

EnBW has a diversified portfolio of generation facilities based on renewable energies. Hydropower is particularly significant for historical and geographical reasons.

EnBW is in the process of expanding its generation capacity from renewable energy sources. The Rheinfelden hydro-electric power station of EnBW's subsidiary, Energiedienst Holding AG, which was officially put into operation in 2011, and the EnBW Baltic 1 wind farm, with a generation capacity of 48 MW, were the first milestones in the process of transforming electricity production in favour of renewable energies. The commissioning of the fifth machine of the Rheinkraftwerks Iffezheim with an output of 38 MW in the summer of 2013 has raised the capacity of the power plant to 148 MW in total. Approximately 120 million KWh of electricity a year can now be additionally generated from hydropower.

Activities in the field of renewable energies encompass the entire value chain, from project development through to operation and management, both for the EnBW Group's own plants and as a service provided for third parties. In addition to building new wind turbines, repowering, which involves the modernisation and upgrading of existing facilities, is another potential growth area in Germany.

The emphasis placed by EnBW in the field of renewable energies is focused on onshore wind farms in Germany and on hydropower and wind farms in Turkey, the latter of which EnBW has realised together with Borusan, its local joint venture partner.

More than 160 sites for over 500 wind turbines are being inspected in Baden-Württemberg for their suitability and financial viability. In October 2012 EnBW signed contracts with regard to a 50 MW wind farm in Balabanli in Turkey, some 120 km to the west of Istanbul. This is currently under construction and is scheduled to go online towards the end of 2014. In mid-December 2013, supplier contracts for five more wind farms with a total output of 207 MW were signed. The EnBW Baltic 1 offshore wind farm had already gone into operation in 2011. In mid-2013, the foundation work on the offshore construction site was commenced for the EnBW Baltic 2 project which has a generation capacity of 288 MW. The realisation of further projects in the North Sea with an overall capacity of an anticipated 1200 MW depends on the framework conditions under the EEG. The possibilities for expansion in electricity generation from run-of-river plants in Baden-Württemberg are limited on account of physical geography. Projects in Turkey and Switzerland are under review.

Generation and Trading

Owing to the decline in exchange prices (which are impacted by the large volume of installed capacity and the provision of energy from renewable sources, among other factors), the economic situation of thermal power production in Germany, which is critical to the reliability of energy supply, is deteriorating. Taking account of the current financial position of conventional power plants and based on the statutory provisions, EnBW applied to shut down five conventional power plants with an overall output of 668 MW on 5 July 2013. In mid-December 2013, EnBW was informed by the Federal Network Agency (Bundesnetzagentur) about the approval of the application by TransnetBW for the recognition of the systemic significance of these power plants for 24 months. With a view to safeguarding its legal position, EnBW lodged a complaint with the Düsseldorf Higher Regional Court (Oberlandesgericht) on 17 January 2014.

As the result of feasibility studies of its conventional power plant park, EnBW announced on 28 February 2014 that it plans to decommission two power station units with a total output of 250

megawatts at its Heilbronn location. These comprise the hard coal units HLB 5 and HLB 6. The decision by the EnBW Board of Management to decommission units HLB 5 and HLB 6 is still subject to Supervisory Board approval.

The commissioning phase of the highly efficient hard coal power plants in Karlsruhe and Mannheim which are currently under construction, each with a capacity of around 900 MW, has commenced. Commercial commissioning of the plant in Karlsruhe RDK 8 has been scheduled for the first half of 2014. The hard coal power plant in Mannheim GKM 9 is to follow a year later. Furthermore, one of the most powerful and most efficient gas and steam turbine power stations in the world with efficiencies of over 61 per cent. is to be built at Lausward in the Düsseldorf port. Its CO₂ emissions will be 50 per cent. lower than those of the average German power plant. The power plant is due to go online in 2015/2016.

EnBW Erneuerbare und Konventionelle Erzeugung AG ("**EZG**") operates the majority of EnBW's power plant fleet. Electricity and district heating are generated from facilities using a range of energy sources. Most thermal power plants are operated as environmentally compatible combined heat and power facilities.

EnBW Kernkraft GmbH ("**EnKK**") is responsible for operating the Philippsburg 2 ("**KKP 2**") and Neckarwestheim II ("**GKN II**") nuclear power plants as well as managing the post-operation phase of the Philippsburg 1 power plant ("**KKP 1**") which was shut down in March 2011 and Neckarwestheim I ("**GKN I**") and the decommissioning of the Obrigheim ("**KWO**") power plant. The application for permission to be granted for the shutdown and initial decommissioning of KKP 1 and GKN I were submitted on 24 April 2013. The KKP 2 and GKN II power plants will lose their licence for power operation once the cut-off allowance allocated under the law has been consumed, but no later than 31 December 2019 and 31 December 2022 respectively.

EZG is active in the field of waste disposal, as is SWD. In this area, the EnBW Group concentrates on the disposal of waste in thermal waste treatment plants and the related issue of waste-to-energy management, and recycles around 1.3 million tons of waste annually. The activities relating to thermal waste management are based on long-term contracts with districts and towns in Baden-Württemberg and North Rhine-Westphalia, ensuring waste disposal reliability for the municipal partners.

In 2007 EnBW secured long-term rights to use salt caverns in the region of Etzel for the purpose of storing natural gas. Since the end of September 2012, EnBW Etzel Speicher GmbH, a wholly-owned subsidiary of EZG, has been in charge of a natural gas storage facility in Etzel. In order to achieve synergy effects, EnBW and Electricité de France ("**EDF**"), which also controls storage caverns in the Etzel region, have established a 50:50 joint venture to secure the commercial operation of the above-ground facility.

EnBW Trading GmbH ("**ETG**") operates in the field of trading and procurement and forms the interface between generation sales and the wholesale market. This entity is responsible for trading with physical and financial products for electricity, primary energy sources (coal, gas, oil) and CO₂ allowances as well as guarantees of origin. Accordingly, ETG is responsible for fuel procurement and logistics, emission allowance management, electricity marketing and power station deployment planning and management with regard to EnBW's generation portfolio. As one of the suppliers of balancing energy in Germany, it supports transmission system operators in terms of system security. In addition, ETG has taken over the commercial optimisation of EnBW gas assets and contracts and is in charge of securing the medium and long-term gas procurement volumes for EnBW by way of its own supply contracts and investments in the requisite infrastructure. For the sales function, it ensures that energy needs are covered.

ETG trades on the most important energy exchanges across Europe, including the European Energy Exchange ("**EEX**") in Leipzig, the European Power Exchange ("**EPEX Spot**") in Paris, the NordPool Spot ("**Elbas**") in Oslo, the Energy Exchange Austria ("**EXAA**") in Vienna, and the International Commodity Exchange ("**ICE**") in London. In addition, ETG is active in over-the-counter trading with some 170 German and international partners.

As part of its activities, it also assumes the function of risk manager for market-related risks along the supply chain. These are, in particular, price and volume risks relating to generation and sales. In addition to supporting the operating business, ETG also trades for its own account, subject to strict regulations and caps.

Generation Portfolio of the EnBW Group

Measured by electrical output, the EnBW Group's generation portfolio grew from 13,400 MW at year-end 2012 to 13,802 MW by year-end 2013. Of this volume, 2,642 MW, the equivalent of 19.1 per cent., was accounted for by energy generation based on renewable energy sources compared with 2,527 MW in 2012. New capacity installation was primarily attributable to run-of-river power plants, for instance the fifth machine of the Rheinkraftwerk Iffezheim, and to onshore wind. The electrical output of the thermal power plants, including pumped storage power stations, had climbed by almost 300 MW to 11,160 MW by the reporting date. This growth in installed capacity resulted primarily from increasing the number of power plants operated with hard coal. EnBW considers its thermal generation portfolio to be well balanced in its fuels mix and the age structure of the facilities.

The EnBW Group's own production amounted to 58,548 GWh in 2013 (2012: 59,051 GWh). Generation from renewable sources of energy expanded by 3.4 per cent. to 7,476 GWh in 2013 (2012: 7,230 GWh); the generated by EnBW itself rose from 12.2 per cent. in 2012 to 12.8 per cent. in 2013. In 2013, the EnBW Group produced 51,072 GWh from thermal power plants, including pump storage power stations during pumping operation, as against 51,821 GWh in 2012. The proportion of thermal electricity generated by EnBW declined from 87.8 per cent. in 2012 to 87.2 per cent. in 2013. CO₂ emissions from EnBW's own generation amounted to 403 g CO₂/kWh in 2013 (2012: 369 g CO₂/kWh), which continues to be significantly below the nationwide average of 522 g CO₂/kWh for the year 2012.

Breakdown of the EnBW Group's generation portfolio ¹ Electrical output ² in MW (as of 31/12.)	2013	2012
Renewable Energies	2,642	2,527
Run-of-river power stations	978	882
Storage/pumped storage plants using the natural flow of water	1,322	1,311
Onshore wind	186	170
Offshore wind	48	48
Other renewable energies	108	116
Thermal power plants ³	11,160	10,873
Brown coal	1,034	1,034
Hard coal	4,249	3,987
Gas	1,177	1,154
Other thermal power stations	822	820
Pumped storage power plants that do not use the natural flow of water	545	545
Nuclear power plants	3,333	3,333
Installed capacity of EnBW Group (without standby reserve)	13,802	13,400
of which renewable (%)	19.1	18.9
of which low carbon in % ⁴	12.5	12.7

1 Generation portfolio includes long-term procurement agreements and generation from partly owned power plants.

2 Capacity values irrespective of marketing channel, for storage: generation capacity.

3 Including pumped storage power stations that do not use the natural flow of water.

4 Excluding renewable energies; only gas power plants and storage power plants that do not use the natural flow of water.

EnBW Group's ¹ own generation by primary energy source in GWh	2013	2012
Renewable Energies	7,476	7,230
of which subsidised under the German Renewable Energies Act (EEG)	670	574
Run-of-river power stations	5,699	5,442
Storage power stations/ pumped storage power plants using the natural flow of water	974	955
Onshore wind	292	278
Offshore wind	191	204
Other renewable energies	320	351
Thermal power plants ²	51,072	51,821
Hard coal	18,209	16,230
Brown coal	7,062	6,754
Gas	759	1,178
Other thermal power stations	321	281
Pumped storage power stations during pumping operation	1,494	1,579
Nuclear power plants	23,227	25,799
EnBW Group's own generation	58,548	59,051
of which renewable (%)	12.8	12.2
of which low carbon in % ³	3.8	4.7

1 Long-term supply contracts and partly owned power plants are included in own generation.

2 Including pumped storage power plants that do not use the natural flow of water.

Management and Supervisory Bodies

Board of Management

The members of the Board of Management are set out below together with (1) membership in other statutory supervisory boards and (2) comparable domestic and foreign control bodies of business organisations:

Dr. Frank Mastiaux

(Member and chairman of the Board of Management/Chief Executive Officer)

(1)	(2)
EWE Aktiengesellschaft	

Dr. Bernhard Beck LL.M.

(Member of the Board of Management, Chief Personnel Officer)

(1)	(2)
EnBW Kernkraft GmbH (chairman) EnBW Erneuerbare und Konventionelle Erzeugung AG, former EnBW Kraftwerke AG (chairman) EnBW Operations GmbH EnBW Perspektiven GmbH, (chairman) EnBW Systeme Infrastruktur Support GmbH (chairman) Energiedienst AG Stadtwerke Düsseldorf AG(chairman)	BKK VerbundPlus, Körperschaft des öffentlichen Rechts Energiedienst Holding AG

Thomas Kusterer

(Member of the Board of Management and Chief Financial Officer)

(1)	(2)
Netze BW GmbH, former EnBW Regional AG	EVN AG

Dr. Dirk Mausbeck

(Member of the Board of Management, Chief Commercial Officer)

(1)	(2)
EnBW Operations GmbH (chairman) Netze BW GmbH, former EnBW Regional AG (chairman) EnBW Vertrieb GmbH (chairman) European Energy Exchange AG Stadtwerke Düsseldorf AG ZEAG Energie AG (chairman)	Gasversorgung Süddeutschland GmbH (chairman) Pražská energetika, a.s.

Dr. Hans-Josef Zimmer

(Member of the Board of Management, Chief Technical Officer)

(1)	(2)
EnBW Kernkraft GmbH EnBW Erneuerbare und Konventionelle Erzeugung AG, former EnBW Kraftwerke AG EWE Aktiengesellschaft TransnetBW GmbH (chairman)	Vorarlberger Illwerke AG

terraneets bw GmbH (chairman)	
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EnBW AG is not aware of any conflicts of interest on the part of the aforementioned members of the Board of Management between their duties to EnBW AG and their private interests or other commitments.

The members of the Board of Management can be contacted at EnBW AG's business address:
Durlacher Allee 93, 76131 Karlsruhe.

Supervisory Board

The members of the Supervisory Board are set out below together with (1) membership in other statutory supervisory boards or (2) comparable domestic and foreign control bodies of business organisations:

Dr. Claus Dieter Hoffmann
(chairman)

(1)	(2)
ING-DiBa AG (chairman)	De Boer Holding NV EJOT Holding GmbH & Co. KG

Dietrich Herd*
(deputy chairman)

(1)	(2)
EnBW Kernkraft GmbH EnBW Erneuerbare und Konventionelle Erzeugung AG, former EnBW Kraftwerke AG	-

Dirk Gaerte

(1)	(2)
Hohenzollerische Landesbahn AG SV Sparkassen Versicherung Holding AG Wirtschaftsförderungs- und Standortmarketinggesellschaft Landkreis Sigmaringen mbH (chairman)	Flugplatz Mengen-Hohentengen GmbH (chairman) Hohenzollerische Landesbank Kreissparkasse Sigmaringen, Anstalt des öffentlichen Rechts (chairman) Kliniken Landkreis Sigmaringen GmbH (chairman) Regionalverband Bodensee-Oberschwaben (chairman) Sparkassenverband Baden-Württemberg, Körperschaft des öffentlichen Rechts Technologie- und Innovationszentrum Pfullendorf GmbH(TIP) Verkehrsverbund Neckar-Alb-Donau GmbH (naldo) Zweckverband Oberschwäbische Elektrizitätswerke Zweckverband Thermische Abfallverwertung Donaual Zweckverband Tierische Nebenprodukte Süd-Baden-Württemberg

Stefan Paul Hamm*

(1)	(2)
TransnetBW GmbH	-

Silke Krebs

(1)	(2)
-	MFG Medien- und Filmgesellschaft Baden-Württemberg mbH Stiftung Kinderland Baden-Württemberg (chairman) Südwestrundfunk, Anstalt des öffentlichen Rechts SWR Media Services GmbH Baden-Württemberg Stiftung

Marianne Kugler-Wendt*

(1)	(2)
Bausparkasse Schwäbisch-Hall AG EnBW Kernkraft GmbH EnBW Erneuerbare und Konventionelle Erzeugung AG, former EnBW Kraftwerke AG SLK-Kliniken Heilbronn GmbH	Heilbronner Versorgungs GmbH Regionale Gesundheitsholding Heilbronn-Franken GmbH Stadtwerke Heilbronn GmbH

Wolfgang Lang*

(1)	(2)
EnBW Systeme Infrastruktur Support GmbH	-

Dr. Hubert Lienhard

(1)	(2)
Heraeus Holding GmbH SGL Carbon SE SMS Group GmbH Voith Turbo Beteiligungen GmbH (chairman)	Voith Hydro Holding GmbH & Co. KG (chairman) Voith Industrial Services Holding GmbH & Co. KG (chairman) Voith Paper Holding GmbH & Co. KG (chairman) Voith Turbo GmbH & Co. KG (chairman)

Sebastian Maier*

(1)	(2)
EnBW Ostwürttemberg DonauRies AG	ODR Technologie Services GmbH Netzgesellschaft Ostwürttemberg GmbH

Arnold Messner*

(1)	(2)
Netze BW GmbH, former EnBW Regional AG	

Bodo Moray*

(1)	(2)
EnBW Erneuerbare und Konventionelle	-

Erzeugung AG, former EnBW Kraftwerke AG Netze BW GmbH, former EnBW Regional AG	
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Gunda Röstel

(1)	(2)
Universitätsklinikum Carl Gustav Carus Dresden an der Technischen Universität Dresden, Anstalt des öffentlichen Rechts	Hochschulrat der Technischen Universität Dresden, Körperschaft des öffentlichen Rechts (chairman) Sächsische Aufbaubank, Anstalt des öffentlichen Rechts Stadtwerke Burg GmbH

Dr. Nils Schmid

(1)	(2)
Landesbank Baden-Württemberg, Anstalt des öffentlichen Rechts	Baden-Württemberg International – Gesellschaft für internationale wirtschaftliche und wissenschaftliche Zusammenarbeit mbH (chairman) Baden-Württemberg Stiftung gGmbH e-mobil BW GmbH Landeskreditbank Baden-Württemberg – Förderbank, Anstalt des öffentlichen Rechts (chairman) Kreditanstalt für Wiederaufbau (KfW), Anstalt des öffentlichen Rechts Leichtbau BW GmbH (chairman)

Klaus Schörnich*

(1)	(2)
Awista GmbH Stadtwerke Düsseldorf AG Stadtwerke Düsseldorf Netz GmbH	-

Heinz Seiffert

(1)	(2)
Krankenhaus GmbH Alb-Donau-Kreis (chairman)	ADK GmbH für Gesundheit und Soziales (chairman) Donau-Iller-Nahverkehrsverbund-GmbH Fernwärme Ulm GmbH Kreisbaugesellschaft mbH Alb-Donau (chairman) Pflegeheim GmbH Alb-Donau-Kreis (chairman) Regionalverband Donau-Iller (chairman) Sparkasse Ulm, Anstalt des öffentlichen Rechts (chairman) Zweckverband Oberschwäbische Elektrizitätswerke (chairman) Zweckverband Thermische Abfallverwertung Donautal (chairman)

Gerhard Stratthaus

(1)	(2)
Badische Staatsbrauerei Rothaus AG	Zentrum für Europäische Wirtschaftsforschung GmbH

Dietmar Weber *

(1)	(2)
EnBW Operations GmbH	-

Kurt Widmaier

(1)	(2)
Oberschwabenklinik GmbH (chairman)	Bodensee-Oberschwaben Verkehrsverbundgesellschaft mbH (chairman) Kreissparkasse Ravensburg (chairman) LBS Landesbausparkasse Baden- Württemberg REAG Ravensburger Entsorgungsanlagengesellschaft mbH (chairman) WIR – Gesellschaft für Wirtschafts- und Innovationsförderung Landkreis Ravensburg mbH (chairman) Zentrum für Psychiatrie Weissenau, Anstalt des öffentlichen Rechts Zweckverband Oberschwäbische Elektrizitätswerke Zweckverband Tierische Nebenprodukte Süd- Baden-Württemberg

Dr. Bernd-Michael Zinow

(1)	(2)
EnBW Kernkraft GmbH TransnetBW GmbH	-

* Employee representative

EnBW AG is not aware of any conflicts of interest on the part of the aforementioned members of the Supervisory Board between their duties to EnBW AG and their private interests or other commitments.

The members of the Supervisory Board can be contacted at EnBW AG's business address:
Durlacher Allee 93, 76131 Karlsruhe, Germany.

Committees of the Supervisory Board

The Supervisory Board has formed five committees. In addition to the mediation committee pursuant to Sec. 27 (3) of the German Co-determination Act (*Mitbestimmungsgesetz*), there is a personnel committee, a finance and investment committee, an audit committee and a nomination.

The Supervisory Board has delegated issues of accounting, risk management and compliance to the audit committee. The audit committee is responsible for monitoring the accounting process, the effectiveness of the internal control system, the internal risk management system, the internal audit system, and for monitoring the statutory audit, including but not limited to the auditor's independence and additional services rendered by the independent auditor. The audit committee also decides on auditor engagement, the determination of audit priorities and auditor remuneration.

The committee also prepares the Supervisory Board meeting dealing with the annual and consolidated financial statements, however, without authority to make decisions. The chair of the audit committee is independent and possesses special knowledge and experience regarding accounting principles and internal control procedures.

The members of the audit committee are:

- 1) Gunda Röstel (chairwoman)
- 2) Marianne Kugler-Wendt
- 3) Wolfgang Lang
- 4) Dr. Nils Schmid MdL
- 5) Klaus Schörnich
- 6) Heinz Seiffert
- 7) Dietmar Weber
- 8) Kurt Widmaier

Following the obligatory review, the Supervisory Board and the Management Board jointly issued a declaration of compliance with the German Corporate Governance Code in accordance with Sec. 161 German Stock Corporation Act (*Aktiengesetz*, "**AktG**") on 5 December 2013.

Compliance Declaration under the German Corporate Governance Code

The most recent compliance declaration of the Board of Management and Supervisory Board of EnBW Energie Baden-Württemberg AG in accordance with Sec. 161 AktG is as follows:

"Since its last declaration of compliance on 8 December 2011, EnBW Energie Baden-Württemberg AG has without exception complied with the recommendations made by the government commission on the German Corporate Governance Code as amended on 26 May 2010 and published in the German Federal Gazette (*Bundesanzeiger*). EnBW Energie Baden-Württemberg AG has complied and will continue to comply with the recommendations made in the new version of the German Corporate Governance Code dated 15 May 2012 published in the German Federal Gazette (*Bundesanzeiger*) on 15 June 2012 with the following exception:

No. 5.4.6 (2) Sentence 2 of the German Corporate Governance Code: If members of the Supervisory Board are promised performance-related remuneration, it shall be oriented toward the sustainable growth of the enterprise.

The remuneration of the Supervisory Board determined at the annual general meeting contains a variable component, the amount of which is measured according to the EnBW Group's EBITDA generated in the past fiscal year. As a result of basing the performance-based portion of the Supervisory Board remuneration on only one fiscal year, the existing Supervisory Board remuneration structure is not in line with the new recommendation under No. 5.4.6 (2) Sentence 2 of the German Corporate Governance Code.

The annual general meeting of EnBW Energie Baden-Württemberg AG, which was held on 25 April 2013, decided on the recommendation of the Board of Management and Supervisory Board to switch the remuneration system for Supervisory Board members to a fixed remuneration system without any performance-based components and that the articles of incorporation and bylaws be amended accordingly. The recommendation contained in No. 5.4.6. (2) Sentence 2 of the Code has been complied with since then.

EnBW Energie Baden-Württemberg AG will continue in future to comply fully with the recommendations of the German Corporate Governance Code government commission in the version dated 13 May 2013, which was published in the German Federal Gazette (Bundesanzeiger)."

Shareholder composition

To the knowledge of EnBW AG, EnBW AG had the following shareholders as of 31 December 2013.

OEW Energie-Beteiligungs GmbH	46.75 per cent.
NECKARPRI Beteiligungsgesellschaft mbH*	46.75 per cent.
Badische Energieaktionärs-Vereinigung ("BEV")	2.45 per cent.
EnBW Energie Baden-Württemberg AG	2.08 per cent.
Gemeindeelektrizitätsverband Schwarzwald-Donau ("G.S.D.")	0.97 per cent.
Neckar-Elektrizitätsverband ("NEV")	0.63 per cent.
Free float	0.39 per cent.

* 100 per cent. subsidiary of NECKARPRI GmbH which is a 100 per cent. subsidiary of the Federal State of Baden-Württemberg.

NECKARPRI-Beteiligungsgesellschaft mbH has entered into a shareholder agreement with OEW.

Financial information about Net Assets, Financial Position and Results of Operations of EnBW AG

Historical Financial Information

The consolidated financial statements of EnBW AG for the fiscal years ended on 31 December 2012 and 31 December 2013 were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and the additional requirements of German commercial law pursuant to Sec. 315a (1) German Commercial Code (Handelsgesetzbuch) and were audited in accordance with Sec. 317 HGB and German generally accepted standards for the audit of financial statements.

The consolidated financial statements of EnBW AG for the fiscal year ended on 31 December 2013 and the audit opinion reproduced on pp. 133 – 141 of the Financial Statements of the EnBW Group 2013, are incorporated by reference into this Prospectus.

The consolidated financial statements of EnBW AG for the fiscal years ended on 31 December 2012 and 31 December 2013 were audited by KPMG AG Wirtschaftsprüfungsgesellschaft, Mannheim, that issued unqualified audit opinions thereon.

Investments

The EnBW Group invested a total of € 1,100.5 million in capital expenditures in 2013, 25.4 per cent. above the previous year's € 877.4 million. Of this amount, a total of € 1,047.6 million (2012: € 816.8 million) was attributable to investments in intangible assets and in property, plant and equipment – principally grid expansion, the large-scale projects RDK 8 and EnBW Baltic 2, and the construction of the Lausward Combined Cycle Gas Turbine ("CCGT"). Financial investments of € 52.9 million in 2013 were 12.7 per cent. below the previous year's € 60.6 million. After taking into account divestitures of € 295.4 million – mainly from the sale of non-current assets, and taking into account construction cost subsidies – net capital expenditures amounted to € 805.1 million. When taking into account divestitures of € 429.8 million, which principally relate to the sale of the EnBW Group's Polish investment, net capital expenditures in the previous year stood at € 447.6 million.

The proportion of investments in replacement measures amounted to approximately 34 per cent. in 2013, and was earmarked for the maintenance of existing power stations and grid infrastructure. The share of capital expenditures in growth projects reached approximately 66 per cent. and served

principally to fund the realisation of EnBW Baltic 2, the second offshore wind farm, and the construction of the RDK 8 hard coal power station, as well as the start of construction of the CCGT in Düsseldorf.

At 44.1 per cent., or € 462.0 million, most of the capital expenditures on intangible assets and property, plant and equipment were attributable to the grids segment. Investments within this segment grew by 18.2 per cent. year-on-year. These activities concentrated on the expansion and upgrading of the grids and the connection of facilities for the generation of renewable energies by EnBW's grid subsidiaries. Capital expenditures in the renewable energies segment more than doubled to € 305.1 million in the fiscal year under review (2012: € 121.6 million). Their share of total capital expenditures on intangible asset and on property, plant and equipment registered a marked increase to 29.1 per cent.. Capital expenditures in the generation and trading segment fell by 13.2 per cent. to € 206.2 million (2012: € 237.6 million). Their share of total EnBW Group capital expenditures fell to 19.7 per cent. in the 2013 fiscal year, compared with 29.1 per cent. in the previous year. Above and beyond this, € 56.8 million, or 5.4 per cent., was invested in strengthening the sales force.

Capital commitments for intangible assets and property, plant and equipment amounted to € 1,038.4 million as of 31 December 2013 (2012: € 975.6 million). Commitments to acquire entities totalled € 494.3 million (2012 (restated): € 491.3 million). The commitment is financed from current funds from operations ("**FFO**").

Trend information, recent developments and strategy

A wide variety of external factors such as macroeconomic, political and regulatory developments in the environment, as well as prices in the market for electricity, fuel and CO₂ allowances exert a significant influence on the course of EnBW's business. Industry's electricity and gas demand is strongly impacted by the macroeconomic phases of growth or contraction. Energy consumption by private households, however, is largely independent of the economy. Moreover, gas sales are extremely dependent on prevailing weather conditions.

Political decisions at national and pan-European level – in particular market- and competition-related regulations – affect the energy industry. Change brought about by society at the political level, for instance stepping up climate protection or conserving natural resources, shapes the political and regulatory requirements and extensive legislative intervention in the field of energy. As a result, EnBW constantly faces new challenges, which it counters with flexible and sustainable concepts.

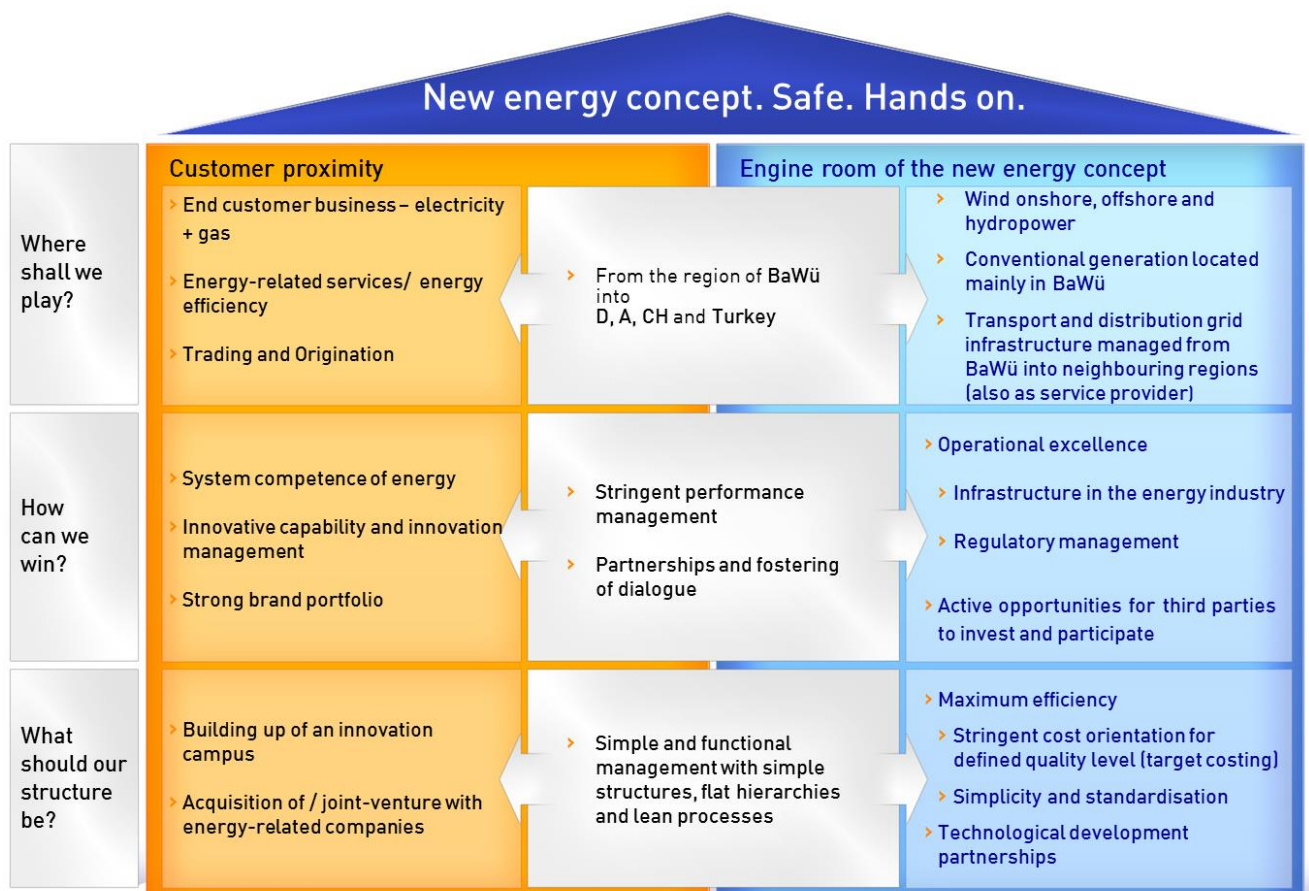
On the cost and income front, prices on the fuel and CO₂ markets as well as on electricity wholesale markets influence EnBW's performance: The key factors determining the variable costs of electricity production by the power plants are the prices of primary energy sources and CO₂ allowances which must be procured in the context of European CO₂ emissions trading. Alongside fuel and CO₂ prices, the steady growth in the supply of renewable energies is a factor exerting a growing influence on wholesale electricity prices which are decisive for the profitability of EnBW's power plants.

EnBW is currently undertaking a strategic realignment. This contains the implementation of a new organisational structure called "One EnBW", which commenced on 1 August 2013 and is scheduled for completion on 30 April 2014, with retrospective economic effect as per 1 January 2014. The realignment is underpinned by EnBW's new concept for an organisation structure, its repositioning, a new management model and the restructuring of the finance organisation. The complexity of the EnBW Group is to be considerably reduced through aggregating important group companies in order to create an integrated group. In future, the EnBW Group will be managed via business units and functional units. Core business activities will be concentrated under the business units. The functional units will assume group-wide support and governance tasks. The model of a central

holding company will be dispensed with, along with numerous company executive and supervisory bodies and functions in top management. By reducing the number of executive and supervisory bodies and streamlining management levels, EnBW anticipates efficiency gains.

Furthermore, to adapt to Germany's exit from nuclear and fossil fuel-based energy (Energiewende), the EnBW Group's strategic realignment includes the EnBW 2020 strategy. Examples of such goals include increasing EnBW's share of renewable energies in its generation portfolio from 19 per cent. today to more than 40 per cent. by 2020; boosting EnBW's onshore wind parks' capacities from currently around 200 MW of output to around 1,750 MW; and increasing the overall share of its portfolio accounted for by the stable and regulated grid business and renewable energies from currently 40 per cent. to more than 70 per cent. by 2020. Moreover, EnBW aims to make € 14.1 billion of total investments through to 2020. The emphasis of its investment endeavours will be on expanding industrial-scale wind and hydropower. In addition, EnBW intends to concentrate on the targeted expansion of its transportation and distribution network, all the way through to smart grids. On a regional basis, and from its core market of Baden-Württemberg, EnBW will be focusing its activities on Germany, Austria, Switzerland and Turkey. To create financial headroom for its extensive investments, EnBW Group has considerably extended its divestiture programme, with conventional divestitures and cash flow from participating investment models as well as the disposal of assets and subsidies, to around € 5.1 billion.

The following chart provides an overview of the main goals of the EnBW 2020 strategy:



The following two operating models form a part of the EnBW 2020 strategy:

- (1) Customer proximity: Key components of the the EnBW 2020 strategy are consistent innovation management, shorter time-to market for new products and services and balanced partnership models. The business with and for municipal utilities and local authorities is to be expanded as an important segment, primarily based on partnership cooperation models. EnBW aims to establish advantages over its competitors with customer-specific system and full-line solutions, innovations and a strong brand portfolio. An innovation campus is set to support swift forward-looking product development, distinguishing itself through market proximity and by concentrating the necessary competences of research and development all the way through to sales, flanked by entrepreneurial thought and action. Particularly in the area of energy-related services partnerships, select company acquisitions are intended to supplement EnBW's know-how range of products and services.
- (2) Engine room of the *Energiewende*: In operating infrastructure critical to the system, particularly with regard to renewable energies but also conventional energy production as well as energy transmission via transport and distribution grids, the key focus points are efficiency, safety, simplicity and flexibility. EnBW relies on operational excellence, stringent efficiency and cost orientation for defined quality standards, as well as on the principle of standardisation. Technological development partnerships serve to minimise costs and risks. In addition, EnBW actively offers opportunities for investing in grids and power plants, especially to local authorities. Furthermore, it provides back-office solutions for third parties.

With regard to the implementation of the strategies outlined above, the individual business units use the approved corporate and portfolio strategy to form their individual business strategies as well as specific initiatives and measures. The respective strategic role of each business unit, its performance targets through to the year 2020, as well as the necessary investments and divestitures over this period form the general maxims.

Crafting the functional strategies (for instance, Personnel, IT, Procurement and Compliance) involves defining how the units will contribute to achieving the objectives at corporate/business strategy level. The uniform and structured process for developing detailed strategies at the business and functional levels is intended to ensure a thorough drilldown while maintaining quality and optimal integration.

There has been no material adverse change in the prospects of EnBW AG since 31 December 2013.

There have been no significant changes in the financial or trading position of EnBW AG since 31 December 2013, except for an increase of gross debt by approximately EUR 730 million, mainly due to a project finance loan by European Investment Bank for the projects Baltic II and a project finance loan for EnBW's subsidiary Stadtwerke Duesseldorf which is, however, largely covered by cash on balance and therefore will not result in an increase of net debt.

Auditor

KPMG AG Wirtschaftsprüfungsgesellschaft, Mannheim, has been EnBW AG's auditor since the fiscal year 2010. The address of the Mannheim office is Schlossgartenstraße 1, 68161 Mannheim. KPMG is a member of the German Chamber of Public Accountants (*Wirtschaftsprüferkammer*), Rauchstrasse 26, 10787 Berlin.

Selected Financial Information

The financial information presented below is taken from the consolidated financial statements which are included in the annual financial statements of the EnBW Group 2013, unless otherwise indicated. The consolidated financial statements for 2013 have been audited by KPMG AG Wirtschaftsprüfungsgesellschaft, Mannheim, and the financial information for 2012 is presented as

comparative information. Certain figures pertaining to 2012 differ from the audited consolidated financial statements for 2012 presented in the EnBW Group annual financial report 2012 due to the fact that such figures have been restated in the comparative period balances to the consolidated financial statements for 2013 that are included in the annual financial statements of the EnBW Group 2013.

Balance sheet of the EnBW Group

€million	31 December 2013	31 December 2012
Assets		
Non-current assets	25,498.7	25,136.6 ¹
Current assets	10,551.5	10,948.0
Assets held for sale	90.3	681.1
Assets, total	36,140.5	36,765.7 ¹

€million

Equity and liabilities

Equity	6,082.7	6,375.9 ¹
Non-current liabilities	21,082.6	21,116.8 ¹
Current liabilities	8,942.6	9,272.4
Liabilities directly associated with the assets classified as held for sale	32.6	0.6
Equity and liabilities, total	36,140.5	36,765.7 ¹

¹ Restated, unaudited.

Income statement of the EnBW Group

€million	2013	2012 ¹
Revenue	20,540.3	19,324.4
EBITDA	1,991.4	2,307.2
Earnings before interest and taxes (EBIT)	1,020.4	1,289.3
Earnings before tax (EBT)	169.9	722.7
Group net profit ²	51.0	484.2
Shares outstanding (millions), weighted average	270.855	257.265
Earnings per share from group net profit (€) ³	0.19	1.88

¹ Restated, unaudited.

² In relation to the profit shares attributable to the equity holders of EnBW AG.

³ Basic and diluted; in relation to the profit shares attributable to the equity holders of EnBW AG.

Statement of comprehensive income of the EnBW Group

€million	2013	2012 ¹
Group net profit	122.3	545.6
Total of other comprehensive income and expenses without future reclassifications impacting earnings	23.1	-748.3
Total comprehensive income and expenses with future reclassifications impacting earnings	-134.0	-11.1
Total comprehensive income ²	-42.9	-278.6

¹ Restated, unaudited.

² In relation to the profit shares attributable to the equity holders of EnBW AG.

Cash flow statement of the EnBW Group

€million	2013	2012
Funds from operations (FFO)	1,658.5	1,781.7
Cash flow from operating activities	1,908.5	856.3
Cash flow from investing activities	-559.7	-274.3
Cash flow from financing activities	-1,509.7	-730.8
Net change in cash and cash equivalents	-160.9	-148.8
Change in cash and cash equivalents	-162.1	-149.0
Cash and cash equivalents at the end of the period	2,421.2	2,583.3
Total interest paid in the period	-357.9	-387.2

Consolidated key figures of the EnBW Group

€million	2013	2012
Revenue		
Sales	9,569.4	9,278.2
Grids	5,707.6	5,339.5
Renewable Energies	369.4	352.5
Generation and Trading	4,885.7	4,346.1
Other/consolidation	8.2	8.1
External revenue, total	20,540.3	19,324.4¹
Capital expenditures	1,100.5	877.4

¹ Restated, unaudited.

Energy sales of the EnBW Group

billions of kWh	2013	2012
Electricity	128.0	135.6 ¹
Gas	100.0	73.1

¹ Restated, unaudited.

Employees of the EnBW Group¹

Number	31 December 2013	31 December 2012
Employees	19,839	19,998

¹ Number of employees excluding apprentices/trainees and excluding inactive employees.

Governmental, Legal and Arbitration Proceedings

Other than as described under "*Risk Factors – Risk factors with regard to the Issuer – Legal Risks*", neither EnBW AG nor any of its subsidiaries is currently involved in any governmental, legal or arbitration proceedings directed against or affecting EnBW AG or any of its subsidiaries, nor was EnBW AG or any of its subsidiaries involved in any such proceedings in the past 12 months, nor is EnBW AG aware of any proceedings, whether pending or threatened, that have recently had, or that EnBW AG expects to have, material effects on the financial condition or profitability of EnBW AG or the EnBW Group.

Additional Information

Subscribed Capital

The subscribed capital of EnBW Energie Baden-Württemberg AG amounts to € 708,108,042.24 and is divided into 276,604,704 no par value bearer shares with an imputed value of € 2.56 each. The subscribed capital of EnBW AG has been fully paid in. Each share entitles the holder to one vote at EnBW AG's annual general meeting.

Articles of incorporation and bylaws

According to Article 2 of the articles of incorporation and bylaws, EnBW AG has the following purpose:

- (1) The purpose of the company is the management of a group of companies that are active, in particular in the economic sector of energy supply, water supply and disposal, including generation, winning or procurement, transmission and distribution or transport, sale and trading and the provision of services in these business areas. The Company may also acquire and manage industrial and other investments in other economic sectors, in particular in the areas of information technology, telecommunications, transportation and real estate industry.
- (2) The company is entitled to conduct all business and to undertake such measures that are related to the purpose of the Company or that are suitable to directly or indirectly to serve it. With the approval of the Supervisory Board, it may also conduct activities in the business areas specified in Para. 1 for limited periods of time.
- (3) The company is entitled to establish branches in Germany and abroad and to found, acquire or invest in other companies. It may group such companies wholly or partly under uniform management. It may also exercise its business activities through subsidiaries, investments and joint ventures or wholly or partly source out these activities to associated companies or assign these activities to associated companies and confine itself to the management and administration of its associated companies.

Ratings¹

Standard & Poor's Credit Market Services Europe Limited ("**Standard & Poor's**") has assigned the credit rating of A-² to EnBW AG.

Moody's Investors Service Ltd ("**Moody's**") has assigned the credit rating of A3³ to EnBW AG.

Fitch Ratings Ltd. ("**Fitch**") has assigned the credit rating of A-⁴ to EnBW AG.

¹ Credit ratings included or referred to in this Prospectus have been issued by S&P, Moody's and Fitch, each of which is established in the European Union and registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, amended by Regulation (EC) No 513/2011 of the European Parliament and of the Council of 11 May 2011 (the "**CRA Regulation**"). A list of credit rating agencies registered under the CRA Regulation is available for viewing at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>.

A credit rating assesses the creditworthiness of an entity and informs an investor therefore about the probability of the entity being able to redeem invested capital. It is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

² Standard & Poor's defines "A" as follows: "strong capacity to meet financial commitments, but somewhat susceptible to adverse economic conditions and changes in circumstances". Ratings by Standard & Poor's from "AA" to "CCC" may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

³ Moody's defines "A" as follows: "obligations rated A are judged to be upper-medium grade and are subject to low credit risk". Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

⁴ Fitch defines "A" as follows: "'A' ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings." The modifiers "+" or "-" may be appended to a rating by Fitch from "AA" to "B" to denote relative status within major rating categories.

TAXATION

The following is a general description of certain tax considerations relating to the purchasing, holding and disposing of Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular Holder. The discussions that follow for each jurisdiction are based upon the applicable laws in force and their interpretation on the date of this Prospectus. These tax laws and interpretations are subject to change that may occur after such date, even with retroactive effect.

Prospective purchasers of Notes should consult their own tax advisers as to the particular tax consequences of subscribing, purchasing, holding and disposing the Notes, including the application and effect of any federal, state or local taxes, under the tax laws of Germany, the Grand Duchy of Luxembourg ("Luxembourg") and each country of which they are residents or citizens.

Taxation in Germany

The following applies to investors holding the Notes as private investment assets (except where explicitly stated otherwise) and is not intended to be, nor should it be construed to be, legal or tax advice.

German resident Holders

Interest income

If the Notes are held as private investment assets (*Privatvermögen*) by an individual investor whose residence or habitual abode is in Germany, payments of interest under the Notes are taxed as investment income (*Einkünfte aus Kapitalvermögen*) at a 25 per cent. flat tax (*Abgeltungsteuer*) (plus a 5.5 per cent. solidarity surcharge (*Solidaritätszuschlag*) thereon and, if applicable to the individual investor, church tax (*Kirchensteuer*)).

The flat tax is generally collected by way of withholding (see succeeding paragraph – *Withholding tax*) and the tax withheld shall generally satisfy the individual investor's tax liability with respect to the Notes. If, however, no or not sufficient tax was withheld the investor will have to include the income received with respect to the Notes in its income tax return and the flat tax will then be collected by way of tax assessment. The investor may also opt for inclusion of investment income in its income tax return if the aggregated amount of tax withheld on investment income during the year exceeded the investor's aggregated flat tax liability on investment income (e.g., because of an available loss carry forward or a foreign tax credit). If the investor's total income tax liability on all taxable income including the investment income determined by generally applicable graduated income tax rates is lower than 25 per cent. the investor may opt to be taxed at graduated rates with respect to its investment income.

Individual investors are entitled to a tax allowance (*Sparer-Pauschbetrag*) for investment income of 801 Euro per year (1,602 Euro for jointly assessed individual investors). The tax allowance is taken into account for purposes of the withholding tax (see succeeding paragraph – *Withholding tax*) if the investor has filed a withholding tax exemption request (*Freistellungsauftrag*) with the respective bank or financial institution where the securities deposit account to which the Notes are allocated is held. The deduction of related expenses for tax purposes is not possible.

If the Notes are held as business assets (*Betriebsvermögen*) by an individual or corporate investor who is tax resident in Germany (i.e., a corporation with its statutory seat or place of management in

Germany), interest income from the Notes is subject to personal income tax at graduated rates (plus solidarity surcharge thereon and, if applicable to the individual investor, church tax) or corporate income tax (plus solidarity surcharge thereon) and trade tax. The trade tax liability depends on the applicable trade tax factor of the relevant municipality where the business is located. In case of individual investors the trade tax may, however, be partially or fully creditable against the investor's personal income tax liability depending on the applicable trade tax factor and the investor's particular circumstances. The interest income will have to be included in the investor's personal or corporate income tax return. Any German withholding tax (plus solidarity surcharge thereon and, if applicable to the individual investor, church tax) is generally fully creditable against the investor's personal or corporate income tax liability or refundable, as the case may be.

Withholding tax

If the Notes are kept or administered in a domestic securities deposit account by a German credit or financial services institution (or by a German branch of a foreign credit or financial services institution), or by a German securities trading firm (*Wertpapierhandelsunternehmen*) or a German securities trading bank (*Wertpapierhandelsbank*) (altogether the "**Domestic Paying Agent**") which pays or credits the interest, a 25 per cent. withholding tax, plus a 5.5 per cent. solidarity surcharge thereon, resulting in a total withholding tax charge of 26.375 per cent, is levied on the interest payments. The applicable withholding tax rate is in excess of the aforementioned rate if church tax is collected for the individual investor by way of withholding which, in the case of interest received after 31 December 2014, is provided for as a standard procedure unless the noteholder has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*).

Capital gains from disposal or redemption of the Notes

Subject to the tax allowance for investment income described under *Interest income* above capital gains from the sale or redemption of the Notes held as private assets are taxed at the 25 per cent. flat tax (plus a 5.5 per cent. solidarity surcharge thereon and, if applicable to the individual investor, church tax). The capital gain is generally determined as the difference between the proceeds from the sale or redemption of the Notes and the acquisition costs.

Expenses directly related to the sale or redemption are taken into account. Otherwise, the deduction of related expenses for tax purposes is not possible.

Capital losses from the Notes held as private assets are tax-recognised irrespective of the holding period of the Notes. The losses may, however, not be used to offset other income like employment or business income but may only be offset against investment income subject to certain limitations. Losses not utilised in one year may be carried forward into subsequent years but may not be carried back into preceding years.

The flat tax is generally collected by way of withholding (see succeeding paragraph – *Withholding tax*) and the tax withheld shall generally satisfy the individual investor's tax liability with respect to the Notes. With respect to the return filing investors are referred to the description under *Interest income* above.

If the Notes are held as business assets (*Betriebsvermögen*) by an individual or corporate investor that is tax resident in Germany, capital gains from the Notes are subject to personal income tax at graduated rates (plus solidarity surcharge thereon and, if applicable to the individual investor, church tax) or corporate income tax (plus solidarity surcharge thereon) and trade tax. The trade tax liability depends on the applicable trade tax factor of the relevant municipality where the business is located. In case of an individual investor the trade tax may, however, be partially or fully creditable against the investor's personal income tax liability depending on the applicable trade tax factor and

the investor's particular circumstances. The capital gains will have to be included in the investor's personal or corporate income tax return. Any German withholding tax (plus solidarity surcharge thereon and, if applicable to the individual investor, church tax) is generally fully creditable against the investor's personal or corporate income tax liability or refundable, as the case may be.

Withholding tax

If the Notes are kept or administered by a Domestic Paying Agent from the time of their acquisition, a 25 per cent. withholding tax, plus a 5.5 per cent. solidarity surcharge thereon, is levied on the capital gains, resulting in a total withholding tax charge of 26.375 per cent. If the Notes were sold or redeemed after being transferred to another securities deposit account, the 25 per cent. withholding tax (plus solidarity surcharge thereon) would be levied on 30 per cent. of the proceeds from the sale or the redemption, as the case may be, unless the investor or the previous depository bank was able and allowed to prove evidence for the investor's actual acquisition costs to the current Domestic Paying Agent. In case of securities deposit account transfers between Domestic Paying Agents the investor's actual acquisition costs will generally be transmitted. The withholding will be in excess of the aforementioned rate if church tax is collected for the individual investor which, in the case of interest received after 31 December 2014, is provided for as a standard procedure unless the noteholder has filed a blocking notice with the German Federal Central Tax Office.

No withholding is generally required on capital gains derived by German resident corporate Holders and upon application by individual Holders holding the Notes as business assets.

Non-German resident Holders

Income derived from the Notes by holders who are not tax resident in Germany is in general exempt from German income taxation, and no withholding tax shall be withheld, unless (i) the Notes are held as business assets of a German permanent establishment of the investor or by a permanent German representative of the investor, (ii) the income derived from the Notes does otherwise constitute German source income or (iii) the Notes are presented for payment or credit at the offices of a German credit or financial services institution including a German branch of a foreign credit or financial services institution (over-the-counter transaction).

If the income derived from the Notes is subject to German taxation according to (i) to (iii) above, the income is subject to German income taxation and withholding tax similar to that described above under the paragraphs *Withholding tax*. Under certain circumstances, foreign investors may benefit from tax reductions or tax exemptions under applicable double tax treaties (*Doppelbesteuerungsabkommen*) entered into with Germany.

Inheritance tax / gift tax

The transfer of Notes to another person by way of gift or inheritance is subject to German gift or inheritance tax, respectively, if *inter alia*

- (i) the testator, the donor, the heir, the donee or any other acquirer had his residence, habitual abode or, in case of a corporation, association (*Personenvereinigung*) or estate (*Vermögensmasse*), had its seat or place of management in Germany at the time of the transfer of property,
- (ii) except as provided under (i), the testator's or donor's Notes belong to a business asset attributable to a permanent establishment or a permanent representative in Germany,

Special regulations apply to certain German expatriates.

Investors are urged to consult with their tax advisor to determine the particular inheritance or gift tax consequences in light of their particular circumstances.

Other taxes

The purchase, sale or other disposal of Notes does not give rise to capital transfer tax, value added tax, stamp duties or similar taxes or charges in Germany. However, under certain circumstances entrepreneurs may choose liability to value added tax with regard to the sales of Notes which would otherwise be tax exempt. Net wealth tax (*Vermögensteuer*) is, at present, not levied in Germany.

European directive on the taxation of savings income

On 3 June 2003 the Economic and Financial Affairs Council of the European Union (ECOFIN Council) adopted directive 2003/48/EC on taxation of savings income in the form of interest payments ("**Savings Directive**"). Under the Savings Directive and from 1 July 2005, each member state of the European Union ("Member State") is required to provide the tax authorities of another Member State with details of payments of interest and other similar income paid by a paying agent (within the meaning of the Savings Directive) in one Member State to an individual resident in another Member State. Austria and Luxembourg must instead impose a withholding tax for a transitional period unless during such period they elect to participate in the information exchange. In Germany, provisions for implementing the Savings Directive have been enacted by legislative regulations of the federal government (*Zinsinformationsverordnung*). These provisions apply as from 1 July 2005.

Taxation in Luxembourg

The comments below are intended as a basic summary of certain withholding tax consequences in relation to the purchase, ownership and disposal of the Notes under Luxembourg law. Persons who are in any doubt as to their tax position should consult a professional tax adviser.

Withholding tax

Under Luxembourg tax law currently in effect and with the possible exception of interest paid to certain individual Holders or so-called residual entities (as defined below), there is no Luxembourg withholding tax on payments of interest (including accrued but unpaid interest). There is also no Luxembourg withholding tax, with the possible exception of payments made to certain individual Holders or so-called residual entities (as defined below), upon repayment of principal in case of reimbursement, redemption, repurchase or exchange of the Notes.

Luxembourg non-residents

Under the Luxembourg laws dated 21 June 2005, as amended, implementing the **Savings Directive** and several agreements concluded between Luxembourg and certain dependent or associated territories of the European Union ("**EU**"), a Luxembourg based paying agent (within the meaning of the Savings Directive) is required since 1 July 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual or a so-called "residual entity" resident or established in another Member State or in certain EU dependent or associated territories, unless the beneficiary of the interest payments elects for the exchange of information or, in case of an individual beneficiary, the tax certificate procedure. "Residual entities" within the meaning of Article 4.2 of the Savings Directive are entities established in a Member State or in certain EU dependent or associated territories which are not legal persons (the Finnish and Swedish companies listed in Article 4.5 of the Savings Directive are not considered as legal persons for this purpose, whose profits are not taxed under the general arrangements for the business taxation and which are not and have not opted to be treated as UCITS recognised in accordance with the Council Directive 85/611/EEC, as replaced by the Council Directive 2009/65/EC, or similar collective investment funds located in Jersey, Guernsey, the Isle of Man, the Turks and Caicos Islands, the Cayman Islands, Montserrat or the British Virgin Islands.

The current withholding tax rate is 35 per cent. Responsibility for withholding such tax will be assumed by the Luxembourg paying agent. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain third countries.

The European Commission has proposed certain amendments to the Savings Directive, which may, if implemented, amend or broaden the scope of the requirements described above. The Luxembourg government has announced its intention to elect out of the withholding system in favour of an automatic exchange of information with effect as from 1 January 2015.

Investors who are in any doubt as to their position should consult their professional advisors.

Luxembourg residents

In accordance with the law of 23 December 2005 as amended by the law of 17 July 2008 on the introduction of a withholding tax on certain interest payments on savings income, interest payments made by Luxembourg paying agents (defined in the same way as in the Savings Directive) to Luxembourg individual residents or to certain residual entities that secure interest payments on behalf of such individuals (unless such entities have opted either to be treated as UCITS recognised in accordance with the Council Directive 85/611/EEC, as replaced by the Council Directive 2009/65/EC, or for the exchange of information regime) are subject to a 10 per cent. withholding tax. Responsibility for the 10 per cent. withholding tax will be assumed by the Luxembourg paying agent.

The proposed financial transactions tax ("FTT")

The European Commission has published a proposal for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the participating Member States).

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are exempt.

Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States and is the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

Taxation in Austria

The following is a general overview of certain Austrian tax aspects in connection with the Notes and contains the information required on taxation by the Commission Regulation (EC) No 809/2004 of April 29, 2004. It does not claim to fully describe all Austrian tax consequences of the acquisition, ownership, disposition or redemption of the Notes nor does it take into account the Noteholders' individual circumstances or any special tax treatment applicable to the Noteholder. It is not intended

to be, nor should it be construed to be, legal or tax advice. Prospective investors should consult their own professional advisors as to the particular tax consequences of the acquisition, ownership, disposition or redemption of the Notes.

This overview is based on Austrian law as in force when drawing up this Prospectus. The laws and their interpretation by the tax authorities may change and such changes may also have retroactive effect. It cannot be ruled out that the Austrian tax authorities adopt a view different from that outlined below, in particular because there is not yet sufficient case law relating to the taxation of hybrid notes. This overview is based on the assumption that the Notes are offered to the public.

Austrian residents

Income from the Notes derived by individuals, whose domicile or habitual abode is in Austria, is subject to Austrian income tax pursuant to the provisions of the Austrian Income Tax Act (*Einkommensteuergesetz*).

Interest income from the Notes is subject to a special income tax rate of 25%. If the interest is paid out to the Noteholder by an Austrian paying agent (Austrian bank or branch of foreign bank or investment firm), the interest income from the Notes is subject to Austrian withholding tax (*Kapitalertragssteuer*) at a rate of 25%, which is withheld by the paying agent (*auszahlende Stelle*). The income tax for interest income generally constitutes a final taxation (*Endbesteuerung*) for individuals, irrespectively whether the Notes are held as private assets or as business assets. If the interest income is not subject to Austrian withholding tax because there is no domestic paying agent, the taxpayer will have to include the interest income derived from the Notes in his personal income tax return pursuant to the provisions of the Austrian Income Tax Act.

Furthermore, any realized capital gain (*Einkünfte aus realisierten Wertsteigerungen*) from the Notes is subject to Austrian income tax at a rate of 25%. Realized capital gain means any income derived from the sale or redemption of the Notes. The tax base is, in general, the difference between the sale proceeds or the redemption amount and the acquisition costs, in each case including accrued interest. Expenses which are directly connected with income subject to the special tax rate of 25% are not deductible. For Notes held as private assets, the acquisition costs shall not include incidental acquisition costs. For the calculation of the acquisition costs of Notes held within the same securities account and having the same securities identification number but which are acquired at different points in time, an average price shall apply.

Where an Austrian securities depository (*depotführende Stelle*) or paying agent is involved and pays out or settles the capital gain, also any realized capital gain from the Notes is subject to a 25% withholding tax. The 25% withholding tax deduction will result in final income taxation for private investors (holding the Notes as private assets) provided that the investor has evidenced the factual acquisition costs of the Notes to the securities depository. If the realized capital gain is not subject to Austrian withholding tax because there is no domestic securities depository or paying agent, the taxpayer will also have to include the realized capital gain derived from the Notes in his personal income tax return pursuant to the provisions of the Austrian Income Tax Act.

Withdrawals (*Entnahmen*) and other transfers of Notes from the securities account will be treated as disposals (sales), unless specified exemptions will be fulfilled like the transfer of the Notes to a securities account owned by the same taxpayer (i) with the same Austrian securities depository (bank), (ii) with another Austrian bank if the account holder has instructed the transferring bank to disclose the acquisition costs to the receiving bank or (iii) with a non-Austrian bank, if the account holder has instructed the transferring bank to transmit the pertaining information to the competent tax office or has, in the case of transfers from a foreign account, himself notified the competent Austrian tax office within a month; or like the transfer without consideration to a securities account held by another taxpayer, if the fact that the transfer has been made without consideration has been

evidenced to the bank or the bank has been instructed to inform the Austrian tax office thereof or if the taxpayer has himself notified the competent Austrian tax office within a month. Special rules apply if a taxpayer transfers his residence outside of Austria or Austria loses for other reasons its taxation right in respect of the Notes to other countries (which gives rise to a deemed capital gain and exit taxation with the option for deferred taxation in the case of a transfer to an EU member state or certain member states of the European Economic Area).

Taxpayers, whose regular personal income tax is lower than 25% may opt for taxation of the income derived from the Notes at the regular personal income tax rate. Any tax withheld will then be credited against the income tax. Such application for opting into taxation at the regular personal income tax rate must, however, include all income subject to the special 25% tax rate. Expenses in direct economical connection with such income are also not deductible if the option for taxation at the regular personal income tax rate is made.

Income from Notes which are not offered to the public within the meaning of the Austrian Income Tax Act would not be subject to withholding tax and final taxation but subject to normal progressive personal income tax rates.

Losses from Notes held as private assets may only be set off with other investment income subject to the special 25% tax rate (excluding, inter alia, interest income from bank deposits and other claims against banks) and must not be set off with any other income. The Austrian Budget Implementation Act 2012 provides for a mandatory set-off of losses applied as of January 1, 2013 by the Austrian securities depository to investment income from securities accounts at the same securities depository (subject to certain exemptions). However, a carry-forward of such losses is not permitted.

Income including capital gain derived from the Notes which are held as business assets are also subject to the special income tax rate of 25% deducted by way of the withholding tax. However, realized capital gains, contrary to interest income, have to be included in the tax return and must not be a main focus of the taxpayer's business activity. Write-downs and losses derived from the sale or redemption of Notes held as business assets must primarily be set off against positive income from realized capital gains of financial instruments of the same business and only half of the remaining loss may be set off or carried forward against any other income.

Income including capital gains from the Notes derived by corporate Noteholders, whose seat or place of management is based in Austria, is subject to Austrian corporate income tax pursuant to the provisions of the Austrian Corporate Income Tax Act (*Körperschaftsteuergesetz*). Corporate Noteholders deriving business income from the Notes may avoid the application of Austrian withholding tax by filing a declaration of exemption (*Befreiungserklärung*). There is, *inter alia*, a special tax regime for private foundations established under Austrian law (*Privatstiftungen*) (interim tax, no withholding tax).

The Issuer does not assume responsibility for Austrian withholding tax (*Kapitalertragsteuer*) at source and is not obliged to make additional payments in case of withholding tax deductions at source.

Non-residents

Income including capital gains derived from the Notes by individuals who do not have a domicile or their habitual abode in Austria or by corporate investors who do not have their corporate seat or their place of management in Austria ("**non-residents**") is not taxable in Austria provided that the income is not attributable to an Austrian permanent establishment (for withholding tax under the EU Savings Directive see below).

Thus, non-resident Noteholders – in case they receive income or capital gains from the Notes through a securities depository or paying agent located in Austria – may avoid the application of Austrian withholding tax if they evidence their non resident-status vis-à-vis the paying agent by disclosing their identity and address pursuant to the provisions of the Austrian income tax guidelines. The provision of evidence that the Noteholder is not subject to Austrian withholding tax is the responsibility of the Noteholder.

If any Austrian withholding tax is deducted by the securities depository or paying agent, the tax withheld shall be refunded to the non-resident Noteholder upon his application which has to be filed with the competent Austrian tax authority within five calendar years following the date of the imposition of the withholding tax.

Where non-residents receive income from the Notes as part of business income taxable in Austria (e.g. permanent establishment), they will, in general, be subject to the same tax treatment as resident investors.

Pursuant to the Austrian Tax Law Amendment Act 2014 (*Abgabenänderungsgesetz 2014*), as of 1 January 2015 interest income within the meaning of the Council Directive 2003/48/EC of June 3, 2003 on taxation of savings income in the form of interest payments ("Savings Directive") and the EU Withholding Tax Act (see below) will also for non-resident individuals from non-EU member states and for corporate Noteholders from EU- and non-EU-states become subject to 25% Austrian income tax, which would be levied by deducting 25% Austrian withholding tax if such interest income on notes issued by Austrian corporate bodies will be paid out by an Austrian paying agent, unless such interest income is received by non-residents to which the EU Withholding Tax Act applies (see "EU Savings Directive" below). Since the Issuer does not qualify as an Austrian corporate body and has no Austrian seat or place of management, the new income tax provision and deduction requirement will not apply to the present Notes.

EU Savings Directive

The EU Council Directive 2003/48/EC on taxation of savings income in the form of interest payments ("**Savings Directive**") provides for an exchange of information between the authorities of EU member states regarding interest payments made in one member state to beneficial owners who are individuals and resident for tax purposes in another member state.

Austria has implemented the Savings Directive by way of the EU Withholding Tax Act (*EU-Quellensteuergesetz*) which provides for a withholding tax rather than for an exchange of information. Such EU withholding tax is levied on interest payments within the meaning of the EU Withholding Tax Act made by a paying agent located in Austria to an individual resident for tax purposes in another member state of the European Union or certain dependent and associated territories. The EU withholding tax currently amounts to 35%.

No EU withholding tax is deducted if the EU-resident Noteholder provides the paying agent with a certificate drawn up in his name by the tax office of his member state of residence. Such certificate has to indicate, among other things, the name and address of the paying agent as well as the bank account number of the Noteholder or the identification of the Notes (section 10 EU Withholding Tax Act).

The Issuer does not assume responsibility for EU withholding tax at source and is not obliged to make additional payments in case of withholding tax deductions at source.

Other taxes

There should be no transfer tax, registration tax or similar tax payable in Austria by Noteholders as a consequence of the acquisition, ownership, disposition or redemption of the Notes. The Austrian

inheritance and gift tax (*Erbschafts- und Schenkungssteuer*) was abolished with effect as of August 1, 2008. However, gifts from or to Austrian residents have to be notified to the tax authorities within a three-month notification period. There are certain exemptions from such notification obligation, e.g. for gifts among relatives that do not exceed an aggregate amount of EUR 50,000 per year or gifts among unrelated persons that do not exceed an aggregate amount of EUR 15,000 within five years.

Taxation in The Netherlands

For the purposes of this section, "the Netherlands" shall mean that part of the Kingdom of the Netherlands that is in Europe.

All payments made by the Issuer under the Notes may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

OFFER, SALE AND SUBSCRIPTION OF THE NOTES

Offer of the Notes

Offer period and determination of Pricing Details

The Notes will be offered to investors by Barclays Bank PLC, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, HSBC Bank plc and Société Générale (together, the "**Joint Lead Managers**" or the "**Managers**") during an offer period which will commence on 11 March 2014 and will be open until 18 March 2014 subject to a shortening or extension agreed by the Issuer and the Managers. Should the Issuer and the Managers determine any shortening or extension of the offer period (e.g. due to changing market conditions), such changes will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

The Notes will be offered to institutional investors and retail investors in compliance with applicable public offer restrictions. The Notes may be offered to the public in each of Luxembourg, Austria, Germany and the Netherlands following the effectiveness of the notification of the Prospectus by the CSSF according to Article 18 of the Prospectus Directive.

The Issue Price, the aggregate principal amount of Notes to be issued, the interest rate, several margins, the issue proceeds and the yield of the issue to the First Call Date (together, the "**Pricing Details**") will be determined as described in "Method of determination of the Pricing Details" below on the pricing date which is expected to be on or about 11 March 2014 (the "**Pricing Date**"). Upon determination, the Pricing Details will be set out in a notice (the "**Pricing Notice**") which will be filed with the CSSF and published on the website of the Luxembourg Stock Exchange (www.bourse.lu) on or after the Pricing Date and prior to the Issue Date.

Conditions and details of the offer

There are no conditions to which the offer is subject. In particular, there is no minimum or maximum amount of Notes required to be purchased. Investors may place offers to purchase Notes in any amount.

Subscription rights for the Notes will not be issued. Therefore, there are no procedures in place for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.

Any offer of Notes to investors will be made through the information system Bloomberg or any other commonly used information systems.

Offers to purchase Notes by the investors

During the offer period (including prior to the Pricing Date) investors may submit offers to purchase Notes to the Managers using the information system Bloomberg (for purposes of reference: Bloomberg code 'ENBW Corp', together with the designation of the Maturity Date of the Notes) or any other commonly used information systems or banking institutions which are connected to Clearstream or Euroclear. In the case of an order prior to the determination of the Pricing Details, the investors shall specify at which price they would be prepared to purchase which amount of Notes. Following determination and notification of the Pricing Details, any order placed by investors with respect to the Notes will be deemed to have been made at the Issue Price and the rate of interest determined.

Method of determination of the Pricing Details

The Issue Price, the aggregate principal amount of Notes to be issued, the interest rate and the yield of the issue will be determined by the Issuer and the Joint Lead Managers on the basis of the price indications and orders received by the Managers from the investors by the time of pricing.

The Issue Price for, and the interest rate of, the Notes will be fixed on the basis of a yield which is determined by adding a credit spread ("**Pricing Credit Spread**") to the level of the Midswaps at the time of pricing. The level of the Midswaps will be determined as the average yield of the bid and ask prices of Interest-Swap Transactions ("**Midswaps**") with a maturity similar to 2 April 2021 shown on the Reuters page ICAPEURO or on any other screen page which is conventionally used to price Eurobond transactions at the time of pricing. The Pricing Credit Spread will be fixed on the basis of the orders received and confirmed by the Joint Lead Managers.

The resulting yield will be used to determine the Issue Price (which is expected to be less than par) and the rate of interest (which is expected to be a percentage figure which can be evenly divided by 1/8 of a full per cent. and which will be correspondingly higher if a higher Issue Price is determined and which will be correspondingly lower if a lower Issue Price is determined), all to correspond to the yield which reflects the level of the Midswaps and the Pricing Credit Spread. In the event that the figures for the relevant Midswaps will not be shown as set out above, the yield, the Issue Price and the rate of interest will be determined in a manner which banks and other institutional market participants apply at that time.

Subscription and allotment of the Notes

Subscription by the Joint Lead Managers

Following the determination of the Pricing Details, the Managers will, pursuant to a subscription agreement to be signed on or about 14 March 2014 (the "**Subscription Agreement**"), agree to subscribe or procure subscribers for the Notes. The Joint Lead Managers will be entitled, under certain circumstances, to terminate the agreement reached with the Issuer. In such event, no Notes will be delivered to investors. Furthermore, the Issuer will agree to indemnify the Managers against certain liabilities in connection with the offer and sale of the Notes.

The commission payable to the Managers in connection with the offering, placement and subscription of the Notes will be up to 0.55 per cent. of the aggregate principal amount of the Notes.

The Managers or their affiliates have provided from time to time, and expect to provide in the future, investment services to the Issuer and its affiliates, for which the Managers or their affiliates have received or will receive customary fees and commissions. In addition, the Managers or their affiliates are involved in financing initiatives relating to the Issuer including the provision of an, as yet, undrawn credit facility.

There are no interests of natural and legal persons other than the Issuer involved in the issue, including conflicting ones that are material to the issue.

Confirmation of offers placed by, and allotments to, investors

Any investor who has submitted an order in relation to the Notes and whose order is accepted by the Managers will receive a confirmation by electronic mail, fax or through commonly used information systems setting out its respective allotment of Notes. Before an investor receives a confirmation from the Managers that its offer to purchase Notes has been accepted, the investor may reduce or withdraw its purchase order.

Delivery of the Notes to investors

Following the determination of the Pricing Details and confirmation which orders have been accepted and which amounts have been allotted to particular investors, delivery and payment of the Notes will be made within five Business Days after the date of pricing of the Notes and the confirmation of the allotment to investors. The Notes so purchased will be delivered via book-entry through the Clearing Systems (see "General Information – 3. Clearing Systems") and their depository banks against payment of the Issue Price therefor.

Costs and expenses relating to the offer

The Issuer will not charge any costs, expenses or taxes directly to any investor in connection with the Notes. Investors must, however, inform themselves about any costs, expenses or taxes in connection with the Notes which are generally applicable in their respective country of residence, including any charges their own depository banks charge them for purchasing or holding securities.

Selling Restrictions

General

Each Manager has acknowledged that other than explicitly mentioned in this Prospectus no action is taken or will be taken by the Issuer in any jurisdiction that would permit a public offering of the Notes, or possession or distribution of any offering material relating to them, in any jurisdiction where action for that purpose is required.

Each Manager has represented and agreed that it will comply with all applicable laws and regulations in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes any offering material relating to them.

European Economic Area

In relation to each Member State of the European Economic Area^{*} which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Manager has represented, warranted and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus to the public in that Relevant Member State other than the offers contemplated in the Prospectus in Luxembourg, Austria, Germany and the Netherlands from the time the Prospectus has been approved by the competent authority in Luxembourg and published and notified to the relevant competent authorities in accordance with the Prospectus Directive as implemented in Luxembourg, Austria, Germany and the Netherlands until the Issue Date, and provided that the Issuer has consented in writing to the use of the Prospectus for any such offers, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) to fewer than 100, or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the Joint Lead Managers; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of the Notes shall require the Issuer or any Joint Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

^{*} The EU plus Iceland, Norway and Liechtenstein.

United States of America and its Territories

The Notes have not been and will not be registered under the Securities Act of 1933, as amended (the "**Securities Act**"), and are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to U.S. persons. Each Manager has represented and agreed that it has not offered, sold or delivered and will not offer, sell or deliver any Notes within the United States or to U.S. persons, except as permitted by the Subscription Agreement.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

United Kingdom of Great Britain and Northern Ireland

Each Manager has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of the Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Switzerland

The Notes may not be publicly offered, sold or advertised, directly or indirectly, in or from Switzerland. Neither this document nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Federal Code of Obligations nor a simplified prospectus according to Art 5 of the Swiss Act on Collective Investment Schemes, and neither this document nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

The Notes do not constitute an investment in a collective investment scheme and are not subject to the Swiss Act on Collective Investment Schemes nor to the supervision of the Swiss Financial Market Supervisory Authority FINMA.

GENERAL INFORMATION

1. **Authorisations:** The creation and issue of the Notes has been authorised by a resolution of the Management Board (*Vorstand*) of the Issuer on 4 February 2014 and of the Supervisory Board (*Aufsichtsrat*) of the Issuer on 6 March 2014.
2. **Use of Proceeds/Expenses of the Issue:** The net proceeds of the issuance of the Notes, amounting to approximately EUR [●], will be used for general corporate purposes of the Group. The total expenses of the issue of the Notes are expected to amount to up to EUR 2 million.
3. **Clearing Systems:** Payments and transfers of the Notes will be settled through Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and Clearstream Banking, société anonyme, 42 Avenue JF Kennedy, L-1855 Luxembourg.

The Notes have the following securities codes:

ISIN: XS1044811591

Common Code: 104481159

German Securities Code (*WKN*): A11P78

4. **Listing and Admission to Trading:** Application has been made to the Luxembourg Stock Exchange for the Notes to be listed on the Official List and to be admitted to trading on the Luxembourg Stock Exchange's regulated market. Application has also been made to the Frankfurt Stock Exchange for the Notes to be listed on the Frankfurt Stock Exchange and to be traded on the regulated market of the Frankfurt Stock Exchange.
5. **Notices to Holders:** For so long as the Notes are listed on the Luxembourg Stock Exchange, all notices to the Holders regarding the Notes shall be published in a leading daily newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) and/or on the website of the Luxembourg Stock Exchange (www.bourse.lu).
6. **Consent to the use of the prospectus:** The Issuer has consented in writing to the use of this Prospectus during the offer period which will commence on 11 March 2014 and will be open until 18 March 2014 by the Joint Lead Managers and by all financial intermediaries (general consent) for the offers in compliance with the Selling Restrictions (see "**Selling Restrictions**") and accepts responsibility for the content of the Prospectus also with respect to subsequent resale or final placement of the Notes by any financial intermediary which was given consent to use the Prospectus. Financial intermediaries may use the Prospectus for subsequent resale or final placement of the Notes into Austria, Germany, Luxembourg and The Netherlands. The subsequent resale or final placement of Notes by financial intermediaries can be made from the later of the time of effectiveness of the notifications (passporting) of the Prospectus into the eligible jurisdictions and 11 March 2014 until 18 March 2014 (being the date of issuance of the Notes).

In the event of an offer being made by a financial intermediary, this financial intermediary will provide information to investors on the terms and conditions of the offer at the time the offer is made.

Any financial intermediary using the Prospectus has to state on its website that it uses the Prospectus in accordance with the consent and the conditions attached thereto.

7. **Documents on Display:** For so long as any Note is outstanding, copies of the following documents may be inspected in physical form during normal business hours at the registered office of the Issuer:

- (a) the articles of association (*Satzung*) of the Issuer;
- (b) this Prospectus; and
- (c) the documents specified in the section "Documents incorporated by Reference" below.

The Prospectus will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

8. **Yield to the First Call Date:** For the subscribers, the yield to maturity of the Notes until the First Call Date is [●] per cent. per annum, calculated on the basis of the Issue Price. Such yield is calculated in accordance with the ICMA (*International Capital Markets Association*) Method, which determines the effective interest rate of notes by taking into account accrued interest on a daily basis.
9. **Expected rating of the Notes:** The expected rating of the Notes is "Baa2" from Moody's⁵ and "BBB-" from S&P⁶.

Rating of the Issuer: Moody's has assigned a rating of "A3 with negative outlook"⁷ to the senior unsecured debt of the Issuer, while the rating assigned by S&P is "A-"⁸.

10. Credit ratings included or referred to in this Prospectus have been issued by Moody's Investors Services Limited, Standard & Poor's Credit Market Services Europe Limited, each of which is established in the European Union and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies as amended by Regulation (EU) No. 513/2011 and is included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>.

⁵ Moody's defines "Baa2" as follows: "Obligations rated Baa are subject to moderate credit risk. They are considered medium-grade and as such may possess certain speculative characteristics. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category."

⁶ S&P defines "BBB-" as follows: "An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation. The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories."

⁷ Moody's defines "A3" as follows: "Obligations rated A are considered upper-medium grade and are subject to low credit risk. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category."

⁸ S&P defines "A" as follows: "An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong. The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories."

DOCUMENTS INCORPORATED BY REFERENCE

The pages specified below of the following documents are incorporated by reference into this Prospectus. These documents have previously been published or are published simultaneously with this Prospectus and have been filed with the CSSF: (i) the Annual Report of the Issuer for the fiscal year ended 31 December 2013, (ii) the Financial Statements of EnBW Group 2013 and (iii) the Annual Report of the Issuer for the fiscal year ended 31 December 2012.

- (1) Extracted from: EnBW Energie Baden-Württemberg AG – Group Annual Report 2013
 - Management Report pages 26 to 131
- (2) Extracted from: Financial Statements of EnBW Group 2013
 - Income statement page 2
 - Statement of comprehensive income page 3
 - Balance sheet page 4
 - Cash flow statement page 5
 - Statement of changes in equity page 6
 - Notes to the financial statements pages 7 to 97
 - Audit Opinion* page 98
- (3) Extracted from: EnBW Energie Baden-Württemberg AG – Group Annual Report 2012
 - Management Report pages 1 to 100
 - Income statement page 102
 - Statement of comprehensive income page 103
 - Balance sheet page 104
 - Cash flow statement page 105
 - Statement of changes in equity page 106
 - Notes to the financial statements pages 107 to 200
 - Audit Opinion* page 201

All of these pages shall be deemed to be incorporated in by reference, and to form part of, this Prospectus.

The non-incorporated parts of such documents, i.e. the pages not listed in the table above, are either not relevant for the investor or covered elsewhere in the Prospectus pursuant to Art 28.4 of the Commission Regulation (EC) 809/2004.

Copies of documents incorporated by reference in this Prospectus may be obtained (without charge) from the registered office of the Issuer and the website of the Luxembourg Stock Exchange (www.bourse.lu).

* The audit opinion refers to the respective consolidated financial statements and the combined management report of the Group and the Issuer as a whole and not solely to the respective consolidated financial statements incorporated by reference.

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