

# An energetic separation The Spin-Off: E.ON

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# The Agenda



## Case Background

E.ON and Energy in the EU

## Spin Off

Unplugging from Fossil Fuels

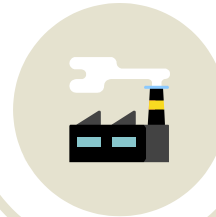


## Learning Objectives

What we want you to learn

## Key Takeaways

Something to think about



## Q&A

Discussions

# History & Timeline

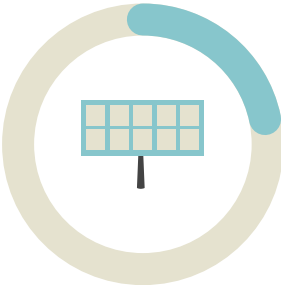
2000



**Birth**

E.ON is born through a merger of two energy conglomerates

2002 - 2007



**Growth**

E.ON has grown massively by acquiring many international energy firms, i.e. in UK, Sweden, US, and more

2010



**Change**

E.ON wants to become a major driver behind the development of renewable energy

2014 - 2016



**Split**

Decision to spin off fossil-fuel energy creation business to mainly focus on renewables

# E.ON Pre-Split

## Renewables

Global renewable energy sourcing



## Energy Generation

Conventional (fossil fuel & nuclear) power generation in Europe



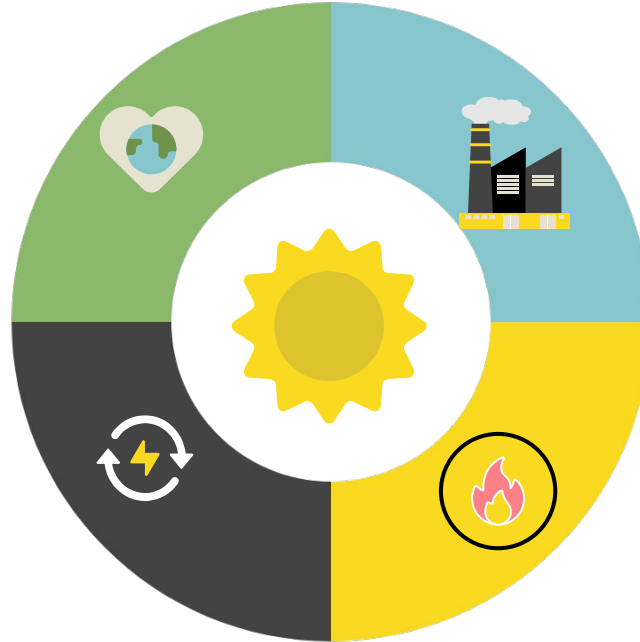
## Global Commodities

Buys and sells electricity, natural gas, oil, coal, freight, biomass, and carbon allowances

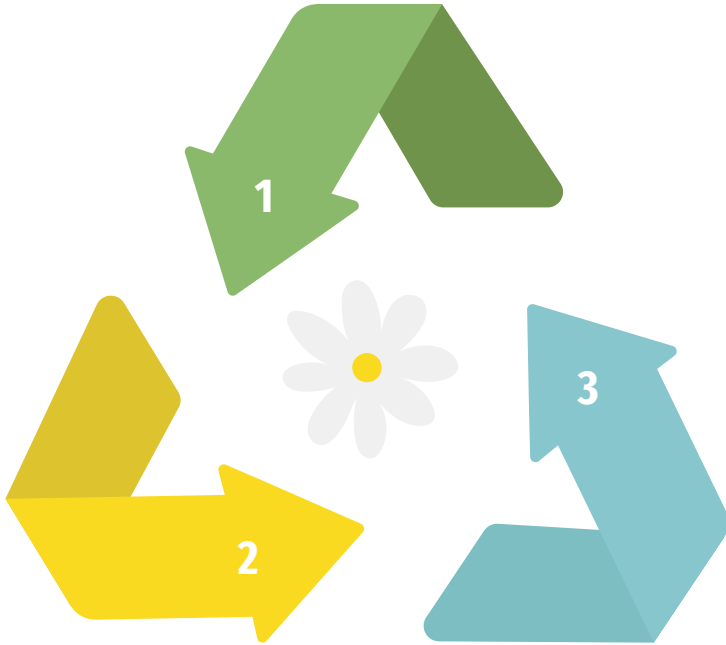


## Exploration & Production

North Sea, Russia, and North African regional energy production/exploration



# Challenges to the Market



## **Energiewende**

German energy policy moving away from fossil fuels and nuclear to renewables



## **Divergence**

The separation of conventional and new energy goals



## **Perception**

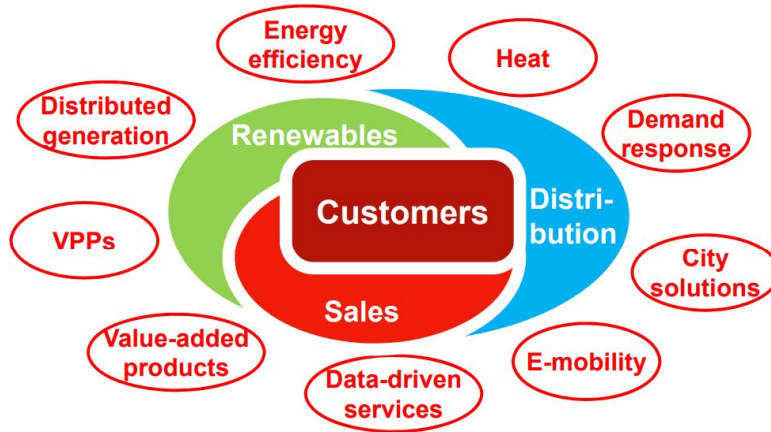
All the M&As has led to scrutiny from EU and German governments

# Two very different energy worlds emerging



## Conventional energy world

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



## New energy world

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

# Two leading companies for two energy worlds

**e.on**

Renewables

Distribution

Customer Solutions

Generation

Hydro

Wind/Solar/Other

E&P

Global Commodities

Germany

Other EU Countries

Russia

Turkey

Brazil

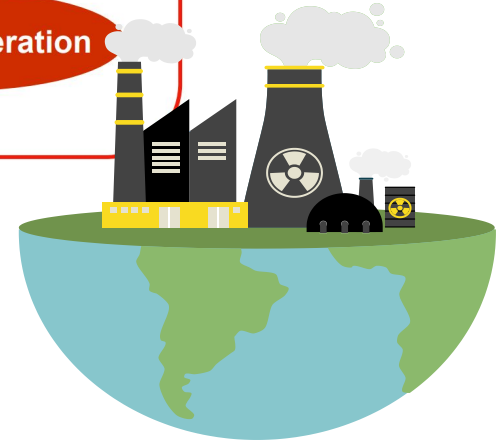
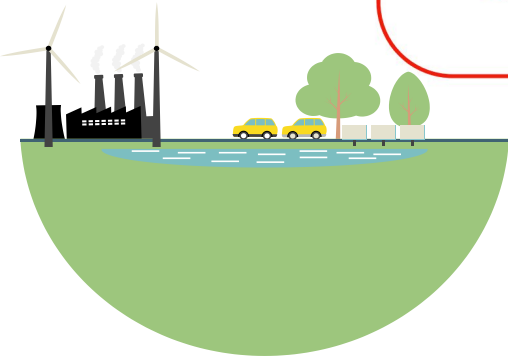
**New Company**

Upstream

Global Commodities

Power Generation

Distinct opportunities, mindsets and capabilities



# Main Questions

1

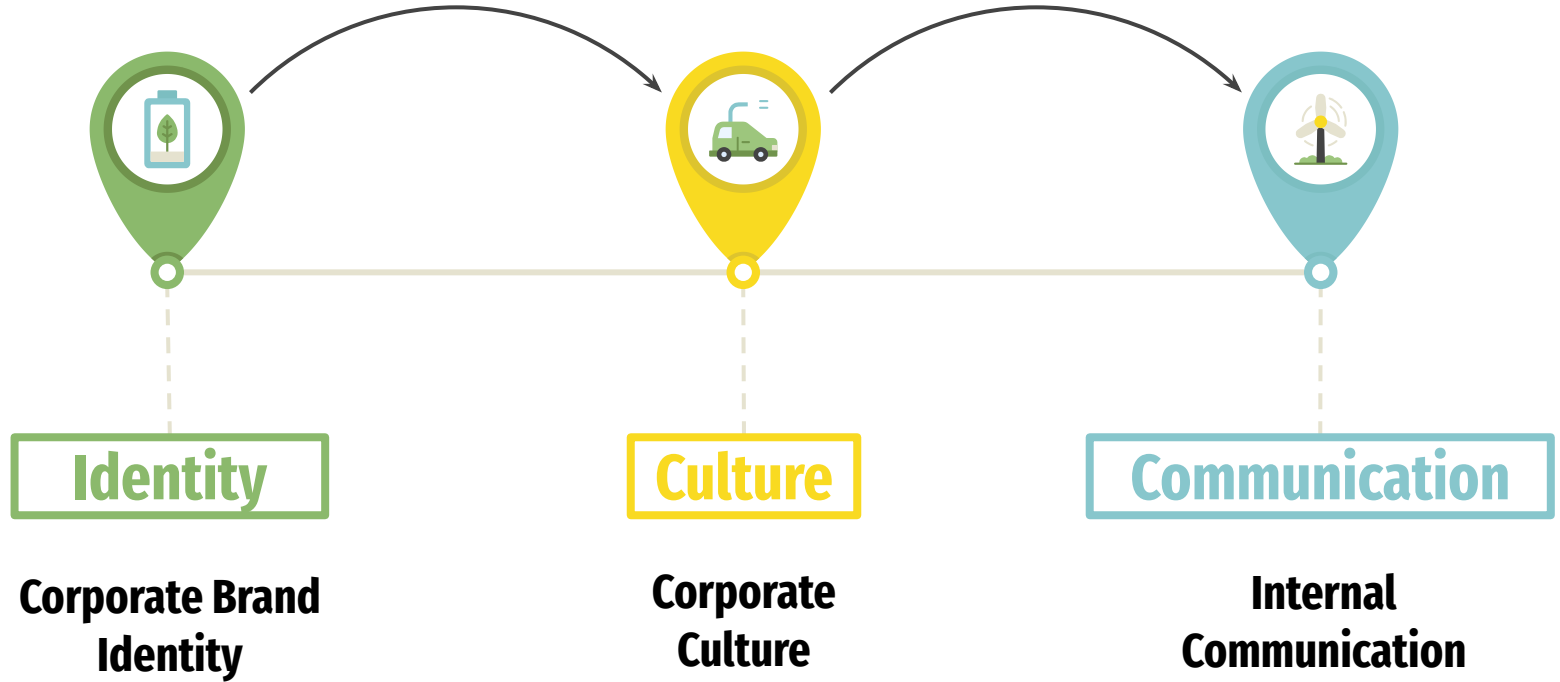
How do you help the employees transition into their new company after the spin-off ?

2

How do you make sure the employees know what the new company stands for  
- despite losing its “green” position?



# Learning Objectives



# Key Learning Overview





**Questions?**