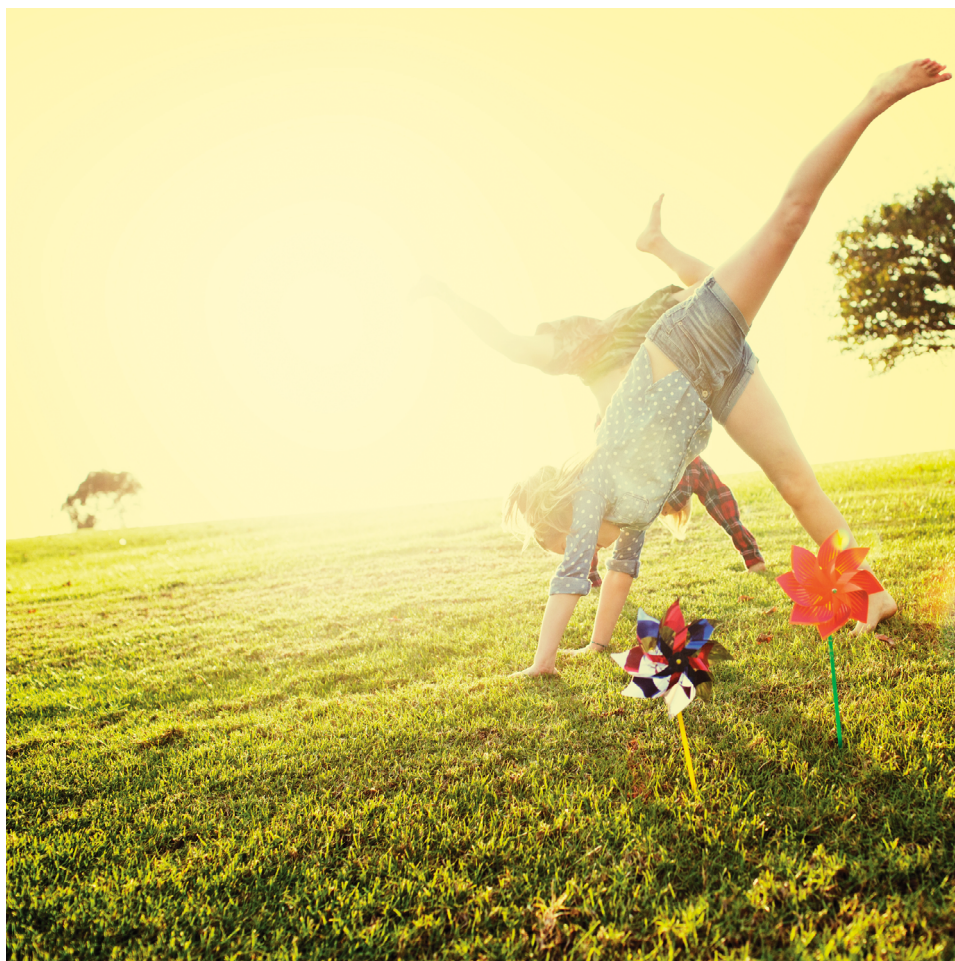


Networked thinking



Renewable energy and supply security

Letter to Shareholders Q. 1 2014/15
1 October – 31 December 2014

Highlights

- Substantial increase in electricity generation based on full operations in the Duisburg-Walsum power plant and the expansion of renewable energy production
- Group net result exceeds first quarter of previous year
- Sale of sodium hypochlorite plant to the Moscow city water supply and wastewater disposal company
- Outlook 2014/15: Group net result expected to exceed 2012/13

Key figures

		2014/15 Q.1	2013/14 ¹⁾ Q.1	Change in %	2013/14
Sales volumes					
Electricity generation volumes	GWh	1,364	972	40.4	3,701
Electricity sales volumes to end customers	GWh	5,118	5,279	-3.0	20,209
Natural gas sales volumes to end customers	GWh	1,786	2,053	-13.0	6,333
Heat sales volumes to end customers	GWh	637	654	-2.5	2,062
Statement of operations					
Revenue	EURm	599.9	554.2	8.2	1,974.8
EBITDA	EURm	184.8	139.6	32.3	184.1
EBITDA margin	%	30.8	25.2	22.3	9.3
Results from operating activities (EBIT)	EURm	121.2	79.0	53.5	-341.4
EBIT margin	%	20.2	14.3	6.0	-17.3
Result before income tax	EURm	96.8	60.7	59.6	-373.3
Group net result	EURm	73.1	44.0	66.1	-299.0
Earnings per share	EUR	0.41	0.25	66.2	-1.68
Statement of financial position					
Balance sheet total	EURm	6,670.9	7,508.5	-11.2	6,841.8
Equity	EURm	2,669.8	3,083.1	-13.4	2,632.7
Equity ratio	%	40.0	41.1	-1.0	38.5
Net debt	EURm	1,352.5	1,702.2	-20.5	1,622.4
Gearing	%	50.7	55.2	-4.6	61.6
Cash flow and investments					
Gross cash flow	EURm	166.6	136.9	21.7	337.4
Net cash flow from operating activities	EURm	92.4	186.4	-50.4	546.0
Investments ²⁾	EURm	65.5	105.5	-37.9	396.3
Employees	∅	7,126	7,389	-3.6	7,314

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 23)

2) In intangible assets and property, plant and equipment

Contents

Statement by the Executive Board	3	Consolidated interim report	19
Interim management report	5	Consolidated statement of operations	19
Overall business and energy sector environment	5	Consolidated statement of comprehensive income	20
Business development	6	Consolidated statement of financial position	21
Segment reporting	10	Consolidated statement of changes in equity	22
		Consolidated statement of cash flows	22
		Notes to the consolidated interim report	23
		The EVN share	30

Statement by the Executive Board

Dear Shareholders,

The first quarter of the 2014/15 financial year brought even higher temperatures for EVN in its home market of Austria than were recorded in the – also very mild – first quarter of the previous year. The heating degree total (the parameter generally used by utility companies to show the temperature-related energy requirements) was not only substantially lower than in 2013/14, but more than 20% below the long-term average. This also had an effect on energy sales volumes and the electricity and natural gas volumes transported in the network business. The heating degree total was also below the long-term average in Bulgaria and Macedonia, even though the weather in Bulgaria was slightly colder than in the past year.

Revenue rose by 8.2% year-on-year to EUR 599.9m in the first quarter of 2014/15. This development resulted primarily from the start of full operations at the Duisburg-Walsum power plant and the sale of the electricity allocated to EVN as well as an increase in natural gas marketing activities. Other operating income was also higher due to the sale of the sodium hypochlorite plant in Moscow. EBITDA improved by 32.3% to EUR 184.8m and EBIT by 53.5% to EUR 121.2m. After the inclusion of financial results and income taxes, Group net result rose by 66.1% to EUR 73.1m.

As of 1 January 2015, the regulated network tariffs in Lower Austria were reduced by roughly 1% for electricity and roughly 3% for natural gas. The energy price for electricity was previously reduced as of 1 October 2014 within the framework of the EnergieAllianz. This lowered the energy price by 10% for an average household in Lower Austria with power consumption of 3,500 kWh per year.

EVN's clear focus on supply security is reflected in the company's investment policy. Over the next four years, plans call for the investment of roughly EUR 1bn in the networks, renewable energy and water supplies in Lower Austria. The related projects also include the expansion of decentralised heat supplies. The latest example of this focus is the biomass heating plant in Leopoldsdorf. It was commissioned in December 2014 after an eight-month construction period and now supplies heat to public buildings, industrial and commercial customers, and private households.

The further expansion of EVN's electricity generation from renewable energy included the continuation of construction on the wind park in Prottes-Ollersdorf during the reporting period. This facility will have an installed capacity of 37 MW, and the commissioning is scheduled for spring 2015. In the area of hydropower, the storage basin for the Wienerbruck power plant was reconditioned.

In EVN's international energy business, the end customer prices for electricity in Bulgaria were raised in July and October 2014. Both changes were, however, accompanied by an increase in the electricity purchase prices for EVN's sales company. In Macedonia, the 2014 tariff decisions did not include the costs for the next planned stages of market liberalisation. In Croatia, EVN has been supplying customers in the Dalmatian city of Benkovac with natural gas since November 2014 and work is now proceeding to connect the city of Split to EVN's natural gas distribution network.

The environmental services business is currently working on the realisation of eight international projects. In addition, the sodium hypochlorite plant in Moscow was sold during October 2014: Mosvodokanal, the water supply and waste water disposal company of the city of Moscow, purchased the shares in the related property company that were held by the project company. Preparatory tests and the commissioning of the facility are currently in progress, whereby a conditional guarantee was provided for the functionality of the plant.

Water supplies in Lower Austria were further expanded in December 2014 by the commissioning of the natural filter plant in Drösing. EVN can now supply soft water to part of the eastern Weinviertel region. Construction is also proceeding on a further natural filter plant in Obersiebenbrunn. The com-

pletion of these two plants will significantly improve the water quality for nearly 60,000 residents in the north-east Weinviertel and Marchfeld regions.

The above-mentioned developments lead us to confirm our outlook for the 2014/15 financial year. The Group net result is expected to exceed the 2012/13 level. It could be significantly influenced by regulatory conditions, developments in the proceedings related to claims from the tariff decisions in Bulgaria and in connection with the Duisburg-Walsum power plant as well as the progress of the activities in Moscow.

Maria Enzersdorf, February 2015



Peter Layr
Spokesman of the Executive Board



Stefan Szyszkowitz
Member of the Executive Board

Interim management report

Overall business and energy sector environment

GDP growth	%	2016f	2015f	2014e	2013	2012
EU-28 ¹⁾²⁾		1.8–2.0	1.4–1.5	1.3	0.0	–0.4
Austria ²⁾³⁾		1.1–1.6	0.5–0.8	0.3–0.4	0.3	0.9
Bulgaria ¹⁾²⁾⁴⁾⁵⁾		1.0–2.7	0.6–2.3	1.2–1.4	1.1	0.6
Croatia ¹⁾²⁾⁴⁾⁶⁾		0.8–1.2	0.0–0.5	(–0.5)–(–0.8)	–0.9	–2.2
Macedonia ⁵⁾⁶⁾		3.8	3.4–3.5	3.2–3.3	3.1	–0.4

1) Source: European Economic Forecast, Autumn 2014, EU-Kommission, November 2014

2) Source: Prognose der österreichischen Wirtschaft 2014–2016, IHS, December 2014

3) Source: Prognose für 2014 bis 2016: Leichte, aber unsichere Erholung, WIFO, December 2014

4) Source: Strategie Österreich und CEE 1. Quartal 2015, Raiffeisen Research, December 2014

5) Source: ECA Economic Outlook, World Bank, June 2014

6) Source: World Economic Outlook, International Monetary Fund, April 2014

General business environment

In the first quarter of 2014/15, the development of the global economy continued to be influenced by the aftereffects of the financial market crisis, which have still not been overcome in many European countries. Economic recovery in Europe was also slowed by the unsolved conflict between Russia and Ukraine and the related economic sanctions. This environment has been reflected in the adjustment of forecasts: the European Union is now expected to generate GDP growth of 1.4% to 1.5% in 2015 and 1.8% to 2.0% in 2016.

The Austrian economy stagnated during the second half of 2014, which led to a reduction of growth forecasts for the full year to between 0.3% and 0.4%. There were no positive impulses from the slight improvement in the global economy during 2014; in particular, exports and investment activity remained weak. Growth is expected to increase slightly to between 0.5% and 0.8% in 2015. There is a potential for recovery, above all if the EU economy strengthens as expected and global trade gains momentum. The latest forecasts point to an increase of 1.1% to 1.6% for the Austrian economy in 2016. However, the effects on economic development in the EU,

Key indicators for the energy sector environment

		2014/15 Q.1	2013/14 Q.1	Change in %
Temperature-related energy demand¹⁾	%			
Austria		78.3	89.8	–12.8
Bulgaria		94.6	92.1	2.8
Macedonia		89.5	96.3	–7.0
Primary energy and CO₂ certificates				
Crude oil – Brent	EUR/bbl	61.0	80.3	–24.0
Natural gas – NCG ²⁾	EUR/MWh	22.6	27.2	–16.9
Coal – API#2 ³⁾	EUR/t	58.5	61.7	–5.2
CO ₂ emission certificates (2 nd /3 rd period)	EUR/t	6.6	4.7	40.1
Electricity – EEX forward market⁴⁾				
Base load	EUR/MWh	37.3	43.8	–14.9
Peak load	EUR/MWh	48.1	56.7	–15.1
Electricity – EPEX spot market⁵⁾				
Base load	EUR/MWh	34.8	37.5	–7.2
Peak load	EUR/MWh	45.9	50.8	–9.5

1) Calculated based on the heating degree total; in Austria the basis (100%) corresponds to the long-term average value from 1996 to 2010, in Bulgaria from 2004 to 2012 and in Macedonia from 2001 to 2010; changes reported in percentage points.

2) Net Connect Germany (NCG) – EEX (European Energy Exchange) stock exchange price for natural gas

3) ARA notation (Amsterdam, Rotterdam, Antwerp)

4) Average prices for the respective EEX quarterly forward market prices, beginning one year before the respective reporting period

5) EPEX spot – European Power Exchange

and subsequently also in Austria, of the bond purchase programme announced by the European Central Bank (ECB) in January 2015 still remain to be seen.

In Bulgaria, a government coalition comprising four parties and alliances is now in office following the parliamentary elections on 7 November 2014. The country has recently recorded positive economic development due to stronger domestic demand and solid gross capital investment. The deflationary pressure has eased and should shift to moderate inflation. Projections for 2015 call for GDP growth of 0.6% to 2.3% in 2015 and 1.0% to 2.7% in 2016.

The GDP in Croatia has now declined for the twelfth quarter in succession, indicating that the country also remained in recession throughout 2014. The slowdown in growth was moderated by an increase in exports which, however, was unable to reverse the negative trend because of its minimal contribution to the national economy. Consequently, the recovery of the Croatian economy is dependent on an improvement in domestic demand. The announced reduction in income tax should contribute to an improvement. Estimates for GDP growth range from 0.0% and 0.5% in 2015 and from 0.8% to 1.2% in 2016.

The Macedonian economy is heavily dependent on external factors – above all economic growth in the Eurozone, and here especially Germany as the most important export market. The next two years are expected to bring positive development. In addition to exports, domestic consumption, which is currently at a low level, and public investments should serve as the main drivers. One of the country's most important unsolved problems is the high unemployment rate of 30%. Current estimates call for growth of 3.4% to 3.5% in 2015 and 3.8% in 2016.

Energy sector environment

The first quarter of the 2014/15 financial year brought an increase in temperatures in Austria to a level that was significantly higher than the previous year and also above the long-term average. The warmer weather was responsible for an 11.5% drop in the heating degree total compared with the previous year. South Eastern Europe saw different developments during the reporting period: the heating degree total in Macedonia was 6.8% below the prior year, while Bulgaria recorded an increase of 2.5%.

The average euro price for Brent crude oil equalled EUR 61.0 per barrel in the first quarter of 2014/15, which represents a year-on-year decline of 24.0%. This development is attributable, above all, to the worldwide oversupply. The average EEX price for natural gas amounted to EUR 22.6 per MWh for the first three months of 2014/15, which is 16.9% lower than the previous year. The decline resulted chiefly from the mild weather during the winter 2014/15 and the resulting lower demand on the spot markets. The temperature-related weaker demand for coal also led to a further decrease of 5.2% in the price to EUR 58.5 per

tonne. In contrast, the price for CO₂ emission certificates rose by 40.1% over the first quarter of the previous year to EUR 6.6 per tonne in the reporting period. This trend was based primarily on a January 2014 decision by the EU Commission to cut the auction volumes by 900 million CO₂ emission certificates for 2014, 2015 and 2016 and to reschedule these auctions to 2019 and 2020 (backloading).

The continuing expansion of renewable energy generation capacity in Austria and Germany as well as the lower price of coal and – despite the recent increase – the still low price for CO₂ emission certificates led to a further drop in the forward and spot market prices for base load and peak load electricity during the first quarter of 2014/15. The forward prices applicable to the reporting period fell by 14.9% to EUR 37.3 per MWh for base load electricity and by 15.1% to EUR 48.1 per MWh for peak load electricity. In comparison with the first three months of 2013/14, the spot market prices declined 7.2% to EUR 34.8 per MWh for base load electricity and by 9.5% to EUR 45.9 per MWh for peak load electricity.

Business development

Statement of operations

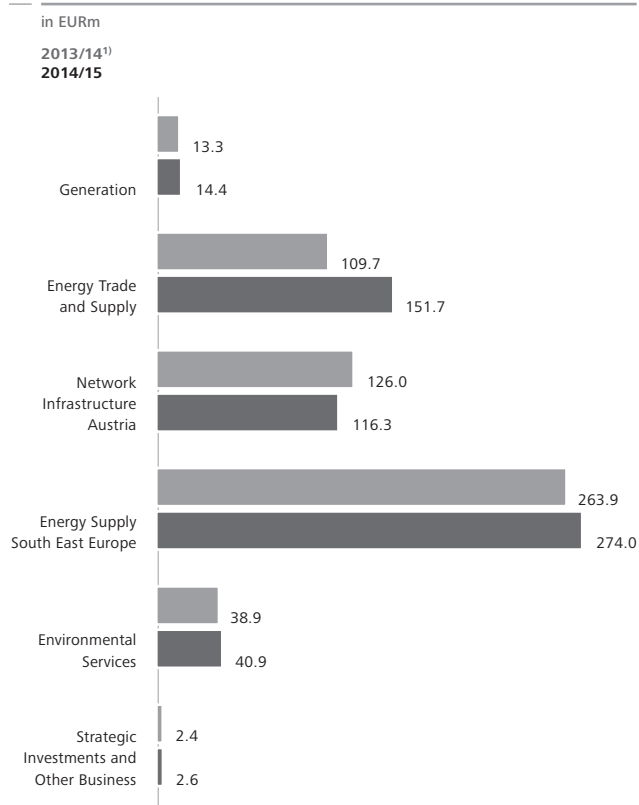
Highlights 2014/15

- Revenue: +8.2% to EUR 599.9m
 - EBITDA: +32.3% to EUR 184.8m
 - EBIT: +53.3% to EUR 121.2m
 - Financial results: –33.2% to EUR –24.4m
 - Group net result: +66.1% to EUR 73.1m
-

The EVN Group generated revenue of EUR 599.9m in the first quarter of 2014/15, which represents an increase of EUR 45.7m, or 8.2%, over the comparable prior year period. Revenue development was positively influenced by full operations at the Duisburg-Walsum power plant and the related sale of electricity as well as the Group's natural gas marketing activities, effects from the recent price decisions in Bulgaria and Macedonia and higher revenue from thermal waste utilisation in Austria. These positive effects more than offset the decline in the network business that was caused by the reduction of the network tariff for electricity and a temperature-related decline in the natural gas business.

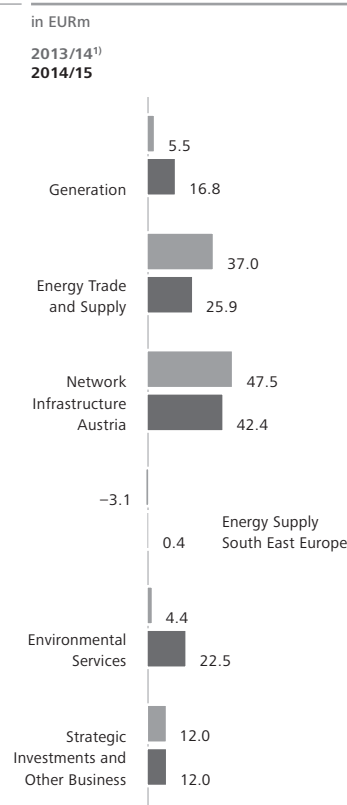
Other operating income rose by EUR 26.1m to EUR 47.8m. This increase resulted, above all, from the positive conclusion of the negotiations with the city of Moscow over the sodium hypochlorite plant project, which led to the sale of the shares in the project company during October 2014.

External revenue by segments Q. 1



1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 23).

EBIT by segments Q. 1



1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 23).

The cost of electricity purchases from third parties and primary energy expenses amounted to EUR 311.3m for the first three months of 2014/15 and was EUR 15.2m, or 5.1%, higher in year-on-year comparison. This development is primarily attributable to an increase in the cost of primary energy following the start of full operations at the Duisburg-Walsum power plant as well as the procurement of natural gas for trading purposes, higher energy purchase prices in Bulgaria and lower expenses in Macedonia due to the market liberalisation for large customers in the previous year. This year's increase was moderated by the recognition of provisions for onerous contracts related to the marketing of EVN's own electricity production in the previous year.

The cost of materials and services rose by EUR 11.4m, or 20.9%, to EUR 66.1m due to an increase in the international environmental services business that led to higher revenues as well as the above-mentioned start of full operations at the Duisburg-Walsum power plant.

The average number of employees declined by 263 to 7,126 as a result of the Group's continuous reorganisation and optimisation measures. Personnel expenses rose by EUR 4.1m, or 5.3%, to EUR 81.7m, whereby the increase was attributable to wage and salary adjustments required by collective bargaining agreements and non-recurring effects related to restructuring expenses in Macedonia.

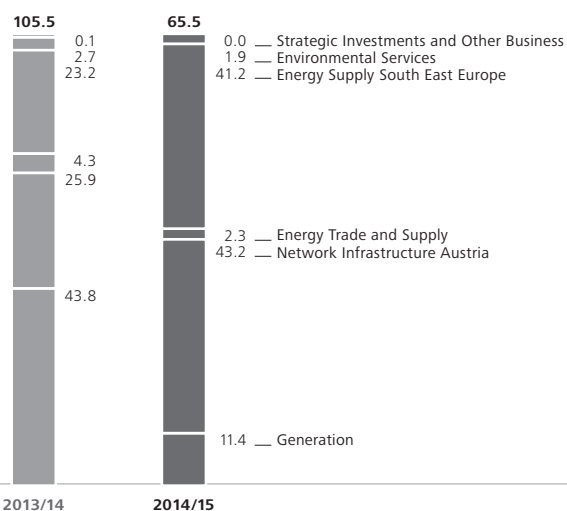
Other operating expenses totalled EUR 41.6m and were EUR 3.1m, or 7.0%, lower than the previous year.

The share of results from equity accounted investees with operational nature rose by EUR 0.9m, or 2.6%, to EUR 37.8m. The lower earnings contribution from EVN Energievertrieb GmbH & Co KG, which resulted from the mild winter 2014/15 and the 10% average reduction in end customer prices for electricity as of 1 October 2014, was more than offset by higher contributions, among others, from Rohöl-Aufsuchungs AG and Energie Burgenland AG.

Structure of investments

Q. 1

in %, total in EURm



In total, these developments led to an increase of EUR 45.1m, or 32.3%, in EBITDA to EUR 184.8m.

Current depreciation and amortisation rose by EUR 2.9m, or 4.8%, to EUR 63.6m, primarily due to the commissioning of the Duisburg-Walsum power plant and the start of scheduled depreciation. Impairment testing did not lead to the recognition of impairment losses during the first quarter of 2014/15 or the first quarter of 2013/14. Based on these developments the results from operating activities (EBIT) totalled EUR 121.2m, a year-on-year increase of EUR 42.2m or 53.5%.

Financial results amounted to EUR –24.4m and were EUR 6.1m, or 33.2%, lower than in the previous year. This change was related to the termination of the hedge for the financing of the sold sodium hypochlorite plant and the costs for the related investment guarantee from the Federal Republic of Germany.

The result before income tax rose by EUR 36.1m, or 59.6%, to EUR 96.8m. After the deduction of income tax, which rose to EUR 17.5m due to the improvement in earnings, and the share of result attributable to non-controlling interests, Group net result equalled EUR 73.1m. This represents an increase of EUR 29.1m, or 66.1%, over the first quarter of the previous year.

Statement of cash flows

Gross cash flow rose by EUR 29.8m to EUR 166.6m in the first quarter of 2014/15, primarily due to the increase in the result before income tax as well as a decline in the non-cash earnings components from equity accounted investees and an increase in non-current provisions. The decline of EUR 93.9m in cash flow from operating activities to EUR 92.4m resulted from an increase in working capital.

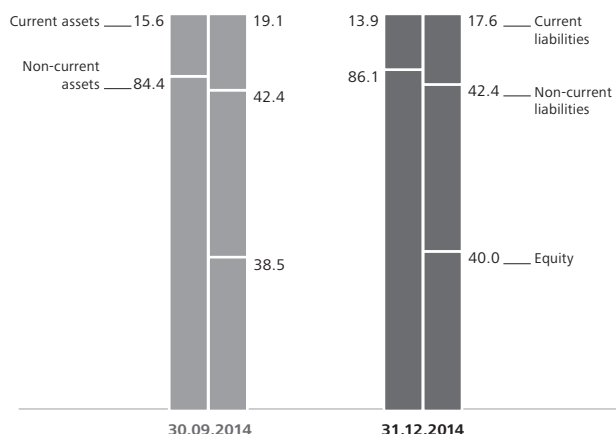
Cash flow from investing activities amounted to EUR 60.9m and was EUR 248.2m higher than in the first quarter of the previous year. This increase resulted, above all, from the sale of the sodium hypochlorite plant, whereby part of the proceeds were invested in short-term securities. Other effects arose from the on-going investment programme and changes in the long-term securities in the R138 fund.

Cash flow from financing activities equalled EUR –192.8m for the reporting period, compared with EUR 61.5m in the previous year. This development reflected the repayment of the financing for the sodium hypochlorite plant and the scheduled repayment of financial liabilities.

Cash flow for the first quarter of 2014/15 amounted to EUR –39.4m. Cash and cash equivalents equalled EUR 157.8m as of 31 December 2014. In addition, EVN had committed, undrawn credit lines totalling EUR 575.0m at its disposal to meet possible short-term financing requirements.

Balance sheet structure as of the balance sheet date

in %



Statement of financial position

EVN's balance sheet total equalled EUR 6,670.9m as of 31 December 2014, which is EUR 170.9m, or 2.5%, lower than on 30 September 2014.

Non-current assets fell by EUR 33.1m, or 0.6%, to EUR 5,744.6m in the first quarter of 2014/15. Their share of total assets rose to 86.1% due to the decline in the balance sheet total (30 September 2014: 84.4%). This change resulted primarily from a distribution-based reduction in the carrying amount of equity accounted investees and valuation effects caused by the lower price of the Verbund AG shares.

Current assets rose by EUR 85.8m, or 10.2%, to EUR 926.2m for seasonal reasons based on higher receivables from the energy business. The increase in current securities is related to the investment of available liquidity in cash funds.

The decline in non-current assets held for sale is related to the sale of the sodium hypochlorite plant in Moscow at the end of October 2014. The resulting liquidity was used to repay the financing for the plant construction or was invested in cash funds.

Equity increased EUR 37.1m, or 1.4%, to EUR 2,669.8m based on the higher earnings recorded in the first quarter of 2014/15. The equity ratio equalled 40.0% as of 31 December 2014 (30 September 2014: 38.5%). The EUR 0.42 dividend per share for the business year 2013/14 that was approved by the 86th Annual General Meeting on 15 January 2015 was paid on 28 January 2015 and is therefore not yet reflected as a deduction from equity.

Non-current liabilities declined by EUR 73.6m, or 2.5%, to EUR 2,829.0m, chiefly due to the scheduled repayment of financial liabilities.

Current liabilities fell by EUR 134.4m, or 10.3%, to EUR 1,172.0m following the sale of the sodium hypochlorite plant and the repayment of the related financial liabilities. The increase in taxes payable resulted from the increase in earnings during the first quarter of 2014/15 and a seasonal increase in VAT charges. Trade payables, current provisions and other current liabilities declined during the reporting period.

Net debt declined EUR 269.9m below the level on 30 September 2014 to EUR 1,352.5m, and gearing fell to 50.7% (30 September 2014: 61.6%).

Segment reporting

Overview

The structure of the EVN Group is based on three general categories: the energy business, the environmental services business and other business activities. The energy business covers the entire electricity and heat value chain from generation and distribution to networks and supply, while the natural gas business is concentrated on the distribution and supply. This product portfolio is supplemented by the activities of EVN subsidiaries in related areas as well as regional cable TV and telecommunication services. The environmental services business involves activities in the areas of drinking water supply, wastewater disposal and thermal waste utilisation.

The definition of the operating segment is done in accordance with the requirements of IFRS 8 "Business Segments" and is therefore based exclusively on the internal organisational and reporting structure of the EVN Group. The following section describes the operating performance of EVN's six segments and the effects of energy sector indicators on their development.

Generation

The Generation Segment covers the generation of electricity from thermal production capacities and renewable energy sources in Austria, Germany, Bulgaria and Albania as well as projects for the construction of power generation plants in Austria and Bulgaria.

The external revenue recorded by this segment is derived mainly from the sale of electricity from renewable windpower. Internal revenue from electricity generation (in particular hydropower plants

as well as windpower plants that are no longer covered by subsidy schemes) is based on the market price for electricity. Revenue from thermal power generation in the Dürnröhr, Korneuburg and Theiss power plants and the storage power plants is based on the option value. The option value normally reflects the pre-defined difference between the forward prices for electricity and the related fuel costs. It also includes the allocation and use of reserve capacity to ensure network security in southern Germany. The price for energy purchased from Steag-EVN Walsum 10 Kraftwerksgesellschaft mbH generally includes operating, financing and primary energy costs. The sale of the generated electricity and the procurement of primary energy are reported under the Energy Trade and Supply Segment.

Highlights

- Electricity generation increased by full operations at the Duisburg-Walsum power plant
- Construction on the 37 MW Prottes-Ollersdorf windpark proceeding as planned; commissioning scheduled for spring 2015
- Provision of balancing energy and reserve capacity for Austria and southern Germany

Electricity generation rose by 361 GWh, or 44.9%, to 1,165 GWh in the first quarter of 2014/15. Production from renewable energy sources was 1.6% lower year-on-year at 401 GWh, but the thermal production from EVN's own heating plants rose by 368 GWh,

Business areas	Segments	Activities
Energy business	Generation	Electricity generation from thermal sources and renewable energies at Austrian and international locations
	Energy Trade and Supply	Procurement of electricity and primary energy sources, trading and sale of electricity and natural gas to end customers and on wholesale markets as well as heat generation and sale
	Network Infrastructure Austria	Operation of regional electricity and natural gas networks as well as cable TV and telecommunications networks
	Energy Supply South East Europe	Operation of electricity networks and electricity sales to end customers in Bulgaria and Macedonia, heat generation and sale in Bulgaria, electricity generation in Macedonia, construction and operation of natural gas networks in Croatia, energy trading throughout the entire region
Environmental services business	Environmental Services	Drinking water supply, wastewater disposal and thermal waste utilisation in Austria, operation of combined cycle heat and power co-generation plants in Moscow as well as international project business
Other business activities	Strategic Investments and Other Business	Strategic and other investments, corporate services

	GWh	2014/15	2013/14	Change	
		Q. 1	Q. 1	nominal	in %
Key energy business indicators					
Electricity generation volumes		1,364	972	393	40.4
Renewable energy sources ¹⁾		507	479	28	5.8
Thermal energy sources ²⁾		857	492	365	74.1
Network distribution volumes					
Electricity		5,610	5,532	78	1.4
Natural gas ³⁾		4,469	4,772	-303	-6.3
Energy sales volumes to end customers					
Electricity		5,118	5,279	-161	-3.0
thereof Central and Western Europe ⁴⁾		1,805	1,877	-73	-3.9
thereof South Eastern Europe		3,314	3,401	-88	-2.6
Natural gas		1,786	2,053	-267	-13.0
Heat		637	654	-16	-2.5
thereof Central and Western Europe ⁴⁾		565	589	-24	-4.1
thereof South Eastern Europe		72	65	8	11.8

- 1) Incl. bio-co-generation plants in Austria in the Energy Trade and Supply Segment, small hydropower plants in Macedonia in the Energy Supply South East Europe Segment and a combined cycle heat and a power co-generation plant in Kurjanovo, Moscow in the Environmental Services Segment. Revenues from such energy production are included in the respective segments.
- 2) Incl. co-generation plant in Bulgaria in the Energy Supply South East Europe Segment and the combined heat and power plants in Austria in the Energy Trade and Supply Segment, respectively. Revenues from such energy production are included in the respective segments.
- 3) Incl. network distribution volumes to EVN power plants.
- 4) Central and Western Europe covers Austria and Germany.

	GWh	2014/15	2013/14 ¹⁾	Change	
		Q. 1	Q. 1	nominal	in %
Key indicators – Generation					
Key energy business indicators					
Electricity generation volumes		1,165	804	361	44.9
thereof renewable energy sources		401	408	-7	-1.6
thereof thermal energy sources		764	396	368	93.0
Key financial indicators					
	EURm				
External revenue		14.4	13.3	1.1	7.9
Internal revenue		44.8	21.8	23.0	-
Total revenue		59.1	35.1	24.0	68.5
Operating expenses		-29.1	-20.7	-8.4	-40.6
Share of results from equity accounted investees with operational nature		0.2	0.3	0.0	-12.3
EBITDA		30.2	14.6	15.6	-
Depreciation and amortisation including effects from impairment tests		-13.4	-9.2	-4.3	-46.6
Results from operating activities (EBIT)		16.8	5.5	11.3	-
Financial results		-6.2	-4.3	-2.0	-45.7
Result before income tax		10.6	1.2	9.4	-
Total assets		1,248.0	1,245.9	2.1	0.2
Total liabilities		1,035.3	993.4	41.8	4.2
Investments ²⁾		14.0	49.7	-35.7	-71.9

- 1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 23)
- 2) In intangible assets and property, plant and equipment

or 93%, to 764 GWh. This increase resulted primarily from full operations at the Duisburg-Walsum power plant, which was commissioned in December 2013. The Theiss and Korneuburg power plants also provided reserve capacity for southern Germany this winter and were used twice during the reporting period.

EVN covered 27.0% of the electricity sold during the first quarter of 2014/15 with its own production (previous year: 18.4%). The share of renewable energy in electricity production at the Group level fell from 49.3% in the previous year to 37.2% due to production from the Duisburg-Walsum power plant.

Revenue in the Generation Segment rose by EUR 24.0m, or 68.5%, year-on-year to EUR 59.1m. A slight volume- and price-related decline in the revenue from renewable energy generation was more than offset by higher revenue from thermal generation. In addition to positive effects from the full operation of the Duisburg-Walsum power plant, revenue in the Generation Segment was increased by proceeds from balancing energy and the provision of reserve capacity to support network reliability in southern Germany.

Operating expenses rose by EUR 8.4m, or 40.6%, to EUR 29.1m. This increase was related to the procurement costs for energy carriers required for full operations in the Duisburg-Walsum power plant, but was offset in part by cost savings in Austria based on the current market situation.

The share of results from equity accounted investees with an operational nature declined by EUR 0.1m to EUR 0.2m due to a weather- and market price-related reduction in the earnings contribution from Verbund Innkraftwerke GmbH.

EBITDA totalled EUR 30.2m and was EUR 15.6m higher than in the first quarter of the previous year. Depreciation and amortisation including the effects from impairment tests increased by EUR 4.3m, or 46.6%, to EUR 13.4m. Most of the increase is attributable to scheduled depreciation for the Duisburg-Walsum power plant. EBIT rose by EUR 11.3m to EUR 16.8m.

Financial results deteriorated by EUR 2.0m, or 45.7%, to EUR -6.2m. The decrease was related almost entirely to the recognition of interest expense on the financing for Steag-EVN Walsum 10 Kraftwerksgesellschaft mbH after the commissioning. Profit before tax rose by EUR 9.4m over the previous year to EUR 10.6m.

Investments were EUR 35.7m, or 71.9%, lower at EUR 14.0m in the first quarter of 2014/15. This decline reflected the completion and commissioning of the Duisburg-Walsum power plant in the first quarter of the previous year. The investments made during the reporting period were concentrated chiefly on renewable energy generation projects, with a particular focus on the construction of the Prottes-Ollersdorf windpark.

Energy Trade and Supply

The Energy Trade and Supply Segment is responsible for the trading and sale of electricity and natural gas to end customers, primarily in the Austrian home market and in wholesale markets. The segment's business activities also include the procurement of electricity, natural gas and other primary energy carriers as well as the production and sale of heat.

Highlights

- Higher electricity sales to industrial customers, temperature-related decline in household segment
 - Temperature-related drop in sales volumes of gas and heat
-

The mild temperatures during the winter 2014/15 were responsible for a year-on-year decline in sales of electricity, natural gas and heat to end customers during the reporting period. However, an increase in the demand for electricity by industrial customers was able to partly offset the weather-related lower electricity sales in the household segment and the absence of network loss deliveries to the Network Infrastructure Austria Segment as of 1 January 2014. The decline in heat sales as a result of the mild weather was offset in part by the continuing network expansion and increased sales to individual industrial customers, but the effects on sales volumes of gas were more substantial.

Revenues rose by EUR 42.2m, or 37.1%, to EUR 155.7m. The lower weather related revenues from heat sales were more than offset by the sale of production from the Duisburg-Walsum power plant and by an increase in natural gas trading activities during the reporting period.

Operating expenses rose by EUR 47.4m, or 48.9%, to EUR 144.3m. This development was related primarily to the purchase of electricity produced by the Duisburg-Walsum power plant and to an increase in natural gas volumes.

The share of results from equity accounted investees with operational nature fell by EUR 2.5m, or 11.8%, to EUR 18.6m. This decline resulted primarily from the weather-related lower sales volumes as well as the effects from the average 10% reduction in end customer electricity prices from EVN Energievertrieb GmbH & Co KG as of 1 October 2014. In total, these factors led to a EUR 7.7m, or 20.4%, decrease in EBITDA to EUR 30.1m.

Depreciation and amortisation rose by 9.2% to EUR 4.2m in the first quarter of 2014/15. EBIT amounted to EUR 25.9m, which is EUR 8.1m, or 23.7%, lower than the previous year.

Key indicators – Energy Trade and Supply		2014/15	2013/14¹⁾	Change	
		Q. 1	Q. 1	nominal	in %
Key energy business indicators					
	GWh				
Energy sales volumes to end customers					
Electricity		1,805	1,877	-73	-3.9
Natural gas		1,786	2,053	-267	-13.0
Heat		565	589	-24	-4.1
Key financial indicators					
	EURm				
External revenue		151.7	109.7	42.0	38.3
Internal revenue		4.0	3.9	0.2	4.1
Total revenue		155.7	113.6	42.2	37.1
Operating expenses		-144.3	-96.9	-47.4	-48.9
Share of results from equity accounted investees with operational nature		18.6	21.1	-2.5	-11.8
EBITDA		30.1	37.8	-7.7	-20.4
Depreciation and amortisation including effects from impairment tests		-4.2	-3.8	-0.4	-9.2
Results from operating activities (EBIT)		25.9	34.0	-8.1	-23.7
Financial results		-0.6	-0.8	0.3	31.7
Result before income tax		25.4	33.2	-7.8	-23.5
Total assets		498.3	446.3	52.1	11.7
Total liabilities		388.6	342.6	46.0	13.4
Investments ²⁾		1.5	4.5	-3.0	-66.8

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 23)

2) In intangible assets and property, plant and equipment

Financial results improved by 31.7% to EUR -0.6m during the reporting period, compared with EUR -0.8m in the previous year. Profit before tax totalled EUR 25.4m in the first quarter of 2014/15, which represents a year-on-year decline of EUR 7.8m.

Investments were EUR 3.0m, or 66.8%, lower at EUR 1.5m during the reporting period and were directed entirely to the expansion of the district heating plants and networks.

Network Infrastructure Austria

The Network Infrastructure Austria Segment covers the operation of the regional electricity and natural gas networks as well as the cable TV and telecommunications networks in Lower Austria and Burgenland. This segment also includes corporate services, above all in connection with construction, which are reported as internal revenue.

Income from investments includes the distributions from the R-138 funds and AGGM Austrian Gas Grid Management AG to Netz Niederösterreich GmbH.

Highlights

- Electricity distribution volumes at prior year level
- Weather-related decline in natural gas distribution volumes
- Investments in network infrastructure in Lower Austria to safeguard supply security

The network tariffs for electricity and natural gas are adjusted annually on 1 January by the E-Control Commission in accordance with the incentive regulatory system. As of 1 January 2014, the natural gas network tariffs were raised by an average of 7.7% (1 January 2013: reduction of 2.5%) and the electricity network tariffs were cut by an average of 9.0% (1 January 2013: reduction of 0.4%). As of 1 January 2015, the natural gas network tariffs were reduced by roughly 3% and the electricity network tariffs by roughly 1%.

Electricity network distribution volumes nearly matched the prior year at 2,104 GWh in the first quarter of 2014/15. The weather-

Key indicators – Network Infrastructure Austria		2014/15	2013/14¹⁾	Change	
		Q. 1	Q. 1	nominal	in %
Key energy business indicators					
		GWh			
Network distribution volumes					
Electricity		2,104	2,101	3	0.2
Natural gas		4,464	4,770	-306	-6.4
Key financial indicators					
		EURm			
External revenue		116.3	126.0	-9.7	-7.7
Internal revenue		11.6	11.3	0.3	2.7
Total revenue		127.9	137.3	-9.4	-6.8
Operating expenses		-60.1	-64.6	4.5	7.0
Share of results from equity accounted investees with operational nature		-	-	-	-
EBITDA		67.8	72.6	-4.9	-6.7
Depreciation and amortisation including effects from impairment tests		-25.4	-25.2	-0.2	-1.0
Results from operating activities (EBIT)		42.4	47.5	-5.1	-10.8
Financial results		-4.5	-4.7	0.3	5.3
Result before income tax		37.9	42.8	-4.9	-11.4
Total assets		1,809.9	1,766.4	43.5	2.5
Total liabilities		2,825.4	2,642.3	183.2	6.9
Investments ²⁾		28.3	27.3	1.0	3.6

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 23)

2) In intangible assets and property, plant and equipment

related decline in the household and commercial customer segments was more than offset by an increase in the demand from industrial customers. The mild temperatures also had a negative effect on demand for natural gas and led to a decrease of 306 GWh, or 6.4%, in natural gas network distribution volumes to 4,464 GWh.

Revenue was EUR 9.4m, or 6.8%, lower at EUR 127.9m in the first quarter of 2014/15. This development resulted, above all, from the decline in natural gas distribution volumes as well as the reduction in the electricity network tariffs as of 1 January 2014. In contrast, a slight increase was recorded in revenue from cable TV and telecommunications services. The decline in operating expenses was unable to offset the lower revenue and EBITDA fell by EUR 4.9m, or 6.7%, to EUR 67.8m. Depreciation and amortisation amounted to EUR 25.4m and nearly matched the comparable prior year level of EUR 25.2m. Results from operating activities (EBIT) totalled EUR 42.4m, a decrease of EUR 5.1m, or 10.8%, below the first quarter of 2013/14.

The positive development of interest result led to an improvement of EUR 0.3m, or 5.3%, in financial results to EUR -4.5m. However,

result before tax was EUR 4.9m, or 11.4%, below the previous year at EUR 37.9m in the first quarter of 2014/15.

In connection with EVN's investment strategy, network infrastructure investments continued to focus on the protection of supply security in Lower Austria. Investments in the Network Infrastructure Austria Segment rose by EUR 1.0m, or 3.6%, to EUR 28.3m during the reporting period. Projects in the electricity network concentrated on infrastructure development to accommodate the steadily rising feed-in from the continued expansion of generation from renewable energy sources in the network area. The 110 kV network was also strengthened, and the transformer stations were expanded to transport the increased feed-in of electricity generated by wind energy. Activities also centred on the expansion and strengthening of the grid to safeguard supply security for customers.

Energy Supply South East Europe

The Energy Supply South East Europe Segment is responsible for the operation of electricity networks and the sale of electricity to end customers in Bulgaria and Macedonia, the generation and sale of heat in Bulgaria, the production of electricity in Macedonia, the sale of natural gas to end customers in Croatia and energy trading throughout the region.

Key indicators – Energy Supply South East Europe		2014/15	2013/14¹⁾	Change	
		Q. 1	Q. 1	nominal	in %
Key energy business indicators		GWh			
Electricity generation volumes		120	102	18	17.6
thereof renewable energy sources		48	20	28	–
thereof thermal energy sources		72	82	–10	–11.9
Network distribution volumes²⁾		3,507	3,432	75	2.2
Heat sales volumes to end customers		72	65	8	11.8
Key financial indicators		EURm			
External revenue		274.0	263.9	10.2	3.9
Internal revenue		0.1	0.0	0.0	60.4
Total revenue		274.1	263.9	10.2	3.9
Operating expenses		–258.5	–251.4	–7.1	–2.8
Share of results from equity accounted investees with operational nature		0.0	0.0	0.0	–
EBITDA		15.6	12.5	3.1	24.7
Depreciation and amortisation including effects from impairment tests		–15.2	–15.6	0.3	2.2
Results from operating activities (EBIT)		0.4	–3.1	3.4	–
Financial results		–6.1	–7.5	1.5	19.6
Result before income tax		–5.7	–10.6	4.9	46.4
Total assets		1,245.3	1,441.3	–196.0	–13.6
Total liabilities		1,135.0	1,118.5	16.4	1.5
Investments ³⁾		27.0	24.5	2.5	10.4

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 23)

2) In Bulgaria and Macedonia energy sales volumes are approximately equivalent to present network distribution volumes.

3) In intangible assets and property, plant and equipment

Highlights

- Regulatory decisions
 - Bulgaria: increase in end customer prices with parallel increase in electricity purchase costs
 - Macedonia: market liberalisation on a step-by-step basis
- Improvement in EBITDA, EBIT and profit before income tax during the reporting period

The previous series of tariff reductions in Bulgaria was followed by a slight 0.6% increase in end customer prices as of 1 July 2014. At the same time, electricity purchase costs were increased and the allowable margin for EVN's sales company was cut from 3% to 2%. The regulatory authority implemented another tariff increase of roughly 9.7% as of 1 October 2014 and also raised the electricity purchase costs for EVN. The end customer prices for heat in Bulgaria have remained unchanged since July 2014.

EVN is continuing its active pursuit of the arbitration proceedings started in June 2013 at the World Bank's International Centre for the Settlement of Investment Disputes (ICSID).

Average end customer prices in Macedonia were raised by 3.5% through a tariff decision on 1 July 2014. The network tariff included in this price, which is relevant for EVN in Macedonia, was raised by only a slight amount and remained below the expected level. In addition, cost elements related to the next planned liberalisation steps for household and small business customers were not included.

In Croatia, further progress was made on the natural gas distribution and supply project. New customer contracts were concluded in the county of Zadar, which led to an increase in the sales volume from 2.9 GWh to roughly 6 GWh during the reporting period. The first customer connections in two other counties, Sibenik and Split, are also expected during the first half of 2015.

EVN generated 120 GWh of electricity in South Eastern Europe during the first quarter of 2014/15, an increase of 18 GWh or 17.6%. A technical production standstill led to a decline in the use of the co-generation plant in Plovdiv and, in turn, to a decrease of 10 GWh, or 11.9%, in thermal energy generation. In contrast, good water flows in Macedonia supported an increase of 28 GWh in electricity production from renewable energy to 48 GWh.

Electricity distribution volumes totalled 3,507 GWh for the reporting period, which represents a year-on-year increase of 75 GWh or 2.2%. Heat sales to end customers in Bulgaria rose by 8 GWh, or 11.8%, to 72 GWh.

Revenue rose by EUR 10.2m, or 3.9%, to EUR 274.1m in the first quarter of 2014/15. This increase was supported by higher end customer prices based on the tariff decisions in Bulgaria and Macedonia as well as a slight rise in electricity distribution volumes due to the colder weather in Bulgaria.

Operating expenses rose by EUR 7.1m, or 2.8%, over the first quarter of 2013/14 to EUR 258.5m. This development resulted primarily from the tariff decisions and the related increase in energy purchase costs for the local EVN companies. The continued reduction of network losses during the reporting period had a slight opposite effect on energy purchase costs. These factors, in total, led to an increase of EUR 3.1m, or 24.7%, in EBITDA to EUR 15.6m.

Depreciation and amortisation declined by EUR 0.3m, or 2.2%, to EUR 15.2m during the reporting period. Results from operating activities (EBIT) rose by EUR 3.4m over the previous year to EUR 0.4m.

Financial results declined by EUR 1.5m, or 19.6%, to EUR –6.1m due to the scheduled repayment of borrowings and current interest rate levels. Result before income tax amounted to EUR –5.7m in the first quarter of 2014/15, which represents an improvement of EUR 4.9m, or 46.4%, over the previous year.

Investments rose by EUR 2.5m, or 10.4%, to EUR 27.0m during the reporting period.

Environmental Services

The activities of the Environmental Services Segment cover drinking water supply, wastewater treatment and thermal waste utilisation in Austria; the international project business in Central, Eastern and South Eastern Europe; and the operation of two combined cycle heat and power co-generation plants in Moscow.

Highlights

- Sale of the sodium hypochlorite plant to Mosvodokanal, the Moscow city government's water supply and wastewater disposal company
- Signing of the contract for the expansion of the Zalău wastewater purification plant in Romania
- Higher revenue from thermal waste utilisation in Lower Austria

The Environmental Services Segment generated revenue of EUR 46.2m in the first quarter of 2014/15, an increase of EUR 1.7m, or 3.8%, over the comparable prior year period. This positive development was supported primarily by higher revenue from thermal waste utilisation in Lower Austria and by an increase in the international project business. Revenue from drinking water supplies in Lower Austria remained stable at the previous year's level.

The results from operating activities in this segment were influenced, above all, by developments in the international project business. The positive conclusion of negotiations with the city of

Key indicators – Environmental Services	EURm	2014/15	2013/14 ¹⁾	Change	
		Q.1	Q.1	nominal	in %
External revenue		40.9	38.9	2.0	5.2
Internal revenue		5.3	5.6	–0.4	–6.5
Total revenue		46.2	44.5	1.7	3.8
Operating expenses		–19.9	–36.0	16.1	44.8
Share of results from equity accounted investees with operational nature		2.8	2.9	0.0	–1.6
EBITDA		29.2	11.4	17.7	–
Depreciation and amortisation including effects from impairment tests		–6.7	–7.1	0.4	5.2
Results from operating activities (EBIT)		22.5	4.4	18.1	–
Financial results		–9.7	–0.5	–9.2	–
Result before income tax		12.7	3.9	8.9	–
Total assets		980.1	1,436.4	–456.3	–31.8
Total liabilities		783.8	1,053.1	–269.2	–25.6
Investments ²⁾		1.3	2.9	–1.6	–56.1

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 23)

2) In intangible assets and property, plant and equipment

Moscow over the sodium hypochlorite plant project led to the sale of the shares in the property company for EUR 250.0m in October 2014 and to a subsequent rise in other operating income. This was contrasted by an increase in the cost of materials based on the revenue growth and the write-down of aggregate components in waste utilisation plant no. 1 in Moscow as at 31 December 2014. Operating expenses fell by a total of EUR 16.1m, or 44.8%, to EUR 19.9m. EBITDA equalled EUR 29.2m for the reporting period, compared with EUR 11.4m in the previous year, and the results of operating activities amounted to EUR 22.5m, compared to EUR 4.4m.

Financial results fell by EUR 9.2m to EUR –9.7m due to the termination of the hedge and the federal investment guarantee related to the sodium hypochlorite plant in Moscow as well as a lower interest margin on completed projects. Result before income tax equalled EUR 12.7m, compared with EUR 3.9m in the previous year.

EVN invested EUR 1.3m in the Environmental Services Segment during the first quarter of 2014/15, which is EUR 1.6m, or 56.1%, less than in the comparable prior year period. This decline resulted primarily from the completion of the Ljuberzy co-generation plant in Moscow during the 2013/14 financial year. In the international project business, EVN is currently working on the realisation of eight projects. A contract was signed in November 2014 for the expansion of the local wastewater purification plant in the Romanian city of Zalau to service 85,000 population equivalents. This project covers the completion and expansion of the existing plant as well as the construction of a sludge treatment plant with biogas utilisation. Following the contracts in Gherla/Huedin and Silvaniei, Zalau represents the third environmental services project for EVN in Romania.

The commissioning process started for the waste water purification plant in Larnaca, Cyprus, that was completed in the previous year. The first steps were also taken for the commissioning of the Kujawy wastewater purification plant in Krakow, Poland, which is designed to service 370,000 population equivalents.

In the area of drinking water supplies for Lower Austria, EVN's activities during the reporting period included a number of projects to improve the quality of drinking water. The commissioning process for the natural filter plant in Dröising, Lower Austria, which will reduce the hardness of the water by natural means, started in December 2014. Plans also call for the commissioning of a similar plant in Obersiebenbrunn during spring 2015 and the start of construction on a further natural filter plant in Zwentendorf an der Zaya. These facilities will improve the water quality for the roughly 100,000 residents in the involved regions. EVN currently supplies drinking water for more than 500,000 residents in Lower Austria.

Strategic Investments and Other Business

The Strategic Investments and Other Business Segment basically covers the investments in Rohöl-Aufsuchungs AG (RAG), Burgenland Holding AG and Verbund AG. This segment also includes corporate functions as well as companies outside EVN's core business which generally provide internal services.

Key indicators – Strategic Investments and Other Business	EURm	2014/15	2013/14 ¹⁾	Change	
		Q. 1	Q. 1	nominal	in %
External revenue		2.6	2.4	0.2	7.8
Internal revenue		12.7	15.4	–2.7	–17.6
Total revenue		15.3	17.8	–2.5	–14.1
Operating expenses		–19.0	–18.0	–0.9	–5.3
Share of results from equity accounted investees with operational nature		16.1	12.6	3.5	28.1
EBITDA		12.4	12.4	0.1	0.5
Depreciation and amortisation including effects from impairment tests		–0.4	–0.4	0.0	5.3
Results from operating activities (EBIT)		12.0	12.0	0.1	0.7
Financial results ²⁾		15.1	11.9	3.2	27.1
Result before income tax		27.1	23.8	3.3	13.8
Total assets		2,833.0	2,997.1	–164.1	–5.5
Total liabilities		1,199.7	1,382.2	–182.5	–13.2
Investments ³⁾		0.0	0.1	–0.1	–

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 23)

2) For income from investments see consolidated notes page 24

3) In intangible assets and property, plant and equipment

Highlights

- Higher earnings contribution from equity accounted investees with operational nature
 - Higher earnings contribution from Rohöl-Aufsuchungs AG (RAG)
 - Higher earnings contribution from Burgenland Holding
-

Revenue declined by EUR 2.5m, or 14.1%, to EUR 15.3m in the first quarter of 2014/15, while operating expenses rose by EUR 0.9m,

or 5.3%, to EUR 19.0m. This development was contrasted by an increase in the results from equity accounted investees with operational nature, above all due to higher earnings contributions from Energie Burgenland and Rohöl-Aufsuchungs AG. EBITDA therefore reached the prior year level of EUR 12.4m. Based on stable depreciation and amortisation, the results from operating activities (EBIT) also matched the prior year level at EUR 12.0m in the first quarter of 2014/15.

Financial results improved by EUR 3.2m, or 27.1%, to EUR 15.1m due to the decline in interest rates and, above all, the reduction in net debt. These developments supported an increase of EUR 3.3m, or 13.8%, in profit before income tax to EUR 27.1m.

Consolidated interim report

according to IAS 34

Consolidated statement of operations

EURm	2014/15 Q. 1	2013/14 ¹⁾ Q. 1	nominal	Change in %	2013/14
Revenue	599.9	554.2	45.7	8.2	1,974.8
Other operating income	47.8	21.6	26.1	–	71.1
Electricity purchases and primary energy expenses	–311.3	–296.1	–15.2	–5.1	–1,032.2
Costs of materials and services	–66.1	–54.7	–11.4	–20.9	–251.9
Personnel expenses	–81.7	–77.5	–4.1	–5.3	–313.0
Other operating expenses	–41.6	–44.7	3.1	7.0	–359.0
Share of results from equity accounted investees with operational nature	37.8	36.9	0.9	2.6	94.0
EBITDA	184.8	139.6	45.1	32.3	184.1
Depreciation and amortisation	–63.6	–60.6	–2.9	–4.8	–256.0
Effects from impairment tests	–	–	–	–	–269.5
Results from operating activities (EBIT)	121.2	79.0	42.2	53.5	–341.4
Share of results from equity accounted investees with financial nature	–0.2	–0.3	0.1	26.7	2.8
Results from other investments	–	–	–	–	42.4
Interest income	6.4	6.0	0.4	6.9	23.5
Interest expense	–30.7	–23.5	–7.2	–30.9	–96.7
Other financial results	0.1	–0.6	0.7	–	–4.0
Financial results	–24.4	–18.3	–6.1	–33.2	–31.9
Result before income tax	96.8	60.7	36.1	59.6	–373.3
Income tax expense	–17.5	–12.3	–5.2	–42.5	102.8
Result for the period	79.3	48.3	30.9	63.9	–270.5
thereof result attributable to EVN AG shareholders (Group net result)	73.1	44.0	29.1	66.1	–299.0
thereof result attributable to non-controlling interests	6.2	4.4	1.8	41.8	28.5
Earnings per share in EUR ²⁾	0.41	0.25	0.16	66.2	–1.68

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 23).

2) There is no difference between basic and diluted earnings per share.

Consolidated statement of comprehensive income

EURm	2014/15	2013/14¹⁾	Change		2013/14
	Q. 1	Q. 1	nominal	in %	
Result for the period	79.3	48.3	30.9	63.9	-270.5
Other comprehensive income from					
Items that will not be reclassified to profit or loss	-13.5	-4.4	-9.1	-	-22.1
Remeasurements IAS 19	-2.5	-4.8	2.4	49.1	-31.0
Investments in equity accounted investees	-11.6	4.1	-15.7	-	1.3
thereon apportionable income tax expense	0.6	0.5	0.1	19.6	7.5
Items that may be reclassified to profit or loss	-28.4	-43.6	15.2	34.8	-46.5
Currency translation differences	-11.8	-2.3	-9.5	-	-7.9
Available for sale financial instruments	-26.1	-48.8	22.7	46.6	-31.6
Cash flow hedges	1.3	2.1	-0.8	-36.6	-10.6
Investments in equity accounted investees	1.7	-6.1	7.8	-	-7.8
thereon apportionable income tax expense	6.4	11.5	-5.1	-44.3	11.5
Total other comprehensive income after tax	-41.9	-43.9	2.0	4.5	-68.6
Comprehensive income for the period	37.3	4.4	32.9	-	-339.0
thereof income attributable to EVN AG shareholders	31.1	0.1	31.1	-	-367.0
thereof income attributable to non-controlling interests	6.2	4.4	1.8	41.8	27.9

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 23).

Consolidated statement of financial position

EURm	31.12.2014	30.09.2014	Change	
			nominal	in %
Assets				
Non-current assets				
Intangible assets	223.4	196.5	26.9	13.7
Property, plant and equipment	3,509.0	3,542.2	-33.2	-0.9
Investments in equity accounted investees	863.0	889.1	-26.1	-2.9
Other investments	638.7	664.7	-26.0	-3.9
Deferred tax assets	88.0	87.1	0.9	1.0
Other non-current assets	422.5	398.1	24.4	6.1
	5,744.6	5,777.7	-33.1	-0.6
Current assets				
Inventories	160.0	178.1	-18.1	-10.1
Trade and other receivables	500.8	443.9	56.9	12.8
Securities	95.1	0.8	94.3	-
Cash and cash equivalents	170.3	217.6	-47.3	-21.7
	926.2	840.4	85.8	10.2
Non-current assets held for sale	-	223.7	-223.7	-100.0
	926.2	1,064.1	-137.9	-13.0
Total assets	6,670.9	6,841.8	-170.9	-2.5
Equity and liabilities				
Equity				
Share capital	330.0	330.0	-	-
Share premium and capital reserves	253.1	253.1	-	-
Retained earnings	1,867.9	1,794.9	73.0	4.1
Valuation reserve	21.9	52.1	-30.1	-57.9
Currency translation reserve	-25.0	-13.2	-11.8	-89.0
Treasury shares	-21.8	-21.6	-0.2	-0.9
Issued capital and reserves attributable to shareholders of EVN AG	2,426.1	2,395.2	30.9	1.3
Non-controlling interests	243.7	237.5	6.2	2.6
	2,669.8	2,632.7	37.1	1.4
Non-current liabilities				
Non-current loans and borrowings	1,670.5	1,747.7	-77.2	-4.4
Deferred tax liabilities	38.4	48.1	-9.7	-20.1
Non-current provisions	503.5	497.4	6.0	1.2
Deferred income from network subsidiaries	526.3	521.6	4.7	0.9
Other non-current liabilities	90.3	87.8	2.5	2.9
	2,829.0	2,902.6	-73.6	-2.5
Current liabilities				
Current loans and borrowings	71.3	194.2	-122.9	-63.3
Taxes payable	88.7	61.1	27.6	45.1
Trade payables	491.8	505.1	-13.3	-2.6
Current provisions	135.0	137.2	-2.2	-1.6
Other current liabilities	385.3	408.9	-23.6	-5.8
	1,172.0	1,306.5	-134.4	-10.3
Total equity and liabilities	6,670.9	6,841.8	-170.9	-2.5

Consolidated statement of changes in equity

EURm	Issued capital and reserves of EVN AG shareholders	Non-controlling interests	Total
Balance on 30.09.2013¹⁾	2,837.5	241.7	3,079.2
Comprehensive income for the period ¹⁾	0.1	4.4	4.4
Change in treasury shares	-0.5	-	-0.5
Balance on 31.12.2013¹⁾	2,837.0	246.1	3,083.1
Balance on 30.09.2014	2,395.2	237.5	2,632.7
Comprehensive income for the period	31.1	6.2	37.3
Change in treasury shares	-0.2	-	-0.2
Balance on 31.12.2014	2,426.1	243.7	2,669.8

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 23).

Condensed consolidated statement of cash flows

EURm	2014/15 Q. 1	2013/14 ¹⁾ Q. 1	nominal	Change in %	2013/14
Profit before income tax	96.8	60.7	36.1	59.6	-373.3
+ Depreciation and amortisation of intangible assets and property, plant and equipment	63.6	60.6	2.9	4.8	716.9
-/+ Non-cash share of results of equity accounted investees	16.8	23.1	-6.3	-27.3	48.8
-/+ Other non-cash financial results	-0.8	-0.6	-0.2	-24.7	-2.7
- Release of deferred income from network subsidiaries	-9.9	-10.9	1.0	9.2	-45.4
-/+ Decrease/increase in non-current provisions	0.1	2.3	-2.2	-96.7	-10.7
+/- Other non-cash expenses/gains	-	1.6	-1.6	-98.9	3.9
Gross cash flow	166.6	136.9	29.8	21.7	337.4
- Changes in assets and liabilities arising from operating activities	-83.9	54.7	-138.6	-	228.3
- Income tax paid	9.8	-5.2	14.9	-	-19.6
Net cash flow from operating activities	92.4	186.4	-93.9	-50.4	546.0
- Changes in intangible assets and property, plant and equipment	-55.0	-84.1	29.2	34.7	-300.5
- Changes in financial assets and other non-current assets	210.2	-12.7	222.9	-	14.1
- Changes in current securities	-94.3	-90.5	-3.9	-4.3	43.1
Net cash flow from investing activities	60.9	-187.3	248.2	-	-243.3
- Dividends paid to EVN AG shareholders	-	-	-	-	-74.8
- Dividends paid to non-controlling interests	-	-	-	-	-32.1
- Acquisition of own shares	-0.2	-0.5	0.3	62.5	-0.8
+/- Changes in financial liabilities	-192.5	62.0	-254.6	-	-227.3
Net cash flow from financing activities	-192.8	61.5	-254.3	-	-335.0
Net change in cash and cash equivalents	-39.4	60.6	-100.0	-	-32.3
Cash and cash equivalents at the beginning of the period²⁾	197.2	229.5	-32.3	-14.1	229.5
Cash and cash equivalents at the end of the period²⁾	157.8	290.1	-132.3	-45.6	197.2

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 23).

2) By adding bank overdrafts this results in cash and cash equivalents according to the consolidated statement of financial position.

Notes to the consolidated interim report

Accounting and valuation methods

This consolidated interim report as of 31 December 2014, of EVN AG, taking into consideration § 245a Austrian Commercial Code (UGB), was prepared in accordance with the guidelines set forth in the International Financial Reporting Standards (IFRS) by the International Financial Reporting Standards Board (IASB) as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) that were applicable at the balance sheet date and adopted by the European Union (EU).

EVN has exercised the option stipulated in IAS 34 to present condensed notes. Accordingly, the consolidated interim report contains merely condensed reporting compared to the annual report, pursuant to IAS 34, as well as selected information and details pertaining to the period under review. For this reason, it should be read together with the annual report of the 2013/14 financial year (balance sheet date: 30 September 2014).

The accounting and valuation methods are essentially the same as those applied in the preparation of the annual report as of 30 September 2014, with the exception of those described under the section "Reporting according to IFRS" below. The preparation of a consolidated interim report according to IFRS requires EVN to make assumptions and estimates which influence the reported figures. Actual results can deviate from these estimates.

In order to improve clarity and comparability, all amounts in the notes and tables are generally shown in millions of euros (EURm) unless indicated otherwise. Immaterial mathematical differences may arise from the commercial rounding of individual items or percentage rates. The financial statements of companies included in this consolidated interim report are prepared on the basis of unified accounting and valuation methods.

Reporting according to IFRS

The following standards and interpretations were applied for the first time in the 2014/15 financial year:

Standards and interpretations applied for the first time		Effective ¹⁾
New standards and interpretations		
IFRIC 21	Levies	01.01.2014
Revised standards and interpretations		
IAS 19	Employee Benefits – Defined Benefit Plans: Employee Contributions	01.07.2014
IAS 32	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities	01.01.2014
Several	Annual Improvements 2010–2012	01.07.2014
Several	Annual Improvements 2011–2013	01.07.2014

1) In accordance with the Official Journal of the EU, these standards are to be applied beginning with the financial year that starts on or after the date on which the standards become binding.

The initial mandatory application of the new or revised standards and interpretations had no effect on the consolidated interim report.

The application of the new consolidation standards IFRS 10, IFRS 11 and IFRS 12 beginning in the third quarter of 2013/14 also involved a change in the presentation of the results from equity accounted investees. The share of results from equity accounted investees with operational nature is now reported as part of the results of operating activities (EBIT). Under the previous reporting method, the entire share of results of equity accounted investees was included under financial results. This change in presentation led to a shift in the major component of at equity results to the results of operating activities.

Based on current developments in the accounting treatment of regulatory deferral accounts and given the non-applicability of IFRS 14 for EVN, regulatory assets and regulatory liabilities were not recognised beginning in the fourth quarter of 2013/14. This also led to a change in the accounting policy applied to the regulatory account.

The application of the new consolidation standards and the change in the presentation of the share of results from equity accounted investees as well as the change in the accounting policy applied to the regulatory account took place retrospectively as of 1 October 2012 in accordance with IAS 8. This led to adjustments to the data reported in prior periods. All comparative data in the notes to the consolidated interim report were adjusted accordingly.

These changes are described in detail in the consolidated financial statements for 2013/14, which are part of the EVN Full Report 2013/14. The EVN Full Report 2013/14 is available on the EVN website under the following link:

<https://www.evn.at/EVN-Group/Investor-Relations/Publikationen/2013-14.aspx>

Adjustments to items in the consolidated statement of operations	2013/14 Q. 1			2012/13 30.09.2013		
	previous	change	adjusted	previous	change	adjusted
EURm						
Revenue	731.1	-176.9	554.2	2,755.0	-649.1	2,105.9
Operating expenses	-576.6	125.1	-451.4	-2,297.4	636.5	-1,660.8
Share of results from equity accounted investees with operational nature	-	36.9	36.9	-	95.0	95.0
EBITDA	154.6	-14.9	139.6	457.6	82.5	540.0
Depreciation incl. effects from impairment tests	-58.5	-2.1	-60.6	-239.1	-58.8	-297.9
Results from operating activities (EBIT)	96.0	-17.1	79.0	218.5	23.7	242.2
Financial results	-6.5	-11.8	-18.3	-38.1	-33.4	-71.5
thereof share of results from equity accounted investees	14.0	-14.0	-	10.0	-10.0	-
thereof share of results from equity accounted investees with financial nature	-	-0.3	-0.3	-	-29.6	-29.6
Result before income tax	89.6	-28.9	60.7	180.3	-9.7	170.7
Income tax expense	-20.5	8.2	-12.3	-22.1	4.2	-17.9
Result for the period	69.0	-20.7	48.3	158.2	-5.4	152.8
thereof result attributable to EVN AG shareholders (Group net result)	64.7	-20.7	44.0	114.7	-5.4	109.3
thereof result attributable to non-controlling interests	4.4	-	4.4	43.5	-	43.5
Earnings per share in EUR ¹⁾	0.36	-0.12	0.25	0.64	-0.03	0.61

1) There is no difference between basic and diluted earnings per share.

Adjustments to items in the consolidated statement of financial position	2013/14 31.12.2013			2012/13 30.09.2013		
	previous	change	adjusted	previous	change	adjusted
EURm						
Non-current assets	6,127.1	264.2	6,391.3	6,125.1	282.0	6,407.2
thereof investments in equity accounted investees	1,078.8	-159.6	919.2	1,047.9	-103.9	944.0
Current assets	1,149.6	-32.4	1,117.2	977.0	-100.5	876.5
Total assets	7,276.7	231.8	7,508.5	7,102.1	181.5	7,283.7
Equity	3,091.1	-8.0	3,083.1	3,066.5	12.7	3,079.2
Non-current liabilities	2,948.4	156.1	3,104.6	2,829.0	142.6	2,971.5
Current liabilities	1,237.2	83.7	1,320.9	1,206.7	26.3	1,232.9
Total equity and liabilities	7,276.7	231.8	7,508.5	7,102.1	181.5	7,283.7

Adjustments to items in the consolidated statement of cash flows	2013/14 Q. 1			2012/13 30.09.2013		
	previous	change	adjusted	previous	change	adjusted
EURm						
Net cash flow from operating activities	99.5	86.9	186.4	561.7	8.3	570.0
Net cash flow from investing activities	-148.9	-38.4	-187.3	-380.5	21.4	-359.1
Net cash flow from financing activities	69.5	-7.9	61.5	-90.5	-23.3	-113.8

Seasonally-related effects on business operations

In particular, the energy business is subject to weather-related fluctuations in power generation and sales, thus lower revenue and earnings are typically achieved in the second half of the financial year. The Environmental Services business is also subject to seasonal effects. The construction of many large projects is usually scheduled to begin in the springtime due to weather conditions. For this reason, the Environmental Services business usually generates lower revenues in the first half of the financial year than in the second half. Accordingly, business in the Environmental Services segment serves to principally counteract the seasonable nature of the energy business. However, the volatile nature of large construction projects results in fluctuations in revenue and earnings, which depend on the progress made in the particular projects.

Auditor's review

The consolidated interim report was neither subject to a comprehensive audit nor subject to an auditor's review by chartered accountants.

Scope of consolidation

The scope of consolidation is established in accordance with the requirements contained in IFRS 10. Accordingly, including the parent company EVN AG, a total of 26 domestic and 37 foreign subsidiaries (30 September 2014: 26 domestic and 38 foreign subsidiaries) were fully consolidated as of 31 December 2014. As of 31 December 2014, a total of 30 subsidiaries were not consolidated due to their immaterial influence on the asset, financial and earnings position, both in detail and altogether (30 September 2014: 30).

Changes in the scope of consolidation	Fully	Line-by-line (Joint Operation)	Equity	Total
30.09.2013	63	1	19	83
First consolidation	1	–	1	2
Deconsolidation	–	–	–1	–1
30.09.2014	64	1	19	84
Deconsolidation	–1	–	–	–1
31.12.2014	63	1	19	83
thereof foreign companies	37	1	6	44

As announced in an ad-hoc press release on 29 October 2014, EVN reached an agreement with the Moscow city government over the sale of the sodium hypochlorite plant: Mosvodokanal, the water supply and wastewater disposal company of the city of Moscow, acquired the shares in the Russian property company that holds the sodium hypochlorite plant. The sale closed on 30 October 2014. The Russian property company OAO "WTE Süd-Ost", which was previously included through full consolidation, was therefore deconsolidated in the first quarter of 2014/15.

During the reporting period there was no new acquisition of companies according to IFRS 3.

Selected notes to the consolidated statement of operations

The share of results from equity accounted investees with operational nature developed as followed:

Share of results from equity accounted investees with operational nature	2014/15 Q.1	2013/14 Q.1
EURm		
EVN KG	16.2	19.7
RAG	10.7	8.6
Energie Burgenland	5.4	3.6
ZOV; ZOV UIP	2.8	2.9
Other companies	2.7	2.1
Share of results from equity accounted investees with operational nature	37.8	36.9

The income from investments, that encompasses the share of results from equity accounted investees with financial nature and from other investments, developed as followed:

Income from investments	2014/15 Q.1	2013/14 Q.1
EURm		
WEEV Beteiligungs GmbH	–0.2	–0.3
Other companies	0.0 ^{*)}	0.0 ^{*)}
Share of results of equity accounted investees with financial nature	–0.2	–0.3
Results from other investments	–	–
Total income from investments	–0.2	–0.3

*) Small amount

Earnings per share are calculated by dividing Group net profit (= net profit for the period attributable to EVN AG shareholders) by the weighted average number of shares outstanding, i.e. 177,932,397 as of 31 December 2014 (31 December 2013: 178,284,330 shares). There is no difference between basic earnings per share and diluted earnings per share. Calculated on the basis of a Group net profit amounting to EUR 73.1m (31 December 2013: EUR 44.0m), earnings per share at the balance sheet date 31 December 2014, totalled EUR 0.41 (31 December 2013: EUR 0.25 per share).

Selected notes to the consolidated statement of financial position

In the first quarter of 2014/15, EVN acquired intangible assets and property, plant and equipment to the sum of EUR 65.5m (previous year: EUR 105.5m). Property, plant and equipment with a net carrying amount (book value) of EUR 0.2m were disposed of (previous year: EUR 1.7m), with a capital gain of EUR 0.4m (previous year: capital loss of EUR 1.2m).

The item investments in equity accounted investees decreased by EUR 26.1m, or 2.9%, to EUR 863.0m. This decline resulted primarily from the distributions by at equity consolidated companies, which totalled EUR 54.4m as well as from valuation changes not recognised in profit and loss that amounted to EUR 9.9m. This reduction was contrasted by the current earnings contributions of EUR 37.6m.

Other investments totalling EUR 638.7m, which are assigned to the category of "available for sale", include the shares of listed companies with a market value of EUR 613.5m, a decrease of EUR 26.1m from the prior balance sheet date. The adjustments made to reflect changed market values were, in accordance with IAS 39, allocated to the valuation reserve after taking into account the deduction of deferred taxes.

The number of EVN shares in circulation developed as followed:

Development of the number of shares in circulation	
	2014/15
Number	Q.1
Balance 30.09.2014	1,939,992
Purchase of treasury shares	26,000
Total 31.12.2014	1,965,992

On 30 September 2014, the Executive Board of EVN AG announced the purchase of additional shares of the company's stock within the framework of the authorisation granted by the 85th Annual General Meeting of EVN AG on 16 January 2014. This share buyback programme has been in progress since 22 January 2014 and will now be extended to cover up to an additional 1,000,000 shares, which represent up to 0.556% of the current share capital of EVN AG. The Executive Board of EVN AG also announced that the current share buyback programme will presumably be extended to 30 June 2015.

As of 31 December 2014, the number of treasury shares amounted to 1,965,992 (or 1.09% of the share capital) with an acquisition value of EUR 21.8m and a market value of EUR 19.7m (30. September 2014: EUR 19.6m). The treasury shares held by EVN AG are not entitled to any rights, and in particular, they are not entitled to dividends.

The 86th Annual General Meeting of EVN AG held on 15 January 2015, approved the proposal of the Executive Board and Supervisory Board to distribute a dividend of EUR 0.42 per share for the 2013/14 financial year, which comprises a total dividend payout of EUR 74.7m. Ex-dividend date was 22 January 2015, and the dividend payment to shareholders of EVN AG took place on 28 January 2015.

The non-current loans and borrowings are composed as follows:

Break-down of non-current loans and borrowings		
EURm	31.12.2014	30.09.2014
Bonds	702.2	705.7
Bank loans	968.4	1,041.9
Total non-current loans and borrowings	1,670.5	1,747.7

The EUR 3.5m decline in bonds resulted primarily from revaluation of the hedged foreign currency exposure. This was offset by a corresponding increase in the fair values of the swaps.

The issue of the EUR 121.5m promissory note loans in October 2012 is also reflected in the bank loans.

Segment reporting

EURm	Generation		Energy Trade and Supply		Network Infrastructure Austria		Energy Supply South East Europe	
	2014/15 Q.1	2013/14 Q.1	2014/15 Q.1	2013/14 Q.1	2014/15 Q.1	2013/14 Q.1	2014/15 Q.1	2013/14 Q.1
External revenue	14.4	13.3	151.7	109.7	116.3	126.0	274.0	263.9
Internal revenue (between segments)	44.8	21.8	4.0	3.9	11.6	11.3	0.1	–
Total revenue	59.1	35.1	155.7	113.6	127.9	137.3	274.1	263.9
Operating expenses	–29.1	–20.7	–144.3	–96.9	–60.1	–64.6	–258.5	–251.4
Share of results from equity accounted investees operational	0.2	0.3	18.6	21.1	–	–	–	–
EBITDA	30.2	14.6	30.1	37.8	67.8	72.6	15.6	12.5
Depreciation and amortisation	–13.4	–9.2	–4.2	–3.8	–25.4	–25.2	–15.2	–15.6
Results from operating activities (EBIT)	16.8	5.5	25.9	34.0	42.4	47.5	0.4	–3.1
Financial results	–6.2	–4.3	–0.6	–0.8	–4.5	–4.7	–6.1	–7.5
Profit before income tax	10.6	1.2	25.4	33.2	37.9	42.8	–5.7	–10.6
Total assets	1,248.0	1,245.9	498.3	446.3	1,809.9	1,766.4	1,245.3	1,441.3
Investments ¹⁾	14.0	49.7	1.5	4.5	28.3	27.3	27.0	24.5

	Environmental Services		Strategic Investments and Other Business		Consolidation		Total	
	2014/15 Q.1	2013/14 Q.1	2014/15 Q.1	2013/14 Q.1	2014/15 Q.1	2013/14 Q.1	2014/15 Q.1	2013/14 Q.1
External revenue	40.9	38.9	2.6	2.4	–0.1	–	599.9	554.2
Internal revenue (between segments)	5.3	5.6	12.7	15.4	–78.4	–58.0	–	–
Total revenue	46.2	44.5	15.3	17.8	–78.5	–58.0	599.9	554.2
Operating expenses	–19.9	–36.0	–19.0	–18.0	78.0	36.2	–452.9	–451.4
Share of results from equity accounted investees operational	2.8	2.9	16.1	12.6	–	–	37.8	36.9
EBITDA	29.2	11.4	12.4	12.4	–0.6	–21.8	184.8	139.6
Depreciation and amortisation	–6.7	–7.1	–0.4	–0.4	1.8	0.5	–63.6	–60.6
Results from operating activities (EBIT)	22.5	4.4	12.0	12.0	1.2	–21.3	121.2	79.0
Financial results	–9.7	–0.5	15.1	11.9	–12.5	–12.4	–24.4	–18.3
Profit before income tax	12.7	3.9	27.1	23.8	–11.3	–33.6	96.8	60.7
Total assets	980.1	1,436.4	2,834.0	2,997.1	–1,944.7	–1,825.0	6,670.9	7,508.5
Investments ¹⁾	1.3	2.9	–	0.1	–6.5	–3.5	65.5	105.5

1) In intangible assets and property, plant and equipment

The results shown in the total column represent the results reported on the consolidated statement of operations. The consolidation column reflects the elimination of intersegment transactions. Also included are transition amounts, which result from the difference between the viewpoints of the Generation and Energy Trade and Supply Segments and the Group with respect to the inclusion of Steag-EVN Walsum as a joint operation. The

Generation Segment has not identified any signs of impairment to its proportional investment in the power plant resulting from the inclusion of Steag-EVN Walsum as a joint operation, and the Energy Trade and Supply Segment has already recognised provisions for onerous contracts connected with the marketing of its electricity production. In contrast, an impairment charge is required from the Group's point of view.

Selected notes on financial instruments

Information on classes and categories of financial instruments

EURm

Classes	Measurement category	Fair value hierarchy (according to IFRS 13)	31.12.2014		30.09.2014	
			Carrying amount	Fair Value	Carrying amount	Fair Value
Non-current assets						
Other investments						
Non-financial assets	–	–	25.2	–	25.1	–
Miscellaneous investments	AFS	Level 1	613.5	613.5	639.6	639.6
			638.7		664.7	
Other non-current assets						
Securities	@FVTPL	Level 1	86.4	86.4	62.1	62.1
Loans receivable	LAR	Level 2	37.5	47.2	38.9	44.0
Lease receivables and accrued lease transactions	LAR	Level 2	198.1	226.0	207.0	236.1
Receivables arising from derivative transactions	Hedge Accounting	Level 2	0.1	0.1	–	–
Remaining other non-current assets	LAR		85.9	85.9	75.5	75.5
Non-financial assets (primary energy reserves)	–		14.6		14.6	–
			422.5		398.1	
Current assets						
Current receivables and other current assets						
Trade and other receivables	LAR		477.5	477.5	406.6	406.6
Receivables arising from derivative transactions	Hedge Accounting	Level 2	2.6	2.6	0.2	0.2
Non-financial assets	–		20.7	–	37.1	–
			500.8		443.9	
Securities	AFS	Level 1	95.1	95.1	0.8	0.8
Cash and cash equivalents						
Cash on hand and cash at banks	LAR		170.3	170.3	217.6	217.6
			170.3		217.6	
Non-current liabilities						
Non-current loans and borrowings						
Bonds	FLAC	Level 1	702.2	844.9	705.7	836.2
Bank loans	FLAC	Level 2	968.4	1,100.0	1,041.9	1,165.1
			1,670.5		1,747.7	
Other non-current liabilities						
Leases	FLAC		19.1	19.1	19.8	19.8
Accruals of financial transactions	FLAC		2.8	2.8	2.9	2.9
Other liabilities	FLAC		11.0	11.0	8.1	8.1
Liabilities arising from derivative transactions	Hedge Accounting	Level 2	57.4	57.4	56.9	56.9
			90.3		87.8	
Current liabilities						
Current loans and borrowings						
	FLAC		71.3	71.3	194.2	194.2
Trade payables	FLAC		491.8	491.8	505.1	505.1
Other current liabilities						
Other financial liabilities	FLAC		306.2	306.2	320.3	320.3
Liabilities arising from derivative transactions	Hedge Accounting	Level 2	11.1	11.1	11.6	11.6
Non-financial liabilities	–		67.9	–	77.0	–
			385.3		408.9	
thereof aggregated to measurement categories						
Available for sale financial assets	AFS		708.6		640.4	
Loans and receivables	LAR		969.2		945.6	
Financial assets designated at fair value in profit or loss	@FVTPL		86.4		62.1	
Financial liabilities at amortised cost	FLAC		2,572.8		2,798.2	

The previous table shows the financial instruments carried at fair value and their classification in the fair value hierarchy according to IFRS 13.

Level 1 input factors are observable parameters such as quoted prices for identical assets or liabilities. These prices are used for valuation purposes without modification.

Level 2 input factors represent other observable parameters which must be adjusted to reflect the specific characteristics of the valuation object. Examples of the parameters used to measure the financial instruments classified under level 2 are forward price curves derived from market prices, exchange rates, interest structure curves and the counterparty credit risk.

Level 3 input factors are non-observable factors which reflect the assumptions that would be used by a market participant to determine an appropriate price.

There were no reclassifications between the various levels during the reporting period.

Selected notes to the statements of cash flows

Interest income and interest expense are allocated to current business activities. Of the total interest income, EUR 5.8m (previous year: EUR 5.2m) represented cash items. Taking capitalised borrowing costs into account, the interest expense contained EUR 16.5m of cash items (previous year: EUR 12.1m). Furthermore, cash inflows from dividends of EUR 54.4m (previous year: EUR 59.7m) are included in operating cash flow.

Information on transactions with related parties

There were no major changes in the group of individuals and companies who are considered as related parties compared to the annual report of 2013/14.

Transactions with investments in equity accounted investees are as follows:

Transactions with investments in equity accounted investees	2014/15	2013/14
EURm	Q. 1	Q. 1
Revenue	76.6	41.0
Cost of materials and services	54.0	50.1
Trade accounts receivable	75.1	43.3 ¹⁾
Trade accounts payable	30.5	14.0 ¹⁾

1) Values at 30 September 2014

Other obligations and risks

Other obligations and risks decreased by EUR 70.9m to EUR 442.2m compared to 30 September 2014. This change was mainly due to the reduction in scheduled orders for investments in intangible assets and property, plant and equipment as well as the decrease in guarantees for subsidiaries in connection with construction projects in the Environmental Services segment. This reduction was in contrast to the increase in guarantees for subsidiaries in connection with energy transactions as well as the increase in guarantees in connection with the construction and operation of power plants.

Contingent liabilities related to guarantees for subsidiaries for energy transactions are recognised on the basis of the guarantees issued by e&t Energie Handelsgesellschaft mbH and EconGas GmbH at an amount equalling the risk exposure of EVN AG. This risk is measured by the changes between the stipulated price and the actual market price, whereby EVN is only exposed to procurement risks when market prices decline and to selling risks when market prices increase. Accordingly, fluctuations in market prices may lead to a change in the risk exposure after the balance sheet date. The risk assessment resulted in a contingent liability of EUR 57.2m as of 31 December 2014. The nominal volume of the guarantees underlying this assessment was EUR 355.5m.

Events after the balance sheet date

The following events of material importance took place between the quarterly balance sheet date of 31 December 2014, and the editorial deadline of the consolidated interim report on 19 February 2014:

As of 1 January 2015, the regulatory authorities in Austria reduced the network usage tariffs for electricity by around 1% and for gas by around 3%.

The 86th Annual General Meeting on 15 January 2015, approved the proposal of the Executive Board to distribute a dividend of EUR 74.7m or EUR 0.42 per share for the 2013/14 financial year. Ex-dividend date was 22 January 2015, and the dividend payment to shareholders took place on 28 January 2015.

The EVN share

Highlights

- Stagnating economical performance in Europe
- Positive development of the international stock markets

Market environment and performance

Economic development in Europe and the USA differed during the reporting period from October to December 2014. While the USA saw an improvement in economic indicators, the European economy stagnated. Growth in this region was subdued by the tense geopolitical situation as well as the on-going crisis in Ukraine and the related sanctions against Russia.

Central bank policies reflected these different developments. The US Federal Reserve (Fed) terminated its stimulus programme (bond purchases) some time ago, but the European Central Bank (ECB) will soon start to purchase government bonds.

The international stock markets continued their positive trend during the reporting period in spite of the difficult environment and, in part, reached new historical highs. This was true, above all, for the US Dow Jones index, which rose by 4.6% from October to December 2014. The German benchmark index DAX gained 3.5% during this same period, while Vienna's benchmark index ATX fell by 2%. The EVN share declined 1.2% in a market that was still difficult for utility companies. The Dow Jones Euro Stoxx Utilities, the relevant industry index for EVN, fell by 5% during this period.

The EVN share closed at EUR 10.00 on 31 December 2014, which reflects a market capitalisation of EUR 1.80bn. The average daily turnover in EVN shares declined year-on-year to 35,333 (single counting), which represents an annual trading volume of EUR 21.3m (single counting). EVN was weighted at 0.97% in the ATX Prime at the end of December 2014.

Share buyback programme

The 85th Annual General Meeting on 16 January 2014 authorised the Executive Board of EVN AG to repurchase the company's shares for the purpose of distribution to employees of the company or its subsidiaries. This authorisation covers the repurchase of up to 10% of the share capital of EVN AG during a period of 30 months. At the same time, the resolution of the Annual General Meeting on 19 January 2012 authorising a share buyback by EVN AG was terminated prematurely on 16 January 2014. This resolution had resulted in the repurchase of 1,640,030 EVN AG shares over the Vienna Stock Exchange between 6 June 2012 and 15 January 2014, which represent 0.91% of share capital. On 16 January 2014, based on the authorisation of the 85th Annual General Meeting, the Executive Board approved a share buyback programme with a term ending on 30 September 2014; this programme was extended from 30 September 2014 to 30 June 2015 based on a resolution by the Executive Board. A total of 145,000 shares were repurchased from 16 January to 31 December 2014, which represent 0.08% of share capital. EVN AG held 1,965,992 treasury shares as of 31 December 2014, including the shares repurchased in earlier years, which represent approximately 1.1% of share capital.

The EVN share price – relative development



		2014/15	2013/14
		Q. 1	Q. 1
EVN share – performance			
Share price at 31 December	EUR	10.00	11.54
Highest price	EUR	10.45	11.81
Lowest price	EUR	9.50	11.08
Value of shares traded ¹⁾	EURm	21.30	30.37
Average daily turnover ¹⁾	Shares	35,333	44,351
Share of total turnover ¹⁾	%	0.37	0.62
Market capitalisation at 31 December	EURm	1,799	2,075
ATX weighting at 31 December	%	0.97	1.04
WBI (Vienna Stock Exchange) weighting at 31 December	%	2.31	2.47

1) Vienna Stock Exchange, single counting

Strategy for the use of financial resources and dividends

EVN's strategy for the use of its financial resources includes establishing a balance between current investment projects and attractive dividends for shareholders. A proposal was made to the 86th Annual General Meeting on 15 January 2015 to approve the distribution of a dividend of EUR 0.42 per share, or EUR 74.7m in total, to shareholders for the 2013/14 financial year. This proposal was accepted and the dividend was approved. The ex-dividend day was 22 January 2015, and payment was made to shareholders on 28 January 2015.

Shareholder structure

EVN is a listed stock corporation under Austrian law whose shares are traded in the Prime Market segment of the Vienna Stock Exchange. In accordance with Austrian federal and provincial constitutional

law, 51.0% of the shares are held by NÖ Landes-Beteiligungsholding GmbH, St. Pölten. On 20 December 2013 EnBW Energie Baden-Württemberg AG, Karlsruhe, Germany, transferred its 32.5% holding in EVN to EnBW Trust e.V., a registered association whose headquarters are located at Durlacher Allee 93, 76131 Karlsruhe. EnBW Trust e.V. is recorded in the register of associations at the district court in Mannheim under VR 3737 (EnBW Trust). These shares are held by EnBW in trust for EnBW Energie Baden-Württemberg AG within the framework of a so-called contractual trust arrangement model. The registered headquarters of EnBW Energie Baden-Württemberg AG are located at Durlacher Allee 93, 76131 Karlsruhe, and the company is recorded in the commercial register of the district court in Mannheim under HRB 107956 (EnBW). As of 31 December 2014 EVN AG held treasury shares representing 1.1% of share capital, as mentioned, and free float equalled 15.4%.

Contact

Investor Relations

Gerald Reidinger
Phone: +43 2236 200-12698

Alexander Sipek
Phone: +43 2236 200-12360

Katrin Stehrer
Phone: +43 2236 200-13140

E-mail: investor.relations@evn.at

Online Letter to Shareholders

www.financialreport.evn.at/?report=EN2015-Q1

Information on the internet

www.evn.at
www.investor.evn.at
www.verantwortung.evn.at

Financial calendar¹⁾

Results HY. 2014/15	28.05.2015
Results Q. 1–3 2014/15	27.08.2015
Annual results 2014/15	10.12.2015

1) Preliminary

EVN share – Basic information

Share capital	EUR 330,000,000.00
Denomination	179,878,402 shares
ISIN security code number	AT0000741053
Tickers	EVNV.VI (Reuters); EVN AV (Bloomberg); EVN (Dow Jones); EVNVY (ADR)
Listing	Vienna
ADR programme; depository	Sponsored Level I ADR programme (5 ADR = 1 share); The Bank of New York Mellon
Sustainability index	VÖNIX, FTSE4Good, Ethibel, ECPI
Ratings	A3, negative (Moody's); BBB+, stable (Standard & Poor's)

Imprint

Published by:
EVN AG
EVN Platz, 2344 Maria Enzersdorf, Austria
Phone: +43 2236 200-0
Telefax: +43 2236 200-2030

Announcement pursuant to Section 25 Austrian Media Act: www.evn.at/offenlegung

Editorial deadline: 19 February 2015