



Letter to Shareholders

Q. 1 2013/14

1 October – 31 December 2013

Highlights

- Results from operating activities negatively influenced by price and quantity effects in the energy business and declines in the environmental services business
- Reduction in group net profit of 9.5%
- Net cash flow from operating activities 82.0% above the previous year
- Outlook 2013/14: Group net profit is expected to be higher than in the 2012/13 financial year, however, no return to recent years' levels

Key figures

		2013/14 Q. 1	2012/13 Q. 1	+/- in %	2012/13 30.09.2013
Sales volumes					
Electricity generation volumes	GWh	968	923	4.8	3,701
Electricity sales volumes to end customers	GWh	5,279	5,403	-2.3	20,209
Natural gas sales volumes to end customers	GWh	2,053	2,185	-6.1	6,333
Heat sales volumes to end customers	GWh	654	644	1.5	2,062
Statement of operations					
Revenue	EURm	731.1	794.0	-7.9	2,755.0
EBITDA	EURm	154.6	173.5	-10.9	457.6
EBITDA margin	%	21.1	21.8	-0.7	16.6
Results from operating activities (EBIT)	EURm	96.0	116.2	-17.4	218.5
EBIT margin	%	13.1	14.6	-1.5	7.9
Profit before income tax	EURm	89.6	104.5	-14.3	180.3
Group net profit	EURm	64.7	71.5	-9.5	114.7
Earnings per share	EUR	0.36	0.40	-9.2	0.64
Statement of financial position					
Balance sheet total	EURm	7,276.7	7,204.7	1.0	7,102.1
Equity	EURm	3,091.1	3,170.9	-2.5	3,066.5
Equity ratio	%	42.5	44.0	-1.5	43.2
Net debt	EURm	1,503.4	1,739.4	-13.6	1,562.3
Gearing	%	48.6	54.9	-6.2	50.9
Cash flow and investments					
Gross cash flow	EURm	106.1	151.6	-30.0	553.6
Net cash flow from operating activities	EURm	99.5	54.7	82.0	561.7
Investments ¹⁾	EURm	65.5	74.3	-11.9	328.4
Employees					
	∅	7,443	7,502	-0.8	7,497

1) In intangible assets and property, plant and equipment

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Statement by the Executive Board

Dear shareholders,

The first quarter of the 2013/14 financial year was characterised by unusually mild weather. The heating degree total in Austria was not only significantly lower than in the previous year, but also below the long-term average. In Bulgaria and Macedonia, the temperatures generally reflected the prior year level.

The distortions on the energy markets continued during the reporting period and led to a further decline in the wholesale prices for electricity. The launch of an energy efficiency offensive – which includes bonuses for the purchase of energy-efficient equipment and energy services as well as an average reduction of 3.6% in the price of electricity and gas for household and small business customers as of 1 October 2013 – will pass on these price advantages to our customers. For EVN's production, these low electricity prices led to a continuation of the difficult environment experienced in past quarters.

EVN generated revenue of EUR 731.1m in the first quarter of 2013/14, or 7.9% less than in the previous year. This decline resulted primarily from lower sales volumes of energy due to the warmer weather in Austria, the reduction of end customer prices for gas and electricity and a decrease in revenue from the environmental services business. As a result, EBITDA and the results from operating activities (EBIT) were 10.9% and 17.4%, respectively, lower at EUR 154.6m and EUR 96.0m. The improvement in financial results was unable to completely offset these effects, and Group net profit therefore fell by 9.5% to EUR 64.7m.

In the network business in Austria differing tariff decisions were taken by the regulatory authorities. Natural gas network tariffs were raised by 7.7% as of 1 January 2014, while electricity network tariffs were cut by 9.0%. Part of this reduction is covered by lower costs for upstream networks and the settlement of network losses.

The share of renewable energy in EVN's production capacity was further increased by the start of operations at the Prellenkirchen wind park. Eight wind turbines were built at this location together with a partner, and operations started in February 2014. EVN's installed wind power capacity totals 213 MW.

The Duisburg-Walsum coal-fired power plant received the final technical approval at the end of December 2013 and subsequently started commercial operations. The delayed completion of this project resulted in damages to the project company founded to construct the power plant, in which EVN holds an investment of 49%. These damages will be enforced through an arbitration claim against the general contractor and a lawsuit filed against an insurance company.

In Bulgaria, the regulatory authorities followed the electricity price cuts in the previous year with the announcement of a further reduction as of 1 January 2014. The arbitration proceedings started in the prior year at the World Bank's International Center for the Settlement of Investment Disputes are currently in a phase where the different points of view are being presented. The previous year's tariff reductions in Bulgaria and Macedonia led to a decline in segment results. In both countries, EVN has implemented measures to improve efficiency and lower costs.

In the environmental services business, EVN received a contract for the planning, modernisation and expansion of the Pruszkow wastewater purification plant in Warsaw. A solution has still not been found for the projects in Moscow. Since the city of Moscow is not prepared to stand by the permit granted for the start-up of the sodium hypochlorite plant and to meet its payment obligations, EVN decided to make use of a guarantee issued by the Federal Republic of Germany for foreign direct investment in connection with this project.

EVN's long-term financing was further strengthened by the conclusion of a EUR 150.0m loan agreement with the European Investment Bank in November 2013. These funds will be used to expand the network infrastructure in Lower Austria and thereby make an important contribution to safeguarding supply security.

The outlook for the 2013/14 financial year is confirmed against the backdrop of the current challenging environment. The prior period effects that reduced financial results in 2012/13 are non-recurring, and group profit should therefore exceed the results for 2012/13. The current distortions on the energy markets will, nonetheless, prevent a return to the level recorded in earlier years. Group net profit could also be significantly influenced by the development of the arbitration proceedings with the Bulgarian government and progress on the projects in Moscow.

Maria Enzersdorf, February 2014



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	%	2015f	2014f	2013e	2012	2011
EU-28 ¹⁾		1.8–1.9	1.3–1.4	0.0	–0.4	1.6
Austria ²⁾³⁾		1.7–2.0	1.7	0.3–0.4	0.9	2.8
Bulgaria ¹⁾²⁾⁴⁾		1.8–3.5	1.5–2.0	0.5–0.8	0.8	1.8
Croatia ¹⁾²⁾⁴⁾		1.0–2.0	0.0–1.5	–0.2–(–1.0)	–2.0	0.0
Macedonia ⁵⁾⁶⁾		3.6	3.1	2.0	–0.3	2.8
Albania ⁴⁾⁵⁾⁶⁾		2.5–3.0	2.0–2.5	1.7–1.8	1.6	3.0

1) Source: "European Economic Forecast, Spring 2013", EU Commission, November 2013

2) Source: "Prognose der Österreichischen Wirtschaft 2013–15", IHS, December 2013

3) Source: "Prognose für 2014 und 2015: Aufschwung bleibt wegen Konsumschwäche flach", WIFO, December 2013

4) Source: "Strategie Österreich und CEE 1. Quartal 2014", Raiffeisen Research, December 2013

5) Source: "ECA Economic Outlook", World Bank, January 2014

6) Source: "World Economic Outlook", International Monetary Fund, April 2013

General business environment

The reporting period brought further signs of improvement in the Euro zone economy. However, restrictive budgetary policies in many member states and low inflation are slowing the reduction of debt by private households and companies. Debt has already reached a very high level in several countries and, in some cases, continues to rise. The result is a negative impact on both private consumption and the willingness of companies to invest. The current account deficit in Europe's peripheral countries continues to represent a sizeable risk. In spite of these developments, forecasts point to an economic upturn and GDP growth of 1.3% to 1.4% in 2014 as well as a continuation of this trend in 2015.

The significant improvement in the international environment leads to expectations of a further increase in momentum for the Austrian economy during the coming quarters. The realisation of previously postponed investments and rising demand in key consumer countries like Germany and the USA should support this growth. In contrast, private consumption is not expected to recover significantly because of the tense situation on the labour market and the consolidation of public sector budgets. Economic growth is projected to reach 1.7% in 2014. Forecasts call for the sustainable continuation of this positive trend with an increase of up to 2.0% in 2015.

Key indicators for the energy sector environment		2013/14 Q. 1	2012/13 Q. 1	+/- in %
Temperature-related energy demand¹⁾				
	%			
Austria		89.8	99.8	–10.0
Bulgaria		92.1	92.9	–0.8
Macedonia		96.3	93.1	3.3
Primary energy and CO₂ certificates				
Crude oil – Brent	EUR/bbl	80.3	84.8	–5.3
Natural gas – NCG ²⁾	EUR/MWh	27.2	27.3	–0.3
Coal – API#2 ³⁾	EUR/t	61.7	68.6	–10.0
CO ₂ emission certificates (2 nd /3 rd period)	EUR/t	4.7	7.6	–37.9
Electricity – EEX forward market⁴⁾				
Base load	EUR/MWh	43.8	53.8	–18.6
Peak load	EUR/MWh	56.7	67.3	–15.7
Electricity – EPEX spot market⁵⁾				
Base load	EUR/MWh	37.6	41.4	–9.3
Peak load	EUR/MWh	50.8	55.3	–8.3

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, it corresponds to the long-term average value from 2004 to 2011 and in Macedonia it corresponds to the long-term average value beginning in 2001; 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

In South Eastern Europe, the signs have been pointing towards recovery in a number of the economies since autumn 2013. One example is Bulgaria, which recorded a strong rise in exports during the first nine months of 2013. The EU-wide upturn should support a continuation of this trend. However, the forecasted slight drop in the unemployment rate to 12.5% in 2014 is unlikely to ease the current situation on the labour market. GDP growth of up to 2.0% is forecast for 2014, and the expected potential will only be reached in 2015 with an increase of up to 3.5%.

The economic situation in Croatia is expected to remain tense throughout 2014. Higher interest payments resulting from the increased risk premium for public sector debt will raise the national deficit in 2014. The significant improvement in tax collection as well as measures to strengthen tax discipline and combat the underground economy should offset this development, at least in part. The GDP decline in 2013 is expected to be followed by an increase of up to 1.5% in 2014. The forecasts for 2015 range from 1.0% to 2.0%.

In Macedonia, stronger momentum in the neighbouring economies is expected to support GDP growth of 3.1% in 2014. This trend should continue into 2015 with an increase of 3.6%.

Albania recorded an increase in the budget deficit during 2013 as well as a recent rise in public sector debt. In contrast, intensified efforts to fight corruption should trigger positive effects. The GDP is forecast to increase by up to 2.5% in 2014 and by up to 3.0% in 2015.

Energy sector environment

The first quarter of the 2013/14 financial year was characterised by warmer weather. The heating degree total in Bulgaria and Macedonia roughly reflected the mild temperatures of the previous year, while Austria recorded a decline of 10.0 percentage points.

The average US dollar price for Brent crude oil remained roughly at the prior year level. The comparable euro price was EUR 80.3 per barrel, or 5.3% below the previous year, due to the strong euro. The average European Energy Exchange (EEX) price for natural gas nearly matched the previous year at EUR 27.2 per MWh in the first quarter of 2013/14. The price for coal fell by 10.0% to EUR 61.7 per tonne, primarily due to high stock levels, strong supplies and subdued economic developments, above all in China. The price of CO₂ emission certificates declined further to EUR 4.7 per tonne, or 37.9% below the comparable prior year period.

The forward and spot market prices for base load and peak load electricity continued to fall during the reporting period. This development resulted, above all, from the on-going expan-

sion of renewable energy generation capacity in Austria and Germany as well as lower prices for coal and CO₂ emission certificates. The forward prices applicable to the reporting period fell by 18.6% to EUR 43.8 for base load electricity and by 15.7% to EUR 56.7 per MWh for peak load electricity. In comparison with the first quarter of 2012/13, the spot market prices declined 9.3% to EUR 37.6 per MWh for base load electricity and by 8.3% to EUR 50.8 per MWh for peak load electricity.

Business development

Consolidated statement of operations

Key figures

- Revenue: -7.9% to EUR 731.1m
- EBITDA: -10.9% to EUR 154.6m
- EBIT: -17.4% to EUR 96.0m
- Financial results: +44.6% to EUR -6.5m
- Group net profit: -9.5% to EUR 64.7m

The EVN Group generated revenue of EUR 731.1m in the first quarter of 2013/14, for a decline of EUR 62.9m, or 7.9%, below the comparable prior year period. This development resulted, above all, from a lower volume of final invoices in the international environmental project business. It was also caused by a decline in energy revenues following the temperature-related drop in sales volumes and a reduction in energy prices for electricity and gas for household and small business customers in Austria. Revenue generated outside Austria amounted to EUR 285.5m (previous year: EUR 325.5m) and represented 39.0% of total revenue (previous year: 41.0%).

Other operating income fell by EUR 9.4m, or 30.3%, to EUR 21.7m. This decline resulted primarily from positive one-off effects in the previous year and lower changes to work in process.

The cost of electricity purchases from third parties and primary energy expenses fell by EUR 18.9m, or 4.3%, to EUR 424.8 m, above all due to a decline in electricity and gas procurement costs.

Third-party services and other materials and services were EUR 38.3m, or 42.4%, lower at EUR 52.1m due to developments in the international environmental services business.

The average number of employees fell by 59, or 0.8%, to 7,443. The number of employees remained nearly constant in Austria, but was reduced by 1.3% year-on-year in other coun-

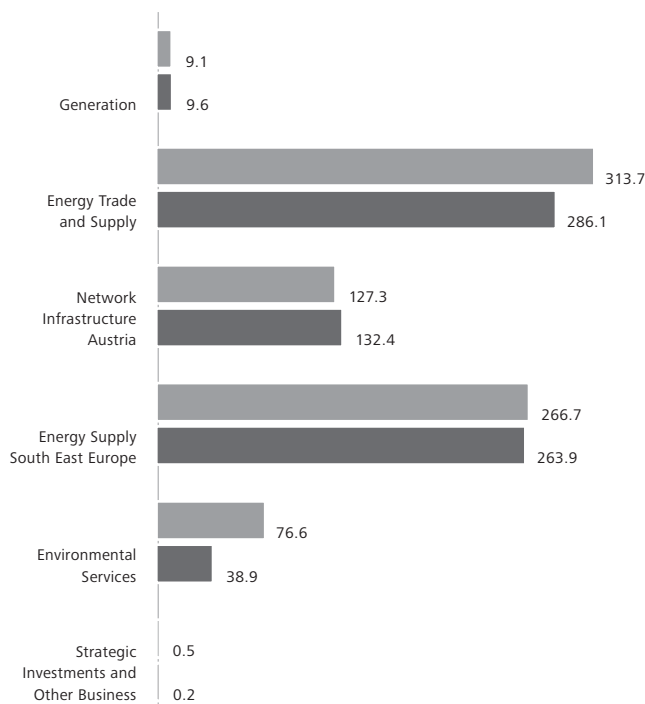
Revenue by segments¹⁾

Q. 1

in EURm

2012/13

2013/14



1) External revenue

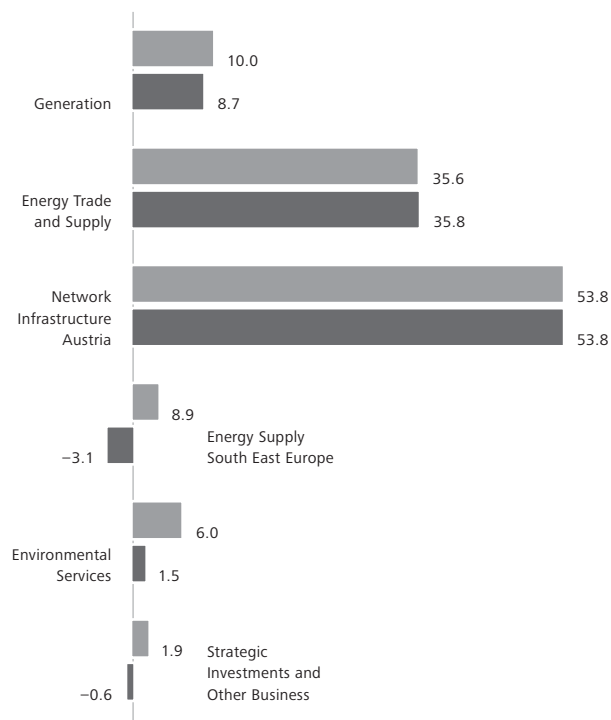
EBIT by segments

Q. 1

in EURm

2012/13

2013/14



tries through process and organisational optimisation measures. Personnel expenses rose by a total of EUR 4.0m, or 5.4%, to EUR 78.0m, among others due to wage and salary adjustments required by collective bargaining agreements.

Other operating expenses nearly matched the prior year at EUR 43.4m for the first quarter of 2013/14.

These developments led to a decline of EUR 18.9m, or 10.9%, in EBITDA to EUR 154.6m. The EBITDA margin equalled 21.1%, which is 0.7 percentage points lower than the previous year.

Depreciation and amortisation rose by EUR 1.3m, or 2.2%, to EUR 58.5m.

Results from operating activities (EBIT) totalled EUR 96.0m, which is EUR 20.2m, or 17.4%, below the comparable prior year period.

Financial results improved from EUR -11.7m to EUR -6.5m in the first quarter of 2013/14, whereby results for the first

quarter of the previous year were influenced by a negative earnings contribution of EUR 20.4m from EconGas. Earnings were reduced by a decrease in the earnings contribution from Rohöl-Aufsuchungs AG.

The above factors led to a year-on-year decline of EUR 15.0m, or 14.3%, in profit before income tax to EUR 89.6m. After the deduction of income tax expense, which was slightly lower than in the comparable prior year period, profit for the first quarter of the reporting year totalled EUR 69.0m. This represents a decline of EUR 13.1m, or 15.9%.

EVN generated Group net profit of EUR 64.7m for the first quarter of 2013/14, which is EUR 6.8m, or 9.5%, lower than in the first quarter of the previous year.

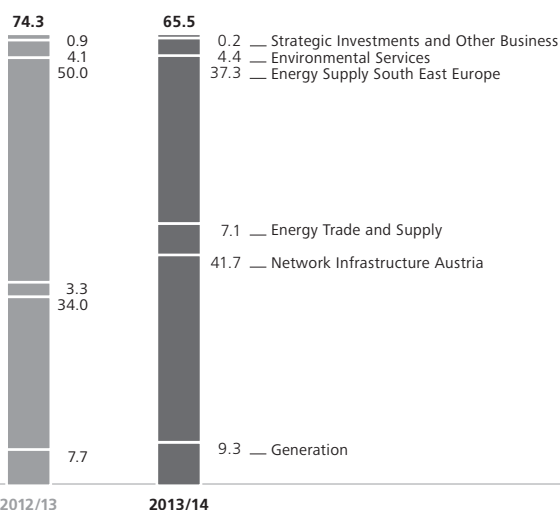
Consolidated statement of cash flows

Gross cash flow fell by EUR 45.5m, or 30.0%, to EUR 106.1m due to the decline in profit before tax, lower non-cash earnings components from equity accounted investees and non-current provisions.

Structure of investments

Q. 1

in %, total in EURm



Cash flow from operating activities was EUR 44.8m, or 82.0%, higher at EUR 99.5m. This development resulted chiefly from a lower increase in working capital and higher current provisions for the marketing of EVN's own electricity production.

Cash flow from investing activities is based on investments in property, plant and equipment, capital contributions to equity accounted investees and investments in short-term securities. This position increased by EUR 13.6m, or 10.0%, to EUR 148.9m in the first quarter of 2013/14.

Cash flow from financing activities totalled EUR 69.5m for the reporting period, compared with EUR 111.6m in the previous year. The cash inflow reflected a loan drawn from the European Investment Bank less scheduled repayments on existing financing.

In the first quarter of 2013/14, cash flow was positive at EUR 20.0m. Cash and cash equivalents rose from EUR 224.8m to EUR 244.8m. In addition, EVN had committed, undrawn credit lines totalling EUR 675.0m at its disposal.

Consolidated statement of financial position

EVN's balance sheet total equalled EUR 7,276.7m as of 31 December 2013, an increase of EUR 174.6m, or 2.5%, over the level on 30 September 2013.

Non-current assets remained nearly unchanged at EUR 6,127.1m as of 31 December 2013 (30 September 2013: EUR 6,125.1m) and represented 84.2% of total assets (30 September 2013: 86.2%). The carrying amount of the Verbund shares, which are included under other investments, declined with the decrease in their market value. In contrast, the carrying amount of equity accounted investees rose due to capital contributions and other non-current assets, above all due to higher investments in funds held to cover the provisions for pensions.

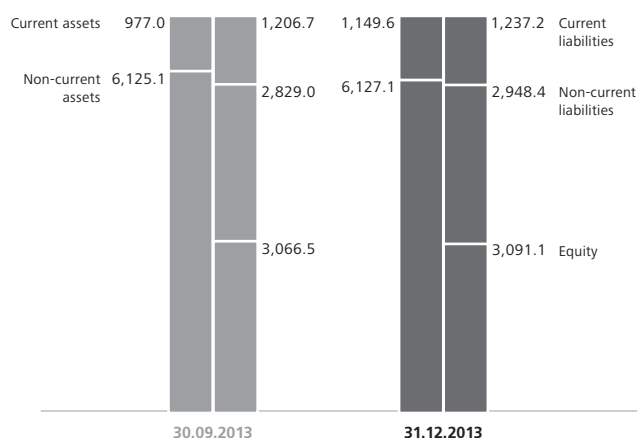
Current assets rose by EUR 172.6m, or 17.7%, to EUR 1,149.6m based on a seasonal increase in receivables from the energy business and the growth in cash and cash equivalents that resulted from the positive cash flow.

Equity increased by EUR 24.6m, or 0.8%, to EUR 3,091.1m. The equity ratio equalled 42.5% as of 31 December 2013 (30 September 2013: 43.2%). The dividend of EUR 0.42 per share that was approved by the 85th Annual General Meeting on 16 January 2014 was paid on 24 January 2014.

Non-current liabilities rose by EUR 119.5m, or 4.2%, to EUR 2,948.4m. This development reflected the EUR 150.0m loan obtained from the European Investment Bank to finance future network investments. This increase was contrasted by scheduled repayments.

Balance sheet structure as per the balance sheet date

in EURm



Current liabilities totalled EUR 1,237.2m as of 31 December 2013, which represents an increase of EUR 30.5m or 2.5%. Current financial liabilities declined following the scheduled repayment of loans. This reduction was contrasted by increases in the following positions: current tax liabilities, current provisions for the marketing of EVN's own electricity production, trade payables as the result of seasonal effects and other current liabilities.

Net debt declined EUR 58.9m below the level on 30 September 2013 to EUR 1,503.4m, and gearing fell from 50.9% to 48.6%.

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 transmission to networks and supply, while the gas business is concentrated on the transmission and network stages. 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 incineration.

Taking the requirements of IFRS 8 "Business Segments" into account, the operating segments are identified solely on the basis of EVN's internal organisational and reporting structure. Below is a description of both 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 hydro-power plants as well as windpower plants that are no longer covered by subsidy schemes) is based on the market price for electricity. Revenue from EVN AG's thermal power generation and the storage power plants is based on the option value, which generally reflects the pre-defined difference between the forward prices for electricity and the related fuel costs. The option value also includes the provision and use of reserve capacity to ensure network supplies in Southern Germany. The sale of the generated electricity and the procurement of primary energy are reported under the Energy Trade and Supply Segment.

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 incineration 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

Key energy business indicators	GWh	2013/14	2012/13	+/-	
		Q. 1	Q. 1	nominal	in %
Electricity generation volumes		968	923	44	4.8
Renewable energy sources ¹⁾		479	374	105	28.1
Thermal energy sources ²⁾		488	549	-61	-11.1
Network distribution volumes					
Electricity		5,532	5,465	68	1.2
Natural gas ³⁾		4,772	4,936	-164	-3.3
Energy sales volumes to end customers					
Electricity		5,279	5,403	-124	-2.3
Central and Western Europe ⁴⁾		1,877	2,007	-129	-6.4
South Eastern Europe		3,401	3,396	6	0.2
Natural gas		2,053	2,185	-132	-6.1
Heat		654	644	10	1.5
Central and Western Europe ⁴⁾		589	573	16	2.8
South Eastern Europe		65	71	-6	-8.9

1) Incl. bio-co-generation plant in Austria in the Energy Trade and Supply Segment, small hydropower plants in Macedonia in the Energy Supply South East Europe Segment and combined cycle heat and power co-generation plants in Moscow in the Environmental Services Segment. Revenues from such energy production are included in such respective segments.

2) Incl. co-generation plant in Bulgaria in the Energy Supply South East Europe Segment and in Austria in the Energy Trade and Supply Segment, respectively. Revenues from such energy production are included in such respective segments.

3) Incl. network distribution volumes to EVN power plants

4) Central and Western Europe covers Austria and Germany.

Income from investments consists, above all, of income from the investments in the power plants and the Duisburg-Walsum, Verbund-Inn River and Ashta power plant projects. Up to and including the first half of 2012/13, this position also included the 50% stake in the Devoll River hydropower plant project in Albania. This holding was sold to the project partner, Statkraft A.S., in 2013.

Highlights

- Increased power generation from renewable energy sources
 - Good water flows and wind conditions
 - Capacity expansion: e.g. start of operations at the Deutsch-Wagram wind park
- Revenue decline of 3.5%
 - Decline in market prices for electricity
 - Lower option value due to absence of free CO₂ emission certificates
- Start of legal actions in connection with Duisburg-Walsum

EVN generated 800 GWh of electricity during the first quarter of 2013/14, a year-on-year increase of 31 GWh, or 4.1%. Production from renewable energy sources totalled 408 GWh and was 82 GWh, or 25.1%, higher than in the previous year. This increase resulted primarily from better water flows

in comparison with the first quarter of 2012/13, the start of full operations at the Ashta hydropower plant in Albania during the second quarter of the prior year and higher volumes from the Inn River power plants. The production coefficient for the hydropower plants equalled 116.0% in the reporting period (previous year: 109.0%). Additionally, the Deutsch-Wagram wind park was commissioned in September 2013, and wind conditions were more favourable than in the previous year. The production from EVN's thermal power plants fell by 51 GWh, or 11.4%, to 392 GWh due to reduced use of the Dürnrrohr power plant.

EVN covered 18.3% of the electricity sold during the reporting period with its own production (previous year: 17.1%). Excluding energy sales by the Energy Supply South East Europe Segment, the coverage ratio for electricity from the Group's own production equalled 51.6% (previous year: 46.0%). The share of renewable energy in the Group's electricity production mix was 49.5% (previous year: 40.5%).

Revenue recorded by the segment was EUR 1.2m, or 3.5%, lower at EUR 32.3m despite an increase in production from renewable energy sources. The main factors for this development were a decline in the market price of electricity and a lower option value for the thermal power plants following the discontinuation of free CO₂ emission certificates. As in the previous year, this was contrasted by revenue from the provision of reserve capacity to support network reliability in Southern Germany.

Operating expenses matched the prior year at EUR 16.6m for the reporting period. EBITDA fell by EUR 1.2m, or 7.4%, to EUR 15.7m. Depreciation and amortisation were nearly unchanged, and the results from operating activities (EBIT) amounted to EUR 8.7m. This represents a decline of EUR 1.3m, or 13.4%, below the comparable prior year value.

Financial results fell by EUR 2.8m, or 84.0%, to EUR –6.2m. This decline was caused, above all, by lower income from investments following the recognition of provisions for legal and consulting fees in connection with legal actions over the Duisburg-Walsum coal-fired power plant. Profit before tax equalled EUR 2.5m and was EUR 4.2m, or 62.6%, lower than the previous year.

Investments rose by EUR 3.8m, or 66.1%, to EUR 9.6m. The increase was related primarily to construction on the wind park in Prellenkirchen, which started operations in February 2014. This project involved the construction of eight wind turbines together with a partner, which have a total capacity of 24 MW and provide roughly 16,000 households with environmentally friendly electricity.

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.

Internal revenue consists mainly of electricity sales to the Network Infrastructure Austria Segment to cover network losses.

The income from investments is based mainly on the earnings contributions from EconGas, e&t and the district heating plants in St. Pölten and Steyr.

Highlights

- Energy sales to end customers:
 - Decline in electricity and gas sales volumes
 - Increase in heat sales volumes due to new district heating plant in Steyr
- Energy efficiency offensive
 - Reduction in electricity and gas prices as of 1 October 2013
 - Bonuses for the purchase of energy-efficient equipment and energy services

Electricity sales volumes to end customers declined by 129 GWh, or 6.4%, to 1,877 GWh in the first quarter of 2013/14 based on lower volumes sold by EnergieAllianz Austria outside EVN's Austrian supply region. The mild weather during the reporting period also led to a decrease in sales volumes of natural gas to end customers, which fell by 132 GWh, or 6.1%, to 2,053 GWh. In contrast, heat sales volumes to end customers rose by 16 GWh, or 2.8%, year-on-year to 589 GWh due to higher volumes sold by the district heating plant in Steyr.

Key indicators – Generation		2013/14	2012/13	+/-	
		Q. 1	Q. 1	nominal	in %
Key energy business indicators					
Electricity generation volumes					
	GWh				
Renewable energy sources		408	326	82	25.1
Thermal energy sources		392	442	-51	-11.4
Key financial indicators					
	EURm				
External revenue		9.6	9.1	0.6	6.1
Internal revenue		22.7	24.4	-1.7	-7.1
Total revenue		32.3	33.5	-1.2	-3.5
Operating expenses		-16.6	-16.6	-0.1	-0.4
EBITDA		15.7	16.9	-1.2	-7.4
Depreciation and amortisation		-7.0	-6.9	-0.1	-1.3
Results from operating activities (EBIT)		8.7	10.0	-1.3	-13.4
Financial results		-6.2	-3.4	-2.8	-84.0
Profit before income tax		2.5	6.7	-4.2	-62.6
Total assets		868.4	848.0	20.4	2.4
Investments ¹⁾		9.6	5.8	3.8	66.1

1) In intangible assets and property, plant and equipment

Revenue fell by EUR 28.4m, or 8.7%, to EUR 296.8m in the reporting period. This decline resulted primarily from a reduction in electricity and gas prices for household and small business customers as of 1 October 2013 and a temperature-related drop in sales volumes. Heating revenues roughly matched the prior year level.

Parallel to the development of revenue, operating expenses were EUR 28.8m, or 10.1%, lower than the prior year at EUR 257.2m. This decline was related, above all, to lower procurement costs for electricity and natural gas. EBITDA amounted to EUR 39.6m and was EUR 0.4m, or 0.9%, higher than in the previous year.

Depreciation and amortisation were nearly unchanged, and the results from operating activities (EBIT) rose by EUR 0.2m, or 0.6%, to EUR 35.8m. Financial results improved by EUR 18.5m, or 87.8%, to EUR –2.6m, whereby the comparable prior year period was influenced by a negative earnings contribution of EUR 20.4m from EconGas. These developments resulted in a year-on-year increase of 18.7% in profit before tax to EUR 33.2m.

During the reporting period, investments rose by EUR 2.2m, or 90.3%, to EUR 4.6m, whereby the focus remains on the expansion of the heating plants and district heating networks.

Network Infrastructure Austria

The Network Infrastructure Austria Segment covers the operation of the regional electricity and natural gas networks as well as 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 in this segment includes a distribution from the R 138-Fund to Netz Niederösterreich GmbH as well as the shares held by Netz Niederösterreich GmbH in AGGM Austrian Gas Grid Management AG.

Highlights

- Increase in electricity distribution volumes due to higher demand from industrial customers
- Decline in gas distribution volumes as a result of milder temperatures
- Expansion of networks 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 2013, the natural gas network tariffs were reduced by an average of 2.5% (1 January 2012: reduction of 1.9%) and elec-

Key indicators – Energy Trade and Supply		2013/14	2012/13	+/-	
		Q. 1	Q. 1	nominal	in %
Key energy business indicators					
Energy sales volumes to end customer	GWh				
Electricity		1,877	2,007	-129	-6.4
Natural gas		2,053	2,185	-132	-6.1
Heat		589	573	16	2.8
Key financial indicators	EURm				
External revenue		286.1	313.7	-27.7	-8.8
Internal revenue		10.7	11.4	-0.7	-6.5
Total revenue		296.8	325.2	-28.4	-8.7
Operating expenses		-257.2	-285.9	28.8	10.1
EBITDA		39.6	39.2	0.4	0.9
Depreciation and amortisation		-3.8	-3.7	-0.1	-4.1
Results from operating activities (EBIT)		35.8	35.6	0.2	0.6
Financial results		-2.6	-21.0	18.5	87.8
Profit before income tax		33.2	14.5	18.7	-
Total assets		600.6	631.9	-31.3	-4.9
Investments ¹⁾		4.6	2.4	2.2	90.3

1) In intangible assets and property, plant and equipment

tricity network tariffs were cut by an average of 0.4% (1 January 2012: stable).

Network distribution volumes differed during the reporting period: Electricity network distribution volumes rose by 22 GWh, or 1.1%, to 2,101 GWh, but gas network distribution volumes were 166 GWh, or 3.4%, lower than in the comparable prior year period at 4,770 GWh. The increase in electricity network distribution volumes resulted, above all, from higher demand by industrial customers. In contrast, gas network distribution volumes declined because of the comparatively milder temperatures in the first quarter of 2013/14 and the resulting negative effect, above all, on demand from household customers.

Revenue rose by EUR 2.5m, or 1.8%, year-on-year to EUR 143.7m for the reporting period. Electricity and natural gas network distribution revenue increased by EUR 3.1m, or 2.7%, to EUR 117.9m. This figure comprises a change of EUR 6.3m under assets for the regulatory account. Revenue from cable TV and telecommunications services was slightly higher than in the previous year due to an increase in the number of customers and price adjustments.

Operating expenses rose by EUR 1.8m, or 2.9%, to EUR 64.8m. EBITDA amounted to EUR 78.9m for the reporting period, compared with EUR 78.2m in the first quarter of 2012/13. Depreciation and amortisation increased by EUR 0.8m, or 3.1%, to EUR 25.2m. These developments led to results from

operating activities (EBIT) of EUR 53.8m, which nearly matched the previous year. Financial results equalled EUR –4.6m, for a year-on-year improvement of EUR 0.5m, or 10.3%. Profit before tax rose by EUR 0.5m, or 1.0%, to EUR 49.1m.

Investments were EUR 2.1m, or 8.2%, higher at EUR 27.3m for the first quarter of 2013/14. These projects continue to focus on network expansion to safeguard supply security in view of the rising feed-in from the intensive development of generation from renewable energy sources and on the Westschiene natural gas transport pipeline. Six transformer stations and two 110 kV lines were completed during the reporting period. Construction work has been finalised on 127 km of the Westschiene natural gas transport pipeline, and this section was filled with natural gas. The remaining 20 km are scheduled for commissioning in mid-2014.

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 generation of electricity in Macedonia and the sale of natural gas to end customers in Croatia as well as energy trading throughout the region.

Key indicators – Network Infrastructure Austria		2013/14	2012/13	+/-	
		Q. 1	Q. 1	nominal	in %
Key energy business indicators					
Network distribution volumes					
	GWh				
Electricity		2,101	2,079	21.9	1.1
Natural gas		4,770	4,935	-165.7	-3.4
Key financial indicators					
		EURm			
External revenue		132.4	127.3	5.1	4.0
Internal revenue		11.3	13.9	-2.5	-18.4
Total revenue		143.7	141.2	2.5	1.8
Operating expenses		-64.8	-63.0	-1.8	-2.9
EBITDA		78.9	78.2	0.7	0.9
Depreciation and amortisation		-25.2	-24.4	-0.8	-3.1
Results from operating activities (EBIT)		53.8	53.8	0.0	-0.1
Financial results		-4.6	-5.2	0.5	10.3
Profit before income tax		49.1	48.6	0.5	1.0
Total assets		1,782.2	1,719.1	63.1	3.7
Investments ¹⁾		27.3	25.2	2.1	8.2

1) In intangible asset and property, plant and equipment

Highlights

- Increase in energy generation due to takeover of further small hydropower plants in Macedonia during 2012/13
- Increase in electricity distribution volumes, but temperaturerelated drop in heating volumes
- Reduction in end customer tariffs for electricity in Bulgaria and Macedonia

The regulatory authorities in Bulgaria implemented a series of tariff changes in several steps during the past year: A reduction of 7.3% in the end customer prices for electricity as of 5 March 2013 based on a cutback in the power grid losses recognised by the regulatory authorities for distribution network operators was followed by a further cut of 4.2% in the prices for household customers on 1 August 2013. The regulatory authorities also retracted the change in the method used to calculate compensation for the additional costs of renewable electricity and for electricity from highly efficient co-generation plants (from 1 July 2012 to 1 August 2013, interim financing of these additional costs by EVN). On 30 December 2013, the regulatory authorities announced another cut of roughly 1.0% and 10.0%, respectively, in the day and night electricity tariffs for household

customers as of 1 January 2014. This price difference resulted primarily from a further reduction to 8.0% in the recognised network losses.

The end customer prices for heat in Bulgaria were lowered by 5.9% as of 1 January 2013 following a price reduction for natural gas (decrease of 9.8%).

In Macedonia, the regulatory authorities announced an average reduction of 3.0% in electricity prices for end customers as of 1 July 2013. This reduction was accompanied by an increase in the procurement price and tariffs for two state-owned companies: AD ELEM, an electricity producer, and AD MEPSO, a transmission network operator.

The volume of electricity generated by EVN in South Eastern Europe rose by 12 GWh, or 13.1%, to 102 GWh during the first quarter of 2013/14. This increase was supported by the contribution of the seven small hydropower plants in Macedonia that were leased to third parties up to January 2013.

The electricity distribution volume amounted to 3,432 GWh and was 46 GWh, or 1.4%, higher than in the previous year. Heat sales to end customers in Bulgaria were 6 GWh, or 8.9%, lower at 65 GWh, above all due to the relatively mild temperatures.

Key indicators – Energy Supply South East Europe		2013/14	2012/13	+/-	
		Q. 1	Q. 1	nominal	in %
Key energy business indicators					
	GWh				
Electricity generation volumes					
Renewable energy sources		102	90	12	13.1
Thermal energy sources		20	2	18	–
Network distribution volumes ¹⁾		82	88	–6	–6.8
Heat sales volumes to end customers		3,432	3,386	46	1.4
		65	71	–6	–8.9
Key financial indicators					
	EURm				
External revenue		263.9	266.7	–2.9	–1.1
Internal revenue		0.0 ^{*)}	0.0 ^{*)}	–	–
Total revenue		263.9	266.7	–2.8	–1.1
Operating expenses		–251.4	–242.1	–9.2	–3.8
EBITDA		12.5	24.6	–12.1	–49.1
Depreciation and amortisation		–15.6	–15.7	0.1	0.8
Results from operating activities (EBIT)		–3.1	8.9	–12.0	–
Financial results		–7.5	–8.2	0.7	8.5
Profit before income tax		–10.6	0.7	–11.3	–
Total assets		1,446.8	1,292.9	154.0	11.9
Investments ²⁾		24.5	37.1	–12.7	–34.2

*) Small amount

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

2) In intangible assets and property, plant and equipment

Revenue in the Energy Supply South East Europe Segment fell by EUR 2.8m, or 1.1%, to EUR 263.9m. The main factors for this development were price decisions in the region and lower sales volumes of heat in Bulgaria.

Operating expenses rose by EUR 9.2m, or 3.8%, year-on-year to EUR 251.4m, whereby one-off effects had a positive influence on these costs in the comparable prior year period. These developments led to a decline of EUR 12.1m, or 49.1%, in EBITDA to EUR 12.5m. Depreciation and amortisation remained nearly unchanged at the prior year level during the reporting period. EBIT was EUR 12.0 m lower than in the previous year at EUR –3.1m for the reporting period.

Lower interest expense led to an improvement of EUR 0.7m, or 8.5%, in financial results to EUR 7.5m. Profit before tax fell by EUR 11.3m to EUR –10.6m.

The volume of investments was EUR 12.7m, or 34.2%, lower at EUR 24.5m in the first quarter of 2013/14. This decline reflected the high level of investment in the comparable prior year period.

Environmental Services

The activities of the Environmental Services Segment cover drinking water supply, wastewater treatment and thermal waste utilisation in Austria, the operation of combined cycle heat and power co-generation plants in Moscow as well as the international project business in 18 countries throughout Central, Eastern and South Eastern Europe.

The income from investments is related chiefly to the earnings contributions provided by the Croatian ZOV (planning, financing and construction of the central wastewater purification plant in Zagreb) and ZOV UIP (operation of the central wastewater purification plant in Zagreb).

Revenue in the Environmental Services Segment totalled EUR 44.5m in the first quarter of 2013/14, which represents a decline of EUR 36.5m, or 45.0%, below the comparable prior year period. The thermal waste utilisation activities in Lower Austria recorded higher revenue in year-on-year comparison, but this increase was unable to offset the lower revenue from the international project business. evn wasser delivered a stable contribution to earnings in the first quarter of 2013/14.

The lower volume in the international project business was accompanied by a decrease of EUR 32.4m, or 47.4%, in operating expenses to EUR 36.0m. EBITDA amounted to EUR 8.5m, which is EUR 4.1m, or 32.5%, below the previous year. Depreciation and amortisation rose by EUR 0.4m, or 5.9%, to EUR 7.1m following the partial start of operations at the Lyuberzy co-generation plant at the end of the first quarter of 2012/13. These developments led to results of operating activities (EBIT) totalling EUR 1.5m, for a decrease of EUR 4.5m, or 75.3%, below the previous year.

Financial results were EUR 0.4m, or 15.4%, lower at EUR 2.4m and comprise a year-on-year increase in income from investments as well as lower net interest result and other financial results. In total, the above factors led to a decline of EUR 5.0m, or 56.1%, in profit before tax to EUR 3.9m.

Investments in the Environmental Services Segment totalled EUR 2.9m for the reporting period, compared with EUR 3.0m in the first quarter of 2012/13. Based on a total order volume of EUR 549.7m as of 31 December 2013, EVN is currently realising ten international projects. On 27 December 2013, EVN and its Polish subsidiary received a contract for the planning, modernisation and expansion of the Pruszkow wastewater purification plant in Warsaw, Poland, which will have the capacity to service 256,000 population equivalents after the project is completed.

In the first quarter of 2013/14, work also continued on the commissioning of the Mia Milia/Haspolat wastewater purification plant in Nicosia, Cyprus, and trial operations at the sludge treatment plant in Vilnius, Lithuania. Work also proceeded as scheduled on the wastewater purification plant in Budva, Montenegro, during the reporting period.

A solution has still not been found for the projects in Moscow. Since the city of Moscow is not prepared to stand by the permit granted for the commissioning of the sodium hypochlorite plant and to meet its payment obligations, EVN decided to draw a guarantee issued by the Federal Republic of Germany for foreign direct investment in connection with this project. In addition, the city of Moscow has still not issued the building permit for the waste incineration plant.

Highlights

- Revenue decline in international project business due to lower volume of completions
- Contract awarded for the planning, modernisation and expansion of the Pruszkow wastewater purification plant in Warsaw
- Continued difficulties in the realisation of environmental projects in Moscow
- Start of construction on a natural filter plant to safeguard and improve drinking water supplies in Lower Austria

Key indicators – Environmental Services	EURm	2013/14	2012/13	+/-	
		Q. 1	Q. 1	nominal	in %
External revenue		38.9	76.6	-37.7	-49.2
Internal revenue		5.6	4.4	1.2	27.3
Total revenue		44.5	81.0	-36.5	-45.0
Operating expenses		-36.0	-68.4	32.4	47.4
EBITDA		8.5	12.7	-4.1	-32.5
Depreciation and amortisation		-7.1	-6.7	-0.4	-5.9
Results from operating activities (EBIT)		1.5	6.0	-4.5	-75.3
Financial results		2.4	2.8	-0.4	-15.4
Profit before income tax		3.9	8.8	-5.0	-56.1
Total assets		1,436.4	1,479.3	-42.9	-2.9
Investments ¹⁾		2.9	3.0	-0.2	-5.6

1) In intangible assets and property, plant and equipment

evn wasser started construction work on a natural filter plant in Drösing, Lower Austria, during the reporting period, which will reduce the hardness of the water by natural means. The start of construction work on a similar plant in Obersiebenbrunn, Lower Austria, is scheduled for spring 2014. The completion of these two plants will improve the quality of the water for the roughly 60,000 residents in the Weinviertel and Marchfeld regions supplied by evn wasser.

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.

Highlights

- Lower earnings contribution by RAG
- Increased earnings contribution by Burgenland Holding

The Strategic Investments and Other Business Segment generated revenue of EUR 17.8m in the first quarter of 2013/14, for a year-on-year increase of EUR 1.0m, or 5.8%. This improvement was contrasted by higher operating expenses. EBITDA therefore fell by EUR 2.5m to EUR -0.2m. Depreciation and amortisation remained nearly constant in year-on-year comparison, and results from operating activities (EBIT) were EUR -2.5m lower than in the prior year at EUR -0.6m for the reporting period.

Financial results, which are the most important factor for this segment, were EUR 1.0m, or 3.9%, lower at EUR 24.4m. This development resulted, above all, from a decrease of EUR 11.4m, or 57.0%, in the earnings contribution by RAG to EUR 8.6m, which was contrasted by a higher contribution of EUR 3.6m from Burgenland Holding and higher earnings from the other investments.

Profit before tax totalled EUR 23.8m, which is EUR 3.5m, or 12.9%, below the previous year.

Key indicators – Strategic Investments and Other Business	EURm	2013/14	2012/13	+/-	
		Q. 1	Q. 1	nominal	in %
External revenue		0.2	0.5	-0.3	-53.0
Internal revenue		17.6	16.3	1.3	7.7
Total revenue		17.8	16.9	1.0	5.8
Operating expenses		-18.0	-14.5	-3.5	-24.1
EBITDA		-0.2	2.3	-2.5	-
Depreciation and amortisation		-0.4	-0.4	0.0	-2.6
Results from operating activities (EBIT)		-0.6	1.9	-2.5	-
Financial results¹⁾		24.4	25.4	-1.0	-3.9
Profit before income tax		23.8	27.4	-3.5	-12.9
Total assets		2,997.1	2,935.6	61.5	2.1
Investments ²⁾		0.1	0.7	-0.6	-82.8

1) For the income from investments see notes to the consolidated interim report, page 22.

2) In intangible assets and property, plant and equipment

Consolidated interim report

according to IAS 34

Consolidated statement of operations

EURm	2013/14	2012/13	+/-		2012/13
	Q. 1	Q. 1	nominal	in %	
Revenue	731.1	794.0	-62.9	-7.9	2,755.0
Other operating income	21.7	31.1	-9.4	-30.3	95.5
Electricity purchases and primary energy expenses	-424.8	-443.7	18.9	4.3	-1,612.6
Costs of materials and services	-52.1	-90.4	38.3	42.4	-295.8
Personnel expenses	-78.0	-73.9	-4.0	-5.4	-307.1
Other operating expenses	-43.4	-43.6	0.2	0.5	-177.4
EBITDA	154.6	173.5	-18.9	-10.9	457.6
Depreciation and amortisation	-58.5	-57.2	-1.3	-2.2	-239.1
Results from operating activities (EBIT)	96.0	116.2	-20.2	-17.4	218.5
Share of results of equity accounted investees	14.0	5.7	8.3	-	10.0
Results from other investments	-	-	-	-	26.8
Interest income	6.0	8.3	-2.3	-27.7	28.4
Interest expense	-25.9	-24.8	-1.1	-4.6	-100.1
Other financial results	-0.6	-0.8	0.3	32.9	-3.2
Financial results	-6.5	-11.7	5.2	44.6	-38.1
Profit before income tax	89.6	104.5	-15.0	-14.3	180.3
Income tax expense	-20.5	-22.4	1.9	8.4	-22.1
Profit for the period	69.0	82.1	-13.1	-15.9	158.2
thereof profit attributable to EVN AG shareholders (Group net profit)	64.7	71.5	-6.8	-9.5	114.7
thereof profit attributable to non-controlling interests	4.4	10.6	-6.3	-58.8	43.5
Earnings per share in EUR ¹⁾	0.36	0.40	-0.04	-9.2	0.64

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

Consolidated statement of comprehensive income

EURm	2013/14	2012/13	+/-		2012/13
	Q. 1	Q. 1	nominal	in %	
Profit for the period	69.0	82.1	-13.1	-15.9	158.2
Other comprehensive income from					
Items that will not be reclassified to profit or loss	-0.3	-2.0	1.7	84.7	-31.0
Remeasurements IAS 19	-4.8	-2.6	-2.3	-89.4	-23.7
Investments in equity accounted investees	4.1	-	-	-	-13.3
thereon apportionable income tax expense	0.5	0.6	-0.1	-19.7	5.9
Items that may be reclassified to profit or loss	-43.6	80.9	-124.5	-	47.7
Currency translation differences	-2.3	-0.3	-2.0	-	-8.7
Available for sale financial instruments	-48.8	106.7	-155.5	-	24.9
Cash flow hedges	-1.5	-6.1	4.6	76.1	-0.4
Investments in equity accounted investees	-3.6	5.7	-9.4	-	38.2
thereon apportionable income tax expense	12.6	-25.2	37.8	-	-6.2
Total other comprehensive income after tax	-43.9	78.9	-122.8	-	16.7
Comprehensive income for the period	25.1	161.0	-135.9	-84.4	174.9
thereof income attributable to EVN AG shareholders	20.8	150.4	-129.6	-86.2	141.9
thereof income attributable to non-controlling interests	4.4	10.6	-6.3	-58.8	33.0

Consolidated statement of financial position

EURm	31.12.2013	30.09.2013	+/-	
			nominal	in %
Assets				
Non-current assets				
Intangible assets	392.2	397.6	-5.3	-1.3
Property, plant and equipment	3,102.1	3,094.3	7.8	0.3
Investments in equity accounted investees	1,078.8	1,047.9	30.9	2.9
Other investments	646.4	694.8	-48.4	-7.0
Deferred tax assets	30.9	29.4	1.5	5.0
Other non-current assets	876.7	861.1	15.6	1.8
	6,127.1	6,125.1	2.0	0.0
Current assets				
Inventories	115.0	108.4	6.6	6.1
Trade and other receivables	621.5	565.5	55.9	9.9
Securities	134.4	43.9	90.5	-
Cash and cash equivalents	278.8	259.2	19.6	7.6
	1,149.6	977.0	172.6	17.7
Total assets	7,276.7	7,102.1	174.6	2.5
Equity and liabilities				
Equity				
Share capital	330.0	330.0	-	-
Share premium and capital reserves	253.1	253.1	-	-
Retained earnings	2,220.3	2,155.7	64.7	3.0
Valuation reserve	70.5	112.1	-41.6	-37.1
Currency translation reserve	-7.6	-5.3	-2.3	-43.1
Treasury shares	-21.4	-20.8	-0.5	-2.5
Issued capital and reserves attributable to shareholders of EVN AG	2,845.0	2,824.8	20.2	0.7
Non-controlling interests	246.1	241.7	4.4	1.8
	3,091.1	3,066.5	24.6	0.8
Non-current liabilities				
Non-current loans and borrowings	1,703.0	1,571.4	131.6	8.4
Deferred tax liabilities	102.7	111.5	-8.8	-7.9
Non-current provisions	576.9	591.0	-14.1	-2.4
Deferred income from network subsidies	510.7	503.5	7.1	1.4
Other non-current liabilities	55.2	51.5	3.7	7.2
	2,948.4	2,829.0	119.5	4.2
Current liabilities				
Current loans and borrowings	322.9	390.3	-67.4	-17.3
Taxes payable	102.5	76.8	25.7	33.4
Trade payables	467.8	461.9	5.9	1.3
Current provisions	118.8	92.7	26.0	28.1
Other current liabilities	225.2	184.9	40.2	21.8
	1,237.2	1,206.7	30.5	2.5
Total equity and liabilities	7,276.7	7,102.1	174.6	2.5

Consolidated statement of changes in equity

EURm	Issued capital and reserves of EVN AG shareholders	Non-controlling interests	Total
Balance on 30.09.2012	2,768.3	245.4	3,013.7
Comprehensive income for the period	150.4	10.6	161.0
Change in own shares	-3.9	-	-3.9
Balance on 31.12.2012	2,914.9	256.0	3,170.9
Balance on 30.09.2013	2,824.8	241.7	3,066.5
Comprehensive income for the period	20.8	4.4	25.1
Change in own shares	-0.5	-	-0.5
Balance on 31.12.2013	2,845.0	246.1	3,091.1

Condensed consolidated statement of cash flows

EURm	2013/14	2012/13	+/-		2012/13
	Q. 1	Q. 1	nominal	in %	
Profit before income tax	89.6	104.5	-15.0	-14.3	180.3
+ Depreciation and amortisation of intangible assets and property, plant and equipment	58.5	57.2	1.3	2.2	239.1
-/+ Non-cash share of results of equity accounted investees	-13.2	-3.4	-9.8	-	93.9
-/+ Other non-cash financial results	-0.6	0.4	-1.0	-	3.3
- Release of deferred income from network subsidiaries	-10.9	-9.3	-1.5	-16.5	-39.8
-/+ Decrease/increase in non-current provisions	-18.9	2.7	-21.6	-	76.6
+/- Other non-cash expenses/gains	1.6	-0.6	2.1	-	0.1
Gross cash flow	106.1	151.6	-45.5	-30.0	553.6
- Changes in assets and liabilities arising from operating activities	-1.4	-91.2	89.8	98.5	36.5
- Income tax paid	-5.2	-5.7	0.5	8.3	-28.3
Net cash flow from operating activities	99.5	54.7	44.8	82.0	561.7
- Changes in intangible assets and property, plant and equipment	-44.1	-58.9	14.8	25.1	-245.0
- Changes in financial assets and other non-current assets	-14.4	-61.2	46.9	76.5	-95.3
- Changes in current securities	-90.5	-15.2	-75.2	-	-40.3
Net cash flow from investing activities	-148.9	-135.3	-13.6	-10.0	-380.5
- Dividends paid to EVN AG shareholders	-	-	-	-	-75.0
- Dividends paid to non-controlling interests	-	-	-	-	-36.7
- Acquisition of own shares	-0.5	-3.9	3.3	86.3	-10.2
+/- Changes in financial liabilities	70.0	115.4	-45.4	-39.4	31.4
Net cash flow from financing activities	69.5	111.6	-42.1	-37.7	-90.5
Net change in cash and cash equivalents	20.0	30.9	-10.9	-35.3	90.7
Cash and cash equivalents at the beginning of the period¹⁾	224.8	134.1	90.7	67.6	134.1
Cash and cash equivalents at the end of the period¹⁾	244.8	165.0	79.8	48.4	224.8

1) 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 at 31 December 2013, of EVN AG, taking into consideration § 245a Austrian Commercial Code (UGB), was prepared in accordance with the guidelines set forth in 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 2012/13 financial year (balance sheet date: 30 September 2013).

The accounting and valuation methods are essentially the same as those applied as at 30 September 2013, 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 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 2013/14 financial year:

Standards and interpretations applied for the first time		Effective ¹⁾
New standards and interpretations		
IFRS 13	Fair Value Measurement	01.01.2013
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	01.01.2013
Revised standards and interpretations		
IFRS 1	First-time Adoption of IFRS – Government Loans	01.01.2013

IFRS 7	Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities	01.01.2013
Several	Annual Improvements 2009–2011	01.01.2013

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.

IFRS 13 was published by the IASB in May 2011 and is the result of a joint project by the IASB and FASB to develop a standardised concept for the measurement of fair value. The measurement of fair value is based on a hypothetical transaction, whereby the sale of an asset or the transfer of a liability in the principal market for this asset or liability is assumed. If the principal market cannot be identified, measurement must take place in the most advantageous market for the asset or liability. IFRS 13 defines a three-level "fair value hierarchy", which gives the level 1 input factors the highest priority for the measurement of fair value. The transition to IFRS 13 requires the inclusion of a company's own credit risk in the fair value measurement of derivatives. In addition, the disclosures in the notes are now standardised and expanded. The effects of the prospective initial application of IFRS 13 in the first quarter of 2013/14 are reflected, above all, in additional disclosures on financial instruments in these interim financial statements.

The initial obligatory application of the other revised standards did not have any impact on the consolidated interim report.

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 generally 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 IAS 27. Accordingly, including the parent company EVN AG, a total of 26 domestic and 37 foreign

subsidiaries (30 September 2013: 26 domestic and 37 foreign subsidiaries) were fully consolidated as of 31 December 2013. As at 31 December 2013, a total of 31 affiliated companies were not consolidated due to their immaterial influence on the assets, liabilities, cash flows and profit and loss, both in detail and altogether (30 September 2013: 31).

Scope of consolidation	Fully	Proportionate	Equity	Total
30.09.2013	63	5	18	86
First consolidation	–	–	1	1
31.12.2013	63	5	19	87
thereof foreign companies	37	–	6	43

On 12 October 2011, the contract was signed for the rebuilding and expansion of the sewage treatment plant in Prague. Degremont WTE Wassertechnik Praha v.o.s. was founded for this purpose and initially consolidated at equity during the first quarter of 2013/14.

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

Selected notes to the consolidated statement of operations

No impairment losses were recognised in the first quarter of 2013/14.

The composition of depreciation developed as followed:

Content of depreciation	2013/14	2012/13
EURm	Q. 1	Q. 1
Scheduled depreciation	–58.5	–57.2
Impairment	–	–
Total depreciation	–58.5	–57.2

The income from investments developed as followed:

Income from investments	2013/14	2012/13
EURm	Q. 1	Q. 1
RAG	8.6	20.0
EconGas	–	–20.4
Energie Burgenland AG	3.6	3.1
ZOV; ZOV UIP	2.9	2.5
STEAG-EVN Walsum	–2.7	–0.5
Other companies	1.6	0.9
Share of results of equity accounted investees	14.0	5.7
Results from other investments	–	–0.0 ^{*)}
Total income from investments	14.0	5.6

*) Small amount

In the same period of previous year, income from investments was marked by the negative contribution of EconGas resulting from the high negative spread between long-term, oil price-linked gas procurement and hub price-linked sales and from the recognition of a provision for impending losses on contractually agreed, long-term transport and LNG capacity bookings.

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. 178,284,330 as of 31 December 2013 (31 December 2012: 178,726,780 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 64.7m (31 December 2012: EUR 71.5m), earnings per share at the balance sheet date 31 December 2013 totalled EUR 0.36 (31 December 2012: EUR 0.40 per share).

Selected notes to the consolidated statement of financial position

In the first quarter of 2013/14, EVN acquired intangible assets and property, plant and equipment to the sum of EUR 65.5m (previous year: EUR 74.3m). Property, plant and equipment with a net carrying amount (book value) of EUR 1.7m were disposed of (previous year: EUR 0.5m), with a capital loss of EUR 1.2m (previous year: capital gain of EUR 0.5m).

The item investments in equity accounted investees increased by EUR 30.9m, or 2.9%, to EUR 1,078.8m. This increase resulted from additions of EUR 16.8m related to the equity contribution for the Duisburg-Walsum power plant project in Germany as well as the current earnings contribution of EUR 13.6m. There were also differences related to valuation changes not recognised in profit and loss, currency translation differences and distributions.

Other investments totalling EUR 646.4m, which are assigned to the category “available-for-sale”, include the shares of listed companies with a market value of EUR 622.3m, a decrease of EUR 48.8m 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	2013/14
Number	Q. 1
Balance 30.09.2013	178,034,790
Purchase of treasury shares	–46,500
Total 31.12.2013	177,988,290

On 30 May 2012, 28 December 2012 and 29 August 2013, the Executive Board of EVN AG approved the repurchase of the company's shares in connection with the share buyback programme. These decisions were based on an authorisation of the 83rd Annual General Meeting of EVN AG on 19 January 2012, with each buyback covering the purchase of up to 1,000,000 of the company's shares. The maximum purchase under each of these decisions would represent up to 0.556% of the current share capital of EVN AG. This programme was terminated and replaced by a new authorisation for the repurchase of shares by the 85th Annual General Meeting on 16 January 2014.

As of 31 December 2013, the number of treasury shares amounted to 1,890,112 (or 1.05% of the share capital), with an acquisition value of EUR 21.4m and a market value of EUR 20.3m (30 September 2013: EUR 20.8m). The treasury shares held by EVN AG are not entitled to any rights, and in particular, they are not entitled to dividends.

The 85th Annual General Meeting of EVN AG held on 16 January 2014, approved the proposal of the Executive Board and Supervisory Board to distribute a dividend of EUR 0.42 per share for the 2012/13 financial year, which comprises a total dividend payout of EUR 74.8m. Ex-dividend date was 21 January 2014, and the dividend payment to shareholders of EVN AG took place on 24 January 2014.

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

Breakdown of non-current loans and borrowings	31.12.2013	30.09.2013
EURm		
Bonds	698.5	707.0
Bank loans	1,004.5	864.4
Total non-current loans and borrowings	1,703.0	1,571.4

The EUR 8.5m 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.

Bank loans include loans drawn to finance the current capital expenditure programme, in particular for network investments in Lower Austria, as well as on-going scheduled instalment payments. 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	
	2013/14 Q. 1	2012/13 Q. 1	2013/14 Q. 1	2012/13 Q. 1	2013/14 Q. 1	2012/13 Q. 1	2013/14 Q. 1	2012/13 Q. 1
External revenue	9.6	9.1	286.1	313.7	132.4	127.3	263.9	266.7
Internal revenue (between segments)	22.7	24.4	10.7	11.4	11.3	13.9	0.0 ^{*)}	0.0 ^{*)}
Total revenue	32.3	33.5	296.8	325.2	143.7	141.2	263.9	266.7
Operating expenses	-16.6	-16.6	-257.2	-285.9	-64.8	-63.0	-251.4	-242.1
EBITDA	15.7	16.9	39.6	39.2	78.9	78.2	12.5	24.6
Depreciation and amortisation	-7.0	-6.9	-3.8	-3.7	-25.2	-24.4	-15.6	-15.7
Results from operating activities (EBIT)	8.7	10.0	35.8	35.6	53.8	53.8	-3.1	8.9
Financial results	-6.2	-3.4	-2.6	-21.0	-4.6	-5.2	-7.5	-8.2
Profit before income tax	2.5	6.7	33.2	14.5	49.1	48.6	-10.6	0.7
Total assets	868.4	848.0	600.6	631.9	1,782.2	1,719.1	1,446.8	1,292.9
Investments ¹⁾	9.6	5.8	4.6	2.4	27.3	25.2	24.5	37.1
	Environmental Services		Strategic Investments and Other Business		Consolidation ²⁾		Total	
	2013/14 Q. 1	2012/13 Q. 1	2013/14 Q. 1	2012/13 Q. 1	2013/14 Q. 1	2012/13 Q. 1	2013/14 Q. 1	2012/13 Q. 1
External revenue	38.9	76.6	0.2	0.5	-	-	731.1	794.0
Intra-Group revenue (between segments)	5.6	4.4	17.6	16.3	-68.0	-70.5	-	-
Total revenue	44.5	81.0	17.8	16.9	-68.0	-70.5	731.1	794.0
Operating expenses	-36.0	-68.4	-18.0	-14.5	67.4	70.0	-576.6	-620.5
EBITDA	8.5	12.7	-0.2	2.3	-0.5	-0.5	154.6	173.5
Depreciation and amortisation	-7.1	-6.7	-0.4	-0.4	0.5	0.5	-58.5	-57.2
Results from operating activities (EBIT)	1.5	6.0	-0.6	1.9	-	-	96.0	116.2
Financial results	2.4	2.8	24.4	25.4	-12.4	-2.2	-6.5	-11.7
Profit before income tax	3.9	8.8	23.8	27.4	-12.4	-2.2	89.6	104.5
Total assets	1,436.4	1,479.3	2,997.1	2,935.6	-1,854.9	-1,702.1	7,276.7	7,204.7
Investments ¹⁾	2.9	3.0	0.1	0.7	-3.5	-	65.5	74.3

^{*)} Small amount

¹⁾ In intangible assets and property, plant and equipment

²⁾ Services performed between segments are eliminated in the consolidation column.

The results in the "total" column reflect the amounts shown in the consolidated statement of operations.

Selected notes on financial instruments

Information on classes and categories of financial instruments

EURm

Classes	Measurement category	Fair value hierarchy (according to IFRS 13)	31.12.2013		30.09.2013	
			Carrying amount	Fair Value	Carrying amount	Fair Value
Non-current assets						
Other investments						
Investments in affiliates	–	–	8.5	–	8.1	–
Miscellaneous investments ¹⁾	AFS	Level 1	637.9	637.9	686.7	686.7
			646.4		694.8	
Other non-current assets						
Securities	@FVTPL	Level 1	70.0	70.0	57.1	57.1
Loans receivable	LAR		39.3	39.3	39.2	39.2
Lease receivables and accrued lease transactions	LAR		701.1	701.1	703.6	703.6
Receivables arising from derivative transactions	Hedge Accounting	Level 2	–	–	–	–
Non-financial assets	–		66.3	–	61.1	–
			876.7		861.1	
Current assets						
Current receivables and other current assets						
Trade and other receivables	LAR		562.2	562.2	507.5	507.5
Receivables arising from derivative transactions	Hedge Accounting	Level 2	34.0	34.0	35.1	35.1
Non-financial assets	–		25.2	–	22.9	–
			621.5		565.5	
Securities	AFS	Level 1	134.4	134.4	43.9	43.9
Cash and cash equivalents						
Cash on hand and cash at banks	LAR		278.8	278.8	259.2	259.2
			278.8		259.2	
Non-current liabilities						
Non-current loans and borrowings						
Bonds	FLAC		698.5	782.1	707.0	792.2
Bank loans	FLAC		1,004.5	1,004.5	864.4	864.4
			1,703.0		1,571.4	
Other non-current liabilities						
Leases	FLAC		20.6	20.6	21.5	21.5
Accruals of financial transactions	FLAC		3.8	3.8	3.9	3.9
Other liabilities	FLAC		5.2	5.2	9.5	9.5
Liabilities arising from derivative transactions	Hedge Accounting	Level 2	25.6	25.6	16.6	16.6
			55.2		51.5	
Current liabilities						
Current loans and borrowings						
Trade payables	FLAC		322.9	322.9	390.3	390.3
Other current liabilities						
Other financial liabilities	FLAC		149.2	149.2	101.1	101.1
Liabilities arising from derivative transactions	Hedge Accounting	Level 2	10.9	10.9	6.0	6.0
Non-financial liabilities	–		65.0	–	77.8	–
			225.2		184.9	
Aggregated to measurement categories						
Available for sale financial assets	AFS		772.4		730.6	
Loans and receivables	LAR		1,581.4		1,509.5	
Financial assets designated at fair value through profit or loss	@FVTPL		70.0		57.1	
Financial liabilities at amortised cost	FLAC		2,672.6		2,559.7	

1) Primarily listed investments that are classified being available for sale.

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 unobservable factors that must be modified to reflect the assumptions that market participants would use to determine an appropriate price for the respective asset or liability. At the present time, EVN has no financial instruments that are measured at fair value in accordance with level 3.

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

Selected notes to the statement of cash flows

Interest income and interest expense are allocated to current business activities. Interest income amounted to EUR 5.2m (previous year: EUR 7.5m), whereas interest expense was EUR 12.1m (previous year: EUR 8.7m). Furthermore, cash inflows from dividends of EUR 0.4m (previous year: EUR 2.3m) are included in operating cash flow.

Information on transactions with related parties

There were no changes in the group of individuals and companies who are considered as related parties compared to the Annual Report of 2012/13.

The value of services provided to investments in equity accounted investees is as follows:

Transactions with investments in equity accounted investees EURm	2013/14 Q. 1	2012/13 Q. 1
Revenue	38.7	44.4
Cost of materials and services	172.6	199.7
Trade accounts receivable	77.8	106.1 ¹⁾
Trade accounts payable	50.1	22.4 ¹⁾

1) Values at 30 September 2013

Other obligations and risks

Other obligations and risks increased by EUR 33.9m to EUR 927.0m compared to 30 September 2013. This change

was mainly due to the rise in scheduled orders for investments in intangible assets and property, plant and equipment as well as the increased guarantees for subsidiaries in connection with energy transactions as at the reporting date. This increase was in contrast to the decline in guarantees for subsidiaries in connection with the construction and operation of power plants as well as a decrease in guarantees in connection with construction projects in the Environmental Services Segment.

Contingent liabilities related to guarantees 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 96.1m as of 31 December 2013. The nominal volume of the guarantees underlying this assessment was EUR 480.5m.

Events after the balance sheet date

The following events of material importance took place between the quarterly balance sheet date of 31 December 2013 and the editorial deadline of the consolidated interim report on 20 February 2014:

As of 1 January 2014, the regulatory authorities in Austria reduced the network usage tariffs for electricity by 9.0% and increased the network usage tariffs for gas by 7.7%.

On 30 December 2013, the regulatory authorities in Bulgaria reduced the day and night electricity tariffs for household customers by approx. 1% and 10%, respectively, as of 1 January 2014. This decision resulted primarily from the latest reduction in recognised network losses to 8.0%.

The 85th Annual General Meeting on 16 January 2014, approved the proposal of the Executive Board to distribute a dividend of EUR 74.8m or EUR 0.42 per share for the 2012/13 financial year. Ex-dividend date was 21 January 2014, and the dividend payment to shareholders of EVN AG took place on 24 January 2014.

The 85th Annual General Meeting approved the premature termination of the share buyback programme that started on 30 May 2012 and authorised the Executive Board to launch a new share buyback programme. The Executive Board made use of this authorisation and approved the repurchase of up to 1,000,000 shares by 30 September 2014. This represents up to 0.556% of current share capital. As part of the new share buyback

programme, 48,500 shares have been repurchased over the Vienna Stock Exchange since 22 January 2014. EVN held 1,938,612 treasury shares, which represent 1.08% of share capital, as of the editorial deadline for this report.

EVN Wärme GmbH acquired the remaining 50% stake in B3 ENERGIE GmbH from BIOWÄRME B3 GmbH with the closing on 3 February 2014. B3 ENERGIE GmbH is a heating supply company that is headquartered in Linz, Upper Austria.

On 7 February 2014, EVN decided to draw a guarantee issued by the Federal Republic of Germany for foreign direct investments, which was granted for the realisation of a sodium hypochlorite plant in Moscow. This decision was based on the fact that the city of Moscow is not prepared to stand by the permit granted for the start of operations and to meet its payment obligations.

The EVN share

Highlights

- ECB prime lending rate cut to 0.25% in mid-November 2013
- Positive trend on stock markets

Recovery was the keyword for nearly all major stock indices during the period from October to December 2013. The German benchmark index DAX and the US Dow Jones each rose by 10% to a historical high. This positive development was supported by reports of sound corporate earnings and the continuing inflow of liquidity into the stock markets.

In line with the steady growth in the global economy, the Euro countries are expecting a further increase in exports. The labour market also shows stronger signs of stabilisation in terms of unemployment. The recently announced start of tapering (reduction of monthly bond purchases) by the US Federal Reserve raised initial uncertainty, but did not have a further negative impact on the capital markets.

Negative news from Greece was contrasted by positive reports from Ireland, which left the EU assistance programme at the end of 2013 and has since successfully obtained refinancing on the capital market. Not least due to the continuing low level of inflation, the European Central Bank cut the prime lending rate by 25 basis points to 0.25% in mid-November 2013 and reconfirmed its intention to follow a loose monetary policy for a longer period.

The EVN share rose by 2.2% in a continuing difficult market climate for utility companies and traded at EUR 11.54 on 31 December 2013. In comparison, the Dow Jones Euro Stoxx Utilities, the relevant industry index for EVN, rose by 4.3% during this same period and Vienna's benchmark index ATX increased by 0.7%.

The market capitalisation of EVN AG totalled EUR 2.07bn as of 31 December 2013. The daily turnover of EVN shares was slightly lower than in the comparable prior year period at 44,351 (single counting). This represents an annual trading volume of EUR 30m (single counting) and 0.62% of the total trading volume on the Vienna Stock Exchange. EVN was weighted at 1.0% in the ATX at year-end 2013.

On 30 May 2012, 28 December 2012 and 29 August 2013, the Executive Board of EVN AG approved the repurchase of the company's shares in connection with the share buyback programme. These decisions were based on an authorisation of the 83rd Annual General Meeting of EVN AG on 19 January 2012, with each buyback covering the purchase of up to 1,000,000 of the company's shares. The maximum purchase under each of these decisions would represent up to 0.556% of the current share capital of EVN AG. A total of 1,640,030 shares were repurchased from the start of the share buyback programme on 6 June 2012 to 31 December 2013. EVN held 1,890,112 treasury shares at year-end 2013, including the shares repurchased during 2008. These treasury shares represent approximately 1.05% of share capital.

EVN share price – relative development



EVN share – performance		2013/14	2012/13
		Q. 1	Q. 1
Share price at the end of December	EUR	11.54	11.82
Highest price	EUR	11.81	11.88
Lowest price	EUR	11.08	10.83
Value of shares traded ¹⁾	EURm	30	32
Average daily turnover ¹⁾	Shares	44,351	48,064
Share of total turnover ¹⁾	%	0.62	0.81
Market capitalisation at the end of December	EURm	2,075	2,125
ATX weighting at the end of December	%	1.04	1.12
WBI (Vienna Stock Exchange weighting) at the end of December	%	2.47	2.68

1) Vienna Stock Exchange, single counting

The above programme was terminated and replaced by a new authorisation for the repurchase of shares by the 85th Annual General Meeting on 16 January 2014.

EVN's strategy for the use of its financial resources includes establishing a balance between current investment projects and attractive dividends for shareholders. The 85th Annual General Meeting on 16 January 2014 approved the distribution of a EUR 74.8m dividend, or EUR 0.42 per share, for the 2012/13 financial year. The ex-dividend day was 21 January 2014, and payment was made to shareholders on 24 January 2014. In spite of one-off, non-cash effects in financial results that had a negative impact on Group net profit for the 2012/13 financial year, a dividend of EUR 0.42 per share could be paid. This equals a dividend payout ratio of 65.3%.

In accordance with Austrian federal and provincial constitutional law, the province of Lower Austria is the major shareholder of EVN AG with a stake of 51%. On 20 December 2013, EnBW Energie Baden-Württemberg AG, Karlsruhe, Germany, concluded a trust arrangement within the framework of a so-called contractual trust agreement with EnBW Trust. This led to the transfer in trust of EnBW's 32.5% stake in EVN to EnBW Trust. Therefore, the second largest shareholder is EnBW Trust e.V., Karlsruhe, Germany, with a stake of 32.5%. The treasury shares held by EVN AG represent approximately 1.0% of share capital, and free float equalled 15.5%.

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Online Letter to Shareholders

www.financialreport.evn.at/?report=EN2014-Q1

Information on the internet

www.evn.at

www.investor.evn.at

www.responsibility.evn.at

Financial calendar¹⁾

Results HY. 1 2013/14	28.05.2014
Results Q. 1–3 2013/14	28.08.2014
Annual results 2013/14	11.12.2014

1) Preliminary

EVN share – Basic information

Share capital	EUR 330,000,000.00
Denomination	179,878,402 shares
ISIN security code number	AT0000741053
Tickers	EVNVVI (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, stable (Moody's); BBB+, stable (Standard & Poor's)

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