Burgenland
Holding AG

Annual Financial Report 2011/12

Key figures

Burgenland Holding AG		2011/12	2010/11	2009/10
Balance sheet total	EURm	76.6	73.6	76.5
Equity	EURm	76.4	73.6	76.4
Investment income	EURm	6.5	3.8	6.5
Net income	EURm	6.2	3.6	6.3

Energie Burgenland AG[1]		2011/12 preview
Electricity sales	GWh	1,211.1
Natural gas sales	GWh	1,206.4
Revenue	EURm	303.5
Pre-tax profit	EURm	20.5
Balance sheet total	EURm	1,018.4
Equity[2]	EURm	361.3

[1] Due to the merger of BEGAS into BEWAG at the end of June 2012, no past reference figures are available.
[2] Including untaxed reserves.

BEWAG Group		2010/11	2009/10	2008/09
Electricity sales	GWh	1,257	1,255	1,246
Revenue	EURm	249.0	286.1	274.1
Pre-tax profit	EURm	20.6	–6.4	–7.5
Balance sheet total	EURm	655.1	722.8	839.1
Equity[1]	EURm	187.9	177.7	199.6

[1] Including untaxed reserves.

BEGAS Group		2010/11	2009/10	2008/09
Natural gas sales volumes	GWh	2,288	2,198	2,014
Revenue	EURm	88.5	84.0	71.9
Pre-tax profit	EURm	–16.6	7.2	14.1
Balance sheet total	EURm	228.5	253.4	201.3
Equity[1]	EURm	105.2	129.1	121.7

[1] Including untaxed reserves and construction cost subsidies.

Energising the Burgenland
Burgenland Holding AG

Burgenland Holding AG holds 49% of the share capital of Energie Burgenland AG, which resulted retroactively as of September 30th, 2011, from the merger of BEGAS Energie AG (BEGAS) into Burgenländische Elektrizitätswirtschafts-AG (BEWAG) at the end of June 2012. The remaining 51% of the shares are held by Burgenländische Landesholding GmbH. The share capital of Energie Burgenland AG amounts to EUR 34.9m.

The shares of Burgenland Holding AG (share capital: EUR 21.81m) are listed on the Offical Market of the Vienna Stock Exchange under AT0000640552. EVN AG is the majority shareholder in Burgenland Holding AG and holds an unchanged stake of 73.63% of the share capital, with VERBUND AG holding more than 10% and WIEN ENERGIE GmbH holding between 5% and 10%. All other shareholders hold less than 5%.

Annual Report 2011/12
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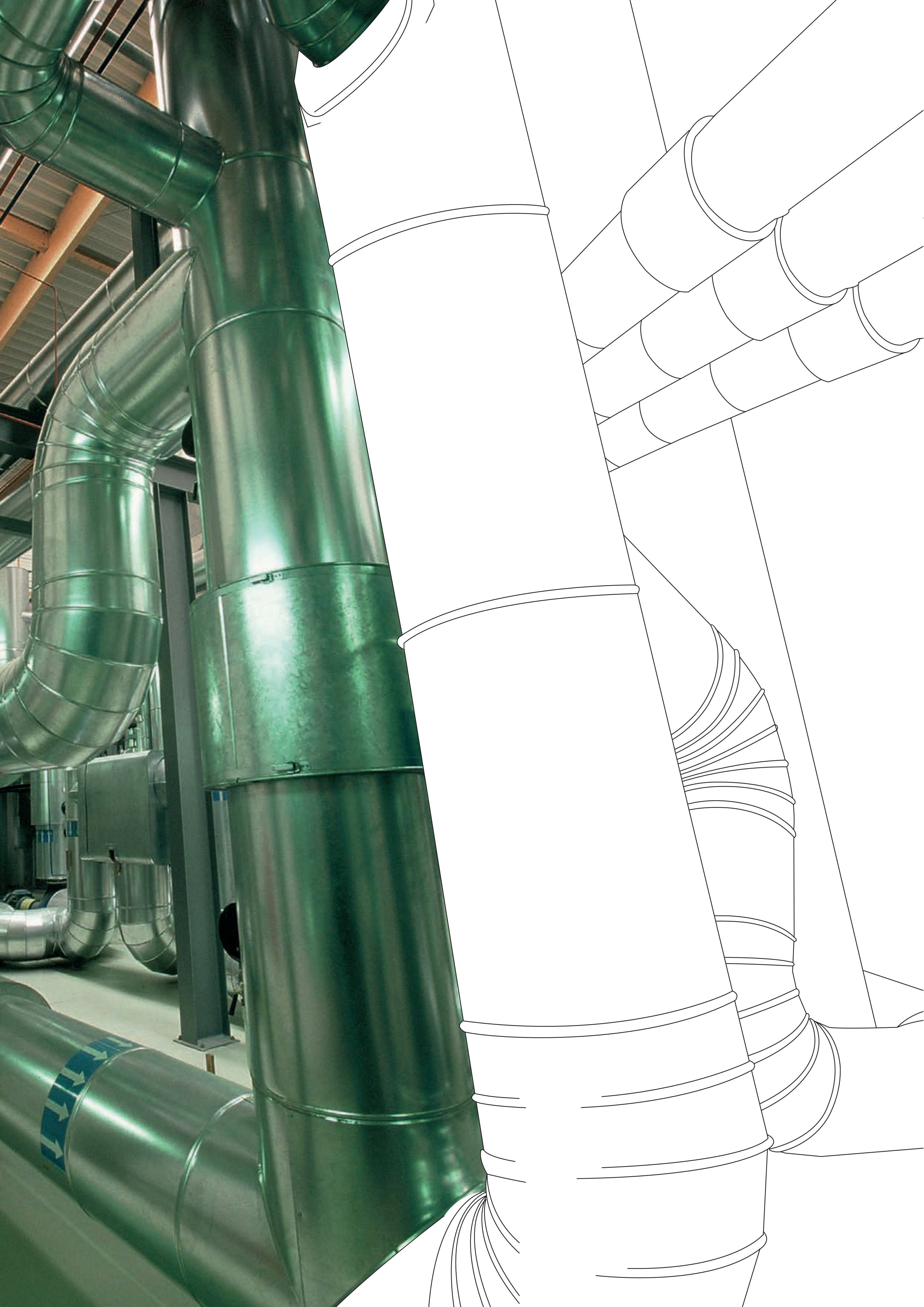


Foreword of the Management Board

Nikolaus Sauer, Klaus Kohlhuber

Dear Madam or Sir,
dear shareholders,

In spite of the still challenging environment in the market and the energy sector as well as uncertainties in the international financial and capital markets, Burgenland Holding AG managed to perform well in the 2011/12 business year. Following a reduction by half in 2010/11, the dividend payout of the associated company BEWAG was back at the level of previous years.

The Management Board of Burgenland Holding AG will propose to the Annual General Meeting a dividend of EUR 2.15 per share for the 2011/12 business year.

At the end of June 2012, BEGAS and BEWAG, the two gas and electricity providers from Burgenland, were merged retroactively as of September 30th, 2011. Since September 29th, 2012, this company has been operating under the name of Energie Burgenland AG, building its corporate strategy around its home market and its core business – the generation, distribution and the sale of electricity, natural gas and heat, as well as integrated energy solutions in the Burgenland. The focus here is still on the expansion of wind energy in the Burgenland.

Burgenland Holding AG offered support in the merger and expects the synergies of the two companies to result in a sustainable increase in the competitiveness of Burgenland's new energy company for the benefit of customers, employees and owners, which should also have a positive impact on the investment income of Burgenland Holding AG in the long run.

Klaus Kohlhuber
Member of the
Management Board

Nikolaus Sauer
Member of the
Management Board

Corporate Governance Report (acc. to § 243b UGB)

Commitment to the Austrian Corporate Governance Code

Burgenland Holding AG is an Austrian public limited company listed on the Vienna Stock Exchange. Thus, corporate governance can be defined within the framework of the Austrian Code of Corporate Governance and the rules of procedure of corporate bodies, in addition to the regulations of Austrian law, in particular the Companies Act and Capital Markets Act, regulations on employee co-determination, as well as the By-Laws of Burgenland Holding AG.

The Management and Supervisory Boards of Burgenland Holding AG are bound by the Principles of Good Corporate Governance and thus fulfil investor expectations with regard to responsible and transparent corporate governance and management control with a long-term perspective. Burgenland Holding AG fully subscribed to the Austrian Code of Corporate Governance in its January 2006 version as of June 1st, 2006. The Code as amended as of January 2010 has been binding on Burgenland Holding AG since October 1st, 2010.

The Austrian Code of Corporate Governance as of January 2012 will apply to Burgenland Holding AG starting on October 1st, 2012. Adaptation of the Austrian Code of Corporate Governance to the 2. Stability Act of July 2012 is binding on Burgenland Holding AG pursuant to this Act.

The standards of the Austrian Code of Corporate Governance are subdivided into three groups: The first category (Legal Requirements) is based exclusively on mandatory legal provisions and has to be applied by all listed Austrian companies and is also fulfilled to the letter by Burgenland Holding AG. Non-compliance with C-Regulations (Comply-or-Explain) has to be justified publicly. R-Regulations, by contrast, are of purely recommendatory character and leave companies a choice to deviate from such regulations without a need for explanation.

The Management and Supervisory Boards of Burgenland Holding AG declare, notwithstanding the deviations and explanations listed below, full and complete compliance with the L- and C-Regulations of the Austrian Code of Corporate Governance; furthermore, there are only isolated deviations from R-Regulations. The Corporate Governance Report of Burgenland Holding AG is available at www.buho.at/Corporate.html.

Measures to promote women on the Management Board, the Supervisory Board and in senior positions

As the Company does not have any employees, no specific promotion measures are planned. It is, however, the Company's goal to achieve a balanced distribution in filling the positions of its corporate bodies, with mandatory application of the Staffing Act in filling open positions. In the past business year, neither Supervisory Board mandates nor Management Board positions were advertised.

Deviations from C-Regulations

Due to peculiarities of the Austrian energy sector as well as the Company, Burgenland Holding AG does not comply with the following C-Regulations of the Austrian Code of Corporate Governance:

Regulation 16: Given the Company's holding function and the resulting collegial decision-making, which has always resulted in unanimous resolutions, it is considered unnecessary to appoint a chairperson of the Management Board.

Regulation 27: In view of the size of the Company, the Management Board does not warrant full-time employment; as such, remuneration includes only fixed components.

Regulation 31: Remuneration is disclosed only for the Management Board as a whole. Pursuant to § 243b para 2 fig. 3 UGB in combination with § 906 para 24 UGB (Austrian Commercial Code), the provision of § 239 para 1 fig 4 lit. a) UGB is to be applied only to business years starting after December 31st, 2011; thus, this is not relevant for the reporting period.

Regulation 37: compare Regulation 16; any discussion on strategy, business performance and risk management is effected by the entire Management Board.

Regulation 51: Remunerations for the Supervisory Board are shown as a total amount and in percentages for the Chairman, his two deputies and the other members. This provides a clear picture of the remuneration situation.

Regulation 65, 66, 69 and 70: As there is no obligation to prepare consolidated group accounts, IFRS are not applied. Reporting is effected pursuant to applicable Austrian financial reporting requirements.

Corporate bodies

Management Board

Klaus Kohlhuber
Born in 1972, Doctor iuris, Head of Corporate Investment Management of EVN AG, management positions in domestic and foreign Group companies, member of the Management Board of Burgenland Holding AG since 2011.

Initial appointment: September 5th, 2011
End of current term: September 4th, 2016

No Supervisory Board mandates or comparable functions pursuant to C-Regulation 16 of the Austrian Corporate Governance Code.

Nikolaus Sauer
Born in 1969, Magister iuris, following a position in the personnel and legislative section of the Federal Chancellery, he assumed executive functions in the Office of the Provincial Government of the Burgenland, acted as the senior officer at Wasserleitungsverband Nördliches Burgenland; member of the Management Board of Burgenland Holding AG and Managing Director of WLV GmbH since 2008.

Initial appointment: February 25th, 2008
End of current term: February 24th, 2013

No Supervisory Board mandates or comparable functions pursuant to C-Regulation 16 of the Austrian Corporate Governance Code.

Members of the Supervisory Board

Name (year of birth)	Appointment	Other functions	Independence Regulation 53
Stefan Szyszkowitz, MBA (1964) Chairman	from Mar. 11th, 2011	Member of the Executive Board of EVN AG	yes
Peter Layr (1953) Vice Chairman	from Jun. 17th, 1998	Spokesman of the Executive Board of EVN AG Member of the Supervisory Board of VERBUND AG	yes
Michael Amerer (1963)	from Mar. 31st, 2005	CEO of VERBUND Hydro Power AG	yes
Robert Dick (1971)	from Mar. 11th, 2011	Head of Controlling and Accounting of EVN AG	yes
Josef Kaltenbacher (1951)	from Apr. 23rd, 2004	Chairman of the Supervisory Board of Energie Burgenland AG	yes
Helmut Miksits (1947)	from Mar. 15th, 2010	Formerly CEO of WIENER STADTWERKE Holding AG	yes
Werner Perz (1950)	from Mar. 18th, 2002	Managing Director of ENERGIEALLIANZ Austria GmbH	yes
Felix Sawerthal (1954)	from Dec. 9th, 1996	Head of Secretariat General and Corporate Affaires of EVN AG	yes
Gerold Stagl (1960)	from Mar. 18th, 2002	Provincial Director WIENER STÄDTISCHE VERSICHERUNG AG	yes

The term of the members of the Supervisory Board elected by the Annual General Meeting ends upon conclusion of the Annual General Meeting deciding the 2012/13 business year.

Independence of the Supervisory Board

A member of the Supervisory Board shall be deemed independent if he or she has no business or personal relations with the Company or its Management Board which would constitute a material conflict of interest and thus could influence the member's behaviour. In case such a conflict exists, the Austrian Code of Corporate Governance provides for transition periods of several years.

The guidelines concerning the independence of the elected members of the Supervisory Board stipulate that the Supervisory Board member

1. shall not have any business or personal relations with Burgenland Holding AG or its Management Board which would constitute a material conflict of interest and thus could influence the member's behaviour;

2. shall not have served as a member of the Management Board or as an executive of Burgenland Holding AG in the past five years;

3. shall not maintain or have maintained in the past year any business relations with Burgenland Holding AG of significant extent. This shall also apply to relationships with companies in which the Supervisory Board member has a considerable economic interest, but shall not apply to the exercise of functions pertaining to corporate bodies within the Group. The approval of individual transactions by the Supervisory Board according to L-Regulation 48 does not automatically qualify the person as not independent;

4. shall not have been auditor of Burgenland Holding AG or have owned a share in or worked for the auditing company in the past three years;

5. shall not be a member of the Management Board of another company in which a Management Board member of Burgenland Holding AG is a Supervisory Board member;

6. shall not serve on the Supervisory Board for more than 15 years. This shall not apply to members of the Supervisory Board who are shareholders with an entrepreneurial investment or represent the interests of such a shareholder.

7. shall not be a close relative (direct offspring, spouse, partner, parent, uncle, aunt, sibling, niece, nephew) of a Management Board member or of persons in one of the aforementioned positions.

Clear separation of Company Management and Supervision

The Austrian Companies Act (AktG) prescribes a two-tier governance system. It provides for a clear separation of members of the executive body (Management Board) and monitoring body (Supervisory Board). Simultaneous membership in both bodies is not admissible.

Management of the Company by the Management Board

The Management Board of Burgenland Holding AG is comprised of two members. On its own responsibility, the Management Board has to manage the Company in such a manner as is required by the purpose and the viability of the Company taking into account the interests of shareholders and employees as well as public interest. Its actions are based on legal regulations and the By-Laws as well as the Rules of Procedure for the Management Board as laid down by the Supervisory Board. Further important rules of conduct are stipulated by the Austrian Code of Corporate Governance.

In matters requiring consent stipulated as such by law or resolution of the Supervisory Board, the Management Board has to obtain the consent of the Supervisory Board. The Rules of Procedure contain an extensive catalogue of such matters.

Reporting duties of the Management Board

The Management Board has to report to the Supervisory Board in accordance with the provisions of organisational law. The reporting obligation specified therein applies also towards Committees of the Supervisory Board. The reporting duties of the Management Board also include quarterly reports about the situation of the Company as well as information on important matters concerning associated companies.

Communication between Management Board and Supervisory Board is effected in the course of meetings of the Supervisory Board, its Committees as well as in writing if called for. Moreover, continuous coordination between the Management Board and the Chairman of the Supervisory Board occurs with regard to those activities which fall within the purview of the Supervisory Board. This includes, above all, the preparation of meetings.

Supervisory Board

As of September 30th, 2012, the Supervisory Board of Burgenland Holding AG comprises a total of nine members elected by the Annual General Meeting. The Supervisory Board is headed by the Chairman and a Vice Chairman, which the Supervisory Board elects from within its own members. The independence of the individual members of the Supervisory Board according to Regulation 53 of the Austrian Code of Corporate Governance can be seen from the list on page 5. The Supervisory Board exercises its functions in accordance with the provisions of the Austrian Companies Act as well as the Company By-Laws. Furthermore, its actions are based on the Rules of Procedure for the Supervisory Board as well as the Austrian Code of Corporate Governance.

In particular, the Supervisory Board is responsible for monitoring the actions of the Management Board, from which the former can request a report on Company matters at any time. The list of transactions requiring consent defined by law (§ 95 para 5 AktG) can be extended by the Supervisory Board by way of resolution. Such catalogue can be found in the respective Rules of Procedure for the Management Board and the Supervisory Board. The Supervisory Board reviews the efficiency of its activities, in particular its organisation and procedures, on an annual basis.

The Committees of the Supervisory Board

The Supervisory Board will exercise its functions in plenary session unless individual matters are assigned to Committees of the Supervisory Board which prepare for the latter negotiations and resolutions, monitor the implementation of its resolutions or decide on matters specifically assigned by the Supervisory Board. At the moment, the following Committees have been set up in the Supervisory Board of Burgenland Holding AG, each of which consists of three elected members of the Supervisory Board:

- The Supervisory Committee (audit committee within the meaning of § 92 AktG) was responsible for the internal audit and the preparation of the adoption of the annual financial statements, the recommendation on distribution of profit and the Company's Management Report in the 2011/12 business year. Furthermore, it draws up a proposal for choice of auditors. The responsibilities of the Committee were formally expanded as provided by law as of October 1st, 2009.
- The Nominating Committee submits to the Supervisory Board proposals for the filling of vacant seats on the Management Board and deals with the planning of succession. Furthermore, the Nominating Committee submits to the Annual General Meeting proposals for the filling of seats becoming vacant (Regulation 42 Austrian Code of Corporate Governance).
- The Compensation Committee deals with matters related to the compensation of members of the Management Board as well as the content of contracts of employment with members of the Management Board.

All three Committees consist of the members of the Supervisory Board Stefan Szyskowitz (Chairman), Robert Dick and Felix Sawerthal.

Compensation report

Profit participation of the Management Board (Regulation 30): There is no profit participation of the Management Board within the Company. Likewise, there is no corporate pension scheme and no entitlement/claim of the Management Board upon termination of their functions.

Remuneration of the Management Board (Regulation 31): Total expenditure on members of the Management Board amounted to EUR 8,760.40 in the reporting period.

Stock Options (Regulation 29): Burgenland Holding AG does not have a stock option scheme for members of the Management Board.

Contracts of members of the Supervisory Board Requiring Consent (Regulation 48): In the course of the business year, the service agreement existing between Burgenland Holding AG and EVN AG concerning the performance of administrative activities (accounting, management accounting, finance, management, investor relations, etc.) was renewed and updated. The compensation for the year amounted to EUR 98,133.00 in the 2011/12 financial year.

Compensation Scheme for the Supervisory Board (Regulation 51): The remuneration of the Supervisory Board is set as an annual lump sum of approximately TEUR 13. Disbursed meeting fees have to be deducted from this amount, with the remainder to be distributed as compensation of the Supervisory Board according to the following key:

The Chairman receives 25% (or meeting fees in the amount of about EUR 218), his Deputy 16.7% (or meeting fees of about EUR 164), and each further member of the Supervisory Board gets 8.3% (or meeting fees amounting to around EUR 109) of this lump sum.

Directors' Dealings (Regulation 73): No purchase of Burgenland Holding AG shares by a member of a corporate body was notified to Burgenland Holding AG in the 2011/12 business year.

Shareholders and Annual General Meeting

Shareholders exercise their rights at the Annual General Meeting and exercise their voting rights there. Each share of Burgenland Holding AG grants one vote. There are no shares granting multiple or preferential voting rights. The Annual General Meeting is entitled to take certain decisions stipulated by law or in the By-Laws. It votes on the application of net profit as well as on the discharge of the members of the Management Board and the Supervisory Board and elects the auditors as well as the members of the Supervisory Board. Furthermore, proposals for changes to the By-Laws and planned capital measures have to be presented to the Annual General Meeting for approval. The voting results as well as the agenda for the 23rd Annual General Meeting of Burgenland Holding AG of March 23rd, 2012, can be found on the website of Burgenland Holding AG (www.buho.at).

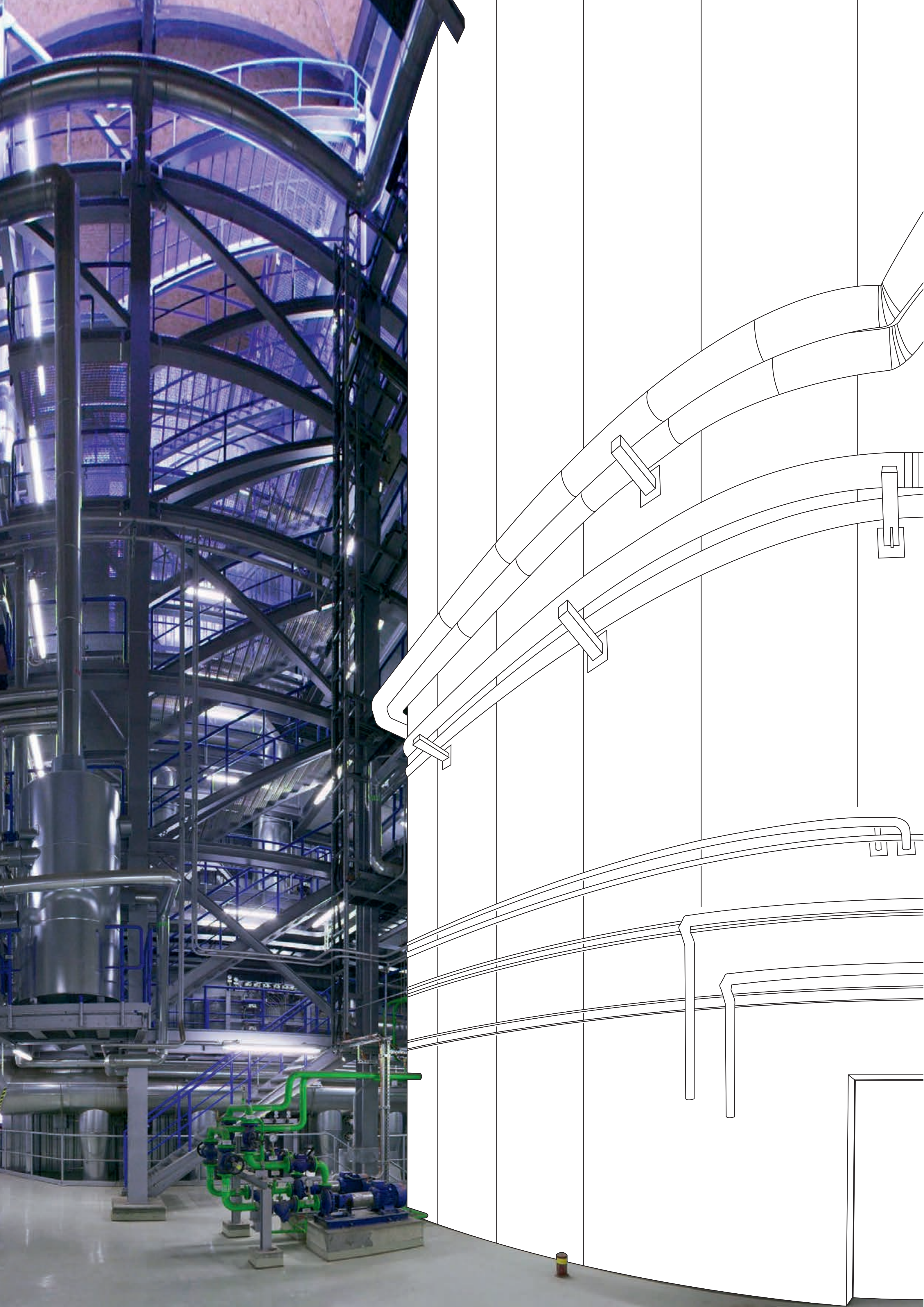
Issuer Compliance

In accordance with the Austrian Companies and Stock Exchange Acts, the Austrian Regulation on Issuer Compliance as well as the EU's Market Abuse Directive, Burgenland Holding AG has an extensive set of internal rules in place aimed at preventing the abuse of insider information.

This area is monitored and administered by a Compliance Officer, who reports directly to the Management Board. The regular inspections by the Compliance Officer did not result in any complaints in the 2011/12 business year.

Eisenstadt, November 15th, 2012

Klaus Kohlhuber Member of the Management Board	Nikolaus Sauer Member of the Management Board



Energie Burgenland AG

Business development 2011/12 (preview)[1)]
October 1st, 2011 – September 30th, 2012

Highlights

- Merger of BEWAG and BEGAS retroactively as of September 30th, 2011
- Changing the company name from BEWAG to Energie Burgenland AG – first appearance in the market on October 1st, 2012
- Dividend of BEWAG back at the level of previous years

Energy sales and supply

In the 2011/12 business year, the electricity supply of Energie Burgenland AG will amount to 1,228 GWh, and electricity sales to final customers by Energie Burgenland Energievertrieb GmbH & Co KG will be 1,211 GWh, about 3.6% below the volume in the corresponding period of the previous year (October 1st, 2010 – September 30th, 2011). Compared to the previous business year, grid sales will drop 1.2% to 1,658 GWh.

Furthermore, in the 2011/12 business year, the natural gas supply of Energie Burgenland AG will amount to 1,129 GWh, and gas sales to final customers by Energie Burgenland Energievertrieb GmbH & Co KG will be 1,206 GWh, about 5% below the volume in the corresponding period of the previous year (October 1st, 2010 – September 30th, 2011). Compared to the previous business year, grid sales will drop 1.5% to 2,265 GWh.

Income situation

The revenues of Energie Burgenland Group will amount to EUR 303.5m, which corresponds to an increase of roughly 21.9% compared to the previous period. This is mainly due to the initial consolidation of BEGAS Group. Pre-tax profit will be about EUR 20.5m.

Financial situation

The operating cash flow of EUR 151.2m will be 374.9% higher than last year. This increase is primarily caused by the merger of BEWAG and BEGAS as well as the initial consolidation of BEGAS Group.

Balance sheet and capital structure

As of September 30th, 2012, the balance sheet total will likely amount to EUR 1,018.4m, with fixed assets (EUR 808.5m) accounting for 79.4% of total assets. Shareholders' equity including untaxed reserves will amount to EUR 361.3m, resulting in an equity ratio of about 35.5%. The increase of 29.0% compared to the previous year is mainly the result of the merger of BEWAG and BEGAS and the resulting revaluation of BEGAS to market value. Taking into account construction cost subsidies and investment grants (excluding deferred taxes), the equity ratio amounts to 46.2%.

Outlook

At the time of printing, the final financial statements of Energie Burgenland AG as of September 30th, 2012 (2011/12 business year) were not yet available. Therefore, the data presented here are preliminary and are based on forecasts as well as the interim statements as of March 31st, 2012.

The 2012/13 business year will see further integration of the two merged companies and a strong expansion in the wind energy sector can be expected.

Energie Burgenland AG – Group[1)]

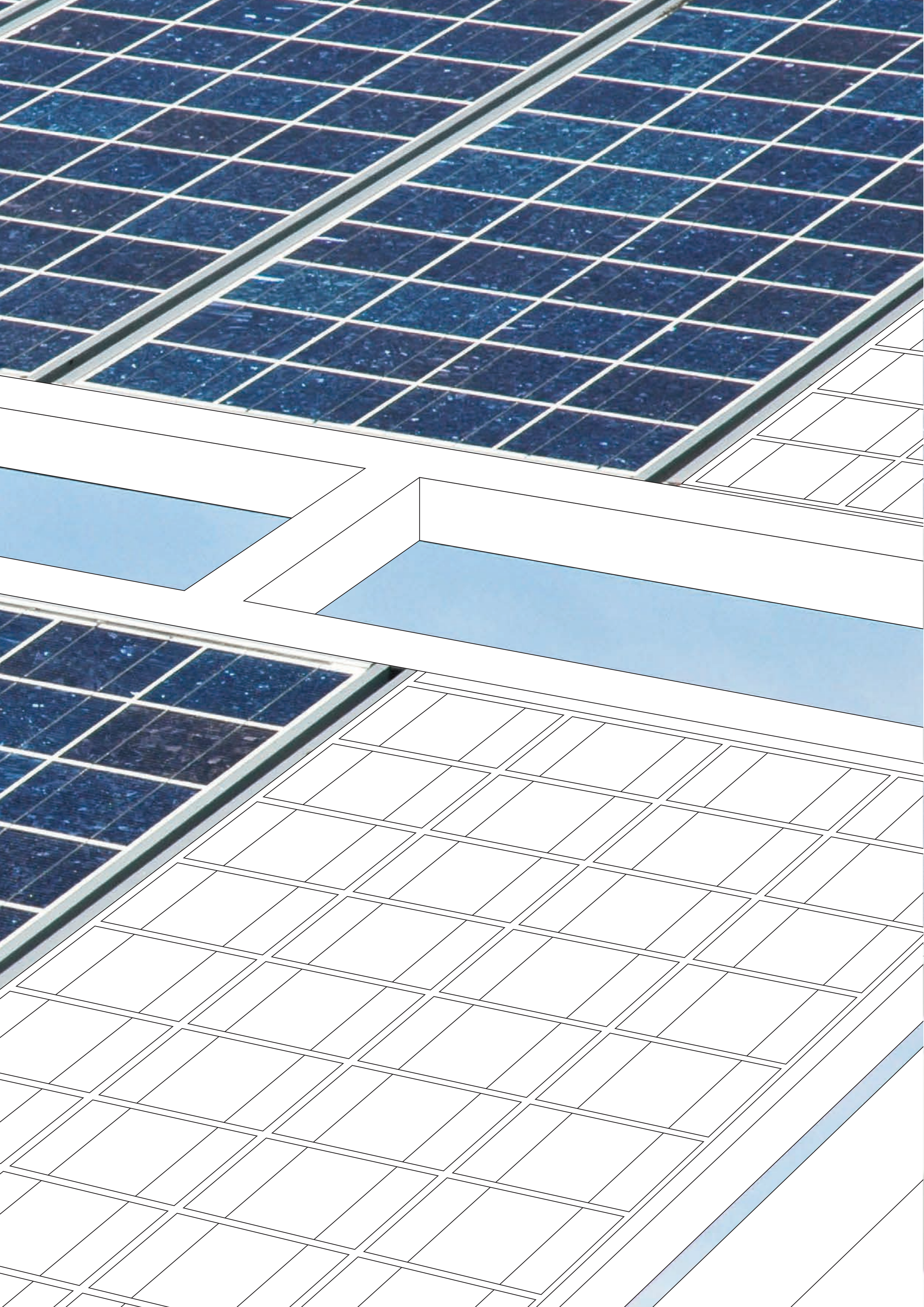
		2011/12 preview
Electricity sales	GWh	1,211.1
Grid sales (electricity)	GWh	1,657.7
Natural gas sales volumes	GWh	1,206.4
Grid sales (natural gas)	GWh	2,264.6
Revenue	EURm	303.5
Pre-tax profit	EURm	20.5
Balance sheet total	EURm	1,018.4
Equity[2)]	EURm	361.3
Operating cash flow	EURm	190.1

[1)] Due to the merger of BEGAS into BEWAG at the end of June 2012, no past reference figures are available.

[2)] Equity including untaxed reserves.

[1)] Information on performance refers to a preview of the group accounts of Energie Burgenland AG for the 2011/12 business year as of September 30th, 2012, based on the interim accounts as of March 31st, 2012 (six months of actual figures and six months of budget figures).

The numbers are comparable only to a limited extent as the scope of consolidation has changed significantly as a result of the merger of BEWAG and BEGAS into Energie Burgenland AG.



Management Report
The Company's environment

Legal environment
International climate policy

In December 2011, the 17th U.N. Climate Change Conference was held in Durban, South Africa, where the participants managed to set up two treaties. On the one hand, it was resolved that a legal treaty succeeding the Kyoto Protocol, which expires as of December 2012, will not be established until the next climate change conference in Qatar at the end of 2012. The new, second commitment period of the Kyoto Protocol is to run from 2013 to 2020. The participating countries are obliged to reduce their greenhouse gas emissions by no less than 25% to 40% compared to 1990 levels by the year 2020. On the other hand, the European Union (EU) got its schedule for a World Climate Treaty passed, which also includes the countries that are currently not taking part in the Kyoto Protocol, namely the U.S., China and India. The Treaty is to be set up by 2015 and take effect in 2020. The Treaty's goal will be the limitation of the extent of global warming compared to pre-industrial levels to 1.5 or a maximum of 2.0 degrees centigrade.

The Green Climate Fund, which was already resolved at the 16th U.N. Climate Change Conference in Mexico at the end of 2011, is intended to contribute 100 billion dollars per year for developing countries starting in 2020 to make it possible for them to adapt to the consequences of climate change.

European energy policy
The EU's energy policy focused on two issues during the reporting period: transparency in wholesale energy trading and increasing energy efficiency.

Transparency in wholesale energy trading: On December 28th, 2011, the EU Regulation on Integrity and Transparency of the Energy Market (REMIT) came into force. Its purpose is to ensure that prices in the wholesale energy trading markets are based on a fair and competitive interplay of supply and demand. Above all, illegitimate profits derived from market abuse are to be prevented. Since December 28th, 2011, anybody in possession of insider information on the energy wholesale market has been forbidden from taking advantage of such information. The Regulation furthermore stipulates that selected information – such as capacity utilisation usage of plants for generation and storage, consumption or transmission of electricity and natural gas – has to be published. Since the interdependence of markets requires cross-border market supervision, this Regulation assigns a key role to the European Energy Regulation Agency ACER as well as national regulators.

EU Energy Efficiency Directive: On June 14th, 2012, the EU Member States agreed on new and binding rules to increase energy efficiency in order to reduce energy consumption by 20% by 2020. This Directive is supposed to help the Member States realise energy savings to an extent of at least 1.5% per year – in certain cases, the annual savings goal may be reduced to 1.1%. It contains several measures that are intended to result in specific energy savings (e.g., redevelopment of 3.0% of public government buildings per year). The Directive binds the Member States to set themselves national energy savings targets. Approval by the European Council is required to put the Energy Efficiency Directive into effect at the end of 2012. The Member States then will probably have 18 months to transform the Directive into national law.

EU Emission Trading System: The EU Climate Commission is currently working on proposals to push back CO_2 auctions in which those CO_2 emission certificates which were not allocated for free during the third trading period (2013–2020) will be integrated in the emission trading system ETS. In this context, the plan is to withhold a yet to be determined amount of CO_2 emission certificates and put them on the market only later on towards the end of the third trading period (2018–2020). As a result, the overall volume of certificates would remain unchanged in the third trading period, but there would be a shift in auction quantities towards 2020. The volume currently under discussion ranges from 400 million to 1.2 billion of CO_2 emission certificates. For comparison: The total output of all plants in the emission trading system amounts to around 1.8 billion tons of CO_2 per year.

By taking this measure, the EU Commission hopes to counter the surplus of CO_2 emission certificates from the second trading period and the resulting low prices at the moment. It is of the opinion that the current price of CO_2 emission certificates does not offer enough incentives to invest in low-CO_2 emission technologies.

To complement the change in the existing CO_2 auction regulation of the ETS Directive, the Commission is already presenting a document showing the first step which is to be taken in changing ETS regulations retroactively. One critical issue is that the draft offers the possibility to take CO_2 emission certificates off the market at any time but does not state if and when they will be returned to the system. A specific legislative proposal by the EU Commission can be expected by the end of 2012.

Energy policy in Austria

Electricity labelling regulation: On September 14th, 2011, the new Electricity Labelling Regulation of the Austrian regulator (E-Control) was published and has been in effect since January 1st, 2012. The Regulation lays down that electricity bills as well as promotion and information material for electricity have to show not only a breakdown in percentage terms of primary energy sources but also the countries of origin, which makes it possible for the end user to rate the electricity supplied.

From July to September 2011, the two environmental organisations Greenpeace and Global 2000 conducted a nuclear power check of the electricity mix of Austrian energy providers. The associated company BEWAG was among the electricity providers which were able to show credible proof that their offering did not include nuclear power. Further details on the 2011 nuclear power check can be found at www.greenpeace.org/austria/de, under Themen > Atom.

Austrian Gas Act: On October 19th, 2011, the Austrian Gas Act (GWG) was adopted in the National Council, which constituted the full implementation of the Third Single Energy Market Package of the EU. Its goal is higher liquidity to promote competition in the gas market. The amendment strengthens the rights of households and business enterprises, increases supply security based on clear conditions for investments and creates the legal basis for the introduction of smart meters. A further goal of the Act is the unbundling of pipeline operators and other activities of a vertically integrated natural gas company, which aims at promoting competition. The system usage charges guarantee adequate compensation for the maintenance of infrastructure and new investments in the gas grid.

On May 25th, 2012, E-Control's Regulation on redesigning grid access for the Austrian gas market was passed. The introduction of the new market model and the change in tariffs are to be effected by January 1st, 2013.

Regulations on intelligent electricity meters: On October 25th, 2011, the minimum technical requirements of the new electricity meters (smart meters) were stipulated by regulation of E-Control. The measurement and storage of meter readings, the duration of storage of the collected data as well as the frequency of data output to the grid operator were defined. Thus, the cornerstone for the launch of smart metering was laid down. Following the review of E-Control's Regulation, the Department of Economic Affairs issued its Regulation on the Introduction of Smart Meters on April 24th, 2012, which lays down the expansion plan of smart meters in stages from 2015 to 2019. By the end of 2015, each grid operator is to equip at least 10%, 70% and, to the extent this is technically feasible, at least 95% of the metering points hooked up to its grid with smart meters by the end of 2015, 2017, and 2019, respectively. Exchanging the meters by the grid operator is generally to be covered by the measurement fee to be determined by the independent regulatory commission.

So far, about 200,000 of the roughly 5.7 million meters have been converted into smart meters in Austria. A 2010 PricewaterhouseCoopers study shows that it is possible to generate a net cost advantage for final customers of more than EUR 1 billion within a period of 15 years chosen for the model. According to this analysis, smart meters could reduce consumption in all customer groups by around 3.5% per year.

Green Electricity Act 2012: This Act came into effect on July 1st, 2012, and has as its goal the increase of the share of renewable energy in Austria and thus eliminate the dependence on imported nuclear power by 2015. The following expansion targets were stipulated for the period from 2010 to 2020: 1,000 MW hydropower, 2,000 MW wind power, 200 MW biomass and biogas and 1,200 MW photovoltaics. The annual support in the form of subsidised feed-in tariffs and investment grants was raised to EUR 50.0m from EUR 21.0m for new green electricity projects. This amount will drop by EUR 1m per calendar year for the first ten years after entry into effect. The project is financed via two types of parafiscal charges (green electricity flat fee and support charge), which are to be levied on end users by the grid operators. This new financing model is to ensure that Austria is not unduly disadvantaged as a business and production location.

The new Emission Certificates Act (EZG 2011): It was passed in October 2011. The Act transforms the EU's 2009 Emission Trading Directive into national law and thus regulates emission trading during the period from 2013 to 2020 (third trading period). Free allocation of CO_2 emission certificates is scheduled to end as of 2013. All certificates are then to be obtained through auction within the framework of the emission trading system. In the reporting period, the average price of CO_2 emission certificates was EUR 7.9 per ton (previous year: EUR 14.8 per ton).

Regulation system for electricity and gas grids: A system of incentive regulation on a uniform basis was introduced for electricity grids (four years) and gas grids (five years) in early 2006 and early 2008, respectively. The incentive regulation system currently in place is stretched out over two regulation periods of five years each, with the first period ending on December 31st, 2012. The regulator, in cooperation with the grid operators concerned, worked out a consultation paper on the design of the second regulation period – starting on January 1st, 2013 – with regard to the legal framework of Austrian Gas Act 2011 (GWG 2011). This consultation paper is intended to ensure the economic basis and planning certainty of the regulated companies as well as general acceptance and stability of the regulation system.

Economic environment

Following a brief upswing early in the year, the global economy slowed down markedly again in spring 2012. Most large industrialised and emerging countries were affected by this development to varying degrees. The confidence and debt crisis in the euro countries is only partly to blame. Many industrialised countries outside the euro area are also affected by macroeconomic imbalances to a large extent. In some emerging countries, internal economic problems and political issues have become more prominent than in the past.

In the current environment, any forecasts on Europe's further overall economic development therefore have to be viewed with appropriate caution. The European Union (EU) as a whole is no longer expected to grow in 2012, with the euro area still showing great disparities with regard to the economic performance among its member countries. Especially in the CEE and SEE regions, the sovereign debt crisis and the ensuing austerity measures of government budgets will continue to dampen the economic climate. For full 2012, GDP of the EU is forecast to decline 0.5%, following a growth rate of 1.5% in 2011. With the confidence crisis expected to subside and a continuation of an easy money policy, the EU's economy is expected to show a slight recovery in 2013, which is reflected in forecasts calling for GDP to rise 0.3%

Expectations for 2012 regarding Austria have been markedly revised downward since the spring. While the Wirtschaftsforschungsinstitut (wifo) expects a lack of reforms to result in 0.6% growth, and thus the smallest economic growth rate since the 1980s, the Institut für Höhere Studien (IHS) is forecasting an increase of 0.8%. For 2013, wifo and IHS are expecting a GDP growth rate of 1% and 1.3%, respectively.

Energy industry

The conditions in the energy sector have a major impact on the performance of the associated company Energie Burgenland AG. The weather has an impact on the energy consumption primarily of households, in particular their demand for gas and heat. The demand for energy of industrial customers, by contrast, is determined mostly by their sales performance and thus by the overall economic development.

Between October 1st, 2011, and June 30th, 2012, electricity consumption in Austria was 53 TWh, representing an increase of 0.6% on the corresponding figure for the previous year. This increase can mainly be put down to the slight economic recovery in the first two quarters of 2012. Gas consumption, however, dropped by 4.1% to 81.5 TWh. This development can be explained by warmer weather, especially between October and December 2011, with average temperatures exceeding those recorded last year by 1.5 degrees centigrade.

Due to favourable economic forecasts for 2012, the forward prices of base load and peak load electricity in the reporting period, compared to last year, rose by 8.9% and 4.6%, respectively. By contrast, the European spot market prices for base load electricity and peak load electricity in the reporting period decreased by an average of 13.8% and 11.3%, respectively, despite the fact that the prices of primary energy maintained their high levels. The main reasons for this development are the higher share of renewable energy sources in the generation of electricity and the decrease in demand for electricity result from the economic slowdown.

With a view to securing supply, energy is regularly procured in advance on the forward market, which is why the prices on forward markets have a considerable impact on the performance of the associated company Energie Burgenland AG.

On a euro basis, the average price of Brent Crude, which serves as a benchmark in Europe, was 13.9% above last year's level during the 2011/12 business year, mostly because of demand from Asia, which is still strong, and the continuing conflicts between Iran and the industrialised western countries. Despite a price revision, gas prices for Austria, which are, to a large extent, pegged to the price of crude oil, stood at EUR 28.3 per MWh, or 10.6% above last year's level.

Burgenland Holding AG
Business development
October 1st, 2011 – September 30th, 2012

Highlights

- Merger of Burgenland's energy providers BEGAS and BEWAG completed
- Following a decrease in the 2010/11 business year, investment income back at the level of previous years
- Proposal to the Annual General Meeting: Dividend of EUR 2.15 per share

Income situation

The performance of Burgenland Holding AG is determined mainly by the dividends of the two associated companies BEWAG and BEGAS, which were merged at the end of June 2012 as of September 30th, 2011, retroactively, and have been operating as Energie Burgenland AG since September 29th, 2012.

In the 2011/12 business year, Burgenland Holding AG managed to increase its Net income for the year to EUR 6.2m, i.e., by 72.2% compared to last year. The increase was caused mostly by the dividend payout by BEWAG in the amount of EUR 5.4m, which is back at the level of previous years following a reduction by half to EUR 2.7m in 2010/11.

In the 2011/12 business year, Burgenland Holding AG received total investment income amounting to EUR 6.5m (2010/11: EUR 3.8m). Besides the BEWAG dividend, this also comprises a payout by BEGAS for the 2010/11 business year in the amount of EUR 1.1m and a dividend of EUR 0.05m from CEESEG AG.

In the reporting period, Burgenland Holding AG received interest and similar payments in the amount of EUR 0.02m (previous year: EUR 0.03m). This decrease can be explained, above all, by the fact that interest rates have fallen significantly compared to last year.

Burgenland Holding AG does not employ any personnel.

The proposal is made to the Annual General Meeting to distribute from the net profit for 2011/12 a dividend to the shareholders in the amount of EUR 2.15 per share, totalling EUR 6.45m.

Stable balance sheet and capital structure

During the 2011/12 business year, Burgenland Holding AG's sound capital structure remained basically unchanged compared to the corresponding figure last year. The balance sheet total stood at EUR 76.6m, or 4.1% above the previous year. As of September 30th, 2012, the equity ratio amounts to 99.8%.

The Company's share capital was reorganised following a resolution of the 10th Annual General Meeting on July 7th, 1999, and now amounts to EUR 21.81m, broken down into 3 million individual bearer shares. Burgenland Holding AG is listed in the „Standard Market Auction" segment of the Vienna Stock Exchange.

As the majority shareholder, EVN AG holds 73.63% of the shares of Burgenland Holding AG. VERBUND AG holds more than 10% of the shares, while WIEN ENERGIE GmbH holds between 5% and 10%. No other shareholder holds more than 5%, with those shares being in free float.

There are no restrictions on the share capital with regard to voting rights or the transfer of shares.

The members of the Management Board have no extended authority regarding the possibility to issue or buy back shares.

In the course of restructuring the associated companies BEWAG and BEGAS, Burgenland Holding AG concluded a syndicate agreement with Burgenländische Landesholding GmbH. A change in control at one of the two owners of Energie Burgenland AG would entitle the other contracting party to take up the shares in Energie Burgenland AG.

Burgenland Holding AG – Key figures

		2011/12	2010/11	Change in %
Pre-tax profit	EURm	6.3	3.6	75.0
Investment income	EURm	6.5	3.8	71.1
Net income	EURm	6.2	3.6	72.2
Balance sheet total	EURm	76.6	73.6	4.1
Fixed assets	EURm	71.3	71.3	–
Current assets, prepaid expenses and deferred charges	EURm	5.2	2.3	126.1
Equity	EURm	76.4	73.6	3.8
Debt capital	EURm	0.1	0.0	–

Financial year 2011/12

Income ratios

	TEUR	2011/12	2010/11	Change nominal	Change in %
Earnings before interest and tax (EBIT)	Pre-tax profit + interest and similar expenses pursuant to § 231 (2) fig 15 UGB	6,253	3,632	2,621	72.2

Since the business activities of Burgenland Holding AG are confined to holding and managing investments, Burgenland Holding AG again did not generate any revenues in the financial year 2011/12.

		2011/12	2010/11	Change in %
Return on capital				
Return on equity	Pre-tax profit / average equity	8.3%	4.8%	3.5
Return on assets	EBIT / average total assets	8.3%	4.8%	3.5

Balance sheet and financial ratios

	TEUR	2011/12	2010/11	Change nominal	Change in %
Working capital	Current assets – Long-term current assets = short-term current assets – short-term debt capital = Working capital	5,090	2,292	2,798	122.1
Equity ratio	Equity / total assets	99.8%	99.9%	–0.1	

Burgenland Holding AG does not show any liabilities vis-à-vis credit institutions either as of September 30th, 2012, or as of the corresponding date. As a result of the sharp increase in the dividend paid out by BEWAG, the Working capital is significantly higher than in the previous year. Like last year, net gearing (net debt/shareholders' equity) amounts to 0.00%.

Cash flow statement

TEUR	2011/12	2010/11	Change nominal	Change in %
Net operating cash flow	6,365	3,613	2,752	76.2
Net investment cash flow	0	0	–	–
Net financing cash flow	–3,450	–6,450	3,000	46.5
Change in cash and cash equivalents affecting cash flow	2,915	–2,837	5,752	–

(The extended fund of cash and cash equivalents, in addition to the balance held with financial institutions, also comprises cash and cash equivalents from Group cash pooling.)

Based on a Net income of EUR 6.2m, an operating cash flow of EUR 6.4m could be achieved. The Net income was determined mostly by the distributions of the associated companies.

Environmental protection

While there are no environmental activities worth mentioning within the Company itself, they do play a role in the associated company Energie Burgenland AG.

Furthermore, Burgenland Holding AG is integrated in the environmental management system of EVN Group, which was established to take aspects of environmental protection into consideration whenever management decisions have to be made.

Branch offices

Burgenland Holding AG does not have any branch offices.

Risk assessment and control measures

The persons involved in the accounting process meet the qualitative requirements and receive training on a regular basis. The Company's accounts are maintained in SAP-FI and safeguarded by compulsory automatic and manual checks.

Every three months, the Management Board receives a comprehensive report on the Company's asset, financial, and income situations, which – in addition to the balance sheet – also contains a profit and loss account as well as a cash flow statement. These reports are also presented to the Supervisory Board every three months.

Burgenland Holding AG continues to keep an increased focus on managing its equity risk. In organising the Group's risk management, management accounting for investments is thus given a special role.

Research and development

Research and development activities are conducted in the associated company, not at Burgenland Holding AG

Events after the balance sheet date

There were no significant events following the end of the business year that had a material impact on the asset, financial and income situations.

Outlook

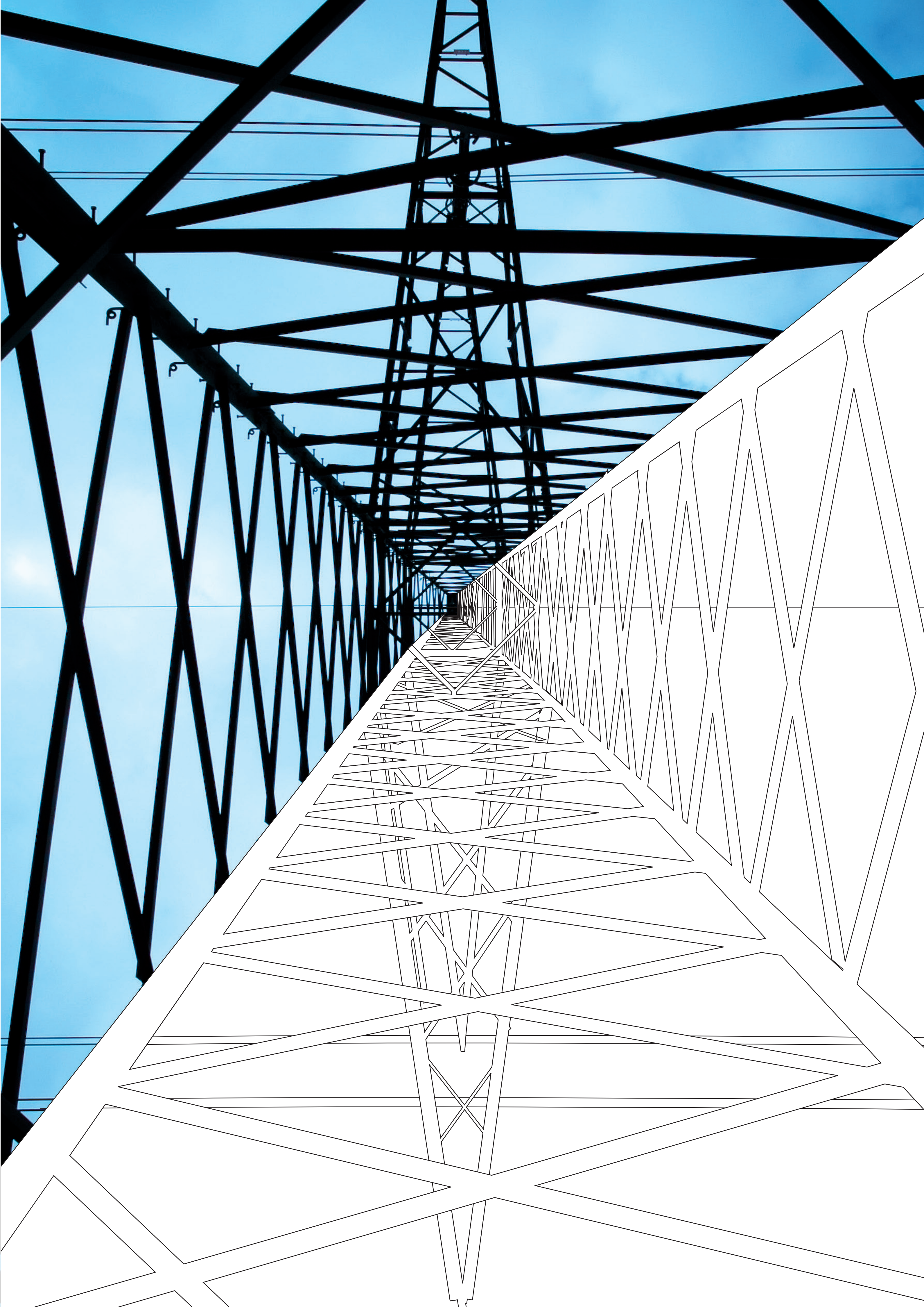
At the end of June 2012, BEGAS and BEWAG, the two gas and electricity providers from Burgenland, were merged retroactively as of September 30th, 2011. Since September 29th, 2012, this company has been operating under the name of Energie Burgenland AG. The company will cover the business areas of generation, grids and technology as well as distribution and service. Burgenland Holding AG has supported the merger and expects the synergies of the two companies to result in a sustainable increase in competitiveness, which will also have a positive impact on investment income in the long run.

Based on the forecast/preliminary profit of the associated company Energie Burgenland AG for 2011/12, investment income for the 2012/13 business year is expected to remain unchanged from last year's levels.

Eisenstadt, November 15th, 2012
The Management Board

Klaus Kohlhuber
Member of the
Management Board

Nikolaus Sauer
Member of the
Management Board



Financial statements 2011/12

Balance sheet as of September 30th, 2012

(Comparison with last year as of September 30th, 2011)

Assets

	Sep. 30th, 2012 EUR	Sep. 30th, 2011 TEUR
A. Fixed Assets		
Financial assets		
Investments	71,325,280.80	71,325
	71,325,280.80	**71,325**
B. Current assets		
I. Accounts receivable and other assets		
1. Receivables from affiliated companies	5,178,000.00	2,265
2. Other receivables	36,647.43	38
	5,214,647.43	**2,303**
II. Cash at banks	8,240.42	6
	5,222,887.85	**2,309**
C. Deferred expenses and accrued income	**2,775.00**	**2**
Total assets	**76,550,943.65**	**73,636**

Equity and liabilities

	Sep. 30th, 2012 EUR	Sep. 30th, 2011 TEUR
A. Equity		
I. Share capital	**21,810,000.00**	**21,810**
II. Capital reserves		
Committed reserves	**43,676,373.33**	**43,676**
III. Retained earnings		
Other reserves (free reserves)	**4,482,000.00**	**4,682**
IV. Net profit	6,450,177.71	3,451
Thereof profit carried forward	769.87	1
	76,418,551.04	**73,619**
B. Provisions		
I. Tax provisions	875.00	1
II. Other provisions	12,667.91	15
	13,542.91	**16**
C. Liabilities		
I. Trade accounts payable	1,090.10	1
II. Liabilities to affiliated companies	117,759.60	0
	118,849.70	**1**
Total equity and liabilities	**76,550,943.65**	**73,636**

Income statement
October 1st, 2011 – September 30th, 2012

(Period of comparison: October 1st, 2010 – September 30th, 2011)

		2011/12 EUR	2010/11 TEUR
1.	Other operating income:		
	a) Other	277.86	0
2.	Other operating expenses:		
	a) Taxes	–848.80	–1
	b) Other	–297,865.74	–234
		–298,714.54	**–235**
3.	**Total 1 and 2 (Operating result)**	**–298,436.68**	**–235**
4.	Investment income Thereof from affiliated companies EUR 0.00; (previous year: TEUR 0)	6,535,156.86	3,838
5.	Other interest and similar income Thereof from affiliated companies EUR 16,095.25; (previous year: TEUR 30)	16,288.39	31
6.	Interest and similar expenses Thereof from affiliated companies EUR 100.98; (previous year: TEUR 1)	–100.98	–1
7.	**Total 4 to 6 (Financial result)**	**6,551,344.27**	**3,867**
8.	**Pre-tax profit**	**6,252,907.59**	**3,633**
9.	Taxes on income	–3,499.75	–4
10.	**Income for the year**	**6,249,407.84**	**3,629**
11.	Allocation/reversal of retained earnings	200,000.00	–180
12.	Profit carry-forward	769,87	1
13.	**Net profit**	**6,450,177.71**	**3.451**

Development of fixed assets
Fixed asset schedule

EUR	Acquisition cost Oct. 1st, 2011	Additions	Additions/ disposals by way of a merger	Disposals	Reclassifi-cation
I. Financial assets					
Energie Burgenland AG (formerly: BEWAG)	54,504,625.63	0.00	15,713,177.85	0.00	0.00
BEGAS	15,713,177.85	0.00	–15,713,177.85	0.00	0.00
CEESEG AG	1,107,477.32	0.00	0.00	0.00	0.00
Investments	**71,325,280.80**	**0.00**	**0.00**	**0.00**	**0.00**
Total – fixed assets	**71,325,280.80**	**0.00**	**0.00**	**0.00**	**0.00**

Notes
General remarks

General accounting principles
The financial statements were prepared in accordance with GAAP as well as the general principle of presenting a true and fair view of the Company's asset, financial, and income situations. In preparing the financial statements, the principle of completeness was observed. Individual valuation and going-concern principles were applied in valuing individual assets and liabilities. The principle of conservatism was taken into account by showing only those profits which had been realised as of the balance-sheet date. All potential risks and impending losses were duly recognised. The Company is a Group company under § 15 AktG (Austrian Corporation Act), and as an affiliated company belongs to the reporting entity of EVN AG, Maria Enzersdorf, pursuant to § 244 UGB (Austrian Commercial Code).

Pursuant to § 221 para 3 UGB, Burgenland Holding AG is deemed a large stock company.

Fixed assets
The financial assets were valued at acquisition cost.

Trade and other receivables
Trade and other receivables were valued at face value. Foreign exchange receivables were valued at the lower of exchange rate on the date they accrued or exchange rate on the balance-sheet date. In case individual risks were recognised, the lower value was entered.

Provisions
In accordance with the principle of conservatism, the provisions contain all risks recognised at the time of preparing the balance sheet as well as all contingent liabilities at those amounts which are required under due diligence.

Liabilities
Liabilities were valued at the amount to be repaid.

Acquisition cost Sep. 30th, 2012	Value adjustments Sep. 30th, 2012	Net book value Sep. 30th, 2012	Net book value Sep. 30th, 2011	Depreciation 2011/12
70,217,803.48	0.00	70,217,803.48	54,504,625.63	0.00
0.00	0.00	0.00	15,713,177.85	0.00
1,107,477.32	0.00	1,107,477.32	1,107,477.32	0.00
71,325,280.80	**0.00**	**71,325,280.80**	**71,325,280.80**	**0.00**
71,325,280.80	**0.00**	**71,325,280.80**	**71,325,280.80**	**0.00**

Notes to the balance sheet
Fixed assets

Development
The development of the individual items under fixed assets and the breakdown of annual depreciation by individual items are shown in the fixed asset schedule as an attachment to the notes.

Investments

Name and registered office	Total stake in %	Equity (acc. to § 224 (3) UGB) TEUR	Net income/ Net loss TEUR	As of
Energie Burgenland AG (formerly: BEWAG) (Registered office: Eisenstadt)	49.00	166,892.0	11,521.4	Sep. 30th, 2011
BEGAS (Registered office: Eisenstadt)	49.00	67,362.1	–10,671.8	Sep. 30th, 2011
CEESEG AG (Registered office: Vienna)	0.99	310,024.5	12,890.4	Dec. 31st, 2011

At the end of June 2012, BEGAS and BEWAG, the two gas and electricity providers from Burgenland, were merged retroactively as of September 30th, 2011. On September 29th, 2012, the company's change in name to Energie Burgenland AG was entered in the Company Register.

Trade and other receivables

Breakdown (Figures for previous year in paranthese) TEUR	Acc. to balance sheet	Those with remaining maturity of > 1 year	Those evidenced by b/e	Lump-sum adjustment
Receivables from affiliated companies	5,178.0 (2,265.0)	0.0 (0.0)	0.0 (0.0)	0.0 (0.0)
Other receivables and assets	36.6 (38.4)	0.0 (0.0)	0.0 (0.0)	0.0 (0.0)
Total – current year	**5,214.6**	**0.0**	**0.0**	**0.0**
Total – previous year	**(2,303.4)**	**(0.0)**	**(0.0)**	**(0.0)**

The receivables from affiliated companies cover exclusively clearing accounts of money at call.

Other receivables and assets are composed of deductible investment income tax as well as VAT credits vis-à-vis the tax authorities.

The accruals amounting to EUR 2,775.00 (previous year: TEUR 1.7) are made up exclusively of other deferred charges.

Mandatory disclosure for public limited companies

The Company's share capital was reorganised following a resolution of the 10th Annual General Meeting on July 7th, 1999, and now amounts to EUR 21.81m, broken down into 3 million individual bearer shares.

Provisions

Other provisions are composed as follows:

Item TEUR	**As of Sep. 30th, 2012**	**As of Sep. 30th, 2011**
Supervisory Board reimbursement	6.3	8.7
Audit and legal counsel	6.4	6.4

Liabilities

Breakdown (Figures for previous year in parentheses) TEUR	**Acc. to balance sheet**	**Those with remaining maturity of < 1 year**	**Those with remaining maturity of > 1 year**
Trade accounts payables	1.1 (1.4)	1.1 (1.4)	0.0 (0.0)
Payables due to affiliated companies	117.7 (0.0)	117.7 (0.0)	0.0 (0.0)
Total – current year	**118.8**	**118.8**	**0.0**
Total – previous year	**(1.4)**	**(1.4)**	**(0.0)**

Liabilities vis-à-vis associated companies consist exclusively of trade accounts payable.

Notes to the income statement

The income statement was prepared in accordance with the total expenditure format.

Investment income

Income investment comprises dividend payouts of Energie Burgenland AG (formerly BEWAG) for the financial year 2010/11 in the amount of EUR 5,394,593.46 (previous year: TEUR 2,697.3) and of BEGAS for the 2010/11 business year in the amount of EUR 1,094,588.40 (previous year: TEUR 1,094.6). CEESEG AG paid a dividend of EUR 45,975.00 for the financial year 2011 (previous year: TEUR 46.0).

Taxes on income

The item "Income taxes" shows the minimum corporation tax of EUR 3,500.00 (previous year: TEUR 3.5).

Other information

Corporate bodies and employees

In the business year under review, the following persons wer members of the Management Board:

Klaus Kohlhuber
Nikolaus Sauer

Expenses for the members of the Management Board amounted to EUR 8,760.40 (previous year: TEUR 4.4).

In the business year under review, the following persons were members of the Supervisory Board:

Stefan Szyszkowitz (Chairman)
Peter Layr (Vice Chairman)
Michael Amerer
Robert Dick
Josef Kaltenbacher
Mag. Helmut Miksits
Werner Perz
Felix Sawerthal
Gerold Stagl

The members of the Supervisory Board received compensation in the amount of TEUR 15.5 (previous year: TEUR 10.9). The Company does not have any employees.

No advances or loans were granted to the members of the Management Board and the Supervisory Board in the reporting period.

Other remarks

The Company is a Group company under § 15 AktG (Austrian Corporation Act), and as an affiliated company belongs to the reporting entity of EVN AG, Maria Enzersdorf, pursuant to § 244 UGB (Austrian Commercial Code).

The consolidated financial statements of the parent company (FN 72000h) have been filed with the district court in Wiener Neustadt.

There is a crossholding with Energie Burgenland AG (formerly BEWAG) within the meaning of § 240 fig 9 UGB.

With regard to the expenditure due to the auditor in the reporting period, the safeguard clause pursuant to § 237 (14) UGB (Austrian Commercial Code) is invoked based on the integration in the consolidated financial statements of EVN AG, Maria Enzersdorf.

Eisenstadt, November 15th, 2012
The Management Board

Klaus Kohlhuber
Member of the
Management Board

Nikolaus Sauer
Member of the
Management Board

Auditor's report

Report on the financial statements

We have audited the enclosed Annual Financial Statements of

Burgenland Holding Aktiengesellschaft,
Eisenstadt,

for the **business year from October 1st, 2011, to September 30th, 2012,** including accounting procedures. The present financial statements comprise the balance sheet as of September 30th, 2012, the income statement for the business year ending on September 30th, 2012, as well as the notes.

Responsibility of the duly authorised representatives for the financial statements and accounting

Preparation and content of these financial statements are the responsibility of the duly authorised representatives of the company; the financial statements, in compliance with legal regulations applying to companies in Austria, present as true and fair a view of the company's assets, liabilities, financial position, and profit or loss as possible. This responsibility includes: Design, implementation and maintenance of an internal review system to the extent this is relevant for the preparation of the financial statements and the conveyance of as true and fair a view of the company's assets, liabilities, financial position, and income situation as possible to ensure that the financial statements are free of material misrepresentations, whether intended or unintended; the selection and application of appropriate accounting and valuation methods; making estimates that seem appropriate under the given circumstances.

Responsibility of the auditor and description of nature and scope of legally mandated audit

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with applicable Austrian law and generally accepted auditing standards. Those standards require that we comply with ethical industry standards and plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit includes the conduct of audit activities to obtain evidence regarding the amounts and disclosures in the financial statements. The selection of audit activities is subject to the proper discretion of the auditor taking into account his or her assessment of the risk of occurrence of misrepresentations, whether intended or unintended. In carrying out such risk assessment, the auditor takes into account the internal review system to the extent this is relevant for the preparation of the financial statements and the conveyance of as true and fair a view of the company's assets, liabilities, financial position, and income situation as possible to ensure that the financial statements are free of material misrepresentations, so as to determine appropriate auditing activities under the given circumstances, but not in order to offer an opinion on the effectiveness of the company's internal review mechanisms. The audit further includes assessing the appropriateness of the accounting and valuation principles used and the significant estimates made by the duly authorised representatives, as well as evaluating the overall financial statement presentation.

We believe to have obtained sufficient and appropriate audit evidence and are thus satisfied that our audit represents a sufficiently sound basis for our audit opinion.

Auditor's opinion

Our audit has not resulted in any objections. Based on the findings of the audit, we conclude that the financial statements are in compliance with legal regulations and present a true and fair view of the company's assets, liabilities and financial position as of September 30th, 2012, and of the company's income situation for the business year from October 1st, 2011, to September 30th, 2012, in conformity with generally accepted accounting principles.

Statements on the Management Report

Due to legal regulations, the Management Report has to be examined as to whether it is in line with the financial statements and whether the other information in the Management Report does not convey a wrong impression of the situation of the company. The auditor's opinion also has to include a statement as to whether the Management Report is in line with the financial statements and whether the disclosures pursuant to § 243a UGB (Austrian Commercial Code) are appropriate.

In our assessment, the Management Report is consistent with the financial statements. The disclosures pursuant to § 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, November 15th, 2012

KPMG Austria AG
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Walter Reiffenstuhl Auditor	Angelika Vogler Auditor

This report is a translation of the original report in German, which is solely valid.

Report of the Supervisory Board
to the 24th ordinary Annual General Meeting

The business year of Burgenland Holding AG was marked by the restructuring of the associated companies BEWAG and BEGAS. Management Board and Supervisory Board considered it essential to maintain the interests of Burgenland Holding AG in this process. Based on increased cooperation between the owners of Burgenland's two energy providers, it was possible to merge the companies successfully.

Within its scope of responsibility, the Supervisory Board was actively involved in accompanying the strategic steps taken by Burgenland Holding AG and, in doing so, increased the number of meetings. Within the reporting period, it performed the duties and obligations prescribed by law and laid down in the By-Laws in six plenary sessions.

Reports by the Management Board provide the Supervisory Board with regular, timely and comprehensive information on all relevant issues of business performance, including the risk situation and risk management of the Company and material Group companies. On the basis of these reports, the Supervisory Board has monitored and assisted the Management Board in managing the Company. The review which was conducted in the course of an open discussion between Management Board and Supervisory Board did not give rise to any complaints. Suggestions by the Supervisory Board were taken up by the Management Board.

Austrian Code of Corporate Governance, Committees of the Supervisory Board

As a listed company, Burgenland Holding AG commits to complying with the Austrian Code of Corporate Governance, which – as amended as of January 2012 – the Supervisory Board has put into effect for Burgenland Holding AG as from the 2012/13 business year. Adaptation of the Austrian Code of Corporate Governance to the 2. Stability Act of July 2012 is binding on Burgenland Holding AG pursuant to this Act. The Supervisory Board strives for consistency in fulfilling those regulations of the Code which apply to the Supervisory Board.

In the year under review, the Supervisory Board conducted a self-evaluation of its activities with regard to the requirements of the Austrian Code of Corporate Governance. This was done on the basis of a questionnaire, which dealt mainly with the organisation and operations of the Supervisory Board. The findings of the survey were discussed in the plenary.

Pursuant to the stipulations of the Austrian Code of Corporate Governance and the Rules of Procedure for the Supervisory Board, the Supervisory Board has set up a Supervisory Committee (review committee within the meaning of § 92 AktG), a Nominating Committee and a Compensation Committee.

Further information on the composition and the operations of the Supervisory Board and its Committees as well as its compensation and the guidelines which the Supervisory Board has set for itself to ensure its independence can be found in the Corporate Governance Report.

Annual financial statements and consolidated group accounts

KPMG Austria AG Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, the auditors appointed for the 2011/12 business year from October 1st, 2011, to September 30th, 2012, audited Burgenland Holding AG's annual financial statements as of September 30th, 2012, which were prepared in accordance with Austrian financial reporting requirements, and the Management Report. It provided a written report of the audit and conferred its unqualified opinion.

Following a review and discussion in the Supervisory Committee and by the Supervisory Board, the Supervisory Board approved the financial statements as of September 30th, 2012, including all notes, Management Report and Corporate Governance Report as well as the recommendation concerning the application of profits as presented by the Management Board. Therefore, the financial statements as of September 30th, 2012, are deemed completed pursuant to § 96 para 4 Austrian Companies Act (AktG).

In conclusion, the Supervisory Board would like to express its gratefulness to the Management Board for its efforts in the 2011/12 business year.

Eisenstadt, December 11th, 2012

On behalf of the Supervisory Board

The Chairman
Stefan Szyszkowitz

The Burgenland Holding AG share

During the reporting period, the international capital markets were characterised by the developments with regard to sovereign debts in the euro area and dwindling confidence in the financial markets and thus high volatilities. In the first quarter of 2012, agreement on a bail-out package for Greece and a slightly improved economic outlook still reduced the volatility of stock markets and led to a positive trend on the international stock exchanges. In the second quarter 2012, however, the capital markets suffered major corrections in response to the intensifying sovereign debt crisis in Spain. Then again, the third quarter of 2012 saw rising prices on the international stock markets.

After the benchmark interest rate had been left unchanged at 1.0% in the first quarter of 2012, an increase in downward economic risks and a low risk of inflation led the European Central Bank to lower its benchmark interest rate to 0.75% in July 2012. There have not been any changes since, nor are any further steps expected at this point.

The leading German DAX index profited from the stable economic development and managed a 31.1% increase from October 2011 to September 2012. Vienna's benchmark ATX index showed more modest gains and rose 7.3%. The Dow Jones Euro Stoxx Utilities industry index, relevant for Burgenland Holding AG, by contrast, performed rather poorly and lost 9.1% as a result of low electricity prices, a slight decrease in demand and economic uncertainties. The shares of Burgenland Holding AG rose by 6.2% during the reporting period. The share stood at EUR 34.00 as of September 30th, 2012, which corresponds to a market capitalisation of EUR 102m. As of September 30th, 2012, the weighting of the share in Vienna's WBI index was 0.14%.

The Management Board will recommend to the Annual General Meeting the distribution of a dividend of EUR 2.15 per share for the 2011/12 business year.

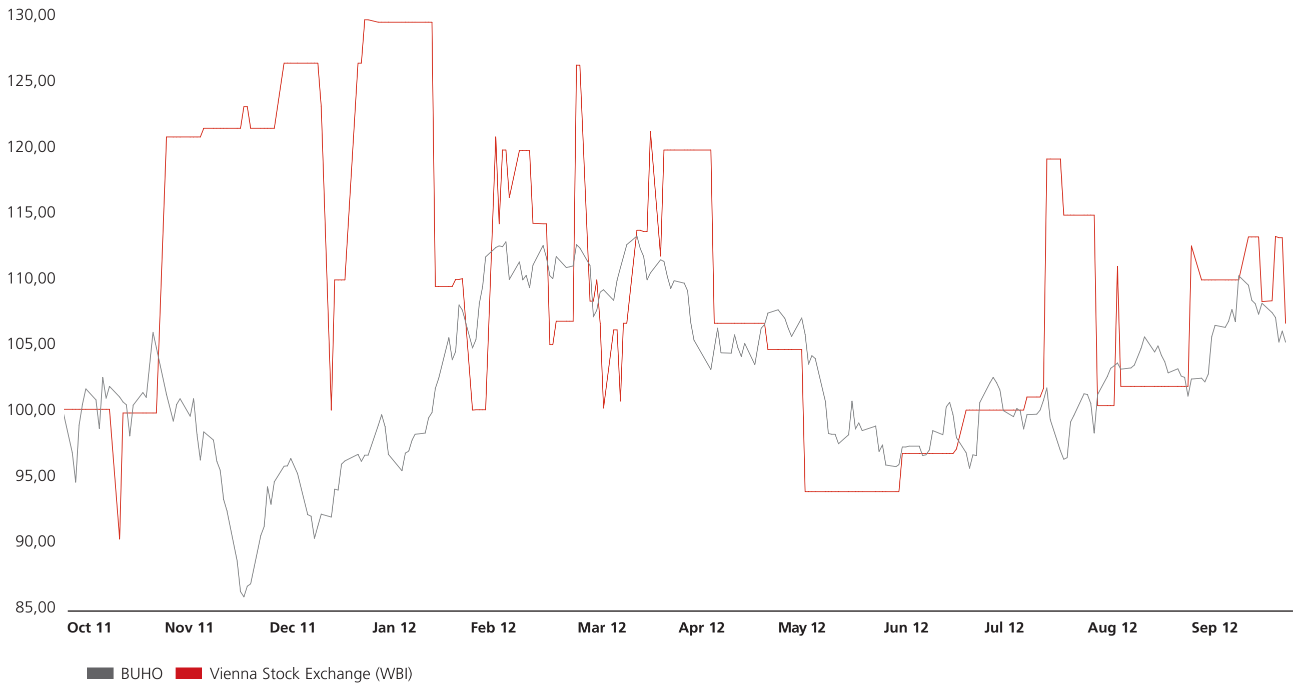
Investor information

Stock performance		2011/12	2010/11	2009/10
Average daily volume	Number	21	18	14
Total share volume	EURm	0.18	0.19	0.14
Highest price	EUR	41.00	49.00	55.00
Lowest price	EUR	29.03	32.00	34.40
Share price at the end of September	EUR	34.00	32.02	40.01
Market capitalisation at the end of September	EURm	102	96	120
WBI weighting at the end of September	%	0.14	0.14	0.15
Dividend per share	EUR	2.15[1]	1.15	2.15

[1] Proposal to the Annual General Meeting.

Burgenland Holding share price – relative development in comparison to Vienna Stock Exchange Index (%)

On the basis of September 2012



Burgenland Holding AG
Group structure

49% Energie Burgenland AG

Energie Burgenland AG investments as of September 30th, 2012

100% Netz Burgenland Strom GmbH
99% Netz Burgenland Erdgas GmbH
100% Energie Burgenland Vertrieb GmbH & Co KG
100% Energie Burgenland Vertrieb Erdgas GmbH & Co KG
100% BEWAG Wärme & Service GmbH
100% Energie Burgenland Windkraft GmbH
- 55.2% EPZ Energieprojekt Zurndorf GmbH
  - 50% PAMA-GOLS Windkraftanlagenbetriebs GmbH
  - 50% PAMA-GOLS Windkraftanlagenbetriebs GmbH & Co KG
  - 40% MMW Potzneusiedl GmbH
- 100% Multi Megawatt Zwei GmbH

100% Energie Burgenland Green Power GmbH
- 100% Pannon Szél-erö Szolgáltató Kft. (Budapest, Hungary)
- 100% WIBE – Windpark Beteiligungs GmbH (Eisenstadt, Austria)
  - 1% BWP – Bystrický Wind Power s.r.o. (Bratislava, Slovakia)
  - 1% Energowind RO s.r.l. (Bistrita Nasaud, Romania)
- 100% Energowind Negresti s.r.l. (Bistrita Nasaud, Romania)
  - 99% BWP – Bystrický Wind Power s.r.o. (Bratislava, Slovakia)
  - 99% Energowind RO s.r.l. (Bistrita Nasaud, Romania)
  - 76% VENTUS POLSKA Sp.z o.o. (Warschau, Poland)
  - 51% Renerwind Energetikai Kft. (Budapest, Hungary)
  - 50% IWBF – Internationale Windpark-beteiligungs- und Finanzierungs GmbH (Eisenstadt, Austria)
    - 50% SWP s.r.o. (Bratislava, Slovakia)
    - 50% PSW – Polska Sila Wiatru Sp. z o.o. (Warschau, Poland)
    - 50% WSW – Warminska Sila Wiatru s.r.o. (Warschau, Poland)
    - 25% TWP – Torremaggiore Wind Power s.r.l. (Mailand, Italy)

100% Austrian Biomass Power GmbH
100% Energie Burgenland Biomasse GmbH
100% Energie Burgenland Biomasse GmbH & Co KG
100% Best Energy GmbH
- 1% Netz Burgenland Erdgas GmbH

100% Energie Burgenland Geoservice GmbH
100% PEW Technik + Service GmbH
100% Energie Burgenland Konzernclearing GmbH
100% BEGAS Asset Management GmbH
100% RVH Reststoffverwertungs GmbH
100% IGM – Industrie- und Gewerbepark Mittelburgen-land Erwerbs-, Erschließungs- und Errichtungs-Gesellschaft m.b.H.
100% Energie Burgenland Service GmbH
51% Eisenstadt e-mobilisiert GmbH
49% Bioenergie Burgenland Service GmbH
33.33% EBRZ Erstes Burgenländisches Rechenzentrum GmbH
33.30% Windpark Mittelburgenland GmbH
10% ENERGIEALLIANZ Austria GmbH
10% e&t Energie Handelsgesellschaft m.b.H.
4.57% Vereinigte Telekom Österreich Beteiligungs GmbH
2.73% EconGas GmbH
2.52% APCS Power Clearing and Settlement AG
0.44% AGCS Power Clearing and Settlement AG
1.48% CISMO Clearing Integrated Services and Market Operations GmbH
1% Biomasse Kraftwerk Güssing GmbH & Co KG

Proposed application of profits

The Management Board proposes the distribution of a dividend in the amount of EUR 2.15 per share, totalling EUR 6,450,000.00, from the net profit amounting to EUR 6,450,177.71 and carrying forward the remainder of EUR 177.71.

Statement of the Management Board on the Annual Financial Report

pursuant to § 82 para (4) fig 3 Stock Market Act

The Management Board of Burgenland Holding AG confirms,

that the financial statements drawn up in conformity with the relevant accounting standards present a true and fair view of the Company's assets, liabilities, financial position, and profit or loss;

that the Management Report represents the Company's performance, profit and situation in such a manner as to create a true and fair view of the Company's assets, financial, and income situations, and that the major risks and uncertainties are described.

Eisenstadt, November 15th, 2012

The Management Board

Klaus Kohlhuber
Member of the
Management Board

Nikolaus Sauer
Member of the
Management Board

Burgenland Holding AG

Corporate calendar 2012/13[1)]

Results Q1 2012/13	February 7th, 2013
Annual General Meeting	March 22nd, 2013
Ex-dividend day	March 28th, 2013
Dividend payment	April 5th, 2013
Results HY1 2012/13	May 28th, 2013
Results Q1–3 2012/13	August 8th, 2013
Annual results 2012/13	December 12th, 2013

1) Preliminary.

Basic information[1)]

Share capital	EUR 21.81m
Denomination	3 million no-par bearer shares
Majority shareholder	EVN AG
Identification number (ISIN)	AT0000640552
Ticker symbols	BHAV.VI (Reuters); BURG AV (Bloomberg); AT; BHD (Dow Jones)
Stock exchange listing	Vienna

1) As of September 30th, 2012.

Imprint

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