

EVN

German & Austrian Corporate Conference

Frankfurt, May 21, 2010

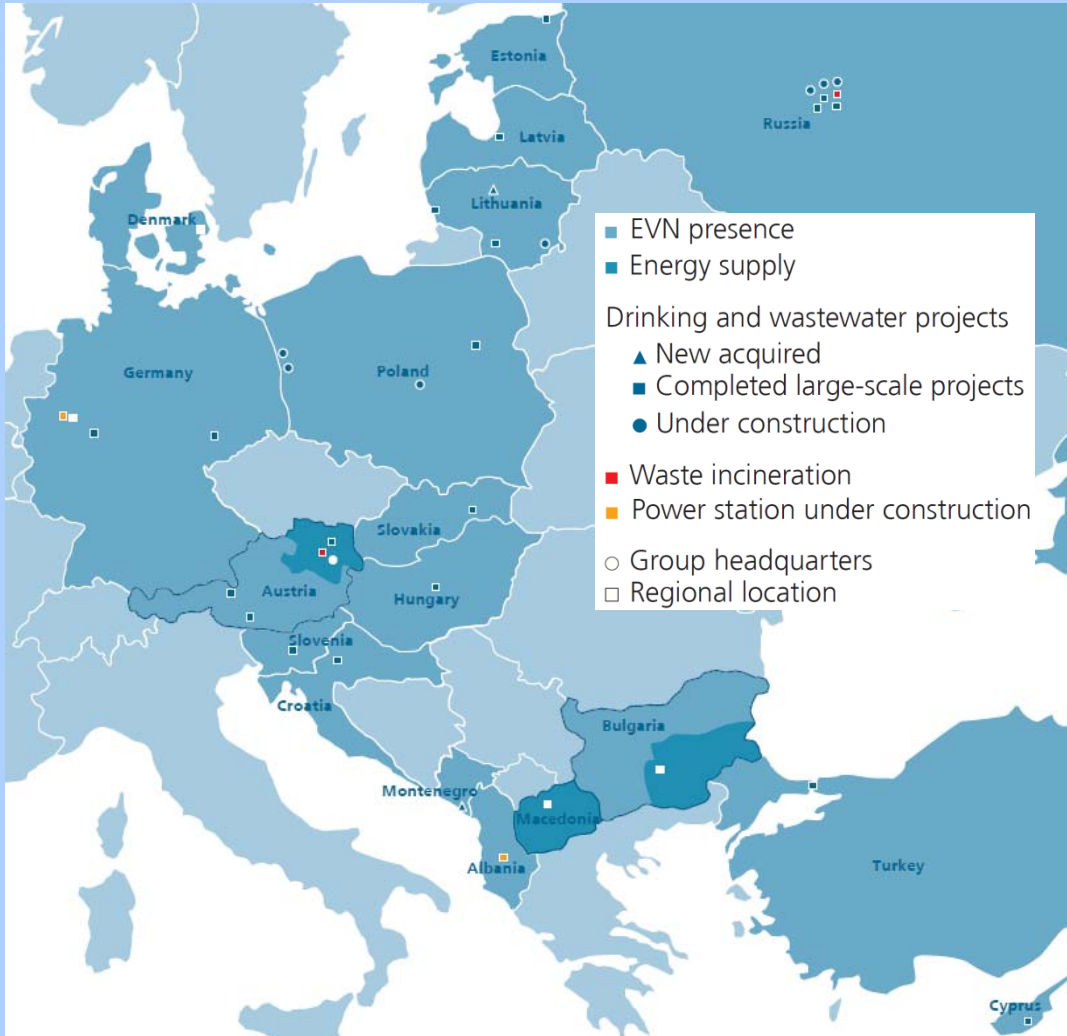
Agenda

- > **EVN's strategy**
- > **Growth perspectives**

Company profile – fact sheet 2008/09

EVN	EVN is a leading integrated energy and environmental service group serving customer in Lower Austria and Central and Eastern Europe
Business areas	Electricity, gas, heating, water, waste incineration
Countries	Austria, Albania, Bulgaria, Croatia, Cyprus, Denmark, Estonia, Germany, Hungary, Latvia, Lithuania, Macedonia, Montenegro, Poland, Russia, Slovakia, Slovenia, Turkey
Employees	8.934 (–4.3%) thereof ~ 70% in abroad
Revenue	2,727.0 EUR m (+13.8%)
EBITDA	373.4 EUR m (+3.1%)
EBIT	175.2 EUR m (+5.2%)
Net results	177.9 EUR m (–4.8%)
Credit Rating	Moody's: A2, negative (since July 2009) Standard & Poor's: A–, negative (since March 2009)

EVN currently active in 18 CEE countries



Energy supply

- > About 1 m electricity, gas and heating customers in Lower Austria
- > 1.6 m electricity, 40,000 heating customers in Bulgaria
- > 720,000 electricity customers in Macedonia

Electricity generation

- > 1,829 MW generation capacity (gas, coal, hydro, wind and biomass)
- > Construction of a coal-fired power plant of 790 MW in Duisburg-Walsum, Germany

Networks

- > 130,358 km electricity networks, 13,350 km gas pipelines and 573 km heating networks

Environmental services

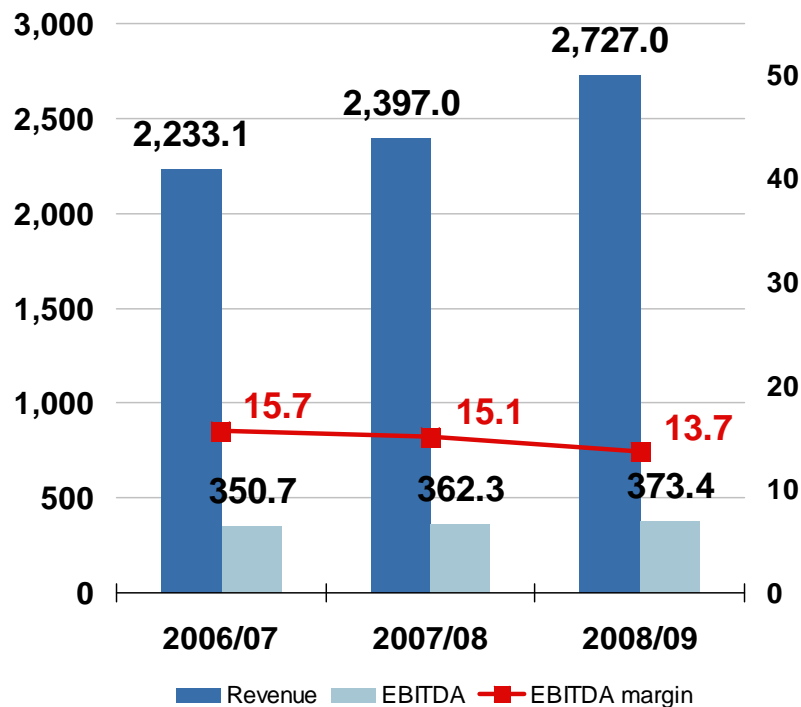
- > 0.5 m drinking water customers in Lower Austria
- > Waste incineration plants of 300,000 tons p.a. in Lower Austria
- > International project business
 - More than 90 drinking and waste water plants for more than 10 m people in Europe
 - Waste incineration plant of 360,000 tons p.a. in Moscow

EVN's strategy – Integrated utility

- > „Two-pillar“ strategy – focus on the Energy and Environmental Services segments
 - High level of horizontal and vertical integration of the different business units
- > Organic growth with a focus on markets where EVN has specific market expertise
 - In the energy segment, EVN has a regional focus on its core home market and in south-eastern Europe
 - In the international project business of the Environmental services segment, EVN focuses on large municipalities with a solid credit profile
- > Strategic goal is to increase self-sufficiency in electricity generation to 40%-60% in the medium term
- > Clear-cut orientation towards fulfilling capital market requirements, transparency, strong financials and a stable dividend policy
 - EVN is committed to a rating at the low single A level with an appropriate financial policy
- > Sustainability is a core consideration for the company's activities

Growth through new markets and diversification

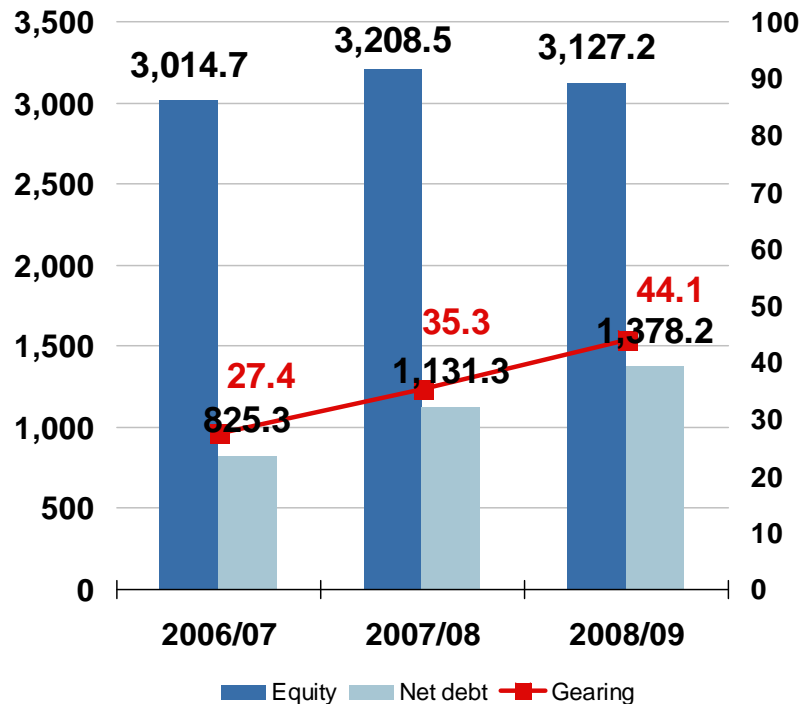
Revenue, EBITDA EURm, EBITDA margin %



- > Group revenues increased by 22% in 3 years
 - Revenues of energy business grew by 27%
- > Share of energy business: 90%
 - Share of energy business in south-eastern Europe: 36%
- > Share of environmental services business: 9%
- > Group EBITDA: increase by +6%
- > EBITDA margin: -2%p mainly due to higher primary energy and energy procurement costs

Growth while keeping financial strength

Equity, Net debt EURm, Gearing %



- > Increase in net debt due to ongoing investments in Austria and south-eastern Europe
- > Increase of Gearing ratio
- > Net debt can be easily covered by financial assets available for sale
- > Strong balance sheet with an equity ratio of 46.7%
- > Financing structure at matched maturities

Strategic investments

Verbund

- > EVN holds a 13% stake in Austria's largest electricity producer and operator of the Austrian supra-regional high-voltage network
- > Operating 123 hydro power, 3 thermal power and 3 wind parks with 8,364 MW installed capacity in Austria and Bavaria
- > Electricity generation 29,918 GWh

Rohöl- Aufsuchungs AG

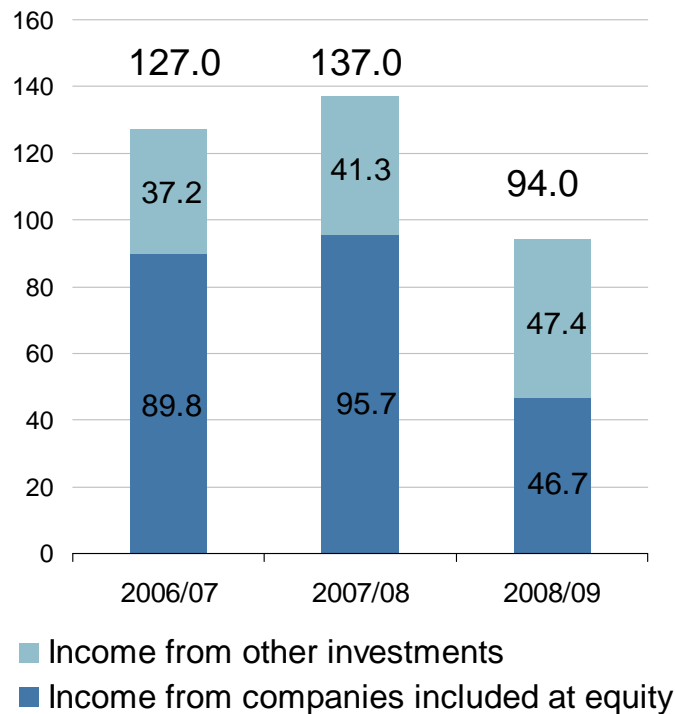
- > EVN holds a majority shareholding of 50.03% in RAG, the second largest oil and gas producer in Austria
- > Production of 800 mm³ gas (~20% of prod. in Austria) and 90,000 tons oil (~ 10% of prod.)
- > Massive natural gas storage capacities at the German-Austrian border

Burgenland Holding

- > EVN has a 73.6% stake in Burgenland Holding AG, listed on the Vienna Stock Exchange, which in turn owns 49.0% each of the shares in Burgenländische Elektrizitätswirtschafts-AG (BEWAG) and Burgenländische Erdgasversorgungs-AG (BEGAS)

Income from strategic investments

(EUR m)



> Selected strategic investments

- Strengthen vertical integration
- Contribute to profitability
- Financial hedge, compensation for increasing primary energy costs
- Partnership in regional energy supply business

> Income from companies included at equity

- Income from RAG (before minority interests) decreased from EUR 83.0m to EUR 32.2m due to oil and gas price decline
- Income from EconGas of EUR 9.4m roughly on last year's level
- Income from BEWAG and BEGAS of – EUR 3.4m below last year's level

> Income from other investments

- Increase of dividends from Verbundgesellschaft from EUR 35.6m to EUR 42.1m

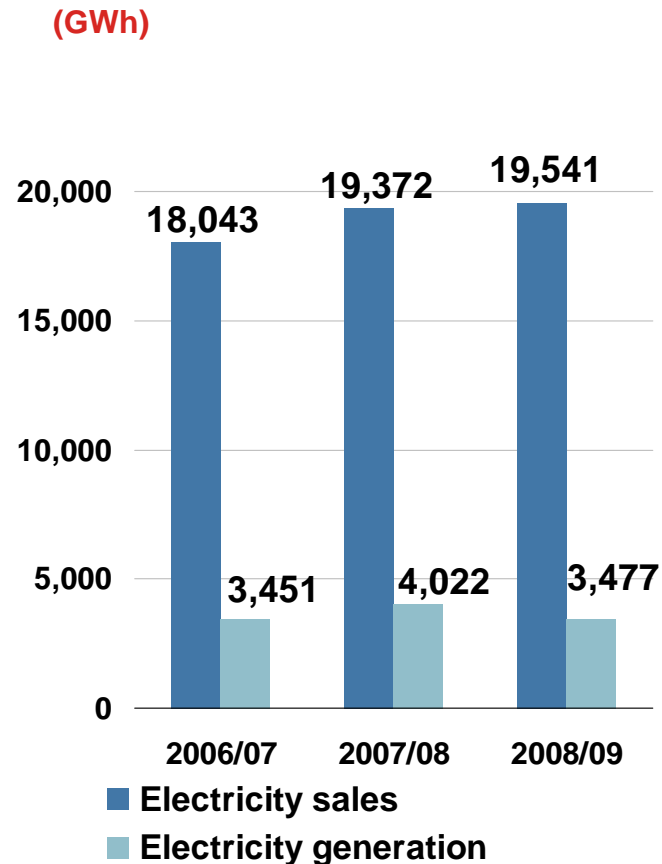
EVN's shows a resilient competitive position

- > Stable and reliable customer base
- > Large share of household customers
- > The market share in residential electricity and gas supply in Lower Austria remains very strong and stable at above 95% thus ensuring the company's key ability to generate cash flow from these operations
- > Diversified commercial and industrial customer base in terms of customer size and business sectors

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Electricity sales and generation



- > The coverage ratio of Group stands currently at roughly 20%
- > Excluding Bulgaria and Macedonia, the coverage ratio is 50-65%
- > The mid-term target of the Group is to increase the coverage ratio to 40%
- > Following the start of the operations in Walsum, Germany in the second half of 2010, the group coverage ratio will significantly improve to around 35%

Growth areas – Electricity generation in Germany

- > Coal-fired power plant in Duisburg-Walsum
- > Capacity: 790 MW, net efficiency: > 46%
- > Investment: EUR 820m
- > Joint venture with Evonik Steag GmbH, EVN's stake: 49%
- > Ground-breaking: November 2006
- > Start up: second half of 2010



EVN's markets in south-eastern Europe



EVN's strategy:

- > Vertical integration → increase of production capacities
- > Modernisation of grid networks
- > Active electricity trading

> EVN's assets in Bulgaria and Macedonia:

- Network operator / supplier
- District heating plant
- Hydro power plants

> **Bulgaria:** Liberalised electricity market – fully negotiable prices versus long-term electricity supply agreements and limited generation capacities

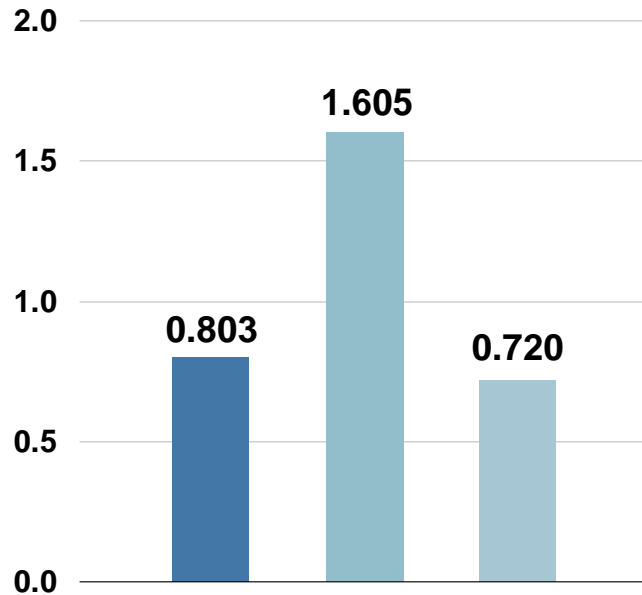
> **Macedonia:** Early stage of market liberalisation, single-buyer model, some eligible customers

> **Albania:** Electricity generation covers only two-third of the electricity sales volumes

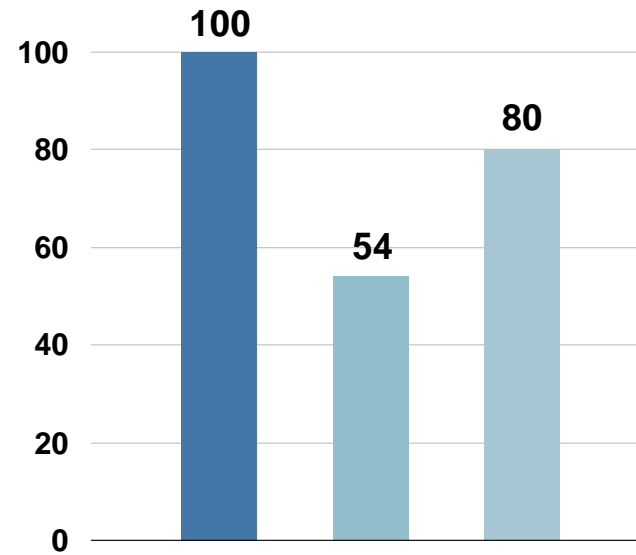
> **Electricity prices in SEE:** 30-50% of the Western European level

Growth potential in south-eastern Europe

Electricity networks customers
in m



Electricity sales volumes per
customer
in %, basis: Lower Austria



- EVN in Lower Austria
- EVN in Bulgaria
- EVN in Macedonia

Growth areas – Electricity generation in Albania

- > Concession for three large hydro power plants on the River Devoll in Albania
- > Capacity: 320 MW
- > Electricity production: 1,000 GWh p.a.
- > Investment: EUR 950m
- > 50:50% joint venture with Statkraft (Norway)
- > Flexibility and optimisation of applied technology
- > Stepwise realisation of the 3 plants
- > Free marketability of electricity generated
- > Strong commitment from authorities and governmental institutions
- > Excellent opportunities for peak energy due to flow conditions



Growth Areas – Environmental Services in CEE

- > Drinking water, wastewater and waste incineration activities
- > Leveraging the experience gained in Lower Austria to expand into growth areas
- > Building, Operate, Own and Transfer (BOOT) model

Drinking water plant in Moscow, Russia

- > Capacity: 250,000 m³/d
- > Investment: EUR 190m
- > Start of operation: September 2007
- > BOOT model: operation until 2016



Waste incineration plant in Moscow, Russia

- > Capacity: 360,000 t
- > Investment: EUR 175m
- > Start of operation: January 2008
- > BOOT model: operation until 2019



Growth Areas – Environmental Services in CEE

Wastewater treatment plant in Istanbul, Turkey

- > Turn-key project and 5 year operation
- > Capacity: 2 million inhabitants
- > Start of operation: 2010
- > Operation by EVN until 2015



Wastewater purification plant in Warsaw, Poland

- > Capacity modernisation and expansion
- > International consortium
- > Capacity: 2.1 million inhabitants
- > Start of operation: 2012



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