



EVN at a glance

September, 2008

*Energie
vernünftig
nutzen*

EVN

Corporate profile

We are a leading, international listed energy and environmental services company, with headquarters in Lower Austria, the country's largest federal province. On the basis of a state-of-the-art infrastructure, we offer our customers electricity, gas, heat, water, waste incineration and related services from a single supplier. With our portfolio of services, we safeguard and improve the quality of life of our more than three million customers in 18 countries.

In addition to our role in Austria, we have succeeded in establishing a positioning in the energy industry in Bulgaria and Macedonia. In the environmental services area we successfully operate in the fields of water supply, wastewater treatment and waste incineration through our shareholdings.

On the basis of exploiting synergies among the different business areas of EVN in Austria and abroad, the focus of all business activities is the sustainable creation and increase of value for the benefit of customers, shareholders and employees. The main principles underlying EVN's business operations are ensuring the security and reliability of energy supplies, responsibly using natural resources, creating a modern and environmentally compatible infrastructure, and the consistent positioning of EVN as a provider of top quality services.

An overview of business segments

Energy	Generation business unit
	Networks business unit
	Energy Procurement and Supply business unit
	South East Europe business unit
Environmental Services	Water, wastewater and waste incineration
Strategic Investments and Other Business	Strategic and other investments and intra-Group services

Introduction by the Executive Board



Herbert Pöttschacher, Burkhard Hofer CEO, Peter Layr

The EVN Group successfully mastered the manifold challenges arising during the 2007/08 financial year. In the Energy segment, the company strove to cushion the massive increase in electricity procurement and primary energy costs. In the Environmental Services segment, EVN acquired several new projects in Austria and abroad, which will first have a positive impact on revenue and earnings in subsequent years. Against this backdrop, Group revenue rose 7.3%, to EUR 2,397.0m. However, higher operating expenses and depreciation led to a 15.6% decline in the results from operating activities, to EUR 166.6m. In the light of lower financial results and a reduction in the income tax expense, Group net profit amounted to EUR 186.9m, down from EUR 227.0m in the previous year.

The price-sensitive development of energy markets confirms the effectiveness of our investment strategy to further diversify EVN's business operations and raise production capacities. On the medium-term, we aim to generate 40%–60% of total electricity sales volumes from our own power plants or procurement rights. The promotion of renewable energy sources is just as important as the implementation of power plant projects on the domestic market and outside of Austria, and efficiency improvements in respect to existing facilities. Another primary strategic priority in the Energy segment is the continued integration of the new subsidiaries in Bulgaria and Macedonia. In the Environmental Services segment, EVN aims to complete current drinking water and wastewater treatment projects on schedule, and further strengthen the international orientation of its business activities.

On the basis of the operational and geographical diversification of the Group and the dedication of our employees, we are convinced that EVN will succeed in continuing its growth path. In doing so, our top priority – which we remain committed to translating into reality – is adhering to the principles of sustainable corporate management based on considering the interests of all stakeholder groups.



EVN – resources and capacities¹⁾

Energy

Power-generating capacities in MW	1,829
thereof thermal ²⁾	1,466
hydro ³⁾	233
wind	120
biomass	10

Network business	Length of network in km	Customers	Sales volumes in GWh
Electricity	127,294	3,111,700	20,408
Gas	13,250	287,000	18,818
Heating	540	79,000	1,362
Cable-TV customers		72,371	
Telecommunication customers		39,199	

Environmental services

Water/wastewater

Austria

Length of network	km	1,922
Customers ⁴⁾		481,500
Sales volumes	m m ³	24.7

International

84 drinking water/wastewater projects in 14 Central and Eastern European countries

Installed capacity in thousand	PE ⁵⁾	10,576
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Waste incineration

Capacity ⁶⁾	t	660,000
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1) Status 30.9.2008

2) Incl. cogeneration and combined cycle heat and power plants in Austria and Bulgaria

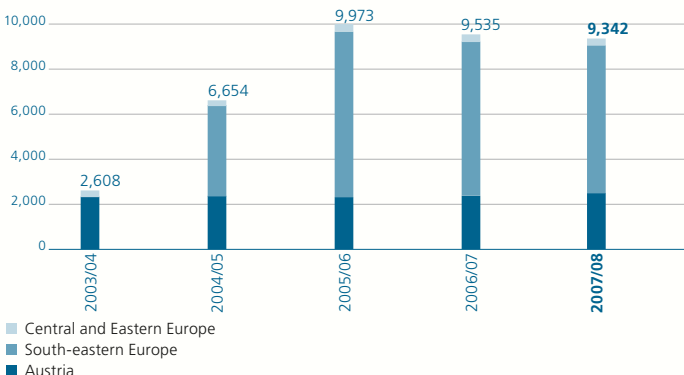
3) Incl. purchasing rights from hydro power plants along the Danube River in Austria and small hydro power plants in Macedonia

4) Thereof 41,500 directly supplied

5) PE: population equivalents – industrial sewage converted to household water.
One inhabitant produces an average of 120 litres of wastewater daily.

6) Facility in Dürnrrohr: 300,000 tons, in Moscow (BOOT-model) 360,000 tons

Employees by region



EVN key figures

Overall business development and value added EURm

Consolidated

income statement

	2007/08	2006/07	2005/06	2004/05	2003/04
Revenue	2,397.0	2,233.1	2,071.6	1,609.5	1,207.3
thereof Austria	1,521.3	1,400.1	1,377.4	1,213.7	1,108.4
South-eastern Europe	754.3	623.9	467.6	247.3	–
Central and Eastern Europe	121.4	209.2	226.6	148.5	98.9
EBITDA	362.3	350.7	397.4	335.2	297.6
EBITDA margin in %	15.1	15.7	19.2	20.8	24.6
Results from operating activities (EBIT)	166.6	197.3	184.4	131.0	114.6
EBIT margin in %	7.0	8.8	8.9	8.1	9.5
Financial results	68.9	90.1	120.5	55.2	21.3
Profit before income tax	235.5	287.4	304.9	186.2	135.9
Group net profit	186.9	227.0	221.9	144.4	117.4

Consolidated balance sheet

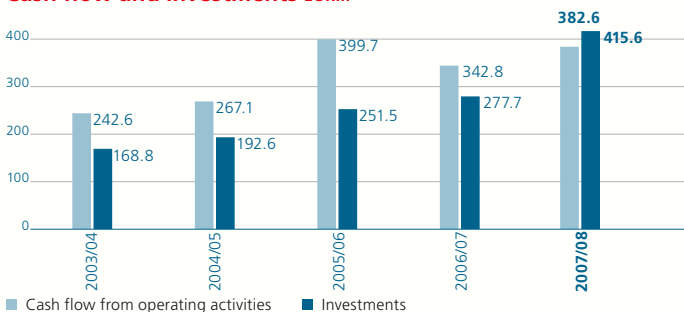
Balance sheet total	6,636.3	6,261.9	5,845.8	4,739.6	3,732.0
Non-current assets	5,712.4	5,166.0	4,781.9	4,072.1	2,925.0
Current assets	923.9	1,095.9	1,063.9	667.5	807.0
Equity	3,208.5	3,014.7	2,756.0	2,285.4	1,555.7
Non-current liabilities	2,655.3	2,400.6	2,537.0	2,012.7	1,776.5
Current liabilities	772.5	846.6	552.8	441.5	399.8
Capital employed ¹⁾	3,219.7	3,041.2	2,760.4	2,461.0	2,135.5
Net debt	1,131.3	825.3	930.0	673.8	429.3

1) Average and adjusted figures

Cash flow and liquidity

Gross cash flow	426.7	412.1	435.0	308.1	261.5
Cash flow from operating activities	382.6	342.80	399.7	267.1	242.6
Cash flow from investing activities	-326.8	-295.2	-719.9	-223.9	-553.7
Cash flow from financing activities	-16.0	-70.1	314.6	-25.5	275.5
Net change in cash and cash equivalents	39.8	-22.4	-5.6	17.6	-35.6
Cash and cash equivalents incl. current securities	256.9	471.9	374.6	261.1	481.3

Cash flow and investments EURm



Profitability		2007/08	2006/07	2005/06	2004/05	2003/04
Return on Equity (ROE)	%	7.4	9.0	10.6	8.2	8.7
Return on Capital Employed (ROCE)	%	6.3	7.1	7.9	6.2	6.2
Operating ROCE (OpROCE) ¹⁾	%	8.7	9.0	10.8	9.4	8.0
Weighted Average Cost of Capital (WACC)	%	6.5	6.5	6.5	6.0	5.3
Net operating profit after tax (NOPAT) ¹⁾	EURm	280.9	275.2	298.2	230.5	171.1
Economic Value Added (EVA®) ²⁾	EURm	71.7	77.5	118.8	82.9	57.9

1) Adjusted for impairments and one-off effects

2) As defined by Stern Stewart & Co.

Financial figures		2007/08	2006/07	2005/06	2004/05	2003/04
Equity ratio	%	48.3	48.1	47.1	48.2	41.7
Gearing	%	35.3	27.4	33.7	29.5	27.6
Net debt coverage ¹⁾	%	41.3	50.7	49.1	44.5	67.0
Interest cover ²⁾	x	5.5	5.5	8.1	6.1	6.4

1) Ratio of funds from operations (net cash flow from operating activities adjusted by interest expenses) to interest-bearing debt

2) Ratio of funds from operations to interest expenses

Value added		2007/08	2006/07	2005/06	2004/05	2003/04
Earning/share ¹⁾	EUR	1.14	1.39	1.36	0.88	0.77
Dividend/share ¹⁾	EUR	0.370	0.375	0.350	0.288	0.238
Cash flow/share ¹⁾	EUR	2.61	2.52	2.45	1.53	1.59
Book value/share ¹⁾	EUR	19.62	18.44	16.85	13.98	9.58
Price/earnings	x	13.1	16.3	15.4	22.2	13.5
Price/cash flow	x	5.7	9.0	8.5	12.2	6.5
Price/book value	x	0.8	1.2	1.2	1.3	1.1
Dividend yield	%	2.5	1.7	1.7	1.5	2.3

1) The previous years' figures have been adapted in accordance with the stock split in a ratio of 1:4 carried out effective April 17, 2008.

Segment reporting by area of business

EURm	Energy		Environmental Services		Strategic Investments and Other Business	
	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07
Revenue	2,182.3	1,932.7	184.6	275.1	30.1	25.3
EBITDA	335.9	309.0	39.6	53.8	-12.1	-11.5
Results from operating activities (EBIT)	155.2	172.3	25.4	38.1	-13.9	-13.0
Investments ¹⁾	346.1	222.0	67.9	53.6	1.6	2.1
Total assets	3,421.3	3,006.0	1,083.8	1,049.5	3,136.7	3,005.9

1) In intangible assets and property, plant and equipment

Segment reporting by region

EURm	Austria		South-eastern Europe		Central and Eastern Europe	
	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07
Revenue	1,521.3	1,400.1	754.3	623.9	121.4	209.2
Results from operating activities (EBIT)	145.0	177.5	16.5	3.3	5.1	16.6
Investments ¹⁾	251.3	180.1	153.2	83.2	11.1	14.4
Total assets	4,927.3	4,683.8	1,003.8	842.9	705.2	735.2

1) In intangible assets and property, plant and equipment

Key energy business indicators

GWh	2007/08	2006/07	2005/06
Electricity generation	4,022	3,451	4,556
thereof thermal power	2,722	2,353	3,517
thereof renewable energy	1,300	1,099	1,039
Distribution volumes			
Electricity	20,408	19,119	16,495
thereof Austria	7,476	7,247	7,279
thereof Bulgaria	7,945	7,256	7,229
thereof Macedonia	4,987	4,616	1,987
Gas ¹⁾	18,818	16,252	20,824
Supply volume to end customers			
Electricity ²⁾	19,372	18,043	15,641
Gas	6,759	6,212	8,313
Heating ³⁾	1,362	911	1,067

1) Incl. network sales to EVN power stations

2) In Bulgaria and Macedonia, energy sales to end customers correspond to distribution volumes at present

3) Incl. district heating distribution volumes in Bulgaria ("TEZ Plovdiv") as of January 1, 2008

The EVN share

Basic information

Share capital ¹⁾	300,000,000.00 EUR
Denomination ¹⁾	163,525,820 zero par value share
ISIN security code number	AT0000741053
Tickers	EVNV.VI (Reuters); EVN AV (Bloomberg); AT; EVN (Dow Jones); EVNVY (ADR)
Stock exchange listing	Vienna
ADR programme; depository	Sponsored level one ADR program (5 ADR = 1 share); Bank of New York

1) The 79th Annual General Meeting, held on January 17, 2008, resolved to increase the capital stock by implementing a capital increase from the non-appropriated capital reserves as well as a stock split by a ratio of 4 to 1. The capital increase has been carried out in the 2nd quarter 2007/08, while the stock split took place on the Vienna Stock Exchange on April 17, 2008. The ratio ADR/share remained unchanged.

Index weighting 30.9.2008

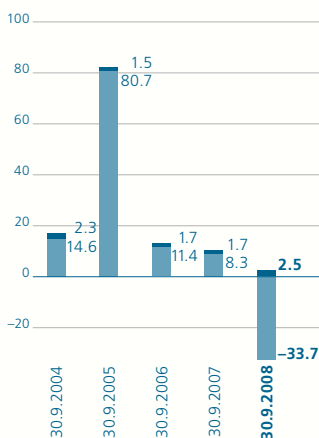
ATX Prime	1.28%
WBI (Vienna Stock Exchange Index)	2.94%

Performance		2007/08	2006/07	2005/06	2004/05	2003/04
Share price at the end of September ¹⁾	EUR	14.99	22.63	20.90	18.75	10.38
Highest price ¹⁾	EUR	23.38	23.87	24.75	19.63	11.84
Lowest price ¹⁾	EUR	14.39	20.38	16.30	10.23	9.03
Value of share traded ¹⁾	EURm	406	411	433	271	167
Average daily turnover ^{1) 2)}	Shares	78,054	75,772	87,600	77,204	31,708
Share of total turnover ²⁾	%	0.49	0.50	0.77	0.87	0.54
Market capitalisation at the end of September	EURm	2,451	3,700	3,417	3,066	1,697

1) Previous years' figures have been adapted in accordance with the stock split in a ratio of 1:4 carried out effective April 17, 2008.

2) Vienna Stock Exchange, counted once

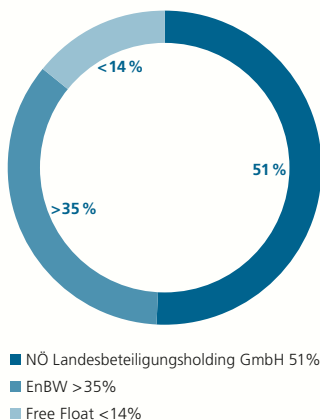
Total shareholder return



■ Share price change in %

■ Dividend yield in %

Shareholder structure



■ NÖ Landesbeteiligungsholding GmbH 51%

■ EnBW >35%

■ Free Float <14%

EVN bonds	Public bonds		Private placement	
	EUR	JPY	JPY	CHF
Amount	300m	8bn		200m
Due date	November 14, 2011	September 1, 2014	June 10, 2009	
Maturity (yrs)	10	20	5	
Coupon (% p.a.)	5.25	5.20	2.43	

Credit Rating	2007/08	2006/07	2005/06	2004/05	2003/04
Moody's	A1, stable	A1, stable	Aa3, stable	Aa3, negative	Aa3, negative
Standard & Poor's	A, negative	A, stable	A+, stable	A+, stable	AA-, stable

Sustainable corporate management

As a responsible energy and environmental services provider, EVN is faced with the challenge of considering the economic, ecological and social aspects of its business operations as in integrated whole, and thus achieving a balance among the demands of different stakeholder groups. The top priority is the sustainable enhancement of shareholder value. The EVN Sustainability Report 2007/08 documents the company's diverse initiatives and the accompanying measures. You can order it by using the free service hotline number at +43 2236 200-0 or on the Internet at www.investor.evn.at.

From an economic point of view, the integration of the new subsidiaries in Bulgaria and Macedonia and the overall safeguarding of profitability are the primary targets. In ecological terms, it is EVN's declared goal to continually expand its contribution to climate protection, and thus exploit all opportunities to achieve this goal. The expansion of renewable energy sources to generate 30% of total electricity production by 2010 will play a major role in the same way as projects designed to increase energy efficiency or consulting and related services aimed to improve the energy balance of customers. Further, ecologically-oriented diversification and the extension of production capacities as well as investments in the network infrastructure are required to ensure energy supply reliability.

EVN has proven itself to be a fair and attractive employer to its employees offering interesting career perspectives and a comprehensive professional training and career advancement programmes. In this connection, EVN offers its employees dedicated and comprehensive health care services, measures to ensure occupational health and safety as well as a company pension plan. On balance, EVN made considerable progress during the 2007/08 financial year in its ongoing efforts to implement a sustainable corporate management while simultaneously defining new, ambitious goals.

EVN milestones 2007/08

- 10.10.2007 District heating partnership between Lower Austria's Provincial Capital of St. Pölten and EVN
- 14.11.2007 EVN submits an offer for the construction of three hydro power plants in Albania
- 13.12.2007 EVN's Annual Result 2006/07
- 14.12.2007 EVN acquires Bulgaria's 2nd largest district heating plant
- 17.1.2008 79th Annual General Meeting of EVN AG
- 24.1.2008 EVN's waste incineration facility for the City of Moscow commenced normal operation
- 25.1.2008 EVN named the preferred bidder to construct three hydro power plants in Albania
- 28.2.2008 Development of business in the first quarter of 2007/08
- 17.4.2008 EVN stock split in the ratio of 1:4 to be carried out today
- 20.5.2008 Ground-breaking ceremony for constructing the longest district heating pipeline in Austria from Dürnrohr to St. Pölten
- 29.5.2008 Development of business in the first half-year of 2007/08
- 16.7.2008 Cooperation agreement with the Municipality of Amstetten on natural heat
- 18.7.2008 EVN plans to implement a share buyback programme of its own shares
- 28.8.2008 Development of business in the first three quarters of 2007/08

Main EVN AG subsidiaries¹⁾

Energy segment

Generation business unit	100%	EVN Kraftwerks- und Beteiligungsgesellschaft mbH	—49%—	Evonik-EVN Walsum 10 Kraftwerksgesellschaft mbH Construction of a coal fired power plant in Duisburg
	100%	evn naturkraft Erzeugungs- und Verteilungs GmbH Electricity generation from renewable energy sources	—70%—	Wasserkraftwerke Trieb und Krieglach GmbH Hydro power generation
	100%	EVN Liegenschaftsverwaltung Gesellschaft m.b.H. Management of elements of power plant		
Networks business unit	100%	EVN Netz GmbH Operation of electricity and gas networks		
	100%	Utilitas Dienstleistungs- und Beteiligungs GmbH²⁾	—100%—	Kabelsignal AG Cable TV- and Internet services
			—100%—	grafotech Beratungs- und Planungsgesellschaft mbH Digital cartography
Supply business unit	50%	NÖKOM NÖ Telekom Service GmbH Provincial government telecommunications network		
	100%	EVN Energievertrieb GmbH & Co KG Electricity and gas sales to end customers within EnergieAllianz		
	100%	EVN Wärme GmbH Supply of heat, gas, combined cycle heat and power, biogas heat, solar energy and heat pump facilities		
	49%	Fernwärme St. Pölten GmbH Joint venture with St. Pöltener Stadtwerke in district heating business		
	45%	EnergieAllianz Austria GmbH Joint EnergieAllianz partner sales subsidiary	—100%—	Naturkraft Energievertriebsgesellschaft m.b.H. Electricity sales from renewable energy sources
			—100%—	Switch Energievertriebsgesellschaft m.b.H.
	45%	e&t Energie Handelsgesellschaft mbH Joint EnergieAllianz partner energy trading and sourcing company		
South East Europe business unit	15.7%	EconGas GmbH Joint venture of EnergieAllianz partner in gas business with OMV, EGBV and Linz AG		
	67%	EVN Bulgaria EP AD Venture of operation of electricity networks in Bulgaria		
	67%	EVN Bulgaria EC AD Electricity distribution for retail customers in Bulgaria	—100%—	Energy Trading AD Electricity distribution for large customers in Bulgaria
	100%	EVN Trading South East Europe EAD Electricity trading		
	100%	EVN Bulgaria Toplofikatsia EAD District heating company in Bulgaria		
	100%	EVN Bulgaria EAD		
	90%	EVN Macedonia AD Electricity supply in Macedonia		
	100%	EVN Macedonia DOEL Management company		

Environmental Services segment

100%	EVN Wasser GmbH Drinking water supply in Lower Austria
100%	EVN Umweltholding und Betriebs-GmbH Holding for drinking water supply, wastewater and waste incineration services
—100%—	WTE Wassertechnik GmbH, Essen, Germany Drinking water supply and wastewater services ³⁾
—100%—	AVN Abfallverwertung Niederösterreich GmbH Waste incineration in Lower Austria
—99%—	EVN Projektgesellschaft MVA3 mbH Waste incineration in Moscow

Strategic Investments and Other Business

12.8%	Österreichische Elektrizitätswirtschafts-Aktiengesellschaft (Verbund) Power generation, trading and distribution
72.3%	Burgenland Holding Aktiengesellschaft Regional electricity and gas supply
—49%—	Burgenländische Elektrizitätswirtschafts-Aktiengesellschaft (BEWAG) Electricity supply
—49%—	Burgenländische Erdgasversorgungs-Aktiengesellschaft (BEGAS) Gas supply
50.05%	RAG-Beteiligungs-Aktiengesellschaft Oil and gas exploration and gas storage
—75%—	Rohöl-Aufsuchungs Aktiengesellschaft
100%	Utilitas Dienstleistungs- und Beteiligungs-Gesellschaft Technical services
—50%—	Allplan Gesellschaft m.b.H. Building utility, energy and environmental engineering
—49.95%—	EESU Holding GmbH⁴⁾
—100%—	EVN Business Service GmbH
—100%—	first facility GmbH Facility management
—100%—	V&C GmbH Cathodic corrosion protection
100%	EVN Finanzmanagement und Vermietungs GmbH Group financing
—100%—	EVN Finanzservice GmbH

Status: September 30, 2008. The main operative companies and Group holding companies are shown. Interests in %.

1) EVN AG mainly encompasses thermal power stations.

2) Utilitas services are integrated in the Strategic Investments and Other Business segment.

3) The investments of WTE Wassertechnik GmbH are project and operating companies in Central and Eastern Europe.

4) Holds a 25.0% stake in Rohöl-Aufsuchungs Aktiengesellschaft.

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EVN Online Annual Report 2007/08

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Financial calendar 2008/09¹⁾

80 th AGM	15.1.2009
Ex-dividend day	20.1.2009
Dividend payment	27.1.2009
Results Q1 2008/09	26.2.2009
Results H1 2008/09	28.5.2009
Results Q1–3 2008/09	28.8.2009
Annual results 2008/09	10.12.2009

1) preliminary

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