



EVN Presentation

EEl Conference

London, March 16, 2009



EVN's strategy

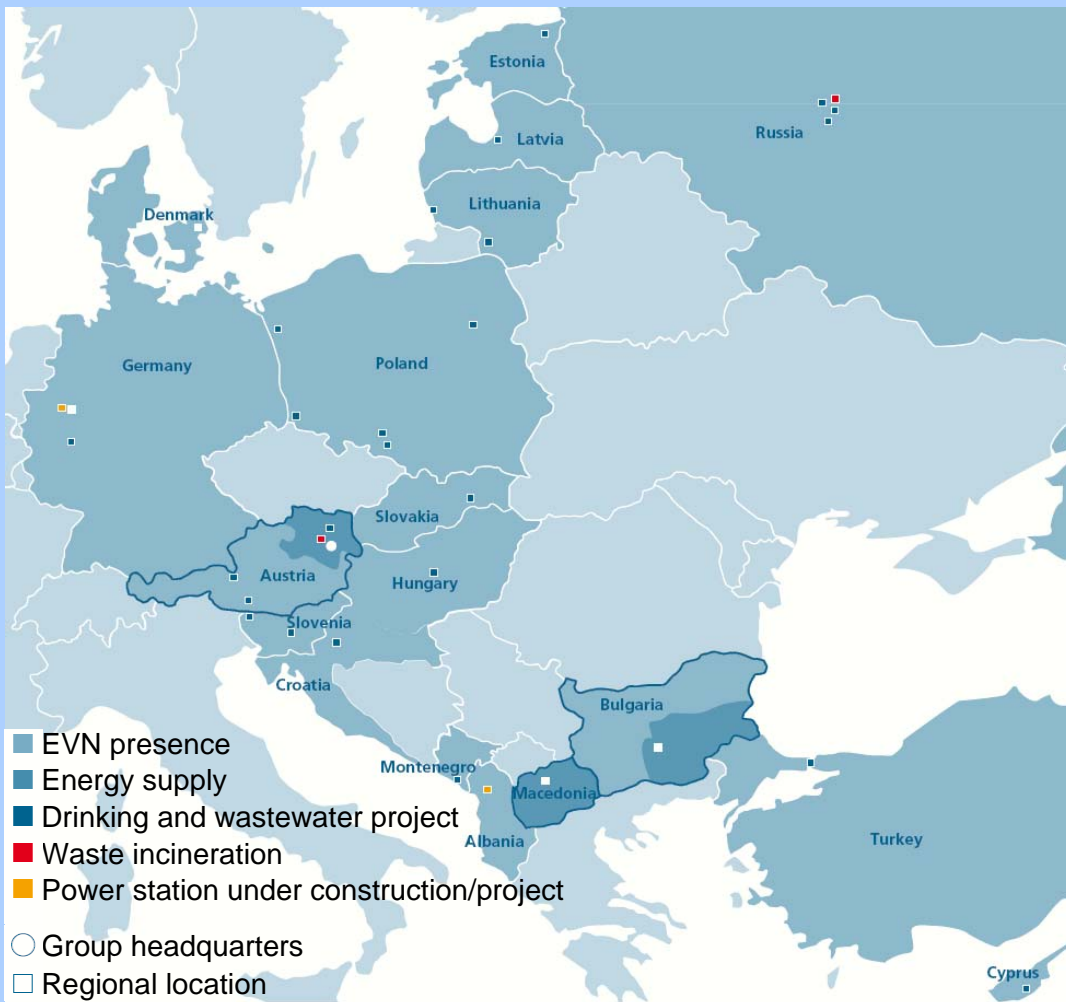
Growth perspectives

Financial update and outlook

Company profile – fact sheet 2007/08

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	9,342 (–2.0%) thereof ~ 75% in abroad
Revenue	2,397.0 EUR m (+7.3%)
EBITDA	362.3 EUR m (+3.3%)
EBIT	166.6 EUR m (–15.6%)
Net results	186.9 EUR m (–17.7%)
Credit Rating	Moody's: A1, stable Standard & Poor's: A, negative

EVN currently active in 18 CEE countries



Highlights

Energy supply

- > About 1 m electricity, gas, heat and water 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

- > 127,294 km electricity networks, 10,650 km gas pipelines and 540 km heating networks

Environmental services

- > Waste incineration plants of 300,000 tons p.a. in Lower Austria, 360,000 tons p.a. in Moscow
- > More than 80 drinking and waste water plants for more than 10 m people

EVN's strategy – Multi-service utility

- > „Two-pillar“ strategy – focus on the Energy and Environmental Services segments
- > Organic growth with a regional focus on Central and Eastern Europe
- > Clear-cut orientation to fulfil capital market requirements, transparency, strong financials and a solid dividend policy
- > Sustainability at the basis for the company's activities

Focus on Energy and Environmental Services

Traditional EVN core activities ...

> Energy

> Generation

> Networks

> Supply

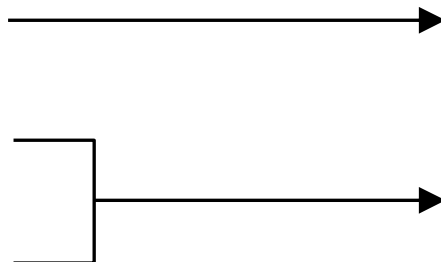
... complemented by related infrastructure and environmental services

> Environment

> Waste incineration

> Drinking water

> Waste water

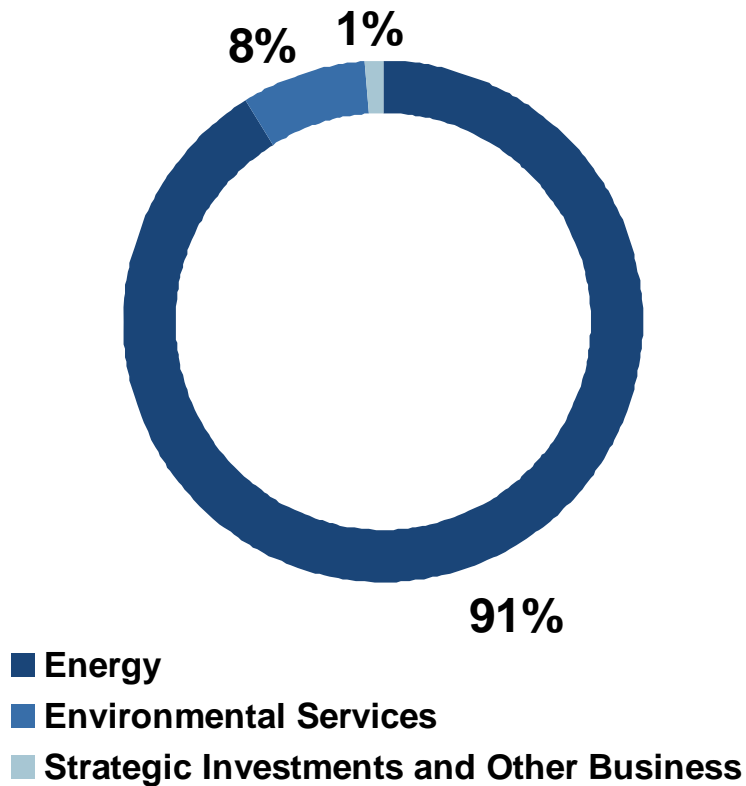


> Benefit from strategic advantages:

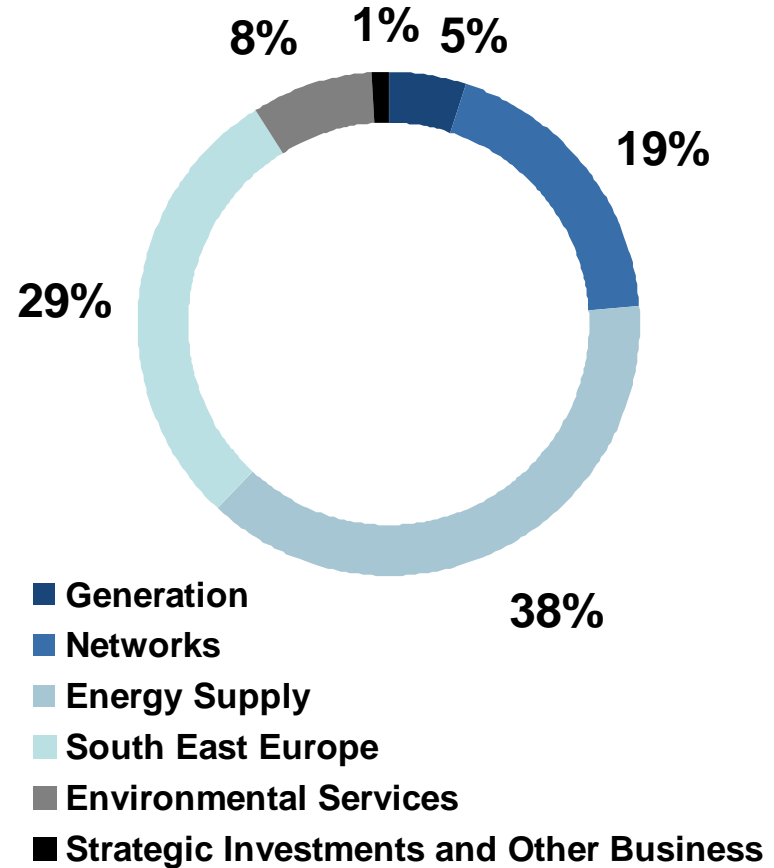
- > Common customer basis („one-stop shop“)
- > Know-how-transfer primarily in generation and networks
- > Regional synergies in operation and supply (currently mainly in Austria)
- > Benefit from administrative functions of head office for non-domestic activities
- > Optimisation of financial resources

Diversification led to growth and risk reduction

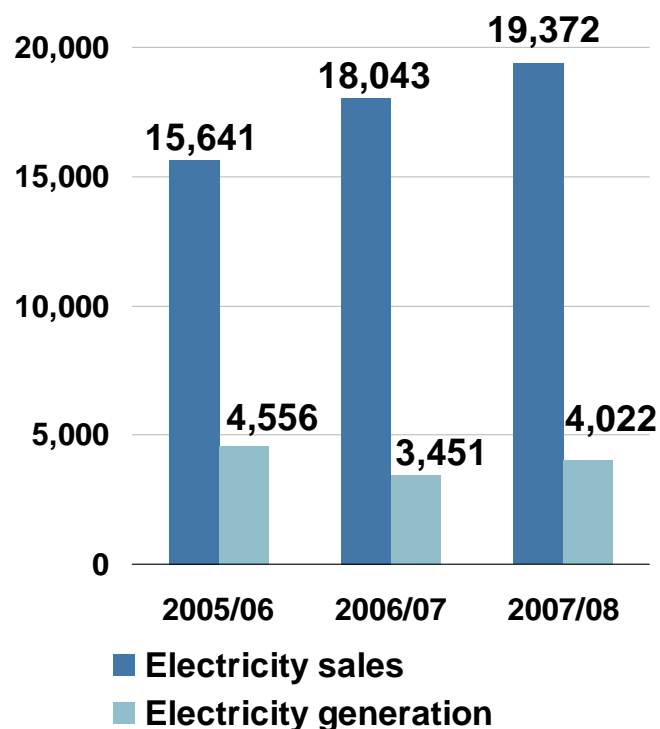
Revenue by segments



Revenue by business units



Electricity sales and generation



- > Weather related increase of sales volumes: +7.4%
- > Adjustment of electricity production according to market prices
- > First inclusion of thermal production capacities in South-eastern Europe (District heating plant in Plovdiv)
- > Coverage ratio of the Group increased from 19.1% to 20.8%
- > Coverage ratio excl. Bulgaria and Macedonia from 55.9% to 60.9%
- > Mid-term target: increase of coverage ratio to min. 40%



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Growth areas – Electricity generation



- > 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
- > Production: 2010

Growth areas: Bulgaria and Macedonia



EVN's strategy:

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

> EVN assets:

- Network operator / supplier
- District heating plant in Bulgaria
- Hydro power plants in Macedonia

> **Bulgaria:** Fully liberalised electricity market starting on July 2007 → fully negotiable prices versus long-term electricity supply agreements and limited generation capacities

> **Macedonia:** Single-buyer model, some eligible customers, electricity prices amount to only one-third of the level in WE

> Electricity prices amount to only 30-50% of the Western European level

Growth areas: Albania



EVN's strategy:

- > Electricity production to supply EVN's 2.6 m customers in South-eastern Europe
- > Electricity sale not limited to Albania → electricity bottleneck in the whole region

- > GDP growth:
 - 2008: 6.1%
 - 2009-11e: 3.0 – 6.0%
- > Bottlenecks in electricity generation
- > Electricity generation covers only two-third of the electricity sales volumes
- > Majority of the electricity production in this area: base-load
- > Current energy production represents only one-third of total hydro power potential

Growth areas – Electricity generation



- > Concession for three large hydro power plants on the River Devoll in Albania
- > Capacity: 340 MW
- > Electricity production: 1,000 GWh p.a.
- > Investment: EUR 950m
- > 50-50% joint venture with Statkraft

Growth areas – Environm. Services Segment



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

Growth areas – Environm. Services Segment



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

Growth areas – Environm. Services Segment

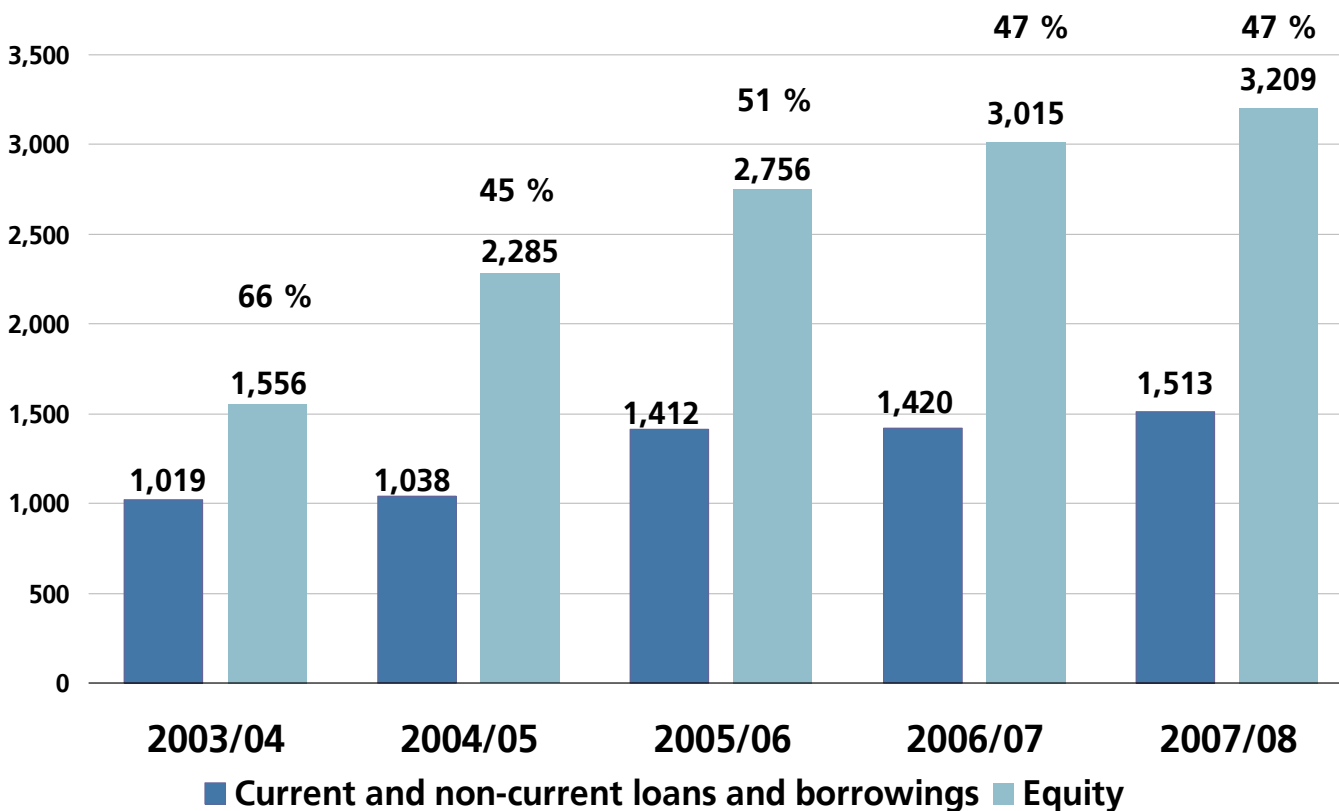


- > Ataköy/Istanbul:
wastewater treatment
plant
- > Turn-key project and
5-year operation
- > Capacity:
~ 2 m inhabitants
- > Start of operation:
2011
- > Investment:
EUR 108.5m

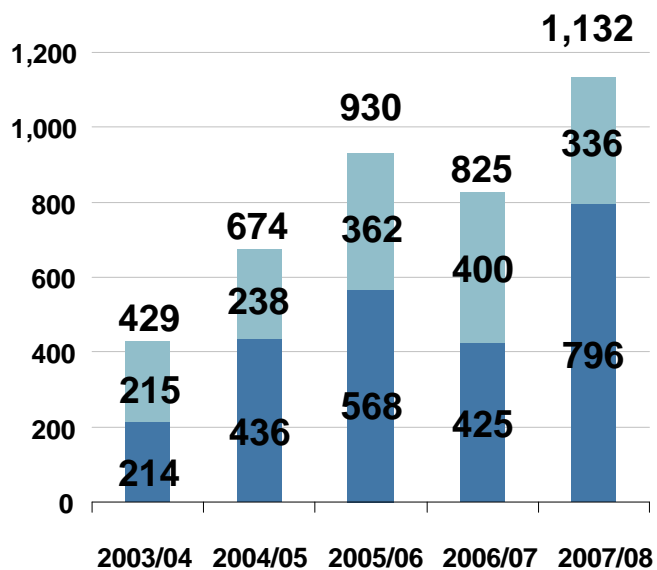
Strategic plans and targets

- > Energy segment
 - Integration of electricity, gas and heating in EVN's foreign business activities
 - Vertical integration along the value chain, generation
 - Leading market position in all markets
 - Organic growth and acquisitions
- > Environmental Services segment
 - Comprehensive services
 - New markets in the CEE region

Growth while keeping financial strength (EUR m)



Development of net debt (EUR m)



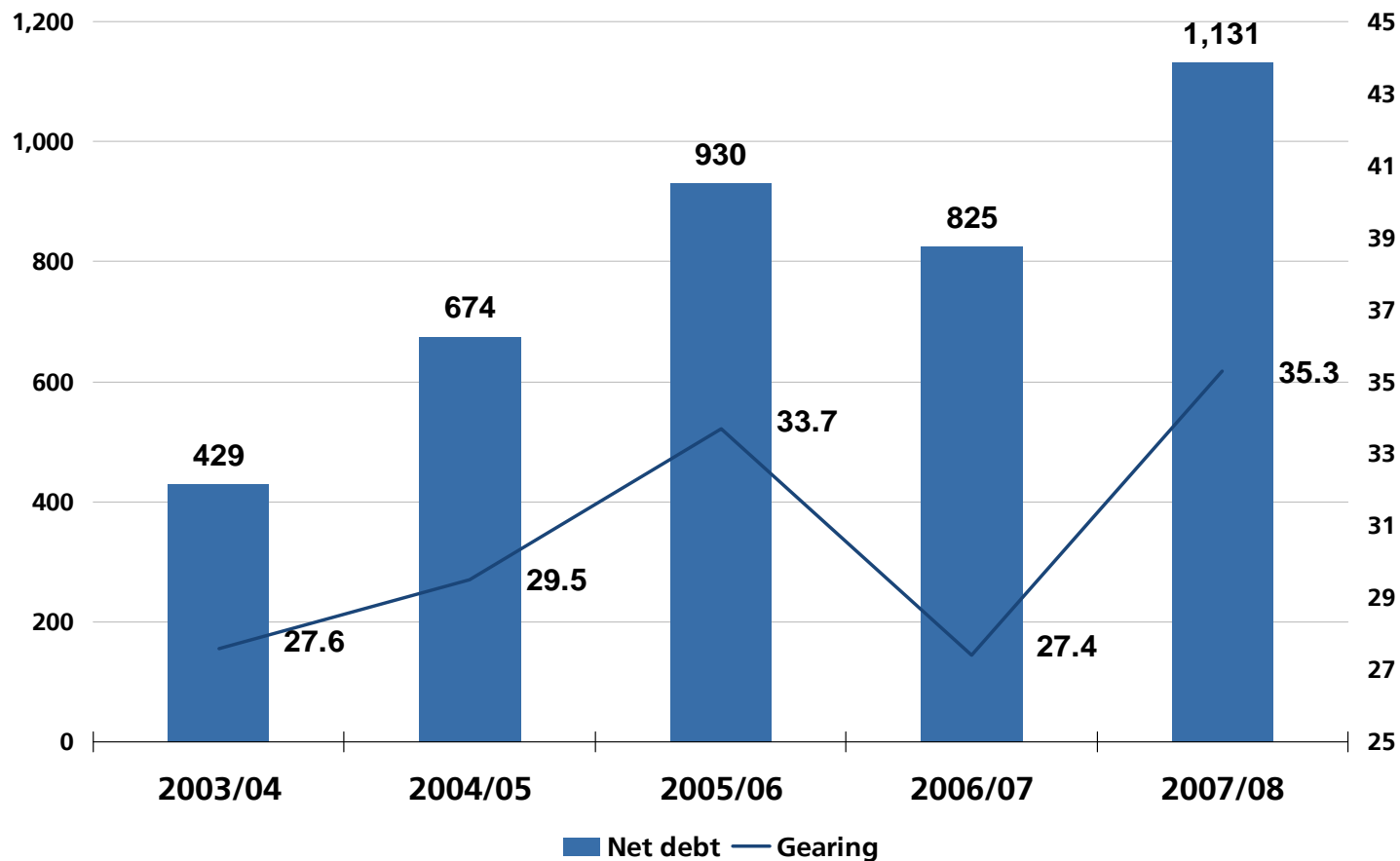
■ Non-recourse liabilities
■ Net debt excl. non-recourse liabilities

Financial assets available for sale



Net debt easily covered by financial assets

Net debt and Gearing (EUR m, %)





EVN's strategy

Growth perspectives

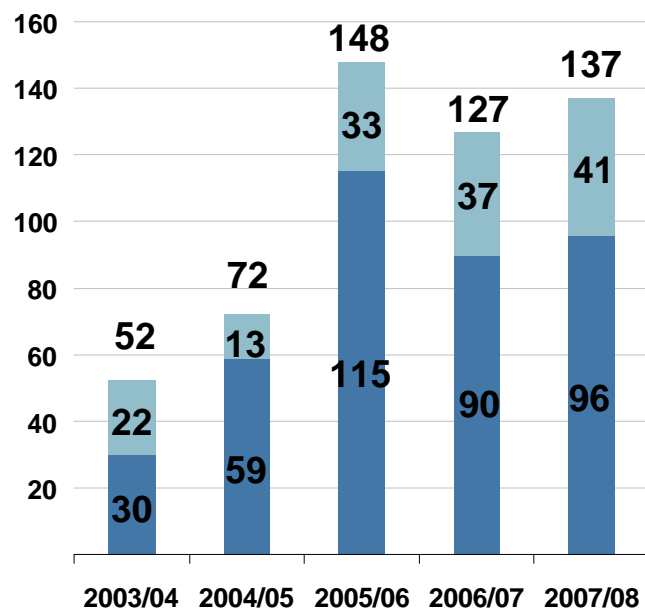
Financial update and outlook

Financial highlights 2007/08

EUR m	2007/08	Change %
Revenue	2,397.0	7.3
EBITDA	362.3	3.3
EBIT	166.6	-15.6
Financial result	68.9	-23.6
Group net profit	186.9	-17.7
Operating Cash flow	382.6	11.6
EUR		
Earning per share	1.14	-17.7
Dividend per share	0.37	-

- > Higher revenues in Energy segment, decrease in revenues in Environmental Services segment
- > EBITDA above, EBIT – due to higher amortisation and depreciation – below last year's level
- > Despite better results from investments, financial results, due to financial crisis, below the level of the previous year
- > Despite of a decrease in profit dividends at a constant level

Strategic investments (EUR m)



■ Income from other investments
■ Income from at equity investments

> Income from at equity:

- Income from RAG (before Minority interests) increased from EUR 45.5m to EUR 83.0m due to earnings improvement and and increase in shareholding

> Income from other investments:

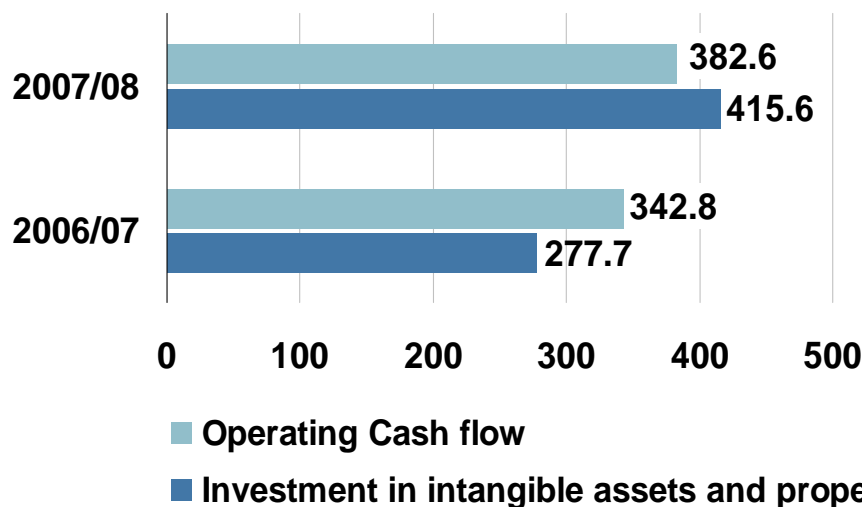
- Increase of dividends from Verbundgesellschaft from EUR 28.9m to EUR 35.6m

> One-off effect 2006/07:

- ~ EUR 6m

Cash Flow

EUR m	2007/08	Change %
Gross cash flow	426.7	3.5
Operating CF	382.6	11.6
CF from investments	-326.8	-10.7
CF from financing	-16.0	-

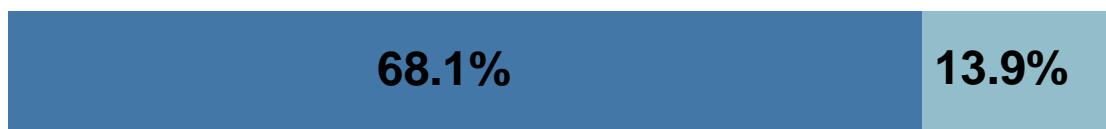


- > Higher gross cash flow despite the reduced profit before income tax
 - Higher depreciation and amortisation
 - Higher non-cash items in financial results due to financial crises
- > Higher operating CF
 - Lower increase in working capital
- > Higher CF from investments due to acquisition of TEZ Plovdiv and Fernwärme St. Pölten, increased stake in RAG, financing partly by the sale of securities

Balance sheet

EUR m	2007/08	Change %	
Balance sheet total	6,636.3	6.0	> Increase of balance sheet total
Equity	3,208.5	6.4	- Higher investments
Net debt	1,131.3	37.1	- Acquisition of TEZ Plovdiv
Equity ratio (%)	48.3	0.2p	- Increase of RAG stake
Gearing (%)	35.3	7.9p	- Increase in value of investment in Verbund

> Increase in net debt, Gearing remained under sector average



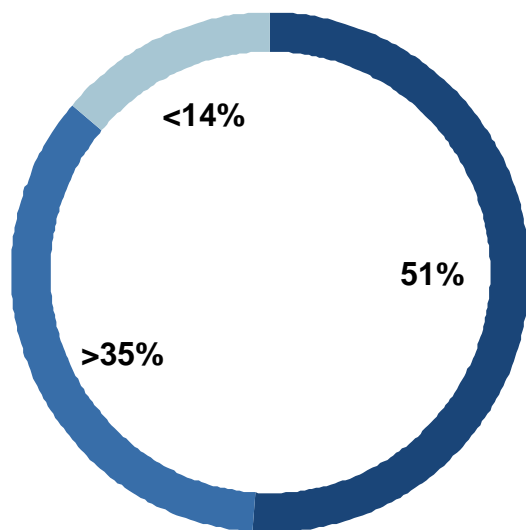
■ Non-current assets ■ Current assets



■ Equity ■ Non-current liabilities ■ Current liabilities

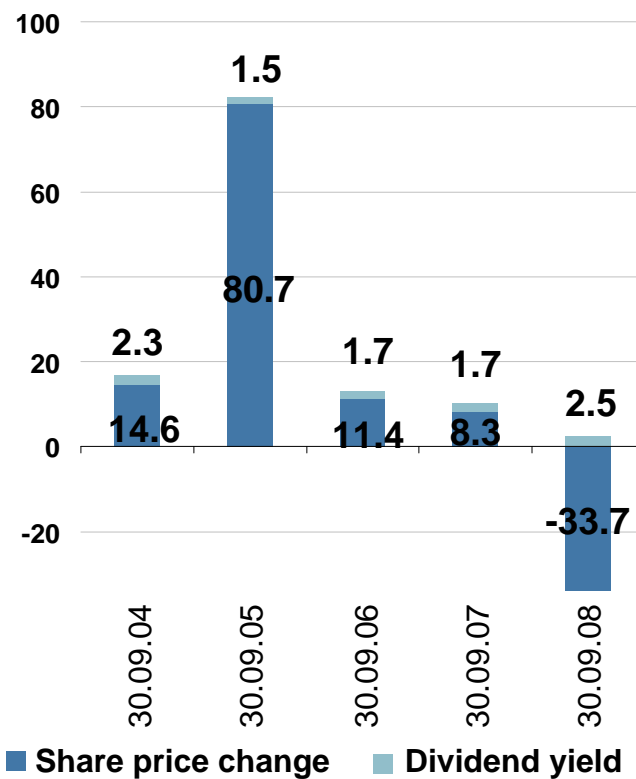
Shareholders' structure and TSR

Shareholders' structure



- NÖ Landesbeteiligungs Holding GmbH
- EnBW Energie Baden-Württemberg
- Free float

Total Shareholder Return in %



TSR = 10.4 % p.a. since IPO 1989

Outlook 2008/09

Revenue

Increase in revenue of energy segment as well as environmental services segment due to new projects

EBIT, Financial result, Net profit

Largely stable operating result, however, lower profit contribution from investments due to price decline of primary energy are expected;
Negative development in the valuation of the financial assets

Investments

Focus on electricity generation (renewables);
Investments for networks reliability and expansion in Lower Austria;
Upgrading of networks in South-eastern Europe



Q and A

Financial calendar 2008/09¹⁾

- > Results HY. 1 2008/09 May 28, 2009
- > Results Q. 1–3 2008/09 August 27, 2009
- > Annual results 2008/09 December 10, 2009

1) Preliminary

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No assurance can be given that these forward-looking statements will prove accurate and correct, or that anticipated, projected future results will be achieved.

For additional information regarding risks, investors are referred to EVN’s latest annual report.