

1st Half-Year 2008/09 Results Conference Call

May 28, 2009



Highlights in HY. 1 2008/09

- > Positive revenue and EBIT development despite earnings decline in Energy supply
- > Lower income from investments in associates resulting from the price decline for primary energy
- > Group net profit below previous year's level
- > Successful corporate bond issues, optimisation of financial structure
- > Outlook for the current financial year confirmed
- > Ratification of concession agreement for constructing three hydropower storage plants in Albania

Financial highlights HY. 1 2008/09

EUR m	2008/09 HY. 1	Change %	
Revenue	1,615.6	18.4	> Increase in revenue and earnings in the Energy and Environmental Services segment
EBITDA	277.3	5.8	> Higher sales volumes and higher prices to partially compensate the higher energy procurement prices in Energy segment as well as new projects in Environmental Services segment
EBIT	184.0	7.8	> EBIT above last year's level
Financial results	31.3	-49.5	> Financial results decreased significantly, as a result of lower income from investments and negative valuation effects due to the financial crisis
Group net profit	168.8	-10.0	> Decline in group net profit
Gross cash value	241.0	-13.6	> Gross cash value below last year's level due to lower profit before income tax and lower non-cash items in the financial results
EUR			
Earnings per share	1.03	-10.0	

Energy segment

EUR m	2008/09 HY. 1	Change %
Revenue	1,503.5	17.8
EBITDA	267.9	4.7
EBIT	182.0	5.8
Financial results	-19.4	-33.6
Profit before income tax	162.6	3.2
Investments	122.7	-24.9

- > Sales volumes:
 - Electricity: +4.3%
 - Gas: +0.4%
 - Heating: +26.2%
- > Electricity generation below last year's level
- > Price adjustments for electricity and gas in Austria partially compensate for increased procurement costs
- > EBIT-improvement in Generation, Networks and South East Europe business units more than compensated for EBIT-decline in Supply
- > First full-time consolidation of the Bulgarian district heating plant TEZ Plovdiv

Generation business unit

EUR m	2008/09 HY. 1	Change %
Revenue	71.8	7.2
EBIT	36.3	11.0
Profit before income tax	32.2	11.4
Investments	18.6	54.0

- > Higher market prices pushed up revenue despite lower volume of electricity generated
- > Lower volume of electricity generated by EVN's own power plants (-10.3%) due to
 - Falling spread between wholesale prices and primary energy prices
 - Disadvantageous water flow conditions compared to previous year
- > Successful long-term marketing strategy → EBIT: +11.0%
- > Increase and diversification of production capacities:
 - Wind park in Bulgaria under construction
 - Ratification of concession agreement in Albania
 - Start-up of a hard coal fired power plant in Duisburg-Walsum in 2010

Energy Supply business unit

EUR m	2008/09 HY. 1	Change %
Revenue	770.1	20.1
EBIT	71.7	-11.5
Profit before income tax	79.4	-10.2
Investments	12.6	-

- > Constant sales volumes in Lower Austria
- > Price adjustment of electricity and gas due to procurement costs increase in the previous period
- > Long-term procurement strategy: forward purchases of electricity and primary energy at historic price levels
- > EBIT decline despite of increase in revenue

Networks business unit

EUR m	2008/09 HY. 1	Change %
Revenue	269.8	1.7
EBIT	69.4	20.4
Profit before income tax	63.0	24.6
Investments	37.6	-34.7

- > Sales volumes:
 - Electricity: +0.3%
 - Gas: -2.7%
- > Network tariffs on basis of incentive regulatory system as of January 2009:
 - Electricity: +1.0%
 - Gas: +7.0%
- > Network revenues (electricity and gas):
 - +2.7% to EUR 225.9m
- > Initial consolidation of the Burgenland-based cable network operator B.net including Dataservice
- > Increase in gross margin and decline in maintenance expenses
→ EBIT-improvement

South East Europe business unit

EUR m	2008/09 HY. 1	Change %
Revenue	494.5	22.2
EBIT	4.6	-
Profit before income tax	-12.0	-16.0
Investments	53.9	-42.5

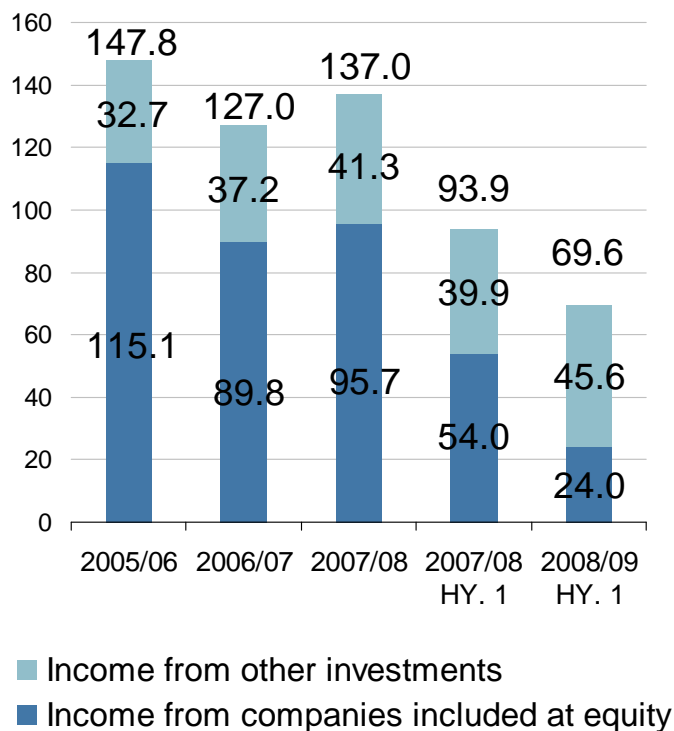
- > Electricity sales volumes:
 - Bulgaria: +1.6%
 - Macedonia: +9.7%
- > First full-time consolidation of district heating company TEZ Povdiv
- > EBIT-improvement by EUR 3.9m despite of negative effects of the unfavourable tariff rate decisions made by the Bulgarian and Macedonian regulatory authorities
- > Decrease in investments by EUR 40m to EUR 54m
 - Finalisation of meter-change program in Bulgaria
 - Revitalisation of the small hydro-power plants in Macedonia finished

Environmental Services segment

EUR m	2008/09 HY. 1	Change %
Revenue	101.2	33.5
EBITDA	14.5	62.3
EBIT	7.4	-
Financial results	3.5	-42.0
Profit before income tax	10.9	37.8
Investments	31.7	50.5

- > New projects under construction generated higher revenue contributions
- > Increase in EBIT from EUR 1.8m to EUR 7.4m
- > Financial results burdened by lower contributions from ZOV in Zagreb, Croatia, as well as negative currency effects
- > Start-up of combined cycle heat and power plants in Kurjanovo, Moscow
- > New projects acquired in HY. 1 2008/09
 - Sludge treatment plant in Lithuania
 - Seawater desalination plant in Cyprus

Income from strategic investments (EUR m)



> Income from companies included at equity:

- Income from RAG (before minority interests) decreased from EUR 40.5m to EUR 21.9m due to oil and gas price decline
- Decline in income from BEWAG and BEGAS from EUR 3.4m to -EUR 5.9m, due to depreciation of financial assets

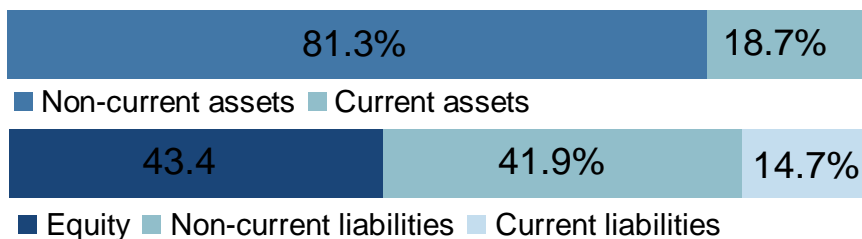
> Income from other investments:

- Increase of dividends from Verbundgesellschaft from EUR 35.6m to EUR 42.1m (+18.2%)

Balance sheet

EUR m	2008/09 HY. 1	Change % ¹⁾
Balance sheet total	6,511.4	-1.9
Equity	2,828.4	-11.8
Net debt	1,526.2	34.9
Equity ratio (%)	43.4	-4.9p
Gearing (%)	54.0	18.7p

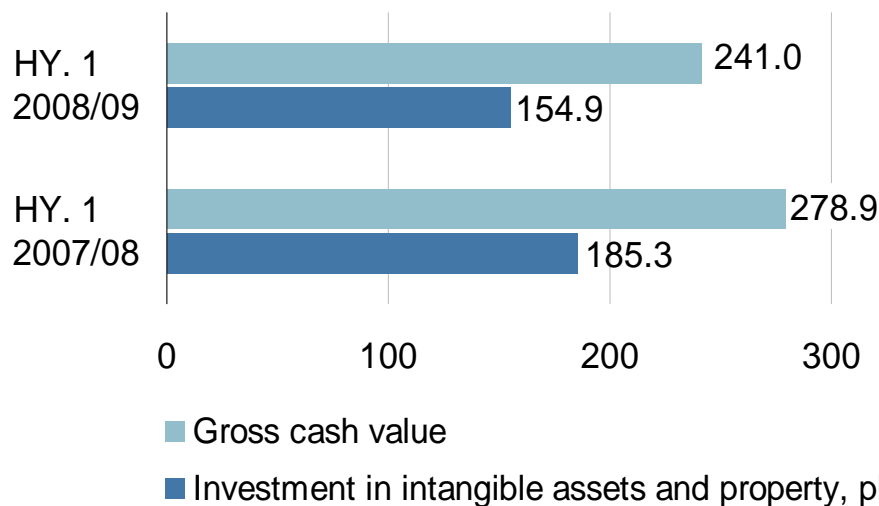
1) compared to 30.9.2008



- > Decrease of balance sheet total
 - Decrease in market value of the shareholding in Verbundgesellschaft
 - Investments below last year's level
 - Lower Group net profit
- > Increase in net debt and gearing
- > Issuing of four corporate bonds with a total volume of EUR 327.0m
- > Sufficient liquidity reserves to finance business operation development
- > Financing structure at matched maturities

Cash Flow

EUR m	2008/09 HY. 1	Change %
Gross cash value	241.0	-13.6
Operating CF	-82.2	-
CF from investments	-145.5	14.6
CF from financing	214.8	-



- > Lower gross cash value
 - Lower profit before income tax
 - Lower non-cash items in the financial results
 - Slightly higher depreciation and amortisation
- > Decline of operating CF
 - Seasonally-related significant rise in receivables as well as inventories → higher working capital
- > CF from investment
 - Acquisition of B.net and Dataservice
 - Increase in EVN's stake in EconGas
 - Ongoing investments

Outlook 2008/09

Revenue

Increase in revenue of energy segment as well as Environmental Services segment despite negative effects of financial and economic crisis

EBIT

Largely stable operating result, excluded any potential negative consequences resulting from political and regulatory risks

Financial results

Lower profit contribution from investments due to price decline of primary energy

Net profit

Below last year's level

Investments

In principal, continuation of investment policy despite economic crisis

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