

Conference Call EVN - Annual Results 2008/09

Financial highlights 2008/09

EUR m	2008/09	Change %
Revenue	2,727.0	13.8
EBITDA	373.4	3.1
EBIT	175.2	5.2
Financial result	50.8	-26.2
Group net profit	177.9	-4.8
Gross cash value	445.1	4.3
EUR		
Earnings per share	1.09	-4.8
Dividend per share	0.37 ¹⁾	-

- > Increase in revenue and operating result
- > 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
- > EBITDA and EBIT above last year's level
- > Financial results decreased significantly, as a result of lower income from investments
- > Slight decline in net profit
- > Gross cash value above the last year's level
- > Despite the slight decline in net profit, dividend proposal to AGM of EUR 0.37 remain on the last year's level

1) Proposal to the AGM

Milestones in 2008/09

- > District heating transmission pipeline to St. Pölten completed
- > Start of construction of the trans-regional gas transport pipeline "Südschiene" in Lower Austria
- > Takeover of the cable network operator B.net in Burgenland
- > Hard coal fired power plant in Duisburg-Walsum before start-up
- > Ground-breaking ceremony for the construction of three hydropower storage plants in Albania
- > Concession to distribute and supply natural gas on the Croatian Adriatic coast
- > Strong business performance in the Environmental Services segment, expansion in the Baltic region, new contract in Montenegro

Energy segment

EUR m	2008/09	Change %
Revenue	2,459.3	12.7
EBITDA	341.7	1.7
EBIT	158.7	2.3
Financial result	-35.5	-14.2
Profit before income tax	123.3	-0.7
Investments	362.2	4.6

- > Higher electricity sales volumes, weather related decline in gas and massive increase of heat sales volumes
 - Electricity: +0.9%
 - Gas -9,7%
 - Heating +15.7%
- > Decline in electricity generation
- > Price adjustments for electricity in Austria, Bulgaria and Macedonia and gas price increase in Austria partially compensate for increased procurement costs
- > First full-time consolidation of the Bulgarian district heating plant TEZ Plovdiv
- > EBIT-improvement in Generation and Networks business units more than compensated for EBIT-decline in Supply and South East Europe

Generation business unit

EUR m	2008/09	Change %
Revenue	146.1	17.3
EBIT	62.9	31.5
Profit before income tax	56.4	29.3
Investments	63.4	96.2

- > Falling spread between wholesale prices and primary energy prices
- > Despite lower volume of electricity generated by EVN's own power plants (-13.6%) higher market prices from the previous year → higher revenue
- > Higher primary energy and personnel expenses vs. decline in other operating expenses → EBIT: +31.5%
- > Increase and diversification of production capacities:
 - Ratification of the concession agreement in Albania and ground-breaking ceremony
 - Start-up of a hard coal fired power plant in Duisburg-Walsum in 2010
 - Wind park and photovoltaic capacity under construction, evaluation process to construct hydro power plants in Bulgaria

Energy Supply business unit

EUR m	2008/09	Change %
Revenue	1,189.8	19.1
EBIT	22.6	-31.2
Profit before income tax	32.9	-24.7
Investments	32.5	57.6

- > Constant electricity sales volumes in Lower Austria, significant decline in gas and increase in heat volumes
- > 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 increase in sales volumes and revenue as well as price adjustments
- > Investments: district heating transmission pipeline from Dürnröhr to St. Pölten

Networks business unit

EUR m	2008/09	Change %
Revenue	467.9	-1.4
EBIT	66.2	14.0
Profit before income tax	52.4	21.6
Investments	161.5	15.3

- > Declining sales volumes
 - Electricity: -2.1%
 - Gas: -8.8%
- > Network tariffs on basis of incentive regulatory system as of 1.1.2009
 - Electricity: +1.0%
 - Gas: +7.0%
- > Network revenues (electricity, gas)
 - -1.0% to EUR 361.0m
- > Initial consolidation of the Burgenland-based cable network operator B.net
- > Lower maintenance investments and repair expenses as well as a positive one-off effect → EBIT-improvement
- > Investments: to improve the reliability and security of supply and networks expansion, in particular in the gas networks

South East Europe business unit

EUR m	2008/09	Change %
Revenue	878.7	16.5
EBIT	7.1	-57.1
Profit before income tax	-18.4	-
Investments	104.8	-31.6

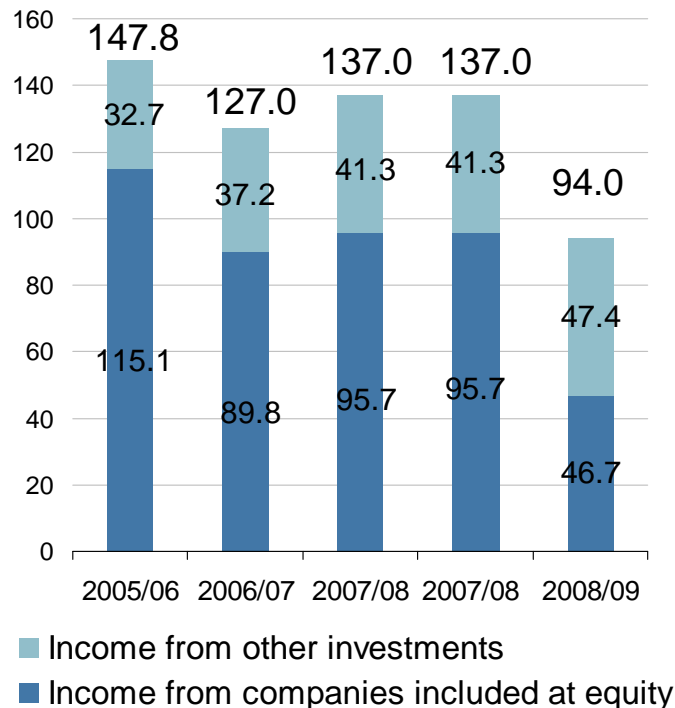
- > Electricity sales volumes
 - Bulgaria: -1.1%
 - Macedonia: +5.3%
- > Price effects: slight but unsatisfactory sale price adjustments in Bulgaria and Macedonia
- > EBIT decline due to increase of electricity purchases and primary energy expenses, higher personnel expenses and write-offs of receivables
- > Decrease in investments by EUR 48.3m to EUR 104.8m
 - Finalisation of meter-change program in Bulgaria
 - Revitalisation of the small hydro-power plants in Macedonia finished

Environmental Services segment

EUR m	2008/09	Change %
Revenue	236.1	27.9
EBITDA	42.0	6.1
EBIT	27.5	8.5
Financial result	17.5	-2.4
Profit before income tax	45.1	4.0
Investments	67.4	-0.6

- > New projects under construction generated higher revenue contributions
- > Increase in EBIT from EUR 25.4m to EUR 27.5m
- > Financial results slightly below the previous year's level
- > Completed projects:
 - Combined cycle heat and power plants in Moscow
 - Sludge treatment facility in Estonia
 - Wastewater treatment plant in Lithuania
- > New projects acquired in 2008/09
 - Sludge treatment plant in Lithuania
 - Complex sewage disposal system in Montenegro

Income from strategic investments (EUR m)



> 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 9.5m roughly on last year's level
- Income from BEWAG and BEGAS of -EUR 3.4m below last year's level

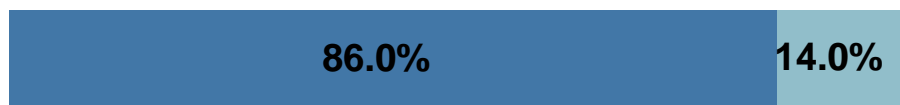
> Income from other investments

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

Balance sheet

EUR m	2008/09	Change %
Balance sheet total	6,695.4	0.9
Equity	3,127.2	-2.5
Net debt	1,378.2	21.8
Equity ratio (%)	46.7	-1.6p
Gearing (%)	44.1	8.8p

- > Balance sheet total stable
 - Investments on last year's level
 - Decrease in market value of the shareholding in Verbundgesellschaft
 - Increase of non-current loans and borrowings
- > Increase in net debt and Gearing
- > Issue of corporate bonds with a total volume of EUR 470.0m
- > Sufficient liquidity reserves to finance business operation development
- > Financing structure at matched maturities



■ Non-current assets ■ Current assets

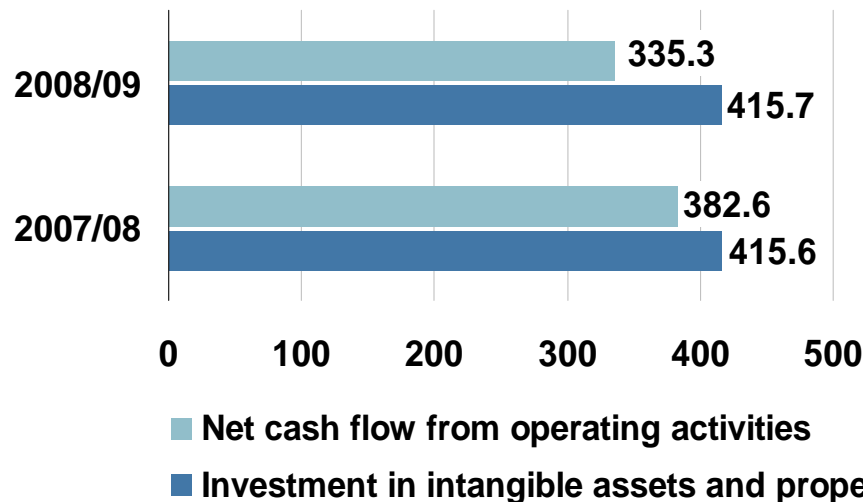


■ Equity ■ Non-current liabilities ■ Current liabilities

Cash Flow

EUR m	2008/09	Change %
Gross cash flow	445.1	4.3
CF from operating act.	335.3	-12.4
CF from investments	-400.4	-22.5
CF from financing	84.3	-

- > Higher gross cash flow despite the reduced profit before income tax
 - Higher non-cash items of income from at equity investments
 - Higher non-current provisions
- > Decline of operating CF
 - Increase in working capital
- > CF from investment
 - Acquisition of B.net
 - Increase in EVN's stake in EconGas
 - Ongoing investments



Outlook

	2008/09	Forecast for 2009/10 vs. 2008/09
Revenue	EUR 2,727.0m	Slightly above the previous year's level
EBIT	EUR 175.2m	At the previous year's
Financial results	EUR 50.8m	At the previous year's
Net profit	EUR 177.9m	At the previous year's
Investments	EUR 415.7m	Continuation of EVN long-term investment policy

Q & A

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