EVN

Letter to Shareholders

Q. 1–3 2013/14

1 October 2013 – 30 June 2014

Highlights

- Change in the scope of consolidation to reflect IFRS requirements
- Energy business negatively affected by price and volume effects and environmental business through a decline in orders processed
- Impairment losses to goodwill and customer bases in Bulgaria and Macedonia as well as recognition of a regulatory liability in Bulgaria
- Outlook 2013/14: negative Group net result for the year; no influence on expected dividend payouts due to non-cash effects

Key figures

		2013/14 Q. 1–3	2012/13 Q. 1–3[1]	+/– in %	2013/14 Q. 3	2012/13 Q. 3[1]	+/– in %	2012/13 9/30/2013[1]
Sales volumes								
Electricity generation volumes	GWh	3,073	2,812	9.3	1,001	780	28.3	3,701
Electricity sales volumes to end customers	GWh	14,923	15,600	–4.3	4,270	4,424	–3.5	20,209
Natural gas sales volumes to end customers	GWh	5,038	5,967	–15.6	661	791	–16.4	6,333
Heat sales volumes to end customers	GWh	1,717	1,779	–3.4	324	342	–5.3	2,062
Statement of operations								
Revenue	EURm	1,514.4	1,657.8	–8.7	347.5	434.4	–20.0	2,113.9
EBITDA	EURm	377.0	490.5	–23.1	35.3	118.3	–70.1	548.5
EBITDA margin	%	24.9	29.6	–15.9	10.2	27.2	–17.1	25.9
Results from operating activities before impairment tests	EURm	186.2	314.3	–40.8	–29.3	60.2	–	310.5
Results from operating activities (EBIT)	EURm	–23.0	306.7	–	–238.1	52.5	–	250.6
EBIT margin	%	–1.5	18.5	–20.0	–68.5	12.1	–80.6	11.9
Result before income tax	EURm	–32.8	251.7	–	–257.4	27.0	–	179.2
Group net result	EURm	–44.7	170.2	–	–223.4	16.9	–	115.7
Earnings per share	EUR	–0.25	0.95	–	–1.26	0.09	–	0.65
Statement of financial position								
Balance sheet total	EURm	7,046.4	7,098.3	–0.7	7,046.4	7,098.3	–0.7	7,300.2
Equity	EURm	2,852.9	3,055.0	–6.6	2,852.9	3,055.0	–6.6	3,089.4
Equity ratio	%	40.5	43.0	–2.6	40.5	43.0	–2.6	42.3
Net debt	EURm	1,642.6	1,839.4	–10.7	1,642.6	1,839.4	–10.7	1,809.6
Gearing	%	57.6	60.2	–2.6	57.6	60.2	–2.6	58.6
Cash flow and investments								
Gross cash flow	EURm	349.3	493.5	–29.2	32.4	114.6	–71.7	545.7
Net cash flow from operating activities	EURm	367.2	392.5	–6.6	36.3	231.2	–84.3	570.3
Investments[2]	EURm	249.0	223.4	11.4	77.3	77.1	0.2	372.9
Employees	Ø	7,336	7,450	–1.5	7,371	7,487	–1.6	7,445

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 24).
2) In intangible assets and property, plant and equipment

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Statement by the Executive Board

Dear Shareholders,

Based on our commitment to transparency, we would like to begin this report on the first three quarters of 2013/14 with an important note: EVN's scope of consolidation was adjusted to reflect a change in the requirements of International Financial Reporting Standards (IFRS). EVN applied the new standards for the first time as of 30 June 2014 in order to report the resulting effects on a timely basis. The major changes involve the inclusion of the project company Steag-EVN Walsum 10 Kraftwerksgesellschaft mbH as a line-by-line consolidated company and the inclusion of EVN Energievertrieb GmbH & Co KG and the EnergieAllianz Austria Group at equity. In addition, the share of results from equity accounted investees with operational nature is now reported under the results from operating activities (EBIT). We used these changes as an opportunity to also report the at equity results of other companies belonging to our core business under the results from operating activities.

Earnings for the first three quarters of 2013/14 were influenced by the mild temperatures in our supply area, impairment losses recognised to goodwill and customer bases in the Macedonian and Bulgarian companies and the recognition of a regulatory liability in Bulgaria. Revenue fell by 8.7% to EUR 1,514.4m and EBITDA by 23.1% to EUR 377.0m. Earnings before impairment losses, which resulted above all from the above-mentioned impairment losses to goodwill and customer bases, amounted to EUR 186.2m. After the inclusion of these effects, EBIT equalled EUR –23.0m. Despite the improvement in financial results, Group net result fell from EUR 170.2m to EUR –44.7m.

The protection of supply security in Lower Austria is a key objective for EVN and is reflected in numerous projects. We set an important milestone with the filling of the final section of the 143 km Westschiene natural gas transport pipeline, which completed a direct connection to the Rohöl-Aufsuchungs AG natural gas storage facility in Upper Austria. Investments in the electricity area focused on the expansion of network infrastructure to keep pace with the rapid increase in the generation from renewable energy sources throughout the network region. The 110 kV network was extended to transport the rising feed-in of wind energy; for example, sections of the network in Bruck an der Leitha and Poysdorf were commissioned during July 2014.

The end customer price for electricity will be reduced within the framework of EnergieAllianz Austria by the EVN supply company as of 1 October 2014. This will lower the energy price by 10.0% for an average household of Lower Austria with a power consumption of 3,500 kWh per year. With this price reduction, EVN is passing on the lower wholesale prices to its customers.

In Bulgaria and Macedonia, decisions by the respective regulatory authority over electricity tariffs led to the full write-off of goodwill and customer bases. The tariff decisions in Bulgaria call for a substantial increase in the electricity purchase price for EVN during the period from 1 July 2014 to 30 June 2015, but include only a slight increase in end customer prices. These decisions also apply a tariff component which, from an economic point of view, leads to the repayment of revenue from previous regulation periods. In Macedonia, the increase in network tariffs was lower than expected and excluded cost elements expected from the next planned stage of market liberalisation beginning on 1 January 2015.

Projects in the environmental business included the commissioning of the Mia Milia/Haspolat wastewater purification plant in the Cypriote capital of Nicosia, which services 270,000 residents. This project also included the construction of plants for sludge treatment and biogas recovery. With regard to the projects in Moscow, discussions with the local institutions continued during the reporting period.

EVN's activities relating to water supply in Lower Austria involved the continuation of construction on natural filter plants in Obersiebenbrunn and Drösing, which should be commissioned in spring and autumn 2015, as well as the plan for construction of a further plant in Zwentendorf. These three natural filter plants will provide spring water quality drinking water for roughly 100,000 residents. The Lower Austrian community of Litschau also joined EVN's cross-regional drinking water supply system in mid-June.

EVN's financial basis was strengthened by the premature refinancing of the syndicated revolving credit facility in July 2014. This EUR 400.0m credit facility was concluded in an attractive market environment and has a term of up to seven years. The rating agencies Moody's and Standard & Poor's confirmed EVN's rating at A3 and BBB+, respectively, while Moody's classified the outlook as negative in July 2014.

Based on the above-mentioned developments, we expect to record a negative Group net result for the 2013/14 financial year. Group net result could also be significantly influenced by the development of the proceedings with the Bulgarian government and progress on the projects in Moscow. The effects of the impairment losses in Bulgaria and Macedonia are non-cash and should therefore have no influence on the dividend payment.

Maria Enzersdorf, August 2014

Peter Layr
Spokesman of the Executive Board

Stefan Szyszkowitz
Member of the Executive Board

Interim management report

Overall business and energy sector environment

GDP growth	%	2015f	2014f	2013	2012	2011
EU-28[1)2)]		1.9–2.0	1.4–1.6	0.1	–0.4	1.6
Austria[2)3)]		1.7–1.9	1.4–1.5	0.3	0.9	2.8
Bulgaria[1)2)4)5)]		2.0–3.5	1.7–2.0	0.9	0.6	1.8
Croatia[1)2)4)6)]		0.4–1.0	0.0–(–0.8)	–1.0	–1.9	0.0
Macedonia[5)6)]		3.4–3.5	3.0–3.2	3.1	–0.4	2.8
Albania[4)5)6)]		3.0–3.3	2.0–2.1	0.4	1.3	3.0

1) Source: "European Economic Forecast, Spring 2014", EU Commission, May 2014
2) Source: "Prognose der Österreichischen Wirtschaft 2014–2015", IHS, June 2014
3) Source: "Prognose für 2014 und 2015: Konjunktur gewinnt nur langsam an Schwung", WIFO, June 2014
4) Source: "Strategie Österreich und CEE 2. Quartal 2014", Raiffeisen Research, July 2014
5) Source: "ECA Economic Outlook", World Bank, June 2014
6) Source: "World Economic Outlook", International Monetary Fund, April 2014

General business environment

The slow economic recovery in the European Union (EU) during the first months of the reporting period was followed by a slightly more optimistic outlook in most of the member states. This is also true for the peripheral countries, even though there are still substantial differences between the regions. Domestic demand has grown stronger, and the labour market has been gradually improving in most of the EU countries. A more confident climate on the labour market and declining uncertainty over future economic developments should also lead to a renewed increase in private consumption. The latest estimates for GDP growth in the EU call for 1.4% to 1.6% in 2014 and 1.9% to 2.0% in 2015.

The Austrian economy started to gain momentum in recent months after a stagnation phase, with exports once again providing positive impulses. The investment climate also brightened due to the improvement in the international business environment and more favourable financing conditions. Moreover, growing optimism over future income perspectives has led to an increase in private consumption. Forecasts for the Austrian economy point to growth of 1.4% to 1.5% in 2014 and 1.7% to 1.9% in 2015.

The past months brought the first signs of economic recovery in a number of South Eastern European countries. One

Key indicators for the energy sector environment		2013/14 Q. 1–3	2012/13 Q. 1–3	+/– in %	2013/14 Q. 3	2012/13 Q. 3	+/– in %
Temperature-related energy demand[1)]	%						
Austria		87.5	107.1	–19.6	92.6	133.2	–40.6
Bulgaria		79.8	88.0	–8.2	55.7	40.2	15.5
Macedonia		89.1	95.1	–6.0	119.7	101.7	18.0
Primary energy and CO_2 certificates							
Crude oil – Brent	EUR/bbl	79.9	82.8	–3.5	79.8	78.4	1.7
Natural gas – NCG[2)]	EUR/MWh	23.7	27.1	–12.5	19.3	26.2	–26.2
Coal – API#2[3)]	EUR/t	60.0	65.1	–8.0	58.6	61.6	–4.8
CO_2 emission certificates	EUR/t	5.1	5.6	–8.1	5.3	4.1	29.5
Electricity – EEX forward market[4)]							
Base load	EUR/MWh	40.0	49.6	–19.4	33.7	42.6	–20.9
Peak load	EUR/MWh	51.2	61.5	–16.8	42.0	51.7	–18.8
Electricity – EPEX spot market[5)]							
Base load	EUR/MWh	34.1	38.8	–12.1	31.2	32.6	–4.2
Peak load	EUR/MWh	43.7	50.2	–13.0	37.2	41.4	–10.2

The values indicated are average values for the period considered.
1) Calculated based on the heating degree total; in Austria, the basis (100%) corresponds to the long-term average value from 1996 to 2010; in Bulgaria, it corresponds to the long-term average value from 2004 to 2012 and in Macedonia it corresponds to the long-term average value from 2001 to 2010; changes reported in percentage points.
2) Net Connect Germany (NCG) – EEX (European Energy Exchange) stock exchange price for natural gas
3) ARA notation (Amsterdam, Rotterdam, Antwerp)
4) Average prices for the respective EEX quarterly forward market prices, beginning one year before the respective reporting period
5) EPEX Spot – European Power Exchange

example is Bulgaria, where exports were the most important growth driver at the beginning of the reporting period. However, recently domestic demand has taken on an increasingly important role in recent months. GDP growth in Bulgaria is expected to equal 1.7% to 2.0% in 2014, and similar momentum is forecasted for 2015 with an increase of 2.0% to 3.5%.

Croatia has been confronted with recession and subdued economic forecasts for six consecutive years. The unfavourable investment climate has had a negative influence on private investment. Domestic demand continues to be weakened by low employment and continuing debt reduction. Croatia has recognised the need for reforms, but their implementation has been too slow. The GDP in Croatia is expected to decline by up to 0.8% in 2014, which should be followed by an increase of 0.4% to 1.0% in 2015.

Economic growth in Macedonia is very dynamic in European comparison. This sound development is driven primarily by booming exports to the EU, above all to Germany, but the increase in private consumption has also played an important role. The economy is expected to grow by up to 3.2% in 2014, and the upward trend should continue in 2015 with an increase of up to 3.5%.

In Albania, the necessary structural reforms have begun. The country was also designated as an official candidate for accession to the EU. Economic growth is expected to reach 2.0% in 2014 and accelerate to a range of 3.0% to 3.3% in 2015.

Energy sector environment

The first three quarters of 2013/14 brought temperatures that were substantially higher than in the previous year in all EVN core markets. The heating degree total in Bulgaria and Macedonia was 8.2 and 6.0 percentage points lower than the already mild prior year temperature level, while Austria recorded a decline of 19.6 percentage points.

The average euro price for Brent crude oil equalled EUR 79.9 per barrel for the reporting period. This represents a decrease of 3.5% below the comparable prior year period and resulted, above all, from the ongoing strength of the euro versus the US dollar. The average EEX price for natural gas was EUR 23.7 per MWh for the first nine months of 2013/14, or 12.5% lower than in the previous year. This decline resulted, above all, from the mild winter in 2013/14 and the resulting oversupply on the spot markets. Weaker demand, which was also attributable to the higher temperatures, triggered a drop of 8.0% in the coal price to EUR 60.6 per tonne. The price for CO_2 emission certificates declined 8.1% year-on-year to EUR 5.1 per tonne in the reporting period. This price has started to stabilise, in particular, due to a reduction of the auction volumes by the EU Commission in January 2014. The reduction involves 900 million CO_2 emission certificates for 2014, 2015 and 2016 and a shift of these certificates to 2019 and 2020 (backloading).

The forward and spot market prices for base load and peak load electricity continued to fall during the reporting period. This decline resulted, above all, from the on-going expansion of renewable energy generation capacity in Austria and Germany as well as lower prices for coal and CO_2 emission certificates. The forward prices applicable to the reporting period fell by 19.4% to EUR 40.0 for base load electricity and by 16.8% to EUR 51.2 per MWh for peak load electricity. In comparison with the first nine months of 2012/13, the spot market prices declined by 12.1% to EUR 34.1 per MWh for base load electricity and by 13.0% to EUR 43.7 per MWh for peak load electricity.

Business development

Consolidated statement of operations

The reporting and description of all key figures and comparative data for the reporting year and prior year include the changes in the scope of consolidation resulting from the initial application of IFRS 10, 11 and 12. The results from equity accounted investees with operational nature are reported under results from operating activities (EBIT) for the first time.

Key figures

- Revenue: –8.7% to EUR 1,514.4m
- EBITDA: –23.1% to EUR 377.0m
- EBIT: EUR –23.0m versus EUR 306.7m
- Financial results: +82.2% to EUR –9.8m
- Group net result: EUR –44.7m versus EUR 170.2m

The EVN Group generated revenue of EUR 1,514.4m in the first three quarters of 2013/14, for a decline of EUR 143.4m, or 8.7%, below the comparable prior year period. Revenue development was negatively influenced by the warmer winter in supply areas and the effects of previous tariff decisions in Bulgaria and Macedonia as well as the regulatory liability recognised in Bulgaria in connection with the 1 July 2014 tariff ruling. In addition, the international project business recorded a decline in orders processed in the international project business.

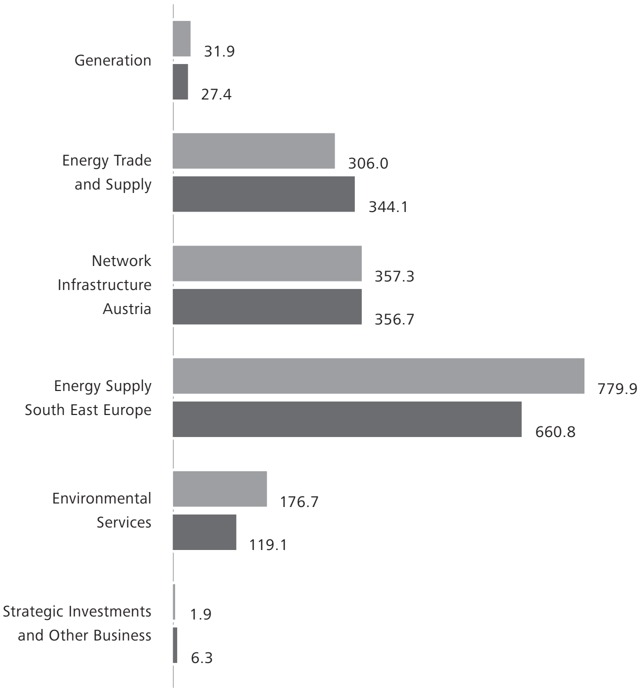
Other operating income fell by EUR 5.2m, or 7.1%, to EUR 68.7m, primarily due to lower changes to work in process.

The cost of electricity purchases from third parties and primary energy expenses amounted to EUR 789.5m for the first

Revenue by segments[1)] Q. 1–3

in EURm

2012/13
2013/14

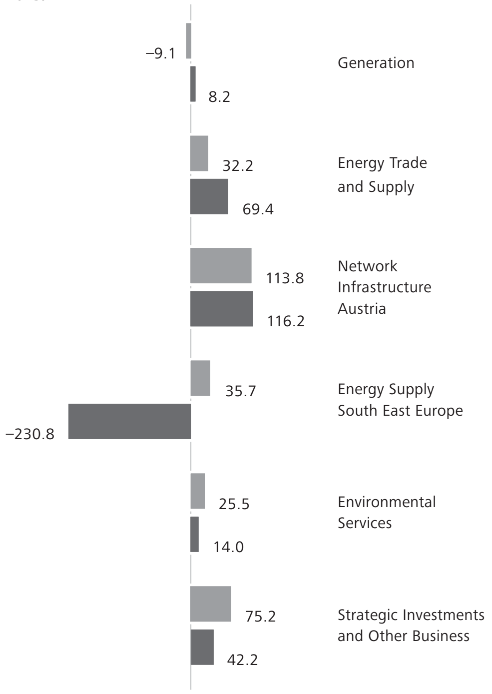


1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 24).

EBIT by segments[1)] Q. 1–3

in EURm

2012/13
2013/14



1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 24).

three quarters and was EUR 25.8m, or 3.4%, higher in year-on-year comparison. This development resulted, above all, from the recognition of provisions for onerous contracts related to the marketing of EVN's own electricity production.

The revenue decline in the international environmental services business was accompanied by a reduction in costs of materials and services, which fell by EUR 45.4m, or 21.1%, to EUR 169.6m.

The average number of employees fell by 114 to 7,336. The workforce increased slightly in Austria, but continued to decline in other countries as a result of further process and organisational optimisation measures. Personnel expenses rose by EUR 8.1m, or 3.6%, to EUR 229.6m, chiefly due to wage and salary adjustments required by collective bargaining agreements.

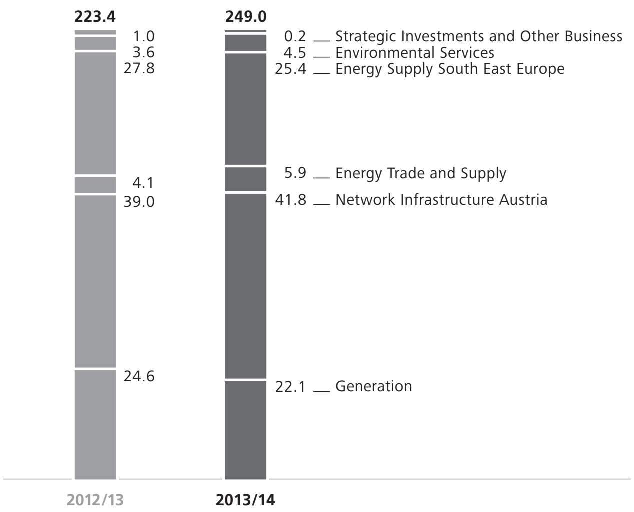
Other operating expenses totalled EUR 126.3m for the reporting period, for a year-on-year decrease of EUR 8.6m or 6.4%.

In connection with the initial application of the new IFRS consolidation standards and the presentation of the results from equity accounted investees with operational nature under the results of operating activities (EBIT), the new reporting position includes EVN Energievertrieb GmbH & Co KG and the Energie-Allianz Austria Group as well as all other companies with an operational nature that were previously consolidated at equity and included under financial results. The share of results from equity accounted investees with operational nature rose by EUR 15.1m, or 16.0%, over the previous year to EUR 108.9m. The absence of the prior year non-recurring effect from the sale of the 50% stake in the Devoll hydropower plant project in Albania and the negative earnings contribution from EconGas were contrasted by the influence of the royalty guideline on Rohöl-Aufsuchungs AG (RAG) which took effect on 1 January 2014.

As a result of the above-mentioned developments, EBITDA fell by EUR 113.5m, or 23.1%, to EUR 377.0m. The EBITDA margin declined from 29.6% to 24.9%.

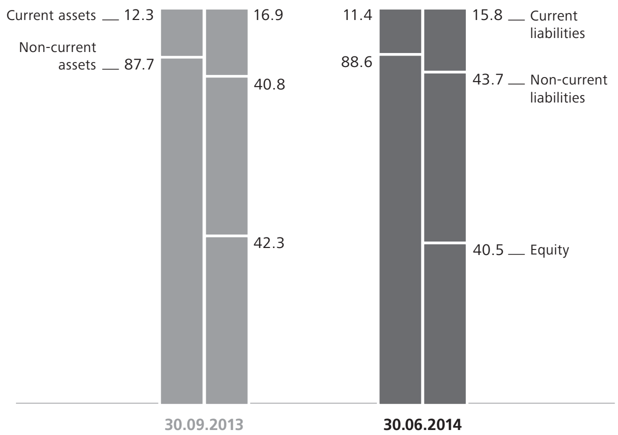
Structure of investments Q. 1–3

in %, total in EURm



Balance sheet structure as per the balance sheet date

in %



Depreciation and amortisation rose by EUR 14.7m, or 8.3%, to EUR 190.8m, chiefly due to the completion and commissioning of the Walsum power plant. Results from operating activities before impairment tests declined EUR 128.1m, or 40.8%, to EUR 186.2m.

Impairment testing led to the recognition of impairment losses totalling EUR 209.2m during the reporting period, primarily to reflect value declines resulting from the tariff changes in Bulgaria and Macedonia. As a result of these impairment losses, EBIT fell to EUR –23.0m.

In addition to an increase in the dividend from Verbund AG, financial results were favourably influenced by the absence of negative valuation effects from the shares held by WEEV Beteiligungs GmbH in Verbund AG. Financial results improved by EUR 45.2m to EUR –9.8m.

Result before income tax amounted to EUR –32.8m for the first three quarters of 2013/14. The impairment losses recognised during the reporting period led to the recognition of deferred tax assets and, consequently, to positive income tax expense. After the deduction of the share of result attributable to non-controlling interests, Group net result equalled EUR –44.7m.

Consolidated statement of cash flows

Gross cash flow fell by EUR 144.2m to EUR 349.3m due to non-cash, prior period expenses from the investments recognised at equity.

The decline in cash flow from operating activities by EUR 25.3m to EUR 367.2m was lower as a result of higher regulatory payables and trade payables.

Cash flow from investing activities, which equalled EUR 156.5m for the reporting period, was influenced primarily by investments in network infrastructure, renewable energy generation capacity and the Duisburg-Walsum power plant. The change in relation to the first three quarters of the previous year resulted, above all, from the sale of cash funds that were used for the short-term investment of liquid funds.

Cash flow from financing activities amounted to EUR –238.6m and consisted primarily of the dividend payment approved by the 85th Annual General Meeting and the scheduled repayment of a bond.

Cash flow for the first three quarters of 2013/14 equalled EUR –27.8m. Cash and cash equivalents equalled EUR 207.2m as of 30 June 2014. In addition, EVN had committed, undrawn credit lines totalling EUR 675.0m at its disposal. After the reassessment of financing requirements, the syndicated revolving credit facility was reduced by EUR 100.0m to EUR 400.0m in July 2014 and the term was extended prematurely. The available credit lines now total EUR 575.0m.

Consolidated statement of financial position

EVN's balance sheet total equalled EUR 7,046.4m as of 30 June 2014, which is EUR 253.9m, or 3.5%, lower than on 30 September 2013.

Non-current assets fell by EUR 161.4m to EUR 6,242.6m in the first three quarters of 2013/14. This decline resulted from the recognition of impairment losses to goodwill and customer bases in Bulgaria and Macedonia as well as the lower price of the Verbund shares. Other non-current assets increased following a change to reflect the regulatory account.

Current assets declined by a total of EUR 92.4m to EUR 803.8m, above all, due to the seasonal decrease in receivables from the energy business and the sale of cash funds that were reported under current securities.

Equity was 7.7%, or EUR 236.5m, lower at EUR 2,852.9m owing to the payment of the dividend in January, earnings effects from the first three quarters of 2013/14 and a decrease in the valuation reserve caused by the lower price of the Verbund shares. The equity ratio equalled 40.5% as of 30 June 2014 (30 September 2013: 43.0%).

Non-current liabilities rose by EUR 102.4m, or 3.4%, to EUR 3,080.3m due to a long-term loan obtained from the European Investment Bank in the first quarter. The decline in deferred tax liabilities was offset by an increase in other non-current liabilities, which resulted chiefly from the recognition of regulatory liabilities in Bulgaria. Non-current financial liabilities now also include 49% of the financing for Steag-EVN Walsum 10 Kraftwerksgesellschaft mbH (i.e. EUR 213.4m as of 30 June 2014), which is relevant for EVN because of the change in the scope of consolidation.

Current liabilities fell by EUR 119.8m, or 9.7%, to EUR 1,113.1m. The decline in current financial liabilities following the scheduled repayment of a bond was contrasted by an increase in other current liabilities, which resulted chiefly from non-cash subsidies in the investments carried at equity and the current portion of the regulatory liabilities.

Net debt declined EUR 167.0m below the level on 30 September 2013 to EUR 1,642.6m, and gearing was reduced from 58.6% to 57.6%.

Segment development

Overview

The structure of the EVN Group is based on three general categories: the energy business, the environmental services business and other business activities. The energy business covers the entire electricity and heat value chain from generation and distribution to networks and supply, while the gas business is concentrated on the distribution and network stages. This product portfolio is supplemented by the activities of EVN subsidiaries in related areas as well as regional cable TV and telecommunication services. The environmental services business involves activities in the areas of drinking water supply, wastewater disposal and thermal waste utilisation.

Business areas	Segments	Activities
Energy business	Generation	Electricity generation from thermal sources and renewable energies at Austrian and international locations
	Energy Trade and Supply	Procurement of electricity and primary energy sources, trading and sale of electricity and natural gas to end customers and on wholesale markets as well as heat generation and sale
	Network Infrastructure Austria	Operation of the regional electricity and natural gas networks as well as cable TV and telecommunications networks
	Energy Supply South East Europe	Operation of electricity networks and electricity sales to end customers in Bulgaria and Macedonia, heat generation and sale in Bulgaria, electricity generation in Macedonia, construction and operation of natural gas networks in Croatia, energy trading throughout the entire region
Environmental services business	Environmental Services	Drinking water supply, wastewater disposal and thermal waste utilisation in Austria, operation of combined cycle heat and power co-generation plants in Moscow as well as international project business
Other business activities	Strategic Investments and Other Business	Strategic and other investments, corporate services

Key energy business indicators[1]	GWh	2013/14 Q. 1–3	2012/13 Q. 1–3	+/– nominal	+/– in %	2013/14 Q. 3	2012/13 Q. 3	+/– nominal	+/– in %
Electricity generation volumes		3,073	2,812	261	9.3	1,001	780	221	28.3
Renewable energy sources[2]		1,373	1,489	–116	–7.8	489	585	–96	–16.4
Thermal energy sources[3]		1,699	1,323	377	28.5	512	196	316	161.7
Network distribution volumes									
Electricity		16,013	16,046	–33	–0.2	4,752	4,640	112	2.4
Natural gas[4]		12,073	13,136	–1,063	–8.1	2,427	2,577	–150	–5.8
Energy sales volumes to end customers									
Electricity		14,923	15,600	–677	–4.3	4,270	4,424	–154	–3.5
Central and Western Europe[5]		5,207	5,556	–348	–6.3	1,554	1,621	–67	–4.2
South Eastern Europe		9,716	10,044	–329	–3.3	2,716	2,803	–87	–3.1
Natural gas		5,038	5,967	–929	–15.6	661	791	–130	–16.4
Heat		1,717	1,779	–61	–3.4	324	342	–18	–5.3
Central and Western Europe[5]		1,545	1,584	–39	–2.4	305	322	–17	–5.2
South Eastern Europe		172	195	–22	–11.6	19	20	–1	–6.0

1) The key energy business indicators include all fully consolidated subsidiaries, and proportionally, equity accounted investees of the business area energy business.
2) Incl. bio-co-generation plants in Austria in the Energy Trade and Supply Segment, small hydropower plants in Macedonia in the Energy Supply South East Europe Segment and combined cycle heat and power co-generation plants in Moscow in the Environmental Services Segment. Revenues from such energy production are included in such respective segments.
3) Incl. co-generation plant in Bulgaria in the Energy Supply South East Europe Segment and in Austria in the Energy Trade and Supply Segment, respectively. Revenues from such energy production are included in such respective segments.
4) Incl. network distribution volumes to EVN power plants as well as natural gas distribution volumes in Croatia
5) Central and Western Europe covers Austria and Germany.

In accordance with IFRS 8 "Operating Segments", the identification of the operating segments is based solely on the internal organisational and reporting structure. The following section provides a description of the operating performance of EVN's six segments and the effects of energy sector indicators on their development. Differences in the consideration of segments to Group level are shown in the consolidated notes on page 30.

Generation

The Generation Segment covers the generation of electricity from thermal production capacities and renewable energy sources in Austria, Germany, Bulgaria and Albania as well as projects for the construction of power generation plants in Austria and Bulgaria.

The external revenue recorded by this segment is derived mainly from the sale of electricity from renewable windpower. Internal revenue from electricity generation (in particular hydropower plants as well as windpower plants that are no longer covered by subsidy schemes) is based on the market price for electricity. Revenue from the Dürnrohr, Korneuburg und Theiß thermal power generation plants and from the storage power plants is based on the option value, which generally reflects the pre-defined difference between the forward prices for electricity and the related fuel costs. The option value also includes the availability and use of reserve capacity to ensure network supplies in Southern Germany. Energy deliveries by Steag-EVN Walsum 10 Kraftwerksgesellschaft mbH are charged primarily on the basis of operating, financing and primary energy costs. The sale of the generated electricity and the procurement of primary energy are reported under the Energy Trade and Supply Segment.

In connection with the initial application of the new IFRS consolidation standards, the share of earnings from the investments in the Verbund-Inn River power plants, EVN-WIEN ENERGIE Windparkentwicklungs- und Betriebs GmbH & Co KG, Vienna, and Shkodra Region Beteiligungsholding GmbH is reported as results from equity accounted investees with operational nature under results from operating activities (EBIT). The investment in Steag-EVN Walsum 10 Kraftwerksgesellschaft, which was previously included at equity, is now included through line-by-line accounting.

Highlights

- Decline in hydropower production due to lower water flows
- Increase in production from windpower plants
- Expansion of renewable generation capacity

Key indicators – Generation		2013/14 Q. 1–3	2012/13 Q. 1–3[1]	+/– in %	2013/14 Q. 3	2012/13 Q. 3	+/– in %
Key energy business indicators	GWh						
Electricity generation volumes		1,809	2,278	–20.6	464	616	–24.7
Renewable energy sources		1,126	1,253	–10.2	387	483	–20.0
Thermal energy sources[2]		683	1,024	–33.4	77	133	–42.2
Key financial indicators	EURm						
External revenue		27.4	31.9	–14.2	6.6	11.5	–42.3
Internal revenue		111.9	59.3	88.7	40.9	13.5	–
Total revenue		139.3	91.2	52.7	47.5	25.0	90.3
Operating expenses		–82.1	–55.8	–47.2	–31.7	–20.9	–51.8
Share of results from equity accounted investees with operational nature		1.4	–24.0	–	0.5	1.6	–67.2
EBITDA		58.6	11.5	–	16.4	5.7	–
Depreciation and amortisation including effects from impairment tests		–50.3	–20.6	–	–27.0	–6.8	–
Results from operating activities (EBIT)		8.2	–9.1	–	–10.6	–1.1	–
Financial results		–18.1	–10.5	–71.7	–6.8	–3.5	–96.6
Result before income tax		–9.9	–19.6	49.8	–17.4	–4.5	–
Total assets		1,227.4	1,142.1	7.5	1,227.4	1,142.1	7.5
Investments[3]		60.1	56.0	7.2	5.3	24.3	–78.1

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 24).
2) Excl. generation volumes of the Duisburg-Walsum power plant
3) In intangible assets and property, plant and equipment

Electricity generation fell by 469 GWh, or 20.6%, to 1,809 GWh in the first three quarters of 2013/14. Production from renewable energy sources declined by 127 GWh, or 10.2%, to 1,126 GWh due to lower water flows. Production from renewable energy sources was favourably influenced by the commissioning of the wind parks in Deutsch-Wagram and Prellenkirchen.

The production from EVN's thermal power plants fell by 342 GWh, or 33.4%, to 683 GWh, chiefly due to maintenance-related downtime at the Dürnrohr power plant during the third quarter of 2013/14. The Theiß and Korneuburg power plants were available as reserve capacity for Southern Germany during the winter, but were not used.

At the Group level, EVN covered 20.7% of the electricity sold during the reporting period with its own production (previous year: 18.0%). The commissioning of the Duisburg-Walsum power plant raised the Group's own production substantially by 9.3% to 3,073 GWh. The share of renewable energy in the Group's electricity production mix declined from 53.0% in the first three quarters of the previous year to 44.7% due to the lower water flows and production from the Duisburg-Walsum power plant.

Revenue recorded by the Generation Segment was significantly higher than in the previous year with an increase of EUR 48.1m, or 52.7%, to EUR 139.3m. A slight volume- and price-related decline in revenue from renewable energy generation was more than offset by an increase of thermal generation revenue. In addition to positive effects from the commissioning of the Duisburg-Walsum power plant, revenue in the Generation Segment was increased by proceeds from balancing energy and the provision of reserve capacity to support network reliability in Southern Germany.

Operating expenses rose by EUR 26.3m, or 47.2%, to EUR 82.1m in the reporting period. This increase resulted, above all, from the start of procurement of primary energy for the Duisburg-Walsum power plant.

The share of results from equity accounted investees with an operational nature rose by EUR 25.3m to EUR 1.4m. This improvement resulted primarily from the absence of the non-recurring negative earnings effect from the sale of EVN's 50% stake in the Devoll hydropower plant in Albania during the previous year.

EBITDA totalled EUR 58.6m and was EUR 47.1m higher than the comparable prior year period. Depreciation and amortisation, including the effects from impairment testing, rose by EUR 29.8m to EUR 50.3m. Part of this increase involved impairment losses recognised to the Kavarna wind park and the Blatec photovoltaic plant, which are attributable to the Generation Segment. The other part resulted from the commissioning of the Duisburg-Walsum and the subsequent start of scheduled depreciation. EBIT rose by EUR 17.3m to EUR 8.2m.

Financial results deteriorated by EUR 7.5m, or 71.7%, to EUR –18.1m, whereby most of this change was related to the initial recognition of interest expense on the financing for Steag-EVN Walsum 10 Kraftwerksgesellschaft mbH. Result before income tax was negative at EUR 9.9m, but represents a year-on-year improvement of EUR 9.8m or 49.8%.

Investments rose by EUR 4.0m, or 7.2%, to EUR 60.1m in the first three quarters of 2013/14. Slightly higher investments in thermal power generation capacity – especially due to the completion of the Duisburg-Walsum power plant – were contrasted by lower investments in renewable energy generation following the completion of the Prellenkirchen wind park. The renewable energy portfolio will be expanded by the Prottes-Ollersdorf wind park, which is currently under construction and is scheduled to start operations in 2015.

Energy Trade and Supply

The Energy Trade and Supply Segment is responsible for the trading and sale of electricity and natural gas to end customers, primarily in the Austrian home market and in wholesale markets. The segment's business activities also include the procurement of electricity, natural gas and other primary energy carriers as well as the production and sale of heat.

In connection with the initial application of the new IFRS consolidation standards, the method used to include EVN Energievertrieb GmbH & Co KG and the EnergieAllianz Austria Group was changed from proportionate consolidation to at equity consolidation; the share of earnings from these two companies and from EconGas, e&t and the district heading plants in St. Pölten and Steyr are now reported separately under the position "Share of results from equity accounted investees with operational nature" in the results of operating activities (EBIT).

Highlights

- Higher EBIT through start of sales for production from Duisburg-Walsum power plant
- Temperature-related drop in sales volumes of electricity, natural gas and heat

The milder temperatures during the winter 2013/14 were reflected in a year-on-year decline in sales of electricity, natural gas and heat to end customers during the reporting period. Sales volumes of heat were only slightly lower because of the

Key indicators – Energy Trade and Supply		2013/14 Q. 1–3	2012/13 Q. 1–3[1]	+/– in %	2013/14 Q. 3	2012/13 Q. 3	+/– in %
Key energy business indicators	GWh						
Energy sales volumes to end customers							
Electricity		5,207	5,556	–6.3	1,554	1,621	–4.2
Natural gas		5,038	5,967	–15.6	661	791	–16.4
Heat		1,545	1,584	–2.4	305	322	–5.2
Key financial indicators	EURm						
External revenue		344.1	306.0	12.4	87.7	67.5	29.9
Internal revenue		11.2	13.9	–19.3	3.9	4.6	–14.4
Total revenue		**355.3**	**319.9**	**11.1**	**91.6**	**72.1**	**27.1**
Operating expenses		–325.4	–311.3	–4.5	–84.9	–77.3	–9.8
Share of results from equity accounted investees with operational nature		51.1	34.6	47.7	5.2	4.1	26.9
EBITDA		**81.1**	**43.2**	**87.5**	**11.9**	**–1.2**	**–**
Depreciation and amortisation including effects from impairment tests		–11.7	–11.1	–5.5	–3.9	–3.7	–4.7
Results from operating activities (EBIT)		**69.4**	**32.2**	**–**	**8.0**	**–4.9**	**–**
Financial results		**–2.2**	**–2.4**	**9.1**	**–0.6**	**–0.7**	**12.3**
Result before income tax		**67.2**	**29.8**	**–**	**7.4**	**–5.6**	**–**
Total assets		444.0	424.5	4.6	444.0	424.5	4.6
Investments[2]		14.6	9.3	58.0	3.8	3.6	7.8

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 24).
2) In intangible assets and property, plant and equipment

network expansion, but the effects on electricity and natural gas sales volumes were more substantial. Electricity sales volumes were also reduced by a decline in the volumes sold by EnergieAllianz Austria in Germany and the absence of network loss deliveries to the Network Infrastructure Austria Segment as of 1 January 2014.

Revenues rose by EUR 35.4, or 11.1%, to EUR 355.3m. The lower revenues from heat sales were more than offset by the sale of production from the Duisburg-Walsum power plant.

The 14.1m, or 4.5%, increase in operating expenses to EUR 325.4m resulted primarily from the first purchases of electricity produced by the Duisburg-Walsum power plant. This increase was softened by the development of provisions for onerous contracts related to the marketing of EVN's own electricity production.

The share of results from equity accounted investees with operational nature rose by EUR 16.5 m, or 47.7%, to EUR 51.1m, chiefly due to the absence of the negative earnings contribution from EconGas. EBITDA in the Energy Trade and Supply Segment increased by EUR 37.9m, or 87.5%, to EUR 81.1m.

Depreciation and amortisation were slightly higher at EUR 11.7m, and the results from operating activities (EBIT) rose by EUR 37.2m to EUR 69.4m.

Financial results were nearly unchanged and amounted to EUR –2.2m for the reporting period, compared with EUR –2.4m in the previous year. Result before tax rose by EUR 37.4m to EUR 67.2m for the first three quarters of 2013/14.

Investments were EUR 5.4m, or 58.0%, higher at EUR 14.6m for the reporting period, above all due to the continued expansion of the heating plants and district heating networks.

Network Infrastructure Austria Inland

The activities of the Network Infrastructure Austria Segment cover the operation of the regional electricity and natural gas networks as well as cable TV and telecommunications networks in Lower Austria and Burgenland. This segment also includes corporate services, above all in connection with construction, which are reported as internal revenue.

Income from investments in this segment includes a distribution from the R-138-Fund to Netz Niederösterreich GmbH as well as the shares held by Netz Niederösterreich GmbH in AGGM Austrian Gas Grid Management AG.

Highlights

- Stable electricity network sales volumes
- Decline in natural gas network volumes due to mild temperatures
- Investments in network infrastructure in Lower Austria to safeguard supply security

The network tariffs for electricity and natural gas are adjusted annually on 1 January by the E-Control Commission in accordance with the incentive regulatory system. As of 1 January 2014, the natural gas network tariffs were raised by an average of 7.7% (1 January 2013: reduction of 2.5%) and the electricity network tariffs were cut by an average of 9.0% (1 January 2013: reduction of 0.4%).

Network distribution volumes nearly matched the prior year at 6,011 GWh for the first three quarters of 2013/14. The stable development resulted from higher volumes in the industrial customer segment which were generally offset by lower demand from household and business customers. Natural gas network distribution volumes fell by 1,067 GWh, or 8.1%, to 12,063 GWh. In view of the stable development in the industrial customer segment, this decline resulted primarily from the temperature-related lower demand by household and business customers.

Revenue declined EUR 0.8m, or 0.2%, to EUR 390.4m for the reporting period. This development resulted, above all, from a EUR 6.2m, or 1.9%, decrease in electricity and gas network distribution revenue to EUR 312.4m, primarily due to the reduction in electricity network tariffs on 1 January 2014. The tariff-related higher natural gas network distribution revenue and a positive effect from a change of EUR 18.9m under assets for the regulatory account were unable to fully offset this decline. Revenue from cable TV and telecommunications services increased slightly in comparison with the prior year.

Key indicators – Network Infrastructure Austria		2013/14 Q. 1–3	2012/13 Q. 1–3[1]	+/– in %	2013/14 Q. 3	2012/13 Q. 3	+/– in %
Key energy business indicators	GWh						
Network distribution volumes							
Electricity		6,011	6,028	–0.3	1,850	2,116	–12.6
Natural gas		12,063	13,131	–8.1	2,427	5,623	–56.8
Key financial indicators	EURm						
External revenue		356.7	357.3	–0.2	88.5	88.1	0.5
Internal revenue		33.7	33.9	–0.7	9.1	8.9	2.3
Total revenue		**390.4**	**391.2**	**–0.2**	**97.5**	**96.9**	**0.6**
Operating expenses		–198.6	–203.9	2.6	–59.5	–61.6	3.5
Share of results from equity accounted investees with operational nature		0.0	0.0	–	0.0	0.0	–
EBITDA		**191.8**	**187.3**	**2.4**	**38.0**	**35.3**	**7.8**
Depreciation and amortisation including effects from impairment tests		–75.6	–73.5	–2.8	–25.0	–24.0	–4.0
Results from operating activities (EBIT)		**116.2**	**113.8**	**2.1**	**13.1**	**11.3**	**16.0**
Financial results		**–13.5**	**–13.4**	**–0.7**	**–5.3**	**–4.8**	**–10.8**
Result before income tax		**102.7**	**100.3**	**2.3**	**7.8**	**6.5**	**19.8**
Total assets		1,779.1	1,753.4	1.5	1,779.1	1,753.4	1.5
Investments[2]		104.1	88.8	17.2	43.0	38.8	10.8

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 24).
2) In intangible assets and property, plant and equipment

Operating expenses fell by EUR 5.3m, or 2.6%, to EUR 198.6m. This development supported an increase of EUR 4.5m, or 2.4%, in EBITDA to EUR 191.8m. Depreciation and amortisation were EUR 2.1m, or 2.8%, higher at EUR 75.6m for the first three quarters of 2013/14. Results from operating activities (EBIT) amounted to EUR 116.2m, for an increase of EUR 2.4m, or 2.1%, over the comparable prior year period.

Financial results declined slightly by EUR 0.1m, or 0.7 %, to EUR –13.5m. This and the above factors, in total, led to an improvement of EUR 2.3m, or 2.3%, in result before tax to EUR 102.7m.

The objective to improve supply security in Lower Austria was reflected in an increase of EUR 15.3m, or 17.2%, in investments to EUR 104.1m by the Network Infrastructure Austria Segment. Expenditures in the electricity network focused on infrastructure development to accommodate the rising feed-in from the continued expansion of generation from renewable energy sources in the network area. The 110 kV network was also expanded to transport the increased feed-in of electricity generated by wind energy, whereby partial segments were commissioned in Bruck an der Leitha and Poysdorf during July 2014. Construction of the 143 km Westschiene natural gas transport pipeline was completed, and the final section was filled with natural gas during the reporting period. The direct connection to the Rohöl-Aufsuchungs AG natural gas storage facility in Upper Austria is now operational.

Energy Supply South East Europe

The Energy Supply South East Europe Segment is responsible for the operation of electricity networks and the sale of electricity to end customers in Bulgaria and Macedonia, the generation and sale of heat in Bulgaria, the generation of electricity in Macedonia and the sale of natural gas to end customers in Croatia as well as energy trading throughout the region.

Highlights

- New tariffs as of 1 July 2014
  - Bulgaria: increase in electricity purchase costs, end customer prices nearly constant
  - Macedonia: increase below expectations; market liberalisation costs not included
- Tariff decisions lead to impairment losses to goodwill and customer bases in Bulgaria and Macedonia

Key indicators – Energy Supply South East Europe		2013/14 Q. 1–3	2012/13 Q. 1–3 1)	+/– in %	2013/14 Q. 3	2012/13 Q. 3	+/– in %
Key energy business indicators	GWh						
Electricity generation volumes		310	346	–10.6	96	115	–15.8
Renewable energy sources		94	102	–8.1	51	67	–22.8
Thermal energy sources		216	244	–11.7	45	48	–6.0
Network distribution volumes 2)		10,002	10,019	–0.2	2,903	2,807	3.4
Heat sales volumes to end customers		172	195	–11.6	19	20	–6.0
Key financial indicators	EURm						
External revenue		660.8	779.9	–15.3	120.0	209.2	–42.6
Internal revenue		0.3	0.3	11.2	0.1	0.1	–6.3
Total revenue		661.1	780.2	–15.3	120.1	209.3	–42.6
Operating expenses		–652.3	–694.7	6.1	–147.6	–171.3	13.9
Share of results from equity accounted investees with operational nature		0.0	0.0	–	0.0	0.0	–
EBITDA		8.8	85.5	–89.7	–27.5	37.9	–
Depreciation and amortisation including effects from impairment tests		–239.6	–49.7	–	–208.6	–16.0	–
Results from operating activities (EBIT)		–230.8	35.7	–	–236.1	21.9	–
Financial results		–22.2	–21.4	–3.7	–6.9	–6.6	–3.5
Result before income tax		–253.0	14.3	–	–243.0	15.3	–
Total assets		1,289.7	1,282.6	0.5	1,289.7	1,282.6	0.5
Investments 3)		63.3	63.2	0.2	23.4	13.0	79.9

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 24).
2) In Bulgaria and Macedonia, energy sales volumes are approximately equivalent to present network distribution volumes.
3) In intangible assets and property, plant and equipment

The regulatory authority in Bulgaria reduced end customer prices by 7.3% and 4.2%, respectively, as of 5 March 2013 and 1 August 2013 and followed these steps with a further reduction of roughly 1.0% and 10.0%, respectively, in the day and night tariffs for household customers as of 1 January 2014. The next change involved a slight increase of 0.6% in end customer prices as of 1 July 2014. This decision did not create any advantage for the EVN companies in Bulgaria because the electricity purchase prices for EVN Bulgaria EC, which is responsible for supply, were also increased substantially. In addition, a tariff component was applied which, from an economic point of view, leads to the repayment of revenue from previous regulation periods and therefore led to the recognition of a regulatory liability with a net effect of EUR 54.0m.

In Bulgaria, the 5.9% reduction in end customer prices for heat as of 1 January 2013 was partially reversed by an increase of 5.1% with a tariff decision on 1 July 2014.

EVN is continuing to actively pursue the arbitration proceedings started last year at the World Bank's International Centre for the Settlement of Investment Disputes (ICSID).

The regulatory authority in Macedonia increased end customer prices by 3.5% on average as of 1 July 2014. The network tariff included in this price, which is relevant for EVN in Macedonia, was raised by only a slight amount and remains below the expected level. This adjustment also failed to include cost elements related to the next stage of liberalisation for household and small business customers, which is planned for 1 January 2015.

The next liberalisation step in Macedonia started at the beginning of the third quarter of 2013/14 and allows large local companies to select their own energy supplier. The final liberalisation step is scheduled for 1 January 2015 and will open the market for all household and small business customers. Household customers will then be able to choose between purchasing electricity on the open market and continuing to receive their electricity at regulated prices from EVN as the "supplier of last resort".

In Croatia, the gas distribution and supply project is proceeding. The underlying gas tariffs have been based on European regulatory standards since 1 January 2014, which also reflect the position of EVN Croatia Plin as a "greenfield investor".

EVN generated 310 GWh of electricity in South Eastern Europe during the first three quarters of 2013/14, for a decline of 36 GWh, or 10.6%. This development resulted primarily from the reduced use of the co-generation plant in Plovdiv due to the warmer weather, where temperatures were even higher than the mild prior year (heating degree totals: Bulgaria –8.2% and Macedonia –6.0%), and to a technical production standstill. The previous winter was also characterised by lower precipitation, which led to a reduction in electricity production from the hydropower plants in Macedonia. These developments were slightly offset by lower temperatures and increased rainfall in both Bulgaria and Macedonia during the third quarter of 2013/14, which caused an increase in the demand for electricity as well as an increase in the hydropower plants production.

Electricity distribution volumes roughly matched the prior year at 10,002 GWh, for a change of 17 GWh, or 0.2%. Heat sales to end customers in Bulgaria were 22 GWh, or 11.6%, lower at 172 GWh, also due to the relatively mild weather.

Revenue fell by EUR 119.0m, or 15.3%, to EUR 661.1m. This decline was caused primarily by the regulatory liability in Bulgaria that was recognised in connection with the tariff decisions on 1 July and by previous regulatory price decisions in Bulgaria and Macedonia.

Operating expenses fell by EUR 42.4m, or 6.1%, year-on-year to EUR 652.3m. In addition to operational improvement in the individual companies, the recognition of a regulatory receivable in connection with additional costs associated with renewable electricity in Bulgaria led to a reduction in energy purchase costs. These developments led to a decline of EUR 76.6m in EBITDA to EUR 8.8m.

Depreciation and amortisation, including EUR 193.5m of impairment losses, amounted to EUR 239.6m.

Financial results declined by EUR 0.8m, or 3.7%, to EUR –22.2m, above all due to a slight increase in interest expense. Result before tax fell by EUR 267.3m year-on-year to EUR –253.0m in the first three quarters of 2013/14, primarily due to the impairment losses and a regulatory-based deterioration in the energy sector environment.

Investments rose slightly by EUR 0.1, or 0.2%, to EUR 63.3m for the reporting period.

Environmental Services

The activities of the Environmental Services Segment cover drinking water supply, wastewater treatment and thermal waste utilisation in Austria and the international project business in 18 countries throughout Central, Eastern and South Eastern Europe as well as the operation of two combined cycle heat and power co-generation plants in Moscow.

Highlights

- Commissioning of the Mia Milia/Haspolat wastewater purification plant in Cyprus
- Higher revenue from thermal waste utilisation in Lower Austria
- Expansion of water supplies to cover new municipalities in Lower Austria

The Environmental Services Segment generated revenue of EUR 134.8m in the first three quarters of 2013/14, for a year-on-year decrease of EUR 56.5m, or 29.5%. This decline resulted primarily from a lower volume of processed orders in the international project business. Higher capacity use at the Lower Austrian thermal waste utilisation plant and the resulting increase in revenue were unable to offset the decline. The revenue contribution from the water supply business in Lower Austria increased slightly year-on-year due to the extension of services to new communities.

The lower volume of processed orders in the international project business was accompanied by a decrease of EUR 46.9m, or 30.6%, in operating expenses to EUR 106.4m. EBITDA totalled EUR 37.3m for the reporting period, compared to EUR 46.9m in the previous year.

Depreciation and amortisation rose by EUR 1.8m, or 8.3%, year-on-year to EUR 23.3m. These developments led to results of operating activities (EBIT) totalling EUR 14.0m, which is EUR 11.4m, or 44.9%, lower than in the first three quarters of 2012/13. Financial results declined by EUR 2.3m to EUR –2.1m, chiefly due to lower net interest results. In total, the above factors led to a decline of EUR 13.8m, or 53.5%, in result before tax to EUR 12.0m.

Investments in the Environmental Services Segment rose by EUR 3.1m, or 38.0%, to EUR 11.3m for the reporting period. EVN is currently realising nine international projects in this business area. In Montenegro, the contract for the planning and construction of a wastewater purification plant in Kotor-Tivat was signed in February 2014; this facility will have the capacity to service up to 72,400 population equivalents. In addition, the wastewater treatment project in Budva, Montenegro, entered the commissioning phase. The Mia Milia/Haspolat wastewater purification plant in the Cypriote capital of Nicosia, which has a capacity to service 270,000 population equivalents, officially opened in April 2014. This project also covered the construction of a sludge treatment plant and a biogas recovery plant.

In Poland, EVN and its Polish subsidiary received a contract for the planning, modernisation and expansion of the Pruszkow wastewater purification plant in Warsaw, Poland, which will have the capacity to service 256,000 population equivalents after the project is completed. The building permit for the

Key indicators – Environmental Services	EURm	2013/14 Q. 1–3	2012/13 Q. 1–3[1]	+/– in %	2013/14 Q. 3	2012/13 Q. 3	+/– in %
External revenue		119.1	176.7	–32.6	42.7	56.2	–24.1
Internal revenue		15.7	14.7	7.4	5.4	5.3	3.2
Total revenue		**134.8**	**191.3**	**–29.5**	**48.1**	**61.5**	**–21.7**
Operating expenses		–106.4	–153.3	30.6	–35.8	–51.6	30.7
Share of results from equity accounted investees with operational nature		8.9	8.9	–0.3	3.2	3.4	–6.8
EBITDA		**37.3**	**46.9**	**–20.5**	**15.5**	**13.3**	**17.0**
Depreciation and amortisation including effects from impairment tests		–23.3	–21.5	–8.3	–9.2	–7.6	–21.2
Results from operating activities (EBIT)		**14.0**	**25.5**	**–44.9**	**6.3**	**5.6**	**11.3**
Financial results		**–2.1**	**0.3**	**–**	**–1.3**	**0.3**	**–**
Result before income tax		**12.0**	**25.7**	**–53.5**	**4.9**	**6.0**	**–17.4**
Total assets		1,434.2	1,477.5	–2.9	1,434.2	1,477.5	–2.9
Investments[2]		11.3	8.2	38.0	3.1	0.7	–

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 24).
2) In intangible assets and property, plant and equipment

modernisation and expansion of the Kujawy wastewater purification plant in Krakow was received and work has already started. Discussions with the local institutions over the projects in Moscow continued. EVN decided during the reporting period to draw a guarantee for foreign direct investments issued by the Federal Republic of Germany in connection with the sodium hypochlorite plant project. The building permit for the thermal waste utilisation plant has still not been issued by the City of Moscow.

EVN took over the management and operation of water supplies for the Lower Austrian community of Göllersdorf in January 2014, which raised the number of end customers who are supplied by EVN with drinking water to roughly 87,000. EVN also gained a further customer with the municipality of Litschau, which has been serviced by the cross-regional "Waldviertel" drinking water system since mid-June 2014. The connection involved the construction of a nearly 1 km supply line and two pressure rising plants as well as the integration of the Litschau elevated tank in EVN's control and remote action system. Work also started on the construction of natural filter plants in the Lower Austrian communities of Drösing and Obersiebenbrunn during the reporting period. These plants will reduce the hardness of the water by natural means. A further plant is planned for Zwentendorf. The plants will improve the water quality for the roughly 100,000 residents in the involved regions. EVN is the drinking water supplier for over 500,000 residents in Lower Austria.

Strategic Investments and Other Business

The Strategic Investments and Other Business Segment basically covers the investments in Rohöl-Aufsuchungs AG (RAG), Burgenland Holding AG and Verbund AG. This segment also includes corporate functions as well as companies outside EVN's core business which generally provide internal services.

In connection with the initial application of the new IFRS consolidation standards, the share of earnings from the investments in Rohöl-Aufsuchungs AG and Energie Burgenland is reported as results from equity accounted investees with operational nature under results from operating activities (EBIT).

Highlights

- Lower earnings contribution from equity accounted investees with operational nature, above all due to declines at Rohöl-Aufsuchungs AG
- Increased earnings contribution by Energie Burgenland
- Higher dividend from Verbund AG

Revenue rose by EUR 1.5m, or 2.9%, to EUR 52.6m. This growth was contrasted by an increase of EUR 7.9m, or 16.1%, in operating expenses to EUR 56.7m. The earnings contribution from equity accounted investees with operational nature

Key indicators – Strategic Investments and Other Business	EURm	2013/14 Q. 1–3	2012/13 Q. 1–3[1]	+/– in %	2013/14 Q. 3	2012/13 Q. 3	+/– in %
External revenue		6.3	1.9	–	5.6	1.1	–
Internal revenue		46.3	49.2	–5.9	12.2	16.1	–24.5
Total revenue		52.6	51.1	2.9	17.7	17.2	3.3
Operating expenses		–56.7	–48.8	–16.1	–18.6	–20.0	7.2
Share of results from equity accounted investees with operational nature		47.5	74.3	–36.0	10.3	18.6	–44.8
EBITDA		43.4	76.5	–43.3	9.4	15.7	–40.0
Depreciation and amortisation including effects from impairment tests		–1.2	–1.3	4.3	–0.4	–0.4	11.8
Results from operating activities (EBIT)		42.2	75.2	–44.0	9.0	15.3	–40.8
Financial results[2]		60.7	0.8	–	1.7	–10.2	–
Result before income tax		102.8	76.0	35.3	10.7	5.1	–
Total assets		2,686.2	2,695.4	–0.3	2,686.2	2,695.4	–0.3
Investments[3]		0.6	2.2	–72.9	0.2	0.6	–73.7

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 24).
2) For income from investments see consolidated notes page 24.
3) In intangible assets and property, plant and equipment

declined by EUR 26.8m, or 36.0%, year-on-year to EUR 47.5m. The earnings contribution from Energie Burgenland was higher, while the contribution by Rohöl-Aufsuchungs AG was lower. In total, these developments led to a decline of EUR 33.1m, or 43.3%, in EBITDA to EUR 43.4m.

Depreciation and amortisation were EUR 0.1m, or 4.3%, lower at EUR 1.2m for the reporting period. Results from operating activities (EBIT) equalled EUR 42.2m, which represents a year-on-year decrease of EUR 33.1m or 44.0%.

Financial results rose from EUR 0.8m in the previous year to EUR 60.7m in the reporting period. This improvement reflected the absence of negative non-recurring effects from the first three quarters of the previous year, specifically the negative earnings contribution from WEEV Beteiligungs GmbH, as well as a higher dividend of EUR 40.1m from Verbund AG.

These developments led, in total, to an increase of EUR 26.8m, or 35.2%, in result before tax to EUR 102.8m.

Consolidated interim report

according to IAS 34

Consolidated statement of operations

EURm	2013/14 Q. 1–3	2012/13 Q. 1–3[1]	+/– in %	2013/14 Q. 3	2012/13 Q. 3[1]	+/– in %	2012/13[1]
Revenue	1,514.4	1,657.8	–8.7	347.5	434.4	–20.0	2,113.9
Other operating income	68.7	74.0	–7.1	27.3	25.5	7.2	95.2
Electricity purchases and primary energy expenses	–789.5	–763.7	–3.4	–187.0	–175.4	–6.6	–978.6
Costs of materials and services	–169.6	–215.0	21.1	–59.3	–75.2	21.2	–301.3
Personnel expenses	–229.6	–221.5	–3.6	–76.0	–73.9	–2.9	–305.3
Other operating expenses	–126.3	–134.9	6.4	–36.3	–44.8	19.2	–170.4
Share of results from equity accounted investees with operational nature	108.9	93.8	16.0	19.1	27.7	–30.9	95.0
EBITDA	**377.0**	**490.5**	**–23.1**	**35.3**	**118.3**	**–70.1**	**548.5**
Depreciation and amortisation	–190.8	–176.1	–8.3	–64.6	–58.1	–11.2	–237.9
Results from operating activities before impairment tests	**186.2**	**314.3**	**–40.8**	**–29,3**	**60.2**	**–**	**310.5**
Effects from impairment tests	–209.2	–7.7	–	–208.9	–7.7	–	–59.9
Results from operating activities (EBIT)	**–23.0**	**306.7**	**–**	**–238.1**	**52.5**	**–**	**250.6**
Share of results from equity accounted investees with financial nature	3.0	–29.4	–	–0.2	–6.8	96.8	–29.6
Results from other investments	42.5	26.8	58.8	0.2	0.3	–45.5	26.8
Interest income	17.8	22.6	–21.6	5.3	6.7	–19.9	28.4
Interest expense	–71.8	–71.2	–0.9	–24.5	–22.8	–7.6	–93.8
Other financial results	–1.2	–3.8	67.7	–0.1	–2.9	97.8	–3.2
Financial results	**–9.8**	**–55.0**	**82.2**	**–19.3**	**–25.5**	**24.3**	**–71.4**
Result before income tax	**–32.8**	**251.7**	**–**	**–257.4**	**27.0**	**–**	**179.2**
Income tax expense	6.7	–45.3	–	37.6	–0.4	–	–20.0
Result for the period	**–26.1**	**206.4**	**–**	**–219.8**	**26.7**	**–**	**159.2**
thereof result attributable to EVN AG shareholders (Group net result)	–44.7	170.2	–	–223.4	16.9	–	115.7
thereof result attributable to non-controlling interests	18.6	36.2	–48.5	3.6	9.7	–63.0	43.5
Earnings per share in EUR[2]	–0.25	0.95	–	–1.26	0.09	–	0.65

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 24).
2) There is no difference between basic and diluted earnings per share.

Consolidated statement of comprehensive income

EURm	2013/14 Q. 1–3	2012/13 Q. 1–3[1]	+/– in %	2013/14 Q. 3	2012/13 Q. 3[1]	+/– in %	2012/13[1]
Result for the period	–26.1	206.4	–	–219.8	26.7	–	159.2
Other comprehensive income from							
Items that will not be reclassified to profit or loss	1.2	–20.7	–	2.0	–16.9	–	–31.0
Remeasurements IAS 19	0.4	–27.7	–	5.4	–22.5	–	–23.7
Investments in equity accounted investees	1.1	–	–	–2.0	–	–	–13.3
thereon apportionable income tax expense	–0.2	6.9	–	–1.4	5.7	–	5.9
Items that may be reclassified to profit or loss	–103.3	–45.7	–	–19.7	–74.6	73.6	47.7
Currency translation differences	–3.9	–5.7	32.1	4.7	–5.3	–	–8.7
Available for sale financial instruments	–103.8	–60.6	–71.2	–31.5	–93.2	66.2	24.9
Cash flow hedges	–8.3	14.5	–	–5.7	8.9	–	16.4
Investments in equity accounted investees	–16.1	–4.7	–	2.9	–5.6	–	26.5
thereon apportionable income tax expense	28.7	10.8	–	9.9	20.6	–52.1	–11.3
Total other comprehensive income after tax	–102.1	–66.5	–53.7	–17.6	–91.5	80.7	16.7
Comprehensive income for the period	–128.2	140.0	–237.4	–237.4	–64.8	–	175.9
thereof income attributable to EVN AG shareholders	–146.8	103.8	–	–241.0	–74.5	–	142.9
thereof income attributable to non-controlling interests	18.6	36.2	–48.5	3.6	9.7	–63.0	33.0

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 24).

Consolidated statement of financial position

EURm	30.06.2014	30.09.2013[1)]	+/– nominal	in %
Assets				
Non-current assets				
Intangible assets	197.0	394.9	–197.9	–50.1
Property, plant and equipment	3,522.6	3,472.9	49.7	1.4
Investments in equity accounted investees	907.3	944.0	–36.8	–3.9
Other investments	593.2	694.8	–101.5	–14.6
Deferred tax assets	53.3	36.4	16.9	46.6
Other non-current assets	969.2	861.1	108.1	12.6
	6,242.6	**6,404.0**	**–161.4**	**–2.5**
Current assets				
Inventories	128.5	109.6	18.9	17.2
Trade and other receivables	423,5	486.7	–63.2	–13.0
Securities	10.8	43.9	–33.1	–75.5
Cash and cash equivalents	241.0	255.9	–14.9	–5.8
	803,8	**896.2**	**–92.4**	**–10.3**
Total assets	**7,046.4**	**7,300.2**	**–253.9**	**–3.5**
Equity and liabilities				
Equity				
Share capital	330.0	330.0	–	–
Share premium and capital reserves	253.1	253.1	–	–
Retained earnings	2,059.5	2,178.6	–119.2	–5.5
Valuation reserve	13.9	112.1	–98.2	–87.6
Currency translation reserve	–9.2	–5.3	–3.9	–73.2
Treasury shares	–22.5	–20.8	–1.6	–7.9
Issued capital and reserves attributable to shareholders of EVN AG	2,624.7	2,847.7	–223.0	–7.8
Non-controlling interests	228.2	241.7	–13.5	–5.6
	2,852.9	**3,089.4**	**–236.5**	**–7.7**
Non-current liabilities				
Non-current loans and borrowings	1,878.6	1,811.3	67.3	3.7
Deferred tax liabilities	57.2	119.2	–62.0	–52.0
Non-current provisions	466.1	463.7	2.4	0.5
Deferred income from network subsidies	513.9	503.5	10.3	2.1
Other non-current liabilities	164.5	80.3	84.3	–
	3,080.3	**2,977.9**	**102.4**	**3.4**
Current liabilities				
Current loans and borrowings	139.7	394.6	–254.9	–64.6
Taxes payable	86.8	74.9	11.8	15.8
Trade payables	416.5	415.8	0.7	0.2
Current provisions	125.6	87.0	38.6	44.3
Other current liabilities	344.5	260.5	84.0	32.2
	1,113.1	**1,232.9**	**–119.8**	**–9.7**
Total equity and liabilities	**7,046.4**	**7,300.2**	**–253.9**	**–3.5**

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 24).

Consolidated statement of changes in equity

EURm	Issued capital and reserves of EVN AG shareholders	Non-controlling interests	Total
Balance on 30.09.2012[1]	2,790.3	245.4	3,035.6
Comprehensive income for the period[1]	103.8	36.2	140.0
Change in own shares	–8.9	–	–8.9
Dividends 2011/12	–75.0	–36.7	–111.7
Balance on 30.06.2013[1]	2,810.1	244.9	3,055.0
Balance on 30.09.2013[1]	2,847.7	241.7	3,089.4
Comprehensive income for the period[1]	–146.8	18.6	–128.2
Change in own shares	–1.6	–	–1.6
Dividends 2012/13	–74.8	–32.1	–106.9
Other changes	0.2	–	0.2
Balance on 30.06.2014	2,624.7	228.2	2,852.9

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 24).

Condensed consolidated statement of cash flows

EURm	2013/14 Q. 1–3	2012/13 Q. 1–3[1]	+/– nominal	+/– in %	2012/13[1]
Result before income tax	–32.8	251.7	–284.5	–	179.2
+ Depreciation and amortisation of intangible assets and property, plant and equipment	400.0	183.8	216.2	–	297.9
–/+ Non-cash share of results of equity accounted investees	22.8	82.9	–60.2	–72.5	88.7
–/+ Other non-cash financial results	–1.8	–0.4	–1.4	–	3.3
– Release of deferred income from network subsidies	–32.6	–29.5	–3.1	–10.4	–39.8
–/+ Decrease/increase in non-current provisions	–8.5	5.0	–13.5	–	16.3
+/– Other non-cash expenses/gains	2.2	–	2.2	–	0.1
Gross cash flow	349.3	493.5	–144.2	–29.2	545.7
– Changes in assets and liabilities arising from operating activities	25.8	–75.9	101.7	–	53.1
– Income tax paid	–7.9	–25.1	17.2	68.6	–28.3
Net cash flow from operating activities	367.2	392.5	–25.3	–6.4	570.3
– Changes in intangible assets and property, plant and equipment	–168.6	–168.5	–0.1	–0.1	–289.5
– Changes in financial assets and other non-current assets	–21.0	–33.0	12.0	36.4	–29.6
– Changes in current securities	33.1	–39.6	72.8	–	–40.3
Net cash flow from investing activities	–156.5	–241.1	84.6	35.1	–359.4
– Dividends paid to EVN AG shareholders	–74.8	–75.0	0.2	0.3	–75.0
– Dividends paid to non-controlling interests	–2.1	–1.7	–0.4	–25.6	–36.7
– Acquisition of own shares	–1.6	–8.9	7.3	81.5	–10.2
+/– Changes in financial liabilities	–160.0	31.9	–191.9	–	13.7
Net cash flow from financing activities	–238.6	–53.7	–184.8	–	–108.2
Net change in cash and cash equivalents	–27.8	97.7	–125.5	–	102.7
Cash and cash equivalents at the beginning of the period[2]	235.0	132.3	102.7	77.6	132.3
Cash and cash equivalents at the end of the period[2]	207.2	230.0	–22.8	–9.9	235.0

1) The figures for the prior year were adjusted retrospectively according to IAS 8 (see note Reporting according to IFRS, page 24).
2) By adding bank overdrafts this results in cash and cash equivalents according to the consolidated statement of financial position.

Notes to the consolidated interim report

Accounting and valuation methods

This consolidated interim report as of 30 June 2014, of EVN AG, taking into consideration § 245a Austrian Commercial Code (UGB), was prepared in accordance with the guidelines set forth in IFRS by the International Financial Reporting Standards Board (IASB) as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) that were applicable at the balance sheet date and adopted by the European Union (EU).

EVN has exercised the option stipulated in IAS 34 to present condensed notes. Accordingly, the consolidated interim report contains merely condensed reporting compared to the Annual report, pursuant to IAS 34, as well as selected information and details pertaining to the period under review. For this reason, it should be read together with the Annual report of the 2012/13 financial year (balance sheet date: 30 September 2013).

The accounting and valuation methods are essentially the same as those applied as of 30 September 2013, with the exception of those described under the section "Reporting according to IFRS" below. The preparation of a consolidated interim report according to IFRS requires EVN to make assumptions and estimates which influence the reported figures. Actual results can deviate from these estimates.

In order to improve clarity and comparability, all amounts in the notes and tables are generally shown in millions of euros (EURm) unless indicated otherwise. Immaterial mathematical differences may arise from the rounding of individual items or percentage rates. The financial statements of companies included in this consolidated interim report are prepared on the basis of unified accounting and valuation methods.

Reporting according to IFRS

The following standards and interpretations were applied for the first time in the 2013/14 financial year:

Standards and interpretations applied for the first time		Effective[1]
New standards and interpretations		
IFRS 10	Consolidated Financial Statements	01.01.2014
IFRS 11	Joint Arrangements	01.01.2014
IFRS 12	Disclosure of Interests in Other Entities	01.01.2014
IFRS 13	Fair Value Measurement	01.01.2013
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	01.01.2013
Revised standards and interpretations		
IAS 27	Consolidated and Separate Financial Statements – revised IAS 27, Separate Financial Statements	01.01.2014
IAS 28	Investments in Associates – revised IAS 28, Investments in Associates and Joint Ventures	01.01.2014
IFRS 1	First-time Adoption of IFRS – Government Loans	01.01.2013
IFRS 7	Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities	01.01.2013
IFRS 10, 12 and IAS 27	Investment Entities	01.01.2014
IFRS 10–12	Amendments to Transition Guidance	01.01.2014
Several	Annual Improvements 2009–2011	01.01.2013

1) In accordance with the Official Journal of the EU, these standards are to be applied beginning with the financial year that starts on or after the date on which the standards become binding.

IFRS 10, IFRS 11 and IFRS 12 form the new consolidation package that was issued by the IASB in May 2011. IFRS 10 includes rules for the preparation and presentation of consolidated financial statements; provides a new, standardised definition of "control"; and sets out the accounting requirements for the inclusion of companies through full consolidation in the consolidated financial statements. IAS 27 now only defines the rules for the preparation of IFRS individual ("separate") financial statements. IFRS 11 replaces IAS 31, which eliminates the previous option to consolidate joint ventures according to the proportionate method. IFRS 11 distinguishes between two forms of joint arrangements: depending on the rights and obligations of the controlling parties created by the arrangement, a differentiation is made between joint ventures and joint operations. Under IFRS 11, jointly controlled companies that meet the definition of a joint venture must be accounted for by applying the equity method. Joint Operations, however, are to be considered line-by-line in the consolidated financial statements. IFRS 12 regulates the disclosure requirements for interests in other companies in a single standard. The, in part new, disclosure requirements are related primarily to the nature of the interests in other entities as well as the related risks and the effects on the asset, financial and earnings positions.

The new consolidation standards (IFRS 10-12) require mandatory application in the EU for financial years beginning on or after 1 January 2014. Earlier application is permitted, and EVN has decided to exercise this right.

The application of the new consolidation standards led to the following changes:

With respect to the EnergieAllianz regional sales companies previously included through proportionate consolidation, the initial application of IFRS 11 led to the inclusion of EVN Energievertrieb GmbH & Co KG ("EVN KG") and ENERGIEALLIANZ Austria ("EnergieAllianz") at equity in the consolidated financial statements. This change was required because both companies were classified as joint ventures in the sense of IFRS 11.

The interest in Steag-EVN Walsum 10 Kraftwerksgesellschaft mbH ("Steag-EVN Walsum") was classified as a joint operation in the sense of IFRS 11. In contrast to the previous inclusion at equity, Steag-EVN Walsum was included in EVN's consolidated financial statements at 49.0%.

The new concept of control defined in IFRS 10 did not lead to any changes in the scope of consolidation concerning fully consolidated companies.

In connection with the application of the new consolidation standards, the following accounting policy was changed in 2013/14:

The share of results from equity accounted investees with operational nature now also includes among others the proportional share of results from EVN KG and EnergieAllianz, two operating companies that are attributable to EVN's core business. These results are reported as part of the results of operating activities (EBIT) beginning with the third quarter of 2013/14. Under the previous reporting method, the entire share of results of equity accounted investees was included under financial results. This change in presentation led to a shift in the major component of at equity results to the results of operating activities. The share of results from equity accounted investees with financial nature now only includes the proportional share of results from WEEV Beteiligungs GmbH and e&i EDV Dienstleistungsgesellschaft m.b.H. in financial results. The change in the disclosure of at equity results provides a more accurate presentation of earnings because it better depicts the actual ownership interests in connection with the application of the new consolidation standards. This change in accounting policy had no effect on earnings per share.

The application of the new consolidation package and the change in the presentation of the share of results from equity accounted investees were made retrospectively in accordance with IAS 8. The data reported in prior periods were adjusted accordingly. All comparative values in the notes to the consolidated interim financial statements were adjusted accordingly. Details on the adjusted amounts for 2012/13 can be found on the EVN website under the following link:

https://www.evn.at/EVN-Group/Investor-Relations/Publikationen/2013-14.aspx

The above-mentioned effects on the most important positions in the 2012/13 financial statements are as follows:

Adjustments to items in the consolidated statement of operations	2012/13 Q. 1–3			2012/13 30.09.2013		
EURm	previous	change	adjusted	previous	change	adjusted
Revenue	2,204.5	–546.7	1,657.8	2,755.0	–641.1	2,113.9
Operating expenses	–1,789.5	528.3	–1,261.2	–2,297.4	636.9	–1,660.5
Share of results from equity accounted investees with operational nature	–	93.8	93.8	–	95.0	95.0
EBITDA	**415.1**	**75.4**	**490.5**	**457.6**	**90.9**	**548.5**
Depreciation incl. effects from impairment tests	–176.3	–7.5	–183.8	–239.1	1.2	–237.9
Results from operating activities (EBIT)	**238.8**	**67.9**	**306.7**	**218.5**	**32.1**	**250.6**
Financial results	**–21.0**	**–34.0**	**–55.0**	**–38.1**	**–33.2**	**–71.4**
thereof share of results from equity accounted investees	9.1	–9.1	–	10.0	–10.0	–
thereof share of results from equity accounted investees with financial nature	–	–29.4	–29.4	–	–29.6	–29.6
Result before income tax	**217.8**	**33.9**	**251.7**	**180.3**	**–1.1**	**179.2**
Income tax expense	–36.4	–8.9	–45.3	–22.1	2.1	–20.0
Result for the period	**181.4**	**25.0**	**206.4**	**158.2**	**1.0**	**159.2**
thereof result attributable to EVN AG shareholders (Group net result)	145.2	25.0	170.2	114.7	1.0	115.7
thereof result attributable to non-controlling interests	36.2	–	36.2	43.5	–	43.5
Earnings per share in EUR[1]	0.81	0.14	0.95	0.64	0.01	0.65

1) There is no difference between basic and diluted earnings per share.

Adjustments to items in the consolidated statement of financial position	2012/13 30.06.2013			2012/13 30.09.2013		
EURm	previous	change	adjusted	previous	change	adjusted
Non-current assets	5,918.1	331.3	6,249.4	6,125.1	278.9	6,404.0
thereof investments in equity accounted investees	1,027.9	–92.1	935.8	1,047.9	–103.9	944.0
Current assets	1,005.1	–156.2	848.9	977.0	–80.8	896.2
Total assets	**6,923.3**	**175.1**	**7,098.3**	**7,102.1**	**198.1**	**7,300.2**
Equity	3,008.0	47.0	3,055.0	3,066.5	22.9	3,089.4
Non-current liabilities	2,857.8	176.0	3,033.8	2,829.0	148.9	2,977.9
Current liabilities	1,057.5	–48.0	1,009.5	1,206.7	26.3	1,232.9
Total equity and liabilities	**6,923.3**	**175.1**	**7,098.3**	**7,102.1**	**198.1**	**7,300.2**

Adjustments to items in the consolidated statement of cash flows	2012/13 Q. 1–3			2012/13 30.09.2013		
EURm	previous	change	adjusted	previous	change	adjusted
Net cash flow from operating activities	382.1	10.4	392.5	561.7	8.6	570.3
Net cash flow from investing activities	–257.2	16.1	–241.1	–380.5	21.2	–359.4
Net cash flow from financing activities	–36.9	–16.8	–53.7	–90.5	–17.7	–108.2

IFRS 13 was published by the IASB in May 2011 and is the result of a joint project by the IASB and Financial Accounting Standards Board (FASB) to develop a standardised concept for the measurement of fair value. The measurement of fair value is based on a hypothetical transaction. IFRS 13 defines a three-level "fair value hierarchy", which gives the level 1 input factors the highest priority for the measurement of fair value. The transition to IFRS 13 requires the inclusion of a company's own credit risk in the fair value measurement of derivatives. In addition, the disclosures in the notes are now standardised and expanded. The effects of the prospective initial application of IFRS 13 in the reporting period are reflected, above all, in additional disclosures on financial instruments in these interim financial statements.

The initial obligatory application of the other revised standards did not have any impact on the consolidated interim report.

Seasonally-related effect on business operations

In particular, the energy business is subject to weather-related fluctuations in power generation and sales, thus lower revenue and earnings are typically achieved in the second half of the financial year. The Environmental Services business is also subject to seasonal effects. The construction of many large projects is usually scheduled to begin in the springtime due to weather conditions. For this reason, the Environmental Services business usually generates lower revenues in the first half of the financial year than in the second half. Accordingly, business in the Environmental Services segment serves to principally counteract the seasonable nature of the energy business. However, the volatile nature of large construction projects results in fluctuations in revenue and earnings which depend on the progress made in the particular projects.

Auditor's review

The consolidated interim report was neither subject to a comprehensive audit nor subject to an auditor's review by chartered accountants.

Scope of consolidation

The scope of consolidation is established in accordance with the requirements contained in IFRS 10. Accordingly, including the parent company EVN AG, a total of 26 domestic and 38 foreign subsidiaries (30 September 2013: 26 domestic and 37 foreign subsidiaries) were fully consolidated as of 30 June 2014. As of 30 June 2014, a total of 30 subsidiaries were not consolidated due to their immaterial influence on the assets, liabilities, cash flows and profit and loss, both in detail and altogether (30 September 2013: 31).

The application of the new consolidation standards (see "Reporting according to IFRS") led to the following changes retrospective to 1 October 2012:

The EnergieAllianz regional sales companies previously included through proportionate consolidation were included in the consolidated financial statements at equity retrospectively as of 1 October 2012. This involved EVN KG as well as the EnergieAllianz Group with ENERGIEALLIANZ Austria GmbH and its subsidiaries Naturkraft Energievertriebsgesellschaft m.b.H., SWITCH Energievertriebsgesellschaft m.b.H. and EAA Erdgas Mobil GmbH.

Steag-EVN Walsum was included in EVN's consolidated financial statements at 49.0% retrospectively as of 1 October 2012. Inclusion at equity was no longer possible following the classification of this company as a joint operation in the sense of IFRS 11.

EVN Macedonia Elektrosnabduvanje DOOEL was initially included in EVN's consolidated financial statements through full consolidation in the third quarter of 2013/14. This company was founded as a sales company to supply liberalised end customers in the Macedonian electricity market and will start its operating activities from now on with the beginning of liberalisation.

Changes in the scope of consolidation	Fully	Proportionate	Line-by-line (Joint Operation)	Equity	Total
30.09.2012	62	5	–	19	86
Changes in the scope of consolidation due to the new consolidation standards IFRS 10–12	–	–5	1	4	–
01.10.2012	62	–	1	23	86
Changes in the financial year 2012/13	1	–	–	–1	–
30.09.2013	63	–	1	22	86
First consolidation	1	–	–	1	2
Deconsolidation	–	–	–	–2	–2
30.06.2014	64	–	1	21	86
thereof foreign companies	38	–	1	5	44

On 12 October 2011, the contract was signed for the rebuilding and expansion of the sewage treatment plant in Prague. Degremont WTE Wassertechnik Praha v.o.s. was founded for this purpose and initially consolidated at equity during the first quarter of 2013/14.

The sale of the 50% stake held by Utilitas in ALLPLAN Gesellschaft m.b.H., a company active in technical building services, was finalised with the closing on 5 November 2013. This investment, which was previously included at equity, was subsequently deconsolidated.

The liquidation of EAA Erdgas Mobil GmbH, a subsidiary of ENERGIEALLIANZ Austria GmbH, was completed and the company was deleted from the company register as of 18 January 2014. Therefore, this company is no longer included at equity in EVN's consolidated financial statements.

During the reporting period there was no new acquisition of companies according to IFRS 3.

Selected notes to the consolidated statement of operations

The composition of depreciation developed as followed:

Content of depreciation EURm	2013/14 Q. 1–3	2012/13 Q. 1–3
Scheduled depreciation	190.8	176.1
Impairment	209.2	7.7
Write-ups	–	–
Total depreciation including effects from impairment tests	400.0	183.8

The impairment charges recognised during the reporting period resulted primarily from tariff changes in Bulgaria and Macedonia, which were implemented on 1 July 2014 and announced in an ad-hoc report on 2 July 2014. The tariff changes led to the revaluation of EVN's business activities in these two countries and the complete write-off of goodwill and customer bases totalling EUR 191.8m as well as the partial write-down of the Kavarna wind park, the photovoltaic aggregate in Blatec and heat generation equipment in Plovdiv for a total of EUR 15.3m. The new tariffs in Bulgaria raise the electricity purchase price by a substantial amount, but include only a slight increase in end customer prices. In Macedonia, the increase in end customer prices was lower than expected. Negative effects are also expected from the next stage of market liberalisation on 1 January 2015. The impairment charge recognised in the first nine months of 2012/13 was related to the Steag-EVN Walsum power plant, which was under construction at that time and included as a joint operation based on the proportional share owned. The impairment charge reflected the delay in the start of commercial operations at the power plant and the resulting higher costs. The impairment charge to the investment in the Walsum power plant amounted to EUR 96.3m as of 30 June 2014.

The share of results from equity accounted investees with operational nature developed as followed:

Share of results from equity accounted investees with operational nature EURm	2013/14 Q. 1–3	2012/13 Q. 1–3
EVN KG	49.2	55.5
RAG	37.7	66.7
EconGas	–	–20.4
Energie Burgenland	9.5	7.4
ZOV; ZOV UIP	8.9	8.9
Devoll Hydropower ShA	–	–27.5
Other companies	3.7	3.1
Share of results from equity accounted investees with operational nature	108.9	93.8

In the same period of the previous year, the share of results from equity accounted investees with operational nature was marked by negative earnings contributions of EconGas and Devoll Hydropower ShA. The negative contribution of EconGas resulted from the high negative spread between long-term, oil price-linked gas procurement and hub price-linked sales and from the recognition of a provision for impending losses on contractually agreed, long-term transport and LNG capacity bookings. In addition, the sale of the stake owned by EVN AG in Devoll Hydropower ShA to Statkraft A.S. led to a non-recurring negative pre-tax effect of EUR 27.5m in the previous year.

The income from investments, that encompasses the share of results from equity accounted investees with financial nature, developed as followed:

Income from investments EURm	2013/14 Q. 1–3	2012/13 Q. 1–3
WEEV Beteiligungs GmbH	3.0	–29.4
Other companies	0.0*)	0.0*)
Share of results of equity accounted investees with financial nature	3.0	–29.4
Verbund AG	40.1	24.1
Other companies	2.4	2.7
Results from other investments	42.5	26.8
Total income from investments	45.5	–2.6

*) Small amount

The negative earnings contribution by WEEV Beteiligungs GmbH in the previous year resulted from a market valuation driven impairment loss recognised to the shares held by WEEV in Verbund, which reflected the significant and continuing decline in the share price below initial cost.

Earnings per share are calculated by dividing Group net result (= Net result for the period attributable to EVN AG shareholders) by the weighted average number of shares outstanding, i.e. 177,941,679 as of 30 June 2014 (30 June 2013: 178,468,387 shares). There is no difference between basic earnings per share and diluted earnings per share. Calculated on the basis of a Group net result amounting to EUR –44.7m (30 June 2013: EUR 170.2m), earnings per share at the balance sheet date 30 June 2014 totalled EUR –0.25 (30 June 2013: EUR 0.95 per share).

Selected notes to the consolidated statement of financial position

In the first three quarters of 2013/14, EVN acquired intangible assets and property, plant and equipment to the sum of EUR 207.1m (previous year: EUR 187.2m). Property, plant and equipment with a net carrying amount (book value) of EUR 2.9m were disposed of (previous year: EUR 2.2m), with a capital loss of EUR 1.2m (previous year: capital gain of EUR 0.6m).

The item investments in equity accounted investees fell by EUR 36.8m, or 3.9%, to EUR 907.3m. This decline resulted primarily from the distributions by at equity consolidated companies, which totalled EUR 134.3m as well as from valuation changes not recognised in profit and loss that amounted to EUR 12.8m. This reduction was contrasted by the current earnings contributions of EUR 111.6m.

Other investments totalling EUR 593.2m, which are assigned to the category of "available-for-sale", include the shares of listed companies with a market value of EUR 567.4m, a decrease of EUR 103.7m from the prior balance sheet date. The adjustments made to reflect changed market values were, in accordance with IAS 39, allocated to the valuation reserve after taking into account the deduction of deferred taxes.

The number of EVN shares in circulation developed as follows:

Development of the number of shares in circulation Number	2013/14 Q. 1–3
Balance 30.09.2013	178,034,790
Purchase of treasury shares	–154,500
Total 30.06.2014	177,880,290

On 30 May 2012, 28 December 2012 and 29 August 2013, the Executive Board of EVN AG approved the repurchase of the company's shares in connection with the share buyback programme. These decisions were based on an authorisation of the 83rd Annual General Meeting of EVN AG on 19 January 2012, with each buyback covering the purchase of up to 1,000,000 of the company's shares. The maximum purchase under each of these decisions would represent up to 0.556% of the current share capital of EVN AG. This programme was terminated and replaced by a new authorisation for the repurchase of shares by the 85th Annual General Meeting on 16 January 2014.

As of 30 June 2014, the number of treasury shares amounted to 1,998,112 (or 1.11% of the share capital) with an acquisition value of EUR 22.5m and a market value of EUR 21.3m (30 September 2013: EUR 20.8m). The treasury shares held by EVN AG are not entitled to any rights, and in particular, they are not entitled to dividends.

The 85th Annual General Meeting of EVN AG held on 16 January 2014, approved the proposal of the Executive Board and Supervisory Board to distribute a dividend of EUR 0.42 per share for the 2012/13 financial year, which comprises a total dividend payout of EUR 74.8m. Ex-dividend date was 21 January 2014, and the dividend payment to shareholders of EVN AG took place on 24 January 2014.

The non-current loans and borrowings are composed as follows:

Break-down of non-current loans and borrowings EURm	30.06.2014	30.09.2013
Bonds	705.1	707.0
Bank loans	1,173.5	1,104.2
Total non-current loans and borrowings	1,878.6	1,811.3

The EUR 1.9m decline in bonds resulted primarily from revaluation of the hedged foreign currency exposure. This was offset by a corresponding increase in the fair values of the swaps.

The change in bank loans resulted from loans drawn to finance the current capital expenditure programme, in particular for network investments in Lower Austria, and from on-going scheduled instalment payments. The issue of the EUR 121.5m promissory note loans in October 2012 is also reflected in the bank loans.

Segment reporting

EURm	Generation		Energy Trade and Supply		Network Infrastructure Austria		Energy Supply South East Europe	
	2013/14 Q. 1–3	2012/13 Q. 1–3	2013/14 Q. 1–3	2012/13 Q. 1–3	2013/14 Q. 1–3	2012/13 Q. 1–3	2013/14 Q. 1–3	2012/13 Q. 1–3
External revenue	27.4	31.9	344.1	306.0	356.7	357.3	660.8	779.9
Internal revenue (between segments)	111.9	59.3	11.2	13.9	33.7	33.9	0.3	0.3
Total revenue	**139.3**	**91.2**	**355.3**	**319.9**	**390.4**	**391.2**	**661.1**	**780.2**
Operating expenses	–82.1	–55.8	–325.4	–311.3	–198.6	–203.9	–652.3	–694.7
Share of results from equity accounted investees operational	1.4	–24.0	51.1	34.6	–	–	–	–
EBITDA	**58.6**	**11.5**	**81.1**	**43.2**	**191.8**	**187.3**	**8.8**	**85.5**
Depreciation including effects from impairment tests	–50.3	–20.6	–11.7	–11.1	–75.6	–73.5	–239.6	–49.7
Results from operating activities (EBIT)	**8.2**	**–9.1**	**69.4**	**32.2**	**116.2**	**113.8**	**–230.8**	**35.7**
Financial results	–18.1	–10.5	–2.2	–2.4	–13.5	–13.4	–22.2	–21.4
Result before income tax	**–9.9**	**–19.6**	**67.2**	**29.8**	**102.7**	**100.3**	**–253.0**	**14.3**
Total assets	1,227.4	1,142.1	444.0	424.5	1,779.1	1,753.4	1,289.7	1,282.6
Investments[1]	60.1	56.0	14.6	9.3	104.1	88.8	63.3	63.2

	Environmental Services		Strategic Investments and Other Business		Consolidation		Total	
	2013/14 Q. 1–3	2012/13 Q. 1–3	2013/14 Q. 1–3	2012/13 Q. 1–3	2013/14 Q. 1–3	2012/13 Q. 1–3	2013/14 Q. 1–3	2012/13 Q. 1–3
External revenue	119.1	176.7	6.3	1.9	–	4.1	1,514.4	1,657.8
Internal revenue (between segments)	15.7	14.7	46.3	49.2	–219.1	–171.2	–	–
Total revenue	**134.8**	**191.3**	**52.6**	**51.1**	**–219.1**	**–167.1**	**1,514.4**	**1,657.8**
Operating expenses	–106.4	–153.3	–56.7	–48.8	175.2	206.7	–1,246.2	–1,261.2
Share of results from equity accounted investees operational	8.9	8.9	47.5	74.3	–	–	108.9	93.8
EBITDA	**37.3**	**46.9**	**43.4**	**76.5**	**–43.9**	**39.5**	**377.0**	**490.5**
Depreciation including effects from impairment tests	–23.3	–21.5	–1.2	–1.3	1.6	–6.1	–400.0	–183.8
Results from operating activities (EBIT)	**14.0**	**25.5**	**42.2**	**75.2**	**–42.2**	**33.4**	**–23.0**	**306.7**
Financial results	–2.1	0.3	60.7	0.8	–12.4	–8.3	–9.8	–55.0
Result before income tax	**12.0**	**25.7**	**102.8**	**76.0**	**–54.6**	**25.1**	**–32.8**	**251.7**
Total assets	1,434.2	1,477.5	2,686.2	2,695.4	–1,814.1	–1,677.3	7,046.4	7,098.3
Investments[1]	11.3	8.2	0.6	2.2	–4.9	–4.2	249.0	223.4

1) In intangible assets and property, plant and equipment

The results shown in the total column represent the results reported on the consolidated income statement. The consolidation column reflects the elimination of intersegment transactions. Also included are transition amounts, which result from the difference between the viewpoints of the Generation and Energy Trade and Supply Segments and the Group with respect to the inclusion of Steag-EVN Walsum as a joint operation. The Generation Segment has not identified any signs of impairment to its proportional investment in the power plant resulting from the inclusion of Steag-EVN Walsum as a joint operation, and the Energy Trade and Supply Segment has already recognised provisions for onerous contracts connected with the marketing of its electricity production. In contrast, an impairment charge is required from the Group's point of view.

Selected notes on financial instruments

Information on classes and categories of financial instruments

EURm

Classes	Measurement category	Fair value hierarchy (according to IFRS 13)	30.06.2014 Carrying amount	30.06.2014 Fair value	30.09.2013 Carrying amount	30.09.2013 Fair value
Non-current assets						
Other investments						
Investments in affiliates	–	–	10.3	–	8.1	–
Miscellaneous investments[1]	AFS	Level 1	582.9	582.9	686.7	686.7
			593.2		**694.8**	
Other non-current assets						
Securities	@FVTPL	Level 1	85.0	85.0	57.1	57.1
Loans receivable	LAR		38.9	38.9	39.2	39.2
Lease receivables and accrued lease transactions	LAR		692.5	692.5	703.6	703.6
Non-financial assets	–		152.7	–	61.1	–
			969.2		**861.1**	
Current assets						
Current receivables and other current assets						
Trade and other receivables	LAR		403.3	403.3	428.7	428.7
Receivables arising from derivative transactions	Hedge Accounting	Level 2	1.7	1.7	35.1	35.1
Non-financial assets	–		18.5	–	22.9	–
			423.5		**486.7**	
Securities	AFS	Level 1	**10.8**	**10.8**	**43.9**	**43.9**
Cash and cash equivalents						
Cash on hand and cash at banks	LAR		241.0	241.0	255.9	255.9
			241.0		**255.9**	
Non-current liabilities						
Non-current loans and borrowings						
Bonds	FLAC		705.1	821.2	707.0	792.2
Bank loans	FLAC		1,173.5	1,173.5	1,104.2	1,104.2
			1,878.6		**1,811.3**	
Other non-current liabilities						
Leases	FLAC		19.7	19.7	21.5	21.5
Accruals of financial transactions	FLAC		44.4	44.4	32.9	32.9
Other liabilities	FLAC		79.3	79.3	9.4	9.4
Liabilities arising from derivative transactions	Hedge Accounting	Level 2	21.1	21.1	16.6	16.6
			164.5		**80.3**	
Current liabilities						
Current loans and borrowings	FLAC		**139.7**	**139.7**	**394.6**	**394.6**
Trade payables	FLAC		**416.5**	**416.5**	**415.8**	**415.8**
Other current liabilities						
Other financial liabilities	FLAC		243.9	243.9	176.7	176.7
Liabilities arising from derivative transactions	Hedge Accounting	Level 2	20.1	20.1	6.0	6.0
Non-financial liabilities	–		80.6	–	77.8	–
			344.5		**260.5**	
Aggregated to measurement categories						
Available for sale financial assets	AFS		593.7		730.6	
Loans and receivables	LAR		1,375.7		1,427.5	
Financial assets designated at fair value through profit or loss	@FVTPL		85.0		57.1	
Financial liabilities at amortised cost	FLAC		2,822.1		2,862.1	

1) Primarily listed investments that are classified being available for sale.

The previous table shows the financial instruments carried at fair value and their classification in the fair value hierarchy according to IFRS 13.

Level 1 input factors are observable parameters such as quoted prices for identical assets or liabilities. These prices are used for valuation purposes without modification.

Level 2 input factors represent other observable parameters which must be adjusted to reflect the specific characteristics of the valuation object. Examples of the parameters used to measure the financial instruments classified under level 2 are forward price curves derived from market prices, exchange rates, interest structure curves and the counterparty credit risk.

Level 3 input factors are unobservable factors that must be modified to reflect the assumptions that market participants would use to determine an appropriate price for the respective asset or liability. At the present time, EVN has no financial instruments that are measured at fair value in accordance with level 3.

There were no reclassifications between the various levels during the reporting period.

Selected notes to the statement of cash flows

Interest income and interest expense are allocated to current business activities. Interest income amounted to EUR 16.2m (previous year: EUR 19.9m), whereas interest expense was EUR 43.4m (previous year: EUR 34.9m). Furthermore, cash inflows from dividends of EUR 134.3m (previous year: EUR 147.4m) are included in operating cash flow.

Information on transactions with related parties

There were no changes in the group of individuals and companies who are considered as related parties compared to the Annual report of 2012/13.

The value of services provided to investments in equity accounted investees is as follows:

Transactions with investments in equity accounted investees EURm	2013/14 Q. 1–3	2012/13 Q. 1–3
Revenue	212.1	222.4
Cost of materials and services	123.1	150.4
Trade accounts receivable	10.0	19.5[1)]
Trade accounts payable	50.4	23.1[1)]

1) Values at 30 September 2013

Other obligations and risks

Other obligations and risks decreased by EUR 17.3m to EUR 875.8m compared to 30 September 2013. This change was mainly due to a decline in guarantees for subsidiaries in connection with the construction and operation of power plants, a decrease in guarantees in connection with construction projects in the Environmental Services segment as well as the decreased guarantees for subsidiaries in connection with energy transactions as at the reporting date. This increase was in contrast to an increase in scheduled orders for investments in intangible assets and property, plant and equipment.

Contingent liabilities related to guarantees for energy transactions are recognised on the basis of the guarantees issued by e&t Energie Handelsgesellschaft mbH and EconGas GmbH at an amount equalling the risk exposure of EVN AG. This risk is measured by the changes between the stipulated price and the actual market price, whereby EVN is only exposed to procurement risks when market prices decline and to selling risks when market prices increase. Accordingly, fluctuations in market prices may lead to a change in the risk exposure after the balance sheet date. The risk assessment resulted in a contingent liability of EUR 69.6m as of 30 June 2014. The nominal volume of the guarantees underlying this assessment was EUR 412.0m.

Events after the balance sheet date

The following events of material importance took place between the quarterly balance sheet date of 30 June 2014, and the editorial deadline of the consolidated interim report on 20 August 2014:

In July 2014, the rating agency Moody’s confirmed EVN’s A3 investment grade rating; the outlook was reduced to “negative”.

The syndicated revolving credit facility was refinanced prematurely on 15 July 2014. This credit line has a volume of EUR 400m and a term of up to seven years.

On 5 August 2014, EVN AG executed and completed the issuance of treasury shares for employees. A total of 67,620 of EVN’s own non-par value shares (treasury stock), corresponding to 0.04% of the current share capital of EVN AG, were transferred to the employees of EVN AG and certain subsidiaries (Netz Niederösterreich GmbH, evn wasser Gesellschaft m.b.H.) off-market.

Within the context of the share buyback programme that was launched on 22 January 2014, no additional shares were repurchased over the Vienna Stock Exchange from 30 June 2014 to 20 August 2014. EVN AG held 1,930,492 treasury shares, or 1.1% of share capital as of 20 August 2014.

The EVN share

The major international stock indices recorded positive development during the reporting period from 1 October 2013 to 30 June 2014, with the German and US indices reaching record highs in recent months. The German benchmark index DAX, which has since broken the 10,000-point mark, rose by 14.4% and the US Dow Jones by 11.2%.

Solid economic development in Europe and the USA, which was also reflected in a steady improvement in many preliminary indicators, had a favourable influence on the international capital markets. The economic recovery in Europe not only covers the core states, but also most of the peripheral countries. This stabilisation was confirmed by the successful return of Ireland, Spain, Portugal and, most recently, Greece to the capital markets.

The two major central banks, the US Federal Reserve (Fed) and the European Central Bank (ECB) are currently following different policies. The Fed plans to terminate its bond purchase program, assuming the US economy continues to recover as expected, in October 2014 and is considering an increase in the prime lending rate during the coming quarters. In contrast, the ECB is continuing its expansive policy. Supported by a low inflation rate, the ECB cut the prime lending rate to a record low of 0.15% in two steps during mid-November 2013 and June 2014. Further decisions included the introduction of a 0.10% negative interest rate for the deposit facility (i.e. funds deposited by banks with the ECB) and a continuing unlimited supply of liquidity.

The EVN share was reclassified from the ATX to the ATX Prime of the Vienna Stock Exchange as of 24 March 2014. In a market that remained difficult for utility companies, the EVN share lost 5.4% during the first nine months of the 2013/14 financial year and traded at EUR 10.68 on 30 June 2014. The Dow Jones Euro Stoxx Utilities, the relevant industry index for EVN, rose by 23.6% during the reporting period. The ATX Prime increased by 0.7% and Vienna's benchmark ATX index fell by 1.1%.

The market capitalisation of EVN AG totalled EUR 1.92bn as of 30 June 2014. The daily turnover of EVN shares was slightly lower than the comparable prior year period at 52,018 (single counting). This represents a trading volume of EUR 103.1m (single counting) and 0.6% of the total trading volume on the Vienna Stock Exchange. EVN was weighted at 0.8% in the ATX Prime as of 30 June 2014.

From the start of the share buyback programme on 6 June 2012 to its termination on 16 January 2014, EVN repurchased 1,640,030 of its shares.

The 85th Annual General Meeting on 16 January 2014 approved a new authorisation for the Executive Board to repurchase the company's shares (i) pursuant to § 65 (1) no. 4 of the Austrian Stock Corporation Act for distribution to the company's employees or to other subsidiaries and (ii) pursuant to § 65 (1) no. 8 of the Austrian Stock Corporation Act for no specific purpose at an amount equal to a maximum of 10% of the

The EVN share price – relative development

EVN share – performance		2013/14 Q. 1–3	2012/13 Q. 1–3
Share price at the end of June	EUR	10.68	9.65
Highest price	EUR	12.50	12.66
Lowest price	EUR	9.76	9.60
Value of shares traded[1]	EURm	103.07	107.01
Average daily turnover[1]	Shares	52,018	52,945
Share of total turnover[1]	%	0.60	0.79
Market capitalisation at the end of June	EURm	1,921.00	1,736.00
ATX weighting at the end of June	%	0.80	0.99
WBI (Vienna Stock Exchange weighting) at the end of June	%	2.17	2.34

1) Vienna Stock Exchange, single counting

share capital of EVN AG during a period of 30 months starting on the date the resolution is passed. On that same day, the Executive Board of EVN AG decided to make use of this authorisation and to repurchase up to 1,000,000 shares – representing up to 0.556% of current share capital – over the Vienna Stock Exchange. This share buyback is intended primarily to improve the supply and demand for the EVN share on the Vienna Stock Exchange, whereby trading in treasury shares is excluded as a purpose of the buyback. The share buyback programme started on 22 January 2014 and will end on 30 September 2014 at the latest. A total of 108,000 shares were repurchased by 30 June 2014 within the framework of this new share buyback programme.

EVN AG held 1,998,112 treasury shares as of 30 June 2014, including the shares repurchased during 2008 and between 2012 and 2014. These treasury shares represent approximately 1.1% of share capital.

EVN's strategy for the use of its financial resources includes establishing a balance between current investment projects and attractive dividends for shareholders. The 85th Annual General Meeting on 16 January 2014 approved the distribution of a dividend of EUR 74.8m, or EUR 0.42 per share, to shareholders for the 2012/13 financial year. The ex-dividend day was 21 January 2014, and payment was made to shareholders on 24 January 2014.

In accordance with Austrian federal and provincial constitutional law, the province of Lower Austria is the major shareholder of EVN AG with a stake of 51.0%. This shareholding is formally held by NÖ Landes-Beteiligungsholding GmbH, St. Pölten, which is a subsidiary of the province of Lower Austria. On 20 December 2013, EnBW Energie Baden-Württemberg AG, Karlsruhe, Germany, concluded a trust agreement with EnBW Trust within the framework of a so-called contractual trust arrangement model. This led to the transfer in trust of EnBW's 32.5% stake in EVN to EnBW Trust. Therefore, the second largest shareholder is EnBW Trust e.V., Karlsruhe, Germany, with a stake of 32.5%. The treasury shares held by EVN AG represent approximately 1.1% of share capital, and free float equalled 15.4%.

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Financial calendar[1]	
Annual results 2013/14	11.12.2014
86th Annual General Meeting of EVN AG	15.01.2015
Ex-dividend day	22.01.2015
Dividend payment	28.01.2015
Results Q. 1 2014/15	26.02.2015
Results HY. 1 2014/15	28.05.2015
Results Q. 1–3 2014/15	27.08.2015
Annual results 2014/15	10.12.2015

1) Preliminary

EVN share – Basic information	
Share capital	EUR 330,000,000.00
Denomination	179,878,402 shares
ISIN security code number	AT0000741053
Tickers	EVNV.VI (Reuters); EVN AV (Bloomberg); EVN (Dow Jones); EVNVY (ADR)
Listing	Vienna
ADR programme; depositary	Sponsored Level I ADR programme (5 ADR = 1 share); The Bank of New York Mellon
Sustainability index	VÖNIX, FTSE4Good, Ethibel, ECPI
Ratings	A3, negative (Moody's); BBB+, stable (Standard & Poor's)

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