



EVN – energy company and
environmental services provider

February 2017

Key take-aways



- 2015/16 Group EBITDA: 77% from regulated and stable business
- Stable home market due to high customer loyalty
- Diversified business model balances between the segments
- Diversifying holdings in energy-related businesses
 - Verbund AG, Verbund Innkraftwerke GmbH, Burgenland Holding AG and RAG
- Growth opportunities through investments in SEE
- Strong Cash flow
 - Secures investments in RAB
 - Enables payment of attractive dividends; 2015/16 dividend yield: 4.0%
 - Supports debt repayment

-
- EVN at a glance
 - Regulation, market environment and strategy
 - EVN's success drivers
 - Investments
 - Business development FY 2015/16
 - Appendix
 - Executive Board
 - Description of segments
 - CSR
 - RAG
 - Contact details

EVN profile

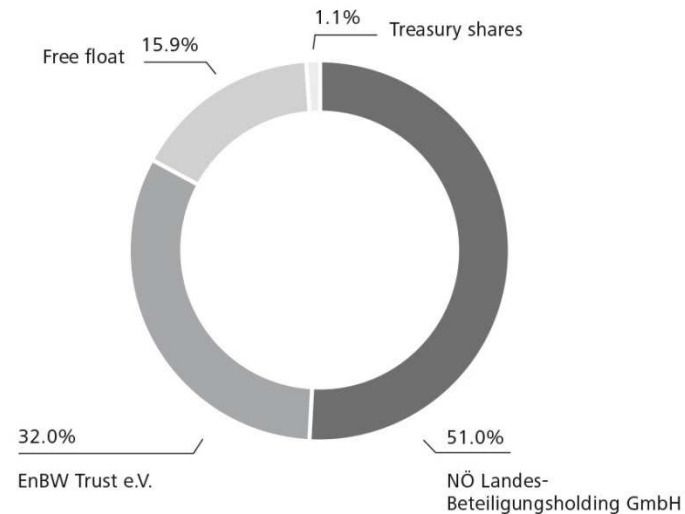


→ Leading integrated energy and environmental services company serving customers in Lower Austria, SEE and CEE

→ Key activities

- Energy generation (renewable, thermal)
- Regulated grid (electricity, natural gas)
- Energy supply
- Environmental services

→ Shareholder structure (as of 30.09.2016)



Energy business – 6 countries



- Thermal power
- Biomass
- Photovoltaics
- Windpower
- Hydropower
- Heat supply
- Gas supply
- Electricity supply
- Regulated grid



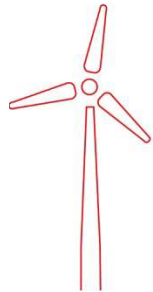
Albania					✓ 1)				
Austria	✓	✓	✓	✓	✓	✓	✓	✓	✓
Bulgaria	✓	✓		✓		✓	✓		✓
Croatia	✓		✓						
Germany		✓	✓		✓ 2)				✓ 3)
Macedonia	✓	✓			✓				

- 1) EVN share: 50%
- 2) EVN share: 13%
- 3) EVN share: 49%

Energy business portfolio of EVN



Generation



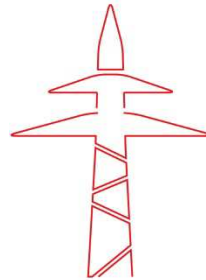
Thermal

1,771 MW

Renewables

618 MW

Networks



Electricity networks

140,000 km

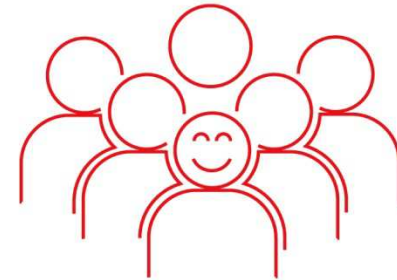
Natural gas networks

14,900 km

Heating lines

836 km

Energy supply



Electricity

3.4m customers

Natural gas

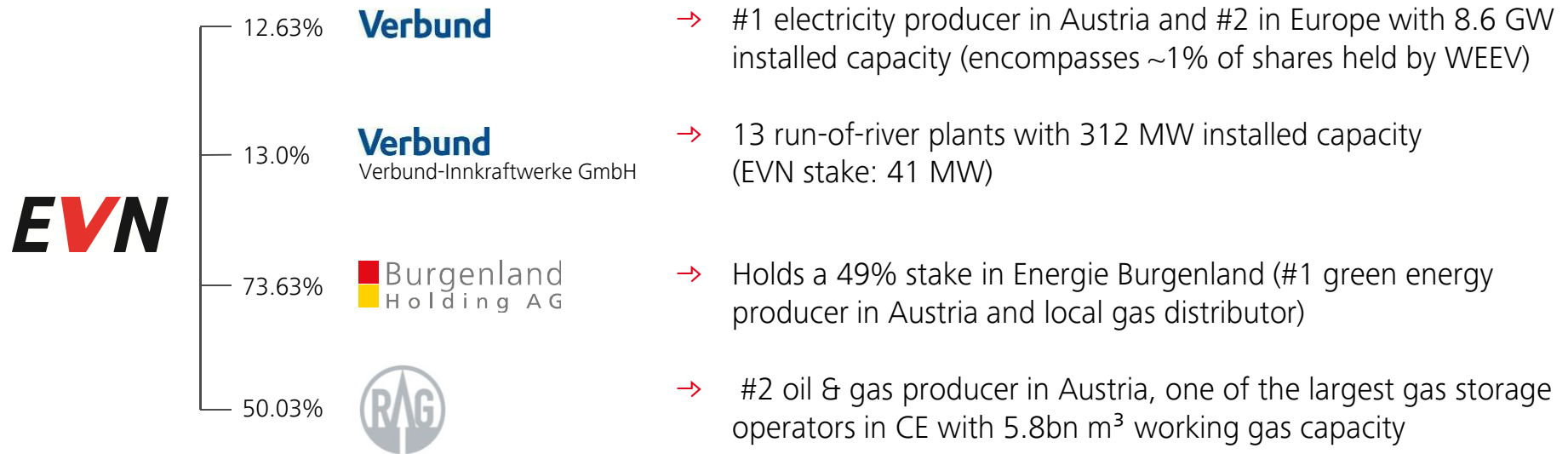
0.3m customers

Heating

0.1m customers

-
- Drinking water supplies in Lower Austria
 - Thermal waste utilisation plant in Lower Austria
(annual capacity 500,000 t)
 - International project business
 - Under construction (as of 30.09.2016)
 - 6 wastewater disposal projects
(Croatia, Czech Republic, Macedonia, Montenegro)
 - Under operation
 - 4 drinking water supply plants
(Germany, Montenegro, Russia)
 - 21 wastewater disposal plants
(Croatia, Cyprus, Germany, Montenegro, Slovenia)
 - 1 thermal waste utilisation plant
(Moscow/Russia, annual capacity 360,000 t)

Strategic investments



EVN's success drivers



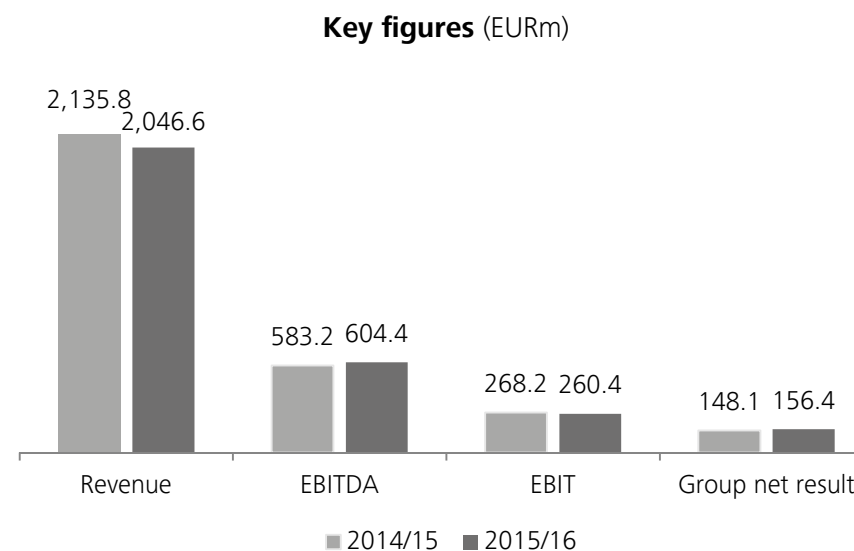
# 1	Solid home market (see page 29ff)
# 2	Strong market position (see page 32)
# 3	High share of earnings from regulated and stable business (see page 36)
# 4	Upside potential in SEE (see page 40)
# 5	Diversification through environmental business (see page 41f)
# 6	Strategic investments (see page 43)
# 7	Solid capital structure (see page 44ff)

Key figures 2015/16



	2015/16	2014/15	+/-
	EURm	EURm	%
Profit and loss statement			
Revenue	2,046.6	2,135.8	-4.2
EBITDA	604.4	583.2	3.6
EBIT	260.4	268.2	-2.9
Group net result	156.4	148.1	5.6
Balance sheet			
Balance sheet total	6,556.5	6,501.2	0.9
Equity ratio	42.3%	39.8%	-
Net debt	1,121.5	1,230.9	-8.9
Gearing	40.5%	47.5%	-
Cash flow and investments			
Net cash flow from operating activities	463.0	478.3	-3.2
Investments ¹⁾	315.4	322.7	-2.2
Share			
Earnings per share	0.88	0.83	5.7
Dividend	0.42	0.42	-
Payout ratio	47.7%	50.4%	-
Dividend yield	4.0%	4.3%	-

1) In intangible assets and property, plant and equipment

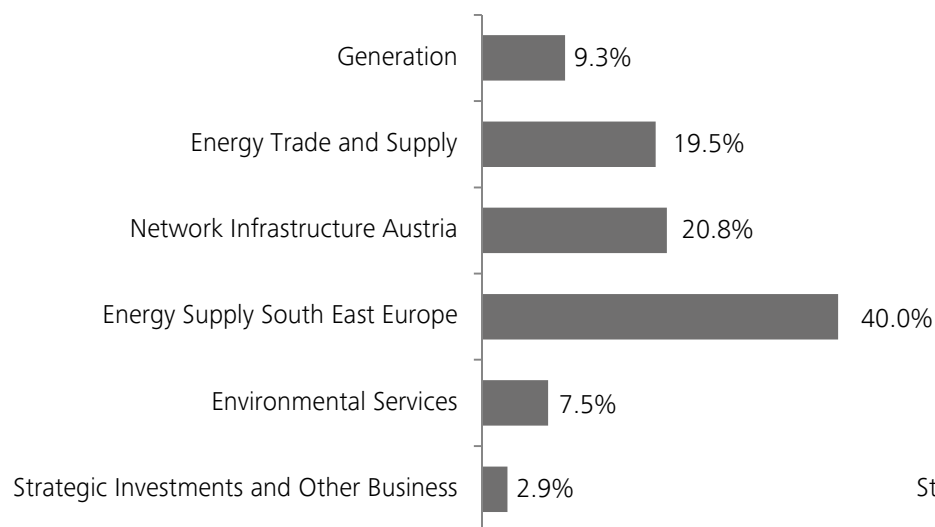


Contribution by business segments – Diversified portfolio



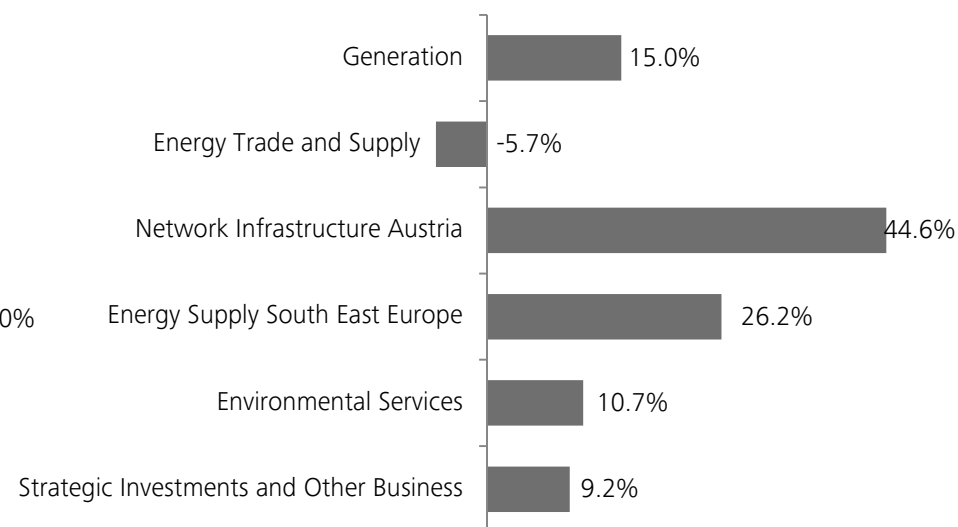
Revenue split¹⁾

(EUR 2,046.6m)²⁾



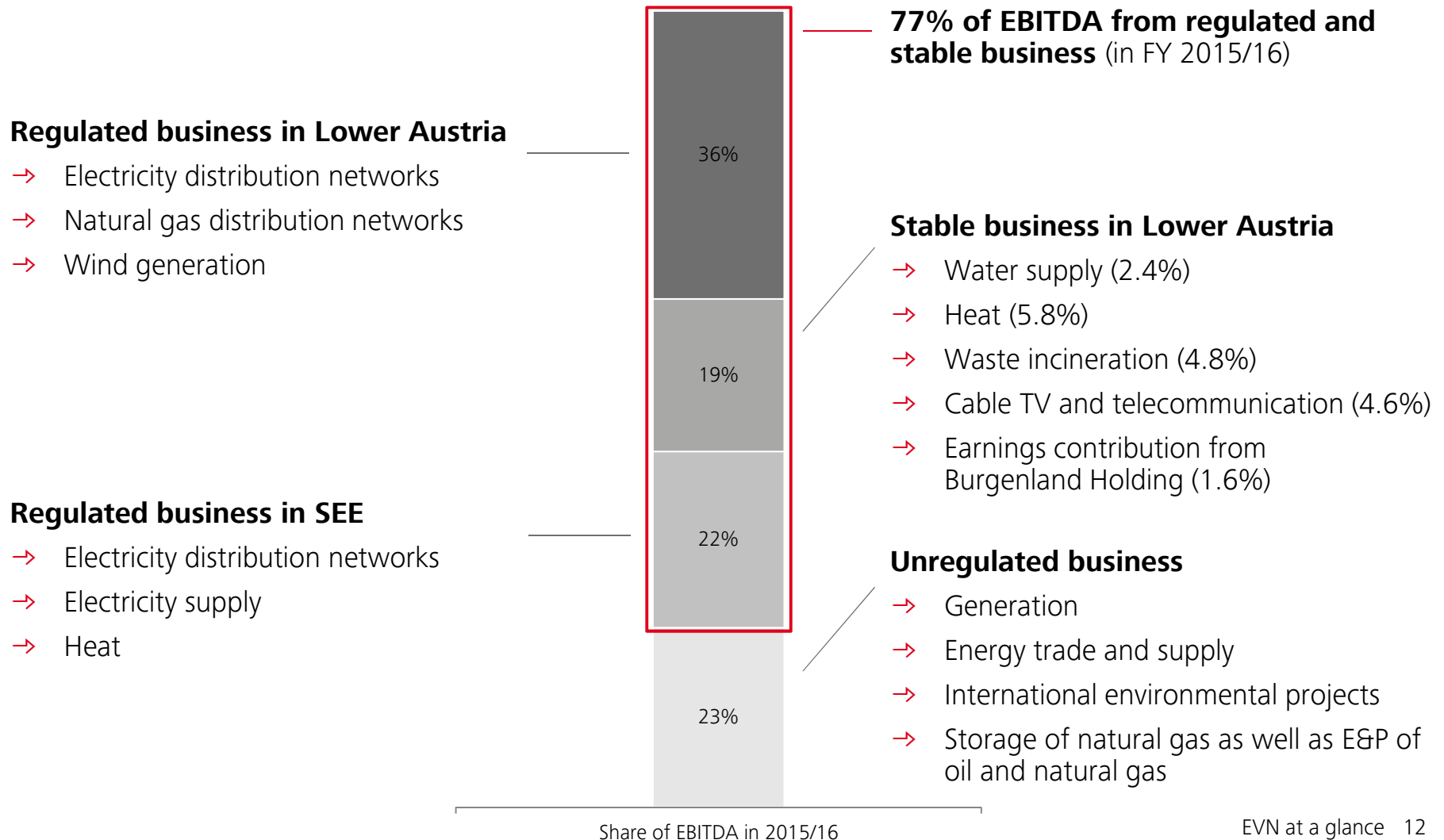
EBITDA split¹⁾

(EUR 604.4m)²⁾



1) BY 2015/16, Pre consolidation
2) BY 2015/16, After consolidation

High share of regulated and stable business



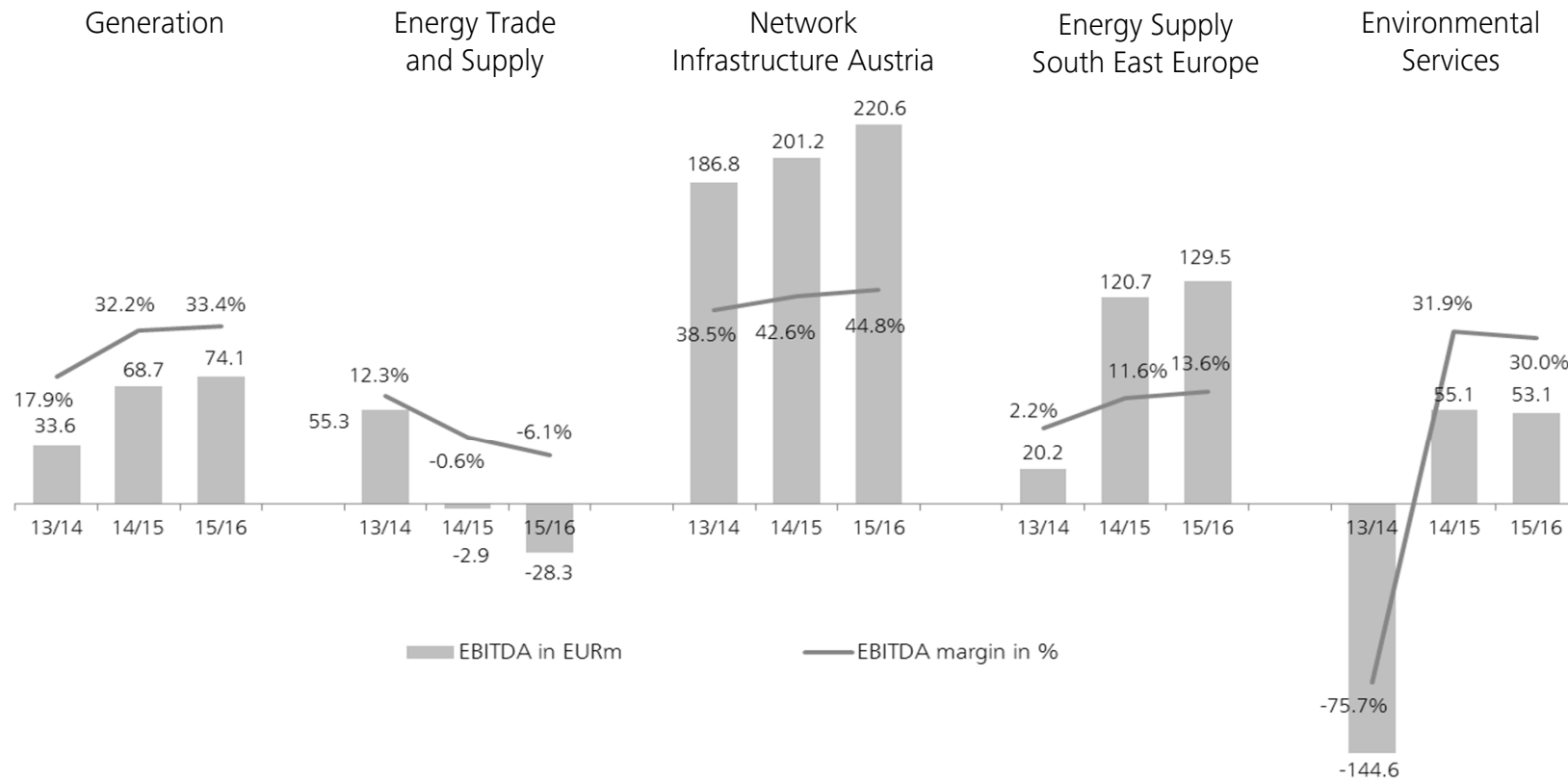
Key financials 2015/16



	2015/16	+/-
	EURm	%
Revenue	2,046.6	-4.2
EBITDA	604.4	3.6
Depreciation and amortisation	-266.1	-2.3
Effects from impairment tests	-77.9	-42.3
EBIT	260.4	-2.9
Financial results	-61.6	-2.1
Group net result	156.4	5.6
Net cash flow from operating activities	463.0	-3.2
	EUR	
Earnings per share	0.88	5.7

- **Revenue below previous year**
 - Lower revenue from mild winter in Bulgaria and liberalisation steps in SEE
 - Higher revenue from thermal generation and Austrian network business
- **Increase in EBITDA**
 - Lower electricity purchases and primary energy expenses
 - Reduction of operating expenses
- **Impairment testing**
 - Energy generation plants
 - EUR 77.9m negative effect on EBIT
- **Increase in Group net result**

EBITDA development by segments FY 2015/16



→ Higher thermal generation to support network stability

→ Negative influence through provision for onerous contracts

→ Positive price and volume effects

→ Weaker electricity demand (mild winter and liberalisation)
→ Operating improvements

→ Increase in revenue
→ Absence of last year's positive effect from sale of sodium hypochlorite plant

EVN within the next 5 years



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- Retail business
 - Growing competition but EVN continues to keep its excellent reputation of being a high quality energy and services provider

 - EBITDA, Group net results, Cash flow
 - Sound cash and earnings contributions from resilient business model with focus on regulated activities
 - Ongoing investments with focus on RAB and expansion of regulated domestic wind generation business as stable growth drivers

 - CAPEX
 - ~ 75% of total CAPEX in Lower Austria
 - Investment focus on networks, renewables, heating and water supply

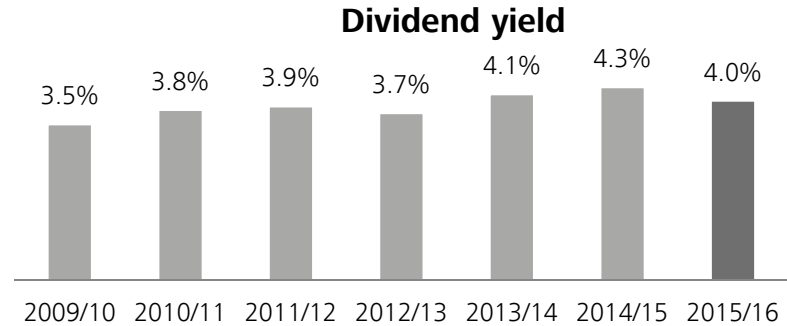
 - Financial ratios
 - Net debt and gearing improvements
 - Attractive dividend policy

The EVN share

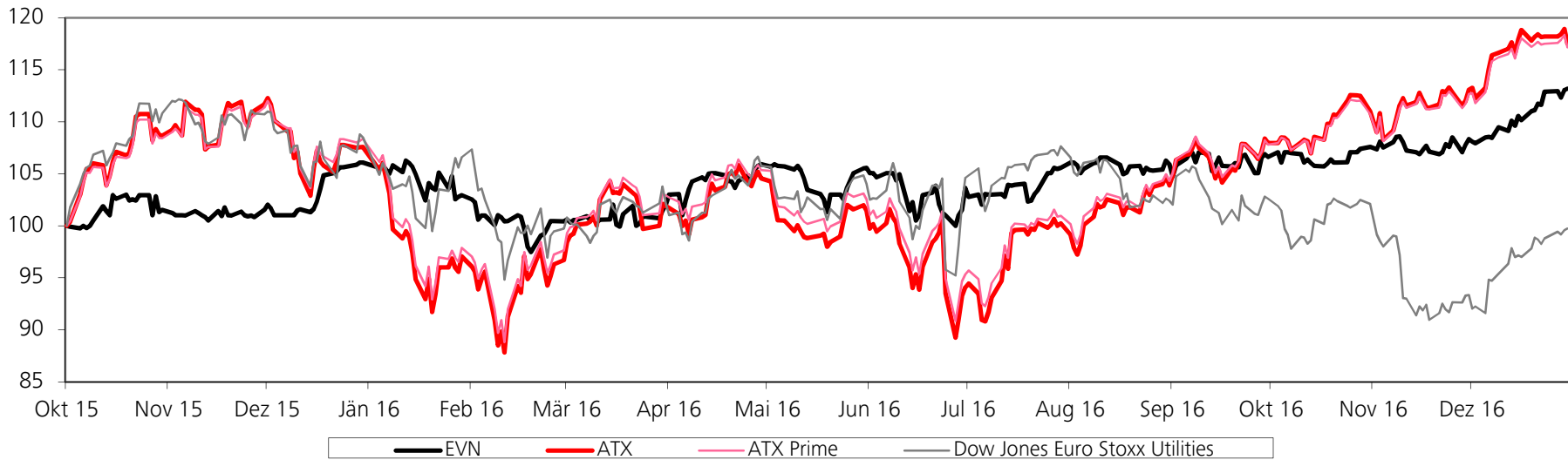


Basic information

Share capital	EUR 330,000,000
Denomination	179,878,402 shares
ISIN	AT000741053
Tickers	EVNV.VI (Reuters); EVN AV (Bloomberg); EVN (Dow Jones); EVNVY (ADR)



Performance of the EVN share



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→ Legal basis

- Electricity Act 2010 (*Elektrizitätswirtschafts- und organisationsgesetz 2010*)
- Natural Gas Act 2011 (*Gaswirtschaftsgesetz 2011*)

→ Goals of the Austrian incentive regulation

- Reflect actual costs required to maintain system integrity and security of supply
- Provide for investment incentives to enhance efficiency and network expansion
- Optimise energy costs for consumers through reduction of network costs and increase competition among suppliers

Features of the Austrian incentive regulation



- Full transparency and predictability
 - Regulator reviews and officially approves all projected costs, investments and capacity for entire regulatory period
 - Resulting cost curve for regulatory period as benchmark for being in line with profits in the grid business or outperforming them
 - Network operator benefits from efficient cost structure

- The Austrian regulator acknowledges the continued investment needs

Regulated business in Austria



Network	Electricity	Gas	Comments
Regulatory authority	E-Control GmbH	E-Control GmbH	
Start of the regulatory period	01.01.2014	01.01.2013	
Next regulatory adjustment	01.01.2019	01.01.2018	Adjustment of WACC and productivity factors
Duration of the regulatory period	5 years	5 years	
Regulatory method	Revenue caps	Revenue caps	
RAB (EURm)	Annually adjusted	Annually adjusted	Annual investments are added to the RAB in the following year
WACC (pre-tax, nominal)	6.42%	6.42%	Set for length of regulatory period
General productivity factor	1.25%	1.95%	Gains from cost reductions remain with the company during the regulatory period
Company specific productivity factor	0.36%	0.00%	Additional X factor is company specific
Inflation	Annual adjustment	Annual adjustment	Network operator price index consists of consumer (30%) and building price (40%) indices as well as wage increase index

Regulated business in South Eastern Europe



Electricity	Bulgaria¹⁾ (electricity)	Bulgaria (heat)	Macedonia (electricity)
Regulatory authority	EWRC (Energy and Water Regulatory Commission)	EWRC (Energy and Water Regulatory Commission)	ERC (Energy Regulatory Commission)
Start of the regulatory period	01.08.2015	01.07.2016	01.01.2015
Next regulatory adjustment	01.08.2018	01.07.2017	01.01.2018
Duration of the regulatory period	3 years	1 year	3 years
Regulatory method ²⁾	Revenue caps	Rate of return on capital	Revenue caps
RAB (EURm)	Annually adjusted	Annually adjusted	Annually adjusted
WACC (pre-tax, nominal)	7.04%	5.77%	6.60%
Recognised network losses	8.0%	30.0 %	14.0%
Productivity factor	Yes	Yes	No
Investment factor ³⁾	Yes	No	No

1) Regulatory decision based on new energy law still pending.

2) The revenue caps comprise the recognised operating expenses, the amortisation and depreciation as well as the recognised return on the RAB.

3) Annual review and approval of company's investment plans by the regulatory authority.

Source: Regulators in Bulgaria (EWRC) and in Macedonia (ERC)

Tariff schemes for renewable energy sources



Renewable energy source	Austria	Bulgaria	Macedonia
Wind			
	Feed-in-tariffs	Feed-in-tariffs	Feed-in-tariffs
Tariff (EUR-cent ¹)/kWh	9.27	6.1 – 9.8	8.9
Duration (in years)	13	12	20
Installed capacity 2015 (MW)	2,100	700	36.8
Target value for installed capacity 2020 (MW)	2,578	1,440	150
Hydro			
	Feed-in-tariffs	Feed-in-tariffs	Feed-in-tariffs
Tariff (EUR-cent ¹)/kWh	3.2 – 10.4	4.8 – 13.6	4.5 - 12.0
Duration (in years)	13	15	20
Installed capacity 2015 (MW)	8,370	3,220	54.7
Target value for installed capacity 2020 (MW)	8,998	3,288	-
Photovoltaic			
	Feed-in-tariffs	Feed-in-tariffs	Feed-in-tariffs
Tariff (EUR-cent ¹)/kWh	10.0 – 11.5	8.6 – 37.3	12.0 - 16.0
Duration (in years)	13	20	15
Installed capacity 2015 (MW)	530	1,028	16.6
Target value for installed capacity 2020 (MW)	322	303	18

Sources: "Investieren in Erneuerbare Energie 2015", Kommunalkredit; 503. Verordnung: Änderung der Ökostrom-Einspeisetarifverordnung 2012 (ÖSET-VO 2012)

http://www.e-control.at/portal/page/portal/medienbibliothek/oeko-energie/dokumente/pdfs/BGBLA_2013_II_503-novelle-oekostrom-einspeisetarif-vo-2012.pdf

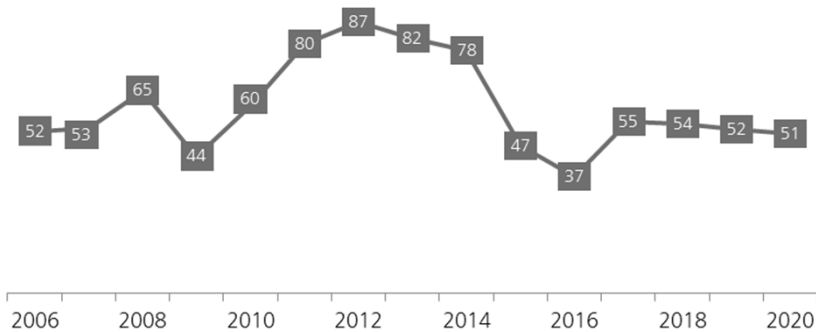
1) In countries with tariffs in local currencies, tariffs have been converted with the exchange rate as of 01.07.2016.

2) "Installed capacity 2015" relates to estimates and assumptions due to available information as of 01.07.2016.

Challenging market environment

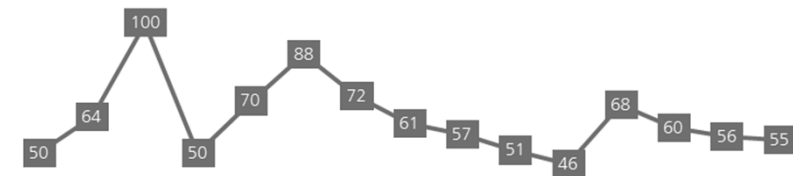


Crude oil price Brent in EUR/bbl



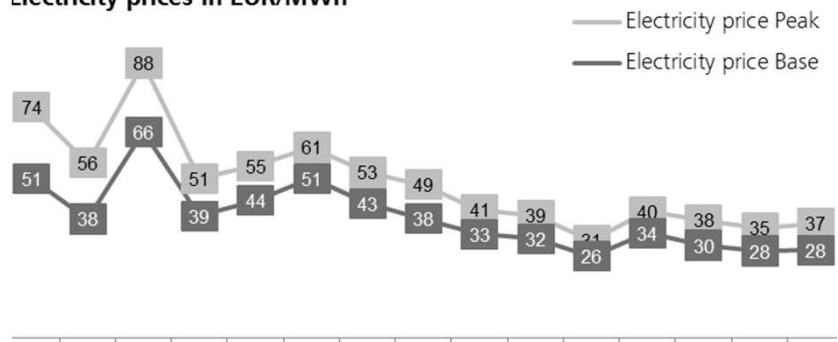
The respective spot market prices had been considered until the notification day

Hard coal prices API2 in EUR/tonne



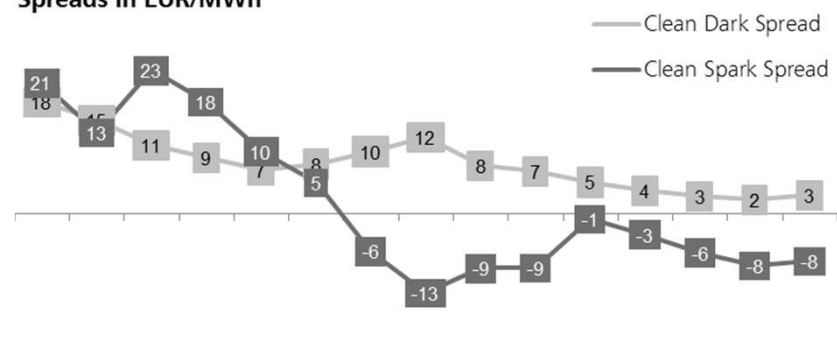
The respective spot market prices had been considered until the notification day

Electricity prices in EUR/MWh



The respective spot market prices had been considered until the notification day

Spreads in EUR/MWh



The respective spot market prices had been considered until the notification day

General strategic group objectives



→ Lower Austria

- Maintaining the integrated business model
- Keep high level of supply security through grid investments
- Diversified generation portfolio with focus on renewables
- Expansion of the drinking water and heating activities
- Development of customer oriented energy services and solutions
- Maintaining EVN's strong brand recognition

→ SEE

- Strong focus on operational improvements and efficiency in the grid business
- Cash-flow-driven investment activities

→ International project business

- Participation in international tender procedures
- Greatest possible exclusion of country and political risks

-
- CAPEX exceeding depreciation
 - Underlying growth of „Regulated Asset Base“ in the focus
 - Increased investment activities in regulated and stable business fields

 - Transparency of the Austrian incentive regulation enables EVN to predictably plan profits and supports investments
 - Major investment projects are being pre-agreed with the regulator

 - EVN continues to be highly efficient
 - Benefits from decrease of general productivity factor in the electricity and gas grid due to prior outperformance of productivity targets

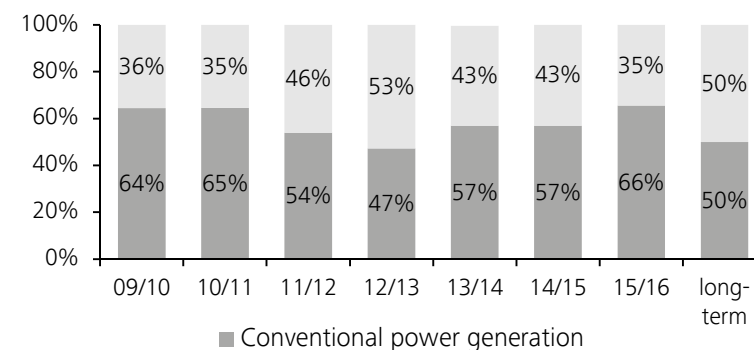
Using opportunities for thermal production

- Providing reserve capacity for Southern Germany
 - EVN's gas-fired power plants under contract until 2017/18
- Allocation of balancing energy and congestion management for the Austrian TSO

Expansion of renewable capacities

- Expansion of renewable generation
 - Attractive long term guaranteed feed in tariffs for wind power
 - Mid term target: from 268 MW to >300 MW wind power

Generation Mix



Ongoing operational improvements in SEE



- Further reduction of grid losses
- Further increase of cash collection rates
- Organisational optimisation
- Investment activities determined by regulatory tariff decisions and resulting operating cash flows
- On-going development of international energy procurement strategies tailored to respective market needs
 - Energy needs resulting from grid losses, market shortages or liberalisation

Agenda



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EVN's success drivers



# 1	Solid home market
# 2	Strong market position
# 3	High share of earnings from regulated and stable business
# 4	Upside potential in SEE
# 5	Diversification through environmental business
# 6	Strategic investments
# 7	Solid capital structure

1: Lower Austria – EVN's prosperous domestic market



Province of Lower Austria at a glance:

Area:	19,186 km ² (~ Half size of Switzerland)
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Population (2016)	1,653,419
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Economically active population, 15-64 years (2014):	72.8% (Austria: 72.3%)
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GDP per capita (2015):	EUR 31,400 ¹⁾ (Austria: EUR 39,400; Germany: EUR 37,100)
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Sources: Statistics Austria; Eurostat; World Bank

1) Lower Austrian GDP per capita 2015

1: Solid home market



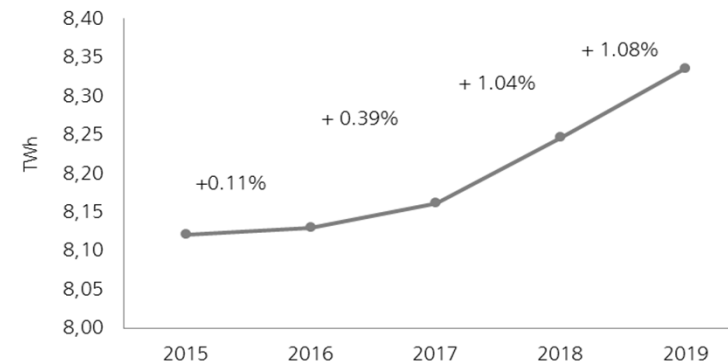
- The Austrian electricity market continues to be stable¹⁾
 - Increase in number of households (more senior citizens and single households)
 - Increase in demand for transport sector, lighting, electronic data processing applications, heating and air conditioning

- Continuous growth in Lower Austrian electricity consumption

Electricity consumption in		
in TWh	Austria	Germany
2014 (Jan-Dec)	69.29	529.37
2015 (Jan-Dec)	69.51	520.61
Change (%)	0.3%	-1.7%
2015 (Jan-Aug)	46.10	342.40
2016 (Jan-Aug)	48.05	358.45
Change (%)	4.2%	4.7%

Source: Austria: European Network of Transmission System Operators for Electricity (www.entsoe.eu)

Outlook on electricity consumption in Lower Austria²⁾



1) Source: European Network of Transmission System Operators for Electricity (www.entsoe.eu)

2) Source: EVN

1: Characteristics of the Austrian utility market



- No nuclear power generation
 - Public vote in the 1970s against nuclear power
- High share of hydropower assets
 - 69%¹⁾ of Austrian electricity generation sourced from hydropower

Electricity production in Austria per energy source (in %)

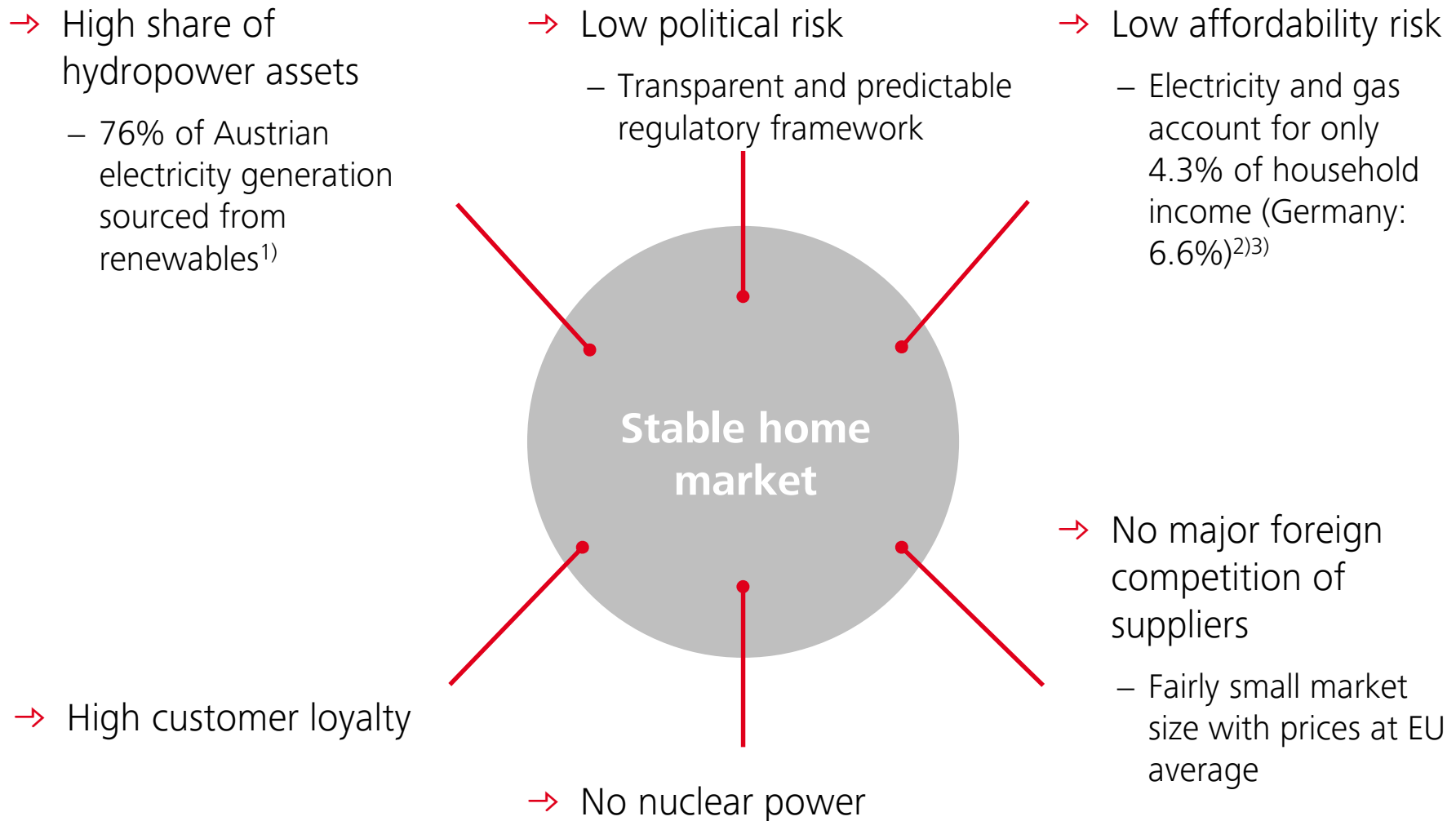


- In 2014, #1 in EU at share of renewable energy sources in electricity generation measured by the country's land area²⁾
(76% of Austrian electricity generation sourced from renewable energies)
- Further renewable energy projects are in the planning or implementation process

1) Source: Oesterreichs Energie (www.oesterreichsenergie.at); data from 2014

2) Source: Energiestatus Österreich 2014, Bundesministerium für Wirtschaft, Familie und Jugend

1: Characteristics of the Austrian utility market



1) Source: Energiestatus Österreich 2014, Bundesministerium für Wirtschaft, Familie und Jugend
2) Source: https://www.statistik.at/web_de/frageboegen/private_haushalte/eu_silc/index.html
3) Source: http://www.rwi-essen.de/media/content/pages/publikationen/rwi-projektberichte/rwi-pb_energieverbrauch-priv-hh.pdf

2: Strong market position in Austria



EVN's electricity market share in Lower Austria

EVN: **69%**

Market size: 8 TWh

Electricity market shares in the Austrian market

EVN: **9%**
EAA & Partners: **18%**

61 TWh

Gas market shares in Lower Austria

EVN: **39%**
EconGas: **26%**

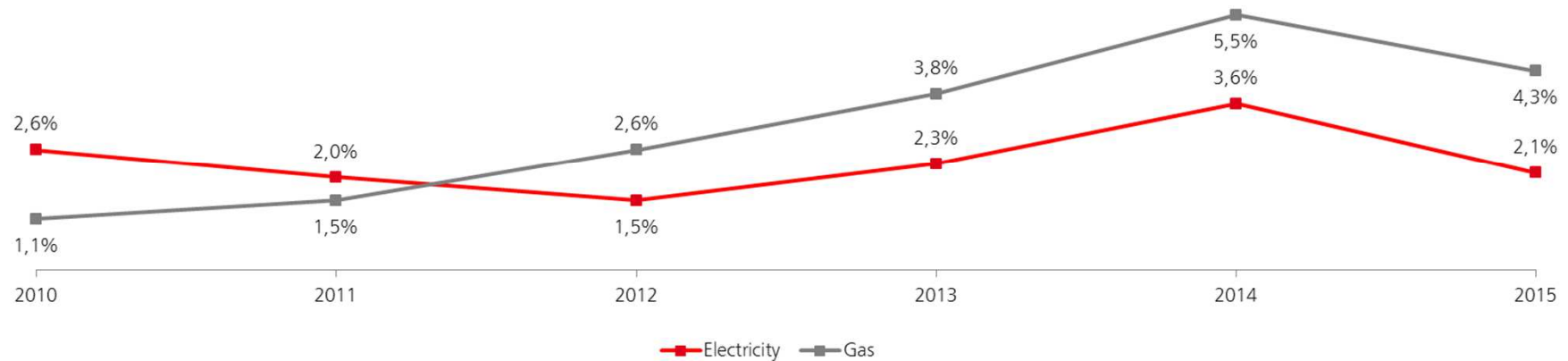
15 TWh

Gas market shares in the Austrian market

EVN: **7%**
EAA & Partners: **10%**
EconGas: **47%**

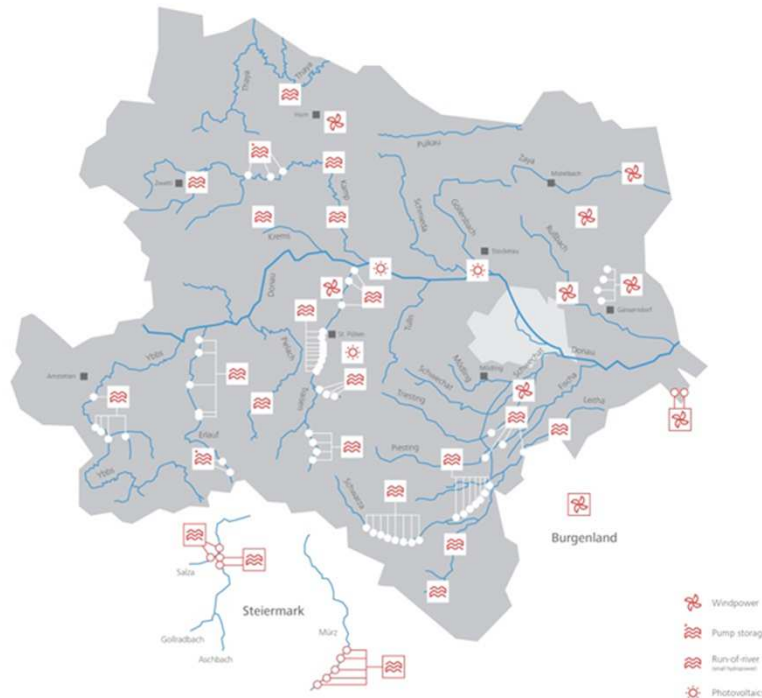
86 TWh

Churn rates in Lower Austria (in %)



Market shares refer to FY 2014/15; EVN holds a 45% stake in EAA & Partners and a 16.51% stake in EconGas (EVN's stake in EconGas has been sold to OMV with effect from May 2016)
 Source market shares: E-Control 2014, annual report and company numbers
 Source churn rates: E-Control, market statistics – consumer attitude/churn rates electricity and gas according to network areas

2: Decentralised renewable production portfolio



Map of Lower Austria

- #2 wind producer in Austria
- Strong, decentralised portfolio
- 5% of EBITDA¹⁾
 - Hydropower 232 MW
 - 5 storage and 67 run-of-river hydropower plants
 - Purchasing rights from hydropower plants along the Danube (Melk, Greifenstein and Freudenau)
 - Investment in hydropower plant Nussdorf and Verbund-Innkraftwerke
 - Windpower 268 MW
 - 16 windparks

1) Basis: Financial year 2015/16

2: Wide-spread heat and biomass portfolio



Map of Lower Austria

- **#1 in biomass heating in Austria**
- 5.8% of EBITDA¹⁾
- Biomass portfolio
 - More than 60 biomass plants in Lower Austria
 - Contract duration: ø 15 years
- Heat extraction from EVN AG's thermal power plants
- Index pricing ensures business provides stable margins and is cash flow generative

1) Basis: Financial year 2015/16

2: Drinking water supply

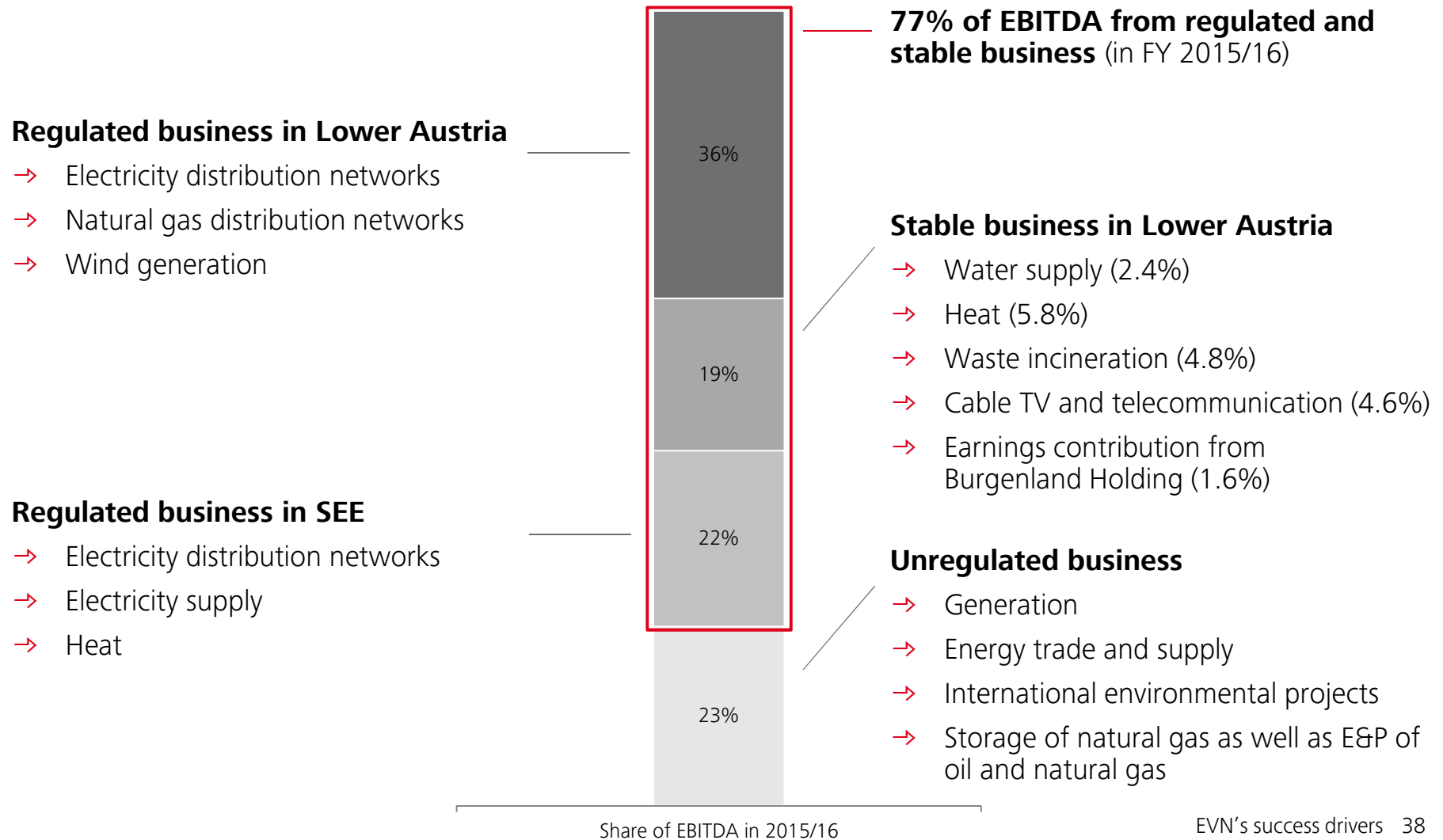


Map of Lower Austria

- **#1 drinking water supplier in Lower Austria** (50 years of experience)
- 2.4% of Group EBITDA¹⁾
- Operation of 36 local drinking water supply networks
- ~ 563,500 customers
 - thereof 103,750 directly supplied
- Construction of natural filter plants
 - Reduction of the hardness level of water by natural means

1) Basis: Financial year 2015/16

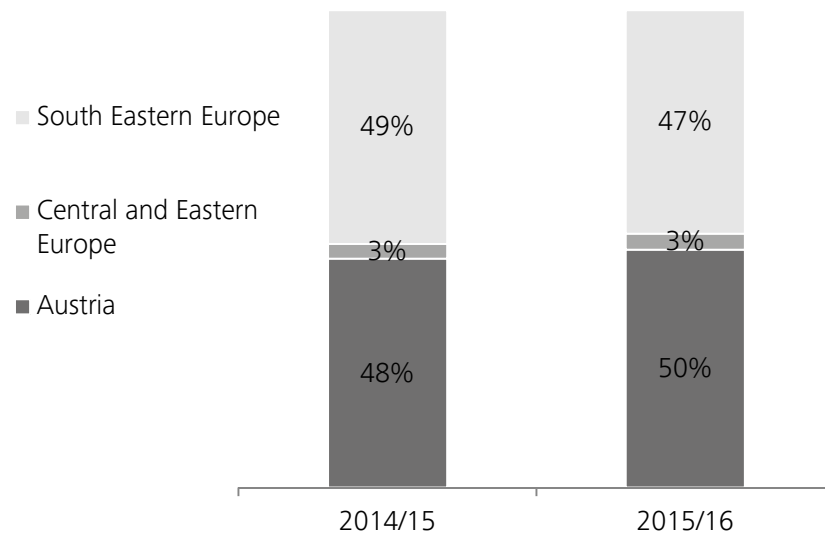
3: High share of regulated and stable business



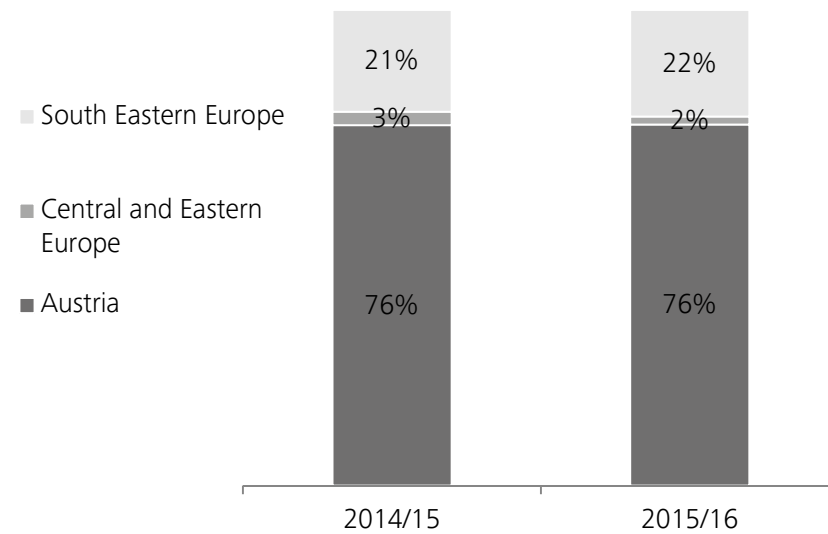
3: Geographical split of revenues and EBITDA



Revenue split by region



EBITDA split by region



4: Bulgaria – EVN's focus in SEE



Bulgaria at a glance:

Area:	111,000 km ²
EVN's supply area:	~42,000 km ² (~ Size of Switzerland)
Population (2014)	7,364,570
Economically active population, 15-64 years (2014)	62.2% (Austria: 75.6%)
GDP per capita (2014)	EUR 6,420 (Austria: EUR 38,540; Germany: EUR 35,250)

4: Macedonia – EVN's focus in SEE



Macedonia at a glance:

Area:	25,713 km ²
EVN's supply area:	25,713 km ²
Population (2014)	2,065,769
Economically active population, 15-64 years (2014):	65.3% (Austria: 75.6%)
GDP per capita (2013)	EUR 4,470 (Austria: EUR 38,540; Germany: EUR 35,250)

4: Business portfolio South East Europe



Key energy business indicators	2015/16 GWh	+/- %
Electricity generation volumes (GWh)	450	-9.1
Network distribution volumes (GWh)	13,403	-1.2
Electricity sales volumes (GWh)	11,882	-4.6
Heat sales volumes (GWh)	184	-12.8
Electricity and heat customers in Bulgaria	1.7m	
Electricity customers in Macedonia	0.8m	

→ **Regulated grid business in Bulgaria and Macedonia**

→ **Gradually liberalisation introduced**

- Bulgarian and Macedonian regulators follow different approaches; large consuming customers already liberalised in both countries

→ **Electricity procurement strategy in focus**

- Electricity procurement strategy as key factor for successful business in liberalised markets

→ **Development of gas supply in Croatia ongoing**

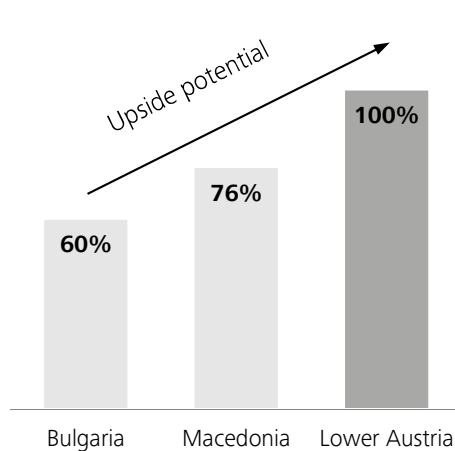
- Mid-term sales quantity: ~40mm³

4: Upside potential from South Eastern European market development



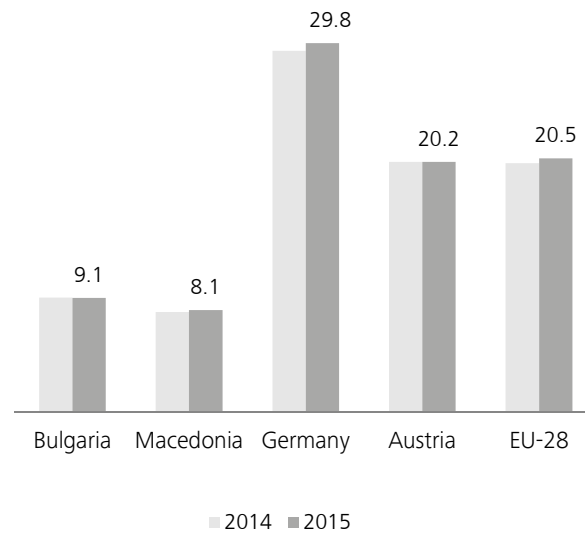
→ Volume

Illustrative electricity sales volumes per EVN customer¹⁾



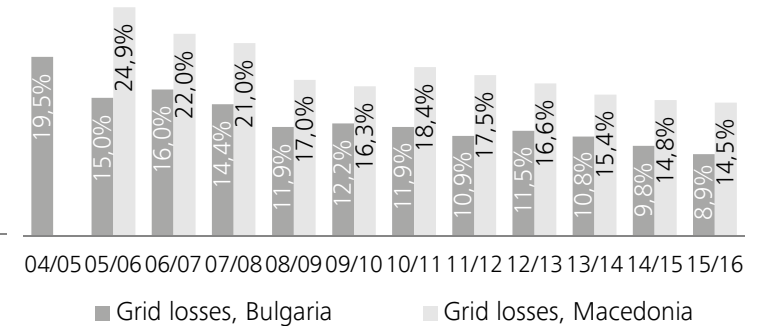
→ Price

Electricity prices for households (EUR cent/kWh)²⁾



→ Efficiency

Improvement of grid efficiency



1) In %, basis: Lower Austria = 100%, Basis: Sales volume 2014/15

2) Prices incl. energy, grid and transmission costs + VAT; Sources: Eurostat 2013 & 2014 + EVN Bulgaria & Macedonia 2014 & 2015

5: Diversification through environmental business



Austrian business

- EVN's activities in Austria cover
 - Drinking water supply
 - Wastewater treatment
 - Thermal waste utilisation plant
- EVN owns facilities
- EVN holds concessions

International project business

- EVN designs and constructs
 - Drinking water plants
 - Wastewater treatment plants
 - Thermal waste utilisation plants
- More than 100 turn-key and PPP projects in 18 countries since 1983
 - 6 projects currently under construction
- Strong demand for infrastructure projects set to continue

5: Project types of international environmental services business

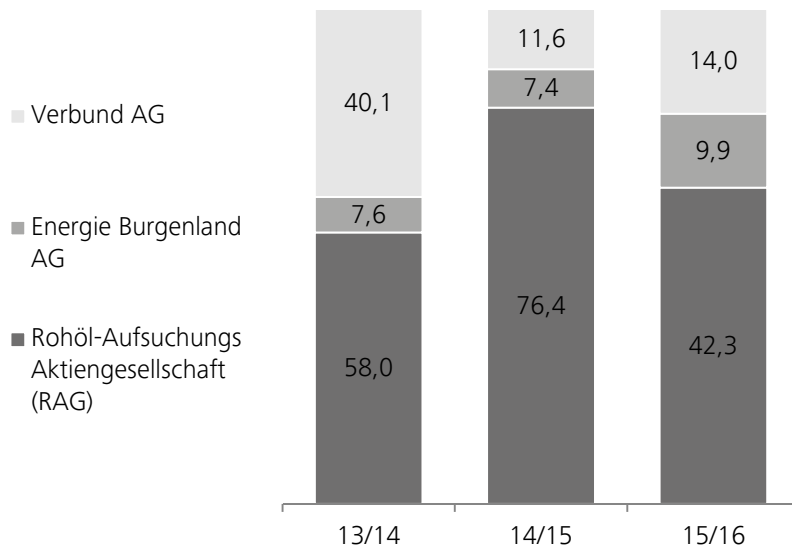


	Turn-key project	PPP project
Scope of activities	Design Construct/build Operate (optional)	Design Construct/build Operate Structure financing Own part or all of equity
Contract length	1–3 years (designing and building) 5–15 years (operations)	10–30 years
Capital intensity	Low	High
Return characteristics	Design and build – POC Operations – recurring annual revenues	Design and build – Percentage of completion (POC) Operations – recurring annual revenues Capital charge payment (recurring or one-time payment)
Financing	None to EVN – done by customer	Non-recourse financing to EVN post construction period
Market characteristics	Low barrier to entry – intensive competition driving margins down	High barrier to entry due to necessary project management expertise and high capital demands for financing

6: Strategic investments



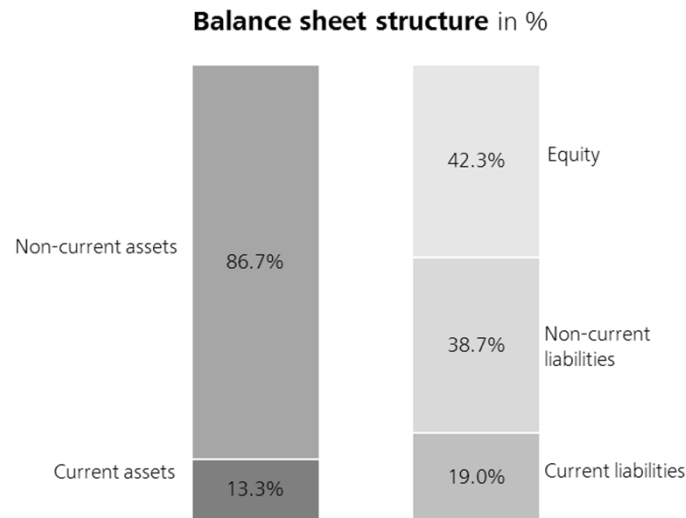
Contribution to net profit (EURm)



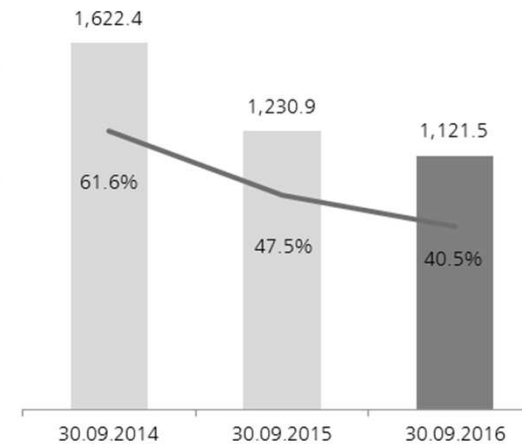
Significant contribution to EVN's net profit

- RAG and Verbund are the main contributors
- Income from RAG below prior-year's level
- Contribution from Verbund AG increased due to higher dividend of 0.35 EUR/share for the 2015 financial year (previous year: EUR 0.29/share)

7: Solid capital structure



Net debt (in EURm) and Gearing (in %)

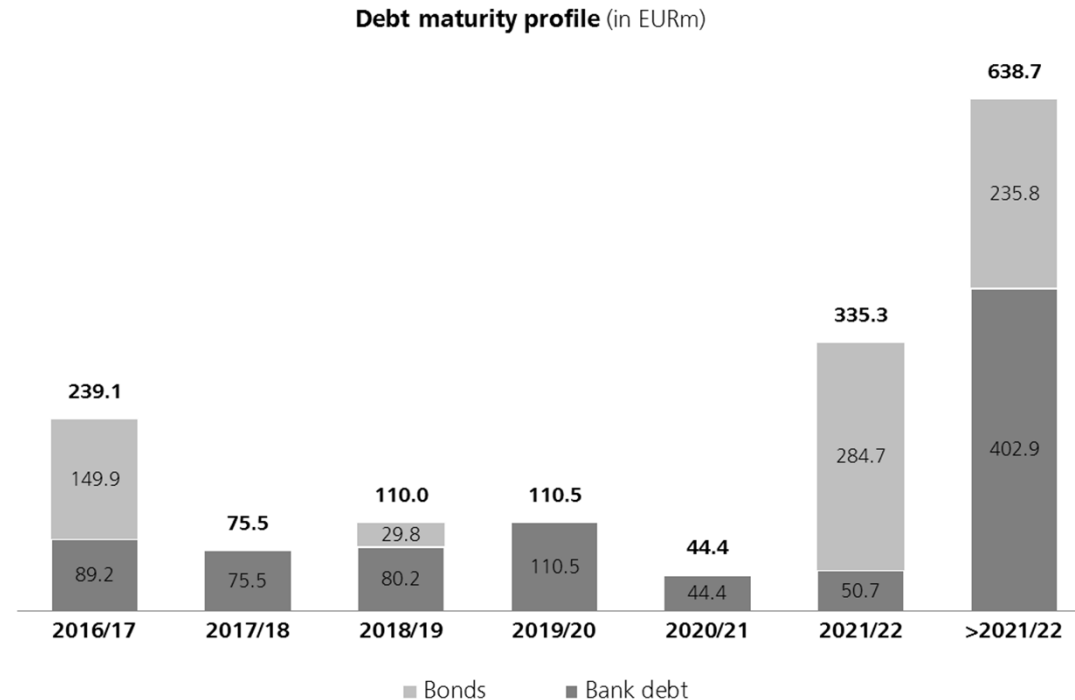


- Solid equity ratio
- Reduced net debt; gearing ratio improved
- Credit ratings
 - S&P: BBB+, stable
 - Moody's: A3, stable
- EVN aims at preserving a competitive investment grade credit rating

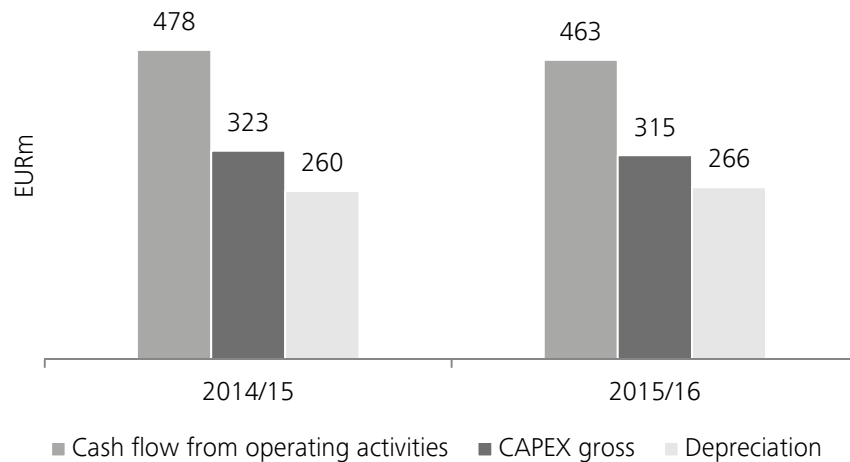
7: Debt maturity profile



- Well-balanced debt maturity profile
- Liquidity reserves of EVN group
 - Syndicated loan of EUR 400m
 - Committed bilateral credit lines of EUR 122.0m



7: Strong operating cash flow

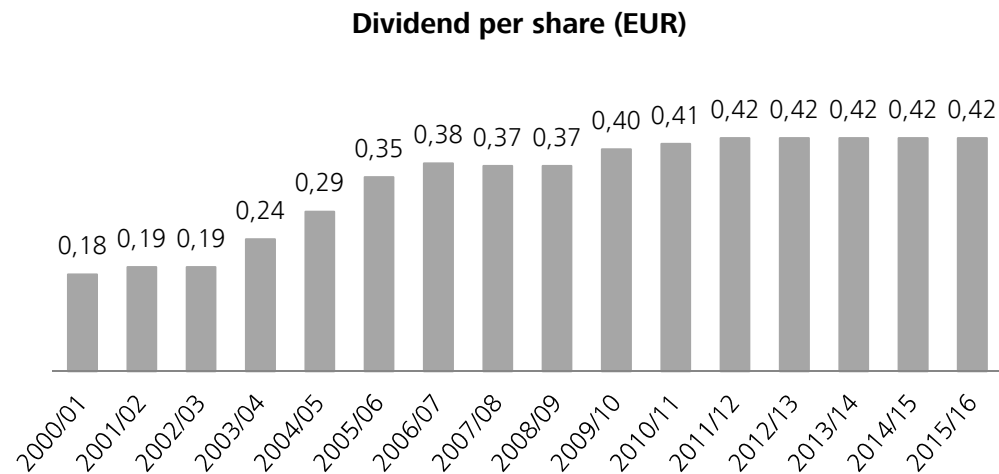


- Strong cash flow due to high share of regulated and stable business
- Operating cash flow
 - Covers investments
 - Secures attractive dividend payments
- CAPEX_{gross} exceed depreciation by 19% and secure RAB
 - 50% of Group investments in the regulated “network infrastructure Austria”
- Investment program with a strong focus on RAB-growth
 - Ø future RAB growth 3–4% p.a.

7: Financial policy and dividends

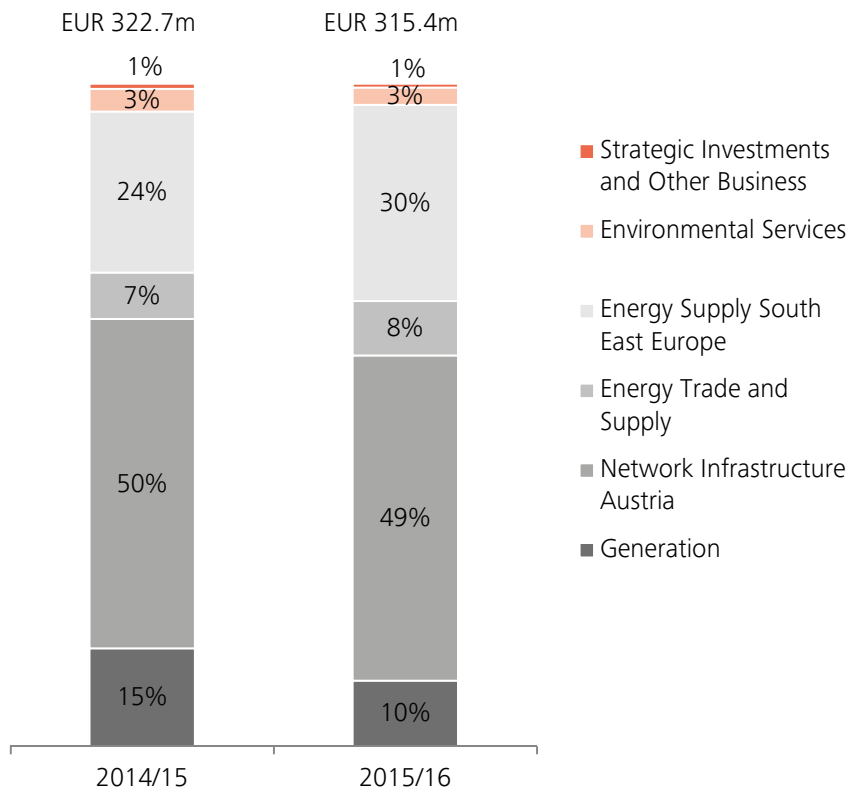


- **Financial policy** going forward based on selected key ratios (unadjusted):
 - Equity ratio > 40% (30.09.2016: 42.3%)
 - Net debt coverage (FFO) ≥ 30% (30.09.2016: 50.7%)
 - Interest cover (FFO) ≥ 5x (30.09.2016: 8.5x)
- **Dividend:** EVN follows an attractive and sustainable dividend policy



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Investments 2015/16¹⁾



Key investments

- Network infrastructure Austria
- Expansion of windpower capacity in Lower Austria
- Expansion of heat networks and biomass capacities in Lower Austria
- Expansion of the network infrastructure and replacement of meters in SEE
- Investments in natural gas network in Croatia

1) In intangible assets and property, plant and equipment

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-
- Increase in electricity generation by 20.1%
 - Lower renewable generation due to lower wind and water flows
 - Higher demand for network stabilisation in Austria and Germany
 - Operating improvements due to higher energy business results
 - New contract for four turn-key wastewater projects in Croatia and Macedonia
 - Increase in EBITDA and Group net result
 - Decrease of net debt and gearing due to strong operating cash flow
 - Dividend proposal to 88th Annual General Meeting: EUR 0.42 per share for the 2015/16 financial year

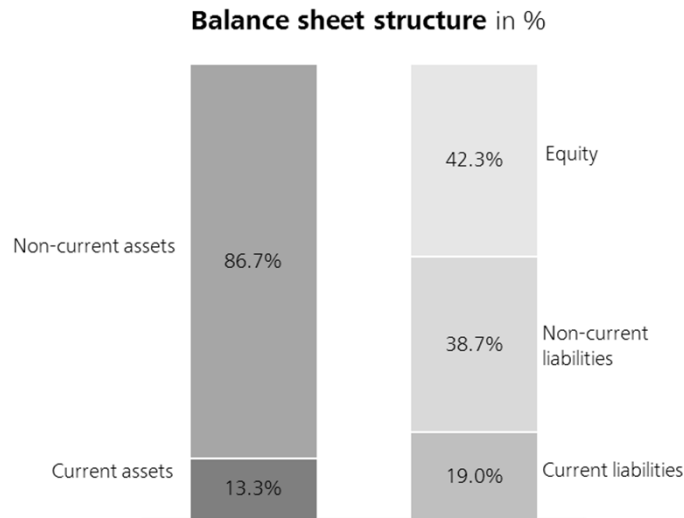
Key financials 2015/16



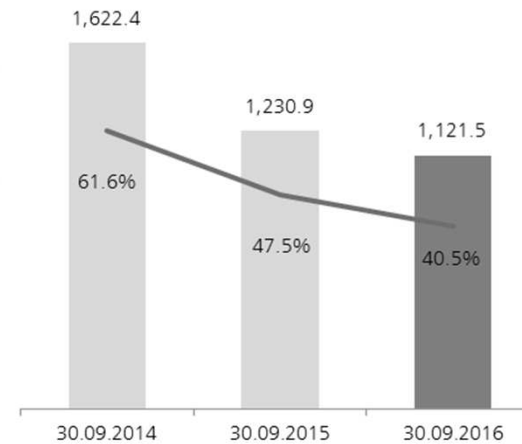
	2015/16	+/-
	EURm	%
Revenue	2,046.6	-4.2
EBITDA	604.4	3.6
Depreciation and amortisation	-266.1	-2.3
Effects from impairment tests	-77.9	-42.3
EBIT	260.4	-2.9
Financial results	-61.6	-2.1
Group net result	156.4	5.6
Net cash flow from operating activities	463.0	-3.2
	EUR	
Earnings per share	0.88	5.7

- **Revenue below previous year**
 - Lower revenue from mild winter in Bulgaria and liberalisation steps in SEE
 - Higher revenue from thermal generation and Austrian network business
- **Increase in EBITDA**
 - Lower electricity purchases and primary energy expenses
 - Reduction of operating expenses
- **Impairment testing**
 - Energy generation plants
 - EUR 77.9m negative effect on EBIT
- **Increase in Group net result**

Solid balance sheet structure, reduced net debt



Net debt (in EURm) and Gearing (in %)



- Improvement of equity ratio to 42.3% (30 September 2015: 39.8%)
- Reduction of net debt to EUR 1,121.5m (30 September 2015: EUR 1,230.9m)
- Gearing decreased to 40.5 % (30 September 2015: 47.5%)

Generation



	2015/16	+/-
Electricity generation volumes	GWh	%
Total	5,105	24.8
Renewable energy sources	1,626	-2.8
Thermal energy sources	3,479	44.0

	2015/16	+/-
Financial performance	EURm	%
Revenue	221.7	4.0
EBITDA	74.1	7.7
EBIT	4.8	-

→ Increase in energy production

- Greater use of thermal power plants to support network stability
- Decline in renewable generation due to less favourable wind conditions

→ Improvement in EBITDA

- Reduction in operating expenses

→ Increase in EBIT

- Negative impact by impairment losses, which reflected less favourable estimates for the long-term development of electricity prices

Energy Trade and Supply



Sales volumes to end customers	2015/16 GWh	+/- %
Electricity	6,410	-5.8
Natural gas	5,098	-2.7
Heat	1,898	3.9

Financial performance	2015/16 EURm	+/- %
Revenue	463.4	-4.6
EBITDA	-28.3	-
EBIT	-45.7	-

→ Energy sales

- Decline in electricity and natural gas sales volumes
- Increase in heat sales volumes

→ Decline in EBITDA and EBIT

- Negative impact from creation of a provision for onerous contracts related to the marketing of EVN's own electricity production

Network distribution volumes	2015/16 GWh	+/- %
Electricity	8,128	0.1
Natural gas ¹⁾	16,216	8.4

Financial performance	2015/16 EURm	+/- %
Revenue	492.9	4.4
EBITDA	220.6	9.7
EBIT	110.3	15.4

→ Network distribution volumes

- Substantial increase in natural gas network distribution volumes
- Electricity network distribution volumes at prior year level

→ Improvement in EBITDA and EBIT

- Positive price and volume effects

¹⁾ Including network sales to EVN's power stations

Energy Supply South East Europe



End customer prices¹⁾		+/- in %	Adjustment
Bulgaria	electricity	-0.4%	01.08.2015
		+0.83%	01.07.2016
	heat	-1.9% ²⁾	
Macedonia	electricity	-0.3%	01.07.2015
		-0.3%	01.07.2016
Key energy business indicators		2015/16	+/-
		GWh	%
	Electricity generation volumes	450	-9.1
	Network distribution volumes	13,403	-1.2
	Electricity sales volumes	11,882	-4.6
	Heat sales volumes	184	-12.8
Financial performance		2015/16	+/-
		EURm	%
	Revenue	949.7	-8.5
	EBITDA	129.5	7.2
	EBIT	35.4	-38.8

→ Decline in revenue

- Decrease of electricity production in Macedonia (lower water flows)
- Lower energy demand due to unusually mild temperatures and liberalisation steps

→ Improvement in EBITDA, decline in EBIT

- Lower energy procurement costs (in correspondence with lower sales volumes)
- Operating improvements (reduction of network losses, improvement in collection of receivables, cost savings)
- Impairment effect related to Bulgarian heating business

¹⁾ Average; household sector; according to regulators in Bulgaria and Macedonia

²⁾ Step-by-step reduction as compared to level on 1 July 2015

	2015/16	
Financial performance	EURm	+/- %
Revenue	176.8	2.4
EBITDA	53.1	-3.5
EBIT	27.3	-4.6
Financial results	-2.5	67.3
Result before income tax	24.8	18.0

→ **Increase in revenue**

- Higher revenue from thermal waste incineration in Lower Austria and from international project business

→ **Decrease in EBITDA and EBIT; increase in financial results**

- Absence of previous year's one-off effects from sale of sodium hypochlorite plant in Moscow

Cash flows



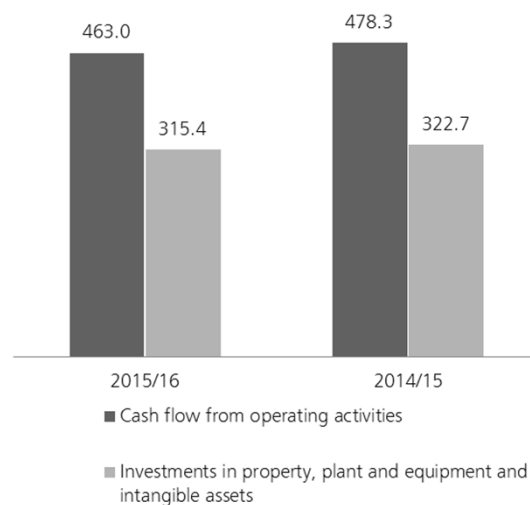
	2015/16	+/-
	EURm	in %
Gross cash flow	537.9	22.8
Net cash flow from operating activities	463.0	-3.2
Net cash flow from investing activities	-230.6	-
Net cash flow from financing activities	-253.9	28.9
Net change in cash and cash equivalents	-21.5	-

→ **Increase of operating cash flow**

– Strong operating performance

→ **Changes in the cash flow from investing as well as financing activities influenced by last year's sale of sodium hypochlorite plant**

Cash flow from operating activities and investments
in EURm



-
- Group net result for 2016/17 is expected to remain largely stable
 - Arbitral decision in favor of project company for the power plant Walsum 10
 - An arbitral tribunal has awarded the project company claims in the amount of EUR 200 million
 - Such arbitral decision will to a large extent result in a reduction of construction costs for the power plant
 - Currently no material effects expected on EVN's Group net result in the 2016/17 financial year
 - EVN's strategy remains unchanged
 - EUR 1bn investment programme for networks, renewable generation and drinking water supplies to be continued
 - Commitment to integrated business model

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- Peter Layr, Spokesman of the Executive Board
 - Born in 1953; Doctorate in Technical Science; joined EVN in 1978
 - Member of the EVN Executive Board since October 1999; appointed spokesman of the EVN Executive Board in January 2011
 - His term of office expires on 30 September 2019



- Stefan Szyszkowitz, Member of the Executive Board (CFO)
 - Born in 1964; Master of Law; Master of Business Administration; joined EVN in 1993
 - Member of the Executive Board since January 2011
 - His term of office expires on 19 January 2021

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EVN – a fully integrated utility player



Generation

- Electricity generation from thermal sources and renewable energies (Austria, Germany, Albania and Bulgaria)

Energy Trade and Supply

- Procurement of electricity and primary energy sources (Austria and Germany)
- Trading and selling of electricity and natural gas to end customers and on wholesale markets (Austria and Germany)
- Heat generation and sales (Austria)

Network Infrastructure Austria

- Operation of regional electricity and natural gas networks (Austria)
- Cable TV and telecommunications networks (Austria)

Energy Supply South East Europe

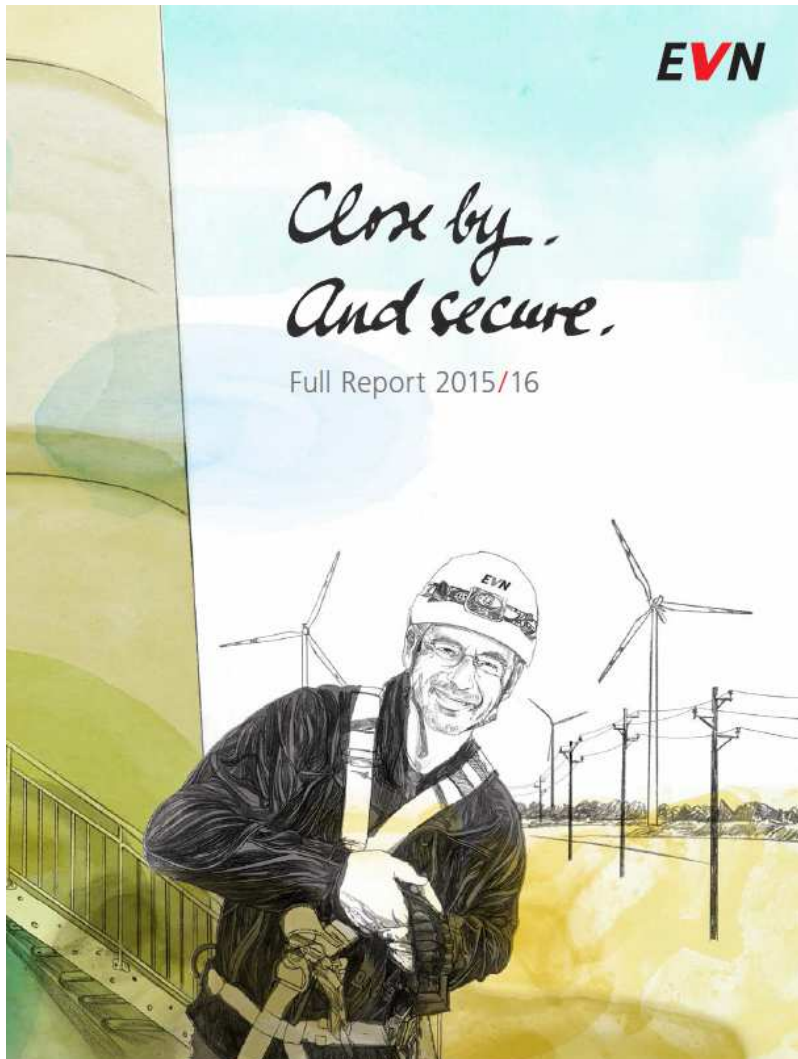
- Operation of electricity networks and electricity sales (Bulgaria and Macedonia)
- Heat generation and heat sales (Bulgaria); Electricity production (Macedonia)
- Construction and operation of natural gas networks (Croatia)
- Energy trading within the whole region

Environmental Services

- Drinking water supply, wastewater disposal, thermal waste incineration (Austria)
- Combined cycle heat and power co-generation plants
- International project business

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 - Keep up with EVN

Strong brand through Corporate Social Responsibility



- Integration of CSR in EVN's strategy: focus on 12 material CSR areas of activity
- External communication and evaluation of EVN's CSR performance
- Comprehensive CSR organisation (CSR steering committee, CSR advisory team, more than 40 CSR network officers)
- Intense stakeholder dialogue:
 - EVN Advisory Board for the Environment and Social Responsibility, EVN Customer Advisory Board, EVN Social Fund and EVN Art Advisory Board, complaint management, stakeholder surveys, project mediation, etc.

EVN – A responsible energy and environmental services provider



→ Listings in **sustainability indices** (VÖNIX, Ethibel Excellence Register, FTSE All-World Green Revenues Index, FTSE Developed Green Revenues Index, FTSE Europe Green Revenues Index)



→ Participation in **Carbon Disclosure Project** (CDP 2016 Climate Score: C)



→ CSR reporting: EVN publishes an integrated financial and sustainability report according to **GRI G4** „comprehensive“



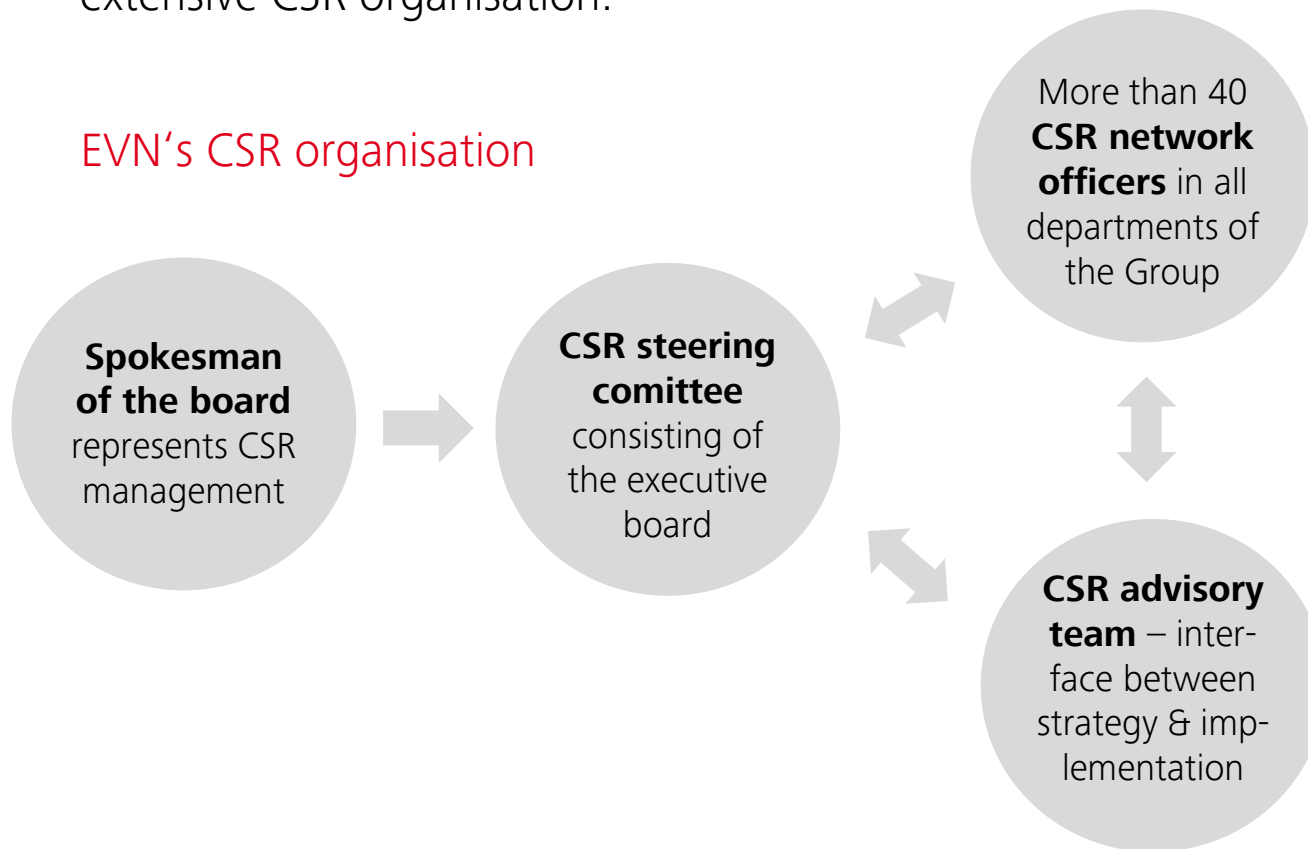
→ Member of the **UN Global Compact**



→ **EMAS** certified environmental management system

→ Sustainability issues are integrated in EVN's **corporate strategy** – its actual implementation is facilitated by an extensive CSR organisation:

EVN's CSR organisation



Regular stakeholder dialog results in strategic areas of activity



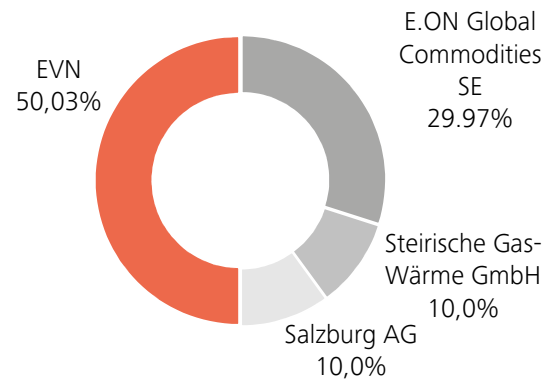
- The most recent stakeholder survey and workshop in 2014 resulted in **EVN's materiality matrix** consisting of 12 strategic areas of activity
- The six most important areas and examples for CSR goals are:
 - **Security of supply** – CSR goal: coverage ratio of 30% of electricity sales
 - **Sustainable energy generation and climate protection** – CSR-goal: 50% generation from renewables
 - **Responsible employer** – CSR goal: Increased share of women in new hiring and in management development programmes
 - **Sustainable increase in corporate value** – CSR goal: integration of sustainability aspects in risk management
 - **Environmental protection and resource conservation**
 - **Customer focus**
- The extensive CSR programme consists of more than 250 goals and measures (a comprehensive selection is listed in EVN's full report)

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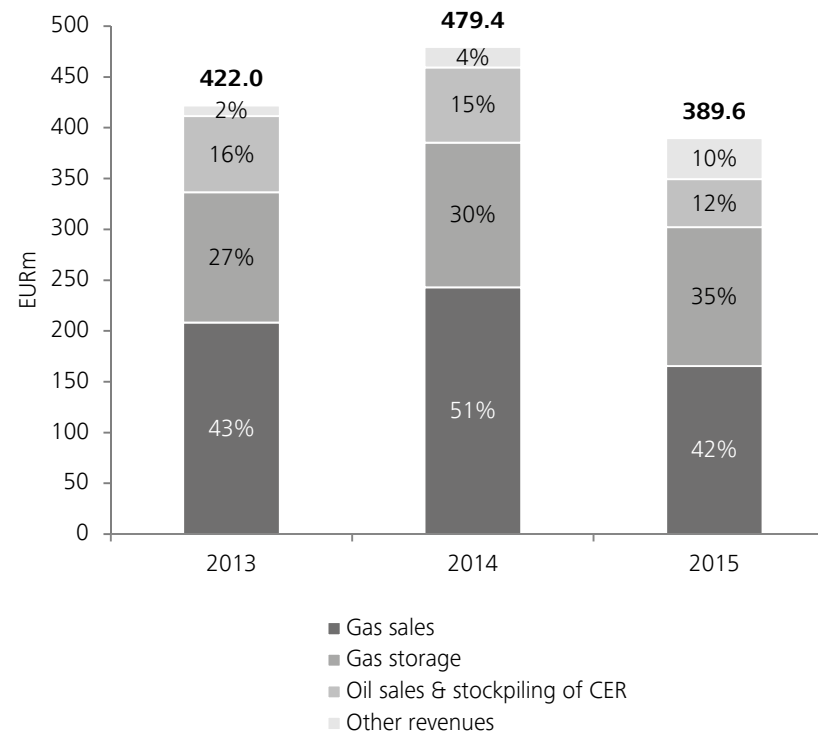
Case Study: RAG – Rohöl-Aufsuchungs AG¹⁾



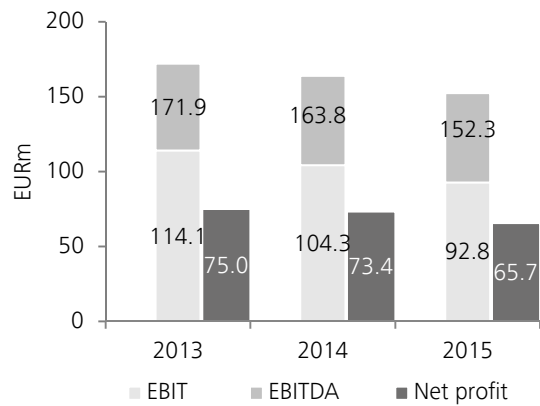
Shareholder structure



Revenue breakdown by segments



EBITDA, EBIT and Net profit



1) Source: RAG, Annual report 2015 according to IFRS
CER = Compulsory Emergency Reserves

Case Study: RAG – Rohöl-Aufsuchungs AG¹⁾



Production statistics		2015
Gas production	m m ³	229.3
Gas sales ²⁾	m m ³	660,6
Oil production	t	116,400
Oil sales	t	117,600
Oil tank storage capacity	t	260,000
Natural gas storage		
Capacity (as of 31.12.2015)	m m ³	5,812

Core areas of business

- Oil and natural gas E&P
- Natural gas storage

Concessions

- Austria (5,414 km²)
- Germany (4,577 km²)
- Hungary (3,391 km²)
- Romania (1,106 km²)

Storage facilities (Salzburg, Upper Austria)

- Haidach (JV with Gazprom & Wingas; 2,640 m m³)
- Aigelsbrunn (130 m m³)
- Nussdorf/Zagling (229 m m³)
- Puchkirchen (1,080 m m³)
- 7Fields (1,733 m m³)

1) Source: RAG

2) Sales of produced, swapped and traded gas

Case Study: RAG – reflection in EVN Group results



- EVN holds a 50.03% stake in RAG through its fully consolidated subsidiary RAG-Beteiligungs-Aktiengesellschaft
- 100% of RAG earnings are recognised as share of profit of equity accounted investees with operational nature
- 49.97% of RAG earnings assigned to minority interest
- EVN contractually not entitled to exercise a controlling influence over RAG

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Financial calender

www.investor.evn.at/financial-calender

Next event: Results Q1 2016/17,

28 February 2017

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The Company believes any such statements are based on reasonable assumptions and reflect the judgement of EVN’s management based on factors currently known by it.

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

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