



**EVN**

Letter to Shareholders Q. 1–3 2017/18

---

# Lasting Values.

1 October 2017 – 30 June 2018

# Key figures

		2017/18 Q. 1–3	2016/17 Q. 1–3	+/- %	2017/18 Q. 3	2016/17 Q. 3	+/- %	2016/17
<b>Sales volumes</b>								
Electricity generation volumes	GWh	4,293	4,940	-13.1	975	821	18.8	6,059
thereof from renewable energy	GWh	1,755	1,575	11.5	589	544	8.3	2,093
Electricity sales volumes to end customers	GWh	14,209	14,410	-1.4	4,054	3,985	1.7	18,544
Natural gas sales volumes to end customers	GWh	4,866	5,369	-9.4	453	747	-39.3	5,744
Heat sales volumes to end customers	GWh	1,936	1,994	-2.9	306	380	-19.5	2,293
<b>Consolidated statement of operations</b>								
Revenue	EURm	1,650.3	1,765.5	-6.5	404.3	455.7	-11.3	2,215.6
EBITDA	EURm	585.0	603.0	-3.0	114.2	121.9	-6.3	721.6
EBITDA margin <sup>1)</sup>	%	35.5	34.2	1.3	28.2	26.8	1.5	32.6
Results from operating activities (EBIT)	EURm	387.2	301.2	28.6	46.9	-18.5	-	346.9
EBIT margin <sup>1)</sup>	%	23.5	17.1	6.4	11.6	-4.1	15.7	15.7
Result before income tax	EURm	372.6	293.4	27.0	57.3	-0.9	-	325.5
Group net result	EURm	273.2	242.0	12.9	43.8	8.3	-	251.0
Earnings per share	EUR	1.54	1.36	12.8	0.25	0.05	-	1.41
<b>Statement of financial position</b>								
Balance sheet total	EURm	6,955.1	6,311.0	10.2	6,955.1	6,311.0	10.2	6,454.9
Equity	EURm	3,595.3	2,994.8	20.1	3,595.3	2,994.8	20.1	3,150.1
Equity ratio <sup>1)</sup>	%	51.7	47.5	4.2	51.7	47.5	4.2	48.8
Net debt <sup>2)</sup>	EURm	1,020.8	1,286.4	-20.6	1,020.8	1,286.4	-20.6	1,213.2
Gearing <sup>1)</sup>	%	28.4	43.0	-14.6	28.4	43.0	-14.6	38.5
<b>Cash flow and investments</b>								
Gross cash flow	EURm	507.2	508.4	-0.2	68.7	85.9	-20.0	572.3
Net cash flow from operating activities	EURm	351.9	380.6	-7.5	97.9	118.2	-17.2	508.9
Investments <sup>3)</sup>	EURm	205.1	171.2	19.8	69.0	61.3	12.5	303.8
<b>Share performance</b>								
Share price at 30 June	EUR	16.00	13.09	22.2	16.00	13.09	22.2	13.22
Value of shares traded <sup>4)</sup>	EURm	131.3	77.5	69.3	-	-	-	97.9
Market capitalisation at 30 June	EURm	2,878.0	2,355.0	22.2	2,878.0	2,355.0	22.2	2,377.0
<b>Employees</b>	Ø	6,822	6,844	-0.3	6,831	6,842	-0.2	6,840

1) Changes reported in percentage points

2) Incl. non-current personnel provisions

3) In intangible assets and property, plant and equipment

4) Vienna Stock Exchange, single counting

# Contents

<b>Highlights</b>	3	<b>Consolidated interim report</b>	17
<b>Interim management report</b>	4	Consolidated statement of operations	17
Energy sector environment	4	Consolidated statement of comprehensive income	18
Business development	4	Consolidated statement of financial position	19
Segment reporting	8	Consolidated statement of changes in equity	20
		Condensed consolidated statement of cash flows	20
		Notes to the consolidated interim report	21

---

# Highlights

## Solid development of business

- Positive non-cash earnings effect of EUR 38m as of the balance sheet date due to the increase in energy market prices and the resulting valuation of hedges concluded for risk management as of 30 June 2018
- Moderate decline in EBITDA (-3.0%), improvement in EBIT (+28.6%) and Group net result (+12.9%)

## Energy sector framework conditions

- Temperature-related energy demand in Lower Austria significantly below previous year, but slightly higher than the long-term average
- Above-average water flows; increase of 11.5% in renewable generation
- Weather-related decline in network and energy sales volumes of natural gas
- Average prices for coal and natural gas at or above prior year level; significant increase in prices for emission certificates
- Parallel substantial rise in spot market prices for base load and peak load electricity
- Significantly milder winter in South Eastern Europe

## Expansion of wind power proceeding on schedule

- Acquisition of an existing windpark and commissioning of Sommerein windpark increase installed capacity from 279 MW to 318 MW<sup>1)</sup>
- Preparations for construction and further expansion to approximately 370 MW by the end of 2019/20
- 500 MW as medium-term target (subject to appropriate framework conditions)

## Supply of reserve capacity

- Supply of entire thermal capacity in Lower Austria (1,090 MW) to stabilise the networks in southern Germany during the winter 2017/18
- Supply of 430 MW in thermal capacity for Austria in summer 2018

## International project business

- Commissioning of three wastewater treatment plants in Macedonia<sup>1)</sup>
- Wastewater treatment plant project in Prague proceeding as scheduled
- Premature cancellation of the contract concluded with the municipality of Budva, Montenegro, for the construction, financing and operation of a wastewater treatment plant

## High level of investments

- Solid earnings and capital structure as the foundation for investments to sustainably protect supply security
- Focus on expansion of network infrastructure
- Further focal points: windpower, heat generation from biomass and drinking water supplies

## Proactive financing measures

- Early refinancing of the existing syndicated credit line of EUR 400.0m in May 2018 to protect financial flexibility
- The credit line has a five-year term with two extension options of one year each and serves as a strategic liquidity reserve

## Increased guidance for the 2017/18 financial year

- Including the positive non-cash earnings effect of EUR 38m as of the balance sheet due to the increase in energy market prices and the resulting valuation of hedges concluded for risk management as of 30 June 2018, Group net result for 2017/18 is expected to be at a level comparable to last year's Group net result.
- The exact amount of the valuation effects at the end of the financial year will depend on energy market prices as of 30 September 2018.
- However, Group net result could be significantly influenced by the regulatory background, the proceedings currently in progress in Bulgaria and the remaining proceeding over the Walsum 10 power plant project as well as the progress on activities in Moscow.

1) As of July 2018

# Interim management report

## Energy sector environment

<b>Energy sector environment – indicators</b>		<b>2017/18</b> Q. 1–3	<b>2016/17</b> Q. 1–3	<b>2017/18</b> Q. 3	<b>2016/17</b> Q. 3
<b>Temperature-related energy demand<sup>1)</sup></b>					
Austria	%	101.7	114.8	–	–
Bulgaria	%	92.9	108.7	–	–
Macedonia	%	94.5	109.1	–	–
<b>Primary energy and CO<sub>2</sub> emission certificates</b>					
Crude oil – Brent	EUR/bbl	56.3	46.6	61.9	45.0
Natural gas – NCG <sup>2)</sup>	EUR/MWh	20.7	17.7	21.0	16.6
Hard coal – API#2 <sup>3)</sup>	EUR/t	75.0	74.9	75.0	69.4
CO <sub>2</sub> emission certificates	EUR/t	10.6	5.2	14.4	4.8
<b>Electricity – EEX forward market<sup>4)</sup></b>					
Base load	EUR/MWh	34.0	28.2	30.7	26.8
Peak load	EUR/MWh	42.6	35.4	36.5	32.3
<b>Electricity – EPEX spot market<sup>5)</sup></b>					
Base load	EUR/MWh	34.9	36.2	36.0	29.8
Peak load	EUR/MWh	43.7	44.7	40.7	33.6

1) Calculated based on the heating degree total; the basis (100%) corresponds to the adjusted long-term average for the respective countries.

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

## Business development

<b>EVN's key energy business indicators</b>	<b>2017/18</b> Q. 1–3	<b>2016/17</b> Q. 1–3	<b>+/-</b>		<b>2017/18</b> Q. 3	<b>2016/17</b> Q. 3	<b>+/-</b>
GWh			nominal	%			%
<b>Electricity generation volumes</b>	<b>4,293</b>	<b>4,940</b>	-647	-13.1	<b>975</b>	<b>821</b>	<b>18.8</b>
Renewable energy sources	1,755	1,575	180	11.5	589	544	8.3
Thermal energy sources	2,538	3,365	-828	-24.6	386	277	39.4
<b>Network distribution volumes</b>							
Electricity	17,296	17,397	-101	-0.6	4,967	4,988	-0.4
Natural gas <sup>1)</sup>	14,669	16,364	-1,695	-10.4	2,251	3,013	0.8
<b>Energy sales volumes to end customers</b>							
Electricity	14,209	14,410	-201	-1.4	4,054	3,985	1.7
thereof Central and Western Europe <sup>2)</sup>	5,393	4,998	395	7.9	1,645	1,449	13.5
thereof South Eastern Europe	8,816	9,412	-596	-6.3	2,409	2,536	-5.0
Natural gas	4,866	5,369	-503	-9.4	453	747	-39.3
Heat	1,936	1,994	-58	-2.9	306	380	-19.5
thereof Central and Western Europe <sup>2)</sup>	1,741	1,776	-35	-2.0	289	361	-20.1
thereof South Eastern Europe	195	219	-23	-10.8	17	19	-8.0

1) Incl. network distribution volumes to EVN power plants

2) Central and Western Europe covers Austria and Germany.

## Statement of operations

---

### Highlights

---

- Revenue: –6.5% to EUR 1,650.3m
  - EBITDA: –3.0% to EUR 585.0m
  - EBIT: +28.6% to EUR 387.2m
  - Financial results: –88.6% to EUR –14.7m
  - Group net result: +12.9% to EUR 273.2m
- 

Revenue recorded by the EVN Group declined by 6.5% to EUR 1,650.3m in the first three quarters of 2017/18. The main reasons for this development were a decrease in sales of electricity from thermal production below the high prior year level, valuation effects from hedges, a reduction in natural gas trading and temperature-related volume effects. The decline in the international project business also had a negative effect on revenue. Contrary positive factors – for example, from renewable electricity generation, the supply of reserve capacity to support network stability and heat sales – were unable to fully offset the revenue decline.

A decline was also recorded in other operating income, which fell by 7.8% to EUR 73.5m. This reduction was attributable, above all, to the absence of earnings elements included under this position in 2016/17, which resulted from the settlement between EVN's Bulgarian supply company and the state-owned Bulgarian electricity company NEK.

The agreement with NEK also had a positive influence on the cost of electricity purchases from third parties and primary energy expenses, and the comparable prior year value was lower because of this non-recurring effect. In the first three quarters of 2017/18 the cost of electricity purchases from third parties and primary energy expenses declined due to lower thermal electricity generation, a decrease in natural gas trading, the valuation of hedges as of the balance sheet date and weather-related lower energy sales volumes in South Eastern Europe. These factors, in total, led to a year-on-year decline of 3.8% to EUR 763.6m.

The cost of materials and services were 17.3% lower than the previous year at EUR 192.4m and were influenced by developments in the international project business. On the one hand, the lower volume of orders during the reporting period was connected with a reduction in expenses. On the other hand, the comparable prior year value was unusually high due to the EUR 45.5m valuation allowance recognised to the remaining aggregate components from the former thermal waste utilisation plant project no. 1 in Moscow.

Personnel expenses rose by 1.4% over the previous year to EUR 236.7m as a result of the annual adjustments required by collective agreements. The average number of employees equalled 6,822 during the reporting period (previous year: 6,844 employees).

Other operating expenses remained unchanged, in total, at EUR 106.6m.

The share of results from equity accounted investees with operational nature rose by 29.5% to EUR 160.7m in the first nine months of 2017/18. This increase was attributable, above all, to valuation gains on hedges held by EVN KG as of 30 June 2018. Another factor involved the recognition of an impairment loss to the investment in Verbund Innkraftwerke GmbH during 2016/17. The earnings contribution from Energie Burgenland was lower than the previous year.

EBITDA recorded by the EVN Group fell by 3.0% to EUR 585.0m in the first three quarters of 2017/18. However, the EBITDA margin improved by 1.3 percentage points to 35.5%.

Scheduled depreciation and amortisation declined by 1.7% to EUR 192.8m. The effects of impairment testing amounted to EUR 5.1m in 2017/18 and were substantially lower than the prior year value of EUR 105.8m, which was primarily related to impairments to assets in the Generation Segment. EVN generated EBIT of EUR 387.2m, which represents an increase of 28.6%.

Financial results amounted to EUR –14.7m (previous year: EUR –7.8m). The decline was attributable, above all, to the absence of positive valuation effects from the Verbund shares which resulted from the transfer of these shares from the equity-accounted WEEV Beteiligungs GmbH to EVN AG in 2016/17. Lower interest expense and a higher dividend from Verbund AG for the 2017 financial year partly offset this decline.

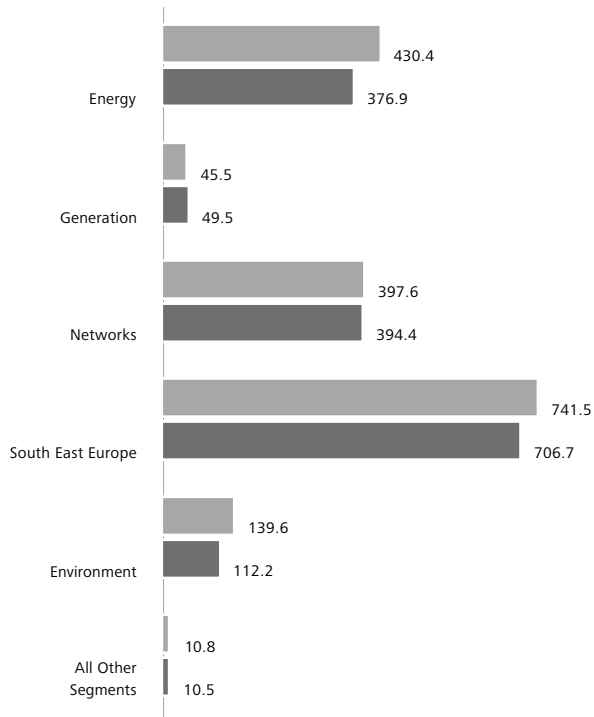
The result before income tax totalled EUR 372.6m and was 27.0% higher than the previous year. After the deduction of EUR 79.0m (previous year: EUR 38.2m) in income tax expense and the earnings attributable to non-controlling interests, Group net result amounted to EUR 273.2m for the first three quarters of 2017/18. That represents an increase of 12.9% over the comparable prior year period.

### Statement of cash flows

Gross cash flow was nearly stable at EUR 507.2m in the first three quarters of 2017/18 due to contrary developments. The decline in depreciation and amortisation which resulted from the impairment losses recognised in the previous year was contrasted by an improvement in the result before income tax, an increase in divi-

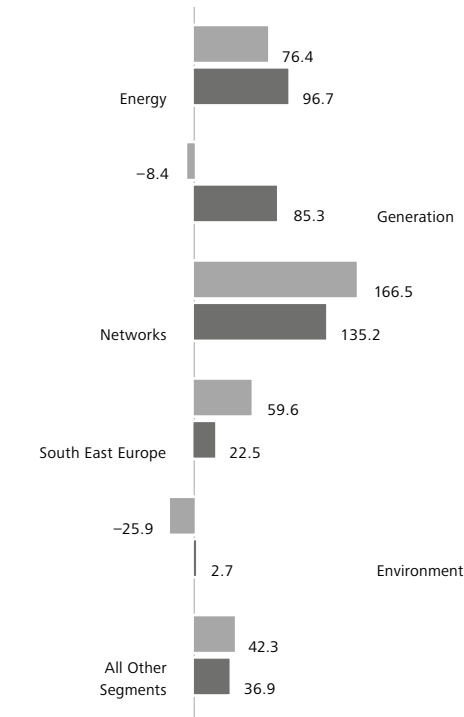
## External revenue by segments Q. 1–3

EURm  
2016/17  
2017/18



## EBIT by segments Q. 1–3

EURm  
2016/17  
2017/18



dends which exceeded the increase in the earnings contributions from equity-accounted investees and a lower reduction in non-current provisions.

Cash flow from operating activities fell by 7.5% to EUR 351.9m, whereby the changes were influenced primarily by non-recurring effects. In 2016/17 the valuation allowance included under inventories, which was recognised to the aggregate components from the former thermal waste utilisation plant project no. 1 in Moscow, was contrasted by a reduction in liabilities following the arbitration decision on the Walsum 10 power plant. In the first nine months of 2017/18, the reclassification of non-current lease receivables from the wastewater project in Budva to trade receivables had a negative effect.

The above-mentioned arbitration decision also distorts the comparison of cash flow from investing activities through the reduction in 2016/17 of acquisition costs for the Walsum 10 power plant. Other negative factors in the reporting period were the increase in short-term securities and in the share of long-term securities in the R 138 fund as well as higher net investments in property,

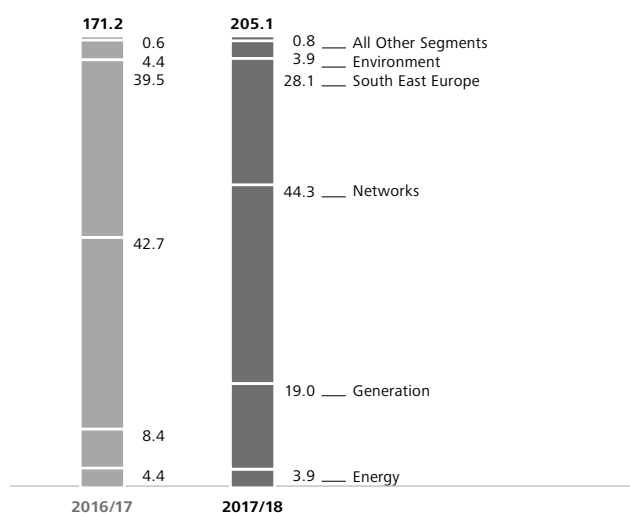
plant and equipment. The above-mentioned reclassification of lease receivables from the Budva project to current receivables represented a contrary effect. Cash flow from investing activities amounted to EUR -239.4m (previous year: EUR 47.7m).

Cash flow from financing activities amounted to EUR -129.7m in the first nine months of 2017/18 (previous year: EUR -362.1m). This amount includes the dividend payment for the 2016/17 financial year to the shareholders of EVN AG and non-controlling interests as well as the scheduled repayment of financial liabilities. The year-on-year comparison is also influenced by the redemption of a bond (nominal value: EUR 150.0m) in June 2017.

Cash flow amounted to EUR -17.3m in the first nine months of 2017/18, and cash and cash equivalents totalled EUR 204.5m as of 30 June 2018. The EVN Group also had committed, undrawn credit lines of EUR 502.0m at its disposal to service potential short-term financing requirements. This amount includes the syndicated credit line of EUR 400.0m which was prematurely refinanced in May 2018. It has a term of five years with two extension options of one year each and serves as a strategic liquidity reserve.

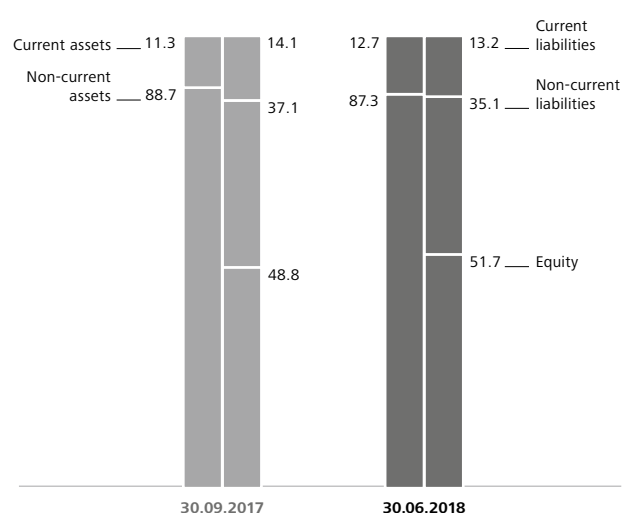
## Structure of investments Q. 1–3

%, total in EURm



## Balance sheet structure as of the balance sheet date

%



### Statement of financial position

EVN's balance sheet total increased by 7.7% over the level on 30 September 2017 to EUR 6,955.1m as of 30 June 2018.

Non-current assets rose by 6.0% to EUR 6,069.8m. This development resulted primarily from an increase in the carrying amount of other investments which was based on the higher market price of the Verbund shares as of 30 June 2018 and higher earnings contributions from equity-accounted investees which exceeded the respective distributions.

In contrast, the premature cancellation of the contract concluded with the municipality of Budva, Montenegro, for the construction, financing and operation of a wastewater treatment plant led to the reclassification of the lease receivables included under other non-current assets to current assets. The resulting decline was, however, offset in part by an increase in the share of long-term securities in the R 138 fund.

Current assets were 21.1% higher at EUR 885.2m as of 30 June 2018, chiefly due to the above-mentioned reclassification of the lease receivables from the Budva wastewater treatment plant project and an increase in cash fund investments which are accounted for as short-term securities.

Equity increased by 14.1% to EUR 3,595.3m in the first nine months of 2017/18 despite the dividend payment in January 2018 for the 2016/17 financial year. This growth was supported, in particular, by earnings for the reporting period and positive measurement effects which were recorded directly in equity (above all from the increase in the market price of the Verbund shares). The equity ratio equalled 51.7% as of 30 June 2018 (30 September 2017: 48.8%).

Non-current liabilities rose by 2.0% to EUR 2,440.5m based on an increase in non-current tax liabilities which was contrasted by the reclassification of non-current to current financial liabilities.

The above-mentioned reclassification of financial liabilities and higher current tax liabilities as of 30 June 2018 also led to an increase in current liabilities. This was contrasted by a reduction in trade payables, which limited the overall increase to 0.7%. Current liabilities equalled EUR 919.2m as of 30 June 2018.

Net debt fell by EUR 192.4m below the level on 30 September 2017 to EUR 1,020.8m as of 30 June 2018. As a result, EVN's gearing improved from 38.5% (as of 30 September 2017) to 28.4%.

## Segment reporting

### Overview

EVN's corporate structure comprises six reportable segments. In accordance with IFRS 8 "Operating Segments", they are differentiated and defined solely on the basis of the internal organisational

and reporting structure. Business activities which cannot be reported separately because they are below the quantitative thresholds are aggregated under "All Other Segments".

Business areas	Segments	Major activities
Energy business	Energy	<ul style="list-style-type: none"> <li>→ Marketing of electricity produced in the Generation Segment</li> <li>→ Procurement of electricity, natural gas and primary energy carriers</li> <li>→ Trading with and sale of electricity and natural gas to end customers and on wholesale markets</li> <li>→ Production and sale of heat</li> <li>→ 45.0% investment in ENERGIEALLIANZ Austria GmbH<sup>1)</sup></li> <li>→ Investment as sole limited partner in EVN Energievertrieb GmbH &amp; Co KG (EVN KG)<sup>1)</sup></li> </ul>
	Generation	<ul style="list-style-type: none"> <li>→ Generation of electricity from thermal production capacities<sup>2)</sup> and renewable energy sources at Austrian and international locations</li> <li>→ 13.0% investment in Verbund Innkraftwerke GmbH (Germany)<sup>1)</sup></li> <li>→ 49.0% investment in Walsum 10 hard coal-fired power plant (Germany)<sup>3)</sup></li> <li>→ 49.99% investment in Ashta run-of-river power plant (Albania)<sup>1)</sup></li> </ul>
	Networks	<ul style="list-style-type: none"> <li>→ Operation of distribution networks and network infrastructure for electricity and natural gas in Lower Austria</li> <li>→ Cable TV and telecommunication services in Lower Austria and Burgenland</li> </ul>
	South East Europe	<ul style="list-style-type: none"> <li>→ Operation of distribution networks and network infrastructure for electricity in Bulgaria and Macedonia</li> <li>→ Sale of electricity to end customers in Bulgaria and Macedonia</li> <li>→ Generation of electricity from hydropower in Macedonia</li> <li>→ Generation, distribution and sale of heat in Bulgaria</li> <li>→ Construction and operation of natural gas networks in Croatia</li> <li>→ Energy trading for the entire region</li> </ul>
Environmental services business	Environment	<ul style="list-style-type: none"> <li>→ Water supply and wastewater disposal in Lower Austria</li> <li>→ Operation of a thermal waste utilisation plant in Lower Austria<sup>2)</sup></li> <li>→ International project business: planning, construction, financing and/or operation (depending on the project) of plants for drinking water supplies, wastewater treatment and thermal waste utilisation</li> </ul>
Other business activities	All Other Segments	<ul style="list-style-type: none"> <li>→ 50.03% investment in RAG-Beteiligungs-Aktiengesellschaft, which holds 100% of the shares in Rohöl-Aufsuchungs Aktiengesellschaft (RAG)<sup>1)</sup></li> <li>→ 73.63% investment in Burgenland Holding AG, which holds a stake of 49.0% in Energie Burgenland AG<sup>1)</sup></li> <li>→ 12.63% investment in Verbund AG<sup>4)</sup></li> <li>→ Corporate services</li> </ul>

1) The earnings contribution represents the share of results from equity accounted investees with operational nature and is included in EBITDA.

2) The Theiss thermal power plant and all of the power plant components owned by EVN AG in the Dürnröhr and Korneuburg thermal power plants operated jointly with Verbund Thermal Power were transferred to EVN Abfallverwertung NÖ GmbH as of 1 July 2018. The name of the company was subsequently changed to EVN Wärmekraftwerke GmbH. This company (including the thermal waste utilisation plant in Zwentendorf/Dürnröhr) will be assigned to the Generation Segment beginning with the fourth quarter of 2017/18.

3) The investment in Steag-EVN Walsum 10 Kraftwerksgesellschaft is accounted for as a joint operation.

4) Dividends are included under financial results.



## Energy

### Highlights

- Increase in electricity sales volumes, decline in natural gas and heat sales volumes
- Valuation effects from hedges
- EBITDA, EBIT and result before income tax above previous year

Electricity sales volumes rose by 7.9% year-on-year to 5,393 GWh in the first three quarters of 2017/18, primarily as a result of higher energy sales to industrial customers. In contrast, the milder temperatures led to a decline of 9.7% in natural gas sales to 4,796 GWh and 2.0% in heat sales to 1,741 GWh.

Revenue in the Energy Segment fell by 12.2% to EUR 383.4m in the first nine months of 2017/18. The main reasons for this development were a decline in sales of the electricity generated in

EVN's thermal power plants, a reduction in natural gas trading activities and the valuation of hedges as of 30 June 2018.

Operating expenses were 10.8% lower year-on-year at EUR 376.4m, primarily due to the valuation of hedges as of 30 June 2018 and lower input volumes of primary energy.

The share of results from equity accounted investees with operational nature rose by 30.4% to EUR 104.4m and was influenced, above all, by the valuation of hedges as of 30 June 2018. EBITDA amounted to EUR 111.4m for the reporting period (previous year: EUR 94.8m).

Depreciation and amortisation, including the effects of impairment testing, were 20.4% lower at EUR 14.7m, whereby the previous year was influenced by an impairment loss in the heating business. EBIT equalled EUR 96.7m for the first three quarters of 2017/18 (previous year: EUR 76.4m).

Financial results in this segment amounted to EUR –2.6m, compared with EUR –2.1m in the previous year. In total, this led to an improvement of 26.6% in the result before income tax to EUR 94.1m.

Key indicators – Energy		2017/18	2016/17	+/-		2017/18	2016/17	+/-
		Q. 1–3	Q. 1–3	nominal	%	Q. 3	Q. 3	%
<b>Key energy business indicators</b>	GWh							
<b>Energy sales volumes to end customers</b>								
Electricity		5,393	4,998	395	7.9	1,645	1,449	13.5
Natural gas		4,796	5,310	-514	-9.7	431	724	-40.4
Heat		1,741	1,776	-35	-2.0	289	361	-20.1
<b>Key financial indicators</b>	EURm							
External revenue		376.9	430.4	-53.5	-12.4	49.0	89.9	-45.5
Internal revenue		6.5	6.4	0.1	2.1	2.2	2.2	-0.4
<b>Total revenue</b>		<b>383.4</b>	<b>436.8</b>	<b>-53.4</b>	<b>-12.2</b>	<b>51.2</b>	<b>92.1</b>	<b>-44.4</b>
Operating expenses		-376.4	-422.0	45.6	10.8	-66.4	-103.8	36.0
Share of results from equity accounted investees with operational nature		104.4	80.0	24.4	30.4	40.9	13.6	-
<b>EBITDA</b>		<b>111.4</b>	<b>94.8</b>	<b>16.5</b>	<b>17.4</b>	<b>25.7</b>	<b>1.9</b>	<b>-</b>
Depreciation and amortisation including effects from impairment tests		-14.7	-18.4	3.8	20.4	-4.9	-9.0	45.1
<b>Results from operating activities (EBIT)</b>		<b>96.7</b>	<b>76.4</b>	<b>20.3</b>	<b>26.5</b>	<b>20.7</b>	<b>-7.1</b>	<b>-</b>
Financial results		-2.6	-2.1	-0.5	-24.3	-0.5	-0.7	24.1
<b>Result before income tax</b>		<b>94.1</b>	<b>74.3</b>	<b>19.8</b>	<b>26.6</b>	<b>20.2</b>	<b>-7.7</b>	<b>-</b>
Total assets		750.4	672.5	78.0	11.6	750.4	672.5	11.6
Total liabilities		644.5	572.0	72.5	12.7	644.5	572.0	12.7
Investments <sup>1)</sup>		8.1	7.6	0.6	7.3	2.8	1.7	61.8

1) In intangible assets and property, plant and equipment

EVN's investments in the Energy Segment totalled EUR 8.1m in the first three quarters of 2017/18 and were 7.3% higher year-on-year. Activities focused on the further expansion of the heating plants and networks, for example the construction of biomass district heating plants and the expansion of the district heating networks in Klosterneuburg and Fischamend West.

## Generation

---

### Highlights

---

- Increase in renewable, decline in thermal electricity generation
  - 430 MW of capacity from the thermal power plants contracted to stabilise the networks in summer 2018
  - Improvement in EBITDA, EBIT and result before income tax
- 

Against the backdrop of a 24.7% decline in electricity generation by the thermal power plants to 2,299 GWh, electricity generation in this segment was 14.4% lower year-on-year at 3,715 GWh in the first three quarters of 2017/18. The main reasons for this decline were scheduled and special inspections in the Walsum 10 power plant and the reduced use of EVN's thermal power plants in Lower Austria. In addition, the previous year was influenced by the unusually cold winter weather and the resulting higher demand for electricity as well as inspections in French power plants which reduced electricity generation in Europe and led to the use of additional capacity.

Very good water flows during the reporting period and the steady expansion of windpower capacity – the Sommerein windpark was commissioned on schedule during the third quarter – led to an increase of 10.2% in electricity generation from renewable energy to 1,416 GWh. At the Group level, EVN covered 30.2% of the electricity sold during the reporting period with its own production (previous year: 34.3%). The share of renewable energy in the Group's electricity production equalled 40.9% in the first three quarters of 2017/18 (previous year: 31.9%).

For the first time, all EVN thermal power plants in Lower Austria, which have a combined generation capacity of 1,090 MW, were

under contract to serve as reserve capacity for southern Germany during the winter half-year 2017/18. Their actual use for network stabilisation within the framework of these contracts remained at a high level. For the period from May to September 2018, EVN's thermal power plants are under contract with a capacity of 430 MW to stabilise the networks in Austria.

Revenue in the Generation Segment rose by 11.9% year-on-year to EUR 212.4m, above all supported by higher revenue from the provision of reserve capacity for network stabilisation. In addition, the comparable prior year value was negatively influenced by the adjustment of internal cost allocations following the arbitration decision on the Walsum 10 power plant. Operating expenses declined by 2.1% to EUR 91.1m, chiefly as a result of lower primary energy costs and also due to a reduction in consulting fees and the write-off of receivables.

The share of results from equity accounted investees with operational nature rose to EUR 3.6m. However, the prior year value of EUR –12.4m was negatively influenced by an impairment loss recognised to the investment in Verbund Innkraftwerke GmbH.

EBITDA in the Generation Segment increased by 48.0% year-on-year to EUR 124.9m in the first three quarters of 2017/18. Depreciation and amortisation, including the results of impairment testing, fell by 57.3% to EUR 39.6m, whereby the previous year included impairment losses recognised to the Gorna Arda hydropower plant project in Bulgaria, to electricity purchasing rights and to renewable and thermal generation equipment. EBIT equalled EUR 85.3m (previous year: EUR –8.4m).

Financial results declined from EUR –6.4m in the first three quarters of 2016/17 to EUR –10.3m and reflect the absence of positive effects in interest results. The result before income tax equalled EUR 75.0m for the reporting period (previous year: EUR –14.8m).

Investments in the Generation Segment were substantially higher than the previous year (EUR 14.7m) at EUR 42.6m in the first three quarters of 2017/18. In particular, this increase was based on the expansion of EVN's windpower capacity through the commissioning of the Sommerein windpark.

EVN's windpower generation capacity rose to 318 MW in July 2018 following the commissioning of the Sommerein windpark and the acquisition of the existing Ebenfurth windpark. Plans call for a further gradual increase to roughly 370 MW by

<b>Key indicators – Generation</b>		<b>2017/18</b>	<b>2016/17</b>	<b>+/-</b>		<b>2017/18</b>	<b>2016/17</b>	<b>+/-</b>
		<b>Q. 1-3</b>	<b>Q. 1-3</b>	<b>nominal</b>	<b>%</b>	<b>Q. 3</b>	<b>Q. 3</b>	<b>%</b>
<b>Key energy business indicators</b>		GWh						
<b>Electricity generation volumes</b>		<b>3,715</b>	<b>4,338</b>	<b>-623</b>	<b>-14.4</b>	<b>777</b>	<b>654</b>	<b>18.9</b>
thereof renewable energy sources		1,416	1,286	131	10.2	468	446	5.0
thereof thermal energy sources		2,299	3,053	-753	-24.7	309	208	48.7
<b>Key financial indicators</b>		EURm						
External revenue		49.5	45.5	4.1	9.0	19.8	16.1	23.2
Internal revenue		162.9	144.4	18.5	12.8	35.0	30.1	16.5
<b>Total revenue</b>		<b>212.4</b>	<b>189.8</b>	<b>22.6</b>	<b>11.9</b>	<b>54.8</b>	<b>46.2</b>	<b>18.8</b>
Operating expenses		-91.1	-93.0	1.9	2.1	-35.3	-26.6	-32.8
Share of results from equity accounted investees with operational nature		3.6	-12.4	16.0	-	1.2	-12.3	-
<b>EBITDA</b>		<b>124.9</b>	<b>84.4</b>	<b>40.5</b>	<b>48.0</b>	<b>20.7</b>	<b>7.3</b>	<b>-</b>
Depreciation and amortisation including effects from impairment tests		-39.6	-92.8	53.2	57.3	-15.8	-37.9	58.2
<b>Results from operating activities (EBIT)</b>		<b>85.3</b>	<b>-8.4</b>	<b>93.7</b>	<b>-</b>	<b>4.9</b>	<b>-30.6</b>	<b>-</b>
Financial results		-10.3	-6.4	-3.9	-60.6	-3.3	-4.2	19.4
<b>Result before income tax</b>		<b>75.0</b>	<b>-14.8</b>	<b>89.9</b>	<b>-</b>	<b>1.5</b>	<b>-34.8</b>	<b>-</b>
Total assets		932.6	919.6	13.0	1.4	932.6	919.6	1.4
Total liabilities		644.6	676.1	-31.5	-4.7	644.6	676.1	-4.7
Investments <sup>1)</sup>		42.6	14.7	27.9	-	8.9	3.4	-

1) In intangible assets and property, plant and equipment

the end of the 2019/20 financial year through the realisation of projects already approved by the authorities. EVN is using a special quota of subsidies for the construction of windpower plants, which was approved by the Austrian Parliament in 2017 within the framework of an amendment to the Austrian Green Electricity Act ("Kleine Ökostromnovelle"). EVN's goal is to expand windpower capacity to 500 MW over the medium term through the realisation of projects, most of which have already been approved by the authorities. However, this will depend on appropriate framework conditions.

An out-of-court settlement was reached through an agreement on 4 July 2018 in the remaining legal proceedings initiated by the project company Steag-EVN Walsum 10 Kraftwerkgesellschaft mbH, in which EVN holds an investment of 49.0%, against the general contractor consortium Hitachi Ltd and Hitachi Power Europe. This agreement also resulted in the termination of the arbitration proceeding pursued by the project company. A legal dispute is still pending between EVN and an electricity customer over electricity deliveries from the Walsum 10 power plant.

## Networks

### Highlights

- Differing developments in network sales volumes:
  - Increase in electricity
  - Decline in natural gas
- Revenue, EBITDA and result before income tax negatively influenced by lower network tariffs and declines in natural gas distribution volumes
- Continuing high investments in supply security

Network distribution volumes of electricity rose by 1.6% to 6,575 GWh in the first three quarters of 2017/18, supported by sound development in the industrial customer segment. Natural gas distribution volumes, however, fell by 10.7% to 14,522 GWh, chiefly due to the reduced use of the thermal power plants in Lower Austria and weather effects.

<b>Key indicators – Networks</b>		<b>2017/18</b>	<b>2016/17</b>	<b>+/-</b>		<b>2017/18</b>	<b>2016/17</b>	<b>+/-</b>
		<b>Q. 1-3</b>	<b>Q. 1-3</b>	<b>nominal</b>	<b>%</b>	<b>Q. 3</b>	<b>Q. 3</b>	<b>%</b>
<b>Key energy business indicators</b>		GWh						
<b>Network distribution volumes</b>								
Electricity		6,575	6,471	103	1.6	1,967	1,960	0.4
Natural gas		14,522	16,265	-1,743	-10.7	2,202	2,978	-26.1
<b>Key financial indicators</b>		EURm						
External revenue		394.4	397.6	-3.2	-0.8	100.5	104.0	-3.4
Internal revenue		40.2	45.4	-5.2	-11.5	11.3	13.6	-16.9
<b>Total revenue</b>		<b>434.6</b>	<b>443.0</b>	<b>-8.4</b>	<b>-1.9</b>	<b>111.8</b>	<b>117.6</b>	<b>-5.0</b>
Operating expenses		-211.5	-190.6	-20.9	-11.0	-72.0	-55.0	-30.9
Share of results from equity accounted investees with operational nature		-	-	-	-	-	-	-
<b>EBITDA</b>		<b>223.1</b>	<b>252.4</b>	<b>-29.3</b>	<b>-11.6</b>	<b>39.8</b>	<b>62.6</b>	<b>-36.4</b>
Depreciation and amortisation including effects from impairment tests		-87.8	-85.9	-1.9	-2.2	-28.3	-28.4	0.5
<b>Results from operating activities (EBIT)</b>		<b>135.2</b>	<b>166.5</b>	<b>-31.2</b>	<b>-18.8</b>	<b>11.5</b>	<b>34.2</b>	<b>-66.3</b>
Financial results		-12.7	-12.7	0.0 <sup>1)</sup>	-0.4	-4.2	-4.1	-3.0
<b>Result before income tax</b>		<b>122.5</b>	<b>153.8</b>	<b>-31.3</b>	<b>-20.3</b>	<b>7.3</b>	<b>30.1</b>	<b>-75.7</b>
Total assets		1,910.5	1,931.0	-20.5	-1.1	1,910.5	1,931.0	-1.1
Total liabilities		1,296.5	1,342.0	-45.5	-3.4	1,296.5	1,342.0	-3.4
Investments <sup>1)</sup>		91.1	73.1	18.0	24.7	39.6	34.2	15.8

1) In intangible assets and property, plant and equipment

\*) Small amount

The E-Control Commission approved an average increase of 2.4% in the electricity network tariffs for household customers and an average reduction of 16.2% in natural gas network tariffs as of 1 January 2018. The reduction in natural gas tariffs resulted from the application of a lower weighted average cost of capital for the new five-year regulatory period – in spite of the fact that network sales volumes in the previous year were higher than the reference period. The increase in electricity tariffs reflects the investments and higher costs for network stabilisation.

The above-mentioned volume and price effects were responsible for a 1.9% year-on-year decline in segment revenue to EUR 434.6m. Operating expenses rose by 11.0% to EUR 211.5m as the result of higher upstream network costs and increased costs for third party services.

These developments led to a decline of 11.6% in EBITDA to EUR 223.1m. Investments in the Networks Segment were

reflected in an increase of 2.2% in depreciation and amortisation, including the effects of impairment testing, to EUR 87.8m. EBIT fell by 18.8% to EUR 135.2m.

Financial results amounted to EUR -12.7m and were stable at the prior year level. The Networks Segment generated result before income tax of EUR 122.5m in the first three quarters of 2017/18, which represents a year-on-year decline of 20.3%.

One of EVN's central strategic goals is the continuous expansion of the network infrastructure in Lower Austria in order to sustainably protect and improve supply security and quality. This is reflected in a constant high level of investments in the Networks Segment. Investments in this area were substantially higher than the previous year, with an increase of 24.7% to EUR 91.1m. Most of these funds were directed to the expansion of various transformer stations and 110 kV power lines as well as ongoing measures to replace cast iron and PVC natural gas pipelines.

<b>Key indicators – South East Europe</b>		<b>2017/18</b>	<b>2016/17</b>	<b>+/-</b>		<b>2017/18</b>	<b>2016/17</b>	<b>+/-</b>
		<b>Q. 1–3</b>	<b>Q. 1–3</b>	<b>nominal</b>	<b>%</b>	<b>Q. 3</b>	<b>Q. 3</b>	<b>%</b>
<b>Key energy business indicators</b>		GWh						
Electricity generation volumes		312	361	-49	-13.6	121	96	26.4
thereof renewable energy		134	106	28	26.5	59	41	45.5
thereof thermal power plants		179	256	-77	-30.1	62	55	12.3
Network distribution volumes electricity		10,721	10,925	-204	-1.9	3,000	3,029	-0.9
Energy sales volumes to end customers		9,082	9,690	-609	-6.3	2,449	2,578	-5.0
thereof electricity		8,816	9,412	-596	-6.3	2,409	2,536	-5.0
thereof natural gas		70	59	11	18.4	22	24	-5.1
thereof heat		195	219	-23	-10.8	17	19	-8.0
<b>Key financial indicators</b>		EURm						
External revenue		706.7	741.5	-34.8	-4.7	193.4	199.7	-3.1
Internal revenue		0.6	0.3	0.4	-	0.2	0.1	-
<b>Total revenue</b>		<b>707.4</b>	<b>741.8</b>	<b>-34.4</b>	<b>-4.6</b>	<b>193.6</b>	<b>199.7</b>	<b>-3.1</b>
Operating expenses		-638.1	-608.6	-29.5	-4.9	-170.7	-172.7	1.1
Share of results from equity accounted investees with operational nature		-	-	-	-	-	-	-
<b>EBITDA</b>		<b>69.3</b>	<b>133.2</b>	<b>-63.9</b>	<b>-48.0</b>	<b>22.9</b>	<b>27.1</b>	<b>-15.6</b>
Depreciation and amortisation including effects from impairment tests		-46.8	-73.6	26.9	36.5	-15.5	-42.3	63.5
<b>Results from operating activities (EBIT)</b>		<b>22.5</b>	<b>59.6</b>	<b>-37.1</b>	<b>-62.2</b>	<b>7.4</b>	<b>-15.3</b>	<b>-</b>
Financial results		-15.2	-17.6	2.4	13.8	-4.9	-5.1	4.0
<b>Result before income tax</b>		<b>7.3</b>	<b>42.0</b>	<b>-34.6</b>	<b>-82.5</b>	<b>2.5</b>	<b>-20.4</b>	<b>-</b>
Total assets		1,174.8	1,156.0	18.9	1.6	1,174.8	1,156.0	1.6
Total liabilities		938.2	925.6	12.6	1.4	938.2	925.6	1.4
Investments <sup>1)</sup>		57.7	67.6	-9.9	-14.7	16.8	19.3	-13.0

1) In intangible assets and property, plant and equipment

## South East Europe

### Highlights

- Network and energy sales volumes reduced by significantly milder winter
- EBITDA, EBIT and result before income tax below previous year due to positive non-recurring effect in 2016/17

Results in the South East Europe Segment for the first three quarters of the previous year reflected a substantially positive effect from the agreement reached with the state-owned Bulgarian electricity company NEK. In contrast, the reporting period was influenced by milder temperatures in comparison with the

unusually cold winter in 2016/17. Network distribution volumes of electricity declined by 1.9% year-on-year to 10,721 GWh, and the electricity volumes delivered to end customers fell by 6.3% to 8,816 GWh. Heat sales in Bulgaria were also 10.8% lower at 195 GWh.

Electricity generation in South Eastern Europe was characterised by different developments during the reporting period: renewable generation rose by 26.5% to 134 GWh, supported by above-average water flows in Macedonia, while thermal generation fell by 30.1% to 179 GWh due to a longer special inspection of the co-generation plant in Plovdiv.

These energy-sector developments as well as the increasing liberalisation of the Bulgarian and Macedonian electricity markets led to a decline of 4.6% in revenue to EUR 707.4m for the South East Europe Segment in the first three quarters of 2017/18.

The comparison of operating expenses – which rose by 4.9% year-on-year to EUR 638.1m – is significantly influenced by the agreement reached with the Bulgarian electricity company NEK in 2016/17. EBITDA totalled EUR 69.3m for the reporting period (previous year: EUR 133.2m).

Depreciation and amortisation, including the effects of impairment testing, were 36.5% lower at EUR 46.8m. In the previous year, this position included an impairment loss of EUR 26.6m which was recognised to the Bulgarian district heating company TEZ Plovdiv. Segment EBIT equalled EUR 22.5m in the first three quarters of 2017/18 (previous year: EUR 59.6m).

Financial results improved by 13.8% to EUR –15.2m. In total, the South East Europe Segment recorded result before income tax of EUR 7.3m for the first three quarters of 2017/18 (previous year: EUR 42.0m).

EVN's investments in this segment declined by 14.7% year-on-year to EUR 57.7m.

A decision is expected in the international arbitration proceedings initiated by EVN against the Republic of Bulgaria at the World Bank's International Centre for the Settlement of Investment Disputes (ICSID).

Bulgaria and Macedonia each implemented a new three-year regulatory period for the electricity distribution network as of 1 July 2018. On that same date, the competent Bulgarian

regulatory authority also announced new energy tariffs for the regulated market segments. The end customer prices for household customers in EVN's supply area were raised by an average of 1.4% for electricity and reduced by roughly 4.0% for heat (previous year: average increase of 1.7% for electricity and 1.5% for heat as of 1 July 2017). In Macedonia, the latest tariff decisions led to a further average reduction of 0.2% in the electricity prices for end customers (previous year: average reduction of 0.3%).

## Environment

### Highlights

- Decline in revenue from the international project business
- Commissioning of three wastewater treatment plants in Macedonia (as of July 2018)
- Improvement in EBITDA, EBIT and result before income tax due to absence of a negative non-recurring effect

Revenue and earnings in the Environment Segment are influenced to a significant degree by the acquisition of new contracts in the international project business and the status of project realisation as of the reporting date. The general contractor assignments for the construction of wastewater treatment plants proceeded according to schedule during the reporting period, but revenue

Key financial indicators – Environment	EURm	2017/18	2016/17	+/-		2017/18	2016/17	+/-
		Q. 1-3	Q. 1-3	nominal	%	Q. 3	Q. 3	%
External revenue		112.2	139.6	-27.4	-19.6	37.8	41.3	-8.4
Internal revenue		12.7	11.8	1.0	8.1	4.6	4.2	10.2
<b>Total revenue</b>		<b>125.0</b>	<b>151.4</b>	<b>-26.4</b>	<b>-17.5</b>	<b>42.5</b>	<b>45.5</b>	<b>-6.7</b>
Operating expenses		-114.9	-167.8	52.9	31.5	-41.1	-42.0	2.1
Share of results from equity accounted investees with operational nature		9.8	9.5	0.3	3.4	1.8	3.0	-39.4
<b>EBITDA</b>		<b>19.8</b>	<b>-6.9</b>	<b>26.8</b>	<b>-</b>	<b>3.2</b>	<b>6.6</b>	<b>-51.6</b>
Depreciation and amortisation including effects from impairment tests		-17.1	-18.9	1.9	9.8	-5.5	-5.9	6.4
<b>Results from operating activities (EBIT)</b>		<b>2.7</b>	<b>-25.9</b>	<b>28.6</b>	<b>-</b>	<b>-2.4</b>	<b>0.6</b>	<b>-</b>
Financial results		-0.2	-1.4	1.2	83.4	0.1	-1.5	-
<b>Result before income tax</b>		<b>2.5</b>	<b>-27.3</b>	<b>29.8</b>	<b>-</b>	<b>-2.3</b>	<b>-0.8</b>	<b>-</b>
Total assets		782.7	815.1	-32.3	-4.0	782.7	815.1	-4.0
Total liabilities		616.6	644.8	-28.3	-4.4	616.6	644.8	-4.4
Investments <sup>1)</sup>		8.1	7.5	0.6	7.5	1.1	2.4	-55.1

1) In intangible assets and property, plant and equipment

remained below the previous year. The transfer of the first of four wastewater treatment plants in Macedonia during the first quarter of 2017/18 was followed by the commissioning and transfer to the customer of two further projects in June and July 2018. As of 30 June 2018, WTE Wassertechnik was working on five general contractor assignments in the wastewater sector in Croatia, Macedonia, Poland and the Czech Republic. Other focal points remain the two projects under acquisition in Kuwait and Bahrain, whereby the contracts are still expected to be awarded in 2018.

As reported in the half-year financial report for 2017/18, WTE Wassertechnik prematurely cancelled a contract concluded with the municipality of Budva, Montenegro, for the construction, financing and operation of a wastewater treatment plant in May 2018 and asked the municipality to take over the largely completed facility and to pay the entire amount of the receivable resulting from the termination of the contract. The step was taken in reaction to the municipality's continued failure to meet payment obligations. The claims by WTE Wassertechnik are covered in part by a guarantee from the Republic of Montenegro and in full by further guarantees provided by the municipality of Budva and by the Federal Republic of Germany. Discussions with the municipality of Budva and the Republic of Montenegro are currently in progress to implement the contract termination, and the first partial payment on the outstanding obligations was received at the end of May 2018.

Revenue in the Environment Segment fell by 17.5% to EUR 125.0m in the first three quarters of 2017/18. Growth in the areas of thermal waste utilisation and drinking water supplies in Lower Austria was unable to offset the decline in the international project business. Similar to the previous year, a weather-related increase was recorded in drinking water supply volumes.

Operating expenses fell by 31.5% to EUR 114.0m in the first three quarters of 2017/18. A major factor for this development

was the lower volume in the international project business. In addition, the comparable prior year value was unusually high due to a valuation allowance of EUR 45.5m which was recognised to the remaining aggregate components (reported under inventories) from the former thermal waste utilisation plant project no. 1 in Moscow.

The share of results from equity accounted investees with operational nature increased by 3.4% to EUR 9.8m, chiefly owing to the progress on the wastewater treatment plant project in Prague.

EBITDA in the Environment Segment totalled EUR 19.8m for the reporting period (previous year: EUR –6.9m). Depreciation and amortisation, including the effects of impairment testing, were slightly lower at EUR 17.1m (previous year: EUR 18.9m), and EBIT amounted to EUR 2.7m (previous year: EUR –25.9 m).

Financial results equalled EUR –0.2m (previous year: EUR –1.4m). The result before income tax totalled EUR 2.5m, compared with EUR –27.3m in the previous year.

Investments in the Environment Segment rose by 7.5% to EUR 8.1m in the first three quarters of 2017/18. This increase reflects EVN's strategic approach to continue its massive efforts to improve the security and the quality of drinking water supplies in Lower Austria. The focal points of these activities include the expansion of and additional construction on the cross-regional pipeline networks as well as the construction of natural filter plants to reduce the hardness of the water by natural means. EVN is currently constructing the fourth plant of this type in its supply area southeast of Vienna, and further projects are in the planning phase. EVN also expanded its activities in the area of local drinking water supplies during the reporting period by taking over the management of four additional local drinking water networks (two each as of 1 January and 1 July 2018).

Key financial indicators – All Other Segments	EURm	2017/18	2016/17	+/-		2017/18	2016/17	+/-
		Q. 1-3	Q. 1-3	nominal	%	Q. 3	Q. 3	%
External revenue		10.5	10.8	-0.4	-3.3	3.7	4.7	-20.6
Internal revenue		44.7	43.2	1.5	3.5	15.1	13.9	8.6
<b>Total revenue</b>		<b>55.2</b>	<b>54.0</b>	<b>1.2</b>	<b>2.2</b>	<b>18.8</b>	<b>18.6</b>	<b>1.2</b>
Operating expenses		-60.0	-57.6	-2.4	-4.1	-21.7	-20.3	-7.1
Share of results from equity accounted investees with operational nature		42.9	47.0	-4.1	-8.7	5.7	11.3	-50.1
<b>EBITDA</b>		<b>38.0</b>	<b>43.3</b>	<b>-5.3</b>	<b>-12.3</b>	<b>2.7</b>	<b>9.6</b>	<b>-71.5</b>
Depreciation and amortisation including effects from impairment tests		-1.2	-1.1	-0.1	-8.4	-0.4	-0.4	-9.2
<b>Results from operating activities (EBIT)</b>		<b>36.9</b>	<b>42.3</b>	<b>-5.4</b>	<b>-12.8</b>	<b>2.4</b>	<b>9.3</b>	<b>-74.6</b>
Financial results		42.0	45.4	-3.4	-7.5	23.3	33.1	-29.5
<b>Result before income tax</b>		<b>78.9</b>	<b>87.7</b>	<b>-8.8</b>	<b>-10.0</b>	<b>25.7</b>	<b>42.4</b>	<b>-39.4</b>
Total assets		3,532.0	2,758.7	773.2	28.0	3,532.0	2,758.7	28.0
Total liabilities		1,363.2	1,108.3	254.9	23.0	1,363.2	1,108.3	23.0
Investments <sup>1)</sup>		1.6	1.0	0.6	55.2	0.1	0.7	-78.8

1) In intangible assets and property, plant and equipment

## All Other Segments

### Highlights

- Higher earnings contribution from RAG
- Lower earnings contribution from Energie Burgenland
- Decline in EBITDA, EBIT and result before income tax

Revenue in this segment rose by 2.2% to EUR 55.2m in the first three quarters of 2017/18, while operating expenses increased by 4.1% to EUR 60.0m.

The share of results from equity accounted investees totalled EUR 42.9m (previous year: EUR 47.0m) and was influenced by slightly positive development at RAG and a lower earnings contri-

bution from Energie Burgenland. EBITDA amounted to EUR 38.0m (previous year: EUR 43.3m). Depreciation and amortisation, including the results of impairment testing, were nearly stable at EUR 1.2m (previous year: EUR 1.1m), and EBIT was 12.8% lower than the previous year at EUR 36.9m.

Financial results in this segment declined by 7.5% to EUR 42.0m during the reporting period. In particular, this decrease resulted from the absence of the positive non-recurring effect from the transfer of the Verbund shares from WEEV Beteiligungs GmbH to EVN AG in the previous year. Contrary effects included the lower interest expense which resulted from the decline in financial liabilities and the higher dividend from Verbund AG for the 2017 financial year which was received on 11 May 2018.

This segment recorded result before income tax of EUR 78.9m for the first three quarters of 2017/18, which represents a year-on-year decline of 10.0%.



# Consolidated interim report

according to IAS 34

## Consolidated statement of operations

EURm	2017/18 Q. 1-3	2016/17 Q. 1-3	+/- %	2017/18 Q. 3	2016/17 Q. 3	+/- %	2016/17
Revenue	1,650.3	1,765.5	-6.5	404.3	455.7	-11.3	2,215.6
Other operating income	73.5	79.6	-7.8	24.9	26.5	-6.0	101.9
Electricity purchases and primary energy expenses	-763.6	-793.5	3.8	-172.5	-196.3	12.1	-989.0
Cost of materials and services	-192.4	-232.6	17.3	-67.7	-64.6	-4.7	-313.7
Personnel expenses	-236.7	-233.5	-1.4	-81.2	-77.6	-4.6	-316.8
Other operating expenses	-106.6	-106.6	0.0 <sup>1)</sup>	-43.2	-37.5	-15.2	-139.0
Share of results from equity accounted investees with operational nature	160.7	124.1	29.5	49.6	15.7	-	162.6
<b>EBITDA</b>	<b>585.0</b>	<b>603.0</b>	<b>-3.0</b>	<b>114.2</b>	<b>121.9</b>	<b>-6.3</b>	<b>721.6</b>
Depreciation and amortisation	-192.8	-196.1	1.7	-62.8	-64.7	2.9	-262.3
Effects from impairment tests	-5.1	-105.8	95.2	-4.5	-75.7	94.1	-112.5
<b>Results from operating activities (EBIT)</b>	<b>387.2</b>	<b>301.2</b>	<b>28.6</b>	<b>46.9</b>	<b>-18.5</b>	<b>-</b>	<b>346.9</b>
Share of results from equity accounted investees with financial nature	0.1	14.7	-99.5	-0.0 <sup>1)</sup>	14.8	-	12.2
Results from other investments	19.9	17.8	11.5	20.8	17.9	16.0	18.8
Interest income	7.8	17.1	-54.2	2.5	3.0	-18.0	19.5
Interest expense	-40.3	-51.3	21.4	-13.1	-16.7	21.7	-65.4
Other financial results	-2.2	-6.1	64.2	0.2	-1.5	-	-6.5
<b>Financial results</b>	<b>-14.7</b>	<b>-7.8</b>	<b>-88.6</b>	<b>10.4</b>	<b>17.6</b>	<b>-40.8</b>	<b>-21.4</b>
<b>Result before income tax</b>	<b>372.6</b>	<b>293.4</b>	<b>27.0</b>	<b>57.3</b>	<b>-0.9</b>	<b>-</b>	<b>325.5</b>
Income tax expense	-79.0	-38.2	-	-9.4	15.6	-	-53.9
<b>Result for the period</b>	<b>293.6</b>	<b>255.1</b>	<b>15.1</b>	<b>47.9</b>	<b>14.7</b>	<b>-</b>	<b>271.5</b>
thereof result attributable to EVN AG shareholders (Group net result)	273.2	242.0	12.9	43.8	8.3	-	251.0
thereof result attributable to non-controlling interests	20.4	13.1	55.8	4.1	6.4	-36.1	20.5
Earnings per share in EUR <sup>1)</sup>	1.54	1.36	12.8	0.25	0.05	-	1.41

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

<sup>\*)</sup> Small amount

## Consolidated statement of comprehensive income

EURm	2017/18 Q. 1-3	2016/17 Q. 1-3	+/- %	2017/18 Q. 3	2016/17 Q. 3	+/- %	2016/17
<b>Result for the period</b>	<b>293.6</b>	<b>255.1</b>	<b>15.1</b>	<b>47.9</b>	<b>14.7</b>	<b>-</b>	<b>271.5</b>
<b>Other comprehensive income from</b>							
<b>Items that will not be reclassified to profit or loss</b>	<b>3.8</b>	<b>4.0</b>	<b>-5.4</b>	<b>5.1</b>	<b>-2.0</b>	<b>-</b>	<b>12.3</b>
Remeasurements IAS 19	-2.2	5.3	-	2.7	0.6	-	26.6
Investments in equity accounted investees	5.6	-0.0 <sup>*)</sup>	-	3.1	-2.5	-	-7.6
thereon apportionable income tax expense	0.5	-1.3	-	-0.7	-0.1	-	-6.6
<b>Items that may be reclassified to profit or loss</b>	<b>255.3</b>	<b>61.1</b>	<b>-</b>	<b>134.6</b>	<b>16.1</b>	<b>-</b>	<b>190.6</b>
Currency translation differences	-0.6	2.0	-	0.0 <sup>*)</sup>	-2.3	-	0.9
Available for sale financial instruments	340.3	76.0	-	180.0	33.3	-	245.3
Cash flow hedges	3.4	11.0	-69.2	-0.0 <sup>*)</sup>	2.6	-	13.8
Investments in equity accounted investees	-2.5	-4.4	43.8	-0.5	-8.5	93.7	-3.7
thereon apportionable income tax expense	-85.3	-23.5	-	-44.8	-9.0	-	-65.7
<b>Total other comprehensive income after tax</b>	<b>259.2</b>	<b>65.1</b>	<b>-</b>	<b>139.7</b>	<b>14.0</b>	<b>-</b>	<b>203.0</b>
<b>Comprehensive income for the period</b>	<b>552.8</b>	<b>320.2</b>	<b>72.6</b>	<b>187.6</b>	<b>28.7</b>	<b>-</b>	<b>474.5</b>
thereof income attributable to EVN AG shareholders	529.5	306.7	72.7	181.9	22.3	-	454.9
thereof income attributable to non-controlling interests	23.2	13.6	71.5	5.7	6.4	-11.6	19.6

<sup>\*)</sup> Small amount

## Consolidated statement of financial position

EURm	30.06.2018	30.09.2017	+/-	
			nominal	%
<b>Assets</b>				
<b>Non-current assets</b>				
Intangible assets	168.6	177.1	-8.5	-4.8
Property, plant and equipment	3,393.2	3,383.6	9.7	0.3
Investments in equity accounted investees	979.7	954.8	24.9	2.6
Other investments	1,258.2	919.0	339.2	36.9
Deferred tax assets	77.9	79.6	-1.7	-2.2
Other non-current assets	192.4	209.9	-17.5	-8.3
	<b>6,069.8</b>	<b>5,723.8</b>	<b>346.0</b>	<b>6.0</b>
<b>Current assets</b>				
Inventories	87.6	98.4	-10.8	-11.0
Trade and other receivables	453.1	409.0	44.2	10.8
Securities	139.7	0.5	139.2	-
Cash and cash equivalents	204.7	223.1	-18.4	-8.2
	<b>885.2</b>	<b>731.0</b>	<b>154.2</b>	<b>21.1</b>
<b>Total assets</b>	<b>6,955.1</b>	<b>6,454.9</b>	<b>500.2</b>	<b>7.7</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital	330.0	330.0	-	-
Share premium and capital reserves	253.0	253.0	-	-
Retained earnings	2,315.6	2,126.2	189.3	8.9
Valuation reserve	483.1	226.2	256.9	-
Currency translation reserve	-22.6	-22.1	-0.6	-2.6
Treasury shares	-21.3	-21.2	-0.0 <sup>*)</sup>	-0.1
Issued capital and reserves attributable to shareholders of EVN AG	3,337.8	2,892.1	445.7	15.4
Non-controlling interests	257.5	258.0	-0.4	-0.2
	<b>3,595.3</b>	<b>3,150.1</b>	<b>445.2</b>	<b>14.1</b>
<b>Non-current liabilities</b>				
Non-current loans and borrowings	1,047.6	1,125.4	-77.7	-6.9
Deferred tax liabilities	280.3	171.8	108.5	63.2
Non-current provisions	459.4	452.6	6.8	1.5
Deferred income from network subsidies	591.8	584.1	7.7	1.3
Other non-current liabilities	61.3	58.3	3.0	5.1
	<b>2,440.5</b>	<b>2,392.2</b>	<b>48.3</b>	<b>2.0</b>
<b>Current liabilities</b>				
Current loans and borrowings	86.7	50.5	36.2	71.7
Taxes payable and levies	109.1	67.6	41.5	61.3
Trade payables	247.5	314.0	-66.5	-21.2
Current provisions	84.9	91.6	-6.6	-7.3
Other current liabilities	391.0	388.9	2.2	0.6
	<b>919.2</b>	<b>912.6</b>	<b>6.7</b>	<b>0.7</b>
<b>Total equity and liabilities</b>	<b>6,955.1</b>	<b>6,454.9</b>	<b>500.2</b>	<b>7.7</b>

\*) Small amount

## Consolidated statement of changes in equity

EURm	Issued capital and reserves of EVN AG shareholders	Non-controlling interests	Total
<b>Balance on 30.09.2016</b>	2,510.8	259.8	2,770.7
Comprehensive income for the period	306.7	13.6	320.2
Dividends 2015/16	-74.7	-21.5	-96.2
Other changes/Changes in the scope of consolidation	0.0 <sup>*)</sup>	-	0.0 <sup>*)</sup>
<b>Balance on 30.06.2017</b>	2,742.9	251.9	2,994.8
<b>Balance on 30.09.2017</b>	2,892.1	258.0	3,150.1
Comprehensive income for the period	529.5	23.2	552.8
Dividends 2016/17	-83.6	-23.7	-107.3
Other changes/Changes in the scope of consolidation	-0.2	0.0 <sup>*)</sup>	-0.1
<b>Balance on 30.06.2018</b>	3,337.8	257.5	3,595.3

\*) Small amount

## Condensed consolidated statement of cash flows

EURm	2017/18	2016/17	+/-		2016/17
	Q. 1-3	Q. 1-3	nominal	%	
<b>Result before income tax</b>	372.6	293.4	79.2	27.0	325.5
+ Depreciation and amortisation of intangible assets and property, plant and equipment	197.8	301.9	-104.1	-34.5	374.8
- Non-cash share of results of equity accounted investees and other investments	-180.6	-156.6	-24.1	-15.4	-193.6
+ Dividends from equity accounted investees and other investments	160.3	121.1	39.2	32.4	129.2
+ Interest expense	40.3	51.3	-11.0	-21.4	65.4
- Interest paid	-39.6	-51.6	12.0	23.2	-55.6
- Interest income	-7.8	-17.1	9.3	54.2	-19.5
+ Interest received	6.5	15.7	-9.2	-58.7	17.3
+/- Other non-cash financial results	0.5	2.2	-1.6	-74.9	2.3
- Release of deferred income from network subsidies	-34.9	-33.9	-1.0	-3.0	-45.4
- Decrease in non-current provisions	-6.9	-18.5	11.6	62.8	-29.6
+/- Other non-cash expenses/gains	-0.9	0.7	-1.6	-	1.6
<b>Gross cash flow</b>	507.2	508.4	-1.3	-0.2	572.3
- Changes in assets and liabilities arising from operating activities	-153.4	-131.9	-21.5	-16.3	-52.8
+/- Income tax paid	-1.9	4.1	-6.0	-	-10.5
<b>Net cash flow from operating activities</b>	351.9	380.6	-28.7	-7.5	508.9
+ Proceeds from the disposal of intangible assets and property, plant and equipment	6.5	95.4	-88.9	-93.2	98.2
+/- Changes in intangible assets and property, plant and equipment	-148.2	-128.0	-20.2	-15.8	-242.7
+/- Changes in financial assets and other non-current assets	41.5	20.4	21.1	-	-1.0
+/- Changes in current securities	-139.2	59.9	-199.1	-	74.9
<b>Net cash flow from investing activities</b>	-239.4	47.7	-287.1	-	-70.6
- Dividends paid to EVN AG shareholders	-83.6	-74.7	-8.9	-12.0	-74.7
- Dividends paid to non-controlling interests	-2.7	-21.5	18.8	87.3	-21.5
+/- Decrease/increase in nominal capital	-	-	-	-	0.1
+/- Sales/repurchase of treasury shares	-	-	-	-	1.0
- Changes in financial liabilities	-43.3	-266.0	222.6	83.7	-344.8
<b>Net cash flow from financing activities</b>	-129.7	-362.1	232.4	64.2	-439.9
<b>Net change in cash and cash equivalents</b>	-17.3	66.1	-83.4	-	-1.6
<b>Cash and cash equivalents at the beginning of the period<sup>1)</sup></b>	221.8	223.5	-1.7	-0.8	223.5
Currency translation differences on cash and cash equivalents	0.0 <sup>*)</sup>	0.3	-0.3	-	-0.1
<b>Cash and cash equivalents at the end of the period<sup>1)</sup></b>	204.5	289.9	-85.4	-29.5	221.8

1) By adding bank overdrafts this results in cash and cash equivalents according to the consolidated statement of financial position.

\*) Small amount

## Notes to the consolidated interim report

### Accounting and valuation methods

This consolidated interim report as of 30 June 2018, of EVN AG, taking into consideration § 245a Austrian Commercial Code (UGB), was prepared in accordance with the guidelines set forth in the International Financial Reporting Standards (IFRS) by the International Accounting 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 2016/17 financial year (balance sheet date: 30 September 2017).

The accounting and valuation methods applied in preparing the consolidated financial statements as of 30 September 2017 remain unchanged. 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 in accordance with IFRS

The following standards and interpretations require mandatory application beginning with the 2017/18 financial year:

<b>Standards and interpretations applied for the first time</b>		Effective <sup>1)</sup>
<b>New standards and interpretations</b>		
–	–	–
<b>Revised standards and interpretations</b>		
IAS 7	Disclosure Initiative	01.01.2017
IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses	01.01.2017
Several	Annual Improvements 2014–2016	01.01.2017/ 01.01.2018 <sup>2)</sup>

- 1) In accordance with the Official Journal of the EU, these standards are applicable to financial years beginning on or after the effective date.
- 2) The adoption took effect with the announcement in the Official Journal of the EU on 8 February 2018. The changes to IFRS 12 are applicable to reporting periods beginning on or after 1 January 2017.

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

### Seasonally-related effects 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 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 Environment Segment usually generates lower revenues in the first half of the financial year than in the second half. Accordingly, business in the Environment Segment serves to principally counteract the seasonable nature of the energy business. However, the volatile nature of large construction projects can result 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 31 domestic and 32 foreign subsidiaries (30 September 2017: 27 domestic and 36 foreign subsidiaries) were fully consolidated as of 30 June 2018. As of 30 June 2018, a total of 21 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 2017: 19).

Changes in the scope of consolidation	Line-by-line			
	Fully	(Joint Operation)	Equity	Total
<b>30.09.2016</b>	<b>67</b>	<b>1</b>	<b>17</b>	<b>85</b>
First consolidation	1	–	–	1
Deconsolidation	–2	–	–	–2
Reorganisation <sup>1)</sup>	–3	–	–	–3
<b>30.09.2017</b>	<b>63</b>	<b>1</b>	<b>17</b>	<b>81</b>
First consolidation	–	–	–	–
Deconsolidation	–	–	–2	–2
<b>30.06.2018</b>	<b>63</b>	<b>1</b>	<b>15</b>	<b>79</b>
thereof foreign companies	32	1	5	38

1) Internal reorganisation

WEEV Beteiligungs GmbH was restructured in 2016/17, whereby the Verbund shares held by WEEV were transferred to the parent companies, EVN and Wiener Stadtwerke, in June 2017. In October 2017, the WEEV stake held by Wiener Stadtwerke was transferred to EVN. WEEV is currently in liquidation and was deconsolidated during the first quarter of 2017/18 due to immateriality.

AUL Abfallumladelogistik Austria GmbH, Maria Enzersdorf, which was previously included in the consolidated financial statements at equity, was sold to ABW Abbruch-, Boden- und Wasserreinigungsgesellschaft mbH through a contract dated 20 February 2018 and subsequently deconsolidated.

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

### Selected notes to the consolidated statement of operations

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

Share of results from equity accounted investees with operational nature	2017/18	2016/17
	Q. 1–3	Q. 1–3
EURm		
EVN KG	100.1	75.7
RAG	32.5	31.3
Energie Burgenland	10.3	15.6
ZOV; ZOV UIP	7.1	8.8
Verbund Innkraftwerke	2.9	–12.7
Other companies	7.7	5.3
<b>Share of results from equity accounted investees with operational nature</b>	<b>160.7</b>	<b>124.1</b>

The increase in the share of results from equity accounted investees with operational nature is primarily attributable to EVN KG. The year-on-year increase in the earnings contribution from EVN KG was based on positive effects from the valuation of hedges as of 30 June 2018.

The income from investments, which encompasses the share of results from equity accounted investees with financial nature and the results from other investments, developed as follows:

Income from investments	2017/18	2016/17
	Q. 1–3	Q. 1–3
EURm		
WEEV Beteiligungs GmbH	–	14.7
Other companies	0.1	0.0 <sup>*)</sup>
<b>Share of results of equity accounted investees with financial nature</b>	<b>0.1</b>	<b>14.7</b>
Verbund AG	18.4	11.6
Other companies	1.5	6.2
<b>Results from other investments</b>	<b>19.9</b>	<b>17.8</b>
<b>Total income from investments</b>	<b>20.0</b>	<b>32.5</b>

\*) Small amount

Earnings per share are calculated by dividing the Group net result (= net profit for the period attributable to EVN AG shareholders) by the weighted average number of shares outstanding, i. e. 177,927,548 as of 30 June 2018 (30 June 2017: 177,842,333 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 273.2m (previous year: EUR 242.0m), earnings per share at the balance sheet date 30 June 2018 totalled EUR 1.54 (previous year: EUR 1.36 per share).

### Selected notes to the consolidated statement of financial position

In the first three quarters of 2017/18, EVN acquired intangible assets and property, plant and equipment to the sum of EUR 205.1m (previous year: EUR 171.0m). Property, plant and equipment with a net carrying amount (book value) of EUR 5.6m were disposed of (previous year: EUR 3.8m), with a capital gain of EUR 0.9m (previous year: capital loss of EUR 0.4m).

The item investments in equity accounted investees increased by EUR 24.9m, or 2.6%, to EUR 979.7m. This resulted primarily from the current earnings contributions of EUR 160.7m and valuation changes not recognised in profit or loss that amounted to EUR 3.0m. This increase was contrasted by the distributions made by at equity consolidated companies, which totalled EUR 139.4m.

The other investments of EUR 1,258.2m classified as available for sale include shares in listed companies with a market value of EUR 1,215.5m, which had increased by EUR 340.3m since the last balance sheet date. In accordance with IAS 39, the adjustments to the changed market values were offset with the valuation reserve after the deduction of deferred taxes.

The number of EVN shares in circulation developed as follows:

<b>Development of the number of shares in circulation</b>	
	<b>2017/18</b>
	<b>Q. 1-3</b>
Number	
Balance 30.09.2017	177,927,548
Purchase of treasury shares	-
<b>Total 30.06.2018</b>	<b>177,927,548</b>

The 87<sup>th</sup> Annual General Meeting of EVN AG on 21 January 2016 authorised the Executive Board to repurchase the company's bearer shares during a period of 30 months (i) for distribution to employees of the company or its subsidiaries and (ii) in accordance with § 65 (1) no. 8 of the Austrian Stock Corporation Act (acquisition with no specific purpose) at an amount equalling up to 10% of EVN's share capital. The Executive Board is not utilising this authorisation at the present time.

As of 30 June 2018, the number of treasury shares amounted to 1,950,854 (or 1.08% of the share capital) with an acquisition value of EUR 21.3m. The treasury shares held by EVN are not entitled to any rights, and in particular, they are not entitled to dividends.

The 89<sup>th</sup> Annual General Meeting of EVN AG on 18 January 2018 approved the recommendation by Executive Board and Supervisory Board to distribute a dividend of EUR 0.44 per share plus a one-off bonus dividend of EUR 0.03 for the 2016/17 financial year, which comprises a total dividend payout of EUR 83.6m. Ex-dividend date was 24 January 2018, and the dividend payment to shareholders of EVN took place on 26 January 2018.

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

<b>Breakdown of non-current loans and borrowings</b>		
EURm	<b>30.06.2018</b>	<b>30.09.2017</b>
Bonds	506.4	532.0
Bank loans	541.2	593.3
<b>Total non-current loans and borrowings</b>	<b>1,047.6</b>	<b>1,125.4</b>

The reduction of EUR 25.6m in bonds resulted primarily from the reclassification of a bond which matures on 18 March 2019 from non-current to current financial liabilities. This reclassification was contrasted by an opposite movement in the market values of hedges.

The issue of the EUR 121.5m promissory note loans in October 2012 is also reflected in the bank loans.

## Segment reporting

EURm	Energy		Generation		Networks		South East Europe	
	2017/18 Q. 1-3	2016/17 Q. 1-3	2017/18 Q. 1-3	2016/17 Q. 1-3	2017/18 Q. 1-3	2016/17 Q. 1-3	2017/18 Q. 1-3	2016/17 Q. 1-3
External revenue	376.9	430.4	49.5	45.5	394.4	397.6	706.7	741.5
Internal revenue (between segments)	6.5	6.4	162.9	144.4	40.2	45.4	0.6	0.3
<b>Total revenue</b>	<b>383.4</b>	<b>436.8</b>	<b>212.4</b>	<b>189.8</b>	<b>434.6</b>	<b>443.0</b>	<b>707.4</b>	<b>741.8</b>
Operating expenses	-376.4	-422.0	-91.1	-93.0	-211.5	-190.6	-638.1	-608.6
Share of results from equity accounted investees operational	104.4	80.0	3.6	-12.4	-	-	-	-
<b>EBITDA</b>	<b>111.4</b>	<b>94.8</b>	<b>124.9</b>	<b>84.4</b>	<b>223.1</b>	<b>252.4</b>	<b>69.3</b>	<b>133.2</b>
Depreciation and amortisation	-14.7	-18.4	-39.6	-92.8	-87.8	-85.9	-46.8	-73.6
<b>Results from operating activities (EBIT)</b>	<b>96.7</b>	<b>76.4</b>	<b>85.3</b>	<b>-8.4</b>	<b>135.2</b>	<b>166.5</b>	<b>22.5</b>	<b>59.6</b>
Financial results	-2.6	-2.1	-10.3	-6.4	-12.7	-12.7	-15.2	-17.6
<b>Result before income tax</b>	<b>94.1</b>	<b>74.3</b>	<b>75.0</b>	<b>-14.8</b>	<b>122.5</b>	<b>153.8</b>	<b>7.3</b>	<b>42.0</b>
Total assets	750.4	672.5	932.6	919.6	1,910.5	1,931.0	1,174.8	1,156.0
Investments <sup>1)</sup>	8.1	7.6	42.6	14.7	91.1	73.1	57.7	67.6

	Environment		All Other Segments		Consolidation		Total	
	2017/18 Q. 1-3	2016/17 Q. 1-3	2017/18 Q. 1-3	2016/17 Q. 1-3	2017/18 Q. 1-3	2016/17 Q. 1-3	2017/18 Q. 1-3	2016/17 Q. 1-3
External revenue	112.2	139.6	10.5	10.8	-	-	1,650.3	1,765.5
Internal revenue (between segments)	12.7	11.8	44.7	43.2	-267.7	-251.4	-	-
<b>Total revenue</b>	<b>125.0</b>	<b>151.4</b>	<b>55.2</b>	<b>54.0</b>	<b>-267.7</b>	<b>-251.4</b>	<b>1,650.3</b>	<b>1,765.5</b>
Operating expenses	-114.9	-167.8	-60.0	-57.6	266.2	253.2	-1,225.9	-1,286.5
Share of results from equity accounted investees operational	9.8	9.5	42.9	47.0	-	-	160.7	124.1
<b>EBITDA</b>	<b>19.8</b>	<b>-6.9</b>	<b>38.0</b>	<b>43.3</b>	<b>-1.4</b>	<b>1.8</b>	<b>585.0</b>	<b>603.0</b>
Depreciation and amortisation	-17.1	-18.9	-1.2	-1.1	9.3	-11.1	-197.8	-301.9
<b>Results from operating activities (EBIT)</b>	<b>2.7</b>	<b>-25.9</b>	<b>36.9</b>	<b>42.3</b>	<b>7.9</b>	<b>-9.3</b>	<b>387.2</b>	<b>301.2</b>
Financial results	-0.2	-1.4	42.0	45.4	-15.7	-13.0	-14.7	-7.8
<b>Result before income tax</b>	<b>2.5</b>	<b>-27.3</b>	<b>78.9</b>	<b>87.7</b>	<b>-7.8</b>	<b>-22.3</b>	<b>372.6</b>	<b>293.4</b>
Total assets	782.7	815.1	3,532.0	2,758.7	-2,128.1	-1,942.0	6,955.1	6,311.0
Investments <sup>1)</sup>	8.1	7.5	1.6	1.0	-4.1	-0.3	205.1	171.2

1) In intangible assets and property, plant and equipment

The results shown in the total column represent the results reported on the consolidated statement of operations. The consolidation column reflects the elimination of intersegment transactions. Also included are transition amounts, which result from the difference between the viewpoints of the Energy and Generation 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 Segment has already recognised provisions for onerous contracts connected with the marketing of its electricity production. In contrast, an impairment charge is required for the Walsum 10 power plant 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 (IFRS 13)	30.06.2018		30.09.2017	
			Carrying amount	Fair value	Carrying amount	Fair value
<b>Non-current assets</b>						
<b>Other investments</b>						
Investments	AFS	Level 3	36.8	36.8	36.8	36.8
Miscellaneous investments	AFS	Level 1	1,215.5	1,215.5	875.2	875.2
<b>Other non-current assets</b>						
Securities	@FVTPL	Level 1	82.9	82.9	58.4	58.4
Loans receivable	LAR	Level 2	38.7	45.4	40.6	48.4
Lease receivables	LAR	Level 2	36.3	37.4	86.9	99.6
Receivables arising from derivative transactions	@FVTPL	Level 2	19.1	19.1	8.0	8.0
Receivables arising from derivative transactions	Hedging	Level 2	0.6	0.6	1.0	1.0
Remaining other non-current assets	LAR		0.4	0.4	0.5	0.5
<b>Current assets</b>						
<b>Current receivables and other current assets</b>						
Trade and other receivables	LAR		400.0	400.0	367.8	367.8
Receivables arising from derivative transactions	@FVTPL	Level 2	38.0	38.0	18.0	18.0
Securities	AFS	Level 1	139.7	139.7	0.5	0.5
<b>Cash and cash equivalents</b>						
Cash on hand and cash at banks	LAR		204.7	204.7	223.1	223.1
<b>Non-current liabilities</b>						
<b>Non-current loans and borrowings</b>						
Bonds	FLAC	Level 2	506.4	602.3	532.0	637.1
Bank loans	FLAC	Level 2	541.2	606.3	593.3	651.5
<b>Other non-current liabilities</b>						
Leases	FLAC	Level 2	5.6	6.0	12.7	14.6
Accruals of financial transactions	FLAC		7.9	7.9	1.1	1.1
Other liabilities	FLAC		12.8	12.8	12.4	12.4
Liabilities arising from derivative transactions	@FVTPL	Level 2	17.1	17.1	9.8	9.8
Liabilities arising from derivative transactions	Hedging	Level 2	17.9	17.9	22.4	22.4
<b>Current liabilities</b>						
<b>Current loans and borrowings</b>						
Trade payables	FLAC		86.7	86.7	50.5	50.5
<b>Other current liabilities</b>						
Other financial liabilities	FLAC		241.1	241.1	245.3	245.3
Liabilities arising from derivative transactions	@FVTPL	Level 2	47.6	47.6	25.9	25.9
Liabilities arising from derivative transactions	Hedging	Level 2	5.2	5.2	7.4	7.4
<b>thereof aggregated to measurement categories</b>						
Available for sale financial assets	AFS		1,392.1		912.5	
Loans and receivables	LAR		680.2		718.9	
Financial assets designated at fair value in profit or loss	@FVTPL		139.9		84.4	
Financial liabilities at amortised cost	FLAC		1,649.2		1,761.3	

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 non-observable factors which reflect the assumptions that would be used by a market participant to determine an appropriate price.

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

#### 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 2016/17.

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

<b>Transactions with investments in equity accounted investees</b>	<b>2017/18</b>	<b>2016/17</b>
EURm	Q. 1-3	Q. 1-3
Revenue	249.9	301.6
Cost of materials and services	62.5	96.7
Trade accounts receivable	31.9	15.8
Trade accounts payable	61.7	27.1

#### Other obligations and risks

Other obligations and risks increased by EUR 9.4m to EUR 341.3m compared to 30 September 2017. This change was mainly due to the increase in scheduled orders for investments in intangible assets and property, plant and equipment. This increase was in contrast to the reduction in guarantees in connection with energy transactions.

Contingent liabilities related to guarantees for subsidiaries for energy transactions are recognised on the basis of the guarantees

issued by EAA 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 1.9m as of 30 June 2018. The nominal volume of the guarantees underlying this assessment was EUR 254.5m.

#### Significant events after the balance sheet date

The following events occurred after the balance sheet date for the quarterly financial statements on 30 June 2018 and the editorial deadline for this consolidated interim financial report on 16 August 2018:

The Theiss thermal power plant and all of the power plant components owned by EVN AG in the Dürnrrohr and Korneuburg thermal power plants operated jointly with Verbund Thermal Power were transferred to EVN Abfallverwertung NÖ GmbH as of 1 July 2018. The name of the company was subsequently changed to EVN Wärmekraftwerke GmbH. This company (including the thermal waste utilisation plant in Zwentendorf/Dürnrrohr) will be assigned to the Generation Segment beginning with the fourth quarter of 2017/18. In addition, the investment held by Verbund Thermal Power in the Dürnrrohr and Korneuburg thermal power plants was acquired by EVN Wärmekraftwerke GmbH as of 1 July 2018.

An out-of-court settlement was reached through an agreement on 4 July 2018 in the remaining legal proceedings initiated by the project company Steag-EVN Walsum 10 Kraftwerksgesellschaft mbH, in which EVN holds an investment of 49.0%, against the general contractor consortium Hitachi Ltd and Hitachi Power Europe. This agreement also resulted in the termination of the arbitration proceeding pursued by the project company.

The validity of the authorisation for the purchase of treasury shares, which was approved by the 87<sup>th</sup> Annual General Meeting on 21 January 2016 for a period of 30 months, expired on 21 July 2018. The Executive Board did not use this authorisation in the 2017/18 financial year.

On 10 August 2018 a total of 67,030 treasury shares, representing 0.04% of the share capital of EVN AG, were transferred to employees. This concluded and ended the transfer of treasury shares to employees which was announced on 8 June 2018.

---

# Contact

## Investor Relations

Gerald Reidinger  
Phone: +43 2236 200-12698

Matthias Neumüller  
Phone: +43 2236 200-12128

Doris Lohwasser  
Phone: +43 2236 200-12473

Karin Krammer  
Phone: +43 2236 200-12867

**E-mail:** investor.relations@evn.at

**Service telephone for investors:** 0800 800 200

**Service telephone for customers:** 0800 800 100

## Information on the Internet

www.evn.at

www.investor.evn.at

www.verantwortung.evn.at

---

## Financial calendar<sup>1)</sup>

Annual results 2017/18	13.12.2018
Record date Annual General Meeting	07.01.2019
90 <sup>th</sup> Annual General Meeting	17.01.2019
Ex-dividend day	23.01.2019
Record date	24.01.2019
Dividend payment	25.01.2019
Results Q. 1 2018/19	28.02.2019
Results HY. 2018/19	29.05.2019
Results Q. 1–3 2018/19	22.08.2019
Annual results 2018/19	12.12.2019

---

## Basic information<sup>2)</sup>

Share capital	EUR 330,000,000.00
Denomination	179,878,402 shares
ISIN security code number	AT0000741053
Tickers	EVNVVI (Reuters); EVN AV (Bloomberg); EVN (Dow Jones); EVNVY (ADR)
Listing	Vienna
ADR programme; depository	Sponsored Level I ADR programme (5 ADR = 1 share); The Bank of New York Mellon
Ratings	A2, positive (Moody's); A-, stable (Standard & Poor's)

1) Preliminary

2) As of 30 June 2018

## Imprint

Published by:  
EVN AG

EVN Platz, 2344 Maria Enzersdorf, Austria

Phone: +43 2236 200-0

Telefax: +43 2236 200-2030

Announcement pursuant to Section 25 Austrian Media Act: [www.evn.at/offenlegung](http://www.evn.at/offenlegung)

Editorial deadline: 16 August 2018