

Annual
financial report
2012/13



Key figures

Burgenland Holding AG		2012/13	2011/12	2010/11
Balance sheet total	EURm	78.1	76.6	73.6
Equity	EURm	78.1	76.4	73.6
Investment income	EURm	8.4	6.5	3.8
Net income	EURm	8.2	6.2	3.6

Energie Burgenland Group		2012/13 preview	2011/12
Electricity sales	GWh	1,231	1,211
Natural gas sales	GWh	1,255	1,150
Revenue	EURm	317.7	303.3
Pre-tax profit	EURm	19.5	24.1
Balance sheet total	EURm	942.7	955.2
Equity	EURm	307.9	304.9

BEWAG Group¹⁾		2010/11	2009/10	2008/09
Electricity sales	GWh	1,257	1,255	1,246
Revenue	EURm	249.0	286.1	274.1
Pre-tax profit	EURm	20.6	-6.4	-7.5
Balance sheet total	EURm	655.1	722.8	839.1
Equity ²⁾	EURm	187.9	177.7	199.6

1) At the end of June 2012, BEGAS and BEWAG were merged retroactively as of 30 September 2011.

Since 29 September 2012, this company has been operating under the name of Energie Burgenland AG.

2) Incl. untaxed reserves.

BEGAS Group¹⁾		2010/11	2009/10	2008/09
Natural gas sales volumes	GWh	2,288	2,198	2,014
Revenue	EURm	88.5	84.0	71.9
Pre-tax profit	EURm	-16.6	7.2	14.1
Balance sheet total	EURm	228.5	253.4	201.3
Equity ²⁾	EURm	105.2	129.1	121.7

1) At the end of June 2012, BEGAS and BEWAG were merged retroactively as of 30 September 2011.

Since 29 September 2012, this company has been operating under the name of Energie Burgenland AG.

2) Incl. untaxed reserves and construction cost subsidies.

Energising the Burgenland Burgenland Holding AG

Burgenland Holding AG holds 49% of the share capital of Energie Burgenland AG, which resulted retroactively as of 30 September 2011 from the merger of BEGAS Energie AG (BEGAS) into Burgenländische Elektrizitätswirtschafts-AG (BEWAG) at the end of June 2012. The remaining 51% of the shares are held by Burgenländische Landesholding GmbH. The share capital of Energie Burgenland AG amounts to EUR 34.9m.

The shares of Burgenland Holding AG (share capital: EUR 21.81m) are listed on the Official Market of the Vienna Stock Exchange under AT0000640552. EVN AG is the majority shareholder in Burgenland Holding AG and holds an unchanged stake of 73.63% of the share capital, with VERBUND AG holding more than 10% and WIEN ENERGIE GmbH holding between 5% and 10%. All other shareholders hold less than 4%.

Annual report 2012/13

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Foreword of the Management Board



Nikolaus Sauer, Klaus Kohlhuber

Dear Madam or Sir, dear shareholders,

Burgenland Holding AG continued its successful course in the 2012/13 business year. One essential factor here was the merger of its most important associated companies, Burgenland's gas and electricity providers BEGAS and BEWAG to form Energie Burgenland AG. This step not only entails a sustainable impulse for Burgenland's energy sector, but also improves the company's competitiveness, benefiting Burgenland Holding AG.

Challenging conditions in the economy and the energy sector marked the 2012/13 business year. The high and at the same time sharply fluctuating output from renewable energy sources, primarily from wind and photovoltaics, led to temporary oversupply and, consequently, to highly volatile electricity prices on the exchanges. Despite this market environment, the share of Burgenland Holding AG was able to perform well, marking an increase in its price of 15.3% compared to last year.

The attractive payout by Energie Burgenland AG enables the Management Board of Burgenland Holding AG to propose to the Annual General Meeting a dividend of EUR 2.70 per share for the 2012/13 business year.

We are confident that the path we have taken will continue to yield positive results for you as shareholders of Burgenland Holding AG.

Eisenstadt, 19 November 2013

Klaus Kohlhuber
Member of the
Executive Board

Nikolaus Sauer
Member of the
Executive Board

Corporate Governance Report (acc. § 243b UGB)

Commitment to the Austrian Code of Corporate Governance

Burgenland Holding AG is an Austrian public limited company listed on the Vienna Stock Exchange. The applicable principles of corporate governance include, in particular, the stock corporation and capital market laws, regulations on employee co-determination, the by-laws of Burgenland Holding AG, the Austrian Code of Corporate Governance (ACCG) as well as the rules of procedure for the company's corporate bodies.

The Management and Supervisory Boards of Burgenland Holding AG are committed by the principles of good corporate governance and thereby meet the expectations of national and international investors for responsible, transparent and sustainable management and control. On 1 June 2006, Burgenland Holding AG announced its commitment to comply with the Austrian Code of Corporate Governance in the January 2006 version.

The Austrian Code of Corporate Governance as of January 2012 took effect at Burgenland Holding AG as of 1 October 2012. The amendments to the Austrian Code of Corporate Governance to reflect the 2. Stability Act from July 2012 are also binding for Burgenland Holding AG.

The standards of the Austrian Code of Corporate Governance are subdivided into three groups: The first category (Legal Requirements) is based exclusively on mandatory legal provisions and has to be applied by all listed Austrian companies.

Non-compliance with C-Regulations (Comply-or-Explain) has to be justified publicly. R-Regulations, by contrast, are of purely recommendatory character and leave companies a choice to deviate from such regulations without a need for explanation.

The Management and Supervisory Boards of Burgenland Holding AG declare, notwithstanding the deviations and explanations listed below, full and complete compliance with the C-Regulations of the Austrian Code of Corporate Governance; furthermore, there are only isolated deviations from R-Regulations. The Corporate Governance Report of Burgenland Holding AG is available at www.buho.at/Corporate.html.

Deviations from C-Regulations

Due to peculiarities of the Austrian energy sector as well as the Company, Burgenland Holding AG does not comply with the following C-Regulations of the Austrian Code of Corporate Governance:

Regulation 16: Given the Company's holding function and the collegial decision-making, which has always resulted in unanimous resolutions, it is considered unnecessary to appoint a chairperson of the Management Board.

Regulation 27: In view of the size of the Company, the Management Board does not warrant full-time employment; as such, remuneration includes only fixed components.

Regulation 37: Compare Regulation 16; any discussion on strategy, business performance and risk management is effected by the entire Management Board.

Regulation 51: Remunerations for the Supervisory Board are shown as a total amount and in percentages for the Chairman, his deputy and the other members. This provides a clear picture of the remuneration situation.

Regulation 65, 66, 69 and 70: As there is no obligation to prepare consolidated group accounts, IFRS are not applied. Reporting is effected pursuant to applicable Austrian financial reporting requirements.

Corporate bodies



Management Board

Klaus Kohlhuber

Born in 1972, Doctor iuris, Head of Corporate Investment Management of EVN AG, management positions in domestic and foreign Group companies, member of the Management Board of Burgenland Holding AG since 2011.

Initial appointment: 5 September 2011
End of current term: 4 September 2016

No Supervisory Board mandates or comparable functions pursuant to C-Regulation 16 of the ACCG.

Nikolaus Sauer

Born in 1969, Magister iuris, following a position in the personnel and legislative section of the Federal Chancellery, he assumed executive functions in the Office of the Provincial Government of the Burgenland, acted as the senior officer at Wasserleitungsverband Nördliches Burgenland; member of the Management Board of Burgenland Holding AG and Managing Director of WLW GmbH since 2008.

Initial appointment: 25 February 2008
Current term was extended on 24 February 2013 and will last until 24 February 2018.

No Supervisory Board mandates or comparable functions pursuant to C-Regulation 16 of the ACCG.

Members of the Supervisory Board

Name (Year of birth)	Appointment	Other functions	Independence Regulation 53 ¹⁾
Stefan Szyszkowitz (1964) Chairman	from 11.03.2011	Member of the Executive Board of EVN AG	yes
Peter Layr (1953) Vice Chairman	from 17.06.1998	Spokesman of the Executive Board of EVN AG Member of the Supervisory Board of VERBUND AG	yes
Michael Amerer (1963)	from 31.03.2005	CEO of VERBUND Hydro Power AG	yes
Leopold Buchmayer (1947)	from 22.03.2013	Member of the Supervisory Board of Energie Burgenland AG	yes
Robert Dick (1971)	from 11.03.2011	Head of Controlling of EVN AG	yes
Josef Kaltenbacher (1951)	from 23.04.2004 to 14.03.2013	Formerly Chairman of the Supervisory Board of Energie Burgenland AG	yes
Martin Krajcsir (1963)	from 22.03.2013	CEO of WIENER STADTWERKE Holding AG Member of the Supervisory Board of PORR AG	yes
Helmut Miksits (1947)	from 15.03.2010 to 22.03.2013	Formerly CEO of WIENER STADTWERKE Holding AG	yes
Werner Perz (1950)	from 18.03.2002	Managing Director of ENERGIEALLIANZ Austria GmbH	yes
Felix Sawerthal (1954)	from 09.12.1996	Head of Secretariat General and Corporate Affaires of EVN AG	yes
Gerold Stagl (1960)	from 18.03.2002	Provincial Director of WIENER STÄDTISCHE VERSICHERUNG AG	yes

1) The freefloat is about 7%. Regulation 54 therefore does not apply.

The term of the members of the Supervisory Board elected by the Annual General Meeting ends upon conclusion of the Annual General Meeting deciding the 2012/13 business year.

Independence of the Supervisory Board

A member of the Supervisory Board shall be deemed independent if he or she has no business or personal relations with the Company or its Management Board which would constitute a material conflict of interest and thus could influence the member's behaviour. In case such a conflict exists, the ACCG provides for transition periods of several years.

The guidelines concerning the independence of the elected members of the Supervisory Board stipulate that the Supervisory Board member

1. shall not have any business or personal relations with Burgenland Holding AG or its Management Board which would constitute a material conflict of interest and thus could influence the member's behaviour;
2. shall not have served as a member of the Management Board or as an executive of Burgenland Holding AG in the past five years;
3. shall not maintain or have maintained in the past year any business relations with Burgenland Holding AG of significant extent. This shall also apply to relationships with companies in which the Supervisory Board member has a considerable economic interest, but shall not apply to the exercise of functions pertaining to corporate bodies within the Group. The approval of individual transactions by the Supervisory Board according to L-Regulation 48 does not automatically qualify the person as not independent;
4. shall not have been auditor of Burgenland Holding AG or have owned a share in or worked for the auditing company in the past three years;
5. shall not be a member of the Management Board of another company in which a Management Board member of Burgenland Holding AG is a Supervisory Board member;
6. shall not serve on the Supervisory Board for more than 15 years. This shall not apply to members of the Supervisory Board who are shareholders with an entrepreneurial investment or represent the interests of such a shareholder.
7. shall not be a close relative (direct offspring, spouse, partner, parent, uncle, aunt, sibling, niece, nephew) of a Management Board member or of persons in one of the aforementioned positions

Clear separation of management and control responsibilities

The Stock Corporation Act (AktG) prescribes a two-tier governance system. It provides for a clear separation of members of the executive body (Management Board) and monitoring body (Supervisory Board). Simultaneous membership in both bodies is not admissible.

Management of the Company by the Management Board

The Management Board of Burgenland Holding AG is comprised of two members. On its own responsibility, the Management Board has to manage the Company in such a manner as is required by the purpose and the viability of the Company taking into account the interests of shareholders and employees as well as public interest. Its actions are based on legal regulations and the by-laws which were amended in the completed financial year, as well as the rules of procedure for the Management Board as laid down by the Supervisory Board. Further important rules of conduct are stipulated by the ACCG.

In matters requiring consent stipulated as such by law or resolution of the Supervisory Board, the Management Board has to obtain the consent of the Supervisory Board. The rules of procedure which were amended in the completed financial year as well contain an extensive catalogue of such matters.

Reporting duties of the Management Board

The Management Board has to report to the Supervisory Board in accordance with the provisions of organisational law. The reporting obligation specified therein applies also towards Committees of the Supervisory Board. The reporting duties of the Management Board include, in particular, quarterly reports about the situation of the Company as well as information on important matters concerning associated companies.

Communication between Management Board and Supervisory Board is effected in the course of meetings of the Supervisory Board, its Committees as well as in writing if called for. Moreover, continuous coordination between the Management Board and the Chairman of the Supervisory Board occurs with regard to those activities which fall within the purview of the Supervisory Board. This includes, above all, the preparation of meetings.

Supervisory Board

As of 30 September 2013, the Supervisory Board of Burgenland Holding AG comprises a total of nine members elected by the Annual General Meeting. The Supervisory Board is headed by the Chairman and a Vice Chairman, which the Supervisory Board elects from within its own members. The independence of the individual members of the Supervisory Board according to Regulation 53 of the ACCG can be seen from the list on page 5. The Supervisory Board exercises its functions in accordance with the provisions of the Stock Corporation Act as well as the Company by-laws. Furthermore, its actions are based on the rules of procedure for the Supervisory Board as well as the ACCG.

In particular, the Supervisory Board is responsible for monitoring the actions of the Management Board, from which the former can request a report on Company matters at any time. The list of transactions requiring consent defined by law (§ 95 para 5 AktG) can be extended by the Supervisory Board by way of resolution. Such catalogue can be found in the respective rules of procedure for the Management Board and the Supervisory Board. The Supervisory Board reviews the efficiency of its activities, in particular its organisation and procedures, on an annual basis.

The Committees of the Supervisory Board

The Supervisory Board will exercise its functions in plenary session unless individual matters are assigned to Committees of the Supervisory Board which prepare for the latter negotiations and resolutions, monitor the implementation of its resolutions or decide on matters specifically assigned by the Supervisory Board. At the moment, the following committees have been set up in the Supervisory Board of Burgenland Holding AG, each of which consists of four elected members of the Supervisory Board:

- The Audit Committee was responsible for the internal audit and the preparation of the adoption of the annual financial statements, the recommendation on distribution of profit and the Company's management report in the 2012/13 business year. Furthermore, it draws up a proposal for choice of auditors. The Audit Committee includes a financial expert as required by law and under Regulation 42 of the ACCG.
- The Personnel Committee (resulting from the combination of the Nominating and the Compensation Committee) deals with personnel matters related to the members of the Management Board including the planning of succession. The Personnel Committee is in charge of all matters concerning the relationship between the Company and

the members of the Management Board to the extent there are no mandatory provisions for the full Supervisory Board to be responsible. The Personnel Committee performs the duties of a Nominating and a Compensation Committee.

In its capacity as the Supervisory Board's Compensation Committee, the Personnel Committee includes a member who has experience and knowledge with regard to compensation policy (Regulation 43 of the ACCG).

Both Committees consist of the members of the Supervisory Board Stefan Szyszkowitz (Chairman), Peter Layr (Deputy Chairman), Robert Dick and Felix Sawerthal.

Within the reporting period, the Supervisory Board performed the duties and obligations prescribed by law and laid down in the by-laws in five plenary sessions. The Supervisory Board's Audit Committee met twice in the 2012/13 business year.

The Supervisory Board's Personnel Committee, acting as both Compensation and Nominating Committee, had one meeting in the reporting year.

Compensation Report

Compensation system for executives (Regulation 28a):

As the Company does not have any employees of its own, Regulation 28a is not applicable.

Stock options (Regulation 29): Burgenland Holding AG does not have a stock option scheme for members of the Management Board.

Profit participation of the Management Board (Regulation 30):

No variable remuneration of the Management Board is in place at the Company. Likewise, there is no corporate pension scheme and no entitlement/claim of the Management Board upon termination of their functions. Consequently, the fixed elements of total remuneration account for 100%

Remuneration of the Management Board (Regulation 31):

Total expenditure on members of the Management Board in the reporting period amounted to EUR 4,400.00 each, thus a total of EUR 8,800.00 (previous year: TEUR 8.8).

Contracts of Members of the Supervisory Board requiring consent (Regulation 48):

In the past business year, the following contracts exceeding minor amounts of remuneration were concluded with EVN AG and its group companies, respectively, in which several members of the Supervisory have a material economic interest:

The Company's liquid funds were invested mainly in the process of an investment agreement with a commitment period of several months; total remuneration in the business year amounted to EUR 15,798.61. Since the Company does not have any employees itself, management of the Company is conducted via service relations comprising, for example, accounting, legal affairs, management accounting, cash management as well as investment management; total remuneration in the business year amounted to EUR 97,482.00.

Compensation scheme for the Supervisory Board (Regulation 51):

The remuneration of the Supervisory Board is set as an annual lump sum of approximately TEUR 13. Disbursed meeting fees have to be deducted from this

amount, with the remainder to be distributed to the following key: The Chairman receives 25% (or meeting fees in the amount of about EUR 218), his Deputy 16.7% (or meeting fees of about EUR 164), and each further member of the Supervisory Board gets 8.3% (or meeting fees amounting to around EUR 109).

Directors' Dealings (Regulation 73): No purchase of Burgenland Holding AG shares by a member of a corporate body was notified to Burgenland Holding AG in the 2012/13 business year.

Shareholders and Annual General Meeting

Shareholders exercise their rights at the Annual General Meeting and exercise their voting rights there. Each share of Burgenland Holding AG grants one vote. There are no shares granting multiple or preferential voting rights. The Annual General Meeting is entitled to take certain decisions stipulated by law or in the by-laws. It votes on the application of net profit as well as on the discharge of the members of the Management Board and the Supervisory Board and elects the auditors as well as the members of the Supervisory Board. Furthermore, proposals for changes to the by-laws and planned capital measures have to be presented to the Annual General Meeting for approval. The voting results as well as the agenda for the 24th Annual General Meeting of Burgenland Holding AG of 22 March 2013, can be found on the website of Burgenland Holding AG (www.buho.at).

Measures to promote women on the Management Board, the Supervisory Board and in senior positions

The Company generally subscribes to the promotion of women on the Management and the Supervisory Board. As the Company, however, does not have any employees or executives of its own, no specific promotion measures are planned in this context.

One Management Board mandate was renewed in the past business year. Despite advertising the position in due compliance with the Staffing Act, no applications were received from female candidates. Two Supervisory Board mandates were filled – irrespective of gender – with a view to generating the best possible placement.

Issuer compliance

In accordance with the Austrian Companies and Stock Exchange Acts, the Austrian Regulation on Issuer Compliance as well as the EU's Market Abuse Directive, Burgenland Holding AG has an extensive set of internal rules in place aimed at preventing the abuse of insider information.

This area is monitored and administered by a Compliance Officer, who reports directly to the Management Board and Supervisory Board. The employees concerned undergo training on a regular basis. The regular inspections by the Compliance Officer did not result in any complaints in the 2012/13 business year.

Eisenstadt, 19 November 2013



Klaus Kohlhuber
Member of the
Executive Board



Nikolaus Sauer
Member of the
Executive Board



Energie Burgenland Group

Business development 2012/13 (preview)¹⁾

1 October 2012 – 30 September 2013

Highlights

- Energie Burgenland AG's first appearance in the market on 1 October 2012
- Dividend of Energie Burgenland markedly higher for the 2011/12 business year
- Focus for 2013/14 mainly on expanding wind power capacities

Following the retroactive amalgamation of the two Burgenland electricity and gas providers BEWAG and BEGAS retroactively as of 30 September 2011, Energie Burgenland has been operating in the energy market since 1 October 2012.

Energie Burgenland concentrates largely on ecological energy production. By July, Energie Burgenland Group's 175 wind energy plants overall, which together have a total capacity of 363 MW, generated more than 750 million kWh of ecological electricity in 2013. In order to ensure safe transportation of the generated electricity, an amount of about EUR 31m is invested annually in the expansion as well as renewal and maintenance of the grid infrastructure. Thus, there are more than 9,300 km of power lines in Burgenland providing a safe and reliable supply of electricity.

Energy sales and supply

In the 2012/13 business year, the electricity supply of Energie Burgenland AG will amount to 1,231 GWh. Electricity sales to end customers by Energie Burgenland Vertrieb GmbH & Co KG will be 1,231 GWh, 1.7% higher than the volume in the corresponding period of the previous year (1 October 2011–30 September 2012). Compared to the 2011/12 business year, grid sales will rise 4.5% to 1,825 GWh.

The natural gas supply in the 2012/13 business year will amount to 1,235 GWh, and gas sales to end customers by Energie Burgenland Vertrieb GmbH & Co KG will be 1,255 GWh, thus 9.1% above last year's levels. Compared to the previous business year, grid sales will drop 2.8% to 2,189 GWh.

Income situation

The revenues of Energie Burgenland Group are expected to amount to EUR 317.7m, which corresponds to an increase of 4.7% compared to the previous period. Pre-tax profit will likely be about EUR 19.5m.

Financial situation

Following the initial consolidation of Energie Burgenland Group in the 2011/12 financial year, the operating cash flow will amount to EUR 83.2m, with a net cash flow from operating activities of EUR 54.8m.

Balance sheet and capital structure

As of 30 September 2013, the balance sheet total will likely amount to EUR 942.7m, with non-current assets (EUR 801.7m) accounting for 85.0% of total assets. Shareholders' equity including untaxed reserves will amount to EUR 307.9m, resulting in an equity ratio of 32.7%. Taking into account construction cost subsidies and investment grants (excluding deferred taxes), the resulting equity ratio will be 50.3%.

Outlook

The focus will continue to be placed on the expansion on wind energy capacities in the 2013/14 business year. Furthermore, an increase in activities in the sector of energy services is to be expected.

Energie Burgenland AG – Group¹⁾

		2012/13 preview
Electricity sales	GWh	1,231
Grid sales (electricity)	GWh	1,825
Natural gas sales volumes	GWh	1,255
Grid sales (natural gas)	GWh	2,189
Revenue	EURm	317.7
Pre-tax profit	EURm	19.5
Balance sheet total	EURm	942.7
Equity	EURm	307.9
Operating cash flow	EURm	83.2

¹⁾ At the time of printing, the final financial statements of Energie Burgenland AG as of 30 September 2013 were not yet available. Therefore, the data presented here are preliminary and are based on forecasts as well as the interim statements as of 30 June 2013.



Management report

The Company's environment

Legal environment

International climate policy

The 18th UN Climate Change Conference was held in Qatar's capital Doha from 26 November to 8 December 2012. The goal was to find a successor to the Kyoto Protocol, which expired in December 2012. In the course of this conference, Australia and the member countries of the European Union as well as other European states agreed on an extension of the Kyoto goals until 2020. The group made up of these countries accounts for roughly 14% of worldwide CO₂ emissions and intends to reduce its greenhouse gas emissions by 25% to 40% by 2020, with the path towards the achievement of that goal to be reviewed by 2014 in order to possibly increase the reduction target. Russia, Canada, Japan and New Zealand have not joined this second commitment period.

Furthermore, a general itinerary for an internationally binding climate protection treaty as from 2020 was passed, which is to be negotiated with all states starting in 2015. No agreement could be found with regard to financing the Green Climate Fund, whose establishment had already been agreed at the 16th Climate Change Conference in Mexico at the end of 2011. Starting in 2020, it is to provide USD 100bn per year for developing countries in order to enable them to adapt to the consequences of climate change.

Negotiations in this regard will be resumed in Poland at the next UN Climate Change Conference in Warsaw in November 2013.

European energy policy

The European energy market is currently undergoing massive changes. Due to the constantly increasing, yet volatile energy generation from wind and photovoltaics, aspects of supply security are coming more into the focus of discussion in connection with a new market design.

Large energy companies from various countries have proposed measures in this context before the European Parliament aimed at maintaining supply security, reducing CO₂ emissions, and boosting investment in the energy sector. Long-term concepts to make support systems for renewable energy feasible and to reduce emissions significantly were presented.

Besides providing sufficient and reliable generation capacities, a future-oriented energy policy also has to guarantee the expansion of an effective grid infrastructure for the transmission and distribution of electricity.

Goals of energy policy such as increasing energy efficiency, further raising the output generated from renewable resources, or establishing smart metering can lead to a financial burden on customers as well as an impairment of the competitiveness of Europe as a business location. Such effects are thus of great significance in designing the future European energy system.

EU Energy Efficiency Directive

On 14 June 2012, the EU Member States agreed on new regulations to boost energy efficiency.

On 25 October 2012, a Directive was passed to this effect (Directive 2012/27/EU), which requires Member States to determine an indicative national target aiming at improving energy efficiency by 20% by the year 2020. A set of specific measures were defined to reach this goal, for example the refurbishment of 3% of public government buildings per year and the introduction of an obligation scheme with an annual savings potential of 1.5% for energy providers.

Efficiency is to be improved along the entire energy value chain, for the purpose of which legally binding implementation measures were prescribed. Obligation schemes or political measures are intended to help increase energy efficiency both for companies and private households. The public sector will be a pioneer in this context.

EU Emission Trading System

On 3 July 2013, the European Parliament decided to temporarily reduce the supply of emission trading certificates. The auction of 900 million CO₂ emission certificates that have not been allocated in the third trading period (2013–2020) so far, is now scheduled not to start until 2019. While this does not affect the overall volume of certificates in the third trading period, the issue of the certificates is spread over several tranches. This measure is expected to counter the excess supply of CO₂ emission certificates from the second trading period and the resulting price level. A general structural reform of the emission trading system is anticipated.

EU energy infrastructure measures

In March 2013, the European Council agreed to the Commission's proposal concerning the guidelines for the trans-European energy infrastructure and passed a regulation to this effect. Cross-border projects to expand the energy infrastructure that are of mutual interest are to be handled by a more transparent and faster approval procedure, which would make it possible to save up to 30% in administrative cost. Moreover, the European Union might offer support within the framework of its "Connecting Europe" facility.

These measures are intended to create more attractive prerequisites for the implementation of the necessary investments in the European electricity and gas grids, which are estimated to amount to EUR 200bn.

Energy policy in Austria

Amendments to EIWOG and GWG

On 6 August 2013, the amendments to the Austrian Electricity Industry and Organization Act (EIWOG) and the Austrian Gas Act (GWG) were published. One essential element of those amendments is the implementation of EU Regulation 1227/2011 (REMIT Regulation), which bans insider trading and market manipulation). Furthermore, market participants are now obliged to register with the Agency for the Cooperation of Energy Regulators (ACER) and report transactions in the wholesale energy market. ACER was established as a European regulator for energy trading.

Even prior to the amendments to EIWOG and GWG coming into effect, the Regulation on the Storage of Wholesale Energy Transaction Data (ETA-VO) of 9 October 2012, established a five-year storage period for data relating to transactions in wholesale energy trading on and off stock exchanges. Such data have to be made available to E-Control, the Federal Competition Authority as well as the European Commission at their request. Furthermore, the amendments to the two acts effected changes with regard to switching suppliers. The maximum time such a switch can take is capped at three weeks, with the customer not bound to a specific cut-off date. An electronic change of suppliers is carried out via a platform run by the settlement agent. In § 79a, EIWOG, now provides for mandatory electricity labelling of the energy provided to the end user.

Concerning the introduction of smart meters, both EIWOG and GWG have defined comprehensive rules with regard to the collection, storage and transmission of data. The Regulation on Data Formats and the Communication of Consumption Information (DAVID-VO 2012) governs in detail the way in which providers have to present information to their customers. The technical demands on smart meters in the field of gas were laid down in the Regulation on the Demands on Smart Meters (IGMA-VO).

2012 Regulation on Electricity Grid Service including 2013 amendment

This regulation and its amendment established standards for distribution system operators concerning safety, reliability and quality of the services to be performed for grid users and other market participants and laid down indicators to monitor compliance. What is governed in detail is services in connection with grid hook-up, switching off and subsequently restoring grid access, the procedure and the duty to provide information in the case of scheduled supply interruptions, voltage quality, recording consumption, general customer information as well as complaints management.

Energy Management Act

The 2012 Energy Management Act replaced the old Act from 1982 as of 26 February 2013. The Secretary of Economic Affairs is granted the authority to issue direct orders to energy companies to avert an impending or already existing disruption in the Austria's energy supply. The areas concerned comprise the country's gas, electricity and now heat supply, and include combined heat and power plants or district heating companies with a thermal bottleneck capacity of at least 50MW or an annual heat output of more than 300 GWh.

Regulation system for electricity and gas

The introduction of the regulation account is governed in § 50 EIWOG and § 71 GWG for electricity grid operators and gas grid operators, respectively. The regulation account to be set up is intended to help balance deviations of actual sales-based proceeds from the proceeds allocated by official notification. This represents a departure from the system used so far, under which tariffs were determined ex ante without any comparison to actual sales-based proceeds.

The new regulation period for gas grids started on 1 January 2013, and applies for a period of five years. The current regulation period for electricity grids will end on 31 December 2013.

Economic environment

In the second quarter of 2013, the economy of the European Union (EU) overcame the recession and showed a growth in GDP for the first time since the third quarter of 2011. Leading indicators suggest that this positive development will continue, also with the decline in Italy in Spain showing a slowdown recently. Those are signs that the structural reforms in the eurozone crisis countries are slowly starting to show positive effects. While subdued economic growth is still expected for 2013, a sustainable economic upswing at a growth rate of 1.4% is anticipated for 2014. The Austrian economy stagnated in the first six months. However, the improvement in the international environment and sentiment indicators raise hopes for a moderate upturn in the second half of the year. The economy should pick up again in 2014. As of now, a maximum growth rate of 0.5% is expected for the full year 2013, whereas the economy is prognosticated to grow by 1.7% in 2014.

Energy sector environment

Burgenland's energy sector, and thus the performance of the associated company Energie Burgenland AG, is massively influenced by external factors that the company cannot influence at all or only to a limited extent. The energy consumption of households is determined mostly by the weather, which has an impact on the demand for gas and heat in particular. The energy requirements of industrial companies is based on their performance and thus, ultimately, on the overall economic situation. In addition,

the development of primary energy prices as well as the prices for end users that can be achieved in the market is influenced by the margins that can be generated and thus the income situation of Energie Burgenland AG and, consequently, Burgenland Holding AG.

Diverging developments could also be noticed with regard to primary energy prices in the reporting period. At EUR 82.9 per barrel, the average price of Brent Crude on a euro basis was 3.5% below last year's levels. While there were negative effects resulting from the tense situation in the Middle East, the crude oil reserves in the USA were at a high level, especially in the spring of 2013. Moreover, demand was still weaker as a result of subdued economic activity, which was beginning to show also in emerging economies such as China. By contrast, the average EEX price for natural gas of EUR 26.9 per MWh was 10.9% higher than last year. The price of coal, however, dropped 17.2% to EUR 63.1 per tonne as a result of high inventories from the imports of USA coal and lower demand. Compared to last year, the price of CO₂ emission certificates fell 33.0% and stood at EUR 5.3 per tonne. In the 2012/13 business year, the international energy markets were again marked by a further decline in the spot and forward prices of base load and peak load electricity.

The main factor responsible for this was the existing excess capacity of electrical energy, which resulted from higher quantities produced from renewable energy sources and is also reflected in extremely volatile price developments. Compared to the previous period, the spot market prices for base load electricity and peak load electricity decreased by 13.5% to EUR 38.8 and 9.5% to EUR 49.9 per MWh, respectively. With a view to securing supply, energy is regularly procured in advance on the forward market, which is why there is a delay in the impact the prices on forward markets have on the performance of the associated company Energie Burgenland AG. Compared to last year, the forward prices of base load and peak load electricity in the reporting period of EUR 47.5 and EUR 58.8 per MWh were down 13.3% and 12.3%, respectively.

In August 2013, ENERGIEALLIANZ Austria GmbH, together with its regional energy distribution companies, announced the start of an energy efficiency offensive which, among other aspects, includes support in the purchase of energy efficient devices and energy services. The beginning of the offensive was accompanied by a reduction of energy prices for electricity and gas for household and small business customers by an average 3.6% as of 1 October 2013.

Burgenland Holding AG

Business development

1 October 2012 – 30 September 2013

Highlights

- Increase in investment income by 29.2% due to higher dividend payout by Energie Burgenland AG
- Increase in profit for 2012/13 by 32.3% compared to last year
- Recommendation to the Annual General Meeting: Dividend of EUR 2.70 per share
- Successful positioning of Energie Burgenland AG

Income situation

The performance of Burgenland Holding AG is determined to a large extent by the dividend of the associated company Energie Burgenland AG.

In total, Burgenland Holding AG received investment income amounting to EUR 8.4m (2011/12: EUR 6.5m). Besides the dividend from Energie Burgenland AG in the amount of EUR 8.3m, a dividend of EUR 0.05m was received from CEESEG AG.

Despite a lower interest rate level compared to last year, Burgenland Holding AG generated interest and similar income in the amount of EUR 0.02m (previous year: EUR 0.02m) in the reporting period.

Burgenland Holding AG does not employ any personnel.

The recommendation is made to the Annual General Meeting to distribute from the net profit for 2012/13 a dividend to the shareholders in the amount of EUR 2.70 per share. This corresponds to a dividend payout in the amount of EUR 8.1m.

Stable balance sheet and capital structure

During the 2012/13 business year, Burgenland Holding AG's sound capital structure remained basically unchanged compared to the corresponding figure last year. The balance sheet total stood at EUR 78.1m, or 1.9% above the previous year. As of 30 September 2013, the equity ratio amounts to 99.9%.

The Company's share capital amounts to EUR 21.81m, broken down into 3,000,000 individual bearer shares. Burgenland Holding AG is listed in the "Standard Market Auction" segment of the Vienna Stock Exchange.

Pursuant to a provision in the 2011 Act Amending Company Law stating that while listed companies may continue to issue bearer shares, they have to be securitised in one global certificate (or more, if applicable), shares represented in individual certificates (actual securities) in home or jacket custody were replaced by a global certificate between April and July 2013. Shares that were not exchanged before the deadline of 31 July 2013, were declared as void. This declaration resulted in a suspension of the right to receive a dividend and to take part in the annual general meeting – until the shareholder has submitted the actual securities stating a securities account. Form and content of the share certificates are determined by the Management Board. An entitlement to the representation of shares in individual certificates is excluded. All shares encompass the same rights and obligations. There are no restrictions on voting rights or share transfer beyond the general provisions of the Stock Corporation Act.

As the majority shareholder, EVN AG continues to hold 73.63% of the shares of Burgenland Holding AG. VERBUND AG holds more than 10% of the shares, while WIEN ENERGIE GmbH holds between 5% and 10%. No other shareholder holds more than 4%, with those shares being in free float.

The members of the Management Board have no extended authority to issue or buy back shares. In the course of restructuring of the associated companies BEWAG and BEGAS, Burgenland Holding AG concluded a syndicate agreement with Burgenländische Landesholding GmbH. A change in control in one of the two owners of Energie Burgenland AG would trigger a call option for the other owner with regard to the shares in Energie Burgenland AG.

Burgenland Holding AG – Key figures

		2012/13	2011/12	Change in %
Pre-tax profit	EURm	8.2	6.3	30.2
Investment income	EURm	8.4	6.5	29.2
Net income	EURm	8.2	6.2	32.3
Balance sheet total	EURm	78.1	76.6	1.9
Fixed assets	EURm	71.3	71.3	–
Current assets, prepaid expenses and deferred charges	EURm	6.8	5.2	30.8
Equity	EURm	78.1	76.4	2.2
Debt capital	EURm	0.0	0.1	–

Financial year 2012/13

Income ratios

		TEUR	2012/13	2011/12	Change nominal	Change in %
Earnings before interest and tax (EBIT)	Pre-tax profit + Interest and similar expenses pursuant to § 231 (2) fig 15 UGB		8,162	6,253	1,909	30.5

Since the business activities of Burgenlan dHolding AG are confined to holding and managing investments, Burgenland Holding AG did not generate any revenues in the financial year 2012/13.

		2012/13	2011/12	Change in % points
Return on capital				
Return on equity	Pre-tax profit/Average equity	10.6%	8.3%	2.3
Return on investment	EBIT/Average total assets	10.6%	8.3%	2.3

Balance sheet and financial ratios

		TEUR	2012/13	2011/12	Change nominal	Change in %
Working capital	Current assets – Long-term current assets = Short-term current assets – Short-term debt capital = Working capital		6,796	5,090	1,706	33.5
Equity ratio	Equity/Total assets		99.9%	99.8%	0.1	–

Burgenland Holding AG does not show any liabilities vis-à-vis credit institutions either as of 30 September 2013 or as of the corresponding date of the previous year. As a result of the sharp increase in the dividend paid out by Energie Burgenland AG, the working capital is significantly higher than in the previous year. Like last year, net gearing (net debt/ shareholders' equity) amounts to 0.00%.

Cash flow statement

		TEUR	2012/13	2011/12	Change nominal	Change in %
Net operating cash flow			8,035	6,365	1,670	26.2
Net investment cash flow			0	0	–	–
Net financing cash flow			–6,450	–3,450	–3,000	–87.0
Change in cash and cash equivalents affecting cash flow			1,585	2,915	–1,330	–45.6

(The extended fund of cash and cash equivalents, in addition to the balance held with financial institutions, also comprises cash and cash equivalents from Group cash pooling.)

Based on a profit for the year of EUR 8.2m, it was possible to generate an operating cash flow of EUR 8.0m. The distributions of the associated companies were the major factor contributing to the profit for the year.

Environmental protection

While there are no environmental activities worth mentioning within the Company itself, they do play a role in the associated company Energie Burgenland AG.

Furthermore, Burgenland Holding AG is integrated in the environmental management system of EVN Group, which was established to take aspects of environmental protection into consideration whenever management decisions have to be made.

Branch offices

Burgenland Holding does not have any branch offices.

Risk assessment and control measures

The people involved in the financial reporting process comply with the qualitative requirements and undergo training on a regular basis. The Company's financial reporting is effected using the SAP Module FI (Finance/Financial Reporting) ERP software system and protected by means of access authorisations as well as mandatory automatic and manual checks.

Signatures are subject to a four-eyes-principle, which ensures correct as well as risk-minimising gathering and payment of external documents.

Moreover, the Company, due to the service agreement in effect with EVN AG, is part of an auditing system.

Each quarter, the Management Board receives a comprehensive report on the Company's asset, financial, and income situations, which, in addition to the balance sheet, also contains a profit and loss account as well as a cash flow statement. Those reports are also presented to the Supervisory Board on a quarterly basis.

Burgenland Holding AG continues to keep a close eye on monitoring its equity risk.

Research and development

Research and development activities are conducted in the associated company, not at Burgenland Holding.

Events after the balance sheet date

There were no significant events following the end of the 2012/13 business year that had a material impact on the asset, financial and income situations.

Outlook

Based on the profit of the associated company Energie Burgenland AG forecasted for 2012/13, Burgenland Holding AG's investment income for the 2013/14 business year is expected to remain basically unchanged from the previous year.

Eisenstadt, 19 November 2013

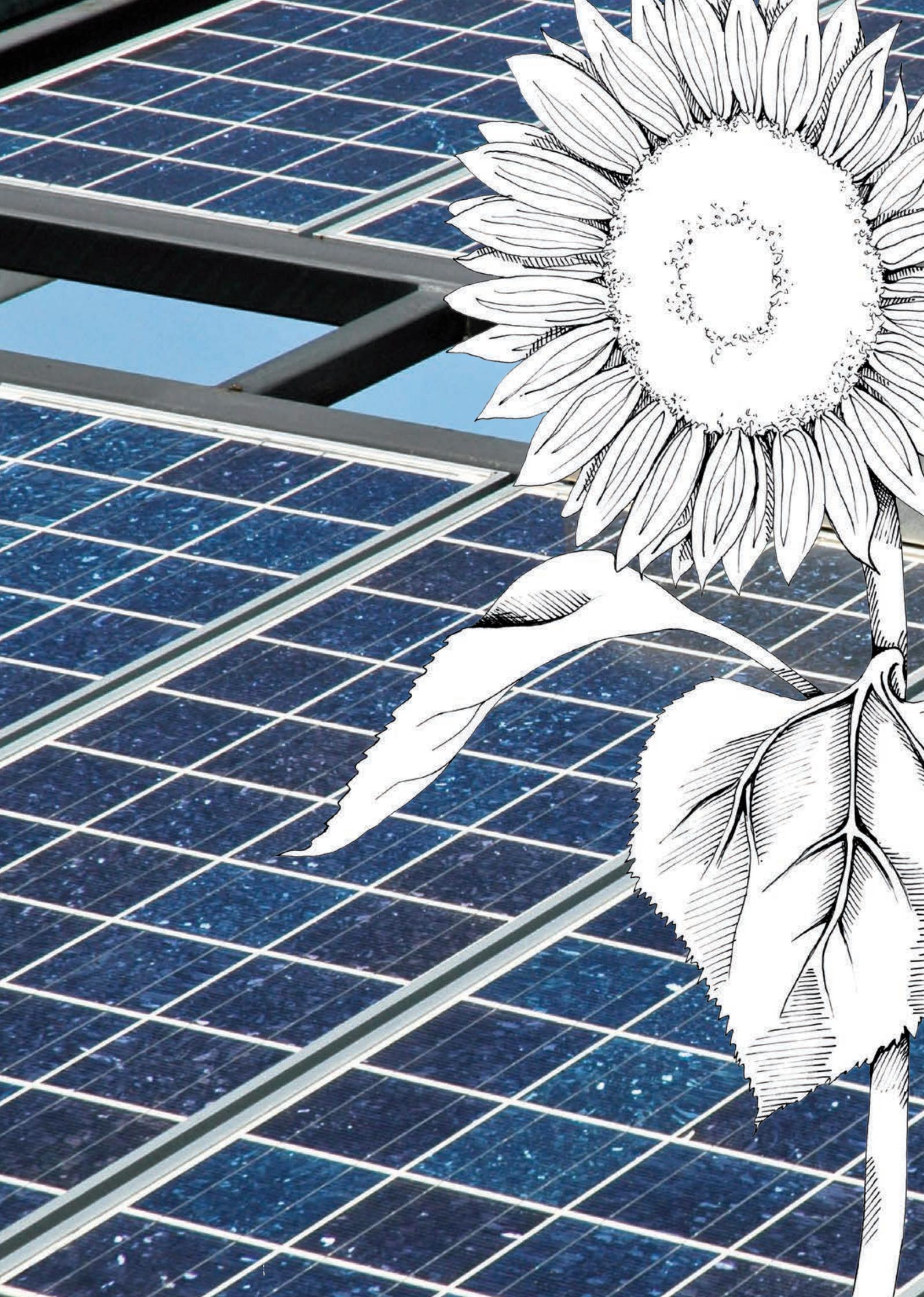
The Management Board



Klaus Kohlhuber
Member of the
Executive Board



Nikolaus Sauer
Member of the
Executive Board



Financial statements 2012/13

Balance sheet as of 30 September 2013

(Comparison with last year as of 30 September 2012)

Asseets	30.09.2013 EUR	30.09.2012 TEUR
A. Fixed Assets		
Financial assets		
Investments	71,325,280.80	71,325
	71,325,280.80	71,325
B. Current assets		
I. Accounts receivable and other assets		
1. Receivables from affiliated companies	6,757,798.62	5,178
2. Other receivables	38,496.40	37
	6,796,295.02	5,215
II. Cash at banks	13,112.30	8
	6,809,407.32	5,223
C. Deferred expenses and accrued income	4,674.75	3
Total assets	78,139,362.87	76,551
Equity and liabilities		
	30.09.2013 EUR	30.09.2012 TEUR
A. Equity		
I. Share capital	21,810,000.00	21,810
II. Capital reserves		
Committed reserves	43,676,373.33	43,676
III. Retained earnings		
Other reserves (free reserves)	4,532,000.00	4,482
IV. Net profit	8,108,441.28	6,450
thereof profit carried forward	177.71	1
	78,126,814.61	76,418
B. Provisions		
I. Tax provisions	875.00	1
II. Other provisions	10,934.43	13
	11,809.43	14
C. Liabilities		
I. Trade accounts payable	109.01	1
II. Liabilities to affiliated companies	629.82	118
	738.83	119
Total equity and liabilities	78,139,362.87	76,551

Income statement

1 October 2012 – 30 September 2013

(Period of comparison: 1 October 2011 – 30 September 2012)

	2012/13 EUR	2011/12 TEUR
1. Other operating income:		
a) Other	283.56	0
2. Other operating expenses:		
a) Taxes	-1,390.00	-1
b) Other	-229,293.79	-298
	-230,683.79	-299
3. Total 1 and 2 (Operating result)	-230,400.23	-298
4. Investment income	8,375,975.00	6,535
thereof from affiliated companies EUR 0.00; (previous year: TEUR 0)		
5. Other interest and similar income	16,256.40	16
thereof from affiliated companies EUR 16,200.58; (previous year: TEUR 16)		
6. Interest and similar expenses	-67.85	0
thereof from affiliated companies EUR 0.00; (previous year: TEUR 0)		
7. Total 4 to 6 (Financial result)	8,392,163.55	6,551
8. Pre-tax profit	8,161,763.32	6,253
9. Taxes on income	-3,499.75	-4
10. Income for the year	8,158,263.57	6,249
11. Allocation/reversal of retained earnings	50,000.00	200
12. Profit carry-forward	177.71	1
13. Net profit	8,108,441.28	6,450

Development of fixed assets

Fixed asset schedule

EUR	Acquisition cost 01.10.2012	Additions	Disposals	Reclassification
I. Financial assets				
Energie Burgenland AG	70,217,803.48	0.00	0.00	0.00
CEESEG AG	1,107,477.32	0.00	0.00	0.00
Total fixed assets	71,325,280.80	0.00	0.00	0.00

Notes

General remarks

General accounting principles

The financial statements were prepared in accordance with GAAP as well as the general principle of presenting a true and fair view of the Company's asset, financial, and income situations. In preparing the financial statements, the principle of completeness was observed. Individual valuation and going-concern principles were applied in valuing individual assets and liabilities. The principle of conservatism was taken into account by showing only those profits which had been realised as of the balance-sheet date. All potential risks and impending losses were duly recognised. The Company is a Group company under § 15 AktG (Austrian Corporation Act), and as an affiliated company belongs to the reporting entity of EVN AG, Maria Enzersdorf, pursuant to § 244 UGB (Austrian Commercial Code).

Pursuant to § 221 para 3 UGB, Burgenland Holding AG is deemed a large stock company.

Non-current assets

The financial assets were valued at acquisition cost, diminished by write-downs accounting for permanent impairment where applicable. There has not been a need for non-scheduled depreciation so far.

Receivables

Receivables were valued at face value. Foreign exchange receivables were valued at the lower of exchange rate on the date they accrued or exchange rate on the balance-sheet date. In case individual risks were recognised, the lower value was entered.

Provisions

In accordance with the principle of conservatism, the provisions contain all risks recognisable at the time of preparing the balance sheet as well as all contingent liabilities at those amounts which are required under due diligence.

Liabilities

Liabilities were valued at the amount to be repaid.

Acquisition cost 30.09.2013	Value adjustments 30.09.2013	Net book value 30.09.2013	Net book value 30.09.2012	Depreciation 2012/13
70,217,803.48	0.00	70,217,803.48	70,217,803.48	0.00
1,107,477.32	0.00	1,107,477.32	1,107,477.32	0.00
71,325,280.80	0.00	71,325,280.80	71,325,280.80	0.00

Notes to the balance sheet

Fixed assets

Development

The development of the individual items under fixed assets and the breakdown of annual depreciation by individual items are shown in the fixed asset schedule as an attachment to the notes.

Investments

Name and registered office	Total stake in %	Equity (acc. § 224 (3) UGB) TEUR	Net income TEUR	As of
Energie Burgenland AG (Registered office: Eisenstadt)	49.00	313,967.6	19,727.0	30.09.2012
CEESEG AG (Registered office: Vienna)	0.99	319,144.4	13,775.1	31.12.2012

Trade and other receivables

Breakdown (Figures for the prior year in paranthese) TEUR	Acc. to balance sheet	those with remaining maturity of > 1 year	those evidenced by b/e	Lump-sum adjustment
Receivables from affiliated companies	6,757.8 (5,178.0)	0.0 (0.0)	0.0 (0.0)	0.0 (0.0)
Other receivables and assets	38.5 (36.6)	0.0 (0.0)	0.0 (0.0)	0.0 (0.0)
Total current year	6,796.3	0.0	0.0	0.0
Total previous year	(5,214.6)	(0.0)	(0.0)	(0.0)

Like last year, the receivables from affiliated company consist exclusively of short-term receivables.

Also unchanged from last year, other receivables and assets are composed mainly of deductible investment income tax as well as VAT credits vis-à-vis the tax authorities.

Deferred expense and accrued income amounting to EUR 4,674.75 (previous year: TEUR 2.8) are made up exclusively of other deferred charges.

Mandatory disclosure for public limited companies

The Company's share capital amounts to EUR 21.81m, broken down into 3,000,000 individual bearer shares.

Provisions

Other provisions are composed as follows:

Item TEUR	As of 30.09.2013	As of 30.09.2012
Supervisory Board reimbursement	7.3	6.3
Audit and legal counsel	3.6	6.4

Liabilities

Breakdown (Figures for the prior year in parentheses) TEUR	Acc. to balance sheet	those with remaining maturity of < 1 year	those with remaining maturity of > 1 year
Trade accounts payables	0.1 (1.1)	0.1 (1.1)	0.0 (0.0)
Payables due to affiliated companies	0.6 (117.7)	0.6 (117.7)	0.0 (0.0)
Total current year	0.7	0.7	0.0
Total previous year	(118.8)	(118.8)	(0.0)

Like last year, liabilities vis-à-vis affiliated companies consist exclusively of trade accounts payable.

Notes to the income statement

The income statement was prepared in accordance with the total expenditure format.

Investment income

Income investment comprises dividend payouts of Energie Burgenland AG for the financial year 2011/12 in the amount of EUR 8,330,000.00 (previous year: BEWAG TEUR 5,394.6 and BEGAS TEUR 1,094.6). CEESEG AG paid a dividend of EUR 45,975.00 (previous year: TEUR 46.0).

Taxes on income

The item "Income taxes" shows the minimum corporation tax of EUR 3,500.00 (previous year: TEUR 3.5).

Other information

Corporate bodies and employees

In the business year under review, following persons were members of the Management Board:

Klaus Kohlhuber
Nikolaus Sauer

In the reporting period expenses for each of the members of the Management Board amounted to EUR 4,400.00, totaling EUR 8,800.00 (previous year total Management Board: TEUR 8.8).

In the business year under review, the following persons were members of the Supervisory Board:

Stefan Szyszkowitz (Chairman)
Peter Layr (Vice Chairman)
Mag. Michael Amerer
Leopold Buchmayer (from 22 March 2013)
Robert Dick
Josef Kaltenbacher (until 14 March 2013)
Martin Krajcsir (from 22 March 2013)
Mag. Helmut Miksits (until 22 March 2013)
Werner Perz
Felix Sawerthal
Gerold Stagl

The members of the Supervisory Board received compensation in the amount of TEUR 11.9 (previous year: TEUR 15.5). Like in the previous reporting period, the Company does not have any employees.

No advances or loans were granted to the members of the Management Board and the Supervisory Board in the reporting period and in the previous year, respectively.

Other remarks

The Company is a Group company under § 15 AktG (Stock Corporation Act), and as affiliated company belongs to the reporting entity of EVN AG, Maria Enzersdorf, pursuant to § 244 UGB (Austrian Commercial Code).

The consolidated financial statements of the parent company (FN 72000h) have been filed with the district court in Wiener Neustadt.

As in the previous year, there is a crossholding with Energie Burgenland AG within the meaning of § 240 fig 9 UGB.

With regard to the expenditure due to the auditor in the reporting period, the safeguard clause pursuant to § 237 fig 14 UGB is invoked based on the integration in the consolidated financial statements of EVN AG, Maria Enzersdorf.

Eisenstadt, 19 November 2013
The Management Board



Klaus Kohlhuber
Member of the
Executive Board



Nikolaus Sauer
Member of the
Executive Board

Auditor's report

Report on the financial statements

We have audited the enclosed Annual Financial statements of

Burgenland Holding Aktiengesellschaft, Eisenstadt,

for the **business year from 1 October 2012 to 30 September 2013** including accounting procedures. The present financial statements comprise the balance sheet as of 30 September 2013, the income statement for the business year ending on 30 September 2013 as well as the notes.

Responsibility of the duly authorised representatives for the financial statements and accounting

Preparation and content of these financial statements are the responsibility of the duly authorised representatives of the company; the financial statements, in compliance with legal regulations applying to companies in Austria, present as true and fair view of the company's assets, liabilities, financial position, and profit or loss as possible. This responsibility includes: Design, implementation and maintenance of an internal review system to the extent this is relevant for the preparation of the financial statements and the conveyance of as true and fair view of the company's assets, liabilities, financial position, and income situation as possible to ensure that the financial statements are free of material misrepresentations, whether intended or unintended; the selection and application of appropriate accounting and valuation methods; making estimates that seem appropriate under the given circumstances.

Responsibility of the auditor and description of nature and scope of legally mandated audit

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with applicable Austrian law and generally accepted auditing standards. Those standards require that we comply with ethical industry standards and plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit includes the conduct of audit activities to obtain evidence regarding the amounts and disclosures in the financial statements. The selection of audit activities is subject to the proper discretion of the auditor taking into account his or her assessment of the risk of occurrence of misrepresentations, whether intended or unintended. In carrying out such risk assessment, the auditor takes into account the internal audit system to the extent this is relevant for the preparation of the financial statements and the conveyance of as true and fair view of the company's

assets, liabilities, financial position, and income situation as possible to ensure that the financial statements are free of material misrepresentations, so as to determine appropriate auditing activities under the given circumstances, but not in order to offer an opinion on the effectiveness of the company's internal audit mechanisms. The audit further includes assessing the appropriateness of the accounting and valuation principles used and the significant estimates made by the duly authorised representatives, as well as evaluating the overall financial statement presentation.

We believe to have obtained sufficient and appropriate audit evidence and are thus satisfied that our audit represents a sufficiently sound basis for our audit opinion.

Auditor's opinion

Our audit has not resulted in any objections. Based on the findings of the audit, we conclude that the financial statements are in compliance with legal regulations and present a true and fair view of the company's assets, liabilities and financial position as of 30 September 2013, and of the Company's income situation for the business year from 1 October 2012 to 30 September 2013, in conformity with generally accepted accounting principles

Statements on the Management report

Due to legal regulations, the Management report has to be examined as to whether it is in line with the financial statements and whether the other information in the Management report does not convey a wrong impression of the situation of the company. The auditor's opinion also has to include a statement as to whether the Management report is in line with the financial statements and whether the disclosures pursuant to § 243a UGB (Austrian Commercial Code) are appropriate.

In our assessment, the Management report is consistent with the financial statements. The disclosures pursuant to § 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, 19 November 2013

KPMG Austria AG
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Walter Reiffenstühl
Auditor

Heidi Schachinger
Auditor

This report is translation of the original report in German, which is solely valid.

Report of the Supervisory Board to the 25th ordinary Annual General Meeting

The Supervisory Board performed the duties and obligations prescribed by law and laid down in the by-laws in its meetings.

Reports by the Management Board provide the Supervisory Board with regular, timely and comprehensive information on all relevant issues of business performance, including the risk situation and risk management of the Company. On the basis of these reports, the Supervisory Board has monitored and assisted the Management Board in managing the Company. The review which was conducted in the course of an open discussion between Management Board and Supervisory Board did not give rise to any complaints. Suggestions by the Supervisory Board were taken up by the Management Board.

Material resolutions of the Supervisory Board

The material resolutions of the Supervisory Board in the 2012/13 business year were the approval of the 2013/14 budget, the approval of the annual financial statements, the resolution passed for the Annual General Meeting, as well as the revision of the rules of procedure for the Management and the Supervisory Board.

Austrian Code of Corporate Governance, Committees of the Supervisory Board

As a listed company, Burgenland Holding AG commits to complying with the Austrian Code of Corporate Governance, which – as amended as of January 2012 – the Supervisory Board put into effect for Burgenland Holding AG as from the 2012/13 business year. Adaptation of the Austrian Code of Corporate Governance to the 2. Stability Act of July 2012 is binding on Burgenland Holding AG pursuant to this Act. The Supervisory Board strives for consistency in fulfilling those regulations of the Code which apply to the Supervisory Board.

In the year under review, the Supervisory Board conducted a self-evaluation of its activities with regard to the requirements of the Austrian Code of Corporate Governance. This was done on the basis of a questionnaire, which dealt mainly with the organisation and operations of the Supervisory Board. The findings of the survey were discussed in the plenary.

Pursuant to the stipulations of the Austrian Code of Corporate Governance and the rules of procedure for the Supervisory Board, the Supervisory Board has renamed the Supervisory Committee Audit Committee and combined the Nominating Committee and the Compensation Committee into a Personnel Committee.

In the past business year, the Supervisory Board convened in five meetings, with the Personnel Committee holding one meeting. The Audit Committee met twice.

Financial statements

KPMG Austria AG Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, the auditors appointed for the 2012/13 business year from 1 October 2012 to 30 September 2013 audited Burgenland Holding AG's annual financial statements as of 30 September 2013, which were prepared in accordance with Austrian financial reporting requirements, and the Management report. It provided a written report of the audit and conferred its unqualified opinion.

Following a review and discussion in the Audit Committee and by the Supervisory Board, the Supervisory Board approved the financial statements as of 30 September 2013 including all notes, Management report and Corporate Governance Report as well as the recommendation concerning the application of profits as presented by the Management Board. Therefore, the financial statements as of 30 September 2013 are deemed completed pursuant to § 96 para 4 Austrian Stock Corporation Act (AktG).

In conclusion, the Supervisory Board would like to express its gratefulness to the Management Board for its efforts in the 2012/13 business year.

Eisenstadt, 4 December 2013

For the Supervisory Board



The Chairman
Stefan Szyszkowitz



The Burgenland Holding AG share

In spite of continuing insecurity in the market and the resulting volatility, numerous stock indices reached record highs between October 2012 and September 2013. The international capital markets were characterised by discussions concerning a further rescue tranche for Greece, government crises in various European countries, the ongoing civil war in Syria, political unrest in Turkey, and – last, but not least – differing statements by the Fed with regard to upcoming tapering and a tighter monetary policy.

In view of those developments, the European Central Bank lowered its benchmark rate in May and November 2013 by 25 basis points each time to the current level of 0.25%.

Despite the challenging environment, the stock markets generally performed very well during the reporting period. The leading German stock index DAX and the leading Viennese index ATX managed increases of 19.1% and 21.0%, respectively.

In this difficult environment for energy companies, the share of Burgenland Holding AG was able to hold its own and closed at EUR 39.21, marking an increase of 15.3% compared to last year. This corresponds to a market capitalisation of EUR 118m as of the end of September 2013. The share thus managed yet again to buck the trend of the Dow Jones Euro Stoxx Utilities industry index, relevant for Burgenland Holding AG, which, due to the continuing economic uncertainty and low electricity prices rose by a mere 0.5%. As of 30 September 2013 the weighting of the share in Vienna's WBI stock exchange index was 0.14%.

The Management Board will recommend to the Annual General Meeting convening on 21 March 2014 the distribution of a dividend of EUR 2.70 per share for the 2012/13 business year.

Investor information

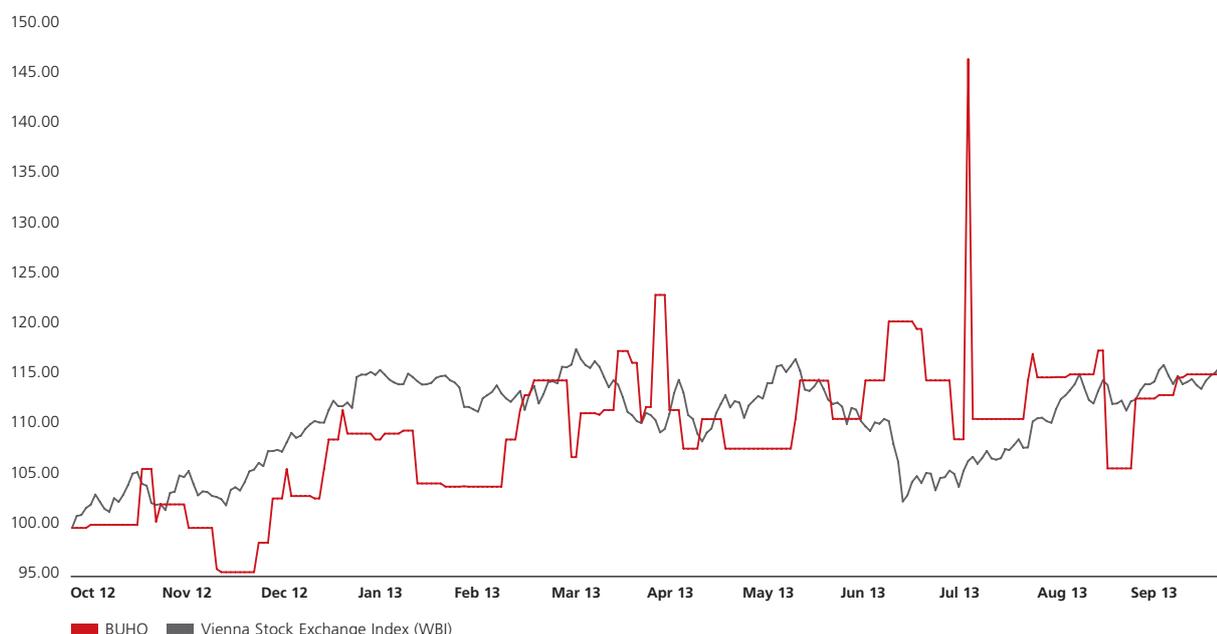
Stock performance

		2012/13	2011/12	2010/11
Average daily turnover	Shares	30	21	18
Total share volume	EURm	0.28	0.18	0.19
Highest price	EUR	49.90	41.00	49.00
Lowest price	EUR	32.50	29.03	32.00
Share price at the end of September	EUR	39.21	34.00	32.02
Market capitalisation at the end of September	EURm	118	102	96
WBI weighting at the end of September	%	0.14	0.14	0.14
Dividend per share	EUR	2.70 ¹⁾	2.15	1.15

1) Proposal to the Annual General Meeting.

Burgenland Holding share price – relative development compared to Vienna Stock Exchange Index (%)

On the basis of September 2013



Burgenland Holding AG

Group structure

49% Energie Burgenland AG

Energie Burgenland AG investments as of 30 September 2013

100%	Netz Burgenland Strom GmbH	100%	Energie Burgenland Biomasse GmbH
99%	Netz Burgenland Erdgas GmbH	100%	Energie Burgenland Biomasse GmbH & Co KG
100%	Energie Burgenland Vertrieb GmbH & Co KG	100%	PEW Technik + Service GmbH
100%	Energie Burgenland Windkraft GmbH	100%	Energie Burgenland Geoservice GmbH
55.2%	EPZ Energieprojekt Zurndorf GmbH	100%	Energie Burgenland Konzernclearing GmbH
50%	PAMA-GOLS Windkraftanlagenbetriebs GmbH	100%	Energie Burgenland Service GmbH
50%	PAMA-GOLS Windkraftanlagenbetriebs GmbH & Co KG	1%	Netz Burgenland Erdgas GmbH
40%	MMW Potzneusiedl GmbH	51%	Eisenstadt e-mobilisiert GmbH
100%	Multi Megawatt Zwei GmbH	49%	Bioenergie Burgenland Service GmbH
100%	Energie Burgenland Green Power GmbH	33.33%	EBRZ Erstes Burgenländisches Rechenzentrum GmbH
100%	Pannon Szél-erő Szolgáltató Kft. (Budapest, Hungary)	33.33%	Windpark Mittelburgenland GmbH
100%	WIBE – Windpark Beteiligungs GmbH (Eisenstadt, Austria)	10%	ENERGIEALLIANZ Austria GmbH
1%	BWP – Bystrický Wind Power s.r.o. (Bratislava, Slovakia)	10%	e&t Energie Handelsgesellschaft m.b.H.
1%	Energowind RO s.r.l. (Bistrita Nasaud, Romania)	4.57%	Vereinigte Telekom Österreich Beteiligungs GmbH
100%	Energowind Negresti s.r.l. (Bistrita Nasaud, Romania)	2.73%	EconGas GmbH
99%	BWP – Bystrický Wind Power s.r.o. (Bratislava, Slovakia)	2.52%	APCS Power Clearing and Settlement AG
99%	Energowind RO s.r.l. (Bistrita Nasaud, Romania)	0.44%	AGCS Power Clearing and Settlement AG
76%	VENTUS POLSKA Sp. z.z.o. (Warsaw, Poland)	1.48%	CISMO Clearing Integrated Services and Market Operations GmbH
51%	Renerwind Energetikai Kft. (Budapest, Hungary)	1%	Biomasse Kraftwerk Güssing GmbH & Co KG
50%	IWBF – Internationale Windpark-beteiligungs- und Finanzierungs GmbH (Eisenstadt, Austria)		
50%	SWP s.r.o. (Bratislava, Slovakia)		
50%	PSW – Polska Sila Wiatru Sp. z.o.o. (Warsaw, Poland)		
50%	WSW – Warminska Sila Wiatru s.r.o. (Bratislava, Slovakia)		

Proposed application of profits

The Management Board proposes the distribution of a dividend in the amount of EUR 2.70 per share, totalling EUR 8,100,000.00, from the net profit amounting to EUR 8,108,441.28 and carrying forward the remainder of EUR 8,441.28.

Statement of the Management Board on the annual financial statements

pursuant to § 82 para 4 fig 3 Stock Market Act

The Management Board of Burgenland Holding AG confirms, that the financial statements drawn up in conformity with the relevant accounting standards present a true and fair view of the Company's assets, liabilities, financial position, and profit or loss;
that the Management report represents the Company's performance, profit and situation in such a manner as to create a true and fair view of the Company's assets, financial, and income situations, and that the major risks and uncertainties are described.

Eisenstadt, 19 November 2013
The Management Board



Klaus Kohlhuber LL.M.
Member of the
Executive Board



Mag. Nikolaus Sauer
Member of the
Executive Board

Burgenland Holding AG

Corporate calendar 2013/14¹⁾

Results Q1 2013/14	06.02.2014
Annual General Meeting	21.03.2014
Ex-dividend day	27.03.2014
Dividend payment	04.04.2014
Results HY1 2013/14	28.05.2014
Results Q1–3 2013/14	07.08.2014
Annual results 2013/14	11.12.2014

1) Preliminary.

Basic information¹⁾

Share capital	EUR 21.81m
Denomination	3 million no-par bearer shares
Majority shareholder	EVN AG
Identification number (ISIN)	AT0000640552
Ticker symbols	BHAV.VI (Reuters); BURG AV (Bloomberg); AT; BHD (Dow Jones)
Stock exchange listing	Vienna

1) As of 30 September 2013.

Imprint

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