

2007/08 Half-Year Report

October 1, 2007 – March 31, 2008

Foreword of the Management Board

Dear Sir or Madam,
dear shareholders,

In the first six months of the 2007/08 business year, Burgenland Holding again posted an increase in earnings. The share price of Burgenland Holding also sustained its positive performance on moderate, but constant trading volumes.

In the second quarter of the current 2007/08 business year the associated companies BEWAG and BEGAS performed very well, not least due to an increase in energy sales resulting from low temperatures and the ensuing higher number of heating degree days. An investment bank has already been selected to handle the disposal of parts of BEWAG's activities

In order to exploit additional potential in wind energy, and also because of the sharp increase in fuel cost of biomass and biogas plants, we would welcome the passing of an amendment to the Green Electricity Act to facilitate continued support of the positive development of the associated companies BEWAG and BEGAS.



Günther Ofner



Nikolaus Sauer

Declaration by the Management Board

To the best of our knowledge, we hereby confirm that the unaudited and reduced interim statements drawn up in accordance with the relevant financial reporting standards present fairly, in all material respects, the Company's financial and income position, and that the semi-annual report presents fairly, in all material respects, the Company's financial and income position with regard to the most important developments in the first six months of its business year and its impact on the interim statements as well as the major risks and uncertainties in the remaining six months of the business year.

A handwritten signature in black ink, appearing to read 'Günther Ofner'.

Günther Ofner

A handwritten signature in black ink, appearing to read 'Nikolaus Sauer'.

Nikolaus Sauer

Eisenstadt, May 2008

Energising the Burgenland

Burgenland Holding AG

The shares of Burgenland Holding AG (share capital: EUR21.81m) are listed on the Official Market of the Vienna Stock Exchange under ISIN 00000640552. EVN AG holds a stake of 72.27 % of the share capital stock of Burgenland Holding AG, while Wiener Stadtwerke AG Holding AG and Burgenländische Elektrizitätswirtschafts-AG (BEWAG) hold between 5% and 10% each. Verbund Austrian Hydro Power AG holds more than 10%. No other shareholder holds more than 5%.

Burgenland Holding AG continues to hold a 49% interest in the share capital of Burgenländische Elektrizitätswirtschafts-AG (BEWAG) in the amount of EUR34.88m. The remaining 51% of the shares are held by the Province of Burgenland. Burgenland Holding AG also continues to hold a 49% stake in the share capital of BEGAS amounting to EUR7.44m. The remaining shares are held by BEGAS-Gemeindeanteilsverwaltung AG (GAV). The shareholders in GAV are exclusively the municipalities in the Burgenland supplied with natural gas.

Corporate Governance

Nikolaus Sauer has succeeded Michael Gerbavits as a member of the Company's Management Board, as resolved by the Supervisory Board of Burgenland Holding AG on February 25, 2008. Mr. Sauer has a senior position at Wasserleitungsverband Nördliches Burgenland and is managing director of WLW GmbH. He has been appointed to this position for a five-year period.

Highlights in the first six months of 2007/08

Key events

- AGM resolution: dividend payout of EUR1.90/share
- Dividend yields of BEWAG and BEGAS above last year's levels
- Result for the period above the result for the corresponding period of the previous year

Key figures

Burgenland Holding AG		2007/08 HY. 1	2006/07 HY. 1	Change %
Balance sheet total	EUR m	82.2	75.9 ¹⁾	8.3
Equity	EUR m	76.4	75.8 ¹⁾	0.8
Profit for the period	EUR m	6.3	6.0	1.0

¹⁾ as of September 30, 2007

Burgenland Holding AG First six months of 2007/08

General Remarks

The interim statements for the period from October 1, 2007, to March 31, 2008, were prepared in compliance with generally accepted Austrian accounting principles.

The semi-annual report as of March 31, 2008, was neither audited in full nor subjected to an audit by an independent auditor.

Balance sheet and capital structure

Burgenland Holding's sound capital structure remained unchanged compared to the most recent balance sheet date. The balance sheet total stood at EUR82.8m, up 8.3 % on the previous year. The reason for this increase is the resolution passed at the 19th AGM on March 28, 2008 to distribute a dividend of EUR1.90 per share (previous year: EUR1.90), totalling EUR5.700m, from the net profit amounting to EUR5.708m as of September 30, 2007. As this payout was effected only after the reporting date for the quarter, the balance sheet total was increased by the amount paid out.

Income situation

In the respective AGMs of BEWAG and BEGAS, dividend payouts above last year's levels were resolved. The BEWAG AGM resolved a payout of EUR5.39m with the BEGAS dividend amounting to EUR0.91m, resulting in a total dividend payout to Burgenland Holding AG of EUR6.31m in the reporting period. Based on the investment of liquid funds, interest income of EUR0.12m accrued to Burgenland Holding AG in the first six months of 2007/08.

Income Statement

in TEUR

	2007/08 HY. 1 unaudited	2006/07 HY. 1 unaudited
Other operating income	0.1	0.1
Other operating expenses	-105.8	-80.9
Operating result	-105.8	-80.8
Investment income	6,306.8	6,027.7
Other interest and similar income	116.2	86.2
Financial result	6,423.0	6,113.9
Pre-tax profit	6,317.2	6,033.1
Taxes on income	-0.9	-0.9
Net result for the period	6,316.4	6,032.3
Profit carried forward	8.6	4.4
Net profit	6,325.0	6,036.7

Balance Sheet

in TEUR

	31.03.2008 HY. 1 unaudited	30.09.2007 audited
ASSETS		
A. Fixed assets		
I. Financial assets		
1. Investments	70,451.8	70,451.8
	70,451.8	70,451.8
B. Current assets		
I. Accounts receivable and other assets		
1. Receivables from affiliated companies	6,290.0	5,350.0
2. Other receivables	20.4	30.4
II. Cash at banks		
1. Cash at banks	5,421.6	27.7
	11,732.0	5,408.1
C. Accruals and deferrals		
	0.1	1.6
	82,183.9	75,861.4
EQUITY AND LIABILITIES		
A. Equity		
I. Share capital	21,810.0	21,810.0
II. Capital reserves		
1. Committed reserves	43,676.4	43,676.4
III. Retained earnings		
1. Other reserves (free reserves)	4,600.0	4,600.0
IV. Net profit	6,325.0	5,708.6
	76,411.4	75,795.0
B. Provisions		
1. Other provisions	11.8	14.6
	11.8	15.4
C. Liabilities		
1. Trade accounts payable	21.3	0.4
2. Payables to affiliated companies	4,170.6	50.6
3. Other liabilities	1,568.8	0.0
	5,760.7	51.0
TOTAL EQUITY AND LIABILITIES	82,183.9	75,861.4

The significant increase in the balance sheet total by 8.3%, or EUR6.32m, compared to the reporting of September 30, 2007 can be explained by the receipt of payouts from BEWAG and BEGAS, which were still deposited with banks as of the reporting date of March 31, 2008.

The Burgenland Holding Share

The turmoil in international stock markets triggered by the subprime mortgage and financial crisis in the US continued unabated from October 2007 to March 2008.

The impact on the real economy in the US can now be felt, which caused the Fed to cut interest rates again in the first quarter of 2008; at the moment, the Federal Funds Rate is at 2.25%, or 300 basis points less than only in June 2007. The European Central Bank (ECB), by contrast, has so far left its benchmark interest rates unchanged with regard to the far too high level of inflation.

This discrepancy in the interest rate policy of the central banks has also led to differences in the development of share prices. While the Dow Jones index lost 11.8% in the reporting period, the German DAX dropped by even 16.9%. The Japanese Nikkei index recorded even higher losses, declining 25.4%.

Vienna's main ATX index did not manage to buck the negative trend and dropped by 16.8%. The DOW JONES EURO STOXX UTILITIES industry index, relevant for Burgenland Holding, also performed poorly, showing a decrease of 9.4%.

The shares of Burgenland Holding closed at 71.00 at the end of March 2008; this represents an increase of 5.0% and thus a positive performance in the reporting period. This corresponds to a market capitalisation of currently EUR213m. At the end of March 2008, its weighting in the WBI was 0.15 %.

Stock market indicators

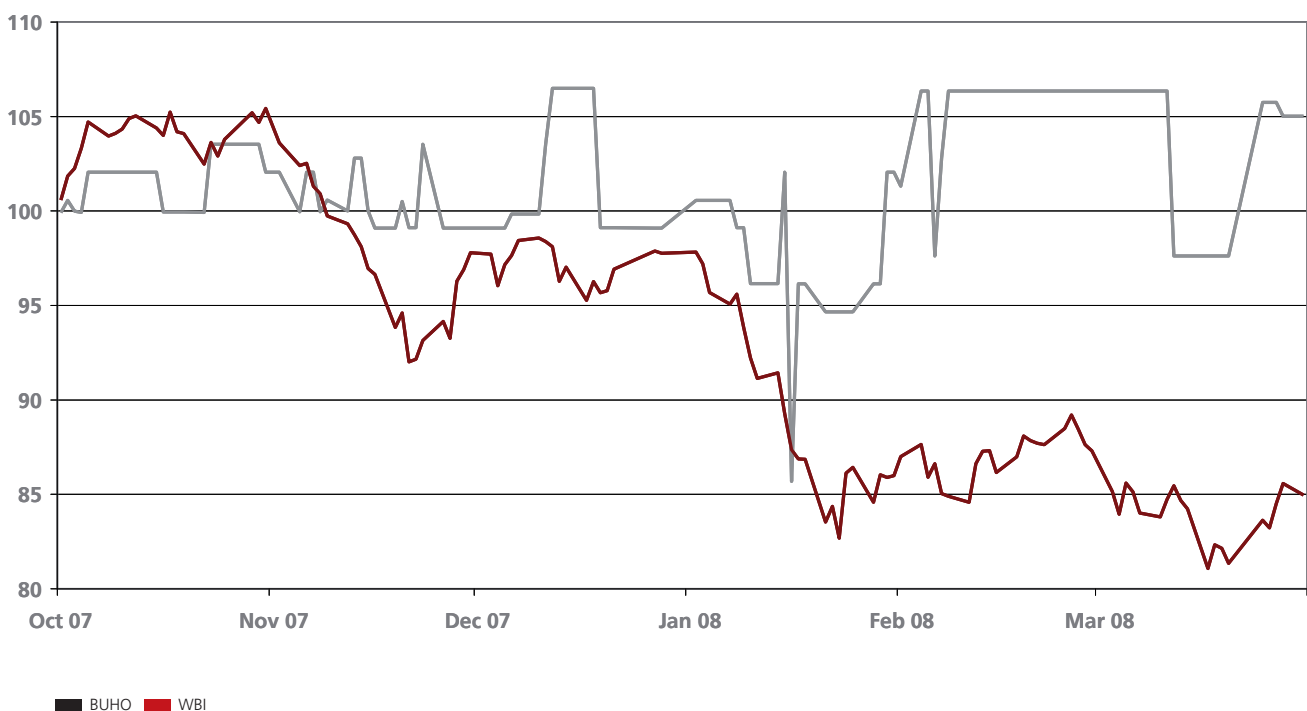
		2007/08 HY. 1	2006/07 HY. 1
Average daily volume	No.	34	70
Total share volume	EUR m	0.30	0.60
Share price high	EUR	72.00	72.00
Share price low	EUR	57.93	59.60
Share price as of the last trading day in March	EUR	71.00	66.00
Market capitalisation as of the last trading day in March	EUR m	213.00	198.00
Weighting in the WBI index as of the last trading day in March	%	0.15	0.13

Basic information

Share capital	EUR 21.81m
Denomination	3 mil individual no-par shares
Majority shareholder	EVN AG
ISIN securities identification number	AT0000640552
Ticker Symbols	BHAV.VI (Reuters); BURG AV (Bloomberg); AT;BHD (Dow Jones)
Börsenotierung	Vienna

Burgenland Holding

Burgenland Holding/WBI (%)



BEWAG 1st quarter 2007/08

October 1, 2007 – December 31, 2007

The information on performance refers to the interim group accounts of BEWAG's 2007/08 business year as of December 31, 2007. For comparison, we present the figures from the interim group accounts as of December 31, 2006. The comparability of the figures is limited to the extent that Geoservice GmbH, Dataservice GmbH and AIRAM kft have been newly integrated into the consolidation circle.

Highlights

- Increase in electricity sales
- Increase in sales revenues

Electricity sales and supply

In the first quarter of the 2007/08 business year, BEWAG's electricity purchases amounted to 370.3GWh, and electricity sales to final customers by BEWAG Energievertrieb GmbH & Co KG were 350.1GWh, around 10.3 % above the volume in the corresponding period of the previous year (October 1, 2006 - December 30, 2006). This increase in volume, together with price adjustments, led to an increase in consolidated sales revenues of BEWAG Energievertrieb GmbH & Co KG of about 33.9% compared to the same period last year, to a total of EUR22.5m. Compared to the previous business year, grid sales rose approximately 8.8 % to 424.7GWh.

Income situation

The Group's revenues amounted to about EUR70.5m. The increase in sales revenues can be attributed to an increase at BEWAG Energievertrieb GmbH & Co KG, but mainly to the initial consolidation of B.net Hrvatska d.o.o. as well as a rise in sales at BEWAG Netz GmbH and Austrian Wind Power GmbH.

Pre-tax profit amounted to EUR7.6m or EUR2.1m more than in the previous year. This change can mainly be put down to one-off effects in the financial result.

Balance sheet and capital structure

As of December 31, 2007, the balance sheet total amounted to EUR692.8m. The share of fixed assets (around EUR609.0m) in total assets is 87.9%. The increase in the balance sheet total concerns above all fixed assets and can mainly be put down to the initial consolidation of B.net Hrvatska d.o.o.. Compared to the corresponding period last year, equity including untaxed reserves rose 3.7% to EUR242.3m, resulting in an equity ratio of 35.0 %. Operating cash flow was EUR12.6m.

Outlook

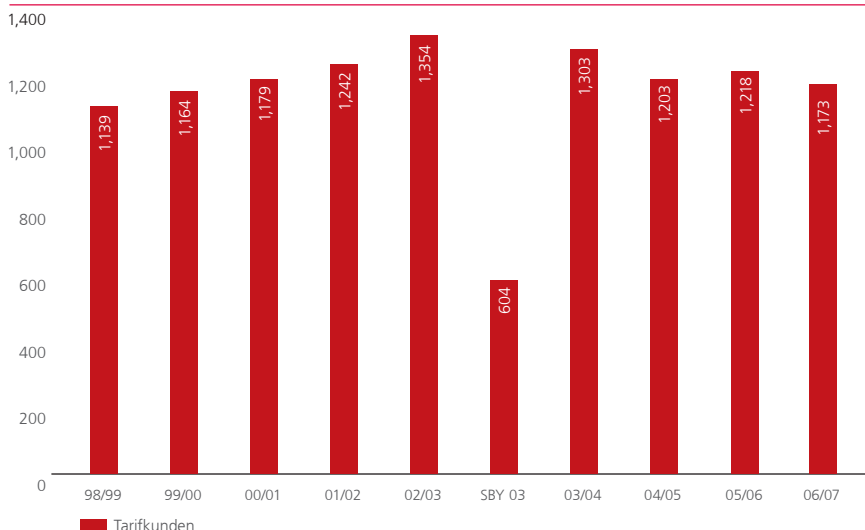
In the course of the 2007/08 business year, all preparations should be carried out to finalise the intended divestiture in the 2008/09 business year at the latest.

BEWAG Group

		2007/08 Q1	2006/07 Q1	Change %
Electricity sales	GWh	350.1	317.4	10.3
Grid sales	GWh	424.7	390.3	8.8
Sales revenues	EUR m	70.5	59.7	18.1
Pre-tax profit	EUR m	7.6	5.5	38.2
Balance sheet total	EUR m	692.8	618.1	12.1
Equity ¹⁾	EUR m	242.3	233.6	3.7
Operating cash flow	EUR m	12.6	14.4	-12.5

¹⁾ Equity incl. untaxed reserves

Development of electricity sales in kWh m



BEGAS 1st quarter 2007/08

October 1, 2007 – December 31, 2007

Information on the performance refers to the forecast financial statements of BEGAS, BEGAS Energievertrieb GmbH&Co KG, BEGAS – Wärme & Service GmbH BEGAS Kraftwerk GmbH and IGM – Industrie- u. Gewerbetpark Mittelbgld. Erwerbs-, Erschließungs- und Errichtungs- Gesellschaft m.b.H. consolidated by management (no consolidation under the Commercial Code).

Natural gas sales volume

In total, 67.6 million m³ of natural gas was sold from October to December 2007. The increase in sales of natural by 28.7% compared to the previous was due to continuing rise in the number of customers and, above all, caused by the fact that the current winter is significantly colder than the one last year.

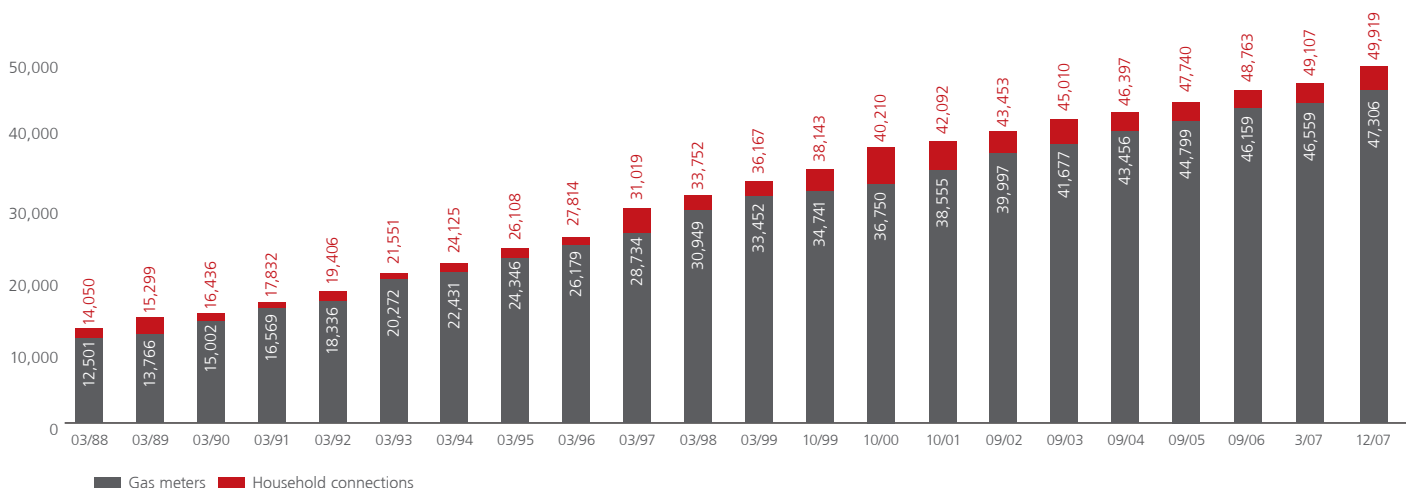
Income situation

The BEGAS Group generated revenues of approximately EUR24.1m in the first quarter of the 2007/08 business year. This also reflects the fact the winter is much colder than last year. Pre-tax profit for the first quarter was EUR5.2m, which corresponds to an increase of 29.6% over the first quarter of the previous year.

BEGAS Group

		2007/08 Q1	2006/07 Q1	Change %
Total natural gas sales volume grid	m m ³	67.6	52.5	28.7
Revenues	EUR m	24.1	18.4	31.0
Pre-tax profit	EUR m	5.2	4.0	29.6

Customer Development



Financial Calendar 2007/08¹⁾

Result 3rd quarter
Result for the full year 2007/08

August 29, 2008
December 16, 2008

¹⁾ preliminary

Burgenland Holding AG

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