

## 2009/10 Half-Year Financial Report

October 1, 2009 – March 31, 2010

## 2009/10 Half-Year Financial Report Contents

---

Corporate profile and highlights	3
Burgenland Holding AG – first six months of 2009/10 condensed interim financial statements	4
Appendix	5
Semi annual management report	5
The Burgenland Holding Share	6
BEWAG 1 <sup>st</sup> quarter 2009/10	8
BEGAS 1 <sup>st</sup> quarter 2009/10	9
Statement of the Management Board on the Half-Year Report	10

# 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 73.63 % of the share capital stock of Burgenland Holding AG, while Wiener Stadtwerke AG Holding AG holds between 5% and 10%. Österreichische Elektrizitätswirtschafts-AG – Verbund holds more than 10%, and 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. The share capital of Burgenländische Erdgasversorgungs-AG (BEGAS), in which Burgenland Holding AG also continues to hold a 49% stake, amounts to EUR7.44m. The remaining 51% of the shares are held by BEGAS-Gemeindeanteilsverwaltung AG (GAV). The shareholders in GAV are exclusively the municipalities in the Burgenland supplied with natural gas.

## Highlights - First six months of 2009/10

### Key events

- reduced financial result due to sharp decrease in interest rates
- dividend yields of BEWAG and BEGAS at last year's levels

### Key figures

<b>Burgenland Holding AG</b>		<b>2009/10</b>	<b>2008/09</b>	<b>Change</b>
		<b>First six months</b>		<b>%</b>
Balance sheet total	EUR m	79.40	76.6 <sup>1)</sup>	3.7
Shareholders' Equity	EUR m	76.50	76.6 <sup>1)</sup>	-0.1
Profit for the period	EUR m	6.38	6.3 <sup>2)</sup>	-1.5

<sup>1)</sup> as of September 30, 2009

<sup>2)</sup> first six months 2008/09

# Burgenland Holding AG first six months of 2009/10

## General Remarks

The interim statements for the period from October 1, 2009, to March 31, 2010, were prepared in compliance with generally accepted Austrian accounting principles.

The semi-annual report as of March 31, 2010, 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 last balance sheet date. The increase in the balance sheet total by EUR2.8m is due to a short-term balance sheet extension in connection with the dividend payout on the one hand and investment income on the other close to the balance sheet date. On March 15, 2010, the 21st Annual General Meeting resolved to distribute to shareholders a dividend of TEUR6,450, which corresponds to EUR2.15 per share (previous year: EUR2.15), and to carry forward the remainder of EUR731.19.

## Income situation

As a result of unchanged dividend payouts from BEWAG and BEGAS, the investment income is at last year's level. The decline in interest income from the investment of liquid funds by TEUR85.1 can be put down to the comparatively low level of interest rates.

# Condensed interim financial statements March 31, 2010

## Balance Sheet

in TEUR

	Mar 31, 2010	Sep 30, 2009
<b>ASSETS</b>		
<b>A. Fixed assets</b>		
I. Financial assets		
1. Investments	71,325.3	71,325.3
	<b>71,325.3</b>	<b>71,325.3</b>
<b>B. Current assets</b>		
I. Accounts receivable and other assets		
1. Receivables from affiliated companies	0.0	5,193.0
2. Receivables from associated companies	5,394.6	0.0
3. Other receivables	2.2	50.7
II. Cash at banks		
1. Cash at banks	2,716.7	6.9
	<b>8,113.5</b>	<b>5,250.6</b>
<b>C. Accruals and deferrals</b>		
	<b>5.3</b>	<b>1.6</b>
	<b>79,444.1</b>	<b>76,577.5</b>
<b>EQUITY AND LIABILITIES</b>		
<b>A. Shareholders' Equity</b>		
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)	4,622.0	4,622.0
IV. Net profit	6,381.1	6,450.7
	<b>76,491.5</b>	<b>76,559.1</b>
<b>B. Provisions</b>		
1. Tax provisions	0.0	0.9
2. Other provisions	3.3	17.3
	<b>3.3</b>	<b>18.2</b>
<b>C. Liabilities</b>		
1. Trade accounts payable	1.1	0.2
2. Payables to affiliated companies	1,335.7	0.0
3. Other liabilities	1,612.5	0.0
	<b>2,949.3</b>	<b>0.2</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>79,444.1</b>	<b>76,577.5</b>

## Income Statement

in TEUR

	2009/10 First six months	2008/09 First six months
Other operating income	0.1	0.1
Other operating expenses	-115.2	-104.7
<b>Operating result</b>	<b>-115.1</b>	<b>-104.6</b>
Investment income	6,489.2	6,489.2
Other interest and similar income	9.2	94.3
<b>Financial result</b>	<b>6,498.4</b>	<b>6,583.5</b>
<b>Pre-tax profit</b>	<b>6,383.3</b>	<b>6,478.9</b>
Taxes on income	-0.9	-0.9
<b>Net result for the year</b>	<b>6,382.4</b>	<b>6,478.0</b>
Profit carried forward	0.1	5.3
<b>Net profit</b>	<b>6,382.5</b>	<b>6,483.3</b>

# Appendix

## Notes to the Balance Sheet

The increase in the balance sheet total by TEUR2,866.6 to TEUR79,444.1 compared to the corresponding balance sheet date of September 30, 2009, can mainly be put down to a balance sheet extension in connection with the distribution of the dividend close to the balance sheet date. ‚Receivables from associated companies‘ comprise exclusively dividend income receivable from Group companies.

Shareholders' equity was TEUR67.7, thus slightly, below the corresponding value as of the balance sheet date of September 30, 2009. The reason for this decrease is the weaker financial result as of March 31, 2010, due to the low level of interest rates.

‚Other provisions‘ comprises exclusively compensation of Supervisory Board members of Burgenland Holding AG.

‚Payables to affiliated companies‘ consists mainly of short-term financing requirements for the dividend payout to EVN FinanzService GmbH as well as Group services rendered by EVN AG.

‚Other liabilities‘ includes tax on investment income payable in connection with the dividend payout.

## Notes to the Income Statement

The operating result of Burgenland Holding AG after the first half of the 2009/10 business year was slightly below that of the corresponding period last year.

On March 23, 2010, BEWAG's AGM resolved to distribute a dividend of TEUR5,394.6 out of the net profit as of September 30, 2009.

On March 17, 2010, the AGM of BEGAS resolved to distribute a dividend of TEUR1,094.6 out of the net profit as of September 30, 2009. Those payouts are unchanged from the previous year. The other financial result as of the balance sheet date is comprised mainly of interest income from the investment of liquid funds and shows a decrease of TEUR85.1 from last year. This is due to the currently very low level of interest rates.

## Semi-Annual Management Report

The result of Burgenland Holding AG is influenced mainly by the dividend payouts from associated companies as well as interest rates and, after the first six months of 2009/10, is slightly below earnings for the corresponding period last year as a result of the low level of interest rates.

Due to the fact that the dividends from BEGAS and BEWAG have already been received, no major changes in the result are to be expected for the second six months. Similarly, the stable earnings structure of Burgenland Holding AG renders significant risks and uncertainties unlikely for the second half of the year.

## The Burgenland Holding Share

The first six months of the current 2009/10 business year showed a moderate continuation of the recovery on the international stock markets. Economic and sentiment indicators suggest a slightly positive development, with economic growth now generally expected to slow down a bit in the second half of 2010.

The last few weeks have been marked by the difficult situation faced by Greece and, consequently, the rest of Europe. Thus, the European Union is now facing its first major acid test. Moreover, Portugal, Spain and Italy are already next in line according to some commentators. What all this shows, in any case, is that the crisis will be with us for some time to come.

Thus, the expansive monetary policy pursued by all relevant central banks is not likely to change any time soon. Neither deflation nor inflation are currently of major importance, and the

economy will have to show sustainable growth before the central banks can be expected to take initial measures.

Against this backdrop, both benchmark as well as capital market interest rates are at historic lows. Still, the interest curve is relatively steep, after all; this again helps financial institutions in their consolidation efforts, which is another reason why the central banks are not particularly interested in changing their interest rate policies.

The cost of financing is still significantly cheaper for companies than it was 6 to 12 months ago. From an investor's point of view, the combination of low capital market rates and risk premiums creates very attractive coupons for newly issued bonds and thus very attractive refinancing possibilities.

Even though the upward momentum of international share indices slowed down a bit from October 2009 to March 2010, it still shows a slightly positive tendency; the German DAX index gained 8.4%, while the Dow Jones, the U.S. benchmark index, even rose by 11.8%.

Vienna's WBI index did not manage to keep up with the international indices at the same rate and, at -1.7%, just missed out on a positive development. The Dow Jones Euro Stoxx Utilities industry index, relevant for the Burgenland Holding share, also dropped by about 3.0%. The Burgenland Holding share managed to perform significantly better recently and was quoted at EUR50.00 as of March 31, 2010, up 35.1%. This results in a current market capitalisation of EUR150m. At the end of the reporting period, its weighting in the WBI was 0.18%.

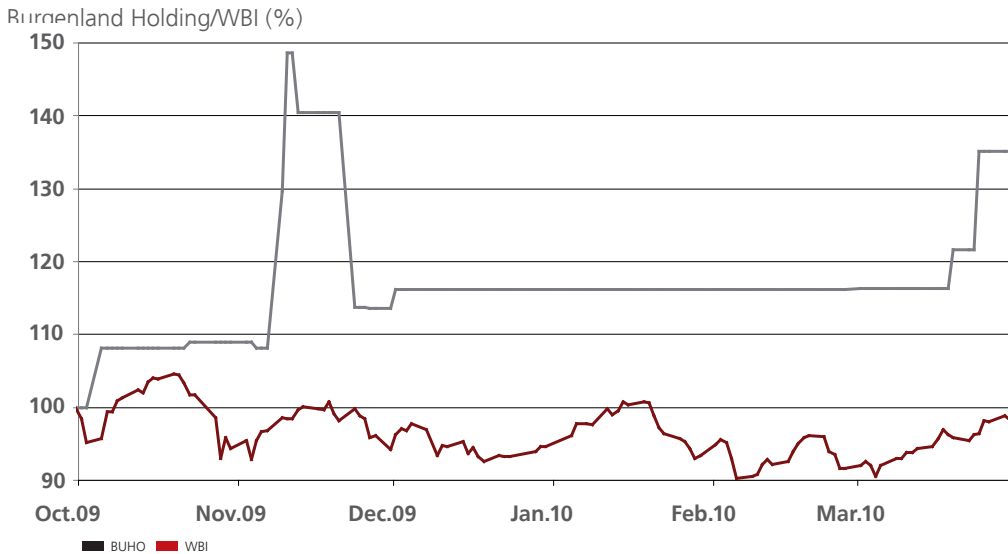
### Stock market indicators

		2009/10	2008/09
		First six months	
Average daily volume	No.	16	27
Total share volume	EUR m	0.08	0.13
Share price high	EUR	55.00	53.99
Share price low	EUR	40.01	33.55
Share price as of the last trading day in March	EUR	50.00	39.98
Market capitalisation as of the last trading day in March	EUR m	150.00	120.00
Share price as of the last trading day in March	%	0.18	0.23

### 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



### 20 Years of Burgenland Holding Share on the Vienna Stock Exchange

May 14, 1990, saw the initial quotation of the Burgenland Holding share on the Vienna Stock Exchange. At the time, Burgenland Holding was Burgenland's only listed company. The issue price was 3,300 schillings per share, which (following a 1:10 stock split) corresponds to about 24 euros. At some point, the share price rose to more than 70 euros, and, on May 14, 2010, it stood at 43 euros.

From the IPO in 1990 up to the beginning of May 2010, the Burgenland Holding share produced an average annual yield (including dividends) of 6.7%. Taking into account dividend payments, the share price has risen by 176.5% over the last 20 years. In addition, shareholders have received dividends in excess of 72 million euros since the flotation. The economic basis of Burgenland Holding AG was the contribution of 49% of BEWAG's shares and 51% of the shares of BEGAS by the Province of Burgenland. In the years that followed, the Province of Burgenland used the proceeds from the sale of shares to finance economic promotion, the establishment of companies and the realisation of essential infrastructure projects; thus, these proceeds served as a basis for the improvement of the province's economic structure and the creation of a large number of new jobs.

# BEWAG 1<sup>st</sup> quarter 2009/10

October 1, 2009 – December 31, 2009

The information on performance refers to the interim group accounts of BEWAG's 2009/10 business year as of December 31, 2009. For comparison, we present the figures from the interim group accounts as of December 31, 2008.

It is not fully possible to compare results directly, as the basis of consolidation has changed due to the fact that B.net Burgenland Telekom GmbH and Daservice GmbH were removed from consolidation following their disposals and Rennerwind Energetikai Kft and Internationale Windparkbeteiligungs- und Finanzierungs GmbH were consolidated for the first time.

## Highlights

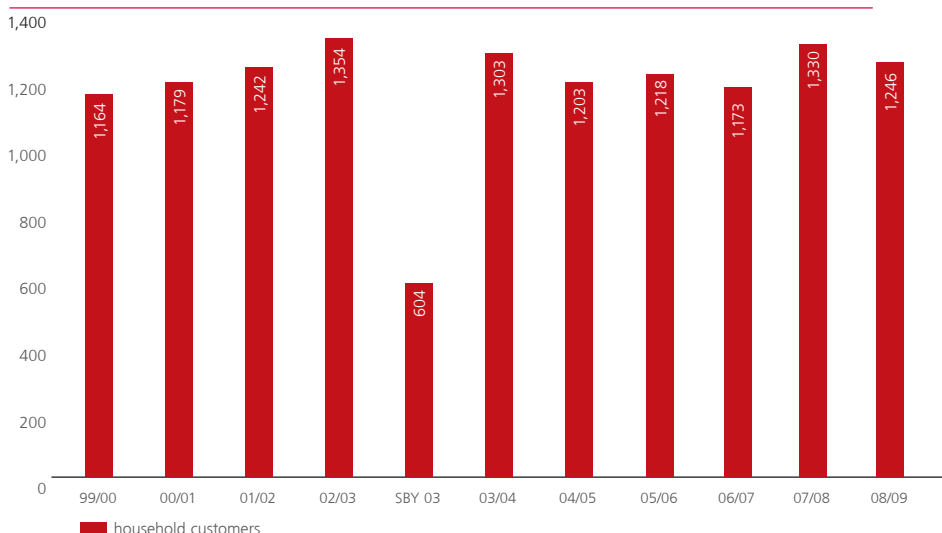
- Continued efforts to end the US cross-border lease transaction with an investor as well as replacement of a payment undertaker with the other investor
- Negotiations concerning the disposal of wind park activities in the Czech Republic

## BEWAG Group

		2009/10 1 <sup>st</sup> quarter	2008/09 1 <sup>st</sup> quarter	Change %
Electricity sales	GWh	338.5	357.2	-5.2
Grid sales	GWh	412.9	398.8	3.5
Sales revenues	EUR m	74.5	73.3	1.6
Pre-tax profit	EUR m	2.7	-0.9	n/a
Balance sheet total	EUR m	824.4	721.3	14.3
Shareholders' Equity <sup>1)</sup>	EUR m	200.8	219.7	-8.6
Operating cash flow	EUR m	14.0	8.1	72.8

<sup>1)</sup> Equity incl. untaxed reserves

## Development of electricity sales in kWh m



## Electricity sales and supply

In the first quarter of the 2009/10 business year, BEWAG's electricity supply amounted to 432.6GWh. Electricity sales to final customers by BEWAG Energievertrieb GmbH & Co KG were 338.5GWh, 5.2% below the volume in the corresponding period of the previous year (October 1 – December 31, 2008). This decrease in the volume component was compensated by an increase in the price component, leading to a rise in consolidated sales revenues of BEWAG Energievertriebs GmbH & Co KG of 5.6% compared to the same period last year, to a total of EUR26.6m. Compared to the previous business year, grid sales rose 3.5% to 412.9GWh.

## Income situation

The Group's sales revenues amounted to EUR74.0m. The increase compared to last year was due mainly to improved performance at BEWAG Energievertrieb GmbH & Co KG and B.net Hrvatska d.o.o., whereas the sale of B.net Burgenland Telekom GmbH actually had a negative impact.

Pre-tax profit amounted to EUR2.7m, which represents an increase of EUR3.6m over the previous year.

## Balance sheet and capital structure

As of December 31, 2009, the balance sheet total amounted to EUR824.5m. The share of fixed assets (appr. EUR697.7m) in total assets is about 84.5%. The increase over last year was mainly the result of the provision of securities as collateral in favour of the investors in the US cross-border lease.

Shareholder's equity including untaxed reserves fell to EUR200.8m, resulting in an equity ratio of 24.4%. Operating cash flow was EUR14.0m.

## Outlook

As regards the US cross-border lease transaction, it was possible to end the transaction with one investor in the second quarter. With regard to the second investor, it was possible to replace a payment undertaker in the third quarter.

The contract of sale concerning the sale of the Czech wind park projects was initialled on May 7, 2010; signing and closing are expected for the third and fourth quarters of the current business year, respectively.



# BEGAS 1<sup>st</sup> quarter 2009/10

October 1, 2009 – December 31, 2009

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

## Natural gas sales volume

In total, 59.4 million m<sup>3</sup> of natural gas was sold from October to December 2009. The increase compared to the previous year is mainly due to the fact that the first quarter this year saw colder temperatures than last year.

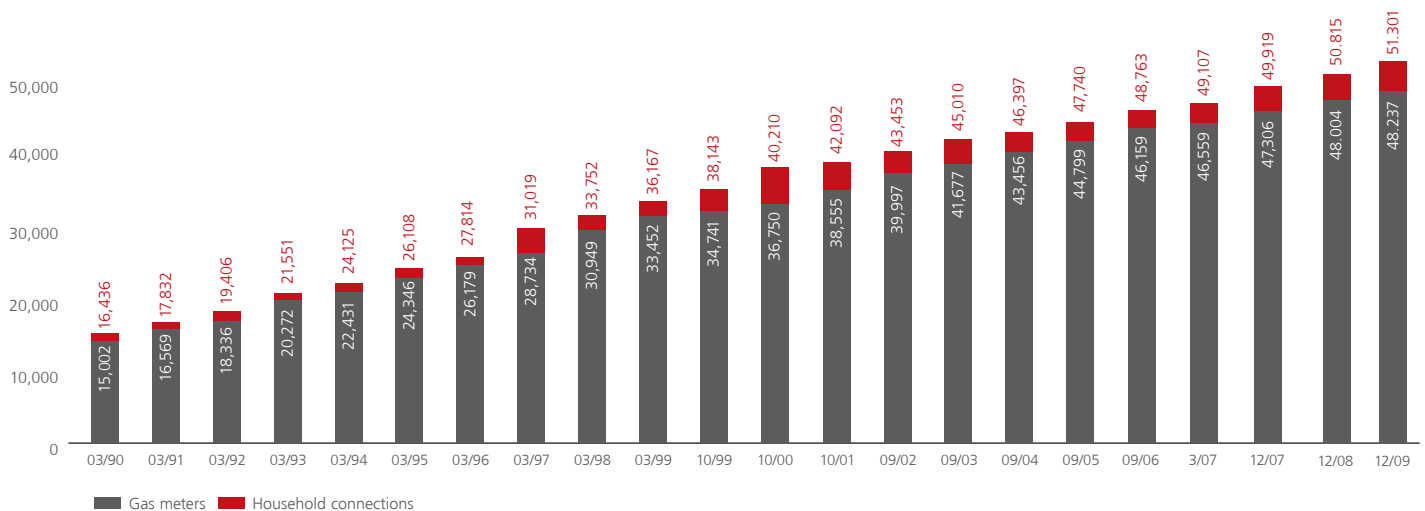
## Income situation

The BEGAS Group generated revenues of approximately EUR23.0m in the first quarter of the 2009/10 business year. The decrease compared to the corresponding quarter last year was caused by the lower sales prices of natural gas in the current business quarter. Pre-tax profit in the first quarter was EUR6.2m. The high pre-tax profit generated last year was due to one-off effects in the financial result.

## BEGAS Group

		2009/10 1 <sup>st</sup> quarter	2008/09 1 <sup>st</sup> quarter	Change %
Total natural gas sales volume grid	m m <sup>3</sup>	59.4	56.7	4.8
Revenues	EUR m	23.0	23.9	-4.0
Pre-tax profit	EUR m	6.2	12.1	-48.7

## Customer Development



## Statement of the Management Board on the Half-Year Report

(pursuant to §87 para 1 fig 3 Stock Market Act)

---

We confirm to the best of our knowledge that the condensed interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group management report gives a true and fair view of important events that have occurred during the first six months of the financial year and their impact on the condensed interim financial statements, of the principal risks and uncertainties for the remaining six months of the financial year and of the major related party transactions to be disclosed.

Eisenstadt, June 11, 2010  
Burgenland Holding AG  
Management Board



Günther Ofner



Nikolaus Sauer

# Financial Calendar 2009/10<sup>1)</sup>

---

**Result 3<sup>rd</sup> quarter** August 11, 2010  
**Results for the full year 2009/10** December 16, 2010

---

<sup>1)</sup> preliminary

## **Burgenland Holding AG**

Technologiezentrum  
Marktstraße 3  
7000 Eisenstadt  
Austria

## **Corporate Communications and Investor Relations**

Renate Lackner-Gass, MSc MBA

Phone +43 2236 200-24 186  
Fax +43 2236 200-84 703  
E-mail [investor.relations@buho.at](mailto:investor.relations@buho.at)  
[www.buho.at](http://www.buho.at)