

## Interim Financial Report 2016/17

1 October 2016 – 31 March 2017

# Interim Financial Report 2016/17

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## Key figures

### HY1 2016/17

<b>Burgenland Holding AG</b>		<b>2016/17 HY1</b>	<b>2015/16</b>	<b>Change in %</b>
Balance sheet total	EURm	82.3	79.8 <sup>1)</sup>	3.2
Equity	EURm	80.5	79.7 <sup>1)</sup>	1.0
Investment income	EURm	10.3	9.3 <sup>2)</sup>	10.8
Net income for the period	EURm	10.2	9.2 <sup>2)</sup>	10.9

1) As of 30 September 2016.

2) HY1 2015/16

<b>Energie Burgenland AG</b>		<b>2016/17 Q1</b>	<b>2015/16 Q1</b>	<b>Change in %</b>
Electricity sales volumes	GWh	334	322	3.7
Electricity network distribution volumes	GWh	493	468	5.3
Natural gas sales volumes	GWh	371	335	10.7
Natural gas network distribution volumes	GWh	785	673	16.6
Revenue	EURm	86.7	85.2	1.8
Pre-tax profit	EURm	15.7	12.8	22.7
Balance sheet total	EURm	884.2	898.3	-1.6
Equity	EURm	333.8	325.9	2.4

## Energising Burgenland

### Burgenland Holding AG

Burgenland Holding AG holds 49% of the share capital of Energie Burgenland AG. 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%.

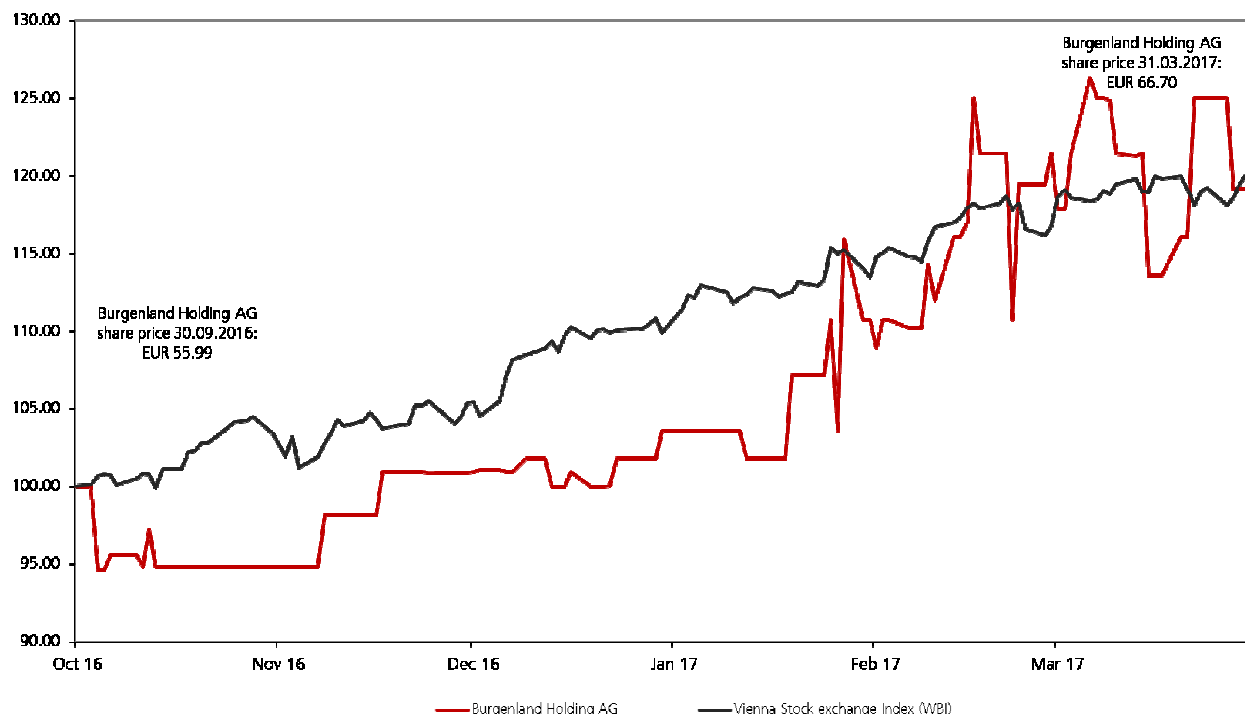
## Burgenland Holding AG share

All relevant international stock market indices showed a positive performance from October 2016 to March 2017. Significant gains were registered especially by the leading German DAX index and Vienna's leading ATX index at 17.1% and 17.6%, respectively. While the American benchmark index Dow Jones also managed to grow by 12.9% in the reporting period, the Dow Jones Euro Stoxx Utilities industry index, relevant for Burgenland Holding AG, edged up only 4.9%.

The share price of Burgenland Holding AG rose 19.1% in the reporting period and stood at EUR 66.70 as of 31 March 2017. This corresponds to a market capitalisation of EUR 200m. Daily trading volume averaged 25 shares during the first six months of 2016/17, and the weighting of the share in Vienna's WBI index as of 31 March 2017 was 0.19%.

Stock performance		2016/17 HY1	2015/16 HY1
Average daily volume	Number	25	20
Total share volume	EURm	0.19	0.13
Highest price	EUR	70.70	58.00
Lowest price	EUR	53.00	47.81
Share price at the end of March	EUR	66.70	58.00
Market capitalisation at the end of March	EURm	200	174
WBI weighting at the end of March	%	0.19	0.21

### Burgenland Holding share price – relative development in comparison to Vienna Stock Exchange Index (%)



# Burgenland Holding AG

## HY1 2016/17

### Highlights

- Distribution of a dividend of EUR 3.15 per share
- Net income for the period of EUR 10.2m above last year's level
- Outlook 2016/17: Net income for the year expected to be significantly higher than last year

<b>Burgenland Holding AG – Key figures</b>		<b>2016/17 HY1</b>	<b>2015/16</b>	<b>Change in %</b>
Balance sheet total	EURm	82.3	79.8 <sup>1)</sup>	3.2
Equity	EURm	80.5	79.7 <sup>1)</sup>	1.0
Investment income	EURm	10.3	9.3 <sup>2)</sup>	10.8
Net income for the period	EURm	10.2	9.2 <sup>2)</sup>	10.9

1) As of 30 September 2016

2) HY1 2015/16

### Income situation

At EUR 10.3m and EUR 10.2m, respectively, investment income as well as the net income for the period for the first six months of 2016/17 were significantly above last year's levels. The investment income from Burgenland Holding AG for the reporting period includes the dividend payout of Energie Burgenland AG for the 2015/16 business year.

income tax in connection with the effected dividend payout is still shown under "Other liabilities" in the balance sheet as a result of its later due date. Consequently, the equity ratio shows a decrease from 99.9% to 97.8% in the first six months of 2016/17 compared to the balance sheet date of 30 September 2016.

### Balance sheet and capital structure

As of 31 March 2017, the balance sheet total amounted to EUR 82.3m, or 3.2% more than at the balance sheet date of 30 September 2016. This increase can be explained by the claim arising from the agreed dividend payout of Energie Burgenland AG, which had already been recorded as of the balance sheet date. This was offset by the dividend of Burgenland Holding AG in the amount of EUR 9.45m, which had already been resolved by the Annual General Meeting and most of which had also already been paid out as of 31 March 2017.

Liabilities due to associated companies include the short-term interim financing of the Company's own dividend payout. As of the balance sheet date, the investment

### Outlook

Due to the fact that the dividend payout of Energie Burgenland AG from its net profits for 2015/16 has already been accounted for, no major changes in the results of Burgenland Holding AG are expected for the 2016/17 business year after the first six months of 2016/17.

After the one-off increase in the dividend payout of Energie Burgenland AG for the 2015/16 business year by about 10%, one has to expect that Energie Burgenland AG intends to recommend any future dividend payouts at historical levels.

# Condensed Interim Financial Statement as of 31 March 2017

<b>Balance sheet</b>	in TEUR	<b>31.03.2017</b>	<b>30.09.2016</b>
<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 receivables and other assets			
1. Receivables from affiliated companies		221.7	8,392.3
2. Receivables from associates		10,290.0	0.0
3. Other receivables		5.7	14.4
		<b>10,517.4</b>	<b>8,406.7</b>
II. Cash at banks		447.2	17.7
		<b>10,964.6</b>	<b>8,424.4</b>
<b>C. Deferred expenses and accrued income</b>			
		<b>8.9</b>	<b>4.7</b>
<b>Total assets</b>		<b>82,298.8</b>	<b>79,754.4</b>
<b>Equity and liabilities</b>			
<b>A. Equity</b>			
I. Share capital		<b>21,810.0</b>	<b>21,810.0</b>
II. Capital reserves			
1. Committed reserves		<b>43,676.4</b>	<b>43,676.4</b>
III. Retained earnings			
1. Other reserves (free reserves)		<b>4,802.0</b>	<b>4,802.0</b>
IV. Net profit		10,193.1	9,453.3
		<b>80,481.5</b>	<b>79,741.6</b>
<b>B. Provisions</b>			
1. Tax accruals		0.0	0.0
2. Other provisions		7.0	12.6
		<b>7.0</b>	<b>12.6</b>
<b>C. Liabilities</b>			
1. Accounts payable to affiliated companies		1,386.0	0.0
2. Other liabilities		424.3	0.2
		<b>1,810.3</b>	<b>0.2</b>
<b>Total equity and liabilities</b>		<b>82,298.8</b>	<b>79,754.4</b>
<b>Income statement</b>			
	in TEUR	<b>2016/17 HY1</b>	<b>2015/16 HY1</b>
Other operating income		0.1	0.2
Other operating expenses		-117.6	-118.2
<b>Operating result</b>		<b>-117.5</b>	<b>-118.1</b>
Investment income		10,290.0	9,310.0
Other interest and similar income		17.4	6.6
Interest and similar expenses		-0.1	0.0
<b>Financial result</b>		<b>10,307.3</b>	<b>9,316.6</b>
<b>Pre-tax profit</b>		<b>10,189.8</b>	<b>9,198.5</b>
Taxes on income		0.0	0.0
<b>Net income for the period</b>		<b>10,189.8</b>	<b>9,198.5</b>
Allocation of retained earnings		0.0	0.0
Profit carry forward		3.3	0.6
<b>Net profit for the period</b>		<b>10,193.1</b>	<b>9,199.1</b>

# Notes

## General accounting principles

The Interim Financial Statements for the period from 1 October 2016 to 31 March 2017 were prepared with regard to Generally Accepted Austrian Accounting Principles.

The Interim Financial Statements as of 31 March 2017 were neither subject to a full audit nor a review by an auditor.

## Notes to the balance sheet

As of the balance sheet date of 31 March 2017, shareholders' equity stood at EUR 80.5m, thus EUR 0.8m, or 1.0%, higher than on the balance sheet date of 30 September 2016. The position "Other provisions" relate to the compensation of Supervisory Board members of Burgenland Holding AG.

The item "Liabilities due to associated companies" includes EUR 1.4m for the short-term interim financing of the Company's own dividend payout. The item "Other liabilities" is composed entirely of the investment income tax liability vis-à-vis the tax authorities in connection with the effected dividend payout.

## Notes to the income statement

At TEUR -117.5, the operating result for the first six months of 2016/17 was at last year's level.

The investment income of Burgenland Holding AG for the first six months of 2016/17 comprises the dividend payout of Energie Burgenland AG. On 21 March 2017, the Annual General Meeting of Energie Burgenland AG resolved to distribute a dividend of EUR 21.0m out of the net profit as of 30 September 2016, of which EUR 10.29m are allocated to Burgenland Holding AG.

The item "Other financial result" rose by TEUR 10.7 to TEUR 17.3, mostly as a result of an increase in investment result compared to the corresponding period.

# Interim Management Report

The result of Burgenland Holding AG is determined largely by the payouts of its associated companies as well as the interest rate level and was better for the first six months of the 2016/17 business year than for the corresponding period last year as a result of the increased dividend payout of Energie Burgenland AG.

Due to the fact that the dividend payout of Energie Burgenland AG has already been recorded, no major changes in the result are to be expected for the second half of 2016/17. Furthermore, from today's point of view, no material risks or uncertainties should be anticipated for the remaining six months of the business year given the stable earnings structure of Burgenland Holding AG.

# Energie Burgenland AG

## Q1 2016/17<sup>1)</sup>

### Highlights

- Reduction of electricity and natural gas prices for end customers by an average of 5% as of 1 October 2016
- New organisational structure as of 1 October 2016, as a result of implementing the "FIT 2020" efficiency project
- Start of construction of Bruckneudorf transformer station (expansion of wind power)
- Agreement in Parndorf on 110 kV section for the delivery of renewable energy
- Start of "Energiewarte" to market wind power

Energie Burgenland AG – Group		2016/17 Q1	2015/16 Q1	Change in %
Electricity sales volumes	GWh	334	322	3.7
Electricity network distribution volumes	GWh	493	468	5.3
Natural gas sales volumes	GWh	371	335	10.7
Natural gas network distribution volumes	GWh	785	673	16.6
Revenue	EURm	86.7	85.2	1.8
Pre-tax profit	EURm	15.7	12.8	22.7
Balance sheet total	EURm	884.2	898.3	-1.6
Equity	EURm	333.8	325.9	2.4
Gross cash flow	EURm	29.8	24.2	23.1

### Energy sales and supply

In the first quarter of 2016/17, electricity sales volumes to end customers rose to 334 GWh, an increase of 3.7% over the last year. Electricity network distribution volumes also went up 5.3% to 493 GWh. Natural gas sales volumes to end customers amounted to 371 GWh (previous year: 335 GWh), with natural gas network distribution volumes rising to 785 GWh (previous year: 673 GWh).

### Income situation

The Group's revenue amounted to EUR 86.7m. Higher output of the wind parks and higher grid sales in the electricity segment more than offset lower income from the biomass segment.

Pre-tax profit amounts to EUR 15.7m, which represents an increase of 22.7% compared to the previous year.

### Balance sheet and capital structure

As of 31 December 2016, the balance sheet total amounted to EUR 884.2m, with non-current assets

(EUR 585.5m) accounting for roughly 66.2% of total assets. The decrease in non-current assets compared to last year is mainly the result of the sale of securities. In addition, there were unscheduled write-downs in the wind power and biomass segments.

Shareholders' equity as of 31 December 2016, increased to EUR 333.8m, resulting in an equity ratio of 37.8%. At EUR 29.8m, gross cash flow for the first quarter of 2016/17 was 23.1% above last year's level.

### Outlook

In addition to continuous grid expansion, grid renewal, and maintenance measures, Burgenland's distribution grid is being expanded further to integrate additional renewable power generation, in particular wind power plants.

The implementation of energy savings measures in connection with the Energy Efficiency Act is being pushed as is the "Energie Burgenland FIT 2020" project, which will bring about an efficient design of structures and costs within Energie Burgenland Group.

1) The information on performance refers to the interim group accounts of Energie Burgenland AG for the period from 1 October 2016 to 31 December 2016 of Energie Burgenland's 2016/17 business year. For comparison, the figures from the interim group accounts as of 31 December 2015 are presented. The consolidation circle comprises 19 fully consolidated, two proportionately consolidated and three equity-consolidated companies.



# Statement of the Management Board on the Interim Financial Report

pursuant to § 87 para 1 fig 3 Stock Exchange Act

We confirm, to the best of our knowledge, that the abridged Interim 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, and the Interim Management Report presents a true and fair view of the company's assets, liabilities, financial position, and profit or loss with regard to important events during the first six months of the business year and their impact on the abridged Financial Statements in terms of material risks and uncertainties in the remaining six months of the business year.

Eisenstadt, 18 May 2017

The Management Board



Klaus Kohlhuber  
Member of the  
Management Board



Nikolaus Sauer  
Member of the  
Management Board

# Burgenland Holding AG

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

Results Q1–3 2016/17	08.08.2017
Annual results 2016/17	14.12.2017

1) Preliminary.

## Basic information

Share capital	EUR 21.81m
Denomination	3.0 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

## Imprint

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