

Annual report  
2014/15

## Key figures

<b>Burgenland Holding AG</b>		<b>2014/15</b>	<b>2013/14</b>	<b>2012/13</b>
Balance sheet total	EURm	78.5	78.2	78.1
Equity	EURm	78.5	78.2	78.1
Investment Income	EURm	8.4	8.4	8.4
Net income	EURm	8.3	8.2	8.2

<b>Energie Burgenland Group</b>		<b>2014/15 preview</b>	<b>2013/14</b>
Electricity sales	GWh	1,168	1,162
Natural gas sales	GWh	1,124	1,068
Revenue	EURm	332.5	313.4
Pre-tax profit	EURm	27.1	23.7
Balance sheet total	EURm	909.2	910.6
Equity	EURm	313.3	311.9

## Energising Burgenland Burgenland Holding AG

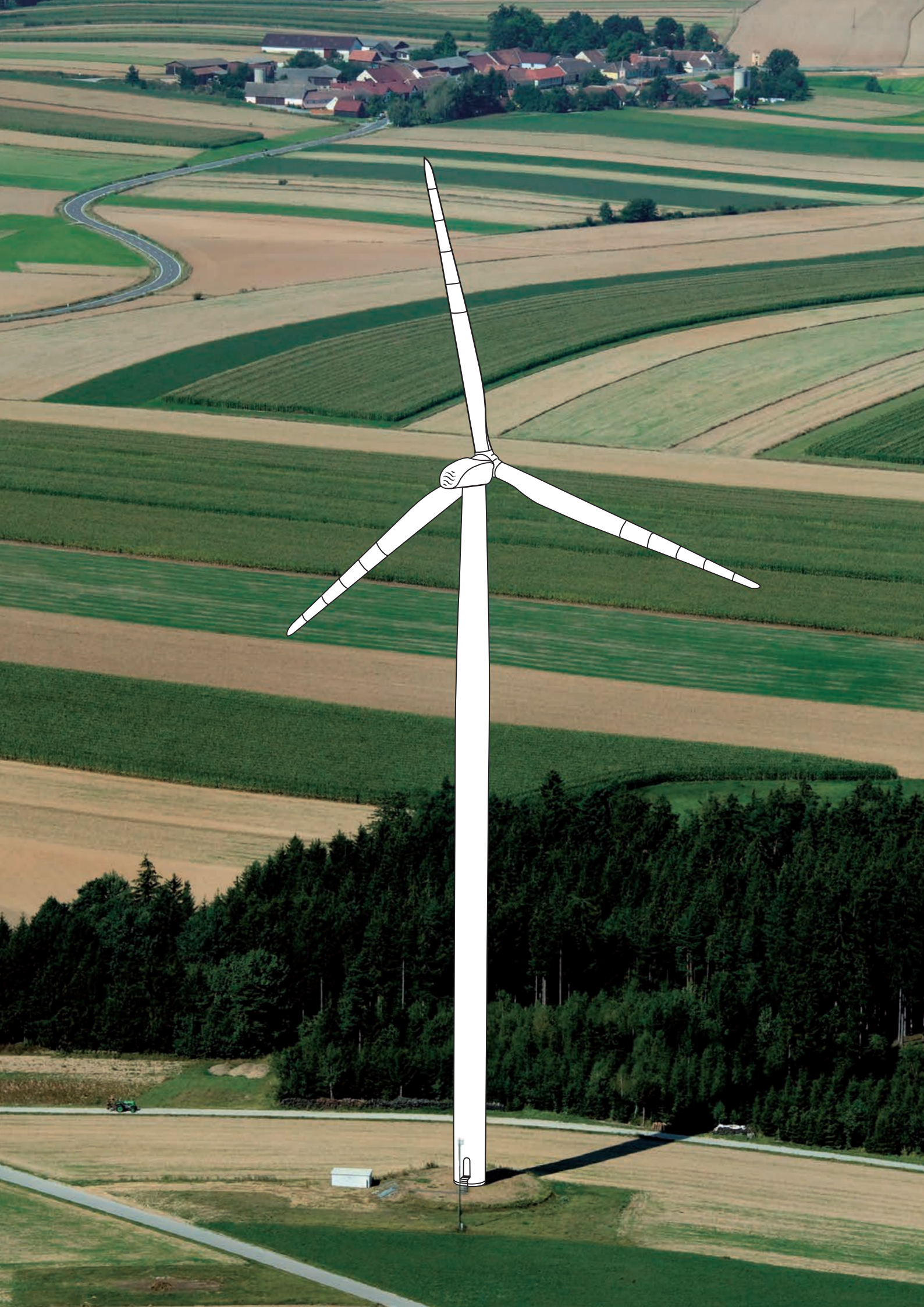
Burgenland Holding AG holds 49% of the share capital of Energie Burgenland AG. The remaining 51% of the shares are held by Burgenländische Landesholding GmbH. The share capital of Energie Burgenland AG amounts to EUR 34.9m.

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%.

# Annual report 2014/15

## Content

Key figures	Cover
Company profile	Cover
Foreword of the Management Board	3
Corporate Governance Report (acc. to § 243b UGB)	4
Commitment to the Austrian	
Corporate Governance Code	4
Corporate bodies	5
Energie Burgenland Group	
Business development (preview)	10
Management report	12
The Company's environment	12
Business development	14
Risk report	16
Outlook	16
Financial statements 2014/15	18
Balance sheet	18
Income statement	19
Development of fixed assets	20
Notes	20
Auditor's report	24
Report of the Supervisory Board	25
The Burgenland Holding AG share	27
Subsidiaries	28
Proposed application of profits	29
Statement of the Management Board on the annual financial report	29



# Foreword of the Management Board



Nikolaus Sauer, Klaus Kohlhuber

## Dear Sir or Madam, dear shareholders!

Burgenland Holding AG was able to continue its favourable development in the 2014/15 business year. The Company's result is largely determined by the payouts of its associated companies. As the owner of 49% in Energie Burgenland AG, Burgenland Holding AG profits in particular from further operational improvements. The investment income from Energie Burgenland AG has stabilised at a good level compared to last year, with the dividend from CEESEG AG doubling to roughly TEUR 92 in that period.

The surrounding framework of energy industry and energy policy is a major factor in the performance of Energie Burgenland AG, and thus also of Burgenland Holding AG. Mean temperatures in the reporting period were higher than the long-term average, which was almost the same last year with its mild temperatures. Furthermore, the prices of primary energy sources such as crude oil, gas, and coal continued to fall also in the past business year. Despite this challenging market environment, Energie Burgenland AG managed to keep its payout at a stable level compared to last year. As a result of this favourable development, the share of Burgenland Holding AG still managed to perform well; closing at EUR 51.01 on

September 30, 2015, amid low trading volume, it recorded a rise of 13.4% compared to the corresponding period last year.

Against this backdrop in the past business year, the Management Board of Burgenland Holding AG will recommend to the AGM the distribution of a dividend of EUR 2.75 per share for the 2014/15 business year.

We expect Energie Burgenland AG to continue its solid performance in the 2015/16 business year, which will also benefit Burgenland Holding AG and thus its shareholders.

Eisenstadt, 18 November 2015

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. Thus, corporate governance can be defined within the framework of the Austrian Code of Corporate Governance – see [www.corporate-governance.at](http://www.corporate-governance.at) – and regulations on employee co-determination, in addition to the regulations of Austrian law, in particular the Companies Act and Capital Markets Act, as well as the By-Laws of Burgenland Holding AG.

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. During the 2014/15 business year, the ACCG as amended in January 2012 was applied in full. As of October 1, 2015, Burgenland Holding AG has fully submitted to the ACCG as amended in January 2015.

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. It is also fulfilled to the letter by Burgenland Holding. Non-compliance with C-regulations (Comply-or-Explain) is possible, but has to be justified publicly. Burgenland Holding AG lays down such deviations in detail on its homepage<sup>1)</sup>. Deviations from R-regulations, which are of purely recommendatory character, do not require any explanation.

As there is no obligation to prepare consolidated group accounts, IFRS are not applied. Reporting is effected pursuant to applicable Austrian financial reporting requirements; Regulations 65, 66, 69 and 70 of the Austrian Code of Corporate Governance are not applied.

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](http://www.buho.at/Corporate.html).

### Deviations from C-Regeln

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:** No member of the Management Board was elected Chairman. The Company is a holding with a minor extent of operating business activities. Given a two-member Management Board, appointing a Chairman of the Management Board would also entail certain disadvantages. Therefore, the Supervisory Board chose not to make such appointment. As this is not subject to any temporal restrictions, changes can be made at any time. The Management Board acts as a collegial body and has always adopted its resolutions unanimously.

**Regulation 27:** The remuneration of the Management Board does not contain any variable components. The size of the Company, the limited influence on investment income as well as the character of the position as sideline employment are good arguments for a simplified remuneration scheme. Therefore, the Supervisory Board chose not to stipulate any provisions to this effect. As this is not subject to any temporal restrictions, changes can be made at any time. Fixed remuneration as currently in place has proved suitable.

**Regulation 37:** The Chairman of the Supervisory Board communicates with the Management Board as a whole. The Company is a holding with a minor extent of operating business activities. The Supervisory Board therefore refrained from appointing a Chairman of the Management Board (see justification of Regulation 16). As this is not subject to any temporal restrictions, changes can be made at any time. Coordination of strategy, business development as well as risk management with the full Management Board has worked very smoothly given the limited number of business transactions.

<sup>1)</sup> <http://www.buho.at/index3.html>

# 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, Senior officer at Wasserleitungsverband Nördliches Burgenland; member of the Management Board of Burgenland Holding AG and Managing Director of WLV GmbH.

Initial appointment: 25 February 2008

End of current term: 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 <sup>1)</sup>
Stefan Szyszkowitz (1964) Chairman	from 11.03.2011	Member of the Executive Board of EVN AG	yes
Felix Sawerthal (1954) Vice Chairman	from 09.12.1996	Head of Secretariat General and Corporate Affairs EVN AG	yes
Michael Amerer (1963)	from 31.03.2005	CEO VERBUND Hydro Power AG	yes
Leopold Buchmayer (1947)	from 22.03.2013	Former Member of the Supervisory Board of Energie Burgenland AG	yes
Robert Dick (1971)	from 11.03.2011 to 20.03.2015	Chairman Board of Directors of EVN Bulgaria Elektrosnabdiavane EAD	yes
Marc Hall (1958)	from 21.03.2014	CEO of WIENER STADTWERKE Holding AG	yes
Johannes Lang (1973)	from 20.03.2015	Head of Group Accounting of EVN AG	yes
Werner Perz (1950)	from 18.03.2002	Former Managing Director of ENERGIEALLIANZ Austria GmbH	yes
Georg Reitter (1955)	from 21.03.2014	Head of Statagic Business Unit "Energy Supply and Sales" of EVN AG	yes
Ute Teufelberger (1977)	from 21.03.2014	Strategic Business Unit "Energy Supply and Sales" of EVN 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 2017/18 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 of the ACCG 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 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 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. Same 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 September 30, 2015, the Supervisory Board of Burgenland Holding AG comprises a total of 9 members elected by the AGM. 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 Austrian Code of Corporate Governance can be seen from the list on page 5. The Supervisory Board exercises its functions in accordance with the provisions of the Austrian Companies 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 Austrian Code of Corporate Governance. This self-evaluation was conducted by means of an extensive written questionnaire.

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 2014/15 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 40 of the ACCG.

- The Personnel Committee performs the duties of a nominating and a compensation committee and 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), Felix Sawerthal, (Vice Chairman), Johannes Lang (from March 20, 2015), Georg Reitter and – until March 20, 2015 – Robert Dick.

Within the reporting period, the Supervisory Board performed duties and obligations prescribed by law and laid down in the by-laws in four plenary sessions as well as by one circular resolution. The Supervisory Board's Audit Committee met twice in the 2014/15 business year.

The Supervisory Board's Personnel Committee, acting as both Compensation and Nominating Committee, held no 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).

**Directors and Officers Insurance (D&O Insurance, Regulation 30):** There is no separate D&O insurance at Burgenland Holding AG. The corporate bodies, however, are included in the D&O insurance of EVN Group.

**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 Finanzservice (or its

group companies, respectively), in which several members of the Supervisory have a material economic interest:

The Company's liquid funds were invested at EVN Finanzservice GmbH mainly in the process of investment agreements with a commitment period of several months; total return in the business year amounted to EUR 27,863.32.

The following contracts with EVN AG and EVN Finanzservice GmbH exceeding minor amounts of remuneration, in which several members of the Supervisory Board have a material economic interest, are in place from previous years:

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 101,618.00.

Starting with the 2013/14 business year, the Company has been part of a group of companies in accordance with § 9 KStG (Austrian Corporation Tax Act), with NÖ Landes-Beteiligungsholding GmbH as the group parent. For this purpose, a consolidated tax sharing agreement was concluded with EVN AG in September 2014. A tax allocation of EUR 84,226.05 was recorded for the current business year.

##### **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.

The following amounts were paid to the individual members of the Supervisory Board in this business year:

Stefan Szyszkowitz (Chairman) EUR 2,888.74; Felix Sawerthal (Vice Chairman) EUR 1,998.56; Michael Amerer EUR 1,217.27; Leopold Buchmayer EUR 999.25; Robert Dick EUR 445.12; Marc Hall EUR 0.00 (waived in favour of the Company); Johannes Lang EUR 772.15; Werner Perz EUR 1,217.27; Georg Reitter EUR 1,108.26; Ute Teufelberger EUR 1,217.27.

**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 2014/15 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 26<sup>th</sup> Annual General Meeting of Burgenland Holding AG of 20 March 2015, can be found on the website of Burgenland Holding AG ([www.buho.at](http://www.buho.at)).

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

No specific advancement measures are planned these areas because the company does not employ its own staff or management. However, improvements could take place in connection with appointments to corporate bodies.

**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 2014/15 business year.

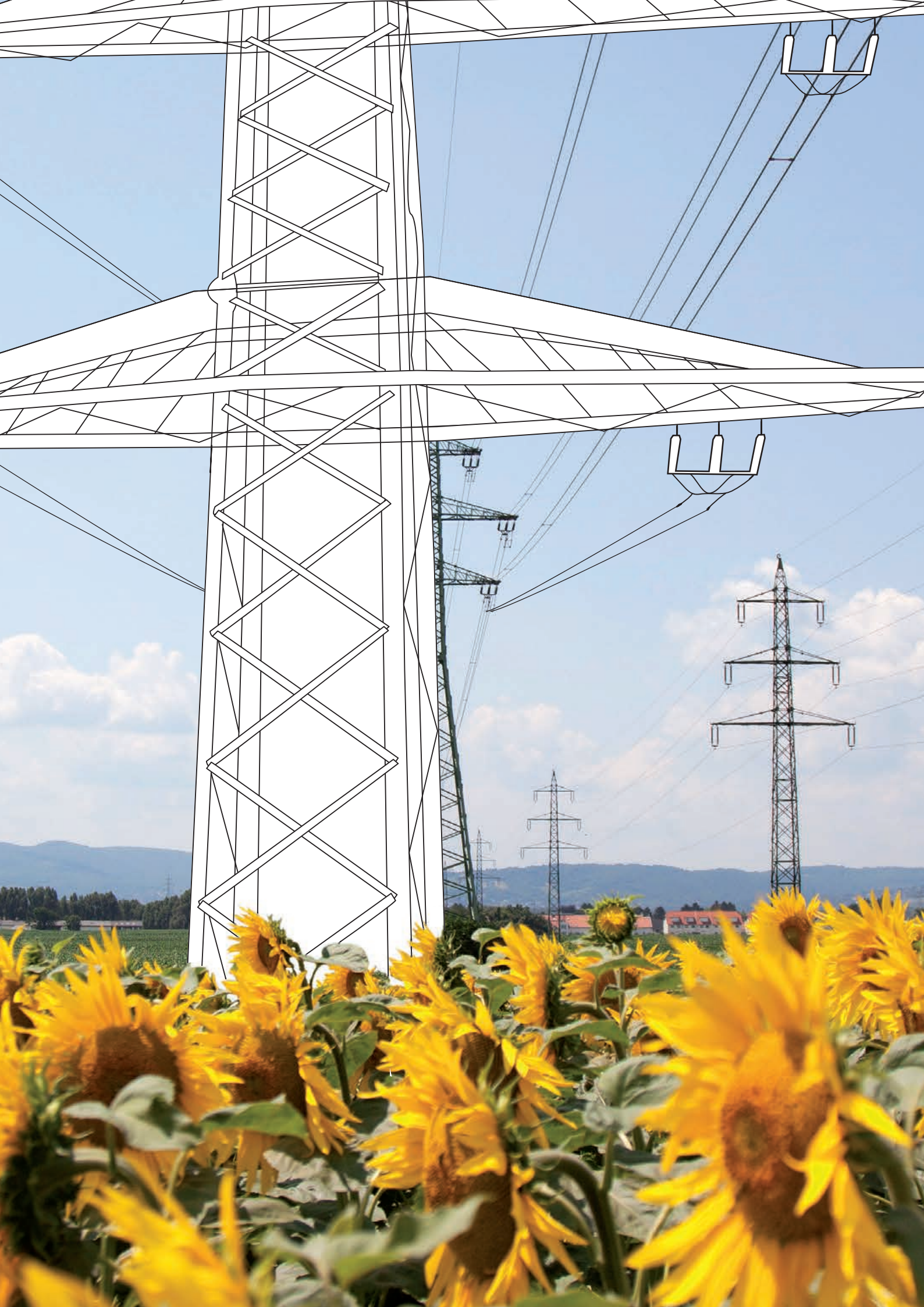
Eisenstadt, 18 November 2015



Klaus Kohlhuber  
Member of the  
Executive Board



Nikolaus Sauer  
Member of the  
Executive Board



# Energie Burgenland Group

## Business development 2014/15 (preview)<sup>1)</sup>

### 1 October 2014 – 30 September 2015

#### Highlights

- Reduction in energy prices for electricity by an average 10% as of Oct 1, 2014
- Start of refurbishment program natural gas grid
- Completion of second expansion stage of wind energy following commissioning of the Nickelsdorf wind farm
- Start of civic participation wind power Baumgarten II
- Building photovoltaic plant Eisenstadt

The generation of ecological energy remains one focus of Energie Burgenland. Thus, 15 wind parks with a 221 wind energy plants and a total capacity of 496 MW produce around 951 GWh of ecological electricity per year.

#### Energy sales and supply

In the 2014/15 business year, electricity sales by Energie Burgenland Vertrieb GmbH & Co KG will be 1,168 GWh, an increase of 0.5% compared to the volume in the corresponding period of the previous year (October 1, 2013 – September 30, 2014). Moreover, compared to the 2013/14 business year, grid sales will rise 1.2% to 1,778 GWh.

Gas sales will be 1,124 GWh, thus around 5.2% above last year's levels. Compared to the previous business year, grid sales will go up 3.6% to 2,262 GWh.

#### Income situation

The revenues of Energie Burgenland Group are expected to amount to EUR 332.5m, which corresponds to an increase of 6.1% compared to the previous period. Pre-tax profit will be EUR 27.1m and thus surpass last year's result by 14.3%.

#### Financial situation

Operating cash flow is expected to come in at EUR 72.2m, with the net cash flow from operating activities amounting to EUR 58.4m.

#### Balance sheet and capital structure

As of September 30, 2015, the balance sheet total is estimated to amount to EUR 909.2m, with non-current assets (EUR 765.5m) accounting for 84.2% of total assets. Share-

holders' equity including untaxed reserves will amount to EUR 313.3m, resulting in an equity ratio of 34.5%. Taking into account construction and investment grants, the equity ratio rises to 53.2%.

#### Outlook

Project development of repowering will be completed in the course of the upcoming business year. Furthermore, the densification of wind farms as well as the expansion of existing wind farms will be boosted:

As of October 1, 2015, energy prices of electricity for private customers will be lowered by 5%. New, cheaper rate models for municipalities will follow as of April 1, 2016.

From mid-November, the first smart meters will be installed, starting in the district of Jennersdorf. Moreover, introduction of an energy management system under ISO 50001 will begin with the goal of increasing energy efficiency as well as reducing energy costs and consumption as well as CO<sub>2</sub> emissions.

For the 2015/16 business year, investments in the electricity grid, the natural gas grid and the wind energy sector are planned to amount to roughly EUR 35.7m, EUR 10.0m and EUR 10.8m, respectively.

#### Energie Burgenland AG – Group

**2014/15  
preview**

Electricity sales	GWh	1,168
Grid sales (electricity)	GWh	1,778
Natural gas sales volumes	GWh	1,124
Grid sales (natural gas)	GWh	2,262
Revenue	EURm	332.5
Pre-tax profit	EURm	27.1
Balance sheet total	EURm	909.2
Equity	EURm	313.3
Operating cash flow	EURm	72.2

<sup>1)</sup> At the time of printing, the final financial statements of Energie Burgenland AG as of September 30, 2015 were not yet available. Therefore, the data presented here are preliminary and are based on forecasts as well as the interim statements as of June 30, 2015.



# Management report

## Energy policy environment

### European energy and climate policy

#### Energy Union

One of the goals of the new EU Commission under President Juncker is a package of measures to set up a so called "Energy Union". The coordination of national energy policy measures represents a major concern in the context of creating this Energy Union. The idea is to create a fully integrated single market while still guaranteeing supply security and achieving climate goals.

#### European climate policy

European climate policy pursues the goal of reducing greenhouse gas emissions in the EU by at least 40% by 2030 compared to 1990. This target is to be achieved by increasing the share of renewable resources in the overall energy mix to 27% in the year 2030. Furthermore, energy efficiency is to be improved by 20% and 27% by 2020 and 2030, respectively, as compared to 2007.

#### Emission trading

Following the resolution on postponing the auction of 900 million CO<sub>2</sub> emission certificates to the years 2019 and 2020 ("backloading"), the European Parliament stipulated a reduction in certificates starting in 2019. Specifically, 1.5 million certificates are to be transferred to a market stabilisation reserve, whose future purpose is to add emission certificates to or take them from the market in accordance with the economic situation. In July 2015, the European Commission presented a legislative proposal for further reform of European emission trading (EU ETS) for the fourth trading period covering the time from 2021 to 2030. The proposal called for an increase in the linear reduction factor by which the cap of allowed annual CO<sub>2</sub> emissions is to be reduced starting in 2021, from 1.74% to 2.2%.

#### Summer package

As part of the so called "summer package", a legislative proposal for the renewal of the Regulation on Energy-Efficiency Labelling was submitted in addition to the proposal on emis-

sion trading. The package also includes several non-legislative proposals and consultations on the issues of "redesigning the European energy market", "supply security", and "retail market". Among other aspects, this is intended to result in more involvement of final consumers so that they can benefit from active behaviour in the market and new technologies.

### Austrian energy and climate policy

#### Energy efficiency act

The goal of the Energy Efficiency Act is to improve energy efficiency by 20% by the year 2020 (compared to 2007), in line with EU requirements. Since January 1, 2015, energy suppliers have had to prove the implementation of energy efficiency measures at their final consumers to an extent of 0.6% of their energy sales in the previous year. If this goal is missed, the energy supplier has to make a compensatory payment in discharge of debt in the amount of 0.20 euros per kWh, which is paid into a fund for the financing of energy-saving projects and the increased use of renewable resources. In April 2015, the Austrian Energy Agency was entrusted with monitoring national energy efficiency. In that capacity, the Austrian Energy Agency has to conduct the evaluation and monitoring of efficiency measures. The first such appraisal by the monitoring body will be conducted in February 2016.

#### Electricity labelling requirements

§79a of the amendment to the Austrian Electricity Industry and Organization Act (EIWOG) published on August 6, 2013, provide for mandatory electricity labelling of energy supplied to final customers. Pursuant to the 2013 amendment to the Electricity Labelling Regulation, Operators of pumped-storage power plants have also been obliged to submit proof of origin for pumped-storage electricity since April 1, 2014.

### Regulatory environment

The new regulation periods for gas grids and electricity grids started on January 1, 2013, and January 1, 2014, respectively, with both periods extending over five years.

# Management report

## General business and Energy sector environment

### General business environment

In the course of 2015, the global economy – not least due to the turbulences in China, currently the world's second-largest economy – has shown high volatility. For 2015 as a whole, economic researchers are expecting global economic growth of 3.0 to 3.5%. Growth rates of around 7% are currently predicted for the Chinese economy – representing the lowest level since 1990. Moreover, such large economies as Russia or Brazil are currently in recession. The US and the Eurozone, however, are both showing increasing growth rates. Europe is profiting from successful reforms in formerly troubled countries such as Ireland or Spain; other factors boosting the economy include the lower oil price, a weaker euro as well as the expansive monetary policy of the ECB. Against this backdrop, the Eurozone is expected to grow by 1.7 to 1.9% and 1.9% and 2.0% in 2015 and 2016, respectively.

Austria's economy has shown only feeble growth in 2015. Despite low interest rates, domestic companies made very conservative investment decisions. In addition, private consumption of households stagnated. The growth deficit compared to the Eurozone average will likely not shrink until next year. Thus, consumption of private households in 2016 is expected to rise due to higher incomes as a result of the 2015/16 tax reform and an increase in employment. In view of this environment, economic researchers are predicting economic growth of 0.7%, picking up slightly in 2016 to reach 1.4% to 1.6%.

### Energy sector environment

The performance in the energy sector of the Company's most important holding, Energie Burgenland AG, is largely determined by external factors. With regard to retail customers, weather conditions are relevant for the demand for energy in the form of electricity, natural gas, and heat, while the demand of industrial customers is determined mainly by the economic development. Mean temperatures in Austria in the reporting period were hardly any different from last year, which had been marked by a winter that was milder than on average. Heating degree day totals in Austria edged up no more than 1.2 percentage points.

In the 2014/15 business year, the prices of primary energy sources such as crude oil, natural gas, and coal continued to fall. This was mostly due to higher inventories. They were the result of decreasing demand due to a dampened economic outlook on the one hand and unchanged production quotas on the other. While the reduction in the auction volume of CO<sub>2</sub> emission certificates by the European Union compared to last year did lead to a price increase, prices must still be considered moderate. Combined with still falling coal prices, this boosts the profitability of generating electricity from coal, while clean state-of-the-art gas-fired power plants are slated for decommissioning or have already been taken off the grid for a lack of profitability in Germany and Austria, for example.

The forward and spot prices at the European electricity exchanges also dropped. Here, the continued expansion of electricity generation from renewable resources, the only gradual exit from nuclear power generation, and the stagnating economy lead to oversupply. As a result, thermal power plants are also closed, as has already been witnessed in the market.

# Burgenland Holding AG

## Business development

### 1 October 2014 – 30 September 2015

#### Highlights

- Dividend payout of Energie Burgenland AG at last year's level
- Dividend payout of CEESEG AG doubled from last year
- Another increase in the profit for the year for 2014/15 compared to previous years
- Recommendation to the AGM: Dividend of 2.75 euros per share

#### 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 (2013/14: EUR 8.4m). Besides the dividend from Energie Burgenland AG in the amount of EUR 8.3m, a dividend of EUR 0.09m (2013/14: 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 0.03m (previous year: EUR 0.04m) 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 2014/15 a dividend to the shareholders in the amount of EUR 2.75 per share (2013/14: EUR 2.70 per share). This corresponds to a dividend payout in the amount of EUR 8.25m.

#### Stable asset and capital structure

The sound balance sheet structure of Burgenland Holding AG remained essentially unchanged in the 2014/15 business year compared to the previous year. The balance sheet total of EUR 78.5m was 0.4% higher than last year. The equity ratio as of the balance sheet date of September 30, 2015 amounts to 99.9%.

#### Burgenland Holding share (pursuant to § 243a para 1 UGB)

1. As of September 30, 2015, 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. 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. There is only one class of shares. All shares encompass the same rights and obligations.

2. There are no restrictions on voting rights beyond the general provisions of the Austrian Corporation Act.
3. 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%. The shares of the other shareholders are below 4% or are in free float.
4. No shares with special control rights have been issued.
5. There is no equity participation of employees since the company does not have any employees.
6. The Management Board consists of two members who are appointed and removed by the Supervisory Board. Besides complying with the relevant regulations under the Austrian Corporation Act, the ownership structure requires in particular compliance with the Staffing Act, which provides for public tender.
7. The Management Board has no powers pursuant to § 243a para 1 (7) UGB.
8. 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.
9. There are no compensation agreements for the benefit of corporate bodies or employees in the event of a public takeover bid pursuant to § 243a para 1 (9) UGB.

For more information, see [www.buho.at](http://www.buho.at).

Burgenland Holding AG – Key figures		2014/15	2013/14	Change in %
Pre-tax profit	EURm	8.2	8.2	–
Investment income	EURm	8.4	8.4	–
Net income	EURm	8.3	8.2	1.2
Balance sheet total	EURm	78.5	78.2	0.4
Fixed assets	EURm	71.3	71.3	–
Current assets, prepaid expenses and deferred charges	EURm	7.1	6.9	2.9
Equity	EURm	78.5	78.2	0.4
Debt capital	EURm	0.0	0.0	–

## Key figures financial year 2014/15

### Income ratios

		TEUR	2014/15	2013/14	Change nominal	Change in %
<b>Earnings before interest and tax (EBIT)</b>	Pre-tax profit + Interest and similar expenses pursuant to § 231 (2) fig 15 UGB		8,243	8,205	38	0.5

Since the business activities of Burgenland Holding AG are confined to holding and managing investments, Burgenland Holding AG did not generat any revenues in the financial year 2014/15.

		2014/15	2013/14	Change in %points
<b>Return on capital</b>				
Return on equity	Pre-tax profit/Average equity	10.5%	10.5%	–
Return on investment	EBIT/Average total assets	10.5%	10.5%	–

### Balance sheet and financial ratios

		TEUR	2014/15	2013/14	Change nominal	Change in %
<b>Working capital</b>	Current assets – Long-term current assets = Short-term current assets – Short-term debt capital = Working capital		7,128	6,893	235	3.3
<b>Equity ratio</b>	Equity/Total assets		99.9%	99.9%	–	–

Burgenland Holding AG does not show any liabilities vis-à-vis credit institutions either as of 30 September 2015 or as of the corresponding date of the previous year. As a result of the slight increase in the annual result, the working capital is higher than in the previous year. Like last year, net gearing (net debt/shareholders' equity) amounts to 0.00%.

## Cash flow statement

TEUR	2014/15	2013/14	Change nominal	Change in %
Net operating cash flow	8,231	8,215	16	0.2
Net investment cash flow	0	0	–	–
Net financing cash flow	–8,100	–8,100	–	–
Change in cash and cash equivalents affecting cash flow	131	115	16	14.1

(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 8.3m, it was possible to generate an operating cash flow of EUR 8.2m. 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 risk-minimising commissioning of third parties as well as correct gathering and payment of external invoices.

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.

## Financial instruments, risks, and uncertainties

Existing primary financial instruments are shown in the balance sheet under receivables and payables. In addition, there are deposits with banks and equity interests.

There are no derivative financial instruments. The foreign exchange risk is considered to be low. The extent of existing interest rate exposure in financing is in line with industry levels.

## 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 2014/15 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 2014/15, Burgenland Holding AG's investment income for the 2015/16 business year is expected to remain basically unchanged from the previous year.

Eisenstadt, 18 November 2015  
The Management Board



Klaus Kohlhuber  
Member of the  
Executive Board



Nikolaus Sauer  
Member of the  
Executive Board



# Financial statements 2014/15

## Balance sheet as of 30 September 2015

(Comparison with last year as of 30 September 2014)

Assets		30.09.2015 EUR	30.09.2014 TEUR
<b>A. Fixed Assets</b>			
Financial assets			
Investments		71,325,280.80	71,325
		<b>71,325,280.80</b>	<b>71,325</b>
<b>B. Current assets</b>			
I. Accounts receivable and other assets			
1. Receivables from affiliated companies		7,124,888.10	6,877
2. Other receivables		4,449.94	27
		<b>7,129,338.04</b>	<b>6,904</b>
II. Cash at banks		10,274.93	9
		<b>7,139,612.97</b>	<b>6,913</b>
<b>C. Deferred expenses and accrued income</b>		<b>4,902.25</b>	<b>5</b>
<b>Total assets</b>		<b>78,469,796.02</b>	<b>78,243</b>

Equity and liabilities		30.09.2015 EUR	30.09.2014 TEUR
<b>A. Equity</b>			
I. Share capital		<b>21,810,000.00</b>	<b>21,810</b>
II. Capital reserves			
Committed reserves		<b>43,676,373.33</b>	<b>43,676</b>
III. Retained earnings			
Other reserves (free reserves)		<b>4,722,000.00</b>	<b>4,642</b>
IV. Net profit		8,250,588.27	8,104
thereof profit carried forward		3,826.55	8
		<b>78,458,961.60</b>	<b>78,232</b>
<b>B. Provisions</b>			
Other provisions		<b>10,834.42</b>	<b>11</b>
<b>Total equity and liabilities</b>		<b>78,469,796.02</b>	<b>78,243</b>

# Income statement

## 1 October 2014 – 30 September 2015

(Period of comparison: 1 October 2013 – 30 September 2014)

	2014/15 EUR	2013/14 TEUR
1. Other operating income:		
a) Other	164.47	0
2. Other operating expenses:		
a) Taxes	-796.10	-1
b) Other	-206,505.38	-208
	<b>-207,301.48</b>	<b>-209</b>
<b>3. Total 1 and 2 (Operating result)</b>	<b>-207,137.01</b>	<b>-208</b>
4. Investment income	8,421,950.00	8,376
thereof from affiliated companies EUR 0.00; (previous year: TEUR 0)		
5. Other interest and similar income	28,013.04	38
thereof from affiliated companies EUR 27,863.32; (previous year: TEUR 38)		
6. Interest and similar expenses	-290.61	0
thereof from affiliated companies EUR 290.26; (previous year: TEUR 0)		
<b>7. Total 4 to 6 (Financial result)</b>	<b>8,449,672.43</b>	<b>8,414</b>
<b>8. Pre-tax profit</b>	<b>8,242,535.42</b>	<b>8,205</b>
9. Taxes on income	84,226.30	0
<b>10. Income for the year</b>	<b>8,326,761.72</b>	<b>8,205</b>
11. Allocation of retained earnings	-80,000.00	-110
12. Profit carry-forward	3,826.55	8
<b>13. Net profit</b>	<b>8,250,588.27</b>	<b>8,104</b>

# Development of fixed assets

## Fixed asset schedule

EUR	Acquisition cost 01.10.2014	Additions	Disposals	Reclassification
<b>I. Financial assets</b>				
Energie Burgenland AG	70,217,803.48	0.00	0.00	0.00
CEESEAG AG	1,107,477.32	0.00	0.00	0.00
<b>Total fixed assets</b>	<b>71,325,280.80</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## 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.

Starting with the 2013/14 business year, the Company has been part of a group of companies in accordance with § 9 KStG (Austrian Corporation Tax Act), with NÖ Landes-Beteiligungsholding GmbH as the group parent. For this purpose, a consolidated tax sharing agreement was concluded with EVN AG in September 2014. Accordingly, the member of the group will be charged a tax allocation by EVN AG in the

event of a positive result for tax purposes based on the stand-alone method, or will be credited a tax allocation in the event of a negative result for tax purposes and a positive result for the group as a whole.

#### 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 30.09.2015	Value adjustments 30.09.2015	Net book value 30.09.2015	Net book value 30.09.2014	Depreciation 2014/15
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
<b>71,325,280.80</b>	<b>0.00</b>	<b>71,325,280.80</b>	<b>71,325,280.80</b>	<b>0.00</b>

## 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	317,505.6	18,525.6	30.09.2014
CEESEG AG (Registered office: Vienna)	0.99	351,510.2	22,841.6	31.12.2014

#### 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	7,124.9 (6,877.0)	0.0 (0.0)	0.0 (0.0)	0.0 (0.0)
Other receivables and assets	4.4 (27.4)	0.0 (0.0)	0.0 (0.0)	0.0 (0.0)
<b>Total current year</b>	<b>7,129.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total previous year</b>	<b>(6,904.4)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>

The receivables from affiliated company consist of short-term receivables as well as of receivables from capital gains tax and tax allocation against EVN AG within the tax group.

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 4,902.25 (previous year: TEUR 4.9) 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 30.09.2015	As of 30.09.2014
Supervisory Board reimbursement	7.4	7.7
Audit and legal counsel	3.4	3.4

## 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 2013/14 in the amount of EUR 8,330,000.00 (previous year: TEUR 8.330). CEESEG AG paid a dividend for the financial year 2014 of EUR 91,950.00 (previous year: TEUR 46.0).

#### Taxes on income

Under the item income taxes mainly the income from tax allocation in the amount of EUR 84,226.05 (previous year: EUR 0.0) is displayed.

## Other information

### Corporate bodies and employees

In the business year und 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 reporting period, the following persons were members of the Supervisory Board:

Stefan Szyszkowitz (Chairman)  
Felix Sawerthal (Vice Chairman)  
Michael Amerer  
Leopold Buchmayer  
Robert Dick (until 20 March 2015)  
Marc Hall  
Johannes Lang (from 20 March 2015)  
Werner Perz  
Georg Reitter  
Ute Teufelberger

The members of the Supervisory Board received compensation in the amount of TEUR 11.8 (previous year: TEUR 12.0). 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, 18 November 2015  
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 accompanying financial statements, including the accounting system, of

### **Burgenland Holding Aktiengesellschaft, Eisenstadt,**

for the fiscal year from **1 October 2014 to 30 September 2015**. These financial statements comprise the balance sheet as of 30 September 2015, the income statement for the fiscal year ended 30 September 2015, and the notes.

## Management's Responsibility for the Financial Statements and for the Accounting System

The Company's management is responsible for the accounting system and for the preparation and fair presentation of these financial statements in accordance with Austrian Generally Accepted Accounting Principles. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

## Auditors' Responsibility and Description of Type and Scope of the statutory audit

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing. Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circum-

stances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the financial statements comply with legal requirements and give a true and fair view of the financial position of the Company as of 30 September 2015 and of its financial performance for the year from 1 October 2014 to 30 September 2015 in accordance with Austrian Generally Accepted Accounting Principles.

## Report on Other Legal Requirements (Management Report)

Pursuant to statutory provisions, the management report is to be audited as to whether it is consistent with the financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report is consistent with the financial statements and whether the disclosures pursuant to Section § 243a UGB (Austrian Commercial Code) are appropriate.

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

Vienna 18 November 2015

KPMG Austria GmbH  
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Walter Reiffenstuhl  
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 27<sup>th</sup> ordinary Annual General Meeting

In all its meetings, the Supervisory Board performed its tasks and exercised its authority in accordance with the law as well as Company By-Laws.

The Management Board informed the Supervisory Board about all relevant matters relating to performance, including risk situation and the Company's risk management, in a regular, timely and comprehensive manner. On the basis of those reports, the Supervisory Board continuously monitored and supported the management activities of the Management Board. Monitoring occurred in the context of an open exchange between the Management Board and the Supervisory Board and did not give rise to any complaints. Suggestions by the Supervisory Board were taken into consideration by the Management Board.

## Significant resolutions of the Supervisory Board

The significant resolutions of the Supervisory Board in the 2014/15 business year comprised the approval of the 2015/16 budget, the approval of the annual financial statements, as well as the resolutions for the Company's AGM. Furthermore, the Supervisory Board determined the Company's voting behaviour in the annual general meetings of Energie Burgenland AG. A further resolution was made with regard to investing the dividend.

## Austrian Code of Corporate Governance, Committees of the Supervisory Board

As a listed company, Burgenland Holding AG is committed to complying with the Austrian Code of Corporate Governance (ACCG). During the 2014/15 business year, the ACCG as amended in January 2012 was applied in full. As of October 1, 2015, Burgenland Holding AG has fully submitted to the ACCG as amended in January 2015.

As a result, all rules affecting the cooperation of the Supervisory Board with the Management Board as well as the Supervisory Board itself are being followed with two exceptions that are described accordingly in the Corporate Governance Report.

As required by the Austrian Code of Corporate Governance, the Supervisory Board conducted a self-evaluation of its activities in the reporting year. This was carried out on the basis of an extensive questionnaire covering mainly the organisation and

work methods of the Supervisory Board. The findings of the survey were discussed in a plenary session.

The Supervisory Board held four meetings in the past business year. The Supervisory Committee was convened twice. A resolution was adopted by way of circulation.

## Financial statements

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, the auditors appointed for the 2014/2015 business year from October 1, 2014, to September 30, 2015, audited Burgenland Holding AG's annual financial statements as of September 30, 2015, 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 Supervisory Committee and by the Supervisory Board, the Supervisory Board approved the financial statements as of September 30, 2015, 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. Consequently, the financial statements as of September 30, 2015, are deemed adopted pursuant to § 96 para 4 Austrian Companies Act.

In conclusion, the Supervisory Board would like to express its gratefulness to the Management Board for its efforts in the 2014/15 business year.

Eisenstadt, 30 November 2015

For the Supervisory Board



The Chairman  
Stefan Szyszkowitz



# The Burgenland Holding AG share

The international stock markets were unable to maintain the good performance of the first three quarters of the 2014/15 business year in the fourth quarter. Mostly as a result of sharp corrections at the Chinese stock markets and the ensuing fears of an economic slump, many indices gave up much of their previous gains again. Within this environment, the leading German DAX index still managed a 2% rise from October 2014 to the end of September 2015, while the American benchmark index Dow Jones lost 4.5% in value over the same period.

Vienna's leading ATX index registered a slight increase of 1.2% in the reporting period from October 2014 to September 2015, whereas the Dow Jones Euro Stoxx Utilities industry index, relevant for Burgenland Holding AG, dropped 15.7%.

Within this difficult environment, the share of Burgenland Holding AG still managed to perform well; closing at 51.01 euros amid virtually unchanged trading volume, it recorded a rise of 13.4% compared to the corresponding period last year. This corresponds to a higher market capitalisation of EUR 153m; as of September 30, 2015, the weighting of the share in Vienna's WBI index was 0.19%. Daily trading volume averaged 24 shares.

The Management Board will recommend the distribution of a dividend of EUR 2.75 per share at the Annual General Meeting on March 18, 2016.

## Investor information

### Stock performance

		2014/15	2013/14	2012/13
Average daily turnover	Shares	24	30	30
Total share volume	EURm	0.3	0.32	0.28
Highest price	EUR	60.00	49.80	49.90
Lowest price	EUR	44.51	37.01	32.50
Share price at the end of September	EUR	51.01	45.00	39.21
Market capitalisation at the end of September	EURm	153	135	118
WBI weighting at the end of September	%	0.19	0.17	0.14
Dividend per share	EUR	2.75 <sup>1)</sup>	2.70	2.70

1) Proposal to the Annual General Meeting.

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

On the basis of September 2014



# Burgenland Holding AG

## Subsidiaries

### 49% Energie Burgenland AG

#### Energie Burgenland AG investments as of 30 September 2015

100%	Netz Burgenland Strom GmbH	51%	Rennerwind Energetikai Kft. (Budapest. Ungarn)
99%	Netz Burgenland Erdgas GmbH	100%	Eisenstadt e-mobilisiert GmbH
100%	Energie Burgenland Vertrieb GmbH & Co KG	50%	SWP s.r.o. (Bratislava. Slowakei)
100%	Energie Burgenland Windkraft GmbH	50%	PSW – Polska Sila Wiatru Sp. z.o.o. (Warschau. Polen)
57.6%	EPZ Energieprojekt Zurndorf GmbH		
57.6%	EP Zurndorf GmbH	100%	Energie Burgenland Biomasse GmbH
50%	PAMA-GOLS Windkraftanlagenbetriebs GmbH	100%	Energie Burgenland Biomasse GmbH & Co KG
50%	PAMA-GOLS Windkraftanlagenbetriebs GmbH & Co KG	100%	PEW Technik + Service GmbH
40%	MMW Potzneusiedl GmbH	100%	Energie Burgenland Geoservice GmbH
100%	Multi Megawatt Zwei GmbH	100%	Energie Burgenland Konzernclearing GmbH
100%	Windpark Nick Alpha GmbH	100%	Energie Burgenland Service GmbH
100%	Windpark Baumgarten GmbH	1%	Netz Burgenland Erdgas GmbH
100%	Energie Burgenland Bürgerbeteiligung GmbH	33.33%	EBRZ Erstes Burgenländisches Rechenzentrum GmbH
20%	Renergie Windpark Deutsch Haslau GmbH	33.33%	Windpark Mittelburgenland GmbH
100%	Energie Burgenland Green Power GmbH	10%	ENERGIEALLIANZ Austria GmbH
100%	Green Power Hungária Kft. (Budapest. Ungarn)	10%	e&t Energie Handelsgesellschaft m.b.H.
100%	WIBE – Windpark Beteiligungs GmbH (Eisenstadt. Österreich)	2.73%	EconGas GmbH
1%	BWP – Bystrický Wind Power s.r.o. (Bratislava. Slowakei)	2.52%	APCS Power Clearing and Settlement AG
99%	BWP – Bystrický Wind Power s.r.o. (Bratislava. Slowakei)	0.44%	AGCS Gas Clearing and Settlement AG
		1.48%	CISMO Clearing Integrated Services and Market Operations GmbH
		1%	Biomasse Kraftwerk Güssing GmbH & Co KG

### 0.99% CEESEG AG

## Proposed application of profits

The Management Board proposes the distribution of a dividend in the amount of EUR 2.75 per share, totalling EUR 8,250,588.27, from the net profit amounting to EUR 8,250,000.00 and carrying forward the remainder of EUR 588.27.

## 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, 18 November 2015  
The Management Board



Klaus Kohlhuber  
Member of the  
Executive Board



Nikolaus Sauer  
Member of the  
Executive Board

# Burgenland Holding AG

## Corporate calendar 2015/16<sup>1)</sup>

Results Q1 2015/16	05.02.2016
Annual General Meeting	18.03.2016
Ex-dividend day	23.03.2016
Record-Date <sup>2)</sup>	24.03.2016
Dividend payment	30.03.2016
Results HY1 2015/16	25.05.2016
Results Q1–3 2015/16	08.08.2016
Annual results 2015/16	15.12.2016

1) Preliminary.

2) The definition of the record date follows the EU definition; the entitlement for receiving the dividend payment is defined by the ex-dividend day.

## Basic information<sup>1)</sup>

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

1) As of 30 September 2015.

## Imprint

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