

Interim Financial Report 2018/19

1 October 2018 – 31 March 2019

Interim Financial Report 2018/19

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Key figures

HY1 2018/19

Burgenland Holding AG		2018/19 HY1	2017/18	Change in %
Balance sheet total	EURm	81.4	79.8 ¹⁾	2.0
Equity	EURm	80.0	79.8 ¹⁾	0.3
Investment income	EURm	9.8	9.3 ²⁾	5.4
Net income for the period	EURm	9.7	9.2 ²⁾	5.4

1) As of 30 September 2018

2) HY1 2017/18

Energie Burgenland AG		2018/19 Q1	2017/18 Q1	Change in %
Electricity sales volumes	GWh	346	347	-0.3
Electricity network distribution volumes	GWh	496	488	1.6
Natural gas sales volumes	GWh	325	356	-8.7
Natural gas network distribution volumes	GWh	730	727	0.4
Revenue	EURm	95.1	91.6	3.8
Pre-tax profit	EURm	19.4	16.9	14.8
Balance sheet total	EURm	880.9	875.2	0.7
Equity	EURm	338.4	337.2	0.4

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 Landesholding Burgenland GmbH. The share capital of Energie Burgenland AG amounts to EUR 34.9m.

The shares of Burgenland Holding AG (share capital: EUR 21.8m) 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 the mandatory reportable threshold of 4%.

The shares of Burgenland Holding AG

In the period from October 2018 to March 2019, the stock indices relevant for Burgenland Holding AG developed in opposite directions. While the DJ Euro Stoxx Utilities industry index rose by 13.3% in the reporting period, the ATX, the leading Vienna index, fell by 9.3%.

The share price of Burgenland Holding AG was quoted at EUR 80.00 at the end of March 2019 and increased by 1.3% in the reporting period. This results in a market capitalisation of EUR 240m. The average daily turnover in the first half of 2018/19 was 23 shares and the weighting of the share in the Vienna Stock Exchange Index (WBI) on 31 March 2019 was 0.21%.

Stock performance		2018/19 HY1	2017/18 HY1
Average daily turnover	Shares	23	41
Total share volume	EURm	0.21	0.36
Highest price	EUR	85.00	86.00
Lowest price	EUR	70.00	68.00
Share price at the end of March	EUR	80.00	75.00
Market capitalisation at the end of March	EURm	240	225
WBI weighting at the end of March	%	0.21	0.18

Burgenland Holding share price – relative development compared to ATX and WBI (%)

On the basis of September 2018



Burgenland Holding AG

HY1 2018/19

Highlights

- Dividend distribution of EUR 3.15 per share
- Investment income of EUR 9.8m up 5.4% on the previous year's level
- Outlook 2018/19 confirmed: Annual net income expected to be slightly above the level of the 2017/18 financial year

Burgenland Holding AG – Key figures		2018/19 HY1	2017/18	Change in %
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1) As of 30 September 2018

2) HY1 2017/18

Income situation

In the first half of 2018/19, the investment income of Burgenland Holding AG includes the dividend distribution of Energie Burgenland AG for the 2017/18 financial year.

At EUR 9.8m, Burgenland Holding AG's investment income in the reporting period was 5.4 % higher than in the previous year.

In total, this resulted in a net income for the period of EUR 9.7m (previous year: EUR 9.2m).

Balance sheet and capital structure

As of 31 March 2019, the balance sheet total stood at EUR 81.4m, 2.0% higher than on 30 September 2018.

Liabilities to affiliated companies include the short-term interim financing of the company's own dividend distribu-

tion. The capital gains tax in connection with the dividend payment is still shown in the balance sheet under other current liabilities due to its later due date on the balance sheet date. In the first half of 2018/19, this led to a decline in the equity ratio from 99.9% to 98.3% compared with the balance sheet date of 30 September 2018.

Outlook

Due to the fact that the dividend distribution of Energie Burgenland AG from its net profit of the 2017/18 financial year has already been accounted for, no significant changes in the result of Burgenland Holding AG for the current financial year are to be expected after the first six months of the 2018/19 financial year. The annual result is therefore expected to be slightly above the previous year's level.

Condensed Interim Financial Statement

Balance sheet as of 31 March 2019

Assets in TEUR	31.03.2019	30.09.2018
A. Fixed assets		
Investments	71,325.3	71,325.3
	71,325.3	71,325.3
B. Current assets		
I. Accounts receivables		
1. Receivables from affiliated companies	225.5	8,419.3
2. Receivables from associates	9,800.0	0.0
3. Other receivables	14.0	7.8
	10,039.6	8,427.1
II. Cash at banks	10.0	18.7
	10,049.5	8,445.9
C. Deferred expenses and accrued income		
Other	16.9	5.0
D. Deferred tax assets	27.9	0.0
Total assets	81,419.6	79,776.1
Equity and liabilities		
A. Equity		
I. Called-up, subscribed, and paid-in share capital	21,810.0	21,810.0
II. Capital reserves committed reserves	43,676.4	43,676.4
III. Retained earnings other reserves (free reserves)	4,812.0	4,812.0
IV. Net profit	9,717.9	9,458.8
thereof profit carried forward	8.8	4.0
	80,016.3	79,757.2
B. Provisions		
Other provisions	7.1	18.8
C. Liabilities		
1. Trade accounts payable	0.0	0.2
thereof with a remaining maturity of up to one year	0.0	0.2
2. Liabilities to affiliated companies	972.0	0.0
thereof with a remaining maturity of up to one year	972.0	0.0
3. Other current liabilities	424.3	0.0
thereof with a remaining maturity of up to one year	424.3	0.0
	1,396.3	0.2
thereof with a remaining maturity of up to one year	1,396.3	0.2
Total equity and liabilities	81,419.6	79,776.1

Profit and loss account

Profit and loss account in TEUR	2018/19 HY1	2017/18 HY1
1. Revenue	0.0	10.0
2. Other operating income		
a) other	0.2	0.1
	0.2	10.1
3. Other operating expenses		
a) Taxes, unless covered by fig. 10	0.0	0.0
b) other	-127.0	-133.8
	-127.0	-133.8
4. Total fig. 1 to 3 (Operating result)	-126.8	-123.7
5. Investment income	9,800.0	9,310.0
6. Other interest and similar income	8.1	13.6
thereof from associated companies	8.1	13.6
7. Interest and similar expenses	-0.1	-0.1
Thereof from associated companies	-0.1	-0.1
8. Total fig. 5 to 7 (Financial result)	9,808.0	9,323.5
9. Pre-tax profit	9,681.2	9,199.8
10. Taxes on income from tax allocation	0.0	0.0
thereof income from tax credits	0.0	0.0
11. Deferred income taxes	27.9	25.9
12. After-tax profit = Net income for the period	9,709.1	9,225.8
13. Profit carry-forward	8.8	4.0
14. Net profit	9,717.9	9,229.8

Notes

General principles

The Interim Financial Statements for the period from 1 October 2018 to 31 March 2019 were prepared in accordance with Austrian generally accepted accounting principles.

The Interim Financial Statements as of 31 March 2019 were neither subject to a full audit nor a review by an auditor.

Notes to the balance sheet

At EUR 80.0m on the balance sheet date of 31 March 2019, shareholders' equity was almost at the same level as on 30 September 2018. Other provisions related to remuneration paid to members of the Supervisory Board of Burgenland Holding AG.

The item liabilities to affiliated companies includes TEUR 972.0 for short-term interim financing of the company's own dividend distribution. The other current liabilities of TEUR 424.3 consist entirely of the capital gains tax liability to the tax authorities in connection with the dividend distribution.

Notes to the profit and loss account

In the first half of 2018/19, the operating result of TEUR –126.8 thousand, was slightly below the level of the same period of the previous year.

The investment income of Burgenland Holding AG in the reporting period included the dividend distribution of Energie Burgenland AG. The Annual General Meeting of Energie Burgenland AG on 26 March 2019 resolved to pay a dividend of EUR 20.0m from the net profit as of 30 September 2018, of which EUR 9.8m is attributable to Burgenland Holding AG.

Due to the low level of interest rates, the other financial result of TEUR 8.0 was below the figure for the same period of the previous year.

Interim Management Report

The result of Burgenland Holding AG is essentially influenced by the distributions of the associated companies Energie Burgenland AG and CEESEG AG as well as by the interest level. After the first six months of the 2018/19 financial year, net income for the period amounted to EUR 9.7m, up 5.4% on the same period last year. This increase is attributable to a higher dividend payment by Energie Burgenland AG compared with the previous year.

Due to the dividend distribution of Energie Burgenland AG already booked, no significant changes in the result of Burgenland Holding AG are to be expected for the second half of 2018/19.

In view of the stable earnings structure of Burgenland Holding AG for the remaining six months of the current financial year, no significant risks and uncertainties are to be expected from today's perspective.

Energie Burgenland AG

Q1 2018/19¹⁾

Highlights

- Sale of biomass power plant Heiligenkreuz (end of 2017/18 financial year)
- Completion of the Parndorf V and Bruckneudorf wind parks
- Smart Meter mass rollout

Energie Burgenland AG – Group		2018/19 Q1	2017/18 Q1	Change in %
Electricity sales volumes	GWh	346	347	–0.3
Electricity network distribution volumes	GWh	496	488	1.6
Natural gas sales volumes	GWh	325	356	–8.7
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Revenue	EURm	95.1	91.6	3.8
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Balance sheet total	EURm	880.9	875.2	0.7
Equity	EURm	338.4	337.2	0.4
Gross cash flow	EURm	28.9	27.9	3.6

Energy sales and supply

At 346 GWh, electricity sales volumes to end customers in the first quarter of the 2018/19 financial year were almost at the same level as in the same period of the previous year. Electricity network distribution volumes rose by 1.6% year-on-year to 496 GWh. Natural gas sales volumes to end customers amounted to 325 GWh in the period under review (previous year: 356 GWh) and the natural gas network distribution volumes increased from 727 GWh in the previous year to 730 GWh.

Income situation

At EUR 95.1m, the Group's sales revenues were 3.8% higher than in the previous year. This development is attributable to higher revenues in the grid area compared with the previous year as well as from the marketing of wind energy due to higher electricity market prices. The biomass segment, on the other hand, generated lower sales revenues. This resulted from the sale of the CHP plant in Heiligenkreuz.

On balance, pre-tax profit amounted to EUR 19.4m and was thus 14.8% higher than in the previous year.

Balance sheet and capital structure

The balance sheet total as of 31 December 2018 amounted to EUR 880.9m. Fixed assets (EUR 690.8m) accounted for 78.4% of total assets. The increase in fixed assets

compared with the previous year resulted primarily from investments in the electricity grid and the construction of new wind parks (Parndorf V and Bruckneudorf).

Equity increased to EUR 338.4m as of 31 December 2018, resulting in an equity ratio of 38.4%. In the first quarter of 2018/19, gross cash flow amounted to EUR 28.9m and was thus 3.6% higher than in the previous year.

Outlook

In addition to the continuous grid expansion, grid renewal and maintenance measures, the Burgenland distribution grid will be further expanded for the integration of additional green electricity generation plants, in particular wind power plants. The following wind power projects are currently being implemented:

- Construction/extension of Zurndorf substation
- Expansion of Pama-Süd wind park
- Completion Power-to-Heat together with district heating

In the biomass sector, the gradual withdrawal from electricity production will take place; the district heating sector will be expanded (new construction of the Oberwart heating plant, adaptation of the Eisenstadt CHP plant, expansion of the district heating network).

1) The information on performance refers to the interim group accounts of Energie Burgenland AG's 2018/19 business year as of 31 December 2018. For comparison, the figures from the interim group accounts as of 31 December 2017 are presented. The consolidation circle comprises 14 fully consolidated, two proportionately consolidated and three equityconsolidated companies.

Statement of the Management Board on the Interim Financial Report

pursuant to § 125 para 1 fig. 3 Stock Exchange Act 2018

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 company as required by the applicable accounting standards and that the 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.

Eisenstadt, 23 May 2019

The Management Board



Klaus Kohlhuber
Member of the
Management Board



Nikolaus Sauer
Member of the
Management Board

Burgenland Holding AG

Corporate calendar 2018/19¹⁾

Results Q1–3 2018/19	08.08.2019
Annual results 2018/19	12.12.2019

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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