

Annual Financial Report 2014/2015

Energie AG Oberösterreich

(Financial statements for the Group and the Company)

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We care about tomorrow.

Annual Report 2014/2015

ENERGIE AG
Oberösterreich

We care about tomorrow

Energie AG at a Glance

	Units	2014/2015	Change	2013/2014 (restated)
Sales				
Energy Segment	EUR mill.	936.1	- 13.9%	1,087.1
Grid Segment	EUR mill.	276.5	- 0.2%	277.0
Waste Management Segment	EUR mill.	196.2	- 1.3%	198.7
Water Segment	EUR mill.	126.0	1.2%	124.5
Holding & Services Segment	EUR mill.	39.1	12.4%	34.8
Group Sales	EUR mill.	1,573.9	- 8.6%	1,722.1
Results				
Result of operations (EBIT)	EUR mill.	118.9	16.2%	102.3
EBIT margin	%	7.6	28.8%	5.9
Result before taxes	EUR mill.	83.2	33.1%	62.5
Dividend per share	EUR	0.6	—	0.6
Balance sheet				
Balance sheet total	EUR mill.	3,039.5	- 3.8%	3,160.1
Equity	EUR mill.	1,108.0	0.9%	1,098.1
Equity ratio	%	36.5	5.2%	34.7
Net debt ¹⁾	EUR mill.	503.2	- 6.8%	540.0
Net gearing	%	45.4	- 7.7%	49.2
Cash Flow from operating activities				
	EUR mill.	238.0	4.7%	227.3
Rate of return				
ROCE ²⁾	%	5.5	27.9%	4.3
Staff (average)				
Energy Segment	FTE	481	- 21.5%	613
Grid Segment	FTE	543	- 8.7%	595
Waste Management Segment	FTE	785	- 4.0%	818
Water Segment	FTE	1,546	0.1%	1,544
Holding & Services Segment	FTE	953	10.7%	861
Group Staff	FTE	4,308	- 2.8%	4,431

¹⁾ Net debt = interest-bearing short-term and long-term liabilities minus liquid funds and short-term securities

²⁾ Without discontinued operation

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Statement by the Chairman of the Board of Management

A milestone was reached in the company's history in fiscal year 2014/2015: with the integration of OÖ. Ferngas AG, Energie AG Oberösterreich became a fully integrated utility company.

The impressive positive effect of the company merger as well as of numerous other measures implemented during the course of the "PowerStrategy 2020" project is reflected in the result of the past fiscal year. And this was achieved despite the fact that framework conditions have remained extremely difficult.

The general economic environment was characterised in the past fiscal year by weak growth, and wholesale electricity prices – which represent a crucial value driver for the Group – also dropped below the important hurdle of EUR 30/MWh at the end of fiscal year 2014/2015, placing a strain on the economic efficiency of the power plant portfolio. Political initiatives also create new challenges for the industry time and time again. The Energy Efficiency Act was not necessary in Austria, as in this country precisely the energy industry in particular had through voluntary agreements already imposed comprehensive measures. Moreover, the clumsy introduction of the act led to destabilisation. In order to limit excessive bureaucracy to the greatest extent possible, Energie AG led the industry by introducing constructive recommendations for a balanced and pragmatic implementation process. Whether the Guidelines Directive including its methods document can provide the urgently needed legal and planning security remains to be seen. In any case, Energie AG will – as it already has in the past – continue to do everything it can to increase energy efficiency in a fair and agreeable way.

There are currently trends in Germany towards the dissolution of the common electricity price zone shared with Austria and towards the general cabling of transmission lines. Both would be detrimental to Austria as a place of business and should be prevented by all means.

Although the sales revenue in the amount of EUR 1,573.90 mill. declined by 8.6% compared to the previous year – above all due to decreased electricity wholesale prices – the Group EBIT increased by 16.2% to EUR 118.9 mill. This result shows that difficult general framework conditions, a water level of

9% below the long-term average, and a mild winter can be more than compensated for through consistent implementation of efficiency measures as well as through new sources of revenue. Thus, the profitability of the consolidated Group (ROCE), at 5.5% in fiscal year 2014/2015, once again rose to the level of capital costs for the first time in several years.

In the Energy Segment, the result almost tripled to EUR 80.0 mill. In addition to minor one-time effects with respect to the previous year, the flexible management of the power plant pool as well as of the gas and electricity portfolio met with success. The increase of more than 16% in electricity production from the new renewable generation capacities – not least thanks to the investment in wind farms – is encouraging. On another positive note, the CCGT power plant in Timelkam made an important contribution in the past fiscal year to supply reliability as a grid reserve power plant for transmission system operators.

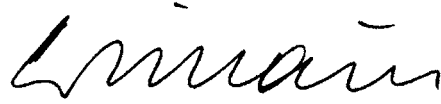
An EBIT increase to EUR 41.8 mill. (+1.7%) was registered by the Grid Segment because numerous negative effects on the result were compensated for through synergies arising from the integration of the gas grid of OÖ. Ferngas AG. The Waste Management Segment recognised a negative EBIT in the amount of EUR -15.3 mill. due to one-time effects, above all arising from impairments and provision increases as a consequence of decreasing calculation interest rates. Operationally, however, the restructuring measures that were undertaken took effect and made it possible to more than compensate for negative market influences. The stable Water Segment showed an increase in EBIT to EUR 9.5 mill. (+2.2%), above all through continuous and successful cost management, and a result of EUR 2.9 mill. was generated in the Holding and Services Segment.

The rollout of the intelligent electricity meters – with more than 200,000 AMIS meters installed – is evidence that Energie AG Oberösterreich leads in implementing future technologies at an early stage and thereby provides new, innovative products for its customers. A leading role was also taken in the expansion of the fibre optic network for private customers, such that now, in addition to commercial customers, private customers will also progressively be supplied with TV and Internet at the highest quality as quickly as possible. We cate-

gorically imposed on ourselves the motto "think outside the box" with the so-called "SOKO Innovation" in order to identify urgent customer requirements and develop new revenue sources through innovative offerings.

Such a substantial Group result despite such difficult framework conditions would never have been possible without our highly motivated and qualified staff. Therefore, great thanks are due at this point to the employees of Energie AG Oberösterreich. In conclusion, allow me on behalf of the Board of Management to thank all business partners and customers,

as well, for the confidence they have shown in us, and especially the shareholders and Supervisory Board for their support and constructive cooperation.



Leo Windtner
Chairman of the Board of Management



Werner Steinecker
Member of the Board of Management

Leo Windtner
Chairman of the Board of Management

Andreas Kolar
Member of the Board of Management

Corporate Bodies

BOARD OF MANAGEMENT

Leo Windtner, Chief Executive Officer, Chairman of the Board of Management
 Werner Steinecker, Member of the Board of Management
 Andreas Kolar, Member of the Board of Management

SUPERVISORY BOARD

Shareholder Representatives

Gerhard Falch, CEO, Chairman
 Hermann Keplinger, First Deputy Chairman
 Heinrich Schaller, CEO, Second Deputy Chairman
 Wolfgang Dopf, Member of the Management Board (since December 18, 2014)
 Miriam Eder, Unit Director (since January 1, 2015)
 Alois Froschauer, CEO (until December 18, 2014)
 Florian Hagenauer, Member of the Management Board
 Anna Maria Hochhauser, Secretary General
 Michaela Keplinger-Mitterlehner, Member of the Management Board
 Manfred Klicnik, Attorney at Law (until December 18, 2014)
 Kathrin Renate Kührtreiber-Leitner, Mayor
 Stefan Lang, Attorney at Law (since December 18, 2014)
 Ruperta Lichtenecker, Member of the National Council
 Manfred Polzer, Managing Director (until December 31, 2014)
 Viktor Sigl, President of the Provincial Parliament
 Michael Strugl, Member of the Provincial Government
 Bruno Wallnöfer, CEO

Works Council Representatives

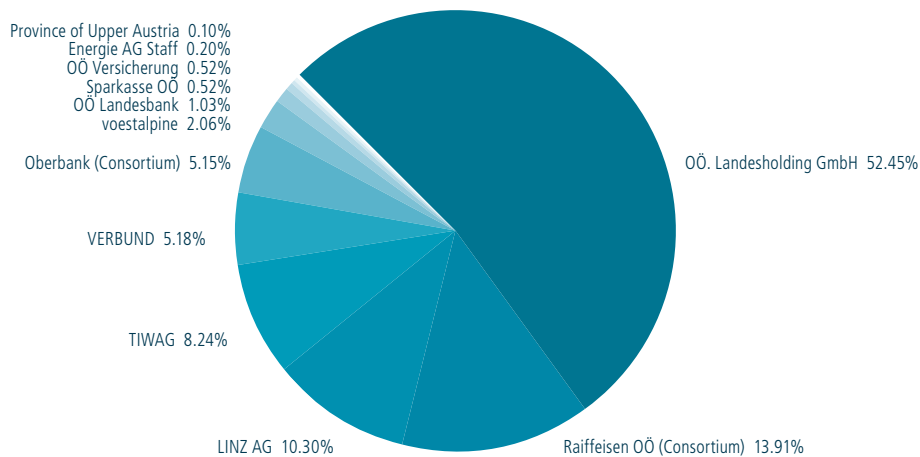
Robert Gierlinger, Chairman of Works Council, Energie AG Oberösterreich (Holding)
 Manfred Harringer, Chairman of Works Council (until March 3, 2015)
 Isidor Hofbauer, Chairman of Works Council
 Peter Neißl, Chairman of Works Council
 Friedrich Scheiterbauer, Chairman of Works Council (since March 3, 2015)
 Bernhard Steiner, Chairman of Group Works Council
 Gerhard Störinger, Chairman of Central Works Council
 Egon Thalmeir, Chairman of Central Works Council

Shareholder Structure of Energie AG Oberösterreich

• OÖ. Landesholding GmbH	52.45%
• Raiffeisenlandesbank Oberösterreich Aktiengesellschaft (Consortium)	13.91%
• LINZ AG für Energie, Telekommunikation, Verkehr und Kommunale Dienste	10.30%
• TIWAG-Tiroler Wasserkraft AG	8.24%
• VERBUND AG	5.18%
• Oberbank AG (Consortium)	5.15%
• voestalpine Stahl GmbH	2.06%
• Oberösterreichische Landesbank Aktiengesellschaft	1.03%
• Allgemeine Sparkasse Oberösterreich Bankaktiengesellschaft	0.52%
• Oberösterreichische Versicherung Aktiengesellschaft	0.52%
• Energie AG Belegschaft Privatstiftung	0.20%
• Land Oberösterreich	0.10%

The difference refers to own shares. As of 30 September 2015

Shareholder Structure of Energie AG Oberösterreich



Group Management Report 2014/2015

Energie AG Oberösterreich¹⁾

GENERAL CONDITIONS

Economic Environment ²⁾

The global economic situation has remained extremely restrained as the year has progressed, for which reason the growth forecast was reduced from an original value of up to 4.0% to just below 3.0%. This is mainly to be attributed to the lasting economic downturn in China and the recession in which Brazil and Russia find themselves, whereas the US economy can boast stable growth of around 2.5% for 2015.

There are clear signs of stabilisation of the economic situation in Europe, which allows growth rates between 1.4% and 1.7% to be expected for the euro zone in 2015.

The Austrian gross domestic product (GDP) developed only moderately in the first half-year of 2015, although a slight upwards trend is expected in the second half-year. The GDP growth in Austria for the entire year will most likely be between 0.7% and 0.8%. This is the fourth year in a row that GDP growth in Austria amounted to less than 1.0%. If, at the beginning of the year, the general framework conditions were still assessed optimistically, the Austrian economy was not be able to overcome the confidence crisis to the extent previously expected. The reserved forecasts can be accounted for by the continued low level of business confidence, weak domestic demand and uncertainty regarding the further development of the economy. Economic researchers are proceeding under the assumption that the Austrian economy will slowly recover in the next few years, as forecasts indicate further strengthening of the economic situation in the euro zone. GDP growth in Austria of 1.5% to 1.7% is expected for 2016, which corresponds to the average of the euro zone.

The Czech Republic, the second-largest market for Energie AG Oberösterreich, exhibited continuous GDP growth of around 2.5%, as in the previous year. A slightly increasing economic growth rate of around 2.6% will also continue in the next year.

The forecast risks in connection with geopolitical tension in Ukraine, Syria and Iraq, which place an additional strain on the tense economic situation, are not to be underestimated.

The Statutory Environment

From a legal perspective, fiscal year 2014/2015 was decisively shaped by the Federal Government's Energy Efficiency Act and its impacts. Concerning the present legal requirement to increase energy efficiency inside the companies, Energie AG decided in favour of regular external energy audits, which were prepared intensively in the reporting timeframe.

As of January 1, 2015 energy suppliers are obligated to substantiate energy efficiency measures in relation to the delivered quantities. However, the national Energy Efficiency Monitoring Centre was only appointed in May 2015. The heart of the Energy Efficiency Act, the so-called "Guidelines Directive," with which the framework conditions for the monitoring centre as well as the specific measures are defined, will become effective on January 1, 2016. Since the old methods document is valid until the guidelines directive enters into force, and the energy efficiency measures from the years 2014 and 2015 can be used as regards the obligation for 2015, objective achievement for calendar year 2015 can be rated as positive.

In the past fiscal year, the statutory environment, already difficult for the realisation of large infrastructure projects, tightened even further on the corporate side through the judicature line of the European Court of Justice (ECJ).

In a decision, the ECJ interpreted the Water Framework Directive's "prohibition of deterioration" extremely restrictively. From now on, this applies not only to significant, but also already to relatively minor deterioration of the water quality, which occurs for all intents and purposes in every expansion project. The consequence of this are additional exemption permit proceedings in the course of the water law approval procedure.

¹⁾ The Group management report presented here was prepared in accordance with the requirements of Section 245a of the Austrian Commercial Code (UGB) and refers to the IFRS consolidated financial statements of Energie AG Oberösterreich in terms of Section 245a UGB.

²⁾ Sources: IHS (Institute for Higher Studies, Vienna), press release, 28.09.2015; WIFO (Austrian Institute for Business Research), monthly report 10/2015; WKO (Austrian Chamber of Commerce), Economic Situation and Forecast Release, 10/2015; OECD (Organisation for Economic Co-operation and Development), Forecast 11/2015; IMF (International Monetary Fund), World Economic Outlook, 10/2015

BUSINESS DEVELOPMENT IN THE GROUP

Net Assets, Financial Position and Results of Operations

Group Overview ¹⁾	Units	2014/2015	2013/2014	Change
Sales revenues	EUR mill.	1,573.9	1,722.1	- 8.6%
Operating result (EBIT)	EUR mill.	118.9	102.3	16.2%
EBIT margin	%	7.6	5.9	28.8%
Financial result	EUR mill.	- 35.7	- 39.7	10.1%
Results from ordinary activities	EUR mill.	83.2	62.5	33.1%
Balance sheet total	EUR mill.	3,039.5	3,160.1	- 3.8%
Equity	EUR mill.	1,108.0	1,098.1	0.9%
Equity ratio	%	36.5	34.7	5.2%
Net debt	EUR mill.	503.2	540.0	- 6.8%
Net Gearing	%	45.4	49.2	- 7.7%
Investments in tangible fixed assets and intangible assets	EUR mill.	141.1	162.8	- 13.3%
Cash flow from operating activities	EUR mill.	238.0	227.3	4.7%
ROCE	%	5.5	4.3	27.9%
WACC	%	4.9	5.5	- 10.9%

¹⁾ Previous year's values restated

In fiscal year 2014/2015, the regulations in accordance with IFRS 10 (Consolidated Financial Statements), IFRS 11 (Joint Arrangements), as well as IFRS 12 (Disclosure of Interests in Other Entities) were applied for the first time. In this connection, Ennskraftwerke Aktiengesellschaft, which was previously valued at equity, as well as Gas- und Dampfkraftwerk Timelkam GmbH were included proportionally. Energie AG Oberösterreich Vertrieb GmbH & Co KG, formerly fully included in the consolidated financial statement, will be valued at equity from now on. The previous year's values were restated accordingly. Regarding the impacts of the first ever application, please refer to the Notes to the Consolidated Financial Statement.

The sales revenue dropped in the 2014/2015 fiscal year from EUR 1,722.1 mill. by EUR 148.2 mill. or 8.6% to EUR 1,573.9 mill. The main causes of the decline were lower sales revenue from electricity supplies to the at-equity valued Energie AG Oberösterreich Vertrieb GmbH & Co KG as well as lower revenues from the electricity and gas trade.

The Group EBIT increased from EUR 102.3 mill. by EUR 16.6 mill. to EUR 118.9 mill. The Energy Segment contributed particularly to this increase. In the Grid and Water Segments, the EBIT remained stable to a great extent, while the Waste Management Segment closed fiscal 2014/2015 with a negative EBIT due to noncash one-time effects. The EBIT drop in the Holding and Services Segment

is essentially attributable to positive one-time effects from the sale of investments or participations in the previous year and was compensated for in part through the stable EBIT contribution from the telecommunications business.

Besides the positive performance of the operating business and an improvement in the cost position during the integration of the OÖ. Ferngas Group of companies, the EBIT was shaped by numerous noncash one-time effects. The impairments of intangible assets as well as tangible fixed assets increased to EUR 39.7 mill. (previous year: EUR 28.3 mill.). EUR 17.7 mill. of the impairments are connected with heat supply plants, a total of EUR 8.1 mill. with several positions in the Energy Segment, as well as EUR 13.9 mill. with assets in the Waste Management Segment.

An appreciation in value of the Gas- und Dampfkraftwerk Timelkam GmbH had a positive effect, which, after deduction of the expenses for the adjustment of the gas purchasing contract, led to a profit improvement in the amount of EUR 18.8 mill. The appreciation in value stands in contrast to the ongoing proportional loss from the operation of the gas and steam power plant.

The EBIT of the reporting timeframe was burdened by the increase in provisions for social capital in the amount of EUR 2.5 mill., especially because of the reduction of the effective interest rate. This burdened the other comprehensive income by EUR 12.6 mill.

Furthermore, the provision for landfill sites increased in the Waste Management Segment due to a reduction of the interest rate.

At EUR 46.0 mill., the share in the results of the companies valued at equity remained constant compared to the previous year, despite an impairment of EUR 5.6 mill. in the Waste Management Segment.

During fiscal 2014/2015, EUR 141.1 mill. were spent on tangible and intangible assets, which places this year's figures, at EUR 21.7 mill., 13.3% below that of the previous year. Of this, 46.9% assign to the Grid Segment, 22.5% to the Holding and Services Segment and 16.2% to the Energy Segment. 9.7% of the investments of the Group were made in the Waste Management Segment and 4.6% in the Water Segment.

The balance sheet total dropped from EUR 3,160.1 to EUR 3,039.5 mill. as a result of the repayment of the variable tranche of a borrower's note loan of EUR 120,6 mill.

The net debt decreased compared to the previous year (EUR 540.0 mill.) by EUR 36.8 mill. to EUR 503.2 mill. This decrease resulted in particular from the drop of EUR 106.4 mill. in financial liabilities, above all due to repayment of the borrower's note loan; however, liquid assets only decreased by EUR 69.5 mill. (positive effects due to lower investments and the operating cash flow). Moreover, there was no new debt in fiscal year 2014/2015.

Cash flow from operating activities increased from EUR 227.3 mill. in the previous year to EUR 238.0 mill. in fiscal year 2014/2015.

Financing and Investment Strategy

The financial and capital markets continued in crisis mode in the past fiscal year. The massive bond purchases of the European Central Bank aimed at stimulating the economic situation showed only a conditional effect. The money market interest rates at times slipped into negative territory. The stock market crash in the Asian markets at the end of August caused the US Federal Reserve once again to delay the long-awaited first-time interest rate hike. It remains to be seen whether the monetary policy stimuli of the central banks can restore the economic balance or if they only increasingly jeopardise it.

Against the background of these difficult framework conditions, Energie AG forged ahead consistently with its proven three-pillar strategy in the financial area in the past fiscal year 2014/2015.

Maintenance of a strong credit rating

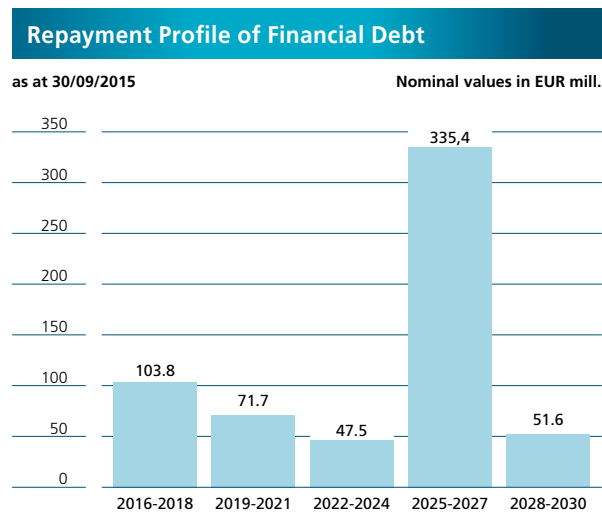
Energie AG once again received the excellent credit rating of "A-/stable outlook" from Standard & Poor's (S&P) in February 2015. According to S&P, this rating classification reflects the con-

servative financial management, decreasing debt-equity ratio and strong liquidity situation of Energie AG. This guarantees Energie AG's unrestricted access to commercially attractive conditions in the financial markets even in a difficult market environment.

Assurance of high financial flexibility

The development of the financial liabilities was essentially influenced by the premature repayment of the variable interest tranche of a borrower's note loan in the amount of EUR 101.0 mill. at the beginning of fiscal 2014/2015.

This considerably reduced the financial liabilities from the previous year's reporting date value of EUR 719.5 mill. to EUR 613.0 mill. as of September 30, 2015. Energie AG can build on a balanced term structure of its financing. The repayment profile of the Group is characterised by bullet maturity financial liabilities with remaining terms of up to 15 years.



As of September 30, 2015, liquidity reserves were available in the form of liquid assets and fixed term deposits amounting to EUR 222.4 mill. In addition, on the balance sheet date, the Group had high unutilised and partly committed credit lines in the amount of EUR 279.1 mill. Through the solid liquidity reserves, future re-financing requirements are covered in the long-term, and the high financial flexibility of Energie AG remains assured going forward.

Group-internal central financial management

Group-internal financing is controlled centrally via Energie AG Group Treasury GmbH (Group Treasury GmbH). On the reporting date, 25 Austrian Group companies were included in the cash pooling system for which Group Treasury GmbH acted as a pooling centre. The long-term allocation of funds in the Group is carried out on a needs basis and at arm's length conditions. Through the central financial management, cost-optimised sourcing and usage of the funds are ensured.

Value-Based Management and Capital Costs

Value-based management is firmly anchored in all management processes of Energie AG. The central objective is sustainably ensuring corporate value by increasing potential benefits and generating returns for the owners on a capital market-oriented returns basis. The required minimum return on employed capital is determined using the weighted average cost of capital (WACC). The WACC corresponds to the average interest calculation for equity and borrowed capital, whose weighting was derived from an adequate peer group. The calculation for non-regulated business areas takes into consideration the company- and country-specific risks. In the cost of capital of the regulated areas, the stipulations of the regulatory authority are taken into consideration. The Group WACC is calculated from the segment capital costs weighted by employed capital (bottom-up process).

The Group WACC for fiscal year 2014/2015 was 4.9% (previous year: 5.5%). The reduction of the capital costs can be attributed to the lower interest rate level of riskless investments.

The central key figure for the operating Group management during the fiscal year is the Return on Capital Employed (ROCE), which shows how efficiently and profitably available capital was handled. The value-oriented Group objectives are broken down according to the individual segments and business areas, taking into consideration the strategy pursued and business-specific framework conditions. They are measured in periodical reports by Group Controlling and directed by management.

By comparing the ROCE and WACC, projects and business areas can be evaluated with regard to the generation of added value. Decisions about future investments and acquisitions are based exclusively on value-oriented criteria and methods (e.g. project-specific risk premiums) for the prioritisation of projects, in addition to strategic perspectives.

In fiscal 2014/2015, the ROCE of Energie AG amounted to 5.5%, thus 1.2 percentage points above the value reported in the previous year (4.3%).

Corporate Changes

The corporate changes within Energie AG arising from the "PowerStrategy 2020" project was completed in fiscal 2014/2015. Complete integration of Oberösterreichische Ferngas Aktiengesellschaft (OÖ. Ferngas AG) was the most important milestone in this process.

The operating parts of the OÖ. Ferngas group of companies were integrated into the corresponding areas of the Energie AG Group, and the remaining parts of the company were subsequently merged into Energie AG Oberösterreich. On 01.10.2014, the former OÖ. Gas Wärme GmbH was renamed "Energie AG Oberösterreich Power Solutions GmbH" (Energie AG Power Solutions), into which Energie AG Oberösterreich Fair Energy GmbH was retroactively merged on September 30, 2014.

The grid control operational unit of the former OÖ. Ferngas Netz GmbH was split off into Netz Oberösterreich GmbH (Netz OÖ GmbH) retroactively as of September 30, 2014 so that this company is now active as a combined system operator for the electricity and gas grid.

As a final measure regarding the sale of the Eastern European activities of the Waste Management Segment, on 01.10.2014 the waste management activities in Austria and South Tyrol remaining in the Group were respectively renamed "Energie AG Oberösterreich Umwelt Service GmbH" and "Energie AG Südtirol Umwelt Service GmbH."

Thanks to organisational streamlining of the Group structure, decisive cost and synergy potential was already raised in the reporting timeframe.

Non-Financial Performance Indicators

Energie AG is committed to sustainable, profitable operations that are in harmony with the environment and society.

Ecology and Sustainability as a Group-Wide Objective

In Energie AG, environmental policy topics such as resource protection and sustainability have long since been taken into consideration in projects and implemented in everyday business activity beyond the legal requirements.

All power plant locations of Energie AG have certified quality management systems in compliance with ISO 9001 and ISO 14001. Moreover, the two thermal power plant locations in Riedersbach and Timelkam have also been certified in compliance with EMAS (Eco Management and Audit Scheme) since the mid-1990s.

Among other aims, these management systems were introduced to enable the planning, execution, review and possible correction of all operating activities, such that direct and indirect environmental impacts of the activities are kept to a minimum, and all environmental stipulations are observed.

Through the targeted procurement of fuels and operating materials that are matched to the respective plant or intended application, as well as through responsible operation and careful service and maintenance of the plants, both the highest possible resource efficiency and the lowest possible emissions in the air, soil and water are ensured.

In terms of about the concept of recycling and the cascading use of resources, there has been and remains a focus on investigating more intense utilisation of alternate fuels and waste with a high biogenic content in the Timelkam biomass power plant.

In the reporting year, more than three-quarters of Energie AG's own electricity procurement came from renewable sources of energy; 95% of this stemmed from hydropower

and the rest from photovoltaics, wind and biomass. Energie AG is clearly committed to expanding the use of renewable energy resources.

Just as much attention in the Group is dedicated to the topic of "supply reliability" and "supply quality." The availability of energy in sufficient quality is THE decisive factor for the maintenance of smooth everyday life both for private customers as well as for the economical provision of services in industry and commerce, thus rendering it an important agent for the international competitiveness of Upper Austria as an industrial hub. The availability of the electricity grid in fiscal 2014/2015 was 99.9836%, and that of the gas grid 99.9999%. Maintaining the high availability is one of the top premises of the Group.

Energie AG is leader in Austria when it comes to introducing intelligent meters (smart meters) and was able to replace around 210,000 old devices with new intelligent meters by the end of the 2014/2015 fiscal year. This meant that Energie AG was the first state energy supply company to meet the requirements of the legislature. Customers can derive significant benefit from the new device in combination with a corresponding electricity product, above all through targeted consumption control and a reduction of the individual electricity costs.

Energie AG Oberösterreich Umwelt Service GmbH (Umwelt Service GmbH) is the biggest private waste management company in Austria and has been certified in compliance with ISO 9001 "Quality Management" since 1998. Umwelt Service GmbH led the promotion of an industry standard for specialised waste management companies in the year 2000. In addition to OHSAS 18001 "Occupational Health and Safety" (2006) and ISO 14001 "Environmental Management" (2010), integrated management was completed with the EMAS validation in 2013.

Thus, Umwelt Service GmbH is the first and only specialised waste management company certified in compliance with the internationally acknowledged environmental management system EMAS at all its locations all across Austria. The environmental statement pursuant to the EMAS directive represented the first time the internal performance could be transparently audited by an independent environmental expert and made available to all interested parties.

After being awarded the Austrian-wide EMAS Award in the "Best Environmental Statement" category in May 2014, Umwelt Service GmbH was nominated in fiscal 2014/2015 for the European EMAS Award ("Large Company, Private"), which was created by the European Commission.

Examples of specific environmental measures in fiscal year 2014/2015 were the improvement of the use of landfill gas, increased electricity production from solar energy, improvement of energy efficiency and significant reduction of fuel consumption by vehicles through driver training as well as through the introduction of natural gas trucks. Furthermore, measurable

CO₂ savings and other resource and environmental improvements were achieved through multiple environmental innovations such as the development of mobile slag processing.

Social Responsibility

Energie AG directs its actions around ecological and social issues and thereby takes responsibility for the inhabitants of the regions supplied, as well as for future generations.

Towards the aim of permanent, open communication, both customers as well as other stakeholders are supplied with information regularly and appropriately via a customer magazine and electronic media. In particular, this also refers to interest groups that are affected by projects such as power plant structures or necessary grid expansions. In accordance with the democratic policy principles of Energie AG, a dialog is proactively maintained with municipalities, neighbours and citizen initiatives.

Institutions and projects with economic relevance, charitable or non-profit organisations and sports activities are supported without regard to the direct business purposes of Energie AG.

For years, Energie AG has supported young star athletes from Upper Austria, for example, through the sports promotion programme "Sports Family." The focus is on supporting aspiring talent. They intend to find their way into the world's best and should be able to continue to develop both athletically and personally in a suitable environment. In past years, athletes in the Sports Family won quite a number of state and national championship titles for their efforts and spread the "Energie AG" brand with European Champion, World Champion and Olympic titles.

Positioning as an Attractive Employer

The Group's employees represent a crucial strategic factor in the provision of services. Therefore, Energie AG places particular emphasis on the training and continuing education of its employees in the aim of continuous improvement of the available know-how. Hence, 422 internal and external training measures were carried out in fiscal 2014/2015 (previous year: 496 training measures) with a total of 2,083 participants (previous year: 2,793 participants). Structured personnel management and comprehensive personnel development measures serve as the framework for this effort.

Within the range of Group-internal training, apprenticeship training is particularly high priority. Since the founding of the apprenticeship workshop 72 years ago, 1,340 trainees have been trained as top specialists in electrical engineering and metallurgy or in the commercial sector. Around half of them are still active in the company today.

In the reporting timeframe, one focus was on broadening the family-friendly personnel policies. Hence, Energie AG was certi-

fied as a family-friendly employer in the past fiscal year for the second time since 2012. Numerous measures designed to make it easier to combine career and family have already been implemented or will be implemented in the next three years. For example, childcare was offered in the company for the first time in August 2015 with the Energie AG Holiday Week.

Energie AG ensures that the existing specifications per the Employee Protection Act and the associated regulations are complied with consistently Group-wide and that corresponding prevention measures are taken. Binding operating instructions ("BASIs") are developed and resolved for the companies on the safety management regulations and guidelines committee. They are kept up-to-date on an ongoing basis and adapted according to legal requirements. Furthermore, regular events and training are carried out towards the improvement of the safety culture. New paths were trodden in two Group companies in the form of instructions. In so-called short briefings, the employees develop topics of instruction themselves with the help of prepared documents.

Special attention is given to evaluation of the psychological burdens at individual workplaces. Together with the Upper Austrian regional office of the General Accident Insurance Institution (AUVA), employees have the opportunity to evaluate their own workplaces on a voluntary basis by means of BASA II questionnaires. In accordance with the results, action steps are

deduced in working groups toward the reduction or prevention of these burdens.

The Compliance Officer of Energie AG as well as the Compliance Forum coordinated by him ensure conduct compliant with the code in the Group, and guarantee, through a regular exchange of information, that compliance-related issues are handled in a Group-wide standardised way. All employees are traceably made aware of the Code of Conduct of Energie AG, "This is how we think, this is how we act." Every newly hired employee is given the code of conduct of the Group as well as the "Anticorruption" corporate policy and must make a personal commitment to it. By appointing a Compliance Officer and setting up a Compliance Forum, another step has been taken towards the consistent rollout of the compliance rules in the Energie AG Group. The necessary exchange of information is provided for through regular meetings, and Group-wide standardised handling of compliance-relevant topics is ensured.

In fiscal year 2014/2015, the Group's average consolidated staff level was 4,308 full time equivalents (FTE), representing a drop of 2.8% compared to the average of fiscal year 2013/2014 (4,431 employees).

On the reporting date (September 30, 2015), 4,349 employees (FTE) were active at Energie AG Group in four countries.

Yearly average in FTE ¹⁾	Units	2014/2015	2013/2014	Development
Energie AG Oberösterreich				
GROUP TOTAL	FTE	4,308	4,431	- 2.8%
Energy Segment	FTE	481	613	- 21.5%
Grid Segment	FTE	543	595	- 8.7%
Waste Management Segment	FTE	785	818	- 4.0%
Water Segment	FTE	1,546	1,544	0.1%
Holding and Services Segment	FTE	953	861	10.7%

¹⁾ All indicated staff figures refer to full-time equivalents (FTEs) in the annual average of fully and proportionally consolidated companies.

Branch Offices

Energie AG Oberösterreich has no branch offices.

INTERNAL CONTROL SYSTEM

A significant part of corporate governance is the internal control system, the instrument through which process risks are minimised. The high degree of integration of the Group control systems, their transparency and the clear responsibility of the companies for the controls in the operating processes guarantee a valid result. IT-based documentation and regular, standardised reporting to the Board of Management and Audit Committee are signs of well-established control consciousness. In addition, up-to-date control manuals and measures catalogues are available at all times to the Group companies. Furthermore, the regular review of effectiveness and efficiency through internal audits makes an important contribution to quality assurance. To ensure the protection of the Group assets, a great deal of attention is paid to the accounting-related aspects.

In the 2014/2015 fiscal year, after the integration of OÖ. Ferngas AG took place, activities were primarily focussed on the adjustments that arose as a result. The equal treatment of all customers in the electricity and gas grids bundled in Netz OÖ GmbH as required by the Austrian Electricity and Organisation Act (EIWOG) is mapped by the internal control system and monitored by the Equal Treatment Officer.

Consistent cooperation between the internal control system and risk management as well as permanent assurance through internal auditing form a system that meets the requirements of the Austrian Company Law Amendment Act (URÄG) 2008 and is also accepted and implemented in practice.

RISK AND OPPORTUNITY SITUATION

Opportunities and Risks for 2014/2015

The risk situation of Energie AG is shaped by the difficult economic framework conditions and the tense situation in the energy markets, as well as uncertainty regarding the development of the European energy supply.

Possible impacts on the result of Energie AG as well as the recoverability of investments and participations are countered with extensive measures for protection of profitability and financial strength.

Thanks to the diversified business portfolio of Energie AG, among other factors, no risks were identified that could threaten the existence of the company – either singularly or cumulatively – despite the volatile environment.

See the appendix for more details on the risk and opportunities situation.

RESEARCH, DEVELOPMENT AND INNOVATION

In its daily action and thinking, Energie AG sees the three pillars of research, development and innovation as an essential growth engine of entrepreneurial activity. The changing framework conditions of the liberalised electricity market and external, unforeseeable influences were viewed as an opportunity to initiate projects in cooperation with industry-internal and -external partners, as well as with national and international institutions, advocacy groups, committees and companies.

In the reporting timeframe, the focus of cross-company projects was mainly on the efficient utilisation of energy, expansion of powerful data transmission technology as well as the development of new business models.

Key figures for R&D&I

	Units	2014/2015	2013/2014	Development
R&D&I projects in the Group	Number	96	93	3.2%
R&D&I expenses in the Group	EUR mill.	3.4	3.5	- 2.9%
Employees involved in R&D&I projects	Number	248	279	- 11.1%

In fiscal year 2014/2015, research, development and innovation were conducted in the following projects, among others (excerpt):

"DG DemoNet Smart LV Grid" Project

The findings from a completed three-year project in the electricity grid sector show that the operating expense of complex voltage

controls aimed at increasing the hosting capacity for local electricity production are currently still very high and unprofitable. In the coming years, photovoltaic plants will be able to be integrated through the use of reserves that become accessible based on advanced planning approaches and monitoring, in most cases without any construction measures. Through the use of reactive power for voltage level maintenance, the hosting capacity can be

expanded by 20% to 40%. A standardised reactive power function for all systems, which also supports zero-balanced reactive power, is on the horizon. The "DG DemoNet Smart LV Grid" project is thus the basic foundation for the continuing "LEAFS" project, in which storage systems and flexible loads for increasing local consumption are studied by AIT Austrian Institute of Technology GmbH with Netz OÖ GmbH as a project partner.

"Fuel-Cell Heating" Project

As part of the European development project "ene.field" (supported by the European Commission), a fuel cell heater from Vaillant Group Austria GmbH is being tested in a single family home in St. Ulrich near Steyr. The aim of the project is, on the one hand, to gain insight into the installation and maintenance of fuel cell heaters, and on the other hand, to investigate the market-relevant framework conditions and CO₂ savings.

In addition, over the course of the overall "ene.field" project, socio-economic acceptance of the extensive use of fuel cell micro combined heat and power couplings is to be investigated. Here, Energie AG Power Solutions acts as a cooperation partner of Vaillant in order to profit from the experience from the trial for the upcoming market launch on the one hand, and on the other hand to use the acquired findings for market analyses in connection with market partners.

"Power-to-Heat" Project

On behalf of the Austrian Research Sponsorship Society, Energie AG Oberösterreich Wärme GmbH (Wärme GmbH) has been working in cooperation with the Vienna University of Technology and other partners since September of last year on the promising "Power-to-Heat" (P2H) project.

"P2H" refers to the generation of heat through the use of electricity. This technology is especially attractive in times of high solar and wind energy feed-in, which in the past increasingly led to controls or negative prices on the markets. With P2H, this surplus electricity can be used for the production of heat, e.g. for heating plants, or for making hot water through which fossil energy sources such as oil or natural gas are replaced.

The objective of the research project is to determine the technical and financial potential of innovative P2H system solutions in the urban region for the years 2020/2030/2040 and to identify the legal, tax and regulatory framework this would require. For this purpose, three exemplary district heating municipalities of Wärme GmbH were selected for a detailed analysis and their heating networks classified. The final report will be available in spring 2017.

"SOKO Innovation" Project

Social change, new customer requirements, regulations and technological developments are changing the business activity of Energie AG. Therefore, the so-called "SOKO Innovation" project was created in the 2014/2015 fiscal year in order to identify relevant opportunities for Energie AG arising from these developments. By using unconventional formats and approaches, new customer- and market-oriented ideas, concepts, products, services and business models will be developed that are to strengthen the position in the market and develop new sources of revenue. Not only employees from all areas but also customers, sales partners, representatives of other industries as well as scientific experts will be involved in the innovation process toward the aim of finding relevant customer problems and wishes. On the basis of these findings, possible future opportunities are to be recognised and new solutions offered.

MATERIAL EVENTS AFTER THE END OF THE FISCAL YEAR

After the balance sheet date, no events of special significance occurred in Energie AG.

REDEFINITION OF SEGMENTS

As a result of the strategic re-alignment of the Group and the integration of OÖ. Ferngas AG, the Group's segments were redefined at the beginning of the 2014/2015 fiscal year. According to internal reporting and pursuant to IFRS 8 "Business Segments",

reporting now takes place in the consolidated statement on the segments Energy, Grid, Waste Management, Water as well as Holding and Services. The previous year's figures have been restated accordingly.

Segment Name	Activities Included
Energy	Generation, trade and distribution of electricity, gas and heat
Grid	Construction and operation of the electricity and gas grid
Waste Management	Collection, sorting, incineration and land filling of waste
Water	Supply of drinking water and disposal of wastewater
Holding and Services	Telecommunication and metering, service companies and control functions; associated companies consolidated at equity that are not attributed to other segments

Energy Segment

Energy Segment Overview ¹⁾	Unit	2014/2015	2013/2014	Change
Total sales	EUR mill.	939.3	1,099.5	- 14.6%
EBIT	EUR mill.	80.0	30.2	164.9%
Investments in fixed tangible assets and intangible assets	EUR mill.	22.9	40.8	- 43.9%
Employees (average number)	FTE	481	613	- 21.5%
Electricity procurement	GWh	16,360	18,356	- 10.9%
Own electricity procurement	GWh	2,925	2,692	8.7%
Electricity sales volume	GWh	8,506	8,530	- 0.3%
Natural gas sales volume	GWh	2,253	2,036	10.7%
Heat sales volume	GWh	1,220	1,224	- 0.3%

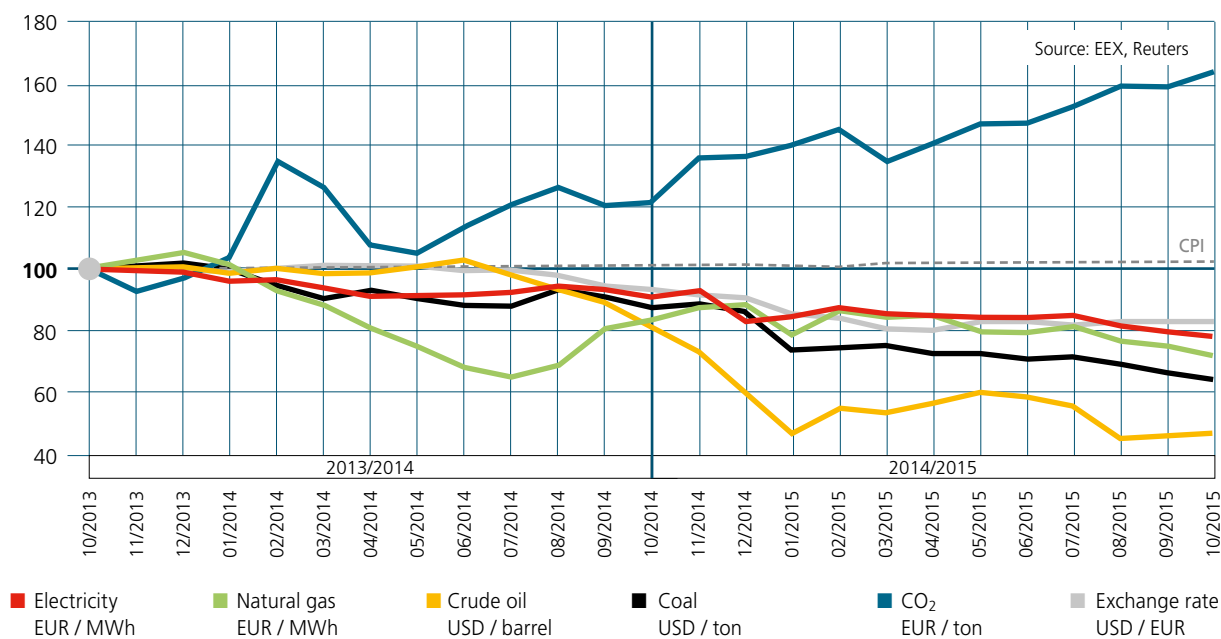
¹⁾ Previous year's figures restated

The Energy Segment of Energie AG includes the production, trade and sales of electricity, gas and heat.

The Economic Environment of the Energy Industry

The European energy markets were characterised by a clear drop in the price level in the 2014/2015 fiscal year.

Price Index Development on International Energy Markets



A significant price decrease was reported in the oil trading market, which dropped to half of its value from the previous year. As a result of decreasing demand, the price decline for black coal continued in Europe. On the gas market, the prices at the European Energy Exchange (EEX) were around 4.5% lower than in the previous year (EEX spot EUR 21.33/MWh) during the reporting period. The price of CO₂ emission certificates were around 24% higher during the reporting period than in the previous year, but remained at a low level in absolute terms, at around EUR 7.5/t CO₂.

Under the influence of a continued weak demand and the increasing share of power generation coming from renewable energy, the prices on the futures trading market in the 2014/2015 fiscal year were, on average, 9.7% lower than in the previous year (EEX Front Year Base EUR 32.35/MWh) and were at EUR 29.08/MWh at the end of the 2014/2015 fiscal year.

The increasing generation fluctuations, due mainly to the expansion of electricity generation from wind and solar energy,

represent increasing challenges for supply security. Efforts to stabilise the grid are reflected in the major price volatility on short-term electricity markets and here in particular on the balancing energy market.

Business Development in the Energy Segment

Against the backdrop of difficult market developments, sales of EUR 939.3 mill. were generated in the Energy Segment in the 2014/2015 fiscal year. With respect to the comparison period of the previous year (EUR 1,099.5 mill.), this amounts to a decrease of EUR 160.2 mill. (14.6%), resulting primarily from lower electricity and gas trading volumes, lower sales due to the optimisation of the electricity portfolio as well as the passing on of lowered purchasing costs to customers.

The EBIT for the Energy Segment increased, by contrast, to EUR 80.0 mill., which amounts to 2.6 times the previous year's value (EUR 30.2 mill.). The reason for this increase lies, on the operational side, in new, flexible marketing strategies, through which, despite lowered wholesale electricity prices and a lower water supply compared to the previous year, the earnings position was stabilised with regard to own hydropower plants and procurement rights. In addition, decreased procurement prices as well as ongoing optimisation and strategies to increase the flexibility of the electricity and gas portfolio showed positive EBIT effects on supply. In addition, the previous year's

EBIT was also negatively affected by higher expenses for a step-in pension model.

The one-time effects on the balance were significantly lower in the past fiscal year than in the previous one. Impairments of district heating grids and district heating generation plants in the amount of EUR 13.3 mill., impairments of bio-district heating plants in the amount of EUR 4.4 mill. as well as additional items totaling EUR 8.1 mill. had negative effects on the EBIT.

In addition, the reduction in the calculated interest rate increased the provisions for social capital.

Liabilities arising from an existing gas procurement agreement for the combined gas and steam plant in Timelkam were adjusted in favour of Energie AG in exchange for a payment of EUR 10.9 mill. An upward revaluation of the Gas- und Dampfkraftwerk Timelkam GmbH assets in the amount of EUR 29.7 mill. had a positive impact on profits.

Electricity Generation in a Difficult Market Setting

Total electricity procurement in the Energy Segment this fiscal year was 16,360 GWh, thus 10.9% lower than in the previous year (18,356 GWh). This change was mainly due to a drop in trading volumes of 23.7%.

The electricity and heat procurement of the Group as a whole was as follows:

Electricity and Heat Procurement

Group Total	Unit	2014/2015	2013/2014	Change
Renewable energy				
Own hydropower plants	GWh	982	970	1.2%
Procurement rights for hydropower plants	GWh	1,230	1,244	- 1.1%
Other renewable energies (photovoltaics, wind, biomass)	GWh	128	110	16.4%
Thermal power stations	GWh	769	575	33.7%
Electricity procured from third parties	GWh	13,435	15,664	- 14.2%
Total electricity procurement¹⁾	GWh	16,544	18,563	- 10.9%
Total heat procurement²⁾	GWh	1,395	1373	1.6%

¹⁾ Including quantities of electricity generated from Wels waste incineration plant (Waste Management Segment): 2014/2015: 184 GWh (previous year: 207 GWh)

²⁾ Including quantities of heat generated from Wels waste incineration plant (Waste Management Segment): 2014/2015: 175 GWh (previous year: 149 GWh)

Own electricity procurement from hydroelectric power was just under the previous year's value at 2,212 GWh (2,214 GWh), falling around 9% under the long-term average, however, due to weather conditions.

The 1.2% increase in production from own hydro-power plants resulted among other things from the purchase of the small-scale Labenbach hydropower plant with an output of 1.1 MW and a standard production capacity of 4.2 GWh. With the newly acquired power plant, the Group's production chain at the

Großarler Ache river is complete, and the potential for hydroelectric power optimally utilised.

For reasons of regional optimisation and increased efficiency of the Group's fleet of power plants, the small-scale power plants Hinternberg and Hübing at Antiesen river, with a total output of 380 kW, were sold.

The Ebensee pumped-storage power plant project is currently in the EIA approval process.

The expansion of existing and construction of new hydropower plants continue to be assessed with regards to cost-effectiveness. Concrete realisation of projects depends on electricity market developments, as well as considerations as to whether the energy policy environment offers enough investment security.

Energy purchasing rights to Ennskraftwerke AG represent a strategically important cost and risk-optimising share of renewable energy in the procurement portfolio. Energie AG Oberösterreich and VERBUND AG each own 50% of Ennskraftwerke AG. In the past fiscal year, with a generation coefficient of 0.91, electricity production was 9% lower than the multi-year average.

As a result of the commissioning of photovoltaic plants and the acquisition of resp. investment in wind power plants, electricity production from other renewable energies in the Group increased by 16.4%. The biomass power plant in Timelkam was in operation throughout the year, with a total production of 106 GWh.

The thermal power plants were, as in previous years, only in operation to a limited extent due to the prevailing market price situation. Starting in the summer months, however, as part of the shortage management contractually agreed upon with the Austrian transmission systems operators, there was increased demand on the Timelkam CCGT (combined-cycle gas turbine) power plant to ensure the supply of electricity,

amounting to 161 GWh. The 7fields natural gas storage facility played a key role here, contributing to higher power availability and flexibility of power plant use.

The power produced at the Riedersbach 2 black coal power plant rose in the reporting period from 232 GWh to 303 GWh. The remaining coal will be used up in an optimised manner on account of the planned shut-down in spring 2016. Electricity production from thermal power thus increased by around a third compared to the previous year.

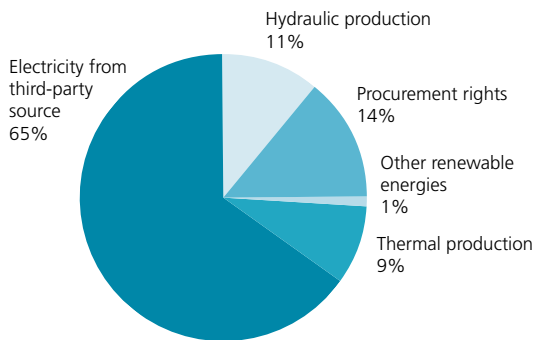
Provision of district heating from the Riedersbach and Timelkam power plant stations remained about the same in the 2014/2015 fiscal year at 227 GWh compared with the previous year (231 GWh).

Cogeneration-Kraftwerke Management Oberösterreich GmbH supplies a major customer in Laakirchen with electricity and process heat through a combined-cycle gas turbine plant, as well as several adjacent companies with district heating. In the past fiscal year, 499 GWh of heat (previous year 505 GWh) was provided to customers and 92 GWh of electricity (previous year 97 GWh) to the public grid.

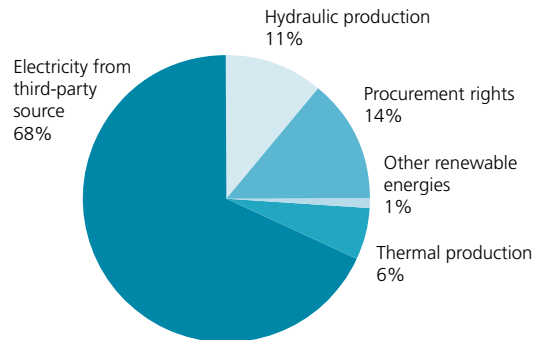
With regard to the electricity procurement structure for the supply of electricity without electricity trading, electricity purchases from third parties decreased to a 65% share (previous year: 68%).

Electricity Procurement Structure Without Electricity Trading ¹⁾

2014/2015: Rate of own coverage 35%



2013/2014: Rate of own coverage 32%

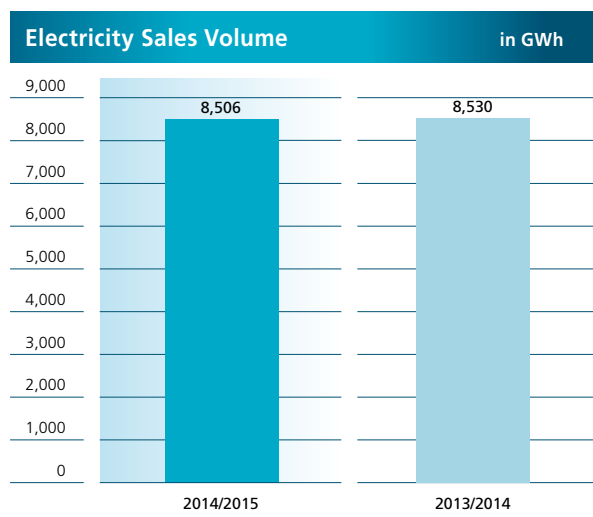


¹⁾Incl. Wels Waste Incineration Plant (Waste Management Segment)

Successful Customer Loyalty in Electricity Sales despite Fierce Competition

Energie AG's electricity supply is bundled in ENAMO, the joint sales company of Energie AG and Linz AG. The ENAMO Group includes the companies ENAMO GmbH, ENAMO Ökostrom GmbH, ENAMO s.r.o., Energie AG Oberösterreich Vertrieb GmbH & Co KG (Vertrieb KG) and Linz Strom Vertrieb GmbH & Co KG.

The consolidated quantity of electricity sold by the Group during the fiscal year 2014/2015 came to a total of 8,506 GWh, and was thus 24 GWh (0.3%) lower than in the previous year (8,530 GWh). In the key account customer segment, the transfer of customer contracts from the Vertrieb KG companies of the parent companies to ENAMO GmbH was continued as planned, such that this strategic measure is now largely complete. In the private customer segment, due to the previous year's switching rate and weather-related factors, there was a drop in volume.



In the 2014 calendar year, at 3.5%, the highest switching rate since the liberalisation of the power market was reached. It was thus 2.6 percentage points above the multi-year average of 0.9%. Although in the first half-year of 2015 the switching rate was in fact lower compared with the previous year, at 1.6% it was still much higher than the multi-year Austrian average. Thus, in the 2014/2015 fiscal year in Austria, the second-highest switching rates were recorded since the start of liberalisation. Viewed from a pan-European perspective, the Austrian switching rate falls midrange.

Despite rising competition, the ENAMO group of companies managed on the whole to retain customers with proven customer loyalty measures for at least one additional year. On the one hand, all customers with a remote-readable smart meter in-stalled were offered a new product that allows customers to impact their electricity costs through targeted consumption

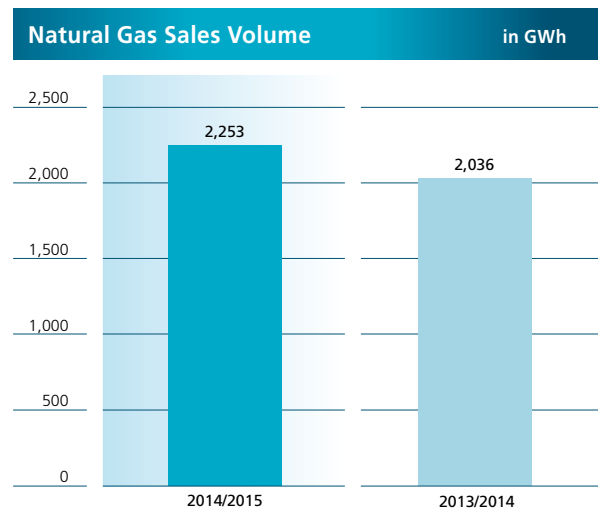
control. On the other hand, loyal customers were eligible to receive 30 days of free electricity upon extending their contracts for another year. Both offers reported a high response rate and thus significantly contributed to the positive result of the ENAMO group of companies.

Strategic Directions in Energy Services and Renewable Energies

Since October 1, 2014, all sales activities in the natural gas, energy services, renewable energies and mobility sectors have been bundled under Energie AG Oberösterreich Power Solutions GmbH. In addition, sales services are provided for the Group sectors data and heat.

In the past fiscal year, Energie AG Power Solutions supplied around 62,000 customer facilities in Austria with natural gas. Thanks to the active offering of new products, business and private customers were retained and customer losses were sizably reduced compared to the previous year. During the reporting period, a mild winter with 10% fewer heating degree days than the 10 year average was recorded, having significant effects on sales volumes for heating load driven customers.

The re-aligned major customer segment already managed to achieve initial acquisition successes. In total, the sales volume for natural gas was 2,253 GWh, thus 217 GWh (10.7%) above the previous year's value.



Using modern energy contracting models, the energy services division supplies customers in the public institution, housing and commercial segments with heat. In the 2014/2015 fiscal year, the sales volume for the heating segment was, at 112 GWh, 2.8% above the previous year's value due to the continuous growth in facilities despite a weather-related decrease in volume. In the reporting period, 25 new heating plants were commissioned.

In the industrial segment, in Ried im Innkreis, a highly-efficient contracting plant for the generation of high-temperature process heat and space heating based on geothermal district heating and natural gas was successfully commissioned.

In line with the Federal Energy Efficiency Act, a focus was placed on new services such as energy audits and evaluation of energy efficiency measures.

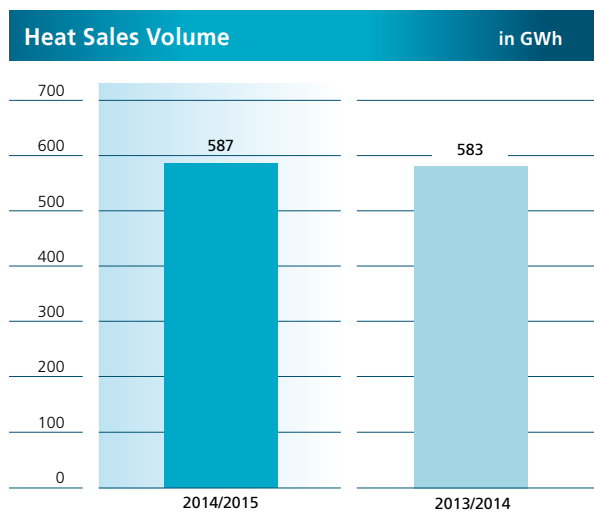
In the field of renewable energies, five photovoltaics contracting projects with 790 kWp were installed during the 2014/2015 fiscal year, and investments were made in three wind parks and one development project. In the newly founded company Wind-power EP GmbH, 50% of which is owned by Energie AG Power Solutions, wind parks are being operated or developed at three locations. In March 2015, a shareholding in the amount of 14.7% was acquired in Wind-park Munderfing GmbH.

In terms of electromobility, the focus remained on products for safe charging at home and on company premises, as well as selective expansion of charging infrastructure.

Heating Business Area Continues on Course

Energie AG Oberösterreich Wärme GmbH remained solidly on its way in the 2014/2015 fiscal year despite a challenging market environment.

Despite another very warm winter, the district heating sales of Wärme GmbH (including fully consolidated subsidiaries) remained stable at 587 GWh compared to the previous year (583 GWh) through grid densification and the acquisition of new customers.



In the past fiscal year, Austria's largest geothermal project in Ried, in which Wärme GmbH has a 40% stake, was inaugurated. For the first time, the supply of a number of private households, companies and public buildings took place with environmentally friendly heating over an entire heating season. The goal in the final expansion is heating sales of around 80 GWh/year, which corresponds to a CO₂ savings of 25,000 tons per year.

As of the end of June, Wärme GmbH and Kirchdorfer Zementwerk Hofmann Gesellschaft m.b.H. renovated and considerably expanded the plant originally built in 1984 for recovery and further use of industrial waste heat. This has resulted in an increase from the previous output of 500 kW to 4,000 kW and a significant increase in the share of heat fed into the grid from industrial waste heat.

The joint venture with EVN Wärme GmbH in Steyr also continued to perform successfully in the 2014/2015 fiscal year such that now around 85 GWh of environmentally friendly heat, mainly from biomass, is transported across an 11 km long district heating network to customers.

After the acquisition of the Freistadt, Weichstetten and Pregarten heating supply grids from OÖ. Ferngas AG as of September 30, 2014, for the first time, operation was carried out by Wärme GmbH over an entire fiscal year.

In September 2015, Wärme GmbH was commissioned with an innovative project to survey the potential of power-to-heat in the urban area. In cooperation with the Technical University of Vienna and other partners, the grids of Wärme GmbH in Kirchdorf, Freistadt and Braunau/Simbach are being called upon as examples and analysed in detail. The final report will be available in spring 2017.

Sustained positive business performance was recorded in the Czech subsidiaries during the reporting period. In the 2014/2015 fiscal year, the withdrawal from the Slovak market was organisationally completed.

Grid Segment

Grid Segment Overview¹⁾	Unit	2014/2015	2013/2014	Change
Total sales	EUR mill.	314.4	311.8	0.8%
EBIT	EUR mill.	41.8	41.3	1.2%
Investments in fixed tangible assets and intangible assets	EUR mill.	66.2	90.3	- 26.7%
Employees (average number)	FTE	543	595	- 8.7%
Electricity grid distribution volume to end customers	GWh	8,060	8,056	0.1%
Natural gas volume transported to end customers/grid operators	GWh	21,012	21,879	- 4.0%

¹⁾ Previous year's figures restated

Energie AG's Grid Segment comprises the construction and operation of the electricity and gas grid.

The decisive topic for Netz OÖ GmbH in the 2014/2015 fiscal year was the integration of the gas grid operation of the former OÖ. Ferngas Netz GmbH. The regulatory authority E-Control officially granted the authorisation for simultaneous operation of grids for electrical energy and natural gas (combination grid operator per § 118 Para 1 GWG 2011) in December 2014. Since the integrated Netz OÖ GmbH exceeded the thresholds of § 29 GmbHG, a supervisory board had to be appointed, which convened in April 2015.

Legal and Regulatory Framework Conditions

With the 2015 amendment to the System Usage Fees Ordinance for Electricity, as of January 1, 2015, the electricity grid fees for Netz OÖ GmbH were lowered. At grid level 7 (low voltage), the decrease was 2.75%. While increasing upstream grid costs and investments in smart metering did lead to an increase in the recognised cost base by 3.4%, this was however compensated by higher output volumes in the charge calculation process.

As part of the Federal Government's Energy Efficiency Act issued on 11 August, 2014, the Combined Heat and Power Act (CHP Act) was also amended. The amendment took effect on 1 February, 2015. The resources necessary for investment subsidies for CHP plants are provided by the so-called "CHP Allowance" which, like the green energy subsidies, is to be collected by grid operators from all end consumers connected to the public grid and so paid.

With the 2015 amendment to the 2013 Gas System Usage Fees Ordinance, the charges for grid level 3 in the household/commercial segment were also decreased by 0.83% as of 1 January, 2015. The grid use charges for grid level 2 for industrial customers remained unchanged; this is the case although the upstream grid costs for the Upper Austria grid area resulting from the cost rollup for grid level 1 rose by 30% to EUR 12.1 mill. This effect is partially based on higher total costs generated by the expansion of the western track as well as on a modified distribution key due to sales decreases in other provinces.

The new general conditions for the distributor grid concerning natural gas, originally submitted to the regulatory authority for approval on February 14, 2014 by OÖ. Ferngas Netz GmbH, were approved in the version last modified on April 2, 2015 with a ruling by the Board of Directors of E-Control Austria dated April 22, 2015, ZI V AGB G 07/14 after several discussions with the regulatory authority E-Control Austria. These new General Distributor Grid Conditions for Gas have applied since September 1, 2015 to all (natural gas) grid users. In particular, adjustments to the amended 2011 GWG (e.g. basic supply) as well as to the Gas Grid Service Quality Ordinance were made therein.

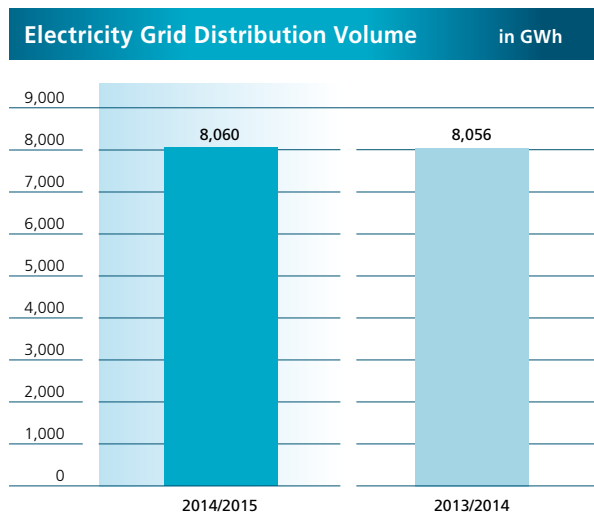
Business Development in the Grid Segment

The Grid Segment generated sales of EUR 314.4 mill. in the 2014/2015 fiscal year, corresponding to an increase of EUR 2.6 mill. or 0.8% with respect to the comparison period of the previous year. The EBIT of the segment amounted to EUR 41.8 mill. in the reporting period. This represents an increase in the amount of EUR 0.5 mill. (1.2%) compared to the previous year.

Negative EBIT effects resulting from the lowering of system use rates on the part of the regulatory authority, from a change in the existing regulatory compensation payment model, higher upstream grid costs, higher provisions due to interest rate decreases for social capital as well as due to decreasing volumes in the gas area stand in contrast to positive effects from consistent efficiency measures as well as synergy effects from the integration of OÖ. Ferngas AG. In addition, the previous year's EBIT was also negatively affected by higher expenses for a step-in pension model.

Electricity and Gas Grid as the Backbone of the Upper Austrian Distribution Infrastructure

The quantity of electricity distributed during the 2014/2015 fiscal year was, at 8,060 GWh, at the same level as that of the previous year (8,056 GWh). In the industrial and commercial customers segment, the trend of lowering own electricity production in favour of economical purchase from the electricity market did not intensify further. Electricity use in the private customer segment was 0.1% above the previous year in the reporting period. As of September 30, 2015, Netz OÖ GmbH supplied 486,000 active customer facilities.



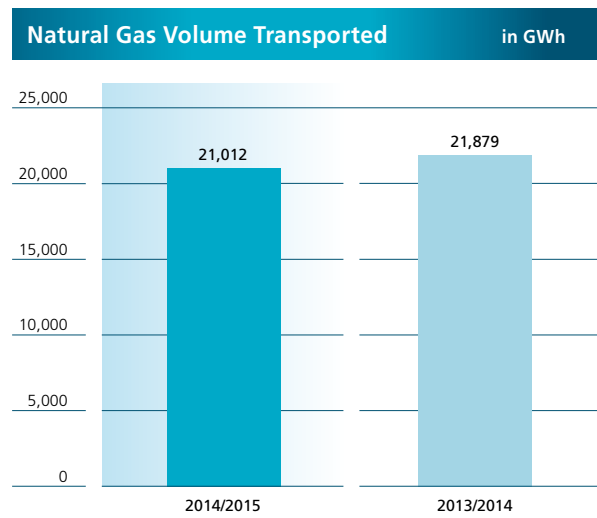
In the past fiscal year, the grid area was affected by the storm fronts "Gonzalo," "Elon and Felix" as well as "Niklas." Thus, in comparison to the previous year, the availability figures for the power grid are at a lower, but still satisfying level. The planned switch-offs due to connection and maintenance activities are below the previous year's values.

Project activity in the past fiscal year was characterised by the continuation of the programme of placing medium voltage overhead lines, which are especially prone to breakdowns, into cables and of the project planning and approval phases of the major projects "Alm- and Kremstal Power Supply" and "Pramtal South Power Supply." For the Jochenstein grid outrigger, a consensus was largely reached in the last weeks of the 2014/2015 fiscal year, such that the last, still outstanding official procedures can now be set in motion.

The originally rapid growth in photovoltaics stations in the distribution grid has now stabilised at a high level. As of the end of the 2014/2015 fiscal year, the total output from photovoltaics

stations connected to the electricity grid was around 113 MW (previous year: 100 MW). Findings from research and development projects are being successfully implemented for efficient grid integration.

The natural gas volume transported for end customers in the Group grid and for regional grid operators was 21,012 GWh (previous year: 21,879 GWh) in the fiscal year 2014/2015. The decrease of around 4.0% compared with the previous year is mainly due to lower volumes in the industrial segment. The volumes in the household and commercial sector correspond approximately to those of the previous year; in both years, the winter was milder than usual.



At the natural gas high pressure line 021 Windern – Salzburg provincial border, the siphons were reconstructed due to reduced coverage resulting from river debris. At the Windern Measurement and Valve Station, constructed in 1972, an extensive general overhaul was carried out in order to continue to meet the changed technical requirements and guidelines going forward. In addition to other lines, magnetic stray flow pigging was performed at this natural gas high pressure line (075 Puchkirchen – Kronstorf). In the process, the integrity of the 75 km line (nominal width 800 mm) was checked. The purchase of a mobile regulating station is used to maintain gas supply as a replacement for regulating stations in case of a breakdown or conversion. This additional investment in the future of energy is a clear step in strengthening supply security as the top priority of the Grid Segment.

Waste Management Segment

Waste Management Segment Overview	Unit	2014/2015	2013/2014	Change
Total sales	EUR mill.	205.2	209.5	- 2.1%
EBIT	EUR mill.	- 15.3	5.4	—
Investments in fixed tangible assets and intangible assets	EUR mill.	13.7	12.9	6.2%
Employees (average number)	FTE	785	818	- 4.0%
Total volume of waste handled	1,000 tons	1,707	1,746	- 2.2%
Thermally processed waste volume	1,000 tons	617	628	- 1.8%

The Waste Management Segment comprises the collection, acceptance, sorting, preparation and incineration of household and commercial waste as well as recyclables and includes activities in Austria, Italy, the slag preparation company Austrian Metal Recovery GmbH and the operationally inactive Heves Régió Kft. in Hungary.

Economic Environment of the Waste Management Sector

With regard to the waste management markets, a mild slackening in economic conditions was noticeable in the last months. The topics of resource preservation and secondary substance recovery continue to have priority on the national and international level. By means of new legal requirements and drafts, the European Commission intends to ensure compliance with waste-relevant regulations throughout Europe and punish violations thereof. In the 2014/2015 fiscal year, this had a positive impact on the waste and recycling industry.

As a result of the increasing waste sorting quality and the weak economic situation, the waste management market is characterised by stagnating residual waste volumes. However, the capacity of Austrian incineration facilities was ensured by importing thermally recyclable waste from neighbouring countries, such that as a result of this as well as of shortages in capacities in Germany, the capacities of the Austrian incineration plants are currently well utilised. The economic environment had a positive effect in the past year on waste management prices for the thermal fraction.

The first 2014/2015 half-year was shaped primarily by the weak Euro, with prices for recyclables remaining the same for aluminium and copper. In the second half-year, however, prices for metals dropped considerably. The continuous decrease in crude oil prices had a positive effect, on the one hand, in the form of lower fuel prices, but on the other hand led to diminished secondary plastic prices. In the recycled paper and packaging sector, prices recovered by the summer.

Business Development in the Waste Management Segment

In the 2014/2015 fiscal year, sales in the Waste Management Segment amounted to EUR 205.2 mill. (previous year: EUR 209.5 mill.). An EBIT of EUR -15.3 mill. (previous year: EUR 5.4 mill.) was generated.

In the Waste Management Segment, further reduced electricity earnings and waste prices stagnating at a low level contrasted with attractive fuel prices for the fleet. The difficult market situation was more than compensated for through measures under the scope of the consistent cost and stringent investment management. Despite the increase in the EBIT from operations, several impairments and other non-cash one-time effects resulted in a negative EBIT in the Waste Management Segment in the amount of EUR -15.3 mill.

Impairments in the amount of EUR 19.5 mill. mainly concerned the waste incineration plant in Lenzing in the amount of 5.9 mill., the shareholding in Papyrus Altpapierservice Handelsgesellschaft m.b.H. in the amount of EUR 5.6 mill. as well as real estate properties in the amount of EUR 6.0 mill. The EBIT was also affected by the increase in provisions for landfills due to the decrease of the calculated interest rate and other one-time effects from asset disposals.

Austria

Due to the difficult market conditions in the past years, for some years now Energie AG Oberösterreich Umwelt Service GmbH has strongly focused on selective market development, wide-scale collaboration with the Austrian municipalities and consistent cost management.

The Umwelt Service GmbH waste incineration plants in Wels and Lenzing were utilised to full capacity. The operating time of line 1 in Wels was extended for the first time to one year without any noteworthy problems. The thermally processed volumes remained at a

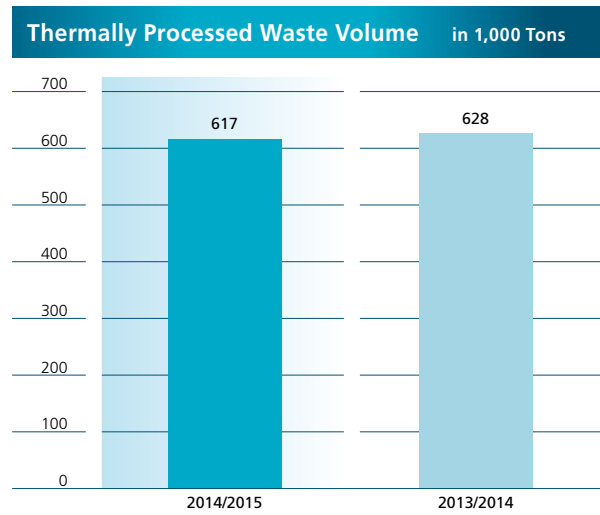
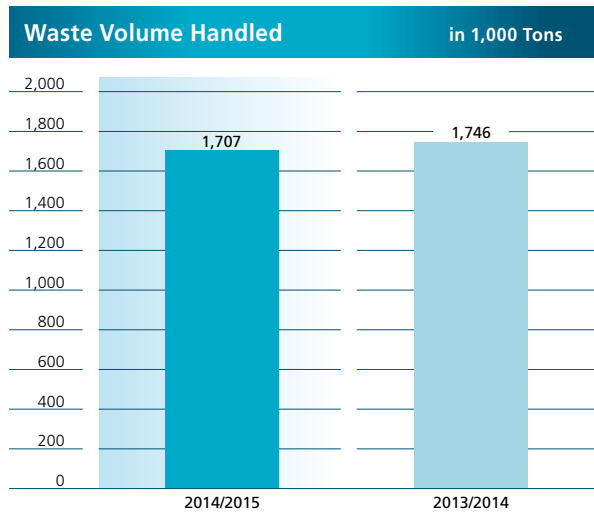
high level with a total of 617,000 tons despite decreasing quality and increasing heating values. 175 GWh of heat were supplied from the Wels waste incineration plant during the reporting period (previous year 149 GWh) to the district heating grids of Wels Strom GmbH and another customer. The electricity generated in the Waste Management Segment was 184 GWh (previous year 207 GWh).

Compared to the previous year, the total volumes handled in Austria, at 1,707 tons, were slightly decreased (previous year 1,746 tons). The volumes in the construction-related sector remained at the previous year's level in the first half-year. In the second half-year of the 2014/2015 fiscal year, there was a slightly positive development in quantities. The volume of recycled paper stagnated in the past fiscal year.

South Tyrol

The cost reduction and efficiency increasing measures implemented have already shown initial effects in the past 2014/2015 fiscal year and led to a considerable EBIT increase.

Thanks to the newly purchased solid recovered fuel treatment plant, high volumes were supplied to the cement industry in the reporting period. Towards the end of the 2014/2015 fiscal year, the civil engineering works for the new location construction in Neumarkt were started. Completion should take place in the second half of the 2016 calendar year; it will then be possible to make use of additional synergies offered by the location pooling.



Water Segment

Water Segment Overview	Unit	2014/2015	2013/2014	Change
Total sales	EUR mill.	126.4	125.1	1.0%
EBIT	EUR mill.	9.5	9.3	2.2%
Investments in fixed tangible assets and intangible assets	EUR mill.	6.5	6.6	- 1.5%
Employees (average number)	FTE	1,546	1,544	0.1%
Invoiced drinking water volume	m ³ mill.	51.7	51.4	0.6%
Invoiced waste water volume	m ³ mill.	43.9	43.8	0.2%

Energie AG's Water Segment comprises the supply of drinking water and the disposal of waste water. In the main markets of the Czech Republic and Austria, this takes place under water supply, concession, operator and service contracts. Comprehensive individual services along the entire operational value creation chain that are also provided in Slovenia complete the portfolio.

Economic Environment of the Water Industry

The artificial weakening of the Czech Koruna which began on November 7, 2013 via interventions initiated by the National Bank (CNB), has been continued. Since the Czech Republic has one of the highest GDP growth rates in the EU, the pressure to revalue the Czech Koruna upward has grown strongly. The CNB could, in following the Swiss model, soon decide to leave the currency intervention, although according to CNB's own announcements, an "exit" would not take place before the second half of 2016. This would bring with it a positive effect on the profit situation for Energie AG.

In the Czech Republic, the organisational framework of the ministries competent to regulate the water industry was re-defined. In the Ministry of Agriculture, a specific department has been created to carry out a coordinating function between the other ministries (Finance, Environment, Health Ministries, Ministry for Regional Development) and dedicates itself especially to the topic of benchmarking.

In Austria, due to the phase-out of the 2014 financial equalisation, no Federal subsidies were originally set aside for 2015 and 2016 for Austrian urban water management. After the political agreement, however, there are now limited subsidies available in the scope of new subsidy directives.

In Slovenia, the economic situation as a whole and the order situation have improved slightly. Nonetheless, difficult economic conditions persist.

Business Development in the Water Segment

The 2014/2015 fiscal year closes with sales of EUR 126.4 mill. and an EBIT of EUR 9.5 mill. Despite slight loss in value of the Czech Koruna with respect to the Euro, sales increased by 1.0% as compared to the previous year (EUR 125.1 mill. sales).

The segment EBIT was raised from EUR 9.3 mill. in the previous year by 2.2% to EUR 9.5 mill. The reasons for this, besides increased volumes and fee adjustments (mainly as part of inflation), were the positive changes in the service business, additional optimisations of company organisation as well as savings in market and project development and efficiency increases.

Overall, in the 2014/2015 fiscal year, 51.7 mill. m³ of drinking water and 43.9 mill. m³ of waste water were invoiced. This corresponds to an increase of 0.3 mill. m³ or 0.6% for drinking water and a slight increase of 0.1 mill. m³ or 0.2% for waste water. Consumption in the supplied areas are within the range of past years.

In the Water Segment, as of September 30, 2015 around 1,047,000 inhabitants were supplied with drinking water; waste water disposal was carried out for 696,000 customers.

Optimisation and Efficiency Enhancements in the Czech Republic

In the Czech Republic, the focus was on further optimisation of all company segments. This included the reduction in breakdown-related drinking water supply interruptions and lowering of drinking water losses, the modernisation of fleet and equipment, the pooling of operating facilities, securing of drinking water quality and cost-effective operation of sewage and septic facilities. Customer service was optimised and improved thanks to the expansion of online offers and information sites. Projects for management and capital optimisation continue to be a focal point. In the area of research, development and inno-

vation, the focus is on the use of comprehensive benchmarking systems for the areas of water treatment plants, water losses and sewage treatment plants. This allowed cross-company best practices to be identified, implemented and made available for all companies. In the scope of the smart metering group project, initial pilot projects were launched in several companies.

All companies took part in concession tenders on an ongoing basis, within and outside of the served areas, in order to secure or increase the Group's market share. In Kolín the tender for waste water disposal for the city was awarded and secured for the next 10 years, as had already been the case with the tender for the Group Water Association in the previous year. Important successes were recorded in the 10 year concession tenders in Polička, Moravská Třebová and Dolní Bukovsko, where the contracts were also extended. In Velké Přílepy in north western Prague, a new city with around 3,000 inhabitants was taken over.

Stable Development in Austria

In Austria, WDL-Wasserdienstleistungs GmbH (WDL) supplies drinking water to 47 cities, municipalities and cooperatives and provides services in the drinking and waste water sector. The portfolio currently includes water services (e.g. water loss

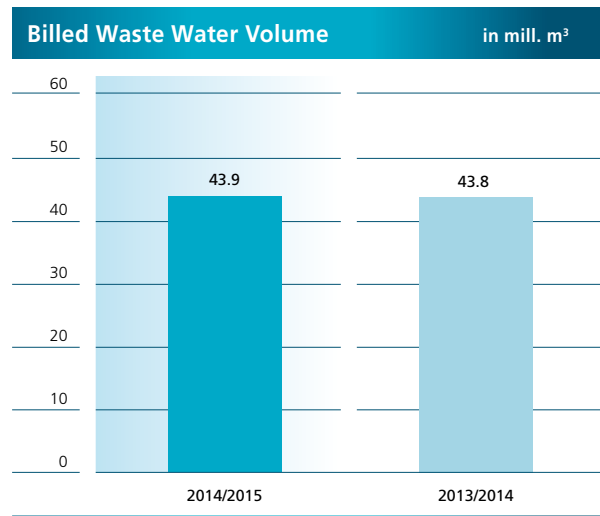
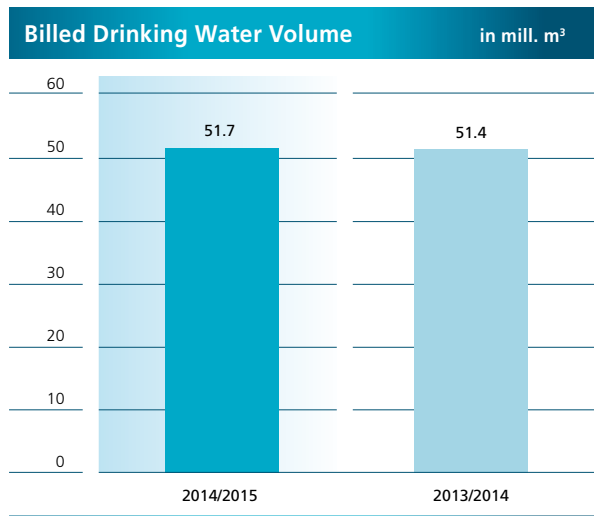
analysis, hydrant service, container cleaning, disinfection), sewer services (sewer TV and pressure tests) and the operation of water and waste water facilities. As part of association management, the company carries out management in six associations. The sales activities of the company focus on all of Austria and Southern Bavaria.

Drinking water supplies showed stable performance in the 2014/2015 fiscal year, and sales volumes increased slightly compared to the previous year. In the service business, the focus was on intensified contract acquisition with industrial customers.

Slovenia

In Slovenia, in addition to the already existing and new service business, options for greater commitment were examined for the purpose of entering the drinking and waste water management segment.

Varinger d.o.o., the company with its registered address in Maribor, operates in the field of sewage and water service. Its service in the field of inspection and clog removal for domestic sewer connections, which has been offered for approximately two years, has successfully taken hold and is now provided in Maribor and Ljubljana.



Holding and Services Segment

Holding and Services Segment Overview¹⁾	Unit	2014/2015	2013/2014	Change
Total sales	Mio. EUR	182,6	165,0	10,7%
EBIT	Mio. EUR	2,9	16,1	- 82,0%
Investments in fixed tangible assets and intangible assets	Mio. EUR	31,8	17,3	83,8%
Employees (average number)	FTE	953	861	10,7%

¹⁾ Previous year's figures restated

The Holding and Services Segment of Energie AG comprises the telecommunications and metering business of Energie AG Oberösterreich Data GmbH (Data GmbH), the management and control functions of the holding company, commercial and technical services as well as the companies Salzburg AG für Energie, Verkehr und Telekommunikation (Salzburg AG) and Wels Strom GmbH, consolidated at equity.

Business Development in the Holding and Services Segment

In fiscal 2014/2015, sales in the Holding and Services Segment amounted to a total of EUR 182.6 mill., thus exceeding the previous year's figure (EUR 165.0 mill.) by 10.7%. At EUR 2.9 mill., EBIT decreased markedly in fiscal 2014/2015 with regards to the previous year (EUR 16.1 mill.). This was chiefly caused by positive one-off effects in the previous year from a property sale as well as the sale of shares in LIWEST Kabelmedien GmbH.

Further factors leading to the decrease in EBIT were the conversion to a market-price-oriented system for the billing of intercompany services as well as the increase in provisions for social capital following the reduction of the interest rate. These effects were offset in part by the stable EBIT contribution from Data GmbH and higher contributions from companies consolidated at equity in the 2014/2015 fiscal year as well as by increased expenditures for a gradual step-in pension plan in the previous year.

Data Network on its Way to the Future

The rising demand for reliable broadband internet at light speed continues to increase unchecked.

In order to satisfy this demand, at the end of fiscal 2013/2014 Data GmbH began to offer its services in the fibre optics sector not only to businesses but also to private customers.

Over the course of the expansion of the Fiber to the Home (FTTH) project, started in the previous fiscal year, select residential areas have been provided with light-speed internet with download speeds of up to 300 Mbps as well as an optional high-quality TV set through the "powerSPEED privat" product. An application for

funding from the "Broadband Expansion 2020" programme was made in the interest of pressing ahead with the expansion of the existing fibre-optic network of around 4,700 km and tapping into new customer bases. A possible allocation is expected for the first quarter of fiscal 2015/2016.

A further business field of Data GmbH is the performance of electricity measurement services for Netz OÖ GmbH. In accordance with the legal stipulations, which require that measurement services be carried out in the future with the help of intelligent measuring instruments (smart meters), the roll-out of smart-metering systems in Energie AG is already at a highly advanced stage. As of 30.09.2015, almost 210,000 new meters are already in use. In this way, the specifications of the legislature are fulfilled on the one hand, and on the other, the new smart meter customers are provided added benefit in the form of intelligent electricity products and services.

Strategic Participations

Wels Strom GmbH and Salzburg AG, companies consolidated at equity, as well as further minority holdings round out the business portfolio of Energie AG.

Wels Strom GmbH, in which Energie AG Oberösterreich holds a 49% share, positions itself as an integrated electricity provider for the city of Wels and neighbouring municipalities.

In the last completed fiscal year (01.01.2014 to 31.12.2014) the company's own electricity production declined by 23% with respect to that of the previous year, at 111 GWh. Production from the hydropower plants decreased by 8.9% to 72 GWh (previous year 79 GWh) due to low water flow in the Traun. Production from the thermal district-heating power plant was reduced by 40.2% to 39 GWh (net generation). The technical preparation for the Traunleiten hydroelectric plant construction project was confirmed through a positive EIA ruling. The next steps for the project are the evaluation of potential plant suppliers as well as the detailed planning of the power plant.

Wels Strom GmbH was able to marginally increase the total electricity output delivered to its customers from 589 GWh to 593 GWh compared with the previous year. With its "Voltino" brand, Wels Strom GmbH successfully took advantage of the possibilities offered by the free electricity market in the Austrian sales area.

Energie AG Oberösterreich holds a 26.13% share in **Salzburg AG**. Salzburg AG is active as a regional provider of infrastructure services in the electricity, gas, heating, water, transport and telecommunications sectors.

In comparison with the previous year, the company's own electricity procurement from hydropower declined slightly in the 2014 fiscal year (01.01.2014 to 31.12.2014), primarily because of reduced production from its Danube power plant holdings. Its own run-of-river power plants, on the other hand, recorded a 5.1% increase in electricity production. At 1,462 GWh, generation from hydropower plants fell 0.2% below the previous year's figure, but 1.9% above standard production capacity. Electricity production from thermal power plants came in at 150 GWh, down around 21.5% than the previous year's figure due to changes in the utilisation of the power plants. In total, the own electricity procurement fell below the previous year's value by 2.5%.

Gas sales also showed a downward development from 1,796 GWh in the previous year to 1,490 GWh in the 2014 fiscal year. In the same time period, thermal output to end customers declined from 821 GWh to 715 GWh due to adverse weather conditions. The quantities of billed drinking water remained stable, amounting to 10 mill. m³ in fiscal 2014. Growth in the telecommunications sector was able to be carried forward.

Shared Services

The four Group-wide service companies

- Energie AG Oberösterreich Business Services GmbH (Business Services GmbH),
- Energie AG Oberösterreich Customer Services GmbH (Customer Services GmbH),
- Energie AG Oberösterreich Personalmanagement GmbH (Personalmanagement GmbH) and
- Energie AG Oberösterreich Tech Services GmbH (Tech Services GmbH)

are bundled into the Holding and Services Segment.

What these commercial and technical service companies have in common is a provision of services for the entire Group on the basis of exactly defined quality and safety standards. The conditions of the external market for similar products and services serve as the orientation basis for these services.

Outlook

Low prices on the energy market continue to be expected, presenting one of the significant challenges for the 2015/2016 fiscal year. Particularly on European electricity trading markets, the low price level is expected largely to continue on account of dimini-

shed demand as well as further encouragement for renewable energy. Against the background of increasingly volatile markets, the security of the power supply is becoming a growing technical and economic challenge for the electricity industry. Here, additional

Further essential activities on the part of **Business Services GmbH**, which provides purchasing and logistics, property management, information technology, accounting as well as insurance and legal services, were the integration of previously independent service units of Umwelt Service GmbH, the implementation of the e-mail compliance reorganisation project, the launch of the information security management project as well as the launch of a project aiming to implement a Group-wide historical archive.

In **Customer Services GmbH**, are bundled the Group's customer services as well as billing, the management of change, receivables management and the processing of payment transactions with customers. These services are primarily rendered for Netz OÖ GmbH, Vertrieb GmbH & Co KG, Energie AG Power Solutions, ENAMO GmbH and ENAMO Ökostrom GmbH, but also for external customers. In fiscal 2014/2015, services were rendered by Customer Services GmbH for more than 1.6 million customer contracts.

In addition to duties related to human resources, payroll accounting, training services and apprenticeship training, the activity of **Personalmanagement GmbH** also includes the exercise of personnel policy management for the Group on behalf of the Management Board. At the centre of the activities of the 2014/2015 fiscal year stood the implementation of the competency model for managers and personnel support for the complete integration of OÖ. Ferngas group of companies.

Through the integration of the Engineering and Maintenance divisions, previously part of the Power Plants division, **Tech Services GmbH** has become the comprehensive provider of technical services in the Group in fiscal year 2014/2015. The measures taken over the course of the restructuring have already shown good results, such that the goal of an efficient and powerful unit that can provide its technical services with the customary quality and at prices in line with the market while still covering its costs, can be achieved. The repair of the damages that winter storm Niklas wrought in the spring of 2015 posed a significant challenge. Here, the efficiency of the new organisation was able to be demonstrated.

revenue opportunities for Energie AG can be found in a cooperation between the Timelkam CCGT power plant and the 7fields gas storage facility, as well as the hydraulic generation capacities. For the same reason, the CCGT power plant Timelkam will also be in use in the coming fiscal year for the maintenance of grid stability. The operation of the Riedersbach 2 coal-fired power station will be discontinued after the last operation period in the winter half year of 2015/2016.

With the full operation of the Reißbeck II pumped storage power plant planned for the second half of 2016, electricity procurement rights from the Malta-Reißbeck II power plant group will increase markedly, in turbine operation from the current figure of 89.1 MW to 132.1 MW (+ 48%) as well as in pump operation from the current figure of 40.6 MW to 83.6 MW (+ 66%). This will bring with it a significant improvement of the output capacity of Energie AG on the control- and balancing-energy market.

The implementation of the Federal Government's Energy Efficiency Act will have a significant influence on fiscal 2015/2016. The legal specifications for the monitoring body as well as the measures to be implemented will represent, in the form of the Directive, the essential guidelines for the services that must in future be rendered. The Directive will be of crucial importance for all energy providers in the Group – particularly the largest providers in terms of volume, such as ENAMO and Energie AG Power Solutions.

In addition to winning new customers in existing supply areas, the heating sector will continue to put emphasis on the development of new projects on the basis of renewable forms of energy such as biomass and geothermal power.

The business activity in the Grid Segment will be shaped by the promotion of large projects in the coming fiscal year, which will represent a significant challenge to the employees of Netz OÖ GmbH with regard to resources. In addition, the preparation for upcoming regulatory periods, which begin in 2018 for gas and in 2019 for electricity, will increase markedly in intensity.

Business development in the Waste Management Segment will also be severely influenced in fiscal 2015/2016 by external factors such as the general economic development. For instance, waste quantities in the area of hazardous waste are closely correlated

with the production quantities of industrial customers. It remains to be seen to what extent the crisis of the automotive industry will affect Austrian subcontractors. In the construction sector, it can be expected that the residential offensive announced by the government starting in spring 2016 will represent a positive impulse for the waste management industry. The load on the thermal recycling capacities in Central Europe has improved in recent months. On the basis of continued waste transfer from England and Italy to incineration plants in Germany, a favourable quantity and price situation is expected in the coming quarters, as well. As for recycling prices, the current low price levels are anticipated to continue.

For the Water Segment, the topic of efficiency enhancement will be in focus in the coming fiscal year, as well. In addition, the companies in the Czech Republic will apply for several concessions in the drinking and waste water areas in the framework of calls for tender. In Austria and Southern Bavaria, the emphasis with regard to water supply will focus on market penetration by consolidating existing facilities as well as further developing the business services. In Slovenia, the service business should be further expanded, and, at the same time, opportunities on the operator market should be exploited.

The further expansion of the fibre optic network in Upper Austria is one of the central goals of PowerStrategie 2020. In order to link as many household customers as possible along with the business customers with super-fast connections, an application for subsidies in the context of the "Breitband Ausbau 2020" (Broadband Expansion 2020) funding programme is also planned for the coming fiscal year.

The acquisition of new customers and the building of long-term relationships with existing customers is a strategic goal of Energie AG. In the 2015/2016 fiscal year, efforts will be intensified in order, against the background of difficult market conditions and changing customer needs, to tap into new target groups and new revenue opportunities with innovative new products and business models. These activities will be accompanied by a consistent implementation of the strategically anchored cost management and efficiency programme. With these points of emphasis, Energie AG will continue, even in a complex market climate, to be a highly competitive as well as reliable partner for its stakeholders in the future.

Linz, on 27 November, 2015

The Managing Board of Energie AG Oberösterreich



CEO Leo Windtner
Chairman of the Board



Werner Steinecker
Member of the Board



Andreas Kolar
Member of the Board

Consolidated Income Statement

01 October 2014 to 30 September 2015

		2014/2015	2013/2014 (restated)
		EUR 1,000	EUR 1,000
1. Sales	(6)	1,573,927.5	1,722,107.9
Procurement Costs for Electricity and Gas Proprietary Trading	(6)	- 103,320.1	- 158,269.4
Net Sales	(6)	1,470,607.4	1,563,838.5
2. Change in inventories of finished and unfinished products		868.1	- 547.9
3. Other capitalised costs of self-constructed items		32,249.5	33,411.0
4. Shares of result of entities at equity		46,003.0	46,041.4
5. Other operating income (thereof: value appreciation EUR 29,733.9 thousand)	(8)	51,878.0	22,942.3
6. Cost of materials and other purchased manufacturing services	(9)	- 893,546.4	- 967,536.6
7. Personnel expenses	(10)	- 256,448.1	- 271,755.8
8. Depreciation	(11)	- 175,724.7	- 167,442.6
9. Other operating expenses	(12)	- 157,016.2	- 156,699.2
10. Profit from operations (EBIT)		118,870.6	102,251.1
11. Financing expenses	(13)	- 40,044.7	- 43,026.7
12. Other interest income	(13)	2,271.3	- 1,346.8
13. Other financial results	(14)	2,107.0	4,637.4
14. Financial result		- 35,666.4	- 39,736.1
15. Profit before tax (EBT)		83,204.2	62,515.0
16. Income taxes	(15)	- 18,445.4	- 10,566.1
17. Profit after taxes from continued operations		64,758.8	51,948.9
Discontinued operation			
18. Profit after taxes from Discontinued Operation	(37)	—	- 1,356.9
19. Profit for the period		64,758.8	50,592.0
of which attributable to non-controlling interests		574.9	6,837.5
of which attributable to shareholders of parent company			
Group Annual Profit		64,183.9	43,754.5

Consolidated Statement of Comprehensive Income

01 October 2014 to 30 September 2015

		2014/2015	2013/2014 (restated)
		EUR 1,000	EUR 1,000
1. Profit for the period		64,758.8	50,592.0
2. Other Comprehensive Income			
Items of other comprehensive income that will not be reclassified to profit or loss:			
Remeasurement of defined benefit obligations		- 12,616.9	- 16,561.4
Share of result of entities at equity		- 496.7	- 547.8
Deferred taxes		3,154.2	4,140.4
Items of other comprehensive income that will be reclassified to profit or loss:			
Changes in available for sale investments and securities		- 822.6	- 2,034.6
Share of result of entities at equity		- 7.8	41.9
Hedge accounting		11,487.3	15,019.4
Currency translation		1,072.2	- 6,811.0
Deferred taxes		- 2,666.3	- 2,477.3
Total income and expense of other comprehensive income		- 896.6	- 9,230.4
3. Overall result after taxes		63,862.2	41,361.6
4. thereof overall result of non-controlling interest		1,265.8	6,282.9
5. thereof overall result of the shareholders of the parent company		62,596.4	35,078.7

Consolidated Balance Sheet

as at 30 September 2015

ASSETS		September 30, 2015	September 30, 2014 (restated)	Oktober 1, 2013 (restated)
		EUR 1,000	EUR 1,000	EUR 1,000
A. Non-current assets				
I. Intangible assets and goodwill	(16)	206,789.3	217,158.2	228,520.7
II. Property, plant and equipment	(16)	1,913,602.5	1,913,647.2	1,917,055.3
III. Investments (companies at equity: EUR 238,034.9 thousand [previous year: EUR 231,330.1 thousand])	(17)	258,630.7	251,714.6	258,093.6
IV. Other financial assets	(18)	98,215.5	91,224.7	126,574.7
		2,477,238.0	2,473,744.7	2,530,244.3
V. Other non-current assets	(19)	14,216.6	18,713.3	15,209.8
VI. Deferred tax assets	(15)	12,374.4	20,264.3	19,864.9
		2,503,829.0	2,512,722.3	2,565,319.0
B. Current assets				
I. Inventories	(20)	47,567.6	66,273.8	66,629.3
II. Receivables and other assets	(21)	265,750.0	274,174.6	253,471.2
III. Fixed term deposits	(5,9)	112,500.0	127,500.0	111,500.0
IV. Cash and cash equivalents	(22)	109,896.1	179,421.0	61,511.2
		535,713.7	647,369.4	493,111.7
V. Assets of discontinued operation	(37)	—	—	213,055.8
		535,713.7	647,369.4	706,167.5
		3,039,542.7	3,160,091.7	3,271,486.5
LIABILITIES		September 30, 2015	September 30, 2014	Oktober 1, 2013
		EUR 1,000	(restated) EUR 1,000	(restated) EUR 1,000
A. Equity				
I. Share capital	(23)	89,087.5	89,087.5	89,000.0
II. Capital reserves	(23)	214,809.5	214,809.5	214,897.0
III. Retained earnings	(23)	849,754.5	838,937.3	837,631.1
IV. Other reserves	(23)	- 57,764.6	- 56,109.6	- 39,273.7
V. Non-controlling interests	(23)	12,090.0	11,399.7	81,281.6
		1,107,976.9	1,098,124.4	1,183,536.0
B. Non-current liabilities				
I. Financial liabilities	(24)	524,792.7	600,082.1	691,397.7
II. Long-term provisions	(25)	308,571.4	299,149.7	284,758.5
III. Deferred tax liabilities	(15)	44,190.7	60,934.9	66,366.7
IV. Contributions to construction costs	(26)	353,742.0	350,171.4	342,921.3
V. Advances received	(27)	55,944.0	63,056.8	69,840.8
VI. Other long-term debt	(28)	79,866.2	81,025.6	84,886.3
		1,367,107.0	1,454,420.5	1,540,171.3
C. Current liabilities				
I. Financial liabilities	(24)	88,256.4	119,375.8	35,082.3
II. Short-term provisions	(29)	16,037.5	13,365.0	17,474.8
III. Tax provisions	(30)	442.7	923.1	187.1
IV. Trade payables	(24)	143,667.9	165,050.1	158,874.9
V. Other short-term debt	(31)	316,054.3	308,832.8	259,052.3
		564,458.8	607,546.8	470,671.4
VI. Debts of discontinued operation	(37)	—	—	77,107.8
		564,458.8	607,546.8	547,779.2
		3,039,542.7	3,160,091.7	3,271,486.5

Development of Group Equity

		Share capital	Capital reserves	Retained earnings	Other reserves	
					Reserves IAS 39	Reserves IAS 19
		EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
Status as at 30/09/2013 (restated)		89,000.0	214,897.0	837,631.1	- 43,761.5	- 40,102.6
Items of other comprehensive income that will not be reclassified to profit or loss:						
Remeasurements of defined benefit obligations		—	—	—	—	- 16,641.2
Share of result of entities at equity		—	—	—	—	- 547.8
Deferred taxes		—	—	—	—	4,160.3
Items of other comprehensive income that will be reclassified to profit or loss:						
Changes in available-for-sale investments and securities	(23)	—	—	—	- 2,053.9	—
Share of result of entities at equity		—	—	—	41.9	—
Hedge accounting	(23)	—	—	—	15,110.3	—
Currency differences	(4)	—	—	- 117.3	—	—
Deferred taxes		—	—	588.2	- 3,293.0	—
Other Comprehensive Income		—	—	470.9	9,805.3	- 13,028.7
Profit for the period		—	—	43,754.5	—	—
Total revenues for the period		—	—	44,225.4	9,805.3	- 13,028.7
Dividend payment		—	—	-53,274.0	—	—
Change in consolidated group	(3)	—	—	10,354.8	—	- 791.8
Capital Increase		87.5	- 87.5	—	—	—
Own shares	(23)	—	—	—	—	—
Transactions with shareholders		87.5	- 87.5	- 42,919.2	—	- 791.8
Status as at 30/09/2014 (restated)		89,087.5	214,809.5	838,937.3	- 33,956.2	- 53,923.1

Revaluation reserve	Own shares	Currency differences	Total	Equity of shareholders of parent company	Non-controlling interests	TOTAL
EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
37,541.1	- 6,326.3	13,375.6	- 39,273.7	1,102,254.4	81,281.6	1,183,536.0
—	—	—	- 16,641.2	- 16,641.2	79.8	- 16,561.4
—	—	—	- 547.8	- 547.8	—	- 547.8
—	—	—	4,160.3	4,160.3	- 19.9	4,140.4
—	—	—	- 2,053.9	- 2,053.9	19.3	- 2,034.6
—	—	—	41.9	41.9	—	41.9
—	—	—	15,110.3	15,110.3	- 90.9	15,019.4
—	—	- 5,923.3	- 5,923.3	- 6,040.6	- 770.4	- 6,811.0
—	—	—	- 3,293.0	- 2,704.8	227.5	- 2,477.3
—	—	- 5,923.3	- 9,146.7	- 8,675.8	- 554.6	- 9,230.4
—	—	—	—	43,754.5	6,837.5	50,592.0
—	—	- 5,923.3	- 9,146.7	35,078.7	6,282.9	41,361.6
—	—	—	—	- 53,274.0	- 10,797.5	- 64,071.5
—	—	- 6,856.8	- 7,648.6	2,706.2	- 65,367.3	- 62,661.1
—	—	—	—	—	—	—
—	- 40.6	—	- 40.6	- 40.6	—	- 40.6
—	- 40.6	- 6,856.8	- 7,689.2	- 50,608.4	- 76,164.8	- 126,773.2
37,541.1	- 6,366.9	595.5	- 56,109.6	1,086,724.7	11,399.7	1,098,124.4

Development of Group Equity

		Share capital	Capital reserves	Retained earnings	Other reserves	
					Reserves IAS 39	Reserves IAS 19
		EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
Status as at 30/09/2014 (restated)		89,087.5	214,809.5	838,937.3	- 33,956.2	- 53,923.1
Items of other comprehensive income that will not be reclassified to profit or loss:						
Remeasurements of defined benefit obligations		—	—	—	—	- 13,047.2
Share of result of entities at equity		—	—	—	—	- 496.7
Deferred taxes		—	—	—	—	3,261.8
Items of other comprehensive income that will be reclassified to profit or loss:						
Changes in available-for-sale investments and securities	(23)	—	—	—	- 832.9	—
Share of result of entities at equity		—	—	—	- 7.8	—
Hedge accounting	(23)	—	—	—	11,165.7	—
Currency differences	(4)	—	—	—	—	—
Deferred taxes		—	—	—	- 2,583.3	—
Other Comprehensive Income		—	—	—	7,741.7	- 10,282.1
Profit for the period		—	—	64,183.9	-	-
Total revenues for the period		—	—	64,183.9	7,741.7	- 10,282.1
Dividend payment		—	—	- 53,272.8	—	—
Acquisition of non-controlling interests	(3)	—	—	- 93.9	—	—
Own shares	(23)	—	—	—	—	—
Transactions with shareholders		—	—	- 53,366.7	—	—
Status as at am 30/09/2015		89,087.5	214,809.5	849,754.5	- 26,214.5	- 64,205.2

Revaluation reserve	Own shares	Currency differences	Total	Equity of shareholders of parent company	Non-controlling interests	TOTAL
EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
37,541.1	- 6,366.9	595.5	- 56,109.6	1,086,724.7	11,399.7	1,098,124.4
—	—	—	- 13,047.2	- 13,047.2	430.3	- 12,616.9
—	—	—	- 496.7	- 496.7	—	-496.7
—	—	—	3,261.8	3,261.8	- 107.6	3,154.2
—	—	—	- 832.9	- 832.9	10.3	- 822.6
—	—	—	- 7.8	- 7.8	—	7.8
—	—	—	11,165.7	11,165.7	321.6	11,487.3
—	—	952.9	952.9	952.9	119.3	1,072.2
—	—	—	- 2,583.3	- 2,583.3	- 83.0	- 2,666.3
—	—	952.9	- 1,587.5	- 1,587.5	690.9	- 896.6
—	—	—	—	64,183.9	574.9	64,758.8
—	—	952.9	- 1,587.5	62,596.4	1,265.8	63,862.2
—	—	—	—	- 53,272.8	- 560.8	- 53,833.6
—	—	—	—	- 93.9	- 14.7	- 108.6
—	- 67.5	—	- 67.5	- 67.5	—	- 67.5
—	- 67.5	—	- 67.5	- 53,434.2	- 575.5	- 54,009.7
37,541.1	- 6,434.4	1,548.4	- 57,764.6	1,095,886.9	12,090.0	1,107,976.9

Cash-Flow Statement

		2014/2015	2013/2014 (restated)
		EUR 1,000	EUR 1,000
Profit before tax (EBT)		83,204.2	60,705.8
Tax payments		- 3,697.6	- 22,462.7
Profit after taxes		79,506.6	38,243.1
Depreciation/reversals regarding fixed assets		147,663.5	166,518.9
Change in non-current provisions		- 4,076.8	- 2,179.9
Change in other non-current assets		1,713.0	671.1
Change in other non-current debt		- 2,115.9	- 10,741.4
Retained income from companies associated at equity		- 7,212.1	- 16,914.7
Contributions to construction costs received	(26)	27,825.4	28,753.6
Income from the reversal of contributions to construction costs	(26)	- 24,254.8	- 21,503.5
Losses from the disposal of assets		2,465.4	2,275.3
Gains from the disposal of assets		- 5,677.5	- 6,305.8
Other non cash income and expense		28,529.9	43,172.0
		244,366.7	221,988.7
Change in inventories and current receivables		25,311.5	- 22,912.5
Payments from hedging transactions		- 13,598.3	- 29,280.6
Change in current liabilities		- 20,764.2	58,022.7
Change in current provisions		2,672.5	- 479.8
CASH FLOW FROM OPERATING ACTIVITIES		237,988.2	227,338.5
Inpayments from the disposal of fixed tangible assets and intangible assets		12,037.9	3,901.9
Outflows for additions to fixed tangible assets and intangible assets		- 145,285.2	- 160,092.4
Income from disposal of the discontinued operations after deduction of the liquidated cash and cash equivalents	(37)	—	113,961.3
Inflows from the disposal of financial assets		18,374.7	67,441.5
Change in the basis of consolidation	(3)	- 1,253.6	- 674.6
Outflows for additions to financial assets and other financial investments		- 25,870.2	- 11,221.9
CASH FLOW FROM INVESTMENTS		- 141,996.4	13,315.8
Dividend payment	(34)	- 53,833.6	- 64,080.2
Purchase of non-controlling interests	(3)	- 108.6	- 60,111.4
Purchase of own shares		- 67.5	- 40.6
Repayment borrower's note loan (variable tranche)		- 101,000.0	—
Other change of financial liabilities		- 10,662.8	- 7,547.1
CASH FLOW FROM FINANCING ACTIVITIES		- 165,672.5	- 131,779.3
TOTAL CASH FLOW		- 69,680.7	108,875.0
Funds at the beginning of period	(22)	179,421.0	61,511.2
Funds of discontinued operation		—	9,908.3
Cash Flow		- 69,680.7	108,875.0
Foreign exchange rate effects		155.8	- 873.5
Funds at the end of period	(22)	109,896.1	179,421.0
The cash-flow statement includes the following items:			
Interest received		2,019.0	2,178.6
Interest paid		29,746.6	34,937.6
Dividends received		40,240.8	30,931.0

Notes to the Consolidated Financial Statements 2014/2015

1. General Information

The Energie AG Oberösterreich Group is a modern and high-quality energy and service provider in the Energy, Grid, Waste Management, Water and Holding & Services segments.

The Group's parent company is Energie AG Oberösterreich and its headquarters are located at Böhmerwaldstraße 3 in Linz, Austria.

The consolidated financial statements of Energie AG Oberösterreich for fiscal 2014/2015 were drawn up in accordance with the International Financial Reporting Standards (IFRS) as they were required to be applied on the balance sheet date as published by the International Accounting Standards Board (IASB), as well as with the interpretations of the International Financial Reporting Committee (IFRIC) as adopted by the European Union.

The presented consolidated financial statements according to the IFRS exempt the company from its obligation under § 245a of the Austrian Commercial Law Code [UGB] to prepare consolidated annual accounts pursuant to the Austrian Commercial Law Code. Whenever the Austrian Commercial Law Code so requires, additional information is provided in the respective notes.

The consolidated financial statements were prepared in thousands of euros (EUR 1,000).

Rounding differences may appear as a result of the use of automatic calculation tools for summing up rounded amounts and percentages.

2. Principles of Consolidation

2.1. Standards and Interpretations Endorsed from the EU That Were Applied for the First Time or Amended

Newly applicable standards and interpretations accepted by the EU with entry into effect on 01/01/2014 or later:

- IAS 27 (Separate Financial Statements)
- IAS 28 (Investments in Associates and Joint Ventures)
- IFRS 10 (Consolidated Financial Statements)
- IFRS 11 (Joint Arrangements)
- IFRS 12 (Disclosure of Interests in Other Entities)
- IAS 32 (Amendments: Presentation – Offsetting Financial Assets and Financial Liabilities)
- IFRS 10, 11 and 12 (Amendments: Transition Guidance)
- IFRS 10, 12 and IAS 27 (Amendments: Investment Entities)
- IAS 36 (Amendments: Recoverable Amount Disclosures for Non-Financial Assets)
- IAS 39 (Amendments: Novation of Derivatives and Continuation of Hedge Accounting)
- IFRIC 21 (Levies)

2.2. Effects of Standards and Interpretations Applied for the First Time as Well as Amendments to Accounting and Valuation Principles

IFRS 8 (Operating Segments)

In the consolidated statement as of 30/09/2014, the segments Electricity, Distribution, Gas, Waste Management, Water and Miscellaneous were reported. In 2014, a strategic realignment of the Group was initiated. The aim of the realignment is an even stronger focus on specific customers and their needs, as well as improvements of organisational and operating excellence. In addition, in the previous year, the share held in OÖ. Ferngas Aktiengesellschaft was increased to 100%. Among other things, internal Group restructuring was carried out to implement the realignment. The grid control operational unit of OÖ. Ferngas Netz GmbH was split off with retroactive effect as of 30/09/2014 to Netz Oberösterreich GmbH. In addition, the fibre optics marketing operational unit of OÖ. Ferngas Service GmbH was also split off to Energie AG Oberösterreich Data GmbH. OÖ. Ferngas AG, OÖ. Ferngas Netz GmbH, OÖ. Ferngas Service GmbH and Energie Austria GmbH were then merged into Energie AG Oberösterreich.

Energie AG Oberösterreich Fair Energy GmbH as well as ENSERV Energieservice GmbH were merged into Energie AG Oberösterreich Power Solutions GmbH retroactively as of 30/09/2014.

Reporting to the main decision-makers was subsequently restated. In line with internal reporting, now the Energy, Grid, Waste Management, Water and Holding & Services segments are reported. The previous year's values were restated accordingly.

The earnings of the reported Energy Segment comprise the generation, trade and distribution of energy (electricity, gas, heat).

The Waste Management and Water Segments were not changed.

The Grid Segment comprises the construction and operation of the electricity and gas grid.

The Holding & Services Segment includes, in addition to the management and control function, commercial and technical services, Group financing, the Data business unit, as well as the shareholdings valued at equity Salzburg AG and Wels Strom GmbH.

IAS 36 (Impairment of Assets)

Pursuant to IAS 36.130, in case of impairments or upward revaluation, the realisable amount for non-financial assets must be stated, as well as whether this represents the use value or fair value minus disposal costs.

IFRS 10 (Consolidated Statements), IFRS 11 (Joint Arrangements)

IFRS 10 requires full consolidation of companies that are controlled by the reporting unit. Control exists when the investor is exposed to fluctuating returns from the engagement in the shareholding company or holds rights to the latter and has the ability to influence these returns through its control over the shareholding company.

IFRS 11 describes accounting on the part of companies that jointly control an arrangement. Joint control comprises the contractually agreed upon division of control. If there is a claim to the net assets of the arrangement, accounting is done according to the equity method. If rights to the assets and obligations for the liabilities of the arrangement exist, a proportional inclusion of the assets and debts, as well as earnings and expenses takes place.

Ennskraftwerke Aktiengesellschaft produces electricity from hydroelectric plants. Gas- und Dampfkraftwerk Timelkam GmbH supplies electricity from the operation of a combined cycle gas turbine (CCGT) plant.

The Group holds a strategic interest of 50% in each of Ennskraftwerk Aktiengesellschaft and Gas- und Dampfkraftwerk Timelkam GmbH. These companies are not controlled by any shareholder. Due to the rights associated with the shares and

other arrangements, these shareholders were previously classified as jointly controlled operations per IAS 31 and valued according to the equity method.

Due to existing electricity supply agreements, the electrical energy produced by the companies is acquired by the companies, in which process proportional production costs plus a corresponding profit margin are allocated. The electricity supply agreements give rise to rights to the assets attributable to the arrangements. Since the debts of the arrangements can basically only be settled with these payments flows, obligations for the debts of the joint arrangement exist. Ennskraftwerke Aktiengesellschaft as well as Gas- und Dampfkraftwerk Timelkam GmbH are therefore classified as a joint operation per IFRS 11.

The share of the assets and debts as well as of earnings and expenses is reported in the consolidated financial statement. The average share of electricity supplies (38%) is used as the share for the proportional inclusion of Ennskraftwerke Aktiengesellschaft. The percentage of electricity procured (70%) is used as the rate for the consolidation of Gas- und Dampfkraftwerk Timelkam GmbH.

ENAMO GmbH supplies major customers with electrical energy, while Energie AG Oberösterreich Vertrieb GmbH & Co KG supplies power to private and commercial customers.

Energie AG Oberösterreich is the sole limited partner of Energie AG Oberösterreich Vertrieb GmbH & Co KG. ENAMO GmbH, a jointly controlled operation of Energie AG Oberösterreich Service- und Beteiligungsverwaltungs-GmbH and LINZ STROM GmbH, is a general partner. Since, due to its position as shareholder, the Group gains all the benefits and, based upon framework agreements, all losses must be covered, Oberösterreich Vertrieb GmbH & Co KG was fully consolidated as a special purpose vehicle per SIC 12.

Per IFRS 11, ENAMO GmbH represents, with the subsidiaries Energie AG Oberösterreich Vertrieb GmbH & Co KG as well as LINZ STROM Vertrieb GmbH & Co KG, which it controls, a joint venture, since these companies are jointly operated by Energie AG Oberösterreich and LINZ AG. These companies are to be recognised at equity in the consolidated statements per IFRS 11 in conjunction with IAS 28. Due to the contractually stipulated shares in the result, the same takes place for ENAMO GmbH at 80%, in the case of Energie AG Oberösterreich Vertrieb GmbH & Co KG at 100% as well as in the case of LINZ STROM Vertrieb GmbH & Co KG at 0%.

Under the position fixed assets, as of 30/09/2014, the proportional carrying amounts of the hydroelectric plants of Ennskraftwerke AG in the amount of EUR 41.0 mill. (30/09/2013: EUR 40.4 mill.) as well as the proportional carrying amount of the combined cycle gas turbine plant in Timelkam in the amount of EUR 32.2 mill. (30/9/2013: EUR 38.5 mill.) are recognised.

The shareholdings decrease as of 30/09/2014 by the equity carrying amount of Ennskraftwerke AG in the amount of EUR 21.1 mill. (30/09/2013: EUR 20.9 mill.), as well as by that of Gas- und Dampfkraftwerke Timelkam GmbH in the amount of EUR 10.7 mill. (previous year: EUR 10.9 mill.) and increase by the equity carrying amount of Energie AG Oberösterreich Vertrieb GmbH & Co KG in the amount of EUR 44.5 mill. (previous year: EUR 37.1 mill.).

The change in deferred tax assets as of 30/09/2014 is mainly due to depreciations of the Timelkam combined cycle gas

turbine plant in the amount of EUR 18.7 mill. (30/09/2013: EUR 18.5 mill.). The change in deferred tax liabilities results mainly from the Group elimination of balance sheet provisions associated with the Timelkam combined cycle gas turbine plant in the amount of EUR 15.2 mill. (30/09/2013: EUR 16.7 mill.).

Receivables and other assets are restated as follows:

	30/09/2014 EUR mill.	30/09/2013 EUR mill.
Ennskraftwerke Aktiengesellschaft	4.3	3.9
Gas- und Dampfkraftwerk Timelkam GmbH	8.7	12.1
Energie AG Oberösterreich Vertrieb GmbH & Co KG	- 98.8	- 64.8
Debt consolidation	73.7	4.4
	- 12.1	- 44.4

The long-term financial liabilities as of 30/09/2014 increase primarily by long-term loans belonging to Gas- und Dampfkraftwerk Timelkam GmbH in the amount of EUR 66.0 mill. (previous year: EUR 70.7 mill.).

The long-term provisions increase as of 30/09/2014 by provisions of Ennskraftwerke Aktiengesellschaft in the amount of EUR 8.0 mill. (previous year: EUR 8.1 mill.) and decrease by provisions of Energie AG Oberösterreich Vertrieb GmbH & Co KG in the amount of EUR 13.3 mill. (previous year: EUR 13.1 mill.).

The provision for impending losses in connection with the operation of the Timelkam combined cycle gas turbine plant

in the amount of EUR 33.0 mill. (previous year: EUR 33.0 mill.) is now eliminated as an intra-Group provision.

The short-term provision for impending losses in connection with the operation of the Timelkam combined cycle gas turbine plant in the amount of EUR 12.0 mill. (previous year: EUR 17.0 mill.) recognised at the Group level as of 30/09/2014 is eliminated as an intra-Group provision.

The effect of the first-time application of IFRS 10 and IFRS 11 on the profit and loss statement is as follows:

01/10/2013 to 30/09/2014	Sales EUR mill.	Equity results EUR mill.	Material expenses EUR mill.
Gas- und Dampfkraftwerk Timelkam GmbH	50.0	- 0.5	- 42.2
Ennskraftwerke Aktiengesellschaft	13.6	- 0.6	- 1.4
Energie AG Oberösterreich Vertrieb GmbH & Co KG	- 353.7	30.0	297.4
Expense and earnings consolidation	185.4	—	- 176.4
	- 104.7	28.9	77.4

Summary of the effects of the changes in the reporting and valuation methods

	30/09/2014	Reconciliation	30/09/2014 (restated)	01/10/2013	Reconciliation	01/10/2013 (restated)
	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
ASSETS						
A. Non-current assets						
I. Intangible assets and goodwill	215,775.5	1,382.7	217,158.2	227,059.1	1,461.6	228,520.7
II. Property, plant and equipment	1,840,400.3	73,246.9	1,913,647.2	1,838,125.1	78,930.2	1,917,055.3
III. Investments (including at-equity companies: EUR 231,330.30 thousand (previous year: EUR 237,710.4 thousand))	239,009.1	12,705.5	251,714.6	252,757.6	5,336.0	258,093.6
IV. Other financial assets	99,955.8	- 8,731.1	91,224.7	135,414.8	- 8,840.1	126,574.7
V. Other non-current assets	23,552.5	- 4,839.2	18,713.3	19,701.0	- 4,491.2	15,209.8
VI. Deferred tax assets	481.9	19,782.4	20,264.3	359.6	19,505.3	19,864.9
	2,419,175.1	93,547.2	2,512,722.3	2,473,417.2	91,901.8	2,565,319.0
B. Current assets						
I. Inventories	66,215.6	58.2	66,273.8	66,582.9	46.4	66,629.3
II. Receivables and other assets	286,316.4	- 12,141.8	274,174.6	297,901.8	- 44,430.6	253,471.2
III. Cash and cash equivalents	177,028.9	2,392.1	179,421.0	60,640.8	870.4	61,511.2
	657,060.9	- 9,691.5	647,369.4	536,625.5	- 43,513.8	493,111.7
	3,076,236.0	83,855.7	3,160,091.7	3,223,098.5	48,388.0	3,271,486.5
LIABILITIES						
A. Equity						
III. Retained earnings	849,552.4	- 10,615.1	838,937.3	843,848.7	- 6,217.6	837,631.1
IV. Other reserves	- 56,292.1	182.5	- 56,109.6	- 39,246.1	- 27.6	- 39,273.7
V. Non-controlling interest	11,212.9	186.8	11,399.7	81,134.8	146.8	81,281.6
	1,108,370.2	- 10,245.8	1,098,124.4	1,189,634.4	- 6,098.4	1,183,536.0
B. Non-current liabilities						
I. Financial liabilities	516,982.0	83,100.1	600,082.1	620,705.1	70,692.6	691,397.7
II. Long-term provisions	337,442.6	- 38,292.9	299,149.7	322,780.5	- 38,022.0	284,758.5
III. Deferred tax liabilities	42,382.6	18,552.3	60,934.9	45,580.2	20,786.5	66,366.7
	1,391,061.0	63,359.5	1,454,420.5	1,486,700.0	53,471.3	1,540,171.3
C. Current liabilities						
I. Financial liabilities	114,126.3	5,249.5	119,375.8	16,528.5	18,553.8	35,082.3
II. Current provisions	24,078.8	- 10,713.8	13,365.0	33,610.4	- 16,135.6	17,474.8
IV. Supplier liabilities	168,018.8	- 2,968.7	165,050.1	163,240.0	- 4,365.1	158,874.9
V. Other short-term debts	269,657.8	39,175.0	308,832.8	256,168.8	2,883.5	259,052.3
	576,804.8	30,742.0	607,546.8	469,656.3	1,015.1	470,671.4
	3,076,236.0	83,855.7	3,160,091.7	3,223,098.5	48,388.0	3,271,486.5

	01/10/-30/09/2014	Reconciliation	01/10/-30/09/2014 (restated)
	EUR 1,000	EUR 1,000	EUR 1,000
1. Sales	1,826,808.1	- 104,700.2	1,722,107.9
Net sales	1,668,538.7	- 104,700.2	1,563,838.5
2. Change in the stock of finished and unfinished products	- 544.4	- 3.5	- 547.9
3. Other capitalised company services	32,800.3	610.7	33,411.0
4. Share of result of entities at equity	17,162.7	28,878.7	46,041.4
5. Other operating earnings	25,611.8	- 2,669.5	22,942.3
6. Expenses for materials and other purchased production services	- 1,044,933.6	77,397.0	- 967,536.6
7. Personnel costs	- 274,902.4	3,146.6	- 271,755.8
8. Amortisation and depreciation	- 158,596.4	- 8,846.2	- 167,442.6
9. Other operating expenses	- 159,544.9	2,845.7	- 156,699.2
10. Profit from operation (EBIT)	105,591.8	- 3,340.7	102,251.1
11. Financing expenses	- 39,996.7	- 3,030.0	- 43,026.7
12. Other interest income	- 1,374.2	27.4	- 1,346.8
13. Other financial income	4,592.9	44.5	4,637.4
14. Financial result	- 36,778.0	- 2,958.1	- 39,736.1
15. Profit before tax (EBT)	68,813.8	- 6,298.8	62,515.0
16. Income taxes	- 11,978.1	1,412.0	- 10,566.1
17. Profit after taxes from continued operations	56,835.7	- 4,886.8	51,948.9
19. Profit for the period	55,478.8	- 4,886.8	50,592.0
Of which attributable to non-controlling interests	6,856.0	- 18.5	6,837.5
Of which attributable to the shareholders of the Parent company:			
Group Annual Profit	48,622.8	- 4,868.3	43,754.5

	01/10/-30/09/2014	Reconciliation	01/10/-30/09/2014 (restated)
	EUR 1,000	EUR 1,000	EUR 1,000
1. Profit for the period	55,478.8	- 4,886.8	50,592.0
2. Other comprehensive income			
Items of other comprehensive income that will not be reclassified to profit or loss:			
Remeasurement of the defined benefit obligation	- 16,980.8	419.4	- 16,561.4
Share of result of entities at equity	- 293.1	- 254.7	- 547.8
Deferred taxes	4,245.2	- 104.8	4,140.4
Items of other comprehensive income that will be reclassified to profit or loss:			
Changes in available for sale investments and securities	- 2,083.3	48.7	- 2,034.6
Share of result of entities at equity	- 129.4	171.3	41.9
Hedge accounting	15,337.5	- 318.1	15,019.4
Currency differences	- 6,830.0	19.0	- 6,811.0
Deferred taxes	- 3,313.5	836.2	- 2,477.3
Total income and expense of other comprehensive income	- 10,047.4	817.0	- 9,230.4
3. Overall result after taxes	45,431.4	- 4,069.8	41,361.6
4. thereof overall result of non-controlling interests	6,165.3	117.6	6,282.9
5. thereof overall result of the shareholders of the parent company	39,266.1	- 4,187.4	35,078.7

2.3. Standards and interpretations not applied at an early stage

The following amendments adopted by the EU were not applied at an early stage in the consolidated financial statements 2014/2015:

Entry into force in the EU on 01.01.2015 or later:

- IAS 19 (Amendments: Defined Benefit Plans: Employee Contributions)
- Annual Improvements to IFRSs 2010-2012
- Annual Improvements to IFRSs 2011-2013
- IFRS 11 (Amendment: Accounting for Acquisition of Interests in Joint Operations)

The following standards and interpretations, amendments and improvements of standards go into force on 01.01.2016 or later, although they have not yet been adopted by the European Union at this time.

- IFRS 9 (Financial Instruments)
- IFRS 14 (Regulatory Deferral Accounts)
- IFRS 15 (Revenue from Contracts with Customers)
- IFRS 10, IFRS 12 und IAS 28 (Amendments: Investment Entities: Applying the Consolidation Exception)
- IAS 1 (Amendments: Disclosure Initiative)
- Annual Improvements to IFRSs 2012-2014 Cycle
- IFRS 10 and IAS 28 (Amendments: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)
- IAS 27 (Amendment: Equity Method in Separate Financial Statements)
- IAS 16 and IAS 41 (Amendments: Bearer Plants)
- IAS 16 and IAS 38 (Amendments: Clarification of Acceptable Methods of Depreciation and Amortisation)

These standards are planned for use at the time of entry into effect.

IFRS 9 (Financial Instruments)

IFRS 9, promulgated in July 2014, replaces the existing guidelines in IAS 39 (Financial Instruments: Recognition and Measurement). IFRS 9 contains guidelines for the classification and measurement of financial instruments, including a new model for anticipated credit defaults to calculate the impairment of financial assets, as well as the new general reporting requirements for hedge transactions. It also incorporates the guidelines for the recognition and charging off of financial instruments from IAS 39. IFRS 9 is to be used for the first time in the 2018/19 fiscal year, although early use is permitted. The potential effects are currently being investigated.

IFRS 15 (Revenue from Contracts with Customers)

IFRS 15, promulgated in July 2014, replaces the existing guidelines in IAS 18 (Revenue). In the future, new qualitative and quantitative information will be required that is designed to make it possible for the target audience of the financial statements to understand the type, time and uncertainty of revenues and cash flows from contracts with customers. Using a five-step model, companies must determine when (or over what period) and in what amount they recognise revenue. The model specifies that revenue must be reported at the time (or over the period) of the transfer of control over goods or services from the company to the customer with amount to which the company is expected to have a claim. Depending on the fulfilment of various criteria, revenues are recognised as follows:

- Over a period such that the service provision of the company is reflected; or
- At a time at which the control over the good or services is transferred to the customer.

IFRS 15 is to be used for the first time in the 2018/2019 fiscal year, although early use is permitted. The Group is currently assessing what effects the use of IFRS 15 will have on the consolidated financial statement.

3. Consolidated Group

3.1. Principles

Subsidiaries

All of the main companies that are directly or indirectly controlled by Energie AG Oberösterreich (subsidiaries) are fully included on a fully consolidated basis per IFRS 10. Control exists when the investor is exposed to fluctuating returns from the engagement in the shareholding company or holds rights to the latter and has the ability to influence these returns through its control over the shareholding company. Control results in all

cases from the equity instruments held (business shares or stock).

Joint operation

Gas- und Dampfkraftwerk Timelkam GmbH and Ennskraftwerke AG are classified as a joint arrangement per IFRS 11; the assets and debts as well as expenses and earnings are proportionally included. Please see Item 2.2.

Joint ventures

Based on special company law arrangements, control does not exist in the case of ENAMO GmbH, ENAMO Ökostrom GmbH, "Papyrus" Altpapierservice Handelsgesellschaft m.b.H. (Salzburg), Papyrus Wertstoff Service GmbH (Bad Reichenhall, Germany), Energie AG Oberösterreich Vertrieb GmbH & Co KG or Fernwärme Steyr GmbH despite a majority of voting rights. These companies are jointly managed with other investors and therefore measured according to the equity method.

Associated companies

Companies on which Energie AG Oberösterreich has a decisive influence (associated companies) are measured according to the equity method. Decisive influence exists based on shares in the company capital. Salzburg AG für Energie, Verkehr und Telekommunikation is an infrastructure provider for energy, transport and telecommunication. Wels Strom GmbH is an energy supply and service company.

Structured companies

The Group has leased the property at Böhmerwaldstraße 3, Linz, on which the Group headquarters is located, from Power Tower GmbH since 2008. The Group holds an interest of 1% in the company.

The company is not financed by the Group. The lease agreement is concluded for an indefinite period; termination by the lessee is permitted for the first time 20 years, and in certain circumstances 23 years after the start of the contract. The Group has the unilateral right, but no obligation, to purchase Power Tower GmbH 10, 15 or 20 years after the start of leasing. The leasing rate is coupled to interest rate changes. The Group is required to handle the ongoing maintenance of the property and comply with all legal requirements that can also affect the owner. There are no risks beyond these. The lease agreement was classified as an operating lease agreement per IAS 17. Power Tower GmbH should be considered a structured company per IFRS 12, but is not to be included in the consolidated statement. The lease and rental expenses include lease payments calculated on the basis of variable interest in the amount of EUR -1,812.20 thousand (previous year: EUR -1,721.0 thousand).

Other shareholdings

Shares in subsidiaries, joint ventures or associated companies that, from the Group's perspective, are of subordinate importance are classified as "available for sale." If there is no price listed on an active market and the fair value cannot be reliably determined, measurement is carried out at acquisition cost. The companies not included in consolidation due to their subordinate importance are also non-essential as a whole.

The scope of consolidation has changed as follows:

	Full consolidation	Proportional consolidation	Equity consolidation
30/09/2014	54	2	10
Consolidated for the first time in the reporting year	1	—	1
Merged in the reporting year	- 6	—	—
Sold in the reporting year	- 1	—	—
30/09/2015	48	2	11

The following companies are consolidated for the first time in the 2014/15 fiscal year:

	Consolidation type	Acquisition	Consolidated since
ENERGIE			
Energie AG Oberösterreich			
Kraftwerk Labenbach GmbH	Fully-consolidated	29/12/2014	29/12/2014
Windpower EP GmbH	Joint ventures	18/11/2014	18/11/2014

Energie AG Oberösterreich Kraftwerk Labenbach GmbH owns a hydroelectric plant. The corporate purpose of Windpower EP GmbH is the planning, development, construction and operation of wind power plants.

The grid control operational unit of OÖ. Ferngas Netz GmbH was split off with retro-active effect as of 30/09/2014 to Netz Oberösterreich GmbH. In addition, the fibre optics marketing operational unit of OÖ. Ferngas Service GmbH, was also split

off to Energie AG Oberösterreich Data GmbH. OÖ. Ferngas AG, OÖ. Ferngas Netz GmbH and OÖ. Ferngas Service GmbH and Energie Austria GmbH were then merged into Energie AG Oberösterreich.

Energie AG Oberösterreich Fair Energy GmbH as well as ENSERV Energieservice GmbH were merged into Energie AG Oberösterreich Power Solutions GmbH retroactively as of 30/09/2014.

The expansion of the scope of consolidation is as follows:

	First inclusion EUR 1,000	Acquisition of non-controlling interests EUR 1,000
Long-term assets	3,649.0	—
Short-term assets	221.4	—
Long-term provisions and liabilities	- 940.0	—
Short-term provisions and liabilities	- 66.5	—
Net assets	2,863.9	—
Offsetting without an effect on profit	—	93.9
Non-controlling interests	—	14.7
	2,863.9	108.6
Deferred purchase price	- 2,291.1	—
Acquisition of non-consolidated affiliated companies	689.5	—
Cash and cash equivalents	- 8.7	—
Net cash outflow	1,253.6	108.6

The income contribution of the companies consolidated for the first time is, including consolidation effects, EUR 128.3 thousand (previous year: EUR 183.40 thousand). Under the assumption that all company mergers would have been completed as at

01/10/2014, no fictitious indication of Group values is made since at this time separate purchase price allocations are not performed all company acquisitions.

Joint ventures	Energie AG Oberösterreich Vertrieb GmbH & Co KG		ENAMO GmbH		Other joint ventures	
	30/09/2015 EUR mill.	30/09/2014 EUR mill.	30/09/2015 EUR mill.	30/09/2014 EUR mill.	30/09/2015 EUR mill.	30/09/2014 EUR mill.
Long-term assets	2.6	2.3	0.1	0.2	67.3	47.8
Short-term assets	94.4	99.3	38.6	32.3	11.8	8.5
	97.0	101.6	38.7	32.5	79.1	56.3
Equity	49.0	44.5	12.8	8.4	12.8	15.6
Long-term debts	14.2	13.4	0.2	0.2	54.2	35.0
Short-term debts	33.8	43.7	25.7	23.9	12.1	5.7
	97.0	101.6	38.7	32.5	79.1	56.3
Cash and cash equivalents	0.2	0.5	4.8	4.5	2.5	1.7
Long-term financial liabilities	—	—	—	—	46.7	33.7
	2014/2015 EUR mill.	2013/2014 EUR mill.	2014/2015 EUR mill.	2013/2014 EUR mill.	2014/2015 EUR mill.	2013/2014 EUR mill.
Sales	291.0	353.7	250.4	219.7	49.0	47.1
Amortisation and depreciation	—	—	—	—	- 4.2	- 3.6
Interest income	0.2	0.3	—	—	0.1	—
Interest expenses	- 0.3	- 0.4	—	—	- 1.3	- 1.2
Taxes	—	- 0.1	- 1.5	- 0.1	- 0.7	- 0.4
Earnings after taxes	36.2	30.0	4.4	0.3	2.1	- 0.4
Percentage of net assets 01/10/	44.5	37.1	5.5	5.2	7.2	25.7
Annual result	35.8	29.4	3.4	0.3	0.6	2.2
Impairment/Disposal	—	—	—	—	- 5.6	- 19.0
Dividends	- 31.3	- 22.0	—	—	—	- 1.7
Percentage of net assets 30/09/	49.0	44.5	8.9	5.5	2.2	7.2
Goodwill	—	—	—	—	4.2	4.2
Carrying amount 30/09/	49.0	44.5	8.9	5.5	6.4	11.4

Associated companies

	Salzburg AG für Energie. Verkehr und Telekommunikation		Wels Strom GmbH	
	30/09/2015 EUR mill.	30/09/2014 EUR mill.	30/09/2015 EUR mill.	30/09/2014 EUR mill.
Long-term assets	1,248.8	1,229.7	49.6	50.4
Short-term assets	78.5	127.8	12.3	18.9
	1,327.3	1,357.5	61.9	69.3
Equity	446.9	434.7	19.7	18.6
Long-term debts	641.9	630.2	26.3	24.4
Short-term debts	238.5	292.6	15.9	26.3
	1,327.3	1,357.5	61.9	69.3
	2014/2015 EUR mill.	2013/2014 EUR mill.	2014/2015 EUR mill.	2013/2014 EUR mill.
Sales	1,263.6	1,304.7	57.8	57.6
Earnings after taxes	37.8	35.6	1.4	1.1
Dividends	- 26.7	- 18.7	- 1.3	- 1.0
Percentage of net assets 01/10/	113.6	109.2	9.0	9.0
Annual result	10.2	9.3	1.2	0.5
Dividends	- 7.0	- 4.9	- 0.6	- 0.5
Percentage of net assets 30/09/	116.8	113.6	9.6	9.0
Goodwill	19.7	19.7	27.6	27.6
Carrying amount 30/09/	136.5	133.3	37.2	36.6

3.2. The Group's Companies

	Registered office	Share in % (previous year)	Type of consolidation (previous year)
AUSTRIA			
Energie AG Oberösterreich	Linz	Parent company	
Energie AG Oberösterreich Service- und Beteiligungsverwaltungs-GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Business Services GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Customer Services GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Data GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Kraftwerk Ennshafen GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Kraftwerke GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Kraftwerk Labenbach GmbH	Linz	100.00 (—)	FC (—)
Energie AG Oberösterreich Personalmanagement GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Trading GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Tech Services GmbH	Linz	100.00 (100.00)	FC (FC)
Netz Oberösterreich GmbH	Linz	100.00 (100.00)	FC (FC)
Energie-Contracting Steyr GmbH	Steyr	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Wärme GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Wasserkraft GmbH	Linz	— (100.00)	— (FC)
Energie AG Oberösterreich Fair Energy GmbH	Linz	— (100.00)	— (FC)
Energie AG Oberösterreich Fair Energy Renewable Power GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Group Treasury GmbH	Linz	100.00 (100.00)	FC (FC)
Cogeneration-Kraftwerke Management Oberösterreich GmbH	Linz	100.00 (100.00)	FC (FC)
Oberösterreichische Ferngas Aktiengesellschaft	Linz	— (100.00)	— (FC)
OÖ. Ferngas Netz GmbH	Linz	— (100.00)	— (FC)
OÖ. Ferngas Service GmbH	Linz	— (100.00)	— (FC)
Energie AG Oberösterreich Power Solutions GmbH	Linz	100.00 (100.00)	FC (FC)
ENSERV Energieservice GmbH	Linz	— (100.00)	— (FC)
Energie Austria GmbH	Linz	— (100.00)	— (FC)
Energie AG Oberösterreich Umwelt GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Umwelt Service GmbH	Hörsching	100.00 (100.00)	FC (FC)
ASPG Altlastensanierungsprojekte GmbH	Hörsching	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Kommunalservice GmbH (previously: AVE Kommunalservice GmbH)	Hörsching	100.00 (100.00)	FC (FC)

The Group's Companies

	Registered office	Share in % (previous year)	Type of consolidation (previous year)
Abfall-Aufbereitungs-GmbH	Hörsching	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Wasser GmbH	Linz	100.00 (100.00)	FC (FC)
MA Restabfallverwertung GmbH	Hörsching	99.00 (99.00)	FC (FC)
WDL WasserdienstleistungsGmbH	Linz	90.00 (90.00)	FC (FC)
Market Calling Marketinggesellschaft m.b.H	Linz	60.00 (60.00)	FC (FC)
Gas- und Dampfkraftwerk Timelkam GmbH	Linz	50.00 (50.00)	JO (JO)
Ennskraftwerke Aktiengesellschaft	Steyr	50.00 (50.00)	JO (JO)
Energie AG Oberösterreich Vertrieb GmbH & Co KG	Linz	100.00 (100.00)	JV(JV)
ENAMO GmbH	Linz	80.00 (80.00)	JV (JV)
ENAMO Ökostrom GmbH	Linz	80.00 (80.00)	JV (JV)
„Papyrus“ Altpapierservice Handelsgesellschaft m.b.H.	Salzburg	63.33 (63.33)	JV (JV)
Fernwärme Steyr GmbH	Steyr	51.00 (51.00)	JV (JV)
AMR Metal Recovery GmbH	Linz	50.00 (50.00)	JV (JV)
Windpower EP GmbH	Parndorf	50.00 (—)	JV (—)
Bioenergie Steyr GmbH	Behamberg	49.00 (49.00)	JV (JV)
Wels Strom GmbH	Wels	49.00 (49.00)	EC (EC)
Salzburg AG für Energie, Verkehr und Telekommunikation	Salzburg	26.13 (26.13)	EC (EC)
IfEA Institut für Energieausweis GmbH	Linz	100.00 (100.00)	OC (OC)
Wärme Oberösterreich GmbH	Linz	100.00 (100.00)	OC (OC)
Energie AG Oberösterreich Bohemia GmbH	Linz	100.00 (100.00)	OC (OC)
Oberösterreichische Gemeinnützige Bau- und Wohngesellschaft mit beschränkter Haftung	Linz	100.00 (100.00)	OC (OC)
Energy IT Service GmbH	Linz	66.67 (66.67)	OC (OC)
BBI Breitbandinfrastruktur GmbH	Linz	55.00 (55.00)	OC (OC)
RVL Reststoffverwertung Lenzing GmbH	Lenzing	50.00 (50.00)	OC (OC)
Thermische Abfallverwertung Tirol Gesellschaft m.b.H.	Innsbruck	50.00 (50.00)	OC (OC)
Geothermie-Wärmegesellschaft Braunau-Simbach mbH	Braunau	40.00 (40.00)	OC (OC)
WDL Infrastruktur GmbH	Linz	49.00 (49.00)	OC (OC)
OÖ Science-Center Wels Errichtungs-GmbH	Wels	47.67 (47.67)	OC (OC)
Energie Ried Wärme GmbH	Ried im Innkreis	40.00 (40.00)	OC (OC)
GRB Geothermie Ried Bohrung GmbH	Ried im Innkreis	40.00 (40.00)	OC (OC)
Recycling Innsbruck GmbH	Innsbruck	25.00 (25.00)	OC (OC)
ELG Liegenschaftsverwertung GmbH	Wallern	20.00 (20.00)	OC (OC)
CZECH REPUBLIC			
Energie AG Bohemia s.r.o.	Praha	100.00 (100.00)	FC (FC)
CEVAK a.s.	České Budějovice	100.00 (100.00)	FC (FC)
Vodárenská společnost Beroun s.r.o.	Beroun	100.00 (100.00)	FC (FC)
VODOS s.r.o.	Kolín	100.00 (100.00)	FC (FC)
Energie AG Teplo Bohemia s.r.o.	České Budějovice	100.00 (100.00)	FC (FC)
Energie AG Teplo Vimperk s.r.o.	České Budějovice	100.00 (100.00)	FC (FC)
Energie AG Teplo Rokycany s.r.o.	Rokycany	100.00 (100.00)	FC (FC)
Tepelne zasobovani Rakovník spol. s.r.o.	Rakovník	100.00 (100.00)	FC (FC)
Městské tepelné hospodářství Kolín. spol. s r.o	Kolín	95.00 (95.00)	FC (FC)
Vodárenská společnost Chrudim a.s.	Chrudim	95.00 (95.00)	FC (FC)
VHOS a.s.	Moravská Třebová	93.31 (92.86)	FC (FC)
SATEZA a.s.	Šumperk	91.67 (91.67)	FC (FC)
Aqua Servis a.s.	Rychnov nad Kněžnou	66.00 (66.00)	FC (FC)
Vodovody a kanalizace Beroun a.s.	Beroun	59.20 (59.20)	FC (FC)
Energie AG Bohemia Service s.r.o.	České Budějovice	100.00 (100.00)	OC (OC)
1. Jihočeská vodohospodářská spol. s r.o.	České Budějovice	100.00 (100.00)	OC (OC)
ENSERV Bohemia s.r.o.	České Budějovice	100.00 (100.00)	OC (OC)
ENAMO s.r.o..	České Budějovice	65.00 (65.00)	OC (OC)
ITALY			
ECOFE S.R.L.	Meran	100.00 (100.00)	FC (FC)
Salvatonica Energia S.R.L.	Meran	100.00 (100.00)	FC (FC)
Energie AG Südtirol Umwelt Service GmbH (previously: AVE Südtirol Recycling GmbH)	Eppan	100.00 (100.00)	FC (FC)

The Group's Companies

	Registered office	Share in % (previous year)	Type of consolidation (previous year)
GERMANY			
Erdgas Oberösterreich Vertriebs GmbH	Tittling	100.00 (100.00)	FC (FC)
Papyrus Wertstoff Service GmbH	Bad Reichenhall	63.33 (63.33)	JV (JV)
Geothermie-Fördergesellschaft Simbach-Braunau mbH	Simbach	40.00 (40.00)	OC (OC)
POLAND			
Finadvice Fair Energy Wind Development sp.zo.o.	Warszawa	100.00 (100.00)	FC (FC)
Finadvice Fair Energy Wind Development 1 Sp. z o.o.	Warszawa	100.00 (100.00)	OC (OC)
Finadvice Fair Energy Wind Development 2 Sp. z o.o.	Warszawa	100.00 (100.00)	OC (OC)
Finadvice Fair Energy Wind Development 3 Sp. z o.o.	Warszawa	100.00 (100.00)	OC (OC)
Finadvice Fair Energy Wind Development 5 Sp. z o.o.	Warszawa	100.00 (100.00)	OC (OC)
SLOVAKIA			
Energie AG Teplo Slovakia s.r.o.	Bratislava	100.00 (100.00)	OC (OC)
Kremnické tepelné hospodárstvo. s.r.o.	Kremnica	— (100.00)	— (OC)
HUNGARY			
Energie AG Heves Régió Környezetvédelmi és Hulladékgazdálkodási Korlátolt Felelősségű Társaság (previously: AVE Heves Regio Kft.)	Hejőpapi	100.00 (100.00)	FC (FC)
SLOVENIA			
VARINGER d.o.o.	Maribor	100.00 (100.00)	FC (FC)

FC fully consolidated company
 EC company included on the basis of the equity method
 OC company not included in the Group due to insignificance

JV Joint venture consolidated according to the equity method
 JO Joint operation, proportional inclusion of the assets and debts as well as expenses and earnings

4. Consolidation Methods

Capital consolidation takes place according to the purchase method, by which the fair value of the acquired company is offset with the proportionate, revalued equity of the subsidiary at the time of acquisition. The non-controlling shares are valued at the fair value of the identifiable assets and debts applicable to it from the acquired company (partial goodwill method).

Goodwill resulting from company mergers is entered pursuant to IFRS 3. The acquired goodwill is essentially based on expected future revenues and synergy effects. It is tested for impairment, pursuant to IAS 36, at least once a year. Differentials carried on the liabilities side according to IFRS 3 are recognised immediately as affecting net income. Incidental acquisition costs in the amount of EUR 5.1 thousand (previous year: EUR 9.2 thousand) arising from the acquisition of investments are reported under other operating expenses.

The financial statements of the companies fully-consolidated or proportionally included in the consolidated financial statements are prepared according to uniform accounting and valuation principles. The individual statements of the fully-consolidated companies, the jointly controlled operations, the joint ventures as well as the companies reported according to the equity method are prepared as of the reference date of the consolidated financial statement or interim statements.

Intra-group receivables and liabilities, expenses and revenues, as well as interim results are eliminated.

Put options of non-controlling shareholders are accounted for in the same way as acquired shares. Corresponding liabilities are recognised whereas changes are recognised with their effect on profit (anticipated acquisition method).

5. Accounting and Valuation Principles

5.1. Estimates

The preparation of the consolidated financial statements requires that estimates are made that affect the assets and liabilities, revenues and expenses that are shown in the consolidated financial statements, as well as information in the Notes.

Estimates and assumptions were made in particular with regard to provisions and impairment tests for assets.

Estimates and assumptions regarding provisions for personnel mainly concern interest rates, wage and salary trends as well as fluctuation.

During the course of verifying the recoverability of assets as well as goodwill, estimates of future cash flows as well as interest rates are made.

When determining the life spans for assets, estimates are made of the anticipated useful life of the assets for the company.

Energy suppliers are required under the Energy Efficiency Act (EEffG) starting on 01/01/2015 to institute energy efficiency measures. In total, the measures must amount to 0.6% of the energy sales of the previous year; 40% of the measures must be implemented in the household segment. A settlement payment in the amount of EUR 0.20 /kWh must be paid for unmet savings obligations. As of the balance sheet reference date, there are uncertainties regarding the deductibility of energy efficiency measures; it is nonetheless assumed that the existing measures are sufficient to meet the current obligation. Due to existing uncertainties (in particular with regard to the existence and likelihood of the inflow of a positive future economic benefit), no asset item will be formed for potentially superfluous measures as of 30/09/2015.

The estimates made may deviate from actual amounts and affect future consolidated financial statements. Regarding possible effects of changes to estimations for future impairment tests and actuarial parameters, please refer to the sensitivity analyses.

	30/09/2015	30/09/2014 (restated)
	EUR 1,000	EUR 1,000
Carrying amounts		
Goodwill	69,145.4	68,940.2
Fixed assets	1,913,602.5	1,913,647.2
Shareholdings	258,630.7	251,714.6
Long-term provisions	308,571.4	299,149.7
Short-term provisions	16,037.5	13,365.0

5.2. Intangible Assets

The goodwill resulting from the acquisition of subsidiaries is presented in Intangible Assets. Goodwill is valued at cost minus cumulative impairment costs.

Other intangible assets that are acquired by the company and that have limited useful lives are valued at acquisition or production costs minus cumulative amortisation and impairment costs.

Pursuant to IAS 38 (Intangible Assets), under certain circumstances, development costs must be capitalised as company-produced intangible assets and then amortised over their useful life.

With the exception of goodwill, intangible assets are amortised over the period of the following estimated useful lives:

	Useful life in years
Intangible assets	
Electricity procurement rights	15 – 50
Other rights	4 – 50
Customer base	8 – 26
Dumping rights and landfills	depending on utilization

Expenses for research with the prospect of new scientific or technical knowledge are recognised as an expense.

5.3. Property, Plant and Equipment

Fixed assets are valued at acquisition or production costs minus cumulative amortisations and cumulative impairment costs.

Acquisition or production costs comprise costs which are directly attributable to the acquisition of assets. Production costs for company-produced assets include:

- material costs and production wages, including material and production overhead costs. General administrative expenses are not capitalised.
- all other directly attributable costs incurred to put the assets in operating-ready condition for their intended purpose
- the estimated costs for the dismantling and disposal of the objects and restoration of the location
- capitalised borrowing costs.

Scheduled depreciation is measured for essential tangible assets according to following Group-wide useful lives:

	Useful life in years
Building structures	
Buildings	50
Other structures	10 – 50
Water engineering structures	50 – 75
Plant and machinery	
Power plants	10 – 50
Electricity grid	15 – 40
Waste disposal systems	6 – 20
Telecommunications facilities	7 – 20
Plant and equipment, furniture and fixtures	
	3 – 10

5.4. Impairment of Goodwill

In the fourth quarter of every fiscal year, or during the year in the case that an impairment indicator arises, an impairment test of goodwill is performed to determine any need for impairment. Here, goodwill is attributed to the units which are expected to achieve a benefit from the synergies of the merger. Generally, the individual companies are identified as cash-generating units. In the Waste Management segment, the companies are grouped together based on the existing management and reporting structure into cash-generating units, generally by country.

An impairment amount is entered if the carrying amount of a cash-generating unit exceeds its recoverable amount. The recoverable amount is equal to the fair value minus sales costs or use value, whichever results in a higher amount. The use value is determined by discounting future cash-flows expected to be realised by a cash-generating unit. The fair value minus sales

The cost of financing is recognised on the asset side, in accordance with IAS 23 (Borrowing Costs). In this context, an interest rate of 4.6% (previous year: 4.4%) is applied.

Subsequent expenses are only capitalised if it is likely that the future economic benefit associated with the costs will serve the interests of the company. Ongoing repairs and servicing are immediately recognised as an expense.

Fixed assets are amortised from the moment they are available or with regard to company-produced assets from the moment in which the asset has been completed and is ready for use.

Whenever different useful life spans have to be entered for the main components of assets, these are taken into account in line with the Component Approach (IAS 16.43).

costs is determined from a company-external perspective, the use value is determined from a company-internal perspective.

The cash flows used to determine the use value are based on the five year medium-term plan approved by the Board of Directors. Performance measurements are based both on past experience and on external information sources. Assumptions made about cash flow after the end of the detailed planning period are based on analyses of the past as well as future forecasts. Future restructuring and expansion investments are not taken into consideration. According to the detailed planning time period, a growth rate of 1.0% to 1.5% is applied. The growth rate is derived from electricity price forecasts, forecasts about future GDP growth as well as expected increases in expenses. The assumptions about future GDP growth come from the European Commission. For the purpose of verifying the impairment of goodwill, the use value is used.

The discount interest rate is a post-tax interest rate, which reflects current market estimates and the specific risks of the cash-generating unit.

5.4.1. Waste Management Planning Assumptions

Planning in the Waste Management Segment takes into account the central planning premises determined for the Group regarding economic growth, inflation, interest and exchange rate changes in the planning period.

Revenue planning is based on detailed planning of the individual products and services for each location. In terms of incineration plants and the most important major clients, individual customer plans were also used with regard to contractual framework conditions. For waste and recycling materials, price changes which seemed realistic for the planning period were entered at the time of planning. For the other products and services, an expected business performance level was projected, and the sales from electricity and district heating were determined on the basis of contracts or future forecasts.

Based on the expected market developments, the recovery and/ or throughput quantities were determined for the main Waste Management facilities. Essential here are an expected throughput of 315,000 tonnes for the Wels waste incineration plant and 300,000 tonnes for the RVL plant in Lenzing.

The main expense items such as personnel expenses, fleet costs, maintenance and fees were planned in accordance with turnover and plant planning.

5.4.2. Planning Assumptions for the Water Segment

Planning for the Water Segment takes into account the centrally specified, country-specific planning parameters such as changes in inflation rate, economic growth and interest and exchange rate developments.

Revenue planning in the drinking and wastewater area is based on a quantity price structure, which in terms of sales planning is based on historical consumption data and a trend derived based on planning parameters. The planned drinking and wastewater charges were set by each planning unit taking into account the existing customer data, an estimate of future changes in expenses and taking into consideration applicable regulatory framework conditions.

For the planning of significant expense items in the Water Segment, country-specific planning parameters were determined using external analyst estimates. These include, in particular, price changes in untreated water, chemicals, fuels and energy and gas prices.

One significant planning assumption concerns the maintenance of existing drinking and wastewater contracts with the municipalities and associations in the planning period.

5.5. Impairment of Other Intangible and Tangible Assets

IAS 36 (Impairment of Assets) requires that intangible assets and tangible assets are tested for impairment if there is an indication that the value of an asset or a cash-generating unit might have decreased. An impairment is entered if the carrying amount exceeds the recoverable amount of the asset or the cash-generating unit. The recoverable amount is the higher value resulting from the fair value minus either the sales costs or the use value.

The use value is determined by discounting future cash-flows expected to be realised by a cash-generating unit. The cash flows used to determine the use value are based on the five-year medium-term plan approved by the Board of Directors. For the subsequent period, a permanent annuity or a calculation through the anticipated end of the useful life of the asset is considered. Performance measurements are based both on past experience and on external information sources. Future restructuring and expansion investments are not taken into consideration. The discount interest rate is a post-tax interest rate, which reflects current market estimates and the specific risks of the cash-generating unit.

The fair value minus sales costs is determined from a company-external perspective; the use value is determined from a company-internal perspective.

5.6. Investments

The value of shareholdings in companies using the equity method is increased or decreased according to the share held in capital and the changes in equity.

5.7. Inventories

Inventories are valued at average acquisition or manufacturing costs (sliding average price procedure), or at the lower net realisable value. The manufacturing costs comprise the directly attributable costs, as well as the pro-rata overhead costs for materials and production.

Decreases in value due to reduced usability are reflected in write-downs.

5.8. Emission Certificates

The CO₂ emission certificates issued free of charge pursuant to the Emission Certificates Act are valued upon issuance at the market value and recognised in short-term assets and short-term liabilities. Fluctuations of the market value are entered in the income statement with effect on the result. During the use of the emission certificates, corresponding reserves are created and the liability from issuance is reduced with an effect on profit. When the emission certificates are submitted to the registration body, the reserve is balanced out with the asset item. Additionally acquired certificates are identified in short-term liabilities. Fluctuations of the market value are entered in the income statement with effect on the result. During the use of the emission certificates, corresponding reserves are created. When the emission certificates are submitted to the registration body, the reserve is balanced out with the asset item.

5.9. Fixed term deposits

The fixed term deposits item includes highly liquid fixed term deposits with an original term of more than three months up to one year provided that they are not subject to any access limitations. They are carried forward at amortized cost in the category "Loans and Receivables."

5.10. Cash and cash equivalents

The item cash and cash equivalents includes cash holdings, cheques received as well as balances in banks with an original term of longer than three months up to one year providing they are not subject to any access limitations. They are carried forward at amortized cost in the category "Loans and Receivables."

5.11. Financial instruments

Purchases and sales of original financial instruments are recognised as of the settlement date. Purchases and sales of derivative financial instruments are recognised on the trading date. Financial instruments are generally valued at the time of acquisition at fair value taking into account transaction costs. The financial instruments are written off once the rights to payments from the investment have expired or have been transferred and the Group has transferred all of the risks and opportunities associated with ownership.

5.11.1. Primary Financial Instruments

Non-consolidated investments and securities are valued in accordance with IAS 39 "Financial Instruments: Recognition and Valuation."

In Energie AG Oberösterreich, the valuation categories, "At Fair Value through Profit or Loss," "Held to Maturity", "Loans and Receivables," "Available for Sale" and "Financial Liabilities measured at Amortised Costs" are used.

The category "At Fair Value through Profit or Loss" is used for "Held for Trading" derivatives as well as financial assets that are controlled according to a documented asset and risk management strategy and for which the change in value is assessed using the fair value.

Securities are assigned to the category "Held to Maturity". Financial assets in this category include original financial assets with fixed or variable payments which the company intends and is able to hold until maturity. They are carried forward at amortised cost as part of the subsequent measurement.

The category, "Loans and Receivables" includes loans at market rates, trade receivables and other financial receivables and assets. "Loans and Receivables" are original financial assets with fixed or variable payments that are not listed on an active market. The subsequent measurement of the financial instruments in the category "Loans and Receivables" is carried forward at amortised cost.

For the categories, "Held to Maturity" and "Loans and Receivables," value adjustments are made for recognisable risks as soon as there is a sign of impairment. Criteria for a required devaluation include financial difficulties of the issuer or debtor, payment delays, increased likelihood of insolvency, a measurable decrease in expected future cash flows as well as a significant decrease in the market value of the financial instrument. A direct write-off of the financial assets is only done if the contractual rights to payments from the financial assets no longer exist (in particular in the case of insolvency). If the reasons for the value adjustment cease to apply, an upward value adjustment up to original costs is performed.

Shares in non-consolidated affiliated companies, other investment and securities are assigned to the category "Available for Sale." These are recognised on an ongoing basis at fair value, provided this can be reliably determined. Any resulting value changes are recognised after deduction of deferred tax liabilities with no effect on profit until realization, provided there is no significant or ongoing impairment. If there are objective indications of an impairment, identified losses are recognised beforehand in the financial result. When estimating a potential impairment, all available information such as creditworthiness, market conditions, duration and scope of the value decrease are taken into account. Upward revaluations on share capital instruments are performed with no effect on profit; for outside capital instruments, they are handled with an effect on profit.

Non-consolidated investments and other investments are presented as "Available for Sale at Cost." For these investments, there is no price listed on an active market and the fair value cannot be reliably determined. They are carried forward at amortized cost, taking impairments into account. Recognition of an upward revaluation is not permitted.

Financial liabilities, trade liabilities and other debts are assigned to the category "Financial Liabilities measured at Amortised Cost" and are measured at amortized cost using the effective interest method. The initial valuation is done at fair value including transaction costs. Any share premium, discount or other issue costs are spread out over the financing term and shown in the financial result.

5.11.2. Derivative Financial Instruments and Hedge Accounting

Derivative financial instruments are used in the Group to hedge against interest rate, electricity price and gas price risks.

The requirements according to IAS 39 for hedge accounting include, in particular, documentation of the hedge relationship between the basic and hedge transaction, the hedge strategy as well as the regular retrospective and prospective effectiveness measurement. When assessing effectiveness, all components of the market value change of derivatives are taken into account. Hedge accounting is seen as effective if the market value change of the hedge instrument ranges between 80 and 125 percent of the opposite market value change of the underlying transaction.

If a derivative financial instrument according to IAS 39 is used as a hedge transaction in a cash flow hedge, the effective portion of the fair value change of the hedge instrument is recognised in share capital as a component of other income. A reclassification in the income statement is done in the period in which the cash flows of the underlying transaction have an effect on profit. If the hedged base transaction expires, then the hedge transaction is reclassified with an effect on profit in the income statement. The ineffective share of the market value change of a hedge instrument, for which a cash flow hedge has been created, is recognised to the required extent with an effect on profit.

In the scope of fair value hedge accounting, both the market value change of the derivative instrument and the opposite market value change of the underlying transaction, to the extent that it applies to the hedged risk, are recognised with an effect on profit.

Market value changes of derivatives without a hedge relationship are shown in the operating result or financial result. Results of interest rate derivatives are balanced out and shown in the interest result. The results of derivative proprietary trading instruments are balanced out under sales revenues or material costs.

Contracts concluded for purposes of the receipt or delivery of non-financial items according to the expected purchase, sales or use requirements and held accordingly, are not treated as derivative financial instruments at fair value pursuant to IAS 39, but rather as pending transactions according to the provisions of IAS 37.

5.12. Provisions IAS 19

Provisions for pensions, severance payments, gradual step-in pension/early retirement and anniversary bonuses are calculated according to the projected unit credit method in accordance with IAS 19 (Employee Benefits). Expected increases in wages, salaries and pensions are taken into account. Actuarial gains and losses are recognised for pension and severance provisions and provisions for pensions and gradual step-in pensions/early retirement with an effect on profit. Interest costs are shown in the financial result.

5.13. Other Provisions

Other provisions comprise all commitments identifiable on the balance sheet date that relate to earlier transactions and are uncertain as to their amount or maturity. The provisions are valued at the amount that is most likely to be incurred. Reduced costs for commitments from the demolition or removal of assets from the fixed assets as well as from restoration of locations are estimated, capitalised at the time of addition of the plant, and entered as a provision.

5.14. Deferred taxes

Deferred taxes are entered for temporary deviations between the values shown in the consolidated balance sheet and the values shown in the tax balance sheets of the individual companies. Moreover, future tax benefits, resulting from tax losses carried forward, are taken into account. Values are restated if netting out cannot be expected with sufficient probability.

5.15. Contributions to construction costs

This item primarily comprises financing contributions received from electricity, gas and district-heating customers. Contributions to construction costs carried as liabilities are re-transferred with effect on the result according to IFRIC 18 in keeping with the course of depreciation for the corresponding asset.

5.16. Investment Grants

Financial contributions from the public sector for asset acquisition are recognised as investment grants and reversed according to their useful life under other operating income.

5.17. Contingent Liabilities

Potential or existing obligations – based on past events – and for which an outflow of resources is unlikely are carried under contingent liabilities to third parties.

5.18. Foreign Currency Conversion

Foreign currency translations are made according to the principle of a functional currency. The respective national currency is the functional currency of all consolidated companies. Accordingly, balance sheet items are translated at the middle rate on the reporting date, while items in the

income statement are translated using the mean exchange rate for the period. Differences from conversion of pro-rated equity are shown in other comprehensive income. The differences from currency conversions due to minority interests are shown in the item non-controlling minority interests in equity. On 30/09/2015, the exchange rate for the Czech crown was 27.22280 (previous year: 27.53155), for the Hungarian forint 314.4780 (previous year: 312.0800), for the Swiss franc 1.09318 (previous year: 1.20691), for the Polish zloty 4.24125 (previous year: 4.18185) and for the US dollar 1.12440 (previous year: 1.26859). Currency conversions due to long-term intra-Group corporate loans, repayment of which is neither planned nor likely in the foreseeable future, are presented without an effect on profit in currency differences.

5.19. Revenue Recognition

In general, income is recognised at the time of providing the service or performance, whenever the value of a receivable has been determined or can be determined and its collection is likely. Receivables from gas and water deliveries, which had not been invoiced as at the reporting date, were deferred on a pro-rata basis and are shown under "trade receivables."

Interest income is realised for the pro-rata period depending on the actual interest rate. Dividends are shown at the dates on which the title to the payment was created.

NOTES TO THE INCOME STATEMENT

6. Sales

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Energy Segment	936,114.8	1,087,141.2
Grid Segment	276,515.5	276,994.3
Waste Management Segment	196,227.4	198,713.2
Water Segment	125,953.1	124,454.6
Holding & Services Segment	39,116.7	34,804.6
Sales	1,573,927.5	1,722,107.9
Procurement costs for electricity and gas proprietary trading	- 103,320.1	- 158,269.4
Net sales	1,470,607.4	1,563,838.5

Sales include revenues from proprietary trading of electricity and gas. Net sales revenues, after deducting procurement costs for electricity and gas proprietary trading, include the realised margin. Procurement costs for proprietary energy and gas trading concern electricity and gas quantities that have been purchased solely for the purpose of reselling at the wholesale level to achieve an appropriate margin.

7. Segment Reporting

Segment Reporting by Business Areas

In the Energie AG Group, identification of reportable segments according to IFRS 8 is done according to internal reporting and internal control (Management Approach).

Segment reporting includes the segments Energy, Grid, Waste Management, Water and Holding & Services.

The accounting and valuation principles of the reported segments are the same as those used throughout the Group. The operating result is the result for the period which, being regularly monitored by the chief operating decision-makers, is primarily used as a basis to assess the level of success and the allocation of resources.

Sales made among the segments are based mainly on regulatorily mandated prices and market-compliant prices. Sales made between the Grid segment and the other segments primarily concern grid services; transfer prices are based on regulatorily mandated prices. The intra-Group sales of the segment "Holding & Services" mainly concern revenues from services and material deliveries which are charged at market-compliant prices as well as revenues from grid services (metering) charged at regulatorily mandated prices.

Energy

The Energy Segment mainly includes the generation, sale and distribution of electrical energy. Electrical energy is primarily generated using hydraulic and caloric generation plants. In addition, electrical energy is also purchased via purchasing rights from third-party power plants as well as the electricity market. The Electricity Segment also includes Energie AG Ober-

österreich Trading GmbH as a central electricity and gas trading company as well as the 7-Fields gas reservoir. Attributed to the Energie Segment are the sale and distribution of natural gas, the heating division, Energie AG Oberösterreich Vertrieb GmbH & Co KG (measured at equity), ENAMO GmbH and ENAMO Ökostrom GmbH.

Grid

The Grid Segment comprises the construction and operation of the electricity and gas grids.

Waste Management

The Waste Management Segment covers accepting, sorting, incinerating and dumping of domestic and industrial waste materials. "Papyrus" Altpapierservice Handelsgesellschaft m.b.H., valued at-equity, as well as Papyrus Wertstoff Service GmbH are assigned to the Waste Management Segment.

Water

The Water Segment consists primarily of the supply with drinking water, as well as of the disposal of wastewater.

Holding & Services

The Holding & Services Segment includes, in addition to the management and control function, commercial and technical services, the Data division as well as the shareholdings including at equity Salzburg AG für Energie, Verkehr und Telekommunikation and Wels Strom GmbH.

Segment reporting by business areas is presented as follows:

	Energy EUR mill.	Grid EUR mill.	Waste Management EUR mill.	Water EUR mill.	Holding & Services EUR mill.	Transition/ Elimination EUR mill.	Group EUR mill.
2014/2015							
Sales to third parties	936.1	276.5	196.2	126.0	39.1	—	1,573.9
Inter-segment sales	3.2	37.9	9.0	0.4	143.5	-194.0	—
Total sales	939.3	314.4	205.2	126.4	182.6	-194.0	1,573.9
Income from shares in equity companies	40.2	—	- 5.5	—	11.3	—	46.0
Depreciations of which impairments	- 53.4	- 62.1	- 34.9	- 7.4	- 17.9	—	- 175.7
Income from operations	80.0	41.8	- 15.3	9.5	2.9	—	118.9
Carrying amount of stakes in equity undertakings	62.3	—	1.9	—	173.8	—	238.0
Goodwill	1.1	—	45.3	22.6	0.1	—	69.1
Investments into intangible assets and tangible fixed assets	22.9	66.2	13.7	6.5	31.8	—	141.1
Capital Employed	509.8	651.3	187.5	107.2	20.9	—	1,476.7
				EUR mill.			
Capital Employed				1,476.7			
Assets not used in the process of rendering goods and services				579.0			
Non-interest bearing debts, provisions				983.8			
Balance sheet total				3,039.5			

(restated)	Energy EUR mill.	Grid EUR mill.	Waste Management EUR mill.	Water EUR mill.	Holding & Services EUR mill.	Transition/ Elimination EUR mill.	Group EUR mill.
2013/2014							
Sales to third parties	1,087.1	277.0	198.7	124.5	34.8	—	1,722.1
Inter-segment sales	12.4	34.8	10.8	0.6	130.2	- 188.8	—
Total sales	1,099.5	311.8	209.5	125.1	165.0	- 188.8	1,722.1
Income from shares in equity companies	30.5	—	-0.1	—	15.6	—	46.0
Depreciations of which impairments	- 58.6	- 60.4	- 25.6	- 7.7	- 15.1	—	- 167.4
Income from operations	30.2	41.3	5.4	9.3	16.1	—	102.3
Carrying amount of stakes in equity undertakings	53.8	—	7.6	—	169.9	—	231.3
Goodwill	1.1	—	45.3	22.4	0.1	—	68.9
Investments into intangible assets and tangible fixed assets	40.8	90.3	12.9	6.6	17.3	- 5.1	162.8
Capital Employed	558.2	623.7	210.1	106.7	1.3	—	1,500.0
				EUR mill.			
Capital Employed				1,500.0			
Assets not used in the process of rendering goods and services				650.0			
Non-interest bearing debts, provisions				1,010.1			
Balance sheet total				3,160.1			

Income from the reversal of construction cost subsidies, at EUR 23.2 mill. (previous year: EUR 20.8 mill.), concern the Grid Segment, while recoveries in the amount of EUR 29.7 mill. concern the Energy Segment.

Items with no effect on payment in connection with derivatives in the amount of EUR -24 mill. (previous year EUR -44.3 mill.) pertain to the Energy Segment.

Segment Reporting by Geographical Segment

The Energie AG Oberösterreich Group operates in the regions "Austria" and "Czech Republic". Business operations in other countries (Italy, Germany, Slovenia, Hungary, Poland) are summarized in the geographical segment "Other Countries".

2014/2015	Austria in EUR mill.	Czech Republic in EUR mill.	Other countries in EUR mill.	Group in EUR mill.
Sales to third parties	1,431.0	132.5	10.4	1,573.9
Capital employed	1,375.3	85.0	16.4	1,476.7

2013/2014 (restated)	Austria in EUR mill.	Czech Republic in EUR mill.	Other countries in EUR mill.	Group in EUR mill.
Sales to third parties	1,569.7	138.9	13.5	1,722.1
Capital employed	1,398.1	84.6	17.3	1,500.0

8. Other Operating Income

	2014/2015 EUR 1,000	2013/2014 (restated) EUR 1,000
Income from the disposal of intangible assets and tangible fixed assets	4,194.6	4,965.0
Recoveries	29,733.9	—
Capitalised production costs	612.9	554.2
Income from leases and rentals	3,483.3	3,100.2
Income from the reversal of investment grants	3,352.1	2,962.5
Income from CO ₂ certificates	2,213.5	1,487.2
Other income	8,287.7	9,873.2
	51,878.0	22,942.3

9. Cost of Material and Other Procured Manufacturing Services

	2014/2015 EUR 1,000	2013/2014 (restated) EUR 1,000
Electricity purchased from third parties	525,338.7	673,481.1
Cost of use of system	66,669.2	60,231.6
Cost of fuels	37,808.4	54,703.3
Cost of other materials	250,251.4	220,655.1
Cost of purchased services	116,798.8	116,734.9
	996,866.5	1,125,806.0
Procurement costs for electricity and gas proprietary trading	- 103,320.1	- 158,269.4
	893,546.4	967,536.6

10. Personnel Expense

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Wages and salaries	193,384.1	197,028.2
Expenses for severance payments and benefits to company pension funds	3,738.3	4,069.6
Pension payments	10,803.9	15,231.2
Statutory social-security charges and remuneration-related charges and compulsory contributions	50,024.3	51,106.3
Other social expenses	- 1,502.5	4,320.5
	256,448.1	271,755.8

The expenses for defined contribution plans are EUR 6,136.60 thousand (previous year: (restated) EUR 5,850.5 thousand). Expenses for severance packages, at EUR 13.7 thousand (previous year: EUR 13.6 thousand), as well as expenses for old age pensions at EUR 374.5 thousand (previous year: EUR 438.5 thousand), relate to members of the Board of Management.

The salaries paid to the Board of Directors and Supervisory Board of Energie AG Oberösterreich total:

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Board of Management	837.0	831.0
Former members of the Board of Management and their dependents	741.0	864.0
Supervisory Board	95.0	114.0
	1,673.0	1,809.0

In the fiscal year, there were on average 4,308 (previous year: 4,431) employees. Part-time employees are considered on a proportional basis.

11. Amortization and Depreciation

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Scheduled depreciation	136,064.2	139,175.6
Impairment	39,660.5	28,267.0
	175,724.7	167,442.6

12. Other Operating Expenses

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Taxes	7,990.7	7,727.6
Outside services	47,792.5	40,783.9
Travel expenses	8,173.5	8,336.5
Insurance premiums	5,674.3	5,223.2
Postage and telecommunication fees	5,959.5	4,901.3
Rentals and leases	7,721.2	7,826.7
Reversals of receivables	667.8	1,093.2
Allocated value allowance for receivables	1,956.8	1,951.0
Expenses for vehicles	19,343.3	20,654.5
Losses from the disposal of intangible assets	2,454.5	1,875.2
Repairs	22,034.7	23,740.6
Other expenses	27,247.4	32,585.5
	157,016.2	156,699.2

Taxes comprise mainly land taxes, location-dependent charges, electricity levies, as well as contributions to remedial action on abandoned waste sites. The fees charged by the Group auditor KPMG Austria GmbH for auditing services and other assurance services provided for the companies of the Energie AG Oberösterreich Group amount to EUR 766.2 thousand (previous year: EUR 793.4 thousand). Moreover, the Group auditor provided other consulting services for the Energie AG Group totaling EUR 211.2 thousand (previous year: EUR 216.3 thousand) for the Energie AG Group.

13. Income from Interest

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Cost of financing		
Interest and similar expenses	- 28,119.0	- 33,622.0
Interest Expenses Personnel Provisions	- 6,671.9	- 8,294.0
Exchange-rate losses from financial liabilities	- 5,253.8	- 1,110.7
	- 40,044.7	- 43,026.7
Other interest income		
Interest and similar income	1,992.4	2,473.4
Exchange-rate gains from financial liabilities	18.4	168.9
Changes in market value from interest swaps	260.5	- 3,989.1
	2,271.3	- 1,346.8
	- 37,773.4	- 44,373.5

14. Other Financial Results

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Income from participations		
Non-consolidated affiliated companies	24.3	243.8
Income from other shareholdings	1,425.6	1,563.5
Profits from the disposal of other shareholdings	1,128.9	17.3
Write-down of participations	- 1,384.7	- 341.6
Others	—	- 3.2
	1,194.1	1,479.8
Securities and loans		
Losses from disposal of fixed assets	- 11.0	- 44.1
Gains from disposal of fixed assets	154.3	—
Income from securities	853.3	959.5
Write-downs of securities	- 303.3	- 384.1
Write-ups of securities	20.0	1,655.6
Losses from the disposal of securities	—	- 352.8
Gains from the disposal of securities	199.6	1,323.5
	912.9	3,157.6
	2,107.0	4,637.4

15. Income Taxes

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Expense for ongoing income taxes	27,965.9	14,148.3
Change in deferred taxes	- 9,520.5	- 3,582.2
	18,445.4	10,566.1

Expenses for taxes on income are EUR 1,991.5 thousand lower (previous year: EUR 4,149.5 thousand lower) than the calculated expenses for taxes on income that result from applying the respective tax rates to the result before taxes on income.

The reasons for the difference between the calculated and reported income tax expenses are presented as follows:

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Profit before taxes on income	83,204.2	62,515.0
Calculated expenses for taxes	20,436.9	14,715.6
Effect on taxes due to		
results from companies valued at-equity and investments	- 2,931.1	- 4,559.8
Other items	939.6	410.3
Effective tax expense	18,445.4	10,566.1
Effective Tax Rate in %	22.2	16.9

The temporary differences between the amounts stated in the consolidated financial statements and the respective taxable amounts have the following effects on the reported deferred taxes:

	Assets		Debt		Net	
	2015	2014 (restated)	2015	2014 (restated)	2015	2014 (restated)
	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
Intangible assets	—	209.1	- 15,232.6	- 15,880.3	- 15,232.6	- 15,671.2
Tangible fixed assets	15,786.4	19,797.3	- 86,167.4	- 84,586.5	- 70,381.0	- 64,789.2
Financial assets	3,639.6	4,712.6	- 7,903.3	- 8,042.2	- 4,263.7	- 3,329.6
Other long-term assets	—	—	- 855.1	- 1,767.3	- 855.1	- 1,767.3
Provisions	39,831.8	30,066.5	- 4,339.1	- 12,860.8	35,492.7	17,205.7
Total untaxed reserves	—	—	- 18,469.6	- 19,671.4	- 18,469.6	- 19,671.4
Contributions to construction costs	21,573.9	21,737.6	- 3,692.5	- 3,963.6	17,881.4	17,774.0
Other long-term debt	1,992.6	2,525.1	—	- 352.4	1,992.6	2,172.7
Cash flow hedges	12,669.4	15,526.3	—	—	12,669.4	15,526.3
Tax losses carried forward	8,702.8	9,724.1	—	—	8,702.8	9,724.1
Other items	707.8	2,287.0	- 61.0	- 131.7	646.8	2,155.3
Tax credits/debts before offsetting	104,904.3	106,585.6	-136,720.6	-147,256.2	-31,816.3	-40,670.6

	Status 30/09/2015 EUR 1,000	Change in the scope of consolidation EUR 1,000	Foreign currency translation adjustment EUR 1,000	Directly recognized in equity EUR 1,000	Recorded in income statement EUR 1,000	Stand 01/10/2014 EUR 1,000
Intangible assets	- 15,232.6	—	- 23.6	—	462.2	- 15,671.2
Tangible assets	- 70,381.0	- 940.0	- 44.4	—	- 4,607.4	- 64,789.2
Financial assets	- 4,263.7	—	- 0.2	205.5	- 1,139.4	- 3,329.6
Other long-term assets	- 855.1	—	—	—	912.2	- 1,767.3
Provisions	35,492.7	—	4.5	3,154.2	15,128.3	17,205.7
Total untaxed reserves	- 18,469.6	—	—	—	1,201.8	- 19,671.4
Contributions to construction costs	17,881.4	—	- 0.1	—	107.5	17,774.0
Other long-term debt	1,992.6	—	—	—	- 180.1	2,172.7
Cash flow hedges	12,669.4	—	—	- 2,871.8	14.9	15,526.3
Tax losses carried forward	8,702.8	—	—	—	- 1,021.3	9,724.1
Other	646.8	—	- 150.3	—	- 1,358.2	2,155.3
	- 31,816.3	- 940.0	- 214.2	487.9	9,520.5	- 40,670.6

(restated)	Status 30/09/2014 EUR 1,000	Foreign currency translation adjustment EUR 1,000	Directly recognized in equity EUR 1,000	Recorded in income statement EUR 1,000	Status 01/10/2013 EUR 1,000
Intangible assets	- 15,671.2	178.0	—	140.4	- 15,989.6
Tangible assets	- 64,789.2	259.6	—	1,126.5	- 66,175.3
Financial assets	- 3,329.6	- 4.7	532.8	371.2	- 4,228.9
Other long-term assets	- 1,767.3	—	—	407.0	- 2,174.3
Provisions	17,205.7	- 26.7	4,140.4	229.0	12,863.0
Total untaxed reserves	- 19,671.4	—	—	1,291.8	- 20,963.2
Contributions to construction costs	17,774.0	—	—	604.9	17,169.1
Other long-term debt	2,172.7	—	—	- 25.9	2,198.6
Cash flow hedges	15,526.3	—	- 3,010.1	- 14.9	18,551.3
Tax losses carried forward	9,724.1	—	—	- 1,571.4	11,295.5
Other	2,155.3	179.7	—	1,023.6	952.0
	- 40,670.6	585.9	1,663.1	3,582.2	- 46,501.8

No deferred tax liabilities were recognised for temporary differences associated with fully consolidated subsidiaries, joint arrangements as well as associated companies in the amount of EUR 195,193.0 thousand.

Deferred taxes apply to value changes in shareholdings and securities available for sale without an effect on profit in the amount of EUR 205.5 thousand (previous year: EUR 532.8 thousand); deferred taxes apply to changes in value from hedge accounting without an effect on profit in the amount of EUR -2,871.8 thousand (previous year: EUR -3,010.1 thousand) For tax-deductible temporary partial depreciations, deferred tax assets in the amount of EUR 8,702.8 were created.

NOTES ON THE BALANCE SHEET

16. Intangible Assets and Tangible Assets

Changes in Intangible Assets and Goodwill:

	Electricity pro- curement rights EUR 1,000	Other rights EUR 1,000	Goodwill EUR 1,000	Customer base EUR 1,000	Assets under construction EUR 1,000	Total EUR 1,000
2014/2015						
Acquisition and production costs						
01/10/2014	238,947.0	115,595.4	75,996.6	50,849.1	101.1	481,489.2
Currency differences	—	39.8	208.6	254.1	0.9	503.4
Additions	2,939.7	1,965.9	—	—	122.2	5,027.8
Disposals	—	- 15,849.6	- 171.8	- 1,723.1	—	- 17,744.5
Transfers	—	126.4	—	—	- 126.4	—
30/09/2015	241,886.7	101,877.9	76,033.4	49,380.1	97.8	469,275.9
Accumulated amortisation						
01/10/2014	158,017.3	76,985.5	7,056.4	22,271.8	—	264,331.0
Currency differences	—	34.3	—	88.1	—	122.4
Amortization	3,673.6	3,289.0	3.4	2,706.8	—	9,672.8
Impairment	—	3,623.2	—	2,147.6	—	5,770.8
Disposals	—	- 15,515.4	- 171.8	- 1,723.2	—	- 17,410.4
30/09/2015	161,690.9	68,416.6	6,888.0	25,491.1	—	262,486.6
Carrying amount 01/10/2014	80,929.7	38,609.9	68,940.2	28,577.3	101.1	217,158.2
Carrying amount 30/09/2015	80,195.8	33,461.3	69,145.4	23,889.0	97.8	206,789.3
2013/2014 (restated)						
Acquisition and production costs						
01/10/2013	228,295.5	116,466.1	86,247.2	55,414.6	62.3	486,485.7
Currency differences	—	- 239.6	- 1,299.0	- 1,681.4	- 4.1	- 3,224.1
Changes in consolidated group	—	441.0	—	—	—	441.0
Additions	10,656.0	4,597.3	—	—	165.8	15,419.1
Disposals	- 4.5	- 5,828.9	- 8,951.6	- 2,884.1	—	- 17,669.1
Transfers	—	159.5	—	—	- 122.9	36.6
30/09/2014	238,947.0	115,595.4	75,996.6	50,849.1	101.1	481,489.2
Accumulated amortisation						
01/10/2013	154,348.2	67,739.1	15,836.2	20,041.5	—	257,965.0
Currency differences	—	- 190.0	—	- 506.2	—	- 696.2
Amortization	3,673.6	5,492.2	-	3,029.5	—	12,195.3
Impairment	—	9,659.0	171.8	2,591.1	—	12,421.9
Disposals	- 4.5	- 5,714.8	- 8,951.6	- 2,884.1	—	- 17,555.0
30/09/2014	158,017.3	76,985.5	7,056.4	22,271.8	—	264,331.0
Carrying amount 01/10/2013	73,947.3	48,727.0	70,411.0	35,373.1	62.3	228,520.7
Carrying amount 30/09/2014	80,929.7	38,609.9	68,940.2	28,577.3	101.1	217,158.2

Development of fixed assets

	Land with buildings EUR 1,000	Plants and machinery EUR 1,000	Factory and office equipment EUR 1,000	Assets under construction EUR 1,000	Total EUR 1,000
2014/2015					
Acquisition and production costs					
01/10/2014	1,030,487.2	3,337,934.9	189,421.5	33,767.4	4,591,611.0
Currency differences	762.5	373.0	111.7	36.8	1,284.0
Changes in consolidated group	29.9	3,760.1	—	—	3,790.0
Additions	3,075.4	94,128.0	9,594.3	29,240.8	136,038.5
Disposals	- 5,946.6	- 8,461.3	- 4,233.1	- 2,963.3	- 21,604.3
Transfers	2,031.1	23,959.1	- 9,663.1	- 16,327.1	—
30/09/2015	1,030,439.5	3,451,693.8	185,231.3	43,754.6	4,711,119.2
Accumulated amortisation					
01/10/2014	514,150.3	2,010,326.3	149,910.3	3,576.9	2,677,963.8
Currency differences	336.2	234.2	77.1	- 1.3	646.2
Depreciation	18,739.6	95,167.5	12,292.5	191.8	126,391.4
Impairment	11,680.6	22,094.5	—	114.6	33,889.7
Reversals	—	- 29,715.4	—	- 18.5	- 29,733.9
Disposals	- 1,565.5	- 5,915.7	- 4,159.3	—	- 11,640.5
Transfers	- 126.7	8,350.8	- 8,224.1	—	—
30/09/2015	543,214.5	2,100,542.2	149,896.5	3,863.5	2,797,516.7
Carrying amount 01/10/2014	516,336.9	1,327,608.6	39,511.2	30,190.5	1,913,647.2
Carrying amount 30/09/2015	487,225.0	1,351,151.6	35,334.8	39,891.1	1,913,602.5
(restated)					
2013/2014					
Acquisition and production costs					
01/10/2013	1,015,658.3	3,209,329.1	187,626.9	76,428.1	4,489,042.4
Currency differences	- 4,457.3	- 2,348.7	- 449.2	- 223.1	- 7,478.3
Changes in consolidated group	—	340.3	—	—	340.3
Additions	7,497.8	94,419.4	11,080.3	34,350.8	147,348.3
Disposals	- 3,927.0	- 21,830.4	- 11,892.7	45.0	- 37,605.1
Transfers	15,715.4	58,025.2	3,056.2	- 76,833.4	- 36.6
30/09/2014	1,030,487.2	3,337,934.9	189,421.5	33,767.4	4,591,611.0
Accumulated amortisation					
01/10/2013	495,296.0	1,929,695.5	147,142.6	- 147.0	2,571,987.1
Currency differences	- 1,890.0	- 1,353.8	- 331.6	7.1	- 3,568.3
Depreciation	19,329.2	93,678.5	13,972.6	—	126,980.3
Impairment	3,102.8	9,022.4	—	3,719.9	15,845.1
Reversals	—	—	—	- 3.1	- 3.1
Disposals	- 1,940.8	- 19,400.6	- 11,935.9	—	- 33,277.3
Transfers	253.1	- 1,315.7	1,062.6	—	—
30/09/2014	514,150.3	2,010,326.3	149,910.3	3,576.9	2,677,963.8
Carrying amount 01/10/2013	520,362.3	1,279,633.6	40,484.3	76,575.1	1,917,055.3
Carrying amount 30/09/2014	516,336.9	1,327,608.6	39,511.2	30,190.5	1,913,647.2

For the purposes of the impairment test, goodwill is assigned to the cash-generating units and the cash flows of these cash-generating units will be discounted at the following discounting rate:

	Goodwill in EUR mill.		Discount Rate in %	
	30/09/2015	30/09/2014	30/09/2015	30/09/2014
Waste Management Segment				
Austria	43.1	43.1	5.3	6.0
Italy	2.2	2.2	6.0	7.1
	45.3	45.3		
Water Segment				
CEVAK a.s.	14.3	14.1	4.7	5.5
WDL Wasserdienstleistungs GmbH	4.1	4.1	4.4	5.3
Other companies	4.2	4.2	4.7 - 5.3	5.5 - 6.9
	22.6	22.4		
Others	1.2	1.2	4.8-5.1	6.0-6.2
Total	69.1	68.9		

The recoverable amount of the cash-generating unit "Waste Management Segment/Austria" exceeds the carrying amount by EUR 26.4 mill., while the recoverable amount of CEVAK a.s. exceeds the carrying amount by EUR 85.6 mill. In the event of a decrease in future cash flow by 10.9% or an increase in the interest rate by 0.6%, the carrying amount of the cash-generating unit "Waste Management Segment/Austria" corresponds to the present value of future cash flows.

In the Energy Segment, obligations from a gas purchase agreement for the combined cycle gas turbine plant in Timelkam were changed in exchange for a payment of EUR 10.9 mill. in favour of the Group, recognised in expenses. An impairment test was performed for the power plant. The electrical output installed comes 422 MW, with a maximum district heating decoupling of 100 MW. The efficiency was assumed to be at 55.7%. Annual electricity generation was recognised at up to 1,381 GWh per year. The assumptions for the future electricity and gas prices are based, where available, on market data; if no market data were available, estimates were made based on market studies. Expenses for maintenance and repair were considered according to maintenance plans and agreements. Other significant expense items such as personnel costs, insurance and infrastructure costs are annually increased by an estimated increase rate. The discount rate is 4.8% (previous year: 6.0%). In particular, due to the expense recognised in the current fiscal year and the reduction in the discount rate, a recovery of EUR 29.7 mill. was undertaken. In the previous year, an impairment in the amount of EUR 4.1 mill. was recognised. The recoverable amount corresponds to the use value in the amount of EUR 61.1 mill. (previous year: EUR 33.4 mill.).

The cash-generating unit "Price Authority Heating Distribution" in the Energy Segment includes the Timelkam/Vöcklabruck, Riedersbach and Kirchdorf heating stations for which the sales prices are jointly set by a price authority. Future income is based on an annual output of 236.3 GWh and was planned under the

assumption that negative results can be compensated for in the medium-term with increased heating prices. Prices approved in the past by the price authority support this assumption. The discount rate is 4.8%. The impairment test resulted in an impairment in the amount of EUR 13.3 mill., with the recoverable amount (use value) at EUR 10.9 mill. In addition, an impairment in the amount of EUR 4.4 mill. was recognised for biomass district heating stations due to decreased forecast cash flow. The discount rate is 4.8%; the recoverable amount (use value) is EUR 0.0 mill.

In the 2013/2014 fiscal year, the estimate of future gas price listings on the trading market in the summer and winter months (summer-winter spread) was changed due to an oversupply of storage capacities. The change in this estimate led to a decrease in the use value determined based on discounted cash flows, and thus in the 2013/14 fiscal year to an impairment requirement for the cash-generating unit "7 Fields Gas Storage Facility" in the Energy Segment in the amount of EUR 9.7 mill., with a recoverable amount (use value) in the amount of EUR 19.7 mill. 6.6% was used as the interest rate. In the 2014/2015 fiscal year, an impairment in the amount of EUR 3.3 mill. was performed. The recoverable amount (use value) determined using an interest rate of 5.1% comes to EUR 17.8 mill.

In the Waste Management Segment, due to decreased market values for properties, an impairment in the amount of EUR 6.0 mill. was recognised. The recoverable amount (fair value minus disposal costs) is EUR 7.0 mill. Due to decreased anticipated payment surpluses, an impairment in the amount of EUR 5.9 mill. was recognised for the Lenzing waste incineration plant. The discount rate amounts to 5.3% of the recoverable amount (use value) or EUR 3.1 mill.

Research costs in the amount of EUR 3.4 mill. (previous year: EUR 3.5 mill.) were recognised as an expense.

In the 2014/2015 fiscal year, interest on borrowed capital in the amount of EUR 1,906.9 thousand (previous year: EUR 1,502.1 thousand) was capitalised.

Accruals to assets under construction led to outflows of payment instruments in the amount of EUR 20,739.1 thousand (previous year: EUR 15,086.6 thousand). Obligations to acquire fixed assets amount to EUR 14,997.2 thousand (previous year: EUR 15,378.2 thousand).

In the 2007/2008 fiscal year, in the Waste Management Segment, tangible fixed assets were sold and leased back over a period of 15 years ("sale and lease back"). The assets of this financing lease relationship will continue to be capitalised in the balance sheet. The cash price of minimum lease payments are

recognised in the same amount on the liabilities side. During and at the end of the contract term, there are options to terminate at certain points at the outstanding loan amount. The lessor has a pre-emptive right to the outstanding loan amount at the end of the contract term. During the contract term, subleasing to third-parties is not permitted. The carrying amount as of 30/09/2015 is EUR 37,459.8 thousand (previous year: EUR 41,556.8 thousand). The future minimum lease payments for the following year are EUR 2,335.8 thousand (previous year: EUR 2,389.8 thousand), longer than one year and up to five years EUR 10,539.4 thousand (previous year: EUR 10,600.0 thousand), and longer than five years EUR 43,325.9 thousand (previous year: EUR 46,538.4 thousand). Lease payments calculated on the basis of variable interest in the amount of EUR -2,517.4 thousand (previous year: EUR -2,676.3 thousand) were recognised as an expense.

The present value of the minimum lease payments is presented as follows:

	Minimum leasing payments EUR 1,000	Discounted EUR 1,000	Cash value of minimum leasing payments EUR 1,000
Term less than one year	2,335.8	-1.6	2,337.4
Terms between one and five years	10,539.4	-20.9	10,560.3
Terms in excess of five years	43,325.9	-186.1	43,512.0
	56,201.1	-208.6	56,409.7

17. Investments

	30/09/2015 EUR 1,000	30/09/2014 (restated) EUR 1,000
Shares in affiliated companies	6,402.6	7,146.6
Associated companies valued at equity	238,034.9	231,330.3
Investments available for sale	259.4	348.5
Other investments	13,933.8	12,889.2
	258,630.7	251,714.6

An increase in the interest rate by 0.25% would have resulted in impairments of the companies valued according to the equity method in the amount of EUR 6.8 mill., a decrease in future cash flow by 20% in impairments in the amount of EUR 44.0 mill. The recoverable amount of the affected interests exceeds the carrying amount by EUR 11.1 mill.

Due to decreased anticipated payment surpluses, an impairment was recognised for an at-equity valued joint venture in the Waste Management Segment in the amount of EUR 5.6 mill. The discount rate is 5.3%, the recoverable amount is the use value.

18. Other Financial Assets

	30/09/2015 EUR 1,000	30/09/2014 (restated) EUR 1,000
Loans to affiliated companies	—	85.0
Loans to associated companies	5,175.2	3,600.0
Other loans	21,538.3	14,710.9
Securities available for sale	55,688.5	55,359.8
Other securities	15,813.5	17,469.0
	98,215.5	91,224.7

19. Other Long-Term Assets

Other long-term assets result in particular from the positive market value of derivative hedge instruments.

20. Inventories

	30/09/2015	30/09/2014 (restated)
	EUR 1,000	EUR 1,000
Primary energy	32,060.9	51,067.9
Raw materials and supplies	12,639.9	12,775.7
Work in progress	2,092.9	1,186.9
Finished goods and goods for resale	773.9	1,243.3
	47,567.6	66,273.8

In the current fiscal year, impairments of inventories of primary energy were made to the net disposal value in the amount of EUR 504.5 thousand (previous year: EUR 3,534.2 thousand). The carrying amount of the inventories valued at the net disposal value was EUR 2,225.7 thousand (previous year: EUR 5,542.5 thousand).

21. Receivables and Other Assets

	30/09/2015	30/09/2014 (restated)
	EUR 1,000	EUR 1,000
Accounts receivable (trade debtors)	166,135.9	158,836.4
Receivables from non-consolidated affiliated companies	1,155.1	24,228.6
Receivables from associated companies	36,053.0	43,460.5
Accruals and deferrals of interest	3,172.4	4,486.4
Market value of derivatives	14,628.0	5,456.5
Others	44,605.6	37,706.2
	265,750.0	274,174.6

Receivables from electricity, gas and water provision which are not yet settled as of the reporting date are accrued and recognized in the item "Trade receivables."

22. Cash and Cash Equivalents

	30/09/2015	30/09/2014 (restated)
	EUR 1,000	EUR 1,000
Cash in hand	213.1	182.3
Cash in bank accounts	109,683.0	179,238.7
	109,896.1	179,421.0

23. Equity

The nominal capital of Energie AG Oberösterreich consists of 89,087,750 individual share certificates (previous year: 89,087,750), of which 88,600,000 are common shares (previous year: 88,600,000), of which 487,750 are preferred shares without voting rights (previous year: 487,750). The nominal capital has been fully paid in.

The Board of Management of Energie AG Oberösterreich is authorised, up to 15 January 2018, to increase the nominal

capital of the company by a maximum of EUR 2,800,000 by issuing bearer shares to staff members in the form of preferred shares without voting rights.

The capital reserves result from the share premium of the capital increase, minus the directly attributable costs of obtaining equity in the amount of EUR 1,771.9 thousand, as well as from the contribution of own shares during fiscal 2006/2007 as well as shares issued to staff in fiscal year 2012/2013.

During fiscal 2007/2008, 390,000 preferred shares without voting rights were contributed to Energie AG Oberösterreich. These shares were offered to Group staff members at favourable conditions during fiscal 2007/2008. The benefit per staff member amounted to the maximum tax-exempt sum pursuant to § 3 (1) item 15 letter b of the Income Tax Act.

In the 2012/2013 fiscal year, 87,750 shares were issued to employees of the Group at discounted prices. The capital increase took effect with entry in the Register of Companies on 29 October 2013.

The retained earnings result from the profits that the Group generated but did not distribute.

Other reserves include IAS 39 reserves, IAS 19 reserves, revaluation reserves, reserves for treasury stock as well as reserves from currency differences.

The IAS 39 reserves comprise changes in market value from investments available for sale and securities, changes in the market value of cash-flow hedges, as well as changes in equity without effect on the business result of companies measured at equity.

As at 30/09/2015, the cash flow hedge reserve amounts to EUR -50,677.6 thousand (previous year: [restated] EUR -62,164.9 thousand). The effective share of the fair value changes concerning cash-flow hedges is entered in other comprehensive income in the cash-flow hedge reserve. The non-effective share of the fair-value changes concerning cash flow hedges in the amount of EUR 0.0 thousand (previous year: EUR 0.0 thousand) is entered in the income statement with effect on the result. Market value changes in the amount of EUR -16,012.0 thousand (previous year: [restated] EUR -34,217.7 thousand) were entered in other comprehensive income. During the fiscal year, EUR 27,499.3 thousand (previous year: EUR 49,237.1 thousand) was taken from the cash-flow hedge reserve and recorded in the income statement. Of this amount, EUR 3,481.4 thousand (previous year: EUR 8,012.9) was shown in the financial result, and EUR 24,017.9 thousand (previous year: EUR 41,224.2 thousand) was entered in the operating result.

The AFS provision, which is contained in the IAS 39 provisions, comprises changes in the value of participations and securities classified as "available for sale" in other comprehensive income. As of 30/09/2015, the AFS provision amounted to EUR 15,747.7 thousand (previous year: [restated] EUR 16,570.3 thousand). During the fiscal year, changes in market value in the amount of EUR -497.9 thousand (previous year: [restated] EUR -1,887.8 thousand) were shown under equity, without any effect on the result, and EUR -324.7 thousand (previous year: EUR -146.8 thousand) was taken from the AFS provision and entered in the income statement with an effect on profit.

The IAS 19 reserves come from actuarial results from provisions for pensions and severance recognised in other comprehensive income.

The revaluation reserve results from the first-time consolidations in the previous years.

As of 30/09/2015, 302,824 shares (previous year: 299,399) treasury shares were held.

Capital Management

It is the objective of capital management to preserve a strong capital base so that it is also possible in the future for shareholders to earn an adequate return for the company in line with the risk situation of the company, to promote the future development of the company and to also create benefits for other interest groups. Value based management is firmly anchored in management systems and in management processes. Pursuant to IFRS, the management considers the equity in the books to be the capital. As at the balance sheet date, the equity ratio amounted to 36.5% (previous year: [restated] 34.7%). For purposes of internal reporting and control, the return on capital employed (ROCE) is used for purposes of internal reporting and control. Capital employed comprises the assets assignable to a unit, with the exception of the assets not used in the process of service creation and utilisation, minus non-interest bearing debts and some reserves.

24. Financial Instruments and Financial Risk Management

24.1. Derivative Financial Instruments and Hedge Accounting

The use of derivative financial instruments is subject to approval and control procedures in the Group. Linkage to a base transaction is absolutely compulsory. Proprietary trading is only done within very strict limits.

Interest swaps are used to hedge against future variable interest payments from financing and leasing contracts.

Futures and swaps are concluded to hedge against price risks from electricity/gas purchases and electricity/gas sales. Futures

are used to a limited extent to hedge the purchase and sale of CO₂ certificates.

Fair value hedges at the group exist for firm obligations in connection with gas procurement and supply transactions.

Cash flow hedges are concluded to hedge against future cash flows. Electricity/gas/CO₂ futures and gas swaps are used to hedge against price risks, and interest rate swaps are used to hedge against the cashflow risk of variable-rate liabilities.

Derivative financial instruments from the finance area comprise the following items:

	30/09/2015			30/09/2014 (restated)		
	Nominal value	Positive market values EUR 1,000	Negative market values EUR 1,000	Nominal value	Positive market values EUR 1,000	Negative market values EUR 1,000
Derivatives with cash-flow hedge relation						
Interest swaps	114.8 EUR mill.	—	- 17,945.7	121.9 EUR mill.	—	- 19,113.4
Derivatives without hedge relation						
Interest swaps 2005-2025 bond *)	75.0 EUR mill.	3,239.9	—	100.0 EUR mill.	5,188.0	—
Interest swaps borrower's note loan **)	0.0 EUR mill.	—	—	90.0 EUR mill.	—	- 3,790.9
Interest futures	4.5 EUR mill.	—	- 34.2	4.5 EUR mill.	—	- 17.5
Structured interest and foreign-currency derivatives	15.0 EUR mill.	—	- 1,078.9	15.0 EUR mill.	—	- 1,609.9

*) In connection with the 2005-2005 bond, fixed interest rates were converted to variable-rate interest payments. The variable interest payments were then swapped back for fixed interest rate payments using derivative financial instruments. As such, there are no residual risks for future cash flows from this item.

**) The interest rates in connection with the borrower's note loan were dissolved in October 2014, corresponding to the repayment of the loan.

Derivative financial instruments from the energy sector comprise the following items:

30/09/2015	Nominal value		Positive Market values EUR 1,000	Negative Market values EUR 1,000
	Purchase	Sale		
Derivatives with cash-flow hedge relation				
Electricity futures	107.1 EUR mill.	9.6 EUR mill.	993.3	- 15,959.8
Gas futures	20.7 EUR mill.	6.7 EUR mill.	670.2	- 839.4
CO ₂ futures	0.3 EUR mill.	1.1 EUR mill.	151.3	- 300.0
Derivatives with Fair Value Hedge Relationships				
Electricity futures	5.4 EUR mill.	0.0 EUR mill.	17.9	- 405.2
Derivatives without hedge relation				
Electricity forwards	98.5 EUR mill.	98.5 EUR mill.	17,869.4	- 17,815.6
Gas forwards	2.3 EUR mill.	2.3 EUR mill.	585.5	- 578.1
Electricity futures	0.0 EUR mill.	0.0 EUR mill.	—	—

30/09/2014	Nominal value		Positive Market values EUR 1,000	Negative Market values EUR 1,000
	Purchase	Sale		
Derivatives with cash-flow hedge relation				
Electricity futures	143.1 EUR mill.	6.7 EUR mill.	268.5	- 13,644.4
Gas futures	0.9 EUR mill.	0.0 EUR mill.	14.8	- 2.0
CO ₂ futures	0.5 EUR mill.	2.0 EUR mill.	242.2	- 99.8
Derivatives with Fair Value Hedge Relationships				
Electricity futures	1.4 EUR mill.	0.0 EUR mill.	3.1	- 6.4
Derivatives without hedge relation				
Electricity forwards	150.5 EUR mill.	150.9 EUR mill.	12,032.7	- 12,032.1
Gas forwards	5.6 EUR mill.	5.7 EUR mill.	138.5	- 92.3
Electricity futures	0.4 EUR mill.	0.0 EUR mill.	—	- 8.1

Positive market values are included in long-term or short-term assets, and negative market values in other long-term or short-term debts.

As of 30/09/2015, energy hedge instruments are designated in the scope of fair value hedges. In the 2014/2015 fiscal year, earnings of EUR 387.3 thousand (previous year: EUR 3.3 thousand) from the carrying amount adjustment of base transactions are shown in the operating result. Losses of EUR 387.3 thousand (previous year: EUR 3.3 thousand) resulting from the changes to the fair value of hedge transactions are recognised in operating result.

The following table shows the contractual due dates of payments (nominal values) to the cash flow hedges:

30/09/2015	Nominal value		Maturity
	Purchase	Sale	
Hedging transaction			
Interest swaps	114.8 EUR mill.	0.0 EUR mill.	2015 - 2028
Electricity futures	107.1 EUR mill.	9.6 EUR mill.	2015 - 2019
Gas futures	20.7 EUR mill.	6.7 EUR mill.	2015 - 2018
CO ₂ futures	0.3 EUR mill.	1.1 EUR mill.	2015

30/09/2014 (restated)	Nominal value		Maturity
	Purchase	Sale	
Hedging transaction			
Interest swaps	121.9 EUR mill.	0.0 EUR mill.	2014 - 2028
Electricity futures	143.1 EUR mill.	6.7 EUR mill.	2014 - 2018
Gas futures	0.9 EUR mill.	0.0 EUR mill.	2014 - 2015
CO ₂ futures	0.5 EUR mill.	2.0 EUR mill.	2014 - 2015

24.2. Carrying Amounts According to IAS 39

The carrying amounts of financial assets and debts are composed as follows according to classes and or valuation categories pursuant to IAS 39 or IAS 17:

	Category according to IAS 39	Carrying amount 30/09/2015 EUR 1,000	Carrying amount 30/09/2014 (restated) EUR 1,000
Participations		20,595.8	20,384.3
Shares in affiliated companies	AfS (at cost)	6,402.6	7,146.6
Investments (available for sale)	AfS	259.4	348.5
Other participations	AfS (at cost)	13,933.8	12,889.2
Other financial assets		98,215.5	91,224.7
Loans to affiliated companies	LaR	—	85.0
Loans to associated companies	LaR	5,175.2	3,600.0
Other loans	LaR	21,538.3	14,710.9
Securities (held to maturity)	HtM	1.0	1.0
Securities (available for sale)	AfS	55,688.5	55,359.8
Securities (fair value option)	AtFVP&L (FV Option)	15,812.5	17,468.0
Accounts receivable and other assets (long and short-term) according to the balance sheet		279,966.6	292,887.9
of which non-financial assets		26,111.0	26,963.7
of which financial assets		253,855.6	265,924.2
Trade receivables (trade debtors)	LaR	166,327.9	158,880.4
Due from affiliated companies	LaR	1,155.1	24,226.0
Due from associated companies	LaR	36,053.0	44,042.5
Derivatives without hedge relation	AtFVP&L (Trading)	21,694.8	17,359.2
Other financial assets	LaR	28,624.8	21,416.1
Fixed term deposits	LaR	112,500.0	127,500.0
Cash and cash equivalents	LaR	109,896.1	179,421.0
Total for financial assets		595,063.0	684,454.2

	Category according to IAS 39	Carrying amount 30/09/2015 EUR 1,000	Carrying amount 30/09/2014 (restated) EUR 1,000
Financial liabilities (long and short-term)		613,049.1	719,457.9
Bonds	FLAC	302,864.1	303,077.8
Due to banks	FLAC	91,164.9	197,680.1
Liabilities – financing leasing	IAS 17	56,811.2	59,155.2
Other financial liabilities	FLAC	162,208.9	159,544.8
Trade payables (short-term)	FLAC	143,667.9	165,050.1
Other debts (long and short-term) according to balance-sheet of these non-financial debts		395,920.5	389,858.4
of these financial debts		223,750.6	218,941.5
of these financial debts		172,169.9	170,916.9
Due to affiliated companies	FLAC	1,827.8	791.4
Due to associated companies	FLAC	69,402.2	65,974.0
Derivatives with hedge relation (cash-flow hedge)	n/a	17,945.7	19,113.4
Derivatives without hedge relation	AtFVP&L (Trading)	19,472.6	17,525.2
Other financial liabilities (long and short-term)	FLAC	63,521.6	67,512.9
Total for financial liabilities		928,886.9	1,055,424.9
Carrying amounts in valuation categories acc. to IAS 39			
Loans and receivables	(LaR)	481,270.4	573,881.9
Held-to-maturity investments	(HtM)	1.0	1.0
Available-for-sale financial assets	(AFS)	76,284.3	75,744.1
Financial assets at fair value through profit or loss	(AtFVP&L (Trading))	21,694.8	17,359.2
Financial assets at fair value through profit or loss	(AtFVP&L (FV Option))	15,812.5	17,468.0
Financial liabilities measured at amortised cost	(FLAC)	834,657.4	959,631.1
Financial liabilities at fair value through profit or loss	(AtFVP&L (Trading))	19,472.6	17,525.2

AFS Available for Sale
LaR Loans and Receivables
HtM Held to Maturity

FLAC Financial Liability Measured at Amortised Cost
AtFVP&L At Fair Value through Profit or Loss

Shares in non-consolidated affiliated companies and other investments are presented as "Available for Sale at Costs". For these investments, there is no price listed on an active market and the fair value cannot be reliably determined. In the 2014/2015 fiscal year, a disposal of other investments (at cost

in the amount of EUR 170.9 thousand (previous year: [adjusted] EUR 97.3 thousand) was recognised. The loss from the disposal of these assets was EUR 229.0 thousand (previous year: [restated] EUR 14.1 thousand).

24.3. Offsetting of Financial Assets and Debts

The following table shows the effect of netting agreements:

	30/09/2015			30/09/2014 (restated)		
	Recognised financial assets/ liabilities (net) EUR 1,000	Effect from master set-off agreements EUR 1,000	Net amounts EUR 1,000	Recognised financial assets/ liabilities (net) EUR 1,000	Effect from master set-off agreements EUR 1,000	Net amounts EUR 1,000
Financial Assets						
Trade receivables	166,327.9	- 13,709.8	152,618.1	158,880.4	- 20,284.9	138,595.5
Receivables from associated companies	36,053.0	- 746.8	35,306.2	44,042.5	- 699.0	43,343.5
Positive market values – derivatives	21,694.8	- 14,001.9	7,692.9	17,359.2	- 11,963.1	5,396.1
Total	224,075.7	- 28,458.5	195,617.2	220,282.1	- 32,947.0	187,335.1
Financial debts						
Trade payables	143,667.9	- 13,709.8	129,958.1	165,050.1	- 20,284.9	144,765.2
Liabilities to associated companies	69,402.2	- 746.8	68,655.4	65,974.0	- 699.0	65,275.0
Negative market values – derivatives	37,418.3	- 14,001.9	23,416.4	36,638.6	- 11,963.1	24,675.5
Total	250,488.4	- 28,458.5	222,029.9	267,662.7	- 32,947.0	234,715.7

At the Energie AG Group, the derivative financial instruments and/or receivables/payables represented above are concluded on the basis of standard agreements (e.g. ISDA, EFET, German Master Agreement for Financial Derivative Transactions), which, in the event of insolvency of a business partner, permit the offsetting of outstanding transactions. The criteria for netting in the balance sheet are not met, because either no net payments are being made or the legal enforceability of the offset agreements is uncertain.

24.4. Measurement at Fair Value

24.4.1. Fair Value of Financial Assets and Liabilities that are Regularly Measured at Fair Value

Pursuant to IFRS 13, financial instruments that are valued at fair value are classified within a fair value hierarchy. In view of possible uncertainties relating to possible estimates of the fair values, a distinction is made between three levels:

Level 1: Valuation on the basis of a published price quotation for identical assets or liabilities in an active market.

Level 2: Valuation on the basis of input factors that are observable either directly or indirectly in the market and valuations based on prices quoted in inactive markets.

Level 3: Valuation on the basis of factors not observable in the market.

If the input factors used to determine the fair value of an asset or liability are attributable to different levels of the fair value hierarchy, the valuation at fair value is wholly allocated to the level of the fair value hierarchy that corresponds to the lowest input factor which, in the aggregate, is material for the valuation.

The Group records reclassifications between the different levels of the fair value hierarchy at the end of the year under report in which the change took place. As of 30.09.2015, no reclassifications took place.

The financial instruments valued at fair value are assigned as follows to stages 1 to 3:

30/09/2015	Carrying amount EUR 1,000	Valuation on the basis of input factors observable on the market		Total of attributable fair value EUR 1,000
		Valuation at market prices Level 1 EUR 1,000	Level 2 EUR 1,000	
Assets				
Investments (available for sale)	259.4	259.4	—	259.4
Securities (available for sale)	55,688.5	49,687.4	6,001.1	55,688.5
Securities (fair value option)	15,812.5	15,812.5	—	15,812.5
Derivatives with no hedging relationship	21,694.8	—	21,694.8	21,694.8
Total	93,455.2	65,759.3	27,695.9	93,455.2
Liabilities				
Derivatives with a hedging relationship (cash flow hedge)	17,945.7	—	17,945.7	17,945.7
Derivatives with no hedging relationship	19,472.6	—	19,472.6	19,472.6
Total	37,418.3	—	37,418.3	37,418.3

30/09/2014 (restated)	Carrying amount EUR 1,000	Valuation on the basis of input factors observable on the market		Total of attributable fair value EUR 1,000
		Valuation at market prices Level 1 EUR 1,000	Level 2 EUR 1,000	
Assets				
Investments (available for sale)	348.5	348.5	—	348.5
Securities (available for sale)	55,359.8	48,633.1	6,726.7	55,359.8
Securities (fair value option)	17,468.0	17,468.0	—	17,468.0
Derivatives with no hedging relationship	17,359.2	—	17,359.2	17,359.2
Total	90,535.5	66,449.6	24,085.9	90,535.5
Liabilities				
Derivatives with a hedging relationship (cash flow hedge)	19,113.4	—	19,113.4	19,113.4
Derivatives with no hedging relationship	17,525.2	—	17,525.2	17,525.2
Total	36,638.6	—	36,638.6	36,638.6

The financial instruments in level 3 displayed the following development:

	2014/2015 EUR 1,000	2013/2014 EUR 1,000
Carrying amount as of 01 October	—	2,078.9
Profits (losses)		
- with no effect on the result	—	—
Acquisitions	—	—
Sales	—	- 2,078.9
Carrying amount as of 30 September	—	—

In the current fiscal year, losses from the sale of the level 3 financial instruments in the amount of EUR 0.0 (previous year: EUR 321.3 thousand) are recognised in the financial result with an effect on profit. Valuation of the level 3 financial instruments is based on price information of third-parties, which were checked for plausibility and used without corrections.

24.4.2. Valuation process and input factors used when determining fair values

The fair values of the financial assets and debts correspond in general to the market prices as of the closing date. If prices on active markets cannot be determined directly, they are, if they

are not of negligible importance, calculated using accepted financial valuation models and current market parameters (in particular interest rates, exchange rates and contractual partner creditworthiness). The cash flows from the financial instruments are discounted to the balance closing date for this purpose.

The following valuation parameters and input factors were used:

Financial instruments	Level	Valuation processes	Input factors
Market-listed securities	1	Market value-oriented	Nominal values, stock exchange price
Other securities	2	Capital value-oriented	Payments, interest structure curve, credit risk of contractual partners (credit-default swaps or credit spread curves) associated with the financial instruments
Market-listed futures	1	Market value-oriented	Stock-exchange determined settlement price
Non stock exchange	2	Capital value-oriented	Forward price curves derived from stock exchange prices, interest structure curves, credit risk of contractual partner on a net basis
Interest rate swaps	2	Capital value-oriented	Already fixed (or determined using forward rates) cash flows, interest rate structure curves, credit risk of contractual partners

24.4.3. Attributable fair values of financial assets and debts which are not regularly valued at fair value for which the attributable fair value must be given, however

Trade receivables, receivables from affiliated companies, receivables from associated companies, other financial assets and fixed term deposits mostly have short residual terms. Therefore, their carrying amounts as of the balance closing date approximately correspond to the fair value. The fair value of long-term loans correspond, provided they are significant and without variable interest rate, to the cash values of the payments

associated with the assets taking into account the market parameters current at that time (interest rates and creditworthiness surcharges).

Trade payables, payables to affiliated companies, liabilities to associated companies and other financial liabilities regularly have short residual terms; the reported values approximately represent the fair values. The fair value of financial obligations are, provided they are significant and without a variable interest rate, determined as cash values with the payments associated with the debts based on the then current market parameters (interest rates and creditworthiness surcharges).

The following financial assets and debts have a fair value different from the carrying amount:

(restated)	Category according to IAS 39	Carrying amount 30/09/2015 EUR 1,000	Fair value 30/09/2015 EUR 1,000	Carrying amount 30/09/2014 EUR 1,000	Fair value 30/09/2014 EUR 1,000	Level
Assets						
Other financial assets						
	LaR	26,713.5	32,393.3	14,710.9	16,525.9	
	Loans to associated companies	5,175.2	5,420.9	—	—	Level 3
	Other loans	21,538.3	26,972.4	14,710.9	16,525.9	Level 3
Liabilities						
Financial liabilities						
	FLAC	556,237.9	643,986.0	660,302.7	751,523.6	
	Bonds	302,864.1	374,553.0	303,077.8	369,450.0	Level 1
	Liabilities to banks	91,164.9	95,859.1	197,680.1	204,010.2	Level 3
	Other financial liabilities	162,208.9	173,573.9	159,544.8	178,063.4	Level 3

The fair values of the level 3 debts listed above were determined using generally accepted accounting principles based on discounted cash flow analyses.

24.5. Net Result

The net result from valuation of the financial instruments is spread out as follows across the different classes of financial instruments:

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Loans and receivables	- 468.3	- 967.3
Held to maturity investments	—	1.3
Available for sale financial assets	779.7	319.1
Financial assets at fair value through profit or loss (FV option)	104.7	1,678.1
Financial assets/liabilities at fair value through profit or loss (trading)	- 514.7	- 5,321.0
Financial liabilities measured at amortised cost	- 23,515.4	- 24,857.9
Net result	- 23,614.0	- 29,147.7
Interest income and expenses from financial instruments that are measured at amortised cost:		
Total gains from interest	1,167.7	1,592.9
Total expenses for interest	- 23,515.4	- 24,857.9

The net result for the category Loans and Receivables primarily concerns interest income from invested money and loans and is recognised in the financial result. In addition, this item includes income from the reversal of value adjustments and income from the receipt of written off receivables and expenses from impairments and write-offs of trade receivables recognised in operating income.

The net result of held-to-maturity investments is shown in the financial result and primarily includes interest income, write-offs and results from securities and security deposit accounts realised for these instruments.

The net result of the Available for Sale Financial Assets shows the valuation result of investments and securities without an effect on profit as well as results from disposal and impairments shown in Other Financial Result.

The net result of Financial Assets at Fair Value through Profit or Loss (FV Option) mainly concerns valuation results, results from the disposal and dividends of securities and is shown in Other Financial Results.

The net result of Financial Liabilities Measured at Amortised Cost primarily concerns interest expenses from financial liabilities and is part of the financial result.

The net result of Financial Assets and Liabilities at Fair Value through Profit or Loss (Held for Trading) results mainly from the derivative instruments used in Energie AG. The valuation results of the derivative instruments in the energy report is shown in the operating result and includes those of the interest rate and currency derivative instruments in the financial result.

24.6. Financial Risk Management

24.6.1. Principles of Financial Risk Management

Due to its business activities and the financial transactions it conducts, the Energie AG Group is exposed to various risks. These risks primarily include interest and currency risks, liquidity risks, default risks, price risks from securities and price risks in the commodity sector (energy sector price risks).

Management of energy sector risks is handled by Energie AG Oberösterreich Trading GmbH, and management of financial risks is handled within the scope of the central Group treasury. Any hedging is done centrally for all Group companies. Hedging against energy sector risks is handled on the basis of an internal policy on conducting energy sector hedging transactions. A treasury policy, in which the main goals, principles and distribution of duties in the Group are set out, serves as a basis for the management of financial risks.

Hedging against energy sector and financial risks is also handled using derivative financial instruments. Transactions of this type are generally carried out only with counterparties with very good credit in order to minimise the risk of default.

24.6.2. Currency risk

Currency risks in the Energie AG Group come from financing in foreign currencies and the translation risk from the conversion of foreign Group companies into the Group currency (Czech Republic, Poland and Hungary).

For the currency risk of financial instruments, sensitivity analyses were carried out and which show the effects of hypothetical changes of exchange rates on earnings (after taxes) and equity. As a basis, the affected holdings as of the closing date were used (CZK 692.2 mill.; CHF 44.8 mill.; HUF 2.7 billion), (previous year: [restated] CZK 776.3 mill., CHF 44.8 mill., HUF 2.7 billion). Here it was assumed that the risk on the closing date basically represents the risk during the fiscal year. The Group tax rate of 25% was used as the tax rate. In addition, it was assumed for the analysis that all other variables, in particular interest rates, remain constant. For the analysis, those currency risks for financial instruments that are denominated in a currency different from the functional currency and of a monetary nature were included. Currency rate differences from the conversion of financial statements to the Group currency were not taken into consideration.

An upward value adjustment of the Euro, according to the aforementioned assumptions, by 10% against all other currencies as of the balance closing date would have resulted in an increase in earnings (after taxes) by EUR 2,227.6 thousand (previous year: [restated] EUR 2,148.3 thousand) and equity by EUR 506.1 thousand (previous year: [restated] EUR 37.5 thousand). Here, the

sensitivity of equity, in addition to the sensitivity of earnings (after taxes), were affected by the sensitivity of the currency-related conversion effects of net investments in the amount of EUR 1,721.5 thousand (previous year: [restated] EUR 2,110.8 thousand).

A downward value adjustment of the Euro, according to the aforementioned assumptions, by 10% against all other currencies as of the balance closing date would have resulted in a drop in earnings (after taxes) by EUR 2,209.9 thousand (previous year: [restated] EUR 2,132.6 thousand) and equity by EUR 488.4 thousand (previous year: [restated] EUR 21.8 thousand). Here, the sensitivity of equity, in addition to the sensitivity of earnings (after taxes), were affected by the sensitivity of the currency-related conversion effects of net investments in the amount of EUR 1,721.5 thousand (previous year: [restated] EUR 2,110.8 thousand).

24.6.3. Interest risk

The Energie AG Group holds interest-sensitive financial instruments in order to meet the requirements of operational and strategic liquidity management. Interest rate change risks mainly result from financial instruments with variable interest rates (cash flow risk). Interest risks primarily comprise:

	30/09/2015	30/09/2014 (restated)
	EUR 1,000	EUR 1,000
Bank deposits	109,683.0	179,183.8
Loans with variable interest rates	6,026.0	15,056.2
Credit lines with variable interest rates	- 180,632.7	- 330,612.4
Net risk before hedging	- 64,923.7	- 136,372.4
Hedge accounting and interest rate derivatives	98,183.7	195,323.2
Net risk after hedge accounting	33,260.0	58,950.8

For the interest rate risk of these financial instruments, sensitivity analyses were carried out and which show the effects of hypothetical changes of the market interest level on earnings (after taxes) and equity. As a basis, the affected holdings as of the closing date were used. Here it was assumed that the risk on the closing date basically represents the risk during the fiscal year. The Group tax rate of 25% was used as the tax rate. In addition, it was assumed for the analysis that all other variables, in particular exchange rates, remain constant.

An increase in the market interest rate, according to the aforementioned assumptions, by 50 base points as of the closing date would have resulted in an increase in earnings (after taxes) by EUR 288.6 thousand (previous year: [restated] EUR 902.4 thousand) and equity by EUR 3,710.9 thousand (previous year: [restated] EUR 4,713.9 thousand). Here, the sensitivity of equity, in addition to the sensitivity of earnings (after taxes), were affected by the sensitivity of the interest-related cash flow hedge reserve in the amount of EUR 3,422.3 thousand (previous year: [restated] EUR 3,811.5 thousand).

A decrease in the market interest rate level, according to the aforementioned assumptions, by 50 base points as of the closing date would have resulted in a decrease in earnings (after taxes) by EUR 289.3 thousand (previous year: [restated] EUR 796.5 thousand) and equity by EUR 3,901.5 thousand (previous year: [restated] EUR 4,826.3 thousand). Here, the sensitivity of equity, in addition to the sensitivity of earnings (after taxes), were affected by the sensitivity of the interest-related cash flow hedge reserve in the amount of EUR 3,612.2 thousand (previous year: [restated] EUR 4,029.8 thousand).

24.6.4. Commodity price risk

Commodity price risks arise primarily through the purchase and sale of electricity and gas. In addition, price risks arise from Energie AG due to speculative positions in proprietary trading. Proprietary trading is only done within very strict limits, and the risk can therefore be considered negligible.

Hedging instruments (futures) are used for electrical energy and gas to hedge against energy industry risks.

For the commodity price risk, sensitivity analyses were performed. These show the effects of hypothetical changes at the market price level on earnings (after taxes) and equity. As a basis, the affected derivative holdings as of the closing date were used. Here it was assumed that the risk on the closing date basically represents the risk during the fiscal year. The Group tax rate of 25% was used as the tax rate. In addition, it was assumed for the analysis that all other variables, in particular exchange rates, remain constant. Not taken into consideration are contracts which are intended for purposes of the receipt or delivery of non-financial items according to the expected receipt, sale and use requirements of the company (own use) and thus must not be reported pursuant to IAS 39 with the exception of encumbered contracts.

Sensitivity of derivative contracts regarding the electricity price:

An increase (decrease) of the market price level, according to the aforementioned assumptions, by 15% as of the reporting date would have resulted in an increase (decrease) in earnings (after taxes) by EUR 0.0 (previous year: EUR 0.0) and an increase (decrease) in equity by EUR 9,292.2 thousand (previous year: EUR 13,839.6 thousand). Here, the sensitivity of equity, in addition to the sensitivity of earnings (after taxes), were affected by the sensitivity of the interest-related cash flow hedge reserve in the amount of EUR 9,292.2 thousand (previous year: EUR 13,839.6 thousand).

Sensitivity of derivative contracts regarding gas the price:

An increase (decrease) of the market price level, according to the aforementioned assumptions, by 25% as of the reporting date would have resulted in a decrease (increase) in earnings (after taxes) by EUR 0.0 (previous year: EUR 0.0) and an increase (decrease) in equity by EUR 2,575.3 thousand (previous year: EUR 169.6 thousand). Here, the sensitivity of equity, in addition to the sensitivity of earnings (after taxes), were affected by the sensitivity of the gas price-related cash flow hedge reserve in the amount of EUR 2,575.3 thousand (previous year: EUR 169.6 thousand).

24.6.5. Market price risk associated with fair value valuation of securities

The Energie AG Group holds securities and funds with which price change risks are associated for the company. The fluctuation risk of the securities held is limited by a conservative investment policy and ongoing monitoring as well as an ongoing quantification of the risk potential.

For the price risk, sensitivity analyses were performed. These show the effects of hypothetical changes on the market price level on earnings (after taxes) and equity. As a basis, the affected holdings of "Available for Sale" and "At Fair Value through Profit and Loss" (Fair Value Option) as of the reporting date were used. Here it was assumed that the risk on the closing

date basically represents the risk during the fiscal year. The Group tax rate of 25% was used as the tax rate. In addition, it was assumed for the analysis that all other parameters, in the currency for example, remain constant.

An increase (decrease) of the market price level, according to the aforementioned assumptions, by 15% as of the reporting date would have resulted in an increase (decrease) in earnings (after taxes) by EUR 1,778.9 thousand (previous year: EUR 1,965.2 thousand) and equity by EUR 8,073.0 thousand (previous year [restated] EUR 8,232.3 thousand). Here, the sensitivity of equity, in addition to the sensitivity of earnings (after taxes), were affected by the sensitivity of the price-related cash flow hedge reserve in the amount of EUR 6,294.1 thousand (previous year: [restated] EUR 6,267.1 thousand).

24.6.6. Risk of Default

Credit risks for the Energie AG Group due to non-fulfilment of contractual agreements by the counterparty.

The risk of default is limited with regular creditworthiness analyses of the customer portfolio. In the financial and energy trading area, transactions are only conducted with counterparties with first-rate credit. Risks continue to be limited by limit systems and monitoring.

At Energie AG Oberösterreich, the maximum default risk corresponds to the carrying amount of the reported financial assets plus the liabilities listed in Item 32.

The carrying amounts of the financial assets comprise the following items:

	Carrying amount 30/09/2015 EUR 1,000	Of these: neither impaired nor overdue at the reporting date EUR 1,000	Of these not impaired but overdue during the below periods				Of these: impaired as at the re- porting date EUR 1,000
			less than 30 days EUR 1,000	between 30 and 60 days EUR 1,000	between 60 and 90 days EUR 1,000	more than 90 days EUR 1,000	
Receivables and other financial assets (long and short-term)	232,160.8	192,954.1	17,961.2	1,104.2	836.5	9,827.8	9,477.0
Accounts receivable (trade debtors)	166,327.9	131,639.2	17,869.5	1,104.2	670.7	9,775.4	5,268.9
Due from affiliated companies	1,155.1	989.3	—	—	165.8	—	—
Due from associated companies	36,053.0	35,940.1	60.5	—	—	52.4	—
Other financial assets	28,624.8	24,385.5	31.2	—	—	—	4,208.1
Total	232,160.8	192,954.1	17,961.2	1,104.2	836.5	9,827.8	9,477.0

(restated)	Carrying Amount 30/09/2014 EUR 1,000	Of these: neither impaired nor overdue at the reporting date EUR 1,000	Of these not impaired but overdue during the below periods				Of these: impaired as at the re- porting date EUR 1,000
			less than 30 days EUR 1,000	between 30 and 60 days EUR 1,000	between 60 and 90 days EUR 1,000	more than 90 days EUR 1,000	
Receivables and other financial assets (long and short-term)	248,565.0	224,245.4	8,607.9	993.0	417.2	8,740.3	5,561.2
Accounts receivable (trade debtors)	158,880.4	139,626.2	8,492.7	991.4	400.7	8,391.6	977.8
Due from affiliated companies	24,226.0	23,937.8	52.9	1.1	16.5	212.6	5.1
Due from associated companies	44,042.5	43,860.1	60.9	—	—	121.5	—
Other financial assets	21,416.1	16,821.3	1.4	0.5	—	14.6	4,578.3
Total	248,565.0	224,245.4	8,607.9	993.0	417.2	8,740.3	5,561.2

Impairments of financial assets have developed as follows:

	Status 01/10/2014 EUR 1,000	Additions EUR 1,000	Consumption EUR 1,000	Retransfers EUR 1,000	Currency translation EUR 1,000	Status 30/09/2015 EUR 1,000
Other financial assets	508.1	33.0	—	—	—	541.1
Securities (available for sale)	508.1	33.0	—	—	—	541.1
Accounts receivable and other financial assets (long and short-term)	4,465.7	1,974.4	- 1,270.9	- 766.7	9.7	4,412.2
Accounts receivable (trade debtors)	4,255.6	1,974.4	- 1,270.9	- 766.7	9.2	4,201.6
Other financial assets	210.1	—	—	—	0.5	210.6
Total	4,973.8	2,007.4	- 1,270.9	- 766.7	9.7	4,953.3

	Status 01/10/2013 EUR 1,000	Additions EUR 1,000	Consumption EUR 1,000	Retransfers EUR 1,000	Currency translation EUR 1,000	Status 30/09/2014 EUR 1,000
Other financial assets	1,726.9	—	- 1,218.8	—	—	508.1
Securities (available for sale)	1,726.9	—	- 1,218.8	—	—	508.1
Accounts receivable and other financial assets (long and short-term)	5,652.9	1,951.0	- 2,575.2	- 458.1	- 104.9	4,465.7
Accounts receivable (trade debtors)	5,604.2	1,786.4	- 2,575.2	- 458.1	- 101.7	4,255.6
Other financial assets	48.7	164.6	—	—	- 3.2	210.1
Total	7,379.8	1,951.0	- 3,794.0	- 458.1	- 104.9	4,973.8

The expenses for complete clearing of receivables amount to EUR 650.2 thousand (previous year: [restated] EUR 1,093.2 thousand). The expenses for the receipt of cleared receivables amount to EUR 78.6 thousand (previous year: EUR 69,8 thousand). In the fiscal year, the impairment expenses amounted to EUR 1.207.7 thousand (previous year: [restated] EUR 1,492.9 thousand) for financial assets in the category "Loans and Receivables," EUR 33.0 thousand (previous year: EUR 0.0) for financial assets in the category "Available for Sale," and EUR 0.0 (previous year: EUR 0.0) for financial assets in the category "Held to Maturity."

With regard to the holdings of financial trade and other receivables that are not impaired nor in default, as of the closing date, there are no indications that the debtors cannot meet their payment obligations. For the financial assets not listed in the above table, there are no significant delinquencies and impairments, and there are no indications that the debtors cannot meet their payment obligations.

Individual impairments comprise a number of individual items of which none is significant when considered by itself. In addition, impairments are made, graduated by risk groups to take into account general credit risks.

24.6.7. Liquidity Risk

A liquidity risk would exist if liquidity reserves and/or debt capacity are insufficient to meet financial obligations. Using prospective planning of liquidity and holding of liquidity reserves, the risk is considered very low for the Energie AG Group. In addition, open lines of credit and the capital market can be drawn on as financing sources. In this context, an appropriate capital structure and a conservative financial profile are considered to be able to maintain an "A-" rating.

	Carrying amount 30/09/2015 EUR 1,000	Cash Flows 2015/2016		Cash Flows 2016/2017 to 2019/2020		Cash Flows as of 2020/2021	
		Interest	Redemption	Interest	Redemption	Interest	Redemption
		EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
Financial liabilities							
(long and short-term)	613,049.1	22,019.4	88,256.4	72,880.8	55,473.0	81,033.8	471,996.2
Bonds	302,864.1	13,500.0	0.7	54,000.0	—	59,625.0	304,544.1
Amounts due to banks	91,164.9	2,466.3	35,022.6	5,335.4	21,790.0	71.3	35,348.1
Liabilities from financing leasing	56,811.2	- 16.7	2,448.3	- 79.7	10,974.4	- 47.6	43,388.5
Other financial liabilities	162,208.9	6,069.8	50,784.8	13,625.1	22,708.6	21,385.1	88,715.5
Accounts payable (short term)	143,667.9	—	143,667.9	—	—	—	—
Other debts (long and short-term)							
according to balance sheet	395,920.5						
of these non-financial debts	223,750.6						
of these financial debts	172,169.9	3,865.1	139,303.8	11,789.3	8,806.8	13,328.9	4,712.8
Due to affiliated companies	1,827.8	—	1,827.8	—	—	—	—
Due to associated companies	69,402.2	—	69,402.2	—	—	—	—
Derivatives with hedge relation (cash-flow hedge)	17,945.7	3,215.3	—	11,056.2	—	13,328.9	—
Derivatives without hedge relation	19,472.6	649.8	14,469.8	733.1	3,924.0	—	—
Other financial liabilities (long and short-term)	63,521.6	—	53,604.0	—	4,882.8	—	4,712.8
Total	928,886.9	25,884.5	371,228.1	84,670.1	64,279.8	94,362.7	476,709.0

(restated)	Carrying amount 30/09/2014 EUR 1,000	Cash Flows 2014/2015		Cash Flows 2015/2016 to 2018/2019		Cash Flows as of 2019/2020	
		Interest	Redemption	Interest	Redemption	Interest	Redemption
		EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
Financial liabilities							
(long and short-term)	719,457.9	23,994.1	119,375.8	76,627.4	122,258.0	103,753.4	480,813.3
Bonds	303,077.8	13,500.0	0.7	54,000.0	—	73,125.0	304,936.2
Amounts due to banks	197,680.1	4,243.6	116,263.6	6,538.0	41,757.0	1,172.0	40,789.6
Liabilities from financing leasing	59,155.2	135.5	2,363.8	460.2	10,516.8	281.1	46,274.6
Other financial liabilities	159,544.8	6,115.0	747.7	15,629.2	69,984.2	29,175.3	88,812.9
Accounts payable (short term)	165,050.1	—	165,050.1	—	—	—	—
Other debts (long and short-term)							
according to balance sheet	389,858.4						
of these non-financial debts	218,941.5						
of these financial debts	170,916.9	5,016.3	132,489.5	13,132.2	11,726.7	15,307.9	5,866.9
Due to affiliated companies	791.4	—	791.4	—	—	—	—
Due to associated companies	65,974.0	—	65,974.0	—	—	—	—
Derivatives with hedge relation (cash-flow hedge)	19,113.4	3,374.7	—	11,583.2	—	15,307.9	—
Derivatives without hedge relation	17,525.2	1,641.6	9,229.3	1,549.0	6,686.0	—	—
Other financial liabilities (long and short-term)	67,512.9	—	56,494.8	—	5,040.7	—	5,866.9
Total	1,055,424.9	29,010.4	416,915.4	89,759.6	133,984.7	119,061.3	486,680.2

Included are all financial instruments held on the reporting date and for which payments are contractually agreed upon. Anticipated figures for new, future financial liabilities are not incorporated. For operating loans, an average residual term of 12 months is assumed; these credits are however regularly prolonged and are, economically speaking, available longer. Foreign currency amounts are converted as of the closing date

spot price. Variable interest payments from financial instruments are determined based on the last interest rates set before the closing date. Financial liabilities which can be repaid at any time are always assigned the nearest term range.

Financial liabilities in the amount of EUR 0.0 (previous year: EUR 0.0) are materially collateralised.

24.7. Conditions of the Main Financial Instruments

Energie AG Oberösterreich:

4.5% Energie AG OOe. Bond 2005-25 ISIN: XS0213737702 Volume: EUR 300.000.000 Coupon: March 4

Registered bond 2010-2030, 4.75%, Volume: EUR 40.000.000

Energie AG Oberösterreich Group Treasury GmbH:

Borrower's note loan 2009-2016, 5.28%, Volume: EUR 14.500.000

Loan (private placement) 2009-2016, 5,217%, Volume: EUR 50.000.000

25. Long-Term Provisions

	30/09/2015	30/09/2014 (restated)
	EUR 1,000	EUR 1,000
Pension provisions	114,308.6	110,766.9
Provisions for severance payments	84,709.0	75,899.3
Provisions for anniversary bonuses	17,562.9	16,048.4
Provisions for early retirement payments and gradual step-in pension	55,269.3	59,760.8
Other provisions	36,721.6	36,674.3
	308,571.4	299,149.7

Provisions for pensions, severance and anniversary bonuses have, predominately, a term of over five years. The provisions for early retirement and gradual step-in retirement will, within the next five fiscal years, lead to payment outflows.

The calculation was based on the following parameters:

	2014/2015	2013/2014
	%	%
Assumed interest rate	2.00%	2.70%
Trend regarding salaries	3.00%	3.00%
Trend regarding pensions	2.00%	2.25%
Expected income from pension fund assets	2.00%	2.70%

The "AVÖ 2008 P Accounting Basis – Pagler & Pagler" was used as a biometric calculation basis. The legal requirement age was used as a basis.

A fluctuation ranging from 0% to 12.22% (previous year: 0% to 12.83%) is assumed, graded by length of service with the company.

25.1. Provisions for Pensions and Similar Provisions

On account of company agreements and commitments under individual contracts, pensions must be paid upon retirement to specific staff members who joined the company before 30/09/1996 and have accepted neither full nor partial compensation of their claims to direct payments. Moreover, there is an obligation to pay pensions to specific staff members who retired before 01.07.1998.

For this group of people, pursuant to IAS 19 (Employee Benefits), a pension provision has been created used the actuarial valuation projected unit credit method.

The company must pay additional contributions for the defined benefit pension commitments that were transferred to the company's pension fund.

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Present value of pension commitment (DBO) as at 01/10	125,869.5	116,512.2
+ Transfers	—	4,187.5
+ Current service costs	646.0	652.4
+ Unrecognised past service costs	41.7	22.7
+ Interest costs	3,273.4	4,074.3
- Result of compensation	—	- 2,413.5
- Pension payments	- 7,122.9	- 8,783.1
(-)/+ Remeasurements – actuarial (gains)/losses:		
from experience-related adjustments	- 1,217.8	722.1
from changes in demographic assumptions	- 44.3	- 2.6
from changes in financial assumptions	8,158.0	10,897.5
Present value of the pension obligation (DBO) as of 30 September	129,603.6	125,869.5
- Fair value of the fund assets	- 15,295.0	- 15,102.6
Reported pension provision as of 30 September	114,308.6	110,766.9

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Development of fund assets		
Budgeted assets as of 1 October	15,102.6	14,952.6
+ /(-) Interest income (expense) of budgeted assets	387.6	527.2
+ Fund contribution payment	424.8	54.7
- Fund payouts	- 937.6	- 873.2
+ /(-) Asset gain/(loss)	317.6	441.3
Plan assets as of 30 September	15,295.0	15,102.6

Actual earnings from planned assets amount to EUR 499.5 thousand (previous year: EUR 656.1 thousand)

	30/09/2015	30/09/2014 (restated)
	%	%
The fund assets comprise the following items:		
Shares	33.3	31.2
Bonds	44.7	57.3
Money market	16.8	6.6
Other investments	5.2	4.9
Total	100.0	100.0

	2014/2015	2013/2014 (restated)
	in EUR 1.000	in EUR 1.000
Service costs	687.7	675.1
Result of compensation	—	- 2,413.5
Net interest expense	2,885.8	3,547.1
Pension expense (recognised in the profit for the period)	3,573.5	1,808.7
Remeasurement of the pension obligation	6,578.3	11,175.7
Pension expense (recognised in the overall result after taxes)	10,151.8	12,984.4

The cash value of the performance based pension commitment is distributed as follows over the individual groups of employees entitled to pensions:

	30/09/2015	30/09/2014 (restated)
	%	%
Active	25.2	20.6
Non-forfeitable	0.9	3.2
Retired	73.9	76.2
	100.0	100.0

As of 30/09/2015, the weighted average residual term of the performance-based commitment amounts to 13.0 (previous year: [restated] 13.0) years.

Pension payments for the 2015/2016 fiscal year are expected to be EUR 7,343.9 thousand.

An increase or decrease in the main actuarial assumptions would have the following effects on the pension obligation:

	30/09/2015	30/09/2014 (restated)
	in EUR 1.000	in EUR 1.000
Sensitivity analyses		
Remaining life expectancy		
Change of + 1 year	6,761.9	5,964.3
Change of - 1 year	- 7,128.1	- 6,219.2
Assumed interest rate		
Change of + 0.5%	- 7,572.1	- 7,340.0
Change of - 0.5%	8,461.4	8,138.1
Rate of increase for future pensions		
Change of + 0.5%	7,739.1	7,316.1
Change of - 0.5%	- 7,055.3	- 6,728.8

25.2. Provisions for Severance Payments

Severance payments are made based on Austrian legal and collective-bargaining commitments to employees who took up service by 31 December 2002. Benefits due at the time of retirement or termination are calculated on the basis of

the last salary as well as the number of years of employment.

Based on these labor-law and collective bargaining requirements, a reserve is formed which is calculated according to the project unit credit method.

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Present value of the severance payment obligation (DBO) as of 1 October	75,899.3	75,036.6
+ Current service costs	3,115.5	2,847.9
+ /(-) Unrecognised past service costs	- 304.8	246.7
+ Interest costs	1,983.6	2,522.1
- Severance payments	- 2,023.2	- 10,139.7
(-)/+ Remeasurement – actuarial (gains)/losses:		
from experience-related adjustments	109.3	- 469.0
from changes in demographic assumptions	- 97.6	- 45.3
from changes in financial assumptions	6,026.9	5,900.0
Present value of the severance obligation (DBO) as of 30 September = Reported severance payment provision as of 30 September	84,709.0	75,899.3

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Service costs	2,810.7	3,094.6
Net interest expense	1,983.6	2,522.1
Severance payment costs (recognised in the profit for the period)	4,794.3	5,616.7
Revaluations of the severance payment obligation	6,038.6	5,385.7
Severance payment costs (recognised in the overall result after taxes)	10,832.9	11,002.4

The weighted average residual term of the performance-based commitment as of 30/09/2015 comes to 10.4 years (previous year: [restated] 10.7 years).

Severance payments for the 2015/2016 fiscal year are expected to be EUR 3,874.9 thousand.

An increase or decrease in the main actuarial assumptions would have the following effects on the severance payment obligation:

Sensitivity analyses:	30,09,2015	30,09,2014 (restated)
	EUR 1,000	EUR 1,000
Assumed interest rate		
Change of + 0.5%	- 4,180.60	- 3,812.3
Change of - 0.5%	4,445.20	4,120.6
Rate of increase for future salaries		
Change of + 0.5%	4,371.50	4,119.3
Change of - 0.5%	- 4,156.90	- 3,831.8

For employment relationships starting as of 01.01.2013, 1.53% of the gross salary must be paid to an employee pension fund. This form of severance payment is treated as a contribution-oriented plan per IAS 19 (Employee Benefits).

25.3. Anniversary Bonuses

Due to collective bargaining agreement regulations, a provision for pension funds is being created which will be calculated according to the projected unit credit method.

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Present value of the anniversary bonus obligation (DBO) as of 1 October	16,048.4	15,243.8
+ Current service costs	792.2	708.2
- Amortisation due to planned cuts	—	- 37.7
+ Interest costs	427.0	500.6
- Anniversary bonus payments	- 962.3	- 1,370.5
(-)/+ Remeasurement – actuarial (gains)/losses	1,257.6	1,004.0
Present value of the anniversary bonus obligation (DBO) as of 30 September = Reported anniversary bonus provision as of 30 September	17,562.9	16,048.4

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Service costs	792.2	670.5
Net interest costs	427.0	500.6
Remeasurement	1,257.6	1,004.0
Anniversary bonus costs (recognised in the profit for the period)	2,476.8	2,175.1

25.4. Provisions for Early Retirement and Gradual Step-in Retirement

A gradual step-in retirement (early retirement model) has been agreed upon with certain employees. This is a transitional payment for the period between the early termination of the employment relationship and the time of the claim to legal pension benefits. The transitional payment for this period

corresponds to a previously determined percentage of the salary until that time.

For the resultant obligations, a provision was created per IAS 19 (Employee Benefits).

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Present value of the early retirement obligation (DBO) as of 1 October	59,760.8	52,707.8
+ Interest costs	1,376.1	1,724.5
+ Funding due to new assurances	3,606.3	10,344.9
- Early retirement payments	- 11,527.3	- 6,729.9
+ Net transfer	777.7	—
(-)/+ Remeasurement – actuarial (gains)/losses:	1,275.7	1,713.5
Present value of the early retirement obligation (DBO) as of 30 September = Reported early retirement provision as of 30 September	55,269.3	59,760.8

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Service costs	3,606.3	10,344.9
Net interest expenses	1,376.1	1,724.5
Remeasurement	1,275.7	1,713.5
Costs of early retirement and gradual step-in pension (recognised in the profit for the period)	6,258.1	13,782.9

25.5. Other long-term provisions

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Carrying amount as of October 1	36,674.3	40,225.1
Reposting	—	- 4,187.5
Consumption	- 5,334.7	- 1,353.8
Reversal	- 1,760.8	- 1,254.2
Allocation	7,141.5	3,252.7
Currency Differences	1.3	- 8.0
	36,721.6	36,674.3

For estimated costs for the shutdown of the Riedersbach coal power plant, provisions in the amount of EUR 17.2 mill. (previous year: EUR 20.4 mill.) were recognised. The provision includes the expected technical closure costs as well as costs asso-

ciated with future social plans. The provision is recognised at EUR 13.6 mill. (previous year: 16.8 mill.) in other long-term provisions and at EUR 3.6 mill. (previous year: EUR 3.6 mill.) in short-term provisions.

26. Contributions to Construction Costs

This item primarily comprises financing contributions received from electricity, gas and district-heating customers. According to IFRIC 18, they are reversed over the average amor-

tisation period for the affected plants (up to 40 years with an effect on profit).

27. Advances Received

This item includes, for the most part, accrued items from the sale of claims to minimum waste material quantities. Pursuant to a contractual agreement, the Group is obligated to accept certain quantities of waste. In this context, regardless of the actually provided quantity, the Group is entitled to advance

payment for a certain minimum quantity. The claims from this minimum waste quantity through 30 September 2021 were sold, and an interest rate of 4.2868% was agreed upon with the contractual partner. This amount was shown on the liabilities side as a payment received.

28. Other Long-Term Debt

	30/09/2015	30/09/2014
	EUR 1,000	EUR 1,000
Investment grants	29,778.3	31,419.3
Other liabilities	50,087.9	49,606.3
	79,866.2	81,025.6

29. Short-Term Provisions

Short-term provisions developed as follows during the year under review:

	2014/2015	2013/2014 (restated)
	EUR 1,000	EUR 1,000
Carrying amount as at 01/10	13,365.0	17,474.8
Transfer	—	- 1.5
Consumption	- 6,139.2	- 3,727.5
Reversals	- 601.7	- 5,259.7
Allocation	9,411.8	4,887.8
Currency differences	1.6	- 8.9
	16,037.5	13,365.0

30. Tax Provisions

	30/09/2015	30/09/2014
	EUR 1,000	EUR 1,000
Corporate income tax for the business year	442.7	923.1
	442.7	923.1

31. Other Short-Term Debt

	30/09/2015	30/09/2014 (restated)
	EUR 1,000	EUR 1,000
Due to non-consolidated affiliated companies	1,810.0	860.9
Due to associated companies	69,402.2	65,974.0
Tax liabilities	58,767.3	65,913.2
Liabilities under social security	5,739.3	5,701.2
Advances from customers	57,391.5	48,278.6
Market value of derivatives	14,487.7	9,234.6
Liabilities vis-à-vis staff members	42,399.0	42,179.2
Other liabilities	66,057.3	70,691.1
	316,054.3	308,832.8

32. Contingent Liabilities

	30/09/2015	30/09/2014 (restated)
	EUR 1,000	EUR 1,000
Others	11,799.5	13,136.0
	11,799.5	13,136.0

Contingent liabilities include liabilities for which an outflow of resources is unlikely.

33. Other Commitments

Pursuant to an energy supply agreement concluded between Energie AG Oberösterreich Trading GmbH and VERBUND AG, the Group annually receives a given amount of electricity based on standard market products. The cost of these electricity supplies is presented under material costs.

There is an obligation for the next fiscal year in the amount of EUR 6,740.8 thousand from the use of fixed assets not shown

in the balance sheet as a result of long-term rental, lease and occupancy contracts (previous year: EUR 6,487.2 thousand). The total amount of the obligations for the next five years is EUR 30,434.7 thousand (previous year: EUR 30,905.1 thousand), for longer than five years, EUR 8,537.5 thousand (previous year: EUR 10,124.9 thousand).

34. Proposal for the Appropriation of Profit

The Board of Directors of Energie AG Oberösterreich proposes to the General Shareholders' Meeting the payout of a divi-

dend of EUR 0.6 (previous year: EUR 0.6) per share, totaling EUR 53,271.0 thousand (previous year: EUR 53,272.8 thousand).

35. Risk Management

Risk and Opportunity Situation

The Energie AG Oberösterreich Group is facing major challenges as a result of the dismal economic outlook, energy policy changes, the high volatility on the energy markets and strong competition and regulatory pressure.

The Group's risk management department is striving to recognise risks early on in order to take timely countermeasures as well as to reveal opportunities and use them. The risk assessments are incorporated in the decisions made as part of the Group's risk management and control system and bolster its investment management.

Central risk management is based on operational risk management in the decentralised business areas. On a quarterly basis, risks, opportunities and measures are updated and entered in a software tool implemented across the Group. At the Group level, the opportunities and risk reported are analysed and added to the Group's overall risk position. Reporting to the Group's board of directors is done quarterly and ad hoc as needed. Risk management is also an integral part of Supervisory Board reporting and, in accordance with the requirements of the Austrian Company Law Amendment Act [Unternehmensrechtsänderungsgesetz (URÄG 2008)], is also brought to the notice of the Audit Committee with a view to confirming the efficiency and validity of the process.

Proper documentation and verifiability are also guaranteed through historicisation on the valuation dates.

Risk Profile and Development Trends

Risks from Operating Activities

The efficiency and intrinsic value of the generation plants and shareholdings of the group are significantly influenced by **market price risks** such as changes in wholesale prices for

electricity, the prices for gas, coal, biomass, recyclables and certificates.

The know-how bundled in Energie AG Oberösterreich Trading GmbH regarding commodity transactions makes it possible to utilise intra-Group synergies. Risk strategies such as procurement strategies attuned to the market environment, longer-term sale of power plant capacities and hedge transactions achieve a risk reduction.

Thanks to new, flexible marketing strategies, despite the difficult market conditions, it was possible to stabilise the earnings position of the Group's own hydroelectric plants as well as its procurement rights.

Stabilisation of the power grid against the backdrop of increasingly volatile markets is becoming a growing technical and economical challenge. There is the potential for additional earnings here for Energie AG Oberösterreich in a collaboration among the combined cycle gas turbine plant in Timelkam and the 7fields gas storage facility as well as the hydraulic generation capacities.

Fluctuations in water levels at hydroelectric plants owned by the Group and or to which the Group has purchasing rights have a strong impact on the results of Energie AG Oberösterreich.

In addition, the earnings and results can be negatively impacted by **warmer than average weather periods** during the autumn and winter months, as was the case in the 2014/2015 fiscal year.

The intensity of **competition in the end customer business** involves the risk of customer losses. There are price and margin risks that the expenses for energy management costs cannot be passed on to the customers.

Energie AG Oberösterreich handles these risks among others things by means of intensive customer management, diversifi-

cation of its customer portfolio, tested customer retention activities, a product range customised to customer needs and comprehensive marketing controlling.

The **Waste Management Segment** comprises the Group's activities in Austria, Italy, Schlackeaufbereitung Austrian Metal Recovery GmbH and the operationally inactive Heves Régió Kft. in Hungary. The slightly improved business environment affected the waste industry in various ways. Due to temporary shortages in incineration capacities in Central Europe, the incineration plants in Wels and Lenzing were used to 100% capacity and showed slightly upward price trends. Some recyclables such as paper and cardboard also recorded a slight increase in price. Continuously dropping crude oil prices had a positive impact on the one hand in the form of lower fuel prices, but on the other hand led to decreasing plastic scrap prices. Falling recyclable prices also had a negative effect on aluminium and copper.

Consistent pursuit of the lean cost-reduction program as well as the efficiency-increasing measures contribute to the effort to achieve the profit goals for the Waste Management Segment.

In the **Water Segment**, in the 2014/2015 fiscal year, despite a loss in value of the Czech Koruna, there was stable turnover and profit performance.

Optimisations in the company organisation and savings in market and product development are the measures intended to secure a sustainable result.

Asset risks

Natural disasters such as floods, storms and avalanches can cause unplanned breakdowns of power generation or transmission plants and thus give rise to losses of earnings. In the past fiscal year, the electrical grid region was affected by several cyclones leading to damage in the overhead line network and unplanned supply outages.

Proactively, we are currently working on placing especially breakdown-prone medium voltage overhead lines into cables.

In the environmental business as well, there remains the risk of malfunctions and interruptions at waste incineration plants and in water supply and waste water systems.

These asset risks are handled by Energie AG Oberösterreich through maintenance and quality control and an optimised maintenance strategy. Insofar as it makes economic sense, insurance policies with economically justifiable deductibles are taken out.

Political, regulatory and legal risks

Changing political, regulatory and legal conditions represent a major challenge for the Energie AG Group. Efforts are made to face these risks with intensive and constructive dialogue with authorities and politicians.

Regulation of electricity and gas grids

Incentive regulation for power and gas grid in Austria also holds result risks. Therefore, Netz Oberösterreich GmbH is already preparing for the challenges of the coming regulatory periods, which will start in 2018 for gas and in 2019 for electricity.

Energy Efficiency Act

From a legal perspective, the 2014/2015 fiscal year was decisively characterised by the Federal Government's Energy Efficiency Act and its effects. This law provides for a two-part obligation system: first, companies must, depending on their size, take and document measures to improve energy efficiency, and second, energy suppliers must demonstrate energy efficiency measures effective for their end customers in the amount of 0.6% of the previous year's sales.

The development of measures that comply with the energy efficiency package, intensive preparation work for the first energy audit and new efficiency service products are intended to counteract an increase in the Group's risk situation.

Risks from shareholdings

Shareholding risks can be found in the fluctuations of earnings from shareholdings, in dividend/profit payouts and in changes in impairment of shareholding valuations.

Risk optimisation primarily takes place through ongoing monitoring of existing shareholdings.

Project risks

The carrying out of projects is characterised by high complexity and the concurrence of a number of input factors. For this reason, deviations from project planning (also associated with delays and cost increases) cannot be completely ruled out.

Preparation for project decisions is carried out under the consideration of risks and opportunities. The assessment includes the total project term. The main decision-making criterion is the expected interest return on the invested capital, taking into account risks and opportunities.

Risk management is integrated in the overall project cycle and prepares the potential financial risks and measures to counteract them in the course of projects.

Financial risks

Control and monitoring of financial risks is carried out at the central level by the Group treasury of Energie AG Oberösterreich. In the past fiscal year, the interest rate, currency and liquidity risks as well as the market price risk of the securities portfolio were successfully managed.

The interest rate change risk can continue to be classified as very low due to the high share, over 90%, of outstanding interest-bearing financial liabilities at the Energie AG Group

that are fixed-interest. Interest hedging measures were not conducted in the 2014/2015 fiscal year.

The goodwill of foreign Group companies whose functional currency is not the euro is subject to currency risks in the consolidated statements. As of 30/09/2015, these net investments in the Czech Republic, Hungary and Poland have not been hedged. There is also an exposure due to a partial Swiss Franc (CHF) financing in the scope of a joint venture with a Swiss energy supply company. In the past fiscal year, this currency rate risk was partially hedged using hedging instruments. The Swiss franc trend is constantly monitored, and if needed, additional measures will be taken for further risk minimisation.

Liquidity risk management is performed on the basis of future-oriented financial resource planning. Thanks to the sufficient liquidity reserves, as well as open, partially committed credit lines at Austrian banks, we have been able to ensure the solvency of Energie AG Oberösterreich and its Group companies at all times. The liquidity risk continues to be rated as very low.

The fluctuation risk for the financial assets (securities, funds) of the Energy AG Group was further limited in the 2014/2015 fiscal year through consistent implementation of the investment policy. Through ongoing monitoring and quantification of price risks, it is possible to continue to invest the strategic liquidity reserves in a risk-optimised manner.

Counterparty Risks

Management of the counterparty risk in the Energie AG Group took place in the past fiscal year through intensive credit monitoring of counterparties in the treasury and trading area. In addition, the likelihood of insolvency of counterparties was determined using modern analysis tools and the business volume per counterparty limited to the maximum allowable loss risk. Verification of compliance with the specified position limits was handled on an ad-hoc and regular basis by central risk management at Energie AG Oberösterreich.

Rating

The international rating agency Standard & Poor's rated the Group's creditworthiness in February 2015 as "A-/stable outlook." As part of the annual planning process, significant investment projects are continuously evaluated using key rating-related figures so that the target creditworthiness remains securely in the single A range in the long-term.

Other opportunities and risk potentials

Energie AG Oberösterreich allocates provisions for pensions, severance packages and landfills. A change in the calculation parameters can lead to result fluctuations.

36. Related Party Disclosures

Affiliated companies and person include OÖ Landesholding GmbH as majority shareholder as well as its shareholdings, the Federal State of Upper Austria as sole shareholder of OÖ Landesholding GmbH, the joint ventures, the associated com-

panies as well as members of the Board of Directors and Supervisory Board of Energie AG Oberösterreich and their close relations.

(restated)		Revenues EUR 1,000	Expenses EUR 1,000	Accounts receivable EUR 1,000	Accounts payable EUR 1,000
Federal Province of Upper Austria	2015	472.4	3,248.2	33.5	50,890.9
	2014	700.1	3,476.8	87.4	50,886.2
OÖ Landesholding GmbH and subsidiaries	2015	3,375.8	162.9	501.2	2,120.3
	2014	3,622.2	202.7	23,154.2	—
Associated companies	2015	14,312.6	6,962.5	597.7	2.7
	2014	10,337.3	5,436.4	676.9	1.3
Joint ventures	2015	360,121.5	18,743.0	34,457.5	58,965.5
	2014	403,626.0	15,736.3	40,156.7	56,469.8

State of Upper Austria

The State of Upper Austria is the sole shareholder of OÖ Landesholding GmbH. OÖ Landesholding GmbH is the majority shareholder of Energie AG Oberösterreich.

The State of Upper Austria subscribed a bond in the 2008/2009 fiscal year (private placement). Regarding the terms of this financial liability, please refer to section 24.7.

OÖ Landesholding GmbH

Energie AG Oberösterreich as well as selected Group companies are members of the tax group of companies of OÖ Landesholding GmbH. The provisions of the Group contract of OÖ Landesholding GmbH apply in the relationship of Energie AG Oberösterreich with the head of the Group, with Energie AG Oberösterreich calculating its taxable income taking into account the taxable income of the subordinate Group companies. In case of positive tax income, offsetting of positive tax allocation is provided for. Negative tax results are carried forward. The tax allocations amount to EUR 2,780.0 thousand (previous year: EUR 19,400.0 thousand).

Associated companies

Salzburg AG

Gas deliveries are made between the Group and Salzburg AG. Revenues amount to EUR 12,125.4 thousand (previous year: EUR 5,878.7 thousand), while expenses are EUR 6,690.8 thousand (previous year: EUR 5,317.3 thousand).

Joint ventures

ENAMO GmbH

ENAMO GmbH was established as a joint venture between Energie AG Oberösterreich und der LINZ AG für Energie, Telekommunikation, Verkehr und Kommunale Dienste (LINZ AG).

A business share of 35% is held by LINZ STROM GmbH für Energieerzeugung, -verteilung und Telekommunikation, a subsidiary of LINZ AG. There is an obligation to proportionally

assume negative results. Electricity supplies and other services are provided between the Group and ENAMO GmbH. Sales amount to EUR 131,800.4 thousand (previous year: EUR 113,604.0 thousand), while services in the amount of EUR 10,397.5 thousand (previous year: EUR 7,299.6 thousand) were purchased.

Energie AG Oberösterreich Vertrieb GmbH & Co KG

Energie AG Oberösterreich is the sole limited partner of Energie AG Oberösterreich Vertrieb GmbH & Co KG. ENAMO GmbH is a general partner without a capital interest. Between the Group and the company, gas deliveries take place, and other services are provided. Revenues amount to EUR 205,896.9 thousand (previous year: EUR 271,626.7 thousand), while services in the amount of EUR 4,043.1 thousand (previous year: EUR 5,061.5 thousand) were purchased.

For liabilities of Geothermie-Wärmegesellschaft Braunau-Simbach mbH and Geothermie-Fördergesellschaft Simbach-Braunau mbH there are bank guarantees in the amount of EUR 266.4 thousand (previous year: EUR 204.4 thousand).

Members of the Management in Key Positions

Members of the management in key positions include the members of the Board of Directors and Supervisory Board of Energie AG Oberösterreich and the Management Board and Supervisory Board of OÖ Landesholding GmbH. Regarding the salaries of the members of the Board of Directors and Supervisory Board of Energie AG Oberösterreich, please refer to Item 10. There are no other material benefit relationships.

Other Disclosures

Shareholding agreements exist between Energie AG Oberösterreich and the non-controlling shareholders, with the exception of employees. The Energie AG Group is especially affected by the setting of dividend arrangements, posting rights to the Supervisory Board as well as particular minority rights.

Other transactions with non-consolidated companies are not recognised due to their subordinate importance.

37. Discontinued Operations Pursuant to IFRS 5

In the 2012/2013 fiscal year, an agreement on the disposal of companies in the Waste Management Segment in the following countries was signed, although the prerequisites for closing as of 30 September 2013 were not yet completely met: Czech Republic, Hungary (with the exception of AVE Heves Régió Kft.), Slovakia, Romania, Ukraine and Moldavia. Accordingly, the activities were presented as discontinued business areas (operations) per IFRS 5. The affected assets and debts were shown in a separate line in the balance sheet. The result of the discontinued business area, transaction costs and the expected result of sales are shown in the income statement. The cash flows from the business area are shown separately.

Intragroup receivables and liabilities between the discontinued business area and the continued business area were eliminated. With the classification as a discontinued operation, the scheduled depreciation was stopped with effect on 1 April 2013. The sale was completed in November 2013; the assets and debts of the discontinued business area are therefore no longer shown in the balance sheet as of 30 September 2014. Cash flow includes payments from the disposal of the discontinued operation in the amount of EUR 123.9 million, minus cash and cash reserves from the discontinued operation in the amount of EUR 9.9 million.

	30.09.2013
	EUR 1,000
Assets	
Intangible Assets	15.963,8
Property, plant and equipment	117.199,8
Investments	4.087,7
Other Financial Assets	405,3
Other Long-Term Assets	15.320,9
Deferred Tax Assets	840,5
Inventories	4.193,1
Trade Receivables	45.136,4
Cash and Cash Equivalents and Short-Term Investments	9.908,3
Cash and Cash Equivalents and Short-Term Investments	213.055,8
Debts	
Financial Liabilities	- 13.483,9
Provisions	- 29.347,9
Trade Payables	- 13.150,8
Other Debts	- 17.022,8
Deferred Taxes	- 4.102,4
Debts Associated with Assets Held for Sale	- 77.107,8
Net assets directly associated with the discontinued operations	135.948,0
	2013/2014
	EUR 1,000
Financial result	- 1.809,2
	- 1.809,2
Profit tax	452,3
Profit/Loss from the discontinued operations	- 1.356,9
Earnings after taxes from the discontinued operations	- 1.356,9
	2013/2014
	EUR 1,000
Cash flow from operating activities	
Continuing operations	227.338,5
Discontinued operation	—
	227.338,5
Cash flow from investments	
Continuing operations	- 100.645,5
Discontinued operation	113.961,3
	13.315,8
Cash flow from financing	
Continuing operations	- 131.779,3
Discontinued operation	—
	- 131.779,3

38. Significant Events after the Balance Sheet Date

No significant events occurred after the reporting date.

39. Disclosures on Group Management Bodies

In the fiscal year, the members of the Board of Directors of Energie AG Oberösterreich were:

Dkfm. Dr. Leo Windtner (CEO, Chairman of the Board of Management, St. Florian)
 KommR Ing. DDr. Werner Steinecker, MBA (Member of the Board of Management, Kirchsschlag)
 Mag. Dr. Andreas Kolar (Member of the Board of Management, Steyr)

The Supervisory Board of Energie AG Oberösterreich had the following members in the 2014/2015 fiscal year:

KommR Dipl.-Ing. Gerhard Falch (Vorsitzender); Mag. Dr. Hermann Kepplinger (1. Stellvertreter des Vorsitzenden); Dr. Heinrich Schaller (2. Stellvertreter des Vorsitzenden); Dipl.-Ing. Wolfgang Dopf MBA (ab 18.12.2014); Dr. Miriam Eder MBA (ab 01.01.2015); KommR Mag. Alois Froschauer (bis 18.12.2014); Mag. Florian Hagenauer MBA; Mag. Anna-Maria Hochhauser; Mag. Michaela Keplinger-Mitterlehner; Dr. Manfred Klicnik (bis 18.12.2014); Mag. Kathrin Renate Kühtreiber-Leitner MBA; Mag. Stefan Lang PLL.M. (ab 18.12.2014); Dr. Ruperta Lichtenecker; Mag. Dr. Manfred Polzer (bis 31.12.2014); KommR Viktor Sigl; Mag. Dr. Michael Strugl MBA; Dr. Bruno Wallnöfer.

Appointed by the Works' Council:

Ing. Robert Gierlinger, MSc; Manfred Harringer (bis 03.03.2015); Isidor Hofbauer; Ing. Peter Neißl MBA MSc; Friedrich Scheiterbauer (ab 10.03.2015) Ing. Bernhard Steiner; Gerhard Störinger; Egon Thalmeier.

Linz, November 27, 2015

The Board of Management of Energie AG Oberösterreich



Generaldirektor Dr. Leo Windtner
Chairman of the Board of Management



KommR Ing. DDr. Werner Steinecker MBA
Member of the Board of Management



Dr. Andreas Kolar
Member of the Board of Management

Auditor's Certificate



*Energie AG Oberösterreich, Linz
Bericht über die Prüfung des Konzernabschlusses zum 30. September 2015
27. November 2015*

3. Bestätigungsvermerk

Bericht zum Konzernabschluss

Wir haben den beigefügten Konzernabschluss der

**Energie AG Oberösterreich,
Linz,**

für das **Geschäftsjahr vom 1. Oktober 2014 bis zum 30. September 2015** geprüft. Dieser Konzernabschluss umfasst die Konzernbilanz zum 30. September 2015, die Konzern-Gewinn- und Verlustrechnung/Gesamtergebnisrechnung, die Konzernkapitalflussrechnung und die Konzern-Eigenkapitalveränderungsrechnung für das am 30. September 2015 endende Geschäftsjahr sowie den Konzernanhang.

Verantwortung der gesetzlichen Vertreter für den Konzernabschluss und die Buchführung

Die gesetzlichen Vertreter der Gesellschaft sind für die Konzernbuchführung sowie für die Aufstellung eines Konzernabschlusses verantwortlich, der ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage des Konzerns in Übereinstimmung mit den International Financial Reporting Standards (IFRSs), wie sie in der EU anzuwenden sind und den zusätzlichen Anforderungen des § 245a UGB, vermittelt. Diese Verantwortung beinhaltet: Gestaltung, Umsetzung und Aufrechterhaltung eines internen Kontrollsystems, soweit dieses für die Aufstellung des Konzernabschlusses und die Vermittlung eines möglichst getreuen Bildes der Vermögens-, Finanz- und Ertragslage des Konzerns von Bedeutung ist, damit dieser frei von wesentlichen Fehldarstellungen ist, sei es auf Grund von beabsichtigten oder unbeabsichtigten Fehlern; die Auswahl und Anwendung geeigneter Bilanzierungs- und Bewertungsmethoden; die Vornahme von Schätzungen, die unter Berücksichtigung der gegebenen Rahmenbedingungen angemessen erscheinen.

Verantwortung des Abschlussprüfers und Beschreibung von Art und Umfang der gesetzlichen Abschlussprüfung

Unsere Verantwortung besteht in der Abgabe eines Prüfungsurteils zu diesem Konzernabschluss auf der Grundlage unserer Prüfung. Wir haben unsere Prüfung unter Beachtung der in Österreich geltenden gesetzlichen Vorschriften und der vom International Auditing and Assurance Standards Board (IAASB) der International Federation of Accountants (IFAC) herausgegebenen International Standards on Auditing (ISAs) durchgeführt. Diese Grundsätze erfordern, dass wir die Standesregeln einhalten und die Prüfung so planen und durchführen, dass wir uns mit hinreichender Sicherheit ein Urteil darüber bilden können, ob der Konzernabschluss frei von wesentlichen Fehldarstellungen ist.

KPMG

Energie AG Oberösterreich, Linz
Report on the Audit of the Consolidated Financial Statements as at 30 September 2015
28 November 2015

3. Auditor's Certificate

Report on the Consolidated Financial Statements

We have audited the enclosed **consolidated financial statements** of

**Energie AG Oberösterreich,
Linz,**

for the **fiscal year from 1 October 2014 to 30 September 2015**. The consolidated financial statements comprise the consolidated balance sheet as at 30 September 2015, the consolidated profit and loss statement/income statement, the consolidated cash-flow statement and the development of Group equity for the fiscal year ending on 30 September 2015, as well as the notes on the consolidated accounts.

Responsibility of the Legal Representatives for the Consolidated Financial Statements and the Group's Accounting

The legal representatives of the company are responsible for entity accounting and preparing the consolidated financial statements, which present, as fairly as possible, the assets, financial and earnings position of the Group in accordance with the International Financial Reporting Standards (IFRSs), as they need to be applied in the EU and the additional requirements as specified in § 245a of the Commercial Code [Unternehmensgesetzbuch (UGB)]. This responsibility comprises designing, implementing and maintaining an internal audit system, to the extent that this is of significance when preparing the consolidated financial statements and for conveying, as fairly as possible, the assets, liabilities, financial and earnings position of the Group, so that the consolidated financial statements are free from major misstatements, either on account of intended or unintended errors, as well as selecting and applying the appropriate accounting and valuation methods, and making estimates that appear to be appropriate when taking account of the existing overall conditions.

Responsibility of the Auditors and Outline of the Type and Scope of the Statutory Audit

It is our responsibility to issue an opinion on our audit of the consolidated financial statements, on the basis of our audit. We have conducted our audit in compliance with the statutory regulations applicable in Austria and the International Standards on Auditing (ISAs), published by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). These principles require that we comply with the standards of professional conduct and plan and perform our audit in such a manner that we are able to express an opinion with sufficient certainty as to whether the consolidated financial statements are free from any material misstatements.



Energie AG Oberösterreich, Linz
Bericht über die Prüfung des Konzernabschlusses zum 30. September 2015

Eine Prüfung beinhaltet die Durchführung von Prüfungshandlungen zur Erlangung von Prüfungsnachweisen hinsichtlich der Beträge und sonstigen Angaben im Konzernabschluss. Die Auswahl der Prüfungshandlungen liegt im pflichtgemäßen Ermessen des Abschlussprüfers unter Berücksichtigung seiner Einschätzung des Risikos eines Auftretens wesentlicher Fehldarstellungen, sei es auf Grund von beabsichtigten oder unbeabsichtigten Fehlern. Bei der Vornahme dieser Risikoeinschätzung berücksichtigt der Abschlussprüfer das interne Kontrollsystem, soweit es für die Aufstellung des Konzernabschlusses und die Vermittlung eines möglichst getreuen Bildes der Vermögens-, Finanz- und Ertragslage des Konzerns von Bedeutung ist, um unter Berücksichtigung der Rahmenbedingungen geeignete Prüfungshandlungen festzulegen, nicht jedoch um ein Prüfungsurteil über die Wirksamkeit der internen Kontrollen des Konzerns abzugeben. Die Prüfung umfasst ferner die Beurteilung der Angemessenheit der angewandten Bilanzierungs- und Bewertungsmethoden und der von den gesetzlichen Vertretern vorgenommenen wesentlichen Schätzungen sowie eine Würdigung der Gesamtaussage des Konzernabschlusses.

Wir sind der Auffassung, dass wir ausreichende und geeignete Prüfungsnachweise erlangt haben, sodass unsere Prüfung eine hinreichend sichere Grundlage für unser Prüfungsurteil darstellt.

Prüfungsurteil

Unsere Prüfung hat zu keinen Einwendungen geführt. Auf Grund der bei der Prüfung gewonnenen Erkenntnisse entspricht der Konzernabschluss nach unserer Beurteilung den gesetzlichen Vorschriften und vermittelt ein möglichst getreues Bild der Vermögens- und Finanzlage des Konzerns zum 30. September 2015 sowie der Ertragslage des Konzerns und der Zahlungsströme des Konzerns für das Geschäftsjahr vom 1. Oktober 2014 bis zum 30. September 2015 in Übereinstimmung mit den International Financial Reporting Standards (IFRSs), wie sie in der EU anzuwenden sind.

Aussagen zum Konzernlagebericht

Der Konzernlagebericht ist auf Grund der gesetzlichen Vorschriften darauf zu prüfen, ob er mit dem Konzernabschluss in Einklang steht und ob die sonstigen Angaben im Konzernlagebericht nicht eine falsche Vorstellung von der Lage des Konzerns erwecken. Der Bestätigungsvermerk hat auch eine Aussage darüber zu enthalten, ob der Konzernlagebericht mit dem Konzernabschluss in Einklang steht.

Der Konzernlagebericht steht nach unserer Beurteilung in Einklang mit dem Konzernabschluss.

Linz, am 27. November 2015



KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Mag. Gabriele Lehner ppa MMag. Wilfried Strauß
Wirtschaftsprüfer Wirtschaftsprüfer

Die Veröffentlichung oder Weitergabe des Konzernabschlusses mit unserem Bestätigungsvermerk darf nur in der von uns bestätigten Fassung erfolgen. Dieser Bestätigungsvermerk bezieht sich ausschließlich auf den deutschsprachigen und vollständigen Konzernabschluss samt Konzernlagebericht. Für abweichende Fassungen sind die Vorschriften des § 281 Abs 2 UGB zu beachten.

KPMG

Energie AG Oberösterreich, Linz
Report on the Audit of the Financial Statements as at 30 September 2015

An audit includes that audit activities are performed in order to obtain evidence concerning the amounts and other disclosures contained in the consolidated financial statements. It is the duty and lies in the discretion of the auditor to select specific audit activities, taking account of his/her assessment concerning the risk that material misstatements may appear, on the basis of either intended or unintended errors. When making this risk assessment, the auditor takes account of the internal audit system – to the extent that it is of significance for preparing the consolidated financial statements and for conveying, as fairly as possible the assets, liabilities, financial and earnings position of the Group – in order to be able to determine the appropriate auditing activities (giving due consideration to the overall conditions), but does not judge the efficiency of the internal audit system of the Group. The audit also comprises an evaluation of the adequacy of the applied accounting and valuation methods and the material estimates made by the legal representatives, as well as an appraisal of the overall conclusions conveyed by the consolidated financial statements.

We are of the opinion that we have obtained sufficient and appropriate evidence in the course of the audit so that our auditing activities are a sufficiently reliable basis for our audit opinion.

Audit Opinion

Our audit did not give rise to any objections. On the basis of the knowledge obtained in the course of the audit, it is our opinion that the consolidated financial statements comply with the statutory requirements and present fairly, in all material respects, the assets, liabilities and financial position of the Group as at 30 September 2015, as well as the earnings position and cash flows of the Group during the business year 01 October 2014 to 30 September 2015 in accordance with the International Financial Reporting Standards (IFRSs), as they need to be applied in the EU.

Report on the Group's Management Report

On the basis of the statutory regulations, the Group's management report must be audited with the perspective as to whether it is in conformity with the consolidated financial statements and whether the other information disclosed in the Group's management report does not give rise to any misconceptions concerning the position of the Group. The Auditor's Certificate must also contain a statement on whether the Group's management report is in conformity with the consolidated financial statements.

In our opinion, the Group's management report is in conformity with the consolidated financial statements.

Linz, 27 November 2015

KPMG Austria GmbH
Firm of Chartered Accountants and Tax Consultants

Mag. Gabriele Lehner
(Chartered Accountant)

ppa MMag. Wilfried Straßl
(Chartered Accountant)

The consolidated financial statements with our audit certificate may only be published or disseminated in the format certified by us. This Auditor's Certificate exclusively refers to the full German-language version of the consolidated financial statements including the Group's management report. Any and all deviating versions fall under § 281 (2) of the Commercial Code [Unternehmensgesetzbuch (UGB)].

Report of the Supervisory Board in accordance with § 96 of the Austrian Stock Corporation Act (Aktiengesetz)

During fiscal year 2014/2015, the Board of Management informed the Supervisory Board and the Supervisory Board's Audit Committee in writing and orally of the activities of the Group and its subsidiaries on a regular basis, and it discussed all important business events with these bodies. In fiscal year 2014/2015, the plenary Supervisory Board regularly convened in a total of four meetings and the Audit Committee in two meetings. The corporate bodies gave their approval to all business events, which is mandatory in specific cases. No objections were raised in the course of the general supervisory activities or the audit.

The financial statements of Energie AG Oberösterreich for fiscal 2014/2015 – drawn up according to the Austrian accounting regulations – together with the accounts and the management report of the Board of Management were audited by KPMG Austria GmbH, Chartered Accountants and Tax Consultants, Linz. The auditors reported in writing about the outcome of their audit and stated that the accounts and financial statements comply with the statutory requirements and that the management report complies with the financial statements. The auditing firm therefore issued its unqualified audit certificate.

It was established that – in accordance with § 243 b of the Austrian Commercial Law Code – there is no obligation to prepare a Corporate Governance Report.

The Supervisory Board examined the financial statements for 2014/2015, the management report of the Board of Management, as well as the proposal for the appropriation of earnings. The Audit Committee of the Supervisory Board also examined the financial statement for 2014/2015, the management report of the Board of Management, as well as the proposal for the appropriation of earnings. It drew up a written report and recommended to the Supervisory Board to approve the present financial statements as at 30.09.2015, together with the notes, the management report of the Board of Management, as well as the auditor's report, together with the auditor's unqualified certificate, so as to thus adopt the financial statements for 2014/2015. The Audit Committee also recommended to the Supervisory Board to approve the proposal for the appropriation of the earnings. The Supervisory Board noted with approval the outcome of the review conducted by the Audit Committee, as well as of the audit conducted by the firm of chartered accountants, and established that the Supervisory Board, in turn, has no objections regarding the statements. The Supervisory Board states that it is in agreement with the management report, presented in accordance with § 96 of the Austrian Stock Corporation Act (Aktiengesetz), and that it adopts the financial statements for 2014/2015, which are thus established.

The consolidated financial statements for fiscal year 2014/2015 (01.10.2014 to 30.09.2015), drawn up in accordance with the International Financial Reporting Standards (IFRS), were also audited by KPMG Austria GmbH, Chartered Accountants and Tax Consultants, Linz. The auditing firm reported in writing on the outcome and established that the financial statements comply with the statutory requirements and that the Group's management report conforms to the consolidated financial statements. The auditing firm therefore issued its unqualified audit certificate. The Supervisory Board examined in detail the consolidated financial statements and the Group's management report. The Audit Committee of the Supervisory Board also examined the consolidated financial statements and the Group's management report. It drew up a written report and recommended to the Supervisory Board to approve the present consolidated financial statements and the management report as at 30.09.2015, together with the notes, the consolidated management report of the Board of Management, as well as the auditor's report, together with the auditor's unqualified certificate. The Supervisory Board noted with approval the outcome of the review conducted by the Audit Committee, as well as of the audit conducted by the firm of chartered accountants, and established that the Supervisory Board, in turn, has no objections regarding the statements.

By drawing up the consolidated financial statements in accordance with the IFRS, the company is released from its obligation to prepare consolidated annual accounts in accordance with Austrian commercial law provisions.

The Supervisory Board would like to express its thanks to the Board of Management and all staff members for their successful work during fiscal 2014/2015.

Linz, December 2015

On behalf of the Supervisory Board
The Chairman



Gerhard Falch

Erklärung des Vorstandes gem. § 82 Abs. 4 Z 3 BörseG

Der Vorstand der Energie AG Oberösterreich bestätigt nach bestem Wissen, dass der im Einklang mit den maßgebenden Rechnungslegungsstandards aufgestellte Konzernabschluss der Energie AG Oberösterreich ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage des Konzerns vermittelt und, dass der Konzernlagebericht den Geschäftsverlauf, das Geschäftsergebnis und die Lage des Konzerns so darstellt, dass ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage des Konzerns entsteht, und dass der Konzernlagebericht die wesentlichen Risiken und Ungewissheiten beschreibt, denen der Konzern ausgesetzt ist.

Linz, am 27. November 2015

Der Vorstand der Energie AG Oberösterreich



Dkfm. Dr. Leo Windtner

Vorsitzender des Vorstandes

C.E.O.



KommR Ing. DDr. Werner Steinecker MBA

Mitglied des Vorstandes

C.O.O.



Mag. Dr. Andreas Kolar

Mitglied des Vorstandes

C.F.O.

Statement by the Board of Management pursuant to § 82 (4) item 3 of the Stock Exchange Act [Börsegesetz (BörseG)]

The Board of Management of Energie AG Oberösterreich confirms to the best of its knowledge that the consolidated financial statements of Energie AG Oberösterreich give a true and fair view of the assets, liabilities, financial and earnings position of the Group as required by the applicable accounting standards and that the Group Management Report gives a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties the Group faces.

Linz, 27 November 2015

The Board of Management of Energie AG Oberösterreich

Leo Windtner
Chairman of the
Board of Management
C.E.O.

Werner Steinecker
Member of the
Board of Management
C.O.O.

Andreas Kolar
Member of the
Board of Management
C.F.O.

When "Energie AG" is referred to in the financial statement, Energie AG Oberösterreich is meant.

This business report contains statements relating to the future pertaining to risks and uncertainty factors that may ultimately lead to considerable deviations in the result. Terms used such as „it is presumed“, „it is assumed“, „it is estimated“, „it is expected“, „it is intended“, „may“, „to plan“, „to project“, „should“ and similar expressions serve to characterise statements relating to the future. We assume no guarantee that the forecasts and figures of our planning, which relate to economic, currency-related, technical, competition-related and several other important factors, will actually materialise. The actual results may therefore deviate from those on which the statements relating to the future are based. Energie AG does not intend to update the statements relating to the future and refuses any responsibility for any such updates. We have drawn up the business report with the greatest care and checked all data. The English version of the business report is a translation of the German report. The German version of the report is the only authentic version.

LEGAL NOTICE

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Linz, December 2015

Energie AG Oberösterreich
Böhmerwaldstraße 3
4020 Linz, Austria
www.energieag.at

ENERGIEAG
Oberösterreich

We care about tomorrow

**Financial Statements and Management Report
for the Fiscal Year 2014/2015**

Energie AG Oberösterreich

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Management Report for Fiscal Year 2014/2015 of Energie AG Oberösterreich

Energie AG Oberösterreich is the holding company of the Energie AG Group. The Energie AG Oberösterreich Group is a leading Austrian infrastructure group of companies with the segments Energy, Grid, Waste Management, Water and Holding & Services. Energie AG Oberösterreich assumes the role of a holding company and its fixed assets cover the majority of the electricity and gas business and the intra-Group service companies. Due to the close ties between the company and the Group as a whole, primarily the Group perspective is considered below.

Economic Environment ¹

The global economic situation has remained extremely restrained as the year has progressed, for which reason the growth forecast was reduced from an original value of up to 4.0% to just below 3.0%. This is mainly to be attributed to the lasting economic downturn in China and the recession in which Brazil and Russia find themselves, whereas the US economy can boast stable growth of around 2.5% for 2015.

There are clear signs of stabilisation of the economic situation in Europe, which allows growth rates between 1.4% and 1.7% to be expected for the euro zone in 2015.

The Austrian gross domestic product (GDP) developed only moderately in the first half-year of 2015, although a slight upwards trend is expected in the second half-year. The GDP growth in Austria for the entire year will most likely be between 0.7% and 0.8%. This is the fourth year in a row that GDP growth in Austria amounted to less than 1.0%. If, at the beginning of the year, the general framework conditions were still assessed optimistically, the Austrian economy was not be able to overcome the confidence crisis to the extent previously expected. The reserved forecasts can be accounted for by the continued low level of business confidence, weak domestic demand and uncertainty regarding the further development of the economy.

Economic researchers are proceeding under the assumption that the Austrian economy will slowly recover in the next few years, as forecasts indicate further strengthening of the economic situation in the euro zone. GDP growth in Austria of 1.5% to 1.7% is expected for 2016, which corresponds to the average of the euro zone. The Czech Republic, the second-largest market for Energie AG Oberösterreich, exhibited continuous GDP growth of around 2.5%, as in the previous year. A slightly increasing economic growth rate of around 2.6% will also continue in the next year.

The forecast risks in connection with geopolitical tension in Ukraine, Syria and Iraq, which place an additional strain on the tense economic situation, are not to be underestimated.

The Statutory Environment

From a legal perspective, fiscal year 2014/2015 was decisively shaped by the Federal Government's Energy Efficiency Act and its impacts. Concerning the present legal requirement to increase energy efficiency inside the companies, Energie AG decided in favour of regular external energy audits, which were prepared intensively in the reporting timeframe.

As of January 1, 2015 energy suppliers are obligated to substantiate energy efficiency measures in relation to the delivered quantities. However, the national Energy Efficiency Monitoring Centre was only appointed in May 2015. The heart of the Energy Efficiency Act, the so-called "Guidelines Directive," with which the framework conditions for the monitoring centre as well as the specific measures are defined, will become effective on January 1, 2016. Since the old methods document is valid until the guidelines directive enters into force, and the energy efficiency measures from the years 2014 and 2015 can be used as regards the obligation for 2015, objective achievement for calendar year 2015 can be rated as positive.

¹ Sources:

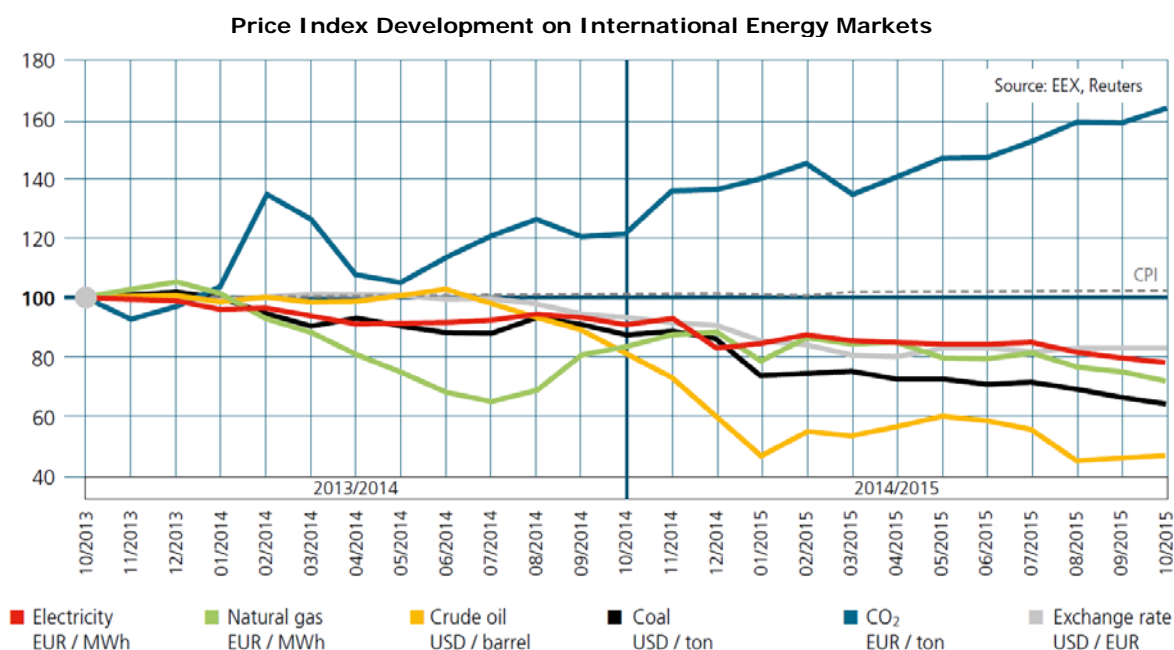
- IHS (Institute for Higher Studies, Vienna), press release, 28.09.2015
- WIFO (Austrian institute for Business Research), monthly report 10/2015
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- IMF (International Monetary Fund), World Economic Outlook, 10/2015

In the past fiscal year, the statutory environment, already difficult for the realisation of large infrastructure projects, tightened even further on the corporate side through the judicature line of the European Court of Justice (ECJ).

In a decision, the ECJ interpreted the Water Framework Directive's "prohibition of deterioration" extremely restrictively. From now on, this applies not only to significant, but also already to relatively minor deterioration of the water quality, which occurs for all intents and purposes in every expansion project. The consequence of this are additional exemption permit proceedings in the course of the water law approval procedure.

The Economic Environment of the Energy Industry

The European energy markets were characterised by a clear drop in the price level in the 2014/2015 fiscal year.



A significant price decrease was reported in the oil trading market, which dropped to half of its value from the previous year. As a result of decreasing demand, the price decline for black coal continued in Europe. On the gas market, the prices at the European Energy Exchange (EEX) were around 4.5% lower than in the previous year (EEX spot EUR 21.33/MWh) during the reporting period. The price of CO₂ emission certificates were around 24% higher during the reporting period than in the previous year, but remained at a low level in absolute terms, at around EUR 7.5/t CO₂.

Under the influence of a continued weak demand and the increasing share of power generation coming from renewable energy, the prices on the futures trading market in the 2014/2015 fiscal year were, on average, 9.7% lower than in the previous year (EEX Front Year Base EUR 32.35/MWh) and were at EUR 29.08/MWh at the end of the 2014/2015 fiscal year.

The increasing generation fluctuations, due mainly to the expansion of electricity generation from wind and solar energy, represent increasing challenges for supply security. Efforts to stabilise the grid are reflected in the major price volatility on short-term electricity markets and here in particular on the balancing energy market.

General Regulatory Conditions

With the 2015 amendment to the System Usage Fees Ordinance for Electricity, as of January 1, 2015, the electricity grid fees for Netz OÖ GmbH were lowered. At grid level 7 (low voltage), the decrease was 2.75%. While increasing upstream grid costs and investments in smart metering did lead to an increase in the recognised cost base by 3.4%, this was however compensated by higher output volumes in the charge calculation process.

As part of the Federal Government's Energy Efficiency Act issued on 11 August, 2014, the Combined Heat and Power Act (CHP Act) was also amended. The amendment took effect on 1 February, 2015. The resources necessary for investment subsidies for CHP plants are provided by the so-called "CHP Allowance" which, like the green energy subsidies, is to be collected by grid operators from all end consumers connected to the public grid and so paid.

With the 2015 amendment to the 2013 Gas System Usage Fees Ordinance, the charges for grid level 3 in the household/commercial segment were also decreased by 0.83% as of 1 January, 2015. The grid use charges for grid level 2 for industrial customers remained unchanged; this is the case although the up-stream grid costs for the Upper Austria grid area resulting from the cost rollup for grid level 1 rose by 30% to EUR 12.1 mill. This effect is partially based on higher total costs generated by the expansion of the western track as well as on a modified distribution key due to sales decreases in other provinces.

The new general conditions for the distributor grid concerning natural gas, originally submitted to the regulatory authority for approval on February 14, 2014 by OÖ. Ferngas Netz GmbH, were approved in the version last modified on April 2, 2015 with a ruling by the Board of Directors of E-Control Austria dated April 22, 2015, ZI V AGB G 07/14 after several discussions with the regulatory authority E-Control Austria. These new General Distributor Grid Conditions for Gas have applied since September 1, 2015 to all (natural gas) grid users. In particular, adjustments to the amended 2011 GWG (e.g. basic supply) as well as to the Gas Grid Service Quality Ordinance were made therein.

Economic Environment of the Waste Management Sector

With regard to the waste management markets, a mild slackening in economic conditions was noticeable in the last months. The topics of resource preservation and secondary substance recovery continue to have priority on the national and international level. By means of new legal requirements and drafts, the European Commission intends to ensure compliance with waste-relevant regulations throughout Europe and punish violations thereof. In the 2014/2015 fiscal year, this had a positive impact on the waste and recycling industry.

As a result of the increasing waste sorting quality and the weak economic situation, the waste management market is characterised by stagnating residual waste volumes. However, the capacity of Austrian incineration facilities was ensured by importing thermally recyclable waste from neighbouring countries, such that as a result of this as well as of shortages in capacities in Germany, the capacities of the Austrian incineration plants are currently well utilised. The economic environment had a positive effect in the past year on waste management prices for the thermal fraction.

The first 2014/2015 half-year was shaped primarily by the weak Euro, with prices for recyclables remaining the same for aluminium and copper. In the second half-year, however, prices for metals dropped considerably. The continuous decrease in crude oil prices had a positive effect, on the one hand, in the form of lower fuel prices, but on the other hand led to diminished secondary plastic prices. In the recycled paper and packaging sector, prices recovered by the summer.

Economic Environment of the Water Industry

The artificial weakening of the Czech Koruna which began on November 7, 2013 via interventions initiated by the National Bank (CNB), has been continued. Since the Czech Republic has one of the highest GDP growth rates in the EU, the pressure to revalue the Czech Koruna upward has grown strongly. The CNB could, in following the Swiss model, soon decide to leave the currency intervention, although according to CNB's own announcements, an "exit" would not take place before the second half of 2016. This would bring with it a positive effect on the profit situation for Energie AG.

In the Czech Republic, the organisational framework of the ministries competent to regulate the water industry was redefined. In the Ministry of Agriculture, a specific department has been created to carry out a coordinating function between the other ministries (Finance, Environment, Health Ministries, Ministry for Regional Development) and dedicates itself especially to the topic of benchmarking.

In Austria, due to the phase-out of the 2014 financial equalisation, no federal subsidies were originally set aside for 2015 and 2016 for Austrian urban water management. After the political agreement, however, there are now limited subsidies available in the scope of new subsidy directives.

In Slovenia, the economic situation as a whole and the order situation have improved slightly. Nonetheless, difficult economic conditions persist.

Corporate Changes

The corporate changes within Energie AG arising from the "PowerStrategy 2020" project was completed in fiscal 2014/2015. Complete integration of Oberösterreichische Ferngas Aktiengesellschaft (OÖ. Ferngas AG) was the most important milestone in this process.

The operating parts of the OÖ. Ferngas group of companies were integrated into the corresponding areas of the Energie AG Group, and the remaining parts of the company were subsequently merged into Energie AG Oberösterreich. On 01.10.2014, the former OÖ. Gas Wärme GmbH was renamed "Energie AG Oberösterreich Power Solutions GmbH" (Energie AG Power Solutions), into which Energie AG Oberösterreich Fair Energy GmbH was retroactively merged on September 30, 2014.

The grid control operational unit of the former OÖ. Ferngas Netz GmbH was split off into Netz Oberösterreich GmbH (Netz OÖ GmbH) retroactively as of September 30, 2014 so that this company is now active as a combined system operator for the electricity and gas grid.

As a final measure regarding the sale of the Eastern European activities of the Waste Management Segment, on 01.10.2014 the waste management activities in Austria and South Tyrol remaining in the Group were respectively renamed Energie AG Oberösterreich Umwelt Service GmbH and Energie AG Südtirol Umwelt Service GmbH.

Thanks to organisational streamlining of the Group structure, decisive cost and synergy potential was already raised in the reporting timeframe.

Development in staff level

In fiscal year 2014/2015, the Group's average consolidated staff level was 4,308 full time equivalents (FTE), representing a drop of 2.8% compared to the average of fiscal year 2013/2014 (4,431 employees).

On the reporting date (September 30, 2015), 4,349 employees (FTE) were active at Energie AG Group in four countries.

The parent company Energie AG Oberösterreich employed an average of 91 employees (FTE) in the 2014/2015 fiscal year, and in the previous year 90 employees (FTE).

The Group's employees represent a crucial strategic factor in the provision of services. Therefore, Energie AG places particular emphasis on the training and continuing education of its employees in the aim of continuous improvement of the available know-how. Hence, 422 internal and external training measures were carried out in fiscal 2014/2015 (previous year: 496 training measures) with a total of 2,083 participants (previous year: 2,793 participants). Structured personnel management and comprehensive personnel development measures serve as the framework for this effort.

Within the range of Group-internal training, apprenticeship training is particularly high priority. Since the founding of the apprenticeship workshop 72 years ago, 1,340 trainees have been trained as top specialists in electrical engineering and metallurgy or in the commercial sector. Around half of them are still active in the company today.

In the reporting timeframe, one focus was on broadening the family-friendly personnel policies. Hence, Energie AG was certified as a family-friendly employer in the past fiscal year for the second time since 2012. Numerous measures designed to make it easier to combine career and family have already been implemented or will be implemented in the next three years. For example, childcare was offered in the company for the first time in August 2015 with the Energie AG Holiday Week.

Energie AG ensures that the existing specifications per the Employee Protection Act and the associated regulations are complied with consistently Group-wide and that corresponding prevention measures are taken. Binding operating instructions ("BASIs") are developed and resolved for the companies on the safety management regulations and guidelines committee. They are kept up-to-date on an ongoing basis and adapted according to legal requirements. Furthermore, regular events and training are carried out towards the improvement of the safety culture. New paths were trodden in two Group companies in the form of instructions. In so-called short briefings, the employees develop topics of instruction themselves with the help of prepared documents.

Branch Offices

Energie AG Oberösterreich has no branch offices.

Net Assets, Financial Position and Results of Operations

(in accordance with the Austrian Commercial Code [UGB] for financial statements)

	in	2014/2015	2013/2014	Change
Sales revenues	EUR mill.	342,2	321,1	6,6%
Operating result (EBIT)	EUR mill.	55,3	8,3	566,2%
EBIT margin	%	16,2%	2,6%	523,1%
Profit or loss on ordinary activities	EUR mill.	74,5	-18,9	-494,2%
Balance sheet total	EUR mill.	2.298,9	2.194,3	4,8%
Equity	EUR mill.	761,3	755,3	0,8%
Equity ratio	%	36,3%	37,6%	-3,5%
Cash Flow from operations	EUR mill.	106,6	31,9	234,2%

Sales revenues increased by EUR 21.1 million or 6.6% to EUR 342.2 million compared to the previous year (EUR 321.1 million). While electricity and heating revenues decreased due to the switchover to a lease model in the operational management of the power plant business, revenues generally increased due to the higher gas turnover at the 7fields gas storage facility.

The EBIT grew compared to the previous year by a total of EUR 47 million. This improvement is primarily due to the integration of the OÖ. Ferngas group of companies and the changes to the operating control model, which prevailed until 30 September 2014.

Specifically, the following deviations occurred:

Higher gas sales revenues contrasted with higher gas use in material costs.

Personnel costs decreased by EUR 2.4 million, primarily as a result of the decrease in expenses for old age pensions and the further endowment of a reserve for allowance-in-kind services in the previous year.

Depreciations increased due to the acquisition of the assets of the OÖ. Ferngas group of companies and Energie Austria GmbH. Unscheduled depreciations in the amount of EUR 3.2 million concerned the 7Fields gas storage facility. In the previous year, unscheduled depreciation amounted to EUR 16.0 million.

Miscellaneous operating expenses decreased by EUR 59.9 million, primarily due to the switchover of the operating control model to the lease model in the power plant business.

Compared to the previous year, the financial result improved primarily due to higher dividend earnings, lower loss assumptions and an allocation of shareholding valuations for shares in associated companies by EUR 46.3 million. As such, the profit from ordinary activities is EUR 74.5 million (previous year: EUR -18.9 million).

The balance sheet total in the fiscal year amounts to EUR 2,298.9 million (previous year EUR 2,194.3 million) and increased compared to the previous year by EUR 104.6 million (+ 4.8%). The restructuring processes led to an increase in the balance sheet total by EUR 185.0 million. In the reporting year, receivables from and payables to affiliated companies decreased.

Equity increased slightly by 0.8%, while the equity ratio (in relation to total capital minus investment subsidies and special items for emissions certificates) decreased by 3.5% to 36.3%.

Cash flow from operating activities reached EUR 106.6 million (previous year: EUR 31.9 million). The increase is due to the higher cash flow from income, the decrease in gas storage inventories and the change in short-term provisions.

Financing and Investment Strategy

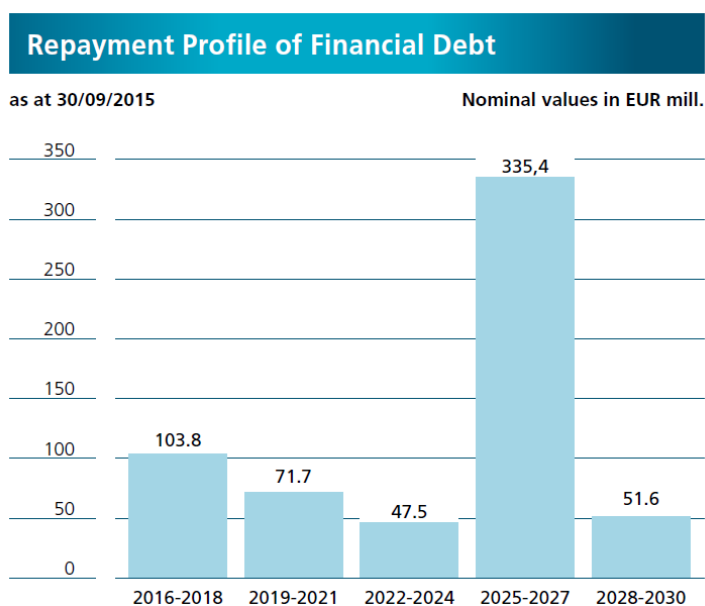
The financial and capital markets continued in crisis mode in the past fiscal year. The massive bond purchases of the European Central Bank aimed at stimulating the economic situation showed only a conditional effect. The money market interest rates at times slipped into negative territory. The stock market crash in the Asian markets at the end of August caused the US Federal Reserve once again to delay the long-awaited first-time interest rate hike. It remains to be seen whether the monetary policy stimuli of the central banks can restore the economic balance or if they only increasingly jeopardise it.

Against the background of these difficult framework conditions, Energie AG forged ahead consistently with its proven three-pillar strategy in the financial area in the past fiscal year 2014/2015.

Maintenance of a strong credit rating

Energie AG once again received the excellent credit rating of "A-/stable outlook" from Standard & Poor's (S&P) in February 2015. According to S&P, this rating classification reflects the conservative financial management, decreasing debt-equity ratio and strong liquidity situation of Energie AG. This guarantees Energie AG's unrestricted access to commercially attractive conditions in the financial markets even in a difficult market environment.

Assurance of high financial flexibility



The development of the financial liabilities was essentially influenced by the premature repayment of the variable interest tranche of a borrower's note loan in the amount of EUR 101.0 mill. at the beginning of fiscal 2014/2015.

This considerably reduced the financial liabilities from the previous year's reporting date value of EUR 719.5 mill. to EUR 613.0 mill. as of September 30, 2015. Energie AG can build on a balanced term structure of its financing. The repayment profile of the Group is characterised by bullet maturity financial liabilities with remaining terms of up to 15 years.

As of September 30, 2015, liquidity reserves were available in the form of liquid assets and fixed term deposits amounting to EUR 222.4 mill. In addition, on the balance sheet date, the Group had high unutilised and partly committed credit lines in the amount of EUR 279.1 mill. Through the solid liquidity reserves, future re-financing requirements are covered in the long-term, and the high financial flexibility of Energie AG remains assured going forward.

Group-internal central financial management

Group-internal financing is controlled centrally via Energie AG Group Treasury GmbH (Group Treasury GmbH). On the reporting date, 25 Austrian Group companies were included in the cash pooling system for which Group Treasury GmbH acted as a pooling centre. The long-term allocation of funds in the Group is carried out on a needs basis and at arm's length conditions. Through the central financial management, cost-optimised sourcing and usage of the funds are ensured.

Value-Based Management and Capital Costs

Value-based management is firmly anchored in all management processes of Energie AG. The central objective is sustainably ensuring corporate value by increasing potential benefits and generating returns for the owners on a capital market-oriented returns basis. The required minimum return on employed capital is determined using the weighted average cost of capital (WACC). The WACC corresponds to the average interest calculation for equity and borrowed capital, whose weighting was derived from an adequate peer group. The calculation for non-regulated business areas takes into consideration the company- and country-specific risks. In the cost of capital of the regulated areas, the stipulations of the regulatory authority are taken into consideration. The Group WACC is calculated from the segment capital costs weighted by employed capital (bottom-up process).

The Group WACC for fiscal year 2014/2015 was 4.9% (previous year: 5.5%). The reduction of the capital costs can be attributed to the lower interest rate level of riskless investments.

The central key figure for the operating Group management during the fiscal year is the Return on Capital Employed (ROCE), which shows how efficiently and profitably available capital was handled.

The value-oriented Group objectives are broken down according to the individual segments and business areas, taking into consideration the strategy pursued and business-specific framework conditions. They are measured in periodical reports by Group Controlling and directed by management.

By comparing the ROCE and WACC, projects and business areas can be evaluated with regard to the generation of added value. Decisions about future investments and acquisitions are based exclusively on value-oriented criteria and methods (e.g. project-specific risk premiums) for the prioritisation of projects, in addition to strategic perspectives.

In fiscal 2014/2015, the ROCE of Energie AG amounted to 5.5%, thus 1.2 percentage points above the value reported in the previous year (4.3%).

Material events after the end of the fiscal year

After the balance sheet date, no events of special significance occurred in Energie AG.

Internal Control System

A significant part of corporate governance is the internal control system, the instrument through which process risks are minimised. The high degree of integration of the Group control systems, their transparency and the clear responsibility of the companies for the controls in the operating processes guarantee a valid result. IT-based documentation and regular, standardised reporting to the Board of Management and Audit Committee are signs of well-established control consciousness. In addition, up-to-date control manuals and measures catalogues are available at all times to the Group companies. Furthermore, the regular review of effectiveness and efficiency through internal audits makes an important contribution to quality assurance. To ensure the protection of the Group assets, a great deal of attention is paid to the accounting-related aspects.

In the 2014/2015 fiscal year, after the integration of OÖ. Ferngas AG took place, activities were primarily focussed on the adjustments that arose as a result. The equal treatment of all customers in the electricity and gas grids bundled in Netz OÖ GmbH as required by the Austrian Electricity and Organisation Act (EIWOG) is mapped by the internal control system and monitored by the Equal Treatment Officer.

Consistent cooperation between the internal control system and risk management as well as permanent assurance through internal auditing form a system that meets the requirements of the Austrian Company Law Amendment Act (URÄG) 2008 and is also accepted and implemented in practice.

Risks and Opportunities

The Energie AG Group faces major challenges due to the cloudy economic outlook, the changes in energy policy, the high volatility on the energy market as well as the high competitive and regulatory pressure.

The Group's risk management aims to recognise risks early on in order to counteract them in a timely manner, as well as to uncover opportunities and take advantage of them. As an established part of the management and control system, risk assessments are incorporated into strategic decisions and support investment management.

Central risk management is based on operational risk management in the decentralised business areas. Every quarter, risks, opportunities and measures are updated and recorded in a software tool implemented throughout the Group. At the Group level, the opportunities and risks identified are analysed and aggregated into the Group's overall risk position. Reporting to the Group's Board of Management is done on a quarterly basis and ad hoc, as needed. Risk management is a fixed component of Supervisory Board reporting and is also reported to the Audit Committee per the Company Law Amendment Act (URÄG) with regard to the effectiveness and validity of the process.

Proper documentation and auditability is ensured by historiography on the valuation dates.

Risk Profile and Development Trends

Risks arising from business operations

The efficiency and intrinsic value of the generation assets and shareholdings of the Group are significantly characterised by market price risks such as changes in wholesale prices for electricity, as well as the prices for gas, coal, biomass, recyclables and certificates.

The know-how bundled in Energie AG Oberösterreich Trading GmbH regarding commodity transactions makes it possible to utilise intra-Group synergies. Risk strategies, such as procurement strategies attuned to the market environment, long-term sale of power plant capacities and hedge transactions give rise to a risk reduction.

Thanks to new, flexible marketing strategies, despite the difficult market conditions, the earnings position was stabilised with regard to the Group's hydropower plants and procurement rights.

Stabilisation of the power grid against the backdrop of increasingly volatile markets is becoming a growing technical and economical challenge. Here, a potential for additional earnings presents itself for Energie AG Oberösterreich in a collaboration between the combined cycle gas turbine plant in Timelkam and the 7 Fields gas storage facility, as well as the hydraulic generation capacities.

Fluctuations in water levels at hydropower plants owned by the Group as well as with regard to procurement rights have a strong impact on the results of Energie AG Oberösterreich.

In addition, the revenues and results can be negatively impacted by warmer than average weather periods during the autumn and winter months, as was the case in the 2014/2015 fiscal year.

The intensity of competition in the end customer market presents the risk of customer losses. There are price and margin risks, in case the expenses for energy system costs cannot be passed on to the customers.

Among other strategies, Energie AG Oberösterreich counters these risks with intensive customer management, diversification of its customer portfolio, tested customer retention activities, a product range customised to customer needs and comprehensive marketing controlling.

The Waste Management Segment comprises the Group's activities in Austria, Italy, the Schlackeaufbereitung Austrian Metal Recovery GmbH and the not operationally active Heves Régió Kft. in Hungary. The slightly improved business environment affected the waste management industry in various ways. Due to temporary shortages in incineration capacities in Central Europe, the incineration plants in Wels and Lenzing were used to 100% capacity and showed slightly upward price trends. Some recyclables such as paper and cardboard also recorded a slight increase in price. Continuously decreasing crude oil prices had a positive impact, on the one hand, in the form of lower fuel prices, but on the other hand led to decreases in plastic scrap prices. Falling recyclable prices also had a negative effect on aluminium and copper.

Consistent pursuit of the strict cost-reduction program as well as efficiency-increasing measures contribute toward the effort to reach the profit goals for the Waste Management Segment.

In the Water Segment, despite a loss in value of the Czech Koruna, stable sales and earnings performance was achieved in the 2014/2015 fiscal year.

Optimisations in the company organisation and savings in market and product development are the measures intended to secure a sustainable result.

Asset risks

Natural disasters such as floods, storms and avalanches can cause unplanned breakdowns of power generation or transmission plants and thus give rise to losses of earnings. In the past fiscal year, the electricity grid region was affected by several cyclones leading to damage in the overhead line network and unplanned supply outages.

Proactively, there is currently work under way on placing especially breakdown-prone medium voltage overhead lines into cables.

The environmental business also faces the risk of malfunctions and interruptions at waste incineration plants and in water supply and waste water systems.

These asset risks are headed off by Energie AG Oberösterreich with maintenance and quality control and an optimised maintenance strategy. Insofar as it makes economic sense, insurance policies with economically justifiable deductibles are taken out.

Political, regulatory and legal risks

Changing political, regulatory and legal conditions represent a major challenge for the Energie AG Group. The attempt is made to respond to these risks with intensive and constructive dialogue with authorities and politicians.

Regulation of electricity and gas grids

Incentive regulation for electricity and gas grid in Austria also holds result-oriented risks. Therefore Netz Oberösterreich GmbH is already preparing for the challenges of the coming regulation periods which will start for gas in 2018 and for electricity in 2019.

Energy Efficiency Act

From a legal perspective, the 2014/2015 fiscal year was decisively shaped by the Federal Government's Energy Efficiency Act and its effects. This law provides for a two-part obligation system: first, companies must, depending on their size, take and document measures to improve energy efficiency, and second, energy suppliers must demonstrate energy efficiency measures in the amount of 0.6% of the previous year's sales to their end customers.

The development of the measures corresponding to the energy efficiency package, intensive preparation work for the first energy audit and new efficiency service products are intended to counteract an increase in the Group's risk situation.

Risks from shareholdings

Shareholding risks can be found in the fluctuations of earnings from shareholdings, in dividend/profit payouts and in changes in impairment of shareholding valuations.

Risk optimisation primarily takes place through ongoing monitoring of existing shareholdings.

Project risks

The execution of projects is marked by high complexity and the combination of multiple input factors. For this reason, deviations from project planning (including ones associated with schedule delays and cost and quality deviations) cannot be completely eliminated.

Preparation for project decisions is carried out under the consideration of risks and opportunities. The assessment includes the total project term. The main decision-making criterion is the expected rate of return on the invested capital, taking into account risks and opportunities.

Risk management is involved in the entire project cycle, and processes the potential financial impacts and measures over the course of the projects such that they can be counteracted.

Financial risks

Control and monitoring of financial risks takes place centrally through Group-Treasury of Energie AG Oberösterreich. In the past fiscal year, the interest rate, currency and liquidity risk as well as the market price risk of the securities portfolio were successfully managed.

The interest rate change risk can continue to be classified as very low due to the high percentage, at 90%, of outstanding interest-bearing financial liabilities which are fixed-interest at the Energie AG Group. Interest hedging measures were not conducted in the 2014/2015 fiscal year.

The goodwill of foreign Group companies, whose operating currency is not the Euro, is subject to currency risks in the consolidated statements. As of 30/09/2015, these net investments in the Czech Republic, Hungary and Poland were not hedged. There is also an exposure due to a partial Swiss Franc (CHF) financing in the scope of a joint venture with a Swiss energy supply company. In the past fiscal year, this currency exchange rate risk was partially hedged with hedging instruments. The CHF trend is constantly monitored, and if needed, additional measures will be taken to further minimise risk.

Liquidity risk management is performed on the basis of future-oriented financial resource planning. Thanks to the sufficient liquidity reserves, as well as open, partially committed credit lines at Austrian banks, Energie AG Oberösterreich was able to ensure its solvency as well as that of its Group companies at all times. The liquidity risk continues to be rated as very low.

The fluctuation risk for the financial assets (securities, funds) of the Energie AG Group was further limited in the 2014/2015 fiscal year through consistent implementation of the investment policy. Through ongoing monitoring and quantification of price risks, it is possible to continue to invest the strategic liquidity reserves in a risk-optimised manner.

Counterparty risk

Management of the counterparty risk in the Energie AG Group took place in the past fiscal year through intensive credit monitoring of counterparties in the treasury and trading area. In addition, the likelihood of insolvency of counterparties was determined using modern analysis tools and the transaction volume per counterparty was limited to the maximum allowable loss risk. Verification of compliance with the specified position limits was done on an ad-hoc and regular basis through central risk management at Energie AG Oberösterreich.

Opportunities and Risks for 2014/2015

The risk situation of Energie AG is shaped by the difficult economic framework conditions and the tense situation in the energy markets, as well as uncertainty regarding the development of the European energy supply.

Possible impacts on the result of Energie AG as well as the recoverability of investments and participations are countered with extensive measures for protection of profitability and financial strength.

Thanks to the diversified business portfolio of Energie AG, among other factors, no risks were identified that could threaten the existence of the company – either singularly or cumulatively – despite the volatile environment.

Research, Development and Innovation

In its daily action and thinking, Energie AG sees the three pillars of research, development and innovation as an essential growth engine of entrepreneurial activity. The changing framework conditions of the liberalised electricity market and external, unforeseeable influences were viewed as an opportunity to initiate projects in cooperation with industry-internal and -external partners, as well as with national and international institutions, advocacy groups, committees and companies.

In the reporting timeframe, the focus of cross-company projects was mainly on the efficient utilisation of energy, expansion of powerful data transmission technology as well as the development of new business models.

Key figures for R&D&I	Units	2014/2015	2013/2014	Development
R&D&I projects in the Group	Number	96	93	3.2%
R&D&I expenses in the Group	EUR mill.	3.4	3.5	-2.9%
Employees involved in R&D&I projects	Number	248	279	-11.1%

In fiscal year 2014/2015, research, development and innovation were conducted in the following projects, among others (excerpt):

"DG DemoNet Smart LV Grid" Project

The findings from a completed three-year project in the electricity grid sector show that the operating expense of complex voltage controls aimed at increasing the hosting capacity for local electricity production are currently still very high and unprofitable. In the coming years, photovoltaic plants will be able to be integrated through the use of reserves that become accessible based on advanced planning approaches and monitoring, in most cases without any construction measures. Through the use of reactive power for voltage level maintenance, the hosting capacity can be expanded by 20% to 40%. A standardised reactive power function for all systems, which also supports zero-balanced reactive power, is on the horizon. The "DG DemoNet Smart LV Grid" project is thus the basic foundation for the continuing "LEAFS" project, in which storage systems and flexible loads for increasing local consumption are studied by AIT Austrian Institute of Technology GmbH with Netz OÖ GmbH as a project partner.

"Fuel-Cell Heating" Project

As part of the European development project "ene.field" (supported by the European Commission), a fuel cell heater from Vaillant Group Austria GmbH is being tested in a single family home in St. Ulrich near Steyr. The aim of the project is, on the one hand, to gain insight into the installation and maintenance of fuel cell heaters, and on the other hand, to investigate the market-relevant framework conditions and CO₂ savings. In addition, over the course of the overall "ene.field" project, socio-economic acceptance of the extensive use of fuel cell micro combined heat and power couplings is to be investigated. Here, Energie AG Power Solutions acts as a cooperation partner of Vaillant in order to profit from the experience from the trial for the upcoming market launch on the one hand, and on the other hand to use the acquired findings for market analyses in connection with market partners.

"Power-to-Heat" Project

On behalf of the Austrian Research Sponsorship Society, Energie AG Oberösterreich Wärme GmbH (Wärme GmbH) has been working in cooperation with the Vienna University of Technology and other partners since September of last year on the promising "Power-to-Heat" (P2H) project.

P2H refers to the generation of heat through the use of electricity. This technology is especially attractive in times of high solar and wind energy feed-in, which in the past increasingly led to controls or negative prices on the markets. With P2H, this surplus electricity can be used for the production of heat, e.g. for heating plants, or for making hot water through which fossil energy sources such as oil or natural gas are replaced.

The objective of the research project is to determine the technical and financial potential of innovative P2H system solutions in the urban region for the years 2020/2030/2040 and to identify the legal, tax and regulatory framework this would require. For this purpose, three exemplary district heating municipalities of Wärme GmbH were selected for a detailed analysis and their heating networks classified. The final report will be available in spring 2017.

"SOKO Innovation" Project

Social change, new customer requirements, regulations and technological developments are changing the business activity of Energie AG. Therefore, the so-called "SOKO Innovation" project was created in the 2014/2015 fiscal year in order to identify relevant opportunities for Energie AG arising from these developments. By using unconventional formats and approaches, new customer- and market-oriented ideas, concepts, products, services and business models will be developed that are to strengthen the position in the market and develop new sources of revenue. Not only employees from all areas but also customers, sales partners, representatives of other industries as well as scientific experts will be involved in the innovation process toward the aim of finding relevant customer problems and wishes. On the basis of these findings, possible future opportunities are to be recognised and new solutions offered.

Outlook

Low prices on the energy market continue to be expected, presenting one of the significant challenges for the 2015/2016 fiscal year. Particularly on European electricity trading markets, the low price level is expected largely to continue on account of diminished demand as well as further encouragement for renewable energy. Against the background of increasingly volatile markets, the security of the power supply is becoming a growing technical and economic challenge for the electricity industry. Here, additional revenue opportunities for Energie AG can be found in a cooperation between the Timelkam CCGT power plant and the 7fields gas storage facility, as well as the hydraulic generation capacities. For the same reason, the CCGT power plant Timelkam will also be in use in the coming fiscal year for the maintenance of grid stability. The operation of the Riedersbach 2 coal-fired power station will be discontinued after the last operation period in the winter half year of 2015/2016.

With the full operation of the Reißbeck II pumped storage power plant planned for the second half of 2016, electricity procurement rights from the Malta-Reißbeck II power plant group will increase markedly, in turbine operation from the current figure of 89.1 MW to 132.1 MW (+ 48%) as well as in pump operation from the current figure of 40.6 MW to 83.6 MW (+ 66%). This will bring with it a significant improvement of the output capacity of Energie AG on the control- and balancing-energy market.

The implementation of the Federal Government's Energy Efficiency Act will have a significant influence on fiscal 2015/2016. The legal specifications for the monitoring body as well as the measures to be implemented will represent, in the form of the Directive, the essential guidelines for the services that must in future be rendered. The Directive will be of crucial importance for all energy providers in the Group – particularly the largest providers in terms of volume, such as ENAMO and Energie AG Power Solutions.

In addition to winning new customers in existing supply areas, the heating sector will continue to put emphasis on the development of new projects on the basis of renewable forms of energy such as biomass and geothermal power.

The business activity in the Grid Segment will be shaped by the promotion of large projects in the coming fiscal year, which will represent a significant challenge to the employees of Netz OÖ GmbH with regard to resources. In addition, the preparation for upcoming regulatory periods, which begin in 2018 for gas and in 2019 for electricity, will increase markedly in intensity.

Business development in the Waste Management Segment will also be severely influenced in fiscal 2015/2016 by external factors such as the general economic development. For instance, waste quantities in the area of hazardous waste are closely correlated with the production quantities of industrial customers. It remains to be seen to what extent the crisis of the automotive industry will affect Austrian subcontractors. In the construction sector, it can be expected that the residential offensive announced by the government starting in spring 2016 will represent a positive impulse for the waste management industry. The load on the thermal recycling capacities in Central Europe has improved in recent months. On the basis of continued waste transfer from England and Italy to incineration plants in Germany, a favourable quantity and price situation is expected in the coming quarters, as well. As for recycling prices, the current low price levels are anticipated to continue.

For the Water Segment, the topic of efficiency enhancement will be in focus in the coming fiscal year, as well. In addition, the companies in the Czech Republic will apply for several concessions in the drinking and waste water areas in the framework of calls for tender. In Austria and Southern Bavaria, the emphasis with regard to water supply will focus on market penetration by consolidating existing facilities as well as further developing the business services. In Slovenia, the service business should be further expanded, and, at the same time, opportunities on the operator market should be exploited.

The further expansion of the fibre optic network in Upper Austria is one of the central goals of PowerStrategie 2020. In order to link as many household customers as possible along with the business customers with super-fast connections, an application for subsidies in the context of the "Breitband Ausbau 2020" (Broadband Expansion 2020) funding programme is also planned for the coming fiscal year.

The acquisition of new customers and the building of long-term relationships with existing customers is a strategic goal of Energie AG. In the 2015/2016 fiscal year, efforts will be intensified in order, against the background of difficult market conditions and changing customer needs, to tap into new target groups and new revenue opportunities with innovative new products and business models. These activities will be accompanied by a consistent implementation of the strategically anchored cost management and efficiency programme. With these points of emphasis, Energie AG will continue, even in a complex market climate, to be a highly competitive as well as reliable partner for its stakeholders in the future.

Linz, November 27, 2015

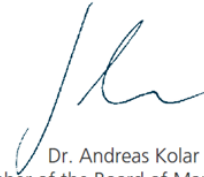
The Board of Management of Energie AG Oberösterreich



Generaldirektor Dr. Leo Windtner
Chairman of the Board of Management



KommR Ing. DDr. Werner Steinecker MBA
Member of the Board of Management



Dr. Andreas Kolar
Member of the Board of Management

Profit and Loss Statement 2014/2015

	2014/2015	Previous Year
	EUR	in EUR 1000
1. Sales	342.180.399,20	321.124
2. Changes in inventories of finished goods and work in progress	-229.875,90	-13.18
3. Capitalised cost of self-constructed assets	0,00	1
4. Capitalised cost of self-constructed assets	9.249.167,35	16.097
5. Cost of materials and other purchased services	-126.912.137,69	-99.855
6. Personnel expenses	-15.687.472,03	-18.115
7. Depreciation	-102.209.198,69	-98.680
(thereof from extraordinary depreciation EUR 3.225.813; previous year: EUR 15.996 thousand)		
8. Other operating expenses	-51.092.919,29	-110.972
9. Sub-total for items 1 - 8 (operating result)	55.297.962,95	8.282
10. Income from investments	123.351.985,25	38.541
(thereof from affiliated companies EUR 122.190.273,58; previous year: EUR 35.167 thousand)		
11. Income from securities and loans held as financial assets	3.105.057,73	6.501
(thereof from affiliated companies EUR 1.685.378,19; previous year: EUR 3.616 thousand)		
12. Other interest and similar income	2.676.154,53	625
(thereof from affiliated companies EUR 316.000,91; previous year: EUR 120 thousand)		
13. Income from disposals and write-ups of financial assets	29.482.483,61	1.368
(thereof from affiliated companies EUR 29.060.377,65; previous year: EUR 169 thousand)		
14. Expenses for other financial assets	-111.718.912,54	-42.711
(thereof from affiliated companies EUR 111.281.042,34; previous year: EUR 41.856 thousand)		
(thereof from depreciations EUR 102.189.216,11; previous year: EUR 16.306 thousand)		
15. Interest and similar expenses	-27.696.012,00	-31.460
(thereof from affiliated companies EUR 8.755.340,43; previous year: EUR 8.488 thousand)		
16. Sub-total for items 10 - 15 (financial result)	19.200.756,58	-27.136
17. Result of ordinary activities	74.498.719,53	-18.854
18. Income taxes	-18.197.716,67	-3.760
19. Net income for the current year	56.301.002,86	-22.614
20. Reversal of untaxed reserves	2.977.484,22	4.843
21. Reversal of revenue reserves	0,00	7.1045
22. Allocation to retained earnings	-6.005.716,48	0
23. Annual Profit	53.272.770,60	53.274
24. Accumulated profit carried forward	27.229,40	26
25. Retained earnings	53.300.000,00	53.300

Balance Sheet as at 30 September 2015

	30. September 2015	Previous year
	EUR	in EUR 1000
ASSETS		
A. Long-term assets		
I. Intangible assets	74.669.955,58	80.089
II. Tangible fixed assets	1202.293.220,11	851850
III. Financial assets	925.646.676,03	1056.473
	2.202.609.851,72	1.988.412
B. Current assets		
I. Inventories	23.524.645,21	36.796
II. Accounts receivable and other assets	28.044.626,46	84.528
III. Own shares	6.434.356,39	6.367
IV. Cash and cash equivalents	35.874.658,44	76.303
	93.878.286,50	203.993
C. Accrued expenses	2.417.326,11	1.909
	2.298.905.464,33	2.194.314

	30. September 2015	Previous year
	EUR	in EUR 1000
EQUITY AND LIABILITIES		
A. Equity		
I. Share capital	89.087.750,00	89.088
II. Non-distributable capital reserves	208.702.350,00	208.702
III. Reserves for own shares	6.434.356,39	6.367
IV. Revenue reserves	403.736.543,56	397.798
V. Retained earnings	53.300.000,00	53.300
(thereof accumulated profit carried forward EUR 27.229,40; previous year EUR 26 thousand)		
	761.260.999,95	755.255
B. Untaxed reserves	65.822.887,14	62.644
C. Investment grants	18.485.477,64	16.987
D. Separate item for gratuitously allocated emission certificates	2.480.320,70	3.621
E. Provisions	82.702.849,14	74.132
F. Liabilities	1.272.055.676,67	1.231.771
G. Contributions to construction costs	94.225.063,79	47.790
H. Deferred income and accrued expenses	1.872.189,30	2.113
	2.298.905.464,33	2.194.314

Contingent liabilities	907.416.531,61	960.004
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Notes to the Financial Statements 2014/2015

I. General Information

The present financial statements for fiscal 2014/2015 were drawn up observing the principles of proper accounting, as well as observing the general requirement to provide a sufficiently fair picture of the assets, financial and earnings position of the company in accordance with the Austrian Commercial Code [UGB] for financial statements.

The company is classified as a major stock corporation pursuant to § 221 of the Austrian Commercial Code [UGB].

In order to achieve a clear presentation, some items have been condensed in the balance sheet and profit and loss statement. These items are shown separately in the Notes.

Assets and liabilities pertaining to more than one item in the balance sheet are indicated as such in the Notes.

The profit and loss statement is presented in step-down form and in keeping with the total-cost principle of accounting.

The present form of presentation was used once again in the drafting of the current financial statements.

As of 30.09.2014, corporate changes of the Energie AG Group were implemented as part of the Power Strategy 2020 project.

Corporate changes and their order:

- Split-off of the grid control operational unit of OÖ. Ferngas Service GmbH for acquisition by Netz Oberösterreich GmbH in implementation of Art. VI Reorganisation Tax Act (UmgrStG)
- Merger of OÖ. Ferngas Netz GmbH as transferring company with Energie AG Oberösterreich as receiving company in implementation of Art. I UmgrStG
- Merger of OÖ. Ferngas Aktiengesellschaft as transferring company with Energie AG Oberösterreich as receiving company in implementation of Art. I UmgrStG
- Split-off of the fibre optics marketing operational unit of OÖ. Ferngas Service GmbH for acquisition by Energie AG Oberösterreich Data GmbH in implementation of Art VI. UmgrStG
- Merger of OÖ. Ferngas Service GmbH as transferring company with Energie AG Oberösterreich as receiving company in implementation of Art I UmgrStG
- Merger of Energie AG Oberösterreich Fair Energy GmbH as transferring company with Energie AG Oberösterreich Power Solutions GmbH (formerly OÖ. Gas-Wärme GmbH) as receiving company in implementation of Art. I UmgrStG
- Merger of ENSERV Energieservice GmbH as transferring company with Energie AG Oberösterreich Power Solutions GmbH (formerly OÖ. Gas-Wärme GmbH) as receiving company in implementation of Art. I UmgrStG
- Merger of Energie Austria GmbH as transferring company with Energie AG Oberösterreich as receiving company in implementation of Art I UmgrStG
- Integration of the power plant operational unit of Energie AG Oberösterreich into Energie AG Oberösterreich Kraftwerke GmbH in implementation of Art III. UmgrStG

Direct comparability with the previous year is not possible due to the restructuring which occurred. In Annex 5 to the Notes, an overview as well as a list of all restructuring balance sheets as of 30.09.2014 can be found.

In the assessment years 2005 up to and including 2009, Energie AG Oberösterreich was the holding company of a group of companies as defined in § 9 of the Austrian Corporation Tax Act. In 2010, this group of companies was terminated and, following the application of 30 June 2010, Energie AG Oberösterreich became a member of the group of companies of OÖ Landesholding GmbH (holding company) in accordance with § 9 of the Austrian Corporation Tax Act with effect from assessment year 2010. The corresponding integration into the Group and Tax Allocation Agreement of OÖ Landesholding GmbH was carried out.

The termination of the former group of companies resulted in an unwinding of Group members that had not been in existence for a minimum of three years in accordance with § 9 (10) of the Austrian Corporation Tax Act. In the course of the termination, a final adjustment was not carried out but the losses assumed by Energie AG Oberösterreich were kept evident and reduce the basis for future positive tax allocations of the Group companies.

The stipulations in the group agreement of OÖ Landesholding GmbH apply between Energie AG Oberösterreich and the Group holding company, whereby Energie AG Oberösterreich determines its taxable income under consideration of the taxable results of the underlying Group companies (periodic accruals/deferrals method): The group agreement provides that positive allocations from Group companies are entered at 25 % of the assigned positive income. Tax losses assigned to the holding company reduce the basis of the positive allocations to taxes of the following business years, refundable to the holding company. However, the holding company may ultimately accept the assigned negative result by making a negative tax allocation to the Group member in the amount of 97 % of the tax share of the accepted negative income.

The possibility of a deviating tax allocation agreement between Energie AG Oberösterreich and its Group companies provided in the integration agreement was made use of and a clearing procedure analogue to the clearing system described above was approved at the level of Energie AG Oberösterreich and its underlying Group members.

As at 1 October 2004, Energie AG Oberösterreich introduced an effective cash-pooling system in order to optimise the Group's dispositions in relation to bank accounts, as well as the intra-group liquidity balance and the handling of payment transfers within the Group.

Energie AG Oberösterreich decided in favour of two pooling groups, and since 1 October 2006 Energie AG Group Treasury GmbH has been the lead company of the pool.

As at 30 September 2015, the pool companies comprise a total of 25 (previous year: 31) companies.

Energie AG Oberösterreich is the Energie AG Group's highest-level parent company and prepares the binding consolidated statements per § 245a Para. 1 Austrian Commercial Code [UGB]. This consolidated statement is filed with the Provincial Court of Linz as Commercial Court.

II. Accounting and Valuation Principles

Long-term assets

Intangible assets are valued at cost, reduced by scheduled linear depreciation.

Tangible fixed assets are valued at cost or cost of production, reduced by scheduled depreciation. Non-scheduled depreciations are made whenever impairments are expected to have a lasting effect.

Shares in affiliated companies and other investments are entered at cost or at their lower fair value.

Securities (loan stock rights) held as long-term assets are valued at purchase prices or, in the event of a lasting impairment, at their lower stock exchange price.

Income equivalent to dividends from non-distributable interim certificates of a capital investment fund, as defined by § 40 (2) item 1 of the Austrian Investment Fund Act, are entered in keeping with the expert opinion of the Expert Panel on Corporate Law and Internal Audit, KFS/RL 16, by increasing the valuation entered for the interim certificates. By the change of an investment fund from reinvestment to distribution funds-style, there is a partial rearrangement in the balancing method insofar, as there is no more any value appreciation of those investment certificates from the same-period earnings distribution.

Non-interest-bearing respectively low-interest-bearing loans are shown at their present value.

Current assets

Raw materials and supplies are valued at their average purchase price and/or cost of production (sliding average method), at lower market values or fixed values.

Work in progress is valued at cost of production.

Receivables are valued at their nominal value, taking account of their collectability. Appropriate write-downs are entered for doubtful accounts receivable. Foreign-currency receivables are valued in keeping with the strict principle of lower of cost or market.

Provisions

Actuarial principles are applied to calculate provisions for severance payments, using the "projected-unit-credit" method, in keeping with IAS 19. The calculation is based on a retirement age of 62 years for females and males in keeping with transitional provisions or an earlier retirement age in individual cases, an interest rate of 2.00 % for the calculations (previous year: 2.70 %), planned salary increases of 3.00 % (previous year: 3.00 %) as well as a discount for fluctuations according to probabilities, depending on years of employment from 1.22 % for 0 years of employment (previous year: 1.30 % for 0 years of employment) to 0.0 % from 42 years of employment upwards (previous year: 0.0 % for 42 years of employment).

The provision for anniversary bonuses is also calculated using the "projected credit unit" method in keeping with IAS 19, using the parameters that were employed to calculate the provisions for severance payments. When calculating the provisions for anniversary bonuses, a discount for fluctuations according to probabilities, depending on years of employment from 3.51 % for 0 years of employment (previous year: 2.51 % for 0 years of employment) to 0.00 % from 42 years of employment (previous year: 0.00 % from 42 years of employment) was used as a basis.

Actuarial principles are applied to calculate provisions for old-age pensions, step-in pensions and early retirement, using the "projected-unit-credit" method, in keeping with IAS 19. The Pagler-Pagler calculation tables 2008 are used for the calculations, as well as an interest rate of 2.00 % (previous year: 2.70 %) and a retirement trend of 2.25 % (previous year: 2.25 %).

Due to amendments made to IAS 19, the corridor method applied up until the previous year for provisions for severance payments and pensions was repealed. In the fiscal year 2014/2015, one fifth of the actuarial losses not recorded in the balance sheet as of 30 September 2013 were shown under personnel expenses.

In the context of this transition, there was also a change to the recording of interest paid in association with provisions for severance payments, pensions, anniversary bonuses, stepped pensions and early retirement. Interest paid is now disclosed under the financial result and no longer under personnel expenses as previously. The previous year's reference figures were not adjusted.

The principle of conservatism is applied when forming other provisions.

Liabilities

Liabilities are entered at the amounts repayable, observing the principle of conservatism. Liabilities in foreign currencies are valued in keeping with the principle of highest value.

Emission certificates

Since the 2009/2010 fiscal year, accounting of emission certificates based on AFRAC expert's opinion has taken place in such manner that emission certificates obtained at no charge are capitalised at the time of their acquisition and measured at market value at the time of their availability. A liabilities-side special item is carried in the same amount and reversed pursuant to the actual CO₂ emission. The valuation of capitalised emission certificates is subject to the strict lower-of-cost-or-market value principle. A provision is created for the obligation to provide emissions certificates based on the actual CO₂ emission.

Starting from the 2013 calendar year, no free allocation has been provided for power generation. Free allocations for heat generation are still being made to Energie AG.

III. Notes to the Profit and Loss Statement

Sales

	2014/2015	Previous year
	in EUR 1.000	in EUR 1.000
Electricity	55.810	137.337
Gas	84.310	34.890
Others	202.060	148.898
	342.180	321.124

The sales from electricity deliveries comprise various grants in the amount of EUR 29 thousand (previous year: EUR 13,375 thousand).

Other sales essentially consist of income from the reversal of contributions to construction costs, income from de-stocking at subsidiary companies, lease settlements with regard to long-term assets as well as rent invoiced to subsidiary companies.

The change in revenues can be attributed to the fact that the power plant operating control model existed until 30 September 2014 and was replaced with a lease model in the 2014/2015 fiscal year.

Other operating income

	2014/2015	Previous year
	in EUR 1.000	in EUR 1.000
Income from the disposal of and the write-up of long-term assets with the exception of financial assets	1.610	1.023
Earnings of liquidation reserves	0	5.030
Other	7.639	10.044
	9.249	16.097

The income from the reversal of accruals concern the discontinuation of pending purchase-price repayments due to the obtained legal approvals and the reduction of the provisions formed the previous year for the close-down of the Riedersbach coal-fired power plant amounting to EUR 1,400 thousand.

Other operating income essentially consists of income from lease and rent revenues, income from the use of investment grants, income from insurance refunds, income from construction activities entered on the assets side, income from further settlements as well as income from the reversal of the special item for emission certificates corresponding to the utilisation and write-down of the certificates.

Cost of material and other procured manufacturing rights

	2014/2015	Previous year
	in EUR 1.000	in EUR 1.000
Cost of materials	126.708	99.714
Cost of purchased services	204	141
	126.912	99.855

The most important items under "Cost of materials" are the electricity procured from electricity supply contracts that remained with Energie AG Oberösterreich, the use of gas, the use of primary energy, the use of materials for de-stocking at subsidiary companies, as well as third-party materials.

Personnel expenses

	2014/2015	Previous year
	in EUR 1.000	in EUR 1.000
Wages	5	5
Salaries	9.459	9.359
Expenses for severance payments and payments to company pension funds	713	867
Expenses for old-age pensions	2.982	3.853
Expenses for statutory social security charges, as well as remuneration-dependant payments and compulsory contributions	1.932	1.947
Other social contributions	596	2.084
	15.687	18.115

Due to the abolition of the corridor method, the expenses for severance payments and payments to company pension funds and expenses for old-age pensions In the year under report contain one fifth of the actuarial losses not recorded in the balance sheet as of 30 September 2013, amounting to EUR 1,476 thousand, as well as the actuarial losses from 2014/2015 amounting to EUR 1,065 thousand.

As of the year under report, the interest paid in association with provisions for severance payments, old-age pensions, anniversary bonuses, stepped pensions and early retirement is shown in the financial result under interest and similar expenses.

The expenses for severance payments and payments to company pension funds include expenses for Members of the Board of Management and senior staff members amounting to EUR 68 thousand (previous year: EUR 58 thousand).

The expenses for old-age pensions include expenses for Members of the Board of Management and senior staff members in the amount of EUR 550 thousand (previous year: EUR 631 thousand).

The item "expenses for severance payments and payments to company pension funds" includes expenses for pension funds in the amount of EUR 63 thousand (previous year: EUR 65 thousand).

Depreciation and Amortisation

Ordinary depreciation and amortisation relate entirely to the amortisation of intangible assets and depreciation on fixed assets and are presented in the analysis of assets. In the 2014/2015 fiscal year, an unscheduled depreciation of the 7 Fields Gas Storage Facility occurred in the amount of EUR 3,226 thousand. The previous year held unscheduled depreciations of tangible fixed assets in the amount of EUR 15,996 thousand. These included, in the 2013/2014 fiscal year, an unscheduled depreciation in the amount of EUR 9,204 thousand of the 7 Fields Gas Storage Facility and in the amount of EUR 3,383 thousand on the Timelkam biomass power plant. Other unscheduled depreciations in the previous year concerned a property in Riedersbach as well as power plants.

Other operating expenses

	2014/2015	Previous year
	in EUR 1.000	in EUR 1.000
Taxes, insofar as not qualified as taxes on income	211	180
Other	50.882	110.792
	51.093	110.972

Other operating expenses comprise expenses for intra-group charges resulting from services, administrative expenses, reimbursements of expenses, insurance premiums, expenses for rent, losses from the disposal of tangible fixed assets, as well as allocations to valuation adjustments.

Losses from the disposal of tangible fixed assets amount to EUR 527 thousand (previous year: EUR 746 thousand) and essentially relate to electrical plants.

The change in expenses can be traced back to the fact that the power plant operating control model existed until 30 September 2014 and was replaced with a lease model in the 2014/2015 fiscal year.

As the company auditor is also the auditor of the financial statements of Energie AG Oberösterreich, Linz, in which the company is integrated (as a fully consolidated company), reference is made to the corresponding information in the Group's notes with regard to the expenses for the auditor in fiscal 2014/2015.

Earnings from shareholdings

Earnings from shareholdings in the amount of EUR 123,352 thousand (previous year EUR 38,541 thousand) include distribution of non-cash assets of Energie AG Oberösterreich Service- und Beteiligungsverwaltungs-GmbH in the amount of EUR 112,079 thousand as well as distribution of non-cash assets of Energie AG Oberösterreich Kraftwerke GmbH in the amount of EUR 950 thousand. The fulfilment of non-cash asset distributions took place through proportional transfer of the grid control operational unit, the company of OÖ. Ferngas Netz GmbH and the company of OÖ. Ferngas Aktiengesellschaft as well as the transfer of the company of Energie AG Oberösterreich Fair Energy GmbH and the company of Energie Austria GmbH as part of the corporate changes steps described under I. General Explanations.

The corporate changes described under I. General Explanations resulted in a total merger profit in the amount of EUR 4,727 thousand, which is included in the earnings from shareholdings.

In addition, earnings from shareholdings also include dividend payouts in the same period in the amount of EUR 2,000 thousand (previous year EUR 35,143 thousand).

Other interest and similar income

	2014/2015	Previous year
	in EUR 1.000	in EUR 1.000
Interest	2.676	625

Income from disposals and write-ups of financial assets

	2014/2015	Previous year
	in EUR 1.000	in EUR 1.000
Income from disposals of financial assets	285	1.368
Write-ups of financial assets	29.197	0
	29.482	1.368

Expenses for other financial assets

	2014/2015	Previous year
	in EUR 1.000	in EUR 1.000
Depreciations	102.189	16.306
Book value from disposal of securities	50	0
Book value from disposal of loans	10	681
Loss due to corporate consolidation	1.553	0
Loss assumption	7.917	25.724
	111.719	42.711

Depreciations relate to shares in affiliated companies in the amount of EUR 101,802 thousand (previous year: EUR 13,984 thousand), other shareholdings in the amount of EUR 10 thousand (previous year EUR 0 thousand), securities (loan stock rights) held as assets in the amount of EUR 378 thousand (previous year EUR 738 thousand) and loans in foreign currency in the amount of EUR 0 thousand (previous year EUR 1,584 thousand). The interest in Energie AG Oberösterreich Service- und Beteiligungsverwaltungs-GmbH was reduced through the rendering of non-cash assets in the amount of EUR 101,400 thousand (dividend-related partial write-downs).

The expenses due to transfer-of-loss agreements amount to EUR 7,917 thousand (previous year: EUR 25,724 thousand).

Interest and similar expenses

This item contains, since the previous year the interest paid for provisions for severance payments, old-age pensions, anniversary bonuses, stepped pension and early retirement amounting to EUR 820 thousand (previous year EUR 985 thousand) and the interest gains from budgeted assets in the amount of EUR 256 thousand (previous year EUR 308 thousand).

Income taxes

The change in untaxed reserves resulted in an increase of corporate income tax in the amount of EUR 795 thousand (previous year: EUR 1,211 thousand).

Deferred tax income in the amount of EUR 2,694 thousand (previous year: EUR 1,290 thousand) was entered during the fiscal year.

In fiscal 2014/2015, income taxes include aperiodic expenses from the audit 2010-2012 in the amount of EUR 1,126 thousand (previous year: EUR 409 thousand).

Receivables and/or payables relating to affiliated companies contain outstanding tax apportionment repayments relating to members of the Group amounting to EUR 3,660 thousand as well as additional tax apportionment claims amounting to EUR 7,510 thousand. The reclaim of tax apportionment disclosed in relation to the Group's holding company OÖ Landesholding GmbH amounts to EUR 1,362 thousand (previous year: EUR -22,731 thousand).

IV. Notes to the Balance Sheet

Long-term Assets

The position "Development of Long-term Assets" (Annex 2 to the Notes) shows, in addition to the legally required outline and annual development, the company-specific composition of the assets. In the corporate changes column, the merger values of the assets of OÖ. Ferngas Aktiengesellschaft, OÖ. Ferngas Netz GmbH, OÖ. Ferngas Service GmbH and of Energie Austria GmbH are shown.

Intangible assets

In addition to electricity procurement rights, intangible assets also comprise various EDP software programmes, user rights for various plants, rental rights etc.

Tangible fixed assets

The full amount of low-value items, which comes to EUR 564 thousand in the year under review (previous year: EUR 286 thousand), was written off during the year of acquisition.

The individual components under "Land and buildings" show a value for land in the amount of EUR 31,018 thousand (previous year: EUR 29,442 thousand).

On account of long-term rent, lease and leasing agreements, there are commitments for the use of tangible fixed assets not shown in the balance sheet in the amount of EUR 2,002 thousand (previous year: EUR 2,042 thousand) for the subsequent fiscal year. The commitments for the next five years amount to EUR 9,895 thousand (previous year: EUR 10,057 thousand).

Financial assets

The table below provides information about the relevant data for those investments which account for a minimum stake of 20 % as at 30 September 2015.

	Share capital	Share in company		Equity of company	Net loss / net income for the year
	in EUR 1.000	%	in EUR 1.000	in EUR 1.000	in EUR 1.000
Affiliated companies					
Oberösterreichische Gemeinnützige Bau- und Wohngesellschaft mit beschränkter Haftung, Linz	730	100	730	5.539	251 ¹⁾
Energie AG Oberösterreich Service- und Beteiligungsverwaltungs-GmbH, Linz	35	100	35	291.717	39.376
Energie AG Oberösterreich Wärme GmbH, Linz	1.050	100	1.050	10.834	-1.804
Energie AG Oberösterreich Vertrieb GmbH & Co KG, Linz	40	100	40	48.254	35.065
Energie AG Oberösterreich Umwelt Service GmbH, Linz	150	100	150	56.423	1.307
Energie AG Group Treasury GmbH, Linz	35	100	35	12.946	2.163
Energie AG Oberösterreich Wasser GmbH, Linz	500	100	500	39.875	2.271
Netz Oberösterreich GmbH, Linz	5.000	100	5.000	70.449	10.503
Energie AG Oberösterreich Trading GmbH Linz	150	100	150	25.363	6.309
Energie AG Oberösterreich Kraftwerke GmbH, Linz	150	100	150	22.957	5.306
Energie AG Oberösterreich Tech Services GmbH, Linz	150	100	150	5.366	-3.200
Energie AG Oberösterreich Business Services GmbH, Linz	35	100	35	621	-3.957
Energie AG Oberösterreich Customer Services GmbH, Linz	35	100	35	2.089	78
Energie AG Oberösterreich Data GmbH, Linz	150	100	150	7.516	-451
Energie AG Oberösterreich Personalmanagement GmbH, Linz	35	100	35	9	-679
Energy IT Service GmbH, Linz	45	33,3	15	107	5
Cogeneration-Kraftwerke Management Oberösterreich GmbH, Linz	100	99,9	100	²⁾	²⁾
Energie AG Oberösterreich Kraftwerke Labenbach GmbH.....	44	100	44	246	202
Energie AG Oberösterreich Power Solutions GmbH, Linz.....	35	100	35	19.045	2.081
ENSERV Bohemia s.r.o., Budweis.....	54	100	54	133	-2 ¹⁾
Other investments					
Ennkraftwerke Aktiengesellschaft, Steyr	3.400	50	1.700	14.106	395 ¹⁾
Geothermie-Wärmegesellschaft Braunau-Simbach mbH, Braunau	37	25	9	2.619	260 ¹⁾
Geothermie-Fördergesellschaft Simbach-Braunau mbH, Simbach	1.410	25	353	1.763	89 ¹⁾

1) Values as at 31.12.2014

2) Use of the safeguard clause in § 241 (2) item 2 of the Austrian Commercial Law Code

The corporate changes described under I. General Explanations led to a merger-related disposal of the shareholding in OÖ. Ferngas Aktiengesellschaft and the merger-related addition of the shareholding in Energie AG Oberösterreich Power Solutions GmbH (formerly OÖ. Gas-Wärme GmbH).

Under securities (loan-stock rights) held as assets, dividend-equivalent earnings in the total amount of EUR 531 thousand (previous year EUR 1,237 thousand) are recognised.

The amount of the omitted allocation is EUR 181 thousand (previous year EUR 176 thousand) for securities in the reporting year.

An amount of EUR 35,702 thousand (previous year: EUR 7,535 thousand) relates to loans to affiliated companies with a residual term of up to one year.

During the reporting year, the impairment test of Energie AG Oberösterreich Personalmanagement GmbH required a value write-down of EUR 402 thousand. The book value of the participating interest of Energie AG Oberösterreich Service- und Beteiligungsverwaltungs-GmbH was reduced by EUR 101,400 thousand due to distribution of non-cash assets (dividend-related partial value write-down).

Current assets

Inventories

	30.09.2015	Previous year
	in EUR 1.000	in EUR 1.000
1. Raw materials and supplies	23.525	36.566
2. Work in progress	0	230
	23.525	36.796

The integration of the power plant operational unit of Energie AG Oberösterreich into Energie AG Oberösterreich Kraftwerke GmbH led to the transfer of the coal and heating oil inventories in the amount of EUR 6,680 thousand.

Accounts receivable and other assets

	Balance sheet 30.09.2015	thereof with remaining maturity > 1 Jahr	thereof with secured bills of exchange	Accruals carried as assets
	in EUR 1.000	in EUR 1.000	in EUR 1.000	in EUR 1.000
1. Trade receivables	1.456	0	0	0
previous year	1.845	0	0	0
2. Trade receivables from affiliated companies	18.761	0	0	0
previous year	72.264	0	0	0
3. Trade receivables from associated companies	1.499	0	0	578
previous year	0	0	0	0
4. Other receivables and assets	6.329	0	0	2.976
previous year	10.419	26	0	4.879
	28.045	0	0	3.554
previous year	84.528	26	0	4.879

Trade receivables from affiliated companies in the amount of EUR 18,761 thousand (previous year: EUR 72,264 thousand) consist of trade receivables with EUR 13,769 thousand (previous year: EUR 13,345 thousand), financial claims with EUR 561 thousand (previous year: EUR 4,651 thousand), other receivables with EUR 9,510 thousand (previous year: EUR 62,194 thousand) including receivables from a positive tax distribution with EUR 7,510 thousand (previous year: EUR 27,050 thousand) and from simultaneous dividend distributions with EUR 2,000 thousand (previous year: EUR 35,143 thousand), trade payables with EUR 6,918 thousand (previous year: EUR 3,814 thousand) and other liabilities with EUR 0 (previous year: EUR 4,536 thousand).

In fiscal 2014/2015, 257,540 emission certificates were returned from the purchased certificate inventory.

The acquisition costs of the gratuitous CO₂ certificates, as carried forward, amount to EUR 3,162 thousand. On the balance sheet date, the price of CO₂ certificates was EUR 8.15, which means that the total value of the gratuitous certificates as at 30 September 2015 comes to EUR 3,162 thousand.

The book value of the purchased CO₂ certificates as at 30 September 2014 amounts to EUR 46 thousand.

The integration of the power plant operational unit of Energie AG Oberösterreich into Energie AG Oberösterreich Kraftwerke GmbH led to the transfer of receivables and other assets in the amount of EUR 571 thousand.

Own shares

An amount of EUR 7,879 thousand of the shares, which the Federal Province of Upper Austria transferred gratuitously as a shareholder's contribution during fiscal 2006/2007 were acquired by a defined group of staff members of the Energie AG Oberösterreich Group at favourable prices in the course of introducing a staff participation model. As at the balance sheet date, the

company holds shares in the amount of EUR 6,434 thousand (previous year: EUR 6,367 thousand) from former staff members as well as from staff members who opted to sell the employee shares at the end of the five-year retention period.

Accrued expenses

The discount on cost of finance, carried under assets, and the portions of issuing costs for bonds are written off in keeping with the terms of these bonds.

Equity

Share capital

The share capital amounts to EUR 89,087,750.00 and is made up of 89,087,750 individual share certificates (of which 88,600,000 are ordinary shares and 487,750 preferred shares without voting rights) with a par value per share of EUR 1.00, although all of the ordinary shares as well as the preferred shares without voting rights are registered on the bearer's name.

At the General Shareholders' Meeting on 3 July 2008, the Board of Management was authorised, in keeping with § 159 (3) of the Austrian Stock Corporation Act, to increase the share capital of the company by a maximum of EUR 2,800 thousand, by way of issuing individual bearer share certificates in the form of preferred shares without voting rights during an authorised period of five years, as of the registration of the amendment to the company's articles of incorporation in the company register (authorised capital stock).

The company has not availed of this right in the last few years due to the economic and financial crisis.

As this 5-year period would have expired on the 8 July 2013, the resolution of the ordinary general meeting of the 3 July 2008 was repealed at the ordinary general meeting of Energie AG on 20 December 2012 and revised, so that the 5-year period for the issuing of further tranches is again secured.

In addition, following negotiations concerning detailed conditions between the Board of Management of Energie AG Oberösterreich, Energie AG Belegschaft Privatstiftung and the Works Council at the General Meeting on 20 December 2012, the partial utilisation of the authorised capital in the form of an anniversary instalment (discounted purchase of shares on the occasion of the 120-year anniversary) was approved. On the occasion of the anniversary instalment, 87,750 no-par bearer shares were subscribed and the company's share capital was increased by EUR 87,750.00.

The company has non-distributable reserves in the amount required by law.

Capital reserves

The reserve relates to the non-distributable capital reserve.

The non-distributable capital reserve covers the statutory reserve in the amount of EUR 908,775.00.

Reserve for own shares

The reserve for own shares was increased by the number of shares acquired.

Revenue reserves

	30.09.2015	Previous year
	in EUR 1.000	in EUR 1.000
1. Statutory reserve	8.000	8.000
2. Other reserves (distributable reserves)	395.737	389.798
	403.737	397.798

Free reserves were transferred in the 2014/15 fiscal year in the amount of EUR 68 thousand (previous year EUR 40 thousand) to the treasury stock reserve. During the fiscal year, an endowment in the amount of EUR 6,006 thousand took place. In the previous year, an amount of EUR 71,045 thousand was reversed.

Untaxed reserves

The "Development of Untaxed Reserves" (Annex 3 to the Notes) shows the various components and the development in the course of the year under review. In the column labeled corporate changes, the merger values of untaxed reserves of the companies OÖ. Ferngas Aktiengesellschaft, OÖ. Ferngas Netz GmbH, OÖ. Ferngas Service GmbH and Energie Austria GmbH are reported.

Investment subsidies

The position "Changes in Investment Subsidies" (Appendix 4 to the Notes) shows the composition and annual movement. In the corporate changes column, the merger values of the investment subsidies of OÖ. Ferngas Service GmbH and of Energie Austria GmbH are shown.

Provisions

	30.09.2015	Previous year
	in EUR 1.000	in EUR 1.000
1. Provisions for severance payments	2.934	2.505
2. Provisions for pensions	11.706	9.327
3. Provisions for taxes	45.510	44.818
(thereof deferred taxes: EUR 32.547 thousand; previous year: EUR 35.241 thousand) ...		
4. Other provisions	22.553	17.481
	82.703	74.132

As a result of unrealised actuarial losses being spread over a five-year period, the provision for severance payments and pensions developed as shown below:

	30.09.2015	Previous Year
	in EUR 1.000	in EUR 1.000
DBO 30.09.2015	3.745	3.587
3/5 (previous year 4/5) respectively non-recorded actuarial loss on September 30, 2014	-811	-1.082
Provision for severance payments 30.09.2015 (balance sheet value)	2.934	2.505
DBO 30.09.2015	24.857	23.724
3/5 (previous year 4/5) respectively non-recorded actuarial loss on September 30, 2014	-3.618	-4.824
Fair value of the plan assets	-9.533	-9.573
Pension provision 30.09.2015 (balance sheet value)	11.706	9.327

The plan assets included in the calculation were transferred to Valida Pensions AG.

Tax liabilities

The calculation of the deferred tax liabilities is based on the tax rate of 25 percent, applicable on the reporting date. Differentials between the values entered in the tax balance sheet and the corporate balance sheet only contain deferred taxes if they are limited in time. A valid fiscal relevance is assumed for differentials that continue to be shown. Deferred taxes carried as assets are offset against deferred taxes carried as liabilities.

A provision for tax arrears in the amount of EUR 13,045 thousand (previous year: EUR 9,578 thousand) was formed for tax losses from Group members realised by the holding company of the Group.

The deferred tax liabilities in the amount of EUR 32,547 thousand (previous year: EUR 35,241 thousand) are long-term liabilities.

Other provisions

Other provisions consist essentially of commitments to the staff (stepped pensions, anniversary bonuses, early retirement, personnel flow), uncertain liabilities, e.g. costs for the closure of the coal-fired power plant Riedersbach and from commitments relating to emissions certificates that have to be surrendered. In fiscal year 2014/2015, a provision for environmental liabilities was set aside amounting to EUR 2,707 thousand.

Obligations resulting from outstanding suppliers' invoices are shown under trade payables; certain commitments to the staff (unused holiday leave, Christmas remunerations, holiday allowances, general bonuses and similar items) are shown under other liabilities.

Liabilities

	Balance sheet value 30.09.2015	thereof with a remaining maturity of < 1 year	thereof with a remaining maturity of 1 - 5 years	thereof with a remaining maturity of > 5 years	With real security	Type of security	thereof accruals carried as liabilities
	in EUR 1.000	in EUR 1.000	in EUR 1.000	in EUR 1.000	in EUR 1.000		in EUR 1.000
1. Bonds	300.001	1	0	300.000	0		0
previous year	300.001	0	1	300.000	0		0
2. Bank loans and overdrafts	77.684	284	32.237	45.162	0		0
previous year	32.761	286	262	32.212	0		0
3. Advances from customers	1	1	0	0	0		0
previous year	1	1	0	0	0		0
4. Trade payables to third parties	9.597	9.597	0	0	0		0
previous year	23.634	23.634	0	0	0		0
5. Payables to affiliated companies	809.591	809.591	0	0	0		0
previous year	826.474	761.974	64.500	0	0		0
6. Payables to associated companies	14.487	14.487	0	0	0		0
previous year	11.207	11.207	0	0	0		0
7. Other liabilities	60.695	56.495	1.574	2.626	4	Mortgage	19.563
previous year	37.694	33.044	1.407	3.242	5	Mortgage	24.603
	1.272.056	890.456	33.812	347.789	4		19.563
previous year	1.231.771	830.146	66.171	335.455	5		24.603

Liabilities to affiliated companies in the amount of EUR 809,591 thousand (previous year: EUR 826,474 thousand) consist of trade payables with EUR 556 thousand (previous year: EUR 1,420 thousand), financial liabilities with EUR 798,640 thousand (previous year: EUR 778,650 thousand), other liabilities with EUR 10,668 thousand (previous year: EUR 46,504 thousand) and trade receivables with EUR 10 thousand (previous year: EUR 100 thousand). Out of the other liabilities in the amount of EUR 10,668 thousand, EUR 7,836 thousand relate to the one-off loss absorption of Energie AG Oberösterreich Tech Services GmbH, Energie AG Oberösterreich Personalmanagement GmbH and Energie AG Oberösterreich Business Services GmbH.

Liabilities to associated companies with a total of EUR 14,487 thousand (previous year EUR 11,207 thousand) comprise EUR 15,182 thousand in accounts payable arising from supplies and services and EUR 695 thousand in receivables from apportioned taxes.

The main parts of the other liabilities concern tax liabilities of EUR 33,362 thousand (previous year EUR 8,069 thousand), liabilities relating to social security of EUR 556 thousand (previous year EUR 541 thousand), outstanding interest charges of EUR 13,638 thousand (previous year EUR 15,192 thousand) and a liability from the negative market value of derivatives without a hedging relationship as of the reporting date with EUR 0 thousand (previous year EUR 3,791 thousand).

Information on financial instruments

On the balance sheet date, **derivative financial instruments** comprise the following items:

	Contract value	Term	Current value		Book value in EUR 1.000	Balance sheet item
			positive	negative		
			in EUR 1.000	in EUR 1.000		
Interest swaps bond (fixed interest remitte) .	EUR 75 mill.	2025	3.240	0	0	-
previous year	EUR 100 mill.	2025	5.188	0	0	-
Interest swaps loans (fixed interest payer)	EUR 5 mill.	2018	0	944	944	other accounts payable
	EUR 38 mill.	2020	0	3.102	0	-
	EUR 56 mill.	2023	0	5.533	0	-
	EUR 32 mill.	2028	0	10.241	0	-
	EUR 10 mill.	2028	0	134	134	other accounts payable
previous year	EUR 141 mill.		0	19.954	1.078	
	EUR 226 mill.		0	25.419	3.791	

Derivative financial instruments, which are not shown in the balance sheet, are used to partially hedge the risks of interest rate changes incurred with bonds and loans. In case there is no hedging relationship and a negative market value is recorded, a reserve will be set aside. Swap valuation is the result of discounting the future cash flows (present value method) on the basis of an interest curve as expected on 30 September 2015. A department independent of the credit institute concerned with the trading provides the interest curve.

The derivative financial instruments used for hedging purposes are regularly tested for effectiveness in order to assess their compensating effect and hence, the effectiveness of the hedging relationships.

Contributions to construction costs

This item mainly includes financing contributions collected from electricity customers.

They are re-transferred over a 20 year period with effect on the result.

Since the 2005/2006 fiscal year, the collection of construction cost subsidies takes place as part of new power connections through Netz Oberösterreich GmbH. With the merger of OÖ. Ferngas Netz GmbH, financing contributions collected from gas customers were acquired in the amount of EUR 56,634 thousand. With the merger of OÖ. Ferngas Service GmbH financing contributions collected from telecommunication customers were acquired in the amount of EUR 1,058 thousand.

Deferred income and accrued expenses

Deferred income and accrued expenses essentially comprise the premium spread out over the term of issued bonds and accruals of the due amounts.

Contingent liabilities

	30.09.2015	thereof vis-à-vis affiliated companies	Previous year	thereof vis-à-vis affiliated companies
	in EUR 1.000	in EUR 1.000	in EUR 1.000	in EUR 1.000
Liabilities under bill of exchange	2.000	2.000	2.000	2.000
Guarantees due to Cash-Pooling	655.906	655.906	619.316	619.316
Guarantees due to energy trading	66.922	66.922	91.594	91.594
Other guarantees	182.589	149.999	247.094	212.969
Total guarantees	905.417	872.827	958.004	923.879
	907.417	874.827	960.004	925.879

The guarantees comprise liabilities to third parties assumed for loans which various credit institutions granted to affiliated companies of Energie AG. Guarantees and letters of comfort were granted to trading partners of Energie AG Oberösterreich Trading GmbH relating to energy trading transactions. In the form of a guarantee bond, Energie AG undertook to secure any claims incurred in the context of the cash pooling system by the parties to the contract. These claims amounted to EUR 656 million as at 30 September 2015. Taking into account Energie AG's own pooling liability, the economic net guarantee item amounts to EUR 67.3 million.

V. Other disclosures

Other financial commitments

With the master agreement dated 29 June 2008, the company and Linz AG für Energie, Telekommunikation, Verkehr und Kommunale Dienste, Linz, undertook to cover all balance sheet losses of ENAMO GmbH, Linz, to the extent that this is necessary to maintain the equity in the books at an amount of EUR 8,000 thousand. In the current fiscal year, there was no loss assumption (previous year: EUR 117 thousand).

In the form of one-time transfer-of-loss agreements, Energie AG Oberösterreich has undertaken to cover the full annual loss of Energie AG Oberösterreich Personalmanagement GmbH, Energie AG Oberösterreich Tech Services GmbH and Energie AG Business Services GmbH for the fiscal year 2014/2015. The assumed loss of the companies amounts to EUR 7,836 thousand.

On November 6, 2015 Energie AG Oberösterreich has already committed to a loss transfer provision in fiscal year 2015/2016 for Energie AG Oberösterreich Business Services GmbH, Energie AG Oberösterreich Personalmanagement GmbH, Energie AG Oberösterreich Tech Services GmbH and Energie AG Oberösterreich Kraftwerke GmbH as well as to a nonbinding letter of comfort for Energie AG Oberösterreich Business Services GmbH, Energie AG Oberösterreich Personalmanagement GmbH and Energie AG Oberösterreich Kraftwerke GmbH, which are not yet accounted for in the balance sheet as of 30.09.2015, but which may have financial implications for Energie AG Oberösterreich in fiscal year 2015/2016.

Corporate bodies, staff

The remunerations of the Board of Management and of the Supervisory Board are as follows:

	2014/2015	Previous year
	in EUR 1.000	in EUR 1.000
Board of Management	837	831
Former Members of the Board of Management and their dependents	741	864
Supervisory Board	95	114

The mean staff figure for the fiscal year is as follows:

	2014/2015	Previous year
Salaried employees	91	90

The separate table lists the Members of the Board of Management and the Members of the Supervisory Board (Annex 1 to the Notes).

Unbundling

In addition to the previous unbundling of functions and accounting, Energie AG implemented the unbundling requirement under corporate law (legal unbundling) by setting up legally autonomous companies during fiscal 2006/2007.

Under § 8 (3) EIWOG and § 8 (3) GWG, the following identifiable transactions are executed with affiliated companies:

Management of electricity and gas assets,

Trading services	Energie AG OÖ Trading GmbH
Electricity purchases	Energie AG OÖ Vertrieb GmbH & Co KG
Network services	Netz OÖ GmbH
Heat supply	Energie AG OÖ Wärme GmbH
Fuel purchases	Energie AG OÖ Umwelt Service GmbH
Energy services, technical services, heat supply	Energie AG OÖ Power Solutions GmbH
Data/Telecommunication	Energie AG OÖ Data GmbH
Economic/legal services	Energie AG OÖ Business Services GmbH
Personnel management services	Energie AG OÖ Personalmanagement GmbH

Assets, holding services

Energie AG OÖ Vertrieb GmbH & Co KG, Netz OÖ GmbH, Energie AG OÖ Wärme GmbH, Energie AG OÖ Kraftwerke GmbH, Energie AG OÖ Data GmbH, Energie AG OÖ Trading GmbH, Energie AG OÖ Business Services GmbH, Energie AG OÖ Tech Services GmbH, Cogeneration-Kraftwerke Management OÖ GmbH, Energie AG OÖ Umwelt Holding GmbH, Energie AG OÖ Power Solutions GmbH

The allocation of the balance sheet as at 30 September 2015 into the areas of electricity production and electricity trade, electricity and gas network area and other activities (Annex 7 to the Notes) in accordance with the allocation principles described in Annex 7 to the Notes, is used to show the capital structure as part of the cost examination of Energie-Control Austria for the regulation of the electricity and natural gas industry.

Linz, November 27, 2015


The Board of Management of Energie AG Oberösterreich



Generaldirektor Dr. Leo Windtner
Chairman of the Board of Management



KommR Ing. DDr. Werner Steinecker MBA
Member of the Board of Management



Dr. Andreas Kolar
Member of the Board of Management

Corporate Bodies (Annex 1 to the Notes)

SUPERVISORY BOARD

Gerhard Falch	CEO, Chairman, Ranshofen
Hermann Kepplinger	First Deputy Chairman, Linz
Heinrich Schaller	CEO, Second Deputy Chairman, Linz
Wolfgang Dopf	Member of the Management Board, Linz (since December 18, 2014)
Alois Froschauer	CEO, Linz (until December 18, 2014)
Miriam Eder	Unit Director, Linz (since January 1, 2015)
Florian Hagenauer	Member of the Management Board, Linz
Anna Maria Hochhauser	Secretary General, Vienna
Michaela Keplinger- Mitterlehner	Member of the Management Board, Linz
Manfred Klicnik	Attorney at Law, Linz (until December 18, 2014)
Ruperta Lichtenecker	Member of the National Council, Linz
Stefan Lang	Attorney at Law, Linz (since December 18, 2014)
Kathrin Renate Kühtreiber- Leitner	Mayor, Hagenberg
Manfred Polzer	Managing Director, Linz (until December 31, 2014)
Viktor Sigl	President of the Provincial Parliament, Linz
Michael Strugl	Member of the Provincial Government, Linz
Bruno Wallnöfer	CEO, Innsbruck

Works Council Representatives

Robert Gierlinger	Chairman of Works Council, Neustift i.M.
Manfred Harringer	Chairman of Works Council, Linz (until March 3, 2015)
Isidor Hofbauer	Chairman of Works Council, St. Radegund
Peter Neißl	Chairman of Works Council, Hartkirchen
Bernhard Steiner	Chairman of Group Works Council, Ottensheim
Friedrich Scheiterbauer	Chairman of Works Council, Hörsching (since March 3, 2015)
Gerhard Störinger	Chairman of Central Works Council, Zell am Petten- first
Egon Thalmeier	Chairman of Central Works Council, Ampflwang

BOARD OF MANAGEMENT

Leo Windtner

Chief Executive Officer, Chairman of the Board of Management, St. Florian

Andreas Kolar

Member of the Board of Management, Steyr

Werner Steinecker

Member of the Board of Management, Kirchschlag

Development of Long-term Assets (Annex 2 to the Notes)

	Cost of purchase or production						Accumulated depreciation	Book value 30.09.2015	Book value previous year	Write-ups in fiscal year	Depreciations in fiscal year
	As at 01.10.2014	Additions due to corporate changes 2014/2015	Additions 2014/2015	Disposals 2014/2015	Reclassification 2014/2015	As at 30.09.2015					
	EUR		EUR	EUR	EUR	EUR					
I. Intangible assets											
1. Electricity procurement rights	215.072.964,6	0,00	1.140.770,43	0,00	0,00	216.213.735,04	172.375.628,56	43.838.106,48	47.018.544,74	0,00	4.321.208,69
2. Other rights	79.885.581,93	9.481.266,40	1.776.038,25	722.917,17	0,00	90.419.969,41	59.588.120,33	30.831.849,10	33.070.011,79	0,00	5.897.682,87
Total for Intangible assets	294.958.546,54	9.481.266,40	2.916.808,68	722.917,17	0,00	306.633.704,45	231.963.748,89	74.669.955,58	80.088.556,53	0,00	10.218.891,56
II. Tangible fixed assets											
1. Electricity equipment											
1. 1 Power plants											
Land and buildings	421.299.630,7	19.931.878,14	9.047,78	761.503,16	14.388,22	440.493.441,69	330.302.299,67	110.191.142,02	99.275.195,82	0,00	7.058.882,37
Technical plant and machinery	557.479.524,06	7.463.793,17	63.806,45	1.655.065,35	0,00	563.352.058,33	525.945.382,40	37.406.675,93	35.983.581,16	0,00	4.462.101,13
Advances received and assets under construction	2.232.902,16	0,00	4.657.930,90	134.285,88	0,00	6.756.547,16	0,00	6.756.547,16	2.232.902,16	0,00	0,00
Total for power plants	981.012.056,93	27.395.671,31	4.730.785,13	2.550.854,39	14.388,22	1.010.602.047,20	856.247.682,07	154.354.365,13	137.491.679,16	0,00	11.520.983,50
1. 2 Substations and distribution equipment											
Land and buildings	132.322.490,79	0,00	1.477.613,22	141.209,71	160.054,92	133.818.949,22	102.971.889,33	30.847.059,89	31.361.109,35	0,00	2.117.078,46
Technical plant and machinery	514.746.047,38	0,00	20.635.154,61	5.367.241,23	2.504.624,14	532.518.584,90	378.756.429,98	153.762.154,92	146.426.010,05	0,00	15.368.561,67
Lines	1.114.309.432,77	0,00	37.506.019,42	4.393.078,44	3.338.038,91	1.150.760.412,66	756.319.149,97	394.441.262,69	387.739.956,85	0,00	33.778.743,69
Advances received and assets under construction	10.737.861,61	0,00	6.415.476,95	8.538,26	-6.002.717,97	11.142.082,37	0,00	11.142.082,37	10.737.861,61	0,00	0,00
Total for substations and distribution equipment	1.772.115.832,55	0,00	66.034.264,24	9.910.067,64	0,00	1.828.240.029,15	1.238.047.469,28	590.192.559,87	576.264.937,86	0,00	51.264.383,84
Total for electricity equipment	2.753.127.889,48	27.395.671,31	70.765.049,37	12.460.922,03	14.388,22	2.838.842.076,35	2.094.295.151,35	744.546.925,00	713.756.617,02	0,00	62.785.367,34

	Cost of purchase or production						Accumulated depreciation	Book value 30.09.2015	Book value previous year	Write-ups in fiscal year	Depreciations in fiscal year
	As at 01.10.2014	Additions due to corporate changes 2014/2015	Additions 2014/2015	Disposals 2014/2015	Reclassification 2014/2015	As at 30.09.2015					
2. Gas supply assets											
Land and buildings	0,00	10.717.153,37	158.428,16	0,00	0,00	10.875.581,53	5.047.707,62	5.827.873,91	0,00	0,00	203.682,21
High pressure lines	0,00	236.891.912,41	1.430.404,09	0,00	0,00	238.322.316,50	134.402.748,23	103.919.568,21	0,00	0,00	3.751.219,76
Low pressure lines	0,00	351.935.790,04	6.456.858,97	0,00	286,75	358.392.935,79	188.761.888,54	169.631.047,22	0,00	0,00	6.742.855,29
Gas stations	0,00	35.000.482,67	236.231,52	0,00	0,00	35.236.714,19	20.039.566,69	15.197.147,50	0,00	0,00	852.176,24
Measurement devices	0,00	13.030.168,74	1.225.452,50	870.792,30	0,00	13.384.828,94	10.075.022,08	3.309.806,86	0,00	0,00	1.175.165,86
Advances received and assets under construction	0,00	826.538,86	248.213,20	2.746,11	-286,75	1.071.719,20	0,00	1.071.719,20	0,00	0,00	0,00
Total for supply assets	0,00	648.402.046,09	9.755.588,44	873.538,41	0,00	657.284.096,12	358.326.933,16	298.957.162,96	0,00	0,00	12.725.099,36
3. District heating equipment											
Land and buildings	2.263.542,13	0,00	0,00	0,00	0,00	2.263.542,13	1.686.360,94	577.181,19	606.959,26	0,00	29.778,07
Technical plant and machinery	17.422.678,94	0,00	0,00	0,00	0,00	17.422.678,94	13.590.506,37	3.832.172,57	4.240.620,93	0,00	408.448,36
Lines	361.189,34	0,00	0,00	0,00	0,00	361.189,34	361.189,34	0,00	0,00	0,00	0,00
Total for district heating equipment	20.047.410,41	0,00	0,00	0,00	0,00	20.047.410,41	15.638.056,65	4.409.353,76	4.847.580,19	0,00	438.226,43
4. Fixtures, fittings and other assets											
Land and buildings	85.143.590,07	12.614.763,93	182.568,76	362.803,00	370.672,36	97.948.792,14	48.090.139,34	49.858.652,80	46.038.055,21	0,00	2.034.418,55
Technical plant and machinery	176.942.299,58	17.483.510,39	16.252.191,41	208.170,89	2.584.150,47	213.053.980,96	124.557.243,73	88.496.737,23	69.415.024,59	0,00	9.922.460,74
Fixtures and fittings	66.438.080,29	4.253.918,99	2.042.879,21	2.001.396,88	53.022,12	70.786.503,73	59.790.535,87	10.995.967,86	12.015.791,59	0,00	4.084.734,71
Advances received and assets under construction	5.777.148,70	577.950,12	1.717.772,08	22.217,23	-3.022.233,17	5.028.420,50	0,00	5.028.420,50	5.777.148,70	0,00	0,00
Total for fixtures, fittings and other assets	334.301.118,64	34.930.143,43	20.195.411,46	2.594.588,00	-14.388,22	386.817.697,33	232.437.918,94	154.379.778,39	133.246.020,09	0,00	16.041.614,00
Total for tangible fixed assets	3.107.476.418,53	710.727.860,83	100.716.049,29	15.929.048,44	0,00	3.902.991.280,21	2.700.698.060,10	1.202.293.220,11	851.850.217,30	0,00	91.990.307,13
III. Financial assets											
1. Shares in affiliated companies	846.320.396,33	131.796.136,99	2.968.957,86	152.821.608,11	0,00	828.263.883,09	168.418.478,59	659.845.404,54	750.703.596,73	29.000.000,00	101.801.678,93
2. Loans to affiliated companies	262.325.254,79	0,00	9.089.785,17	140.833.188,19	0,00	128.371.769,29	3.158.371,69	125.213.397,60	258.772.200,09	197.180,61	1.584.141,02
3. Investments in associated companies	39.249.893,54	726.841,04	277.605,30	15.958.379,36	0,00	24.295.960,52	33.516,17	24.262.444,35	23.268.030,73	0,00	10.032,72
4. Securities (loan stock rights) held as long-term securities	158.225.439,28	1.613.533,00	2.839.984,06	605.023,00	0,00	162.073.933,34	1.846.133,67	160.227.799,67	157.287.930,07	0,00	377.504,46
Total for financial assets	1.172.167.498,46	134.136.511,03	67.103.958,42	223.349.488,96	0,00	1.098.130.852,92	172.484.176,89	925.646.676,03	1.056.472.955,13	29.197.180,61	102.189.216,11
Total for long-term assets	4.574.602.463,53	854.345.638,26	118.809.190,36	240.001.454,57	0,00	5.307.755.837,58	3.105.145.985,86	2.202.609.851,72	1.988.411.728,96	29.197.180,61	204.398.414,80

Development of Untaxed Reserves (Annex 3 to the Notes)

	As at 01.10.2014	Additions due to corporate changes 2014/2015	Additions 2014/2015	Reversals 2014/2015		Reclassification 2014/2015	As at 30.09.2015
				Consumption	Disposal		
	EUR		EUR	EUR	EUR	EUR	EUR
1. Value reserve on the basis of special depreciation (pursuant to § 8, § 122 Income Tax Act 1972, § 10a, § 12 Income Tax Act 1972 and 1988)							
I. Intangible assets							
1. Electricity procurement rights	4.252.226,05	0,00	0,00	1.300.556,91	0,00	0,00	2.951.669,14
2. Other rights	1.419.822,63	0,00	0,00	120.409,65	0,00	0,00	1.299.412,98
Total for intangible assets	5.672.048,68	0,00	0,00	1.420.966,56	0,00	0,00	4.251.082,12
II. Tangible fixed assets							
1. Electricity equipment							
1.1 Power plants							
Land and buildings	19.739.759,09	530.902,49	0,00	1.077.336,32	0,00	0,00	19.193.325,26
Technical plant and machinery.....	583.758,13	84.851,53	0,00	28.453,41	1.121,37	0,00	639.034,88
Advances received and assets under construction	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total for power plants	20.323.517,22	615.754,02	0,00	1.105.789,73	1.121,37	0,00	19.832.360,14
1.2 Substations and distribution equipment							
Land and buildings	2.048.511,58	0,00	0,00	1.942,46	0,00	0,00	2.046.569,12
Technical plant and machinery.....	5.063.781,47	0,00	0,00	-0,04	3.808,07	0,00	5.059.973,44
Lines	20.392.000,33	0,00	0,00	381.797,41	6.561,70	110,49	20.003.751,71
Advances received and assets under construction	36.162,25	0,00	0,00	0,00	0,00	-110,49	36.051,76
Total for substations and distribution equipment	27.540.455,63	0,00	0,00	383.739,83	10.369,77	0,00	27.146.346,03
Total for electricity equipment	47.863.972,85	615.754,02	0,00	1.489.529,56	11.491,14	0,00	46.978.706,17

	As at 01.10.2014	Additions due to corporate changes 2014/2015	Additions 2014/2015	Reversals 2014/2015		Reclassification 2014/2015	As at 2014/2015
				Consumption	Disposal		
	EUR		EUR	EUR	EUR	EUR	EUR
2. Gas supply assets							
Land and buildings	0,00	88.689,41	0,00	0,00	0,00	0,00	88.689,41
High pressure lines	0,00	502.820,97	0,00	0,00	0,00	0,00	502.820,97
Low pressure lines	0,00	3.197.915,96	0,00	0,00	0,00	0,00	3.197.915,96
Gas stations	0,00	750.762,91	0,00	0,11	0,00	0,00	750.762,80
Measurement devices	0,00	305.306,78	0,00	0,00	461,95	0,00	304.844,83
Advances received and assets under construction	0,00	113.397,72	0,00	0,00	0,00	0,00	113.397,72
Total for supply assets	0,00	4.958.893,75	0,00	0,11	461,95	0,00	4.958.431,69
3. District heating equipment							
Land and buildings	138.796,44	0,00	0,00	0,00	0,00	0,00	138.796,44
Technical plant and machinery	1.500.304,95	0,00	0,00	0,00	0,00	0,00	1.500.304,95
Lines	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Advances received and assets under construction	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total for district heating equipment	1.639.101,39	0,00	0,00	0,00	0,00	0,00	1.639.101,39
4. Fixtures fittings and other assets							
Land and buildings	3.665.910,28	0,00	0,00	14.827,56	20.776,92	0,00	3.630.305,80
Technical plant and machinery	3.294.907,23	537.787,54	0,00	11.957,21	0,00	0,00	3.820.737,56
Fixtures and fittings	498.910,77	44.029,27	0,00	6.826,59	0,00	0,00	536.113,45
Advances received and assets under construction	1.012,95	0,00	0,00	0,00	0,00	0,00	1.012,95
Total for fixtures, fittings and other assets	7.460.741,23	581.816,81	0,00	33.611,36	20.776,92	0,00	7.988.169,76
Total for tangible fixed assets	56.963.815,47	6.156.464,58	0,00	1.523.140,92	32.268,06	0,00	61.564.409,01
Total for valuation reserve	62.635.864,15	6.156.464,58	0,00	2.944.107,59	32.730,01	0,00	65.815.491,13
2. Other untaxed reserves							
Investment allowances							
1997	2.700,01	0,00	0,00	0,00	0,00	0,00	2.700,01
1999	2.429,34	0,00	0,00	0,00	202,37	0,00	2.226,97
2000	2.913,28	0,00	0,00	0,00	444,25	0,00	2.469,03
Total for other untaxed reserves	8.042,63	0,00	0,00	0,00	646,62	0,00	7.396,01
Total for untaxed reserves	62.643.906,78	6.156.464,58	0,00	2.944.107,59	33.376,63	0,00	65.822.887,14

Development of Investment Grants (Annex 4 to the Notes)

	as at 01.10.2014	Additions due to corporate changes 2014/2015	Additions 2014/2015	Reversals 2014/2015		as at 30.09.2015
				Consumption	Disposal	
	EUR		EUR	EUR	EUR	EUR
Investment grants						
Investment grants	16.986.749,86	3.075.871,24	790.357,70	2.298.831,51	68.669,65	18.485.477,64
Total for investment grants	16.986.749,86	3.075.871,24	790.357,70	2.298.831,51	68.669,65	18.485.477,64

Balance Sheets with regard to Corporate Changes (Annex 5/1 to the Notes)

	EAG	Corporate changes	Total
	30. September 2014	30. September 2014	30. September 2014
	EUR		EUR
ASSETS			
A. Long-term assets			
I. Intangible assets	80.088.556,53	3.008.887,06	83.097.443,59
II. Tangible fixed assets	851.850.217,30	342.349.218,10	1.194.199.435,40
III. Financial assets	1.056.472.955,13	-160.191.838,50	896.281.116,63
	1.988.411.728,96	185.166.266,66	2.173.577.995,62
B. Current assets			
I. Inventories	36.796.024,73	-6.680.227,52	30.115.797,21
II. Accounts receivable and other assets	84.527.794,32	5.455.001,33	89.982.795,65
III. Own shares	6.366.882,14	0,00	6.366.882,14
IV. Cash and cash equivalents	76.302.560,76	123.387,78	76.425.948,54
	203.993.261,95	-1.101.838,41	202.891.423,54
C. Accrued expenses	1.908.665,31	951.476,47	2.860.141,78
	2.194.313.656,22	185.015.904,72	2.379.329.560,94
EQUITY AND LIABILITIES			
A. Equity			
I. Share capital	89.087.750,00	0,00	89.087.750,00
II. Non-distributable capital reserves	208.702.350,00	0,00	208.702.350,00
III. Reserves for own shares	6.366.882,14	0,00	6.366.882,14
IV. Revenue reserves	397.798.394,93	0,00	397.798.394,93
V. Retained earnings	53.300.000,00	0,00	53.300.000,00
(thereof accumulated profit carried forward EUR 26.036,00)			
VI. Corporate changes	0,00	14.803.426,77	14.803.426,77
	755.255.377,07	14.803.426,77	770.058.803,84
B. Untaxed reserves	62.643.906,78	6.156.464,58	68.800.371,36
C. Investment grants	16.986.749,86	3.075.871,24	20.062.621,10
D. Separate item for gratuitously allocated emission certificates	3.621.254,52	0,00	3.621.254,52
E. Provisions	74.132.149,26	3.702.816,15	77.834.965,41
F. Liabilities	1.231.770.796,33	99.585.679,92	1.331.356.476,25
G. Contributions to construction costs	47.790.227,20	57.691.646,06	105.481.873,26
H. Deferred income and accrued expenses	2.113.195,20	0,00	2.113.195,20
	2.194.313.656,22	185.015.904,72	2.379.329.560,94
Contingent liabilities	960.003.516,40	6.906.718,00	966.910.234,40

Oberösterreichische Ferngas
Aktiengesellschaft,
Linz

Annex 5/2 to the Notes

Merger Balance Sheet
pursuant to § 2 Para 5 Reorganisation Tax Act (UmgrStG)
as of 30 September 2014

Assets	Commercial law 30.9.2014 EUR	Liabilities	Commercial law 30.9.2014 EUR
A. Assets:		A. Merger capital	134.830.629,83
I. Intangible assets:		B. Untaxed reserves	3.850,61
Software	46.347,60	C. Provisions	
II. Tangible fixed assets:		1. Provisions for severance payments	502.043,48
1. Land, leasehold rights and buildings, including buildings on non-owned land	5.409.716,90	2. Other provisions	<u>2.185.537,84</u>
2. Other plant, property and equipment	<u>81.784,07</u>	D. Liabilities	2.687.581,32
	5.491.500,97	1. Trade payables	79.302,81
III. Financial assets:		2. Liabilities to affiliated companies	7.985.857,69
1. Interests in affiliated companies	8.150.635,20	3. Other liabilities	6.919.034,99
2. Shareholdings	<u>745.677,94</u>	4. Liability for dividend payout pursuant to § 2 Para 4 UmgrStG	<u>2.857.142,86</u>
	<u>8.896.313,14</u>		17.841.338,35
B. Current assets:	14.434.161,71		
I. Receivables and other assets:			
1. Receivables from affiliated companies	139.788.205,58		
2. Other receivables and assets	<u>3.897,33</u>		
	139.792.102,91		
II. Other securities	1.002.326,58		
III. Cash, balances in banks	<u>123.387,78</u>		
	140.917.817,27		
C. Accruals and deferrals	11.421,13		
	<u>155.363.400,11</u>		<u>155.363.400,11</u>

OÖ. Ferngas Netz GmbH,
Linz

Annex 5/3 to the Notes

Merger Balance Sheet
pursuant to § 2 Para 5 Reorganisation Tax Act (UmgrStG)
as of 30 September 2014

Assets	Commercial Law		Liabilities
	30.9.2014		30.9.2014
	EUR		EUR
	<hr/>		<hr/>
A. Assets:		A. Merger capital	10.026.682,37
I. Intangible assets:		B. Untaxed reserves	5.092.995,77
Rights	1.562.072,49	C. Liabilities	
II. Intangible fixed assets		1. Trade payables	7.520.820,59
1. Land, leasehold rights and buildings, including buildings on non-owned land	5.875.730,08	2. Liabilities to affiliated companies	91.382.983,17
2. Distribution systems	292.068.975,83	3. Other liabilities	5.292.363,75
3. Other plant, property and equipment	5.146.950,42	4. Liabilities from same-phase dividend payout 2013/2014	<u>130.000.000,00</u>
4. Assets under construction	<u>1.443.238,99</u>		234.196.167,51
	304.534.895,32	D. Accruals and deferrals	57.721.177,50
	306.096.967,81		<hr/>
B. Accruals and deferrals	<u>940.055,34</u>		<hr/>
	<hr/> 307.037.023,15 <hr/>		<hr/> 307.037.023,15 <hr/>

OÖ. Ferngas Service GmbH,
Linz

Annex 5/4 to the Notes

Merger Balance Sheet
pursuant to § 2 Para 5 Reorganisation Tax Act (UmgrStG)
as of 30 September 2014

Assets

Liabilities

	Commercial Law 30.9.2014 EUR		Commercial Law 30.9.2014 EUR
A. Assets:		A. Merger capital	3.871.269,65
I. Intangible assets		B. Untaxed reserves:	
Rights	277.411,65	Valuation reserve due to special depreciations	443.319,71
II. Intangible fixed assets:		C. Liabilities	
1. Fibre optic cables	8.074.385,28	1. Trade payables	56.218,85
2. Other plant, property and equipment	<u>1.168.319,93</u>	2. Liabilities to affiliated companies	<u>4.091.263,83</u>
	<u>9.242.705,21</u>		4.147.482,68
	<u>9.520.116,86</u>	D. Accruals and deferrals	<u>1.058.044,82</u>
			<u>9.520.116,86</u>

Energie Austria GmbH
Linz

Annex 5/5 to the Notes

Merger Balance Sheet
pursuant to § 2 Para 5 Reorganisation Tax Act (UmgrStG)
as of 30 September 2014

Assets	Commercial Law 30.9.2014 EUR	Liabilities	Commercial Law 30.9.2014 EUR
A. Assets		A. Merger capital	3.905.800,31
I. Intangible Assets		B. Investment subsidies	1.988.294,98
Rights	287.055,32		
Goodwill	836.000,00	C. Assets	
	1.123.055,32	1. Provision for taxes	111.987,79
II. Intangible fixed assets		2. Other provisions	903.247,04
1. Technical equipment and machines	22.389.109,25		1.015.234,83
2. Other plant, property and equipment	74.708,86	D. Liabilities	
	22.463.818,11	1. Liabilities to	
	23.586.873,43	banks	1.221,73
B. Current assets		2. Trade	
I. Receivables and other assets		payables	466.575,00
1. Receivables from affiliated companies	125.495,52	3. Liabilities to	
2. Other receivables and assets	7.652,55	affiliated companies	12.340.474,65
	133.148,07	4. Other liabilities	2.420,00
	23.720.021,50	5. Liabilities due to dividend payout	
		pursuant to § 2 Para 4 UmgrStG	4.000.000,00
			16.810.691,38
			23.720.021,50
	23.720.021,50		23.720.021,50

Energie AG Oberösterreich
Linz

Annex 5/6 to the Notes

**Contribution Balance Sheet
pursuant to § 15 Reorganisation Tax Act (UmgrStG)
as of 30 September 2014**

Contribution of "Power Plant Operations" to Energie AG Oberösterreich Kraftwerke GmbH

Assets

Liabilities

	Commercial Law 30.9.2014 EUR		Commercial Law 30.9.2014 EUR
A. Current Assets		A. Contributed Capital	7.251.012,17
I. Inventories			
Raw materials, consumables and supplies	6.680.227,52		
II. Receivables and other assets			
Other receivables and assets	570.784,65		
	<u>7.251.012,17</u>		<u>7.251.012,17</u>

Balance sheet of Energie AG Oberösterreich as at 30 September 2015 according to § 8 EIWOG and to § 8 GWG (Annex 6 to the Notes)

D.3. Balance sheet		Power generation and trading	Power network	Others	Overall
		in EUR 1.000	in EUR 1.000	in EUR 1.000	in EUR 1.000
ASSETS					
D.3.1.	Long-term assets	358.724,2	970.477,6	873.408,1	2.202.609,9
D.3.1.1.	Intangible assets	65.229,9	6.911,7	2.528,4	74.670,0
D.3.1.2.	Tangible fixed assets	165.217,0	941.196,2	95.880,0	1.202.293,2
D.3.1.3.	Financial assets	128.277,3	22.369,7	774.999,7	925.646,7
D.3.2.	Current Assets	28.754,7	29.131,6	35.991,9	93.878,3
D.3.2.1.	Inventories	14.745,1	8.318,2	461,4	23.524,6
D.3.2.2.	Accounts receivable and other assets	7.957,9	5.201,3	14.885,5	28.044,6
D.3.2.2.1.	Trade receivables	-28,5	0,0	1.484,8	1.456,2
D.3.2.2.2.	Trade receivable from affiliated companies	3.580,3	3.988,7	11.191,8	18.760,8
D.3.2.2.3.	Other receivables and assets	3.828,5	1.212,6	1.287,7	6.328,7
D.3.2.3.	Securities	0,0	0,0	6.434,4	6.434,4
D.3.2.4.	Cash and cash equivalents	6.051,8	15.612,2	14.210,7	35.874,7
D.3.3.	Accrued expenses	329,4	843,9	1.244,1	2.417,3
	Amount of assets	387.808,3	1.000.453,1	910.644,1	2.298.905,5
EQUITY AND LIABILITIES					
D.3.4.	Equity	99.511,1	320.139,0	341.610,9	761.261,0
D.3.5.	Untaxed reserves	25.398,9	35.118,9	5.305,1	65.822,9
D.3.6.	Investment grants	12.923,3	1.215,0	4.347,2	18.485,5
D.3.7.	Provisions	18.787,5	241,7	66.154,0	85.183,2
D.3.7.1.	Severance pay	0,0	0,0	2.933,9	2.933,9
D.3.7.2.	Retirement	0,0	0,0	11.705,8	11.705,8
D.3.7.3.	Other interest-bearing provisions	0,0	0,0	4.509,1	4.509,1
D.3.7.4.	Other provisions	18.787,5	241,7	47.005,1	66.034,3
D.3.8.	Liabilities	229.458,4	550.444,0	492.153,2	1.272.055,7
D.3.8.2.1.	Trade payables to third parties	-2.194,4	3.837,2	7.955,6	9.598,3
D.3.8.2.2.	Payables to affiliated companies	135.274,7	347.443,9	326.872,5	809.591,1
D.3.8.2.3.	Payables to associated companies	14.487,0	0,0	0,0	14.487,0
D.3.8.2.4.	Other liabilities	81.891,1	199.162,9	157.325,2	438.379,2
D.3.9.	Contributions to construction costs	0,0	93.219,5	1.005,6	94.225,1
D.3.10.	Deferred income and accrued expenses	1.729,0	74,9	68,2	1.872,2
	Amount of equity and liabilities	387.808,3	1.000.453,1	910.644,1	2.298.905,5

Reporting pursuant to the Electricity Industry and Organisation Act 2010 (EIWOG), Federal Law Gazette I No. 110/2010, as amended in the Federal Law Gazette I No. 174/2013 and pursuant to § 8 Natural Gas Act 2011 (GWG 2011) (Appendix 7 to the Notes)

The UNBUNDLING concept is based on the use of SAP-R/3 with the standard functions "cost centres" and "profit centres" from financial accounting with support of asset accounting and cost accounting.

All Group-owned power plants and procurement rights, as well as the 7 Fields Gas Storage Facility were attributed to the generation area.

The grid area includes the 110 kV grid, the transformer stations, the low and medium voltage grid, the transformer stations, the natural gas high and low pressure line system, the gas pressure control and measurement stations, as well as the infrastructure of the automated metering system. As part of the integration of the grid operational unit into Netz Oberösterreich GmbH, the operation of the distribution system was leased by Energie AG Oberösterreich.

As a general rule, a direct attribution of the assets and of directly attributable capital was made to the individual areas in the balance sheets. In cases where only an indirect reference to the individual activities took place or where further distribution would have been associated with excessive effort, the attribution was performed through allocation on the basis of appropriate parameters according to the source.

Capital allocation was performed according to the static method. Interest-bearing outside capital was allocated based on the directly attributable net assets (total assets minus cash/balances at banks) according to the overall conditions at the company. The difference between calculated assets and directly/indirectly attributed capital was then compensated for with equity.

Auditor's Certificate



Energie AG Oberösterreich, Linz
Bericht über die Prüfung des Jahresabschlusses zum 30. September 2015
27. November 2015

4. Bestätigungsvermerk

Bericht zum Jahresabschluss

Wir haben den beigegeführten Jahresabschluss der

**Energie AG Oberösterreich,
Linz,**

für das **Geschäftsjahr vom 1. Oktober 2014 bis zum 30. September 2015** unter Einbeziehung der Buchführung geprüft. Dieser Jahresabschluss umfasst die Bilanz zum 30. September 2015, die Gewinn- und Verlustrechnung für das am 30. September 2015 endende Geschäftsjahr sowie den Anhang.

Verantwortung der gesetzlichen Vertreter für den Jahresabschluss und die Buchführung

Die gesetzlichen Vertreter der Gesellschaft sind für die Buchführung sowie für die Aufstellung eines Jahresabschlusses verantwortlich, der ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft in Übereinstimmung mit den österreichischen unternehmensrechtlichen Vorschriften und den sondergesetzlichen rechnungslegungsbezogenen Vorschriften des Elektrizitätswirtschafts- und -organisationsgesetzes 2010 (EIWOG 2010) sowie des Gaswirtschaftsgesetzes 2011 (GWG 2011) vermittelt. Diese Verantwortung beinhaltet: Gestaltung, Umsetzung und Aufrechterhaltung eines internen Kontrollsystems, soweit dieses für die Aufstellung des Jahresabschlusses und die Vermittlung eines möglichst getreuen Bildes der Vermögens-, Finanz- und Ertragslage der Gesellschaft von Bedeutung ist, damit dieser frei von wesentlichen Fehldarstellungen ist, sei es auf Grund von beabsichtigten oder unbeabsichtigten Fehlern; die Auswahl und Anwendung geeigneter Bilanzierungs- und Bewertungsmethoden; die Vornahme von Schätzungen, die unter Berücksichtigung der gegebenen Rahmenbedingungen angemessen erscheinen.

Verantwortung des Abschlussprüfers und Beschreibung von Art und Umfang der gesetzlichen Abschlussprüfung

Unsere Verantwortung besteht in der Abgabe eines Prüfungsurteils zu diesem Jahresabschluss auf der Grundlage unserer Prüfung. Wir haben unsere Prüfung unter Beachtung der in Österreich geltenden gesetzlichen Vorschriften und Grundsätze ordnungsgemäßer Abschlussprüfung durchgeführt. Diese Grundsätze erfordern, dass wir die Standesregeln einhalten und die Prüfung so planen und durchführen, dass wir uns mit hinreichender Sicherheit ein Urteil darüber bilden können, ob der Jahresabschluss frei von wesentlichen Fehldarstellungen ist.

4. Auditor's Certificate

Report on the Financial Statements

We have audited the enclosed financial statements of

**Energie AG Oberösterreich,
Linz,**

for the **fiscal year from 1 October 2014 to 30 September 2015** including the accounting. The financial statements comprise the balance sheet as at 30 September 2015, the profit and loss statement as at 30 September 2015, as well as the notes on the accounts.

Responsibility of the Legal Representatives for the Financial Statements and the Accounting

The legal representatives of the company are responsible for the accounting and preparing the financial statements, which present, as fairly as possible, the assets, liabilities, financial and earnings position of the company in accordance with the Austrian corporate law standards and the related special law accounting requirements for the Electricity Industry and Organisation Act [Elektrizitätswirtschafts- und –organisationsgesetz 2010 (EIWOG 2010)] as well as for the Gas Industry Act 2011 [Gaswirtschaftsgesetz 2011 (GWG 2011)]. This responsibility comprises designing, implementing and maintaining an internal audit system, to the extent that this is of significance when preparing the financial statements and for conveying, as fairly as possible, the assets, liabilities, financial and earnings position of the company, so that the financial statements are free from major misstatements, either on account of intended or unintended errors, as well as selecting and applying the appropriate accounting and valuation methods, and making estimates that appear to be appropriate when taking account of the existing overall conditions.

Responsibility of the Auditors and Outline of the Type and Scope of the Statutory Audit

It is our responsibility to issue an opinion on our audit of the financial statements, on the basis of our audit. We have conducted our audit in compliance with the statutory regulations applicable in Austria and the principles of proper auditing standards. These principles require that we comply with the standards of professional conduct and plan and perform our audit in such a manner that we are able to express an opinion with sufficient certainty as to whether the financial statements are free from any material misstatements.

Eine Prüfung beinhaltet die Durchführung von Prüfungshandlungen zur Erlangung von Prüfungsnachweisen hinsichtlich der Beträge und sonstigen Angaben im Jahresabschluss. Die Auswahl der Prüfungshandlungen liegt im pflichtgemäßen Ermessen des Abschlussprüfers unter Berücksichtigung seiner Einschätzung des Risikos eines Auftretens wesentlicher Fehldarstellungen, sei es auf Grund von beabsichtigten oder unbeabsichtigten Fehlern. Bei der Vornahme dieser Risikoeinschätzung berücksichtigt der Abschlussprüfer das interne Kontrollsystem, soweit es für die Aufstellung des Jahresabschlusses und die Vermittlung eines möglichst getreuen Bildes der Vermögens-, Finanz- und Ertragslage der Gesellschaft von Bedeutung ist, um unter Berücksichtigung der Rahmenbedingungen geeignete Prüfungshandlungen festzulegen, nicht jedoch um ein Prüfungsurteil über die Wirksamkeit der internen Kontrollen der Gesellschaft abzugeben. Die Prüfung umfasst ferner die Beurteilung der Angemessenheit der angewandten Bilanzierungs- und Bewertungsmethoden und der von den gesetzlichen Vertretern vorgenommenen wesentlichen Schätzungen sowie eine Würdigung der Gesamtaussage des Jahresabschlusses.

Wir sind der Auffassung, dass wir ausreichende und geeignete Prüfungsnachweise erlangt haben, sodass unsere Prüfung eine hinreichend sichere Grundlage für unser Prüfungsurteil darstellt.

Prüfungsurteil

Unsere Prüfung hat zu keinen Einwendungen geführt. Auf Grund der bei der Prüfung gewonnenen Erkenntnisse entspricht der Jahresabschluss nach unserer Beurteilung den gesetzlichen Vorschriften und vermittelt ein möglichst getreues Bild der Vermögens- und Finanzlage der Gesellschaft zum 30. September 2015 sowie der Ertragslage der Gesellschaft für das Geschäftsjahr vom 1. Oktober 2014 bis zum 30. September 2015 in Übereinstimmung mit den österreichischen Grundsätzen ordnungsmäßiger Buchführung.

Aussagen zum Lagebericht

Der Lagebericht ist auf Grund der gesetzlichen Vorschriften darauf zu prüfen, ob er mit dem Jahresabschluss in Einklang steht und ob die sonstigen Angaben im Lagebericht nicht eine falsche Vorstellung von der Lage der Gesellschaft erwecken. Der Bestätigungsvermerk hat auch eine Aussage darüber zu enthalten, ob der Lagebericht mit dem Jahresabschluss in Einklang steht.

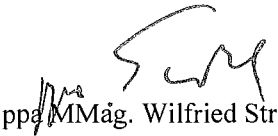
Der Lagebericht steht nach unserer Beurteilung in Einklang mit dem Jahresabschluss.

Linz, am 27. November 2015



KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft


Mag. Gabriele Lehner
Wirtschaftsprüfer


ppa MMag. Wilfried Straßl
Wirtschaftsprüfer

Die Veröffentlichung oder Weitergabe des Jahresabschlusses mit unserem Bestätigungsvermerk darf nur in der von uns bestätigten Fassung erfolgen. Dieser Bestätigungsvermerk bezieht sich ausschließlich auf den deutschsprachigen und vollständigen Jahresabschluss samt Lagebericht. Für abweichende Fassungen sind die Vorschriften des § 281 Abs 2 UGB zu beachten.

An audit includes that audit activities are performed in order to obtain evidence concerning the amounts and other disclosures contained in the financial statements. It is the duty and lies in the discretion of the auditor to select specific audit activities, taking account of his/her assessment concerning the risk that material misstatements may appear, either on the basis of intended or unintended errors. When making this risk assessment, the auditor takes account of the internal audit system – to the extent that it is of significance for preparing the financial statements and for conveying, as fairly as possible the assets, liabilities, financial and earnings position of the company – in order to be able to determine the appropriate auditing activities (giving due consideration to the overall conditions), but does not judge the efficiency of the internal audit system of the company. The audit also comprises an evaluation of the adequacy of the applied accounting and valuation methods and the material estimates made by the legal representatives, as well as an appraisal of the overall conclusions conveyed by the financial statements.

We are of the opinion that we have obtained sufficient and appropriate evidence in the course of the audit so that our auditing activities are a sufficiently reliable basis for our audit opinion.

Audit Opinion

Our audit did not give rise to any objections. On the basis of the knowledge obtained in the course of the audit, it is our opinion that the financial statements comply with the statutory requirements and present fairly, in all material respects, the assets, liabilities, and financial position of the company as at 30 September 2015, as well as the earnings position of the company during the business year 1 October 2014 to 30 September 2015 in accordance with the Austrian principles of proper accounting standards.

Report on the Management Report

On the basis of the statutory regulations, the company's management report must be audited with the perspective as to whether it is in conformity with the financial statements and whether the other information disclosed in the company's management report does not give rise to any misconceptions concerning the position of the company.

In our opinion, the company's management report is in conformity with the financial statements.

Linz, 27 November 2015

KPMG Austria GmbH
Firm of Chartered Accountants and Tax Consultants

Mag. Gabriele Lehner
Chartered Accountant

ppa MMag. Wilfried Straßl
Chartered Accountant

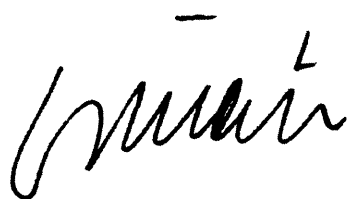
The financial statements with our audit certificate may only be published or disseminated in the format certified by us. This Auditor's Certificate exclusively refers to the full German-language version of the financial statements including the company's management report. Any and all deviating versions fall under § 281 (2) of the Commercial Code [Unternehmensgesetzbuch (UGB)].

Erklärung des Vorstandes gem. § 82 Abs. 4 Z 3 BörseG

Der Vorstand der Energie AG Oberösterreich bestätigt nach bestem Wissen, dass der im Einklang mit den maßgebenden Rechnungslegungsstandards aufgestellte Jahresabschluss der Energie AG Oberösterreich ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage des Unternehmens vermittelt und, dass der Lagebericht den Geschäftsverlauf, das Geschäftsergebnis und die Lage des Unternehmens so darstellt, dass ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage entsteht, und dass der Lagebericht die wesentlichen Risiken und Ungewissheiten beschreibt, denen das Unternehmen ausgesetzt ist.

Linz, am 27. November 2015

Der Vorstand der Energie AG Oberösterreich



Dkfm. Dr. Leo Windtner

Vorsitzender des Vorstandes

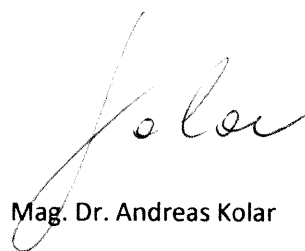
C.E.O.



KommR/Ing. DDr. Werner Steinecker MBA

Mitglied des Vorstandes

C.O.O.



Mag. Dr. Andreas Kolar

Mitglied des Vorstandes

C.F.O.

**Statement by the Board of Management
pursuant to § 82 (4) item 3 of the Stock Exchange Act
[Börsegesetz (BörseG)]**

The Board of Management of Energie AG Oberösterreich confirms to the best of its knowledge that the financial statements of Energie AG Oberösterreich 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 company's management report represents the development and performance of the business and the position of the company in such a manner that it gives a true and fair view of the assets, liabilities, financial position and profit or loss of the company, together with a description of the principal risks and uncertainties the company faces.

Linz, November 27, 2015

The Board of Management of Energie AG Oberösterreich



Generaldirektor Dr. Leo Windtner
Chairman of the Board of Management
C.E.O.



KommR Ing. DDr. Werner Steinecker MBA
Member of the Board of Management
C.O.O.



Dr. Andreas Kolar
Member of the Board of Management
C.F.O.