SEMI ANNUAL FINANCIAL REPORT

for the period 1 October 2018 to 31 March 2019

www.energieag.at/semiannualfinancialreport

ENERGIE AG Oberösterreich

We care about tomorrow

Energie AG Oberösterreich at a Glance

	Unit	1st HY 2018/2019	Change	1st HY 2017/2018
Sales revenues				
Energy Segment	EUR mill.	581.4	8.1%	537.7
Grid Segment	EUR mill.	194.6	10.0%	176.9
Waste Management Segment	EUR mill.	111.5	1.8%	109.5
Water Segment	EUR mill.	71.3	5.2%	67.8
Holding & Services Segment	EUR mill.	23.2	8.9%	21.3
Group	**EUR mill.**	**982.0**	**7.5%**	**913.2**
Result				
Operating result (EBIT)	EUR mill.	107.3	-15.7%	127.3
EBIT margin	%	10.9	-21.6%	13.9
Earnings before taxes	EUR mill.	96.4	-21.5	122.8
Consolidated net earnings	EUR mill.	75.8	-19.0	93.6
Cash flow from operating activities	EUR mill.	97.7	-16.9%	117.5
		31.03.2019	**Change**	**31.03.2018**
Statement of financial position				
Balance sheet total	EUR mill.	3,083.2	-4.3%	3,222.7
Equity	EUR mill.	1,344.6	-2.7%	1,381.4
Equity ratio	%	43.6%	1.7%	42.9%
Workforce (on average)	FTE	4,449	2.0%	4,363

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Introduction by the Management Board
of Energie AG Oberösterreich

The core philosophy of our company is to think ahead to the future and forge ahead with innovation, while ensuring stability and security. The first half of the 2018/2019 fiscal year was also clearly defined by this outlook. Our Group structure and corporate governance are geared to these objectives and have once again provided solid results during the fiscal year-to-date.

The very strong first half of the previous year was even surpassed in terms of sales revenue with EUR 982 million (7.5%), although operating income was lower than the previous figure at EUR 107 million (-15.7%). In the Grid Segment, this trend is primarily due to the regulatory environment, while the increased supply costs for electricity and gas have reduced margins in the Energy Segment. However, the recent "A (outlook stable)" grade from ratings agency Standard & Poor's fundamentally confirms Energie AG's successful direction and the strategy of our broad-based group of companies.

This broad base guarantees stability and security, especially in more turbulent times. Yet on the other hand, it also requires us to focus on many different fields at once, to stay sharply on time everywhere we operate, and to identify and seize opportunities.

Our acquisition of Linz AG's stake in ENAMO GmbH was one example of an opportunity taken at a crucial interface between our company and our customers. Full ownership in the electricity sales market can reduce some of the burdens imposed by bureaucracy and restrictive regulations. In addition, it is a prerequisite to creating an integrated vehicle that can offer several different utilities – and, in turn, necessary to providing a better service for our customers. In particular, the ability to bundle services such as telecom products and electricity in the medium term will enable us to respond even more effectively to customers' needs, while improving levels of excellence in our sales processes. This gives us a tool for actively helping to shape the challenges of the future.

Following on from this outwardly visible structural change, we were also able to complete our preparations for the reorganisation of our generation business. From the start of the second half of the year, electricity and heat generation (including heat networks) will be managed under the same umbrella. This step will also increase efficiency and make it possible to benefit from additional areas of synergy. Similarly, action was taken to consolidate water and heating activities in the Czech Republic, bringing them under the control of a special holding company. This will also have a positive effect on business development.

The restructuring projects have placed great demands on our staff, but are providing the necessary room for manoeuvre to ensure continued existence in this changing economic environment. We face difficulties stemming from climate policy action, including the new Austrian Electricity Industry and Organisation Act and the renewables expansion law due to enter into force in 2020, which we are awaiting with interest. In addition, changes to the markets also present major challenges for our company. For instance, the splitting-up of the joint electricity price zone between Germany and Austria created uncertainty. In this atmosphere of volatility in the electricity market triggered by the split, Energie AG successfully managed to position itself as a reliable partner. The downward trend in switching rates provides positive evidence of this fact.

Last winter, which in some places brought extreme snowfall, provided serious challenges for our employees and was also noticeable for our customers. The replacement of overhead lines with underground cable in recent years has paid off at the low and medium voltage levels. In the high voltage range, our overhead lines were once again the backbone of the power transmission system and prevented more severe blackouts. It is against this background that we are further expanding our system of high voltage overhead lines, which is so important for supply reliability. The expansion of the grid will grow in importance and urgency with the increasing prevalence of renewable energy and distributed energy resources, as well as greater electric vehicle use.

Achieving stability and security requires forward planning, along with commitment and dedication from everyone involved. We would therefore like to take this opportunity to thank all our staff, who bring these attributes to their work every day for the company’s benefit. We also owe a debt of gratitude to our stakeholders and shareholders, who help us to perform successfully. At this point, we should also not fail to mention the change to our Supervisory Board, which bade farewell to Dr. Michael Strugl in December with many thanks for his 10-year stint as a member of the board, most recently as its chairman. With all the same warmth, we would like to welcome his successor, state minister Markus Achleitner, both to the Supervisory Board and its chairman’s seat. We look forward to a successful working relationship.

Naturally, we would also like to thank our customers, who are at the heart of what we do. We aspire to provide even better service to these customers with the reorganisation of our sales business.

Linz, 29 May 2019

The Management Board of Energie AG Oberösterreich

Chief Executive Officer **DDr. Werner Steinecker MBA** Chairman of the Management Board	**Dr. Andreas Kolar** Member of the Management Board	**Dipl.-Ing. Stefan Stallinger MBA** Member of the Management Board

Group Management Report First Half-Year 2018/2019 of Energie AG Oberösterreich [1)]

GENERAL CONDITIONS

General economic environment [2)]

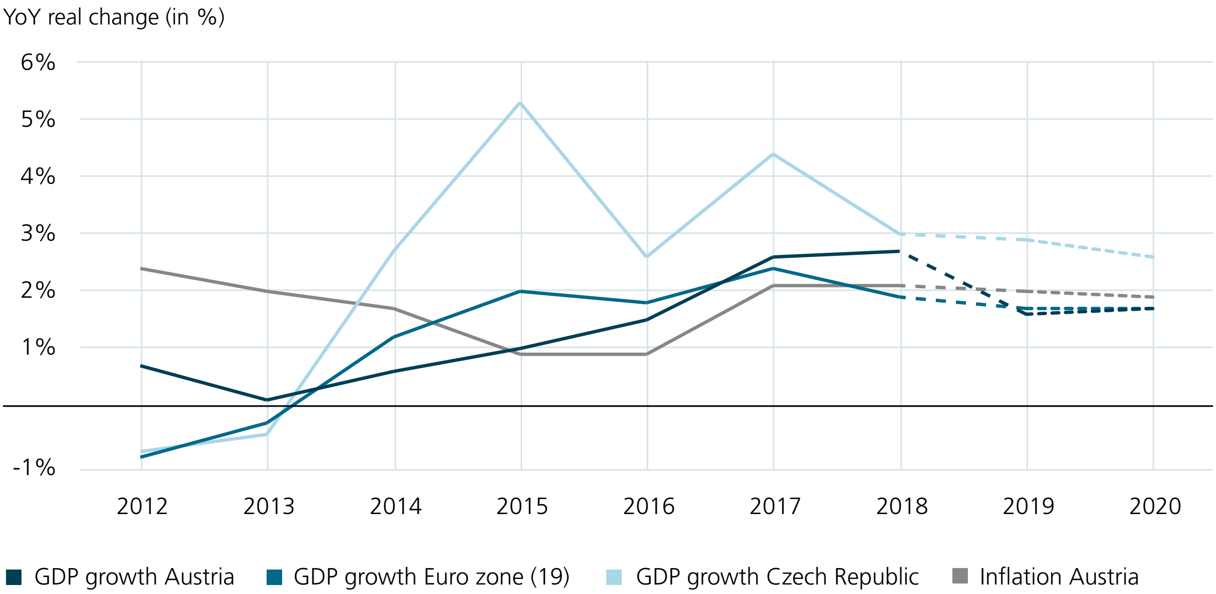
The first half of the 2018/2019 fiscal year (1 October 2018 to 31 March 2019) was characterised by an economically more subdued, but still solid economic environment compared with the previous year.

Economic growth in the **Euro zone** slowed in the reporting period, with experts forecasting average growth in the amount of 1.3% to 1.9% for 2019 and 1.6% to 1.7% for 2020 (2018: 1.9%) after a two-year boom. Especially external economic uncertainties, in particular the continuing open nature of Brexit and the threat of trade policy conflicts, pose considerable downside risks to both the Euro zone's and Austria's economic development.

While the **Austrian economy** grew significantly faster than the economy of the Euro zone in 2018, the pace of growth is likely to converge with the Euro zone level in 2019. Economic researchers expect GDP (gross domestic product) growth of 1.5% to 1.7% for Austria in 2019 and between 1.6% and 1.8% for 2020 (2018: 2.7%).

For the **Czech Republic**, a market relevant to Energie AG, GDP growth is forecast to remain constant at 3.0% in 2019.

Economic growth and inflation



1) The Group management report presented here was prepared in accordance with the requirements of § 245a of the Austrian Commercial Code (UGB) and refers to the IFRS consolidated financial statements of Energie AG in terms of § 245a UGB.
2) Sources: IHS (Institute for Advanced Studies) Press Release 29 March 2019, WIFO (Austrian Institute for Economic Research) Monthly Reports February 2019 and March 2019, WKO (Austrian Economic Chamber) Economic Situation and Forecast Release March 2019, and Economic Profile Czech Republic February 2019.

Energy policy framework

In the reporting period, the **EU winter package Clean Energy for all Europeans** was finalised after more than two years of negotiations. The new EU electricity market design envisages stricter guidelines for new capacity mechanisms, as well as the availability of new processes for price zones and minimum capacities for cross-border trade. Furthermore, it is now clearly regulated throughout the EU that electricity from renewable energies has priority in grid bottlenecks. New market roles such as aggregators and citizens' energy communities will also be created and the prosumer concept strengthened. It is of great relevance here that a level playing field, that is an equal and fair competitive environment for all (new and existing) market players, has been created. In the future, e-charging stations and storage facilities will in principle be left to the market and will only be operated by grid operators in exceptional cases in the event of negative market tests. The national implementation of the guidelines in Austria is planned in the course of the Renewable Energy Sources Act 2020 and in the course of an extensive Electricity Industry and Organisation Act (ElWOG) amendment in 2020.

At the end of November 2018, the EU Commission published its long-term decarbonisation strategy **A Clean Planet for All** for the reduction of greenhouse gas emissions in the EU by 2050.

In order to reduce **CO_2 emissions in the transport sector**, at the end of 2018 and beginning of 2019 new stricter fleet limits for passenger cars and commercial vehicles were adopted in the EU. It can be assumed that alternative, emission-free drive systems will become more significant as a result.

At the end of January 2019, the Growth, Structural Change and Employment Commission tasked by the German Federal Government presented the final report which provides a timetable for the gradual **phasing out of coal-fired power generation** by 2038 at the latest. The elimination of thermal coal-fired power plant capacities is to be compensated for in part by new gas-fired power plants. Germany's decision to phase out nuclear energy by 2022 remains unaffected. It is to be expected that the exit from coal in Germany will also have a significant impact on the Austrian electricity market and its prices.

The publication of a term sheet in the course of a proposal by the Federal Government's Council of Ministers in December 2018 saw the implementation work for the **Renewable Energy Sources Act 2020** commence in Austria. The central pillars of the law will be a new competition-orientated subsidy model for green electricity, general conditions for Green Gas and more system responsibility for market participants. The plan is to implement parts of the EU winter package (Renewable Energies Directive and EU internal electricity market package in the area of market design) in the Renewable Energy Sources Act 2020 and as accompanying measures in the Electricity Industry and Organisation Act and Gas Industry Act (GWG).

In the reporting period, the Austrian legislator also enacted a pertinent statutory environment for project development and implementation of infrastructure companies. The **Site Development Act** is intended to create opportunities for speeding up procedures for site-relevant environmental impact assessment (EIA) projects.

In response to European Court of Justice case law, it was necessary to adapt national procedural participation schemes in pertinent environmental matters. The federal legislator regulated this in the **Aarhus Participation Act** regarding the Water Act, Waste Management Act and Air Emission Protection Act. The necessary adaptations to the nature conservation laws of the federal states are still outstanding. The key element of the new guidelines is the extension of participation in proceedings or legal protection options for recognised environmental organisations in proceedings outside the EIA sector.

Furthermore, an **amendment to the EIA Act** took effect in the reporting period. This amendment established a site lawyer, introduced new procedural rules and laid down new requirements for environmental organisations.

BUSINESS DEVELOPMENT IN THE GROUP

Net assets, financial position and results of operations

Group overview

	Unit	1st HY 2018/2019	1st HY 2017/2018	Change
Sales revenues	EUR mill.	982,0	913.2	7.5%
Operating result (EBIT)	EUR mill.	107.3	127.3	-15.7%
EBIT margin	%	10.9	13.9	-21.6%
Financial result	EUR mill.	-10.9	-4.5	-142.2%
Earnings before taxes	EUR mill.	96.4	122.8	-21.5%
Investments in property, plant and equipment and intangible assets	EUR mill.	74.6	64.4	15.8%
Cash flow from operating activities	EUR mill.	97.7	117.5	-16.9%
Cash flow from investing activities	EUR mill.	-102.8	-92.2	-11.5%
Cash flow from financing activities	EUR mill.	-71.6	-58.1	-23.2%

Sales revenues in the amount of EUR 982.0 million were generated in the first six months of the fiscal year 2018/2019 (previous year: EUR 913.2 million). The increase in sales revenues by EUR 68.8 million (7.5%) is primarily due to higher sales revenues from electricity trading, and the increased use of the CCGT (combined cycle gas-turbine) power plants in Timelkam and Laakirchen.

Group EBIT amounted to EUR 107.3 million in the reporting period, compared to EUR 127.3 million in the first half of the previous year.

Operating results in the Energy Segment amounted to EUR 51.4 million in the first half of 2018/2019 compared to EUR 70.0 million in the same period of the previous year. Electricity and gas sales generated lower earnings due to higher procurement costs. Despite higher volumes, the earnings contribution of the CCGT power plant in Timelkam was lower than in the previous year due to changes in contract terms. The lower water level with a hydro coefficient of 1.13 (previous year: 1.24) also depressed earnings in the Energy Segment. In addition, due to a positive assessment of the future market environment, an upward revaluation of the CCGT power plant in Timelkam was recorded in the reporting period in the amount of EUR 6.6 million (previous year: EUR 5.0 million).

In the Grid Segment, the operating result decreased from EUR 54.0 million in the previous year to EUR 34.7 million. The decline is mainly attributable to the development of volumes and grid tariffs in the fields of electricity and gas.

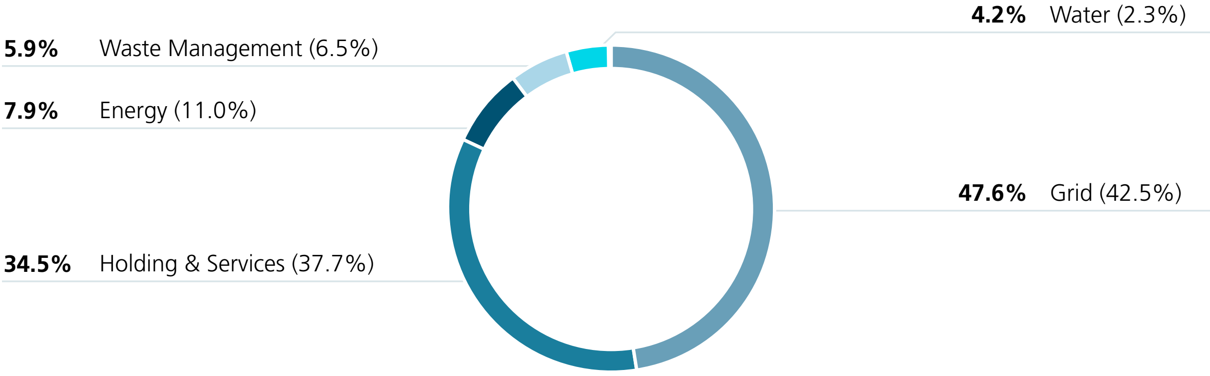
In the Waste Management Segment, EBIT fell from EUR 8.3 million to EUR 7.7 million. This was attributable, among other things, to higher maintenance costs and the increase in provisions for landfills due to a lower calculated interest rate. However, it proved possible to increase the operative result.

In the Water Segment, sales revenues rose by 5.1% to EUR 71.5 million accompanied by a rise in earnings by 32.6% to EUR 6.1 million. Gains were made in the fields of water supply, wastewater management, services and construction assembly.

The operating result in the Holding & Services Segment amounted to EUR 7.4 million in the first half of 2018/2019, compared to EUR -9.6 million in the same period of the previous year. In the previous year, it was impossible to record the profit/loss shares of an associated company consolidated at equity, as this would have led to the fair value of the investment being exceeded. The result of the first half of the 2018/2019 fiscal year includes profits on the sale of properties.

Investments in intangible assets and property, plant and equipment by segments

1st HY 2018/2019; previous year's figures in brackets



Capital investments in intangible assets and property, plant and equipment totalled EUR 74.6 million in the first half of 2018/2019 and were therefore EUR 10.2 million, or 15.8%, higher as compared to the previous year. The Grid Segment accounted with a share of 47.6% for the most part. Capital investments in the Holding & Services Segment include expanding the fibre-optic cable network and the smart meter rollout.

Financial liabilities increased by EUR 7.3 million to EUR 462.4 million compared to 30 September 2018. The increase is primarily attributable to short-term outside financing.

The financial result changed from EUR -4.5 million in the previous year, which included gains from the sale of securities, to EUR -10.9 million in the first half year of the 2018/2019 fiscal year.

Top rating confirmed once again

In February 2019, Standard & Poor's (S&P) confirmed the creditworthiness of Energie AG again with an excellent rating of **A Outlook Stable**. The rating agency thus recognised the company's continuous efforts to further improve its operating and financial efficiency. Energie AG can celebrate a successful anniversary with this repeated top rating: For 20 years now, the company holds an investment grade rating and has occupied an undisputed top position among European utilities since then. The stability course Energie AG has embarked on will continue to be pursued consistently in order to be able to continue implementing capital investment and financing targets at economically attractive conditions in the future.

Treasury stocks

The treasury stock held by Energie AG as of 30 September 2018, which resulted from the repurchase of employee shares made in the meantime, was withdrawn by a resolution of the general meeting on 19 December 2018 and the company's share capital was reduced accordingly.

Related party disclosures

For Energie AG's transactions with related parties in the reporting period, please refer to the disclosures in the **Notes to the Semi-Annual Consolidated Financial Statements › page 46**.

Changes under corporate law

In the context of restructuring the ENAMO GmbH joint venture subject to an acquisition and assignment agreement dated 3 December 2018, Energie AG Oberösterreich acquired the 35% share in ENAMO GmbH held by LINZ STROM GAS WÄRME GmbH für Energiedienstleistungen und Telekommunikation. At the same time, ENAMO GmbH offloaded its complementary share in LINZ STROM Vertrieb GmbH & Co KG to Natur-Wärme/Gas Linz GmbH. Both share transfers took effect on 1 April 2019, thus marking the end of the cooperation in electricity sales with LINZ AG für Energie, Telekommunikation, Verkehr und Kommunale Dienste.

Trend in staff levels

In the first six months of 2018/2019, the average consolidated staff level in the Group was 4,449 full-time equivalents (FTE) and 2.0% up on the average of the first half of 2017/2018 (4,363 FTE).

Staff levels [1)]

	Unit	1st HY 2018/2019	1st HY 2017/2018	Change
Energy Segment	FTE	433	430	0.7%
Grid Segment	FTE	537	541	-0.7%
Waste Management Segment	FTE	861	846	1.8%
Water Segment	FTE	1,579	1,539	2.6%
Holding & Services Segment	FTE	1,039	1,007	3.2%
Group total	**FTE**	**4,449**	**4,363**	**2.0%**

1) yearly average of the fully-consolidated and proportionately consolidated companies

RISKS AND OPPORTUNITIES

Energie AG's risks and opportunities are influenced by the energy market environment, growing competitive dynamics and adjustments of the energy policy and the statutory environment.

Energie AG meets these challenges by tapping additional earnings potential, value-based investment management, extensive efficiency-improving measures, and concentration of expertise.

Energie AG's business activities are still exposed to risk, however, no risks were identified in the first half of 2018/2019 that, either individually or in the aggregated total, had the potential to threaten the continuation of the entity.

For more details on the risks and opportunities situation, see the **Notes to the Semi-Annual Consolidated Financial Statements › page 44**.

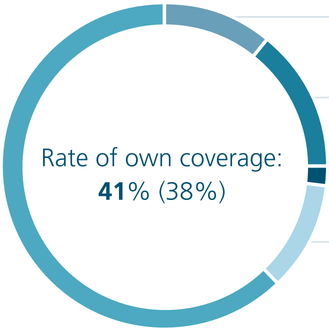
KEY PERFORMANCE INDICATORS

Group overview

	Unit	1st HY 2018/2019	1st HY 2017/2018	Change
Electricity procurement	GWh	8,608	8,389	2.6%
Electricity procured from third parties	GWh	6,807	6,680	1.9%
Proprietary electricity procurement	GWh	1,801	1,710	5.3%
Thermal power stations	GWh	630	421	49.6%
Renewable energy	GWh	1,171	1,289	-9.2%
Group's own hydropower plants	GWh	491	546	-10.1%
Procurement rights from hydroelectric power	GWh	590	648	-9.0%
Other renewable energy (photovoltaics, wind, biomass)	GWh	90	95	-5.3%
Electricity grid distribution volume to end customers	GWh	4,223	4,275	-1.2%
Electricity sales volume	GWh	3,621	3,675	-1.5%
Natural gas grid distribution volume to end customers	GWh	12,093	11,513	5.0%
Natural gas sales volume	GWh	3,870	3,559	8.7%
Heat procurement	GWh	1,120	1,107	1.2%
Heat sales volume	GWh	1,025	1,020	0.5%
Total waste volume handled	1,000 t	851	856	-0.6%
Thermally processed waste volume	1,000 t	304	315	-3.5%
Invoiced drinking water volume	m^3 mill.	28.0	26.4	6.1%
Invoiced waste water volume	m^3 mill.	22.3	22.0	1.4%
Length of fibre-optic network	km	5,750	5,300	8.5%

Electricity procurement structure without electricity trading

1st HY 2018/2019; previous year's figures in brackets



DEFINITION OF SEGMENTS

In accordance with internal reporting and pursuant to IFRS 8 “Operating Segments”, the Energy, Grid, Waste Management, Water and Holding & Services Segments will be reported on in the **Semi-Annual Consolidated Financial Statements** **› page 37**.

Segment Name	Activities Included
Energy	Production, trade and sales of electricity, gas and heat
Grid	Construction and operation of the electricity and gas grid
Waste Management	Acceptance, sorting, incineration and landfilling of waste
Water	Supplying drinking water as well as disposal of waste water
Holding & Services	Telecommunications and metering services, service companies and management functions; associated at-equity companies which are not allocated to other segments

ENERGY SEGMENT

Energy Segment overview

	Unit	1st HY 2018/2019	1st HY 2017/2018	Change
Total sales	EUR mill.	582.6	539.0	8.1%
EBIT	EUR mill.	51.4	70.0	-26.6%
Investments in property, plant and equipment and intangible assets	EUR mill.	5.9	7.1	-16.9%
Workforce (on average)	FTE	433	430	0.7%
Electricity procurement [1)]	GWh	8,538	8,294	2.9%
Proprietary electricity procurement	GWh	1,731	1,615	7.2%
Electricity sales volume	GWh	3,621	3,675	-1.5%
Natural gas sales volume	GWh	3,870	3,559	8.7%
Heat procurement	GWh	993	957	3.8%
Heat sales volume	GWh	898	870	3.2%

1) incl. third-party procurement

THE ECONOMIC ENVIRONMENT OF THE ENERGY INDUSTRY

In the first half of the 2018/2019 fiscal year, forward market prices for electricity for delivery in the year 2020 moved within a comparatively wide corridor from around EUR 48.6/MWh to EUR 57.3/MWh. The trend in electricity prices saw a decrease during the reporting period, accompanied by major price volatility. The main influencing factors here were the prices for coal and CO_2 allowances. At EUR 52.5/MWh, however, the average price was around one-quarter higher than the previous year's value.

Also on the spot market, prices increased compared with the same period of the previous year. During the reporting period, the average European Power Exchange (EPEX) spot price base for delivery in Austria was EUR 52.6/MWh, accompanied by a continuing volatile development.

With regard to the separated price zones between Austria and Germany, initially with significantly higher prices in Austria, the situation eased considerably towards the end of the reporting period. Thus the price difference over the first six months of the 2018/2019 fiscal year was slightly above expectations at an average of approx. EUR 5.8/MWh. The spread for the 2020 annual base has also been relatively stable for some time, trading around EUR 3.8/MWh.

Hard coal prices have declined significantly in the past six months. Starting at USD 99.0/t at the beginning of the fiscal year, the All Publications Index#2 (API2) for delivery in 2020 to the Amsterdam-Rotterdam-Antwerp Coal Trading Area (loco ARA) had dropped to only USD 72.0/t by the end of March. The reasons for this are a strong global supply situation and comparatively weak demand.

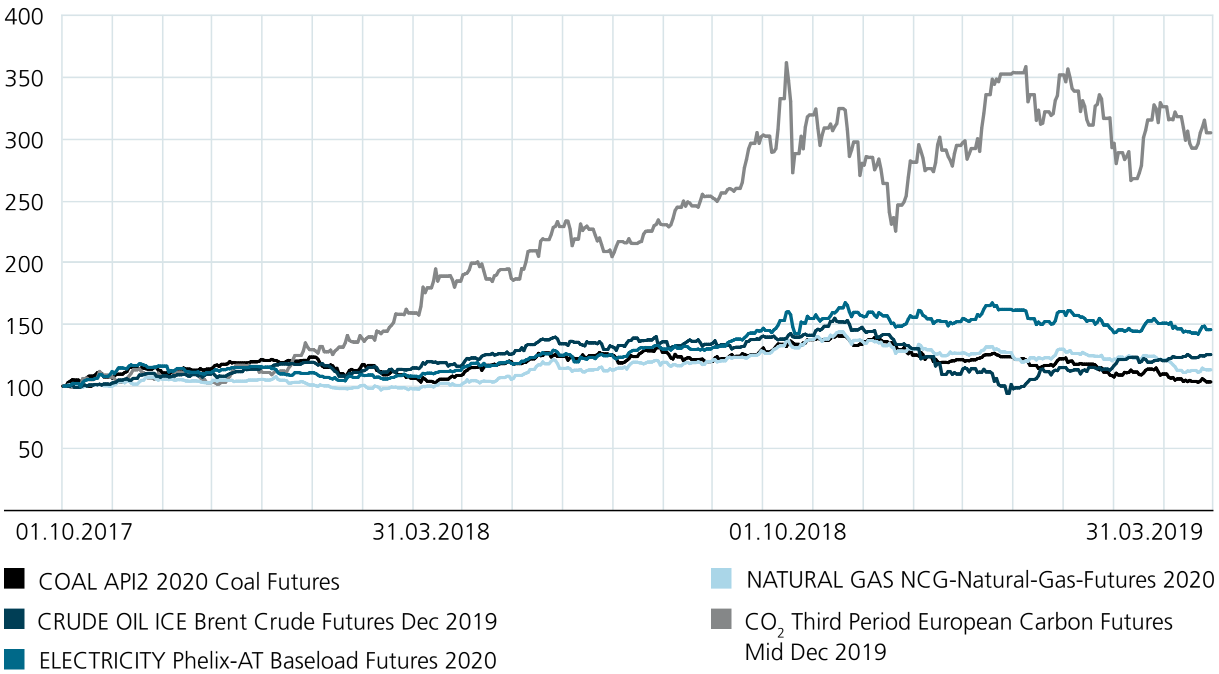
The oil price fell from a high of USD 84.5/barrel of Brent crude oil at the turn of the year to a low of USD 68.4/barrel at the end of the first half of the year.

Although the NetConnect Germany (NCG) gas price for the front year 2020 was significantly above the average for the comparable period of the previous year, it fell from EUR 23.6/MWh at the beginning of October to EUR 18.9/MWh at the end of March in the first half of the fiscal year 2018/2019.

The most significant fluctuations were recorded in the price of CO_2 emissions allowances. During the reporting period, prices fluctuated between around EUR 15.9/t and EUR 25.3/t. In particular, the concern about an unregulated Brexit and the associated effects on the European emissions trading system repeatedly provoked rapid price movements.

Price development on international energy markets

Source: EEX, Reuters; index 01.10.2017 = 100



BUSINESS DEVELOPMENT IN THE ENERGY SEGMENT

In the first half of 2018/2019, the Energy Segment achieved a sales increase of 8.1% with total sales of EUR 582.6 million. Declining sales revenues from gas management were more than offset by increased sales revenues in electricity trading and the increased use of the CCGT (combined-cycle gas turbine) power plants in Timelkam and Laakirchen.

The EBIT of the Energy Segment was EUR 51.4 million in the reporting period; this is equivalent to a drop of 26.6%. This was mainly due to lower earnings contributions from the use of the Timelkam CCGT power plant for grid reserve and congestion management as well as lower earnings contributions from electricity and gas sales due to higher procurement costs. In addition, the significantly lower water level compared with the previous year contributed to the fall in EBIT in the Energy Segment.

In the period under review, higher electricity price expectations and the positive effects of the new System Utilisation Tariff Ordinance resulted in reversals of impairment in the amount of EUR 6.6 million (previous year: EUR 5.0 million) for the Timelkam CCGT power plant. In addition, a reversal of impairment in the amount of EUR 1.9 million for Cogeneration Kraftwerke

Management Oberösterreich GmbH (CMOÖ GmbH) had had a positive effect on EBIT in the previous year.

MORE THERMAL ELECTRICITY GENERATION, LESS ELECTRICITY PROCUREMENT FROM HYDROELECTRIC POWER

Total electricity procurement in the Energy Segment in the first half of 2018/2019 totalled 8,538 GWh and was therefore 2.9% higher than in the previous year (8,294 GWh). At 1,731 GWh, proprietary electricity procurement also grew by 7.2% compared to the previous year (1,615 GWh). This increase is mainly due to growth in thermal electricity generated.

Electricity production from thermal capacities in the Energy Segment was at 585 GWh in the reporting period, increasing by 63.0% compared to the previous year's value of 359 GWh. Due to the rise in electricity prices compared with the previous year, coupled with relatively stable gas prices, it was again possible to utilise the Timelkam CCGT power plant, which is generally kept available for grid reserve and congestion management, on the market in the winter half-year. CMOÖ GmbH also benefited from the current market situation and made a positive contribution to electricity production from thermal capacities through market-based use of a gas turbine.

The provision of district heating from the power plant locations in Riedersbach and Timelkam fell by 6.9% compared with the previous year (188 GWh) to 175 GWh.

Although the water level in the first half of 2018/2019 was 12.9% above the long-term average, the proprietary electricity procurement of Energie AG's hydraulic power plants remained 9.5% below the figure for the same period of the previous year due to the very high water level in the year before. The hydro coefficient of the Group's own power plants and procurement rights was thus 1.13 in the reporting period (previous year: 1.24).

Ennskraftwerke AG, in which Energie AG holds a participating interest of 50%, reported a hydro coefficient of 1.18 and was therefore above the long-term average in the first half of the 2018/2019 fiscal year. All told, Energie AG holds electricity procurement rights in hydropower plants with a standard production capacity of around 1,390 GWh.

Energie AG's wind power portfolio in Austria remains unchanged with participating interests in three wind parks and a pro rata overall performance of nearly 13 MW. Generation from wind power in the reporting period was about 22 GWh (previous year: 19 GWh). Construction work on a 1.6 MW wind power facility is currently in progress.

SUCCESSFUL CUSTOMER LOYALTY IN ELECTRICITY SALES

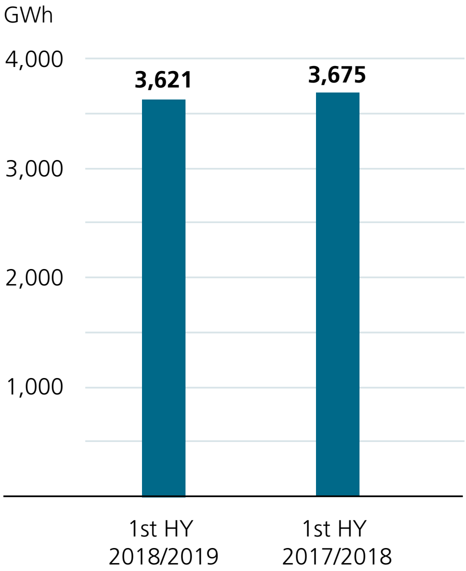
The switching rate on the Austrian electricity market published by E-Control Austria shows that the number of switches in the 2018 calendar year declined for the first time since 2015: while in 2017 4.3% of customers switched electricity providers, this figure was only 4.1% in 2018.

In the commercial and private customer segment of Energie AG Oberösterreich Vertrieb GmbH & Co KG, an even more pronounced decline in the absolute supplier switching figures was recorded in the first half of the year, at slightly more than 30% compared with the previous year.

In the first half of the fiscal year 2018/2019, the consolidated electricity sales volume amounted to 3,621 GWh, 1.5% below the previous year's sales volume in the amount of 3,675 GWh. Declines were recorded in the industrial sector and among commercial and private customers. With business customers, on the other hand, a slight increase in electricity sales was achieved.

The private customer segment continues to be a strong focus of competition. It has been possible to operate successfully in this dynamic market due to the price guarantee in effect until 1 January 2020 as well as to numerous other measures. Digitalisation has increasingly moved into the focus of product developments.

Electricity sales volume

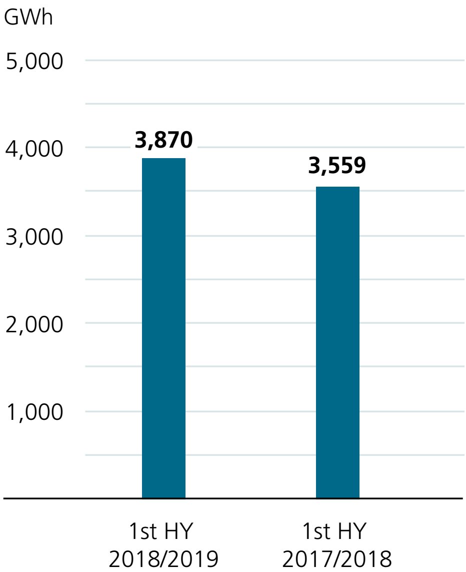


SUCCESSFUL BUSINESS FIGURES IN NATURAL GAS, HEAT AND ENERGY SERVICES

The natural gas sales volume in the Group amounted to 3,870 GWh in the first half year and was thus 8.7% up on the previous year's value of 3,559 GWh. The current winter caused a slight decline in space-heat-driven sales volumes for business and private customers compared with the colder previous year, which was offset by additional volumes for customers newly acquired by the online brand "gasdiskont.at". In the key account segment, the Group again succeeded in achieving a significant increase in volume compared with the previous year. All existing customers were retained and new customers acquired.

The total number of heating degree days in Upper Austria in the first half of the year 2018/2019 was 9.2% below the average for the previous 10 years, and 9.0% below the previous year's figure.

Natural gas sales volume



A loyalty campaign for gas customers with a price guarantee for existing business and private customers ends on 31 December 2019; an appropriate follow-up campaign is in preparation. On average, in this industry, the switching rates in the business and private customer area in Austria again rose slightly in the reporting period. The success of active customer care and customer loyalty measures at Energie AG Oberösterreich Power Solutions (Energie AG Power Solutions) is reflected in a switching rate well below the Upper Austrian and Austrian average. In the first half of 2018/2019, it was even possible to slightly reduce the Group's switching rate compared to the previous year.

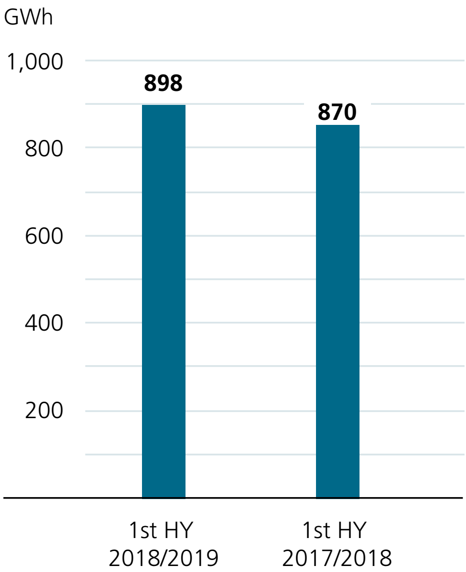
In the energy services business area, the heat sales volume from contracting plants amounted to 105 GWh in the first half of the reporting period, and thus below the previous year's figure of 111 GWh due to ambient temperatures. Weather-related decreases were compensated for to a great extent by further growth in the contracting sector.

CMOÖ GmbH supplies a key account customer in Laakirchen with electricity and process heat through a CCGT power plant, as well as several adjacent companies with district heating. The volume of process heat and district heating provided to customers in the first six months of 2018/2019 was 391 GWh and thus 18.1% up on the previous year's figure of 331 GWh.

In the field of photovoltaics, 10 new photovoltaic (PV) contracting projects with 2.2 MW_p and 4 projects with 0.5 MW_p were agreed in general contractor agreements with business customers in the reporting period. The OeMAG Abwicklungsstelle für Ökostrom AG has already guaranteed the requested subsidies for all plants. The implementation of the projects is planned for the second half of the fiscal year. The current PV portfolio thus comprises 45 plants with average annual electricity generated of 8.2 GWh and an output of 8.2 MW_p.

Despite milder temperatures compared with the previous year, the first half of 2018/2019 in the Heat business unit was characterised by a successful course of business. Efficiency measures in procurement management made it possible to compensate for the negative effects of the milder winter. In addition to this, the modern electricity generation facilities at the sites guaranteed a high degree of supply reliability and quality throughout the entire heating season.

Heat sales volume



The waste heat project started in the first half of 2017/2018 in Gmunden with an established industrial partner is proceeding according to plan. Following the seasonal interruption of the district heating network construction work, network construction activities were resumed towards the end of the first half of 2018/2019 and the second construction stage was started. Due to its use of industrial waste heat, this project enables a significant step to be taken towards ecologising and increasing the efficiency of the heat supply in Gmunden with CO_2 savings of around 3,800 tons per year.

In total, the heat sales volume in the Energy Segment amounted to 898 GWh in the first half of the year 2018/2019, an increase of 3.2% on the previous year (870 GWh).

SUCCESSFUL MARKET LAUNCH OF THE CHARGING CARD FOR E-MOBILITY

In the field of electromobility, the charging card valid throughout Austria was successfully launched on the market in December 2018. Charging card operations and billing are running smoothly. The construction and operation of the public basic charging infrastructure has thus been completed. There are currently 22 Energie AG charging stations with 42 charging points in the charging station network.

GRID SEGMENT

Grid Segment overview

	Unit	1st HY 2018/2019	1st HY 2017/2018	Change
Total sales	EUR mill.	201.4	203.8	-1.2%
EBIT	EUR mill.	34.7	54,0	-35.7%
Investments in property, plant and equipment and intangible assets	EUR mill.	35.5	27.4	29.6%
Workforce (on average)	FTE	537	541	-0.7%
Electricity grid distribution volume to end customers	GWh	4,223	4,275	-1.2%
Natural gas grid distribution volume to end customers	GWh	12,093	11,513	5.0%

GENERAL LEGAL AND REGULATORY CONDITIONS

On 1 January 2019, the 4th new regulatory period began for the electricity sector. The year 2018 was marked by the cost determination procedure, in which costs were examined and the efficiency of the electricity grid operators was compared on the one hand, while the general conditions for the new regulatory period were determined on the other. Netz Oberösterreich GmbH (Netz OÖ) was able to demonstrate a high level of efficiency in an Austria-wide comparison of electricity grid operators. The general cost reduction for all electricity network operators was set at 0.95%, and was thus higher than that for the natural gas sector.

The grid utilisation fees for end-consumers in the electricity sector were reduced as of 1 January 2019, between -2.8% at grid level 3 and -6.7% at grid level 7. The grid utilisation fees for end-consumers in the natural gas division in Upper Austria were also significantly reduced: the reduction between -13.1% at grid level 3 and -17.3% at grid level 2 is founded on the reduction of the very high upstream grid costs and compensation payments in the current tariff base in the previous year.

Last year, the Austrian Court of Audit conducted a financial audit on smart metering, which included an audit of Netz OÖ. The final report was published in mid-January 2019; criticism was primarily levelled at the legislators and project management by authorities. The report included two recommendations for Netz OÖ, which have already been implemented.

BUSINESS DEVELOPMENT IN THE GRID SEGMENT

Sales revenues in the Grid Segment compared to the reference period in the previous year fell slightly by EUR 2.4 million (-1.2%) to EUR 201.4 million. The significant increase in regulated grid utilisation fees (due to what are also considerably higher amortised upstream grid costs) as of 1 January 2018 led to a year-on-year sales increase in the electricity grid in the first quarter of the reporting period, although this only partially offset the decline in revenues in the natural gas grid due to the lower grid utilisation fees.

EBIT in the Grid Segment amounted to EUR 34.7 million in the reporting period. The decline of EUR 19.3 million (-35.7%) compared to the first half of 2017/2018 is mainly due to volume and grid tariff development in the electricity and gas grid business.

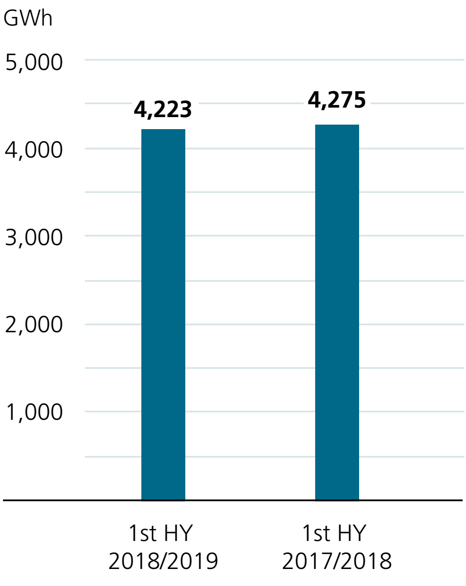
ELECTRICITY AND NATURAL GAS GRID AS THE BACKBONE OF THE UPPER AUSTRIAN SUPPLY INFRASTRUCTURE

According to current estimates for the 2018/2019 fiscal year as a whole, the electrical energy distribution volume to end customers on the electricity grid will be slightly below the all-time high level of the previous year. In the first half of the current fiscal year, the distribution volume fell by 1.2% from 4,275 GWh to 4,223 GWh.

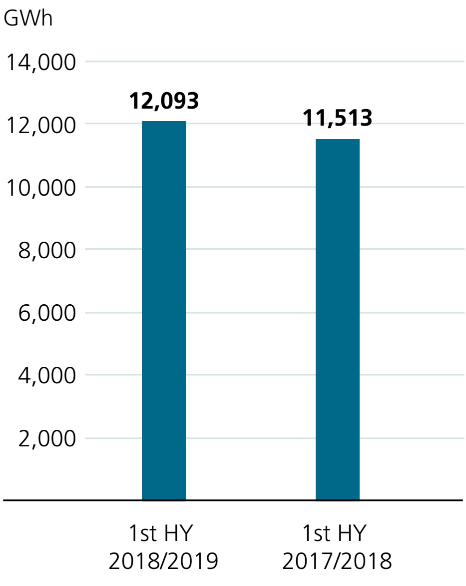
While demand in the industrial customer sector declined compared with the same period of the previous year, it was possible to achieve slight growth with commercial and private customers.

The distribution volume to end users from the natural gas grid increased compared with the previous year (11,513 GWh), amounting to 12,093 GWh (+ 5.0%) in the reporting period. The increase was mainly attributable to the distribution volume for conventional electricity generation to power plants and the proprietary power generating industry. Due to what was mainly milder weather in the winter months, space heating requirements were once again lower, compared to the previous year. Demand from commercial customers in the first half of 2018/2019 was also lower than in previous years.

Electricity grid distribution volume to end customers



Natural gas grid distribution volume to end customers



During the reporting period, disruptions in the operation of the electricity grid due to snow pressure at the beginning of 2019 posed a major challenge. Due to heavy snowfalls and strong winds over several days, there were a large number of disturbances in the medium-voltage and low-voltage grid in the areas of Salzkammergut, Pyhrn-Eisenwurzen and Mühlviertel. The enormous snow accumulations of over two metres in some cases posed great challenges for the entire operating personnel of Netz OÖ and Energie AG Oberösterreich Tech Services GmbH. Over a period of two weeks, 130 employees worked almost continuously. To prevent disruptions, helicopters flew along line sections in the Bad Goisern area, Kasberg, the Pyhrn-Priel region and in Mühlviertel to relieve the snow load on adjacent trees. In this situation, the 110 kV high-voltage grid once again proved to be the strong and reliable backbone of the Upper Austrian electricity supply.

The general renovation of the 110 kV overhead line Ranna – Partenstein (Upper Austria Electricity Grid Master Plan 2026, Project No. 6) was still on-going at the end of the reporting period. Commissioning took place at the beginning of May 2019. In contrast to this, the construction activities for the Almtal and Kremstal power supply project (Upper Austria Electricity Grid Master Plan, Project No. 16) will continue to be interrupted until the Federal Administrative Court has ruled on the obligation to carry out an EIA. In the Pramtal South power supply project (Upper Austria Electricity Grid Master Plan, Project No. 17), compulsory legal proceedings for the construction of the power lines have been underway since autumn 2018, and construction of the Raab transformer station began in March 2019. The process of finding a route for the planned Mühlviertel Rohrbach – Langbruck electricity supply project under the lead of the State of Upper Austria and with the involvement of the grid operators (Upper Austria Electricity Grid Master Plan, Project No. 8b) continued in the first half of the current fiscal year.

The "Replacement of overhead medium-voltage lines particularly susceptible to disruption", and "Low-voltage cabling" strategy programmes proceeded according to plan in the reporting period. This reduces the effects of windstorm events on the power supply and further increases the availability of the grid.

Due to the economic development, there was a noticeable increase in new connections and an increase in the output requirements of commercial customers in both the natural gas and electricity grids in the reporting period.

WASTE MANAGEMENT SEGMENT

Waste Management Segment overview

	Unit	1st HY 2018/2019	1st HY 2017/2018	Change
Total sales	EUR mill.	114.3	113.3	0.9%
EBIT	EUR mill.	7.7	8.3	-7.2%
Investments in property, plant and equipment and intangible assets	EUR mill.	4.4	4.2	4.8%
Workforce (on average)	FTE	861	846	1.8%
Total waste volume handled	1,000 t	851	856	-0.6%
Thermally processed waste volume	1,000 t	304	315	-3.5%

GENERAL ECONOMIC CONDITIONS OF THE WASTE MANAGEMENT SECTOR

In the first half year of 2018/2019, the waste management industry continued to benefit from a favourable economic environment, thus continuing the positive trend of the previous year.

Due to what were still high volumes of waste that needed to be thermally treated, waste incineration plants were well utilised throughout Europe.

Both nationally and internationally, the issue of responsible recycling materials management continued to be at the centre of attention. Guidelines and specifications formulated at European level, for example, in the form of the Ecodesign Directive or the EU Circular Economy Package, aim to achieve recyclable product designs and the use of secondary raw materials in production processes, waste recycling and, finally, a reduction in the quantities of waste sent to landfill sites.

On 1 January 2019, a material amendment to the Waste Wood Ordinance came into force; this has an impact on collection, sorting and recycling. Waste wood must be separated by ordinance into the qualities "material" (recycling-capable), and "thermal" (designated for thermal treatment due to lack of recyclability). The impact the legal change will have on the waste disposal sector is currently not foreseeable.

Recycled materials exhibited varied development compared with the previous year: while the price of copper remained approximately at the same high level as in the previous year, the price of steel scrap fell slightly. The recovered paper index dropped noticeably in a year-on-year comparison, but then remained stable as of the third quarter of the previous year.

BUSINESS DEVELOPMENT IN THE WASTE MANAGEMENT SEGMENT

In the first six months of 2018/2019, sales revenues in the Waste Management Segment amounted to EUR 114.3 million and were thus 0.9% up on the previous year's figure of EUR 113.3 million. The EBIT fell by 7.2% from EUR 8.3 million in the first half of 2017/2018 to EUR 7.7 million in the reporting period. This was attributable, among other things, to higher maintenance costs and the increase in provisions for landfills due to a lower calculated interest rate.

However, both operational sales revenues and operational earnings in the Waste Management Segment increased, although higher expenses were incurred in the scope of the 10-year maintenance interval of a turbine downstream of the incineration lines in Wels, and lower electricity sales were achieved as a result of the turbine downtime.

Higher waste volumes, for example of domestic and bulky waste, take-back systems, waste materials and recyclables, as well as higher disposal prices contributed to the positive operating earnings trend.

OPTIMAL UTILISATION OF INCINERATION PLANTS

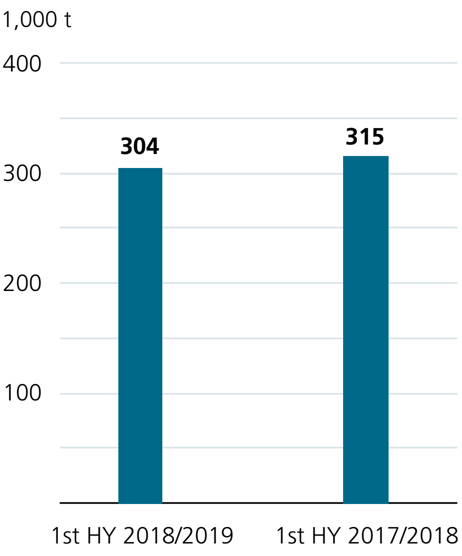
The two incineration plants at Wels and Lenzing were again fully utilised in the first half of 2018/2019, despite a slight drop in the thermally processed waste volume, and reached a throughput of 303,958 tons (previous year 315,094 tons). Work on topics such as technological optimisation, material flow management, heating value and impurities was consistently continued. Due to overhaul work on the turbine of incineration line 2 in Wels, the line had to be taken off the grid and could not be put back into operation until later than planned. It proved possible to operate the incineration plant in Lenzing without any issues until the overhaul, which was carried out as scheduled in February 2019.

In the reporting period, the waste incineration plant in Wels distributed 127 GWh of heat (previous year: 150 GWh) to the district heating network of the town of Wels and to one other key account customer. Electricity procurement in the Waste Management Segment totalled 70 GWh (previous year: 95 GWh).

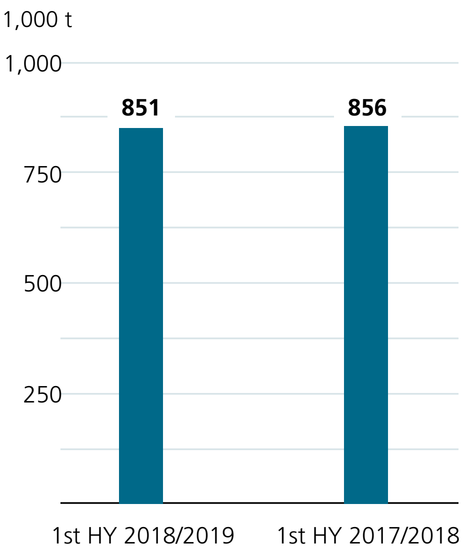
The chemical-physical treatment plant for inorganic waste in Steyr exhibited a very high level of utilisation in the reporting period.

Compared with the previous year, the total volume handled in Austria and South Tyrol fell slightly to 851,342 tons (first half of 2017/2018: 855,860 tons).

Thermally processed waste volume



Total waste volume handled



Cooperation with the public sector was intensified, in particular the municipalities continue to represent a significant target group for Energie AG Oberösterreich Umwelt Service GmbH's range of services. Strategically anchored cost management was also consistently pursued in the reporting period, and the ongoing optimisation projects were continued.

STRUCTURAL OPTIMISATION IN SOUTH TYROL COMPLETED

The completion of the major conversion work at the Neumarkt site meant that business operations have been largely trouble-free in the past six months. The planned increases in efficiency were reflected in higher sales revenues and earnings.

WATER SEGMENT

Water Segment overview

	Unit	1st HY 2018/2019	1st HY 2017/2018	Change
Total sales	EUR mill.	71.5	68,0	5.1%
EBIT	EUR mill.	6.1	4.6	32.6%
Investments in property, plant and equipment and intangible assets	EUR mill.	3.1	1.5	106.7%
Workforce (on average)	FTE	1,579	1,539	2.6%
Invoiced drinking water volume	m^3 mill.	23.7	22.2	6.8%
Invoiced waste water volume	m^3 mill.	22.2	21.9	1.4%

GENERAL CONDITIONS IN THE WATER SECTOR

In the Water Segment, the favourable macroeconomic conditions are reflected in a positive sales development and in the increasing services business order volumes. However, this extremely positive economic development drives competition on the labour market, as is reflected in the unemployment rate in the Czech Republic – the lowest in the European Union. This situation on the labour market is particularly challenging in view of the high average age of the Czech subsidiaries' workforce.

There were no significant changes as part of the annual adjustment of the pricing regime in the Czech Republic, which focuses on the appropriate profit of operating and infrastructure companies.

The Czech koruna remained largely stable in the first half of the 2018/2019 fiscal year.

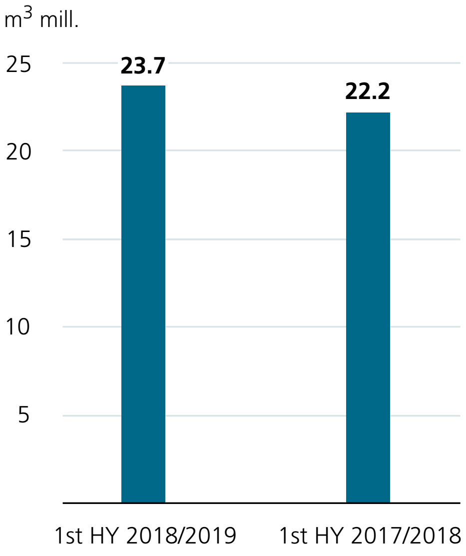
BUSINESS DEVELOPMENT IN THE WATER SEGMENT

The sales revenues in the Water Segment for the first half of 2018/2019 totalled EUR 71.5 million and were thus 5.1% higher than the previous year's value. The EBIT in the reporting period totalled EUR 6.1 million and was therefore about one third (32.6%) up on the previous year (EUR 4.6 million).

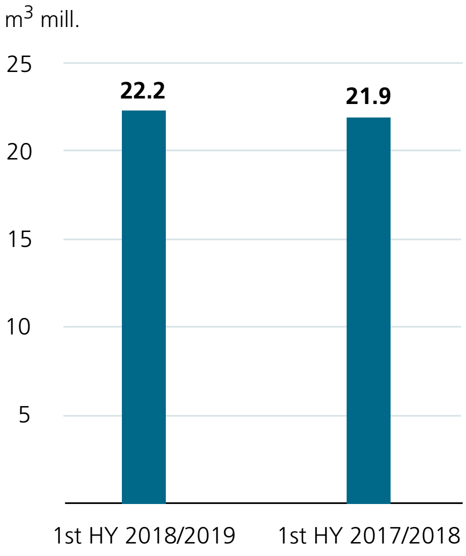
In operational terms, growth was achieved in the core business areas of drinking water supply and waste water disposal. Operational service sales revenues were above the previous year's level. Again growth was achieved in construction assembly services and in wholesale revenues.

In the Water Segment, a total of 23.7 million m^3 of drinking water and 22.2 million m^3 of wastewater were invoiced; this is equivalent to a slight increase on the previous year's figures. As at 31 March 2019, around 920,000 inhabitants were supplied with drinking water; wastewater disposal was handled for around 710,000 customers.

Invoiced drinking water volume



Invoiced waste water volume



STABLE DEVELOPMENT IN THE CZECH REPUBLIC

Like every year, fee negotiations with the municipal contracting parties were scheduled for numerous operator contracts during the reporting period. Smaller bidding procedures will be taking place in a number of supply areas in the course of the fiscal year. The number of operating contracts has grown by five to 657 since the beginning of the fiscal year.

In the area of research, development and innovation, the focus is on reducing non-revenue water as well as on digitalising operations and customer services. Significant projects were implemented in each of these areas. For the first time in the Czech Republic, area-wide water leak detection was carried out using satellite technology in the Beroun district. In the smart water meter sector, the Water under Control application developed in Budweis is a trend-setting solution for water customers and suppliers; it is already developing excellently shortly after the public presentation.

HOLDING & SERVICES SEGMENT

Holding & Services Segment overview

	Unit	1st HY 2018/2019	1st HY 2017/2018	Change
Total sales	EUR mill.	106.8	95.8	11.5%
EBIT	EUR mill.	7.4	-9.6	–
Investments in property, plant and equipment and intangible assets	EUR mill.	25.7	24.3	5.8%
Workforce (on average)	FTE	1,039	1,007	3.2%
Length of fibre-optic network	km	5,750	5,300	8.5%

BUSINESS DEVELOPMENT IN THE HOLDING & SERVICES SEGMENT

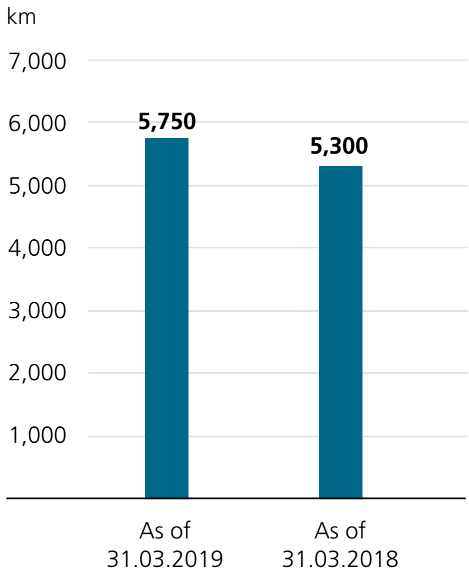
In the Holding & Services Segment, sales revenues rose by 11.5% to EUR 106.8 million year-on-year. This development is mainly attributable to higher sales revenues in the technical services unit and in the Telekom business area.

After the previous year's negative result of EUR -9.6 million due to a special effect in the investments consolidated at equity, the EBIT of the Holding & Services Segment amounted to EUR 7.4 million in the current reporting period. In addition to the absence of this special effect from the previous year, several property sales and the good operating performance of the service companies had a positive effect on the EBIT of the Holding & Services Segment. The telecommunications business area's contribution to EBIT remained largely stable.

FIBRE-OPTIC EXPANSION IS THE PREREQUISITE FOR UPPER AUSTRIA AS A BUSINESS LOCATION

As a result of the advancing digitalisation, the availability of speed-of-light broadband internet throughout the country is a key success factor for the future of Upper Austria as a business location. Energie AG supports this goal by continuing to expand its fibre-optic network, the central component of the Telekom business area. At the end of the reporting period, the Group's own fibre-optic network comprised approx. 5,750 km (previous year: 5,300 km).

Length of fibre-optic network



In the scope of the Fibre To The Home (FTTH) expansion, housing areas in 166 Upper Austrian communities have been connected thus far. FTTH expansion was successfully continued in the reporting period, with more than 20,000 households now connected. Private households here can choose from Energie AG's “powerSPEEDprivat” product portfolio (internet with speeds up to 500 Mbps download plus a TV product and telephony). The approval of further subsidies in the context of “Broadband Austria 2020” (Access 3rd Call) in the reporting period was also encouraging.

Rendering electricity metering services for Netz OÖ is a further business area of Energie AG Oberösterreich Telekom GmbH (Telekom GmbH). In terms of the roll-out schedule for smart metering devices (IME-VO Amendment 2017), Telekom GmbH had installed approx. 580,000 AMIS meters by the end of March 2019. This is equivalent to nearly 85% of all electricity meters in Netz OÖ's supply area.

OUTLOOK

Due to the termination of the cooperation in electricity sales with LINZ AG für Energie, Telekommunikation, Verkehr und Kommunale Dienste, the sales activities of the Energie AG Group for electricity, gas, heat and telecommunications will be bundled in the newly founded Energie AG Oberösterreich Vertrieb GmbH in the second half of the 2018/2019 fiscal year. Energie AG Oberösterreich Vertrieb GmbH & Co KG and the sales divisions of Energie AG Oberösterreich Power Solutions GmbH, Energie AG Oberösterreich Wärme GmbH and Energie AG Oberösterreich Telekom GmbH were contributed, merged or spun off to this Group company with retroactive effect from 1 October 2018. The associated organisational change became effective in the Group on 1 April 2019 after the conclusion of the reporting period. True to the motto of "Everything from a single source", an even better focus on specific customer needs, for example in the form of bundled products, will therefore be achieved.

In addition, with retroactive effect from 1 October 2018, the generation activities in the Group were bundled and the heat generation facilities integrated into the Group company Energie AG Oberösterreich Kraftwerke GmbH, which will be renamed to Energie AG Oberösterreich Erzeugung GmbH. The organisational implementation of this project, which came into effect on 1 May 2019, ties in with the bundling of sales activities for electricity, gas, heating and telecommunications and enables synergy effects and production efficiency enhancements.

In the second half of the 2018/2019 fiscal year, it is also planned to pool the Czech water and heating activities of the Energie AG Group. For this reason, the national holding company was split off from the heating business unit and merged with the Czech affiliates of Energie AG Oberösterreich Wasser GmbH. In this context, Energie AG Teplo Bohemia s.r.o. will be merged with ENERGIE AG BOHEMIA s.r.o. retroactively with effect as of 1 October 2018. In organisational terms, cooperation in the water and heat unit in the Czech Republic was implemented as of 1 April 2019. Given that several of the water and heating companies operate in the same or neighbouring regions, a synergy project has been launched. The aim is to further optimise market activities and intensify cooperation between water and heating companies.

In terms of the price development on the European electricity markets, continued high volatility at the current level can be expected for the second half of the 2018/2019 fiscal year. In the second half of the year, stable development of the natural gas procurement prices, which dropped in the reporting period, is anticipated at the existing level. Electricity retail prices for end users and commercial customers will also be kept constant in the second half of the year in conformity with the conditions of the price guarantee valid until 1 January 2020.

In the second half of the 2018/2019 fiscal year, the Heat business unit will concentrate on further expansion of the district heating project in Gmunden. A further major focus will be acquiring new customers in the existing supply area.

In the Grid Segment, the statutory environment for the current fiscal year can again be judged to be stable. The parameters for the current electricity regulatory period have been defined for the next five years. The general economic environment for the natural gas grid was defined on 1 January 2018 in the third regulatory period, however, the Austrian Federal Economic Chamber and the Federal Chamber of Labour have objected to the stipulations made by the regulatory authority. A decision on how to respond to these objections is still outstanding. However, the design of the electricity regulatory period was completed without any objections in the current year, so that, viewed holistically, a stable economic environment for the grid sector can continue to be assumed.

For the second half year, the Waste Management Segment anticipates good capacity utilisation at its incineration plants due to the high available volume of thermally recyclable waste. The protection of the plants against impurities and the search for new, innovative disposal solutions for these impurities remain central topics. Price developments on the waste disposal market continue to be viewed positively.

In the Water Segment, stable business development without significant changes in the contract portfolio is anticipated for the second half of the 2018/2019 fiscal year.

The focus of the planned Federal Broadband Strategy 2030 is the objective of gigabit connections for all Austrian households from 2025 onwards. To this end, the federal government is planning both legal measures and subsidies. The resulting opportunities will be actively pursued by Energie AG's Telecommunications business area. In addition, fibre optic expansion will be continued in the second half of the 2018/2019 fiscal year in areas where a subsidy has already been granted or the required number of customer contracts has been concluded. In the future, Telekom GmbH's fibre optics division will focus on the role of a wholesale provider for the Group's own sales organisation and other providers.

In the second half of the 2018/2019 fiscal year, the focus within the Energie AG Group will be on the organisational implementation of structural changes within the Group and the realisation of initial synergies from this. The specific focus will be on continuing to improve customer orientation, for example, with bundled products in the electricity, gas, heating and telecommunications business. The ongoing implementation of the digitalisation strategy and consistent cost management in all areas of the Group complement the strategic orientation. Against the backdrop of sales reorganisation, and the challenges from the market environment and regulatory developments, a good operating result is expected for the 2018/2019 fiscal year as a whole.

Linz, 29 May 2019

The Management Board of Energie AG Oberösterreich

Chief Executive Officer
DDr. Werner Steinecker MBA
Chairman of the Management Board
C.E.O.

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

Dipl.-Ing. Stefan Stallinger MBA
Member of the Management Board
C.T.O.

Semi-Annual Consolidated Financial Statements 2018/2019 of Energie AG Oberösterreich

CONSOLIDATED INCOME STATEMENT
1 OCTOBER 2018 TO 31 MARCH 2019

		01.10.2018-31.03.2019 EUR 1,000	01.10.2017-31.03.2018 EUR 1,000
1.	Sales revenues	981,965.6	913,230.3
	Procurement costs for electricity and gas trading	-56,501.8	-45,136.8
	Net sales revenues	925,463.8	868,093.5
2.	Change in inventories of finished goods and work in progress	-331.3	-547.8
3.	Other capitalised corporate services	15,869.2	13,814.9
4.	Share in result of companies consolidated at equity	29,475.0	28,159.7
5.	Other Operating Revenues (thereof reversals of impairment TEUR 6,608.2 (previous year: TEUR 6,832.0))	21,298.7	16,587.2
6.	Expenses for materials	-595,920.9	-517,785.4
7.	Personnel expense	-141,652.3	-134,987.9
8.	Depreciation, amortisation and impairments	-71,110.7	-68,346.1
9.	Other operating expenses	-75,767.1	-77,674.8
10.	**Operating result**	**107,324.4**	**127,313.3**
11.	Financing expenses	-11,343.9	-11,788.5
12.	Other interest income	-30.0	405.4
13.	Other financial income	494.7	6,919.0
14.	**Financial result**	**-10,879.2**	**-4,464.1**
15.	**Earnings before taxes**	**96,445.2**	**122,849.2**
16.	Income taxes	-20,653.5	-29,202.0
17.	**Consolidated net earnings**	**75,791.7**	**93,647.2**
	Thereof attributable to non-controlling interests	1,014.8	988.1
	Thereof attributable to investors in the parent company		
	Consolidated net profit	**74,776.9**	**92,659.1**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
1 OCTOBER 2018 TO 31 MARCH 2019

		01.10.2018-31.03.2019 EUR 1,000	01.10.2017-31.03.2018 EUR 1,000
1.	**Consolidated net earnings**	**75,791.7**	**93,647.2**
2.	**Other comprehensive income**		
	Items that will not be subsequently reclassified to the income statement:		
	Revaluation of the defined benefit obligation	-11,316.2	232.4
	Changes in value of at-equity companies recognised in equity	-414.0	-0.8
	Changes in value of investments and securities	3,077.3	-5,825.9
	Deferred taxes	2,059.3	-58.3
	Items that may be subsequently reclassified to the income statement:		
	Hedge accounting	-39,619.3	9,414.0
	Hedge accounting of at-equity companies	-163.9	–
	Currency translation differences	-229.4	2,684.1
	Deferred taxes	9,888.6	-897.0
	Total expenses and revenues recognised in other comprehensive income	**-36,717.6**	**5,548.5**
3.	**Total comprehensive income after taxes**	**39,074.1**	**99,195.7**
4.	Thereof attributable to non-controlling interests	976.6	1,351.7
5.	**Thereof attributable to parent company**	**38,097.5**	**97,844.0**

CONSOLIDATED BALANCE SHEET
AS OF 31 MARCH 2019

ASSETS			31 March 2019 EUR 1,000	30 September 2018 EUR 1,000
A.	**Non-current assets**			
	I.	Intangible assets and goodwill	185,192.7	187,150.0
	II.	Property, plant and equipment	2,013,069.6	2,009,145.7
	III.	Investments (thereof at-equity companies: EUR 300,038.8 thousand (previous year: EUR 313,604.3 thousand))	323,196.8	325,163.0
	IV.	Other financial assets	58,118.9	65,318.8
			2,579,578.0	**2,586,777.5**
	V.	Other non-current assets	9,570.2	15,950.7
	VI.	Deferred tax assets	8,436.8	10,589.2
			2,597,585.0	**2,613,317.4**
B.	**Current assets**			
	I.	Inventories	44,141.3	50,508.0
	II.	Receivables and other assets	296,748.7	276,370.3
	III.	Fixed term deposits	119,955.1	181,070.1
	IV.	Cash and cash equivalents	24,771.1	101,436.6
			485,616.2	**609,385.0**
			3,083,201.2	**3,222,702.4**

LIABILITIES			31 March 2019 EUR 1,000	30 September 2018 EUR 1,000
A.	**Equity**			
	I.	Share capital	88,729.2	88,779.7
	II.	Capital reserves	214,859.8	214,809.5
	III.	Retained earnings	1,046,711.3	1,050,716.6
	IV.	Other reserves	-20,365.9	12,651.0
	V.	Non-controlling interests	14,671.3	14,483.2
			1,344,605.7	**1,381,440.0**
B.	**Non-current liabilities**			
	I.	Financial liabilities	443,418.1	428,882.8
	II.	Non-current provisions	284,800.3	278,920.4
	III.	Deferred tax liabilities	64,638.4	75,297.8
	IV.	Construction cost subsidies	372,281.6	370,656.1
	V.	Advances received	16,886.7	27,457.0
	VI.	Other non-current liabilities	72,054.9	76,030.3
			1,254,080.0	**1,257,244.4**
C.	**Current liabilities**			
	I.	Financial liabilities	18,985.1	26,229.8
	II.	Current provisions	20,246.1	17,994.4
	III.	Tax provisions	24.2	165.0
	IV.	Trade payables	139,950.7	157,632.7
	V.	Other current liabilities	305,309.4	381,996.1
			484,515.5	**584,018.0**
			3,083,201.2	**3,222,702.4**

STATEMENT OF CHANGES IN EQUITY
(CONDENSED)

	Equity attributable to shareholders in the parent company EUR 1,000	Non-controlling interests in equity EUR 1,000	Total EUR 1,000
Balance 30.09.2017	**1,265,733.7**	**13,691.7**	**1,279,425.4**
Comprehensive income	97,844.0	1,351.7	99,195.7
Dividends	-53,267.8	-578.6	-53,846.4
Change in scope of consolidation	-42.6	-36.7	-79.3
Balance 31.03.2018	**1,310,267.3**	**14,428.1**	**1,324,695.4**
Balance 30.09.2018	**1,366,956.8**	**14,483.2**	**1,381,440.0**
Adjustments from the initial application of IFRS 9, after taxes	2,961.8	15.6	2,977.4
Comprehensive income	38,097.5	976.6	39,074.1
Dividends	-78,081.7	-804.1	-78,885.8
Balance 31.03.2019	**1,329,934.4**	**14,671.3**	**1,344,605.7**

CASH FLOW STATEMENT (CONDENSED)

	01.10.2018-31.03.2019 EUR 1,000	01.10.2017-31.03.2018 EUR 1,000
Earnings before income taxes	**96,445.2**	**122,849.2**
Earnings after taxes	**87,507.3**	**115,247.1**
Depreciation/Appreciation of non-current assets	64,502.5	61,597.8
Retained earnings of equity companies	19,764.3	11,911.7
Other items	-26,857.7	-18,636.1
CASH FLOW FROM EARNINGS	**144,916.4**	**170,120.5**
Payments from hedging transactions	-40,185.5	2,890.9
Change in fixed term deposits and short-term investments	61,115.0	-102.1
Change in inventories and current receivables	-28,246.6	-38,381.5
Other change in working capital	-39,868.5	-17,063.9
CASH FLOW FROM OPERATING ACTIVITIES	**97,730.8**	**117,463.9**
Outflow for additions to property, plant, equipment and intangible assets	-112,946.8	-96,752.4
Other items	10,186.1	4,538.7
CASH FLOW FROM INVESTMENTS	**-102,760.7**	**-92,213.7**
Dividend distribution	-78,885.8	-53,846.4
Other items	7,283.1	-4,267.6
CASH FLOW FROM FINANCING ACTIVITIES	**-71,602.7**	**-58,114.0**
TOTAL CASH FLOW	**-76,632.6**	**-32,863.8**
Cash funds at beginning of period	101,436.6	93,030.3
Cash flow	-76,632.6	-32,863.8
Exchange rate effects on cash funds	-32.9	272.8
Cash funds at end of period	24,771.1	60,439.3

NOTES TO THE SEMI-ANNUAL CONSOLIDATED FINANCIAL STATEMENTS 2018/2019
OF ENERGIE AG OBERÖSTERREICH

1. General disclosures

The condensed Semi-Annual Financial Statements of Energie AG Oberösterreich as of 31 March 2019 were drawn up in accordance with IAS 34 (interim financial reporting), the International Financial Reporting Standards (IFRS) for interim financial reporting as applicable on the balance sheet date together with the applicable interpretations as published by the International Accounting Standards Board (IASB) and adopted by the European Union. The interim report provides an update to the consolidated financial statements as of 30 September 2018. The Semi-Annual Financial Statements were not subjected to a complete review or a review by a public auditor.

The accounting policies current as of 30 September 2018 were applied without changes, with the exception of the changes disclosed in this report.

2. Change of accounting methods

2.1. Standards and interpretations applied or amended and adopted by the EU for the first time

Newly applicable amended standards and interpretations adopted by the EU that take effect on 1 January 2018 or later:

- IFRS 9 (Financial Instruments)
- IFRS 15 (Revenue from Contracts with Customers)
- IFRS 2 (Amendments: Classification and Measurement of Share-based Payment Transactions)
- IAS 40 (Amendments: Transfer of Investment Property)
- IFRS 4 (Amendments: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts)
- Annual Improvements to IFRS Standards 2014-2016 Cycle (Amendments to IFRS 1 and IAS 28)
- IFRIC 22 (Foreign Currency Transactions and Advance Consideration)

IFRS 9 (Financial Instruments)

IFRS 9 (Financial Instruments) will be used (for the first time) in the 2018/19 fiscal year, replacing the existing rules stipulated in IAS 39 (Financial Instruments: Recognition and Measurement). The option to provisionally maintain the guidelines of IAS 39 for the accounting of hedging transactions is not exercised. IFRS 9 is applied prospectively, where applicable.

Other investments classified as AFS (at cost) under IAS 39 (carrying amount as of 30 September 2018: EUR 8,534.4 thousand) will now be classified as FVOCI. As of 1 October 2018, this resulted in an upward revaluation of EUR 4,702.0 thousand.

Securities that were classified as AFS under IAS 39 (carrying amount as of 30 September 2018: EUR 17,972.8 thousand) will now be allocated to the FVOCI category (equity instruments) in the amount of EUR 14,892.1 thousand and to the FVPL category (debt instruments) in the amount of EUR 3,080.7 thousand.

The financial assets in the LaR category were classified as “measured at amortised costs” (AC) in accordance with IFRS 9. A loss allowance is recognised for expected credit losses. If the credit risk has not increased significantly since the initial recognition, an allowance in the amount of the credit losses expected over a period of 12 months will be recognised. An allowance for accounts receivables is, differently to what was explained above, recognised in the amount of the credit losses expected over the full term. If the credit risk has increased significantly since the initial recognition, the allowance amount will correspond to the amount of credit losses expected over the full term. The expected credit risk is determined on the basis of historical information about payment defaults, or on the basis of credit loss probabilities determined internally or procured from external financial service providers.

Recognition of impairments for these financial assets on 1 October 2018 has resulted in a reduction of the carrying amounts for loans to companies in which a participating interest is held (EUR -120.5 thousand), other lendings (EUR -23.2 thousand), accounts receivables (EUR -266.7 thousand) and fixed term deposits (EUR -242.2 thousand).

The following table shows the previous measurement category and carrying amount determined in accordance with IAS 39, as well as the new measurement category and carrying amount determined in accordance with IFRS 9 at the time of the initial application of IFRS 9:

	Categories acc. to IFRS 9	Carrying amount IFRS 9 01.10.2018 EUR 1,000	Categories acc. to IAS 39	Carrying amount 30.09.2018 EUR 1,000
Investments		**16,260.7**		**11,558.7**
Shares in affiliated companies	FVOCI	2,097.1	AfS (at cost)	2,097.1
Available for sale investments	FVOCI	–	AfS	927.1
Other investments	FVOCI	14,163.6	AfS (at cost)	8,534.5
Other financial assets		**65,174.1**		**65,318.8**
Loans to affiliated companies	AC	37.0	LaR	37.0
Loans to companies in which an interest is held	AC	12,497.9	LaR	12,618.4
Other lendings	AC	6,284.4	LaR	6,307.6
Securities	AC	–	HtM	1.0
Securities	FVOCI	14,892.1	AfS	17,972.8
Securities	FVPL	31,462.7	AtFVP&L (FV Option)	28,382.0
Receivables and other financial assets (non-current and current) as per balance sheet		**292,055.3**		**292,321.0**
Thereof non-financial assets		**31,140.5**		**31,140.5**
Thereof financial assets		**260,914.8**		**261,180.5**
Trade receivables	AC	171,628.8	LaR	171,895.5
Receivables from affiliated companies	AC	295.7	LaR	295.7
Receivables from joint arrangements and associated companies	AC	23,517.8	LaR	23,517.8
Derivatives designated as hedging instruments (cash flow hedges)	n/a	2,268.1	n/a	2,268.1
Derivatives not designated as hedging instruments	FVTPL	33,806.4	AtFVP&L (Trading)	33,806.4
Other financial assets	AC	29,398.0	LaR	29,397.0
Fixed term deposits	AC	**140,910.3**	LaR	**141,152.5**
Fixed term deposits	FVPL	**39,917.6**	AtFVP&L (FV Option)	**39,917.6**
Cash and cash equivalents	AC	**101,436.6**	LaR	**101,436.6**
Total financial assets		**624,614.1**		**620,564.7**

	Categories acc. to IFRS 9	Carrying amount IFRS 9 01.10.2018 EUR 1,000	Categories acc. to IAS 39	Carrying amount 30.09.2018 EUR 1,000
Financial liabilities (non-current and current)		**455,112.6**		**455,112.6**
Bonds	FLAC	302,125.1	FLAC	302,125.1
Liabilities to banks	FLAC	29,266.0	FLAC	29,266.0
Liabilities from finance leases	IAS 17	48,972.8	IAS 17	48,972.8
Other financial liabilities	FLAC	74,748.7	FLAC	74,748.7
Trade payables (current)	FLAC	**157,632.7**	FLAC	**157,632.7**
Other liabilities (non-current and current) according to the balance sheet		**458,026.4**		**458,026.4**
Thereof non-financial liabilities		**241,629.5**		**241,629.5**
Thereof financial liabilities		**216,396.9**		**216,396.9**
Liabilities to affiliated companies	FLAC	18,219.1	FLAC	18,219.1
Liabilities to joint arrangements and associated companies	FLAC	92,821.3	FLAC	92,821.3
Derivatives designated as hedging instruments (cash flow hedges)	n/a	14,287.1	n/a	14,287.1
Derivatives not designated as hedging instruments	FVTPL	33,361.9	AtFVP&L (Trading)	33,361.9
Other financial liabilities (non-current and current)	FLAC	57,707.5	FLAC	57,707.5
Total financial liabilities		**829,142.2**		**829,142.2**

Carrying amounts grouped to measurement categories

	acc. to IFRS 9		acc. to IAS 39
Financial Assets at Amortised Cost (AC)	486,006.5	Loans and Receivables (LaR)	486,658.1
		Held to Maturity Investments (HtM)	1.0
Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)	31,152.8	Available for Sale Financial Assets (AFS)	29,531.5
Financial Assets at Fair Value Trading through Profit or Loss (FVTPL)	33,806.4	Financial Assets at Fair Value through Profit or Loss (AtFVP&L (Trading))	33,806.4
Financial Assets at Fair Value through Profit or Loss (FVPL)	71,380.3	Financial Assets at Fair Value through Profit or Loss (AtFVP&L (FV Option))	68,299.6
Financial Liabilities at Amortised Cost (FLAC)	732,520.4	Financial Liabilities Measured at Amortised Cost (FLAC)	732,520.4
Financial Liabilities at Fair Value Trading through Profit or Loss (FVTPL)	33,361.9	Financial Liabilities at Fair Value through Profit or Loss (AtFVP&L (Trading))	33,361.9

In accordance with IFRS 9, financial instruments that were classified as AtFVP&L (FV option) on 30 September 2018 will have to be classified as FVPL.

IFRS 15 (Revenue from Contracts with Customers)

We refer to the Consolidated Financial Statements as of 30 September 2018 for an analysis of the effects of IFRS 15 on the Consolidated Financial Statements. Application of IFRS 15 does not result in any significant effects on the Consolidated Financial Statements. The initial application of IFRS 15 will require additional disclosures to be made in the Notes to the Consolidated Financial Statements as of 30 September 2019.

Other changes

The other changes to standards and interpretations are without any significant effects on the Consolidated Financial Statements.

2.2. Standards and interpretations that have not been applied early

In the 2018/2019 Semi-Annual Financial Statements, the following amendments adopted by the EU were not applied ahead of their effective date:

Entry into force in the EU on 1 January 2019:

- IFRS 16 (Leases)
- IFRS 9 (Amendments: Prepayment Features with Negative Compensations)
- IFRIC 23 (Uncertainty over Income Tax Treatments)

The following standards and interpretations, amendments and improvements of standards enter into force on 1 January 2018 or a later date, although they have not yet been adopted by the European Union at this time:

- Amendments References to the Conceptual Framework in IFRS Standards
- IFRS 3 (Amendments: Definition of business plan)
- IAS 1 (Amendments), IAS 8 (Amendments: Definition of material)
- IFRS 17 (Insurance Contracts)

These standards are expected to be applied on the effective date promulgated by the EU.

Entry into force on 1 January 2016, but adoption by the European Union postponed for an indefinite time:

- IFRS 10 and IAS 28 (Amendments: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)
- IFRS 14 (Regulatory Deferral Accounts)

IFRS 16 (Leases)

IFRS 16 was published in January 2016 and replaces IAS 17, IFRIC 4, SIC-15 and SIC-27. The new standard provides that in future all leases and the contractual rights and obligations associated with them must be reported on the lessee's statement of financial position. This resolves the current differences in the recognition of operating and finance leases under IAS 17. The lessee will recognise a right-of-use asset representing its right to use an underlying asset and, at the same time, a lease liability in the amount of the present value of the lease payments. The right of use asset must then be amortised and the lease liability carried forward using the effective interest method. There are exemptions possible for short-term leases and leased properties of low value.

An IT solution to support the calculation is currently being implemented. The relevant contracts will be analysed with regard to accounting in accordance with IFRS 16 and captured in the calculation tool.

The most important change concerns the Group's head office in Linz, which is currently used on the basis of an operating lease. Under the current conditions, it is expected that a right-of-use asset and a lease liability in the amount of EUR 40.2 million will have to be recognised. In addition, the Waste Management Segment (Austria) comprises portfolio contracts concerning properties which, based on the currently available information, will result in the recognition of a right-of-use asset and a corresponding liability in the amount of EUR 17.4 million. From today's perspective, the remaining leases are of subordinate importance, both individually as well as in their entirety.

Current finance leases will be continued; the assets will merely be reclassified as right-of-use assets. This predominantly relates to assets in the Waste Management Segment, which were sold in the 2007/2008 fiscal year and leased back for a term of 15 years ("sale and leaseback"). The carrying amount of these assets was EUR 22.3 million as of 30 September 2018.

IFRS 16 is not applied to short-term leases and leases concerning an underlying asset of minor value. In accordance with IFRS 16.4, the company has opted out of voluntary application of IFRS 16 for intangible assets. Application takes place with retrospective effect by recognising the accumulated effect at the time of initial application. The initial application will take place in the fiscal year 2019/2020.

3. Scope of consolidation

Energie AG Oberösterreich Vertrieb GmbH (formerly: EAG WSGT GmbH) was established on 7 December 2018 as a sales company for electricity, gas, heat and telecommunication services. This company is fully consolidated in the consolidated financial statements (Energy Segment).

4. Accounting policies

Impairment of property, plant and equipment

The current market conditions are characterised by rising electricity prices and stable gas prices, which resulted in improved framework conditions for the CCGT power plant in Timelkam.

The resulting optimistic appraisal of future cash inflow surpluses in the Energy Segment resulted in an upward revaluation of the CCGT power plant in Timelkam in an amount of EUR 6.6 million (31 March 2018: upward revaluation: EUR 5.0 million).

The recoverable amount (value in use) is EUR 52.2 million (30 September 2018: EUR 56.7 million). The maximum output of the power plants amounts to 422 MW, maximum district heating supply is 100 MW. Efficiency was estimated at 55.7%. Annual electricity generation was recognised at up to 1,785 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 recognised according to maintenance plans and contracts. Other material expense items such as personnel costs, insurance and infrastructure costs are annually increased by an estimated increase rate. The discount rate is 4.9% (30 September 2018: 4.9%).

Impairment of investments

As of 31 March 2018, the share in the profits of Salzburg AG (recognised at equity) for energy, traffic and telecommunication in the amount of EUR 9.1 million was not recognised as this would have resulted in exceeding the value in use of EUR 153.5 million.

5. Segment reporting

Energie AG Group identifies the reportable segments according to IFRS 8 on the basis of internal reporting and internal control (Management Approach).

Segment reporting covers the Energy, Grid, Waste Management, Water and Holding & Services Segments.

The accounting policies applied to the reported segments are the same as those applied throughout the Group. Sales transactions between the segments (internal sales) are billed at market prices, or on the basis of costs incurred. The operating result is the profit or loss for the period that is monitored regularly by the chief decision-makers and used as the primary basis for assessing success and allocating resources.

2018/2019	Energy EUR mill.	Grid EUR mill.	Waste Manage-ment EUR mill.	Water EUR mill.	Holding & Services EUR mill.	Recon-ciliation EUR mill.	Group EUR mill.
Sales to third parties	581.4	194.6	111.5	71.3	23.2	–	982.0
Intersegment sales	1.2	6.8	2.8	0.2	83.6	-94.6	–
Total sales	**582.6**	**201.4**	**114.3**	**71.5**	**106.8**	**-94.6**	**982.0**
Operating result	51.4	34.7	7.7	6.1	7.4	–	107.3

2017/2018	Energy EUR mill.	Grid EUR mill.	Waste Manage-ment EUR mill.	Water EUR mill.	Holding & Services EUR mill.	Recon-ciliation EUR mill.	Group EUR mill.
Sales to third parties	537.7	176.9	109.5	67.8	21.3	–	913.2
Intersegment sales	1.3	26.9	3.8	0.2	74.5	-106.7	–
Total sales	**539.0**	**203.8**	**113.3**	**68.0**	**95.8**	**-106.7**	**913.2**
Operating result	70.0	54.0	8.3	4.6	-9.6	–	127.3

The operating result in the totals column corresponds to the result stated in the Consolidated Income Statement. The reconciliation statement with earnings before income taxes can be obtained from the consolidated income statement.

6. Financial instruments

6.1. Carrying amounts in accordance with IFRS 9

In accordance with IAS 9 or IAS 17, the carrying amounts of financial assets and liabilities are grouped into classes or measurement categories as follows:

	Categories acc. to IFRS 9	Carrying amount 31.03.2019 EUR 1,000
Investments		**23,158.0**
Shares in affiliated companies	FVOCI	2,131.3
Other investments	FVOCI	21,026.7
Other financial assets		**58,118.9**
Loans to affiliated companies	AC	36.2
Loans to companies in which an interest is held	AC	11,886.7
Other lendings	AC	5,978.4
Securities FVOCI	FVOCI	11,103.6
Securities FVPL	FVPL	29,114.0
Receivables and other financial assets (non-current and current) as per balance sheet		**306,318.9**
Thereof non-financial assets		**36,465.1**
Thereof financial assets		**269,853.8**
Trade receivables	AC	204,458.6
Receivables from affiliated companies	AC	708.4
Receivables from joint arrangements and associated companies	AC	16,528.1
Derivatives designated as hedging instruments (cash flow hedge)	n/a	370.4
Derivatives not designated as hedging instruments	FVTPL	10,597.7
Other financial assets	AC	37,190.6
Fixed term deposits	AC	**99,905.1**
Fixed term deposits	FVPL	**20,050.0**
Cash and cash equivalents	AC	**24,771.1**
Total financial assets		**495,856.9**

	Categories acc. to IFRS 9	Carrying amount 31.03.2019 EUR 1,000
Financial liabilities (non-current and current)		**462,403.2**
Bonds	FLAC	302,079.0
Liabilities to banks	FLAC	36,263.1
Liabilities from finance leases	IAS 17	47,635.8
Other financial liabilities	FLAC	76,425.3
Trade payables (current)	FLAC	**139,950.7**
Other liabilities (non-current and current) according to the balance sheet		**377,364.3**
Thereof non-financial liabilities		**238,972.1**
Thereof financial liabilities		**138,392.2**
Liabilities to affiliated companies	FLAC	29,212.7
Liabilities to joint arrangements and associated companies	FLAC	56,610.4
Derivatives designated as hedging instruments (cash flow hedge)	n/a	16,524.5
Derivatives not designated as hedging instruments	FVTPL	10,616.3
Other financial liabilities (non-current and current)	FLAC	25,428.3
Total financial liabilities		**740,746.1**
Carrying amounts grouped to measurement categories according to IFRS 9		
Financial Assets at Amortised Cost (AC)		401,463.2
Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)		34,261.6
Financial Assets at Fair Value Trading through Profit or Loss (FVTPL)		10,597.7
Financial Assets at Fair Value through Profit or Loss (FVPL)		49,164.0
Financial Liabilities at Amortised Cost (FLAC)		665,969.5
Financial Liabilities at Fair Value Trading through Profit or Loss (FVTPL)		10,616.3

We refer to section 2.1 › page 33 for the carrying amounts of financial assets and liabilities as of 30 September 2018, grouped to classes or measurement categories in accordance with IAS 39 or IAS 17.

6.2. Measurement at fair value

6.2.1. Fair value of financial assets and liabilities that are measured regularly at fair value

Pursuant to IFRS 13, financial instruments that are measured 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: Measurement on the basis of a published price quotation for identical assets or liabilities in an active market.

Level 2: Measurement on the basis of inputs that are observable either directly or indirectly in the market and measurements based on prices quoted in inactive markets.

Level 3: Measurement on the basis of inputs not observable in the market.

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

The financial instruments measured at fair value are assigned to levels 1 to 3 as follows:

31.03.2019	Carrying amount acc. to IFRS 9 EUR 1,000	Measurement at market prices Level 1 EUR 1,000	Measurement on the basis of inputs observable on the market Level 2 EUR 1,000	Other valuation methods Level 3 EUR 1,000	Total fair value EUR 1,000
Assets					
Shares in affiliated companies (FVOCI)	2,131.3	–	–	2,131.3	2,131.3
Other investments (FVOCI)	21,026.7	935.0	–	20,091.7	21,026.7
Securities (FVOCI)	11,103.6	11,103.6	–	–	11,103.6
Securities (FVPL)	29,114.0	28,828.7	285.3	–	29,114.0
Derivatives designated as hedging instruments (cash flow hedge)	370.4	–	370.4	–	370.4
Derivatives not designated as hedging instruments (FVTPL)	10,597.7	–	10,597.7	–	10,597.7
Fixed term deposits and short-term investments (FVPL)	20,050.0	20,050.0	–	–	20,050.0
Total	**94,393.7**	**60,917.3**	**11,253.4**	**22,223.0**	**94,393.7**
Liabilities					
Derivatives designated as hedging instruments (cash flow hedge)	16,524.5	–	16,524.5	–	16,524.5
Derivatives not designated as hedging instruments (FVTPL)	10,616.3	–	10,616.3	–	10,616.3
Total	**27,140.8**	**–**	**27,140.8**	**–**	**27,140.8**

Level 3 financial instruments have developed as follows:

	2018/2019 EUR 1,000
Carrying amount as of 01.10.	10,631.6
Initial application IFRS 9	4,702.0
Gains (losses) – not recognised in profit or loss	6,857.9
Additions	35.0
Currency translation	-3.5
Carrying amount 30.09.	**22,223.0**

The upward revaluation resulting from the initial application of IFRS 9 in the amount of EUR 4,702.0 thousand and the appreciation in the amount of EUR 6,857.9 thousand concern the most important one of Other Investments (FVOCI). The fair value of this other investment is determined using a measurement method based on capitalisation of earnings. Essential input factors are the cash flow assumptions from mid-term planning and the discount rate. The appreciation was recognised as other comprehensive income in the item "Change in value of investments and securities".

An increase (reduction) of the cash flow assumptions by 25% would have resulted in an increase (reduction) of the OCI in the amount of EUR 3,081.5 thousand (EUR -3,081.5 thousand). An increase (reduction) of the discount rate by 50 basis points would have resulted in a reduction (increase) of the OCI in the amount of EUR -784.1 thousand (EUR 898.4 thousand).

30.09.2018	**Carrying amount acc. to IAS 39** EUR 1,000	**Measurement at market prices Level 1** EUR 1,000	**Measurement on the basis of inputs observable on the market Level 2** EUR 1,000	**Total fair value** EUR 1,000
Assets				
Investments (available for sale)	927.1	927.1	–	927.1
Securities (available for sale)	17,972.8	15,656.9	2,315.9	17,972.8
Securities (fair value option)	28,382.0	28,382.0	–	28,382.0
Fixed term deposits and current investments (fair value option)	39,917.6	39,917.6	–	39,917.6
Derivatives designated as hedging instruments (cash flow hedge)	2,268.1	–	2,268.1	2,268.1
Derivatives not designated as hedging instruments	33,806.4	–	33,806.4	33,806.4
Total	**123,274.0**	**84,883.6**	**38,390.4**	**123,274.0**
Liabilities				
Derivatives designated as hedging instruments (cash flow hedge)	14,287.1	–	14,287.1	14,287.1
Derivatives not designated as hedging instruments	33,361.9	–	33,361.9	33,361.9
Total	**47,649.0**	**–**	**47,649.0**	**47,649.0**

6.2.2. Valuation techniques and input used in measuring fair values

In general, the fair values of the financial assets and liabilities correspond to their market prices on the balance sheet date. If active market prices are not directly available, fair values that are not of minor significance are calculated using recognised actuarial measurement models and current market parameters (particularly including interest rates, foreign exchange rates and credit ratings of contractual partners). This is done by discounting the cash flows from the financial instruments to the balance sheet date.

The following valuation techniques and inputs were used:

Financial instruments	Level	Valuation techniques	Inputs
Other investment	3	Capital value-oriented	Assumptions concerning cash flows, interest rates, mid-term planning
Listed securities, mutual funds	1	Market value-oriented	Nominal values, stock market price, net asset value
Foreign exchange contracts	2	Capital value-oriented	Exchange rates, interest rates, credit risk of the contractual partners
Listed energy futures	1	Market value-oriented	Settlement price determined at stock exchange
Non-listed energy forwards	2	Capital value-oriented	Forward price curve derived from stock exchange prices, interest rate curve, credit risk of contractual partners on a net basis
Interest rate swaps	2	Capital value-oriented	Cash flows already fixed or determined using forward rates, interest rate curve, credit risk of contractual partners
Gas swaps	2	Capital value-oriented	Cash flows already fixed or determined using forward rates, interest rate curve, credit risk of contractual partners

6.2.3. Fair values of financial assets and liabilities that are not measured regularly at fair value, however for which the fair value must be disclosed

The items accounts receivables, receivables from affiliated companies, receivables from joint arrangements and associated companies, other financial assets, as well as fixed term deposits and current investments are characterised by predominantly short remaining terms. This means that their carrying amounts as of the balance sheet date roughly represent their fair value. If they are material and do not have a variable interest rate, then the fair value of non-current lendings corresponds to the present value of the payments associated with the assets, taking into consideration the current market parameters in each case (interest rates, credit spreads).

Trade payables, liabilities to affiliated companies, liabilities to joint arrangements and associated companies and other financial liabilities usually have short remaining terms. The values on the balance sheet are approximately the fair values. If they are material and do not bear interest at a variable rate, the fair value of financial liabilities is determined using the present value of the payments associated with the liabilities, taking into consideration the respectively applicable market parameters (interest rates, credit spreads).

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

	Categories acc. to IFRS 9	Carrying amount 31.03.2019 EUR 1,000	Fair value 31.03.2019 EUR 1,000	Level
Assets				
Other financial assets		**17,865.1**	**19,890.5**	
Loans to companies in which an interest is held	AC	11,886.7	13,757.9	Level 3
Other lendings	AC	5,978.4	6,132.6	Level 3
Liabilities				
Financial liabilities		**414,767.4**	**498,495.5**	
Bonds	FLAC	302,079.0	369,960.0	Level 1
Liabilities to banks	FLAC	36,263.1	37,609.3	Level 3
Other financial liabilities	FLAC	76,425.3	90,926.2	Level 3

	Categories acc. to IAS 39	Carrying amount 30.09.2018 EUR 1,000	Fair value 30.09.2018 EUR 1,000	Level
Assets				
Other financial assets		**18,926.0**	**20,939.4**	
Loans to companies in which an interest is held	LaR	12,618.4	14,516.1	Level 3
Other lendings	LaR	6,307.6	6,423.3	Level 3
Liabilities				
Financial liabilities		**406,139.8**	**484,270.5**	
Bonds	FLAC	302,125.1	366,000.0	Level 1
Liabilities to banks	FLAC	29,266.0	30,856.5	Level 3
Other financial liabilities	FLAC	74,748.7	87,414.0	Level 3

The fair values of the level 3 financial liabilities disclosed above were determined in accordance with generally accepted valuation techniques that are based on discounted cash flow analyses. Material input is the discount rate, which takes into account the default risk of the counterparty.

7. Risk management

7.1. Risk management process

The objective of the risk management system employed by Energie AG is to collect information about future developments as early as possible, identify the resultant risks and opportunities and actively control them. As an established part of the management and controlling system, risk management plays a role in strategic management, investment/ project management and the operational activities.

Based on the operational risk management in the decentral business units, the risk management process is controlled by the central risk management unit. Risks, opportunities and measures are updated on a quarterly basis and recorded in a group-wide implemented software tool. The identified opportunities and risks are analysed on group level and aggregated to form the Group's total risk position. Reporting to the Group's Management Board is done on a quarterly basis and ad hoc if required.

Risk management is an integral part of the reporting to the Supervisory Board and, as required under the Austrian Company Law Amendment Act (URÄG), is also reported to the audit committee with respect to the efficiency and validity of the risk management process.

Proper documentation and verifiability are also guaranteed by historicisation of the data as at the measurement dates.

7.2. Risk profile and development trends

In addition to the risks that are customary for the industry sector, the risk and opportunities position of Energie AG is first and foremost characterised by an intensifying petition as well as regulatory and energy policy challenges.

7.3. Risks from operational activities

The operating efficiency and intrinsic value of assets, procurement rights and participating interests held by Energie AG Group are significantly influenced by **market price risks** (prices for electricity, gas, biomass, and certificates). The expertise in the management of commodity price risks bundled in Energie AG Oberösterreich Trading GmbH makes it possible to utilise intra-Group synergies by employing risk strategies that are geared to the market environment.

In light of increasingly volatile markets, the **stabilisation of the electricity grid** is a challenge for transmission system operators. The earnings volatility is increased by the use of CCGT power plants in the area of network services and stabilisation.

Weather conditions are another important parameter affecting the earnings development of Energie AG. Varying water levels of rivers result in fluctuating electricity generation from hydraulic power plants, while temperatures have a significant effect on the demand for district heating, gas and electricity during the heating season. Water levels were 12.9% higher than the long-term average in the first half year of 2018/2019, but still 9.5% below the previous year's level. In the first half of the 2018/2019 fiscal year, the total number of heating degree days was 9% lower than the 10-year average and 5% lower than in the previous year.

The **competitive situation on the end-user market** is having an impact on the number of active customers, sales volumes and price levels. Competitors are in particular focusing their efforts on the private customer segment. Numerous measures, such as price guarantees, service offers and incentive programmes, as well as the focus on digitalisation in product development have started to show positive effects, which will be amplified by the planned consolidation of the sales channels.

In the **Waste Management Segment**, the positive trend from the previous year continues. Due to the large volumes available on the recycling market, we expect sustained high demand for thermal power plants. Because we also expect continued positive price developments on the waste management markets, it will be important to follow the market developments and respond in an appropriate manner.

The **Water Segment** continues to enjoy a steady development of sales revenues and earnings. The restructuring of the Water Segment included the start of a synergy project. This project and the ongoing participation in (concession) tenders are the most important measures aimed at securing and increasing our market share.

Thanks to the rapidly progressing digitalisation of Upper Austria as a business location in combination with the positive economic development, the expansion of **Fibre To The Home (FTTH)** and the fitting of smart meters is gaining importance. Energie AG intends to actively pursue the opportunities resulting from the planned Federal Broadband Strategy 2030.

The Group's comparably high proportion of **smart meters** allows for the use of various smart grid functions. These expansions to the business model also offer new opportunities and risks, particularly in terms of IT protection regulations for end customers.

The various business units of Energie AG use systems that at times involve highly complex technologies. These **systems are exposed to risks** from technical failures or other damage events (natural disasters, sabotage, etc.), which may also affect their availability.

Energie AG Oberösterreich controls these asset risks by maintenance and quality inspections, as well as implementing an optimised maintenance strategy. We continue to proactively continue the strategic programmes to replace overhead low-voltage lines and overhead medium-voltage lines that are particularly susceptible to disruption with underground cable as planned. Energie AG operates an adequate incident management system to handle any damages incurred despite these measures and also insures these risks to the extent commercially viable at economically acceptable insurance excesses.

The business processes of Energie AG are supported by **information and communication systems**, which depend on a secure and reliable information technology. Energie AG addresses the increasing risks associated with information security as well as cyber space risks by employing a comprehensive information security management system at Group level.

7.4. Political, regulatory and legal risks

The business model of Energie AG takes a long-term approach, which renders it highly dependent on the prevailing political, regulatory and legal framework conditions. Efforts are made to counter these risks by engaging in an intensive and constructive dialogue with government agencies and political stakeholders.

The **general regulatory conditions** for grid operators continue to be regarded as stable. The economic environment for the natural gas grid have been defined for the 3rd regulatory period since 1 January 2018, but the Austrian Federal Economic Chamber and the Federal Chamber of Labour have objected against the stipulations made by the regulatory authority. A decision on how to respond to these objections is still outstanding. The details pertaining to the 4th regulatory period for the electricity grid were finalised in the current year without objections, the parameters will become effective for a period of five years on 1/1/2019, which means that we can continue to operate on the assumption of stable economic framework conditions for grid operators.

7.5. Investment project risks

The implementation of investment projects is characterised by high complexity, the interplay of numerous input factors and a low degree of planning certainty. Risk management is integrated in the entire project cycle, evaluating the potential financial risks and measures aimed at controlling them during the course of the project.

7.6. Financial risks

Financial risks, such as the interest rate risk, currency and liquidity risks as well as the market price risk from financial investments, are managed and monitored centrally by the holding-unit Group Treasury of Energie AG Oberösterreich. The management of risks concerning the most important counterparties of Energie AG is carried out in close consultation with Group Treasury at holding level.

8. Related party disclosures

Related parties include OÖ Landesholding GmbH as majority shareholder as well as its subsidiaries, the State of Upper Austria as sole investor of OÖ Landesholding GmbH, the joint ventures, the associated companies as well as members of the Management Board and of the Supervisory Board of Energie AG Oberösterreich and their close relatives.

		Revenues EUR 1,000	**Expenses** EUR 1,000	**Receivables** EUR 1,000	**Liabilities** EUR 1,000
State of Upper Austria	**2018/2019**	**166.9**	**292.4**	**1.8**	**5.8**
	2017/2018	249.4	293.1	1.6	3.2
OÖ Landesholding and subsidiaries	**2018/2019**	**1,566.3**	**32.2**	**168.7**	**29,070.4**
	2017/2018	1,592.7	122.5	188.4	41,087.3
Associated companies	**2018/2019**	**8,515.4**	**594.5**	**1,407.7**	**0.2**
	2017/2018	7,495.9	333.6	976.3	32.4
Joint ventures	**2018/2019**	**137,553.5**	**12,403.2**	**8,740.4**	**51,065.5**
	2017/2018	127,235.8	7,714.3	14,106.8	51,296.2

Performances are rendered on the basis of market terms and conditions or costs incurred.

9. Other disclosures

Acquisition of shares from ENAMO GmbH

As of 31 March 2019, ENAMO GmbH, ENAMO Ökostrom GmbH and Energie AG Oberösterreich Vertrieb GmbH & Co KG (Energy Segment) are joint ventures attributable to Energie AG Group and will be recognised in the accounts on the basis of the equity method. In the first half year of the 2018/19 financial year, we have signed a purchase contract for the acquisition of a participating interest stake of 35.0% in ENAMO GmbH against payment of a purchase price of EUR 6.9 million. By acquiring all shares in the company with effect on 1 April 2019, the Group gained control over ENAMO GmbH and ENAMO Ökostrom GmbH (a subsidiary of ENAMO GmbH). ENAMO GmbH is also the limited partner of Energie AG

Oberösterreich Vertrieb GmbH & Co KG. On 1 April 2019, the Group also gained control over Energie AG Oberösterreich Vertrieb GmbH & Co KG by acquiring all shares in ENAMO GmbH.

As a result of the successive merger on 1 April 2019, the previously held equity stakes in ENAMO GmbH and Energie AG Oberösterreich Vertrieb GmbH & Co KG will be re-measured at their fair value in accordance with IFRS 3. Any resulting profits or losses will be recognised in profit or loss or in other comprehensive income. As a consequence, the existing carrying amounts of the acquired identifiable assets and the assumed liabilities of the three newly controlled companies measured in accordance with IFRS 3 will be fully consolidated in the consolidated financial statements. A goodwill position will be recognised if the total of consideration plus measurement outcome from the successive business combination exceeds the balance of assets and liabilities on the accounts at the acquisition date. The effects of the business combination on the consolidated financial statements are still unknown as of today's date.

	Balance sheet total 31.03.2019 EUR 1,000	**Sales revenues 1st HY 2018/2019** EUR 1,000	**Operating result 1st HY 2018/2019** EUR 1,000
ENAMO GmbH	34,334.2	113,231.8	24.5
ENAMO Ökostrom GmbH	3,646.0	12,667.8	702.1
Energie AG Oberösterreich Vertrieb GmbH & Co KG	105,026.2	131,429.3	18,154.4

Internal restructuring

Restructuring measures took place in the second half year of the 2018/19 fiscal year. The restructuring measures aim at consolidating the sales activities (electricity, gas, heat, telecommunications) in Energie AG Oberösterreich Vertrieb GmbH. The electricity and heat generation segments will be consolidated in Energie AG Oberösterreich Erzeugung GmbH (previously: Energie AG Oberösterreich Kraftwerke GmbH). The heating companies in the Czech Republic will merge with the Water Segment companies in the Czech Republic and then form the Czech Republic Segment.

The 65% participating interest stake in ENAMO GmbH held by Energie AG Oberösterreich Service- und Beteiligungsverwaltungs-GmbH will be transferred to Energie AG Oberösterreich, which will then fully own ENAMO GmbH. The general partner's interest in Energie AG Oberösterreich Vertrieb GmbH & Co KG held by ENAMO GmbH is transferred to Energie AG Oberösterreich Vertrieb GmbH. The subsequent contribution of Energie AG's limited partner stake in Energie AG Oberösterreich Vertrieb GmbH & Co KG to Energie AG Oberösterreich Vertrieb GmbH will terminate Energie AG Oberösterreich Vertrieb GmbH & Co KG and the company's assets will transfer to Energie AG Oberösterreich Vertrieb GmbH. The Sales business unit of Energie AG Oberösterreich Telekom GmbH is spun off to Energie AG Oberösterreich Vertrieb GmbH with retrospective effect on 1 October 2018. The participating interests in Energie AG Renewable Power GmbH, Windpower EP GmbH, ECOFE S.R.L. and Salvatonica Energia S.R.L. held by Energie AG Oberösterreich Power Solutions GmbH are spun off to Energie AG Oberösterreich Kraftwerke GmbH. This is followed by merging Energie AG Oberösterreich Power Solutions GmbH with Energie AG Oberösterreich Vertrieb GmbH. The participating interest in Energie AG Teplo Bohemia s.r.o. (Energy segment, Czech Republic) held by Energie AG Oberösterreich Wärme GmbH (Energy Segment) is spun off to Energie AG

Oberösterreich Wärme GmbH (Water Segment). As the Water Segment will in the future include heat generation in the Czech Republic, it is renamed Czech Republic Segment. The participating interests in Energie-Contracting-Steyr GmbH, Fernwärme Steyr GmbH, Bioenergie Steyr GmbH, Geothermie-Wärmegesellschaft Braunau-Simbach mbH, Geothermie-Fördergesellschaft Simbach-Braunau mbH and Energie Ried Wärme GmbH held by Energie AG Oberösterreich Wärme GmbH are spun off to Energie AG Oberösterreich Kraftwerke GmbH (now: Energie AG Oberösterreich Erzeugung GmbH). Following the spin-off of the Heat Generation and Heating Grids business unit to Energie AG Oberösterreich, Energie AG Oberösterreich Wärme GmbH is merged with Energie AG Oberösterreich Vertrieb GmbH. This is followed by spinning off the Heat Generation and Heating Grids business unit to Energie AG Oberösterreich Kraftwerke GmbH. The non-current assets are retained. Energie AG Oberösterreich Kraftwerk Labenbach GmbH is merged with Energie AG Oberösterreich.

Other disclosures

Weather-related fluctuations in revenues and earnings during the fiscal year are particularly noticeable in electricity generation as well as electricity and gas sales. For the Energy Segment, this means that the earnings in the first half year are frequently higher than in the second half year. Due to subdued construction activity in the autumn and winter months, investment in property, plant and equipment is generally lower in the first half year than in the second. In the first six months of the year, the hydro coefficient was 1.13 (previous year: 1.24).

In the first six months of the 2018/19 fiscal year, additions to property plant and equipment amounted to EUR 73.1 million (previous year: EUR 62.9 million), while the carrying amount of disposals was EUR 8.5 million (previous year: EUR 2.3 million). Obligations for the acquisition of property, plant and equipment amount to EUR 50.5 million (previous year: EUR 50.9 million). The Holding & Services Segment includes gains from the disposal of real property not required for business operations in the amount of EUR 5.7 million.

In the first six months of the 2018/19 fiscal year dividends of EUR 78.1 million (previous year: EUR 53.3 million) were distributed to the shareholders of Energie AG Oberösterreich.

Contingent liabilities amounted to EUR 6.5 million (previous year: EUR 5.3 million).

Linz, 29 May 2019

The Management Board of Energie AG Oberösterreich

Chief Executive Officer
DDr. Werner Steinecker MBA
Chairman of the Management Board
C.E.O.

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

Dipl.-Ing. Stefan Stallinger MBA
Member of the Management Board
C.T.O.

STATEMENT BY THE MANAGEMENT BOARD
PURSUANT TO § 125 SEC. 1 ITEM 3 OF THE STOCK EXCHANGE ACT [BÖRSEGESETZ (BÖRSEG)]

We hereby confirm that, to the best of our knowledge, the condensed semi-annual consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) convey a true representation of the Group's financial position and performance, and that the Semi-Annual Management Report of the Group conveys a true representation of the Group's financial position and performance with respect to significant events that occurred during the first six months of the fiscal year and their effects on the condensed interim consolidated financial statements in terms of the significant risks and uncertainties in the remaining six months of the fiscal year.

Linz, 29 May 2019

The Management Board of Energie AG Oberösterreich

Chief Executive Officer
DDr. Werner Steinecker MBA
Chairman of the Management Board
C.E.O.

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

Dipl.-Ing. Stefan Stallinger MBA
Member of the Management Board
C.T.O.

DISCLAIMER

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

This report contains forward-looking statements subject to risks and uncertainties that could cause actual results to differ substantially from those predicted. Terms used such as „presumed", „assumed", „estimated", „expected", „intended", „may", „planned", „projected", „should" and comparable expressions serve to characterise forward-looking statements. No guarantees can therefore be given that the forecasts and planned values will actually materialise regarding economic, currency-related, technical, competition-related and several other important factors that could cause actual results to differ from those anticipated in the forward-looking statements. Energie AG does not intend to update such forward-looking statements and refuses any responsibility for any such updates. We have exercised utmost diligence in the preparation of this report and checked the data contained therein. The present English version is a translation of the German report. The German version of the report is the only authentic version.

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Linz, June 2019

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