SEMI-ANNUAL REPORT

for the period 1 October 2013 to 31 March 2014

ENERGIE AG Oberösterreich

We care about tomorrow

The Energie AG Group at a Glance

	Units	2013/2014 1st half-year	Development	2012/2013 1st half-year
Sales				
Electricity Segment	EUR mill.	**595.4**	+ 15.6%	515.0
Distribution Segment	EUR mill.	**130.2**	- 4.8%	136.7
Gas Segment	EUR mill.	**117.7**	- 14.8%	138.2
Waste Management Segment	EUR mill.	**98.0**	- 5.3%	103.5
Water Segment	EUR mill.	**60.9**	- 3.2%	62.9
Miscellaneous Segment	EUR mill.	**37.3**	- 1.8%	38.0
Group sales	EUR mill.	**1,039.5**	+ 4.5%	994.3
Result				
Result of operations (EBIT)	EUR mill.	**78.4**	- 26.0%	105.9
EBIT margin	%	**7.5**	- 29.9%	10.7
Result before taxes	EUR mill.	**59.6**	- 31.5%	87.0
Consolidated net result	EUR mill.	**47.1**	- 25.4%	63.1
Cash flow from operations	EUR mill.	**70.5**	+ 48.1%	47.6

	Units	31/03/2014	Development	30/09/2013
Balance sheet				adjusted
Balance-sheet total	EUR mill.	**3,100.3**	- 4.0%	3,228.7
Equity	EUR mill.	**1,150.6**	- 3.0%	1,185.7
Equity ratio	%	**37.1**	+ 1.1%	36.7

	Unit	2013/2014 1st half-year	Development	2012/2013 1st half-year
Employees (average)	FTE	**4,445**	- 3.6%	4,612

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Statement by the Chairman of the Board of Management

The European energy industry has every right to say that its market is currently facing the most dramatic upheaval it has ever experienced. Impairments of power plants running into billions are the result of a combination of high gas prices and low electricity as well as CO_2 emissions certificate prices. A dysfunctional CO_2 emissions certificate trading scheme is making the emission of greenhouse gases into the atmosphere easily affordable, putting highly efficient gas power plants at a competitive disadvantage compared to coal-fired power plants. A subsidy regime that counteracts market mechanisms and, by way of tremendous redistribution volumes, leads to a market price that no longer justifies the use of such highly efficient production capacities can be regarded as the second pillar of the market upheaval process. The results are negative prices at the electricity exchange that, on some days, even force hydroelectric power plants to be switched off. The drastic effects this particular market situation has on energy utilities can be seen throughout the industry: Share prices are dwindling, profit warnings or even drops in profits are being announced.

Besides the aforementioned general conditions in the energy industry, the electricity procurement situation of Energie AG Oberösterreich additionally reflects an unfavourable meteorological situation in view of hydraulic electricity production. In total, the first six months of this fiscal year saw sales of EUR 1,039.5 million, which, compared to the same period of the previous year, equals an increase of 4.5%. EBIT amounts to EUR 78.4 million, which equals a decline of 26% compared to the same period of the previous year. The number of staff is declining, which is attributable to the Group's efficiency enhancement programmes.

The general economic and macro-economic conditions have led to the implementation of an extensive strategy and structure process at the Energie AG Group, which has been taking place over the past months. Entitled "PowerStrategy 2020", a large part of the strategic and structural realignment has already been developed. In future, the Group's strategic orientation will be based on two pillars: Firstly, on focusing all activities entirely on our customers and, secondly, on achieving operational excellence and the associated structural transformation within the Group.

The first half-year of the fiscal year was also characterised by the significant changes made to the Group's portfolio due to the divestment of the AVE Group's CEE activities (closing on 12 November 2013).

On 6 March 2014, the share purchase agreements for the full acquisition of OÖ. Ferngas AG were undersigned. The closing of this transaction is expected before summer. By acquiring OÖ. Ferngas AG, Energie AG Oberösterreich is strengthening its energy segment, thus allowing a large number of structure optimisation measures to be taken in view of operational excellence.

The weeks and months ahead will be characterised by extensive implementation work within the scope of the "PowerStrategy 2020" project.

The Board of Management would like to express its thanks equally to the Supervisory Board and the employees for the constructive discourse and the good collaboration for the benefit of our company. I would like to request you to continue the ongoing coordinated effort and maintain your energetic support of the implementation of the measures planned.

Leo Windtner,
Chairman of the Board of Management

Werner Steinecker
Member of the Board of Management

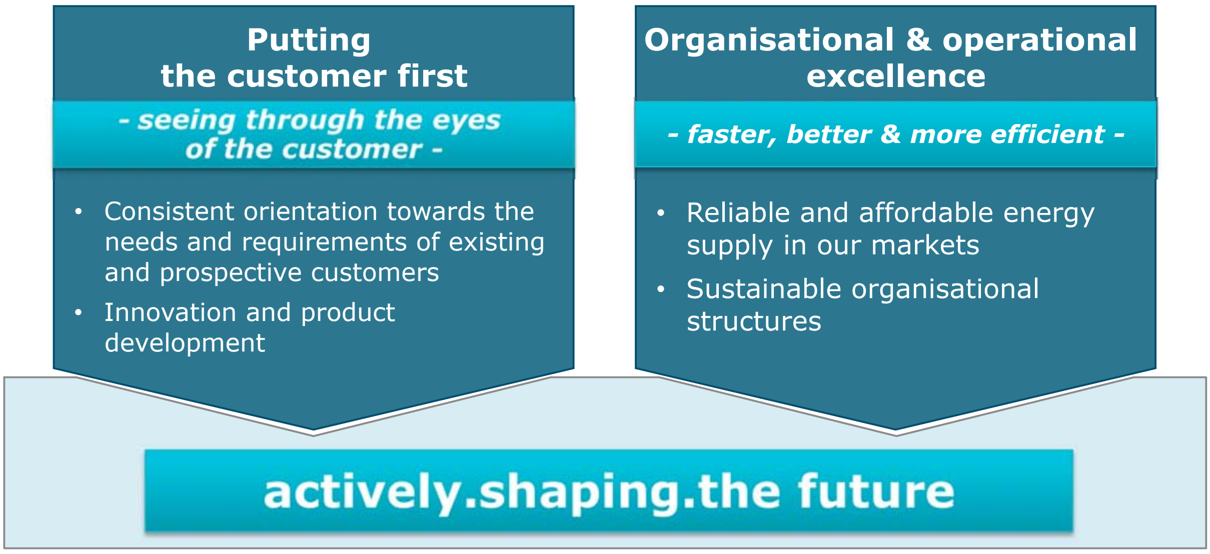
Leo Windtner
Chairman of the Board of Management

Andreas Kolar
Member of the Board of Management

PowerStrategy 2020 – The Strategic Realignment of the Energie AG Group

As a result of excessive subsidization of the renewable energy sources solar and wind power in Germany and a botched CO_2 regime, the entire energy market is currently in the midst of a massive upheaval. Energie AG Oberösterreich responded to the changing framework conditions very early on and took numerous measures over the last fiscal years to be able to perform well in the future, even in light of a reorganised market environment.

Building on these efforts, a structured strategic realignment and repositioning process was launched around one year ago, leading to the "PowerStrategy 2020". The initiative is based on two strategic pillars:



PUTTING THE CUSTOMER FIRST

The realignment of our strategy moves customers and their needs further to the centre than they ever were before. For this purpose, the Group's sales activities are in the process of being more closely pooled, and the service portfolio relating to energy is being broadened. Long-term customer loyalty is being ensured, not only by expanding the fibre-optic network in the end-customer segment ("Fiber to the Home") and by providing innovative products relating to the area-wide introduction of Smart Metering, but also by offering energy services for heating contracting and renewable energies.

ORGANISATIONAL & OPERATIONAL EXCELLENCE

Under the slogan "faster, better and more efficient", Energie AG Oberösterreich provides reliable and affordable products and services in the areas energy supply, water and waste management. This is all made possible by continuous further development of the entire structural/workflow organisation and consistent cost efficiency. The organisational integration of OÖ. Ferngas AG, which is now fully owned by Energie AG Oberösterreich, is yet another step towards harmonising Group-internal processes and increasing synergy effects.

ACTIVELY.SHAPING.THE FUTURE

From now on, Energie AG Oberösterreich will be positioning itself as a one-stop "energy supply and services group", offering existing and prospective customers all kinds of products and services relating to energy. After parting with its East-European waste management activities, the Group's regional focus will be on the market areas Austria and the surrounding regions. Energie AG will continue to build on a well-balanced Group portfolio with regulated and competitive business areas. This strategy has already proven to have a stabilising effect on the Group's result in the past, particularly in volatile times, and will remain one of the Group's priorities in order to deliver profitable and sustainable performance.

FUTURE-PROOF FINANCES

The top fiscal priority of the Group will be the securing of its financial stability in the long term. This requires making continued rigorous improvements to the cost positions and adhering to the tried and proven strategy of pursuing an extremely conservative financing and investment policy strategy. Newly developed business models are intended to compensate in the medium term for event-driven declines in earnings from existing business activities. Energie AG will thus remain an attractive partner for providers of equity and debt capital.

Group Management Report 1st Half-Year 2013/2014[1)] of Energie AG Oberösterreich

Group Overview	Units	1st Half-Year 2013/2014	1st Half-Year 2012/2013	Development
Total sales	EUR mill.	**1,039.5**	994.3	+ 4.5 %
EBIT	EUR mill.	**78.4**	105.9	- 26.0 %
Employees (average number)	FTE	**4,445**	4,612	- 3.6 %
Total electricity procured	GWh	**9,187**	7,727	+ 18.9 %
Own electricity production	GWh	**1,276**	1,960	- 34.9 %
Electricity sales volume	GWh	**4,209**	3,752	+ 12.2 %
Electricity distribution to end-customers	GWh	**4,234**	3,793	+ 11.6 %
Natural gas sales volume	GWh	**1,600**	1,900	- 15.8 %
Natural gas transports[1)]	GWh	**10,348**	11,879	- 12.9 %
Heat sales volume	GWh	**867**	974	- 11.0 %
Waste volume handled	1,000 to	**989**	996	- 0.7 %
Thermally processed waste	1,000 to	**303**	300	+ 1.0 %
Billed drinking water volume	mill. m^3	**25.4**	25.6	- 0.8 %
Billed wastewater volume	mill. m^3	**21.5**	21.7	- 0.9 %

[1)] Quantity transported to end consumers and regional distribution system operators in Upper Austria

THE BUSINESS DEVELOPMENT IN THE GROUP

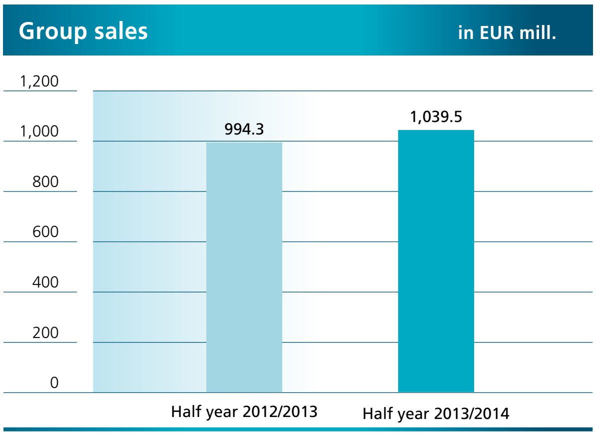
The general conditions in the markets relevant to the Energie AG Group remained strained in the first half-year of 2013/2014. Conditional on the massive political interventions, above all in Germany, and the sluggish reform of the European CO_2 system, the energy markets were characterised by constant low electricity prices and gas prices that are still relatively high. The electricity price level even dropped somewhat in the reporting timeframe compared to the first half of the previous year, which further hampered the use of thermal power plants. A water level of around 8% below the long-term average was an additional burden on hydraulic electricity production in the first half-year of 2013/2014. The low electricity prices also worsened the earnings situation of the waste incineration plants and hence the entire disposal market, which was moreover determined by the continuing low prices of recyclable materials and shrinking margins in the disposal sector.

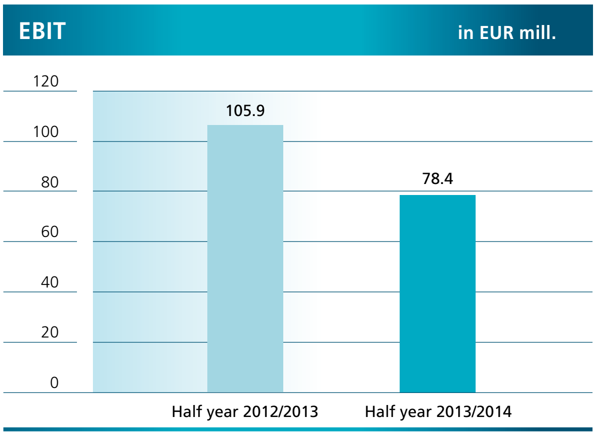
Under the effect of the changed general conditions, Energie AG Oberösterreich started a process last fiscal year entitled "PowerStrategy 2020" for strategic and structural realignment. On the one hand, the new strategy is focussed on the even stronger orientation around the needs and requirements of existing and potential customers as well as the development of new, innovative business models as a supplement to the current service portfolio. Ongoing optimisation of the structural/workflow organisation and consistent cost-efficiency in the entire Group comprise the indispensable second pillar of the strategic realignment.

Against this background, Energie AG Oberösterreich achieved consolidated sales in the first half-year of 2013/2014 (01.10.2013 to 31.03.2014) of EUR 1,039.5 million. This means an increase over the comparison period of the previous year (EUR 994.3 million) of EUR 45.2 million or 4.5 %, which is mainly due to management of the electricity portfolio.

The EBIT of the Group in the first half-year of 2013/2014 was EUR 78.4 million, which means a drop of 26.0% or EUR 27.5 million compared to the previous year (EUR 105.9 million). The cause is mainly in the electricity segment where, besides the difficult market price situation, it was mainly the low water level as well as a value adjustment for the 7fields gas storage system in the first half-year of 2013/2014 that had a negative effect on the result. Considerable declines in the result were registered in the distribution segment because of the grid fee reduction by the regulatory authority as of January 2014. All other segments of the Group registered stable EBIT development.

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





Contracts were signed on 06.03.2014 according to which Energie AG Oberösterreich took over the remaining shares of OÖ. Ferngas AG to an extent of 31.5% and hence is the sole shareholder after the previous takeover of a 3.5% share from E-Werk Wels AG. In turn, Energie AG Oberösterreich relinquished 44% of LIWEST Kabelmedien GmbH to Linz AG für Energie, Telekommunikation, Verkehr und Kommunale Dienste. It is expected that the transaction will close in June 2014 after receipt of notification that the takeover of LIWEST by Linz AG is not prohibited for anti-trust reasons. Preparations are under way in this fiscal year for the integration of OÖ. Ferngas AG-Group in the Energie AG Oberösterreich Group.

During the course of selling the Eastern European operations of the waste management segment, all the conditions agreed on by the contractual partners were met and the necessary approvals received by the beginning of the first half-year of 2013/2014 following the conclusion of the contract in the previous fiscal year. It was possible to conclude the transaction with the closing on 12.11.2013. With it, all assets and debts of the discontinued business area were deleted from the accounts.

Investments in intangible and tangible assets were EUR 56.5 million in the first half-year of 2013/2014. Compared to the previous year (EUR 52.7 million), this means an increase of 18.4%. The financial liabilities were reduced as of 31.03.2014 to EUR 632.6 million (key date value as per 30.09.2013: EUR 637.2 million). Cash flow from operations amounted to EUR 70.5 million (previous year EUR 47.6 million).

Negative Rating Trend for Energy Suppliers

Standard & Poor's (S&P) downgraded the ratings of the biggest European energy suppliers over the past few years and has now also lowered the credit rating of Energie AG Oberösterreich by one level from A to A- on 7 February 2014. However, the outlook still continues to be stable.

In S&P's opinion, the downgrade is due to the negative assessment in connection with the current market environment and impacts on the business risk profile of Energie AG Oberösterreich – above all in the area of electricity production. S&P expects that the difficult market environment will continue in the next few years. Despite the downgrade, the rating of Energie AG Oberösterreich is still in the top range of the rating scale.

Declining Development of Staff Levels

In the first half-year of 2013/2014, the Group's average consolidated staff level was 4,445 employees (FTE), and dropped compared to the average of first half-year of 2012/2013 (4,612 FTE).

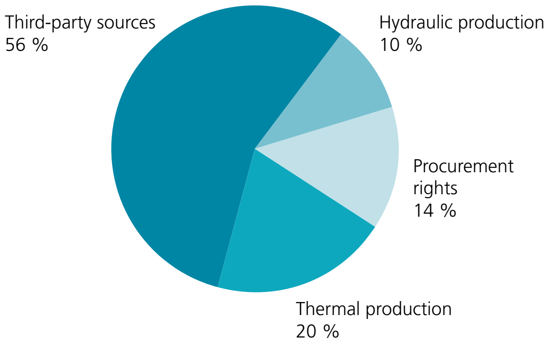
Important Key Performance Indicators

The consolidated electricity procurement in the first half-year of fiscal year 2013/2014 was 9.187 GWh (previous year 7.727 GWh) making it 18.9% higher than in the previous year. The increase resulted to a large extent from increased portfolio management on the trading side.

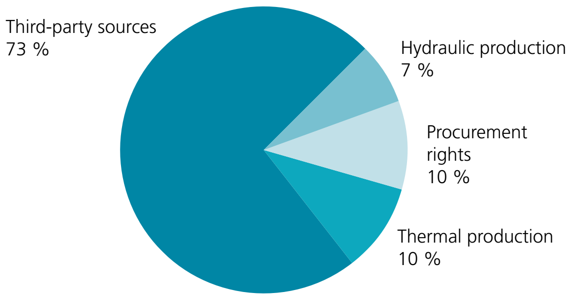
The lower energy production caused by the weather and market environment was compensated for by favourable buybacks. Based on electricity distribution without proprietary electricity trading, the amount of electricity purchased from third parties increased to 73%.

Electricity distribution without proprietary trading

Half-year 2012/2013: Rate of own coverage: 44 %



Half-year 2013/2014: Rate of own coverage: 27 %



A total of 867 GWh of heat was distributed to end customers in the very mild first half-year of 2013/2014. Compared to the record winter of the previous year (974 GWh), this meant a decline of 11.0%.

Natural gas sales dropped from 1,900 GWh in the comparison period of the previous year to 1,600 GWh in the first half-year of 2013/2014, which corresponded to a decline of 15.8%. This was mainly attributable to the weather.

Development of the key performance indicators of the water and waste management segments was stable to a great extent.

Redefinition of the Segments

The segments of the Group are defined in the semi-annual report presented here with a new structure in accordance with IFRS 8 "Business Segments", which is based on the internal reporting structure. The previous year's values were adjusted accordingly.

Segment Name	Included Activities
Electricity	• generation, trade and sales of electrical energy • companies included at equity: Gas- und Dampfkraftwerk Timelkam GmbH, ENAMO GmbH, ENAMO Ökostrom GmbH
Distribution	• construction and operation of the electricity distribution grid including technical services • services in the telecommunications segment
Gas	• construction and operation of the natural gas distribution grid • sales of gas as well as the provision of energy services
Waste Management	• acceptance, sorting, incineration and landfilling of domestic and commercial waste
Water	• supplying drinking water as well as disposal of wastewater
Miscellaneous	• management and control functions in the Group's holding company • companies of the heating business area • Energie AG Oberösterreich Fair Energy GmbH and Fair Energy Renewable Power GmbH • companies included at equity if they are not assigned to other segments

Electricity Segment

Electricity Segment Overview	Units	1st Half-Year 2013/2014	1st Half-Year 2012/2013	Development
Total electricity procured [1]	GWh	**9,071**	7,640	+ 18.7 %
Own electricity production[1]	GWh	**1,161**	1,845	- 37.1 %
Electricity sales volume	GWh	**4,209**	3,752	+ 12.2 %
Total sales	EUR mill.	**610.3**	527.7	+ 15.7 %
EBIT	EUR mill.	**10.1**	39.7	- 74.6 %
Employees (average number)	FTE	**428**	433	- 1.2 %

[1] Procured electricity that is assigned to other segments is not included.

The electricity segment of Energie AG Oberösterreich covers the generation, trade and sales of electrical energy and moreover the companies Gas- und Dampfkraftwerk Timelkam GmbH, ENAMO GmbH and ENAMO Ökostrom GmbH that are included at equity.

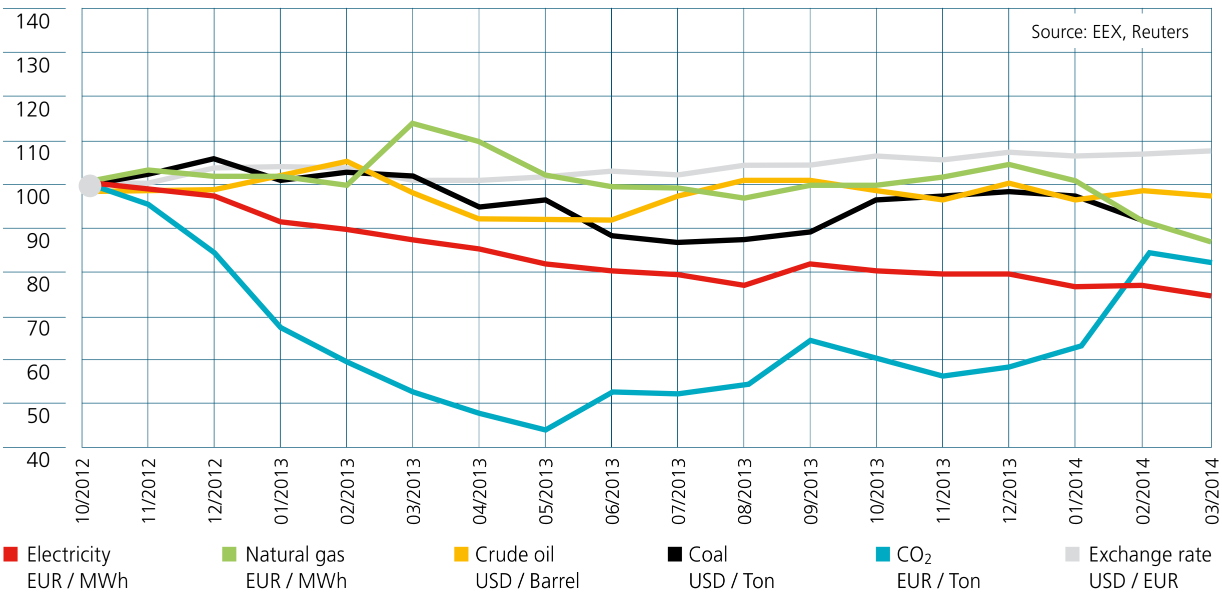
The Economic Environment of the Energy Industry

The pricing trends in Europe's energy markets were mainly down in the first half-year of 2013/2014.

There were greater price changes in the natural gas market with a minus of around 13% compared to the beginning of the reporting period, and for emission certificate trading with a price increase of around 33%. The price drop for natural gas is most likely a consequence of the mild winter, low demand in the heating sector and high inventory levels. The CO_2 market reacted to the approval of the EU parliament for back-loading emission certificates to an extent of 900 million tons with a temporary price increase in the past few months.

After a brief interim high in the 4th quarter of 2013 for API2 black coal prices (spot market), the price dropped in the first quarter of 2014 by around 10% to approximately USD 74.9/t. The crude oil market essentially continued to follow the sideways movement of the previous months.

Price Index Development for International Markets



The price decline continued in the electricity wholesale market with small bands of fluctuation. In March 2014, the average price level in the futures market of the EEX energy exchange market for the front year base product was around EUR 35.5/MWh, which is 6.3% lower than in October 2013.

The constant increase of overcapacity as a consequence of over-subsidisation of green electricity plants, above all wind and photovoltaic plants, is pushing conventional power plants with adjustable output capabilities out of the market more and more. The risk of supply failures increases with this development. For example, interruptions in cross-border intra-day trade accumulated over the course of the fiscal year. This resulted in multiple trading restrictions for Energie AG Oberösterreich through grid congestion due to increased electricity imports, above all on the German borders.

Making electricity procurement more flexible – for example through increased pumped storage capacities – must be considered to be fundamentally sensible for further market and competitive orientation. Whether specific projects will be realised is dependent on power market development and above all on whether the energy policy environment provides investment security for necessary projects.

Business Development of the Electricity Segment

Against the background of these difficult developments in the energy markets, sales of EUR 610.3 million (previous year EUR 527.7 million) were generated in the first half-year of 2013/2014 as well as an EBIT of EUR 10.1 million (previous year EUR 39.7 million).

The increased sales in the electricity segment were generated mainly in electricity supply as well as in the area of trading, while the EBIT development was mainly caused by the difficult market price situation and hence the declining use of conventional power plants and due to the low water level in the first half-year of 2013/2014. A value adjustment of the right of use to the 7fields gas storage system due to the estimate of future gas price quotations burdened the EBIT additionally. It was possible to compensate for this negative EBIT development in part through optimum management of the electricity portfolio and a favourable market for balancing energy.

Electricity Production under Difficult Conditions

Due to the low price level in the power market, it was necessary to use thermal power plants considerably less in the first half-year of 2013/2014. The amount of electricity produced was cut in half compared to the previous year almost to 342 GWh (previous year 763 GWh). Besides the biomass power plant in Timelkam, which was operated throughout the year, the coal-fired power plant Riedersbach 2 was mainly used. The CCGT power plant in Timelkam was offered to Germany as a grid reserve during the winter months and put under contract as a power plant that could be used flexibly with a good grid connection in the Southern German region.

Hydraulic electricity production in the Group from its own power plants and from procurement rights declined in the first half-year of 2013/2014 compared to the comparison period of the previous year by 24.3% to 819 GWh (previous year 1,082 GWh). The reason was less precipitation in the months from December to March and consequently a water level that was around 8% worse than the long-term average.

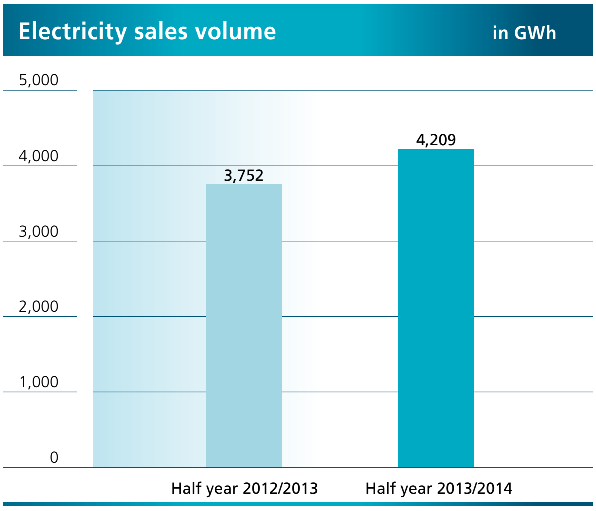
Generation from Renewable Energies Still a Focal Point

Where electricity generation from renewable energy sources is concerned, there is still a focus on expansion of existing hydropower plants and construction of new ones to the extent that this is financially feasible. The Grafenberg hydropower plant that is currently under construction will most likely be completed during the course of the calendar year. The environmental impact study decision for the planned Ebensee pumped storage power plant is expected by the end of 2014. The time of construction is dependent on how the market environment continues to develop.

The hydropower plants Stadl-Paura and Kleinarl went into full operation in the reporting timeframe with maximum capacity in continuous operation of 5.5 MW and average output of 27.7 GWh.

68,000 New Customers Acquired Under the Electricity Pooling Tender Process

At 4,209 GWh, the quantity sold in the first half-year of fiscal year 2013/2014 in the electricity supply business area exceeded the previous year's value of 3,752 GWh by 457 GWh (+12.2%). The main reason for the increased amount is the additional quantity



sold to industrial customers. Here, several customers shut down their own generation plants due to the current electricity price situation and purchased electricity via the energy supply contract or in the form of special deliveries instead. Through this, it was possible to more than compensate for the decline in the private customer segment (almost 100 GWh).

The first half-year of 2013/2014 in the electricity supply business area was characterised by increased competition, above all in the private and business customer segment. More than 114,000 customers of Austrian electricity suppliers changed their current energy suppliers in calendar year 2013. This trend was also confirmed by Energie AG Oberösterreich in the first half-year of 2013/2014.

ENAMO Ökostrom GmbH won the big electricity pooling tender of the Association for Consumer Information in the private customer segment with its online sales channel stromdiskont.at in December 2013. As a result, ENAMO Ökostrom GmbH registered around 68,000 new customers and grew to become the second-largest electricity supplier offering electricity in the private customer segment across Austria. Stromdiskont.at was able to handle the change-over of this high number of new customers in a very short time, which was only possible through efficient and highly automated processes. Hence, ENAMO GmbH effectively expanded its strategic position in the private customer segment as well.

After a long preparation time, the draft of the Federal Energy Efficiency Act (EnEffG) is now available. It is to be adopted in the National Council in June 2014 at the latest. According to it, in the future, energy suppliers must demonstrate annual savings of 0.6% of the energy consumption by their customers through energy efficiency measures. Penalties are possible if the target is missed.

Distribution Segment

Distribution Segment Overview	Units	**1st Half-Year 2013/2014**	1st Half-Year 2012/2013	Development
Electricity distribution to end-customers	GWh	**4,234**	3,793	+ 11.6 %
Total sales	EUR mill.	**134.5**	140.8	- 4.5 %
EBIT	EUR mill.	**23.4**	32.4	- 27.8 %
Employees (average number)	FTE	**823**	828	- 0.6 %

The distribution segment of Energie AG Oberösterreich comprises the construction and operation of the electricity distribution system including the technical services and telecommunication services.

General Regulatory Conditions

The regulatory environment was still a determining issue for the electricity distribution system in the first half-year of 2013/2014. There was a recent assessment of the electricity distribution system fees by the regulatory authority E-Control on the basis of a prior cost review. In the process, the grid fees of Netz Oberösterreich GmbH dropped by an average of 2.6%. This drop corresponded approximately to the Austrian average. At the same time, this assessment marked the start of the new regulatory period under adapted general conditions. For example, the interest calculation allowed on invested capital was reduced to 6.42% and the general productivity factor was set to 1.3%. The third regulatory period, which started on 01.01.2014, will last five years. Implementation of a quality element was postponed until 2018.

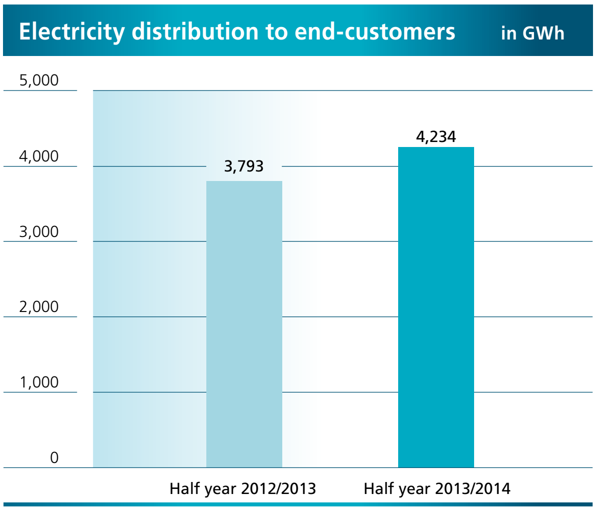
Business Development in the Distribution Segment

Against the background of this regulatory environment, the distribution segment generated sales of EUR 134.5 million (previous year EUR 140.8 million) in the first half-year of 2013/2014 as well as an EBIT of EUR 23.4 million (previous year EUR 32.4 million).

Sales as well as the EBIT were affected mainly by the electricity distribution system, or more specifically by the described general regulatory conditions. Development of sales and the EBIT in the telecommunications sector was stable.

Quantity Increases and Project Progress in the Electricity Distribution System

In the first half-year of the current fiscal year, electricity quantities sold by Netz Oberösterreich GmbH to end customers increased by 11.6% to 4,234 GWh (previous year 3,793 GWh). The increase in electricity consumption is mainly attributable to a rise in the area of industrial and commercial customers.



The first half-year of 2013/2014 ran without any relevant incidents except for a failure of the Roßbach substation due to faulty equipment. Due to the mild winter, it was possible to complete an above average amount of scheduled grid expansion and maintenance work.

Approval processes for the high-voltage projects for the Alm- and Kremstal power supply as well as Pramtal South power supply are in progress. After many years of difficult negotiations for the Jochenstein-Ranna project, the necessary contracts were finally signed with the grid partners in February. Continuation of the programme for placing medium-voltage overhead lines, which are particularly prone to breakdowns, into cables, is progressing according to plan.

Integration of locally produced renewable energies and assurance of the voltage quality for grid customers in the local low-voltage grid are still a challenge for the electricity distribution system. The installed capacity from photovoltaics is currently around 84 MW with more than 10,000 connected plants.

Data Networks as a Key Factor of the Future

Due to the use of more modern communications equipment, demands for higher availability and the increasing need for bandwidth, the market is calling for more optical fibre connections. Energie AG Oberösterreich responded to this increasing demand in the first half-year of 2013/2014 with constant expansion and concentration of its data network. The high-availability optical fibre network that is equipped with a high security standard now comprises a length of around 5,000 km. Among others, it supplies banks, healthcare facilities, administration facilities, small- and medium-size businesses and multisite customers. Expansion of this network is also being pushed ahead during the course of the broadband initiatives of the state of Upper Austria. Due to high demand, a FTTH (Fiber to the Home) expansion was started for private customers in the reporting timeframe.

In addition, Energie AG Oberösterreich Data GmbH provides the metering services for its sister company Netz Oberösterreich GmbH. Due to legal requirements, the electricity measurement services must be provided in the future with the help of intelligent electricity metres (Smart Meters). There are currently around 148,000 electricity meters in use in the Energie AG Group. Preparatory measures were started in the first half-year for the next roll-out phase.

Gas Segment

Gas Segment Overview	Units	1st Half-Year 2013/2014	1st Half-Year 2012/2013	Development
Natural gas sales volume	GWh	**1,600**	1,900	- 15.8 %
Natural gas transports[1]	GWh	**10,348**	11,879	- 12.9 %
Total sales	EUR mill.	**118.7**	139.4	- 14.8 %
EBIT	EUR mill.	**25.8**	22.5	+ 14.7 %
Employees (average number)	FTE	**208**	212	- 1.9 %

[1] Quantity transported to end consumers and regional distribution system operators in Upper Austria

The gas segment of Energie AG Oberösterreich comprises construction and operation of the natural gas distribution system, the sale of gas as well as provision of energy services in the subgroup OÖ. Ferngas AG.

After signing the contracts on 06.03.2014 to take over the remaining shares of OÖ. Ferngas AG, Energie AG Oberösterreich will be the sole owner in the future. Preparations are under way in this fiscal year for integration of the OÖ. Ferngas AG group of companies for complete organisational incorporation in the Energie AG Group.

General Conditions in the Gas Industry

Similar to the electricity distribution systems, the regulatory environment was also a determining issue for the gas distribution systems in the reporting timeframe. The annual tariff determination process for the gas distribution systems was concluded in the first half-year of 2013/2014, and the GSNE-VO 2013 Amendment 2014 went into force on 01.01.2014. A tariff increase of 4.7% for grid level 2 and 5.0% for grid level 3 was decreed in the Upper Austria grid area. In addition, a tariff system was established for major customers (> 400 MW contractual maximum output) that facilitates short-term grid usage on the basis of daily output prices. Another amendment is to follow in 2014 that specifically regulates cross-border use of storage facilities (especially feed-in from a foreign country and domestic withdrawal as well as vice versa).

Business Development in the Gas Segment

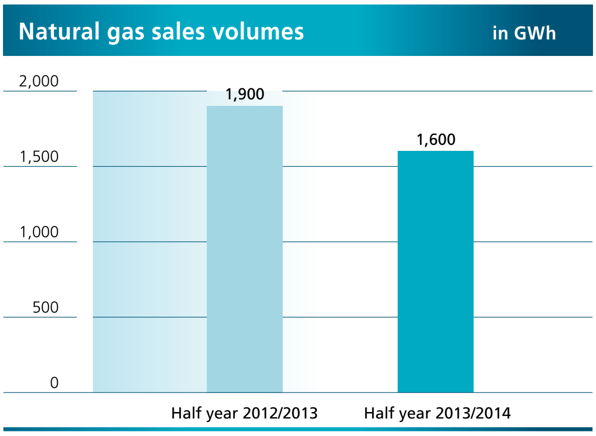
Sales in the gas segment in the first half-year of 2013/2014 were EUR 118.7 million. Compared to the previous year, this means a drop of EUR 30.7 million or 14.8%. The EBIT of the segment in the first half-year of 2013/2014 was EUR 25.8 million (previous year EUR 22.5 million), which corresponds to growth of 14.7%. This increase was mainly generated in the gas distribution system as well as through optimisations in OÖ. Gas-Wärme GmbH.

Expansion of the Supply Infrastructure

Execution of the 2011 long-term plan with the 7fields and Haidach underground storage connection projects is just about complete. The first stage of construction of the high-pressure natural gas line (EHDL) as well as EHDL 076 were put into operation on schedule in December 2013. The second stage of construction of EHDL 100 was completed, filled with gas and can be put into operation as well after the final operating approval is available, most likely in the second half-year of 2013/2014.

Around 10,384 GWh of natural gas were transported through the natural gas pipelines of OÖ. Ferngas Netz GmbH to end customers in Upper Austria in the first half-year of fiscal year 2013/2014. The reduction of 12.9% compared to the previous year (11,879 GWh) was mainly attributable to lower quantities for power plants.

At 1,600 GWh, the quantity of natural gas sold by the sales subsidiary OÖ. Gas-Wärme GmbH was around 15.8% less than the previous year's value of 1,900 GWh as a consequence of the winter with its above average temperatures. The continuous and successful adaptation of the procurement portfolio to the market made it possible to improve the result compared to the previous year despite the minimum quantities in the commodity sector.



An increase to change-over activities was registered in the first half-year. The electricity and gas pooling promotion of the Association for Consumer Information resulted in considerable stimulation to change. However, it was possible to keep many customers by actively offering new products. On the whole, a slight decline in the number of customers is to be expected in this year's fiscal year.

The biogas plant construction business area in the Czech Republic and Slovakia in the first half-year of 2013/2014 was mainly characterised by completion of projects that were started in the previous year and project development preparations for 2015. New acquisitions continued to be difficult due to the current incentive regime. An improvement to the market is foreseeable for fiscal year 2014/2015.

OÖ. Gas-Wärme GmbH supplied 85 GWh of heat from contracting plants to its customers under the brand ENSERV in the first half-year of 2013/2014. The decline in sales compared to the previous year's value (94 GWh) is attributable to the mild winter. Customers mainly include public institutions, residential trade and commercial businesses. 12 new heating energy plants were put into operation in the first half-year thereby increasing the number of heat energy plants to 535. Additional positive growth development can be achieved through the acquired industry contracting plants.

Waste Management Segment

Waste Management Segment Overview	Units	1st Half-Year 2013/2014	1st Half-Year 2012/2013	Development
Total waste volume handled	1,000 to	**989**	996	- 0.7 %
Thermally processed waste	1,000 to	**303**	300	+ 1.0 %
Total sales	EUR mill.	**103.7**	109.7	- 5.5 %
EBIT	EUR mill.	**2.3**	2.2	+ 4.5 %
Employees (average number)	FTE	**825**	938	- 12.0 %

The waste management segment of Energie AG Oberösterreich comprises the acceptance, sorting, incineration and landfilling of domestic and commercial waste and is found in the market under the brand AVE.

The sales process of AVE CEE (markets in the Czech Republic, Hungary, Slovakia, Ukraine and Romania) to the Czech EPI Group was completed at the closing on 12.11.2013. Hence, since the end of November 2013, the disposal segment still encompasses activities in Austria, Italy, the slag treatment company AVE Metal Recovery GmbH and the non-operating activities of AVE Heves Regio Kft. in Hungary. An evaluation and reorganisation project was initiated in Austria and Italy as part of the strategic reorientation, and has already started implementing efficiency-increasing measures.

Business Environment of the Waste Management Sector

Against the background of continuing difficult economic conditions, the topic of resource protection and the recovery of secondary materials remains a positive development aspect at a national as well as international level. Through the new legal requirements and drafts, the European Commission wants to ensure compliance with waste-relevant guidelines and to punish their violation. This is continuing to lead to positive stimuli in the waste and recycling industry.

As a consequence of the increasing waste separation quality, the general financial conditions were and will be characterised by stagnating or alternatively declining quantities of residual waste and by constantly low prices for recyclable materials.

The first half-year 2013/2014 was characterised by slightly dropping prices for recyclable materials, especially for aluminium and copper. It is expected that the prices will remain stable at this low level in the second half-year of 2013/2014. The prices for paper and cardboard remained almost unchanged compared to fiscal year 2012/2013. Price pressure is continuing on disposal prices for commercial waste. Energy revenues from thermal plants dropped due to lower prices in the electricity trading market.

Business Development in the Waste Management Segment

Sales totalling EUR 103.7 million (previous year: EUR 109.7 million) were generated in the waste management segment as well as an EBIT of EUR 2.3 million (previous year: EUR 2.2 million).

Sales in the first half-year of 2013/2014 declined compared to the previous year in Austria and were stable in South Tyrol. Due to a higher rate of external services, the EBIT was slightly above the previous year's level.

Austria

In response to the difficult general economic conditions, AVE Österreich has focussed on selective market development, broad cooperation with Austrian municipalities as well as consistent cost management for several years now.

Due to the mild autumn and winter months, the quantities developed positively above all in areas related to construction and the thermal fractions. At the same time, stagnating quantities were registered for secondary and reclaimed materials. Utilisation of the thermal plants can still be considered to be assured. The waste throughput planned for Wels and Lenzing was realised for both locations.

During the reporting period, 92 GWh of heat (previous year also 92 GWh) were output by AVE Österreich GmbH from the Wels waste incineration plant into the district heating network of Wels Strom GmbH. Electricity procurement in the waste management segment was 98 GWh (previous year 93 GWh).

Through the mentioned measures and effects, it was possible to continue the stable EBIT development of AVE Österreich GmbH in the first half-year of fiscal year 2013/2014. Furthermore, the efficiency-increasing measures that were developed and approved by the owner also helped the path that was taken.

South Tyrol
The important municipal bid invitations in South Tyrol were won once again in the first half-year of 2013/2014. The reclaimed and secondary raw materials sector represented a share of more than 50% of sales, which is now the most important pillar of AVE Südtirol. In addition, municipal services were provided for more than 150,000 residents. A cost and efficiency increasing programme was initiated at the end of 2013 to increase efficiency and its implementation has already started.

Water Segment

Water Segment Overview	Units	**1st Half-Year 2013/2014**	1st Half-Year 2012/2013	Development
Billed drinking water volume	mill. m^3	**25.4**	25.6	- 0.8 %
Billed wastewater volume	mill. m^3	**21.5**	21.7	- 0.9 %
Total sales	EUR mill.	**61.2**	63.2	- 3.2 %
EBIT	EUR mill.	**3.5**	3.0	+ 16.7 %
Employees (average number)	FTE	**1,538**	1,570	- 2.0 %

The water segment of Energie AG Oberösterreich consists of supplying drinking water as well as disposing of wastewater. The main markets are the Czech Republic and Austria.

General Conditions in the Water Industry

Stable operating conditions prevailed in the core business of supplying drinking water and wastewater disposal respectively in the reporting timeframe in the main markets, i.e. the Czech Republic and Austria.

At the beginning of November 2013, the Czech National Bank (CNB) started weakening the Czech crown considerably through interventions in the foreign exchange. The head of the central bank declared that he wants to keep the exchange rate at approximately 27 crowns per euro until the beginning of 2015 at least. The background for this active currency policy is to provide protection against the threat of deflation and to revive the rather weak economic situation. Consolidation of the Czech associated companies, which proportionately make the greatest financial contribution in the water segment, resulted in translation risks in the first half-year due to the decision made by the CNB. This was seen in the financial development compared to the previous year.

Business Development in the Water Segment

Sales revenue in the water segment was EUR 61.2 million in the first half-year of 2013/2014 making it 3.2% below the previous year. The drop in sales resulted from the intervention-related exchange rate difference between the euro and Czech crown. The EBIT in the first half-year of 2013/2014 was EUR 3.5 million, which was 16.7% higher than in the previous year (EUR 3.0 million). Despite negative, exchange rate related effects on the result as well as the loss of a major customer in wastewater disposal in the Czech Republic, the half-year result of the previous year was still exceeded. The latter was burdened by special effects including the company Energie AG Miskolc Kft., which was consolidated at equity and sold in December 2013, as well as by irregularly occurring expenses.

Regarding sales, 25.4 million m^3 of drinking water and 21.5 million m^3 of wastewater were invoiced. Hence the volume was slightly below the previous year's level as scheduled and was within the long-term trend.

The new inspection and obstruction clearing service for sewerhouse connections that was offered by the company operating in Slovenia had a successful start-up. On the whole, the market situation improved slightly. The order situation improved considerably, which was triggered by projects funded by the EU among other things.

Miscellaneous Segment

Miscellaneous Segment Overview	Units	1st Half-Year 2013/2014	1st Half-Year 2012/2013	Development
Electricity supply [1]	GWh	**18**	22	- 18.18 %
Heat sales volume [1]	GWh	**437**	486	- 10.1 %
Total sales	EUR mill.	**68.8**	69.1	- 0.4 %
EBIT	EUR mill.	**13.3**	6.1	+ 118.0 %
Employees (average number)	FTE	**623.0**	632.0	- 1.4 %

[1] Quantities sold that are assigned to other segments are not included

The miscellaneous segment of Energie AG Oberösterreich comprises the management and control functions of the holding company of the Group, the companies of the Heat and Fair Energy business area as well as all companies associated at equity if they are not assigned to other segments.

Business Development in the Miscellaneous Segment

Sales in the miscellaneous segment were EUR 68.8 million and declined slightly compared to the previous year (EUR 69.1 million). In contrast, the EBIT of the segment was EUR 13.3 million (previous year EUR 6.1 million), which corresponds to an increase of 118.0%.

Aside from the heating business area, which increased its EBIT, this positive development was mainly accounted for by considerably higher earnings from associated companies incorporated at equity as well as one-time effects from a sale of real estate.

Stable Development of the Heating Business Area

The heating business area, which operates 32 district heating networks in Austria and the Czech Republic, was able to compensate for the weather-related decline of heat sales through successful customer acquisitions. Heat sales of Energie AG Oberösterreich amounted to a total of 437 GWh (previous year 486 GWh).

The first customers were supplied with environmentally friendly district heating in the first half-year of 2013/2014 in the biggest geothermal energy project in Austria in Ried im Innkreis. Energie AG Oberösterreich has a 40% stake in the project.

Moreover, the topic of energy efficiency was still decisive for the heating segment, which has a significant effect on the realisation of future strategic projects.

Through its stable development, the heating business area showed that challenges from the environment and especially from new legal requirements can be coped with well and the success can also be sustained by setting new priorities.

Renewable Energies Photovoltaics and Wind as well as Electromobility

As part of the expansion of photovoltaic activities, Energie AG Oberösterreich Fair Energy GmbH purchased two plants in Italy with a total of 1.8 MWp. During the course of the cooperation with Upper Austrian companies, additional contracting projects were started in the first half-year of 2013/2014 to implement photovoltaic plants.

Wind measurements carried out over an extended period of time as well as extensive analyses of the location showed that the two wind farms investigated in Steyrtal and Ennstal cannot be operated economically in the opinion of Energie AG Oberösterreich. Energie AG will therefore no longer pursue these two projects under the general conditions that exist at this time. The identification of profitable wind investment possibilities will continue mainly in Austria. The four wind power development projects in Poland will be continued.

Regarding electromobility, the focus is on products for safe charging at home and the selective expansion of charging stations. Energy services in connection with the energy certificate are being offered across Austria with IfEA GmbH.

Strategic Participations

Shares in the result of companies associated at equity amounted to EUR 10.7 million in the first half-year of 2013/2014, which is an increase of approx. EUR 52.9% compared to the previous year (EUR 7.0 million).

Energie AG has a 17.75 % stake in Tauerngasleitung GmbH. Due to intensification of the unbundling provisions for pipeline companies from the third natural gas single market package, current shareholders in the existing composition were legally prohibited from running a pipeline company. Therefore, an attempt was made to acquire potential investors for an investment in the company in an EU-wide bidding process as well as through secondary marketing activities and direct bilateral meetings. In the process, interested parties considered the technical project to be reasonable and basically feasible. However, either interested parties were not able to fulfil the independence criteria themselves or alternatively investors from the financial sector indicated interest in the operation of infrastructure that is up and running, but not in infrastructure in the project stage due to regulatory risks. Therefore, the shareholders' meeting of 03.04.2014 decided to initiate a liquidation process, and the public was informed. Formal steps started on 11.04.2014. Conclusion of the liquidation process is expected in the third quarter of 2014.

Risk and Opportunity Situation

Besides weather-related fluctuations and high volatility in the energy markets, Energie AG Oberösterreich is facing business challenges due to major energy policy changes and the high competitive and regulatory pressure. Energie AG is addressing these challenges as part of the Group-wide risk management system by defining specific strategic and operating measures to reduce risks and exploit opportunities.

Electricity

The operating result of Energie AG Oberösterreich is strongly affected by electricity production from hydropower. In the first half-year of 2013/2014, electricity production from hydropower (including procurement rights) dropped by around 24.3% to 819 GWh (previous year: 1,082 GWh) as the consequence of less precipitation.

Due to the low price level in the power market, it was necessary to use thermal power plants considerably less in the first half-year of 2013/2014. The quantity of electricity produced was reduced by around half compared to the previous year to 342 GWh (previous year: 763 GWh).

Price development was mainly restrained in the international energy markets in the first half-year of 2013/2014. The price decline continued in the electricity wholesale market with small bands of fluctuation.

Electricity supply of 4,209 GWh in the first half-year of 2013/2014 exceeded the previous year's value by 457 GWh (previous year: 3,752 GWh). The increased quantity resulted exclusively from higher volumes sold to industrial customers.

Distribution

The regulatory authority E-Control carried out the annual grid fee adjustment at the beginning of January 2014. As a result, grid fees dropped by an average of 2.6%, which led to a lasting fall in earnings in the electricity distribution system sector.

Gas

The quantity of gas sold by OÖ. Gas-Wärme GmbH in the first half-year was around 15.8% less than the previous year's value as a consequence of the mild winter.

Waste Management

The sales process for AVE CEE was completed in November 2013. For the operating units that remained in the Group, AVE Österreich and AVE Südtirol, there were slightly falling prices in the first half-year of 2013/2014 for recyclable materials, especially for aluminium and copper.

Water

The active currency policies of the Czech Republic to support the rather weak economic situation led to an increased EUR/CZK translation risk in the water segment, which was felt to some extent by the first half-year of 2013/2014.

Policies and Legislation

The general regulatory conditions in the electricity and gas distribution system of the Energie AG Group continue to pose major challenges.

Finances

The rating of Energie AG Oberösterreich by Standard & Poor's (S&P) was downgraded one level from A to A- in February 2014. The outlook remains stable. In S&P's opinion, the downgrade is caused by a lasting, negative assessment of the current market environment and the related impacts on the risk profile of Energie AG.

The result of the Energie AG Group is essentially affected by energy policy conditions and market conditions in the disposal sector. Negative developments in these areas may result in decreasing asset values. With continued high volatility in the energy markets and high competitive and regulatory pressure, the risks in these sectors also remain high. Nevertheless, no risks can be discerned at this moment that could jeopardise the continued existence of the Group or individual segments.

Outlook

A strained situation is to be expected in the energy markets in the second half-year of 2013/2014 and hence will result in major challenges especially for electricity production. On the other hand, new customers acquired from the electricity pooling tender of the Consumer Advocacy Group will have a positive effect.

For the regulated electricity and gas distribution systems, the second half-year of 2013/2014 will be characterised mainly by preparations for the organisational integration of OÖ. Ferngas AG into the Group. The objective here is to raise synergies in the medium-term through bundling. The decline in gas and heat sales due to the mild weather can no longer be compensated for in the second half-year of fiscal year 2013/2014.

Reserved economic growth has a direct effect on the price development of recyclable materials in the waste management segment as well as the volume of industrial and commercial waste. This development will be countered by consistent continuation of the course of consolidation that has been taken in order to improve the earnings situation in the second half-year of 2013/2014 and by continuing to develop the position as the market and quality leader in Austria.

The exchange rate kept by the Czech National Bank at a level of 27 Czech crowns per euro and the loss of a major customer in the Czech Republic will impact the sales and earnings situation of the water segment in the second half-year of 2013/2014 as well. There are upcoming fee negotiations in spring 2014 for several contracts with contract partners as well as smaller bid invitations in the Czech coverage areas.

Specific measures will be defined and their implementation initiated in the second half-year of fiscal year 2013/2014 as part of the PowerStrategy 2020 project for strategic and structural realignment of the Group on the basis of concepts that have been developed. In terms of the market, this means continued development of customer orientation with new products and services as well as the execution of business plans. Both by integrating OÖ. Ferngas AG and by taking various other bundling measures, synergies and economies of scale are realised within the Group. By continuing the cost-lowering and efficiency-enhancing measures, the intended operational and structural excellence is achieved.

Linz, 26 May 2014
The Board of Management of Energie AG Oberösterreich

Leo Windtner
Chairman of the Board

Werner Steinecker
Member of the Board of Management

Andreas Kolar
Member of the Board of Management

Consolidated Income Statement 01 October 2013 to 31 March 2014

		01/10/2013-31/03/2014 in EUR 1,000	01/10/2012-31/03/2013 adjusted in EUR 1,000
1.	Sales	**1,039,466.7**	994,325.7
	Procurement Costs for Electricity and Gas Proprietary Trading	**- 81,150.2**	- 70,099.2
	Net Sales Revenue	**958,316.5**	924,226.5
2.	Change in inventories of finished and unfinished products	**146.5**	- 1,003.3
3.	Other capitalized costs of self-constructed items	**12,040.7**	12,052.5
4.	Share in result of companies associated at equity	**10,665.2**	6,949.5
5.	Other operating income	**13,833.8**	13,845.8
6.	Cost of materials and other purchased manufacturing services	**- 629,074.6**	- 578,469.6
7.	Personnel expenses	**- 131,195.8**	- 132,765.5
8.	Depreciation	**- 77,095.6**	- 67,190.6
9.	Other operating expenses	**- 79,206.7**	- 71,772.5
10.	**Result of operations**	**78,429.9**	**105,872.8**
11.	Financing expenditure	**- 20,007.8**	- 23,431.6
12.	Other interest income	**1,275.6**	3,473.4
13.	Other financial results	**- 90.0**	1,079.4
14.	**Financial results**	**- 18,822.2**	**- 18,878.8**
15.	**Result from ordinary business activities**	**59,607.7**	**86,994.0**
16.	Taxes on income	**- 11,101.8**	- 19,875.8
17.	**Earnings after taxes from continuing operations**	**48,505.9**	67,118.2
Discontinued operation			
18.	Result after taxes from discontinued operations	**- 1,356.9**	- 3,996.0
19.	**Consolidated net result**	**47.149.0**	**63,122.2**
	of which attributable to non-controlling interests	**5,916.1**	4,497.3
	of which attributable to shareholders of the parent company		
	Consolidated net profit	**41,232.9**	**58,624.9**

Consolidated Statement of Comprehensive Income, 01 October 2013 to 31 March 2014

		01/10/2013-31/03/2014 in EUR 1,000	01/10/2012-31/03/2013 adjusted in EUR 1,000
1.	**Consolidated net result**	**47,149.0**	**63,122.2**
2.	**Other comprehensive income**		
	Items not reclassified to the income statement retrospectively:		
	Remeasurement of performance-tied commitment	**380.4**	- 6,047.1
	Deferred taxes	**0.0**	1,430.7
	Items which, under certain conditions, are subsequently reclassified in the income statement:		
	Changes in available for sale financial interests	**- 927.3**	1,013.6
	Changes in value, without effect on the result, at companies associated at equity	**461.8**	- 221.1
	Hedge accounting	**- 11,127.7**	- 37,230.1
	Currency differences	**- 6,692.1**	- 7,492.3
	Deferred taxes	**3,013.7**	9,054.2
	Total income and expenses recognised in equity	**- 14,891.2**	**- 39,492.1**
3.	**Comprehensive income after taxes**	**32,257.8**	**23,630.1**
4.	attributable to comprehensive income from non-controlling interests	**5,325.3**	3,565.7
5.	**attributable to comprehensive income of parent company**	**26,932.5**	**20,064.4**

Consolidated Balance Sheet
as at 31 March 2014

ASSETS		31/03/2014 in EUR 1,000	30/09/2013 adjusted in EUR 1,000	01/10/2012 adjusted in EUR 1,000
A.	**Long-term assets**			
I.	Intangible assets and goodwill	**212,008.9**	227,059.1	296,205.8
II.	Tangible fixed assets	**1,826,334.4**	1,838,125.1	1,966,610.1
III.	Investments (of these companies associated at equity: EUR 242,266.7 thousand [previous year: EUR 232,384.1 thousand])	**262,693.8**	252,757.6	281,410.9
IV.	Other financial assets	**260,423.5**	246,914.8	482,167.4
		2,561,460.6	**2,564,856.6**	**3,026,394.2**
V.	Other long-term assets	**24,303.1**	19,701.0	32,019.7
VI.	Deferred taxes	**358.4**	359.6	1,116.5
		2,586,122.1	**2,584,917.2**	**3,059,530.4**
B.	**Short-term assets**			
I.	Inventories	**51,689.3**	66,582.9	98,007.1
II.	Accounts receivable and other assets	**374,464.1**	303,476.8	341,290.2
III.	Cash and cash equivalents	**88,013.5**	60,640.8	160,982.0
		514,166.9	**430,700.5**	**600,279.3**
IV.	Assets of discontinued operations	—	213,055.8	—
		514,166.9	**643,756.3**	**600,279.3**
		3,100,289.0	**3,228,673.5**	**3,659,809.7**

LIABILITIES		31/03/2014 in EUR 1,000	30/09/2013 adjusted in EUR 1,000	01/10/2012 adjusted in EUR 1,000
A.	**Equity**			
I.	Share capital	**89,000.0**	89,000.0	89,000.0
II.	Capital reserves	**214,897.0**	214,897.0	213,106.9
III.	Revenue reserves	**831,434.6**	837,890.7	927,778.8
IV.	Other reserves	**- 58,369.0**	- 37,226.1	1,257.9
V.	Non-controlling interests	**73,619.9**	81,134.8	81,611.3
		1,150,582.5	**1,185,696.4**	**1,312,754.9**
B.	**Long-term debt**			
I.	Financial liabilities	**618,098.7**	620,705.1	717,273.9
II.	Long-term provisions	**316,597.4**	322,780.5	257,465.6
III.	Deferred tax liabilities	**37,507.9**	44,267.5	75,488.2
IV.	Contributions to construction costs	**341,010.8**	342,921.3	336,698.1
V.	Deferred credit from cross-border leasing	—	—	33,440.0
VI.	Advances from customers	**63,056.8**	69,840.8	76,283.1
VII.	Other long-term debt	**96,941.3**	86,691.8	89,337.8
		1,473,212.9	**1,487,207.0**	**1,585,986.7**
C.	**Short-term debt**			
I.	Financial liabilities	**14,492.0**	16,528.5	226,801.2
II.	Short-term provisions	**37,381.6**	42,616.4	51,501.0
III.	Tax provisions	**203.9**	108.6	140.3
IV.	Accounts payable	**159,991.0**	163,240.0	199,909.6
V.	Deferred credit from cross-border leasing	—	—	1,253.0
VI.	Other short-term debt	**264,425.1**	256,168.8	281,463.0
		476,493.6	**478,662.3**	**761,068.1**
VII.	Debts from discontinued operations	—	**77,107.8**	—
		476,493.6	**555,770.1**	**761,068.1**
		3,100,289.0	**3,228,673.5**	**3,659,809.7**

Consolidated Cash-Flow Statement

	01/10/13-31/03/14 in EUR 1,000	01/10/12-31/03/13 adjusted in EUR 1,000
Result before taxes on income from continuing operations	59,607.7	86,994.0
Result before taxes on income from discontinued operation	- 1,809.2	1,234.9
Result before taxes on income	57,798.5	88,228.9
Result after taxes on income	46,383.2	69,133.1
CASH FLOW FROM THE RESULT	116,974.3	144,921.5
of which from discontinued operation	—	13,873.2
CASH FLOW FROM OPERATING ACTIVITIES	70,522.0	47,591.0
of which from discontinued operation	—	10,209.7
CASH FLOW FROM INVESTING ACTIVITIES	26,870.4	55,755.2
of which from discontinued operation	106,469.6	- 6,137.9
CASH FLOW FROM FINANCING ACTIVITIES	- 70,019.7	- 209,503.6
of which from discontinued operation	—	- 4,502.5
TOTAL CASH FLOW	27,372.7	-106,157.3
of which from discontinued operation	106,469.6	- 430.7
Cash and cash equivalents at the beginning of the period	60,640.8	160,982.0
Cash and cash equivalents at the end of the period	88,013.5	54,824.7

Development of Group Equity

	Equity of shareholders of parent company in EUR 1,000	Non-controling interests in EUR 1,000	Sum in EUR 1,000
As of: 30 September 2012 (adjusted)	**1,231,143.6**	**81,611.3**	**1,312,754.9**
Overall result	20,064.4	3,565.7	23,630.1
Dividends	- 53,390.0	- 4,302.3	- 57,692.3
Changes in the group of consolidated companies	—	—	—
Purchase of own shares	- 1,196.5	—	- 1,196.5
As of: 31 March 2013	**1,196,621.5**	**80,874.7**	**1,277,496.2**
As of: 30 September 2013 (adjusted)	**1,104,561.6**	**81,134.8**	**1,185,696.4**
Overall result	26,932.5	5,325.3	**32,257.8**
Dividends	- 53,274.0	- 1,947.7	**- 55,221.7**
Changes in the group of consolidated companies	- 1,232.7	- 10,892.5	**- 12,125.2**
Purchase of own shares	- 24.8	—	**- 24.8**
As of: 31 March 2014	**1,076,962.6**	**73,619.9**	**1,150,582.5**

Notes to the Consolidated Interim Financial Statements 31 March 2014

1. General Information

The condensed interim financial statements of Energie AG Oberösterreich as of 31 March 2014 were drawn up in accordance with the International Financial Reporting Standards (IFRS) for interim financial reporting, as they were required to be applied 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, applying IAS 34 (Interim Financial Reporting). The interim report represents an update of the Consolidated Financial Statements as of 30 September 2013. The interim financial statements were neither the subject of a full audit, nor of an auditing review by a chartered accountant.

2. Accounting and Valuation Methods

The accounting and valuation methods applied as of 30 September 2013 have been maintained unchanged – unless otherwise indicated.

New applicable standards and interpretations adopted by the EU, taking effect on 1 January 2013:

- IAS 12 (Amendment Deferred Tax: Recovery of Underlying Assets)
- IAS 19 (Employee Benefits)
- IFRS 1 (Amendments: Government Loans)
- IFRS 1 (Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters)
- IFRS 7 (Amendments: Disclosure – Offsetting Financial Assets and Financial Liabilities)
- IFRS 13 (Fair Value Measurement)
- Improvements to IFRS 2011 (IFRS 1, IAS 1, 16, 32, 34)
- IFRIC 20 (Stripping Costs in the Production Phase of a Surface Mine)

2.1. The first-time application of the standards and amendments to accounting and valuation methods taking effect on 1 January 2013 result in the following changes affecting these Consolidated Interim Financial Statements:

IAS 1 (Amendment: Presentation of Financial Statements)

The retrospective application of the IAS 19 amendment (Employee Benefits) requires the preparation of a third balance sheet as of the start of the comparison period, because the retrospective amendment has a substantial effect on the information for the third balance sheet.

IAS 12 (Income Taxes) Balancing deferred taxes

To improve the disclosure of the net asset position, the deferred taxes (carried as assets and liabilities) of members of the taxable group of companies were balanced. The previous year's figures were adjusted accordingly. As of 30 September 2013, deferred tax assets amounting to EUR 43,518.6 thousand (30 September 2012: EUR 22,406.1 thousand) were offset by deferred tax liabilities.

IAS 19 (Employee Benefits)

Due to the amendments made to IAS 19 (Employee Benefits), profits and losses valuated according to the actuarial valuation method are to be recognised under other comprehensive income. The previously exercised option, time-delayed recognition according to the corridor method, will no longer be applied. The changes are applied retrospectively in accordance with IAS 8; the balance sheets as of 30 September 2012 and as of 30 September 2013 as well as the previous year's income statement were adjusted accordingly. The actuarial profits recorded as of 30 September 2012, in the amount of EUR -37.8 million (30 September 2013: EUR -49.3 million), were recorded in Equity after deducting the deferred taxes; the amortisation of actuarial results according to IAS 19 previously shown in the income statement is now recognised under Other Comprehensive Income.

Furthermore, interest paid in association with provisions for pensions, severance payments, anniversary bonuses as well as early retirement and stepped pension in the amount of EUR 4.1 million (previous year: EUR 4.1 million) is shown under interest paid. In previous periods, this expenditure was shown under personnel expenses.

	30/09/13 in EUR 1,000	Transitions in EUR 1,000	30/09/2013 adjusted in EUR 1,000	01/10/12 in EUR 1,000	Transitions in EUR 1,000	01,10,2012 adjusted in EUR 1,000
ASSETS						
A. Long-term assets						
Investments (of these companies associated at equity: EUR 242,266.7 thousand [previous year: EUR 232,384.1 thousand])	253,714.4	- 956.8	**252,757.6**	281,719.2	- 308.3	**281,410.9**
VI. Deferred taxes	43,878.2	- 43,518.6	**359.6**	23,522.6	- 22,406.1	**1,116.5**
		- 44,475.4			- 22,714.4	
LIABILITIES						
A. Equity						
III. Revenue reserves	837,080.0	810.7	**837,890.7**	926,968.1	810.7	**927,778.8**
IV. Other reserves	856.4	- 38,082.5	**- 37,226.1**	30,265.7	- 29,007.8	**1,257.9**
V. Non-controlling interests	81,781.6	- 646.8	**81,134.8**	82,100.1	- 488.8	**81,611.3**
		- 37,918.6			- 28,685.9	
B. Long-term debt						
II. Long-term provisions	273,498.1	49,282.4	**322,780.5**	219,628.8	37,836.8	**257,465.6**
III. Deferred tax liabilities	100,106.7	- 55,839.2	**44,267.5**	107,353.5	- 31,865.3	**75,488.2**
		- 6,556.8			5,971.5	

	01/10 -31/03/2013 in EUR 1,000	Transitions in EUR 1,000	01/10-31/03/2013 adjusted in EUR 1,000
7. Personnel expenses	- 138,305.8	5,540.3	**- 132,765.5**
10. Result of operations		**5,540.3**	
11. Financing expenditure	- 19,334.6	- 4,097.0	**- 23,431.6**
14. Financial results		**- 4,097.0**	
15. Result from ordinary business activities		**1,443.3**	
16. Taxes on income	- 19,515.0	- 360.8	**- 19,875.8**
17. Earnings after taxes from continuing operations		**1,082.5**	
Other comprehensive income			
Items not reclassified to the income statement retrospectively:			
Remeasurement of performance-tied commitment	—	- 6,047.1	**- 6,047.1**
Deferred taxes	—	1,430.7	**1,430.7**
Total income and expenses recognised in equity		**- 4,616.4**	

IFRS 13 (Fair Value Measurement)

Due to the first-time application of IFRS 13 (Fair Value Measurement), additional information has been included in the Notes.

2.2. In the interim financial statements, the following standards, amendments and improvements of standards adopted by the EU were not applied ahead of time:

Taking effect in the EU on 1 January 2014:

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

The following standards and interpretations, amendments and improvements of standards take effect on 1 January 2014 or later, but these have not yet been adopted by the European Union:

- IFRS 9 (Financial Instruments)
- IFRS 14 (Regulatory Deferral Accounts)
- IFRS 7 (Amendements: Financial Instruments: Disclosures)
- IAS 19 (Amendements: Defined Benefit Plans: Employee Contributions)
- Annual Improvements to IFRSs 2010-2012
- Annual Improvements to IFRSs 2011-2013
- IFRIC 21 (Levies)

According to current assessments, the first-time use of IFRS 10 (Consolidated Financial Statements), IFRS 11 (Joint Arrangements) and IFRS 12 (Disclosure of Interests in Other Entities) will lead to additional disclosures in the Notes, but also to a change in the way Gas- und Dampfkraftwerk Timelkam GmbH and Ennskraftwerke Aktiengesellschaft are consolidated. Having previously been included according to the equity method, they will now be consolidated proportionately (pro-rata consolidation) as joint operation as defined in IFRS 11 (Joint Arrangements). Energie AG Oberösterreich Vertrieb GmbH & Co KG, which is currently fully consolidated, will in future be included in the Consolidated Financial Statements according to the equity method. The changes in the method of inclusion will have the following effects:

	in EUR mill.
Sales	- 29.3
Cost of materials	- 24.0
Result of operations	1.9

ASSETS	in EUR mill.	LIABILITIES	in EUR mill.
Long-term assets	113.5	Equity	- 0.7
Short-term assets	- 49.0	Long-term debt	71.4
		Short-term debt	- 6.2
	64.5		64.5

2.3. Segment Reporting

In the previous year, the segments Energy, Waste Management and Water were shown. As a result of selling the companies belonging to the Waste Management Segment in the Czech Republic, Hungary, Slovakia, Romania and Ukraine, there have been some changes in internal segment reporting to the management. In accordance with the new internal reporting and control system, segment reporting was adjusted in accordance with IFRS 8. From now on, the segments Electricity, Distribution, Gas, Waste Management, Water and Miscellaneous are shown.

2.4. Estimates

The preparation of the consolidated interim financial statements according to IFRS requires making estimates and assumptions which affect the values reported in the statements. The actual results may differ from these estimates.

2.5. Impairment Tests of Other Intangible Assets and Tangible Fixed Assets

Estimates made on the future gas prices quoted in the trade market in the summer and winter months ("summer-winter spread") were changed due to an oversupply of storage capacities. The change in this estimate led to a decline in the use value, which is determined based on discounted cash flows. This required a depreciation of the right of use for the 7fields gas storage tank in the Electricity Segment amounting to EUR 9.7 million.

3. Group of Consolidated Companies

3.1. The MISCELLANEOUS Segment

The following companies were acquired in the first six months of the 2013/2014 fiscal year and fully consolidated for the first time and integrated into the consolidated financial statements:

	Location	Share (in %)	Acquisition
ECOFE S.R.L.	Merano (Italy)	100 %	04/12/2013
Salvatonica Energia S.R.L.	Merano (Italy)	100%	04/12/2013

The business activities of ECOFE S.R.L and Salvatonica Energia S.R.L. comprise the erection and operation of photovoltaic systems.

	2013/2014 in EUR 1,000
Long-term assets	781.2
Short-term assets	235.2
Long-term provisions and liabilities	—
Short-term provisions and liabilities	- 1,007.5
Net assets	8.9
Acquisition of unconsolidated associated companies	299.7
Purchase price	308.6
Liquid funds	- 20.1
Purchase price paid in previous periods	—
Net outflow / inflow of cash	**288.5**

During the first six months. the companies achieved sales revenues amounting to EUR 78,4 thousand and a result of operations amounting to EUR 68,9 thousand.

3.2. The WASTE MANAGEMENT Segment

AVE Metal Recovery GmbH is included in the Consolidated Financial Statements for the first time at equity. The book value amounts to EUR 196.1 thousand, the equity result amounts to EUR 94.1 thousand.

Furthermore, in the first six months of the fiscal year 2013/2014, AVE Abfallwirtschaft GmbH was liquidated.

4. Discontinued Operations in Accordance with IFRS 5

Although the companies in the Waste Management Segment in the Czech Republic, Hungary (with the exception of AVE Heves Régió Kft.), Slovakia, Romania, Ukraine and Moldova were sold in the fiscal year 2012/2013, the requirements for closing had not yet been fully met by 30 September 2013. Accordingly, the activities were shown as a discontinued business field pursuant to IFRS 5. The affected assets and liabilities were shown in a separate line in the balance sheet. The result from the discontinued business area, transaction costs, as well as the expected gain on disposal, are shown separately in the income statement. The cash flows of the business area are shown separately. The income statement does not include a consolidation of income and expenditure between the discontinued operations and the continuing operations. Any receivables and payables between the discontinued operations and the continuing operations were eliminated. Having been classified as a discontinued business field, scheduled depreciation was suspended, taking effect 1 April 2013. The sale was finalised in November 2013; the assets and liabilities of the discontinued business field are therefore no longer shown in the balance sheet as of 31 March 2014. Cash flow includes payments resulting from the disposal of the discontinued business field amounting to EUR 106.5 million.

	30/09/2013 in EUR 1,000
ASSETS	
Intangible assets	**15,963.8**
Tangible fixed assets	**117,199.8**
Investments	**4,087.7**
Other financial assets	**405.3**
Other long-term assets	**15,320.9**
Deferred taxes	**840.5**
Inventories	**4,193.1**
Receivables from goods and services	**45,136.4**
Cash and short-term investments	**9,908.3**
Assets classified as discounted operations	**213,055.8**
LIABILITIES	
Financial liabilities	**- 13,483.9**
Provisions	**- 29,347.9**
Accounts payable – trade	**- 13,150.8**
Other debt	**- 17,022.8**
Deferred tax liabilities	**- 4,102.4**
Liabilities classified as discounted operations	**- 77,107.8**
Net assets directly associated with the discontinued operations	**135,948.0**

	01/10-31/03/2014 in EUR 1,000	01/10-31/03/2013 in EUR 1,000
Earnings	—	93,064.5
Expenses	—	- 90,660.8
Result of operations	—	2,403.7
Financial result	**- 1,809.2**	- 1,168.8
	- 1,809.2	**1,234.9**
Costs to sell	—	- 4,526.1
Profit/loss before taxes from discontinued operations	**- 1,809.2**	-3,291.2
Tax expenditure	**452.3**	- 704.8
Result after taxes from discontinued operation	**- 1,356.9**	**- 3,996.0**

5. Segment Reporting

At the Energie AG Group, the segments subject to report are identified in accordance with IFRS 8 by applying internal reporting and internal control (management approach).

From now on, segment reporting comprises the segments Electricity, Distribution, Gas, Waste Management, Water and Others. The previous year's figures were adjusted accordingly.

The accounting and valuation methods applied to the reported segments are the same as those used throughout the Group.

The operating result of the individual segments is the result for the period which, being regularly monitored by the main decision-makers, is primarily used as a basis to assess the level of success and the allocation of resources.

Electricity
The Electricity Segment comprises primarily the production, trading and supply of electrical energy. Electricity is produced primarily by using hydraulic and caloric production plants. In addition, electricity is procured via procurement rights from third-party power plants and via the electricity market. The Electricity Segment comprises Gas- und Dampfkraftwerk Timelkam GmbH, ENAMO GmbH and ENAMO Ökostrom GmbH, included at equity.

Distribution
The Distribution Segment covers the erection and operation of an electricity distribution network, which covers the major part of Upper Austria and parts of Salzburg and Styria and, to a smaller extent, areas in Lower Austria. Telecommunication services are additionally provided.

Gas
The Gas Segment comprises the erection and operation of a natural gas distribution network, the supply of gas and heating and the provision of energy services.

Waste Management
The Waste Management Segment essentially covers the acceptance, sorting, thermal processing and dumping of household and industrial waste materials.

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

Miscellaneous
The Miscellaneous Segment covers companies included in the Consolidated Financial Statements at equity that are not assigned to any other segments as well as management and controlling functions. In addition, the Miscellaneous segment comprises companies engaged in activities in the areas Heating and Fair Energy.

2013/2014	Electricity in EUR mill.	Distribution in EUR mill.	Gas in EUR mill.	Waste Management in EUR mill.	Water in EUR mill.	Miscellaneous in EUR mill.	Transitions in EUR mill.	Group in EUR mill.
Sales to third parties	595.4	130.2	117.7	98.0	60.9	37.3	—	**1,039.5**
Inter-segment sales	14.9	4.3	1.0	5.7	0.3	31.5	- 57.7	**0.0**
Total sales	610.3	134.5	118.7	103.7	61.2	68.8	- 57.7	**1,039.5**
Income from operations	10.1	23.4	25.8	2.3	3.5	13.3	—	**78.4**

2012/2013	Electricity Mio. EUR	Distribution Mio. EUR	Gas Mio. EUR	Waste Management Mio. EUR	minus discontinued operation Mio. EUR	Water Mio. EUR	Miscellaneous Mio. EUR	Transitions Mio. EUR	Group in EUR mill.
Sales to third parties	515.0	136.7	138.2	194.3	- 90.8	62.9	38.0	—	**994.3**
Inter-segment sales	12.7	4.1	1.2	6.2	—	0.3	31.1	- 55.6	**0.0**
Total sales	527.7	140.8	139.4	200.5	- 90.8	63.2	69.1	- 55.6	**994.3**
Income from operations	39.7	32.4	22.5	4.6	- 2.4	3.0	6.1	—	**105.9**

The result of operations in the sum column corresponds to that of the consolidated income statement. For the reconciliation statement for the result before taxes on income, therefore, please refer to the income statement.

6. Financial Instruments

6.1. Book Values, Fair Values and Values Entered According to IAS 39

The book values, fair values and values entered for the financial assets and debts comprise the following classes and/or valuation categories in accordance with IAS 39 and/or IAS 17:

	Category according to IAS 39 *)	Book value 31/03/2014 in EUR 1,000	Fair Value 31/03/2014 in EUR 1,000
Participations		326.3	326.3
Other participations	AfS	**326.3**	**326.3**
Other financial assets		260,423.5	260,423.5
Loans to affiliated companies	LaR	**120.0**	**120.0**
Loans to companies with which the company is linked by virtue of participating interests	LaR	**12,000.0**	**12,000.0**
Other loans	LaR	**32,408.2**	**32,408.2**
Securities (held to maturity)	HtM	**1.0**	**1.0**
Securities (available for sale)	AfS	**64,685.0**	**64,685.0**
Securities (fair value option)	AtFVP&L (FV Option)	**151,209.3**	**151,209.3**
Accounts receivable and other assets (long and short-term) according to the balance sheet		398,767.2	
of which non-financial assets		29,261.2	
of which financial assets		369,506.0	369,506.8
Accounts receivable (trade debtors)	LaR	**273,580.5**	**273,581.3**
Due from affiliated companies	LaR	**19,014.4**	**19,014.4**
Due from undertakings with which the company is linked by virtue of participating interest	LaR	**12,086.6**	**12,086.6**
Derivatives without hedge relation	AtFVP&L (Trading)	**26,272.9**	**26,272.9**
Other financial assets	LaR	**38,551.6**	**38,551.6**
Cash and cash equivalents	LaR	88,013.5	88,013.5
Total for financial assets		718,269.3	718,270.1
Financial liabilities (long and short-term)		632,590.7	689,326.4
Bonds	FLAC	**303,270.6**	**347,181.0**
Due to banks	FLAC	**163,344.2**	**167,369.1**
Liabilities – financing leasing	IAS 17 / FLAC	**60,309.9**	**60,309.9**
Other financial liabilities	FLAC	**105,666.0**	**114,466.4**
Accounts payable (short-term)	FLAC	159,991.0	159,991.0
Other debts (long and short-term) according to balance-sheet		361,366.4	
of these non-financial debts		219,652.8	
of these financial debts		141,713.6	141,713.6
Due to affiliated companies	FLAC	**8,418.1**	**8,418.1**
Due to undertakings with which the company is linked by virtue of participating interests	FLAC	**29,342.3**	**29,342.3**
Derivatives with hedge relation (cash-flow hedge)	n/a	**17,211.0**	**17,211.0**
Derivatives without hedge relation	AtFVP&L (Trading)	**22,778.6**	**22,778.6**
Other financial liabilities (long and short-term)	FLAC	**63,963.6**	**63,963.6**
Total for financial liabilities		934,295.3	991,031.0
Book values in valuation categories acc. to IAS 39			
Loans and Receivables (LaR)		**475,774.8**	
Held to Maturity Investments (HtM)		**1.0**	
Available for Sale Financial Assets (AFS)		**65,011.3**	
Financial Assets at Fair Value through Profit or Loss (AtFVP&L (Trading))		**26,272.9**	
Financial Assets at Fair Value through Profit or Loss (AtFVP&L (FV Option))		**151,209.3**	
Financial Liabilities Measured at Amortised Cost (FLAC)		**833,995.8**	
Financial Liabilities at Fair Value through Profit or Loss (AtFVP&L (Trading))		**22,778.6**	

AfS Available for Sale
LaR Loans and Receivables
HtM Held to Maturity
FLAC Financial Liability Measured at Amortised Cost
AtFVP&L At Fair Value through Profit or Loss

The majority of accounts receivable (trade debtors), due from affiliated companies, due from undertakings with which the company is linked by virtue of participating interest as well as other financial assets have short terms to maturity. As a result, their book values as at the balance sheet date approximately reflect the fair values. The fair values of long-term borrowings, if material and not subject to variable interest rates, correspond to the present values of the payments linked to the assets, always taking account of the current market parameters.

Accounts payable, due to affiliated companies, due to undertakings with which the company is linked by virtue of participating interest and other financial liabilities regularly have short times to maturity; the values in the balance sheet approximately reflect the fair values. The fair values of financial liabilities, if material and not subject to variable interest rates, are established at present values of the payments linked to debts, on the basis of respectively applicable market parameters.

Non-consolidated shareholdings and Other Shareholdings are shown in the category "Available for Sale at Cost". There is no price listed on the active market for these shareholdings and their fair value cannot be reliably determined.

The book values of AFS (at cost) financial assets amount to:

	31/03/2014 in EUR 1,000
Interests in Affiliated Companies AFS (at cost)	**6,835.0**
Other Shareholdings (at cost)	**13,265.9**
	20,100.9

In fiscal 2013/2014, a disposal of Other Shareholdings in the amount of EUR 20.1 thousand was shown at cost. The loss from the disposal of these assets amounted to EUR 0.0 thousand.

6.2. Measurement at Fair Value

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

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

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

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

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

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

The Group records reclassifications between the different levels of the fair value hierarchy at the end of the year under report, in which the change took place. As of 31 March 2014, no reclassifications took place.

The financial instruments valued at fair value are allocated to the levels 1 to 3 as follows:

31/03/2014 Assets	Valuation at market prices Level 1 in EUR 1,000	Valuation on the basis of input factors observable on the market Level 2 in EUR 1,000	Other valuation factors Level 3 in EUR 1,000	Sum of fair values in EUR 1,000
Investments				
Other investments	326.3	—	—	326.3
Other financial assets				
Securities (available for sale)	57,394.2	7,290.8	—	64,685.0
Securities (fair value option)	17,909.6	133,299.7	—	151,209.3
Receivables and other assets				
Derivatives with no hedging relationship		26,272.9		26,272.9
Total	**75,630.1**	**166,863.4**	**—**	**242,493.5**
Liabilities				
Other debts				
Derivatives with a hedging relationship (cash flow hedge)	—	17,211.0	—	17,211.0
Derivatives with no hedging relationship	—	22,778.6	—	22,778.6
Total	**—**	**39,989.6**	**—**	**39,989.6**

	2013/2014 in EUR 1,000
Book value as of 01 October	**2,078.9**
Profits (losses)	
- with effect on the result	—
- with no effect on the result	—
Purchases	—
Sales	**- 2,078.9**
Redemptions	—
Reclassifications	—
Book value as of 31 March	**—**

In the current fiscal year, losses from the sale of financial instruments in level 3 in the amount of EUR 321.3 thousand were recognised in the financial result with an effect on earnings.

The valuation of the financial instruments in level 3 is based on price information from third parties which underwent an internal plausibility check and was used with no further corrections.

6.2.2. Valuation Methods and Input Factors When Determining the Fair Values

As a rule, the fair value of financial assets and debts corresponds to market prices on the balance sheet date. Unless the prices are directly available on the markets, they are calculated by applying recognised financial calculation models. For this purpose, the cash flows of the financial instruments are discounted for the balance sheet date, except in the case of those financial instruments, of which the majority has shorter terms to maturity.

The following valuation methods and input factors were applied:

Financial instruments	Level	Valuation method	Material input factors
Listed securities	1	Based on market value	Nominal values, prices quoted at the stock exchange
Other securities	2	Based on capital value	Nominal values for short residual maturities, payments associated with financial instruments, interest structure curve, credit risk of the contracting parties
Listed energy forwards	1	Based on market value	Settlement prices determined at the stock exchange
Energy forwards not listed	2	Based on capital value	Forward price curve derived from prices quoted at the stock exchange, interest structure curve, credit risk of the contracting parties
Interest swaps	2	Based on capital market	Cash flows already fixed or determined via forward rates, interest structure curve, credit risk of the contracting parties

7. Relations to Affiliated Companies and Persons

The affiliated companies and persons include the majority shareholder OÖ Landesholding GmbH as well as its subsidiaries, the federal province of Upper Austria, which is the sole shareholder of OÖ Landesholding GmbH, the proportionately consolidated companies, the associated companies as well as the members of the Board of Management and the Supervisory Board of Energie AG Oberösterreich and their close dependents.

		Revenues in EUR 1,000	Expenses in EUR 1,000	Accounts receivable in EUR 1,000	Accounts payable in EUR 1,000
Federal Province of Upper Austria	**2014**	**415.2**	**1,431.1**	**51.0**	**52,191.9**
	2013	536.3	1,712.4	346.8	50,888.4
OÖ Landesholding and subsidiaries	**2014**	**5,215.3**	**163.8**	**19,189.0**	**8.7**
	2013	6,050.5	202.0	14,256.0	52.7
Proportionately consolidated companies	**2014**	**—**	**—**	**—**	**—**
	2013	1,227.3	571.4	7,125.9	—
Companies valued at equity	**2014**	**120,160.8**	**65,260.3**	**23,412.5**	**29,343.9**
	2013	84,805.7	44,777.4	26,846.9	22,565.6

Services are provided at standard market conditions.

8. Other Disclosures

Particularly with regard to electricity production, electricity supply and the gas business, weather-related fluctuations are reflected in the sales and results throughout the fiscal year. The Electricity Segment and the Gas Segment therefore have a tendency to generate higher results in the first half-year than it would in the second half-year. Due to limited construction activities during the autumn and winter months, investments into tangible fixed assets during the first half-year are generally lower than in the second half-year. During the first six months, the production coefficient was 0.92 (previous year: 1.15).

During the first six months of the 2013/2014 fiscal year, additions to tangible fixed assets amounted to EUR 53.3 million (previous year: EUR 47.7 million) and book-value disposals amounted to EUR 0.9 million (previous year: EUR 6.0 million). Commitments for purchases of tangible fixed assets total EUR 33.8 million (previous year: EUR 37.8 million).

Dividends in the amount of EUR 53,274.0 thousand (previous year: EUR 53,390.0 thousand) were paid to the shareholders of Energie AG Oberösterreich during the first half of the 2013/2014 fiscal year.

The Energie AG Group faces numerous risks and opportunities, attributable to weather-related fluctuations, major changes in the energy policy and fierce competitive and regulatory pressure.

The Energie AG Group regards the water level of rivers, and thus the amount of electricity generated at our own hydropower plants and obtained from hydraulic procurement rights, as a key risk/opportunity.

During the first six months of fiscal 2013/2014, the electricity generated at hydropower plants was about 8.0% below the multi-year mean value. The price development in the international energy markets during the first half-year 2013/2014 mainly ranged from subdued to declining. The decoupling of the oil and gas markets from the electricity market, which is affecting the risk position accordingly, remains an influencing factor.

The development of the prices for recyclable materials in the Waste Management area continued to decline slightly in the first six months of the fiscal year 2013/2014, specifically for aluminium and copper.

Changing political, legal and regulatory conditions are posing further great challenges to the Energie AG Group.

In February 2014, Standard & Poor's lowered the rating for Energie AG from A to A-. The reason given for the downgrading is a long-term, negative assessment of the current market environment.

On 6 March 2014, the agreement on the acquisition of a 31.5% stake in Oberösterreichische Ferngas Aktiengesellschaft was signed, but the requirements for the closing were not yet fully met on the balance sheet date. In the course of the acquisition process, the shares in LIWEST Kabelmedien GmbH valued at equity are being sold.

Contingent liabilities amount to EUR 67.0 million (previous year: EUR 71.6 million).

Linz, 26 May 2014
The Board of Management of Energie AG Oberösterreich

Leo Windtner Chairman of the Board of Management	Werner Steinecker Member of the Board of Management	Andreas Kolar Member of the Board of Management

Statement of all Members of the Board of Management pursuant to § 87 (1) item 3 of the Austrian Stock Exchange Act

We confirm to the best of our knowledge that the condensed interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the International Financial Reporting Standards (IFRS) and that the group management report gives a true and fair view of important events that have occurred during the first six months of the financial year and their impact on the condensed interim financial statements and of the principal risks and uncertainties for the remaining six months of the financial year.

Linz, 26 May 2014
The Board of Management of Energie AG Oberösterreich

Leo Windtner Chairman of the Board of Management C.E.O.	Werner Steinecker Member of the Board of Management C.O.O.	Andreas Kolar Member of the Board of Management C.F.O.

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

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Linz, May 2014

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

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