SEMI ANNUAL REPORT

for the period 1 October 2015 to 31 March 2016

ENERGIE AG
Oberösterreich
We care about tomorrow

Energie AG Group at a Glance

	Unit	1st HY 2015/2016	Change	1st HY 2014/2015
Sales				
Energy Segment	EUR mill.	**512.5**	- 10.6 %	573.3
Grid Segment	EUR mill.	**153.4**	- 3.9 %	159.7
Waste Management Segment	EUR mill.	**96.2**	0.1 %	96.1
Water Segment	EUR mill.	**63.6**	3.4 %	61.5
Holding & Services Segment	EUR mill.	**19.2**	1.6 %	18.9
Group sales	EUR mill.	**844.9**	- 7.1 %	909.5
Result				
Operating result (EBIT)	EUR mill.	**103.1**	16.0 %	88.9
EBIT margin	%	**12.2**	24.5 %	9.8
Earnings before taxes	EUR mill.	**88.7**	35.6 %	65.4
Consolidated net result	EUR mill.	**70.6**	34.0 %	52.7
Cash flow from operations	EUR mill.	**82.3**	- 33.0 %	122.9

	Unit	31/03/2016	Change	30/09/2015
Balance sheet				
Balance sheet total	EUR mill.	**2,997.0**	- 1.4 %	3,039.5
Equity	EUR mill.	**1,111.5**	0.3 %	1,108.0
Equity ratio	%	**37.1**	1.6 %	36.5

	Unit	1st HY 2015/2016	Change	1st HY 2014/2015
Employees (average)	FTE	**4,350**	0.8 %	4,316

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Statement
by the Chief Executive Officer

Developments in recent months have shown that extraordinary circumstances in the energy industry demand extraordinary measures to be taken by market participants. With our PowerStrategy 2020, Fit 2012 and R^2 projects, we at Energie AG Oberösterreich were quick to respond to the difficult general conditions. The positive effect of these efforts is reflected in the improved operating result for the first half of the current financial year. Alongside consistent cost management, this makes the company a modern, high-performance energy and services company. The rating of "A-/stable outlook" confirmed by Standard & Poor's in March 2016, which is excellent compared to others in the industry, reflects the consistent implementation of our forward-looking financial strategy.

A few years ago, even the most pessimistic forecasters did not expect the energy wholesale price to fall to a record low of around EUR 20.00/MWh, without any real recovery in sight. Despite the current good operating business, however, these external market conditions will significantly influence future results.

In the first half year of 2015/2016, Group sales amounted to EUR 844.9 million. Compared to the first half of 2014/2015, the Group's operating result (EBIT) rose by EUR 14.2 million (16.0 %) to EUR 103.1 million. As well as the favourable development in electricity sales and the improved operative management at the CCGT (combined cycle gas-turbine) power plant in Timelkam, this EBIT increase can also be attributed to regulatory adjustments in the Grid Segment and increased grid distribution volumes for natural gas. Due to the renewed worsening of the general conditions on the energy market, impairments in the total amount of EUR 29.0 million became necessary for the CCGT power plant in Timelkam, for other electricity power plants, and for the Waste Management Segment.

The end of power generation from coal in March 2016 completed another chapter in the industrial history of Upper Austria. The shifts on the energy markets have created a situation where electricity generated from coal in Riedersbach cannot be sold on. Due to its on-hand infrastructure, however, the facility is still a strategic future option in the portfolio of the Energie AG Group. We are assuming that conventional power plants, such as CCGT or pumped-storage power plants, will be indispensable pillars for ensuring energy supply both today and in future. Hydroelectric power, in particular, will come to play a central role with regards to tackling the energy future. Therefore, Energie AG will continue to invest in clean and sustainable energy generation from hydroelectric power by expanding and upgrading power plants.

In the area of new renewable energies, a range of photovoltaic contracting projects and the start of operations at a second wind farm in Lower Austria by Windpower EP GmbH are further proof that we are on the right path. In the electromobility sector, we will continue to invest selectively in a charging infrastructure expansion. Broadband for private customers has also been identified as an area of development for the Group. We are currently applying for more subsidies within the framework of the "Broadband Development 2020" programme in order to push forward the roll-out of fibre-optic internet connections (Fiber to the home) in Upper Austria.

In the second half of the financial year 2015/2016, we will also work hard not just on the energy price situation, but also on topics such as the Federal Government's Energy Efficiency Act, the discussion about separated price zones between Austria and Germany, and regulatory influences.

Finally, I would like to extend particular thanks on behalf of myself and the Management Board to the members of the Board of Directors, all managers and, above all, our employees for their exemplary work for the benefit of the company during these rather unusual times. We are convinced that, together with appropriate strategic points and thanks to the input of the entire workforce, we can tackle future challenges.

Leo Windtner
Chief Executive Officer (CEO)

Werner Steinecker
Member of the Management Board

Leo Windtner
Chief Executive Officer (CEO)

Andreas Kolar
Member of the Management Board

Group Management Report 1st Half-Year 2015/2016[1)] of Energie AG Oberösterreich

ECONOMIC AND ENERGY POLICY FRAMEWORK CONDITIONS

The first half of the financial year 2015/2016 (01/10/2015 to 31/03/2016) was shaped by a continuation of subdued development in economic activity both for Austria and Europe. Contrary to expectations, the Austrian gross domestic product (GDP) for the reporting period grew by less than 1 %, in fact by only 0.9 %. The was due to lackluster spending by the private households and strained capital investments. Economic activity was positively influenced, on the other hand, by the increase in spending as a result of refugee migration and the tax reform. For the years 2016 and 2017, current forecasts are assuming a growth in GDP of 1.5 % to 1.6 %. Growth predictions for the Euro-zone were also lowered for the current year to between 1.4 % and 1.6 %. It remains to be seen to what extent the recently introduced counter-measures by the European Central Bank (ECB) will take effect.[2)]

From a legal perspective, the reporting period was characterized by intensive efforts to implement the Federal Government's Energy Efficiency Act (EEffG). On the one hand, the audit obligation of § 9 of this Act had to be fulfilled by the end of November 2015, and on the other, evidence of energy efficiency measures had to be provided by suppliers for the first time as at 14/02/2016. The obligation to conduct a Group-wide energy audit brought with it countless analyses and implementation projects which were successfully completed before their deadlines. The results will also be implemented in the quality, security and environmental management (QSE) system of Energie AG.

The obligation of suppliers according to § 10 of the EEffG-Act was fulfilled by all affected Group entities for the calendar year 2015, or in some cases was even exceeded. A final evaluation, however, cannot be made until a follow-up audit by the monitoring agency has been conducted. An initial internal, retrospective analysis shows that administrative expenditure for fulfilling legal obligations was disproportionately high. Delays in concretely establishing the stipulations on the part of the legislator, as well as a lack of legal security due to unclear regulations, amongst others, played crucial roles here.

The European regulatory body ACER (Agency for the Cooperation of Energy Regulators), in its non-binding opinion, declared itself in favour of a "market splitting" in the joint energy trade zone that has been in existence between Germany and Austria since 2001. In case there shall be separated price zones between Austria and Germany, to be considered in the discussion of European transmission system operators, this will likely result in a loss of liquidity in the Austrian trading market. Subject to the management of transfer capacities, this will lead to an increase in energy wholesale prices in Austria and may put an additional strain on the Austrian economy.

During the World Climate Summit in Paris in December 2015, an international treaty on climate-relevant activities after 2020 was signed by 195 parties. The treaty aims, after its ratification, to limit global warming to significantly less than 2°C, with great efforts being made to limit the increase to 1.5°C. In addition, climate neutrality, i.e. a net zero-emissions objective, is planned for the second half of the century. The contracting states wish to develop national strategies to achieve these aims by 2020. Even though the climate agreement signed in Paris is in accordance with the long-term strategic aims of Energie AG, further stipulations from the legislator for the liberalised energy markets will have to be considered in the medium term.

BUSINESS DEVELOPMENT IN THE GROUP

Financial position, results of operations and cash flows

Group Overview	Unit	1st HY 2015/2016	1st HY 2014/2015	Change
Sales revenues	EUR mill.	**844.9**	909.5	- 7.1 %
Operating result (EBIT)	EUR mill.	**103.1**	88.9	16.0 %
EBIT margin	%	**12.2**	9.8	24.5 %
Financial result	EUR mill.	**- 14.4**	- 23.6	39.0 %
Earnings before taxes	EUR mill.	**88.7**	65.4	35.6 %
Investments in property, plant, equipment and intangible assets	EUR mill.	**52.4**	48.6	7.8 %
Cash flow from operating activities	EUR mill.	**82.3**	122.9	- 33.0 %

In the first half year of 2015/2016, Energie AG Oberösterreich (Energie AG) achieved consolidated sales revenues in the amount of EUR 844.9 million. The decrease of EUR 64.6 million (7.1 %) compared to the same period in the previous year was primarily caused by price and sales decreases in the electricity trading and the gas business sector.

Compared to the first half year of 2014/2015, the operating result (EBIT) of the Group rose by EUR 14.2 million (16.0 %) to EUR 103.1 million.

Due to a renewed worsening of the general conditions of the energy market, a further impairment of EUR 22.4 million was necessary for the CCGT (combined cycle gas-turbine) power plant in Timelkam. Negative one-time effects of EUR 4.1 million were recorded in the same period of the previous year. Further impairments based on the current trend of energy market prices in the first half year of 2015/2016 affected the facilities of Cogeneration Kraftwerke Management Oberösterreich GmbH (CMOÖ) in the amount of EUR 2.6 million and the Waste Management Segment in the amount of EUR 4.0 million.

The operating result of the Group was influenced positively by the favourable development in electricity sales as well as an improvement to the operations of the CCGT power plant in Timelkam. Moreover, increased natural gas grid distribution volumes, and regulatory adjustments in the Grid Segment contributed to an increase in EBIT. Also, the elimination of last year's expenses for social capital due to the decrease in interest rates had a positive influence on the EBIT.

The share in the result of associated at-equity companies totalled EUR 44.9 million in the first half of 2015/2016, which is an increase of 50.2 % compared to the previous year (EUR 29.9 million).

Investments in intangible assets and property, plant and equipment totalled EUR 52.4 million in the first half of 2015/2016 and was therefore EUR 3.8 million (7.8 %) higher as compared to the previous year.

Due to continuous repayment, financial liabilities in the short and long-term sector were reduced by EUR 3.6 million and totalled EUR 609.4 million in the previous half year.

Cash flow from operations amounts to EUR 82.3 million (previous year EUR 122.9 million).

Top rating confirmed in contrast to industry trend

Due to the tough market environment, the power industry is still subject to further rating downgrades. In the first quarter of 2016, the two large rating agencies Moody's and Standards & Poor's (S&P) changed the credit-worthiness of several large European utilities on credit-watch negative. In contrast to the general industry trend, the rating of Energie AG was confirmed with an A- in March 2016. The outlook for the coming financial years was classified as stable. This rating confirmation reflects the consistent implementation of forward-looking investment and financial strategies and ensures that the company has unrestricted access to financially attractive conditions on the financial and capital markets.

Trend in Staff Levels

In the first half year of 2015/2016, the average consolidated staff level in the Group was 4,350 full-time equivalents (FTE) and increased slightly compared to the average of the first half year of 2014/2015 (4,316 FTE).

Yearly average of FTE[3]	Unit	1st HY 2015/2016	1st HY 2014/2015	Change
Energie AG Oberösterreich GROUP TOTAL	**FTE**	**4,350**	**4,316**	**0.8 %**
Energy Segment	FTE	**484**	498	- 2.8 %
Grid Segment	FTE	**553**	542	2.0 %
Waste Management Segment	FTE	**795**	786	1.1 %
Water Segment	FTE	**1,559**	1,535	1.6 %
Holding and Services Segment	FTE	**959**	955	0.4 %

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

[2] Sources:
IHS (Institute for Higher Studies, Vienna), press release 16/03/2016
WIFO (Austrian Institute for Economic Research), monthly report 03/2016; press release 17/03/2016
WKO (Austrian Chamber of Commerce), Economic Situation and Forecast Release, 03/2016

[3] All information stated regarding employees relates to full-time equivalents (FTE) as a yearly average of the fully-consolidated and proportionately consolidated companies.

RISK AND OPPORTUNITY SITUATION

Massive shifts in energy-market and regulatory general conditions, as well as decisions on energy policy, affect the risk and opportunity situation of Energie AG.

Energie AG is combating the effects of these altered general conditions in the energy sector with comprehensive measures to improve efficiency, and strict investment discipline, and by unlocking new potentials for revenue.

Risk Profile

Business development and the cost-effectiveness of generation facilities and investments are in essence shaped by **market price risks**. Measures such as hedging transactions and longer-term sales of power generation capacities are managed in Energie AG Trading.

In light of increasingly volatile markets, the stabilisation of the electricity grid is becoming an ever growing challenge for the electricity industry. The cooperation between the CCGT power plant Timelkam and the 7Fields natural gas storage facility as well as hydraulic generation capacities creates **additional revenue opportunities** for Energie AG.

Fluctuations in **water levels** at hydropower plants owned by Energie AG, or for which Energie AG has procurement rights, have a big influence on the result of Energie AG; moreover, business development is closely connected with **weather patterns**. The mild winter in the first half year of 2015/2016 had a negative effect on the district heating and gas sales volume, as was the case the previous year.

The pressure of competition in the liberalised energy market is increasing year on year. ENAMO, the joint sales company of Energie AG and Linz AG, is combating possible customer churns with, on the one hand, targeted customer loyalty measures, and on the other with the development of innovative products tailor-made to the needs of the customers. Legally stipulated energy efficiency measures can also lead to **decreases in electricity sales**.

The **Waste Management Segment** is shaped by tough general economic conditions and predominantly decreasing price levels, in particular in terms of electricity from thermal recycling facilities and scrap metal. As a reaction to this, there is still a greater reliance on selective market activities, expanded cooperation with Austrian communities, and consistent costs management.

The active monetary policy of the National Bank of the Czech Republic continues to be a significant risk factor for the **Water Segment**. An abandonment of the policy of intervention would, under the consistently favourable economic trends in the Czech Republic, result in generally positive effects on the translation risk in the Water Segment.

The **exchange rate risk** resulting from the Swiss Franc (CHF) continues to put a strain on this risk position. In the first half year of 2015/2016, no hedging measures were undertaken due to the improved EUR/CHF exchange rate.

Possible **asset risks** are reduced by regular maintenance and monitoring measures. Additional insurance policies limit the financial effects of possible damages. There continues to be intensive work on laying cable to connect medium-voltage overhead lines particularly susceptible to disruption in the electricity grid sector.

Project risks include marketing risks and risks with regard to possible interventions in existing or future subsidy systems.

The **regulatory general conditions for the electricity and gas grid** can in principle be classified as stable for the current financial year due to the still on-going regulatory periods, which will end in 2017 respectively 2018. However, a consultation paper on the further development of the grid fee structure for the electricity grid sector was published by E-Control in February 2016. This signalled the start of a wide discussion on needs for adjustment in this area.

In cooperation with its customers, Energie AG was able to successfully conclude the first phase of application of the **Federal Government's Energy Efficiency Act**. In order to keep costs as low as possible, the focus will be to continue working effectively during the coming months.

Against the general industry trend, the **rating** of Energie AG was confirmed with A- in March 2016. The outlook for the coming financial years was classified as stable.

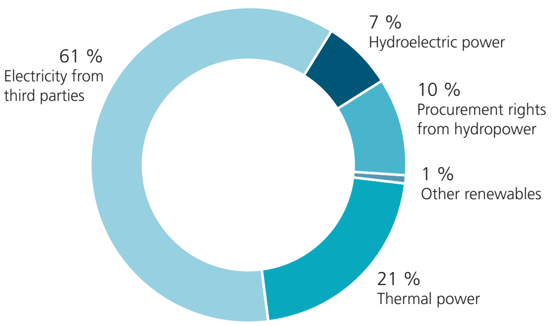
The development of wholesale prices for energy, the Group's own electricity generation, and political and regulatory interventions – which may also bring with them negative consequences for the recoverability of the fixed assets – could have a negative effect on the financial performance of the Energie AG Group. From the current perspective, however, no risks which could threaten the continued existence of the Group can be identified.

KEY PERFORMANCE INDICATORS

Group Overview	Unit	1st HY 2015/2016	1st HY 2014/2015	Change
Electricity procurement	GWh	**8,683**	9,090	- 4.5 %
Electricity procured from third parties	GWh	**6,709**	7,586	- 11.6 %
Own electricity procurement	GWh	**1,974**	1,505	31.2 %
Thermal power stations	GWh	**1,075**	463	132.2 %
Renewable Energy	GWh	**899**	1,042	- 13.7 %
Own hydropower plants	GWh	**378**	414	- 8.7 %
Procurement rights from hydroelectric power	GWh	**487**	562	- 13.3 %
Other renewable energy (photovoltaics, wind, biomass)	GWh	**34**	66	- 48.5 %
Heat procurement	GWh	**893**	928	- 3.8 %
Electricity sales volume	GWh	**4,088**	4,229	- 3.3 %
Natural gas sales volume	GWh	**2,441**	1,694	44.1 %
Electricity grid distribution volume to end costumers	GWh	**4,079**	4,223	- 3.4 %
Natural gas grid distribution volume to end costumers	GWh	**10,661**	10,040	6.2 %
Total waste volume handled	1,000 to	**826**	817	1.1 %
Thermally processed waste volume	1,000 to	**298**	300	- 0.7 %
Invoiced drinking water volume	m^3 mill.	**25.4**	25.3	0.4 %
Invoiced waste water volume	m^3 mill.	**22.0**	22.0	0.0 %

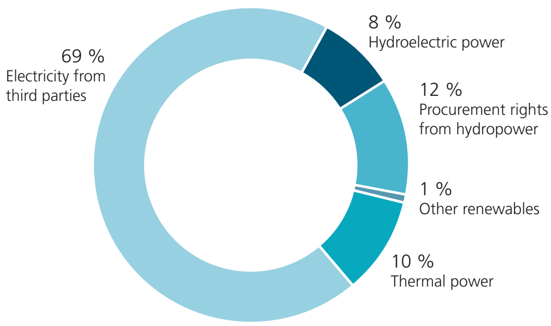
Electricity Procurement Structure without Electricity Trading

1st Half-Year 2015/2016



Rate of own generation: 39 %

1st Half-Year 2014/2015



Rate of own generation: 31 %

DEFINITION OF SEGMENTS

In accordance with internal reporting and pursuant to IFRS 8 "Operating Segments", the Energy, Grid, Waste Management, Water and Holding and Services Segments will be reported on in the Consolidated Financial Statements.

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

Energy Segment

Energy Segment Overview	Unit	1st HY 2015/2016	1st HY 2014/2015	Change
Total sales	EUR mill.	**513.7**	577.4	- 11.0 %
EBIT	EUR mill.	**45.7**	44.4	2.9 %
Investments in property, plant, equipment and intangible assets	EUR mill.	**9.3**	7.3	27.4 %
Employees (average number)	FTE	**484**	498	- 2.8 %
Electricity procurement	GWh	**8,597**	9,001	- 4.5 %
Own electricity procurement	GWh	**1,888**	1,416	33.3 %
Electricity sales volume	GWh	**4,088**	4,229	- 3.3 %
Natural gas sales volume	GWh	**2,441**	1,694	44.1 %
Heat sales volume	GWh	**755**	805	- 6.2 %

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

The Economic Environment of the Energy Industry

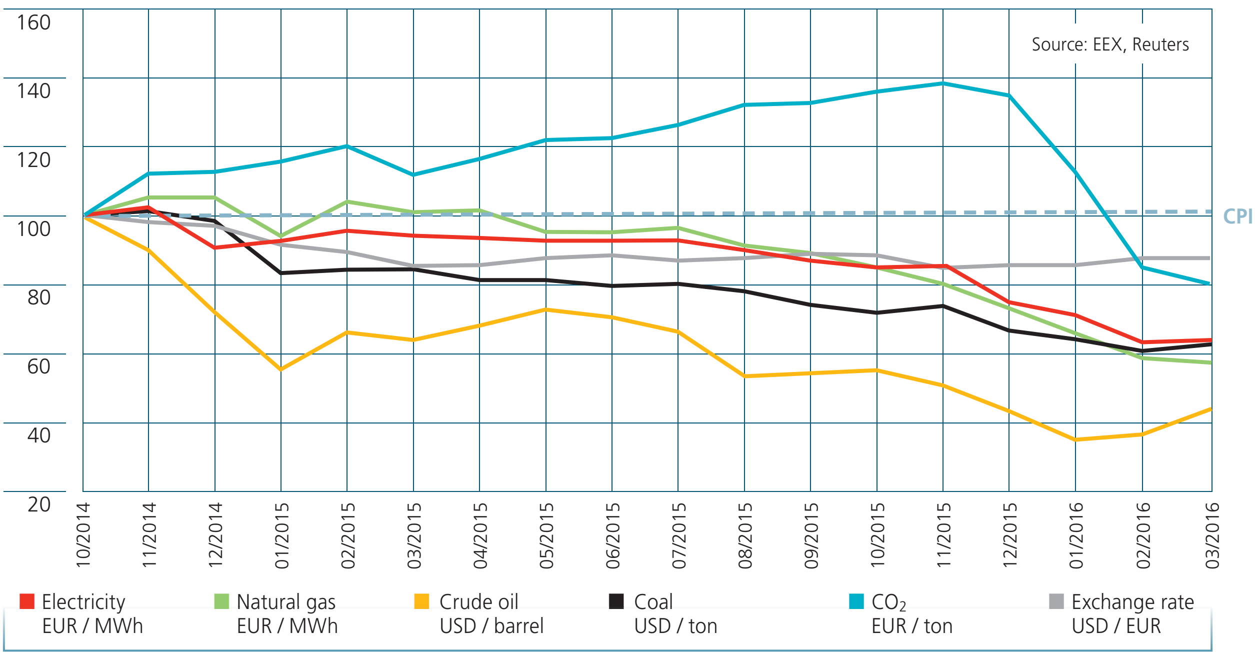
In the first half of the financial year 2015/2016, the price decrease on Europe's energy and certificate markets continued.

Compared to the same period in the previous year, the oil market suffered an average price loss of around 40 %. Later, the gas market also followed the downward trend of the oil market. Gas was generally listed on the European spot market at around 30 % below the level of the comparison period – mainly as a consequence of the mild weather and resulting low demands. The European coal market is quite indicative of the subdued demand on the global market, but also of a decrease in demand on the European electricity generation market. The quotes of CO_2 emissions certificates in the reporting period were comparable with those of the previous year (around EUR 7.0/t CO_2); notably the change in trend, respectively the price decrease of around 40 % at the beginning of 2016 stood out.

Significant excess capacities and the further expansion of activities to generate electricity from renewable sources, above all wind and solar, are noticeably limiting the room for manoeuvre of conventional energy facilities. On average the Front-Year Base product was quoted on the European Energy Exchange (EEX) at around EUR 25.75/MWh.

In addition to futures and spot market prices, those listed on energy control and balancing markets are increasingly gaining in significance. A range of energy balancing prices with extreme values between EUR 586.9/MWh and EUR -1,051.8/MWh (quarter-hour values) in the first half of 2015/2016 is a result of the high volatility and limited ability to plan generation of energy from renewable sources such as wind and solar. Conventional power plants such as CCGT plants or pumped-storage power plants will continue to be indispensable pillars for ensuring electricity supply in future.

Price Index Development on International Energy Markets



Business Development in the Energy Segment

In light of these tough general conditions, sales of EUR 513.7 million were achieved in the Energy Segment. This is a decrease of EUR 63.7 million (11.0 %) compared to the same period the previous year (EUR 577.4 million), mainly due to lower sales in the electricity trading and gas storage units.

The operating result of the Energy Segment amounted to EUR 45.7 million, which was EUR 1.3 million, or 2.9 %, higher than the EBIT of the same period in 2014/2015.

Because of a renewed worsening of the general conditions in the energy market, the EBIT in the Energy Segment was hindered in the first half of 2015/2016 by impairments of EUR 22.4 million for the CCGT power plant at Timelkam, and of EUR 2.6 million for CMOÖ. The tough general conditions in the energy market and, as compared to the previous year, lower water levels for the hydropower plants could be compensated with positive developments along the entire value creation chain. Thus, in terms of generation, the Timelkam CCGT power plant usage increased significantly compared to the previous year due to demand calls within the framework of the provision for transmission system operators in Germany and Austria, whilst in terms of distribution, EBIT was increased through customer loyalty measures and new business transactions.

Electricity Generation in a Difficult Market Environment

Total electricity procurement in the Energy Segment in the first half year 2015/2016 totalled 8,597 GWh and was therefore 4.5 % lower than in the previous year (9,001 GWh). This trend can be traced back above all to a decrease in trading volume (-14.9 %) as well as a lower demand for energy (-4.9 %) as a result of weather conditions.

Despite a water level which was 11 % lower than the previous year (10 % below the long-term average), total own electricity procurement in the Energy Segment amounted to 1,888 GWh which was a third (33.3 %) higher than in the same period last year (previous year: 1,416 GWh). The reason for this increase was a significantly more intensive use of thermal power stations.

For the first half year of 2015/2016, Ennskraftwerke AG, in which Energie AG holds a participation of 50 %, also reported a generation co-efficient of 0.90 and electricity production of 10 % which was below the long-term average.

As a result of the expiry of the subsidy scheme for energy fed back into the market, and the resulting minimal use of the biomass power plant in Timelkam, electricity production from other renewable energies decreased by 48.5 % despite the start of operations at new photovoltaic plants and investments in wind power facilities.

The utilisation of the coal power plant Riedersbach 2 was determined by the remaining supply of stock as a result of the planned termination of electricity generation from coal in spring 2016. Electricity generated totalled 424 GWh (previous year 300 GWh). The last ton of coal was burnt up on 23/03/2016. However, the Riedersbach facility shall remain a strategic future option in the portfolio of Energie AG even after the termination of generation of electricity from coal, because of its already on-hand infrastructure and licences.

The CCGT power plant in Timelkam was in greater demand within the context of shortage management or grid reserve management for transmission system operators in Austria respectively Germany, which led to a significant increase in electricity production to 499 GWh.

Electricity production from thermal capacities more than doubled in the Energy Segment with 989 GWh compared to 374 GWh the previous year.

The provision of district heating from power plant stations in Riedersbach and Timelkam decreased slightly as a result of weather conditions from 170 GWh in the first half year of 2014/2015 to 168 GWh in the first half year of 2015/2016.

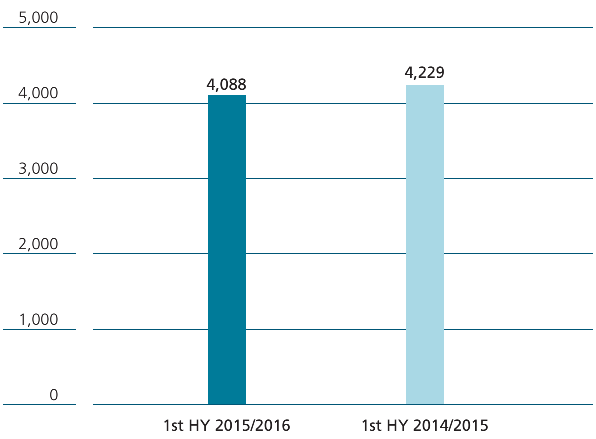
CMOÖ provided a large customer in Laakirchen with electricity and process heat, and provided several surrounding businesses with district heating with the help of a combined-cycle plant. In the reporting period, 215 GWh of heat (previous year: 262 GWh) was delivered to customers, and 45 GWh of electricity (previous year: 50 GWh) to the national grid.

Successful Customer Loyalty in Electricity Sales despite Fierce Competition

The electricity sales of Energie AG are being bundled in ENAMO, the joint sales company of Energie AG and Linz AG. The ENAMO group of companies encompasses the companies ENAMO GmbH, ENAMO Ökostrom GmbH, ENAMO s.r.o., Energie AG Österreich GmbH & Co. KG (Vertrieb KG) and Linz Strom Vertrieb GmbH & Co. KG.

Electricity sales figures attributable to the Energie AG Group in the first half of the financial year 2015/2016 total 4,088 GWh, and are therefore 211 GWh below the previous year's value of 4,299 GWh. An almost identical sales value as the previous year was achieved with private and business customers. As a result from the transfer of customer contracts from Vertrieb KG to at-equity consolidated ENAMO GmbH, decreases in the large customer segment were recorded.

Electricity sales volume in GWh



The customer switching rate in Austria in the calendar year 2015 was 2.5 % and therefore below the previous highest level from 2014. Nevertheless, the many competitor activities forced an increased switching trend which continued in the first half of the financial year 2015/2016. On a Europe-wide comparison, the Austrian switching quota lies somewhere in the middle.

Despite increasing competition, the ENAMO group of companies succeeded in binding loyal customers through competent advice and reliability, and in gaining the trust of new customers. As well as the introduction of new Smart Meter products for all those customers who already have an intelligent meter installed, the first half year of 2015/2016 also saw numerous activities and campaigns, such as the offer of LED lights at the annual ExpoEnergy trade fair in Wels.

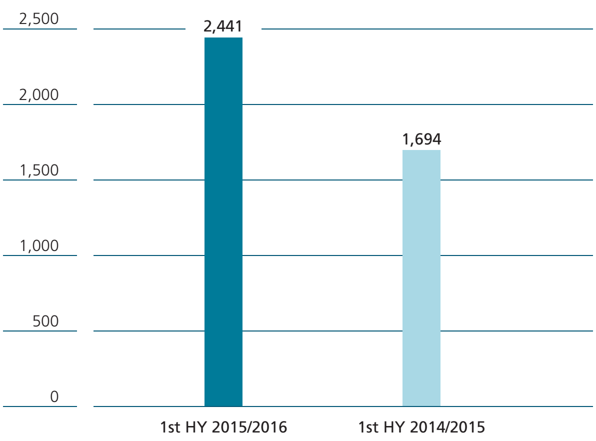
In cooperation with its customers, ENAMO was able to successfully conclude the first phase in applying the Federal Government's Energy Efficiency Act. In order to keep costs for both sides - customers and ENAMO - as low as possible, the focus will be to continue working effectively in the coming months.

The trend of stagnation on the Czech market has lead ENAMO to withdraw from this market area. The steps necessary for this are currently being implemented.

Initial Successes in New Areas of Business

At Energie AG Oberösterreich Power Solutions GmbH (Energie AG Power Solutions), all sales activities in the natural gas, energy services, renewable energies, and mobility sectors have been bundled since 01/10/2014. In addition, sales services are rendered for the Group's heat business.

Natural gas sales volume in GWh



The sales volume for natural gas was 44.1 % higher than the previous year's value of 1,694 GWh at 2,441 GWh in the first half year. The significant growth is a result of the countless successes in acquiring large customers. The mild winter, as was the case in the previous year, had a negative influence on the sales volume in the commercial and private customer segment as these are driven by demands placed on heating. As a result, the total heating-degree days in the first half year of 2015/2016 in Upper Austria were 8.2 % below the average for the last ten years (1.8 % above the value in the same period of the previous year).

Within the context of customer retention campaigns in 2016 for commercial and private customers, the product range was further developed and prices were lowered. These new and attractive products also cover product simplifications and place emphasis on customer loyalty.

Using a modern energy-contracting model, the energy services business unit delivers heat to customers in public institutions, the housing industry, and commercial enterprises. In the first half year of 2015/2016, the heat sales volumes from contracting plants amounted to 101 GWh and was thus 17.0 % above the value of the previous year (86 GWh) due to continued growth of investments, even though mild winter temperatures and weak economic activity in the industrial sector had an unfavourable influence on sales volumes.

Within the framework of the Federal Energy Efficiency Act, it was possible to successfully market energy efficiency services, such as energy audits and evaluations of energy efficiency measures.

Also, in the area of renewable energies, a range of photovoltaic contracting projects were again developed in the reporting period, thereby guaranteeing a foundation for growth. The second wind farm in the Windpower EP GmbH investment began full operations at the beginning of February. As a result, Energie AG Power Solutions now holds investments in three wind farms, with a pro rata basis performance of nearly 13 MW. Grid access in Poland was achieved for one of the three wind power development projects, meaning that it was possible to introduce the sales process.

In the electro-mobility sector, the focus continues to be on products for safe charging at home and at company facilities, and on the selective set-up of charging infrastructure.

Focusing on Efficient Heating

Energie AG Oberösterreich Wärme GmbH (Wärme GmbH) has always stood for sustainability through an economical use of resources. As well as the use of renewable energies, there is also a focus on increasing energy efficiency. Therefore, the sights of ECO Steyr, a 100 % subsidiary of Wärme GmbH, were set on intensive modernisation works in the first half year. Because of investments in high-efficiency plant equipment, an annual savings potential of around 3,500 MWh was generated.

The joint venture with EVN Wärme GmbH also continued to exhibit satisfactory development. Both Bioenergie Steyr GmbH (participation 49.0 %) and Fernwärme Steyr GmbH (participation 51.0 %) were able to maintain more or less the previous year's level (67 GWh) with a heat sales volume of 65 GWh despite difficult general conditions thanks to their successful acquisition of industrial customers.

After beginning operation of the new recovery plant for industrial heat waste at the Kirchdorf facility in June of last year, this facility completed its first full season of heating in the first half year of 2015/2016. In cooperation with Kirchdorfer Zementwerk Hofmann GmbH, waste heat arising during the production process is cooled using a heat exchanger and then prepared for heat production in a sustainable and highly efficient manner without the additional use of fuel. More than a third of heat fed into the network in Kirchdorf now comes from industrial waste heat.

Overall, the heat sales volume of Wärme GmbH, including the fully consolidated subsidiaries, totalled 438 GWh in the first half year of 2015/2016. Mild temperatures abroad and at home, however, caused the heat sales volume to be below expectations and, despite partial compensation through the successful acquisition of new customers, led to a slight decrease compared to the first half of the previous year (443 GWh).

Grid Segment

Grid Segment Overview	Unit	**1st HY 2015/2016**	1st HY 2014/2015	Change
Total sales	EUR mill.	**180.2**	170.9	5.4 %
EBIT	EUR mill.	**45.3**	38.5	17.7 %
Investments in property, plant, equipment and intangible assets	EUR mill.	**21.7**	21.0	3.3 %
Employees (average number)	FTE	**553**	542	2.0 %
Electricity grid distribution volume to end costumers	GWh	**4,079**	4,223	- 3.4 %
Natural gas grid distribution volume to end costumers	GWh	**10,661**	10,040	6.2 %

The Grid Segment of Energie AG encompasses the construction and operation of the electricity and gas grid.

General Legal and Regulatory Conditions

On 1 January 2016, the usage fees of the Upper Austrian electricity and natural gas grid were in part raised significantly. When compared to the previous period, recognised grid costs were increased both on the electricity and natural gas grids as a result of investing activities. In combination with stagnating or decreasing distribution volumes, this resulted partly in significant percentage increases. For example, the fees for the natural gas grid were raised by a two-figure level, though on grid level 2 (industry) they are still among the lowest in Austria. The grid fees for electricity, on the other hand, turned out to be comparatively moderate at 3.3 % (grid level 7) to 4.8 % (grid level 4). This increase was concurrently caused by an increase in expenditure for upstream grid costs and grid losses.

Since the regulatory periods are still running until 2017 and 2018, the general regulatory conditions for the current financial year can be judged in principle to be stable.

E-Control Austria published a consultation paper in mid-February on the further development of the grid fee structure for the electricity grid sector, thereby starting a broad discussion on the need for adjustments in this area.

An amendment to the Electricity Industry and Organisation Act (ElWOG) is expected for the second half of 2015/2016.

Business Development in the Grid Segment

Despite decreasing electricity distribution volumes in the first half of 2015/2016, sales revenues in the Grid Segment compared to the same period of the previous year have risen by EUR 9.3 million (5.4 %) to EUR 180.2 million. In addition to significantly higher sales volumes in the natural gas sector, there was above all the positive effect of the regulatory adjustment to the grid fees for electricity and gas.

The EBIT of the Grid Segment in the reporting period totalled EUR 45.3 million. The increase of EUR 6.8 million (17.7 %) compared to the first half of 2014/2015 was due to the described regulatory amendments to the system usage fees, particularly in the natural gas sector, and also to the synergy effects from the integration of the former OÖ. Ferngas AG.

Quality Assurance of the Electricity and Natural Gas Grid by Investing in Infrastructure

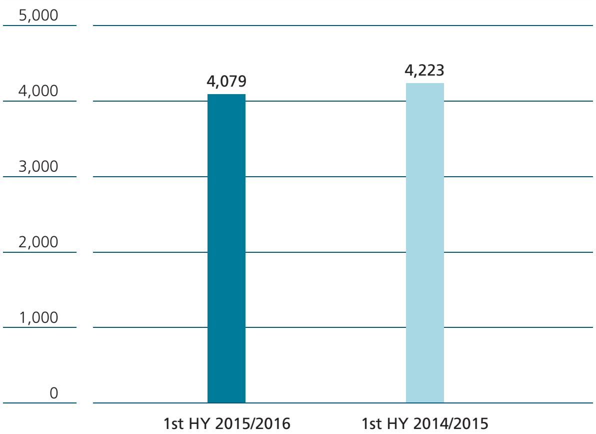
In the first half of the current financial year, the electricity grid distribution volume to end customers was 3.4 % below the previous year's value (4,223 GWh) at 4,079 GWh. According to a current estimation, the distribution volume for the entire year will exhibit a decrease for the first time in many years. This is due to decreases in electricity grid distribution volumes, above all to industrial customers who are once again producing more electrical energy by themselves. The electricity grid distribution volume to household customers stays at the same level as in the previous year. The natural gas grid distribution volume to end customers has increased to 10,661 GWh as compared to the previous year (10,040 GWh), with room heating again displaying weak development as a result of weather conditions.

The grid operating activities proceeded without significant disruptions in the first half of the current financial year. The approval processes for the high-voltage projects to distribute electricity to Almtal-Kremstal and Pramtal South are still in progress. With regard to the Almtal-Kremstal project, the final judicial decision on forest clearance and consequently the processes of granting coercive rights are still open matters. Moreover, Netz Oberösterreich GmbH (Netz OÖ GmbH), on its own initiative, submitted a declaratory procedure for this project to the Upper Austrian EIA Authorities in order to achieve legal security within the framework of the amended Austrian legal situation triggered by a decision of the European Court of Justice. The energy law decision in the Pramtal South project is still outstanding.

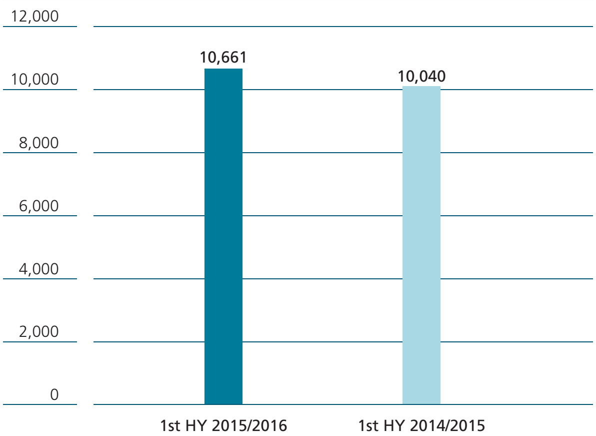
Now in its 8th year, the programme to lay cable for medium-voltage overhead lines, particularly susceptible to disruption, runs according to plan, with approx. 30 km of additional overhead lines being replaced by underground cables. Due to the on-going integration of local electricity generation facilities, ensuring voltage quality for grid customers on the low-voltage grid remains to be a challenge. More than 14,500 photovoltaics systems are connected, their output already adding up to about 125 MW.

Equally challenging projects are also in the works on the natural gas grid, with the laying of a new line from Werberg to Riedersbach to connect areas which previously had no supply, and with preparation works to increase pressure on the Upper Austrian high-pressure grid to satisfy additional demands for capacity, primarily for storage management. These projects started in April respectively May 2016. Inspection pigging has so far not shown up any operational restrictions on the gas pipeline grid. The cyclical CCP (cathodic corrosion protection) error location measurements are continuing as planned.

Electricity grid distribution volume in GWh



Natural gas grid distribution volume in GWh



Waste Management Segment

Waste Management Segment Overview	Unit	1st HY 2015/2016	1st HY 2014/2015	Change
Total sales	EUR mill.	**99.6**	100.7	- 1.1 %
EBIT	EUR mill.	**1.2**	2.9	- 58.6 %
Investments in property, plant, equipment and intangible assets	EUR mill.	**7.0**	4.8	45.8 %
Employees (average number)	FTE	**795**	786	1.1 %
Total waste volume handled	1,000 to	**826**	817	1.1 %
Thermally processed waste volume	1,000 to	**298**	300	- 0.7 %

The Waste Management Segment covers the collection, acceptance, sorting, treatment and incineration of domestic and commercial waste as well as recyclables, and includes the activities in Austria, Italy, the slag treatment company Austrian Metal Recovery GmbH and the non-operative Heves Régió Kft. in Hungary.

General Economic Conditions of the Waste Management Sector

The waste management sector was marked by decreasing price levels in the reporting period. In particular, the prices of scrap metal, such as for scrap steel, aluminium and copper, have been under ever more pressure in the last months. Assuming such an overall economic situation, there could be further downward price corrections in the coming months.

The continuous decrease in crude oil prices had a positive effect on the waste management sector, on the one hand, in the form of lower fuel prices, but on the other hand has led to diminished secondary prices for plastics. Prices in the recycled paper and packaging area have remained constant. Forecasting regarding the development of scrap prices remains difficult due to the current uncertainty on the market.

Despite stagnating residual waste volumes resulting from the increasing quality of waste separation, capacity utilisation of incineration plants in Austria and Germany was at a high level in the first half of 2015/2016. The import of thermally recyclable waste from neighbouring countries showed a slight decrease, but it can nevertheless be assumed that these, together with the volumes available on the Austrian market, will be sufficient for fully utilising Austrian capacities in the current financial year. The disposal prices for the thermal fraction were increased at the start of the year.

The introduction of new legal stipulations by the European Commission to ensure adherence to waste-related guidelines by introducing new legal stipulations also positively influenced the waste industry.

Business Development in the Waste Management Segment

Turnover in the Waste Management Segment for the first half of 2015/2016 totalled EUR 99.6 million and is therefore relatively stable compared to the previous year's value of EUR 100.7 million. The EBIT of the Waste Management Segment decreased from EUR 2.9 million in the same period of the previous year to EUR 1.2 million. Whereas reduced fuel prices and lower depreciations had a positive effect, the EBIT was put under strain by increased maintenance costs and, above all, by a decrease in prices on the electricity trading market as well as consistently low scrap prices.

Whilst negative one-time effects from the decreased calculatory interest rate for provisions for landfill sites were taken into account the previous year, an impairment of EUR 4.0 million due to current electricity price trends put a strain on the operating result of the Waste Management Segment during the reporting period.

Intensive Market Cultivation in Austria

Given this difficult market environment, Energie AG Oberösterreich Umwelt Service GmbH (Umwelt Service GmbH) focused its market activities on the one hand on stabilising the development of thermal waste management prices, and on the other hand on passing decreased prices for scrap metal and plastics to end users. Cooperation with the public sector was also intensified, and it is above all the communities which continue to represent a significant target group for the company's range of services. The strategically important cost management project will also be consistently executed in future in order to protect the result against difficult market conditions.

The incineration plants of Umwelt Service GmbH in Wels and Lenzing were utilised optimally in the reporting period. The volumes delivered in the first half of 2015/2016 were no different to the previous period, though the quality of the waste volumes exhibited great fluctuations.

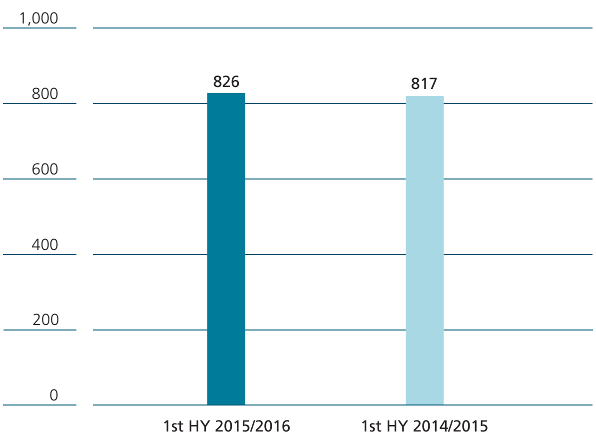
The volumes in the construction-related sector were significantly higher in the reporting period as compared to the previous year. Conversely, waste paper volumes displayed a slightly downward trend. In the hazardous waste sector, the volume supply depends heavily on the general economic situation. Since lower production figures are expected in the automobile industry, this will have a negative effect on the volumes of waste delivered.

The waste incineration plant in Wels was able to distribute 137 GWh of heat to the district heating grid during the reporting period (previous year: 123 GWh). Electricity production in the Waste Management Segment was 86 GWh (previous year 89 GWh).

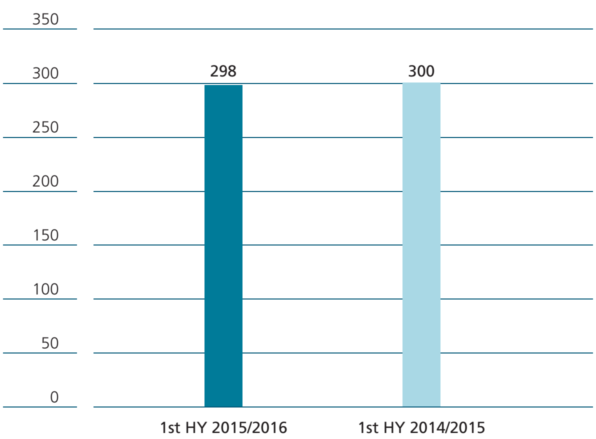
Consolidation of Facilities in South Tirol

The end of the financial year 2014/2015 began with underground engineering works for the new facility in Neumarkt. Construction works of the facility hall made great progress in the first half of 2015/2016, with the finishing, operational facility start-up and consolidation of facilities to be expected in the second half year. As a result of this, additional synergies can be exploited.

Total waste volume handled in 1,000 tons



Thermally processed waste volume in 1,000 tons



Water Segment

Water Segment Overview	Unit	1st HY 2015/2016	1st HY 2014/2015	Change
Total sales	EUR mill.	**63.8**	61.7	3.4 %
EBIT	EUR mill.	**4.8**	4.2	14.3 %
Investments in property, plant, equipment and intangible assets	EUR mill.	**2.2**	2.2	0.0 %
Employees (average number)	FTE	**1,559**	1,535	1.6 %
Invoiced drinking water volume	m^3 mill.	**25.4**	25.3	0.4 %
Invoiced waste water volume	m^3 mill.	**22.0**	22.0	0.0 %

The Water Segment of Energie AG comprises the supply of drinking water and the disposal and cleaning of waste water. The primary markets are the Czech Republic and Austria.

General Economic Conditions in the Water Sector

In the core business of drinking water supply respectively waste water disposal, stable general economic conditions prevailed during the reporting period on the main markets of the Czech Republic and Austria.

The artificial weakening of the Czech crown, initiated in November 2013 by the Czech National Bank (CNB) by means of interventions in the foreign currency market, is continuing. The CNB declared its intent to make continued use of this currency policy instrument and to terminate the intervention no earlier than the end of the calendar year 2016 despite favourable macro-data on the Czech economy and the resulting revaluation pressure. An abandonment of the intervention policy would, under the currently favourable economic trends in the Czech Republic and Europe, result in generally positive effects on the profit situation in the Water Segment.

Business Development in the Water Segment

The sales revenues in the Water Segment for the first half of 2015/2016 totalled EUR 63.8 million and were therefore 3.4 % or EUR 2.1 million higher than the previous year's value. As well as increases in prices and volumes in the core operative business area, the exchange rate difference between the Euro and the Czech crown also had a positive effect on sales revenues.

The EBIT in the first half of 2015/2016 totalled EUR 4.8 million and was therefore 14.3 % higher than the previous year (EUR 4.2 million). In the first half of the current financial year, the Water Segment benefited predominantly from higher profits from drinking and waste water activities.

Stable development in the Czech Republic, Austria and Slovenia

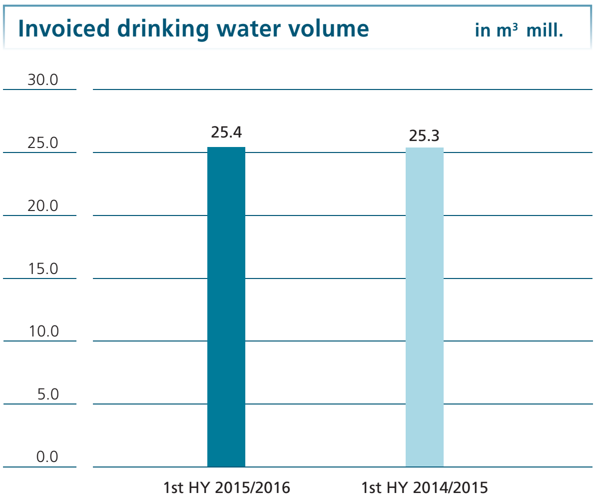
25.4 million m³ of drinking water and 22.0 million m³ of waste water were invoiced in the first half of the financial year 2015/2016. The drinking water volumes are 0.4 % above the previous year's level and can be traced back, amongst others, to an increase in demand due to the drought that prevailed for many months in the autumn last year. The waste water volumes are approximately at the same level as the previous year.

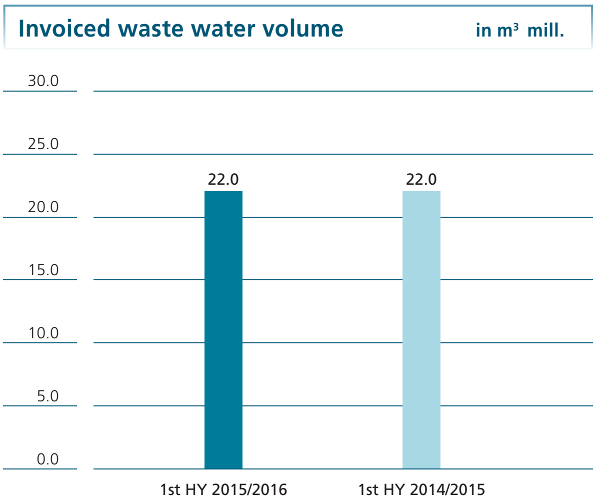
In the Czech Republic, several operator licenses in the drinking and waste water area were successfully extended in the first half of the financial year 2015/2016. Since 1 January 2016, the drinking water supply and waste water disposal services of the city of Kolín have been operated under the new license conditions. The necessary adjustments, in particular for the operations of the regional active unit, were already made.

The service sales in the Czech market developed at a relatively stable operational level as compared to the previous year. Whilst significant growth in construction and assembly services were achieved, revenues from wholesale business decreased compared to the previous year due to fluctuations during the year.

Business in Austria in the first half of 2015/2016 remained stable. In Slovenia, the range of inspection and obstruction clearing services for household connections introduced two years ago was extended to new customer groups. In addition to property managers, also petrol stations and a chain of supermarkets are now serviced.

In the area of research, development and innovation, the focus was on the technical optimisation of water preparation, water losses and purification plant operation using benchmarking, measures to increase energy efficiency, field tests of the practical use of smart meters, and the development of new online customer services.





Holding and Services Segment

Holding and Services Segment Overview	Unit	1st HY 2015/2016	1st HY 2014/2015	Change
Total sales	EUR mill.	**84.2**	74.8	12.6 %
EBIT	EUR mill.	**6.1**	- 1.1	—
Investments in property, plant, equipment and intangible assets	EUR mill.	**12.2**	13.3	- 8.3 %
Employees (average number)	FTE	**959**	955	0.4 %

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

In order to establish a clear position on the telecommunications market, Energie AG Oberösterreich Data GmbH was renamed Energie AG Oberösterreich Telekom GmbH (Telekom GmbH) in January 2016.

Business Development in the Holding and Services Segment

The turnover in the Holding and Services Segment totalled EUR 84.2 million in the first half of 2015/2016 and therefore rose by 12.6 % compared to the first half of 2014/2015.

An increase in the operating result was also recorded, from EUR -1.1 million in the previous year to EUR 6.1 million in the first half year of 2015/2016. Telekom GmbH and all service companies contributed with increases in EBIT to the operating result of the Holding and Services Segment. Besides the discontinuation of one-time effects from the previous year in relation with a change in interest rate for social capital, property sales also positively affected the EBIT in the current financial year. An increased share in result from Salzburg AG, consolidated at equity, and alongside with cost savings and synergy effects from the completed integration of OÖ. Ferngas AG also had a positive influence on the EBIT of the Holding and Services Segment.

Fibre-optic Network as Basis for Digitalisation

Due to an increased demand and based on its fibre optic network with approx. 4,800 km in length, Telekom GmbH has further developed its services in the first half of 2015/2016 for business and private customers. In the course of the Fiber To The Home (FTTH) expansion project already initiated, selected residential areas were supplied with lightning-fast internet and download speeds of up to 300 Mbps, as well as an ideal TV product of the highest quality, all through the "powerSPEED private" product line. The initial funding agreements within the framework of the "Broadband Austria 2020" funding programme have also been signed during the reporting period.

A further area of business of Telekom GmbH revolves around performing metering services for the Group company Netz OÖ GmbH. Due to legal requirements, at least 95 % of all meter points must be upgraded to Smart Meters by the end of 2019. In the first half of the current financial year, further progress was made in the roll-out of this intelligent metering device. By the end of March 2016, more than 250,000 intelligent meters were already in use. The high number of Smart Meters allows the Group to offer corresponding, complementary electricity price products and services.

The expansion of the mobile communications facilities with Code Division Multiple Access (CDMA) technology required in the course of the new meter generation is running according to plan. By the end of the first half year, 24 of the 50 communications supporting high points and 750 CDMA connectors, required for full-coverage CDMA operation, were expanded and put into operation.

Outlook

Due to subdued demand and the further promotion of renewable energies, the possibility of futures prices trading sideways on the European electricity markets in the second half of 2015/2016 cannot be excluded. The control and balancing energy markets will be increasingly influenced by production fluctuations from wind and solar energy.

The natural gas market for the second half of 2015/2016 will be further marked by the price situation on the international energy markets - in particular by the price situation of crude oil. Despite political tensions, sufficient gas supply can be expected because of worldwide investments in exploration (shale gas) and LNG infrastructure, but also the lifting of trade embargoes (Iran embargo). For the second half of 2015/2016, stable gas purchasing prices will be expected.

The supply of control energy and grid reserves from its own power plants and procurement rights is increasingly gaining in economic significance for the production capacities of Energie AG. In this regard, the cooperation of the combined-cycle plant at Timelkam and the 7Fields gas storage system is proving very successful.

In the coming months, Energie AG customers will be offered further product innovations on the market, in the shape of new electronic meters. The benefits of the eService portal should also be marketed to a wider target group. The acquisition of new customers in the existing supply areas will also be a focal point of the heating business area. Besides its core competences, it can count in particular on the pioneering role in heat generation on the basis of renewable energies such as biomass and geothermal energy.

Energie AG is expecting further volume increases in the supply to large gas customers. Competition will continuously increase because of the good supply situation. Therefore, the focus will be on expanding the range of services to extend the value creation chain in future.

Not only in the current financial year, but also in the coming years, the implementation of the Energy Efficiency Act, which covers the period up to and including the calendar year 2020, will remain a key topic. A high-priority aim for the coming months is achieving optimisation of administrative processes.

The Grid Segment will, based on the current perspective, be marked by planned investment projects in the electricity and natural gas grid for the rest of the financial year. Preparations for the upcoming regulatory cost audit shall also be intensified since Netz OÖ GmbH, as a combined electricity and gas grid company, will be included in a simultaneous audit for both units for the first time.

As a reaction to the difficult general economic conditions in the Waste Management Segment, Energie AG will rely more heavily on selective market cultivation, wider cooperation with Austrian communities, and consistent cost management in the second half of the financial year as well. Due to increased transfers of thermally recyclable fractions from England and Italy to incineration plants in Germany, a favourable volume and price situation in the coming quarters will be expected. A stagnation of the currently low price level is expected for scrap metals and plastics.

In spring 2016, negotiations of contract fees with several communal partners are pending in the Water Segment. The companies are preparing for smaller operator calls for tenders in several Czech supply areas which will be released in the second half year of 2015/2016. So far it has been possible to successfully conduct all calls for tenders, thereby ensuring contracts for the next 5 to 10 years.

The FTTH segment for private customers was defined as a development area for the Group in the "PowerStrategy 2020" project. With regard to the "Broadband Development 2020" promotion programme, there will be further funding applications in order to really push forward the expansion of the broadband network in Austria so that additional regions can also be supplied with super-fast broadband internet.

In addition to the number of strategic challenges in the legal and economic sphere, Energie AG will place real emphasis on meeting the demands of its existing and potential new customers in the second half of 2015/2016. The focus here will be on offering new, innovative products and services to our existing customers as well as opening up new target groups and revenue opportunities. These activities will be accompanied by a consistent application of the strategically important cost management and efficiency programmes.

With this combination of market-based and Group-internal focal points, from today's perspective, a stable result is expected for the financial year 2015/2016. Since continuously difficult general conditions across this period are expected, the Management Board is already proactively setting the corresponding strategic course to ensure that Energie AG will remain a stable, profitable and reliable partner for its stakeholders in the future as well.

Linz, 23 May 2016
The Management Board of Energie AG Oberösterreich

Leo Windtner
Chief Executive Officer

Werner Steinecker
Member of the Management Board

Andreas Kolar
Member of the Management Board

Consolidated Income Statement
01 October 2015 to 31 March 2016

		01/10/2015-31/03/2016 in EUR 1,000	01/10/2014-31/03/2015 in EUR 1,000
1.	Sales revenues	**844,878.9**	909,541.7
	Procurement costs for electricity and gas trading	**- 44,389.4**	- 64,458.7
	Net sales revenues	**800,489.5**	845,083.0
2.	Change in inventories of finished goods and work in progress	**- 1,046.5**	- 680.7
3.	Other capitalised company services	**12,083.7**	11,271.2
4.	Share in result of companies consolidated at equity	**44,871.4**	29,873.4
5.	Other operating revenues	**10,748.9**	15,635.6
6.	Expenses for material and other purchased production services	**- 458,633.5**	- 541,967.3
7.	Personnel expense	**- 129,947.7**	- 134,201.1
8.	Depreciation	**- 96,136.4**	- 68,122.7
9.	Other operating expenses	**- 79,341.7**	- 67,954.1
10.	**Operating result**	**103,087.7**	**88,937.3**
11.	Financing expenses	**- 15,557.6**	- 25,792.7
12.	Other interest income	**1,059.5**	1,201.7
13.	Other financial result	**78.5**	1,009.3
14.	**Financial result**	**- 14,419.6**	**- 23,581.7**
15.	**Earnings before taxes**	**88,668.1**	**65,355.6**
16.	Income taxes	**- 18,048.6**	- 12,673.6
17.	**Consolidated net result**	**70,619.5**	**52,682.0**
	Thereof attributable to non-controlling interests	**760.1**	1,947.0
	Thereof attributable to investors in the parent company		
	Consolidated net profit	**69,859.4**	**50,735.0**

Consolidated Statement of Comprehensive Income
01 October 2015 to 31 March 2016

		01/10/2015-31/03/2016 in EUR 1,000	01/10/2014-31/03/2015 in EUR 1,000
1.	**Consolidated net result**	**70,619.5**	**52,682.0**
2.	**Other comprehensive income**		
	Items not reclassified to the Income Statement:		
	Remeasurement of the defined benefit obligation	**626.6**	- 46,748.7
	Revaluations of at-equity companies recognised in equity	**–**	- 1,532.1
	Deferred taxes	**-156.6**	11,688.2
	Items reclassified under certain conditions to the Income Statement:		
	Changes in value of investments and available-for-sale securities	**-574.1**	1,916.9
	Hedge accounting	**-20,335.1**	5,540.4
	Currency differences	**593.9**	18.7
	Deferred taxes	**5,228.1**	- 1,864.3
	Total expenses and revenues recognised in other comprehensive income	**-14,617.2**	**- 30,980.9**
3.	**Comprehensive income after taxes**	**56,002.3**	**21,701.1**
4.	Thereof attributable to non-controlling interests	**773.2**	2,313.3
5.	**Thereof attributable to parent company**	**55,229.1**	**19,387.8**

Consolidated Balance Sheet
as of 31 March 2016

ASSETS	31 March 2016 in EUR 1,000	30 September 2015 in EUR 1,000
A. Non-current assets		
I. Intangible assets and goodwill	**204,163.7**	206,789.3
II. Property, plant and equipment	**1,868,926.7**	1,913,602.5
III. Investments (thereof at-equity companies: EUR 280,906.4 thousand [previous year: EUR 238,034.9 thousand])	**303,353.2**	258,630.7
IV. Other financial assets	**82,158.8**	98,215.5
	2,458,602.4	**2,477,238.0**
V. Other non-current assets	**11,851.4**	14,216.6
VI. Deferred tax assets	**17,636.6**	12,374.4
	2,488,090.4	**2,503,829.0**
B. Current assets		
I. Inventories	**39,034.1**	47,567.6
II. Receiveables and other assets	**272,103.1**	265,750.0
III. Fixed term deposits	**118,800.0**	112,500.0
IV. Cash and cash equivalents	**78,966.9**	109,896.1
	508,904.1	**535,713.7**
	2,996,994.5	**3,039,542.7**

LIABILITIES	31 March 2016 in EUR 1,000	30 September 2015 in EUR 1,000
A. Equity		
I. Share capital	**89,087.5**	89,087.5
II. Capital reserves	**214,809.5**	214,809.5
III. Revenue reserves	**866,538.6**	849,754.5
IV. Other reserves	**-72,358.8**	-57,764.6
V. Non-controlling interest	**13,410.0**	12,090.0
	1,111,486.8	**1,107,976.9**
B. Non-current liabilities		
I. Financial liabilities	**519,245.5**	524,792.7
II. Non-current provisions	**306,008.2**	308,571.4
III. Deferred tax liabilities	**37,919.9**	44,190.7
IV. Construction cost subsidies	**354,534.4**	353,742.0
V. Advances received	**47,189.0**	55,944.0
VI. Other non-current liabilities	**76,852.1**	79,866.2
	1,341,749.1	**1,367,107.0**
C. Current liabilities		
I. Financial liabilities	**90,105.8**	88,256.4
II. Current provisions	**15,705.6**	16,037.5
III. Tax provisions	**883.4**	442.7
IV. Trade payables	**134,534.0**	143,667.9
V. Other current liabilities	**302,529.8**	316,054.3
	543,758.6	**564,458.8**
	2,996,994.5	**3,039,542.7**

Development of Group Equity (condensed)

	Equity of investors in parent company in EUR 1,000	Non-controlling interest in EUR 1,000	Total in EUR 1,000
As of 30 September 2014	**1,086,724.7**	**11,399.7**	**1,098,124.4**
Consolidated comprehensive income	19,387.8	2,313.3	21,701.1
Dividends	- 53,297.7	- 529.8	- 53,827.5
Changes in consolidated group	- 93.8	- 15.1	- 108.9
Purchase of treasury stocks	- 42.8	—	- 42.8
As of 31 March 2015	**1,052,678.2**	**13,168.1**	**1,065,846.3**
As of 30 September 2015	**1,095,886.9**	**12,090.0**	**1,107,976.9**
Consolidated comprehensive income	55,229.1	773.2	56,002.3
Dividends	- 53,271.0	- 581.8	- 53,852.8
Changes in consolidated group	260.5	1,128.6	1,389.1
Purchase of treasury stocks	-28.7	—	- 28.7
As of 31 March 2016	**1,098,076.8**	**13,410.0**	**1,111,486.8**

Cash-Flow Statement (condensed)

	01/10/2015-31/03/2016 in EUR 1,000	01/10/2014-31/03/2015 in EUR 1,000
Earnings before taxes	**88,668.1**	**65,355.6**
Result after income taxes	**97,011.0**	**73,423.1**
Depreciation/appreciation to the non-current assets	**96,254.4**	61,468.8
Retained earnings of equity companies	**- 42,860.4**	- 29,873.4
Other line items	**- 3,671.0**	16,530.4
CASH FLOW FROM RESULT	**146,734.0**	**121,548.9**
Payment from hedging transactions	**- 30,816.8**	- 3,212.6
Changes in working capital	**- 33,585.3**	4,519.1
CASH FLOW FROM OPERATIONS	**82,331.9**	**122,855.4**
Outflows for additions to property, plant, equipment and intangible assets	**- 74,683.8**	- 68,200.6
Other line items	**18,989.2**	-2,665.7
CASH FLOW FROM INVESTMENTS	**- 55,694.6**	**- 70,866.3**
Dividend distribution	**- 53,852.8**	- 53,827.5
Repayment of borrower's note loan (variable tranche)	**—**	- 101,000.0
Other line items	**- 3,785.1**	- 3,579.4
CASH FLOW FROM FINANCING ACTIVITIES	**- 57,637.9**	**- 158,406.9**
TOTAL CASH FLOW	**- 31,000.6**	**- 106,417.8**
Cash funds at beginning of period	**109,896.1**	179,420.9
Cash Flow	**- 31,000.6**	- 106,417.8
Exchange rate effects on cash funds	**71.4**	15.4
Cash funds at end of period	**78,966.9**	73,018.5

Notes to the Interim Consolidated Financial Statements as of 31 March 2016 (condensed)

1. GENERAL INFORMATION

The condensed interim financial statements of Energie AG Oberösterreich as of 31 March 2016 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 financial report represents an update of the consolidated financial statements as of 30 September 2015. The interim financial statements were neither the subject of a full audit, nor of an auditing review by a chartered accountant.

The measurement and accounting policies of 30 September 2015 were applied without change aside from the indicated changes.

2. CHANGE OF ACCOUNTING METHODS

2.1. Standards and interpretations applied respectively amended for the first time and taken over from the EU

New applicable amended standards and interpretations adopted by the EU, taking effect on 1 January 2015 or later:

- Annual Improvements to IFRSs 2011-2013 Cycle
- Annual Improvements to IFRSs 2010-2012 Cycle
- IAS 19 (Amendments: Defined Benefit Plans: Employee Contributions)

The initial application does not result in any material changes.

2.2 Standards and interpretations not applied on an early basis

Entry into force in the EU on 1 January 2016 or later:

- IAS 1 (Amendments: Disclosure Initiative)
- Annual Improvements to IFRSs 2012-2014 Cycle
- IAS 27 (Amendment: Equity Method in Separate Financial Statements)
- IAS 16 and IAS 41 (Amendments: Bearer Plants)
- IAS 16 and IAS 38 (Amendments: Clarification of Acceptable Methods of Depreciation and Amortisation)
- IFRS 11 (Amendment: Accounting for Acquisition of Interests in Joint Operations)

The following standards and interpretations, amendments and improvements of standards go into force on 1 January 2016 or later, although they have not yet been adopted by the European Union at this time:

- IFRS 9 (Financial Instruments)
- IFRS 15 (Revenue from Contracts with Customers)
- IFRS 16 (Leases)
- IFRS 10, IFRS 12 und IAS 28 (Amendments: Investment Entities Applying the Consolidation Exception)
- IFRS 10 und IAS 28 (Amendments: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)
- IAS 12 (Amendments: Recognition of Deferred Tax Assets for Unrealised Losses)
- IAS 7 (Amendments: Disclosure Initiative)

These standards are expected to be applied on their date of entry into force.

IFRS 9 (Financial Instruments)

IFRS 9, issued in July 2014, replaces the existing guidelines in IAS 39 (Financial Instruments: Recognition and Measurement). IFRS 9 contains guidelines for the classification and measurement of financial instruments, including the new Expected Credit Losses Model to calculate the impairment of financial assets, as well as the new general reporting requirements for hedge transactions. It also incorporates the guidelines for the recognition and charging off of financial instruments from IAS 39. IFRS 9 is to be used for the first time in the 2018/19 fiscal year, although early use is permitted. Due to impairment calculation based on the Expected Credit Losses Model, increased provisions for credit losses are expected.

IFRS 15 (Revenue from Contracts with Customers)

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

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

IFRS 15 is to be used for the first time in the 2018/2019 fiscal year, although early use is permitted. From the current perspective, the initial application does not result in any material changes.

IFRS 16 (Leases)

IFRS 16, published in January 2016, replaces IAS 17, IFRIC 4, SIC-15 and SIC-27. The new standard provides that in future all leases and the contractual rights and obligations associated with these must be reported in the balance sheet of the lessee. This resolves the current differences in the treatment of operating and finance leases under IAS 17. The lessee will recognize a right of use asset and a lease liability in the amount of the lease's present value. The right of use asset must then be amortised on a scheduled basis and the lease liability carried forward with the effective interest method. Relief is available for short-term leases and leased properties of low value. The most material change concerns the Group's head office in Linz. The use of the Group's head office is currently arranged on the basis of an operating lease. Under the current conditions, it is expected that a right of use and a lease liability in the amount of EUR 40.2 million will be recognised.

Current finance leases will be continued; only one reclassification of assets to a right of use is being carried out.

IFRS 16 is to be used for the first time in the 2019/2020 fiscal year, although early use is permitted, provided that IFRS 15 is applied at the same time.

3. MEASUREMENT AND ACCOUNTING POLICIES

Impairment of Property, Plant and Equipment

As compared to the previous year, the result from the operation of the CCGT power plant in Timelkam could be increased. In the Energy Segment, the assumed electricity price level again decreased which lead to an impairment of the CCGT plant in Timelkam in the amount of EUR 22.4 million (31 March 2015: appreciation in value: EUR 6.8 million). The recoverable amount (value in use) amounts to EUR 36.8 million (30 September 2015: EUR 61.1 million). The maximum output of the power plants amounts to 422 MW, maximum district heating supply is 100 MW. Efficiency was estimated at 55.7 %. Annual electricity generation was recognised at up to 1,444 GWh per year. The assumptions for the future electricity and gas prices are based, where available, on market data; if no market data were available, estimates were made based on market studies. Expenses for maintenance and repair were considered according to maintenance plans and contracts. Other significant expense items such as personnel costs, insurance and infrastructure costs are annually increased by an estimated increase rate. Other significant expense items such as personnel costs, insurance and infrastructure costs are annually increased by an estimated increase rate. The discount rate is 4.4 % (30 September 2015: 4.8%). Moreover, the decreased price assumption lead to an impairment in the amount of EUR 2.6 million for the CCGT power plant of the Cogeneration-Kraftwerke management Oberösterreich GmbH. The interest rate is 4.4 % (30 September 2015: 4.8 %), the recoverable amount (value in use) amounts to EUR 12.1 million.

In the Waste Management Segment, an impairment in the amount of EUR 4.0 million was recorded for incineration plants. The recoverable amount (value in use) amounts to EUR 94.9 mill. The discount rate is 4.8 %.

4. SEGMENT REPORTING

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

The segment reporting comprises the Energy, Grid, Waste Management, Water and Holding & Services Segments.

The measurement and accounting policies of the reported segments are the same as those used throughout the Group. Sales between the segments ("inter-segment sales") are invoiced at market prices or on the basis of costs. The operating result is the net profit or loss for the period which, being regularly monitored by the chief operating decision-makers, is primarily used as a basis to assess the level of success and the allocation of resources.

2015/2016	Energy EUR mill.	Grid EUR mill.	Waste Management EUR mill.	Water EUR mill.	Holding & Services EUR mill.	Transition EUR mill.	**Group EUR mill.**
Sales to third parties	512.5	153.4	96.2	63.6	19.2	—	**844.9**
Inter-segment sales	1.2	26.8	3.4	0.2	65.0	- 96.6	**—**
Total sales	513.7	180.2	99.6	63.8	84.2	- 96.6	**844.9**
Operating result	45.7	45.3	1.2	4.8	6.1	—	**103.1**

2014/2015	Energy EUR mill.	Grid EUR mill.	Waste Management EUR mill.	Water EUR mill.	Holding & Services EUR mill.	Transition EUR mill.	Group EUR mill.
Sales to third parties	573.3	159.7	96.1	61.5	18.9	—	909.5
Inter-segment sales	4.1	11.2	4.6	0.2	55.9	- 76.0	—
Total sales	577.4	170.9	100.7	61.7	74.8	- 76.0	909.5
Operating result	44.4	38.5	2.9	4.2	- 1.1	—	88.9

The operating result in the totals column corresponds to the one in the consolidated income statement. The offsetting and reconciliation for the earnings before taxes can be found in the income statement.

5. FINANCIAL INSTRUMENTS

5.1. Carrying Amounts According to IAS 39

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

	Category acc. to IAS 39	Carrying amount 31/3/16 in EUR 1,000	Carrying amount 30/9/15 in EUR 1,000
Investments		**22,446.8**	**20,595.8**
Shares in affiliated companies	AfS (at cost)	**8,254.0**	6,402.6
Available-for-sale investments	AfS	**245.4**	259.4
Other investments	AfS (at cost)	**13,947.4**	13,933.8
Other financial assets		**82,158.8**	**98,215.5**
Loans to associated companies	LaR	**6,358.2**	5,175.2
Other loans	LaR	**18,570.7**	21,538.3
Securities (held to maturity)	HtM	**1.0**	1.0
Securities (available for sale)	AfS	**57,228.9**	55,688.5
Securities (fair value option)	AtFVP&L (FV Option)	**—**	15,812.5
Receivables and other assets (non-current and current) according to Balance Sheet		**283,954.5**	**279,966.6**
Thereof non-financial assets		**28,364.4**	**26,111.0**
Thereof financial assets		**255,590.1**	**253,855.6**
Trade receivables	LaR	**182,487.2**	166,327.9
Receivables from affiliated companies	LaR	**305.1**	1,155.1
Receivables from associated companies	LaR	**18,626.2**	36,053.0
Derivatives with a hedging relationship (cash flow hedge)	n/a	**1.3**	—
Derivatives with no hedging relationship	AtFVP&L (Trading)	**27,230.6**	21,694.8
Other financial assets	LaR	**26,939.7**	28,624.8
Fixed term deposits	LaR	**118,800.0**	**112,500.0**
Cash and cash equivalents	LaR	**78,966.9**	**109,896.1**
Total financial assets		**557,962.6**	**595,063.0**
Financial liabilities (non-current and current)		**609,351.3**	**613,049.1**
Bonds	FLAC	**302,841.6**	302,864.1
Liabilities to banks	FLAC	**90,803.6**	91,164.9
Liabilities from finance leasing	IAS 17	**55,605.7**	56,811.2
Other financial liabilities	FLAC	**160,100.4**	162,208.9
Trade payables (current)	FLAC	**134,534.0**	**143,667.9**
Other liabilities (non-current and current) acc. to Balance Sheet		**379,381.9**	**395,920.5**
Thereof non-financial liabilities		**194,959.0**	**223,750.6**
Thereof financial liabilities		**184,422.9**	**172,169.9**
Liabilities to affiliated companies	FLAC	**34,128.3**	1,827.8
Liabilities to associated companies	FLAC	**53,982.4**	69,402.2
Derivatives with a hedging relationship (cash flow hedge)	n/a	**20,710.6**	17,945.7
Derivatives with no hedging relationship	AtFVP&L (Trading)	**25,039.2**	19,472.6
Other financial liabilities (non-current and current)	FLAC	**50,562.4**	63,521.6
Total financial liabilities		**928,308.2**	**928,886.9**
Carrying amounts in measurement categories acc. to IAS 39			
Loans and Receivables (LaR)		**451,054.0**	481,270.4
Held to Maturity Investments (HtM)		**1.0**	1.0
Available for Sale Financial Assets (AFS)		**79,675.7**	76,284.3
Financial Assets at Fair Value through Profit or Loss (AtFVP&L (Trading))		**27,230.6**	21,694.8
Financial Assets at Fair Value through Profit or Loss (AtFVP&L (FV Option))		**—**	15,812.5
Financial Liabilities Measured at Amortized Cost (FLAC)		**826,952.7**	834,657.4
Financial Liabilities at Fair Value through Profit or Loss (AtFVP&L (Trading))		**25,039.2**	19,472.6

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

Shares in non-consolidated investments and other investments are presented as "Available for Sale at Cost". For these investments, there is no price listed on an active market and the fair value cannot be reliably determined. In fiscal year 2015/2016, an outflow of other investments (at cost) was entered in the amount of EUR 2.9 thousand (previous year: EUR 15 thousand). The loss from the outflow of these assets was EUR 2.9 thousand (previous year profit: EUR 63.8 thousand). There are losses from exchange rate fluctuations contained in the financial result from the measurement of financial liabilities and derivatives in Swiss Francs in the amount of EUR 58.6 thousand (previous year: EUR 7,847.2 thousand).

5.2. Measurement at Fair Value

5.2.1. Fair value of financial assets and liabilities measured regularly at fair value

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

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

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

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

If the input factors used to determine the fair value of an asset or liability are attributable to different levels of the fair value hierarchy, the measurement 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 measurement.

The financial instruments measured at fair value are assigned as follows to stages 1 to 2:

31/03/2016	Carrying amount EUR 1,000	Measurement at fair value Level 1 EUR 1,000	Measurement based on input factors observable in the market Level 2 EUR 1,000	Total fair value EUR 1,000
Assets				
Investments (available for sale)	245.4	245.4	—	245.4
Securities (available for sale)	57,228.9	51,205.9	6,023.0	57,228.9
Securities (fair value option)	—	—	—	—
Derivatives with a hedging relationship (cash flow hedge)	1.3	—	1.3	1.3
Derivatives with no hedging relationship	27,230.6	—	27,230.6	27,230.6
Total	**84,706.2**	**51,451.3**	**33,254.9**	**84,706.2**
Liabilities				
Derivatives with a hedging relationship (cash flow hedge)	20,710.6	—	20,710.6	20,710.6
Derivatives with no hedging relationship	25,039.2	—	25,039.2	25,039.2
Total	**45,749.8**	—	**45,749.8**	**45,749.8**

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

5.2.2. Measurement Methods and Input Factors for Determination of the Fair Value

In general, the fair values of the financial assets and liabilities correspond to the market prices as of the balance sheet date. If prices are not directly available in markets, then – if they are not of minor significance – they are calculated using recognised investment mathematics measurement models and current market parameters (especially interest rates, exchange rates and the credit rating of contractual partners). The cash flows from the financial instruments are discounted to the balance sheet date for this purpose.

The following measurement methods and input factors were used:

Financial instruments	Level	Measurement methods	Input factors
Listed securities	1	Fair value-oriented	Nominal values, stock market price
Other securities	2	Capital value-oriented	Payments connected to financial instruments, interest structure curve, credit risk of the contractual partners (credit default swaps or credit spread curves)
Listed energy forwards	1	Fair value-oriented	Settlement price determined at stock exchange
Non-listed energy forwards	2	Capital value-oriented	Forward price curve derived from stock exchange prices, interest structure curve, credit risk of contractual partners on a net basis
Interest swaps	2	Capital value-oriented	Cash flows already fixed or determined using forward rates, interest structure curve, credit risk of contractual partners

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

Trade receivables, receivables from affiliated companies, receivables from associated companies, other financial assets as well as fixed term deposits mainly have short remaining maturities. Therefore, their carrying amounts as of the balance closing date approximately correspond to the fair value. If they are significant and do not have a variable interest rate, then the fair value of long-term loans corresponds to the present value of the payments associated with the assets taking into consideration the current market parameters in each case (interest rates, credit spreads).

Trade payables, liabilities to affiliated companies, liabilities to associated companies and other financial liabilities have regular remaining maturities. The values on the balance sheet are approximately the fair values. If they are significant and do not have a variable interest rate, then the fair value of financial liabilities is determined with the present value of the payments associated with the liabilities taking into consideration the applicable market parameters in each case (interest rates, credit spreads).

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

	Category acc. to IAS 39	Carrying amount 31/03/2016 EUR 1,000	Fair value 31/03/2016 EUR 1,000	Carrying amount 30/09/2015 EUR 1,000	Fair value 30/09/2015 EUR 1,000	Level
Assets						
Other Financial Assets		**24,928.9**	**32,286.9**	**26,713.5**	**32,393.3**	
Loans to associated companies	LaR	6,358.2	6,983.2	5,175.2	5,420.9	Level 3
Other loans	LaR	18,570.7	25,303.7	21,538.3	26,972.4	Level 3
Liabilities						
Financial liabilities		**553,745.6**	**654,341.1**	**556,237.9**	**643,986.0**	
Bonds	FLAC	302,841.6	386,109.0	302,864.1	374,553.0	Level 1
Liabilities to banks	FLAC	90,803.6	94,884.7	91,164.9	95,859.1	Level 3
Other financial liabilities	FLAC	160,100.4	173,347.4	162,208.9	173,573.9	Level 3

The fair value of the financial liabilities in level 3 given above were determined in agreement with generally accepted measurement methods based on discounted cash flow analyses.

6. RISK MANAGEMENT

The Energie AG Group faces numerous risks and opportunities arising from weather-related fluctuations, major energy policy changes, and high competitive and regulatory pressure.

The water level of the rivers and hence electricity procurement from the company's own hydropower plants and hydraulic procurement rights are considered to be a significant risk/opportunity in the Energie AG Group.

In the first half-year of 2015/2016, electricity generated from the company's own hydropower plants and procurement rights were around 10,0 % lower than the long-term average. Price development was again falling in the international energy markets in the first half-year of 2015/2016.

Tough economic general conditions and predominantly decreasing price levels, in particular in terms of electricity from thermal recycling facilities and scrap metal, shaped the Waste Management Segment.

The current regulatory periods for the gas and electricity grid are still running until the end of 2017 or the end of 2018. The Austrian regulatory authority E-Control published a consultation paper on the further development of the grid fee structure for the electricity grid sector in February 2016.

In addition, risks exist in connection with the marketing of projects in the framework of the new forms of renewable energy, because interventions in existing transmission systems can be observed, especially abroad.

In March 2016, Energie AG Group once again received the rating classification of "A-/stable outlook" from Standard & Poor's. This strong external credit rating classification gives the company great flexibility in financing issues.

7. RELATIONS TO RELATED PARTIES

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

		Revenues EUR 1,000	Expenses EUR 1,000	Receivables EUR 1,000	Payables EUR 1,000
State of Upper Austria	**2016**	**309.7**	**1,581.1**	**53.1**	**52,195.0**
	2015	288.5	1,384.3	1.3	52,214.6
OÖ Landesholding and subsidiaries	**2016**	**1,671.7**	**57.9**	**496.6**	**33,783.9**
	2015	1,549.7	84.9	9,710.7	9,351.8
Associated companies	**2016**	**2,981.0**	**1,978.7**	**242.4**	**1.2**
	2015	9,728.3	3,235.4	235.0	15.5
Joint ventures	**2016**	**164,578.7**	**9,383.9**	**17,374.7**	**45,314.6**
	2015	186,380.5	7,559.1	16,015.6	21,072.6

Services are provided at arm's length respectively at cost-based conditions.

8. OTHER DISCLOSURES

Particularly with regard to electricity production, electricity sales and the gas business, weather-related fluctuations are reflected in the sales and results throughout the fiscal year. The Energy Segment therefore has 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 property, plant and equipment assets during the first half-year are generally lower than in the second half-year. During the first six months, the production coefficient was 0.9 (previous year: 1.01).

In October 2014, the variable tranche of the borrower's note loan in the amount of EUR 101.0 million was paid off early. The respective interest rate swaps with a nominal amount of EUR 90.0 million were cancelled early.

During the first six months of 2015/2016, additions to property, plant and equipment assets amounted to EUR 50.1 million (previous year: EUR 47.1 million). Reductions in carrying amount totalled EUR 3.3 million (previous year: EUR 0.3 million). Obligations to purchase property, plant and equipment assets amount to EUR 32.5 million (previous year: EUR 11.0 million).

Dividends in the amount of EUR 53.3 million (previous year EUR 53.3 million) were paid to the shareholders of Energie AG Oberösterreich during the first half of the 2015/2016 fiscal year.

Contingent liabilities amount to EUR 5.1 million (previous year: EUR 2.6 million).

Linz, 23 May 2016
The Management Board of Energie AG Oberösterreich

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

Statement by the Management Board
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 semi-annual 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, 23 May 2016
The Management Board of Energie AG Oberösterreich

Generaldirektor Dr. Leo Windtner
Chief Executive Officer
C.E.O.

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

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

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

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