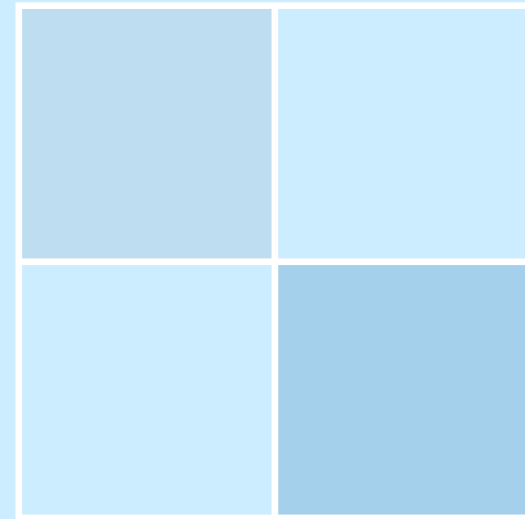


Strong in Our Network: Value-Driven Growth



Fact book

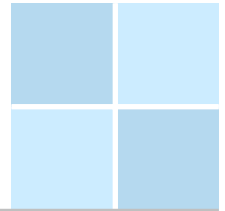
**Consolidated financial statements for the 2005/2006 financial year
in accordance with IFRS**

11.1.2007

www.mvv-investor.de



Balance sheet and outlook



**Objectives of
strategic
realignment
2003/2004 –
2005/2006**

**Successful
2005/2006
financial year**

**Market climate

Strategic
implement-
ation**

Outlook

Objectives of strategic alignment 2003/2004 – 2005/2006

Return to value creation

Growth in core competencies



Efficiency enhancement

Streamlining of portfolio

approx. 30 shareholdings
not consistent with strategy

Value spread

2003/2004: - 5.3 %

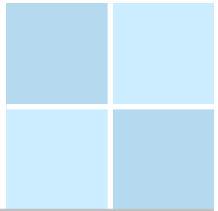
2005/2006: + 2.2 %

Increase in market capitalisation ¹

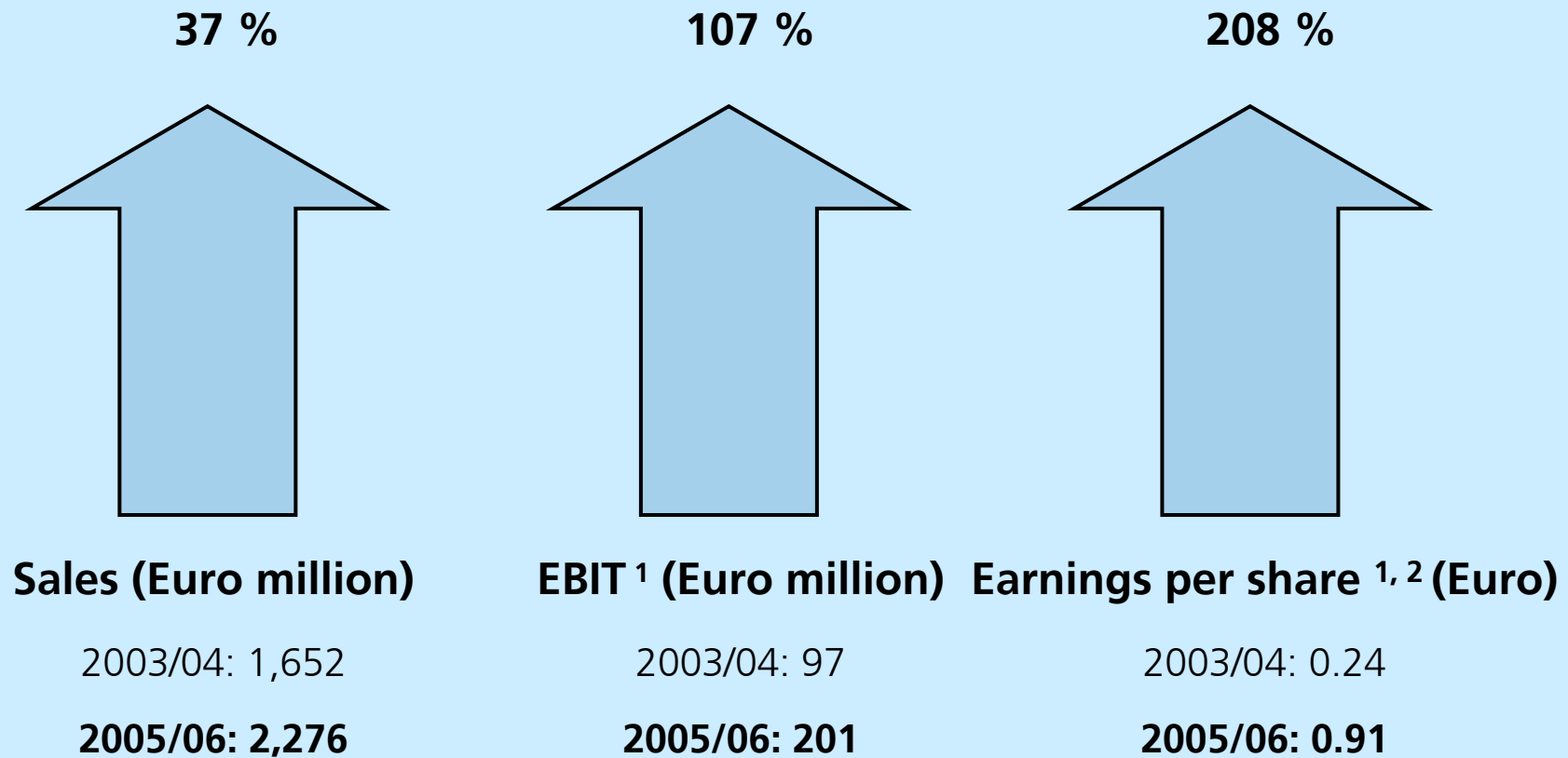
1.10.2003: Euro 772 mill.

8.1.2007: Euro 1,495 mill.

¹ including capital increase by approx. 10 %



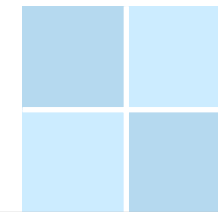
Successful growth course 2003/2004 – 2005/2006



¹ 2003/2004 financial year: excluding expenses for streamlining of portfolio and restructuring expenses

² 2005/2006 financial year: increase in number of shares from 50.7 million to 55.8 million
(weighted annual average) as a result of capital increases

Successful 2005/2006 financial year



Sales of Euro 2.3 billion and EBIT of Euro 201 million surpass earnings targets

Core business

- ▶ Successful sales activities in nationwide sale of electricity

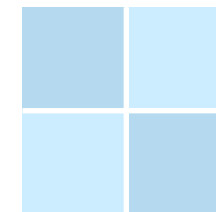
High-growth fields

- ▶ Leuna I waste incineration plant commences operations ahead of schedule
- ▶ External growth in value-added services business

Group

- ▶ Establishment of shared-service companies

Key figures of the MVV Energie Group for the 2005/2006 financial year



Earnings performance Euro million	2005/2006	2004/2005 adjusted ¹	% change
Sales	2,276	1,958	+ 16
EBITDA	370	287	+ 29
EBITA	223	156	+ 43
EBIT	201	158	+ 27
EBT	128	80	+ 60
Annual net surplus	64	41	+ 56
after minority interests	50	28	+ 79
Earnings ² per share ³ in Euro	0.91	0.55	+ 65
Cash Flow	246	188	+ 31
Number of employees ⁴	6,338	6,449	- 2

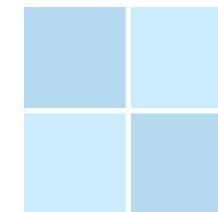
¹ previous year's figures adjusted by initial statement of put option at Stadtwerke Kiel AG

² in accordance with IAS 33

³ increase in number of shares (weighted annual average) from 50.7 million to 55.8 million as a result of capital increases

⁴ including external personnel at Mannheim waste-to-energy plant of MVV Energie AG

Sales by segment in the 2005/2006 financial year



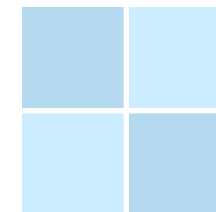
Sales in Euro million	2005/2006	2004/2005	% change
Electricity ¹	1,069	975	+ 10
District heating	276	250	+ 10
Gas ²	449	366	+ 23
Water	107	106	+ 1
Value-added services ³	150	108	+ 39
Environmental energy	193	131	+ 47
Other/consolidation ³	32	22	+ 45
Total sales	<u>2,276</u>	<u>1,958</u>	+ 16

¹ including energy tax of Euro 102 million (previous year: Euro 92 million)

² including gas tax of Euro 63 million (previous year: Euro 61 million)

³ with effect from the 2005/06 financial year, the companies MAnet GmbH and ENERGY InnovationsPortfolio AG & Co. KGaA will no longer be reported under the Value-added services segment, but rather in the Other segment; the previous year's figures have been adjusted for reasons of comparison

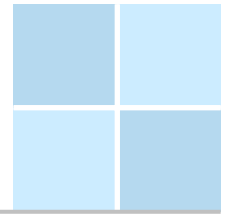
EBIT by segment in the 2005/2006 financial year



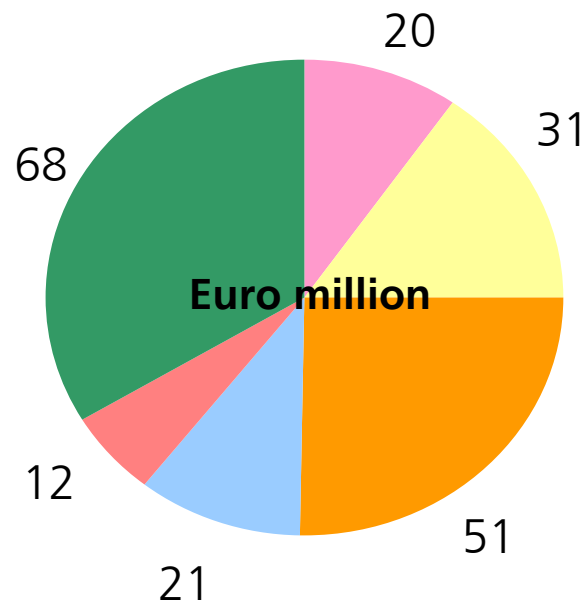
EBIT in Euro million	2005/2006	2004/2005	% change
Electricity	20	39	- 49
District heating	51	40	+ 28
Gas	31	35	- 11
Water	21	15	+ 40
Value-added services ¹	12	16	- 25
Environmental energy	68	27	+ 152
Other/consolidation ¹	- 2	- 14	+ 86
Total EBIT	201	158	+ 27

¹ with effect from the 2005/06 financial year, the companies MANet GmbH and ENERGY InnovationsPortfolio AG & Co. KGaA will no longer be reported under the Value-added services segment, but rather in the Other segment; the previous year's figures have been adjusted for reasons of comparison

Our operating earnings (EBIT) are attributable to a number of segments

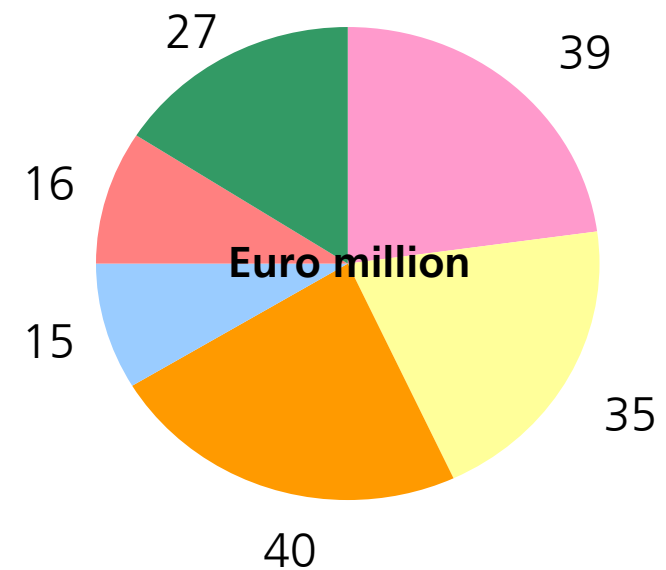


2005/06 financial year



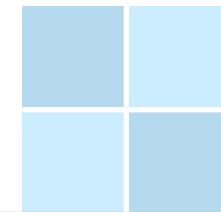
less other/consolidation: Euro - 2 million
Total EBIT: Euro 201 million

2004/05 financial year



less other/consolidation: Euro - 14 million
 Total EBIT: Euro 158 million

Relevant effects on EBIT in the 2005/2006 financial year



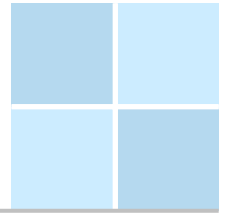
Positive one-off factors

- ▶ Cost savings (FOKUS etc.)
- ▶ Enhanced operations in environmental energy segment
- ▶ Sale of MAnet and EnBW shares
- ▶ Deconsolidation factors (MVV Energie Portugal, eternegy GmbH)
- ▶ Cold winter

Negative one-off factors

- ▶ Goodwill amortisation
- ▶ Personnel provisions
- ▶ Extraordinary depreciation of land, buildings, technical equipment etc.
- ▶ Write-down of ENERGY InnovationsPortfolio
- ▶ Write-down of shareholding held in EUS GmbH

Challenges facing liberalised segments of electricity and gas



Generation and wholesale

- ▶ Very high degree of concentration of electricity generation
- ▶ Low level of liquidity on gas markets

Grids: transport and distribution

- ▶ Uncertainty as to individual grid utilisation fee approvals
- ▶ Gas grid access: new cooperation obligations
- ▶ Incentive management from 2008/2009

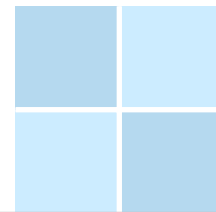
Sales

- ▶ More competitors
- ▶ Principal price components cannot be influenced by sales activities

- ▶ **Investment in generation**
- ▶ **Establishment of a gas exchange**

- ▶ **Cooperation agreements**
- ▶ **Cost management**

- ▶ **Differentiation into new product groups**
- ▶ **Premium offerings in core markets**



Continuity in district heating and water segments

District heating

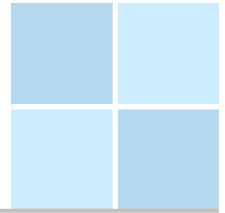
- ▶ Municipal cogeneration plants ensure efficient and ecologically advantageous supply of district heating
- ▶ Business performance remains dependent on weather conditions

Water

- ▶ Mature market segments are provided with high-quality supply

Permanent enhancements to operations
External growth in submarkets

Growth prospects in the environmental energy and energy-related services segments



Environmental energy

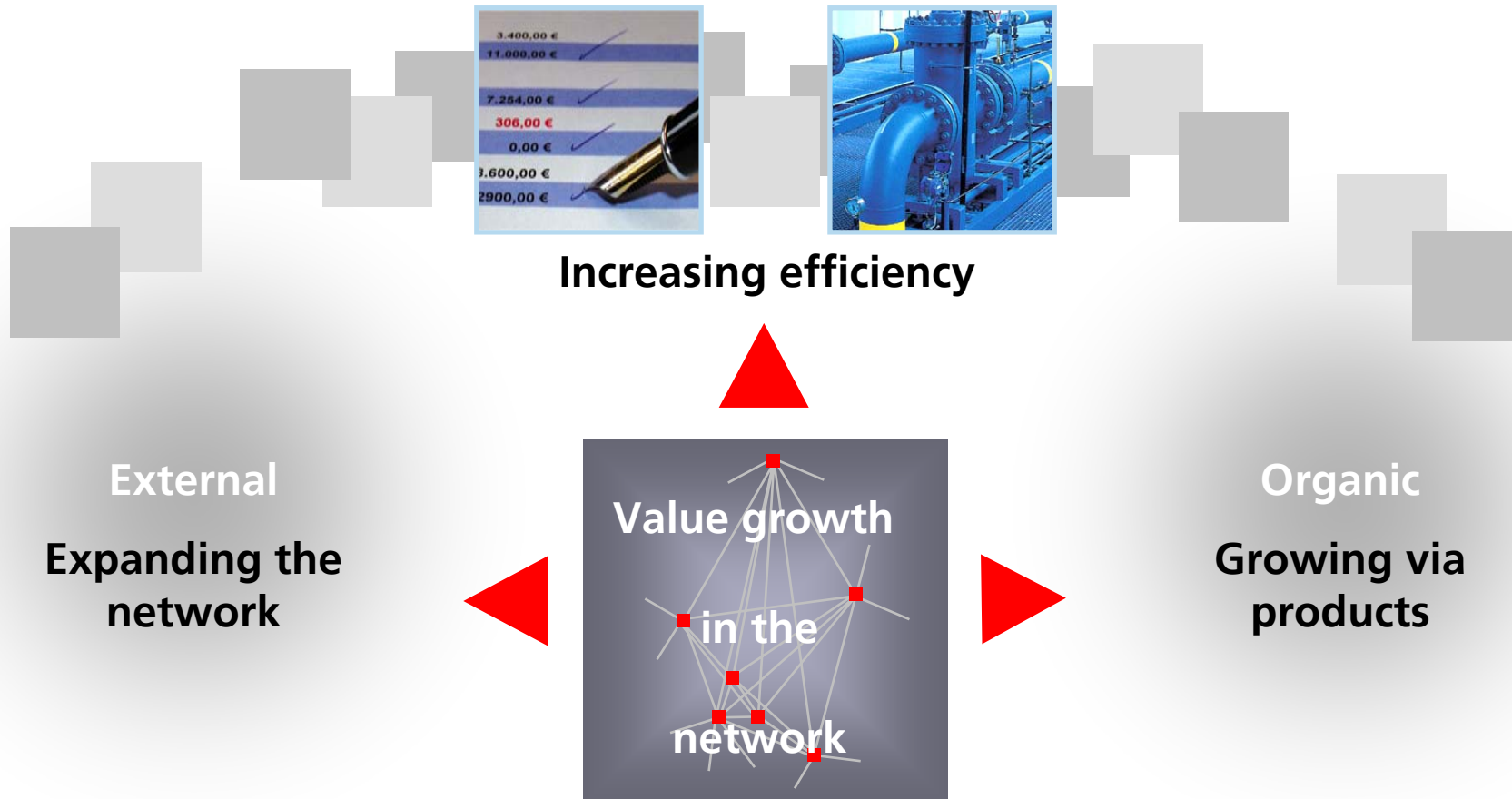
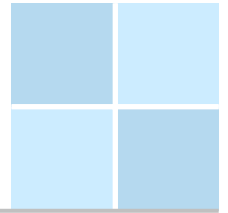
- ▶ MVV Energie is the 3rd largest player in German waste incineration market
- ▶ TAsi guidelines generate new demand
- ▶ Premium waste disposal provider

Energy-related services

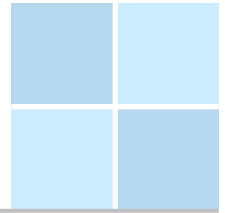
- ▶ MVV Energie is one of top 5 players in still fragmented value-added services market
- ▶ Industry on the lookout for innovative energy concepts: offering of alternative fuel solutions
- ▶ Increasing professionalism of real estate business: offering of standardised products

Extend market position by means of internal and external growth

The MVV Energie strategy

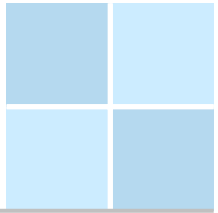


We are maintaining our course – growth requires investments

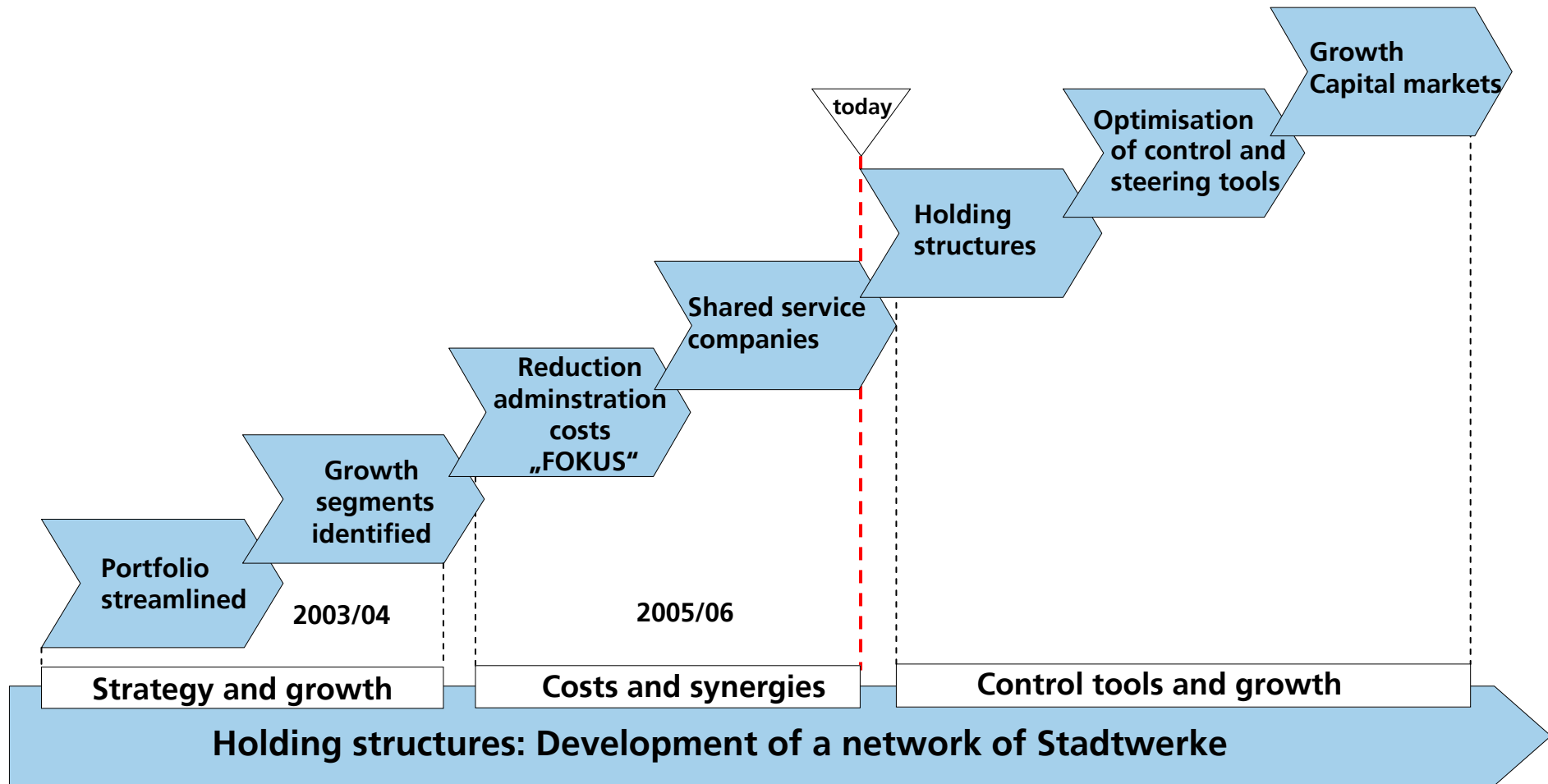


The maintenance of our growth strategy requires a capital increase

- ▶ A nominal total of around Euro 26 million of authorised capital is available (equivalent to approx. 18 % of the existing share capital)
- ▶ Planned utilisation of funds:
 - Acquisitions of municipal utility companies
 - Investments in high-growth environmental energy and energy-related services segments
 - Investments in district heating / water in Central Europe

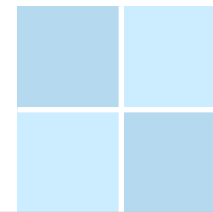


Continuous development of MVV Energie

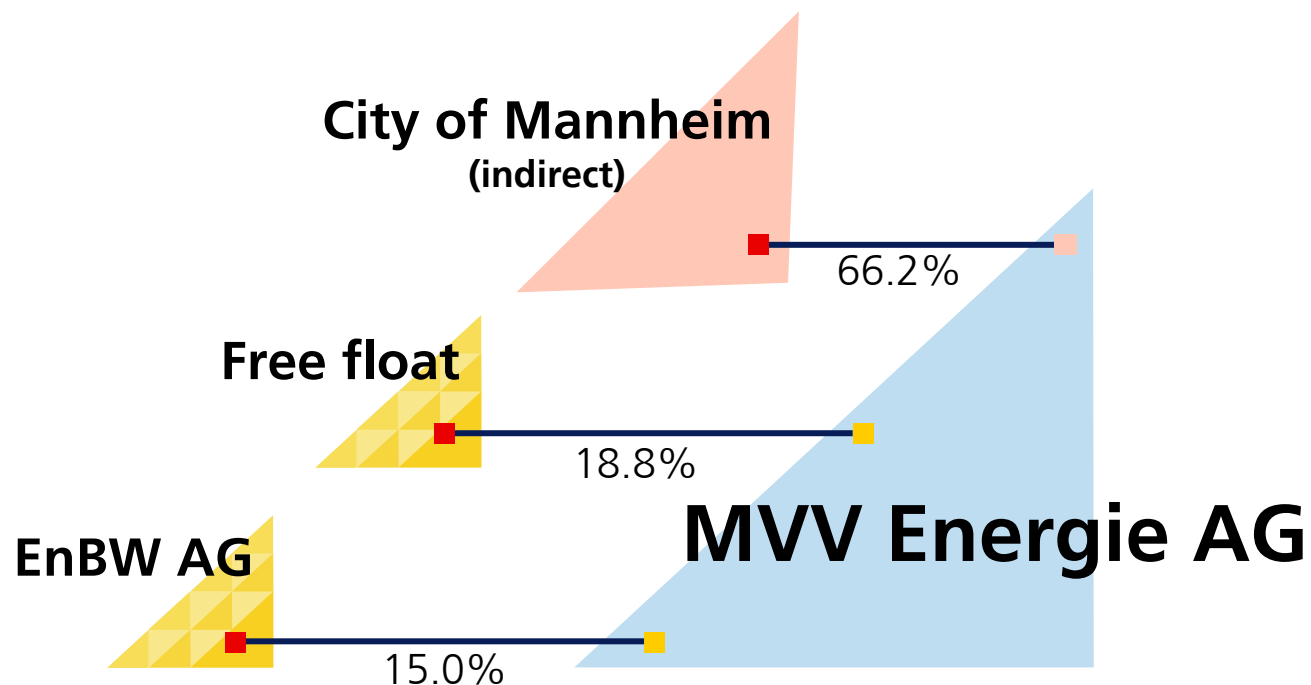


Backup



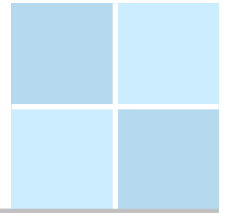


Current shareholder structure and key figures



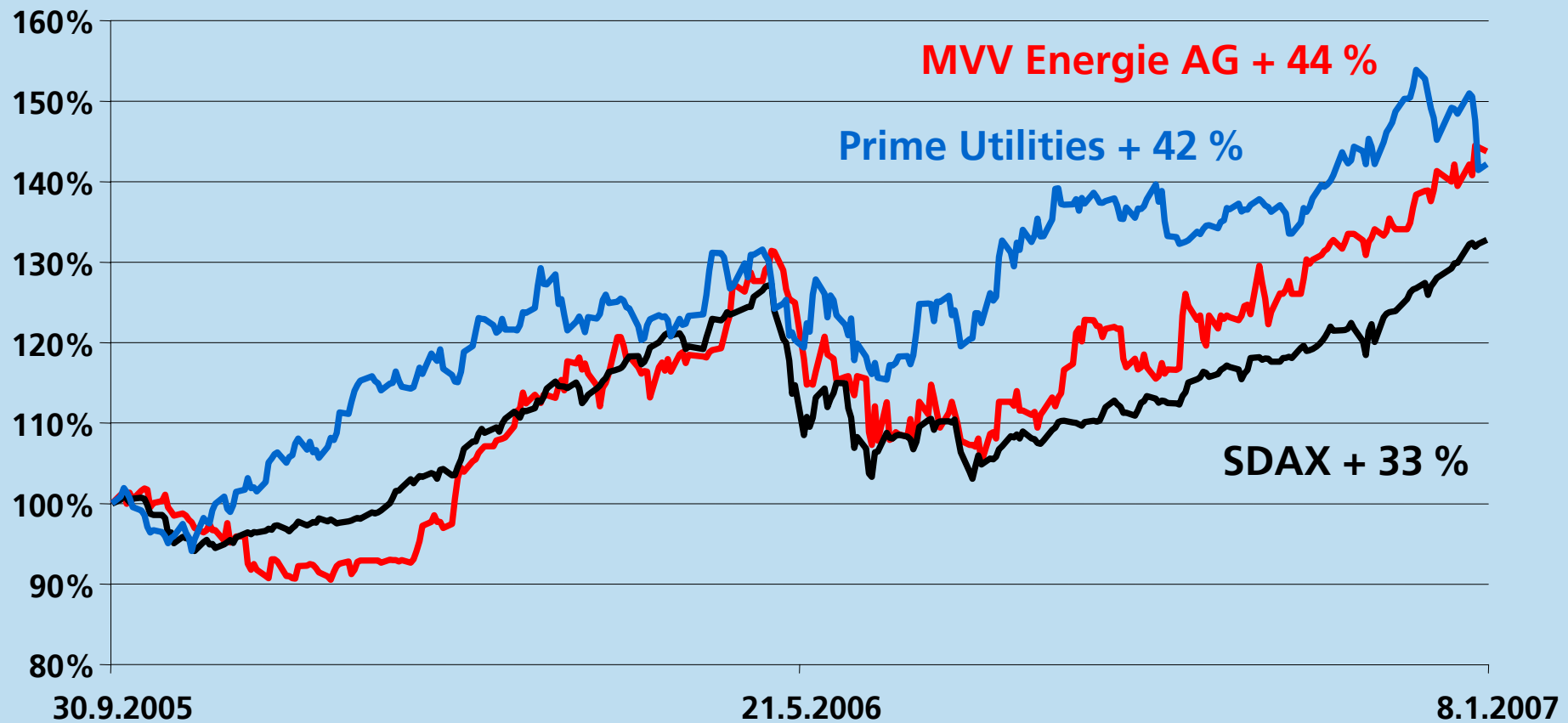
- ▶ No. of shares: 55.767 million
- ▶ Market capitalisation: Euro 1,495 million (Closing price on 8.1.2007: Euro 26.80)
- ▶ Free float: Euro 281 million

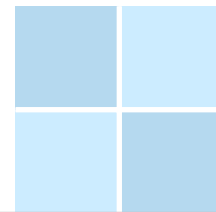
Performance comparison of the MVV Energie AG share with the SDAX and Prime Utilities indices (FY 2005/2006 – 8.1.2007)



MVV Energie Share (ISIN DE000A0H52F5)

Xetra Trading





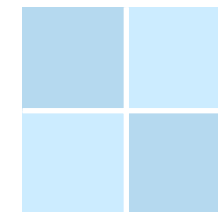
Advantages for our shareholders

- ▶ Secure earnings thanks to **stable core business**
- ▶ Huge **potential for cost reductions**
- ▶ Upside potential can be realised by acquiring **additional shareholdings** and expanding **environmental energy** as well as **energy-related services**
- ▶ Attractive **dividend returns**
- ▶ Listed on the Prime Standard (**SDAX**)



We are committed to shareholder value

Impairment write-offs by segment in the 2005/2006 financial year

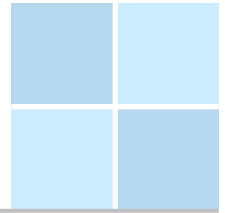


Impairment Write-Offs in Euro million	2005/2006
Electricity	8.7
District heating	2.6
Gas	8.3
Water	1.0
Value-added services	0.3
Environmental energy	–
Other/consolidation	0.7
Total	<u>21.6</u>

Sales and EBIT performance by quarter

Euro million	2005/2006	2004/2005	± change
1 st Quarter	579	524	+ 55
2 nd Quarter	711	571	+140
3 rd Quarter	507	435	+ 72
4 th Quarter	479	428	+ 12
Sales in the FY 2005/2006	<u>2,276</u>	<u>1,958</u>	<u>+ 16</u>
1 st Quarter	77	68	+ 9
2 nd Quarter	112	84	+ 28
3 rd Quarter	49	22	+ 27
4 th Quarter	- 37	- 16	+ 131
EBIT in the FY 2005/2006	<u>201</u>	<u>158</u>	<u>+ 27</u>

Sales volumes in the 2005/2006 financial year

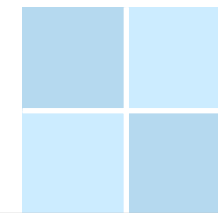


Volume ¹	2005/2006	2004/2005	% change
Electricity (kWh million)	20,338	18,402	+ 11
of which: wholesale (kWh million) (incl. secondary distributors)	10,478	9,454	+ 11
of which: retail	9,860	8,948	+ 10
District heating ² (kWh million)	7,343	7,446	- 1
Gas (kWh million)	11,513	11,096	+ 4
Water (m ³ million)	57.9	58.3	- 1
Combustible waste delivered (tonnes 000s)	1,229	872	+ 41

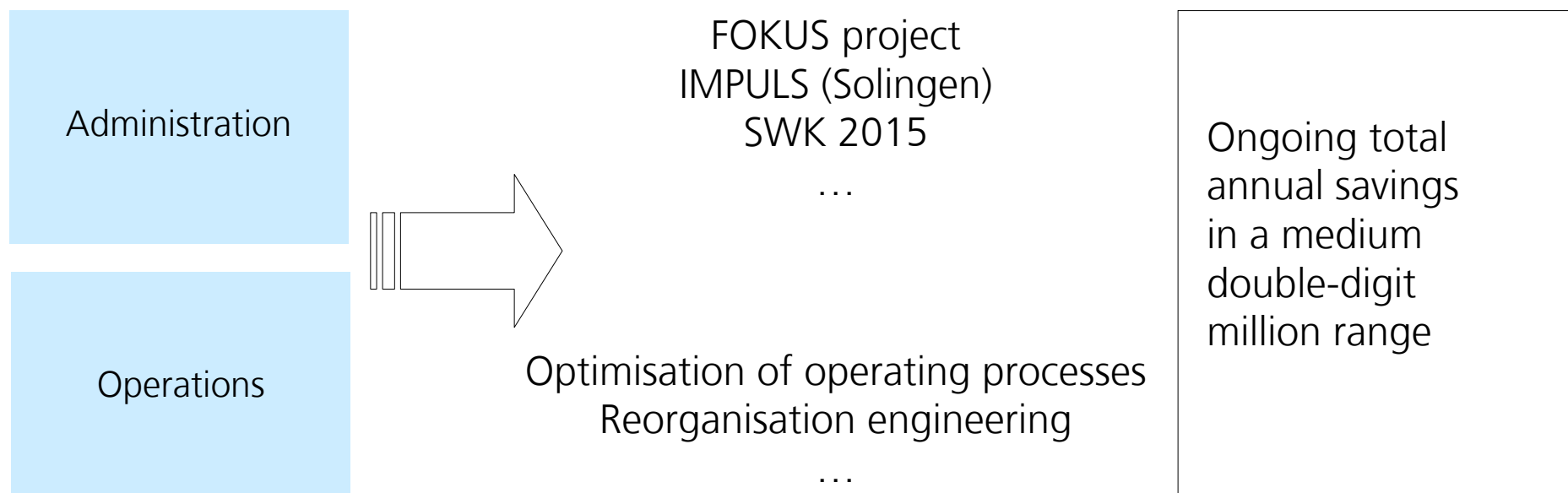
¹ total volume from all segments

² corrections in previous year's figure

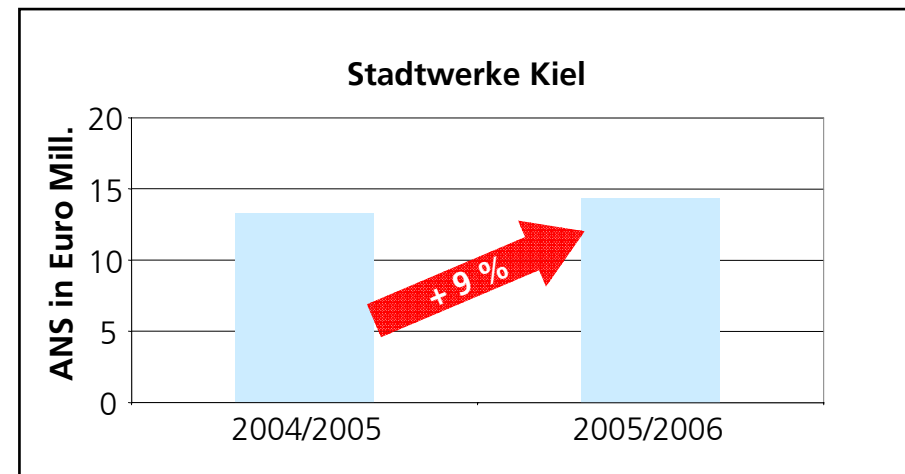
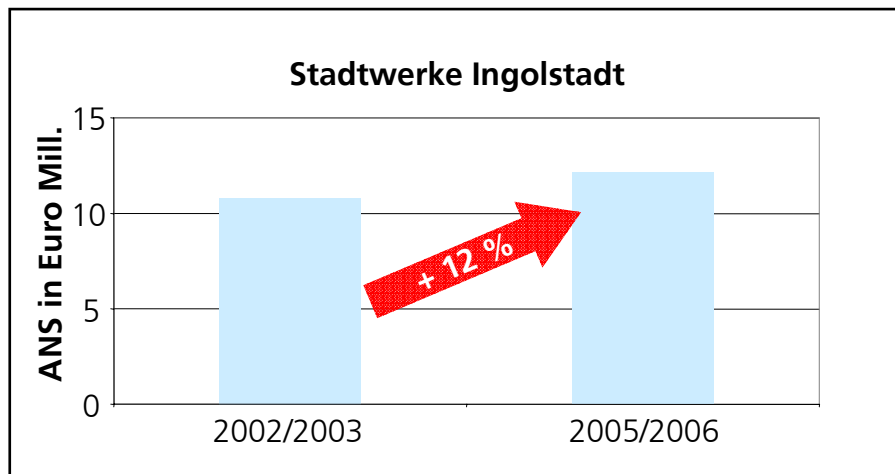
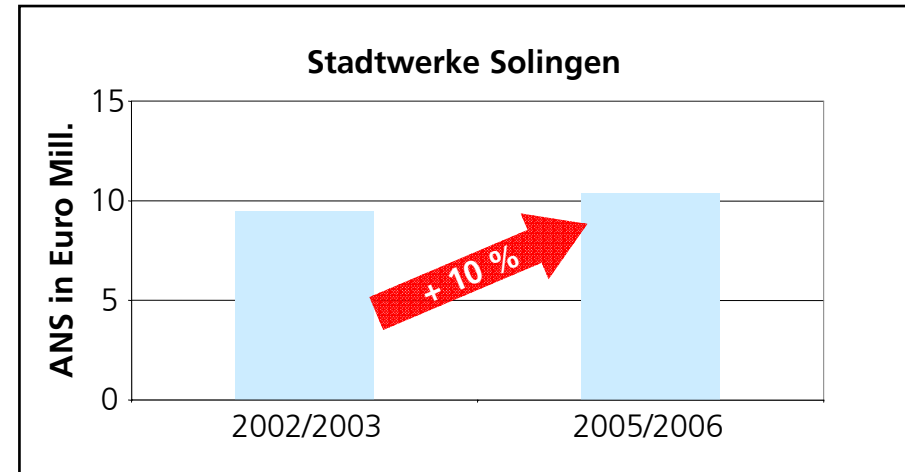
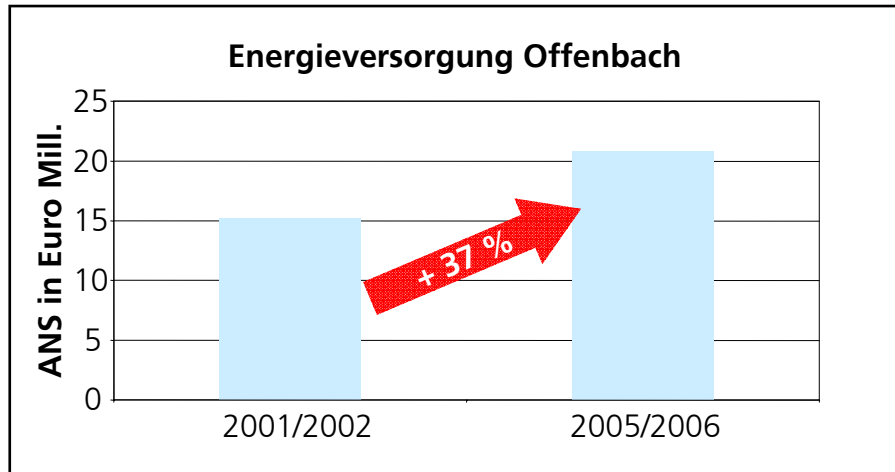
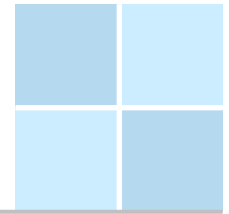
MVV Energie Group – managing efficiency



Exploiting efficiency potential in administration and operations

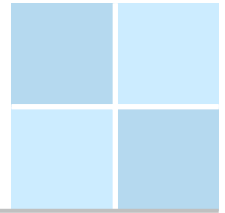


We have increased the value of our municipal utility shareholdings

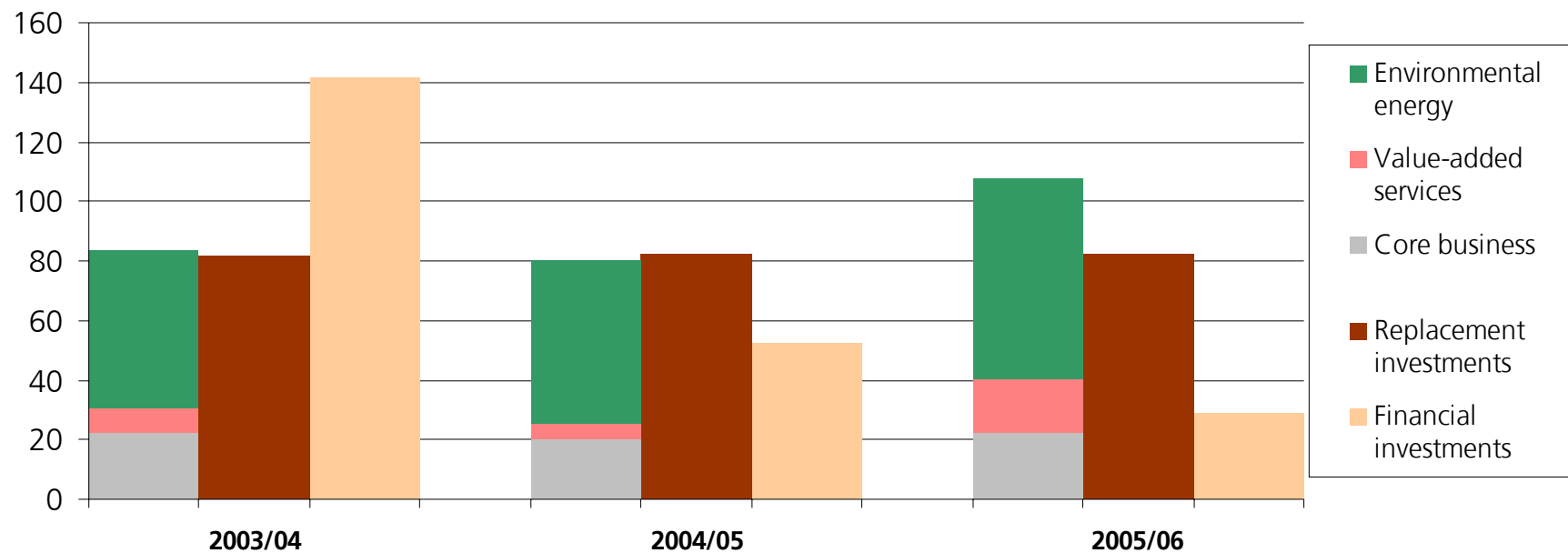


ANS = Annual net surplus

Investments and growth



Investments¹ in Euro million



Capital increase will provide scope for further growth

¹ investments in intangible assets, property, plant and equipment, investment property, as well as payments for the acquisition of fully and proportionately consolidated companies and other financial assets