

# 1<sup>ST</sup> QUARTER

Financial Year 2017

## KEY FIGURES OF THE MVV ENERGIE GROUP

| Euro million   | <b>1 Oct 2016<br/>to 31 Dec 2016</b> | 1 Oct 2015<br>to 31 Dec 2015 | % change |
|--|--------------------------------------|------------------------------|----------|
| <b>Sales and earnings</b>  |                                      |                              |          |
| Sales excluding energy taxes   | 1,084                                | 940                          | +15      |
| Adjusted EBITDA <sup>1</sup>   | 158                                  | 147                          | +7       |
| Adjusted EBIT <sup>1</sup>   | 115                                  | 103                          | +12      |
| Adjusted EBT <sup>1</sup>  | 102                                  | 90                           | +13      |
| Adjusted net income for period <sup>1</sup>                                  | 72                                   | 64                           | +13      |
| Adjusted net income for period after minority interests <sup>1</sup>         | 61                                   | 54                           | +13      |
| Adjusted earnings per share <sup>1</sup> (Euro)                              | 0.93                                 | 0.82                         | +13      |
| <b>Cash flow</b>   |                                      |                              |          |
| Cash flow from operating activities  | 156                                  | -21                          | -        |
| Cash flow from operating activities per share (Euro)                         | 2.37                                 | -0.31                        | -        |
| <b>Capital structure</b>   |                                      |                              |          |
| Adjusted total assets (at 31 December 2016 / 30 September 2016) <sup>2</sup> | 4,502                                | 4,401                        | +2       |
| Adjusted equity (at 31 December 2016 / 30 September 2016) <sup>2</sup>       | 1,519                                | 1,452                        | +5       |
| Adjusted equity ratio (at 31 December 2016 / 30 September 2016) <sup>2</sup> | 33.7%                                | 33.0%                        | +2       |
| Net financial debt (at 31 December 2016 / 30 September 2016)                 | 1,203                                | 1,283                        | -6       |
| <b>Investments</b>   |                                      |                              |          |
| Total investments  | 58                                   | 79                           | -27      |
| of which growth investments  | 14                                   | 56                           | -75      |
| of which investments in existing business                                    | 44                                   | 23                           | +91      |
| <b>Employees</b>   |                                      |                              |          |
| Number of employees (at 31 December 2016 / 31 December 2015)                 | 6,148                                | 6,268                        | -2       |
| Full-time equivalents (at 31 December 2016 / 31 December 2015)               | 5,569                                | 5,662                        | -2       |

1 Excluding non-operating measurement items for financial derivatives, excluding structural adjustment for part-time early retirement and including interest income from finance leases

2 Excluding non-operating measurement items for financial derivatives

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## BUSINESS FRAMEWORK

### Energy Policy Changes

The transformation in the energy system remained a key focus of attention in the German political arena and within German society as a whole during the period under report.

#### European Commission approves EEG 2017 legislation

The European Commission approved the German Renewable Energies Act 2017 (EEG 2017) on 20 December 2016, as a result of which this legislation took effect on schedule on 1 January 2017. The new subsidy structure now has a stable legal basis. As a result of EEG 2017, the amount of subsidy paid will no longer be set by the government, but rather determined in competitive tenders.

#### Amendment to KWKG legislation complete

The Amendment to the German Combined Heat and Power Generation Act (KWKG) adopted by the Federal Parliament on 22 December 2016 came into force on 1 January 2017. Due to the requirements of the EU Commission in respect of state aid, this legislation required adjustments to account for the tendering of CHP plants with electrical capacity of 1 MW to 50 MW. For CHP plants smaller than 1 MW and larger than 50 MW, CHP premiums will be paid in line with the provisions of the KWKG 2016 legislation.

#### Climate Action Plan 2050 sets emission budgets

The Federal Cabinet adopted the Climate Action Plan 2050 on 14 November 2016. This contains models as to how greenhouse gas emissions in the energy, industry, transport, building and agriculture sectors can be reduced in line with national climate protection targets by 2050. To this end, greenhouse gas emission budgets for the period through to 2030 have also been set for all sectors. The energy industry is expected to contribute a disproportionate reduction in CO<sub>2</sub> emissions. The reduction in the volume of electricity generated from coal is to be achieved without structural upheaval; however, the plan does not include any specific roadmap for the exit from coal-based generation. No specification of the proposals in greater detail or major implementation measures are expected prior to the national elections in September 2017.

#### Amendment to grid fee system initiated

On 25 January 2017, the Federal Government adopted the draft version of a grid fee modernisation act, thus initiating the relevant parliamentary legislative procedures. Grid fees are to be adapted in line with the requirements of the energy turnaround. Rather than systematically modernising the grid fee system and, for example, offering incentives for greater flexibility, the draft legislation provides for the abolition of so-called avoided grid fees (vNE) as a standalone measure. These fees are charged for the electricity fed in by decentralised generators, as this reduces electricity procurement costs from the upstream grid. We see the planned abolition of the vNE fees as appropriate for electricity fed in from volatile generation sources. By contrast, the abolition of these fees for electricity fed in from controllable generation sources would make little sense. This applies, for example, to CHP plants whose heating energy storage facilities and electric boilers enable them to react very flexibly to changes in electricity demand. The economic viability of such plants would thus continue to be at risk.

#### EU Winter Package published

The European Commission presented a package of energy policy legislation on 30 November 2016. Among other aspects, this “Winter Package” includes proposals concerning the abolition of priority feed-in for renewable energies, market-based subsidies for renewable energies, and greater cross-border cooperation between transmission and distribution grid operators. Furthermore, the share of renewable energies within the heating energy market is to be increased. According to the considerations submitted by the European Commission, the introduction of capacity markets is basically possible, but power plant participation should be linked to an emissions cap. The compilation of national energy and climate plans should ensure that the EU targets are met by 2030.

The Winter Package will be addressed in the next step by the European Parliament and the European Council of Ministers and is scheduled for adoption in 2018. This package will not have any direct implications for MVV Energie in the short and medium terms, although the potential long-term structural effects should not be underestimated.

## Market Climate and Competition

### Growth in German economy

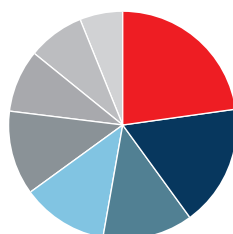
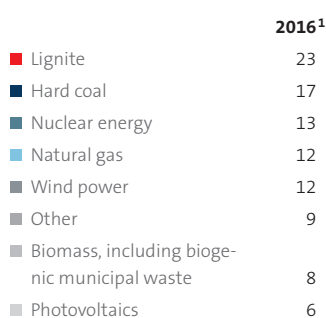
In its forecast dated December 2016, the German Institute for Economic Research (DIW) predicted that German gross domestic product (GDP) would grow by 0.4% in the final quarter of the 2016 calendar year compared with the previous quarter.

### Renewables account for 30 % of electricity generation

Based on preliminary estimates compiled by the Association of the German Energy and Water Industries (BDEW), gross electricity generation in Germany totalled 648 billion kWh in the 2016 calendar year (previous year: 647 billion kWh). The share of electricity generation attributable to renewable energies rose to 30% – up from 29% in the previous year.

#### ELECTRICITY GENERATION IN GERMANY

Shares (%)



1 January to December 2016

### Development in wholesale prices for fuels and electricity

Overall, energy prices developed unevenly in the 1<sup>st</sup> quarter of the 2017 financial year compared with the previous year's comparative period.

#### Wholesale market prices (average): 1<sup>st</sup> Quarter, 1 Oct to 31 Dec

|   | FY 2017 | FY 2016 | +/- change |
|---|---------|---------|------------|
| Crude oil <sup>1</sup><br>(US\$/barrel)             | 51.06   | 44.69   | +6.37      |
| Natural gas <sup>2</sup><br>(Euro/MWh)              | 16.96   | 17.64   | -0.68      |
| Coal <sup>3</sup><br>(US\$/tonne)                   | 68.01   | 46.56   | +21.45     |
| CO <sub>2</sub> rights <sup>4</sup><br>(Euro/tonne) | 5.52    | 8.41    | -2.89      |
| Electricity <sup>5</sup><br>(Euro/MWh)              | 31.74   | 28.87   | +2.87      |

1 Brent crude oil, front-month

2 Net Connect Germany market region; front-year

3 Front-year

4 Front December contract

5 Front-year

### Impact of Weather Conditions

Low outdoor temperatures, accompanied by higher heating energy requirements at our customers, lead to higher degree day figures. Overall, it was cooler in the 1<sup>st</sup> quarter of the 2017 financial year than one year earlier. The degree day figures of the MVV Energie Group were 21% higher than the previous year's low comparative figure.

At 88 million kWh, electricity generation volumes at our wind turbines were around 19% lower than in the previous year's quarter (109 million kWh). Of this change, around minus 25 percentage points were due to lower wind volumes, with particularly weak wind volumes in November and December 2016. Around plus six percentage points were attributable to the addition of the windfarm in Freudenberg.

Low water levels on the Rhine led to higher coal transport expenses.

## BUSINESS PERFORMANCE

### Decision taken to build gas-fired CHP plant in Kiel

At its meeting on 11 November 2016, the Supervisory Board of Stadtwerke Kiel AG approved the construction of the gas-fired CHP plant in Kiel. Küstenkraftwerk K.I.E.L. is due to be connected to the grid in autumn 2018 and will generate both electricity and heating energy with its 20 highly efficient gas engines. It will replace the coal-fired joint power plant (Gemeinschaftskraftwerk Kiel – GKK) in operation since 1970. The construction project has a total investment volume of around Euro 290 million.

### Electricity generation from renewable energies up on previous year

Our electricity generation volumes from renewable energies, including the biogenic share of waste/RDF, grew year-on-year by 17 million kWh to 310 million kWh. This increase was attributable both to our biomass power plants and to our energy from waste plants. Poor wind conditions in the 1<sup>st</sup> quarter of 2017 meant that electricity generation volumes at our wind turbines fell short of the previous year's figures.

### Expansion in renewable energies direct marketing

In the direct marketing of electricity from renewable energies, we have further boosted our position as one of Germany's largest direct marketers. At the end of the 1<sup>st</sup> quarter of 2017, MVV Energie had capacity of 6,300 MW under contract, 1,700 MW more than at the end of the 2016 financial year.

### Successful renewable energies project development activities

In its renewable energies project development business, the MVV Energie Group launched operations at renewable energies plants with capacities of around 380 MW<sub>e</sub> in the quarter under report. In Germany, these related above all to onshore wind turbines and in the international business to photovoltaics power plants.

## Presentation of Earnings Performance

### MVV Energie Group

#### MVV Energie Group: 1<sup>st</sup> Quarter, 1 Oct to 31 Dec

| Euro million                     | FY 2017 | FY 2016 | +/- change | % change |
|----------------------------------|---------|---------|------------|----------|
| Development in turnover          |         |         |            |          |
| Electricity (kWh million)        | 6,371   | 4,986   | +1,385     | +28      |
| Heating energy (kWh million)     | 2,369   | 2,074   | +295       | +14      |
| Gas (kWh million)                | 8,112   | 8,232   | -120       | -1       |
| Water (m <sup>3</sup> million)   | 9.6     | 11.3    | -1.7       | -15      |
| Sales excluding energy taxes     | 1,084   | 940     | +144       | +15      |
| of which electricity revenues    | 505     | 481     | +24        | +5       |
| of which heating energy revenues | 116     | 113     | +3         | +3       |
| of which gas revenues            | 205     | 236     | -31        | -13      |
| of which water revenues          | 21      | 24      | -3         | -13      |
| Adjusted EBIT                    | 115     | 103     | +12        | +12      |

The marked increase in electricity volumes was chiefly due to higher trading volumes in connection with direct marketing and to the nationwide sales business.

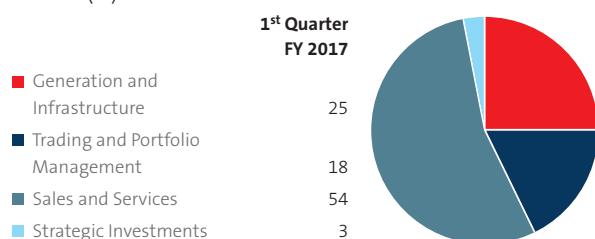
The increase in heating energy turnover was due above all to weather conditions.

Weather conditions also led to a year-on-year increase in gas turnover in the Sales and Services reporting segment. Given lower gas trading volumes, however, there was a decrease in overall gas turnover.

The reduction in water turnover resulted from the take-over of the water supply by a special purpose association as of 1 January 2016. Until this date, Energieversorgung Offenbach AG (EVO) had been responsible for this supply.

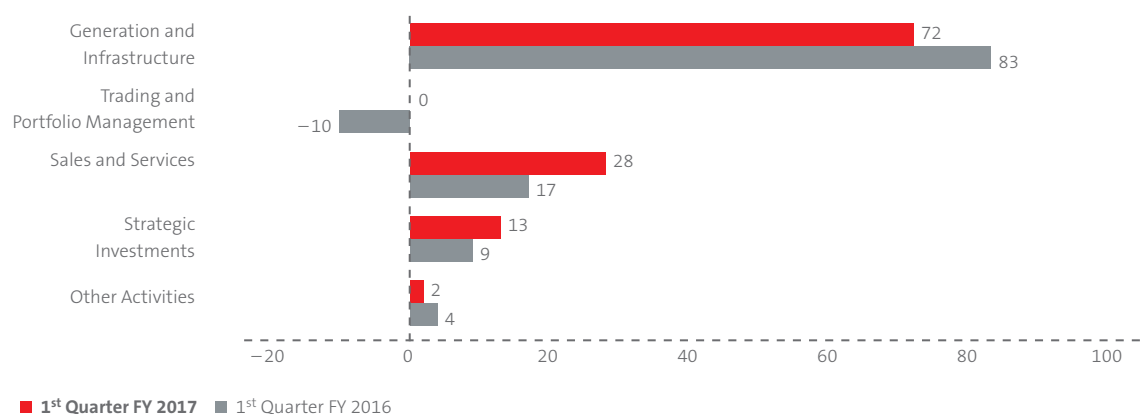
### SALES EXCLUDING ENERGY TAXES BY REPORTING SEGMENT

Shares (%)



### ADJUSTED EBIT BY REPORTING SEGMENT

Euro million



### Generation and Infrastructure reporting segment

#### Generation and Infrastructure: 1<sup>st</sup> Quarter, 1 Oct to 31 Dec

| Euro million                 | FY 2017 | FY 2016 | +/- change | % change |
|------------------------------|---------|---------|------------|----------|
| Sales excluding energy taxes | 271     | 127     | +144       | > +100   |
| Adjusted EBIT                | 72      | 83      | -11        | -13      |

Due above all to the full consolidation of the Juwi sub-group, we reported substantial sales growth in the Generation and Infrastructure reporting segment.

At Euro 72 million, adjusted EBIT fell 13 % short of the previous year's figure, a development mainly due to volatility in the renewable energies project development business. By contrast, segment earnings were positively influenced by the development in waste and biomass prices and by strong availability levels at our generation plants in Germany and the UK.

## Trading and Portfolio Management reporting segment

### Trading and Portfolio Management: 1<sup>st</sup> Quarter, 1 Oct to 31 Dec

| Euro million                 | FY 2017 | FY 2016 | +/- change | % change |
|------------------------------|---------|---------|------------|----------|
| Sales excluding energy taxes | 193     | 230     | -37        | -16      |
| Adjusted EBIT                | 0       | -10     | +10        | +100     |

While we reported higher sales to third parties in our gas business in the previous year's quarter, these volumes normalised once again in the 1<sup>st</sup> quarter of 2017. As a result of this factor, sales in the Trading and Portfolio Management reporting segment fell by 16% to Euro 193 million.

Adjusted EBIT rose by Euro 10 million, benefiting in particular from the development in wholesale prices in the power plant marketing business.

## Sales and Services reporting segment

### Sales and Services: 1<sup>st</sup> Quarter, 1 Oct to 31 Dec

| Euro million                 | FY 2017 | FY 2016 | +/- change | % change |
|------------------------------|---------|---------|------------|----------|
| Sales excluding energy taxes | 588     | 552     | +36        | +7       |
| Adjusted EBIT                | 28      | 17      | +11        | +65      |

In our Sales and Services reporting segment, we increased our sales by 7% to Euro 588 million. This sales growth was driven by the expansion in our nationwide sales business and by slightly cooler weather conditions compared with the previous year.

The charges on earnings resulting from more intense competition and the organisational realignment of sales units were more than offset by the impact of weather conditions and positive one-off items, leading adjusted EBIT to rise overall to Euro 28 million.

## Reconciliation with adjusted EBIT

### Reconciliation of EBIT (income statement) with adjusted EBIT 1<sup>st</sup> Quarter, 1 Oct to 31 Dec

| Euro million   | FY 2017    | FY 2016    | +/- change |
|--|------------|------------|------------|
| EBIT as reported in income statement                 | 163        | 81         | +82        |
| Financial derivative measurement items               | -49        | +20        | -69        |
| Structural adjustment for part-time early retirement | -          | +1         | -1         |
| Interest income from finance leases                  | +1         | +1         | -          |
| <b>Adjusted EBIT</b>                                 | <b>115</b> | <b>103</b> | <b>+12</b> |

The IAS 39 measurement items reflect the development in market prices on the commodities and energy markets. They have no impact on payments, neither do they affect our operating business or dividend.

## Development in key income statement items

The **cost of materials** rose by 7% to Euro 782 million and thus decreased as a proportion of sales. This was due above all to the full consolidation of the Juwi subgroup, as this company's materials ratio is lower than at the rest of the MVV Energie Group. This factor was countered by price effects, especially for gas and electricity.

**Adjusted employee benefit expenses** came to Euro 106 million (previous year: Euro 87 million). This 21% increase was chiefly due to the full consolidation of the Juwi subgroup.

At Euro -12 million, the **adjusted financial result** remained virtually unchanged on the previous year (Euro -13 million).

## Presentation of Net Asset Position

The reduction in non-current other receivables and assets by Euro 262 million was mainly due to measurement items and to receivables for security deposits provided in connection with energy trading transactions, as was the increase in current other receivables and assets by Euro 591 million. Correspondingly, **non-current assets** decreased by Euro 260 million to Euro 3,327 million, while **current assets** grew by Euro 697 million to Euro 2,114 million.

Trade receivables increased by Euro 64 million to Euro 522 million. This development was primarily due to volume and price increases in the electricity business, volume growth in the gas business, and customary seasonal factors. The volume of cash and cash equivalents was positively affected by the Juwi subgroup.

The **equity** of the MVV Energie Group including non-controlling interests rose by Euro 115 million in the quarter under report to reach Euro 1,541 million.

Compared with 30 September 2016, **non-current debt** fell by Euro 203 million to Euro 1,877 million. **Current debt** increased by Euro 526 million to Euro 2,023 million. Both developments were mainly due to energy trading transactions recognised under IAS 39. Non-current financial debt rose by Euro 58 million to Euro 1,234 million, a development due above all to financing measures for the gas-fired CHP plant in Kiel.

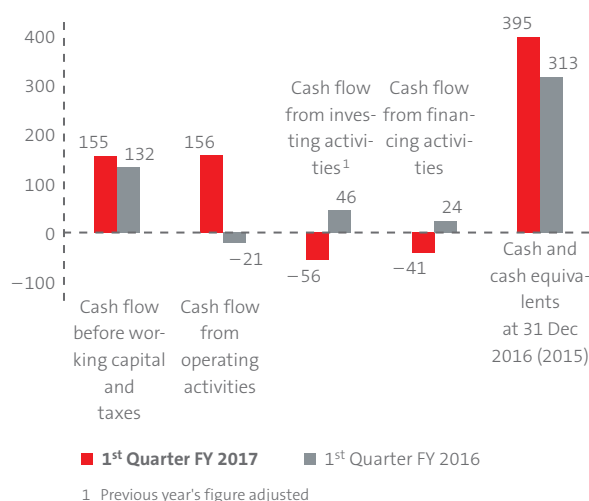
For Group management purposes, we adjust our consolidated balance sheet as of 31 December 2016 to eliminate cumulative IAS 39 measurement items. On the asset side, we eliminate the positive fair values of derivatives and allocable deferred taxes, amounting to Euro 939 million (30 September 2016: Euro 602 million). On the equity and liabilities side, we eliminate negative fair values and allocable deferred taxes, amounting to Euro 917 million, from liabilities (30 September 2016: Euro 628 million). Under equity, we then eliminate the net balance, which totalled Euro 22 million (30 September 2016: Euro –26 million). This resulted in adjusted equity of Euro 1,519 million as of 31 December 2016 (30 September 2016: Euro 1,452 million).

## Presentation of Financial Position

Current and non-current financial debt showed a reduction of Euro 19 million to Euro 1,597 million. Net financial debt (current and non-current financial debt less cash and cash equivalents) decreased by Euro 80 million to Euro 1,203 million.

### CASH FLOW STATEMENT

Euro million



Year-on-year, the **cash flow before working capital and taxes** increased by Euro 22 million in the quarter under report. This development was due above all to net income for the period before taxes on income, which also grew following elimination of non-cash income and expenses.

The improvement in the cash flow before working capital and taxes, positive changes in working capital and the volume of security deposits provided in connection with energy trading transactions and advance payments received for project development activities led the **cash flow from operating activities** to increase by Euro 177 million.

The development in the **cash flow from investing activities** was shaped by the non-recurrence of the positive item of Euro 116 million reported in the previous year due to the full consolidation of the Juwi subgroup.



The **cash flow from financing activities** fell by Euro 65 million compared with the 1<sup>st</sup> quarter of 2016, a development chiefly due to higher loan repayments.

The MVV Energie Group reported cash and cash equivalents of Euro 395 million as of 31 December 2016 (previous year: Euro 313 million).

## FORECAST FOR 2017 FINANCIAL YEAR

Following the conclusion of the 1<sup>st</sup> quarter of 2017, we can confirm the forecast for the 2017 financial year published from Page 96 onwards of our 2016 Annual Report and reiterated here in abbreviated form.

We expect the sales (excluding energy taxes) of the MVV Energie Group in the 2017 financial year to show slight growth compared with the previous year (Euro 4.2 billion).

From an operating perspective, we expect the adjusted EBIT of the MVV Energie Group in the 2017 financial year to slightly exceed the previous year's figure (Euro 213 million). The earnings performance is chiefly dependent on weather conditions, electricity and waste prices and the clean dark spread (CDS). Moreover, our adjusted EBIT is also subject to increased volatility due to the expansion in our activities in the renewable energies project development business.

## OPPORTUNITY AND RISK SITUATION

We presented our opportunity and risk management system together with the risk categories relevant to our business and the associated opportunities and risks from Page 101 onwards of our 2016 Annual Report. The overall risk situation of the MVV Energie Group at the end of the 1<sup>st</sup> quarter of 2017 was similar to that as of 30 September 2016.

## EVENTS AFTER BALANCE SHEET DATE

No events with the potential to materially influence the further course of business at the MVV Energie Group have occurred since the balance sheet date on 31 December 2016.

# Income Statement

## Income Statement of the MVV Energie Group

| Euro 000s  | <b>1 Oct 2016 to 31 Dec 2016</b> | 1 Oct 2015 to 31 Dec 2015 |
|--|----------------------------------|---------------------------|
| Sales  | 1,129,735                        | 982,718                   |
| less electricity and natural gas taxes   | 45,775                           | 43,087                    |
| <b>Sales after electricity and natural gas taxes</b>   | <b>1,083,960</b>                 | <b>939,631</b>            |
| Changes in inventories   | -20,377                          | 2,974                     |
| Own work capitalised   | 4,141                            | 4,228                     |
| Other operating income   | 438,303                          | 265,332                   |
| Cost of materials  | 782,166                          | 730,029                   |
| Employee benefit expenses  | 106,284                          | 88,059                    |
| Other operating expenses   | 417,222                          | 293,342                   |
| Income from companies recognised at equity   | 5,530                            | 21,965                    |
| Other income from shareholdings  | 702                              | 1,910                     |
| <b>EBITDA</b>  | <b>206,587</b>                   | <b>124,610</b>            |
| Depreciation   | 43,582                           | 43,392                    |
| <b>EBIT</b>  | <b>163,005</b>                   | <b>81,218</b>             |
| of which result of IAS 39 derivative measurement   | 49,478                           | -20,678                   |
| of which EBIT before result of IAS 39 derivative measurement   | 113,527                          | 101,896                   |
| Financing income   | 4,855                            | 1,689                     |
| Financing expenses   | 17,272                           | 14,392                    |
| <b>EBT</b>   | <b>150,588</b>                   | <b>68,515</b>             |
| Taxes on income  | 45,523                           | 19,773                    |
| <b>Net income for period</b>   | <b>105,065</b>                   | <b>48,742</b>             |
| of which non-controlling interests   | 11,213                           | 9,051                     |
| <b>of which earnings attributable to MVV Energie AG<br/>(net income for period after minority interests)</b> | <b>93,852</b>                    | <b>39,691</b>             |
| <b>Basic and diluted earnings per share (Euro)</b>   | <b>1.42</b>                      | <b>0.60</b>               |

# Balance Sheet

## Balance Sheet of the MVV Energie Group

| Euro 000s                                   | 31 December 2016 | 30 September 2016 |
|---|------------------|-------------------|
| <b>Assets</b>                               |                  |                   |
| <b>Non-current assets</b>                   |                  |                   |
| Intangible assets                           | 350,761          | 351,181           |
| Property, plant and equipment               | 2,550,715        | 2,539,308         |
| Investment property                         | 2,692            | 2,542             |
| Interests in companies recognised at equity | 193,791          | 189,934           |
| Other financial assets                      | 60,019           | 56,980            |
| Other receivables and assets                | 133,781          | 395,741           |
| Deferred tax assets                         | 35,009           | 50,613            |
|   | <b>3,326,768</b> | <b>3,586,299</b>  |
| <b>Current assets</b>                       |                  |                   |
| Inventories                                 | 278,374          | 296,057           |
| Trade receivables                           | 521,474          | 457,961           |
| Other receivables and assets                | 897,664          | 306,624           |
| Tax receivables                             | 14,697           | 15,958            |
| Securities                                  | 5                | 32                |
| Cash and cash equivalents                   | 394,478          | 333,041           |
| Assets held for sale                        | 7,654            | 7,654             |
|   | <b>2,114,346</b> | <b>1,417,327</b>  |
|   | <b>5,441,114</b> | <b>5,003,626</b>  |
| <b>Equity and liabilities</b>               |                  |                   |
| <b>Equity</b>                               |                  |                   |
| Share capital                               | 168,721          | 168,721           |
| Capital reserve                             | 455,241          | 455,241           |
| Accumulated net income                      | 734,403          | 640,654           |
| Accumulated other comprehensive income      | -68,882          | -81,469           |
| <b>Capital of the MVV Energie Group</b>     | <b>1,289,483</b> | <b>1,183,147</b>  |
| Non-controlling interests                   | 251,586          | 243,208           |
|   | <b>1,541,069</b> | <b>1,426,355</b>  |
| <b>Non-current debt</b>                     |                  |                   |
| Provisions                                  | 201,566          | 205,157           |
| Tax provisions                              | 3,888            | 3,897             |
| Financial debt                              | 1,233,684        | 1,175,848         |
| Other liabilities                           | 284,456          | 550,247           |
| Deferred tax liabilities                    | 153,142          | 144,777           |
|   | <b>1,876,736</b> | <b>2,079,926</b>  |
| <b>Current debt</b>                         |                  |                   |
| Other provisions                            | 154,448          | 166,644           |
| Tax provisions                              | 48,533           | 37,943            |
| Financial debt                              | 363,360          | 440,121           |
| Trade payables                              | 401,997          | 397,233           |
| Other liabilities                           | 1,052,345        | 449,927           |
| Tax liabilities                             | 2,626            | 5,477             |
|   | <b>2,023,309</b> | <b>1,497,345</b>  |
|   | <b>5,441,114</b> | <b>5,003,626</b>  |

# Cash Flow Statement

## Cash Flow Statement of the MVV Energie Group

| Euro 000s  | 1 Oct 2016 to 31 Dec 2016 | 1 Oct 2015 to 31 Dec 2015 |
|--|---------------------------|---------------------------|
| Net income for period before taxes on income   | 150,588                   | 68,515                    |
| Amortisation of intangible assets, property, plant and equipment and investment property             | 43,582                    | 43,392                    |
| Financial result   | 12,417                    | 12,702                    |
| Interest received  | 1,544                     | 1,076                     |
| Change in non-current provisions   | -1,211                    | 2,167                     |
| Other non-cash income and expenses   | -52,235                   | 7,123                     |
| Result of disposal of non-current assets   | 17                        | -2,590                    |
| <b>Cash flow before working capital and taxes</b>  | <b>154,702</b>            | <b>132,385</b>            |
| Change in other assets <sup>1</sup>  | -371,048                  | -619,682                  |
| Change in other liabilities  | 406,958                   | 504,296                   |
| Change in current provisions   | -15,858                   | -27,009                   |
| Income taxes paid  | -18,538                   | -10,565                   |
| <b>Cash flow from operating activities</b>   | <b>156,216</b>            | <b>-20,575</b>            |
| Payments for investments in intangible assets, property, plant and equipment and investment property | -55,611                   | -75,855                   |
| Proceeds from disposals of intangible assets, property, plant and equipment and investment property  | 845                       | 4,243                     |
| Proceeds from subsidy payments   | 4,137                     | 5,251                     |
| Proceeds from sale of other financial assets   | 2,127                     | 1,797                     |
| Payments for acquisition of fully consolidated companies and other business units <sup>1</sup>       | -                         | 116,024                   |
| Payments for other financial assets  | -7,888                    | -5,033                    |
| <b>Cash flow from investment activities</b>  | <b>-56,390</b>            | <b>46,427</b>             |
| Proceeds from taking up of loans   | 91,161                    | 78,692                    |
| Payments for redemption of loans   | -112,011                  | -30,491                   |
| Dividends paid to non-controlling interests  | -6,571                    | -11,179                   |
| Change due to changes in capital at minority interests   | 104                       | 1,280                     |
| Interest paid  | -14,093                   | -14,233                   |
| <b>Cash flow from financing activities</b>   | <b>-41,410</b>            | <b>24,069</b>             |
| Cash-effective changes in cash and cash equivalents  | 58,416                    | 49,921                    |
| Change in cash and cash equivalents due to currency translation                                      | 3,021                     | 606                       |
| Cash and cash equivalents at 1 October 2016 (2015)   | 333,041                   | 262,710                   |
| <b>Cash and cash equivalents at 31 December 2016 (2015)</b>  | <b>394,478</b>            | <b>313,237</b>            |
| of which cash and cash equivalents at 31 December 2016 (2015) with restraints on disposal            | 1,360                     | 1,255                     |

1 Previous year's figures adjusted

## FINANCIAL CALENDAR

### **10 March 2017**

Annual General Meeting

### **12 May 2017**

H1 Interim Report  
2017 Financial Year

### **15 August 2017**

9M Quarterly Statement  
2017 Financial Year

### **12 December 2017**

Annual Report  
2017 Financial Year

### **12 December 2017**

Annual Results Press Conference and Analysts' Conference  
2017 Financial Year

The dates of analysts' conference calls to be held during the financial year will be announced in good time.

This Quarterly Statement was published on the internet on 15 February 2017. The English edition of this Quarterly Statement is a translation of the legally definitive German edition.

## IMPRINT

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### **CONCEPT AND DESIGN**

HGB Hamburger Geschäftsberichte  
GmbH & Co. KG, Hamburg