

Interim Report Quarters 1-3/2024



Verbund

The power to transform.
Together.

Contents

At a glance	4
Report of the Executive Board	5
Investor relations	8
Interim Group management report	10
Business performance	10
Opportunity and risk management	19
Segment report	20
Events after the reporting date	28
Consolidated interim financial statements	29
Income statement	30
Statement of comprehensive income	31
Balance sheet	32
Cash flow statement	34
Statement of changes in equity	36
Selected explanatory notes	38
Responsibility statement of the legal representatives	60

At a glance

- Decrease in EBITDA (down 26.0% from €3,549.3m to €2,625.2m) and the Group result (down 30.0% from €1,980.6m to €1,387.2m)
- Average sales price achieved for own generation from hydropower down by €62.2/MWh, from €176.0/MWh to €113.8/MWh
- At 1.07, water supply in quarters 1–3/2024 was 7 percentage points above the long-term average and 14 percentage points higher than the prior-year figure (0.93)
- At 0.92, the new renewables coefficient from wind and photovoltaic in quarters 1–3/2024 was 8 percentage points below the long-term average and 12 percentage points lower than the prior-year figure (1.04)
- Earnings contribution from flexibility products down in quarters 1–3/2024
- Full-year 2024 guidance raised: EBITDA between around €3,200m and €3,400m, Group result between around €1,700m and €1,800m based on average levels of own generation from hydropower, wind power and photovoltaic production in quarter 4/2024 as well as the opportunities and risks currently identified

KPIs

	Unit	Q1–3/2023	Q1–3/2024	Change
Revenue	€m	9,789.9	5,837.6	–40.4%
EBITDA	€m	3,549.3	2,625.2	–26.0%
EBITDA adjusted	€m	3,549.3	2,625.2	–26.0%
Operating result	€m	3,145.9	2,003.3	–36.3%
Group result	€m	1,980.6	1,387.2	–30.0%
Group result adjusted	€m	2,000.9	1,485.7	–25.7%
Earnings per share	€	5.70	3.99	–30.0%
EBIT margin	%	32.1	34.3	–
EBITDA margin	%	36.3	45.0	–
Cash flow from operating activities	€m	4,153.4	2,332.8	–43.8%
Additions to property, plant and equipment	€m	986.2	719.7	–27.0%
Free cash flow before dividends	€m	3,018.7	1,541.5	–48.9%
Free cash flow after dividends	€m	1,475.0	–392.5	–
Average number of employees		3,752	4,115	9.7%
Electricity sales volume	GWh	47,515	50,444	6.2%
Hydro coefficient		0.93	1.07	–
New renewables coefficient		1.04	0.92	–
	Unit	31/12/2023	30/9/2024	Change
Total assets	€m	19,485.3	18,836.5	–3.3%
Equity	€m	11,220.9	10,693.3	–4.7%
Equity ratio (adjusted)	%	58.9	58.0	–
Net debt	€m	1,758.7	2,370.1	34.8%
Gearing	%	15.7	22.2	–

Report of the Executive Board

Dear Shareholders,

The unmistakable impact of climate change could be felt yet again in quarter 3/2024, which was marked by extreme weather conditions. Parts of Austria saw localised flooding in September. At the same time, we experienced a hot, dry summer intensified by the exceptionally warm Adriatic Sea, prompting severe storms and extreme weather phenomena. In light of this, it is abundantly clear that climate change is well underway and affects us all.

In order to address climate change, we are pursuing VERBUND's 2030 strategy. With this strategy, we are not only sending a clear signal for climate change mitigation, but also making a major contribution to security of supply in Austria. We are investing in the further expansion of Austrian hydropower generation, above all in flexible storage power plants, to be able to compensate for the increased volatility in the electricity markets. We are also investing in the expansion of the Austrian high-voltage grid so as to be able to integrate increasing renewable electricity generation into the European electricity system, and we are investing in the expansion of electricity generation from wind and photovoltaic in our defined European target markets in order to achieve greater diversification in renewable electricity generation and be able to supply our customers exclusively with renewable electricity. Investments in large-scale battery storage concepts to stabilise the electricity supply, and our hydrogen initiatives, will play a key part in decarbonising the energy system.

In quarter 3/2024, we worked tirelessly to implement our renewable energy strategy. For example, VERBUND began the largest hydropower plant rehabilitation in Styria, at the Laufnitzdorf plant on the Mur River in Frohnleiten. An investment of €65m will boost the plant's capacity by 30% thanks to state-of-the-art technology. The hydropower plant in Laufnitzdorf currently supplies more than 30,000 homes with electricity and remains a key component of sustainable energy generation in the region. September 12 marked a significant milestone in the construction of the Limberg III pumped storage power plant: the 355-tonne rotor of generator set 1 was successfully installed. This is an important step towards the completion of the power plant with a total investment volume of around €600m.

VERBUND's acquisition of a 110 MWp photovoltaic portfolio in central Italy in the quarter now ended represents another major step in implementing the 2030 strategy. The projects near Rome are improving geographical diversification and supporting our 2030 target of using photovoltaic and wind power to produce around 25% of total electricity generated.

Another key factor is the expansion of our high-voltage grid, in which we will invest around €9bn over the next decade. Projects such as the Salzburg line, the construction of the 380 kV line and the associated substations are on track, with initial operation planned for spring 2025. The recently granted permits for the expansion in central Upper Austria, in particular the EIA permit for the Upper Austrian project section, were declared final and binding, and the construction decision was taken, allowing construction to begin. This provides the necessary infrastructure to integrate the growing volumes of electricity from renewable sources and to balance out ever-increasing volatility.

By taking all these measures, VERBUND is playing a crucial part in combating climate change while strengthening Austria's and Europe's competitiveness and security of supply. The challenges are great, but with our clear strategic focus and targeted investments we are in a very good position to take a leading role in the transition to clean energy.

Though VERBUND's results declined in quarters 1-3/2024 due to the normalisation of conditions in the energy market following the gas price shock that occurred immediately after the outbreak of the Russia-Ukraine conflict, they are at a historical high level. EBITDA fell by 26.0% year-on-year to €2,625.2m. The Group result was down 30.0% to €1,387.2m and the Group result after adjustment for non-recurring effects was down 25.7% year-on-year at €1,485.7m. The water supply, which was well above average, bolstered earnings. At 1.07, the hydro coefficient for the run-of-river power plants was 14 percentage points above the prior-year figure and 7 percentage points higher than the long-term average. Earnings were hard-hit by the sharp drop in futures prices for wholesale electricity that were relevant for the reporting period. Spot market prices likewise fell in quarters 1-3/2024. The average sales price achieved by VERBUND for own generation from hydropower fell by €62.2/MWh to €113.8/MWh. Despite higher generation from photovoltaic installations and wind power plants, particularly those that came on stream in Spain and the wind power plants acquired in Austria and Germany, the earnings contribution from the New renewables segment also declined due to lower sales prices. A significantly improved (though still negative) earnings contribution in the Sales segment had a positive effect, partly due to lower procurement costs, while the contribution from the Grid segment suffered due to a drop in earnings at Gas Connect Austria GmbH and Austrian Power Grid AG.

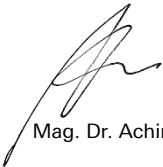
Given the better-than-expected earnings performance, we have raised our full-year guidance for 2024. Based on expectations of average levels of own generation from hydropower, wind power and photovoltaic production in quarter 4/2024 as well as the opportunities and risks currently identified, VERBUND expects EBITDA of between around €3,200m and €3,400m and a Group result of between around €1,700m and €1,800m in financial year 2024. VERBUND's planned payout ratio for financial year 2024 is between 45% and 55% of the Group result of between around €1,800m and €1,900m, after adjusting for non-recurring effects.



Mag. Dr. Michael Strugl, MBA



Dr. Peter F. Kollmann



Mag. Dr. Achim Kaspar



Dr. Susanna Zapreva-Hennerbichler

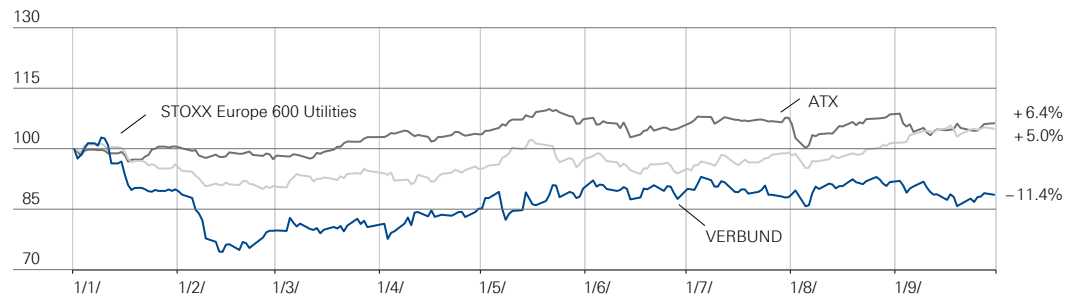
Investor relations

Contact:
Andreas Wollein
Head of Group Finance and
Investor Relations
Tel.: + 43 (0)50 313-52604
E-Mail: investor-
relations@verbund.com

The measures taken by the major central banks had a significant impact on the capital and stock markets in quarter 3/2024. As inflation rates moved towards their targets, interest rates fell on both sides of the Atlantic. Notably, the European Central Bank (ECB) acted before the Federal Reserve, lowering its key interest rate in June 2024 for the first time, and again in September 2024. The expectation now is that this rate-cutting cycle will continue. However, the hoped-for upturn in the global economy is still a long way off, even in the absence of a global recession. Growth prospects are moderate at best. Despite the positive signs on the interest rate front, inhibiting factors such as bureaucracy, volatile energy prices and a lack of competitiveness persist along with existing and new geopolitical tensions. China, too, dampened the global economy in the quarter now ended, particularly as its ongoing trade conflict with Europe and the USA continues. However, initial steps towards stabilising China's real estate market were viewed positively. To sum up, weak economic data could prompt further uncertainty on the capital markets over the next few months. Nonetheless, growth expectations for corporate profits are high. This could benefit global equity markets, especially in the run-up to 2025.

The US benchmark index Dow Jones Industrial Average ended quarters 1-3/2024 up 12.3%. The Euro Stoxx 50 performed slightly worse in the reporting period, closing 10.6% higher than at year-end 2023. The Japanese benchmark index Nikkei 225 rallied more strongly, up 13.3% compared with 31 December 2023.

VERBUND share price: relative performance 2024



Upcoming dates:
full-year 2024 results:
20 March 2025

VERBUND shares took a marked downturn until mid-February 2024. This was due to generally poor performance in the utilities sector (notably the sharp drop in wholesale electricity prices), negative sentiment on the capital market around long-term value creation from investment in new renewables, ongoing regulatory uncertainties such as the extension of the windfall tax in Austria in particular, and the profit warning issued by VERBUND on 8 February 2024 owing to the marked divergence between external analysts' consensus estimates and internal forecasts for financial year 2024. Following the announcement of a special dividend for financial year 2023 and the best full-year results in VERBUND's history, the share price stabilised and had recovered slightly by the end of quarter 1/2024. In quarter 2/2024, VERBUND's share price climbed steadily. This was mainly attributable to higher wholesale prices for electricity, which in turn were driven by higher gas prices. In quarter 3/2024, the share price was characterised by volatile sideways movement and modestly positive performance overall.

Trading at a closing price of €74.5 as at 30 September 2024, VERBUND shares were down 11.4% in quarters 1–3/2024 against year-end 2023. As such, the shares underperformed significantly against the Austrian ATX (+6.4%) and even the STOXX Europe 600 Utilities sector index (+5.0%).

KPIs – shares

	Unit	Q1–3/2023	Q1–3/2024	Change
Share price high	€	83.5	86.5	3.6%
Share price low	€	68.1	62.6	–8.0%
Closing price	€	77.1	74.5	–3.3%
Performance	%	–2.0	–11.4	–
Market capitalisation	€m	26,768.4	25,882.5	–3.3%
ATX weighting	%	10.6	9.8	–
Value of shares traded	€m	3,510.7	3,770.5	7.4%
Shares traded per day	Shares	240,321	270,571	12.6%

Interim Group management report

Business performance

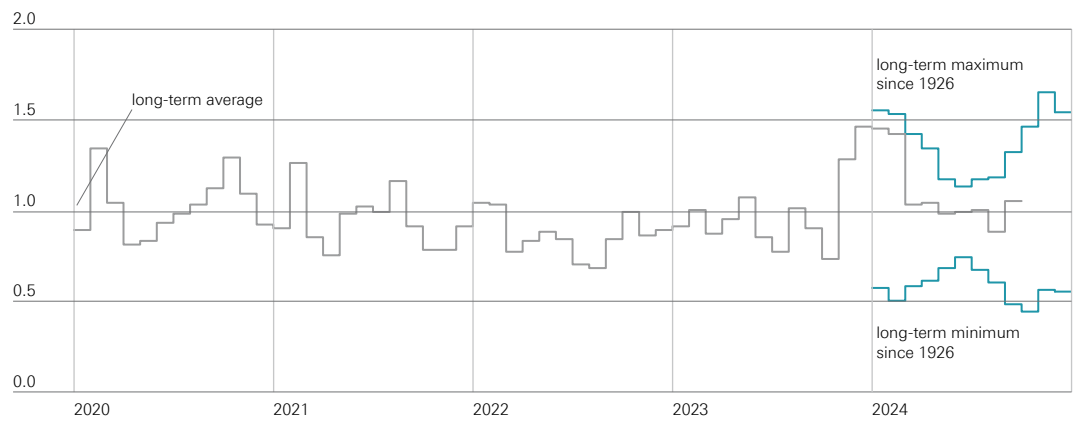
Electricity supply and sales volume

Group electricity supply	GWh		
	Q1–3/2023	Q1–3/2024	Change
Hydropower ¹	23,102	26,062	12.8%
Wind power	858	1,323	54.2%
Solar power	287	360	25.4%
Thermal power	379	500	32.1%
Battery storage ²	–	29	–
Own generation	24,626	28,275	14.8%
Electricity purchased for trading and sales	23,248	22,366	–3.8%
Electricity purchased for grid loss and control power volumes	3,212	3,388	5.5%
Electricity supply	51,086	54,029	5.8%

¹incl. purchase rights // ² drawing of stored power; the stored quantities are shown under own use

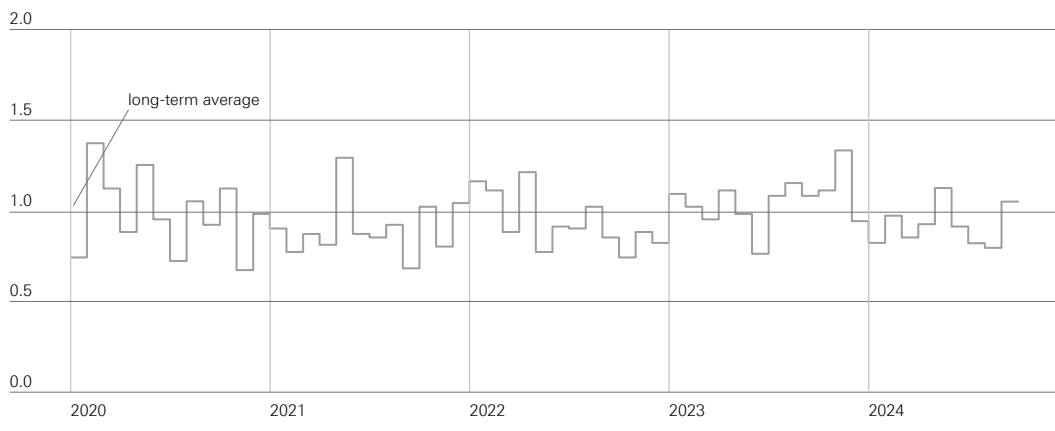
VERBUND's own generation was up 3,649 GWh (14.8%) to 28,275 GWh in quarters 1–3/2024 compared with the same period in 2023. Generation from hydropower plants rose by 2,961 GWh in the reporting period to 26,062 GWh. At 1.07, the hydro coefficient for the run-of-river power plants was 7 percentage points above the long-term average and up 14 percentage points on the comparative prior-year figure. Despite a drop in generation from turbinning, generation from annual storage power plants was up by 1% in quarters 1–3/2024, mainly due to high inflows.

Hydro coefficient (monthly averages)



At 1,323 GWh, the volume of electricity generated by VERBUND's wind power plants in quarters 1-3/2024 was up 465 GWh on the comparative prior-year figure. Electricity generated from proprietary photovoltaic installations rose by 73 GWh to 360 GWh. The new renewables coefficient dropped to 0.92; i.e. 8 percentage points below the long-term average and 12 percentage points lower than the comparative prior-year figure. The upswing in generation from photovoltaic installations and wind power plants was largely due to the acquisition and commissioning of plants in Spain, Austria and Germany.

New renewables coefficient (monthly averages)



Generation from thermal power increased by 121 GWh year-on-year, with reduced use for congestion management due to better market conditions for deploying the Mellach combined cycle gas turbine power plant to supply electricity and district heating.

The management of battery systems generated 29 GWh in the reporting period. Purchases of electricity from third parties for trading and sales declined by 882 GWh in quarters 1-3/2024. Electricity purchased from third parties for grid losses and control power rose by 176 GWh.

Group electricity sales volume and own use			GWh
	Q1-3/2023	Q1-3/2024	Change
Consumers	10,411	10,054	-3.4%
Resellers	20,910	21,053	0.7%
Traders	16,194	19,337	19.4%
Electricity sales volume	47,515	50,444	6.2%
Own use	2,713	2,551	-5.9%
Control power	859	1,033	20.3%
Electricity sales volume and own use	51,086	54,029	5.8%

VERBUND's electricity sales volume rose by 2,929 GWh, or 6.2%, to 50,444 GWh in quarters 1-3/2024. Sales to consumers fell by 358 GWh (the customer base at 30 September 2024 comprised around 480,000 electricity and gas customers), while sales to resellers rose by 144 GWh. Sales to traders were up 3,143 GWh, due in particular to higher generation.

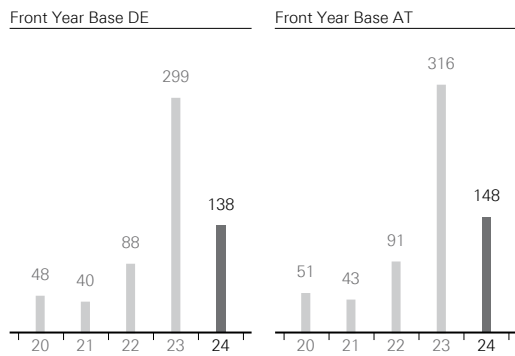
Own use of electricity declined by 161 GWh in quarters 1-3/2024, attributable above all to lower generation from turbinning.

Electricity sales by country			GWh
	Q1-3/2023	Q1-3/2024	Change
Austria	24,624	27,419	11.4%
Germany	19,120	18,992	-0.7%
France	2,579	2,416	-6.3%
Spain	453	987	-
Others	738	629	-14.9%
Electricity sales volume	47,515	50,444	6.2%

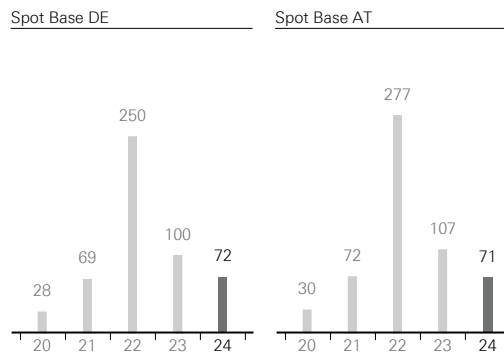
Approximately 54.4% of the electricity sold by VERBUND in quarters 1-3/2024 went to the Austrian market. The German market, which accounted for around 82% of all volumes sold abroad, was VERBUND's largest foreign market for its international trading and sales activities.

Electricity prices

Futures prices €/MWh



Spot market prices €/MWh for quarters 1-3



Futures prices traded in the year before supply. The years stated are the respective years of supply. Market area Germany or Austria respectively. Average prices.

Source: EEX, EPEX Spot

VERBUND contracted for most of its own generation for 2024 on the futures market back in 2022 and 2023. Prices for AT 2024 front-year base load contracts (traded in 2023) averaged €148.1/MWh and prices for DE 2024 front-year base load contracts averaged €137.5/MWh. Compared with the prior-year period, futures market prices were therefore down by as much as 53.1% (AT) and 54.0% (DE). Front-year peak load (AT) contracts traded at an average of €176.1/MWh and front-year peak load (DE) contracts at €164.8/MWh. Futures market prices in this area thus decreased year-on-year by 57.8% (AT) and 58.8% (DE).

On both the Austrian and German spot markets, wholesale trading prices for electricity retreated in quarters 1-3/2024. Prices for base load electricity declined by an average of 33.7% to €70.7/MWh in Austria and by 27.8% to €71.8/MWh in Germany. Prices for peak load fell by 34.5% to €76.3/MWh in Austria and by 32.3% to €72.2/MWh in Germany. The decline in wholesale prices is mainly attributable to lower prices for emission allowances and gas, due in turn to factors such as softer demand, higher stocks of gas and reassessments of the effects of geopolitical crises.

Financial performance

Results	€m		
	Q1–3/2023	Q1–3/2024	Change
Revenue	9,789.9	5,837.6	–40.4%
EBITDA	3,549.3	2,625.2	–26.0%
Operating result	3,145.9	2,003.3	–36.3%
Group result	1,980.6	1,387.2	–30.0%
Earnings per share in €	5.70	3.99	–30.0%

Electricity revenue

VERBUND's electricity revenue decreased by €3,607.5m to €4,940.7m in quarters 1–3/2024. Wholesale electricity futures prices that were relevant for the reporting period were down significantly year-on-year. Spot market prices likewise declined in quarters 1–3/2024 (for details please refer to the Electricity prices section). The average sales price achieved for own generation from hydropower fell by €62.2/MWh to €113.8/MWh. By contrast, in terms of quantities, electricity sales volumes rose by 2,929 GWh, or 6.2%, year-on-year. The recognition of energy derivatives that are not part of a hedging relationship had an offsetting effect. These derivatives are recognised at the spot market price in accordance with IFRS 9.

Grid revenue

Grid revenue decreased by €374.2m to €678.8m in quarters 1–3/2024 compared with the prior-year period. Grid revenue at Austrian Power Grid AG was down €245.8m year-on-year. Lower tariff rates in particular had a negative impact. Furthermore, above-average generation from hydropower and the increasing feed-in from photovoltaics led to a volume reduction at higher grid levels. Lower international revenues – particularly from the auctioning of cross-border capacities – were an additional factor. The €128.5m decline in grid revenue at Gas Connect Austria GmbH was largely due to lower revenue from the transmission business, mostly as a result of the discontinuation of the commodity tariff and lower auction revenue.

Other revenue and other operating income

Other revenue climbed by €29.4m to €218.1m. The increase was mainly attributable to the sale of green electricity certificates. Other operating income rose by €36.0m to €103.8m. This was due to factors including an increase in own work capitalised.

Expenses for electricity, grid, gas and certificates purchases

Expenses for electricity, grid, gas and certificate purchases decreased by €2,184.9m to €2,572.6m. A total of 706 GWh less electricity was purchased from third parties for trading and sales as well as for grid losses and control power. Lower procurement prices due to the fall in wholesale electricity prices had a positive effect as well. Expenses were also reduced by the recognition of energy derivatives that are not part of a hedging relationship. These derivatives are recognised at the spot market price in accordance with IFRS 9. Expenses for electricity purchases thus decreased by €2,112.4m compared with the previous year. Expenses for grid purchases fell by €27.7m and expenses for gas purchases by €35.6m.

Fuel expenses and other usage-/revenue-dependent expenses

Fuel and other usage-/revenue-dependent expenses fell by €78.8m to €197.5m. Gas expenses rose, due in particular to increased use of the Mellach combined cycle gas turbine power plant (for details please refer to the section entitled Electricity supply and sales volumes). Higher expenses for emission allowances also pushed up expenses. Lower gas storage costs and a lower write-down on gas inventories had an offsetting effect. The expenses recognised in connection with the measures to tax windfall profits totalled €2.6m in the current reporting period, a decrease of €74.7m on the prior-year figure (Q1-3/2023: €77.4m).

Personnel expenses

Personnel expenses in quarters 1-3/2024 were up €62.6m year-on-year to €419.3m. This increase was due to hiring additional employees in the Grid, Hydro, Hydrogen and New renewables areas for the implementation of strategic objectives. The collective bargaining agreement of between 7.8% and 8.4% also increased personnel expenses.

Other operating expenses

Other operating expenses rose by €38.9m to €333.1m, due in particular to higher maintenance costs in the Hydro and Grid segments as well as higher IT expenditures and increased regulatory costs.

Measurement and recognition of energy derivatives

This account includes €+317.1m (Q1-3/2023: €-665.1m) from the recognition of energy derivatives, with offsetting effects recognised in revenue or procurement costs. The measurement and recognition of energy derivatives for future delivery periods was €-110.8m (Q1-3/2023: €+41.4m). In quarters 1-3/2024, the result came to €+206.3m (Q1-3/2023: €-623.7m). Further details are presented in the notes to the consolidated interim financial statements.

EBITDA

As a consequence of the above-mentioned factors, EBITDA decreased by 26.0% to €2,625.2m.

Depreciation and amortisation

Amortisation of intangible assets and depreciation of property, plant and equipment rose by €39.2m to €427.2m. Along with an increase in the investment volume at Austrian Power Grid AG, this was due in particular to the depreciation of the wind power plants acquired in Spain in previous years.

Impairment losses

The impairment losses of €194.7m (Q1-3/2023: €15.4m) related to Gas Connect Austria GmbH (€169.7m) and the Mellach combined cycle gas turbine power plant (€25.0m). Further details are presented in the notes to the consolidated interim financial statements.

Result from interests accounted for using the equity method

The result from interests accounted for using the equity method rose by €26.9m to €79.8m. This was mainly due to the earnings contributions from KELAG-Kärntner Elektrizitäts-Aktiengesellschaft in the amount of €80.2m (Q1-3/2023: €46.9m; for more information, please refer to the section entitled All other segments) and from Trans Austria Gasleitung GmbH in the amount of €-2.1m (Q1-3/2023: €+5.7m).

Interest income and expenses

Interest income rose by €10.2m to €63.5m compared with quarters 1-3/2023, due mainly to higher interest payments from money market transactions. Interest expenses fell by €24.9m to €94.4m. This decrease was mostly due to the repayment of a €500m promissory note loan in November 2023 and lower net interest charged on money market transactions. Bond interest rates from the issuance of the green bond in May 2024 had an offsetting effect.

Other financial result

The other financial result fell by €11.0m to €-7.4m in quarters 1-3/2024. This decrease can be attributed primarily to the change in the measurement of an obligation to return an interest (€-16.7m) relating to the Jochenstein power plant on the Danube River. Conversely, the measurement of securities funds through profit or loss had a positive effect (€+7.3m).

Group result

After taking account of an effective tax rate of 23.4% and non-controlling interests of €182.3m, the Group result was €1,387.2m. This is a decrease of 30.0% compared with the previous year. Earnings per share amounted to €3.99 (Q1-3/2023: €5.70) for 347,415,686 shares. The Group result after adjustment for non-recurring effects was €1,485.7m, a decrease of 25.7% on the prior-year period.

Financial position

Consolidated balance sheet (condensed)

	€m				
	31/12/2023	Share	30/9/2024	Share	Change
Non-current assets	15,895.1	82%	15,906.2	84%	0.1%
Current assets	3,590.2	18%	2,930.3	16%	-18.4%
Total assets	19,485.3	100%	18,836.5	100%	-3.3%
Equity	11,220.9	58%	10,693.3	57%	-4.7%
Non-current liabilities	5,103.1	26%	5,794.8	31%	13.6%
Current liabilities	3,161.3	16%	2,348.5	12%	-25.7%
Equity and liabilities	19,485.3	100%	18,836.5	100%	-3.3%

Assets

Non-current assets remained practically unchanged from the level as at 31 December 2023. The additions to property, plant and equipment of €719.7m were reduced by depreciation amounting to €397.1m. The main additions to property, plant and equipment related to (replacement) investments at Austrian and German hydropower plants, investments in Austrian, German and Spanish wind power and photovoltaic installations, and investments in the Austrian transmission system. Impairment testing of property, plant and equipment and of intangible assets revealed a need for impairment of €169.7m for the Austrian gas transmission system and of €25.0m for the Mellach combined cycle gas turbine power plant after deduction of related government grants. The decrease in current assets was primarily due to lower positive fair values for derivative hedging transactions in the electricity business, lower cash and cash equivalents and lower trade receivables. Higher tax office receivables and higher current money market deposits had an offsetting effect.

Equity and liabilities

The change in equity was mainly attributable to the profit for the period generated in quarters 1-3/2024 along with negative effects arising from the measurement of cash flow hedges recognised in other comprehensive income and from the dividend payment by VERBUND AG and VERBUND Hydro Power GmbH. The change in current and non-current liabilities primarily resulted from lower negative fair values for derivative hedging transactions in the electricity business, lower current other liabilities and lower provisions for taxes on income and deferred taxes. Higher financial liabilities following the issuance of a bond had an offsetting effect.

Cash flows

Cash flow statement (condensed)			€m
	Q1-3/2023	Q1-3/2024	Change
Cash flow from operating activities	4,153.4	2,332.8	-43.8%
Cash flow from investing activities	-1,144.2	-787.8	-31.2%
Cash flow from financing activities	-2,586.2	-1,779.8	-31.2%
Change in cash and cash equivalents	423.0	-234.7	-
Cash and cash equivalents as at 30/9/	832.2	729.4	-12.4%

Cash flow from operating activities

Cash flow from operating activities amounted to €2,332.8m in quarters 1-3/2024, down €1,820.5m on the prior-year figure. The change was mainly due to significantly lower average prices achieved for electricity sales, lower returns from margining payments for hedging transactions in the electricity business provided as security for open positions held with exchange clearing houses, and significantly higher income tax payments.

Cash flow from investing activities

Cash flow from investing activities amounted to €-787.8m in quarters 1-3/2024 (Q1-3/2023: €1,144.2m). The change compared with quarters 1-3/2023 was mainly due to lower cash outflow for investments in intangible assets and property, plant and equipment (€+335.3m), higher cash inflow from disposals of investments (€+21.2m) and the discontinuation of cash outflow for business acquisitions (+€11.7m). The higher cash outflow from capital expenditure for interests accounted for using the equity method and other equity interests (€-3.0m) and the higher cash outflow from capital expenditure for investments (€-7.9m) had an offsetting effect.

Cash flow from financing activities

Cash flow from financing activities amounted to €-1,779.8m in quarters 1-3/2024, representing a change of €+806.4m. This change was mainly attributable to lower net outflows from money market transactions (€+732.7m), the change in inflows and outflows for financial liabilities (€+469.0m) and higher dividends paid (€-390.2m).

Opportunity and risk management

Operating result

Potential changes in the operating result are caused primarily by the volatility of electricity prices and by fluctuations in output from hydropower and from wind and photovoltaic installations. In the Electricity grid segment, possible fluctuations in the contribution margin may arise due to increased or reduced marketing of control power and congestion management, and due to regulatory effects. In the Gas grid segment, the volatility of gas prices and delivery volumes in particular along with the regulatory framework are causing potential revenue and cost fluctuations. Potential project postponements and unforeseen cost fluctuations may also result in corresponding changes in contribution margins and capital expenditure. It is also possible that changes in legal requirements and ongoing judicial proceedings as well as changes in market prices and interest rates may bring about measurement-related adjustments of VERBUND's assets or changes in provisions.

Financial result

Changes in the financial result are determined by the following factors: the volatility of investment income, measurement effects on the balance sheet arising from changes in market prices, interest rates and changes in the general environment, as well as potential expenses from collateral provided being called in and fluctuating interest rates.

Sensitivities

A change in the factors shown below (all else remaining equal) would be reflected in a projected Group result for full-year 2024 as follows based on the hedging status as at 30 September 2024 for generation volumes and interest rates:

- +/- 1% generation from hydropower plants: +/- €3.1m
- +/- 1% generation from wind and solar power: +/- €0.4m
- +/- €1/MWh wholesale electricity prices (renewable generation): +/- €0.7m
- +/- 1 percentage point in interest rates: +/- €0.3m

Segment report

Hydro segment

Hydropower activities are reported in the Hydro segment.

KPIs – Hydro segment

	Unit	Q1–3/2023	Q1–3/2024	Change
Total revenue	€m	3,588.0	2,686.7	–25.1%
EBITDA	€m	3,114.5	2,276.3	–26.9%
Result from interests accounted for using the equity method	€m	0.2	0.7	–

KPIs – Hydro segment

	Unit	31/12/2023	30/9/2024	Change
Capital employed	€m	5,957.9	5,888.1	–1.2%

The decline in total revenue and in EBITDA was mainly attributable to much lower average prices achieved, which were unable to be counterbalanced by the increase in output. The hydro coefficient for the run-of-river power plants was 1.07 (Q1–3/2023: 0.93).

The decrease in capital employed was largely due to higher current income tax provisions; higher working capital had an offsetting effect.

Current information on the Hydro segment

Current hydropower projects

During quarter 3/2024, operation and maintenance as well as all current new build, expansion and rehabilitation projects were conducted without significant restrictions.

The September flooding (HQ100 at the Greifenstein power plant) was well managed without major operational problems thanks to good preparation. However, it temporarily led to some complete plant shutdowns, including at several Danube power plants and at power plants in Styria. The extent of the losses is still being assessed.

In the Limberg III project, grouting was underway in the pressure shaft at the end of quarter 3/2024 along with work on the concrete inner lining in the pressure tunnel and the riser shaft. At the end of the reporting period, the assembly work on generator set 1 was well advanced (among other things, preparations are underway for the alignment of the generator and turbine shaft). Work on generator set 2 began in May 2024. Overall, the works are on schedule and initial operation is planned for 2025. In view of the announced raising of the Limberg Dam, work resumed after the winter break at the beginning of June 2024.

In the Reifseck II plus project, the rotor arrived at the construction site in July 2024 and the assembly work is in its final phase. The start of wet commissioning is scheduled for October and trial runs are scheduled for mid-November 2024.

In the Stegenwald project, at the end of August the Administrative Court of Justice (*Verwaltungsgerichtshof*, VwGH) overturned the nature conservation approval due to a procedural

shortcoming. At that point, the approval reverted to suspensive effect per the June 2021 permit notice. As a result, the permits for the remaining nature conservation measures were not fully granted and the work had to be halted. On October 2, 2024, the Regional Administrative Court (*Landesverwaltungsgericht*, LVwG) approved the application to lift the suspensive effect. This made it possible to resume the work that had been suspended. However, the appeal procedure before the LVwG must be repeated (obtaining the expected final positive decision is likely to take until the end of 2024).

Initial operation of the Gratkorn power plant project on the Mur River was completed and the plant was inaugurated on 4 October 2024.

The rehabilitation project at the Ottensheim-Wilhering power plant started in September 2024 with the overhaul of the fifth of a total of nine generator sets to be refurbished. The overhaul of the first generator sets in the rehabilitation projects at the Wallsee-Mitterkirchen, Jochenstein, Eggfling-Obernberg and Braunau-Simbach power plants also began in September (the Rosenheim overhaul starts in September 2025). The rehabilitation project for the Laufnitzdorf power plant is likewise in progress.

In the preliminary project for the Riedl energy store, the Passau District Office is still preparing the planning approval decision following the public hearing held in October 2023. Approval is expected by the end of 2024/beginning of 2025.

Work began in July 2024 on the construction of the new Passau-Ingling plant group site. Completion is scheduled for November 2025. For the new plant group and administrative site in Töging, the design planning is now largely complete and the first steps to maintain the existing old powerhouse and prepare for subsequent reuse are underway.

In ecological matters, the Braunau-Simbach fish pass on the Inn River to the German border was put into initial operation in July 2024 and inaugurated on 23 September 2024. The planning and approval of more fish passes including additional ecological measures also continued, for example in connection with the two LIFE projects Blue Belt Danube Inn and Riverscape Lower Inn.

In October 2024, construction is scheduled to start for the WeNatureEnns LIFE project, aiming to enhance the morphology of the Enns over a stretch of 18 km and to convert 47 hectares of river and 35 hectares of agricultural land into a near-natural river landscape.

New renewables segment

We report on our wind and solar power activities in the New renewables segment.

KPIs – New renewables segment

	Unit	Q1–3/2023	Q1–3/2024	Change
Total revenue	€m	227.9	227.6	–0.2%
EBITDA	€m	157.5	123.4	–21.7%
Result from interests accounted for using the equity method	€m	0.5	1.3	–

KPIs – New renewables segment

	Unit	31/12/2023	30/9/2024	Change
Capital employed	€m	1,643.2	1,914.4	16.5%

Total revenue remained at the same level as in the previous year. Lower average prices achieved were partly compensated by the increase in output, in particular due to the wind power plants acquired in Spain in quarter 3/2023, wind farms coming on stream in Spain and the wind power plants acquired in Austria and Germany in quarters 1–3/2024. This, along with higher other operating expenses and a downward effect from the measurement of energy derivatives for future energy deliveries, were the main reasons for the decline in EBITDA. The new renewables coefficient was 0.92 (Q1–3/2023: 1.04).

The increase in capital employed was largely attributable to the rise in net property, plant and equipment stemming in particular from wind farms in Spain coming on stream, the acquisition of wind power plants in Austria and Germany, and higher working capital.

Current projects in the New renewables segment

In Austria, new photovoltaic projects totalling around 40 MW and new wind power projects of around 20 MW were added to the project pipeline in quarter 3/2024.

In Germany, work continued in quarter 3/2024 on developing individual photovoltaic projects from the portfolio in collaboration with VISIOLAR. The first project should go into operation in 2025, subject to regulatory approval. In the wind area, transactions for four wind farms with an installed capacity of 30 MW were closed back in quarter 2/2024. The transaction for a further wind farm from this portfolio with an installed capacity of 8 MW was closed in quarter 3/2024. The development of wind power projects with EFI/Felix Nova GmbH also progressed in the reporting period. These comprise two portfolios with a planned installed capacity of up to 209 MW. The initial projects are scheduled to come on stream in 2026, subject to regulatory approval.

In Spain, work included the development of another wind farm with a capacity of around 28 MW. Initial operation is expected in quarter 4/2024. Work also continued in Spain on the project pipeline acquired in summer 2022, which consists of projects at varying stages of development.

In Italy, a photovoltaic portfolio with a total capacity of around 110 MW was acquired in quarter 3/2024. The portfolio comprises two projects at an advanced stage of development. In addition, the implementation of the 10 MW open-field solar installation in southern Italy (Apulia) is progressing. As things stand, initial operation is expected for quarter 4/2024.

In Romania and Albania, our focus in the reporting period was on developing initial wind power and photovoltaic projects. In Albania, VERBUND also won an international tender to build a 72 MW wind power project with an associated 15-year electricity purchase agreement.

Sales segment

The Sales segment comprises VERBUND's trading and sales activities and its energy services.

KPIs – Sales segment

	Unit	Q1–3/2023	Q1–3/2024	Change
Total revenue	€m	8,112.4	4,771.6	–41.2%
EBITDA	€m	–164.6	–1.0	–
Result from interests accounted for using the equity method	€m	–0.4	–1.0	–

KPIs – Sales segment

	Unit	31/12/2023	30/9/2024	Change
Capital employed	€m	585.4	658.8	12.5%

The decline in total revenue was basically attributable to the recognition of energy derivatives that are not part of a hedging relationship. These derivatives are recognised at the spot market price in accordance with IFRS 9. The improvement in EBITDA was mainly due to lower prices for purchasing electricity and gas in the consumer business. A poorer result from the measurement of energy derivatives for future energy deliveries had an offsetting effect.

The increase in capital employed was mainly due to lower deferred tax liabilities from the measurement of derivative financial instruments and higher net property, plant and equipment. Higher non-interest-bearing debt and lower working capital had an offsetting effect.

Current information on B2B activities

In sales, VERBUND is focused on expanding its position as one of the leading providers of innovative green electricity, flexibility solutions and energy services. Another focal point is the marketing of renewable energy, especially from wind power, photovoltaic and small-scale hydropower. The range of products and services includes innovative projects and collaborations in large-scale batteries, photovoltaics and electromobility for industrial customers.

VERBUND is building large-scale batteries in its combined domestic market for purposes such as supplying grid services and the marketing of control power. As at 30 September 2024, 110 MW of battery storage was in operation in Germany and Austria. Projects totalling more than 400 MW of capacity are currently under development, of which almost 100 MW under implementation, and will be put into operation over the next few years.

VERBUND has a rolling implementation programme of large-scale photovoltaic installations under the contracting model for industrial and commercial customers.

VERBUND's electric vehicle charging points business grew despite very tough market conditions. In addition to the packages for industrial customers, the promotion of products for garages of long-term tenants and for charging infrastructure in busy tourism operations has been ramped up.

Revenue at SMATRICS was up in quarter 3/2024 compared with the prior-year period. The SMATRICS-EnBW HPC network continued to expand substantially in the third quarter.

Current information on B2C activities

VERBUND's customer base as at 30 September 2024 amounted to around 480,000 residential customers in the electricity and gas sector.

In August 2024, VERBUND and the Consumers Association of Austria (*Verein für Konsumenten-information*, VKI) reached an agreement on the price adjustment of May 2022 in the form of flat-rate payments to affected household customers.

Grid segment

The Grid segment comprises the activities of Austrian Power Grid AG and Gas Connect Austria GmbH.

KPIs – Grid segment

	Unit	Q1–3/2023	Q1–3/2024	Change
Total revenue	€m	1,874.1	1,117.0	–40.4%
EBITDA	€m	413.7	257.3	–37.8%
Result from interests accounted for using the equity method	€m	5.7	–1.3	–

KPIs – Grid segment

	Unit	31/12/2023	30/9/2024	Change
Capital employed	€m	2,762.3	2,618.9	–5.2%

Total revenue decreased, primarily due to Austrian Power Grid generating much lower revenue from the recharging of expenses for grid loss and from congestion management, along with lower national and international grid revenue. However, this was offset by a sharp fall in expenses arising from grid loss energy purchases and congestion management. This, along with the discontinuation of the commodity tariff and lower auction revenues in the gas grid, were the main reasons for the decline in EBITDA.

The decrease in capital employed was attributable to the decline in net property, plant and equipment, primarily due to impairment losses in the gas grid and higher non-interest-bearing debt.

Current information on the Grid segment – Austrian Power Grid AG

Security of supply and congestion management

In quarter 3/2024, action was taken at Austrian power plants to manage congestion both within and outside the Austrian Power Grid coverage area.

Tariff regulation

The 2024 cost calculation process for 2025 was initiated on 2 February 2024 and the preliminary findings were sent by E-Control on 14 August 2024. Austrian Power Grid then submitted its comments in due time, subject to a four-week deadline. As at the end of quarter 3/2024, there have been no hearings before the Federal Administrative Court (*Bundesverwaltungsgericht*, BVwG) concerning the 2023 and 2024 cost notices contested by Austrian Power Grid.

Asset projects

Construction preparation for the general overhaul of the 220 kV line in the Enns Valley from Wagrain to Weissenbach is underway, with construction scheduled to begin in 2025. As part of this general overhaul, the existing (single) conductor cables will be replaced by a state-of-the-art bundle of two conductors, significantly increasing transmission capacity.

At the beginning of July 2024, the environmental impact assessment procedure for the 220 kV south connection to Lienz – for which the same type of bundled conductor is planned – was initiated by handing over the environmental impact statement to the regulatory authorities in Tyrol and Carinthia.

In the reporting period now ended, the approval processes for the general overhaul of the 110 kV line from Schwabeck to Obersielach were started in accordance with the relevant laws. Here, too, transmission capacity will be increased to manage the integration of renewables into the Carinthian grid.

Current information on the Grid segment – Gas Connect Austria GmbH

Gas flows

In quarter 3/2024, the level of gas flows in the East market area was lower than in the prior-year reporting period. In particular, the gas flows at the Oberkappel entry point and Mosonmagyaróvár exit point declined compared with quarter 3/2023. High storage levels at the end of quarter 2/2024 led to decreased nominations for the exit distribution area in quarter 3/2024. By contrast, the transport volumes at the Arnoldstein exit (TAG) rose year-on-year, largely due to maintenance work in competing pipeline systems. Reduced demand for gas or rather the sufficient supply of natural gas was also reflected in the wholesale prices for gas (and electricity) and thus in the lower costs for compressor energy.

Regulation

The WACC in the distribution network for the 2023–2027 regulatory period is 3.72% for existing capital expenditures and 6.33% for new capital expenditures (2023: 4.88%); the WACC for new capital expenditures is still adjusted annually.

Negotiations with Energie-Control Austria (ECA) on the imminent fifth regulatory period (2025–2027) for transmission rates concluded in quarter 2/2024. The decision reached for the East market area was to change to a no-risk regulatory system and to compensate new capital expenditures at an updated interest rate in the same way as for the distribution network.

WAG Loop 1 project

At the National Council session on 3 July 2024, up to €70m of funding was approved for the WAG Loop 1 project. A subsidy agreement will now be drafted between the relevant Federal Ministry and Gas Connect Austria GmbH. The technical implementation of the project is expected to start in quarter 4/2024.

All other segments

“All other segments” is a combined heading under which the Thermal generation segment, Services segment and Equity interests segment are brought together given that they are below the quantitative thresholds.

KPIs – All other segments

	Unit	Q1–3/2023	Q1–3/2024	Change
Total revenue	€m	288.2	299.8	4.1%
EBITDA	€m	70.3	16.7	–76.3%
Result from interests accounted for using the equity method	€m	46.9	80.2	70.8%

KPIs – All other segments

	Unit	31/12/2023	30/9/2024	Change
Capital employed	€m	674.4	719.4	6.7%

The revenue change was mainly due to positive effects from the recognition of hedging relationships to hedge the clean spark spread. Nevertheless, EBITDA fell due to negative effects from the measurement of future energy deliveries. The result from interests accounted for using the equity method was generated by KELAG-Kärntner Elektrizitäts-Aktiengesellschaft.

The increase in capital employed was mainly due to the increase in the investment in KELAG-Kärntner Elektrizitäts-Aktiengesellschaft accounted for using the equity method. However, a decrease in net property, plant and equipment, mainly as a result of the impairment loss on the Mellach combined cycle gas turbine power plant, had a countervailing effect.

Current information on the Thermal generation segment

In quarter 3/2024, both generators at the Mellach combined cycle gas turbine power plant were used primarily in the electricity market. Austrian Power Grid also activated congestion management measures during the reporting period. The Mellach district heating power plant was available to Austrian Power Grid in the reporting period exclusively for the purposes of eliminating congestion.

Austrian Power Grid also concluded a contract with the Mellach district heating power plant to support the grid for the period from 1 April 2025 to 30 September 2025. Line 10 of the Mellach combined cycle gas turbine power plant was not contracted. Line 20 of the Mellach combined cycle gas turbine power plant will participate in the market during this period.

Current information on the Services segment

As a shared services organisation, VERBUND Services GmbH continued to manage central Group services efficiently, cost-effectively and with a high level of customer satisfaction in the quarter now ended. In pursuit of the vision of service excellence and technological innovation, the shared services company is currently being split into two companies.

Facility Management continued to ensure successful operation and maintenance in quarter 3/2024. The fleet management software is currently being rolled out Group-wide and multifunctional devices are being replaced by new device types with improved IT security.

The SAP Excellence project was successfully completed in the commercial processes. A hypercare phase is currently underway to support all SAP users.

In IT services, infrastructure extensions and renewals were implemented in line with product lifecycles (e.g. VMware Cluster, storage expansion, GlobalProtect upgrade, etc.). The effects of the CrowdStrike software faults were quickly corrected and stable operations were restored. The rollout of the standard Windows 11 client is underway. The OT platform (OSC project) for customer projects is now in operation and being expanded to include additional services.

In telecommunications, provision for the Hydropower OSC data connections continued in quarter 3/2024. In Kaprun, extreme weather events caused considerable damage to the telecommunications infrastructure, but this was quickly rectified thanks to the tireless efforts of the Kaprun regional telecommunications team.

Current information on the Equity interests segment**KELAG-Kärntner Elektrizitäts-Aktiengesellschaft**

The contribution of KELAG to the result from interests accounted for using the equity method was €80.2m in quarters 1-3/2024 (Q1-3/2023: €46.9m). The improved water supply accounted for most of the year-on-year increase. In addition, higher trading income from direct marketing, the efficient use and optimisation of storage capacities and improved earnings in the consumer business contributed substantially to this earnings increase. The lower windfall tax due to the fall in market prices had a positive effect. Based on the opportunities and risks currently identified, the results for 2024 as a whole are expected to remain on a positive trend.

Events after the reporting date

There were no events requiring disclosure between the reporting date of 30 September 2024 and authorisation for issue on 22 October 2024.

Consolidated interim financial statements

Consolidated interim financial statements

of VERBUND

Income statement

		€m			
In accordance with IFRSs	Notes	Q1-3/2023	Q1-3/2024	Q3/2023	Q3/2024
Revenue		9,789.9	5,837.6	3,103.3	1,945.0
Electricity revenue	1	8,548.2	4,940.7	2,743.5	1,666.3
Grid revenue	1	1,053.0	678.8	313.6	221.0
Other revenue	1	188.7	218.1	46.2	57.7
Other operating income		67.8	103.8	14.1	29.5
Expenses for electricity, grid, gas and certificates purchases	2	-4,757.5	-2,572.6	-1,479.4	-838.3
Fuel expenses and other usage-/ revenue-dependent expenses	3	-276.2	-197.5	73.8	-30.0
Personnel expenses	4	-356.8	-419.3	-112.0	-129.0
Other operating expenses		-294.2	-333.1	-99.0	-118.9
Measurement and recognition of energy derivatives	5	-623.7	206.3	-206.8	4.6
EBITDA		3,549.3	2,625.2	1,294.1	862.8
Depreciation and amortisation	6	-388.0	-427.2	-136.3	-141.8
Impairment losses	7	-15.4	-194.7	0.0	0.0
Operating result		3,145.9	2,003.3	1,157.9	721.0
Result from interests accounted for using the equity method	8	52.9	79.8	9.4	27.1
Other result from equity interests		3.9	4.8	1.9	1.7
Interest income	9	53.3	63.5	20.3	19.6
Interest expenses	10	-119.3	-94.4	-40.5	-32.4
Other financial result	11	3.7	-7.4	-1.9	5.6
Impairment losses		-18.7	0.0	0.0	0.0
Reversals of impairment losses		6.3	0.1	0.0	0.0
Financial result		-18.0	46.4	-10.9	21.7
Profit before tax		3,127.9	2,049.8	1,147.0	742.8
Taxes on income		-759.7	-480.2	-314.4	-182.6
Profit for the period		2,368.2	1,569.5	832.6	560.2
Attributable to the shareholders of VERBUND AG (Group result)		1,980.6	1,387.2	693.4	477.1
Attributable to non-controlling interests		387.6	182.3	139.2	83.1
Earnings per share in €¹		5.70	3.99	2.00	1.37

¹ Diluted earnings per share correspond to basic earnings per share.

Statement of comprehensive income

		€m			
In accordance with IFRSs	Notes	Q1-3/2023	Q1-3/2024	Q3/2023	Q3/2024
Profit for the period		2,368.2	1,569.5	832.6	560.2
Remeasurements of net defined benefit liability	12	-34.7	-38.4	-0.3	0.3
Measurements of financial instruments		0.2	0.1	0.0	0.0
Other comprehensive income from interests accounted for using the equity method ¹		-5.2	-5.8	-0.7	0.1
Total for items that will not be reclassified subsequently to the income statement		-39.7	-44.1	-1.0	0.4
Foreign exchange differences		-1.4	0.5	-0.6	0.1
Measurements of cash flow hedges		1,638.2	-272.4	224.7	-97.9
Other comprehensive income from interests accounted for using the equity method ²		20.0	11.7	7.1	-5.2
Total for items that will be reclassified subsequently to the income statement		1,656.7	-260.2	231.1	-103.0
Other comprehensive income before tax		1,617.0	-304.2	230.1	-102.6
Taxes on income relating to items that will not be reclassified subsequently to the income statement		8.0	8.8	0.1	-0.1
Taxes on income relating to items that will be reclassified subsequently to the income statement		-385.7	61.9	-49.4	21.9
Other comprehensive income after tax		1,239.3	-233.5	180.8	-80.7
Total comprehensive income for the period		3,607.6	1,336.0	1,013.4	479.5
Attributable to the shareholders of VERBUND AG		3,220.7	1,157.2	875.3	396.3
Attributable to non-controlling interests		386.9	178.8	138.1	83.1

¹ deferred taxes included therein in quarters 1-3/2024: €1.7m (Q1-3/2023: €1.6m) // ² deferred taxes included therein in quarters 1-3/2024: €-3.6m (Q1-3/2023: €-6.3m)

Balance sheet

		€m	
In accordance with IFRSs	Notes	31/12/2023	30/9/2024
Non-current assets		15,895.1	15,906.2
Intangible assets		1,000.2	1,002.7
Property, plant and equipment		12,697.9	12,820.7
Right-of-use assets		169.7	195.1
Interests accounted for using the equity method		516.7	602.6
Other equity interests	14	227.5	270.1
Investments and other receivables	14	819.2	750.9
Receivables from derivative financial instruments	14	401.1	200.1
Deferred tax assets		62.8	64.0
Current assets		3,590.2	2,930.3
Inventories	13	80.8	146.5
Receivables from derivative financial instruments	14	1,211.6	617.9
Trade receivables, other receivables and securities	14	1,333.8	1,436.6
Cash and cash equivalents	14	964.0	729.4
Total assets		19,485.3	18,836.5

		€m	
In accordance with IFRSs	Notes	31/12/2023	30/9/2024
Equity		11,220.9	10,693.3
Attributable to the shareholders of VERBUND AG		9,969.1	9,687.9
Attributable to non-controlling interests		1,251.8	1,005.4
Non-current liabilities		5,103.1	5,794.8
Financial liabilities	14	1,555.0	2,134.5
Provisions		566.0	616.1
Deferred tax liabilities		1,359.5	1,263.6
Contributions to building costs and grants		788.9	776.6
Liabilities from derivative financial instruments	14	60.9	112.9
Other liabilities	14	772.8	891.1
Current liabilities		3,161.3	2,348.5
Financial liabilities	14	852.9	659.7
Provisions		78.9	61.2
Current tax liabilities		651.8	525.0
Liabilities from derivative financial instruments	14	302.4	106.0
Trade payables and other liabilities	14	1,275.4	996.5
Total equity and liabilities		19,485.3	18,836.5

Cash flow statement

		€m	
In accordance with IFRSs	Notes	Q1–3/2023	Q1–3/2024
Profit for the period		2,368.2	1,569.5
Amortisation of intangible assets and depreciation of property, plant and equipment (net of reversals of impairment losses)	6, 7	403.4	621.9
Impairment losses on investments (net of reversals of impairment losses)	11	–1.3	–8.5
Result from interests accounted for using the equity method (net of dividends received)	8	–17.0	2.8
Result from the disposal of non-current assets		0.5	2.7
Change in non-current provisions and deferred tax liabilities		126.0	–15.9
Change in contributions to building costs and grants		–14.9	–12.3
Other non-cash expenses and income		19.8	34.7
Subtotal		2,884.8	2,194.8
Change in inventories	13	18.2	–65.7
Change in trade receivables and other receivables	14	281.2	95.7
Change in trade payables and other liabilities	14	244.6	–122.4
Change in non-current and current receivables from derivative financial instruments	14	648.2	375.4
Change in non-current and current liabilities from derivative financial instruments	14	–122.3	–0.3
Change in current provisions and current tax liabilities		198.6	–144.5
Cash flow from operating activities¹		4,153.4	2,332.8

¹ Cash flow from operating activities includes income taxes paid of €793.0m (Q1–3/2023: €488.2m), interest paid of €29.0m (Q1–3/2023: €21.8m), interest received of €28.2m (Q1–3/2023: €19.0m) and dividends received of €3.1m (Q1–3/2023: €40.0m).

		€m	
In accordance with IFRSs	Notes	Q1-3/2023	Q1-3/2024
Cash outflow from capital expenditure for intangible assets and property, plant and equipment ²		- 1,100.6	- 765.4
Cash inflow from the disposal of intangible assets and property, plant and equipment		5.3	4.7
Cash outflow from capital expenditure for investments		-9.6	-17.6
Cash inflow from the disposal of investments		0.0	21.2
Cash outflow from business acquisitions		-11.7	0.0
Cash outflow from capital expenditure for interests accounted for using the equity method and other equity interests		-27.6	-30.7
Cash flow from investing activities		-1,144.2	-787.8
Cash inflow from money market transactions		153.0	0.0
Cash outflow from money market transactions		-1,150.5	-264.8
Cash inflow from the assumption of financial liabilities (excluding money market transactions)		9.4	506.2
Cash outflow from the repayment of financial liabilities (excluding money market transactions)		-42.4	-70.2
Cash outflow from the repayment of lease liabilities		-11.9	-17.0
Dividends paid		-1,543.8	-1,934.0
Cash flow from financing activities		-2,586.2	-1,779.8
Change in cash and cash equivalents		423.0	-234.7
Cash and cash equivalents as at 1/1		409.3	964.0
Change in cash and cash equivalents		423.0	-234.7
Cash and cash equivalents as at 30/9		832.2	729.4

² This item includes the cash purchase price of €22.9m paid to acquire 100% of the equity interest in three project companies operating wind turbines in Austria, €21.1m paid to acquire 100% of the equity interest in five project companies operating wind power plants in Germany and €10.0m paid to acquire 100% of the equity interest in two project companies operating photovoltaic systems in Italy (see "Basis of consolidation") less cash and cash equivalents acquired in a total amount of €6.1m.

Statement of changes in equity

In accordance with IFRSs	Called and paid-in share capital	Capital reserves	Retained earnings	Remeasurements of net defined benefit liability
Notes				12
As at 1/1/2023	347.4	954.3	7,305.0	-205.5
Profit for the period	-	-	1,980.6	-
Other comprehensive income	-	-	0.0	-29.3
Total comprehensive income for the period	-	-	1,980.6	-29.3
Dividends	-	-	-1,250.7	-
Other changes in equity	-	-	0.3	0.0
As at 30/9/2023	347.4	954.3	8,035.2	-234.8
As at 1/1/2024	347.4	954.3	8,322.7	-231.1
Profit for the period	-	-	1,387.2	-
Other comprehensive income	-	-	0.0	-31.8
Total comprehensive income for the period	-	-	1,387.2	-31.8
Dividends	-	-	-1,441.8	-
Other changes in equity	-	-	3.3	0.0
As at 30/9/2024	347.4	954.3	8,271.5	-263.0

						€m
	Foreign exchange differences	Change in financial instruments	Measurements of cash flow hedges	Equity attributable to the shareholders of VERBUND AG	Equity attributable to non-controlling interests	Total equity
	-18.2	29.0	-1,136.1	7,276.0	1,047.0	8,323.0
	-	-	-	1,980.6	387.6	2,368.2
	-1.4	0.1	1,270.7	1,240.1	-0.7	1,239.3
	-1.4	0.1	1,270.7	3,220.7	386.9	3,607.6
	-	-	-	-1,250.7	-247.3	-1,498.0
	0.0	0.0	0.0	0.3	-0.6	-0.3
	-19.6	29.0	134.7	9,246.3	1,186.0	10,432.3
	-19.7	54.1	541.3	9,969.1	1,251.8	11,220.9
	-	-	-	1,387.2	182.3	1,569.5
	0.5	0.0	-198.7	-230.0	-3.5	-233.5
	0.5	0.0	-198.7	1,157.2	178.8	1,336.0
	-	-	-	-1,441.8	-425.2	-1,867.0
	0.0	0.0	0.0	3.3	0.0	3.3
	-19.2	54.2	342.7	9,687.9	1,005.4	10,693.3

Selected explanatory notes

Basic principles

Financial reporting principles

These consolidated interim financial statements of VERBUND for the period ended 30 September 2024 have been prepared in accordance with the International Financial Reporting Standards (IFRSs) applicable to interim financial statements as adopted by the European Union.

The condensed format of VERBUND's consolidated interim financial statements is consistent with IAS 34 "Interim Financial Reporting"; for further information and disclosures please refer to VERBUND's consolidated financial statements for the year ended 31 December 2023, which form the basis for these consolidated interim financial statements of VERBUND.

Basis of consolidation

The following changes were made to the basis of consolidation in quarters 1-3/2024:

In January 2024, Convex Set GmbH, Scalar GmbH and N2 Energie GmbH were consolidated for the first time in the context of an asset acquisition. As of July 2024, Scalar GmbH and Convex Set GmbH were merged with their sister company, N² Energie GmbH. N² Energie GmbH was subsequently renamed VERBUND Windpark Zurndorf GmbH.

At the beginning of April 2024, 50% of the shares in Amaranta Energy S.L. and PH Tambre Energy S.L. were acquired. The equity interests in these companies are accounted for using the equity method.

Oedelum II Windparkbetriebgesellschaft mbH, Windparkbetriebgesellschaft Neundorf mbH, Windpark Mariengarten GmbH and Windpark Häger/Sandrufer See GmbH were merged in April 2024, and in July 2024 Windpark Frielendorf-Süd GmbH & Co. KG was included in the basis of consolidation for the first time through an acquisition of assets.

The remaining 50% of the shares in SOLAVOLTA Energie- und Umwelttechnik GmbH were acquired in August 2024, and accounting using the equity method ceased.

In addition, VERBUND Business Services GmbH was founded in August 2024 and included in the basis of consolidation for the first time.

As of September 2024, ICA One S.r.l. and Tenuta del Campo S.r.l. were included in the basis of consolidation for the first time through an acquisition of assets.

Effects of the macroeconomic environment

Ongoing global geopolitical tensions, and particularly the war in Ukraine, continue to create uncertainty in the macroeconomic environment and thus in the business environment in which VERBUND operates. The resulting effects are impacting on the gas grid operating company Gas Connect Austria GmbH along with other firms. Potential risks are posed by possible future economic sanctions on the part of the European Union in connection with Russian natural gas supplies and a possible suspension of gas deliveries by Russia, the financial impact of which is difficult to assess from the current perspective.

Eurozone inflation continues to decline. After standing at 2.3% in August, inflation fell to 1.8% in September, returning to the European Central Bank's (ECB) target range for the first time since 2021.

In accordance with its resolutions of 6 June and 12 September 2024, the ECB decided to cut the key interest rate by 0.25 percentage points and 0.60 percentage points, respectively. Therefore, a eurozone interest rate of 3.65% applies to main refinancing operations as of the 30 September 2024 reporting date. On 17 October 2024, the third interest rate reduction in the current year took place, this time by a further 0.25 percentage points. At its interest rate meeting in October, the ECB left open the question of

whether a further interest rate cut would be made in December 2024. The effects of interest rate movements for VERBUND included the determination of the weighted average cost of capital.

Electricity wholesale prices fell during quarters 1-3/2024. Spot market prices also dropped during this period.

During quarters 1-2/2024, the energy market environment for gas power plants showed a significant deterioration in the clean spark spreads achievable in the medium term. Clean spark spreads declined due to the mild winter, the currently stable gas supplies for Europe and the high gas storage levels, as well as high electricity generation from hydro, wind and photovoltaic power plants.

The adjustment of the aforementioned parameters resulted in changes in the value of assets recognised by VERBUND as at 30 June 2024 (see Note 7. Impairment losses). By comparison, there were no material changes as at 30 September 2024.

The effects of climate change on the measurement of VERBUND's assets are evaluated at regular intervals, whereby VERBUND works with scenarios that focus on meteorology and hydrology. The climate-based scenario analysis directly affects VERBUND's strategy in that the investment programme focuses primarily on the construction of new power plants for renewable generation, the expansion of transmission systems and steps to increase efficiency at existing power plants. No significant measurement effects as a result of changes in the quantities relevant for energy production have been identified to date in connection with the climate scenarios evaluated. Details on the effects of climate change on VERBUND are described in the consolidated financial statements for the year ended 31 December 2023.

In September 2024, widespread flooding occurred in Austria and neighbouring countries following a period of intense, prolonged rainfall. VERBUND's catchment area was affected, including along the Danube in Upper Austria and Lower Austria. The damage assessment was continuing at the date of publication of VERBUND's interim financial statements.

Effects of climate change

Accounting policies

With the exception of the IASB's new accounting standards described below, the same accounting policies were applied in these consolidated interim financial statements as in the consolidated financial statements for the period ended 31 December 2023.

The use of computing software may lead to rounding differences in the addition of rounded amounts and the calculation of percentages.

Newly applicable or applied accounting standards

Newly applicable or applied accounting standards

Standard or interpretation	Published by the IASB (endorsed by the EU)	Mandatory application for VERBUND	Material effects on the consolidated interim financial statements of VERBUND
IFRS 16 Amendment: Lease Liability in a Sale and Leaseback	22/9/2022 (20/11/2023)	1/1/2024	None
IAS 1 Amendments: Classification of Liabilities as Current or Non-current; and Non-current Liabilities with Covenants	23/1/2020 (19/12/2023)	1/1/2024	None
IAS 7 and IFRS 7 Amendment: Supplier Finance Arrangements, adding disclosure requirements	25/5/2023 (15/5/2024)	1/1/2024	None

Segment reporting

EBITDA in the total column corresponds to EBITDA in the income statement. Therefore, the reconciliation to profit before tax can be taken from the income statement. Transactions between segments are carried out at arm's length.

	Hydro	New renewables	Sales	Grid	All other segments	Recon- ciliation/ consoli- dation	Total Group
€m							
Q1–3/2024							
External revenue	137.4	188.3	4,506.0	992.4	10.0	3.5	5,837.6
Internal revenue	2,549.3	39.3	265.6	124.6	289.9	–3,268.7	0.0
Revenue	2,686.7	227.6	4,771.6	1,117.0	299.8	–3,265.2	5,837.6
EBITDA	2,276.3	123.4	–1.0	257.3	16.7	–47.5	2,625.2
Depreciation and amortisation	–172.3	–93.5	–6.3	–135.8	–15.8	–3.5	–427.2
Effects from impairment tests (operating result)	0.0	0.0	0.0	–169.7	–25.0	0.0	–194.7
Other material non-cash items	47.3	8.1	–72.5	10.7	–49.1	2.4	–53.2
Result from interests accounted for using the equity method	0.7	1.3	–1.0	–1.3	80.2	0.0	79.8
Effects from impairment tests (financial result)	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Capital employed	5,888.1	1,914.4	658.8	2,618.9	719.4	191.8	11,991.6
of which carrying amount of interests accounted for using the equity method	35.1	8.5	28.7	49.6	480.6	0.0	602.6
Additions to intangible assets and property, plant and equipment	313.6	173.6	21.1	211.7	12.3	8.5	740.7
Additions to interests accounted for using the equity method	0.0	8.5	9.2	0.0	0.0	0.0	17.7

	€m						
	Hydro	New renewables	Sales	Grid	All other segments	Recon- ciliation/ consoli- dation	Total Group
Q1–3/2023							
External revenue	182.7	175.1	7,664.5	1,755.6	8.3	3.5	9,789.9
Internal revenue	3,405.3	52.8	447.9	118.5	279.8	–4,304.3	0.0
Revenue	3,588.0	227.9	8,112.4	1,874.1	288.2	–4,300.8	9,789.9
EBITDA	3,114.5	157.5	–164.6	413.7	70.3	–42.2	3,549.3
Depreciation and amortisation	–174.2	–57.3	–3.2	–134.9	–15.9	–2.3	–388.0
Effects from impairment tests (operating result)	0.0	0.0	0.0	0.0	–15.4	0.0	–15.4
Other material non-cash items	–19.6	14.7	–82.4	11.0	–0.2	1.3	–75.3
Result from interests accounted for using the equity method	0.2	0.5	–0.4	5.7	46.9	0.0	52.9
Effects from impairment tests (financial result)	6.3	0.0	0.0	–2.8	0.0	–15.8	–12.4
Capital employed	5,909.4	1,868.5	693.5	2,789.5	646.5	–131.3	11,776.1
of which carrying amount of interests accounted for using the equity method	28.8	1.8	20.8	33.9	366.1	0.0	451.4
Additions to intangible assets and property, plant and equipment	245.5	508.3	9.7	241.3	13.5	4.2	1,022.5
Additions to interests accounted for using the equity method	0.0	0.0	5.4	0.0	0.0	0.0	5.4

Notes to the income statement

Revenue	€m						Change
	Q1-3/2023 Domestic	Q1-3/2024 Domestic	Q1-3/2023 Foreign	Q1-3/2024 Foreign	Q1-3/2023 Total	Q1-3/2024 Total	
Electricity revenue resellers	75.2	65.3	87.5	63.5	162.7	128.8	-20.8%
Electricity revenue traders	0.4	0.4	13.0	0.1	13.5	0.6	-95.8%
Electricity revenue –							
Hydro segment	75.6	65.7	100.5	63.6	176.1	129.3	-26.6%
Electricity revenue resellers	0.0	0.0	57.0	82.6	57.0	82.6	44.9%
Electricity revenue traders	0.0	8.6	36.3	26.6	36.3	35.2	-3.1%
Electricity revenue consumers	0.0	0.0	63.3	50.7	63.3	50.7	-19.9%
Electricity revenue -							
New renewables segment	0.0	8.6	156.6	160.0	156.6	168.5	7.6%
Electricity revenue resellers	1,656.3	705.4	1,504.8	565.0	3,161.1	1,270.4	-59.8%
Electricity revenue traders	954.9	785.5	1,958.6	1,257.7	2,913.4	2,043.2	-29.9%
Electricity revenue consumers	683.5	534.9	774.7	500.3	1,458.2	1,035.2	-29.0%
Electricity revenue –							
Sales segment	3,294.7	2,025.7	4,238.0	2,323.0	7,532.7	4,348.8	-42.3%
Electricity revenue resellers	546.6	251.0	107.4	32.8	654.0	283.8	-56.6%
Electricity revenue traders	24.2	10.3	4.6	0.0	28.8	10.3	-64.3%
Electricity revenue –							
Grid segment	570.7	261.3	112.0	32.8	682.7	294.1	-56.9%
Total electricity revenue	3,941.0	2,361.3	4,607.2	2,579.4	8,548.2	4,940.7	-42.2%
Grid revenue electric utilities	179.7	319.9	24.2	22.8	203.9	342.7	68.1%
Grid revenue industrial							
customers	81.5	12.1	0.0	0.0	81.5	12.1	-85.2%
Grid revenue other	436.2	87.3	331.3	236.7	767.5	324.0	-57.8%
Total grid revenue –							
Grid segment	697.5	419.3	355.5	259.5	1,053.0	678.8	-35.5%
Other revenue –							
Hydro segment					6.6	8.1	22.8%
Other revenue -							
New renewables segment					18.5	19.7	6.5%
Other revenue –							
Sales segment					131.8	157.2	19.2%
Other revenue –							
Grid segment					19.9	19.6	-1.3%
Other revenue –							
All other segments					8.3	10.0	19.3%
Other revenue –							
reconciliation					3.5	3.5	-0.5%
Total of other revenue					188.7	218.1	15.6%
Total revenue					9,789.9	5,837.6	-40.4%

(1)
Revenue

(2) Expenses for electricity, grid, gas and certificates purchases	Expenses for electricity, grid, gas and certificates purchases			€m
		Q1-3/2023	Q1-3/2024	Change
	Expenses for electricity purchases (including control power)	4,523.1	2,410.8	-46.7%
	Expenses for grid purchases	127.1	99.4	-21.8%
	Expenses for gas purchases	92.4	56.8	-38.5%
	Expenses for guarantees of origin and green certificates	9.9	5.5	-44.9%
	Purchases of emission allowances (trading)	4.9	0.2	-96.9%
	Expenses for electricity, grid, gas and certificates purchases	4,757.5	2,572.6	-45.9%
(3) Fuel expenses and other usage-/ revenue-dependent expenses	Fuel expenses and other usage-/revenue-dependent expenses			€m
		Q1-3/2023	Q1-3/2024	Change
	Fuel expenses	149.0	129.6	-13.0%
	Other revenue-dependent expenses	36.3	47.0	29.5%
	Emission allowances acquired in exchange for consideration	12.0	15.9	33.1%
	Windfall tax expenses	77.4	2.6	-96.6%
	Other usage-dependent expenses	1.6	2.3	43.2%
	Fuel expenses and other usage-/ revenue-dependent expenses	276.2	197.5	-28.5%
(4) Personnel expenses	Personnel expenses			€m
		Q1-3/2023	Q1-3/2024	Change
	Wages and salaries	275.3	325.4	18.2%
	Social security contributions as required by law as well as income-based charges and compulsory contributions	61.7	71.8	16.4%
	Other social expenses	5.6	6.2	10.9%
	Subtotal	342.6	403.3	17.7%
	Expenses for pensions and similar obligations	10.7	11.6	8.7%
	Expenses for termination benefits	3.5	4.5	26.1%
Personnel expenses	356.8	419.3	17.5%	
(5) Measurement and recognition of energy derivatives	Measurement and recognition of energy derivatives			€m
		Q1-3/2023	Q1-3/2024	Change
	Realisation of futures	-883.6	-111.5	87.4%
	of which positive	1,245.7	473.0	-62.0%
	of which negative	-2,129.3	-584.5	72.6%
	Measurement	259.9	317.8	22.3%
	of which positive	5,535.2	115.6	-97.9%
	of which negative	-5,275.3	202.3	n/a
Measurement and recognition of energy derivatives	-623.7	206.3	n/a	

Depreciation and amortisation

	€m		
	Q1–3/2023	Q1–3/2024	Change
Depreciation of property, plant and equipment	364.4	397.1	9.0%
Amortisation of intangible assets	15.0	18.2	21.6%
Depreciation of right-of-use assets	8.6	11.8	37.7%
Depreciation and amortisation	388.0	427.2	10.1%

**(6)
Depreciation and
amortisation****Impairment losses¹**

	€m		
	Q1–3/2023	Q1–3/2024	Change
Gas Connect Austria GmbH	0.0	–169.7	n/a
Mellach combined cycle gas turbine power plant	–15.8	–25.6	–61.7%
Change in deferred grants for the Mellach combined cycle gas turbine power plant	0.4	0.7	58.3%
Impairment losses	–15.4	–194.7	n/a

**(7)
Impairment losses**

¹ Further details on impairment losses are presented in the tables below.

Impairment testing of Gas Connect Austria GmbH, including Austrian Gas Grid Management AG

	31/12/2023	30/6/2024 ¹
Cash-generating unit	GCA's transmission system and distribution network, including AGGM	GCA's transmission system and distribution network, including AGGM
Indications of impairment	Significant changes in the energy industry and regulatory environment	Significant changes in the energy industry and regulatory environment
Basis for recoverable amount	Value in use	Value in use
Valuation technique	Net present value approach (DCF method)	Net present value approach (DCF method)
Derivation of cash flow	GCA budgets (based primarily on market data)	GCA budgets (based primarily on market data)
Volume	Capacity bookings	Capacity bookings
Price	Regulatory tariffs published by the regulator	Regulatory tariffs published by the regulator
Planning period	Detailed planning phase: 6 years; rough planning phase: 21 years plus Regulatory Asset Base (RAB) as exit value	Detailed planning phase: 6 years; rough planning phase: 21 years plus Regulatory Asset Base (RAB) as exit value
Key valuation assumptions	Regulatory interest rate of the RAB	Regulatory interest rate of the RAB
After-tax discount rate	Determination of discount rate taking into account regulatory framework conditions	Determination of discount rate taking into account regulatory framework conditions
Recoverable amount	€444.4m	€337.4m
Impairment losses for the period	€–56.9m	€–169.7m

¹ The last impairment test was conducted as at 30 June 2024. As at 30 September 2024, no impairment losses or decreases in previously recognised impairment losses were recognised.

Impairment testing of the Mellach combined cycle gas turbine power plant

	31/12/2023	30/6/2024 ¹
Cash-generating unit	Combined cycle gas turbine power plant (installed electrical capacity: 838 MW)	Combined cycle gas turbine power plant (installed electrical capacity: 838 MW)
Indications of impairment	Updated electricity and/or gas price forecasts	Updated electricity and/or gas price forecasts
Basis for recoverable amount	Fair value (level 3) less costs of disposal	Fair value (level 3) less costs of disposal
Valuation technique	Net present value approach (DCF method)	Net present value approach (DCF method)
Derivation of cash flow	VERBUND Thermal Power GmbH & Co KG budgets (based primarily on market data)	VERBUND Thermal Power GmbH & Co KG budgets (based primarily on market data)
Volume	Optimisation model with primary inputs: installed capacity, heat extraction (maximum 400 MW) and efficiency at full capacity (58.8%)	Optimisation model with primary inputs: installed capacity, heat extraction (maximum 400 MW) and efficiency at full capacity (58.8%)
Price	Internal and external price forecasts; temporarily expected revenue from the grid reserve, congestion management, redispatch and market use, including heat extraction in the winter for one line (Q4/2023 to Q1/2024); estimate of operating, maintenance and downtime costs by the responsible managers	Internal and external price forecasts; temporarily expected revenue from the grid reserve, congestion management, redispatch and market use; estimate of operating, maintenance and downtime costs by the responsible managers
Planning period	Total capacity averaging around 100,000 equivalent operating hours or until 2040 (dependent on earlier entry)	Total capacity averaging around 100,000 equivalent operating hours or until 2040 (dependent on earlier entry)
Key valuation assumptions	Discount rate, expected revenue from the grid reserve, congestion management and redispatch, development of clean spark spreads	Discount rate, expected revenue from the grid reserve, congestion management and redispatch, development of clean spark spreads
After-tax discount rate	WACC: 6.25%	WACC: 6.00%
Recoverable amount	€161.3m	€134.6m
Impairment losses for the period ²	€- 63.0m	€- 25.0m

¹ The last impairment test was conducted as at 30 June 2024. As at 30 September 2024, no impairments or decreases in previously recognised impairment losses were recognised. // ² The impairment loss as at 30 June 2024 was reduced by the €0.7m change in deferred government grants (31 December 2023: €- 1.7m).

Result from interests accounted for using the equity method			€m
	Q1-3/2023	Q1-3/2024	Change
Domestic	53.7	80.9	50.7%
Foreign	-0.8	-1.1	-31.5%
Income or expenses	52.9	79.8	51.0%

(8)
Result from interests
accounted for using
the equity method

Interest income			€m
	Q1-3/2023	Q1-3/2024	Change
Interest from money market transactions	14.0	30.4	117.1%
Interest from investments under closed items on the balance sheet	24.1	25.0	3.6%
Interest from clearing banks	6.1	4.4	-27.8%
Other interest and similar income	9.1	3.7	-59.4%
Interest income	53.3	63.5	19.1%

(9)
Interest income

Interest expenses			€m
	Q1-3/2023	Q1-3/2024	Change
Interest on financial liabilities under closed items on the balance sheet	24.1	25.0	3.6%
Interest on the cost of procuring credit	7.2	16.0	120.4%
Net interest expense on personnel-related liabilities	13.6	14.0	3.0%
Interest on bonds	15.5	9.0	-41.9%
Interest on bank loans	28.4	8.9	-68.8%
Interest on other liabilities from electricity supply commitments	8.8	7.8	-11.3%
Interest on a share redemption obligation	5.4	6.0	9.7%
Interest on leases	1.9	3.1	57.6%
Interest on money market transactions	8.8	2.6	-70.7%
Interest on other non-current provisions	3.3	2.3	-32.0%
Borrowing costs capitalised in accordance with IAS 23	-5.9	-7.0	-19.1%
Other interest and similar expenses	8.0	7.0	-13.4%
Interest expenses	119.3	94.4	-20.9%

(10)
Interest expenses

(11)
Other financial result

Other financial result	€m		
	Q1–3/2023	Q1–3/2024	Change
Measurement of non-derivative financial instruments	1.3	8.5	n/a
Income from securities and loans	1.5	1.6	5.8%
Change in a profit participation right with respect to material assets	0.9	0.0	– 100.0%
Change in an obligation to return an interest ¹	0.0	– 16.7	n/a
Other	0.0	– 0.8	n/a
Other financial result	3.7	– 7.4	n/a

¹ The obligation to transfer the 50% interest in Donaukraftwerk Jochenstein AG to the Free State of Bavaria without exchange of consideration is measured at amortised cost. The expected fair value of the interest at the transfer date (31 December 2050) is calculated for the respective period and discounted based on the original effective interest rate (corresponding to the weighted average cost of capital at the acquisition date). Changes in the expected fair value of the interest are recognised in the other financial result.

Notes to the statement of comprehensive income

(12)
Remeasurement of
the net defined
benefit liability

Provisions for pensions and similar obligations and for statutory termination benefits were measured based on an actuarial report updated as at 30 June 2024. These parameters were also applied to the consolidated interim financial statements as at 30 September 2024. The discount rate used was 3.50% (obligations similar to pensions as at 31 December 2023: 3.75%), 3.50% (pension obligations as at 31 December 2023: 3.75%) and 3.50% (severance payment obligations as at 31 December 2023: 3.75%). Future salary increases were taken into account at 2.75% to 4.50% (31 December 2023: 2.75% to 7.25%) and future pension increases at 2.50% to 4.25% (31 December 2023: 2.00% to 6.75%).

Notes to the balance sheet

Inventories	€m		
	31/12/2023	30/9/2024	Change
Inventories of primary energy sources held for generation ¹	35.4	47.0	32.7%
Emission allowances held for trading	16.6	73.0	n/a
Changes in emission allowances held for trading	-0.1	-0.2	-126.1%
Fair value of emission allowances held for trading	16.5	72.8	n/a
Proof of origin and green electricity certificates	8.0	1.0	-86.9%
Additives and consumables	14.9	15.8	6.1%
Other	6.0	9.9	63.5%
Inventories	80.8	146.5	81.4%

¹ In quarters 1–3/2024, a write-down of gas inventories of around €1.8m (31 December 2023: €22.7m) was recognised as an expense in the income statement. A step-up of around €1.6m (31 December 2023: €0.0m) was recognised as income in the income statement.

The measurement benchmark for inventories of natural gas and emission allowances held for trading by VERBUND is the fair value less costs to sell in accordance with the exemption provided for raw materials and commodity broker-traders (brokerage exemption). The market price for front-month gas forwards on the Central European Gas Hub (CEGH) is the relevant price for inventories of natural gas held for trading. The fair value of emission allowances held for trading corresponds to the market price on the European Energy Exchange (EEX). The fair values are thus based on Level 1 measurements.

**(13)
Inventories**

(14)
Additional
information
regarding financial
instruments

Carrying amounts and fair values by measurement category 30/9/2024

€m

Assets – balance sheet items	Measurement category in accordance with IFRS 9	Level	Carrying amount	Fair value
Interests in unconsolidated subsidiaries	FVOCI	2	39.9	39.9
Interests in unconsolidated subsidiaries	FVOCI	AC	13.0	13.0
Interests in unconsolidated subsidiaries	FVPL	3	10.4	10.4
Other equity interests	FVOCI	1	23.2	23.2
Other equity interests	FVOCI	2	157.9	157.9
Other equity interests	FVOCI	AC	25.8	25.8
Other equity interests and unconsolidated subsidiaries			270.1	
Derivatives in the energy area	FVPL	2	152.8	152.8
Derivatives in the energy area	FVPL	3	13.8	13.8
Derivatives in the finance area	FVPL	2	21.4	21.4
Derivatives in the finance area – closed items on the balance sheet	FVPL	2	12.2	12.2
Receivables from derivative financial instruments			200.1	
Securities	FVPL	1	168.1	168.1
Securities	FVOCI	3	8.1	8.1
Securities	FVOCI	AC	1.3	1.3
Securities – closed items on the balance sheet	AC	2	71.0	71.6
Loans – closed items on the balance sheet	AC	2	245.7	249.7
Loans	AC	2	63.1	63.9
Other	AC	–	161.4	–
Other	–	–	32.2	–
Other investments and non-current other receivables			750.9	
Derivatives in the energy area	FVPL	2	607.1	607.1
Derivatives in the finance area	FVPL	2	6.9	6.9
Derivatives in the finance area – closed items on the balance sheet	FVPL	2	3.9	3.9
Receivables from derivative financial instruments			617.9	
Trade receivables	AC	–	785.0	–
Receivables from investees	AC	–	30.2	–
Loans to investees	AC	2	4.0	3.9
Loans – closed items on the balance sheet	AC	2	86.3	82.9
Securities	FVPL	1	2.5	2.5
Money market transactions	AC	2	121.7	121.7
Emission allowances	–	–	24.8	–
Other	AC	–	127.6	–
Other	–	–	254.5	–
Trade receivables, other receivables and securities			1,436.6	

Carrying amounts and fair values by measurement category 30/9/2024

€m

Assets – balance sheet items	Measurement category in accordance with IFRS 9	Level	Carrying amount	Fair value
Cash and cash equivalents	AC	–	729.4	–
Aggregated by measurement category				
Financial assets at amortised cost	AC		2,425.4	
Financial assets at fair value through profit or loss	FVPL		998.9	
Financial assets at fair value through other comprehensive income	FVOCI		269.1	

Carrying amounts and fair values by measurement category 30/9/2024

€m

Liabilities – balance sheet items	Measurement category in accordance with IFRS 9	Level	Carrying amount	Fair value
Bonds	AC	2	1,643.0	1,523.5
Financial liabilities to banks and to others	AC	2	721.5	675.2
Financial liabilities to banks – closed items on the balance sheet	AC	2	125.6	133.7
Financial liabilities to banks – closed items on the balance sheet	FVPL – D	2	293.7	293.7
Capital shares attributable to limited partners	–	–	10.3	–
Non-current and current financial liabilities			2,794.2	
Derivatives in the energy area	FVPL	2	112.9	112.9
Liabilities from derivative financial instruments			112.9	
Electricity supply commitment	–	–	85.5	–
Obligation to return an interest	AC	3	145.2	128.2
Trade payables	AC	–	2.4	–
Lease liabilities	–	–	169.7	–
Other	AC	–	487.8	–
Non-current other liabilities			891.1	
Derivatives in the energy area	FVPL	1	1.5	1.5
Derivatives in the energy area	FVPL	2	104.1	104.1
Derivatives in the energy area	FVPL	3	0.4	0.4
Liabilities from derivative financial instruments			106.0	
Trade payables	AC	–	353.5	–
Lease liabilities	–	–	14.6	–
Other	AC	–	448.9	–
Other	–	–	179.4	–
Trade payables and current other liabilities			996.5	
Aggregated by measurement category				
Financial liabilities at amortised cost	AC		3,928.1	
Financial liabilities at fair value through profit or loss	FVPL		218.9	
Financial liabilities at fair value through profit or loss – designated	FVPL – D		293.7	

Carrying amounts and fair values by measurement category 31/12/2023

€m

Assets – balance sheet items	Measurement category in accordance with IFRS 9	Level	Carrying amount	Fair value
Interests in unconsolidated subsidiaries	FVOCI	2	14.8	14.8
Interests in unconsolidated subsidiaries	FVOCI	AC	5.3	5.3
Interests in unconsolidated subsidiaries	FVPL	3	10.3	10.3
Other equity interests	FVOCI	1	23.2	23.2
Other equity interests	FVOCI	2	157.9	157.9
Other equity interests	FVOCI	AC	16.0	16.0
Other equity interests and unconsolidated subsidiaries			227.5	
Derivatives in the energy area	FVPL	2	349.9	349.9
Derivatives in the energy area	FVPL	3	6.3	6.3
Derivatives in the finance area	FVPL	2	25.8	25.8
Derivatives in the finance area – closed items on the balance sheet	FVPL	2	19.2	19.2
Receivables from derivative financial instruments			401.1	
Securities	FVPL	1	158.4	158.4
Securities	FVOCI	3	8.1	8.1
Securities	FVOCI	AC	1.3	1.3
Securities – closed items on the balance sheet	AC	2	71.9	72.2
Loans – closed items on the balance sheet	AC	2	329.5	333.0
Loans	AC	2	52.0	49.2
Other	FVPL	3	28.7	28.7
Other	AC	–	143.4	–
Other	–	–	26.0	–
Investments and other receivables			819.2	
Derivatives in the energy area	FVPL	2	1,207.2	1,207.2
Derivatives in the finance area	FVPL	2	4.4	4.4
Receivables from derivative financial instruments			1,211.6	
Trade receivables	AC	–	972.0	–
Receivables from investees	AC	–	56.8	–
Loans to investees	AC	2	22.5	22.4
Securities	FVPL	1	4.4	4.4
Emission allowances	–	–	45.4	–
Other	AC	–	142.2	–
Other	–	–	90.5	–
Trade receivables, other receivables and securities			1,333.8	
Cash and cash equivalents	AC	–	964.0	–

Carrying amounts and fair values by measurement category 31/12/2023

€m

Assets – balance sheet items	Measurement category in accordance with IFRS 9	Level	Carrying amount	Fair value
Aggregated by measurement category				
Financial assets at amortised cost	AC		2,754.4	
Financial assets at fair value through profit or loss	FVPL		1,814.4	
Financial assets at fair value through other comprehensive income	FVOCI		226.6	

Carrying amounts and fair values by measurement category 31/12/2023

€m

Liabilities – balance sheet items	Measurement category in accordance with IFRS 9	Level	Carrying amount	Fair value
Bonds	AC	2	1,142.7	983.0
Financial liabilities to banks and to others	AC	2	836.4	804.7
Financial liabilities to banks – closed items on the balance sheet	AC	2	125.3	135.1
Financial liabilities to banks – closed items on the balance sheet	FVPL – D	2	295.3	295.3
Capital shares attributable to limited partners	–	–	8.3	–
Non-current and current financial liabilities			2,408.0	
Derivatives in the energy area	FVPL	2	60.9	60.9
Liabilities from derivative financial instruments			60.9	
Electricity supply commitment	–	–	97.9	–
Obligation to return an interest	AC	3	122.5	122.5
Trade payables	AC	–	2.3	–
Lease liabilities	–	–	147.8	–
Other	AC	–	402.2	–
Non-current other liabilities			772.8	
Derivatives in the energy area	FVPL	1	4.7	4.7
Derivatives in the energy area	FVPL	2	293.3	293.3
Derivatives in the energy area	FVPL	3	4.3	4.3
Liabilities from derivative financial instruments			302.4	
Trade payables	AC	–	327.4	–
Lease liabilities	–	–	12.6	–
Other	AC	–	783.0	–
Other	–	–	152.4	–
Trade payables and current other liabilities			1,275.4	
Aggregated by measurement category				
Financial liabilities at amortised cost	AC		3,741.8	
Financial liabilities at fair value through profit or loss	FVPL		363.2	
Financial liabilities at fair value through profit or loss – designated	FVPL – D		295.3	

Of the derivative financial instruments in the energy area classified as FVPL in the above tables, positive fair values of €676.4m (31 December 2023: €1,092.7m) and negative fair values of €260.9m (31 December 2023: €408.4m) relate to hedging relationships designated as cash flow hedges. These fair values represent gross amounts; following the inter-portfolio netting carried out in accordance with VERBUND's accounting policies, cash flow hedges can no longer be isolated.

Valuation techniques and input factors for determining fair values

Level	Financial instruments	Valuation technique	Input factor
1	Energy forwards	Market approach	Settlement price published by the stock exchange
1	Securities, other equity interest in Burgenland Holding AG	Market approach	Stock exchange price
2	Securities and other loans under closed items on the balance sheet, long-term loans, liabilities to banks, bonds and other financial liabilities	Net present value approach	Payments associated with the financial instruments, yield curve, credit risk of the contracting parties (credit default swaps or credit spread curves)
2	Interests in unconsolidated subsidiaries, other equity interests in Energie AG Oberösterreich, among others	Market approach	Trading multiple, transaction price
2	Non-listed energy forwards	Net present value approach	Forward price curve derived from stock exchange prices, yield curve, credit risk of the contracting parties
2	Other financial assets and liabilities measured at fair value through profit or loss in the finance area	Net present value approach	Cash flows already fixed or determined via forward rates, yield curve, credit risk of the contracting parties
3	Return obligation (obligation to transfer back the 50% interest acquired in Donaukraftwerk Jochenstein AG)	Net present value approach	Price forecasts for electricity, weighted average cost of capital after taxes
3	Securities (shares of Wiener Börse AG)	Net present value approach	Expected distribution of profits, cost of equity
3	Other non-current receivables (profit participation right with respect to material assets)	Net present value approach	Expected distribution of profits, cost of equity
AC	Other interests in unconsolidated subsidiaries, other equity interests and other securities	–	Cost as a best estimate of fair value
–	Cash and cash equivalents, trade receivables and payables, current other receivables, other borrowing within current credit lines as well as current other liabilities	–	Carrying amounts as a best estimate of fair value

Other note disclosures

Dividends paid	Total (€m)	Number of ordinary shares	Per share (€)
Dividend paid in 2024 for financial year 2023 ¹	1,441.8	347,415,686	4.15
Dividend paid in 2023 for financial year 2022	1,250.7	347,415,686	3.60

¹ of which a special dividend of €0.75 per share (Q1–3/2023: €1.16 per share)

Dividends paid**Purchase commitments for property, plant and equipment, intangible assets and other services**

	30/9/2024	of which due in 2024	of which due in 2025–2029
Total	1,766.5	638.0	1,128.4
	30/9/2023	of which due in 2023	of which due in 2024–2028
Total	1,221.4	735.3	486.1

Purchase commitments

The substantive validity of the price increase for electricity implemented in 2022 based on a price adjustment clause in the General Terms and Conditions was disputed in a class action lawsuit brought against VERBUND AG. An out-of-court settlement was reached here in August 2024. A corresponding provision has been recognised in the balance sheet for this matter.

Recognition by the tax authorities of the amortisation of an electricity purchase right amounting to approximately €2.3m per year in connection with the acquisition of interests in a German power plant company in 2012 is disputed. An objection to the notices issued by the tax authorities concerning the years 2013–2021 was filed within the prescribed time period.

There were no significant developments compared with the status described in the consolidated financial statements as at 31 December 2023 in relation to the claims for damages asserted in the wake of the flooding of the Drau River in 2012.

No information is provided on any contingent liabilities or provisions for the above-mentioned proceedings, as it is to be expected that such disclosures in the notes to the financial statements will seriously affect the position of the Group companies sued in these proceedings.

In connection with the Group's tax claim concerning the amortisation of goodwill from the equity interest in VERBUND Innkraftwerke GmbH for the years from 2014 to 2023, the appeals against the 2014–2021 notices of assessment for the tax group parent remain pending. The tax benefit for these years (reduction of future tax payments in the amount of €8.2m per year) is recognised in accordance with VERBUND's accounting policies if it is reasonably likely to arise.

Court proceedings pending

**Transactions with
related parties**

Transactions with investees accounted for using the equity method			€m
	Q1-3/2023	Q1-3/2024	Change
Income statement			
Electricity revenue	138.4	82.1	-40.7%
Grid revenue	42.6	28.8	-32.5%
Other revenue	6.6	15.9	140.3%
Other operating income	1.8	8.9	n/a
Expenses for electricity, grid, gas and certificates purchases	-199.2	-73.4	63.1%
Fuel expenses and other usage-/revenue-dependent expenses	-1.2	-0.2	80.1%
Other operating expenses	-27.8	-12.7	54.4%
Interest income	1.6	1.7	4.9%
Interest expenses	-0.3	-0.6	-93.5%
Other financial result	1.4	0.4	-68.4%

Transactions with investees accounted for using the equity method			€m
	31/12/2023	30/9/2024	Change
Balance sheet			
Investments and other receivables	36.6	63.5	73.6%
Trade receivables, other receivables and securities	26.1	15.0	-42.4%
Contributions to building costs and grants	265.6	262.8	-1.1%
Trade payables and other current liabilities	24.2	20.1	-16.8%

Electricity revenue with investees accounted for using the equity method of accounting was generated mainly with KELAG-Kärntner Elektrizitäts-Aktiengesellschaft (KELAG) (€71.2m; Q1-3/2023: €137.8m) and OeMAG Abwicklungsstelle für Ökostrom (€10.9m; Q1-3/2023: €0.6m). The electricity revenue was primarily offset by electricity purchases from KELAG in the amount of €69.5m (Q1-3/2023: €188.8m). Grid revenue with investees accounted for using the equity method of accounting was generated mainly with KELAG (€22.2m; Q1-3/2023: €37.5m). Electricity revenue with companies controlled or significantly influenced by the Republic of Austria amounted to a total of €176.6m (Q1-3/2023: €245.9m). Electricity was purchased by ÖBB, Bundesbeschaffung GmbH, Telekom Austria and OMV. Electricity purchased from companies controlled or significantly influenced by the Republic of Austria totalled €46.5m (Q1-3/2023: €195.4m). The electricity was supplied primarily by ÖBB. Gas trading contracts with OMV and gas deliveries on the part of OMV resulted in a total expense of €18.3m reported under other revenue or gas purchases, respectively (Q1-3/2023: expense of €47.6m).

VERBUND's expenses for monitoring by E-Control amounted to €17.8m (Q1-3/2023: €12.6m).

These consolidated interim financial statements of VERBUND have been neither audited nor reviewed by an auditor.

Audit and/or review

There were no events requiring disclosure between the reporting date of 30 September 2024 and authorisation for issue on 22 October 2024.

Events after the reporting date

Vienna, 22 October 2024

The Executive Board



Michael Strugl
Chairman of the Executive Board
of VERBUND AG



Peter F. Kollmann
CFO, Vice Chairman of the
Executive Board of VERBUND AG



Achim Kaspar
Member of the Executive Board
of VERBUND AG



Susanna Zapreva-Hennerbichler
Member of the Executive Board
of VERBUND AG

Responsibility statement of the legal representatives

We confirm according to the best of our knowledge that the condensed consolidated interim financial statements of VERBUND for the period ended 30 September 2024, prepared in accordance with the accounting standards for interim financial reports under International Financial Reporting Standards (IFRSs), give a true and fair view of the assets and liabilities, financial position and profit or loss of the Group as required under stock exchange regulations.

We also confirm that the interim Group management report of VERBUND gives a true and fair view of the assets and liabilities, financial position and profit or loss of the Group as required under stock exchange regulations with respect to the important events during the first nine months of the financial year and their effects on the condensed consolidated interim financial statements as at 30 September 2024 as well as with respect to the principal risks and uncertainties in the remaining three months of the financial year and with respect to the related party transactions to be disclosed.

Vienna, 22 October 2024

The Executive Board



Michael Strugl
Chairman of the Executive Board
of VERBUND AG



Peter F. Kollmann
CFO, Vice Chairman of the
Executive Board of VERBUND AG



Achim Kaspar
Member of the Executive Board
of VERBUND AG



Susanna Zapreva-Hennerbichler
Member of the Executive Board
of VERBUND AG

EDITORIAL DETAILS

Published by: VERBUND AG
Am Hof 6a, 1010 Vienna, Austria

This **Interim Financial Report** was produced in-house with firesys.

Charts and table concept:
Roman Griesfelder, aspektum gmbh

Creative concept and design:
Brains Marken und Design GmbH

Design: Irmgard Benezeder
Consulting: Ute Greutter, UKcom Finance

Translation and linguistic consulting: ASI GmbH
Print: VERBUND AG (in-house)

Contact: VERBUND AG
Am Hof 6a, 1010 Vienna, Austria
Phone: +43 (0)50 313-0
Fax: +43 (0)50 313-54191
E-mail: information@verbund.com
Web: www.verbund.com
Commercial register number: FN 76023z
Commercial register court:
Commercial Court of Vienna
VAT No.: ATU14703908
DPR No.: 0040771
Registered office: Vienna, Austria

Investor relations:
Andreas Wollein
Phone: +43 (0)50 313-52604
E-mail: investor-relations@verbund.com

Company spokesperson:
Ingun Metelko
Phone: +43 (0)50 313-53748
E-mail: ingun.metelko@verbund.com

Shareholder structure:

– Republic of Austria (51.0%)
– Syndicate (> 25.0%) consisting of EVN AG (the shareholders of which are Niederösterreichische Landes-Beteiligungsholding GmbH, 51%, and Wiener Stadtwerke GmbH, 28.4%) and Wiener Stadtwerke GmbH (the sole shareholder is the City of Vienna)
– TIWAG-Tiroler Wasserkraft AG (> 5.0%; the sole shareholder is the Austrian state of Tyrol)
– Free float (< 20.0%): no further information is available to VERBUND concerning owners of shares in free float.

Legal and statutory limitations of voting rights:

With the exception of regional authorities and companies in which regional authorities hold an interest of at least 51%, the voting rights of each shareholder at the Annual General Meeting are restricted to 5% of the share capital.

Regulatory body/trade associations:

E-Control GmbH/E-Control Commission
Wirtschaftskammer Österreich
(Austrian Economic Chambers)
Oesterreichs Energie

Object of the Group:

The Group focus is the generation, transportation, trading with and sale of electrical energy and energy from other sources as well as the provision and performance of energy services.

Executive Board:

Michael Strugl (Chairman),
Peter F. Kollmann (Vice-Chairman),
Achim Kaspar,
Susanna Zapreva-Hennerbichler

Supervisory Board:

Martin Ohneberg (Chairman), Edith Hlawati (1st Vice-Chairwoman), Eva Eberhartinger (2nd Vice-Chairwoman), Ingrid Hengster, Jürgen Roth, Eckhardt Rümmler, Christa Schlager, Robert Stajic, Stefan Szyszkowitz, Peter Weinelt, Isabella Hönlinger, Kurt Christof, Wolfgang Liebscher, Veronika Neugeboren, Hans-Peter Schweighofer

Purpose of publication:

Information of customers, partners and the general public about the utilities sector and the Group

Specific laws applicable:

Austrian Electricity Industry and Organisation Act (*Elektrizitätswirtschafts- und -organisationsgesetz*, EIWOG) with associated regulations and implementation laws. The legal bases listed can be accessed via the legal information system of the Federal Chancellery of the Republic of Austria at www.ris.bka.gv.at.

A large, bold, white letter 'V' is centered in the upper half of the image, superimposed over the solar panels and the sky. The background consists of a vast field of dark blue solar panels with a grid pattern, extending towards a line of green trees under a clear blue sky.

Responsibility for
the Future.

Verbund