

# Financial statements of the EnBW Group 2015 >

Version without management report



# Financial statements

of the EnBW Group

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# Income statement

in € million <sup>1</sup>	Notes	2015	2014
Revenue including electricity and energy taxes		21,944.1	21,760.1
Electricity and energy taxes		-777.6	-757.6
<b>Revenue</b>	(1)	<b>21,166.5</b>	<b>21,002.5</b>
Changes in inventories		-3.0	15.5
Other own work capitalised		93.4	78.0
Other operating income	(2)	833.8	1,238.1
Cost of materials	(3)	-17,364.7	-17,511.7
Personnel expenses	(4)	-1,641.3	-1,620.2
Other operating expenses	(5)	-1,166.5	-1,064.9
<b>EBITDA</b>		<b>1,918.2</b>	<b>2,137.3</b>
Amortisation and depreciation	(6)	-1,641.2	-2,137.2
<b>Earnings before interest and taxes (EBIT)</b>		<b>277.0</b>	<b>0.1</b>
Investment result	(7)	21.2	25.6
of which net profit/loss from entities accounted for using the equity method		(26.3)	(-15.7)
of which other profit/loss from investments		(-5.1)	(41.3)
Financial result	(8)	-24.0	-635.4
of which finance income		(1,078.9)	(433.8)
of which finance costs		(-1,102.9)	(-1,069.2)
<b>Earnings before tax (EBT)</b>		<b>274.2</b>	<b>-609.7</b>
Income tax	(9)	-73.7	206.9
<b>Group net profit/loss</b>		<b>200.5</b>	<b>-402.8</b>
of which profit/loss shares attributable to non-controlling interests		(75.6)	(63.1)
of which profit/loss shares attributable to the shareholders of EnBW AG		(124.9)	(-465.9)
<b>EnBW AG shares outstanding (million), weighted average</b>		<b>270.855</b>	<b>270.855</b>
<b>Earnings per share from Group net profit/loss (€)<sup>2</sup></b>	(26)	<b>0.46</b>	<b>-1.72</b>

<sup>1</sup> The figures for the previous year have been restated. Further information is available in the notes under "Restatement of previous-year figures".

<sup>2</sup> Diluted and basic; in relation to the profit/loss attributable to the shareholders of EnBW AG.

# Statement of comprehensive income

in € million <sup>1</sup>	2015	2014
<b>Group net profit/loss</b>	<b>200.5</b>	<b>-402.8</b>
Revaluation of pensions and similar obligations	200.7	-1,193.5
Entities accounted for using the equity method	-24.2	-83.3
Income taxes on other comprehensive income	-32.6	313.9
<b>Total of other comprehensive income and expenses without future reclassifications impacting earnings</b>	<b>143.9</b>	<b>-962.9</b>
Currency translation differences	53.2	7.7
Cash flow hedge	104.9	-36.1
Available-for-sale financial assets	-406.4	240.2
Entities accounted for using the equity method	14.6	29.6
Income taxes on other comprehensive income	-11.4	-29.2
<b>Total of other comprehensive income and expenses with future reclassifications impacting earnings</b>	<b>-245.1</b>	<b>212.2</b>
<b>Total other comprehensive income</b>	<b>-101.2</b>	<b>-750.7</b>
<b>Total comprehensive income</b>	<b>99.3</b>	<b>-1,153.5</b>
of which profit/loss shares attributable to non-controlling interests	(88.1)	(38.0)
of which profit/loss shares attributable to the shareholders of EnBW AG	(11.2)	(-1,191.5)

<sup>1</sup> The figures for the previous year have been restated. Further information is available in the notes under "Restatement of previous-year figures".

# Balance sheet

in € million <sup>1</sup>	Notes	31/12/2015	31/12/2014	01/01/2014
<b>Assets</b>				
<b>Non-current assets</b>				
Intangible assets	(10)	1,744.9	1,783.0	1,844.1
Property, plant and equipment	(11)	13,508.1	13,681.7	14,069.7
Investment properties	(12)	68.9	75.8	77.0
Entities accounted for using the equity method	(13)	826.1	1,941.0	1,927.4
Other financial assets	(14)	8,240.4	8,513.4	6,399.9
Trade receivables	(15)	760.3	678.6	641.9
Income tax refund claims	(16)	5.3	9.1	12.9
Other non-current assets	(17)	340.4	270.0	277.2
Deferred taxes	(23)	93.4	430.0	257.8
		<b>25,587.8</b>	<b>27,382.6</b>	<b>25,507.9</b>
<b>Current assets</b>				
Inventories	(18)	877.5	1,135.4	1,353.9
Financial assets	(19)	1,353.9	780.1	750.3
Trade receivables	(15)	2,787.3	3,193.1	3,745.0
Income tax refund claims	(16)	469.9	451.6	343.1
Other current assets	(17)	2,564.8	2,085.6	1,542.9
Cash and cash equivalents	(20)	3,501.1	3,179.2	2,424.9
		<b>11,554.5</b>	<b>10,825.0</b>	<b>10,160.1</b>
<b>Assets held for sale</b>	(25)	1,015.9	104.5	90.3
		<b>12,570.4</b>	<b>10,929.5</b>	<b>10,250.4</b>
		<b>38,158.2</b>	<b>38,312.1</b>	<b>35,758.3</b>
<b>Equity and liabilities</b>				
<b>Equity</b>	(21)			
<b>Shares of the shareholders of EnBW AG</b>				
Subscribed capital		708.1	708.1	708.1
Capital reserve		774.2	774.2	774.2
Revenue reserves		3,601.5	3,692.4	4,317.2
Treasury shares		-204.1	-204.1	-204.1
Other comprehensive income		-1,644.2	-1,530.5	-791.8
		<b>3,235.5</b>	<b>3,440.1</b>	<b>4,803.6</b>
Non-controlling interests		1,854.0	1,105.5	1,217.4
		<b>5,089.5</b>	<b>4,545.6</b>	<b>6,021.0</b>
<b>Non-current liabilities</b>				
Provisions	(22)	14,478.1	14,302.2	12,450.7
Deferred taxes	(23)	670.7	648.9	1,017.4
Financial liabilities	(24)	6,810.0	7,187.1	5,547.4
Income tax liabilities	(24)	84.3	134.3	164.4
Other liabilities and subsidies	(24)	1,748.6	1,874.2	1,968.7
		<b>23,791.7</b>	<b>24,146.7</b>	<b>21,148.6</b>
<b>Current liabilities</b>				
Provisions	(22)	1,342.8	1,151.6	1,391.6
Financial liabilities	(24)	758.2	1,078.5	224.7
Trade payables	(24)	3,523.5	3,829.6	3,611.0
Income tax liabilities	(24)	305.5	330.9	418.0
Other liabilities and subsidies	(24)	3,346.2	3,180.7	2,910.8
		<b>9,276.2</b>	<b>9,571.3</b>	<b>8,556.1</b>
<b>Liabilities directly associated with assets classified as held for sale</b>	(25)	0.8	48.5	32.6
		<b>9,277.0</b>	<b>9,619.8</b>	<b>8,588.7</b>
		<b>38,158.2</b>	<b>38,312.1</b>	<b>35,758.3</b>

<sup>1</sup> The figures for the previous years have been restated. Further information is available in the notes under "Restatement of previous-year figures".

# Cash flow statement

in € million <sup>1</sup>	2015	2014
<b>1. Operating activities</b>		
EBITDA	1,918.2	2,137.3
Changes in provisions	145.6	73.2
Result from disposals	-50.3	-93.1
Other non-cash expenses/income	-69.7	-341.5
Change in assets and liabilities from operating activities	-137.7	254.7
Inventories	(70.2)	(-68.7)
Net balance of trade receivables and payables	(-60.5)	(669.4)
Net balance of other assets and liabilities	(-147.4)	(-346.0)
Income tax received/paid	112.2	-254.9
<b>Cash flow from operating activities</b>	<b>1,918.3</b>	<b>1,775.7</b>
<b>2. Investing activities</b>		
Capital expenditures on intangible assets and property, plant and equipment	-1,416.4	-1,704.4
Disposals of intangible assets and property, plant and equipment	140.2	194.1
Cash received from construction cost and investment subsidies	78.2	79.9
Acquisition of subsidiaries, entities accounted for using the equity method and interests in joint operations	-21.1	-40.8
Sale of subsidiaries, entities accounted for using the equity method and interests in joint operations	25.0	108.9
Cash paid for investments in other financial assets	-1,996.1	-2,795.4
Sale of other financial assets	1,949.6	1,071.2
Cash received/paid for investments in connection with short-term finance planning	45.8	-13.6
Interest received	242.9	211.2
Dividends received	137.7	112.3
<b>Cash flow from investing activities</b>	<b>-814.2</b>	<b>-2,776.6</b>
<b>3. Financing activities</b>		
Interest paid for financing activities	-375.1	-338.6
Dividends paid	-269.7	-261.8
Cash received for changes in ownership interest without loss of control	719.8	89.7
Cash paid for changes in ownership interest without loss of control	0.0	-197.9
Increase in financial liabilities	244.6	2,661.5
Repayment of financial liabilities	-1,112.0	-192.0
Payments from alterations of capital in non-controlling interests	-6.1	0.0
<b>Cash flow from financing activities</b>	<b>-798.5</b>	<b>1,760.9</b>
<b>Net change in cash and cash equivalents</b>	<b>305.6</b>	<b>760.0</b>
Net foreign exchange difference	10.3	0.3
<b>Change in cash and cash equivalents</b>	<b>315.9</b>	<b>760.3</b>
Cash and cash equivalents at the beginning of the period	3,185.2	2,424.9
<b>Cash and cash equivalents at the end of the period</b>	<b>3,501.1</b>	<b>3,185.2</b>
of which cash and cash equivalents in current assets	(3,501.1)	(3,179.2)
of which cash and cash equivalents in assets held for sale	(0.0)	(6.0)

<sup>1</sup> Further information is available in the notes under (34) "Notes to the cash flow statement".

# Statement of changes in equity

in € million <sup>1,2</sup>	Other comprehensive income <sup>4</sup>										
	Subscribed capital and capital reserve <sup>3</sup>	Revenue reserves	Treasury shares	Revaluation of pensions and similar obligations	Difference from currency translation	Cash flow hedge	Available-for-sale financial assets	Entities accounted for using the equity method	Shares of the shareholders of EnBW AG	Non-controlling interests <sup>4</sup>	Total
<b>As of: 01/01/2014</b>	<b>1,482.3</b>	<b>4,378.9</b>	<b>-204.1</b>	<b>-783.1</b>	<b>-100.1</b>	<b>-311.1</b>	<b>402.5</b>	<b>0.0</b>	<b>4,865.3</b>	<b>1,217.4</b>	<b>6,082.7</b>
Changes due to error corrections		-61.7							-61.7		-61.7
<b>As of: 01/01/2014 after changes due to error corrections</b>	<b>1,482.3</b>	<b>4,317.2</b>	<b>-204.1</b>	<b>-783.1</b>	<b>-100.1</b>	<b>-311.1</b>	<b>402.5</b>	<b>0.0</b>	<b>4,803.6</b>	<b>1,217.4</b>	<b>6,021.0</b>
Other comprehensive income				-867.6	4.5	-11.6	202.8	-53.7	-725.6	-25.1	-750.7
Group net loss/profit		-465.9							-465.9	63.1	-402.8
<b>Total comprehensive income</b>	<b>0.0</b>	<b>-465.9</b>	<b>0.0</b>	<b>-867.6</b>	<b>4.5</b>	<b>-11.6</b>	<b>202.8</b>	<b>-53.7</b>	<b>-1,191.5</b>	<b>38.0</b>	<b>-1,153.5</b>
Dividends paid		-186.9							-186.9	-57.2	-244.1
Other changes <sup>5,6</sup>		28.0		-1.5		-11.6			14.9	-92.7	-77.8
<b>As of: 31/12/2014</b>	<b>1,482.3</b>	<b>3,692.4</b>	<b>-204.1</b>	<b>-1,652.2</b>	<b>-95.6</b>	<b>-334.3</b>	<b>605.3</b>	<b>-53.7</b>	<b>3,440.1</b>	<b>1,105.5</b>	<b>4,545.6</b>
Other comprehensive income				169.5	41.2	77.4	-392.2	-9.6	-113.7	12.5	-101.2
Group net profit		124.9							124.9	75.6	200.5
<b>Total comprehensive income</b>	<b>0.0</b>	<b>124.9</b>	<b>0.0</b>	<b>169.5</b>	<b>41.2</b>	<b>77.4</b>	<b>-392.2</b>	<b>-9.6</b>	<b>11.2</b>	<b>88.1</b>	<b>99.3</b>
Dividends paid		-186.9							-186.9	-65.1	-252.0
Other changes <sup>5,6</sup>		-28.9							-28.9	725.5	696.6
<b>As of: 31/12/2015</b>	<b>1,482.3</b>	<b>3,601.5</b>	<b>-204.1</b>	<b>-1,482.7</b>	<b>-54.4</b>	<b>-256.9</b>	<b>213.1</b>	<b>-63.3</b>	<b>3,235.5</b>	<b>1,854.0</b>	<b>5,089.5</b>

<sup>1</sup> The figures for the previous year have been restated. Further information is available in the notes under "Restatement of previous-year figures".

<sup>2</sup> Further information is available in the notes under (21) "Equity".

<sup>3</sup> Of which subscribed capital €708.1 million (31 December 2014: €708.1 million, 1 January 2014: €708.1 million) and capital reserve €774.2 million (31 December 2014: €774.2 million, 1 January 2014: €774.2 million).

<sup>4</sup> Of which other comprehensive income directly associated with the assets held for sale as of 31 December 2015 to the amount of €-45.4 million (31 December 2014: €0.0 million, 1 January 2014: €0.0 million). Of which attributable to the shareholders of EnBW AG: €-45.4 million, (31 December 2014: €0.0 million, 1 January 2014: €0.0 million). Of which attributable to non-controlling interests: €0.0 million (31 December 2014: €0.0 million, 1 January 2014: €0.0 million).

<sup>5</sup> Of which change in revenue reserves, revaluation of pensions and similar obligations and of the cash flow hedge due to changes in ownership interest in subsidiaries without loss of control amounting to €-28.2 million, €0.0 million and €0.0 million, respectively (previous year: €26.6 million, €-1.5 million and €-11.6 million, respectively). Of which changes in non-controlling interests due to changes in ownership interest of subsidiaries without loss of control amounting to €738.8 million (previous year: €-94.7 million).

<sup>6</sup> Of which transaction costs that were accounted for as a deduction from equity amounting to €1.9 million (previous year: €1.8 million).



# Notes to the 2015 financial statements of the EnBW Group

## General principles

In accordance with section 315a (1) of the German Commercial Code (HGB), the consolidated financial statements of EnBW Energie Baden-Württemberg AG (EnBW) are prepared according to the International Financial Reporting Standards (IFRS), the adoption of which is mandatory in the European Union as of the reporting date. The interpretations promulgated by the IFRS Interpretations Committee (IFRS IC) are also taken into account. IFRS and interpretations whose application is not yet mandatory are not adopted. The consolidated financial statements therefore comply with those IFRS and interpretations issued by the International Accounting Standards Board (IASB) which have been endorsed by the EU.

The consolidated financial statements are presented in millions of euros (€ million). The income statement as well as the statement of comprehensive income, the balance sheet, the cash flow statement and the statement of changes in equity of the EnBW Group are presented separately.

In the interest of clarity, items have been combined in the income statement and in the balance sheet, and disclosed separately and explained in the notes.

The income statement has been prepared using the nature of expense method.

The consolidated financial statements are prepared as of the reporting date of the parent company's financial statements. The parent company's financial year is the calendar year.

The registered office of the company is in Karlsruhe, Germany. The address is EnBW Energie Baden-Württemberg AG, Durlacher Allee 93, 76131 Karlsruhe.

EnBW's principal activities are described in the segment reporting.

EnBW's Board of Management authorised the consolidated financial statements for issue on 17 March 2016.

## Consolidation principles

The financial statements of the domestic and foreign companies included in the consolidation were prepared in a standardised manner in accordance with the accounting policies which are applicable at EnBW.

Business combinations are accounted for using the acquisition method. The cost of a business combination is measured based on the fair value of the assets acquired and liabilities assumed or entered into as of the acquisition date. Non-controlling interests are measured at the proportionate fair value of the identified assets and the liabilities assumed. Incidental acquisition costs are expensed as incurred. If the business combination is achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss when the acquirer obtains control. Any excess of the cost of a business combination plus the amount of any non-controlling interest in the acquiree over the acquired identifiable assets, assumed liabilities and contingent liabilities is reported as goodwill if positive or, if negative, is reassessed and recognised as a gain through profit or loss.

A change in the ownership interest in an entity which continues to be fully consolidated is accounted for as an equity transaction. All remaining interests are remeasured at fair value upon loss of control.

Receivables, liabilities and provisions between the consolidated entities are netted. Intercompany income is set off against the corresponding expenses. Intercompany profits and losses are eliminated unless they are of minor importance.

## Consolidated companies

In accordance with the full consolidation method, all subsidiaries under the control of the Group are included. The Group controls an associate if it is exposed to risks or has rights to variable returns as a result of its involvement in the associate, and the Group has the ability to use its power over the associate in a way that affects the amount of the returns from the associate. In the full consolidation process, the assets and liabilities of a subsidiary are included in the consolidated financial statements in their entirety.

The equity method is used when there is a joint arrangement in the form of a joint venture or a significant influence may be exercised over the business policy of the associate, but the entity does not qualify as a subsidiary. This means that when shareholdings are being measured, only the company's proportional equity, rather than its assets and liabilities, is shown in the consolidated financial statements. Any goodwill is included in the stated value of the shareholding in question. Any negative differences are recognised in profit or loss in the investment result.

Joint arrangements that are classified as joint operations are reported based on the proportion of the assets, liabilities, income and expenses which are attributable to the parent company in compliance with the respective applicable IFRS.

Interests in subsidiaries, joint ventures or associates which, in the Group's opinion, are of minor significance are reported in accordance with IAS 39. Indicators for determining the materiality of subsidiaries are the revenue, earnings and equity of these companies.

There are no reciprocal shareholdings in the EnBW Group as defined by section 19 (1) of the German Companies Act (AktG).

The consolidated companies are as follows:

Type of consolidation	31/12/2015	31/12/2014
Number		
Full consolidation	118	114
Entities accounted for using the equity method	17	18
Joint operations	3	2

## Changes in the consolidated companies

Of the companies included in the consolidated financial statements by way of full consolidation, 8 (previous year: 7) domestic companies and 3 (previous year: 2) foreign companies were consolidated for the first time in the reporting year. 2 (previous year: 5) domestic companies were deconsolidated, in addition to which 5 domestic companies (previous year: 7) were merged.

The increase in the number of fully consolidated companies resulted largely from the addition of project companies for wind power plants to the consolidated companies.

Due to the ending of a contractual agreement, Rheinkraftwerk Iffezheim GmbH has no longer been accounted for using the equity method since June 2015, but instead classified as a joint operation.

## Changes in the shareholdings of fully consolidated companies with loss of control in 2015

### Sale of shares in EnBW Propower GmbH

The EnBW Group sold 100% of the equity in EnBW Propower GmbH, Eisenhüttenstadt to Progroup AG, Landau on 31 December 2015. EnBW Propower GmbH owns a combined heat and power plant for thermal utilisation of substitute fuel in Eisenhüttenstadt. Income of €13.1 million was generated as a result of the sale and has been reported under other operating income. The proceeds of the sale were paid to EnBW in cash at the start of 2016.

## Changes in the shareholdings of fully consolidated companies with loss of control in 2014

### Sale of shares in Stuttgart Netze GmbH

The EnBW Group sold 74.9% of the equity in Stuttgart Netze GmbH, Stuttgart (formerly SWS Netzinfrastruktur GmbH, Stuttgart) to Stadtwerke Stuttgart GmbH, Stuttgart on 31 October 2014. The sale was connected with the City of Stuttgart's franchise award process. Stuttgart Netze GmbH owns the electricity and gas distribution grid in the Stuttgart franchise area. Following the sale of the interest, Stuttgart Netze GmbH is now a joint venture in the EnBW Group and is consolidated using the equity method. Income of €37.2 million resulted from the transaction and has been reported under other operating income. It included an amount of €13.0 million that was due to the measurement of the remaining shareholding at fair value.

## Changes in the shareholdings of already fully consolidated companies in 2015

### Sale of shares in EnBW Baltic 2 S.C.S.

The EnBW Group sold 49.89% of the equity in EnBW Baltic 2 S.C.S., Luxembourg to a subsidiary of the Australian financial investor Macquarie Corporate Holdings Pty Limited (formerly Macquarie Capital Group Limited) on 30 October 2015. As a result of the transaction, our interest in EnBW Baltic 2 S.C.S. falls to 50.11%. EnBW continues to fully consolidate EnBW Baltic 2 S.C.S. in its consolidated financial statements. Sale proceeds of €713.7 million were generated. As of the reporting date of 31 December 2015, this was paid to EnBW in cash in the amount of €721.7 million. The subsequent purchase price adjustment of €8.0 million was repaid at the start of 2016. Incidental costs of €1.9 million were incurred for the transaction. The amount attributable to non-controlling interests was €739.1 million. The difference between the sale proceeds and the amount attributable to non-controlling interests in the amount of €-27.3 million was recognised under revenue reserves in equity.

The impact of the sale of the interest in EnBW Baltic 2 S.C.S. on the EnBW consolidated financial statements is shown below:

in € million	2015
Consideration received after deduction of incidental costs	711.8
Amount attributable to non-controlling interests	739.1
Amount recognised under revenue reserves	-27.3

## Changes in the shareholdings of already fully consolidated companies in 2014

### Purchase of further shares in EnBW Gas Verwaltungsgesellschaft mbH

On 5 August 2014, the EnBW Group purchased a further 50% of the equity in EnBW Gas Verwaltungsgesellschaft mbH, Karlsruhe (previously EnBW Eni Verwaltungsgesellschaft mbH, Karlsruhe), and thus indirectly acquired a further 50% of Gasversorgung Süddeutschland GmbH, Stuttgart, and of terranets bw GmbH, Stuttgart, from the Italian energy group Eni S.p.A. As a result of this transaction, our shareholding in EnBW Gas Verwaltungsgesellschaft mbH increased to 100%. EnBW had already previously held operative control over EnBW Gas Verwaltungsgesellschaft mbH through a contractual agreement. A purchase price of €197.9 million was paid, which EnBW paid in cash. The amount attributable to non-controlling interests was €193.1 million. The difference between the purchase price and the amount attributable to non-controlling interests in the amount of €4.8 million was recognised under revenue reserves and other comprehensive income in equity.

The impact of the purchase of this further interest in EnBW Gas Verwaltungsgesellschaft mbH on the EnBW consolidated financial statements is shown below:

in € million	2014
Consideration paid	197.9
Amount attributable to non-controlling interests	-193.1
Amount recognised under other comprehensive income	-13.1
Amount recognised under revenue reserves	8.3

### Sale of interest in EnBW Onshore Portfolio GmbH

The EnBW Group sold a total of 49.98% of the equity in EnBW Onshore Portfolio GmbH, Stuttgart, in equal shares to Onshore Bündelgesellschaft 1 GmbH, Stuttgart, Onshore Bündelgesellschaft 2 GmbH, Karlsruhe and Onshore Bündelgesellschaft 3 GmbH, Stuttgart in July and November 2014. As a result of the transaction, our interest in EnBW Onshore Portfolio GmbH fell to 50.02%. EnBW continues to fully consolidate EnBW Onshore Portfolio GmbH in its consolidated financial statements. Sale proceeds of €96.9 million were generated. EnBW was paid in cash. The amount attributable to non-controlling interests was €89.2 million. The difference between the sale proceeds and the amount attributable to non-controlling interests in the amount of €7.7 million was recognised under revenue reserves in equity.

The impact of the sale of the interest in EnBW Onshore Portfolio GmbH on the EnBW consolidated financial statements is shown below:

in € million	2014
Consideration received	96.9
Amount attributable to non-controlling interests	89.2
Amount recognised under revenue reserves	7.7

## Changes in accounting policies

### First-time adoption of amended accounting standards

The International Accounting Standards Board (IASB) and the IFRS Interpretation Committee (IFRS IC) have adopted the following new standards, amendments to existing standards, and interpretations whose application is mandatory as from the 2015 financial year:

- › **Collective standard for the amendment of various IFRS (2013) “Improvements to the IFRS Cycle 2011–2013”:**  
The amendments are the result of the annual IASB improvement process. The amendments are intended to clarify the wording of the standards and remove any unintended inconsistencies between them. The cycle affects IAS 40, IFRS 3 and IFRS 13. The amendments are effective for the first time for financial years beginning on or after 1 January 2015. The amendments have no effect on the consolidated financial statements of EnBW.
- › **IFRIC 21 “Levies”:** The interpretation clarifies, for levies which are imposed by government and do not fall within the application scope of another IFRS, how and, in particular, when such obligations in accordance with IAS 37 “Provisions, Contingent Liabilities and Contingent Assets” must be classified as liabilities. The amendments are effective for the first time for financial years beginning on or after 17 June 2014. The first-time adoption of IFRIC 21 has no effect on the consolidated financial statements of EnBW.

### Effects of new accounting standards that are not yet mandatory

The IASB and IFRS IC have already published the following standards and interpretations whose adoption is not yet mandatory for the 2015 financial year. Their application in the future is subject to their endorsement by the EU into European law.

- **Collective standard for the amendment of various IFRS (2013) "Improvements to the IFRS Cycle 2010–2012"**: The amendments are the result of the annual IASB improvement process. The amendments are intended to clarify the wording of the standards and remove any unintended inconsistencies between them. The cycle affects IAS 16, IAS 24, IAS 37, IAS 38, IAS 39, IFRS 2, IFRS 3 and IFRS 8. The amendments are effective for the first time for financial years beginning on or after 1 February 2015. The standard will have no material impact on EnBW's consolidated financial statements.
- **Collective standard for the amendment of various IFRS (2014) "Improvements to the IFRS Cycle 2012–2014"**: The amendments are the result of the annual IASB improvement process. The amendments are intended to clarify the wording of the standards and remove any unintended inconsistencies between them. The cycle affects IAS 19, IAS 34, IFRS 5 and IFRS 7. The amendments are effective for the first time for financial years beginning on or after 1 January 2016. The effects on EnBW's consolidated financial statements are currently being assessed.
- **Amendments to IAS 1 (2014) "Disclosure Initiative"**: The amendments aim at clarifying the standard to make it simpler for preparers to exercise their judgement in presenting financial reports. For example, the concept of materiality is emphasised more strongly in order to encourage the communication of relevant information and in order to facilitate the presentation of additional line items in the balance sheet and the statement of comprehensive income. The amendments are effective for the first time for financial years beginning on or after 1 January 2016. The effects on EnBW's consolidated financial statements are currently being assessed.
- **Amendments to IAS 16 and IAS 38 (2014) "Clarification of Acceptable Methods of Depreciation and Amortisation"**: The amendments are intended to clarify which methods of depreciation of property, plant and equipment and amortisation of intangible assets are appropriate. In particular, it was clarified that a revenue-based method is not an appropriate method. The amendments are effective for the first time for financial years beginning on or after 1 January 2016. The standard is not expected to have any effect on EnBW's consolidated financial statements.
- **Amendments to IAS 16 and IAS 41 (2014) "Agriculture: Bearer Plants"**: The amendments clarify that so-called bearer plants, which are used only for the production of agricultural produce, fall under the scope of IAS 16 "Property, Plant and Equipment". The amendments are effective for the first time for financial years beginning on or after 1 January 2016. The standard is not expected to have any effect on EnBW's consolidated financial statements.
- **Amendments to IAS 19 (2013) "Defined Benefit Plans: Employee Contributions"**: The amendments are intended to clarify those standards which relate to the allocation of employee contributions or contributions from third parties which are linked to the service rendered, to periods of service. The amendments are effective for the first time for financial years beginning on or after 1 February 2015. The standard is not expected to have any effect on EnBW's consolidated financial statements.
- **Amendments to IAS 27 (2014) "Equity Method in Separate Financial Statements"**: The amendments mean that in future it will also be possible to account for investments in subsidiaries, joint ventures and associates using the equity method in IFRS separate financial statements. The revised standard is effective for the first time for financial years beginning on or after 1 January 2016. The standard is not expected to have any effect on EnBW's consolidated financial statements.
- **IFRS 9 "Financial Instruments"**: The publication of IFRS 9 (2014) completed IASB's three-phase revision of the rules on accounting for financial instruments. IFRS 9, which will replace the existing IAS 39 "Financial Instruments: Recognition and Measurement", includes a new classification model for financial assets. The subsequent measurement of financial assets will, in future, be based on three categories: amortised cost, fair value through profit or loss and fair value through other comprehensive income. The instrument's contractual cash flows and the business model in which the asset is held are key to classification. In addition the new impairment model devised during phase 2 of the project has been finalised. The rules on hedge accounting for general hedges devised in phase 3 have been published already on 19 November 2013. The standard must be applied for financial years beginning on or after 1 January 2018. It has yet to be endorsed by the EU. Due to the change in requirements for the classification of financial instruments, it is expected that differences compared to the classification and measurement of financial assets previously required under IAS 39 will arise. Following initial assessments it is apparent that the at fair value through profit or loss measurement category will in future increase in significance. An improvement is expected as a result of the new rules on hedge accounting because certain restrictions in the current rules of IAS 39 have been removed and so a larger range of hedging instruments and hedged items is available. The effects on EnBW's consolidated financial statements are currently being assessed.

- **Amendments to IFRS 10 and IAS 28 (2014) “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”:** The amendments clarify that in transactions with an associate or joint venture, the extent of the gain or loss recognition depends on whether the assets sold or contributed constitute a business (as defined in IFRS 3 “Business Combinations”). The date of first-time adoption of the changes was postponed by the IASB for an indefinite period. The effects on EnBW’s consolidated financial statements are currently being assessed.
- **Amendments to IFRS 10, IFRS 12 and IAS 28 (2014) “Investment Entities: Applying the Consolidation Exception”:** The amendments clarify how the exemption from the consolidation requirement for investment entities that instead account for their subsidiaries at fair value must be applied. The amendments are effective for the first time for financial years beginning on or after 1 January 2016. They have yet to be endorsed by the EU. The standard is not expected to have any effect on EnBW’s consolidated financial statements.
- **Amendment to IFRS 11 (2014) “Acquisition of an Interest in a Joint Operation”:** The changes are intended to clarify how an acquisition of an interest in a joint operation that is a business is to be accounted for. Acquirers of such an interest have to apply the rules on accounting for business combinations in IFRS 3 “Business Combinations” and other relevant standards. The amendments are effective for the first time for financial years beginning on or after 1 January 2016. The effects on EnBW’s consolidated financial statements are currently being assessed.
- **IFRS 15 “Revenue from Contracts with Customers”:** In contrast to the current rules, the new standard includes a principles-based five-step model for recognising revenue from contracts with customers. Essentially, the model is intended to lead to the amount of the consideration the entity expects to receive in exchange for goods and services provided being depicted. In addition, the new rules are to be applied to the measurement and recognition of gains and losses on the sale of certain non-financial assets outside of ordinary business activity (for example the sale of items of property, plant and equipment). The standard replaces the current rules on revenue recognition in IAS 11 and IAS 18 and the associated interpretations. The standard must be applied for financial years beginning on or after 1 January 2017. It has yet to be endorsed by the EU. The effects on EnBW’s consolidated financial statements are currently being assessed.

## Restatement of previous-year figures

In 2015, in the context of updating an assessment of the tax situation of its special funds, EnBW determined that deferred tax liabilities to be recognised in profit or loss were reported too low in past consolidated financial statements. This error also has an impact on deferred tax assets impaired/recognised in the comparative period, which would need to be recognised with regard to the error. The error was corrected by restating each of the affected items in the consolidated financial statements of the comparative period (including the start of the comparative period) including the information on earnings per share. In addition, a full balance sheet for the start of the comparative period was prepared. The following tables summarise the effects on the comparative period in these consolidated financial statements:

### Restatement of the income statement

in € million	2014
Income tax	-15.2
<b>Group net loss</b>	<b>-15.2</b>
of which profit/loss shares attributable to the shareholders of EnBW AG	(-15.2)
<b>Earnings per share from Group net loss (€)<sup>1</sup></b>	<b>-0.06</b>

<sup>1</sup> Diluted and basic; in relation to profit/loss attributable to the shareholders of EnBW AG.

Restatement of the statement of comprehensive income	
in € million	2014
<b>Group net loss</b>	<b>-15.2</b>
Income taxes on other comprehensive income	76.9
<b>Total of other comprehensive income and expenses without future reclassifications impacting earnings</b>	<b>76.9</b>
<b>Total other comprehensive income</b>	<b>76.9</b>
<b>Total comprehensive income</b>	<b>61.7</b>
of which profit/loss attributable to the shareholders of EnBW AG	(61.7)

Restatement of the balance sheet		
in € million	31/12/2014	01/01/2014
<b>Equity and liabilities</b>		
<b>Equity</b>		
<b>Shares of the shareholders of EnBW AG</b>		
Revenue reserves	-76.9	-61.7
Other comprehensive income	76.9	0.0
	<b>0.0</b>	<b>-61.7</b>
<b>Non-current liabilities</b>		
Deferred taxes	0.0	61.7
	<b>0.0</b>	<b>61.7</b>
	<b>0.0</b>	<b>0.0</b>

## Significant accounting policies

### Intangible assets

Intangible assets acquired for a consideration are carried at amortised cost and, except for goodwill, are amortised using the straight-line method over their useful life. The amortisation period of purchased software ranges from three to five years; the amortisation period of franchises for power plants is between 15 and 65 years. Customer relationships are amortised over their expected useful life of between 6 and 30 years, water rights and the underlying franchises are amortised over 30 years.

Internally generated intangible assets are recognised at cost if it is probable that a future economic benefit will flow to the company from the use of the asset and the cost of the asset can be reliably determined. If the recognition criteria are not satisfied, costs are expensed immediately through profit or loss in the year in which they were incurred. At the EnBW Group, these assets relate to software programmes that are amortised on a straight-line basis over a useful life of five years.

The useful lives and amortisation methods are reviewed annually.

In accordance with the provisions of the IFRS, goodwill from business combinations is not amortised, but tested for impairment at least once a year and whenever there is any indication that the recoverable amount may be lower than the carrying amount.

### Property, plant and equipment

Items of property, plant and equipment are measured at cost. Items that are subject to wear and tear are depreciated using the straight-line method over the expected useful life of their individual components. Depreciation is recorded pro rata temporis in the year of addition.

Maintenance and repair costs are recorded as expenses. Renewal or maintenance expenses which lead to future economic benefits of an asset are capitalised.

Construction cost subsidies and investment grants or subsidies are not deducted from the cost of the asset concerned, but recognised on the liabilities side of the balance sheet.

The nuclear power plants also contain the present value, net of depreciation, of the estimated cost of decommissioning and dismantling the contaminated facilities.

Depreciation on our major items of property, plant and equipment is computed using the following uniform Group-wide useful lives:

Useful life	
in years	
Buildings	25–50
Power plants	10–50
Electricity distribution plants	25–45
Gas distribution plants	10–55
Water distribution plants	15–40
District heat distribution plants	15–30
Telecommunications distribution facilities	4–20
Other equipment, factory and office equipment	4–14

The useful lives and depreciation methods are reviewed annually.

Property, plant and equipment are derecognised upon disposal or when no further economic benefits are expected from their continued use or sale. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the period the asset is derecognised.

### Borrowing costs

If a qualifying asset necessarily takes a substantial period of time (more than twelve months) to get ready for its intended use, the borrowing costs incurred until it is ready for its intended use that are directly attributable to its acquisition or production are capitalised as part of the respective asset. Where there are specific debt financing arrangements, the respective borrowing costs incurred are used. Where the debt financing arrangements are not specific, borrowing costs are capitalised using a uniform rate within the Group of 3.5% (previous year: 4.0%). Borrowing costs totalling €21.9 million were capitalised in the financial year (previous year: €38.0 million).

### Leases

A lease is an agreement whereby the lessor conveys to the lessee, in return for a payment or series of payments, the right to use an asset for an agreed period of time. This also applies for agreements that do not explicitly describe the conveyance of such a right. Leases are classified either as finance leases or as operating leases.

Leases where the EnBW Group as lessee retains substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. The leased asset is recognised at the lower of fair value and the present value of the minimum lease payments. A liability of the same amount is recognised.

The recognised leased asset is depreciated over the shorter of its useful life and the lease term. The liability is repaid and carried forward in subsequent periods using the effective interest method. All other leases where the EnBW Group is the lessee are classified as operating leases. Lease payments and instalments from operating leases are recognised directly as an expense in the income statement.



Leases where the EnBW Group as lessor transfers substantially all the risks and rewards of ownership of the leased asset to the lessee are recognised as finance leases at the lessor. A receivable is recognised for the amount of the net investment in the lease. The payments made by the lessee are recognised as repayments on the principal or interest income using the effective interest method. All other leases where the EnBW Group is the lessor are classified as operating leases. The leased asset remains in the consolidated balance sheet and is depreciated. The payments made by the lessee are recognised as income on a straight-line basis over the term of the lease.

### **Investment properties**

Investment properties include land and buildings held to earn rentals or for capital appreciation and not used by EnBW itself. Investment properties are measured at cost less depreciation and, if they have a limited life, are depreciated over a term of 25 to 50 years using the straight-line method. The market value is determined using internationally recognised methods such as the discounted cash flow or mark-to-market methods and disclosed in the notes to the financial statements.

### **Impairment**

The carrying amounts of intangible assets, property, plant and equipment, and investment properties are tested for impairment at each reporting date. If there is any indication that the asset may be impaired, the recoverable amount of the asset concerned is determined in impairment testing. The recoverable amount is the higher of the fair value less costs to sell and the value in use.

The fair value is determined on the basis of a business valuation model and reflects the best estimate of the amount at which a third party would acquire the asset. The value in use corresponds to the present value of the future cash flows expected to be derived from an asset or cash-generating unit. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If it is not possible to determine the recoverable amount for an individual asset, the recoverable amount is determined for the cash-generating unit to which the asset can be allocated.

Goodwill arising from business combinations is allocated to the cash-generating units or groups of cash-generating units that are expected to achieve synergies from the business combination.

The recoverable amount of these cash-generating units or groups of cash-generating units is tested for impairment at least once a year. An additional test is performed whenever there is any indication that the carrying amount may not be recoverable. For more information, please refer to note (10) "Intangible assets".

If the recoverable amount of an asset falls short of its carrying amount, an impairment loss is recognised in profit or loss immediately. In the event of impairment losses on cash-generating units to which goodwill has been allocated, the goodwill is reduced first. If the impairment loss exceeds the carrying amount of the goodwill, the difference is allocated proportionally to the remaining non-current assets of the cash-generating unit.

If the reason for a previously recognised impairment loss no longer exists at a later date, the impairment loss is reversed. The increased carrying amount of the asset attributable to a reversal may not exceed the carrying amount that would have been determined had no impairment loss been recognised in previous years (amortised cost).

An impairment loss recognised for goodwill may not be reversed in a subsequent period. Accordingly, impairment losses on goodwill are not reversed.

#### **Entities accounted for using the equity method**

Interests in joint ventures and investments in associates accounted for using the equity method are initially recognised at cost and subsequently recognised according to the amortised prorated net assets. The carrying amounts are increased or reduced each year by the prorated profit or loss, dividends paid or other changes in equity. Any goodwill is included in the stated value of the shareholding in question.

#### **Financial assets**

Investments in non-consolidated affiliated entities, in associates not accounted for using the equity method and in other investments, as well as some of the securities, are allocated to the “available for sale” measurement category. This measurement category includes all financial assets that are not “held for trading”, “held to maturity” or “loans and receivables”. They are measured at fair value if it can be determined reliably; unrealised gains and losses are recognised directly in equity. If the fair value cannot be determined reliably because there is no active market, these financial assets are measured at amortised cost. Most of these assets are other investments, which are not traded on an active market.

If there is any permanent or significant impairment as of the reporting date, the adjustments to the negative market value are recognised in profit or loss. The unrealised gains or losses previously recognised directly in equity are recognised in profit or loss upon sale. Impairment losses are reflected in an allowance account.

Securities classified as “held-to-maturity investments” are measured at amortised cost. These are securities listed on the stock exchange.

Loans are accounted for at amortised cost. Loans subject to market interest rates are recognised at nominal value, and low-interest or interest-free loans at present value. Some bad debt allowances are recognised via an allowance account. The decision whether the bad debt allowance reduces the carrying amount directly, or does so indirectly via an allowance account, depends on the probability of the anticipated default.

The securities recognised as current financial assets and allocated to the “held for trading” category are measured at fair value through profit or loss. The fair value equals the quoted price or repurchase price as of the reporting date. Changes in fair value are recognised immediately in profit or loss.

To date, EnBW has not made use of the option to measure financial assets or financial liabilities at fair value through profit or loss (fair value option).

#### **Inventories**

Inventories are recorded at cost. As a rule, they are measured at average prices. Pursuant to IAS 2, costs of conversion contain the direct costs and an appropriate portion of the necessary materials and production overheads including depreciation. Costs of conversion are determined on the basis of normal capacity utilisation. Borrowing costs are not capitalised as a component of costs of conversion. Appropriate allowance is made for risks relating to slow-moving goods. Where necessary, the lower net realisable value compared to the carrying amount is recognised. Reversals of impairment losses on inventories are deducted from the cost of materials.

The nuclear fuel rods disclosed in the inventories are measured at amortised cost. Write-downs are determined in accordance with consumption.

Inventories acquired for trading purposes are recognised at fair value less costs to sell.

### **Emission allowances**

Emission allowances acquired for production purposes are recognised at cost as inventories. Emission allowances acquired for trading purposes are recognised as other assets at fair value through profit or loss, and any fluctuation in fair value is recognised directly in profit or loss.

The obligation to return CO<sub>2</sub> allowances is accounted for under other provisions. The carrying amount of the provision is determined based on the carrying amount of the existing emission allowances. If further emission allowances are needed, they are accounted for at their fair value as of the reporting date.

### **Trade receivables and other assets**

Trade receivables and other assets are accounted for at cost less any bad debt allowances required based on the actual bad debt risk. Trade receivables usually have short terms to maturity. Consequently, their carrying amounts as of the reporting date approximate their fair value. Receivables that bear off-market interest with remaining terms to maturity of more than one year are reported in the balance sheet at present value.

For other current assets, it is assumed that the fair value approximates the carrying amount. For other non-current assets, the market value is determined by discounting the expected future cash flows. Some bad debt allowances are recognised by means of an allowance account. The decision whether the bad debt allowance reduces the carrying amount directly or does so indirectly via an allowance account depends on the probability of the anticipated default.

### **Cash and cash equivalents**

Cash and cash equivalents have short terms to maturity. Consequently, their carrying amounts as of the reporting date approximate their fair value.

### **Treasury shares**

Own equity instruments which are repurchased (treasury shares) are deducted from equity. No gain or loss is recognised in the income statement on the purchase, sale, issue or cancellation of the Group's own equity instruments.

### **Provisions for pensions and similar obligations**

For defined benefit plans, provisions for pensions and similar obligations are determined using the projected unit credit method in accordance with IAS 19. This method considers current and future pension benefits known at the reporting date as well as future anticipated salary and pension increases. Actuarial gains and losses are recorded in their entirety in the financial year in which they arise. They are reported outside of the income statement in the statement of comprehensive income as part of the cumulative changes not impacting income and recorded directly in equity. In the subsequent periods, too, they are no longer recorded as impacting income. Plan assets of funds established to cover the pension obligations are deducted from the provision. The service cost is disclosed in personnel expenses, while the net interest portion of additions to the provision and the return on plan assets are recorded in the financial result. Payments for defined contribution plans are expensed as incurred and presented under personnel expenses.

### **Other provisions**

Other provisions take account of all legal or constructive obligations towards third parties resulting from past events that are identifiable at the reporting date, to the extent that it is probable that they will lead to an outflow of resources in future and their amount can be reliably estimated. The provisions are recognised at their settlement amount. They are measured at the estimated future amount or the amount most likely to be incurred.

The non-current provisions are stated at the future amount needed to settle the obligation discounted to the reporting date. This does not apply to provisions for pensions and similar obligations. They are subject to special rules in accordance with IAS 19.

### Deferred taxes

Deferred taxes are recorded in accordance with the temporary concept (IAS 12) on all timing differences between the tax accounts and the IFRS balance sheet of the individual entities. Deferred taxes from consolidation entries are recognised separately. Deferred tax assets are recognised on deductible temporary difference and unused tax losses if it is reasonably certain that they will be recovered.

Deferred taxes are calculated on the basis of the tax rates that apply or that are expected to apply in the individual countries at the time of utilisation. As in the previous year, a tax rate of 29.0% is applied for German Group companies. Tax assets and tax liabilities are netted with each other by consolidated tax group or entity if the conditions to do so have been satisfied.

### Financial liabilities

Financial liabilities are recorded at fair value upon initial recognition. After initial recognition, they are measured at amortised cost. Liabilities from finance leases are measured at the lower of fair value and present value of the minimum lease payments at the date when the leased asset is recognised.

The fair value of bonds listed on the capital market is the nominal value multiplied by the quoted price as of the reporting date. For current financial liabilities, it is assumed that the fair value corresponds to the carrying amount. For non-current financial liabilities, the market value is determined by discounting the expected future cash outflows. If these financial liabilities are subject to floating interest rates, the carrying amount corresponds to the fair value.

### Trade payables and other liabilities

Trade payables and other liabilities are recognised at the amount repayable. Trade payables primarily have short terms to maturity. Consequently, their carrying amounts as of the reporting date approximate their fair value. For other current liabilities, it is assumed that the fair value corresponds to the carrying amount. For other non-current liabilities, the market value is determined by discounting the expected future cash outflows. The construction cost subsidies carried as liabilities are released to revenue in accordance with the use of the subsidised item of property, plant and equipment. As a rule, the period of release for construction cost subsidies is between 40 and 45 years. Investment cost subsidies and grants are released over the depreciation period of the subsidised assets. The release is offset openly against the amortisations.

### Assets held for sale and liabilities directly associated with assets classified as held for sale

Assets held for sale are individual non-current assets and groups of assets which can be sold in their present condition, whose sale is highly probable and which satisfy all the criteria defined in IFRS 5. The item "liabilities directly associated with assets classified as held for sale" includes liabilities that are part of a group of assets held for sale.

Assets that meet the criteria to be classified as assets held for sale for the first time are measured at the lower of carrying amount and fair value less costs to sell, and depreciation on such assets ceases.

Gains or losses from measuring individual assets and groups of assets held for sale are disclosed as profit or loss from continuing operations until they are finally sold.

### Derivatives

Derivatives are measured at fair value in accordance with IAS 39. Both the counterparty's credit default risk and that of the company itself are taken into account in the calculation of fair value. Default risk with respect to an individual counterparty is calculated on the basis of the net risk position. In the case of derivatives for which net recording is not permitted, the credit default risk calculated on the basis of the net position is recorded in proportion to the fair value before the value adjustment. In accordance with the "net approach", this involves allocating the value adjustment solely to the derivatives' asset or liability surplus that arises. The derivatives are recognised under other assets and other liabilities and subsidies.

Derivatives are measured using quoted prices in active markets such as stock market prices. Where such prices are not available, the fair values are determined by reference to generally accepted valuation techniques. Quoted prices in active markets are used as inputs wherever possible. If they are not available either, entity-specific planning assumptions are considered in the valuation.

If they are contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item, in accordance with the entity's expected purchase, sale or usage requirements (own use), they are not recognised as derivatives under IAS 39, but as executory contracts in accordance with IAS 37.

Derivatives are classified as "held for trading" unless hedge accounting is used. Changes in fair value are recognised in profit or loss.

For derivatives used in a hedge, the accounting treatment of changes in fair value depends on the nature of the hedge.

In the case of changes in the fair value of cash flow hedges which are used to offset future cash flow risks arising from existing hedged items or highly probable forecast transactions, the unrealised gains and losses are initially recognised directly in equity (other comprehensive income) in the amount of the hedged item covered. Amounts are reclassified to the income statement when the hedged item impacts profit or loss.

In the case of a fair value hedge used to hedge the fair value of reported assets or liabilities, the gains or losses from the measurement of derivatives and the associated hedged items are recognised in profit or loss.

Foreign currency risks from investments with a foreign functional currency are secured by hedges of a net investment in a foreign operation. Unrealised exchange differences are initially recognised in equity and reclassified to profit or loss when the foreign operation is sold.

### **Contingent liabilities**

Contingent liabilities are possible obligations to third parties or present obligations where the probability of an outflow of resources is remote or the amount cannot be determined reliably. Contingent liabilities are not recognised.

### **Financial guarantees**

Financial guarantees are contracts where EnBW is required to make specified payments to reimburse the holder for a loss incurred because a debtor fails to meet its payment obligations under the financial guarantee. Financial guarantees are measured at fair value upon initial recognition. After initial recognition, the financial guarantees are measured at the higher of amortised cost and the best estimate of the present obligation as of the reporting date.

### **Revenue recognition**

Revenue is generally recognised when the risk has been transferred to the customer. Substantially all the risks and rewards are transferred to the customer upon the transfer of title or ownership. Revenue is measured at the fair value of the consideration received or receivable for goods or services. Revenue is recognised net of any sales deductions such as price discounts and rebates and VAT, as well as after elimination of intercompany sales. Most of the revenue is generated from the sale of electricity and gas, the distribution of electricity and gas, as well as waste disposal, energy-related services and water supply.

Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

### Exercise of judgement and estimates when applying accounting policies

The preparation of the consolidated financial statements requires judgements and estimates to be made in applying the accounting policies that affect the reported amounts of assets and liabilities, revenue and expenses, and the disclosure of contingent liabilities.

The following judgements in particular have to be made in the process of applying the accounting policies:

- › Judgement is required with respect to certain commodity futures contracts to determine whether they are derivatives as defined by IAS 39 or executory contracts in accordance with the provisions of IAS 37.
- › Financial assets are allocated to the IAS 39 measurement categories: “held for trading”, “available for sale”, “held to maturity” and “loans and receivables”.

These estimates are based on assumptions and forecasts which, by their very nature, are uncertain and may be subject to change. The key future-oriented assumptions and other sources of uncertainty as of the reporting date, concerning estimates which have given rise to a considerable risk that material adjustments of carrying amounts of assets and liabilities may be required in the next financial year, are explained below:

**Goodwill:** Goodwill is tested for impairment at least once a year. The impairment test involves estimates above all concerning future cash inflows. To determine the recoverable amount, an appropriate discount rate must be chosen. Future changes in the overall economic, industry or company situation may reduce cash inflows or the discount rate, and thus potentially lead to an impairment of goodwill.

**Property, plant and equipment:** Property, plant and equipment are tested for impairment when circumstances or events indicate that there could be an impairment or increase in value. For our power plants in particular, in addition to technical progress and damage, expectations that have changed for the worse regarding short, medium and long-term electricity prices may lead to impairment losses or reversals of impairment losses. A suitable interest rate is to be used when performing the impairment tests. If this interest rate changes, for example due to a change in the macroeconomic or industry situation, recognition of impairment losses or reversals of impairment losses may also be necessary.

**Impairment of available-for-sale financial assets:** Changes in the value of financial assets in the “available for sale” measurement category are recognised directly in equity. Permanent impairment is recognised in the profit or loss for the period. A significant (20% or more) or prolonged (over the last nine months) decline in the fair value of an investment in an equity instrument below its amortised cost is objective evidence of permanent impairment.

**Determining the fair value of financial assets and financial liabilities:** The fair value of financial assets and financial liabilities is determined by reference to quoted market prices or by using valuation techniques such as the discounted cash flow method. Where the parameters used in the valuation techniques are not supported by observable market data, assumptions need to be made which can affect the fair value of financial assets and financial liabilities.

**Trade receivables and other assets:** To take account of the credit risk, allowances for doubtful accounts are set up. The amount of the allowance includes estimates and judgements concerning individual receivables, based on the age structure of the receivables, the customers’ credit rating, past experience relating to the derecognition of receivables and changes in payment terms.

**Pension provisions:** When calculating pension provisions, differences compared to the actual obligations incurred over time may arise from the selection of underlying assumptions, such as the imputed interest rate or trends, use of demographic probabilities based on the 2005G Heubeck mortality tables and accepted approximation methods for future pension increases from the statutory pension insurance fund.

**Nuclear provisions:** The provisions for decommissioning and dismantling in relation to nuclear power are based mainly on external appraisals that are updated annually. These appraisals are based on cost estimates of the settlement value for each obligation. The uncertainty inherent in the estimates is primarily due to changes in the scope of the obligation, departures from the assumed cost development and changes in payment dates. Changes in the discount rate could also lead to an adjustment of the nuclear provisions.

**Provisions for onerous contracts:** Provisions for onerous contracts are generally set up for onerous procurement and sales agreements. Future changes in market prices on the procurement or sales side or in the discount rates may lead to an adjustment of the provisions for onerous contracts.

**Acquisition accounting:** For acquisition accounting purposes, all identifiable assets, liabilities and contingent liabilities acquired in a share purchase are recognised at fair value as of the date of acquisition for first-time consolidation purposes. Estimates are used to calculate the fair value of these assets and liabilities as of the date of acquisition. Land and buildings as well as other equipment, factory and office equipment are generally measured by independent appraisers. Marketable securities are recognised at market price. If the purchase price agreement includes contingent consideration, accounting for those purchase price components also requires estimates.

The measurement of intangible assets is based on the nature of the intangible asset as well as the complexity of determining fair value. Fair value is therefore determined on the basis of an independent external valuation appraisal.

**Income tax:** Estimates are also needed to capitalise tax refund claims, to set up tax provisions and to assess the temporary differences arising from differences in the accounting treatment of certain items in the financial statements between the consolidated balance sheet in accordance with IFRS and the tax accounts. Capitalisation of tax refund claims and the setting up of tax provisions are fundamentally only recognised if the relevant payments are likely. Deferred tax assets are, in principle, only recognised when the future tax advantages will probably be realised. Deferred tax assets or liabilities are recognised on temporary differences. Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**Entities accounted for using the equity method:** IFRS financial statements were not available to us for all entities. Therefore, these entities were accounted for using the equity method based on an estimate of the HGB-IFRS differences. An impairment test is performed on investments accounted for applying the equity method, which also requires the use of estimates.

Potential effects due to changes in estimates in other areas are explained in the respective sections. For more information, please refer to note (22) "Provisions".

## Currency translation

In the separate financial statements of the entities, business transactions in foreign currency are translated at the rate of the transaction date. Non-monetary items are measured at the rate prevailing when they were first recorded. Monetary items are translated at the closing rate as of the reporting date. Exchange differences from monetary items that are allocable to the operating activities are recognised in other operating income or other operating expenses with effect on profit or loss. Translation differences from financing activities are disclosed in the interest result.

The reporting currency of EnBW, which is also the functional currency, is the euro (€). The financial statements of the Group entities are translated to euros. Currency translation is performed in accordance with IAS 21 “The Effects of Changes in Foreign Exchange Rates” using the modified closing rate method. Under this method, the assets and liabilities of entities that do not report in euros are translated at the mean rate prevailing on the reporting date, while expenses and income are translated at the average annual rate. The companies concerned are foreign entities. Differences from the currency translation of assets and liabilities compared to the translation of the previous year, as well as exchange differences between the income statement and the balance sheet, are recognised directly in equity under other comprehensive income. The same procedure is applied by analogy for foreign entities accounted for using the equity method.

The entities of the EnBW Group mainly operate in the euro area. No major Group entities are domiciled in a hyperinflationary economy. As in the previous year, the provisions of IAS 29 on financial reporting in hyperinflationary economies were not relevant in the financial year.

Currency translation was based on the following exchange rates, among others:

€1	Closing rate		Average rate	
	31/12/2015	31/12/2014	2015	2014
Swiss franc	1.08	1.20	1.07	1.21
Pound sterling	0.73	0.78	0.73	0.81
US dollar	1.09	1.21	1.11	1.33
Hungarian forint	315.98	315.54	309.87	308.71
Czech koruna	27.02	27.74	27.29	27.54
Japanese yen	131.07	145.23	134.32	140.38



## Notes to the income statement and the balance sheet

### (1) Revenue

Revenue is recognised when the risk has been transferred to the customer. The electricity and energy tax paid by the entities is deducted from revenue in the income statement.

Most of the revenue is generated from the sale of electricity and gas to industry customers, businesses and consumers. In addition, this item includes revenue from the distribution of electricity and gas, of steam, heat and water as well as own-account trading and from the German Renewable Energies Act (EEG).

In the interest of a more accurate presentation of the business development, income and expenses from energy trading businesses are disclosed net. The net disclosure means that revenue from energy trading businesses is reported net of the related cost of materials. For the 2015 financial year, the net energy trading revenue amounted to €9,950.1 million (previous year: €13,311.6 million).

The segment reporting contains a breakdown of revenue by business segment, geographical segment and product.

### (2) Other operating income

in € million	2015	2014
Income from the reversal of provisions	172.4	147.1
Income from derivatives	125.7	294.8
Income from divestments	65.7	107.5
Income from reversals of impairment losses	59.5	350.3
Rent and lease income	28.3	29.9
Income from the release and reduction of specific bad debt allowances	11.0	30.4
Sundry	371.2	278.1
<b>Total</b>	<b>833.8</b>	<b>1,238.1</b>

The income from derivatives amounting to €125.7 million (previous year: €294.8 million) results from the change in market value and realisation of hedges classified in the “held for trading” category in accordance with IAS 39. In 2015 the effect on profit and loss resulted mainly from derivatives based on gas and emission allowances. In the previous year, there were also derivatives based on electricity.

Capital gains on disposals largely comprise income from the disposal of distribution facilities. In the previous year, income from the sale of 74.9% of the equity in Stuttgart Netze GmbH (formerly SWS Netzinfrastruktur GmbH) was also included.

The reversals of impairment losses for the current financial year amount to €59.5 million (previous year: €350.3 million). They firstly concern reversals of impairment losses on the fair value in connection with the sale of EnBW Group Propower GmbH. These are allocated to the Sales segment in the segment reporting. The fair value corresponds to Level 1 of the IFRS 13 fair value hierarchy. In addition, it includes reversals of impairment losses on unscheduled impairment write-downs of gas distribution grids in previous years. They are allocated to the Grids segment in the segment reporting. The recoverable amount was calculated on the basis of the fair value less selling costs and corresponds to Level 3 of the IFRS 13 fair value hierarchy. Using a business valuation model, the fair value was derived from the cash flow planning, based on, among other things, the mid-term planning approved by the Board of Management and valid as of the date of the impairment test as well as long-term market expectations beyond the detailed planning horizon. The planning was based on past experience and on long-term market expectations beyond the detailed planning horizon. The discount rates used in the valuation are 3.4% and 3.7%, respectively. In the previous year, they mainly consisted of reversals of impairment losses on the unscheduled write-downs of power plants as of 30 June 2014.

In the reporting year, income from currency exchange rate gains amounted to €54.3 million (previous year: €32.1 million).

Sundry other operating income includes income from the reversal of accruals and income from insurance claims.

### (3) Cost of materials

in € million	2015	2014
Cost of materials and supplies and of purchased merchandise	14,984.0	15,271.4
Cost of purchased services	2,380.7	2,240.3
<b>Total</b>	<b>17,364.7</b>	<b>17,511.7</b>

Cost of materials and supplies and of purchased merchandise comprises in particular electricity and gas procurement costs including increases in provisions for onerous contracts for electricity procurement agreements. In addition, it includes the necessary increase – other than due to the passage of time – in provisions for the decommissioning of nuclear power plants, unless these are required to be recognised as part of the cost of the asset. Expenses relating to nuclear power also include costs for the disposal of irradiated fuel rods and radioactive waste, as well as the consumption of nuclear fuel rods and nuclear fuels. These also include expenses for the nuclear fuel rod tax which must be paid for new fuel rods used. Fuel costs for conventional power plants, as well as costs for the procurement of CO<sub>2</sub> allowances, are also recorded under that position.

Cost of purchased services mainly contains expenses for network use, services purchased for the operation and maintenance of the plants as well as franchise fees. In addition, other expenses directly attributable to services rendered are shown under this heading.

### (4) Personnel expenses

in € million	2015	2014
Wages and salaries	1,240.2	1,246.4
Social security, pension and other benefit costs	401.1	373.8
of which for post-employment benefits	(186.7)	(161.9)
<b>Total</b>	<b>1,641.3</b>	<b>1,620.2</b>

#### Employees

annual average	2015	2014
Sales	3,294	3,317
Grids	7,909	7,648
Renewable Energies	727	508
Generation and Trading	5,205	5,444
Other	3,015	3,049
<b>Employees</b>	<b>20,150</b>	<b>19,966</b>
Apprentices and trainees in the Group	836	917

The expenses for the post-employment benefits from the addition to the pension obligations amount to €118.0 million (previous year: €102.4 million). The other expenses for post-employment benefits mainly contain other social benefits that can be recognised as a provision and contributions to the pension guarantee association.

The total number includes employees of joint operations at 5 employees (previous year: 5) based on the proportion attributable to EnBW.

**(5) Other operating expenses**

in € million	2015	2014
Administrative and selling costs and other overheads	308.1	283.9
Expenses from derivatives	254.4	261.3
Audit, legal and consulting fees	86.9	92.2
Advertising expenses	64.7	58.5
Other personnel expenses	59.4	87.5
Rent and lease expenses	56.2	43.9
Expense from specific bad debt allowances	51.1	43.3
Insurance	42.3	42.2
Other taxes	21.8	27.5
Costs from disposals	13.6	11.2
Dues and levies	13.4	12.9
Sundry	194.6	100.5
<b>Total</b>	<b>1,166.5</b>	<b>1,064.9</b>

Marking hedging transactions classified as “held for trading” in accordance with IAS 39 to market and realising such transactions gave rise to expenses of €254.4 million (previous year: €261.3 million). As in the previous year, in the financial year under review, the expenses were attributable mainly to derivatives relating to coal and gas.

Sundry other operating expenses contain non-operating expenses of €104.5 million (previous year: €9.8 million). In the reporting year these mainly relate to a planned acquisition of a company and expenses from currency exchange rate losses amounting to €16.1 million (previous year: €3.5 million). In addition, this item comprises commissions and research and development expenses.

**(6) Amortisation and depreciation**

in € million	2015	2014
Amortisation of intangible assets	127.0	157.1
Depreciation of property, plant and equipment	1,512.9	1,980.2
Depreciation of investment properties	3.2	1.8
Release of investment cost subsidies	-1.9	-1.9
<b>Total</b>	<b>1,641.2</b>	<b>2,137.2</b>

In the reporting year, impairment losses of goodwill of €2.7 million were recognised (previous year: €0.0 million).

The impairment losses of other intangible assets, property, plant and equipment and investment property amounted to €710.8 million (previous year: €1,260.3 million). In the current financial year, the impairments mainly comprised impairment losses of power plants and are primarily allocated to the Generation and Trading segment in the segment reporting. The recoverable amount was calculated on the basis of the fair value less selling costs and corresponds to Level 3 of the IFRS 13 fair value hierarchy. Using a business valuation model, the fair value was derived from the cash flow planning, based on, among other things, the mid-term planning approved by the Board of Management and valid as of the date of the impairment test as well as long-term market expectations beyond the detailed planning horizon. The plans were based on past experience and on estimates concerning the future market development. The discount rate used in the valuation is 5.9% (previous year, 30 June 2014: 6.9%). The reason for the impairment losses was in particular worsened expectations regarding short and medium-term electricity prices, and significantly worsened expectations regarding long-term electricity prices based on comprehensive market analyses. The fair value calculated for the power plants of around €3.7 billion is therefore significantly below their respective carrying amounts. The impairment losses in the previous year also relate mainly to power plants. With regard to the impact on possible future changes to key estimation parameters, please refer to the “Exercise of judgement and estimates when applying accounting policies” section.

**(7) Investment result**

in € million	2015	2014
Share of profit/loss of entities accounted for using the equity method	46.1	17.3
Write-downs of entities accounted for using the equity method	-257.2	-36.2
Write-ups of entities accounted for using the equity method	237.4	3.2
<b>Net profit/loss from entities accounted for using the equity method</b>	<b>26.3</b>	<b>-15.7</b>
Investment income	73.5	47.2
of which non-consolidated affiliated entities	[4.9]	[1.3]
Write-downs of investments	-84.9	-12.9
Result from the sale of equity investments	6.3	7.0
<b>Other profit/loss from investments<sup>1</sup></b>	<b>-5.1</b>	<b>41.3</b>
<b>Investment result (+income/-expense)</b>	<b>21.2</b>	<b>25.6</b>

<sup>1</sup> Of which €52.3 million (previous year: €23.2 million) income from investments held as financial assets.

As part of the planned restructuring of shareholdings agreed between EnBW, EWE Aktiengesellschaft (EWE) and Ems-Weser-Elbe Versorgungs- und Entsorgungsverband (EWE-Verband), the carrying amount of the investment in EWE was written down to the recoverable amount (€1,265.0 million). This was calculated on the basis of the fair value less selling costs and corresponds to Level 3 of the IFRS 13 fair value hierarchy. It was based on a market transaction carried out for VNG-Verbundnetz Gas Aktiengesellschaft (VNG) in the previous year less a valuation adjustment and has been derived from the value of the shares in VNG to be acquired by EnBW. The valuation adjustment particularly reflects the medium and long-term market assumptions, which had worsened between the date of this market transaction and signature of the contract or the reporting date.

In the current financial year, the write-ups and write-downs of companies accounted for using the equity method include the interest-induced reversal of the impairment for the carrying amount of the investment in EWE from the first half and the impairment recognised for EWE from the second half of the year. €194.2 million of the write-downs of companies accounted for using the equity method and €76.9 million of the write-downs of investments are accounted for by the 20% shareholding in EWE that was reclassified as assets held for sale in the third quarter. In the prior period, the investment carrying amount of our Turkish investment was adjusted as part of an impairment of its recoverable amount (€132.7million).

The write-downs on investments also include impairment losses of €8.0 million (previous year: €12.9 million), which are largely accounted for by other investments (previous year: by investments held as financial assets).

**(8) Financial result**

in € million	2015	2014
Interest and similar income	310.6	243.7
of which non-consolidated affiliated entities	(0.1)	(0.1)
Other finance income	768.3	190.1
<b>Finance income</b>	<b>1,078.9</b>	<b>433.8</b>
Borrowing costs	-304.2	-268.5
Other interest and similar expenses	-193.9	-197.2
Interest portion of increases in liabilities	-526.0	-577.1
Personnel provisions	(-128.1)	(-174.8)
Provisions relating to nuclear power	(-387.0)	(-390.7)
Other non-current provisions	(-3.9)	(-5.0)
Other liabilities	(-7.0)	(-6.6)
Other finance costs	-78.8	-26.4
<b>Finance costs</b>	<b>-1,102.9</b>	<b>-1,069.2</b>
<b>Financial result (+income/-costs)</b>	<b>-24.0</b>	<b>-635.4</b>

Interest and similar income contains interest income from interest-bearing securities and loans, dividends, other shares in the profits and non-operating interest income on tax arrears. In the 2015 financial year, interest income of €22.6 million (previous year: €37.1 million) was offset against these economically related interest expenses. Other financial income primarily contains gains on the sale of securities.

Borrowing costs are composed as follows:

in € million	2015	2014
Expenses incurred for bank interest and bonds	277.1	226.8
Interest component incurred for the costs of finance lease agreements	4.8	11.4
Other borrowing costs	22.3	30.3
<b>Borrowing costs</b>	<b>304.2</b>	<b>268.5</b>

Other interest and similar expenses contains non-operating interest expenses as a result of reducing the discount rate for nuclear provisions from 4.8% to 4.7% (previous year: reduction from 5.0% to 4.8%) and non-operating interest expenses from tax arrears. The interest portion from the increase in liabilities relates mainly to the annual increase of the non-current provisions due to the passage of time.

In the reporting period, other financial expenses mainly comprises market price losses on sales of securities amounting to €29.4 million (previous year: €9.8 million). Expenses from valuation allowances on our financial investments amounting to €35.2 million (previous year: €1.2 million) are mainly allocated to the “available for sale” measurement category. Other finance revenue contains, among other items, realised market price gains on the sale of securities amounting to €724.0 million (previous year: €181.7 million). Impairment losses on loans of €0.1 million (previous year: €3.2 million) were recognised in the reporting period.

The total interest income and expenses for financial assets and financial liabilities presented in the financial result breaks down as follows:

Total interest income and expenses		
in € million	2015	2014
Total interest income	222.0	206.4
Total interest expenses	-298.9	-269.4

The total interest income and expenses arose from financial instruments that are not measured at fair value through profit or loss. The main items here are interest received from loans and bank balances as well as interest and dividends received from financial assets classified as “available for sale”. The interest expenses were incurred in particular on bonds, bank liabilities and finance lease liabilities.

As in the previous year, total interest income does not include material interest income from impaired financial assets.

## (9) Income tax

in € million <sup>1</sup>	2015	2014
<b>Actual income tax</b>		
Domestic corporate income tax	-243.7	52.9
Domestic trade tax	-13.0	-44.3
Foreign income taxes	42.0	41.7
<b>Total (-income/+expense)</b>	<b>-214.7</b>	<b>50.3</b>
<b>Deferred taxes</b>		
Germany	284.1	-245.7
Abroad	4.3	-11.5
<b>Total (-income/+expense)</b>	<b>288.4</b>	<b>-257.2</b>
<b>Income tax (-income/+expense)</b>	<b>73.7</b>	<b>-206.9</b>

<sup>1</sup> The figures for the previous year have been restated.

The actual income taxes amounting to €-214.7 million (previous year: €50.3 million) concern income taxes from the current financial year amounting to €98.4 million (previous year: €124.3 million) and income taxes for past periods amounting to €313.1 million (previous year: €74.0 million). This tax income results primarily from the resolution of tax audit risks.

Deferred tax expense amounting to €288.4 million (previous year restated: income of €257.2 million) consists of deferred tax expense from the current year amounting to €1.5 million (previous year restated: income of €309.3 million) and deferred tax expenses for past periods of €286.9 million (previous year restated: €52.1 million). The balance of the deferred taxes contains income totalling €0.8 million (previous year: expense of €0.2 million) from the change in tax rates.

The corporate income tax rate came to 15.0% in the financial year plus a solidarity surcharge amounting to 5.5% of the corporate income tax. The trade tax rate was 13.2%. This represents a tax rate on income of 29.0%. For the foreign entities, the tax rate applicable in their country of residence of 19.0% to 24.0% is used to calculate income taxes. Deferred tax assets and liabilities are measured at the tax rates expected to apply when the asset is realised or the liability is settled.

Deferred tax relates to the following:

in € million <sup>1</sup>	2015	2014
Origination or reversal of temporary differences	190.3	-270.4
Origination of unused tax losses	-4.7	-29.7
Utilisation of unused tax losses	1.2	0.3
Write-down of unused tax losses	101.6	42.6
<b>Deferred taxes (-income/+expense)</b>	<b>288.4</b>	<b>-257.2</b>

<sup>1</sup> The figures for the previous year have been restated.

The reconciliation from the expected income tax expense to the current income tax expense is presented below:

in € million <sup>1</sup>	2015	in %	2014	in %
<b>Earnings before tax</b>	<b>274.2</b>		<b>-609.7</b>	
Effective tax rate		29.0		29.0
<b>Expected income tax (-income/+expense)</b>	<b>79.5</b>		<b>-176.8</b>	
Tax effects				
Differences in foreign tax rates and tax rate differences	-20.2	-7.3	-15.3	2.5
Tax-free income	-194.6	-71.0	-50.2	8.2
Non-deductible expenses	43.3	15.8	28.9	-4.7
Amortisation of goodwill	0.8	0.3	0.0	0.0
Add-backs and reductions for trade tax purposes	13.8	5.0	16.1	-2.6
Accounting for joint ventures and associates using the equity method	-6.2	-2.3	5.5	-0.9
Adjustment/valuation of losses carried forward	101.6	37.1	21.2	-3.5
Zero-rated disposals of investments	-5.9	-2.2	-12.4	2.0
Taxes relating to other periods	-26.2	-9.5	-21.9	3.6
Non-recognition of deferred tax assets on losses carried forward	90.0	32.8	0.0	0.0
Other	-2.2	-0.8	-2.0	0.3
<b>Current income tax (-income/+expense)</b>	<b>73.7</b>		<b>-206.9</b>	
<b>Effective tax rate</b>		<b>26.9</b>		<b>33.9</b>

<sup>1</sup> The figures for the previous year have been restated.

**(10) Intangible assets**

in € million	Franchises, industrial rights and similar rights and assets	Internally generated intangible assets	Goodwill	Other	Total
<b>Cost</b>					
As of: 01/01/2015	2,177.2	88.5	775.9	20.0	3,061.6
Increase/decrease due to changes in the consolidated companies	2.3	0.0	2.6	0.0	4.9
Additions	53.7	2.9	0.0	6.9	63.5
Reclassifications	5.0	2.0	0.0	-4.7	2.3
Reclassification to assets held for sale	-12.7	0.0	0.0	0.0	-12.7
Currency adjustments	34.1	0.0	6.5	0.0	40.6
Disposals	-19.9	0.0	0.0	-11.9	-31.8
As of: 31/12/2015	2,239.7	93.4	785.0	10.3	3,128.4
<b>Accumulated amortisation</b>					
As of: 01/01/2015	1,170.9	82.9	24.8	0.0	1,278.6
Additions	93.7	2.7	0.0	0.0	96.4
Reclassifications	0.9	0.0	0.0	0.0	0.9
Reclassification to assets held for sale	-12.6	0.0	0.0	0.0	-12.6
Currency adjustments	9.5	0.0	0.0	0.0	9.5
Disposals	-19.9	0.0	0.0	0.0	-19.9
Impairment	27.9	0.0	2.7	0.0	30.6
As of: 31/12/2015	1,270.4	85.6	27.5	0.0	1,383.5
<b>Carrying amounts</b>					
As of: 31/12/2015	969.3	7.8	757.5	10.3	1,744.9
<b>Cost</b>					
As of: 01/01/2014	2,125.5	88.0	792.8	13.6	3,019.9
Increase/decrease due to changes in the consolidated companies	-4.1	0.0	-14.2	0.2	-18.1
Additions	80.7	0.4	0.0	15.5	96.6
Reclassifications	7.6	0.2	0.0	-9.1	-1.3
Reclassification to assets held for sale	-7.4	0.0	0.0	0.0	-7.4
Currency adjustments	3.3	0.0	-2.7	0.0	0.6
Disposals	-28.4	-0.1	0.0	-0.2	-28.7
As of: 31/12/2014	2,177.2	88.5	775.9	20.0	3,061.6
<b>Accumulated amortisation</b>					
As of: 01/01/2014	1,072.3	78.7	24.8	0.0	1,175.8
Decrease due to changes in the consolidated companies	-1.1	0.0	0.0	0.0	-1.1
Additions	99.5	4.3	0.0	0.0	103.8
Reclassifications	-2.8	0.0	0.0	0.0	-2.8
Reclassification to assets held for sale	-7.4	0.0	0.0	0.0	-7.4
Currency adjustments	0.8	0.0	0.0	0.0	0.8
Disposals	-28.1	-0.1	0.0	0.0	-28.2
Impairment	53.3	0.0	0.0	0.0	53.3
Reversal of impairment losses	-15.6	0.0	0.0	0.0	-15.6
As of: 31/12/2014	1,170.9	82.9	24.8	0.0	1,278.6
<b>Carrying amounts</b>					
As of: 31/12/2014	1,006.3	5.6	751.1	20.0	1,783.0



The carrying amount of the intangible assets included €24.4 million in the previous year accounted for by a finance lease agreement that only concerned an electricity procurement allowance. This contract expired in 2015. The carrying amount of the intangible assets also includes franchises to operate power plants amounting to €650.1 million (previous year: €666.1 million) and customer relationships amounting to €148.5 million (previous year: €163.5 million). The remaining terms of power plant franchises are between 15 and 60 years. For customer relationships, the remaining terms are between 4 and 20 years.

In 2015, a total of €29.9 million (previous year: €27.9 million) was spent on research and development. This sum contains public subsidies totalling €3.6 million (previous year: €3.1 million). The criteria for their recognition required under IFRS were not satisfied.

Goodwill was allocated to the cash-generating units or groups of cash-generating units for impairment test purposes. In 2015, impairment losses of goodwill of €2.7 million (previous year: €0.0 million) were recognised.

As of 31 December 2015, goodwill totalled €757.5 million (previous year: €751.1 million). Of this figure, 85.7% (previous year: 85.4%) is attributable to the cash-generating units or groups of cash-generating units presented in the table below:

Cash-generating units/Group of cash-generating units

	Discount rates after tax (%)		Goodwill in € million	
	2015	2014	2015	2014
PRE subgroup	4.6–6.8	6.2–8.2	248.0	245.2
Electricity sales and distribution	3.4–5.6	4.6–6.9	131.7	132.9
Stadtwerke Düsseldorf AG subgroup	3.4–5.9	4.6–6.9	127.4	127.4
Energiedienst Holding AG subgroup	3.4–5.6	4.6–6.9	142.0	135.6

The goodwill allocated to the other cash-generating units or groups of cash-generating units accounted for less than 14.3% of total goodwill in each case. Its aggregate total amounted to €108.4 million (previous year: €110.0 million).

The recoverable amount of the cash-generating units is basically calculated on the basis of the fair value less selling costs and corresponds to Level 3 of the IFRS 13 valuation hierarchy. Using a business valuation model, the fair value is derived from the cash flow planning, based on the mid-term planning approved by the Board of Management for a period of three years and valid as of the date of the impairment test. The planning is based on past experience and on estimates concerning the future market development. In justified exceptional cases it is based on a longer detailed planning period, provided that this is necessitated by commercial or regulatory requirements.

Key assumptions underlying the determination of fair value less costs to sell include projections of future electricity and gas prices, materials prices, company-specific investing activities, the regulatory framework as well as growth and discount rates.

The interest rates used for discounting the cash flows are calculated on the basis of market data and are between 3.4% and 6.8% after tax, or between 4.8% and 8.4% before tax (previous year: 4.6% to 8.2% after tax, and 6.5% to 10.1% before tax).

Constant growth rates of 0.0% and 1.5% are used to extrapolate the cash flows beyond the detailed planning period in order to take into account the expected price and volume-related growth (previous year: 0.0% and 1.5%).

Goodwill by segment developed as follows:

in € million	Sales	Grids	Renewable Energies	Generation and Trading	Other/ Consolidation	Total
Carrying amounts as of: 01/01/2015	86.5	524.2	20.5	118.6	1.3	751.1
Increase/decrease due to changes in the consolidated companies	6.3	-5.3	1.6	0.0	0.0	2.6
Other changes	-1.4	6.5	0.0	0.0	-1.3	3.8
Carrying amounts as of: 31/12/2015	91.4	525.4	22.1	118.6	0.0	757.5
Carrying amounts as of: 01/01/2014	86.5	541.1	20.5	118.6	1.3	768.0
Decrease due to changes in the consolidated companies	0.0	-14.2	0.0	0.0	0.0	-14.2
Other changes	0.0	-2.7	0.0	0.0	0.0	-2.7
Carrying amounts as of: 31/12/2014	86.5	524.2	20.5	118.6	1.3	751.1

**(11) Property, plant and equipment**

in € million	Land and buildings	Power plants	Distribution plants	Other equipment	Fixed assets under construction	Total
<b>Cost</b>						
As of: 01/01/2015	3,948.2	15,562.8	13,706.2	1,563.7	1,888.6	36,669.5
Increase/decrease due to changes in the consolidated companies	0.7	66.7	0.0	-0.1	2.8	70.1
Additions	22.4	410.7	395.5	57.5	571.0	1,457.1
Reclassifications	11.1	1,340.2	54.3	-2.5	-1,417.5	-14.4
Reclassification to assets held for sale	-79.9	-214.1	-17.6	-1.3	0.0	-312.9
Currency adjustments	3.9	27.9	35.2	0.9	1.1	69.0
Disposals	-11.8	-33.2	-218.1	-53.9	-1.8	-318.8
As of: 31/12/2015	3,894.6	17,161.0	13,955.5	1,564.3	1,044.2	37,619.6
<b>Accumulated depreciation</b>						
As of: 01/01/2015	1,856.4	11,707.5	8,287.9	1,132.6	3.4	22,987.8
Decrease due to changes in the consolidated companies	0.0	0.0	0.0	-0.3	0.0	-0.3
Additions	66.0	390.4	296.9	78.1	0.0	831.4
Reclassifications	0.0	-3.1	1.6	-2.5	0.0	-4.0
Reclassification to assets held for sale	-42.5	-70.5	-12.3	-1.1	0.0	-126.4
Currency adjustments	1.7	18.0	14.8	0.5	0.0	35.0
Disposals	-2.0	-16.8	-163.5	-51.8	0.0	-234.1
Impairment	114.1	508.8	49.1	9.5	0.0	681.5
Reversal of impairment losses	0.0	-35.0	-24.4	0.0	0.0	-59.4
As of: 31/12/2015	1,993.7	12,499.3	8,450.1	1,165.0	3.4	24,111.5
<b>Carrying amounts</b>						
As of: 31/12/2015	1,900.9	4,661.7	5,505.4	399.3	1,040.8	13,508.1

in € million	Land and buildings	Power plants	Distribution plants	Other equipment	Fixed assets under construction	Total
<b>Cost</b>						
As of: 01/01/2014	3,905.5	14,842.6	14,401.5	1,563.8	2,197.7	36,911.1
Increase/decrease due to changes in the consolidated companies	-2.0	-57.4	-9.1	0.0	0.5	-68.0
Additions	22.0	273.1	338.4	63.4	1,020.3	1,717.2
Reclassifications	163.7	1,067.3	70.4	10.5	-1,325.3	-13.4
Reclassification to assets held for sale	-118.4	-554.8	-842.2	-1.2	-2.4	-1,519.0
Currency adjustments	-1.1	5.2	-13.8	0.2	-0.2	-9.7
Disposals	-21.5	-13.2	-239.0	-73.0	-2.0	-348.7
As of: 31/12/2014	3,948.2	15,562.8	13,706.2	1,563.7	1,888.6	36,669.5
<b>Accumulated depreciation</b>						
As of: 01/01/2014	1,738.0	11,299.1	8,700.2	1,101.9	2.2	22,841.4
Decrease due to changes in the consolidated companies	-0.2	-19.6	-3.1	0.0	0.0	-22.9
Additions	67.3	325.9	299.0	81.0	0.0	773.2
Reclassifications	-2.2	0.7	1.5	-1.4	-0.1	-1.5
Reclassification to assets held for sale	-100.9	-542.1	-587.8	-1.2	0.0	-1,232.0
Currency adjustments	-0.5	3.3	-5.5	0.1	0.0	-2.6
Disposals	-8.9	-4.0	-160.1	-69.4	0.0	-242.4
Impairment	219.6	909.3	50.2	26.6	1.3	1,207.0
Reversal of impairment losses	-55.8	-265.1	-6.5	-5.0	0.0	-332.4
As of: 31/12/2014	1,856.4	11,707.5	8,287.9	1,132.6	3.4	22,987.8
<b>Carrying amounts</b>						
As of: 31/12/2014	2,091.8	3,855.3	5,418.3	431.1	1,885.2	13,681.7

Items of property, plant and equipment amounting to €94.7 million (previous year: €124.9 million) serve as collateral for liabilities to banks. Of which, real estate liens accounted for €0.0 million (previous year: €19.4 million).

The land and buildings also include, among other things, similar rights and buildings on leasehold land. Other plant and equipment includes waste disposal facilities, other technical facilities as well as factory and office equipment.

The carrying amounts of the property, plant and equipment include €16.1 million (previous year: €57.2 million) accounted for by finance lease agreements. These relate mainly to two natural gas caverns whose contractual term covers most of their useful life.

The carrying amounts of the finance leases recognised as non-current assets are summarised below:

in € million	31/12/2015	31/12/2014
Franchises, industrial rights and similar rights and assets	0.0	24.4
Technical equipment and machines	16.1	57.2
<b>Total</b>	<b>16.1</b>	<b>81.6</b>

The Group's capital expenditure on intangible assets and property, plant and equipment totalling €1,416.4 million (previous year: €1,704.4 million) can be seen below in the statement of changes in non-current assets:

in € million	2015	2014
Additions to intangible assets and property, plant and equipment according to the statement of changes in non-current assets	1,520.6	1,813.8
less additions to assets recognised under finance leases	-0.5	-2.6
less additions to the provision recognised for the decommissioning and dismantling of property, plant and equipment	-103.8	-118.6
plus additions to intangible assets and property, plant and equipment of assets held for sale	0.1	11.8
<b>Capital expenditure on intangible assets and property, plant and equipment</b>	<b>1,416.4</b>	<b>1,704.4</b>

**(12) Investment properties**

in € million

<b>Cost</b>	
As of: 01/01/2015	163.2
Reclassifications	0.7
Reclassification to assets held for sale	-13.3
Disposals	-7.1
As of: 31/12/2015	143.5
<b>Accumulated depreciation</b>	
As of: 01/01/2015	87.4
Additions	1.8
Reclassifications	0.3
Reclassification to assets held for sale	-10.9
Disposals	-5.3
Impairment	1.4
Reversal of impairment losses	-0.1
As of: 31/12/2015	74.6
<b>Carrying amount</b>	
As of: 31/12/2015	68.9
<b>Cost</b>	
As of: 01/01/2014	162.9
Reclassifications	6.3
Reclassification to assets held for sale	-1.8
Disposals	-4.2
As of: 31/12/2014	163.2
<b>Accumulated depreciation</b>	
As of: 01/01/2014	85.9
Additions	1.8
Reclassifications	3.2
Disposals	-1.2
Reversal of impairment losses	-2.3
As of: 31/12/2014	87.4
<b>Carrying amount</b>	
As of: 31/12/2014	75.8

As of the reporting date, the market value of the real estate that is classified as investment property was €86.3 million (previous year: €93.3 million). The market value was determined either by means of the comparable value method or by means of the net income value method. Based on the input factors, the fair value that was determined on the basis of the comparable value method must be allocated to Level 2 of the hierarchy (the individual levels of the fair value hierarchy are explained in note (27) "Accounting for financial instruments"). As input factors, the method uses market comparison values that reflect the latest sale prices from transactions with comparable properties. The net income value method derives the value of the property on the basis of the recoverable income and is allocated to Level 3 of the hierarchy on the basis of the input factors. As input factors, the method essentially uses future rental income, the discount rate and the vacancy rate. As in the previous year, almost all of the investment property was valued by external assessors. Rent income amounted to €6.2 million (previous year: €7.7 million). The directly allocable operating expenses amounted to €0.6 million (previous year: €0.6 million). Operating expenses that were not offset by rent income totalled €0.6 million (previous year: €0.7 million).

As in the previous year, there are no obligations to purchase investment property.

In the 2015 financial year, gains of €4.0 million (previous year: €6.2 million) were generated from the sale of investment property.

The receivables from irredeemable operating leases of the EnBW Group amounting to €139.9 million (previous year: €123.0 million) originate primarily from the renting out of commercial and residential property. As in the previous year, no contingent rent was recognised in the reporting period.

The minimum lease payments receivable are as follows:

in € million	2015	2014
Due within 1 year	35.7	38.2
Due in 1 to 5 years	22.4	39.5
Due in more than 5 years	81.8	45.3
<b>Total</b>	<b>139.9</b>	<b>123.0</b>

### (13) Entities accounted for using the equity method

Both joint ventures and associates are accounted for using the equity method.

EWE Aktiengesellschaft (EWE), an energy supply company with registered offices in Oldenburg, is an associate of material significance to the EnBW consolidated financial statements due to the carrying amount of the investment. Due to the planned restructuring of shareholdings agreed between EnBW Group, EWE and EWE-Verband, 20% of the shares in our 26% shareholding in EWE were reclassified as assets held for sale as of 30 September 2015.

The following tables show a summary of the financial information for EWE Aktiengesellschaft:

#### Earnings data<sup>1,2</sup>

in € million	2015	2014
Revenue	7,910.1	8,134.2
Net loss/profit for the year from continuing operations	-40.0	146.3
Other income	111.8	-174.6
Total comprehensive income	71.8	-28.3
Dividends received	22.9	22.9

<sup>1</sup> Preliminary figures for the current reporting year.

<sup>2</sup> The figures for the previous year have been restated.

#### Balance sheet data<sup>1,2</sup>

in € million	31/12/2015	31/12/2014
Non-current assets	7,887.2	7,781.0
Current assets	1,808.8	2,019.8
Non-current liabilities	5,494.4	5,528.3
Current liabilities	1,949.3	2,002.5
Net assets	2,252.3	2,270.0
Adjustment to EnBW's interest	-1,960.4	-910.2
Carrying amount of entities accounted for using the equity method	291.9	1,359.8

<sup>1</sup> Preliminary figures for the current reporting year.

<sup>2</sup> The figures for the previous year have been restated.

The following table shows a summary of the financial information for the remaining entities accounted for using the equity method:

Financial data for the remaining entities accounted for using the equity method  
(EnBW's interest)

in € million	2015		2014	
	Remaining associates	Joint ventures	Remaining associates	Joint ventures
Carrying amount of entities accounted for using the equity method	328.6	205.6	336.1	245.1
Net profit/loss for the year from continuing operations	31.8	-20.2	23.7	-10.4
Other income	3.0	16.9	0.7	15.3
Total comprehensive income	34.8	-3.3	24.4	4.9

Elektrizitätswerk Rheinau AG and Fernwärme Ulm GmbH have a different reporting date and are consolidated with the figures from their financial statements for the year ended 30 September 2015.



**(14) Other financial assets**

in € million	Shares in affiliated entities	Other investments <sup>1, 2</sup>	Long-term securities <sup>3</sup>	Loans	Total
<b>Cost</b>					
As of: 01/01/2015	95.3	1,091.6	7,591.9	57.7	8,836.5
Decrease due to changes in the consolidated companies	-0.2	0.0	0.0	0.0	-0.2
Additions	22.4	348.1	6,104.8	5.7	6,481.0
Reclassifications	-0.7	-11.9	-481.9	-1.5	-496.0
Reclassification to assets held for sale	-6.4	0.0	0.0	0.0	-6.4
Currency adjustments	0.0	4.7	0.0	2.3	7.0
Disposals	-2.9	-139.6	-6,177.2	-8.0	-6,327.7
As of: 31/12/2015	107.5	1,292.9	7,037.6	56.2	8,494.2
<b>Accumulated amortisation</b>					
As of: 01/01/2015	32.4	167.1	119.3	4.3	323.1
Impairment	0.0	8.0	35.2	0.1	43.3
Reclassifications	0.0	-12.5	0.0	0.2	-12.3
Currency adjustments	0.0	1.0	0.0	0.5	1.5
Disposals	0.0	-59.8	-38.3	-3.7	-101.8
As of: 31/12/2015	32.4	103.8	116.2	1.4	253.8
<b>Carrying amounts</b>					
As of: 31/12/2015	75.1	1,189.1	6,921.4	54.8	8,240.4
<b>Cost</b>					
As of: 01/01/2014	49.4	921.4	5,693.0	55.1	6,718.9
Increase/decrease due to changes in the consolidated companies	38.9	-8.5	0.0	-7.0	23.4
Additions	11.8	256.0	5,798.4	17.2	6,083.4
Reclassifications	-0.3	1.6	-585.5	2.5	-581.7
Currency adjustments	0.0	0.7	0.0	0.4	1.1
Disposals	-4.5	-79.6	-3,314.0	-10.5	-3,408.6
As of: 31/12/2014	95.3	1,091.6	7,591.9	57.7	8,836.5
<b>Accumulated amortisation</b>					
As of: 01/01/2014	25.6	168.4	123.9	1.1	319.0
Decrease due to changes in the consolidated companies	6.8	0.0	0.0	0.0	6.8
Impairment	0.0	12.9	1.2	3.2	17.3
Reclassifications	0.0	0.0	0.2	0.1	0.3
Currency adjustments	0.0	0.1	0.0	0.0	0.1
Disposals	0.0	-14.3	-6.0	0.0	-20.3
Reversal of impairment losses	0.0	0.0	0.0	-0.1	-0.1
As of: 31/12/2014	32.4	167.1	119.3	4.3	323.1
<b>Carrying amounts</b>					
As of: 31/12/2014	62.9	924.5	7,472.6	53.4	8,513.4

<sup>1</sup> €104.4 million (previous year: €0.0 million) of the additions to acquisition costs and €4.0 million (previous year: €0.0 million) of the derecognition of acquisition costs originate from the market valuation.

<sup>2</sup> The carrying amounts include €1,058.8 million (previous year: €794.5 million) accounted for by investments held as financial assets.

<sup>3</sup> €453.7 million (previous year: €454.5 million) of the additions to acquisition costs and €299.8 million (previous year: €51.7 million) of the derecognition of acquisition costs originate from the market valuation.

The investments in affiliated entities disclosed in the financial assets are entities that are not included in the consolidated financial statements due to immateriality.

The non-current securities are mainly fixed-interest securities as well as listed shares. To a large extent, the non-current securities are held in special funds. For consolidation purposes, the individual securities in the special funds are shown separately in the consolidated balance sheet by type of investment.

The loans consist of loans to affiliated entities amounting to €3.6 million (previous year: €4.6 million), loans to entities in which participating interests are held amounting to €37.2 million (previous year: €34.6 million) and other loans amounting to €14.0 million (previous year: €14.2 million).

Impairment losses of financial assets are recorded on a separate allowance account and presented in the statement of changes in non-current assets.

### (15) Trade receivables

in € million	31/12/2015			31/12/2014		
	Current	Non-current	Total	Current	Non-current	Total
Trade receivables	2,787.3	760.3	3,547.6	3,193.1	678.6	3,871.7
of which receivables from affiliated entities	(14.8)	(0.0)	(14.8)	(24.9)	(0.0)	(24.9)
of which receivables from other investees and investors	(35.1)	(0.0)	(35.1)	(27.7)	(0.0)	(27.7)
of which receivables from entities accounted for using the equity method	(26.7)	(0.0)	(26.7)	(30.9)	(0.0)	(30.9)

Non-current trade receivables principally include receivables relating to electricity supplies, whose term to maturity does not match the customary business cycle.

The movements in the provision for impairment of trade receivables break down as follows:

in € million	2015	2014
As of 01/01	29.0	46.5
Utilisation	-33.0	-24.0
Net additions	37.1	6.5
<b>As of 31/12</b>	<b>33.1</b>	<b>29.0</b>

The credit risks inherent in trade receivables are presented below:

in € million	31/12/2015	31/12/2014
Not past due and not impaired	3,466.1	3,761.8
Past due, but not impaired		
Due within 3 months	29.2	34.7
Due in between 3 and 6 months	2.1	4.6
Due in between 6 months and 1 year	3.2	7.2
Due in more than 1 year	19.6	12.3
Impaired	27.4	51.1
<b>Total</b>	<b>3,547.6</b>	<b>3,871.7</b>

There was no indication as of the reporting date that any impairment losses needed to be recognised on the trade receivables recorded as not impaired.

### (16) Income tax refund claims

Current and non-current income tax refund claims mainly include deductible tax on investment income from previous years and the current year, as well as income tax receivables from concluded audits at numerous Group companies. Also included is the corporate income tax credit according to the law on tax measures related to the introduction of European companies and the amendment of other tax regulations (SEStEG) from 7 December 2006.

### (17) Other assets

in € million	31/12/2015			31/12/2014		
	Current	Non-current	Total	Current	Non-current	Total
Other tax refund claims	54.8	0.0	54.8	75.5	0.0	75.5
Derivatives <sup>1</sup>	1,787.5	209.3	1,996.8	1,407.6	151.8	1,559.4
of which without hedges	(1,687.7)	(103.0)	(1,790.7)	(1,297.0)	(47.3)	(1,344.3)
of which cash flow hedge	(99.8)	(0.0)	(99.8)	(76.4)	(0.0)	(76.4)
of which fair value hedge	(0.0)	(106.3)	(106.3)	(34.2)	(104.5)	(138.7)
Finance lease receivables	5.4	30.0	35.4	7.6	25.6	33.2
Payments on account	81.6	49.2	130.8	75.3	34.8	110.1
Active prepaid expenses	29.0	26.3	55.3	18.5	38.3	56.8
Sundry assets	606.5	25.6	632.1	501.1	19.5	520.6
<b>Total</b>	<b>2,564.8</b>	<b>340.4</b>	<b>2,905.2</b>	<b>2,085.6</b>	<b>270.0</b>	<b>2,355.6</b>

<sup>1</sup> To improve the presentation of the financial position and cash flows, from the 2015 six-monthly financial statement, accrued interest from interest rate swaps is now reported together with the market value under other non-current assets (€6.8 million).

The finance lease receivables arose from supply contracts for various forms of energy such as electricity, heat, cooling and compressed air, under which the economic ownership of the leased technical equipment and machinery is allocable to the lessee. The leases contain escalation clauses, as well as renewal and purchase price options.

The agreements are based on the following parameters and terms to maturity:

in € million	31/12/2015	31/12/2014
Total lease instalments	45.4	38.6
Interest portion of outstanding lease instalments	10.0	5.4
<b>Present value of outstanding lease instalments</b>	<b>35.4</b>	<b>33.2</b>

The outstanding lease instalments are due as follows:

in € million	31/12/2015		31/12/2014	
	Nominal value	Present value	Nominal value	Present value
Due within 1 year	7.0	5.8	8.9	7.6
Due in 1 to 5 years	22.6	19.2	19.0	16.5
Due in more than 5 years	15.8	10.4	10.7	9.1
<b>Total</b>	<b>45.4</b>	<b>35.4</b>	<b>38.6</b>	<b>33.2</b>

As in the previous year, no impairment losses or reversals of impairment losses had to be recognised on outstanding finance lease receivables.

Payments on account contain prepayments for electricity procurement agreements amounting to €49.6 million (previous year: €46.2 million). Prepaid expenses do not include any deferred lease instalments this year (previous year: €3.8 million).

Other assets contain collateral for over-the-counter trading businesses amounting to €122.9 million (previous year: €282.6 million), as well as variation margins of €38.6 million (previous year: €22.7 million).

Bad debt allowances on other assets measured at amortised cost developed as follows:

in € million	2015	2014
As of 01/01	33.9	34.2
Utilisation	-7.1	-0.1
Net additions	1.8	-0.2
<b>As of 31/12</b>	<b>28.6</b>	<b>33.9</b>

The credit risks of financial instruments disclosed under other assets break down as follows:

in € million	31/12/2015	31/12/2014
Not past due and not impaired	2,578.1	2,108.1
Past due, but not impaired		
Due within 3 months	0.0	0.2
Due in between 3 and 6 months	0.0	0.4
Due in between 6 months and 1 year	0.0	0.1
Due in more than 1 year	0.1	0.1
Impaired	1.2	0.9
<b>Total</b>	<b>2,579.4</b>	<b>2,109.8</b>

There was no indication as of the reporting date that any impairment losses needed to be recognised on the other assets recorded as not impaired.

**(18) Inventories**

in € million	31/12/2015	31/12/2014
Materials and supplies	422.7	590.7
Nuclear fuel rods (including payments on account)	282.8	311.7
Work in progress	82.5	73.3
Finished goods and merchandise	88.4	158.9
Payments on account	1.1	0.8
<b>Total</b>	<b>877.5</b>	<b>1,135.4</b>

No inventories have been assigned as collateral.

In the reporting year, write-downs of €32.7 million were recorded on the inventories (previous year: €19.3 million).

Of the inventories, €88.0 million (previous year: €103.0 million) were recognised at fair value.

**(19) Financial assets**

Current financial assets mainly consist of fixed-interest securities. Other current financial assets essentially include loans. Due to the measurement at market value, there were write-ups amounting to €0.7 million in the financial year (previous year: €4.7 million), as well as write-downs of €1.7 million (previous year: €1.6 million).

As in the previous year, there were no impairment losses on other financial assets.

in € million	31/12/2015	31/12/2014
Profit participation rights, funds and shares	1,335.8	760.3
Other current financial assets	18.1	19.8
<b>Total</b>	<b>1,353.9</b>	<b>780.1</b>

Current financial assets totalling €153.7 million (previous year: €169.9 million) were provided as collateral. The collateral was mainly provided for stock exchange transactions and changed in line with the development of the trading volume. Market interest rates applied to the collateral provided. This collateral will be used by the stock exchanges in the event that the obligations resulting from stock market transactions are not met.

**(20) Cash and cash equivalents**

Cash and cash equivalents relate primarily to bank balances, largely in the form of time and call deposits.

Cash was not subject to any significant restrictions on disposal.

**(21) Equity**

The development of equity and total comprehensive income is presented separately in the statement of changes in equity. The components of total comprehensive income are presented in the statement of comprehensive income.

**Subscribed capital**

The share capital of EnBW AG amounts to €708,108,042.24 as of 31 December 2015 (previous year: €708,108,042.24 million) and is divided into 276,604,704 (previous year: 276,604,704) no-par-value bearer shares, all of which have been fully paid-in. The no-par-value shares each represent an imputed share of €2.56 per share (previous year: €2.56 per share) of the subscribed capital.

NECKARPRI-Beteiligungsgesellschaft mbH and OEW Energie-Beteiligungs GmbH each directly hold 46.75% of the share capital of EnBW AG as of 31 December 2015 (previous year: 46.75% each).

### Capital reserve

The capital reserve contains the amounts received from the issue of shares of EnBW AG which exceed the imputed value of the shares.

### Revenue reserves

The revenue reserves primarily contain the pro rata revenue reserves of the parent company and the other companies included in the consolidation after the date of acquisition accounting.

### Retained earnings of EnBW AG

Taking account of the profit carried forward amounting to €662.6 million (previous year: €0.1 million), retained earnings amounted to €317.4 million (previous year: €849.5 million). In the previous year there was also a transfer to other revenue reserves amounting to €400.0 million. We will propose to the Annual General Meeting that a dividend of €0.55 (previous year: €0.69) per share be distributed from the retained earnings of EnBW AG. As of 31 December 2015, a total of 270,855,027 shares (previous year: 270,855,027 shares) were entitled to dividends. If the Annual General Meeting approves this proposal, the amount distributed by EnBW AG for the 2015 financial year will total €149.0 million (previous year: €186.9 million).

The retained earnings of EnBW AG are disclosed under revenue reserves.

### Treasury shares

As of 31 December 2015, EnBW AG holds 5,749,677 (previous year: 5,749,677) treasury shares. The acquisition cost of the treasury shares amounting to €204.1 million was deducted from the carrying amount of the equity. The amount of share capital attributable to them is €14,719,173.12. This corresponds to 2.1% (previous year: 2.1%) of the subscribed capital.

The company has no rights or dividend entitlements from the directly or indirectly held treasury shares; they are not entitled to dividends. In accordance with the rulings of IFRS, the treasury shares are not recognised as securities, but are offset in one sum against equity in the balance sheet.

### Other comprehensive income

Other comprehensive income comprises changes in the market value of available-for-sale financial assets, changes in the market value of cash flow hedges, amounts recognised directly in equity for accounting for entities using the equity method, currency translation differences from the translation of financial statements of foreign entities, and the revaluation of pensions and similar obligations.

For details on the changes recognised directly in equity on available-for-sale financial assets and of cash flow hedges, please refer to note (27) "Accounting for financial instruments".

## Presentation of the components of other comprehensive income:

2015 in € million	Revaluation of pensions and similar obligations	Difference from currency translation	Cash flow hedge	Available-for-sale financial assets	Entities accounted for using the equity method	Shares of the shareholders of EnBW AG	Non-controlling interests	Total
Unrealised changes in market value in the current period	202.5	37.8	-120.2	252.9	-9.6	363.4	11.7	375.1
Reclassification adjustments included in the income statement	0.0	0.0	65.8	-659.4	0.0	-593.6	-0.2	-593.8
Reclassification to cost of hedged items	0.0	0.0	161.5	0.0	0.0	161.5	0.0	161.5
<b>Other comprehensive income before tax</b>	<b>202.5</b>	<b>37.8</b>	<b>107.1</b>	<b>-406.5</b>	<b>-9.6</b>	<b>-68.7</b>	<b>11.5</b>	<b>-57.2</b>
Income tax	-33.0	3.4	-29.7	14.3	0.0	-45.0	1.0	-44.0
<b>Other comprehensive income</b>	<b>169.5</b>	<b>41.2</b>	<b>77.4</b>	<b>-392.2</b>	<b>-9.6</b>	<b>-113.7</b>	<b>12.5</b>	<b>-101.2</b>
2014 in € million <sup>1</sup>	Revaluation of pensions and similar obligations	Difference from currency translation	Cash flow hedge	Available-for-sale financial assets	Entities accounted for using the equity method	Shares of the shareholders of EnBW AG	Non-controlling interests	Total
Unrealised changes in market value in the current period	-1,178.7	3.9	-268.7	401.3	-53.7	-1,095.9	-33.9	-1,129.8
Reclassification adjustments included in the income statement	0.0	0.0	86.5	-161.2	0.0	-74.7	-0.3	-75.0
Reclassification to cost of hedged items	0.0	0.0	169.4	0.0	0.0	169.4	0.0	169.4
<b>Other comprehensive income before tax</b>	<b>-1,178.7</b>	<b>3.9</b>	<b>-12.8</b>	<b>240.1</b>	<b>-53.7</b>	<b>-1,001.2</b>	<b>-34.2</b>	<b>-1,035.4</b>
Income tax	311.1	0.6	1.2	-37.3	0.0	275.6	9.1	284.7
<b>Other comprehensive income</b>	<b>-867.6</b>	<b>4.5</b>	<b>-11.6</b>	<b>202.8</b>	<b>-53.7</b>	<b>-725.6</b>	<b>-25.1</b>	<b>-750.7</b>

<sup>1</sup> The figures for the previous year have been restated.

Presentation of the tax effect relating to unrealised gains and losses in equity:

in € million <sup>1</sup>	2015			2014		
	Before tax	Tax expenses/ income	After tax	Before tax	Tax expenses/ income	After tax
Revaluation of pensions and similar obligations	200.7	-32.6	168.1	-1,193.5	313.8	-879.7
Difference from currency translation	53.2	3.4	56.6	7.7	0.6	8.3
Cash flow hedge	-122.2	16.6	-105.6	-292.0	58.5	-233.5
Available-for-sale financial assets	253.0	-17.5	235.5	401.7	-54.3	347.4
Entities accounted for using the equity method	-9.6	0.0	-9.6	-53.7	0.0	-53.7
<b>Other comprehensive income</b>	<b>375.1</b>	<b>-30.1</b>	<b>345.0</b>	<b>-1,129.8</b>	<b>318.6</b>	<b>-811.2</b>

<sup>1</sup> The figures for the previous year have been restated.

Presentation of the tax effects of reclassification adjustments included in the income statement and the cost of hedged items:

in € million	2015			2014		
	Before tax	Tax expenses/ income	After tax	Before tax	Tax expenses/ income	After tax
Cash flow hedge	227.1	-45.7	181.4	255.9	-50.9	205.0
Available-for-sale financial assets	-659.4	31.8	-627.6	-161.5	17.0	-144.5
<b>Other comprehensive income</b>	<b>-432.3</b>	<b>-13.9</b>	<b>-446.2</b>	<b>94.4</b>	<b>-33.9</b>	<b>60.5</b>



### Non-controlling interests

Non-controlling interests are shares in Group companies held by third parties. They relate, in particular, to the Energiedienst group, Stadtwerke Düsseldorf AG and Pražská energetika a.s., with their relevant subsidiaries and EnBW Group Baltic 2 S.C.S.

The financial information on the subsidiaries of EnBW AG where there is a significant interest without a controlling influence is as follows:

in € million	2015				2014		
	Energie- dienst Holding AG	Stadtwerke Düsseldorf AG	Pražská energetika a.s.	EnBW Baltic 2 S.C.S.	Energie- dienst Holding AG	Stadtwerke Düsseldorf AG	Pražská energetika a.s.
Capital share in %	33.33	45.05	30.16	49.89	33.33	45.05	30.16
Annual net profit from non-controlling interests	11.2	16.6	22.4	17.8	12.4	20.3	20.8
Dividends paid	16.1	22.8	18.9	0.0	14.0	16.8	18.8
Carrying amount of non-controlling interests	397.9	331.9	230.6	756.9	395.0	339.3	221.7
<b>Balance sheet data for subsidiaries where there is a significant interest without a controlling influence</b>							
Non-current assets	1,519.5	1,423.9	1,055.3	1,602.6	1,482.9	1,361.4	1,019.5
Current assets	376.4	503.5	94.4	210.0	404.2	443.6	84.6
Non-current liabilities	540.8	809.0	244.7	119.4	509.1	716.8	230.0
Current liabilities	153.4	382.1	136.2	101.5	177.7	373.6	135.2
<b>Earnings data for subsidiaries where there is a significant interest without a controlling influence</b>							
Adjusted EBITDA	107.5	153.7	159.0	124.9	112.6	146.7	149.1

## (22) Provisions

The provisions disclosed separately according to maturity in the balance sheet are combined for the purposes of disclosures in the notes to the financial statements.

in € million	31/12/2015			31/12/2014		
	Current	Non-current	Total	Current	Non-current	Total
Provisions for pensions and similar obligations	144.1	5,480.9	5,625.0	137.5	5,648.5	5,786.0
Provisions relating to nuclear power	478.5	7,852.4	8,330.9	402.2	7,669.2	8,071.4
Provisions for non-contractual nuclear obligations	(288.2)	(4,749.2)	(5,037.4)	(249.5)	(5,182.1)	(5,431.6)
Provisions for contractual nuclear obligations	(190.3)	(3,103.2)	(3,293.5)	(152.7)	(2,487.1)	(2,639.8)
Other provisions	720.2	1,144.8	1,865.0	611.9	984.5	1,596.4
Other electricity provisions	(225.6)	(112.7)	(338.3)	(195.5)	(42.2)	(237.7)
Personnel provisions	(76.7)	(116.6)	(193.3)	(104.8)	(112.3)	(217.1)
Provisions for onerous contracts	(155.4)	(740.0)	(895.4)	(63.6)	(633.9)	(697.5)
Sundry provisions	(262.5)	(175.5)	(438.0)	(248.0)	(196.1)	(444.1)
<b>Total</b>	<b>1,342.8</b>	<b>14,478.1</b>	<b>15,820.9</b>	<b>1,151.6</b>	<b>14,302.2</b>	<b>15,453.8</b>

### Provisions for pensions and similar obligations

The provisions for pensions and similar obligations are recorded on the basis of the existing commitments for future and current post-employment benefits to current and former employees with a pension entitlement, as well as their surviving dependants. A substantial majority of the employees of the EnBW Group are entitled to pension payments from defined benefit pension plans. There are different post-employment provision schemes, which reflect how long the respective employees have served the company. In the case of employees who have already retired, the schemes in question are mainly final salary-based systems, in which the pension paid is calculated on the basis of the length of service, the rate of increase and the last pensionable income. As of 1 January 2005, this system was decoupled from the adjustments to the statutory pension insurance system as part of a reorganisation. The amount of provisions for pensions and similar obligations as of 31 December 2015 was €5,243.2 million (previous year: €5,438.9 million). The bulk of the active employees are covered by ongoing salary-based schemes and/or a pension component system in the form of an average salary plan in which the pension paid consists of annual pension components. The related provisions amounted to €381.8 million (previous year: €347.1 million). For employees who joined the company from 1998 onwards, the pension commitment is based solely on a pension component system. In addition, the employees are granted energy-price reductions during the period in which they receive their pensions.

The pensioners and those with prospective pension entitlements are distributed as follows among the different post-employment provision schemes:

Number of employees	31/12/2015		31/12/2014	
	Staff with prospective pension entitlements	Pensioners	Staff with prospective pension entitlements	Pensioners
Closed systems dependent on final salary	8,835	13,535	9,120	13,668
Pension component systems	7,714	273	7,263	231

The commitments are measured above all on the basis of the length of service and remuneration of the employees. In addition, the company pension scheme includes defined benefit obligations under a multi-employer plan using the same measurement basis. The contributions payable to the supplemental pension

plans are made as a certain percentage of the respective employee's remuneration that is subject to the supplemental pension plan.

The amount of provisions earmarked for the defined benefit obligations corresponds to the present value of the expected future obligations. The provisions are calculated using actuarial methods. Plan assets were created in accordance with IAS 19.8 and will be used exclusively to cover pension obligations. They are deducted from the pension obligations. These exist in the form of contractual trust arrangements (CTA) in the EnBW Group. A CTA is a legally-structured trustee arrangement for the capital cover of direct pension commitments with separated and spun-off assets.

The objective of asset management in this area is to cover the non-current provisions for pensions and similar obligations, as well as the Group's nuclear provisions, within an economically sensible period by means of appropriate financial investments. The investment goals indicated can be achieved with a minimum of risk. The investment volume as of 31 December 2015 totalled approximately €9.1 billion (previous year: €9.0 billion) and was allocated to a total of nine (previous year: nine) asset classes. In addition to the direct investments, the financial investments were bundled within four master funds.

The following premises are taken into account when investments are made:

- › Risk-optimised performance in line with the market is targeted.
- › The risk was minimised by, for example, the implementation of an intervention line concept, the establishment of issuer limits and minimum ratings for bonds, adherence to a broad diversification of asset classes and further appropriate measures.
- › The impact on the balance sheet and the income statement are to be minimised.
- › Reducing costs and simplifying administration are also major priorities.

The anticipated development of the cash flow of the post-employment provision scheme is as follows:

in € million	2015	2016– 2020 <sup>1</sup>	2021– 2025 <sup>1</sup>	2026– 2030 <sup>1</sup>	2031– 2035 <sup>1</sup>	2036– 2040 <sup>1</sup>	2041– 2045 <sup>1</sup>	2046– 2050 <sup>1</sup>
Closed systems dependent on final salary	140.6	152.4	185.9	217.6	238.3	233.3	211.7	178.1
Pension component systems	0.5	1.4	3.3	7.5	16.0	26.6	37.7	52.2
<b>Total</b>	<b>141.1</b>	<b>153.8</b>	<b>189.2</b>	<b>225.1</b>	<b>254.3</b>	<b>259.9</b>	<b>249.4</b>	<b>230.3</b>

<sup>1</sup> Average values for five years.

Changes in the underlying parameters for calculating the provisions for pensions and similar obligations would have the following impact on their amounts:

in € million	31/12/2015		31/12/2014	
	Pension component systems	Closed post-retirement systems dependent on final salary	Pension component systems	Closed post-retirement systems dependent on final salary
Discount rate +/-0.5%	-61.5/57.0	-466.7/525.7	-58.6/53.5	-502.5/571.2
Salary trend +/-0.5%	11.2/-10.7	107.2/-94.5	8.8/-12.1	165.0/-144.2
Pension trend +/-0,5%	6.4/-6.1	381.1/-350.6	6.8/-3.1	413.3/-377.9
Life expectancy +/-1 year	16.6/-17.1	339.6/-344.1	13.0/-15.3	364.6/-367.8

The parameters for the sensitivity analysis were chosen from the point of view of materiality. Their impact on the defined benefit obligation (DBO) was determined separately in each case to prevent interactions. The parameter variation is based on past experience and the long-term planning premises applied within the Group.

The material parameters (average values) for calculating the defined-benefit pension commitments at the Group's domestic companies are shown below:

in %	31/12/2015	31/12/2014
Discount rate	2.30	2.20
Future expected wage and salary increases <sup>1</sup>	2.60	2.70
Future expected pension increase	1.85	1.90
Employee turnover	2.00	2.00
Expected return on plan assets	2.30	2.20

<sup>1</sup> Taking stock in 2014.

The calculations are based on the 2005G mortality tables devised by Prof. Dr. Klaus Heubeck.

The expenses for pensions and similar obligations is comprised as follows:

in € million	2015	2014
Current service cost	118.1	102.9
Past service cost	-0.1	-0.5
Interest income from plan assets	-22.6	-37.1
Interest costs	148.6	208.6
<b>Recording in the income statement</b>	<b>244.0</b>	<b>273.9</b>
Income from plan assets excluding interest income	-22.9	-2.5
Actuarial gains (-)/losses (+) from changes in financial assumptions	-173.1	1,164.8
Actuarial gains (-)/losses (+) from experience-based restatements	-4.7	31.2
<b>Recording in the statement of comprehensive income</b>	<b>-200.7</b>	<b>1,193.5</b>
<b>Total</b>	<b>43.3</b>	<b>1,467.4</b>

The development of the pension provisions, categorised by the present value of the defined benefit commitment and the market value of the plan assets, is as follows:

in € million	31/12/2015	31/12/2014
Defined benefit obligation at the beginning of the financial year	6,888.4	5,643.7
Current service cost	118.1	102.9
Interest costs	148.6	208.6
Benefits paid	-251.4	-254.4
Actuarial gains (+)/losses (-)	-177.8	1,196.0
Actuarial gains (-)/losses (+) from changes in financial assumptions	(-173.1)	(1,164.8)
Actuarial gains (-)/losses (+) from experience-based restatements	(-4.7)	(31.2)
Past service cost	-0.1	-0.5
Changes in the consolidated companies and currency adjustments	11.5	1.8
Reclassifications	1.5	-9.7
<b>Present value of the defined benefit obligation at the end of the financial year</b>	<b>6,738.8</b>	<b>6,888.4</b>
Fair market value of plan assets at the beginning of the financial year	1,102.4	1,068.6
Interest income	22.6	37.1
Appropriations to the plan assets <sup>1</sup>	66.8	107.7
Benefits paid	-110.3	-115.2
Income from plan assets excluding interest income	22.9	2.5
Currency adjustments and reclassifications	9.4	1.7
<b>Fair market value of plan assets at the end of the financial year</b>	<b>1,113.8</b>	<b>1,102.4</b>
<b>Provisions for pensions and similar obligations</b>	<b>5,625.0</b>	<b>5,786.0</b>

<sup>1</sup> Applies almost exclusively to the employer's contributions.

The actual development of plan assets amounted to €45.5 million (previous year: €39.6 million). Payments into the plan assets in the amount of €4.9 million (previous year: €3.5 million) are planned in the subsequent period.

The present value of the defined benefit obligation breaks down as follows by asset-funded and non-asset-funded status:

in € million	31/12/2015	31/12/2014
Funded benefits	1,189.4	1,255.5
Full funding	(1,161.8)	(1,226.7)
Partial funding	(27.6)	(28.8)
Pension entitlements without asset funding	5,549.4	5,632.9

The present value of the benefit obligations, the fair market value of plan assets and the plan surplus or deficit have developed as follows:

in € million	31/12/2015	31/12/2014
Present value of benefit obligations	6,738.8	6,888.4
Fair market value of plan assets	1,113.8	1,102.4
Plan surplus or deficit	5,625.0	5,786.0

The plan assets consist of the following asset classes:

in %	31/12/2015	31/12/2014
Shares	86.3	86.3
Share-based investment funds	0.0	0.4
Pension funds	0.9	1.1
Fixed-interest securities	8.5	9.2
Land and buildings	1.8	1.2
Other assets	1.7	1.1
Current financial assets	0.8	0.7
	<b>100.0</b>	<b>100.0</b>

The investment objective for the external plan assets is to cover benefit obligations with a similar term. The plan assets are invested almost entirely within the EU and mainly in energy supply companies. Their performance is subject to country-specific and energy-industry risks. They do not include any shares of EnBW Group companies or any owner-occupied property. The investment strategy takes into consideration the maturity structure and volume of benefit obligations.

The plan assets mainly have market price listings on active markets. The shares contain €296.7 million (previous year: €296.3 million) whose fair value was determined with the help of the discounted cash flow method in the absence of an active market.

#### Multi-employer plans

Multi-employer plans, which are defined benefit plans, are accounted for as defined contribution plans because the information required to allocate the obligations and plan assets to the respective participating employer and the corresponding expenses is not provided by the supplemental pension plans. The expenses from defined benefit obligations via multi-employer plans amounted to €16.6 million (previous year: €16.4 million). Appropriations of a similar magnitude are anticipated for the subsequent year. Potential future increases in contributions from obligations that are not fully funded will not have a significant effect on the EnBW Group.

The employer's contributions to statutory pension insurance in 2015 amounted to €90.3 million (previous year: €89.7 million).

#### Provisions relating to nuclear power

The provisions relating to nuclear power have been recorded for the disposal of irradiated fuel rods and radioactive waste, as well as for the decommissioning and restoration of contaminated facilities.

in € million	31/12/2015	31/12/2014
Decommissioning and restoration	4,657.8	4,641.7
Fuel rod disposal	3,212.7	3,049.1
Waste	460.4	380.6
<b>Total</b>	<b>8,330.9</b>	<b>8,071.4</b>

Taking account of the breakdown pursuant to the expert opinion on reviewing the provisions in the nuclear power sector ("stress test") commissioned by the Federal Ministry for Economic Affairs and Energy (BMWi) in 2015, the breakdown is as follows:

in € million	31/12/2015	31/12/2014
Decommissioning and restoration	4,057.1	4,065.2
Containers, transportation, waste	1,650.6	1,553.8
Intermediate storage	756.5	681.5
Konrad mine final storage facility	615.3	592.1
Final storage facility for highly radioactive waste	1,107.8	1,042.1
Other obligations	143.6	136.7
<b>Total</b>	<b>8,330.9</b>	<b>8,071.4</b>

The provisions are all based on public law obligations and requirements in the operating licences.

In those instances where contracts had not been concluded under civil law by the reporting date for performance of these public law obligations, the provisions were measured based on external appraisals and cost estimates (non-contractual nuclear obligations). This mainly concerns the anticipated costs relating to decommissioning and post-operation of the plants, dismantling and disposal of parts of nuclear power plants, and also the actual costs of final storage. With regard to the disposal of fuel rods, the non-contractual share of costs mostly relates to costs for conditioning in preparation for final storage, transportation costs, costs for the procurement of containers for final storage purposes, as well as the costs of final storage.

In addition, part of the carrying amount of the provisions is substantiated by civil law contracts (contractual nuclear obligations). On the one hand, these are personnel costs for the company's own staff who are expected to deal with the decommissioning. On the other hand, the disposal of fuel rods mainly comprises costs yet to be incurred for reprocessing spent fuel rods, costs of local intermediate storage in the vicinity of the plants, central intermediate storage at the Gorleben and Ahaus intermediate storage facilities, as well as costs for transportation and the procurement of containers.

The provisions for the decommissioning and restoration of contaminated plants, as well as for fuel rods, are recognised at the discounted settlement amount at the time of commissioning. This is disclosed accordingly under the generating facilities and depreciated. It amounts to €513.1 million (previous year: €706.5 million). Changes in estimates due to changes in assumptions concerning the future development of costs were generally recognised without effect on profit or loss by adjusting the appropriate balance sheet items by €33.7 million (previous year: €104.8 million). These changes in estimates related to decommissioned power plants and were recognised as profit or loss. Decommissioning costs are calculated on the basis of the scenario that assumes that the plants will be removed immediately. The provisions are partially offset by receivables amounting to €759.2 million (previous year: €675.4 million) which relate to dismantling obligations for nuclear power plants assumed by a contractual partner in connection with electricity supplies.

The provisions relating to nuclear power are calculated to an amount equivalent to the present value of the expected future obligations and increased annually to reflect the passage of time. The discount rate for calculating the provisions is 4.7% (previous year: 4.8%). The discount rate calculated is fundamentally based on the mean of the average yields of listed German government securities with a maximum term of 15 to 30 years. This approach takes account of the fact that no term-appropriate interest rates for the long terms of the situation represented in the nuclear provision can be found on the market. Based on the information currently available, the provisions are expected to be utilised mostly in the period from 2020 to 2070.

The selection of the discount rate and inflation parameters can be justified economically on the basis of the real interest rate. The spread of 1.2% (previous year: 1.3%) arising from the difference between the discount rate of 4.7% (previous year: 4.8%) and inflation of 3.5% (previous year: 3.5%) fundamentally corresponds to the real interest rate.

A reduction or increase of 0.1 percentage points in the real interest rate would increase the present value of the nuclear provisions by €147.0 million (previous year: €143.4 million) or reduce it by €141.8 million (previous year: €138.2 million), respectively.

The payments on account made to reprocessing firms and the German Federal Office for Radiation Protection, which are taken into account in the provisions relating to nuclear power, amount to €615.7 million (previous year: €592.4 million). The payments to the German Federal Office for Radiation Protection relate to the construction of the Gorleben and Konrad final storage facilities and are based on the German Final Storage Advance Payments Ordinance (EndlagerVIV).

### Other provisions

Other electricity provisions primarily relate to obligations from CO<sub>2</sub> emission allowances, the restoration obligations for wind and hydroelectric power plants, the procurement of conventional electricity and fuels, and the Renewable Energies Act (EEG).

Personnel provisions primarily concern obligations from phased retirement arrangements, long-service awards and restructuring measures.

The provisions for onerous contracts concern future obligations from onerous procurement and sales agreements. The obligations mainly relate to the procurement of electricity.

Other provisions are discounted using an interest rate of 0.00% to 1.50% on average (previous year: 0.00% to 2.00%). The majority of other non-current provisions have a term of between one and five years.

The provisions developed as follows in the reporting year:

Provisions in € million	As of 01/01/2015	Increases	Reversals	Increase due to the passage of time	Changes recognised in equity	Changes in consolidated companies, currency adjustments, reclassifications	Reclassifications to liabilities associated with assets held for sale	Utilisation	As of 31/12/2015
Provisions for pensions and similar obligations	5,786.0	118.0	0.0	126.0	-200.7	-63.2	0.0	141.1	5,625.0
Provisions relating to nuclear power <sup>1</sup>	8,071.4	199.5	63.3	387.0	33.7	-1.5	0.0	295.9	8,330.9
Other provisions	1,596.4	899.7	138.9	6.0	69.9	-87.7	-2.8	477.6	1,865.0
Other electricity provisions	(237.7)	(204.6)	(2.9)	(0.7)	(69.9)	(0.0)	(0.0)	(171.7)	(338.3)
Personnel provisions	(217.1)	(68.5)	(7.4)	(2.1)	(0.0)	(-1.2)	(0.0)	(85.8)	(193.3)
Provisions for onerous contracts	(697.5)	(341.8)	(47.9)	(1.1)	(0.0)	(-2.5)	(0.0)	(94.6)	(895.4)
Sundry provisions	(444.1)	(284.8)	(80.7)	(2.1)	(0.0)	(-84.0)	(-2.8)	(125.5)	(438.0)
<b>Total</b>	<b>15,453.8</b>	<b>1,217.2</b>	<b>202.2</b>	<b>519.0</b>	<b>-97.1</b>	<b>-152.4</b>	<b>-2.8</b>	<b>914.6</b>	<b>15,820.9</b>

<sup>1</sup> Utilisation breaks down into decommissioning and dismantling totalling €223.8 million, disposal of spent fuel rods totalling €62.5 million and waste totalling €9.6 million.



## (23) Deferred taxes

The deferred taxes on measurement differences compared to the tax accounts break down as follows:

in € million <sup>1</sup>	31/12/2015		31/12/2014	
	Deferred tax assets <sup>2</sup>	Deferred tax liabilities <sup>2</sup>	Deferred tax assets <sup>2</sup>	Deferred tax liabilities <sup>2</sup>
Intangible assets	26.7	67.7	24.1	35.8
Property, plant and equipment	194.9	1,618.9	238.7	1,969.7
Financial assets	51.0	110.9	43.3	148.0
Other assets	25.4	23.3	3.1	16.0
Derivative financial instruments	0.0	60.3	0.0	45.1
<b>Non-current assets</b>	<b>298.0</b>	<b>1,881.1</b>	<b>309.2</b>	<b>2,214.6</b>
Inventories	36.5	22.8	9.6	2.9
Financial assets	0.7	17.7	0.4	21.1
Other assets	26.2	617.2	79.0	484.2
<b>Current assets</b>	<b>63.4</b>	<b>657.7</b>	<b>89.0</b>	<b>508.2</b>
Provisions	1,297.5	660.0	1,376.9	208.2
Liabilities and subsidies	262.9	86.5	232.5	56.6
<b>Non-current liabilities</b>	<b>1,560.4</b>	<b>746.5</b>	<b>1,609.4</b>	<b>264.8</b>
Provisions	275.4	31.8	279.7	3.6
Liabilities and subsidies	788.2	277.5	685.7	333.1
<b>Current liabilities</b>	<b>1,063.6</b>	<b>309.3</b>	<b>965.4</b>	<b>336.7</b>
Unused tax losses	31.9	0.0	130.0	0.0
Interest carried forward	0.0	0.0	2.4	0.0
<b>Deferred taxes before netting</b>	<b>3,017.3</b>	<b>3,594.6</b>	<b>3,105.4</b>	<b>3,324.3</b>
Netting	-2,923.9	-2,923.9	-2,675.4	-2,675.4
<b>Deferred taxes after netting</b>	<b>93.4</b>	<b>670.7</b>	<b>430.0</b>	<b>648.9</b>

<sup>1</sup> The figures for the previous year have been restated. After netting, deferred tax assets amounted to €257.8 million as of 1 January 2014. They do not include any retroactive restatements. After netting, deferred tax liabilities amounted to €1,017.4 million as of 1 January 2014. They include retroactive restatements as of 1 January 2014 totalling €61.7 million (as of 31 December 2014: €0.0 million). The deferred tax assets prior to netting contain retroactive restatements in the amount of €81.4 million (as of 1 January 2014: €0.0 million). The deferred tax liabilities prior to netting contain retroactive restatements in the amount of €81.4 million (as of 1 January 2014: €61.7 million).

<sup>2</sup> Deferred tax assets and liabilities prior to netting.

In the 2015 financial year, €2,923.9 million (previous year restated: €2,675.4 million) in deferred tax assets was netted against deferred tax liabilities. Deferred taxes are netted with each other per consolidated tax group or entity if the conditions to do so have been satisfied. The negative balance from deferred taxes resulting from consolidation amounts to €57.1 million (previous year restated: €46.1 million).

The deferred tax assets on measurement differences compared to the tax accounts contain €7.1 million (previous year: €0.9 million) in non-current financial assets, €609.8 million (previous year: €642.1 million) in non-current provisions and €115.4 million (previous year: €131.3 million) in current liabilities and subsidies that were offset against equity.

The deferred tax liabilities on measurement differences compared to the tax accounts contain deferred tax liabilities of €51.2 million (previous year: €59.0 million) in non-current financial assets and €4.7 million (previous year: deferred tax assets of €5.1 million) in current financial assets that were offset against equity.

In order to evaluate the deferred tax assets from deductible temporary differences in assets and unused tax losses, a tax planning forecast is derived based on the company's multi-year plans and corporate strategy. In this process, the deferred tax assets are only recognised in so far as deductible temporary differences and unused tax losses can be used with sufficient probability and sufficient taxable income within the scope of the limited planning horizon. Unused tax losses reduced the actual tax burden in the reporting period by €1.2 million (previous year: €0.3 million).

Unused tax losses are composed as follows:

in € million	31/12/2015		31/12/2014	
	Corporate income tax	Trade tax	Corporate income tax	Trade tax
Unlimited ability to carry forward the previously unused tax losses for which no deferred tax assets have been recognised in the balance sheet	89.3	143.8	53.2	107.1
Deferred taxes on the non-valued unused tax losses that would theoretically have to be formed	14.1	19.0	8.4	14.1
Unlimited ability to carry forward the existing unused tax losses for which deferred tax assets were formed <sup>1</sup>	114.3	105.0	568.4	268.5

<sup>1</sup> Almost exclusively concern German companies.

According to the Tax Privilege Reduction Act, from 2004 onwards only 60% of current taxable income exceeding €1 million can be offset against unused tax losses.

The deferred taxes on unused tax losses break down as follows:

in € million <sup>1</sup>	31/12/2015	31/12/2014
Corporate income tax (or comparable foreign tax)	18.1	92.5
Trade tax	13.8	37.5
<b>Total</b>	<b>31.9</b>	<b>130.0</b>

<sup>1</sup> The figures for the previous year have been restated. The deferred taxes on unused tax losses were €143.2 million as of 1 January 2014. They include retroactive restatements as of 1 January 2014 totalling €0.0 million (as of 31 December 2014: €4.5 million).

Presentation of the development of deferred taxes on unused tax losses:

in € million <sup>1</sup>	31/12/2015	31/12/2014
Opening balance	130.0	143.2
Utilisation of tax losses	-1.2	-0.3
Origination of tax losses (addition)	4.7	29.7
Write-downs	-101.6	-42.6
<b>Closing balance</b>	<b>31.9</b>	<b>130.0</b>

<sup>1</sup> The figures for the previous year have been restated. The write-down of unused tax losses contains retroactive restatements of €4.5 million as of 31 December 2014.

As of 31 December 2015, the deferred tax assets were adjusted and not recognised on unused tax losses to the amount of €191.6 million (previous year restated: €16.4 million) due to the limited planning horizon and the resulting insufficient probability of their use.

The deferred taxes on unused tax losses will probably be realised during the following intervals:

in € million <sup>1</sup>	2015				2014			
	Residual term < 1 year	Residual term 1–5 years	Residual term > 5 years	Total	Residual term < 1 year	Residual term 1–5 years	Residual term > 5 years	Total
Corporate income tax	4.6	13.5	0.0	18.1	2.9	28.4	61.2	92.5
Trade tax	2.8	11.0	0.0	13.8	0.6	23.6	13.3	37.5
<b>Total</b>	<b>7.4</b>	<b>24.5</b>	<b>0.0</b>	<b>31.9</b>	<b>3.5</b>	<b>52.0</b>	<b>74.5</b>	<b>130.0</b>

<sup>1</sup> The figures for the previous year have been restated: The deferred taxes on unused tax losses from corporate income tax were €92.6 million as of 1 January 2014. They include retroactive restatements as of 1 January 2014 totalling €0.0 million (as of 31 December 2014: €2.5 million). The deferred taxes on unused tax losses from trade tax were €50.6 million as of 1 January 2014. They include retroactive restatements as of 1 January 2014 totalling €0.0 million (as of 31 December 2014: €2.0 million). The previous year restatements concern only the > 5 years term range.

In the reporting period, there are no deferred taxes on interest amounts carried forward (previous year: €2.4 million).

No deferred tax liabilities were recognised on temporary differences of €7.9 million (previous year: €5.4 million) in connection with shares in subsidiaries because it is not likely that these temporary differences will reverse in the foreseeable future.

Deferred tax assets totalling €676.4 million (previous year restated: €720.4 million in deferred tax assets) were offset directly against equity under other comprehensive income as of 31 December 2015.

As of 31 December 2015, deferred tax assets not affecting net income were not recognised against deductible temporary differences in assets of €0.0 million (previous year restated: €26.1 million). This non-recognition in the previous year resulted from the limited planning horizon in which insufficient taxable income is expected.

## (24) Liabilities and subsidies

### Financial liabilities

Financial liabilities break down as of 31 December 2015 compared to the previous year as follows:

in € million <sup>1</sup>	31/12/2015			31/12/2014		
	Current	Non-current	Total	Current	Non-current	Total
Hybrid bonds	0.0	1,987.9	1,987.9	0.0	1,985.5	1,985.5
Bonds	499.4	3,004.9	3,504.3	760.3	3,479.8	4,240.1
Liabilities to banks	137.8	1,450.7	1,588.5	225.4	1,587.7	1,813.1
Other financial liabilities	121.0	366.5	487.5	92.8	134.1	226.9
<b>Financial liabilities</b>	<b>758.2</b>	<b>6,810.0</b>	<b>7,568.2</b>	<b>1,078.5</b>	<b>7,187.1</b>	<b>8,265.6</b>

<sup>1</sup> Please refer to note (27) "Accounting for financial instruments" for more details on the credit and liquidity risk, fair values and undiscounted cash flows by year.

Of the non-current financial liabilities, €2,582.9 million (previous year: €3,046.1 million) have a term of between one year and five years, and €4,227.1 million (previous year: €4,141.0 million) have a term of more than five years.

In the 2015 financial year, financial liabilities decreased by €697.4 million (previous year: increased by €2,493.5 million).

### Overview of the hybrid bonds

Issuer	Issue volume	Carrying amounts	Coupon	Maturity
EnBW AG <sup>1</sup>	€1,000 million	€998.9 million	7.375%	02/04/2072
EnBW AG <sup>2</sup>	€1,000 million	€989.0 million	3.625%	02/04/2076
		<b>€1,987.9 million</b>		

<sup>1</sup> Repayment option for EnBW every five years after the first interest payment date; the earliest possible date is 2 April 2017.

<sup>2</sup> Repayment option for EnBW every five years after the first interest payment date; the earliest possible date is 2 April 2021.

The hybrid bonds, which are subordinate to all other financial liabilities, have a term to maturity of 60 (due 2072) and 62 (due 2076) years and include early repayment rights for EnBW. Both bonds have equal ranking. EnBW has the option of suspending interest payments. However, these interest payments must be subsequently paid if EnBW pays dividends or services the other hybrid bond. Based on their terms and conditions, half of the amount of the hybrid bonds is recognised as equity by rating agencies. This supports the good credit standing of EnBW.

### An overview of our bonds

Issuer	Issue volume	Carrying amounts	Coupon	Maturity
Public bonds				
EnBW International Finance B.V.	€500 million	€499.4 million	4.250%	19/10/2016
EnBW International Finance B.V.	CHF 100 million	€95.3 million <sup>1</sup>	1.250%	12/07/2018
EnBW International Finance B.V.	€750 million	€748.3 million	6.875%	20/11/2018
EnBW International Finance B.V.	CHF 100 million	€91.9 million	2.250%	12/07/2023
EnBW International Finance B.V.	€500 million	€582.9 million <sup>1</sup>	4.875%	16/01/2025
EnBW International Finance B.V.	€500 million	€498.1 million	2.500%	04/06/2026
EnBW International Finance B.V.	€600 million	€589.0 million	6.125%	07/07/2039
Private placements				
EnBW International Finance B.V.	€100 million	€98.2 million	2.875%	13/06/2034
EnBW International Finance B.V.	JPY 20 billion	€152.6 million	3.880%	16/12/2038
EnBW International Finance B.V.	€100 million	€99.1 million	3.080%	16/06/2039
EnBW International Finance B.V.	€50 million	€49.5 million	2.900%	01/08/2044
		<b>€3,504.3 million</b>		

<sup>1</sup> Adjusted for valuation effects from interest-induced hedging transactions.

On 7 July 2015, a €750 million bond with a coupon of 4.125% issued in July 2009 became due for repayment and was repaid from the existing liquidity position.

### Commercial paper programme

As of the reporting date, no funds had been drawn under the commercial paper programme in place at EnBW International Finance B.V. for short-term financing purposes as in the previous year.

### Liabilities to banks

Liabilities to banks decreased compared to the previous year by €224.6 million (previous year: increase of €810.8 million). The previous year's increase was primarily caused by EnBW AG taking out a long-term investment loan for the offshore wind farm EnBW Group Baltic 2, which has been put into operation, and taking out a short-term loan on the money market over the reporting date. At a subsidiary, existing funding was refinanced through two new bilateral amortising loans of €25 million each and through new syndicated financing currently valued at €198 million in the 2015 financial year. In addition, a new bank loan of €115 million was taken out by a further subsidiary. This was partly used to refinance bank loans due. In contrast, scheduled repayments were made by EnBW and its subsidiaries. The majority of the outstanding liabilities to banks are bilateral loan agreements.

The existing syndicated credit line for €1.5 billion (previous year: €1.5 billion) originally had a term until July 2019. The extension of the term by one year until July 2020 became effective on 21 July 2015; there is a new extension option for an additional year, until July 2021 at the latest, in 2016. The credit line remained unused as of 31 December 2015.

In addition, a further €472 million (previous year: €352 million) in bilateral free credit lines was available within the Group. These credit lines are not subject to any restrictions as regards their utilisation.

The liabilities to banks (previous year: €19.4 million) are not collateralised with real estate lien. Liabilities to banks to the amount of €137.7 million are collateralised with other types of security (previous year: €106.1 million).

#### Other financial liabilities

The item “other financial liabilities” includes long-term promissory notes in the amount of €200 million that a subsidiary placed with institutional investors in 2015. In addition, it also includes long-term finance leases. In comparison to the previous year, other financial liabilities increased by a total of €260.6 million in the reporting period (previous year: decrease of €76.2 million).

The minimum payments from finance leases included in other financial liabilities have the following maturities:

in € million	31/12/2015		31/12/2014	
	Nominal value	Present value	Nominal value	Present value
Due within 1 year	2.3	0.6	77.1	72.3
Due in 1 to 5 years	10.3	3.6	9.8	3.2
Due in more than 5 years	51.3	27.8	53.4	28.4
<b>Total</b>	<b>63.9</b>	<b>32.0</b>	<b>140.3</b>	<b>103.9</b>

The maturity structure of our financial liabilities is as follows:

in € million	Residual term < 1 year			Residual term 1–5 years		Residual term > 5 years	Total
	Due in 2016	Due in 2017	Due in 2018	Due in 2019	Due in 2020	Due after 2020	
Hybrid bonds	0.0	998.9	0.0	0.0	0.0	989.0	1,987.9
Bonds	499.4	0.0	843.6	0.0	0.0	2,161.3	3,504.3
Liabilities to banks	137.8	111.2	121.7	92.9	328.9	796.0	1,588.5
Other financial liabilities	121.0	9.4	12.6	42.2	21.5	280.8	487.5
<b>Financial liabilities</b>	<b>758.2</b>	<b>1,119.5</b>	<b>977.9</b>	<b>135.1</b>	<b>350.4</b>	<b>4,227.1</b>	<b>7,568.2</b>

## Weighted average interest:

in %	31/12/2015	31/12/2014
Hybrid bonds	5.5	5.5
Bonds	4.3	3.8
Liabilities to banks	1.2	1.5
Other financial liabilities	2.0	2.8
<b>Total financial liabilities</b>	<b>3.8</b>	<b>3.7</b>

The weighted average interest rate for the financial liabilities increased slightly as of 31 December 2015 compared with the previous year due to a bond due that was hedged with interest rate swaps. The vast majority of financial liabilities are still subject to long-term fixed interest agreements.

**Other liabilities and subsidies**

Other liabilities and subsidies disclosed separately according to maturity in the balance sheet are combined in the notes to the financial statements.

in € million	31/12/2015	31/12/2014
Non-current liabilities	499.9	714.3
Current liabilities	7,108.4	7,273.7
<b>Liabilities</b>	<b>7,608.3</b>	<b>7,988.0</b>
Non-current subsidies	1,333.0	1,294.2
Current subsidies	66.8	67.5
<b>Subsidies</b>	<b>1,399.8</b>	<b>1,361.7</b>
Non-current liabilities and subsidies	1,832.9	2,008.5
Current liabilities and subsidies	7,175.2	7,341.2
<b>Liabilities and subsidies</b>	<b>9,008.1</b>	<b>9,349.7</b>

Other liabilities as of 31 December 2015 break down as follows compared to the previous year:

in € million <sup>1</sup>	31/12/2015			31/12/2014		
	Current	Non-current	Total	Current	Non-current	Total
Payments received on account	99.9	36.0	135.9	111.7	38.2	149.9
Trade payables	3,523.5	0.3	3,523.8	3,829.6	0.4	3,830.0
of which liabilities to affiliated entities	(9.7)	(0.0)	(9.7)	(8.4)	(0.1)	(8.5)
of which liabilities to other investees and investors	(50.6)	(0.0)	(50.6)	(49.1)	(0.0)	(49.1)
of which liabilities to entities accounted for using the equity method	(41.7)	(0.0)	(41.7)	(44.0)	(0.0)	(44.0)
Other deferred income	23.0	168.0	191.0	17.6	184.8	202.4
Liabilities from derivatives <sup>2</sup>	1,958.7	98.1	2,056.8	1,700.2	118.7	1,818.9
of which without hedges	(1,812.9)	(39.7)	(1,852.6)	(1,484.6)	(29.4)	(1,514.0)
of which cash flow hedge	(145.8)	(58.4)	(204.2)	(215.6)	(89.3)	(304.9)
Income tax liabilities	305.5	84.3	389.8	330.9	134.3	465.2
Miscellaneous liabilities	1,197.8	113.2	1,311.0	1,283.7	237.9	1,521.6
of which interest from back taxes	(0.2)	(0.0)	(0.2)	(0.0)	(0.7)	(0.7)
of which from other taxes	(116.6)	(0.0)	(116.6)	(126.0)	(0.0)	(126.0)
of which relating to social security	(21.9)	(5.9)	(27.8)	(17.5)	(7.0)	(24.5)
<b>Other liabilities</b>	<b>7,108.4</b>	<b>499.9</b>	<b>7,608.3</b>	<b>7,273.7</b>	<b>714.3</b>	<b>7,988.0</b>

<sup>1</sup> Please refer to note (27) "Accounting for financial instruments" for more details on the credit and liquidity risk, fair values and undiscounted cash flows by year.

<sup>2</sup> To improve the presentation of the financial position and cash flows, from the 2015 six-monthly financial statement, accrued interest from interest rate swaps is now reported together with the market value under other non-current liabilities and subsidies (€4.8 million).

Of the other non-current liabilities, €354.2 million (previous year: €398.1 million) have a term of between one year and five years and €145.7 million (previous year: €316.2 million) have a term of more than five years.

Liabilities relating to trade payables principally include obligations for outstanding invoices amounting to €1,382.8 million (previous year: €1,568.1 million).

Other liabilities mainly concern collateral for over-the-counter trading businesses (margin calls received) amounting to €368.4 million (previous year: €420.0 million), as well as exchange-based trading businesses (variation margins) of €91.2 million (previous year: €129.2 million), interest obligations from bonds amounting to €144.1 million (previous year: €160.4 million) and non-controlling interests in fully consolidated partnerships recorded as liabilities to the amount of €76.7 million (previous year: €74.7 million).

Subsidies include investment grants, as well as construction cost subsidies and investment cost subsidies.

in € million	31/12/2015	31/12/2014
Investment grants	0.3	0.7
Investment cost subsidies	12.3	13.2
Other subsidies from public authorities	17.2	23.9
Construction cost subsidies	1,370.0	1,323.9
<b>Total</b>	<b>1,399.8</b>	<b>1,361.7</b>

The investment grants were awarded in accordance with section 4a of the German Investment Grant Act (InvZulG).

The construction cost subsidies which have not yet been recognised in profit or loss were largely granted for capital expenditures in the electricity and gas sectors; title to the subsidised assets is retained by the EnBW Group companies.

The subsidies are released over the estimated useful life of the subsidised assets. Of the total amount of subsidies, €1,333.0 million (previous year: €1,294.2 million) will probably start to impact income after more than one year.

## (25) Assets held for sale and liabilities directly associated with assets classified as held for sale

### Assets held for sale

in € million	31/12/2015	31/12/2014
Property, plant and equipment	33.8	95.8
Investment properties	2.6	1.8
Other financial assets	979.5	0.0
Other assets	0.0	6.9
<b>Total</b>	<b>1,015.9</b>	<b>104.5</b>

### Liabilities directly associated with assets classified as held for sale

in € million	31/12/2015	31/12/2014
Deferred taxes	0.0	4.4
Provisions	0.0	23.4
Other liabilities and subsidies	0.8	20.7
<b>Total</b>	<b>0.8</b>	<b>48.5</b>

Other financial assets held for sale mainly refer to a 20% shareholding in EWE, which is part of our overall 26% shareholding in EWE. As a result of the planned restructuring of shareholdings agreed between EnBW AG, EWE and EWE-Verband, in the course of which we will divest our shareholdings in EWE over a period of time, these shareholdings have been reclassified as assets held for sale. As part of the planned transaction, EWE will initially acquire 10% of its own shares from EnBW in 2016 and EWE-Verband will acquire a further 10% of the EWE shares in 2016. This is allocated in the segment reporting to Other/Consolidation.

The property, plant and equipment held for sale in the reporting year refers mainly to a piece of land and building held for sale as part of our divestiture strategy. This is allocated in the segment reporting under Other/Consolidation.



In the previous year, the property, plant and equipment held for sale referred primarily to distribution facilities and is mainly allocated to the Grids segment in the segment reporting. As a result of concession losses, these distribution facilities were reclassified as assets held for sale.

The other liabilities and subsidies in connection with the assets held for sale in the previous year referred mainly to construction cost subsidies.

## Other disclosures

### (26) Earnings per share

Earnings per share is determined by dividing the profit or loss attributable to the shareholders of EnBW AG by the average number of shares outstanding. This indicator may be diluted by potential shares on account of share options or convertible bonds. As EnBW does not have any potential shares, the basic earnings per share is identical to the diluted earnings per share.

Earnings per share		2015	2014
Earnings from continuing operations	in € million	200.5	-402.8
of which profit/loss attributable to the shareholders of EnBW AG	in € million	(124.9)	(-465.9)
Group net profit/loss	in € million	200.5	-402.8
of which profit/loss attributable to the shareholders of EnBW AG	in € million	(124.9)	(-465.9)
Number of shares outstanding (weighted average)	Thousands	270,855	270,855
Earnings per share from continuing operations <sup>1</sup>	in €	0.46	-1.72
Earnings per share from Group net profit/loss (€) <sup>1</sup>	in €	0.46	-1.72
Dividend per share for the EnBW AG 2014 financial year	in €	-	0.69
Proposed dividend per share for the EnBW AG 2015 financial year	in €	0.55	-

<sup>1</sup> In relation to shares in profit/loss attributable to the shareholders of EnBW AG.

### (27) Accounting for financial instruments

Financial instruments include primary financial instruments and derivatives. On the assets side, primary financial instruments mainly consist of financial assets, trade receivables, other assets and cash and cash equivalents. On the liabilities side, they consist of financial liabilities, trade payables and other liabilities.

#### Fair value and carrying amounts of financial instruments by measurement category

The table below shows the fair values and carrying amounts of the financial assets and financial liabilities contained in the individual balance sheet items: If it is not indicated separately, the fair value is measured recurrently.

31/12/2015	Hierarchy of input data						
in € million	Fair value	Level 1	Level 2	Level 3	Measured at amortised cost	Not in IFRS 7's field of application	Carrying amount
Financial assets	9,654.6	4,563.8	2,580.3	506.4	1,943.8		9,594.3
Held for trading	[223.0]	[223.0]					[223.0]
Available for sale	[8,186.8]	[4,340.8]	[2,580.3]	[506.4]	[759.3]		[8,186.8]
Held to maturity	[1,171.9]				[1,111.6]		[1,111.6]
Loans and receivables	[72.9]				[72.9]		[72.9]
Trade receivables	3,547.6				3,547.6		3,547.6
Loans and receivables	[3,547.6]				[3,547.6]		[3,547.6]
Other assets	2,579.4	22.4	1,974.4		582.6	325.8	2,905.2
Held for trading	[1,790.7]	[18.1]	[1,772.6]				[1,790.7]
Loans and receivables	[547.2]				[547.2]		[547.2]
Derivatives in hedge accounting	[206.1]	[4.3]	[201.8]				[206.1]
Carrying amount in accordance with IAS 17	[35.4]				[35.4]		[35.4]
Cash and cash equivalents	3,501.1				3,501.1		3,501.1
Loans and receivables	[3,501.1]				[3,501.1]		[3,501.1]
<b>Total assets</b>	<b>19,282.7</b>	<b>4,586.2</b>	<b>4,554.7</b>	<b>506.4</b>	<b>9,575.1</b>	<b>325.8</b>	<b>19,548.2</b>
<b>Assets held for sale<sup>1</sup></b>	<b>979.5</b>			<b>973.1</b>	<b>6.4</b>	<b>36.4</b>	<b>1,015.9</b>
Financial liabilities	8,194.6				7,568.2		7,568.2
Measured at amortised cost <sup>2</sup>	[8,162.6]				[7,536.2]		[7,536.2]
Carrying amount in accordance with IAS 17	[32.0]				[32.0]		[32.0]
Trade payables	437.3				437.3	3,086.2	3,523.5
Measured at amortised cost	[437.3]				[437.3]		[437.3]
Other liabilities and subsidies	2,931.9	23.6	2,033.2		875.1	2,162.9	5,094.8
Held for trading	[1,852.6]	[18.2]	[1,834.4]				[1,852.6]
Measured at amortised cost	[875.1]				[875.1]		[875.1]
Derivatives in hedge accounting	[204.2]	[5.4]	[198.8]				[204.2]
<b>Total liabilities</b>	<b>11,563.8</b>	<b>23.6</b>	<b>2,033.2</b>	<b>0.0</b>	<b>8,880.6</b>	<b>5,249.1</b>	<b>16,186.5</b>
<b>Liabilities directly associated with assets classified as held for sale</b>						<b>0.8</b>	<b>0.8</b>

<sup>1</sup> This refers to a non-recurring measurement of the fair value due to the application of IFRS 5.

<sup>2</sup> Of the financial liabilities measured at amortised cost, an amount of €481.6 million is part of fair value hedges.

31/12/2014		Hierarchy of input data					
in € million	Fair value	Level 1	Level 2	Measured at amortised cost	Not in IFRS 7's field of application	Carrying amount	
Financial assets	9,369.8	4,813.0	2,317.1	2,163.4		9,293.5	
Held for trading	[221.9]	[221.9]				[221.9]	
Available for sale	[7,895.6]	[4,591.1]	[2,317.1]	[987.4]		[7,895.6]	
Held to maturity	[1,179.1]			[1,102.8]		[1,102.8]	
Loans and receivables	[73.2]			[73.2]		[73.2]	
Trade receivables	3,871.7			3,871.7		3,871.7	
Loans and receivables	[3,871.7]			[3,871.7]		[3,871.7]	
Other assets	2,109.8	45.7	1,513.7	550.4	245.8	2,355.6	
Held for trading	[1,344.3]	[43.0]	[1,301.3]			[1,344.3]	
Loans and receivables	[517.2]			[517.2]		[517.2]	
Derivatives designated as hedging instruments	[215.1]	[2.7]	[212.4]			[215.1]	
Carrying amount in accordance with IAS 17	[33.2]			[33.2]		[33.2]	
Cash and cash equivalents	3,179.2			3,179.2		3,179.2	
Loans and receivables	[3,179.2]			[3,179.2]		[3,179.2]	
<b>Total assets</b>	<b>18,530.5</b>	<b>4,858.7</b>	<b>3,830.8</b>	<b>9,764.7</b>	<b>245.8</b>	<b>18,700.0</b>	
<b>Assets held for sale</b>				6.0	98.5	104.5	
Financial liabilities	9,289.2			8,265.6		8,265.6	
Measured at amortised cost <sup>1</sup>	[9,185.3]			[8,161.7]		[8,161.7]	
Carrying amount in accordance with IAS 17	[103.9]			[103.9]		[103.9]	
Trade payables	463.8			463.8	3,365.8	3,829.6	
Measured at amortised cost	[463.8]			[463.8]		[463.8]	
Other liabilities and subsidies	2,849.2	12.7	1,806.2	1,030.3	2,205.7	5,054.9	
Held for trading	[1,514.0]	[8.1]	[1,505.9]			[1,514.0]	
Measured at amortised cost	[1,030.3]			[1,030.3]		[1,030.3]	
Derivatives designated as hedging instruments	[304.9]	[4.6]	[300.3]			[304.9]	
<b>Total liabilities</b>	<b>12,602.2</b>	<b>12.7</b>	<b>1,806.2</b>	<b>9,759.7</b>	<b>5,571.5</b>	<b>17,150.1</b>	
<b>Liabilities directly associated with assets classified as held for sale</b>					48.5	48.5	

<sup>1</sup> Of the financial liabilities measured at amortised cost, an amount of €1,243.6 million is part of fair value hedges.

Calculation of the fair values is explained in the section entitled accounting policies. The individual levels of the input hierarchy are as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: Procedures that use input parameters which have a material impact on the recorded fair value and are not based on observable market data

At the end of each reporting period it is examined whether there is any reason to reclassify between the levels of the valuation hierarchy. A reclassification is carried out if the valuation procedure for measuring fair value is being changed and the input factors with significance for the valuation lead to different allocations to the respective levels.

The fair value of the assets in the “held for trading” measurement category amounts to €2,013.7 million (previous year: €1,566.2million), of which €241.1 million is accounted for by the first hierarchical level (previous year: €264.9 million), and €1,772.6 million by the second hierarchical level (previous year: €1,301.3 million). The assets of the “available for sale” measurement category have a fair value totalling €9,166.3 million (previous year: €7,895.6 million), of which €4,340.8 million is accounted for by the first hierarchical level (previous year: €4,591.1 million), €2,580.3 million by the second hierarchical level (previous year: €2,317.1 million), €1,479.5 million by the third hierarchical level (previous year: €0.0 million) and €765.7 million by “measured at amortised cost” (previous year: €987.4 million). Securities classified as “held-to-maturity investments” have a fair value totalling €1,171.9 million (previous year: €1,179.1 million) that must be allocated to hierarchical level 1. Assets classified as “loans and receivables” are measured at amortised cost and amount to €7,668.8 million (previous year: €7,647.3 million). Equity instruments measured at cost had a carrying amount of €759.3 million as of the reporting date (previous year: €987.4 million).

In the financial year, equity instruments of the “available for sale” category previously measured at amortised cost were measured at fair value for the first time because the measurement factors that previously precluded the fair value to be reliably determined no longer exist. In order to determine the fair value, a Level 3 measurement method is used because no prices listed in active markets are available. The measurement is made on the basis of the net asset value. The difference between the carrying amount and the fair value was recognised directly in other comprehensive income. The equity instruments allocated to Level 3 are investments in private equity companies.

The fair values of investments in private equity companies are provided by the respective investment companies. The fair value depends on the changes in market value of the respective asset. The most up-to-date fair value available is taken as the basis in each case.

The following table shows the development of the financial instruments to be accounted for at fair value in accordance with Level 3:

in € million	As of 01/01/2015	Changes in consolidated companies, currency adjustments, other	Changes recognised in equity	Additions	Disposals	As of 31/12/2015
Financial assets	316.9	8.2	92.4	105.8	-16.9	506.4

In the financial year, gains from Level 3 financial instruments were recognised in the investment result in the amount of €18.8 million. Of which, €18.8 million is accounted for by financial instruments still held on the reporting date.

The disclosures on assets held for sale assigned to Level 3 can be found in note (7) "Investment result".

Financial liabilities as at 31 December 2015 include bonds with a fair value of €6,101.0 million (previous year: €7,234.1 million) and liabilities to banks with a fair value of €1,606.1 million (previous year: €1,828.2 million). The fair value of the bonds and of the liabilities to banks must be allocated to hierarchical level 1 and 2, respectively.

#### Disclosures – offsetting financial assets and financial liabilities

The following table contains the financial instruments netted in the balance sheet and those which, irrespective of that, are subject to a legally enforceable netting agreement. These financial instruments are contained in the non-netted amounts. In addition, the non-netted amounts also include cash collateral received and paid for off-exchange transactions, as well as collateral to be furnished in advance for on-exchange transactions that can also be furnished in the form of securities assigned as security.

31/12/2015				Non-netted amounts		
in € million	Gross amounts	Netting	Net amounts accounted for	Master netting agreement	Financial collateral received/paid	Net amount
Other assets	1,969.0	-22.0	1,947.0	-1,545.0	-330.0	72.0
Held for trading	(1,869.0)	(-18.0)	(1,851.0)	(-1,521.0)	(-330.0)	(0.0)
Derivatives in hedge accounting	(100.0)	(-4.0)	(96.0)	(-24.0)	(0.0)	(72.0)
Other liabilities and subsidies	2,261.0	-296.0	1,965.0	-1,546.0	-303.8	115.2
Held for trading	(1,904.0)	(-57.0)	(1,847.0)	(-1,521.8)	(-210.0)	(115.2)
Derivatives in hedge accounting	(357.0)	(-239.0)	(118.0)	(-24.2)	(-93.8)	(0.0)
31/12/2014				Non-netted amounts		
in € million	Gross amounts	Netting	Net amounts accounted for	Master netting agreement	Financial collateral received/paid	Net amount
Other assets	1,878.3	-392.3	1,486.0	-1,103.1	-200.3	182.6
Held for trading	(1,625.8)	(-349.9)	(1,275.9)	(-1,079.4)	(-196.5)	(0.0)
Derivatives in hedge accounting	(252.5)	(-42.4)	(210.1)	(-23.7)	(-3.8)	(182.6)
Other liabilities and subsidies	2,350.5	-638.5	1,712.0	-1,103.1	-341.7	267.2
Held for trading	(1,865.0)	(-403.4)	(1,461.6)	(-1,079.4)	(-315.8)	(66.4)
Derivatives in hedge accounting	(485.5)	(-235.1)	(250.4)	(-23.7)	(-25.9)	(200.8)

The following net gains/losses were presented in the income statement:

Net gains or losses by measurement category		
in € million	2015	2014
Financial assets and liabilities held for trading	-99.4	19.4
Available-for-sale financial assets	574.0	165.0
Loans and receivables	-12.1	12.0
Financial liabilities measured at amortised cost	-0.2	-0.3

The presentation of net gains and losses does not include derivatives that are used as hedging instruments. Stand-alone derivatives are included in the “financial assets and liabilities held for trading” measurement category.

The net loss posted in the “financial assets and liabilities held for trading” measurement category includes gains from marking to market and gains on sale, as well as interest and currency effects.

As in the previous year, the net gain recorded in the “available-for-sale financial assets” measurement category includes realised losses on disposal as well as impairment losses.

The net loss recorded in the “loans and receivables” measurement category arises from the impairment losses, which are higher than the positive currency effects and write-ups. In the previous year, a net gain arose from the overall positive currency effects and write-ups, which exceeded impairment losses.

As in the previous year, the net loss on financial liabilities measured at amortised cost is attributable primarily to credit fees.

Earnings from changes in the market value of available-for-sale financial assets were recognised directly in equity in the amount of €253.0 million in the 2015 financial year (previous year: €401.4 million). Of the changes in market values posted with no impact on income, €659.4 million was transferred with a positive earnings impact (previous year: €161.2 million with a positive earnings impact) to the income statement.

The valuation allowances on financial assets in the “available for sale” and “loans and receivables” measurement categories amount to €43.2 million (previous year: €14.1 million) and €0.1 million (previous year: €3.2 million), respectively. In the 2015 financial year, impairment losses were carried out on trade receivables amounting to €27.0 million (previous year: €32.2 million) and on other assets totalling €1.9 million (previous year: €0.4 million), which were measured at amortised cost. As of 31 December 2015, bad debt allowances on financial assets, trade receivables and other assets totalled €63.1 million (previous year: €66.1 million).

### Derivative financial instruments and hedging

**Derivatives:** Both physical and financial options and forward transactions are entered into to hedge risks in the commodity area, while forward transactions are used almost exclusively in the foreign exchange area. In the area of financing, swap transactions were concluded to minimise risks.

All derivatives held for trading are accounted for as assets or liabilities. They are measured at fair value.

Changes in the fair value of derivatives which are neither intended for own use nor qualify as cash flow hedges are recorded in the income statement.

Hedge accounting in accordance with IAS 39 is applied in the finance area mainly for currency hedges for investments with a foreign functional currency and for interest rate hedges for non-current liabilities. In the commodity area, fluctuations of future cash flows from forecast procurement and sales transactions are hedged.

**Cash flow hedges** have been entered into particularly in the commodity area to cover price risks from future sales and procurement transactions, to limit the currency risk from liabilities denominated in foreign currency and to limit the risk of interest rate fluctuation of floating-rate liabilities.

The change in the fair value of the hedges used, particularly forward contracts and futures, is, insofar as they are effective, recorded directly in other comprehensive income (measurement of financial instruments at market value) until termination of the hedge. The ineffective portion of the gain or loss on the hedging instrument is immediately recognised in profit or loss.

**Date of the reclassification of the result that was directly recognised in equity to the 2015 income statement**

in € million	Fair value	2016	2017–2020	>2020
Currency-related cash flow hedges	44.7	66.9	27.3	-49.5
Commodity cash flow hedges	-346.7	-226.6	-120.1	0.0
Interest-related cash flow hedges	-0.2	0.0	0.0	-0.2
Other derivative cash flow hedges	-36.1	-36.1	0.0	0.0

**Date of the reclassification of the result that was directly recognised in equity to the 2014 income statement**

in € million	Fair value	2015	2016–2019	>2019
Currency-related cash flow hedges	-17.2	27.5	38.4	-83.1
Commodity cash flow hedges	-363.1	-216.0	-147.1	0.0
Interest-related cash flow hedges	-2.2	0.0	-0.9	-1.3
Other derivative cash flow hedges	-35.5	-35.5	0.0	0.0

As of 31 December 2015, unrealised gains from derivatives amounted to €359.0 million (previous year: €463.9 million). The effective portion of the cash flow hedges amounting to €122.4 million (previous year: €292.0 million) was recognised directly in equity in the reporting period. From the ineffective portion of the cash flow hedges in 2015, there arose income of €4.3 million (previous year: expense in the amount of €7.0 million) and expenses from reclassifications from the other comprehensive income in the amount of €65.8 million (previous year: €86.5 million) to the income statement. The reclassification will be made to revenue (increase of €18.1 million, previous year: €80.8 million), cost of materials (increase of €87.8 million, previous year: €166.7 million) and the financial result (increase of €14.2 million, previous year: decrease of €0.6 million). Moreover, the amounts reclassified also included expenses as a result of the de-designation of cash flow hedges amounting to €10.3 million (previous year: €0.0 million). An amount of €161.5 million (previous year: €169.4 million) was reclassified from other comprehensive income to inventories. This led to an increase in acquisition costs.

As of 31 December 2015, existing hedged transactions are covered by cash flow hedges for foreign currencies with terms of up to 23 years (previous year: up to 24 years). In the commodity area, the terms of planned underlying transactions are generally up to four years (previous year: up to four years).

For optimisation purposes, hedging relationships are redesignated and de-designated as is customary in the industry.

**Fair value hedges** are entered into above all to hedge fixed-interest liabilities against market price risks. Interest rate swaps are used as hedging instruments. With a fair value hedge, both the hedged transaction and the hedging instrument for an exposure are measured at fair value through profit or loss. The change of €21.8 million in the fair value of hedging instruments was recognised in the income statement with a negative impact on earnings in the reporting period (previous year: €22.5 million with positive impact on earnings). For hedged liabilities, the fluctuation in market values arising from the hedged risk was also recognised in profit or loss. In the reporting year, the fluctuations in market values totalling €21.1 million that resulted from the underlying transactions were measured through profit or loss with a positive impact on earnings (previous year: €21.8 million with a negative impact on earnings).

**Hedges of net investments in foreign operations:** Primary foreign currency bonds are used to hedge against foreign exchange risks from investments with a foreign functional currency. As of 31 December 2015, €45.4 million (previous year: €33.6 million) arising from the hedges' exchange rate changes was reported within equity as unrealised losses under "Currency translation". The hedges of net investments in foreign operations are 100% effective.

Contracts that have been concluded to meet the company's expected usage requirements are not recorded in the balance sheet pursuant to the provisions of IAS 39.

Regular way purchases or sales (spot purchases/sales) of primary financial instruments are generally recognised as of the settlement date. Derivative financial assets are recognised as of the trading date. Derivative and primary financial instruments are recognised in the balance sheet when EnBW becomes party to the contract.

Purchases and sales of fuels are made in euros, US dollars or pounds sterling.

Counterparty risks are assessed taking into account the period for which the current replacement and selling risk has been calculated. Moreover, these risks are analysed with reference to the current rating by the rating agencies Moody's and Standard & Poor's. An internal rating procedure is used for trading partners that do not have such an external rating.

The counterparty risk is based on replacement and selling risks resulting from the market value of the item in question with the individual trading partner as of the reporting date. Netting options agreed in master agreements concluded with the trading partner are also taken into account when determining the counterparty risk.

If there is a netting agreement, positive and negative market values are netted for each trading partner. Otherwise, only positive market values are taken into consideration.

#### Counterparty risk Moody's, S&P and/or internal rating

in € million	31/12/2015		31/12/2014	
	< 1 year	1-5 years	< 1 year	1-5 years
up to A1	33.5	9.0	35.0	13.2
up to A3	94.1	68.1	46.5	35.9
Baa1	47.8	13.9	40.7	22.2
up to Baa3	34.4	14.3	28.8	16.2
below Baa3	8.0	0.1	0.1	0.0
<b>Total</b>	<b>217.8</b>	<b>105.4</b>	<b>151.1</b>	<b>87.5</b>

The nominal volume of the derivatives presented below has not been netted. It represents the sum of all purchase and sale amounts underlying the transactions. The amount of the nominal volume allows conclusions to be drawn about the extent to which derivatives have been used. However, it does not reflect the risk of the Group as the derivative transactions are counterbalanced by hedged items with risks that run counter to that of the derivative. Collateral is provided or obtained for derivatives that are traded on the stock exchange.



## Total volume of derivatives

in € million <sup>1</sup>	Nominal volume		Fair value	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Forward exchange transactions	2,282.1	2,510.0	38.3	-6.6
Electricity options and futures	1,194.9	1,943.9	-3.9	-7.1
Forward electricity transactions	7,382.4	9,191.9	-42.9	-167.6
Forward gas transactions and swaps	8,222.0	11,758.9	-31.6	-17.1
Forward coal transactions and swaps	3,420.2	3,515.0	-337.6	-400.1
Derivatives for emission rights	1,099.3	806.7	18.6	38.5
Fixed interest paying	304.6	325.2	-1.6	-2.0
Fixed interest bearing	604.6	1,251.7	98.8	131.1
Other futures and derivatives	3,108.9	1,538.3	-67.9	-71.6
<b>Total</b>	<b>27,619.0</b>	<b>32,841.6</b>	<b>-329.8</b>	<b>-502.5</b>

<sup>1</sup> Before offsetting financial assets and financial liabilities according to IAS 32.

Derivatives used for hedging purposes can be reconciled to other comprehensive income (cash flow hedge) as follows:

in € million <sup>1</sup>	31/12/2015	31/12/2014	Variance
Derivatives used in cash flow hedges with a positive fair value	99.8	76.4	23.4
Derivatives used in cash flow hedges with a negative fair value	438.1	494.4	-56.3
	<b>-338.3</b>	<b>-418.0</b>	<b>79.7</b>
Deferred tax on changes recognised directly in equity in derivatives used in cash flow hedges	97.5	126.7	-29.2
Hedge ineffectiveness	3.5	7.8	-4.3
Cascading effects	-13.1	-21.3	8.2
Effects realised from hedged transactions <sup>2</sup>	-11.1	-32.4	21.3
Non-controlling interests	4.6	2.9	1.7
<b>Cash flow hedge (recognised in equity)</b>	<b>-256.9</b>	<b>-334.3</b>	<b>77.4</b>

<sup>1</sup> Before offsetting financial assets and financial liabilities according to IAS 32.

<sup>2</sup> Of which €-20.3 million (previous year: €-56.7 million) which will be reclassified to the income statement in the period 2016 to 2018 (previous year: 2015 to 2018).

The cascading effects concern the changes in market value of the futures that are part of hedges accumulated until the time of cascading.

In cascading, annual and quarterly futures are settled by other futures instead of in cash.

Changes in carrying amounts of stand-alone derivatives can be reconciled to the income statement as follows:

in € million <sup>1</sup>	31/12/2015	31/12/2014	Variance
Derivatives with a positive fair market value	1,793.4	1,348.0	445.4
Derivatives with a negative fair market value	1,891.2	1,571.2	320.0
<b>Carrying amounts of stand-alone derivatives</b>	<b>-97.8</b>	<b>-223.2</b>	<b>125.4</b>

<sup>1</sup> Before offsetting financial assets and financial liabilities according to IAS 32.

in € million	2015	2014
Changes in the carrying amounts of stand-alone derivatives	125.4	176.7
Option premium paid	14.5	-3.8
<b>Change in fair value of the derivatives</b>	<b>139.9</b>	<b>172.9</b>

The gain/loss from derivatives disclosed in the income statement breaks down as follows:

in € million	2015	2014
Fair value adjustment	139.9	172.9
Gain/loss recognised	-239.4	-157.6
Hedge ineffectiveness	4.3	-7.0
<b>Gain/loss from derivatives</b>	<b>-95.2</b>	<b>8.3</b>
of which other operating income	(125.7)	(294.8)
of which other operating expenses	(254.4)	(261.3)
of which finance revenue	(37.4)	(7.4)
of which finance costs	(3.9)	(32.6)

When the derivatives are sold, the gain/loss recognised reverses the previous market valuation of economically secured stand-alone derivatives. As a result of previously marking the derivatives to market, the hedged transactions are not carried out at the price hedged by the derivative, but at the current spot price.

In the interest of transparency, we have disclosed the effects from marking to market as well as the gain/loss recognised.

### Risk management system

As an energy supply company, EnBW is exposed to financial price risks in the currency, interest and commodity areas in the course of its operating activities, investments and financing transactions. In addition, there are credit and liquidity risks. It is company policy to eliminate or limit these risks by systematic risk management.

Exchange rate fluctuations between the euro and other currencies, fluctuation in interest rates on international money and capital markets, as well as fluctuating prices on the markets for electricity, coal, gas and emission allowances are the main price risks for EnBW. The hedging policy used to limit these risks is set forth by the Board of Management and is documented in intercompany guidelines. It also provides for the use of derivatives.

The derivatives used to hedge against financial risks are subject to the assessment criteria defined in the risk management guidelines. These include value-at-risk ratios and position limit and loss limits. The segregation of duties between trading and back-office processing and control is a further key element of our risk management.

The corresponding financial transactions are only concluded with counterparties with excellent credit ratings. Using suitable hedging instruments, it is possible to make use of market opportunities while hedging the risk position.

The risks arising from financial instruments as well as the methods used to assess and manage them have not been changed significantly since the previous year.

For further details on EnBW's risk management system, we refer to our explanations given in the risk report contained in the management report.

**Credit risk:** EnBW is exposed to credit risks that result from the counterparties not fulfilling contractual agreements. EnBW manages its credit risks by generally demanding a high credit rating of its counterparties and limiting the credit risk with counterparties. The credit ratings of counterparties are continually monitored by EnBW's system for managing credit ratings. Commodity and energy transactions are generally made under master agreements such as EFET, ISDA or IETA.

These master agreements are generally only entered into following careful scrutiny of the counterparty's creditworthiness. Exceptions to this business policy can be made only if it is in the justified interest of the company, e.g. in order to penetrate new markets. In terms of the customer structure, the receivables from individual counterparties are not large enough to give rise to a significant concentration of risks.

Financial investments are only made with the investment limits and counterparties defined in the treasury guidelines. Compliance with these guidelines is constantly monitored by the internal control system (ICS).

The maximum credit risk from financial assets (including derivatives with positive market value) is equivalent to the carrying amounts recognised in the balance sheet. As of 31 December 2015, the maximum credit risk amounts to €20,201.9 million (previous year: €18,460.2 million).

**Liquidity risk:** Liquidity risks arise for EnBW from the obligation to repay liabilities fully and punctually. The objective of EnBW's cash and liquidity management is to secure the company's solvency at all times.

Cash management determines any cash requirements and surpluses on a central basis. By offsetting cash requirements and excess cash, the number of banking transactions is reduced to a minimum. The offsetting is carried out by cash pooling. Cash management has implemented standardised processes and systems to manage bank accounts and internal clearing accounts and perform automated payment transactions.

For liquidity management purposes, a finance plan based on cash flows is prepared centrally. As they arise, finance needs are covered by suitable liquidity management instruments. In addition to ensuring that liquidity is available on a daily basis, EnBW maintains further liquidity reserves of €2.0 billion (previous year: €1.9 billion) which are available at short notice. The amount of liquidity reserves is based on strategic liquidity planning, taking into account defined worst-case parameters. The liquidity reserve is made up of contractually agreed, syndicated and free credit lines with various terms to maturity. In view of the liquidity available and existing credit lines, EnBW does not consider there to be any concentration of risk.

For further details on financial liabilities refer to note (24) "Liabilities and subsidies".

The tables below show future undiscounted cash flows from financial liabilities and derivative financial instruments that affect the future liquidity situation of the EnBW Group.

The analysis includes all contractual obligations as of the reporting date 31 December 2015 that are disclosed in the balance sheet.

Interest and redemption payments are taken into consideration for debt instruments issued and liabilities to banks.

The interest payments on fixed-interest financial instruments are based on the contractually agreed interest rates. For financial instruments subject to floating interest, the interest rates last fixed prior to 31 December 2015 were used.

Foreign currency financial instruments are translated at the respective spot price as of 31 December 2015.

Where derivatives are concerned, positive or negative market values are generally included, provided they give rise to a net outflow of resources. Undiscounted cash flows are based on the following terms and conditions:

- › Swap transactions are only included in the liquidity analysis provided they give rise to a net outflow of resources.
- › Forward exchange transactions are taken into account provided they give rise to an outflow of resources.
- › In the case of forward transactions, all calls are taken into account. The future cash flows are equivalent to the quantities measured at the contractually agreed price.
- › Futures transactions are not included in the liquidity analysis because they are settled by daily variation margins.

#### Undiscounted cash flows as of 31/12/2015

in € million	Total	2016	2017	2018	2019	Cash flows > 2019
Non-derivative financial liabilities						
Debt instruments issued	7,568.4	773.1	1,251.7	1,020.3	125.3	4,398.0
Liabilities to banks	1,672.5	151.5	154.1	130.9	281.3	954.7
Finance lease liabilities	63.9	2.3	2.8	3.2	2.3	53.3
Other financial liabilities	506.2	123.7	12.9	15.8	52.2	301.6
Trade payables	437.3	437.3				
Other financial obligations	875.1	779.3	7.2	1.3	7.9	79.4
Derivative financial assets <sup>1</sup>	221.8	155.0	43.2	22.6	1.0	
Derivative financial liabilities <sup>1</sup>	8,488.5	6,093.7	1,727.3	604.5	23.6	39.4
Financial guarantees	247.6	247.6				
<b>Total</b>	<b>20,081.3</b>	<b>8,763.5</b>	<b>3,199.2</b>	<b>1,798.6</b>	<b>493.6</b>	<b>5,826.4</b>

<sup>1</sup> Before netting according to IAS 32.

## Undiscounted cash flows as of 31/12/2014

in € million	Total	2015	2016	2017	2018	Cash flows > 2018
Non-derivative financial liabilities						
Debt instruments issued	8,574.6	1,054.5	773.2	1,250.8	1,009.3	4,486.8
Liabilities to banks	1,977.8	256.3	159.7	283.9	185.7	1,092.2
Finance lease liabilities	140.3	77.1	2.2	2.5	3.0	55.5
Other financial liabilities	137.0	20.8	9.8	8.8	8.4	89.2
Trade payables	463.8	463.8				
Other financial obligations	1,030.3	811.2	6.7	0.6	0.3	211.5
Derivative financial assets <sup>1</sup>	138.6	76.0	23.1	36.7	2.8	
Derivative financial liabilities <sup>1</sup>	11,522.9	8,335.7	2,272.3	778.6	61.3	75.0
Financial guarantees	210.4	210.4				
<b>Total</b>	<b>24,195.7</b>	<b>11,305.8</b>	<b>3,247.0</b>	<b>2,361.9</b>	<b>1,270.8</b>	<b>6,010.2</b>

<sup>1</sup> Before netting according to IAS 32.

Due to still falling market prices, liabilities outweigh assets. The lower volume of forward purchases in the electricity and gas segments, however, led to a decrease in liabilities compared to the previous year. Because only the derivatives that cause a cash outflow are presented and the netting agreements concluded with numerous trading partners as part of our risk management activities are also left out here, EnBW Group's actual liquidity risk from derivatives is not directly revealed.

#### Market price risks

Market price risks can arise from foreign exchange and interest rate risks as well as from commodity and other price risks for shares, share-based investment funds and interest-bearing securities. The price risks are reduced through the implementation of a comprehensive hedging concept and the associated conclusion of risk positions.

EnBW has exposure to foreign currency risk from procurement and hedging of prices for the fuel needed, as well as gas and oil trading business. In addition, EnBW has currency risks arising from liabilities denominated in foreign currency. The currency risk is hedged with the help of appropriate standardised financial instruments – in the reporting period, forward exchange contracts in particular – on the basis of continuously monitored exchange rate forecasts. Foreign exchange risks are hedged centrally. EnBW principally has exposure to currency risks from US dollars and Swiss francs.

The net assets tied up at foreign Group entities outside the eurozone, and their related translation risks, are hedged against exchange rate fluctuation only in exceptional cases.

The effects of changes in exchange rates on the profit for the year and on equity are analysed below. The analysis was made assuming that all other parameters, such as interest rates, remain unchanged. The analysis includes financial instruments whose exchange rate exposure might affect equity or the profit for the year.

These mainly are hedging instruments from cash flow hedges and from hedges of net investments in foreign operations, stand-alone derivatives and receivables and liabilities denominated in foreign currency.

A 10% appreciation (depreciation) of the euro (previous year: 10%) against all currencies as of the reporting date 31 December 2015 would worsen (improve) the net profit/loss for the year by €13.2 million. In the previous year, an appreciation (depreciation) would have improved (worsened) the net profit/loss for the year by €2.1 million. The hypothetical change in net profit/loss results from the currency sensitivity between the euro and the US dollar (worsening of €19.7 million; previous year: €3.7 million) and between the euro and the Swiss franc (improvement of €6.5 million; previous year: €5.8 million).

In the event of an appreciation (depreciation) of 10% (previous year: 10%), the equity would increase (decrease) by €52.5 million (previous year: decrease by €57.9 million) as of the 31 December 2015 reporting date. The hypothetical change in equity results from the currency sensitivity between the euro and the US dollar (increase of €40.5 million; previous year: decrease of €68.7 million) and between the euro and the Swiss franc (increase of €12.0 million; previous year: €10.8 million).

EnBW uses a multitude of interest-sensitive financial instruments in order to meet the requirements of operational and strategic liquidity management. Interest rate risks only stem from floating-rate instruments.

Interest-induced changes in the market value of interest-bearing securities in the "available for sale" measurement category are presented under other price risks for shares, share-based investment funds and interest-bearing securities.

On the assets side, there is interest exposure from bank balances and on the liabilities side from floating-rate liabilities to banks. In addition, there are interest rate risks from derivatives in the form of swap transactions. EnBW mainly has interest rate risks in the euro area.

The effects of changes in interest rates on the profit for the year and on equity are analysed below. The analysis was made assuming that all other parameters, such as exchange rates, remain unchanged. The analysis includes only financial instruments whose interest rate exposure might affect equity or the profit for the year. For analysis purposes, the average change in yield over the last ten years was used.

An increase (decrease) of 65 basis points (previous year: 70 basis points) in the interest rate in the eurozone as of the reporting date 31 December 2015 in relation to the nominal volume would improve (worsen) the net profit/loss for the year by a total of €1.1 million (previous year: worsening of €8.0 million). The hypothetical change in net profit/loss consists of potential effects from worsening interest rate derivatives amounting to €3.1 million (previous year: €8.7 million), an increase of €11.7 million (previous year: €9.8 million) in cash at banks with a floating interest rate and an increase of €7.5 million (previous year: €9.1 million) in primary financial liabilities with a floating interest rate.

In the context of our energy trading activities, EnBW enters into energy trading contracts for the purpose of price risk management, optimisation of power stations, load equalisation and optimisation of margins. Trading for own account is only permitted within narrow, clearly defined boundaries.

The price risks mostly arise from the procurement and sale of electricity, the procurement of coal, gas and oil as fuels, and the procurement of emission allowances. Furthermore, EnBW is exposed to price risks from speculative items entered into in own-account trading. The price risks are hedged using appropriate financial instruments on the basis of continuously monitored forecasts of market prices. The hedging instruments used in the reporting period were forwards, futures, swaps and options.

The sensitivity of the measurement of derivatives to the price of electricity, coal, oil, gas and emission allowances is analysed below. The analysis was made assuming that all other parameters remain unchanged. It includes only derivatives whose changes in market value affect equity or the profit for the year. These are derivatives that are accounted for as stand-alone derivatives as well as derivatives used as hedging instruments in cash flow hedges. For all commodities, typical volatilities were determined and rounded on the basis of the front year.

The analysis does not include any derivatives that are intended for the purpose of receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements (own use), and are not required to be accounted for in accordance with IAS 39. Our generation and distribution positions are not included in the analysis either.

The sensitivities presented below therefore do not represent the actual economic risks that the EnBW Group is exposed to and serve solely to satisfy the disclosure requirements of IFRS 7.

An increase (decrease) of 10% in the market price of electricity (previous year: 10%) as of the reporting date 31 December 2015 would worsen (improve) the net profit/loss for the year by €21.0 million (previous year: €31.0 million). In the event of an increase (reduction) of 10% in the market price (previous year: 10%) as of the reporting date 31 December 2015, the equity would decrease (increase) by €5.3 million (previous year: €28.0 million).

An increase (decrease) of 20% in the market price of coal (previous year: 10%) as of the reporting date 31 December 2015 would worsen (improve) the net profit/loss for the year by €6.1 million (previous year: €16.6 million). In the event of an increase (reduction) of 20% in the market price (previous year: 10%) as of the reporting date 31 December 2015, the equity would decrease (increase) by €69.0 million (previous year: €58.4 million).

An increase (decrease) of 35% in the market price of oil (previous year: 15%) as of the reporting date 31 December 2015 would worsen (improve) the net profit/loss for the year by €16.2 million (previous year: €10.0 million). In the event of an increase (reduction) of 35% in the market price (previous year: 15%) as of the reporting date 31 December 2015, the equity would decrease (increase) by €22.3 million (previous year: €14.6 million).

An increase (decrease) of 15% in the market price of gas (previous year: 15%) as of the reporting date 31 December 2015 would worsen (improve) the net profit/loss for the year by €5.5 million (previous year: €2.0 million).

An increase (decrease) of 30% in the market price of emission allowances (previous year: 50%) as of the reporting date 31 December 2015 would worsen (improve) the net profit/loss for the year by €95.9 million (previous year: €71.2 million). In the event of an increase (reduction) of 30% in the market price (previous year: 50%) as of the reporting date 31 December 2015, the equity would decrease (increase) by €5.2 million (previous year: €12.9 million).

EnBW has investments in shares and share-based investment funds and fixed-interest securities which pose price risks for the company. When selecting securities, the company always attaches particular importance to high marketability and good credit rating. As of the reporting date 31 December 2015, shares, share-based investment funds and fixed-interest securities totalling €7,144.1 million (previous year: €7,130.1 million) were exposed to the market risk.

The effects of price risks from shares and share-based investment funds as well as interest-bearing securities on the profit for the year and on equity are analysed below. The analysis was made assuming that all other parameters, such as currency, remain unchanged. The analysis includes financial instruments whose price risks might affect equity or the profit for the year. The analysis of the market price risk of shares and share-based investment funds was carried out based on historical volatility. A standard deviation was assumed as a realistic scenario. The market risk of fixed-interest securities was analysed by modified duration. Taking into account the changes in interest rates assumed (see interest rate risk) in relation to the fair value of fixed-interest securities, earnings are determined in absolute figures. The premises on which the sensitivity analysis is based are 16% for shares and share-based investment funds (previous year: 15%) and 2% for interest-bearing securities (previous year: 4%).

In the risk scenario in question, the net profit/loss for the year would improve (worsen) by €4.5 million (previous year: €8.9 million). The hypothetical change in profit/loss for the year is due to fixed-interest securities. In the risk scenario in question, the equity would increase (decrease) by €493.2 million (previous year: €564.4 million). Of the hypothetical change in equity, €405.5 million (previous year: €392.8 million) is accounted for by shares and share-based investment funds and €87.7 million (previous year: €171.6 million) by fixed-interest securities.

## (28) Contingent liabilities and other financial commitments

The disclosures on contingent liabilities and other financial commitments relate to the nominal values.

### Contingent liabilities

After the amended German Atomic Power Act (AtG) and the amended Directive on the Coverage Provisions in the Nuclear Power Industry (AtDeckV) came into force on 27 April 2002, German nuclear power plant operators are now required to provide evidence of coverage provision up to a maximum amount of €2.5 billion per case of damage for risks related to nuclear power. Of this provision, €255.6 million is covered by uniform third-party liability insurance. Nuklear Haftpflicht GbR now only provides solidarity coverage in respect of claims relating to officially prescribed evacuation measures ranging from €0.5 million to €15 million. In proportion to their shares in the nuclear power plants, Group companies have undertaken to provide the operating companies responsible for the nuclear power plants with sufficient liquidity to enable them to meet their obligations arising from their membership of Nuklear Haftpflicht GbR at any time.

In order to fulfil the subsequent coverage provision amounting to €2,244.4 million per case of damage, EnBW Energie Baden-Württemberg AG and the other parent companies of the German nuclear power station operators reached a solidarity agreement on 11 July, 27 July, 21 August and 28 August 2001, which was extended with agreements on 25 March, 18 April, 28 April and 1 June 2011, to provide a liable nuclear power station operator with sufficient funding – after exhausting its own possibilities and those of its parent companies – to meet its payment obligations in the event of a claim for damages. According to the agreement, EnBW Energie Baden-Württemberg AG has to bear a 24.921% share of the liability coverage as of 31 December 2015, and the same share of 24.921% as of 1 January 2016, plus 5% for costs to settle any claims for damages. Sufficient provisions have been made to ensure this liquidity and are taken into account in the liquidity plan.

In addition, the EnBW Group has the following other contingent liabilities:

in € million	31/12/2015	31/12/2014
Guarantees	4.1	76.0
Contingent liabilities from pending litigation	884.4	1,620.3
<b>Total</b>	<b>888.5</b>	<b>1,696.3</b>

No provisions were made for pending litigation because the counterparty is unlikely to win the case. More detailed explanations on important legal risks, for which contingent liabilities are reported, can be found in the risk report. In addition, various court cases, investigations by authorities or proceedings and other claims are pending against EnBW. The chances of these being successful are, however, remote and they are therefore not reported under contingent liabilities.

### Other financial commitments

The EnBW Group has long-term purchase commitments for natural gas, coal and other fossil fuels, as well as for electricity. In addition, there are commitments from long-term agreements for the purchase, conversion, enrichment, production and disposal of uranium. The total volume of these commitments amounts to €19.0 billion (previous year: €21.4 billion), of which €3.9 billion (previous year: €4.8 billion) is due within one year.

This reduction was primarily the result of shorter terms to maturity, as well as amended assumptions about long-term supply agreements in the electricity and gas sectors.

In addition, there are provisions for long-term procurement agreements amounting to €773.5 million (previous year: €578.6 million).



Sundry other financial commitments break down as follows:

in € million	31/12/2015	Of which due in			31/12/2014
		< 1 year	1–5 years	> 5 years	
Financial commitments from rent and lease agreements	448.0	83.6	215.6	148.8	406.9
Purchase commitments	643.4	381.4	201.9	60.1	633.5
Capital commitments for intangible assets and property, plant and equipment	501.9	232.6	269.2	0.1	984.9
Financial commitments from corporate acquisitions <sup>1</sup>	660.5	207.3	421.1	32.1	549.4
Other financial commitments	515.0	221.3	107.3	186.4	497.4
<b>Total</b>	<b>2,768.8</b>	<b>1,126.2</b>	<b>1,215.1</b>	<b>427.5</b>	<b>3,072.1</b>

<sup>1</sup> Financial commitments from corporate acquisitions < 1 year include investments held as financial assets amounting to €198.9 million (previous year: €257.8 million).

### (29) Significant restrictions

As a result of regulatory and legal requirements, the ability of the Group to transfer assets within the Group is limited to some extent.

In accordance with the Energy Industry Act (EnWG), independent transmission operators must possess the financial, technical, material and human resources required to operate the transmission grid. For this purpose, the independent transmission operators must be the owner, either directly or through shareholdings, of all of the assets required to operate the transmission grid.

As of 31 December 2015, the EnBW Group held a total of €916.5 million (previous year: €791.4 million) in assets restricted due to these legal regulations.

### (30) Audit fees

The fees of the Group auditor KPMG AG Wirtschaftsprüfungsgesellschaft, which are recorded as an expense, break down as follows:

in € million	2015	2014
Statutory audit	2.3	2.3
Other attestation services	0.6	0.6
Tax advisory services	0.1	0.3
Other services	1.1	1.1
<b>Total</b>	<b>4.1</b>	<b>4.3</b>

### (31) Exemptions pursuant to section 264 (3) and section 264b of the HGB

The following German subsidiaries made use of some or all of the exemption provisions of section 264 (3) of the German Commercial Code (HGB) or section 264b of the HGB in the 2015 financial year:

#### Exemptions pursuant to section 264 (3) of the HGB

- > EnBW Biogas GmbH, Stuttgart
- > EnBW New Ventures GmbH, Stuttgart (formerly EnBW Omega Sechsfundfünfzigste Verwaltungsgesellschaft mbH, Stuttgart)
- > EnBW Offshore 1 GmbH, Stuttgart
- > EnBW Offshore 2 GmbH, Stuttgart
- > EnBW Perspektiven GmbH, Karlsruhe
- > EnBW REG Beteiligungsgesellschaft mbH, Stuttgart
- > EnBW Rückbauservice GmbH, Stuttgart
- > EnBW Speicher GmbH, Stuttgart
- > EnBW Wind Onshore 2 GmbH, Stuttgart

- > MSE Mobile Schlammentwässerungs GmbH, Karlsbad-Ittersbach
- > NeckarCom Telekommunikation GmbH, Stuttgart
- > Netze BW Wasser GmbH, Stuttgart (formerly EnBW Stuttgart Wasser GmbH, Stuttgart)
- > NWS Finanzierung GmbH, Karlsruhe
- > NWS REG Beteiligungsgesellschaft mbH, Stuttgart
- > RBS wave GmbH, Stuttgart
- > Thermogas Gas- und Gerätevertriebs-GmbH, Stuttgart
- > TPLUS GmbH, Karlsruhe
- > U-plus Umweltservice AG, Karlsruhe
- > Watt Synergia GmbH, Frankfurt am Main

#### Exemptions pursuant to section 264b of the HGB

- > EnBW City GmbH & Co. KG, Obrigheim
- > KMS Kraftwerke Grundbesitzmanagement und -service GmbH & Co. KG, Karlsruhe
- > NWS Grundstücksmanagement GmbH & Co. KG, Obrigheim
- > Windpark Niederlinxweiler GmbH & Co. KG, Leinfelden-Echterdingen

#### (32) Declaration of compliance with the German Corporate Governance Code

The Board of Management and Supervisory Board of EnBW Energie Baden-Württemberg AG issued the declaration of compliance with the German Corporate Governance Code required by section 161 of the German Stock Corporations Act (AktG) on 17 December 2015 and made it permanently available to shareholders on the Internet at [www.enbw.com/declarationofcompliance](http://www.enbw.com/declarationofcompliance).

The declaration of compliance of the listed subsidiary ZEAG Energie AG is available on the Internet at [www.zeag-energie.de](http://www.zeag-energie.de).

#### (33) Share deals and shareholdings of key management personnel

The company did not receive any notices in the 2015 financial year about transactions involving EnBW shares or related financial instruments concerning persons in managerial positions or those persons closely related to them in accordance with section 15a of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG). The EnBW shares held by all members of the Board of Management and the Supervisory Board total less than 1% of all shares issued by the company.

#### (34) Notes to the cash flow statement

The cash flow statement is split up into cash flows from operating, investing and financing activities. The balance of the cash flow statement represents the change in cash and cash equivalents during the 2015 financial year amounting to €305.6 million (previous year: €760.0 million).

Cash and cash equivalents relate almost exclusively to bank balances, largely in the form of time and call deposits. In the 2015 financial year, cash flow from operating activities amounted to €1,918.3 million (previous year: €1,775.7 million).

Other non-cash expenses and income break down as follows:

in € million	2015	2014
Income from the reversal of construction cost subsidies	-67.5	-70.4
Income and expenses from changes in specific bad debt allowances	44.0	31.2
Reversal of impairment losses on property, plant and equipment and intangible assets	-59.5	-350.3
Write-down of inventories	32.7	19.3
Other	-19.4	28.7
<b>Total</b>	<b>-69.7</b>	<b>-341.5</b>

In the 2015 financial year, €82.8 million (previous year: €74.9 million) was distributed to third-party equity holders of Group companies.

The purchase prices paid in cash for the acquisition of subsidiaries and entities accounted for using the equity method, as well as for shares in joint operations, totalled €21.1 million (previous year: €40.8 million). In the reporting year and the previous year, no cash and cash equivalents were acquired in the course of share

purchases. The cash payments in the reporting period primarily concerned capital increases at entities accounted for using the equity method. In the previous year, the cash payments were accounted for by capital increases at entities accounted for using the equity method and a retroactive purchase price payment as part of the acquisition of 26% of EWE.

The sale prices from the disposal of subsidiaries and entities accounted for using the equity method as well as for shares in joint operations totalled €31.5 million (previous year: €108.9 million). There was an outflow of cash and cash equivalents of €6.5 million (previous year: €0.0 million) in the reporting year as a result of the sale of shares. In the reporting period, the cash receipts largely result from a partial sale of shares in entities accounted for using the equity method. In addition, the sale of Kraftwerk Bexbach Verwaltungsgesellschaft mbH is included. The disposal resulted in the derecognition of property, plant and equipment of €31.7 million and other assets of €6.9 million and provisions of €23.4 million and other liabilities and subsidies of €1.5 million. The purchase price payment for the disposal of EnBW Propower GmbH was not made until the start of 2016. On the sale of the EnBW Propower GmbH, property, plant and equipment of €162.3 million and other assets of €10.2 million and other liabilities and subsidies of €0.7 million were derecognised. In the same period of the previous year, the cash payments resulted from the sale of 74.9% of the equity in Stuttgart Netze GmbH (formerly SWS Netzinfrastruktur GmbH). The sale of these shares resulted in the derecognition of distribution facilities totalling €197.9 million and construction cost subsidies totalling €104.1 million.

For further explanations on the cash flow statement, please refer to the explanations given in the management report about the financial position of the EnBW Group.

### **(35) Additional disclosures on capital management**

Capital management at EnBW covers the management of liabilities, as well as of financial assets. Financial assets include non-current securities and loans, as well as current financial assets and cash and cash equivalents. On the liabilities side, capital management covers financial liabilities, as well as provisions for pensions and those relating to nuclear power.

All deliberations on long-term capital management at EnBW are based on a theoretical analysis of the capital market in order to determine the best-possible capital structure. Both debt capital and equity are included in these deliberations. An optimum capital structure aims to minimise the total cost of capital, taking into consideration a premium for retaining financial flexibility. For EnBW, an optimum capital structure implies a rating target of category A. The analysis is performed on an ongoing basis.

Based on the mid-term planning, EnBW analyses the financial headroom for a given rating target. This determines the scope for strategic leverage. The Board of Management addresses this topic at least once a year.

Acquisitions and divestitures are the key influence on the company's financial headroom. The acquisitions and divestitures planned and performed are reviewed regularly and compared with the headroom determined.

EnBW uses a rolling planning horizon of three months for the short-term management of liquidity. EnBW also uses tools which allow forecasts to be made about liquidity requirements beyond the medium-term period.

Capital management at EnBW also extends to the active management of financial assets based on appraisals of the pension provisions, as well as appraisals of the nuclear provisions. EnBW uses a cash flow-based model to determine the anticipated effects over the next 30 years. This model forms the basis for the management of the financial assets. It allows simulations of various alternative return and provision scenarios.

**(36) Segment reporting**

01/01–31/12/2015 in € million	Sales	Grids	Renewable Energies	Generation and Trading	Other/ Consolidation	Total
<b>Revenue</b>						
External revenue	9,061.2	6,350.6	447.0	5,300.4	7.3	21,166.5
Internal revenue	319.1	2,592.0	318.3	2,705.4	-5,934.8	0.0
Total revenue	9,380.3	8,942.6	765.3	8,005.8	-5,927.5	21,166.5
<b>Earnings indicators</b>						
Adjusted EBITDA	255.3	747.4	287.4	777.3	42.2	2,109.6
EBITDA	329.5	818.9	274.3	579.9	-84.4	1,918.2
Adjusted EBIT	199.2	402.4	176.5	392.7	11.1	1,181.9
EBIT	266.7	469.7	150.3	-481.7	-128.0	277.0
Earnings from write-ups	35.0	24.5	0.0	0.0	0.0	59.5
Scheduled amortisation and depreciation	-56.1	-345.0	-110.9	-384.6	-31.1	-927.7
Impairment losses	-6.7	-4.2	-13.1	-677.0	-12.5	-713.5
Adjusted net profit/loss from entities accounted for using the equity method	0.0	22.2	-12.6	5.7	46.4	61.7
Net profit/loss from entities accounted for using the equity method	0.0	22.2	-16.2	5.7	14.6	26.3
Significant non-cash items	-60.4	9.8	3.7	-40.6	-18.0	-105.5
<b>Assets and liabilities</b>						
Capital employed	578.7	4,936.9	2,960.3	2,055.9	2,369.9	12,901.7
of which carrying amount of entities accounted for using the equity method	(0.0)	(304.4)	(193.2)	(56.3)	(272.2)	(826.1)
Capital expenditure on intangible assets and property, plant and equipment	67.9	710.8	439.4	170.5	27.8	1,416.4

01/01–31/12/2014 in € million <sup>1</sup>	Sales	Grids	Renewable Energies	Generation and Trading	Other/ Consolidation	Total
<b>Revenue</b>						
External revenue	9,066.8	6,230.5	407.4	5,290.1	7.7	21,002.5
Internal revenue	357.3	2,593.0	374.2	2,875.5	-6,200.0	0.0
Total revenue	9,424.1	8,823.5	781.6	8,165.6	-6,192.3	21,002.5
<b>Earnings indicators</b>						
Adjusted EBITDA	230.6	886.3	191.4	899.5	-40.4	2,167.4
EBITDA	240.4	975.7	186.1	812.7	-77.6	2,137.3
Adjusted EBIT	169.4	538.5	132.9	520.3	-70.6	1,290.5
EBIT	177.4	611.1	97.0	-777.6	-107.8	0.1
Earnings from write-ups	0.0	3.3	1.7	345.3	0.0	350.3
Scheduled amortisation and depreciation	-61.2	-347.8	-58.5	-379.2	-30.2	-876.9
Impairment losses	-1.8	-16.8	-30.6	-1,211.1	0.0	-1,260.3
Adjusted net profit/loss from entities accounted for using the equity method	0.0	17.5	-6.6	2.7	12.6	26.2
Net profit/loss from entities accounted for using the equity method	0.0	20.7	-42.8	2.7	3.7	-15.7
Significant non-cash items	-30.5	30.3	2.4	-52.7	-10.4	-60.9
<b>Assets and liabilities</b>						
Capital employed	663.3	4,709.1	2,596.6	2,704.5	2,929.4	13,602.9
of which carrying amount of entities accounted for using the equity method	(0.0)	(314.9)	(231.9)	(54.1)	(1,340.1)	(1,941.0)
Capital expenditure on intangible assets and property, plant and equipment	76.4	521.6	610.8	476.5	19.1	1,704.4

<sup>1</sup> The figures for the previous year have been restated. The capital employed amounted to €13,846.9 million as at 1 January 2014. It includes retroactive restatements as of 1 January 2014 totalling €-61.7 million (as of 31 December 2014: €0.0 million) and concerns the Other/Consolidation column.

Adjusted EBITDA is one of the key internal performance indicators. Adjusted EBITDA is an earnings ratio before interest, tax, depreciation and amortisation and adjusted for extraordinary items, which accurately reflects the development of results of operations. In the management report, the development of the segments is explained with the aid of adjusted EBITDA.

Adjusted EBITDA can be reconciled to earnings before taxes (EBT) as follows:

in € million	2015	2014
Adjusted EBITDA	2,109.6	2,167.4
Non-operating EBITDA	-191.4	-30.1
<b>EBITDA</b>	<b>1,918.2</b>	<b>2,137.3</b>
Amortisation and depreciation	-1,641.2	-2,137.2
<b>Earnings before interest and taxes (EBIT)</b>	<b>277.0</b>	<b>0.1</b>
Investment result	21.2	25.6
Financial result	-24.0	-635.4
<b>Earnings before tax (EBT)</b>	<b>274.2</b>	<b>-609.7</b>

Segment reporting is based on internal reporting.

Sales of electricity and gas, as well as the provision of energy-related services such as billing services or energy supply and energy-saving contracting, are summarised in the Sales segment. The Grids segment encompasses the value-added stages of transmission and distribution of electricity and gas. In addition, the provision of grid-related services and the supply of water is reported in the Grids segment. Activities in the area of power generation using renewable energies are presented in their own segment. In addition to the generation and trading of electricity, the Generation and Trading segment also contains gas midstream operations, environmental services and the area dealing with the dismantling of power plants. Our shareholding in EWE and other activities which cannot be attributed to the segments presented separately are disclosed together with eliminations between the segments under Other/Consolidation.

The segment figures have been determined in accordance with the accounting policies used in the consolidated financial statements. Internal revenue shows the level of sales between Group companies. Sales between the segments were made at market prices.

The significant non-cash items principally comprise expenses from allocations to provisions and income from the reversal of construction cost subsidies.

Capital employed, which we record as segment assets, comprises all assets from the operating business. Non-interest-bearing liabilities – such as trade payables – are deducted.

Capital employed is calculated as follows:

in € million <sup>1</sup>	31/12/2015	31/12/2014
Intangible assets	1,744.9	1,783.0
Property, plant and equipment	13,508.1	13,681.7
Investment properties	68.9	75.8
Investments <sup>2</sup>	1,031.5	2,133.9
Inventories	877.5	1,135.4
Current trade receivables <sup>3</sup>	2,772.5	3,168.2
Other assets <sup>4</sup>	4,255.0	2,745.5
of which income tax refund claims	(475.2)	(460.7)
of which assets held for sale	(1,015.9)	(104.5)
of which other tax refund claims	(54.8)	(75.5)
of which derivatives	(1,996.8)	(1,559.4)
of which payments on account made	(130.8)	(110.1)
of which prepaid expenses	(55.3)	(56.8)
of which sundry assets	(632.1)	(520.6)
of which non-current trade receivables	(760.3)	(678.6)
of which assets attributable to net debt	(-866.2)	(-820.7)
Other provisions	-1,865.0	-1,596.4
Trade payables and other liabilities <sup>5</sup>	-7,514.6	-7,943.6
of which payments received on account	(-135.9)	(-149.9)
of which trade payables	(-3,514.1)	(-3,821.5)
of which other deferred income	(-191.0)	(-202.4)
of which derivatives	(-2,056.8)	(-1,818.9)
of which income tax liabilities	(-389.8)	(-465.2)
of which other liabilities	(-1,234.3)	(-1,446.9)
of which liabilities directly associated with the assets classified as held for sale	(-0.8)	(-48.5)
of which liabilities attributable to net debt	(8.1)	(9.7)
Subsidies	-1,399.8	-1,361.7
Deferred taxes <sup>6</sup>	-577.3	-218.9
<b>Capital employed</b>	<b>12,901.7</b>	<b>13,602.9</b>

<sup>1</sup> The figures for the previous year have been restated. The capital employed amounted to €13,846.9 million as at 1 January 2014. It includes retroactive restatements of deferred taxes as of 1 January 2014 totalling €-61.7 million (as of 31 December 2014: €0.0 million).

<sup>2</sup> Including entities accounted for using the equity method, shares in affiliated entities and other investments allocable to operating activities.

<sup>3</sup> Excluding affiliated entities.

<sup>4</sup> Excluding affiliated entities, excluding non-current receivables associated with nuclear provisions.

<sup>5</sup> Excluding affiliated entities, excluding non-controlling interests in fully consolidated partnerships recognised as liabilities.

<sup>6</sup> Deferred tax assets and liabilities netted.

External revenue by region is determined based on the place supplied. The EnBW Group does not generate 10% or more of its external revenue with any one external customer.

#### External revenue by region

in € million	2015	2014
Germany	19,386.0	19,509.4
European currency zone excluding Germany	390.8	386.7
Rest of Europe	1,389.4	1,106.4
Rest of world	0.3	0.0
	<b>21,166.5</b>	<b>21,002.5</b>

#### External revenue by product

in € million	2015	2014
Electricity	16,162.4	16,554.8
Gas	3,860.5	3,479.1
Energy and environmental services	1,143.6	968.6
	<b>21,166.5</b>	<b>21,002.5</b>

#### Intangible assets, property, plant and equipment and investment property by region

in € million	31/12/2015	31/12/2014
Germany	14,021.1	13,985.9
Rest of Europe	1,300.8	1,554.6
	<b>15,321.9</b>	<b>15,540.5</b>

### (37) Related parties (entities)

Related parties include, above all, the federal state of Baden-Württemberg and Zweckverband Oberschwäbische Elektrizitätswerke as indirect major shareholders of EnBW AG. As of 31 December 2015, the federal state of Baden-Württemberg and its wholly owned subsidiary NECKARPRI GmbH indirectly held 46.75% (unchanged) of the shares in EnBW AG, and NECKARPRI-Beteiligungsgesellschaft mbH held the same amount directly. NECKARPRI-Beteiligungsgesellschaft mbH is a wholly owned subsidiary of NECKARPRI GmbH. Zweckverband Oberschwäbische Elektrizitätswerke indirectly held 46.75% (unchanged) of the shares in EnBW AG, and its wholly owned subsidiary OEW Energie-Beteiligungs GmbH (OEW GmbH) held the same amount directly. This means that related parties include, in particular, the federal state, NECKARPRI GmbH, OEW, OEW GmbH and entities controlled or jointly controlled by them or over which they have a significant influence.

The transactions concluded with the federal state and entities controlled or jointly controlled by it, or over which it has significant influence, essentially relate to supplying public entities such as universities, government authorities, zoos and clinics with electricity, gas and district heating. The revenue from these transactions was immaterial in the reporting period; most of the receivables had been settled as of 31 December 2015. All business transactions with the federal state were based on customary market terms and conditions. There are no contingent liabilities or financial commitments to the federal state.

There are no business relations with OEW and NECKARPRI-Beteiligungsgesellschaft mbH apart from dividends paid.



Business relations with related parties, which among others result from supply and procurement agreements in the electricity and gas sectors and took place at customary market terms and conditions, are as follows:

in € million	2015			2014		
	Joint ventures accounted for using the equity method	Associated companies accounted for using the equity method	Joint operations, recognised on a proportional basis	Joint ventures accounted for using the equity method	Associated companies accounted for using the equity method	Joint operations, recognised on a proportional basis
Income	44.2	309.1	1.1	35.2	328.9	1.6
Expenses	-23.1	-435.5	-5.0	-7.5	-453.8	-6.3
Assets	3.9	51.0	1.5	4.4	47.6	0.0
Liabilities	4.4	469.3	1.4	7.2	341.0	0.2
Other obligations	257.2	91.7	143.1	306.8	130.7	151.0

In business relations with joint ventures accounted for using the equity method, the receivables are due within one year, the liabilities mainly have longer terms. Other obligations to these entities largely concern guarantees and in the previous year concerned contingent liabilities (guarantees of €73.8 million) and future purchase price obligations of €24.1 million (previous year: €24.1 million). In addition, there are obligations from lease agreements with Stuttgart Netze GmbH.

The business relations with associated companies accounted for using the equity method, including with municipal entities (particularly municipal utilities) mainly exist in the course of ordinary business activity. The receivables and liabilities for the reporting period are almost exclusively due within one year. There are also provisions for long-term procurement agreements that are regularly adjusted to current market assessments. In addition to ordinary business activity, an obligation was newly recognised in the 2015 financial year in connection with a planned acquisition of a company. Other obligations to these entities result primarily from long-term purchase obligations in the electricity sector.

In business relations with joint operations whose assets, liabilities, income and expenses are recognised on a proportional basis, the receivables and liabilities are due within one year. Other obligations to these entities solely concern the gas sector.

Related parties also include the EnBW Trust e.V., which manages the plan assets for securing pension obligations.

### (38) Related parties (individuals)

The EnBW Group has not entered into any significant transactions with individuals that are related parties.

The basic principles of the remuneration system and amount of remuneration for the Board of Management, the Supervisory Board and former members of the Board of Management are presented in the remuneration report, which is part of the combined management report.

Total remuneration paid to the Board of Management for the 2015 financial year amounted to €8.4 million (previous year: €7.5 million). Short-term benefits amount to €5.2 million (previous year: €5.0 million) and long-term benefits to €3.2 million (previous year: €2.5 million). The addition to the pension obligations for this group of people was €1.4 million in the 2015 financial year (previous year: €1.1 million) and includes service and interest costs. There are defined benefit obligations in accordance with IFRS of €14.6 million for the current members of the Board of Management (previous year: €14.5 million).

Former members of the Board of Management and their surviving dependants received €7.1 million (previous year: €8.0 million), of which formerly independent companies €1.2 million (previous year: €2.1 million). There are defined benefit obligations to former members of the Board of Management and their surviving dependants in accordance with IFRS of €94.4 million (previous year: €98.5 million), of which formerly independent companies €24.4 million (previous year: €24.6 million).

As in the previous year, no loans or advances to members of the Board of Management existed at the end of the financial year.

The remuneration system of the Supervisory Board is also presented in the remuneration report, which is part of the combined management report.

The members of the Supervisory Board will receive total remuneration of €1.2 million for the 2015 financial year (previous year: €1.0 million). In addition to fixed components, the remuneration includes attendance fees and board remuneration from subsidiaries.

As in the previous year, there were no loans or advances to members of the Supervisory Board in the 2015 financial year.

**(39) Additional disclosures****List of shareholdings pursuant to section 313 (2) HGB as of 31 December 2015**

		Footnote	Capital share <sup>1</sup> (in %)	Equity <sup>2</sup> (in T€)	Earnings <sup>2</sup> (in T€)
<b>Sales segment</b>					
<b>Fully consolidated companies</b>					
1	ED GrünSelect GmbH, Rheinfelden	6	100.00	494	7
2	EnBW Mainfrankenpark GmbH, Dettelbach		100.00	3,769	269
3	EnBW Vertriebsbeteiligungen GmbH, Stuttgart		100.00	13,744	985
4	energieNRW GmbH, Düsseldorf	5	100.00	1,137	461
5	ESD Energie Service Deutschland AG, Offenburg		100.00	-610	16,080
6	eYello CZ k.s., Prague/Czech Republic (formerly eYello CZ a.s.)	5	100.00	247	-187
7	Gasversorgung Süddeutschland GmbH, Stuttgart	3	100.00	65,000	-
8	Gasversorgung Unterland GmbH, Heilbronn		100.00	8,225	0
9	NaturEnergie AG, Grenzach-Whylen	6	100.00	9,630	2,092
10	NaturEnergie+ Deutschland GmbH, Mühlacker (formerly NaturEnergie+ Deutschland GmbH, Rheinfelden)		100.00	6,292	2,472
11	Sales & Solutions GmbH, Frankfurt am Main	3	100.00	75,618	-
12	Thermogas Gas- und Gerätevertriebs-GmbH, Stuttgart	3	100.00	259	-
13	Watt Synergia GmbH, Frankfurt am Main	3	100.00	250	-
14	Yello Strom GmbH, Cologne	3	100.00	1,100	-
15	ZEAG Immobilien GmbH & Co. KG, Heilbronn		100.00	4,153	1,125
16	TRITEC AG, Aarberg/Switzerland	6	60.00	164	-209
17	grünES GmbH, Esslingen am Neckar		51.00	112	6
18	Energiedienstleistungen Rhein-Neckar GmbH, Ludwigshafen	9	50.00	1,720	107
19	Energie- und Medienversorgung Sandhofer Straße GmbH & Co. KG, Mannheim	9	49.91	3,500	2,859
20	Pražská energetika a.s., Prague/Czech Republic	15	41.40	373,116	73,528
<b>Non-consolidated affiliated entities</b>					
21	EZG Operations GmbH, Wismar	5	100.00	133	15
22	NatürlichEnergie Swiss NES GmbH, Laufenburg/Switzerland	13	100.00	-	-
23	WECO Flüssiggas Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	24	1
24	ZEAG Immobilien Verwaltungsgesellschaft mbH, Heilbronn	5	100.00	27	2
25	WECO Flüssiggas GmbH & Co. KG, Stuttgart	5	90.00	1,334	-111
26	Stromvertrieb Backnang Verwaltungs GmbH, Backnang	13	51.00	-	-
27	Energie- und Medienversorgung Sandhofer Straße Verwaltungs GmbH, Mannheim	5	50.00	45	2
<b>Investments<sup>16</sup></b>					
28	KEA-Beteiligungs-GbR "Energie", Karlsruhe	8	62.74	-	-
29	Stromvertrieb Backnang GmbH & Co. KG, Backnang	13	51.00	-	-
30	AQUANTO GmbH, Unterföhring	5	50.00	471	-1,028
31	my-e-car GmbH, Lörrach	5	50.00	20	-5
32	NatürlichEnergie EMH GmbH, Monzelfeld	13	50.00	-	-
33	Einhorn Energie GmbH & Co. KG, Giengen an der Brenz	5	49.90	642	290
34	Einhorn Energie Verwaltungsgesellschaft mbH, Giengen an der Brenz	5	49.90	28	1
35	Stadtwerke Freiberg a.N. Vertriebs-GmbH, Freiberg am Neckar	5	49.90	33	-17
36	Gasversorgung Pforzheim Land GmbH, Pforzheim	5	49.00	15,636	1,713
37	espot GmbH, Stuttgart	5	25.10	459	128

		Footnote	Capital share <sup>1</sup> (in %)	Equity <sup>2</sup> (in T€)	Earnings <sup>2</sup> (in T€)
38	EDSR Energiedienste Staldenried AG, Staldenried/Switzerland	5	20.00	183	9
<b>Grids segment</b>					
<b>Fully consolidated companies</b>					
39	ED Netze GmbH, Rheinfelden	3,6	100.00	30,165	-
40	EnBW Kommunale Beteiligungen GmbH, Stuttgart	3	100.00	976,985	-
41	EnBW REG Beteiligungsgesellschaft mbH, Stuttgart	3	100.00	405,649	-
42	EVGA Grundstücks- und Gebäudemanagement GmbH & Co. KG, Obrigheim		100.00	91,621	15,125
43	NeckarCom Telekommunikation GmbH, Stuttgart	3	100.00	511	-
44	Netze BW GmbH, Stuttgart	3	100.00	1,130,861	-
45	Netze BW Wasser GmbH, Stuttgart (formerly EnBW Stuttgart Wasser GmbH, Stuttgart)	13	100.00	-	-
46	Netze-Gesellschaft Südwest mbH, Karlsruhe	3	100.00	68,639	-
47	Netzgesellschaft Düsseldorf mbH, Düsseldorf	3,5	100.00	1,000	-
48	Netzgesellschaft Ostwürttemberg DonauRies GmbH, Ellwangen Jagst	3	100.00	135	-
49	NHF Netzgesellschaft Heilbronn-Franken mbH, Heilbronn	3	100.00	4,000	-
50	NWS Grundstücksmanagement GmbH & Co. KG, Obrigheim		100.00	320,933	35,014
51	NWS REG Beteiligungsgesellschaft mbH, Stuttgart	3	100.00	79,963	-
52	PREdistribuce a.s., Prague/Czech Republic	5	100.00	697,063	39,682
53	PREmereni a.s., Prague/Czech Republic	5	100.00	15,361	1,336
54	RBS wave GmbH, Stuttgart	3	100.00	564	-
55	terranets bw GmbH, Stuttgart	3	100.00	90,000	-
56	TransnetBW GmbH, Stuttgart	3	100.00	178,141	-
57	EnBW Ostwürttemberg DonauRies AG, Ellwangen	3	99.73	115,439	-
58	ZEAG Energie AG, Heilbronn		98.64	170,686	4,906
59	Erdgas Südwest GmbH, Karlsruhe		79.00	50,297	8,844
60	NetCom BW GmbH, Ellwangen		74.90	47,179	-4,137
61	Stadtwerke Düsseldorf AG, Düsseldorf	5	54.95	413,271	30,269
62	Stromnetzgesellschaft Heilbronn GmbH & Co. KG, Heilbronn	9	49.90	24,473	-2,396
63	Neckar Netze GmbH & Co. KG, Esslingen am Neckar	9	49.00	26,161	6,055
<b>Non-consolidated affiliated entities</b>					
64	Elektrizitätswerk Aach GmbH, Aach	5	100.00	1,894	1,171
65	Energieversorgung Gaildorf OHG der EnBW Kommunale Beteiligungen GmbH und NWS REG Beteiligungsgesellschaft mbH, Gaildorf	5	100.00	2,603	976
66	Energieversorgung Raum Friedrichshafen GmbH & Co. KG, Stuttgart	5	100.00	1,304	914
67	Energieversorgung Raum Friedrichshafen Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	25	1
68	HEV Hohenloher Energie Versorgung GmbH, Ilshofen-Obersteinach	3,5	100.00	1,319	-
69	Konverter Ultramet GmbH & Co. KG, Stuttgart	13	100.00	-	-
70	Konverter Ultramet Verwaltungsgesellschaft mbH, Stuttgart	13	100.00	-	-
71	Neckar Netze Verwaltungsgesellschaft mbH, Esslingen am Neckar	5	100.00	104	4
72	Netze Pforzheim-Region Verwaltungs GmbH, Pforzheim (formerly EnBW Omega Neunundfünfzigste Verwaltungsgesellschaft mbH, Karlsruhe)	13	100.00	-	-
73	Taubernetze GmbH & Co. KG, Tauberbischofsheim	13	100.00	-	-

		Footnote	Capital share <sup>1</sup> (in %)	Equity <sup>2</sup> (in T€)	Earnings <sup>2</sup> (in T€)
74	Taubernetze Verwaltungs-GmbH, Tauberbischofsheim (formerly EnBW Omega Zweiundsechzigste Verwaltungsgesellschaft mbH, Karlsruhe)	13	100.00	-	-
75	Stuttgart Netze Betrieb GmbH, Stuttgart (formerly SWS Netzbetreiber GmbH, Stuttgart)	3, 5	74.90	25	-
76	Rieger GmbH & Co. KG, Lichtenstein, Kreis Reutlingen	5	74.28	269	553
77	Rieger Beteiligungs-GmbH, Lichtenstein, Kreis Reutlingen	5	74.24	61	2
78	Elektrizitätswerk Weißenhorn AG, Weißenhorn	5	63.24	3,315	519
79	Gasnetzgesellschaft Laupheim GmbH & Co. KG, Laupheim	5	50.10	3,567	77
80	Gasnetzgesellschaft Laupheim Verwaltungs GmbH, Laupheim	5	50.10	22	-1
81	Netzgesellschaft Elz-Neckar GmbH & Co. KG, Obrigheim	5	50.10	1,174	-44
82	Netzgesellschaft Elz-Neckar Verwaltungs GmbH, Obrigheim	5	50.10	28	1
83	Stromnetzgesellschaft Albershausen GmbH & Co. KG, Albershausen	5	50.10	825	37
84	Stromnetzgesellschaft Albershausen Verwaltungs GmbH, Albershausen	5	50.10	26	1
85	Stromnetzgesellschaft Heilbronn Verwaltungs-GmbH, Heilbronn	5	50.10	23	-1
86	Stromnetzgesellschaft Laupheim GmbH & Co. KG, Laupheim	5	50.10	2,217	-215
87	Stromnetzgesellschaft Laupheim Verwaltungs GmbH, Laupheim	5	50.10	13	-1
<b>Entities accounted for using the equity method</b>					
88	Stadtwerke Esslingen am Neckar GmbH & Co. KG, Esslingen am Neckar	5	49.98	55,474	2,951
89	Pražská energetika Holding a.s., Prague/Czech Republic	5, 10	49.00	218,924	35,765
90	Zweckverband Landeswasserversorgung, Stuttgart	5	27.20	121,158	296
91	Heilbronner Versorgungs GmbH, Heilbronn	4, 5	25.10	38,850	-
92	Stuttgart Netze GmbH, Stuttgart (formerly SWS Netzinfrastruktur GmbH, Stuttgart)	4, 5, 10	25.10	179,057	-
93	FairEnergie GmbH, Reutlingen	4, 5	24.90	97,766	-
94	Stadtwerke Hilden GmbH, Hilden	5	24.90	18,481	3,330
95	Zweckverband Bodensee-Wasserversorgung, Stuttgart	5	22.13	149,374	0
96	Stadtwerke Karlsruhe GmbH, Karlsruhe	4, 5	20.00	165,710	-
<b>Investments<sup>16</sup></b>					
97	Netzgesellschaft Sontheim GmbH & Co. KG, Sontheim an der Brenz	5	74.90	1,505	272
98	Netzgesellschaft Sontheim Verwaltungsgesellschaft mbH, Sontheim an der Brenz	5	74.90	25	0
99	Netzgesellschaft Steinheim GmbH & Co. KG, Steinheim am Albuch	5	74.90	227	91
100	Netzgesellschaft Steinheim Verwaltungsgesellschaft mbH, Steinheim am Albuch	5	74.90	25	0
101	Stromnetz Herrenberg Verwaltungsgesellschaft mbH, Herrenberg	5	74.90	28	1
102	Stromnetzgesellschaft Hechingen GmbH & Co. KG, Hechingen	5	74.90	1,624	500
103	Stromnetzgesellschaft Hechingen Verwaltungs GmbH, Hechingen	5	74.90	25	0
104	Stromnetzgesellschaft Herrenberg mbH & Co. KG, Herrenberg	5	74.90	3,865	131
105	Stadtwerke Sinsheim Versorgungs GmbH & Co. KG, Sinsheim	5	60.00	11,965	1,290
106	Stadtwerke Sinsheim Verwaltungs GmbH, Sinsheim	5	60.00	26	2
107	Stromnetz Langenau GmbH & Co. KG, Langenau	5	50.10	2,657	152

		Footnote	Capital share <sup>1</sup> (in %)	Equity <sup>2</sup> (in T€)	Earnings <sup>2</sup> (in T€)
108	Stromnetz Langenau Verwaltungs-GmbH, Langenau	5	50.10	29	1
109	CESOC AG, Laufenburg/Switzerland	5	50.00	195	0
110	e.wa riss GmbH & Co. KG, Biberach	5	50.00	19,132	-2,645
111	e.wa riss Verwaltungsgesellschaft mbH, Biberach	5	50.00	66	0
112	Energieversorgung Südbaar GmbH, Blumberg	5	50.00	3,649	397
113	Fränkische Wasser Service GmbH, Crailsheim	5	50.00	34	2
114	HDRRegioNet GmbH, Düsseldorf	5	50.00	37	-5
115	Niederrheinisch-Bergisches Gemeinschaftswasserwerk GmbH, Düsseldorf	5	50.00	2,650	454
116	Ostalbwasser Ost GmbH, Ellwangen	5	50.00	32	2
117	Ostalbwasser Service GmbH, Aalen	5	50.00	86	10
118	Ostalbwasser West GmbH, Schwäbisch Gmünd	5	50.00	47	2
119	regioaqua Gesellschaft für Wasser und Abwasser mbH, Rheinfelden	5	50.00	77	14
120	Stadtwerke Schramberg GmbH & Co. KG, Schramberg	5	50.00	13,164	2,268
121	Stadtwerke Schramberg Verwaltungsgesellschaft mbH, Schramberg	5	50.00	61	2
122	Wasserübernahme Neuss-Wahlscheid GmbH, Neuss	5	50.00	354	22
123	Stadtwerke Emmendingen GmbH, Emmendingen	5	49.90	18,366	2,334
124	Stromnetz Blaubeuren GmbH, Blaubeuren	5	49.90	908	-146
125	Stadtwerke Esslingen-Verwaltungsgesellschaft mbH, Esslingen am Neckar	5	49.80	39	1
126	Energie Sachsenheim GmbH & Co. KG, Sachsenheim	5	49.00	4,705	201
127	Energie Sachsenheim Verwaltungs-GmbH, Sachsenheim	5	49.00	27	2
128	Energieversorgung Strohgäu GmbH & Co. KG, Gerlingen	13	49.00	-	-
129	Energieversorgung Strohgäu Verwaltungs-GmbH, Gerlingen (formerly EnBW Omega Neununddreißigste Verwaltungsgesellschaft mbH, Stuttgart)	13	49.00	-	-
130	Gemeindewerke Bodanrück GmbH & Co. KG, Allensbach	5	49.00	2,568	67
131	Gemeindewerke Bodanrück Verwaltungs-GmbH, Allensbach	5	49.00	25	0
132	LEO Energie GmbH & Co. KG, Leonberg	4,5	49.00	7,776	-
133	Netzgesellschaft Marbach GmbH & Co. KG, Marbach am Neckar	5	49.00	1,740	63
134	Stadtwerke Backnang GmbH, Backnang	4,5	49.00	8,725	-
135	Stadtwerke Bad Wildbad GmbH & Co. KG, Bad Wildbad	5,6	49.00	6,628	692
136	Stadtwerke Bad Wildbad Verwaltungs-GmbH, Bad Wildbad	5,6	49.00	31	1
137	Stadtwerke Eppingen GmbH & Co. KG, Eppingen	5	48.96	7,716	-147
138	Energie Calw GmbH, Calw	4,5	48.82	11,633	-
139	Stadtwerke Münsingen GmbH, Münsingen	5	45.00	6,192	755
140	Stadtwerke Böblingen GmbH & Co. KG, Böblingen	5	41.10	29,890	1,999
141	Stadtwerke Böblingen Verwaltungs-GmbH, Böblingen	5	41.10	19	-7
142	SUEnergie GmbH & Co. KG, Süßen	5	40.00	2,204	71
143	SUEnergie Verwaltungs-GmbH, Süßen	5	40.00	28	1
144	Stadtwerke Weinheim GmbH, Weinheim	5	39.32	27,392	2,443
145	Energieversorgung Rottenburg am Neckar GmbH, Rottenburg am Neckar	4,5	38.00	7,160	-
146	EVG Grächen AG, Grächen/Switzerland	5	35.00	4,319	109
147	EVN Energieversorgung Nikolai AG, St. Niklaus/Switzerland	5,7	35.00	1,008	63
148	EVR Energieversorgung Raron AG, Raron/Switzerland	5,7	35.00	733	73

		Footnote	Capital share <sup>1</sup> (in %)	Equity <sup>2</sup> (in T€)	Earnings <sup>2</sup> (in T€)
149	EVWR Energiedienste Visp - Westlich Raron AG, Visp/Switzerland	5	35.00	1,756	195
150	Valgrid SA, Sion/Switzerland	5	35.00	17,528	722
151	VED Visp Energie Dienste AG, Visp/Switzerland	5,7	35.00	2,596	226
152	ErmstalEnergie Dettingen an der Erms GmbH & Co. KG, Dettingen an der Erms	5	32.60	2,993	391
153	Versorgungsbetriebe Dettingen an der Erms Verwaltungs-GmbH, Dettingen an der Erms	5	32.60	26	1
154	eneREGIO GmbH, Muggensturm	5	32.00	8,766	520
155	Regionalnetze Linzgau GmbH, Pfullendorf	3,5	31.64	6,462	-
156	Elektrizitätswerk Mittelbaden AG & Co. KG, Lahr	5	31.00	60,699	14,519
157	Elektrizitätswerk Mittelbaden Verwaltungsaktiengesellschaft, Lahr	5	31.00	110	14,287
158	Stadtwerke Bad Herrenalb GmbH, Bad Herrenalb	5	30.00	10,801	-799
159	Energie- und Wasserversorgung Bruchsal GmbH, Bruchsal	4,5	27.41	23,002	-
160	Stadtwerke Bad Säckingen GmbH, Bad Säckingen	3,5	26.30	8,673	-
161	Albwerk GmbH & Co. KG, Geislingen an der Steige	5	25.10	17,994	4,677
162	Albwerk Verwaltungsgesellschaft mbH, Geislingen an der Steige	5	25.10	68	2
163	Energie Kirchheim unter Teck GmbH & Co. KG, Kirchheim unter Teck	5	25.10	9,122	482
164	Energie Kirchheim unter Teck Verwaltungs-GmbH, Kirchheim unter Teck	5	25.10	25	0
165	Energieversorgung Immenstaad GmbH & Co. KG, Immenstaad am Bodensee	5	25.10	851	11
166	Gasnetzgesellschaft Schorndorf GmbH & Co. KG, Schorndorf	5	25.10	3,605	251
167	Gasnetzgesellschaft Winnenden mbH, Winnenden	4,5	25.10	2,275	-
168	Gasnetzverwaltungsgesellschaft Schorndorf GmbH, Schorndorf	5	25.10	24	-1
169	Gemeindewerke Brühl GmbH & Co. KG, Brühl	5	25.10	1,286	62
170	Gemeindewerke Brühl Verwaltungs-GmbH, Brühl	5	25.10	27	1
171	Gemeindewerke Plüderhausen GmbH, Plüderhausen	4,5	25.10	1,598	-
172	Infrastrukturgesellschaft Plochingen GmbH & Co. KG, Plochingen	5,6	25.10	2,775	105
173	Netzgesellschaft Besigheim GmbH & Co. KG, Besigheim	5	25.10	4,686	204
174	Netzgesellschaft Besigheim Verwaltungs GmbH, Besigheim	5	25.10	27	1
175	Netzgesellschaft Leinfelden-Echterdingen GmbH, Leinfelden-Echterdingen	5	25.10	4,321	44
176	Netzgesellschaft Salach GmbH & Co. KG, Salach	5	25.10	1,334	78
177	Netzgesellschaft Salach Verwaltungs GmbH, Salach	5	25.10	26	1
178	Netzgesellschaft Schwetzingen GmbH & Co. KG, Schwetzingen	13	25.10	-	-
179	Netzgesellschaft Schwetzingen Verwaltungs GmbH, Schwetzingen (formerly EnBW Omega Dreiundsechzigste Verwaltungsgesellschaft mbH, Karlsruhe)	13	25.10	-	-
180	Netzgesellschaft Vaihingen GmbH & Co. KG, Vaihingen an der Enz	5	25.10	6,658	329
181	Netzgesellschaft Vaihingen Verwaltungs-GmbH, Vaihingen an der Enz	5	25.10	26	1
182	Stadtwerke Ellwangen GmbH, Ellwangen	4,5	25.10	7,802	-
183	Stadtwerke Giengen GmbH, Giengen	5	25.10	11,752	931
184	Stadtwerke Schwäbisch Gmünd GmbH, Schwäbisch Gmünd	4,5	25.10	27,151	-
185	Stadtwerke Stockach GmbH, Stockach	5	25.10	9,238	858

		Footnote	Capital share <sup>1</sup> (in %)	Equity <sup>2</sup> (in T€)	Earnings <sup>2</sup> (in T€)
186	Stadtwerke Weinstadt Energieversorgung GmbH, Weinstadt	4, 5	25.10	3,704	-
187	Stadtwerke Wiesloch - Strom - GmbH & Co. KG, Wiesloch	13	25.10	-	-
188	Stromgesellschaft March GmbH & Co. KG, March	13	25.10	-	-
189	Stromnetzgesellschaft Ebersbach GmbH & Co. KG, Ebersbach an der Fils	5	25.10	3,402	156
190	Stromnetzgesellschaft Ebersbach Verwaltungs GmbH, Ebersbach an der Fils	5	25.10	27	1
191	Stromnetzgesellschaft Östlicher Schurwald GmbH & Co. KG, Rechberghausen	5	25.10	2,957	132
192	Stromnetzgesellschaft Östlicher Schurwald Verwaltungs GmbH, Rechberghausen	5	25.10	26	1
193	Technische Werke Schussental GmbH & Co. KG, Ravensburg	5	25.10	33,691	3,799
194	Technische Werke Schussental Verwaltungsgesellschaft mbH, Ravensburg	5	25.10	23	-3
195	Stadtwerke Nürtingen GmbH, Nürtingen	5	25.00	19,653	2,475
196	Stromversorgung Sulz am Neckar GmbH, Sulz am Neckar	5	24.90	3,516	104
197	Netzeigentumsgesellschaft Rheinstetten GmbH & Co. KG, Rheinstetten	5	24.50	4,364	152
198	Stadtwerke Wehr GmbH & Co. KG, Wehr	3, 5	24.50	1,896	-
199	Stadtwerke Wehr Verwaltungs-GmbH, Wehr	3, 5	24.50	20	-
200	Energieversorgung Oberes Wiesental GmbH, Todtnau	5	24.00	3,732	12
201	Netzgesellschaft Edingen-Neckarhausen GmbH & Co. KG, Edingen-Neckarhausen	5	24.00	844	58
202	ENRW Energieversorgung Rottweil GmbH & Co. KG, Rottweil	5	20.00	23,351	1,520
203	ENRW Verwaltungs-GmbH, Rottweil	5	20.00	15	0
204	Stadtwerke Sindelfingen GmbH, Sindelfingen	5	20.00	31,695	2,346
<b>Renewable Energies segment</b>					
<b>Fully consolidated companies</b>					
205	Aletsch AG, Mörel/Switzerland	6	100.00	23,093	562
206	EnAlpin AG, Visp/Switzerland	6	100.00	179,249	3,362
207	EnBW Biogas GmbH, Stuttgart	3	100.00	52	-
208	EnBW He Dreiht GmbH, Varel	3	100.00	891	-
209	EnBW Hohe See GmbH, Stuttgart	3	100.00	1,025	-
210	EnBW NAG-Beteiligungsgesellschaft mbH, Stuttgart (formerly EnBW Omega Siebenundvierzigste Verwaltungsgesellschaft mbH, Stuttgart)	13	100.00	-	-
211	EnBW Offshore 1 GmbH, Stuttgart	3	100.00	28,711	-
212	EnBW Offshore 2 GmbH, Stuttgart	3	100.00	1,589,424	-
213	EnBW Offshore Service GmbH, Klausdorf-Barhöft	3	100.00	25	-
214	EnBW Solar GmbH, Stuttgart	3	100.00	25	-
215	EnBW Wind Onshore 1 GmbH, Stuttgart	3	100.00	25	-
216	EnBW Wind Onshore 2 GmbH, Stuttgart	3	100.00	2,556	-
217	EnBW Windkraftprojekte GmbH, Stuttgart		100.00	128	-327
218	EnBW Windpark Eisenach II GmbH, Stuttgart		100.00	32,423	-50
219	Energiedienst AG, Rheinfelden	6	100.00	190,763	30,666
220	Grünwerke GmbH, Düsseldorf	3, 5	100.00	31,736	-
221	Northern Energy OWP Albatros GmbH, Aurich		100.00	2,364	-506
222	PRE FVE Dacice, s.r.o., Prague/Czech Republic	5	100.00	3,038	694
223	PRE FVE Mikulov, s.r.o., Prague/Czech Republic	5	100.00	662	146



		Footnote	Capital share <sup>1</sup> (in %)	Equity <sup>2</sup> (in T€)	Earnings <sup>2</sup> (in T€)
224	PRE FVE Pozorice, s.r.o., Prague/Czech Republic	13	100.00	-	-
225	Windkraft FIT GmbH, Hamburg		100.00	0	-5
226	Windpark Niederlinxweiler GmbH & Co. KG, Leinfelden-Echterdingen		100.00	214	13
227	EnBW Holding A.S., Gümüssuyu-Istanbul/Turkey		99.99	192,431	433
228	Bürgerenergie Widdern GmbH & Co. KG, Widdern		99.00	27	1
229	EE BürgerEnergie Forchtenberg GmbH & Co. KG, Forchtenberg		99.00	85	23
230	EE BürgerEnergie Jagsthausen GmbH & Co. KG, Jagsthausen		99.00	71	46
231	EE BürgerEnergie Möckmühl GmbH & Co. KG, Möckmühl		99.00	77	25
232	EE Bürgerenergie Hardthausen GmbH & Co. KG, Hardthausen am Kocher		98.00	-50	-80
233	Neckar Aktiengesellschaft, Stuttgart		82.20	10,179	0
234	Geothermie-Gesellschaft Bruchsal GmbH, Bruchsal	6	74.90	1,901	2,481
235	JatroSolutions GmbH, Stuttgart		70.49	1,468	-1,272
236	Energiedienst Holding AG, Laufenburg/Switzerland	6, 11	66.67	915,237	61,838
237	Rheinkraftwerk Neuhausen AG, Neuhausen/Switzerland	6	56.00	1,129	49
238	EnBW Baltic 1 GmbH & Co. KG, Stuttgart		50.32	42,294	0
239	EnBW Baltic 2 S.C.S., Luxembourg/Luxembourg		50.09	1,512,250	0
240	EnBW Onshore Portfolio GmbH, Stuttgart		50.02	140,678	2,964
241	Kraftwerk Lötschen AG, Steg/Switzerland	6, 12	50.00	27,318	739
<b>Joint operations</b>					
242	Rheinkraftwerk Iffezheim GmbH, Iffezheim	10	50.00	113,373	3,745
243	Rhonewerke AG, Ernen/Switzerland	5, 10	30.00	23,952	0
<b>Non-consolidated affiliated entities</b>					
244	Baltic 2 Windpark Beteiligungen GmbH & Co. KG, Stuttgart	5	100.00	42	-16
245	BürgerEnergie Beteiligung Berghülen/ Schopfloch GmbH & Co. KG, Stuttgart	8	100.00	-	-
246	CarbonBW (Thailand) Ltd., Bangkok/Thailand	5	100.00	6,779	-74
247	dge wind Brenz eins GmbH & Co. KG, Stuttgart	13	100.00	-	-
248	EnBW Baltic 1 Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	22	-5
249	EnBW Baltic 2 Management S.a r.l., Luxembourg/Luxembourg	13	100.00	-	-
250	EnBW Baltic 2 Windpark Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	28	1
251	EnBW Baltic Windpark Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	29	1
252	EnBW Wind Onshore Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	25	-1
253	EnBW Windkraft Beteiligungsgesellschaft mbH, Karlsruhe (formerly EnBW Omega Dreiundfünfzigste Verwaltungsgesellschaft mbH, Karlsruhe)	13	100.00	-	-
254	Grünwerke Verwaltungs GmbH, Düsseldorf	5	100.00	25	1
255	Kemberg Windpark Management GmbH & Co. Betriebsgesellschaft KG, Düsseldorf	5	100.00	0	-10
256	Kriegers Flak ApS, Copenhagen/Denmark	13	100.00	-	-
257	ZEAG Erneuerbare Energien GmbH, Heilbronn	5	100.00	40	15
258	JATROSELECT-Paraguay Sociedad de Responsabilidad Limitada, Volendam/Paraguay	8	99.98	-	-
259	BürgerEnergie Königheim GmbH & Co. KG, Königheim	5	99.00	43	-21
260	EE BürgerEnergie Boxberg GmbH & Co. KG, Boxberg	5	99.00	59	-33
261	EE Bürgerenergie Braunsbach GmbH & Co. KG, Braunsbach	5	99.00	38	-29
262	EE Bürgerenergie Bühlerzell GmbH & Co. KG, Bühlerzell	5	99.00	93	-3

		Footnote	Capital share <sup>1</sup> (in %)	Equity <sup>2</sup> (in T€)	Earnings <sup>2</sup> (in T€)
263	EE Bürgerenergie Frankenhardt GmbH & Co. KG, Frankenhardt	5	99.00	91	-3
264	EE Bürgerenergie Hardheim GmbH & Co. KG, Hardheim	13	99.00	-	-
265	EE Bürgerenergie Höpfigen GmbH & Co. KG, Höpfigen	13	99.00	-	-
266	EE Bürgerenergie Ilshofen GmbH & Co. KG, Ilshofen	13	99.00	-	-
267	EE BürgerEnergie Krautheim GmbH & Co. KG, Krautheim	5	99.00	68	-20
268	EE BürgerEnergie Neudenuau GmbH & Co. KG, Neudenuau	5	99.00	88	-5
269	EE Bürgerenergie Sulzbach-Laufen GmbH & Co. KG, Sulzbach-Laufen	5	99.00	92	-3
270	Holzkraft Plus GmbH, Düsseldorf	5	90.00	203	-8
271	JatroGreen S.A.R.L., Antananarivo/Madagascar	5	70.00	-523	-36
272	Alb-Windkraft Verwaltungs GmbH, Geislingen an der Steige	5	51.00	25	7
273	Solarpark Leutkirch GmbH & Co. KG, Leutkirch im Allgäu	5	51.00	11,466	566
274	Solarpark Leutkirch Verwaltungsgesellschaft mbH, Leutkirch im Allgäu	5	51.00	22	1
<b>Entities accounted for using the equity method</b>					
275	Borusan EnBW Enerji yatırımları ve Üretim Anonim Şirketi, Istanbul/Turkey	5, 10	50.00	282,083	-6,627
276	Elektrizitätswerk Rheinau AG, Rheinau/Switzerland	5, 7	50.00	19,469	696
277	Bayerische-Schwäbische Wasserkraftwerke Beteiligungsgesellschaft mbH, Gundremmingen	5	37.80	63,572	9,198
278	KW Ackersand I AG, Stalden/Switzerland	5	25.00	1,789	52
<b>Investments<sup>16</sup></b>					
279	biogasNRW GmbH, Düsseldorf	8	50.00	-	-
280	Centrale Electrique Rhénane de Gamsheim SA, Gamsheim/France	5	50.00	10,293	0
281	Havelland-Fläming Wind GmbH, Berlin	13	50.00	-	-
282	Kraftwerk Reckingen AG, Reckingen	5	50.00	3,204	72
283	Rheinkraftwerk Säckingen AG, Bad Säckingen	5	50.00	7,204	300
284	SwissAlpin SolarTech AG, Visp/Switzerland	5	50.00	59	-12
285	Wasserkraftwerk Hausen GbR, Hausen im Wiesental	5	50.00	756	-58
286	Windpark Schurwald GmbH, Esslingen am Neckar	5	50.00	23	-1
287	WKM Wasserkraftwerke Maulburg GmbH, Maulburg	5	50.00	434	13
288	KW Jungbach AG, St. Niklaus/Switzerland	5	49.00	3,242	-42
289	Obere Donau Kraftwerke AG, Munich	5	40.00	3,180	0
290	TWKW Trinkwasserkraftwerke Niedergesteln AG, Niedergesteln/Switzerland	5	40.00	1,524	137
291	Kraftwerk Ryburg-Schwörstadt AG, Rheinfelden/Switzerland	5, 7	38.00	32,335	1,507
292	EE Bürgerenergie Heilbronn GmbH & Co. KG, Heilbronn	5	37.00	1,000	61
293	Onshore Bündelgesellschaft 1 GmbH, Stuttgart	5	33.33	32,229	-7
294	Windpark Prütze II GmbH & Co. KG, Düsseldorf	8	33.33	-	-
295	KWT Kraftwerke Törbel-Moosalp AG, Törbel/Switzerland	5	30.00	838	35
296	Baltic Windpark Beteiligungen GmbH & Co. KG, Stuttgart	5	29.17	29,000	3,000
297	Alb-Windkraft GmbH & Co. KG, Geislingen an der Steige	5	25.50	210	7
298	ANOG Anergienetz Obergoms AG, Obergoms/Switzerland	7, 13	24.50	-	-
299	KWOG Kraftwerke Obergoms AG, Obergoms/Switzerland	5	24.50	2,136	101
300	ClimatePartner Deutschland GmbH, Munich	5	20.00	-911	1
301	Erneuerbare Energien Zollern Alb GmbH, Balingen	5	20.00	89	-6

		Footnote	Capital share <sup>1</sup> (in %)	Equity <sup>2</sup> (in T€)	Earnings <sup>2</sup> (in T€)
302	Kooperation Erneuerbare Energien im Landkreis Rottweil GmbH, Schramberg	5	20.00	99	-1
303	Wasserkraftwerk Pfinztal GmbH & Co. KG, Pfinztal	5	20.00	277	-1
<b>Generation and Trading segment</b>					
<b>Fully consolidated companies</b>					
304	AWISTA Logistik GmbH, Düsseldorf	3,5	100.00	3,025	-
305	EnBW Biomasse GmbH, Karlsruhe		100.00	953	2,681
306	EnBW Etzel Speicher GmbH, Karlsruhe	3	100.00	725	-
307	EnBW Grundstücksverwaltung Rheinhafen GmbH, Karlsruhe		100.00	1,873	111
308	EnBW Kraftwerk Lippendorf Beteiligungsgesellschaft mbH, Stuttgart	3	100.00	297,640	-
309	EnBW Rückbauservice GmbH, Stuttgart		100.00	25	0
310	EnBW Speicher GmbH, Stuttgart	3	100.00	100	-
311	Gemeinschaftsheizkraftwerk Fortuna GmbH, Düsseldorf		100.00	25	-1,438
312	Gesellschaft für nukleares Reststoffrecycling mbH, Neckarwestheim		100.00	550	-35
313	Heizkraftwerk Stuttgart GmbH, Stuttgart		100.00	5,142	-4
314	Kernkraftwerk Obrigheim GmbH, Obrigheim	3	100.00	51,130	-
315	KMS Kraftwerke Grundbesitzmanagement und -service GmbH & Co. KG, Karlsruhe		100.00	234,048	0
316	MSE Mobile Schlammwässerungs GmbH, Karlsbad-Ittersbach	3	100.00	1,171	-
317	NWS Energiehandel GmbH, Stuttgart	3	100.00	50	-
318	TAE Thermische Abfallentsorgung Ansbach GmbH, Ansbach		100.00	57,731	779
319	TPLUS GmbH, Karlsruhe	3	100.00	18,162	-
320	TWS Kernkraft GmbH, Gemmrigheim	3	100.00	149,297	-
321	U-plus Umweltservice AG, Karlsruhe	3	100.00	126,807	-
322	EnBW Kernkraft GmbH, Obrigheim	3	99.80	10,000	-
323	AWISTA Gesellschaft für Abfallwirtschaft und Stadtreinigung mbH, Düsseldorf	5	51.00	48,447	17,920
324	KNG Kraftwerks- und Netzgesellschaft mbH, Rostock		50.40	499	8
<b>Joint operations</b>					
325	Friedeburger Speicherbetriebsgesellschaft mbH "Crystal", Friedeburg	10	50.00	125,090	1,114
<b>Non-consolidated affiliated entities</b>					
326	Südwestdeutsche Nuklear-Entsorgungsgesellschaft mbH, Stuttgart	5	86.49	10,389	2,993
327	Zentraldeponie Hubbelrath GmbH, Düsseldorf	5,6	76.00	18,715	0
328	Nahwärme Düsseldorf GmbH, Düsseldorf	5	66.00	2,495	337
<b>Entities accounted for using the equity method</b>					
329	Fernwärme Ulm GmbH, Ulm	5,7,10	50.00	29,988	16
330	Schluchseewerk Aktiengesellschaft, Laufenburg/Baden	5	50.00	59,339	2,809
331	Grosskraftwerk Mannheim AG, Mannheim	5	32.00	114,142	6,647
<b>Investments<sup>16</sup></b>					
332	Fernwärme Rhein-Neckar GmbH, Mannheim	5	50.00	2,621	831
333	KDM Kompostierungs- und Vermarktungsgesellschaft für Stadt Düsseldorf/Kreis Mettmann mbH, Ratingen	5	50.00	3,906	707
334	Powerment GmbH, Ettlingen	5	50.00	4,278	2,294
335	RheinWerke GmbH, Düsseldorf	5	50.00	103	-100

		Footnote	Capital share <sup>1</sup> (in %)	Equity <sup>2</sup> (in T€)	Earnings <sup>2</sup> (in T€)
336	MOWA Mobile Waschanlagen GmbH, Neunkirchen-Seelscheid	5	49.00	254	125
337	REMONDIS Rhein-Wupper GmbH & Co. KG, Düsseldorf	5	49.00	10,415	3,938
338	REMONDIS Rhein-Wupper Verwaltungs GmbH, Düsseldorf	5	49.00	36	1
339	Fernwärme Zürich AG, Zurich/Switzerland	5	40.00	2,884	1,028
340	HWM Holzwärme Müllheim GmbH, Müllheim	5	33.33	406	16
341	Heizkraftwerk Pforzheim GmbH, Pforzheim	5	30.00	6,571	745
342	Contiplan AG, Vaduz/Liechtenstein	8	25.10	-	-
343	Rheticus AG, Vaduz/Liechtenstein	8	25.10	-	-
344	Beteiligungsgesellschaft der EVU an der Kerntechnischen Hilfsdienst GmbH - GbR, Karlsruhe	8	21.59	-	-
<b>Others</b>					
<b>Fully consolidated companies</b>					
345	ED Immobilien GmbH & Co. KG, Rheinfelden	6	100.00	0	128
346	ED Immobilien Verwaltungsgesellschaft mbH, Rheinfelden	6	100.00	31	0
347	EnBW City GmbH & Co. KG, Obrigheim		100.00	8,885	6,172
348	EnBW Immobilienbeteiligungen GmbH, Stuttgart		100.00	458,784	10,200
349	EnBW International Finance B.V., Rotterdam/Netherlands		100.00	1,166,975	35,261
350	EnBW New Ventures GmbH, Stuttgart (formerly EnBW Omega Sechsunfünfzigste Verwaltungsgesellschaft mbH, Stuttgart)	13	100.00	-	-
351	EnBW Perspektiven GmbH, Karlsruhe	3	100.00	1,500	-
352	Energiedienst Support GmbH, Rheinfelden	6	100.00	380	35
353	Facilma Grundbesitzmanagement und -service GmbH & Co. Besitz KG, Obrigheim		100.00	199,595	6,398
354	Neckarwerke Stuttgart GmbH, Stuttgart		100.00	1,756,275	42,455
355	NWS Finanzierung GmbH, Karlsruhe	3	100.00	1,237,605	-
356	SBZ Beteiligungen GmbH, Karlsruhe		100.00	25	0
357	symbiotic services GmbH, Karlsruhe	3	100.00	25	-
358	MURVA Grundstücks-Verwaltungsgesellschaft mbH & Co. KG, Grünwald	5	95.00	-10,841	156
359	EnBW Versicherungsvermittlung GmbH, Stuttgart		51.00	3,215	3,135
<b>Non-consolidated affiliated entities</b>					
360	EBAG Omega Dritte Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	25	-
361	EnBW CZ spol. s.r.o., Prague/Czech Republic	5	100.00	1,331	70
362	EnBW Omega Achtundsechzigste Verwaltungsgesellschaft mbH, Karlsruhe	13	100.00	-	-
363	EnBW Omega Dreiundsiebzigste Verwaltungsgesellschaft mbH, Karlsruhe	13	100.00	-	-
364	EnBW Omega Einundsiebzigste Verwaltungsgesellschaft mbH, Stuttgart	13	100.00	-	-
365	EnBW Omega Fünfundfünfzigste Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	25	-
366	EnBW Omega Fünfundsechzigste Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	25	-
367	EnBW Omega Fünfundsechzigste Verwaltungsgesellschaft mbH, Stuttgart	13	100.00	-	-
368	EnBW Omega Neunundsechzigste Verwaltungsgesellschaft mbH, Stuttgart	13	100.00	-	-
369	EnBW Omega Sechsunsechzigste Verwaltungsgesellschaft mbH, Karlsruhe	13	100.00	-	-

		Footnote	Capital share <sup>1</sup> (in %)	Equity <sup>2</sup> (in T€)	Earnings <sup>2</sup> (in T€)
370	EnBW Omega Siebenundsechzigste Verwaltungsgesellschaft mbH, Karlsruhe	13	100.00	-	-
371	EnBW Omega Siebzigste Verwaltungsgesellschaft mbH, Stuttgart	13	100.00	-	-
372	EnBW Omega Vierundfünfzigste Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	25	-
373	EnBW Omega Vierundsechzigste Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	25	-
374	EnBW Omega Vierundsiebzigste Verwaltungsgesellschaft mbH, Stuttgart	13	100.00	-	-
375	EnBW Omega Zweiundfünfzigste Verwaltungsgesellschaft mbH, Karlsruhe	5	100.00	25	-
376	EnBW Omega Zweiundsiebzigste Verwaltungsgesellschaft mbH, Karlsruhe	13	100.00	-	-
377	EnBW Real Estate GmbH, Obrigheim	5	100.00	78	8
378	EnBW Senergi Immobilien GmbH, Karlsruhe	5	100.00	75	0
379	KMS Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	42	2
380	SSG Verwaltungsgesellschaft mbH i.L., Kornwestheim		100.00	-	-
<b>Entities accounted for using the equity method</b>					
381	EWE Aktiengesellschaft, Oldenburg	5, 17	26.00	2,167,900	159,700
<b>Investments<sup>16</sup></b>					
382	GRADUS Investitionsgüter-Vermietungsgesellschaft mbH & Co. Objekt Badenwerk KG, Karlsruhe	5, 6	100.00	0	-118
383	Wp Global Germany Private Equity L.P., Wilmington, Delaware/USA	8	100.00	-	-
384	Impulse L.P., Edinburgh/UK	8	99.87	-	-
385	Continuum Capital Limited Partnership, Edinburgh/UK	8	98.00	-	-
386	Sirius EcoTech Fonds Düsseldorf GmbH & Co. KG., Düsseldorf	8	78.15	-	-
387	regiodata GmbH, Lörrach	5	35.00	680	130
388	RWE - EnBW Magyaroszálg Kft., Budapest/Hungary	5	30.00	353	2
389	E & G Bridge Equity Fonds GmbH & Co. KG, Munich	7, 8	29.97	-	-
390	EFR Europäische Funk-Rundsteuerung GmbH, Munich	5	25.10	2,789	2,317
391	Ökotec Energiemanagement GmbH, Berlin	5	25.10	399	37
392	KIC InnoEnergy Germany GmbH, Karlsruhe	5	25.00	25	80
393	MVW Energie AG, Mannheim	7, 14	22.48	1,018,690	79,920

<sup>1</sup> Shares of the respective parent company calculated in accordance with section 313 (2) of the HGB [as of: 31 December 2015].

<sup>2</sup> In the case of separate entities, the figures stem from financial statements prepared pursuant to local principles and do not show the contributions of each entity to the consolidated financial statements. For financial statements in foreign currencies, the equity is translated at the mean rate on the reporting date, while earnings are translated at average annual rates.

<sup>3</sup> Profit and loss transfer agreement and/or domination agreement.

<sup>4</sup> Profit and loss transfer agreement with third parties.

<sup>5</sup> Previous year figures.

<sup>6</sup> Preliminary figures.

<sup>7</sup> Divergent financial year.

<sup>8</sup> Exemption clause section 313 (2) Item 4 sentence 3 and 4 of the HGB.

<sup>9</sup> Control due to contractual agreement.

<sup>10</sup> Joint control pursuant to IFRS 11.

<sup>11</sup> Before taking treasury shares of the company into account.

<sup>12</sup> Majority of the voting rights.

<sup>13</sup> New company, annual financial statements not yet available.

<sup>14</sup> There is no significant influence due to lack of representation in the Supervisory Board.

<sup>15</sup> Other shareholdings included due to contractual control arrangements.

<sup>16</sup> Includes investments that are not accounted for using the equity method because of their minor importance. They are recognised instead at their acquisition costs.

<sup>17</sup> Until 30 September 2015, 26% of the shares accounted for using the equity method; due to restructuring of shareholdings only 6% accounted for using the equity method since 30 September 2015, 20% accounted for as held for sale in accordance with IFRS.

#### (40) Disclosures concerning franchises

Franchise agreements in the areas of electricity, gas, district heating and water are in place between the individual entities in the EnBW Group and the municipalities. The majority of the franchise agreements have a term of 20 years. There are obligations governed by law to connect to the supply networks. Under the franchise agreements, the EnBW Group is obliged to provide and maintain the facilities required to satisfy the general supply needs. In addition, it is required to pay a franchise fee to the municipalities. Upon expiry of a franchise agreement, the facilities must be returned or transferred to the municipalities or the successor network operator, respectively, in return for reasonable compensation, unless the franchise agreement is extended.

#### (41) Subsequent events

No events which would be significant for assessing the net assets, financial position and results of operations of EnBW occurred after 31 December 2015.

Karlsruhe, 17 March 2016  
EnBW Energie Baden-Württemberg AG



Dr. Mastiaux



Dr. Beck



Kusterer



Dr. Zimmer

# Audit opinion

We have audited the consolidated financial statements prepared by EnBW Energie Baden-Württemberg AG, Karlsruhe, comprising the income statement, the statement of comprehensive income, the balance sheet, the cash flow statement, the statement of changes in equity as well as the notes to the financial statements, together with the combined management report of the company and the Group, for the financial year from 1 January to 31 December 2015. The preparation of the consolidated financial statements and the combined management report in accordance with IFRS as adopted by the EU, and the additional requirements of German commercial law pursuant to section 315a (1) of the HGB ["Handelsgesetzbuch": German Commercial Code] is the responsibility of the company's Board of Management. Our responsibility is to express an opinion on the consolidated financial statements and on the combined management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with section 317 of the HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the combined management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the combined management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by the Board of Management, as well as evaluating the overall presentation of the consolidated financial statements and the combined management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRS, as adopted by the EU, the additional requirements of German commercial law pursuant to section 315a (1) of the HGB and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The combined management report is consistent with the consolidated financial statements and as a whole provides an appropriate view of the Group's position and appropriately presents the opportunities and risks of future development.

Frankfurt am Main, 24 February 2016/17 March 2016  
KPMG AG  
Wirtschaftsprüfungsgesellschaft

Janz  
German Public Auditor

Stratmann  
German Public Auditor

# Declaration of the legal representatives

We assure to the best of our knowledge that, in accordance with the applicable accounting principles, the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group and that the Group management report, which has been combined with the management report of the company, gives a true and fair view of the business development including the result and situation of the Group and also describes the significant opportunities and risks relating to the anticipated development of the Group.

Karlsruhe, 17 March 2016  
EnBW Energie Baden-Württemberg AG



Dr. Mastiaux



Dr. Beck



Kusterer



Dr. Zimmer



# Important notes

**Published by**  
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