Financial statements of the EnBW Group **2014**

Version without management report

Financial statements

of the EnBW Group

Income statement

in € million[1]	Notes	2014	2013
Revenue including electricity and energy taxes		21,760.1	21,377.6
Electricity and energy taxes		-757.6	-832.8
Revenue	(1)	**21,002.5**	**20,544.8**
Changes in inventories		15.5	0.6
Other own work capitalised		78.0	56.0
Other operating income	(2)	1,238.1	1,001.8
Cost of materials	(3)	-17,511.7	-17,078.0
Personnel expenses	(4)	-1,620.2	-1,536.6
Other operating expenses	(5)	-1,064.9	-988.9
EBITDA		**2,137.3**	**1,999.7**
Amortisation and depreciation	(6)	-2,137.2	-975.6
Earnings before interest and taxes (EBIT)		**0.1**	**1,024.1**
Investment result	(7)	25.6	99.6
of which net profit/loss from entities accounted for using the equity method		(-15.7)	(75.3)
of which other income from investments		(41.3)	(24.3)
Financial result	(8)	-635.4	-953.0
of which finance revenue		(433.8)	(358.3)
of which finance costs		(-1,069.2)	(-1,311.3)
Earnings before tax (EBT)		**-609.7**	**170.7**
Income tax	(9)	222.1	-48.4
Group net profit/loss		**-387.6**	**122.3**
of which profit/loss shares attributable to non-controlling interests		(63.1)	(71.3)
of which profit/loss shares attributable to the equity holders of EnBW AG		(-450.7)	(51.0)
EnBW AG shares outstanding (million), weighted average		**270.855**	**270.855**
Earnings per share from Group net profit/loss (€)[2]	(26)	**-1.66**	**0.19**

[1] The figures for the previous year have been restated. Further disclosures are presented in the notes under "Changes in accounting policies".
[2] Diluted and basic; in relation to shares in profit/loss attributable to the equity holders of EnBW AG.

Statement of comprehensive income

in € million	2014	2013
Group net profit/loss	**-387.6**	**122.3**
Revaluation of pensions and similar obligations	-1,193.5	31.0
Entities accounted for using the equity method	-83.3	0.0
Income taxes on other comprehensive income	237.0	-7.9
Total of other comprehensive income and expenses without future reclassifications impacting earnings	**-1,039.8**	**23.1**
Currency translation differences	7.7	-48.7
Cash flow hedge	-36.1	-179.9
Available-for-sale financial assets	240.2	36.3
Entities accounted for using the equity method	29.6	0.0
Income taxes on other comprehensive income	-29.2	58.3
Total of other comprehensive income and expenses with future reclassifications impacting earnings	**212.2**	**-134.0**
Other comprehensive income	**-827.6**	**-110.9**
Total comprehensive income	**-1,215.2**	**11.4**
of which profit/loss shares attributable to non-controlling interests	(38.0)	(54.3)
of which profit/loss shares attributable to the equity holders of EnBW AG	(-1,253.2)	(-42.9)

Balance sheet

in € million[1]	Notes	31/12/2014	31/12/2013	01/01/2013
Assets				
Non-current assets				
Intangible assets	(10)	1,783.0	1,844.1	1,930.2
Property, plant and equipment	(11)	13,681.7	14,069.7	13,920.2
Investment properties	(12)	75.8	77.0	81.5
Entities accounted for using the equity method	(13)	1,941.0	1,927.4	2,219.0
Other financial assets	(14)	8,513.4	6,399.9	6,058.7
Trade receivables	(15)	678.6	641.9	567.4
Income tax refund claims	(16)	9.1	12.9	17.1
Other non-current assets	(17)	270.0	277.2	298.5
Deferred taxes	(23)	430.0	257.8	48.3
		27,382.6	**25,507.9**	**25,140.9**
Current assets				
Inventories	(18)	1,135.4	1,353.9	1,285.9
Financial assets	(19)	780.1	750.3	785.6
Trade receivables	(15)	3,193.1	3,745.0	3,919.5
Income tax refund claims	(16)	451.6	343.1	169.4
Other current assets	(17)	2,085.6	1,542.9	1,836.5
Cash and cash equivalents	(20)	3,179.2	2,424.9	2,588.8
		10,825.0	**10,160.1**	**10,585.7**
Assets held for sale	(25)	104.5	90.3	681.1
		10,929.5	**10,250.4**	**11,266.8**
		38,312.1	**35,758.3**	**36,407.7**
Equity and liabilities				
Equity	(21)			
Equity holders of EnBW AG				
Subscribed capital		708.1	708.1	708.1
Capital reserve		774.2	774.2	774.2
Revenue reserves		3,769.3	4,378.9	4,559.1
Treasury shares		-204.1	-204.1	-204.1
Other comprehensive income		-1,607.4	-791.8	-697.9
		3,440.1	**4,865.3**	**5,139.4**
Non-controlling interests		1,105.5	1,217.4	1,236.5
		4,545.6	**6,082.7**	**6,375.9**
Non-current liabilities				
Provisions	(22)	14,302.2	12,450.7	12,260.6
Deferred taxes	(23)	648.9	955.7	1,000.8
Financial liabilities	(24)	7,187.1	5,547.4	5,563.9
Income tax liabilities	(24)	134.3	164.4	289.6
Other liabilities and subsidies	(24)	1,874.2	1,968.7	2,006.0
		24,146.7	**21,086.9**	**21,120.9**
Current liabilities				
Provisions	(22)	1,151.6	1,391.6	1,226.1
Financial liabilities	(24)	1,078.5	224.7	1,201.1
Trade payables	(24)	3,829.6	3,611.0	3,472.2
Income tax liabilities	(24)	330.9	418.0	254.6
Other liabilities and subsidies	(24)	3,180.7	2,910.8	2,756.3
		9,571.3	**8,556.1**	**8,910.3**
Liabilities directly associated with assets classified as held for sale	(25)	48.5	32.6	0.6
		9,619.8	**8,588.7**	**8,910.9**
		38,312.1	**35,758.3**	**36,407.7**

[1] The figures for the previous years have been restated. Further disclosures are presented in the notes under “Changes in accounting policies”.

Cash flow statement

in € million[1, 2]	2014	2013
1. Operating activities		
EBITDA	2,137.3	1,999.7
Changes in provisions	73.2	42.0
Result from disposals	-93.1	-24.9
Other non-cash expenses/income	-341.5	-59.0
Change in assets and liabilities from operating activities	254.7	318.1
Inventories	(-68.7)	(-123.8)
Net balance of trade receivables and payables	(669.4)	(194.0)
Net balance of other assets and liabilities	(-346.0)	(247.9)
Income tax paid	-254.9	-356.8
Cash flow from operating activities	**1,775.7**	**1,919.1**
2. Investing activities		
Capital expenditures on intangible assets and property, plant and equipment	-1,704.4	-1,060.2
Cash received from disposals of intangible assets and property, plant and equipment	194.1	172.4
Cash received from construction cost and investment subsidies	79.9	72.6
Cash paid for the acquisition of subsidiaries, entities accounted for using the equity method and interests in joint operations	-40.8	-39.2
Cash received from the sale of subsidiaries, entities accounted for using the equity method and interests in joint operations	108.9	9.9
Cash paid for investments in other financial assets	-2,795.4	-1,187.2
Cash received from the sale of other financial assets	1,071.2	1,077.3
Cash received/paid for investments in connection with short-term finance planning	-13.6	14.0
Interest received	211.2	198.4
Dividends received	112.3	169.6
Cash flow from investing activities	**-2,776.6**	**-572.4**
3. Financing activities		
Interest paid for financing activities	-338.6	-303.7
Dividends paid	-261.8	-310.8
Cash received for changes in ownership interest without loss of control	89.7	0.0
Cash paid for changes in ownership interest without loss of control	-197.9	0.0
Increase in financial liabilities	2,661.5	435.7
Repayment of financial liabilities	-192.0	-1,330.6
Cash flow from financing activities	**1,760.9**	**-1,509.4**
Net change in cash and cash equivalents	**760.0**	**-162.7**
Net foreign exchange difference	0.3	-1.2
Change in cash and cash equivalents	**760.3**	**-163.9**
Cash and cash equivalents at the beginning of the period	2,424.9	2,588.8
Cash and cash equivalents at the end of the period	**3,185.2**	**2,424.9**
of which cash and cash equivalents in current assets	3,179.2	2,424.9
of which cash and cash equivalents in assets held for sale	6.0	0.0

[1] The figures for the previous year have been restated. Further disclosures are presented in the notes under "Changes in accounting policies".
[2] Further disclosures are presented under (34) "Notes to the cash flow statement".

Statement of changes in equity

in € million[1]				Other comprehensive income							
	Subscribed capital and capital reserve[2]	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	Equity holders of EnBW AG	Non-controlling interests	**Total**
As of: 01/01/2013	**1,482.3**	**4,559.1**	**-204.1**	**-806.2**	**-74.6**	**-172.8**	**355.7**	**0.0**	**5,139.4**	**1,236.5**	**6,375.9**
Other comprehensive income				23.1	-25.5	-138.3	46.8		-93.9	-17.0	-110.9
Group net profit		51.0							51.0	71.3	122.3
Total comprehensive income	**0.0**	**51.0**	**0.0**	**23.1**	**-25.5**	**-138.3**	**46.8**	**0.0**	**-42.9**	**54.3**	**11.4**
Dividends paid		-230.2							-230.2	-61.7	-291.9
Other changes[3, 4]		-1.0							-1.0	-11.7	-12.7
As of: 31/12/2013	**1,482.3**	**4,378.9**	**-204.1**	**-783.1**	**-100.1**	**-311.1**	**402.5**	**0.0**	**4,865.3**	**1,217.4**	**6,082.7**
Other comprehensive income				-944.5	4.5	-11.6	202.8	-53.7	-802.5	-25.1	-827.6
Group net profit/loss		-450.7							-450.7	63.1	-387.6
Total comprehensive income	**0.0**	**-450.7**	**0.0**	**-944.5**	**4.5**	**-11.6**	**202.8**	**-53.7**	**-1,253.2**	**38.0**	**-1,215.2**
Dividends paid		-186.9							-186.9	-57.2	-244.1
Other changes[3, 4]		28.0		-1.5		-11.6			14.9	-92.7	-77.8
As of: 31/12/2014	**1,482.3**	**3,769.3**	**-204.1**	**-1,729.1**	**-95.6**	**-334.3**	**605.3**	**-53.7**	**3,440.1**	**1,105.5**	**4,545.6**

[1] Further disclosures are presented in note (21) "Equity".
[2] Of which subscribed capital €708.1 million (31 December 2013: €708.1 million, 1 January 2013: €708.1 million) and capital reserve €774.2 million (31 December 2013: €774.2 million, 1 January 2013: €774.2 million).
[3] 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 €26.6 million, €-1.5 million and €-11.6 million, respectively (previous year: €0.0 million, €0.0 million and €0.0 million, respectively). Of which changes in non-controlling interests due to changes in ownership interest of subsidiaries without loss of control amounting to €-94.7 million (previous year: €0.0 million).
[4] Of which transaction costs that were accounted for as a deduction from equity amounting to €1.8 million (previous year: €0.0 million).

Notes to the 2014 financial statements of the EnBW Group

General principles

In accordance with Sec. 315a (1) 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 19 February 2015.

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. Intra-Group 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 Sec. 19 (1) German Companies Act (AktG).

The consolidated companies are as follows:

Type of consolidation

Number[1]	31/12/2014	31/12/2013	01/01/2013
Full consolidation	114	117	121
Entities accounted for using the equity method	18	16	19
Joint operations	2	3	3

[1] The figures for the previous years have been restated.

Changes in the consolidated companies

Of the companies included in the consolidated financial statements by way of full consolidation, 7 (previous year: 9) domestic companies and 2 (previous year: 0) foreign companies were consolidated for the first time in the reporting year. 5 (previous year: 2) domestic companies and no (previous year: 2) foreign companies were deconsolidated, in addition to which 7 domestic companies (previous year: 9) were merged. The mergers largely result from the new structural concept ONE EnBW for reducing the Group's complexity.

The first-time adoption of IFRS 11 in 2014 has led to the classification of Friedeburger Speicherbetriebsgesellschaft mbH "Crystal", Rheinkraftwerk Iffezheim GmbH and Rhonewerke AG as joint operations, as the two shareholders have each agreed to decrease their share in the production result of the companies. The previous year's figures have been restated accordingly.

As a result of a contractual agreement, Rheinkraftwerk Iffezheim GmbH is no longer classified as a joint operation from August 2014, but accounted for instead using the equity method, as a third party is acquiring a not insignificant part of the production result of the company from this date.

In addition, in the area of companies accounted for using the equity method, one company (previous year: 0) was added to the consolidated companies.

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

Sale of shares in SWS Netzinfrastruktur GmbH

The EnBW Group sold 74.9% of the equity in SWS Netzinfrastruktur GmbH, Stuttgart, to Stadtwerke Stuttgart GmbH, Stuttgart on 31 October 2014. The sale is connected with the City of Stuttgart's franchise award process. SWS Netzinfrastruktur GmbH owns the electricity and gas distribution grid in the Stuttgart franchise area. Following the sale of the interest, SWS Netzinfrastruktur 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 includes an amount of €13.0 million that is due to the measurement of the remaining shareholding at fair value.

Changes in the shareholdings of already fully consolidated companies

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 recorded 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. As a result of the transaction, our interest in EnBW Onshore Portfolio GmbH falls 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 recorded 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 2014 financial year:

- **Amendments to IAS 32 (2011) "Offsetting Financial Assets and Financial Liabilities":** The amendment specifies the prerequisites for the offsetting of financial assets and financial liabilities by establishing additional application guidelines. The amendments to the standard have led to the following effects:

Adjustment of the balance sheet

in € million	31/12/2014	31/12/2013	01/01/2013
Other current assets	-252.9	-394.1	-368.9
Other current liabilities and subsidies	-252.9	-394.1	-368.9

- **Amendment to IAS 36 "Recoverable Amount Disclosures for Non-financial Assets":** EnBW voluntarily decided to adopt the amendment to the standard early in 2013. The first-time adoption led to additional disclosures in the notes in the 2013 financial year.
- **IFRS 11 "Joint Arrangements":** IFRS 11 replaces IAS 31 "Interests in Joint Ventures" and SIC 13 "Jointly Controlled Entities – Non-monetary Contributions by Venturers" and contains provisions regulating the identification, classification and accounting treatment of joint arrangements. IFRS 11 now differentiates between joint ventures and joint operations. In the case of a joint venture, due to their position as shareholders, the parties that have joint control of a legally independent company have a share of the net assets of that arrangement. In joint operations, the parties that have joint control have direct rights to the assets, and obligations for the liabilities, relating to the arrangement. In accordance with IFRS 11, joint ventures must be accounted for using the equity method. In the case of joint operations, the proportional share of assets, liabilities, income and expenses must be reported. The first-time adoption of IFRS 11 has led to the classification of Friedeburger Speicherbetriebsgesellschaft mbH "Crystal", Rheinkraftwerk Iffezheim GmbH and Rhonewerke AG as joint operations and their inclusion in the consolidated financial statements on a proportional basis. These companies were previously accounted for in the consolidated financial statements using the equity method. Adjustments have been carried out for previous years in accordance with IAS 8. The following shows the impact of the transition to IFRS 11:

Adjustment of the income statement

in € million	2014	2013
Revenue including electricity and energy taxes	4.8	4.5
Electricity and energy taxes	0.0	0.0
Revenue	**4.8**	**4.5**
Other own work capitalised	0.0	0.1
Other operating income	2.1	0.2
Cost of materials	4.8	4.1
Personnel expenses	-0.3	-0.2
Other operating expenses	-0.8	-0.4
EBITDA	**10.6**	**8.3**
Amortisation and depreciation	-38.6	-4.6
Earnings before interest and taxes (EBIT)	**-28.0**	**3.7**
Investment result	20.3	-3.5
of which net profit/loss from entities accounted for using the equity method	(20.3)	(-3.5)
Financial result	-0.2	0.6
of which finance revenue	(0.0)	(0.3)
of which finance costs	(-0.2)	(0.3)
Earnings before tax (EBT)	**-7.9**	**0.8**
Income tax	7.9	-0.8
Group net profit	**0.0**	**0.0**

Adjustment of the balance sheet

in € million	31/12/2014	31/12/2013	01/01/2013
Assets			
Non-current assets			
Intangible assets	0.1	3.3	3.5
Property, plant and equipment	60.9	145.3	137.7
Entities accounted for using the equity method	-64.4	-139.4	-136.9
Deferred taxes	3.4	0.0	0.0
	0.0	**9.2**	**4.3**
Current assets			
Trade receivables	0.1	-2.0	0.2
Other current assets	0.1	1.0	0.9
Cash and cash equivalents	1.7	3.7	5.5
	1.9	**2.7**	**6.6**
	1.9	**11.9**	**10.9**
Equity and liabilities			
Non-current liabilities			
Provisions	0.7	2.3	2.1
Deferred taxes	0.0	2.0	2.0
	0.7	**4.3**	**4.1**
Current liabilities			
Provisions	0.1	0.6	0.5
Trade payables	1.1	6.3	5.7
Income tax liabilities	0.0	0.4	0.4
Other liabilities and subsidies	0.0	0.3	0.2
	1.2	**7.6**	**6.8**
	1.9	**11.9**	**10.9**

Adjustment of the cash flow statement

in € million	2014	2013
1. Operating activities		
EBITDA	10.6	8.3
Changes in provisions	-0.5	0.7
Result from disposals	0.0	-0.2
Other non-cash expenses/income	-2.4	0.0
Change in assets and liabilities from operating activities	-1.9	2.6
Net balance of trade receivables and payables	(-2.0)	(2.6)
Net balance of other assets and liabilities	(0.1)	(0.0)
Income tax paid	-0.7	-0.8
Cash flow from operating activities	**5.1**	**10.6**
2. Investing activities		
Capital expenditures on intangible assets and property, plant and equipment	-0.3	-12.6
Cash received from disposals of intangible assets and property, plant and equipment	0.0	0.7
Cash paid for the acquisition of subsidiaries, entities accounted for using the equity method and interests in joint operations	0.0	4.8
Cash received from the sale of subsidiaries, entities accounted for using the equity method and interests in joint operations	-5.1	-4.1
Dividends received	-1.7	-1.5
Cash flow from investing activities	**-7.1**	**-12.7**
3. Financing activities		
Interest paid for financing activities	0.0	0.3
Cash flow from financing activities	**0.0**	**0.3**
Change in cash and cash equivalents	**-2.0**	**-1.8**
Cash and cash equivalents at the beginning of the period	3.7	5.5
Cash and cash equivalents at the end of the period	**1.7**	**3.7**

Adjustment to contingent liabilities and other financial obligations

in € million	31/12/2014	31/12/2013	01/01/2013
Contingent liabilities	-0.1	-0.1	-5.5
Other financial commitments	-149.5	-116.3	-99.3

IFRS 12 "Disclosure of Interests in Other Entities": This new standard regulates the disclosure requirements for Group relationships in the notes to the consolidated financial statements as well as the disclosure obligations regarding joint arrangements and associates. The first-time adoption of IFRS 12 necessitates additional disclosures in the notes to the annual financial statements for the EnBW Group.

- The following amendments to the existing standards and the following interpretation have no material impact on the EnBW consolidated financial statements:
  - IAS 27 revision (2011) "Separate Financial Statements"
  - IAS 28 amendments (2011) "Investments in Associates and Joint Ventures"
  - IAS 39 amendment (2013) "Novation of Derivatives"

- IFRS 10 “Consolidated Financial Statements”
- Amendments to IFRS 10, IFRS 11 and IFRS 12 (2012) “Transition Guidance”
- Amendments to IFRS 10, IFRS 12 and IAS 27 (2012) “Investment Entities”

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 2014 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 effects on EnBW’s consolidated financial statements are currently being assessed.
- **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 effects on EnBW’s consolidated financial statements are currently being assessed.
- **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. They have yet to be endorsed by the EU. 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 amendments have yet to be endorsed by the EU. 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. They have yet to be endorsed by the EU. The effects on EnBW’s consolidated financial statements are currently being assessed.
- **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. They have yet to be endorsed by the EU. 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 effects on EnBW’s consolidated financial statements are currently being assessed.
- **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. They have yet to be endorsed by the EU. 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. 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 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 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. They have yet to be endorsed by the EU. The effects on EnBW's consolidated financial statements are currently being assessed.
- **IFRS 14 "Regulatory Deferral Accounts":** The new standard permits a first-time adopter of IFRS to continue to account for regulatory deferral account balances that it has recognised in its financial statements in accordance with its previous GAAP in its IFRS financial statements. The standard must be applied for financial years beginning on or after 1 January 2016. It has yet to be endorsed by the EU. The standard does not apply to EnBW.
- **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.
- **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 effects on EnBW's consolidated financial statements are currently being assessed.

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	15–50
Electricity distribution plants	25–45
Gas distribution plants	15–55
Water distribution plants	20–40
Other equipment, factory and office equipment	5–14

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 4.0% (previous year: 4.0%). Borrowing costs totalling €38.0 million were capitalised in the financial year (previous year restated: €54.2 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 immediately 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 relate to securities listed on the stock exchange that had a total fair value of €1,179.1 million as of 31 December 2014 (previous year: €1,009.2 million) and must be allocated to hierarchical level 1 (the hierarchical levels are explained in note (27) “Accounting for financial instruments”).

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_2 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 disclosed in the balance sheet at present value.

For other current assets, it is assumed that 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. The fair value of the bonds due as of 31 December 2014 is €7,234.1 million (previous year: €5,068.3 million); the fair value of the liabilities to banks is €1,828.2 million (previous year: €1,015.4 million). The fair value of the bonds and of the liabilities to banks must be allocated to hierarchical level 1 and 2, respectively.

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 fair value approximates 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 other operating income 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 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: Technical progress, deterioration in the market situation or damage could lead to an impairment of property, plant and equipment.

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. In the 2014 financial year, impairment losses of €14.1 million were recognised in the income statement for available-for-sale financial assets (previous year: €24.6 million).

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. As of 31 December 2014, bad debt allowances on trade receivables and other assets totalled €66.1 million (previous year: €80.7 million).

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 power 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 power 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	
	31/12/2014	31/12/2013	2014	2013
Swiss franc	1.20	1.23	1.21	1.23
Pound sterling	0.78	0.83	0.81	0.85
US dollar	1.21	1.38	1.33	1.33
Hungarian forint	315.54	297.04	308.71	297.12
Czech koruna	27.74	27.43	27.54	25.98
Japanese yen	145.23	144.72	140.38	129.45

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 are disclosed net. The net disclosure means that revenue from energy trading is reported net of the related cost of materials. For the 2014 financial year, the net energy trading revenue amounted to €13,311.6 million (previous year: €14,149.8 million).

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

(2) Other operating income

in € million[1]	2014	2013
Income from reversals of impairment losses	350.3	0.4
Income from derivatives	294.8	289.9
Income from the reversal of provisions	147.1	310.2
Income from divestments	107.5	60.2
Income from the release and reduction of specific bad debt allowances	30.4	7.4
Rent and lease income	29.9	24.4
Sundry	278.1	309.3
Total	**1,238.1**	**1,001.8**

[1] The figures for the previous year have been restated.

The reversals of impairment losses for the current financial year amount to €350.3 million (previous year: €0.4 million) and mainly consist of reversals of impairment losses on the unscheduled impairment write-downs of power plants on 30 June 2014 (see also (6) "Amortisation and depreciation"). They are mainly allocated to the Generation and Trading segment for segment reporting purposes. The recoverable amount is 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, 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 is based on past experience and on long-term market expectations beyond the detailed planning horizon. The discount rate used in the valuation is 6.4% (previous year: 6.9%). The reversals of impairments are needed in particular because of the decrease in the interest rate level in the second half of 2014 and the associated decrease in the discount rates. The fair value of around €4.2 billion calculated for the power plants at the end of 2014 was thus higher than the carrying amount as of 31 December 2014.

Capital gains essentially comprise income from the disposal of distribution facilities and income from the sale of 74.9% of the equity in SWS Netzinfrastruktur GmbH.

The income from derivatives amounting to €294.8 million (previous year: €289.9 million) results from the change in market value and realisation of hedges classified in the "held for trading" category in accordance with IAS 39. As in the previous year, in 2014 the effect on profit and loss has resulted mainly from derivatives based on electricity, gas and emission allowances.

In the reporting year, income from currency exchange rate gains amounted to €32.1 million (previous year: €7.5 million).

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

(3) Cost of materials

in € million[1]	2014	2013
Cost of materials and supplies and of purchased merchandise	15,271.4	14,712.6
Cost of purchased services	2,240.3	2,365.4
Total	**17,511.7**	**17,078.0**

[1] The figures for the previous year have been restated.

Cost of materials and supplies and of purchased merchandise comprises in particular electricity and gas procurement costs including 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_2 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[1]	2014	2013
Wages and salaries	1,246.4	1,193.9
Social security, pension and other benefit costs	373.8	342.7
of which for post-employment benefits	(161.9)	(138.9)
Total	**1,620.2**	**1,536.6**

[1] The figures for the previous year have been restated.

Employees

annual average[1]	2014	2013
Sales	3,317	3,511
Grids	7,648	7,391
Renewable Energies	508	486
Generation and Trading	5,444	5,461
Other/Consolidation	3,049	2,977
Employees	**19,966**	**19,826**
Apprentices and trainees in the Group	917	1,039

[1] The figures for the previous year have been restated.

The expenses for the post-employment benefits from the appropriation to the pension commitment amount to €102.4 million (previous year: €64.0 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 restated: 4) based on the proportion attributable to EnBW.

(5) Other operating expenses

in € million[1]	2014	2013
Administrative and selling costs and other overheads	283.9	241.2
Expenses from derivatives	261.3	177.4
Audit, legal and consulting fees	92.2	99.5
Other personnel expenses	87.5	54.3
Advertising expenses	58.5	62.8
Rent and lease expenses	43.9	41.8
Expense from specific bad debt allowances	43.3	49.3
Insurance	42.2	41.4
Other taxes	27.5	40.5
Dues and levies	12.9	13.5
Costs from disposals	11.2	25.6
Sundry	100.5	141.6
Total	**1,064.9**	**988.9**

[1] The figures for the previous year have been restated.

In the reporting year, expenses from currency exchange rate losses amounted to €3.5 million (previous year: €24.0 million).

Marking hedging transactions classified as “held for trading” in accordance with IAS 39 to market and realising such transactions gave rise to expenses of €261.3 million (previous year: €177.4 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 €9.8 million (previous year: €20.8 million). In addition, this item comprises commissions and research and development expenses.

(6) Amortisation and depreciation

in € million[1]	2014	2013
Amortisation of intangible assets	157.1	118.6
Depreciation of property, plant and equipment	1,980.2	852.4
Depreciation of investment properties	1.8	7.3
Release of investment cost subsidies	-1.9	-2.7
Total	**2,137.2**	**975.6**

[1] The figures for the previous year have been restated.

In the reporting year, no non-scheduled amortisation of goodwill from business combinations was carried out (previous year: €7.2 million).

The non-scheduled amortisation and depreciation of other intangible assets, property, plant and equipment and investment property amounted to €1,260.3 million (previous year: €83.2 million). In the current financial year, the non-scheduled amortisation and depreciation mainly contained the impairment losses on power plants determined on 30 June 2014. They are mainly allocated to the Generation and Trading segment for segment reporting purposes. The recoverable amount was calculated on 30 June 2014 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 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 was 6.9% as of 30 June 2014 (previous year: 6.9%). The reason for the impairment losses as of 30 June 2014 was considerably worsening expectations regarding long-term electricity price developments, particularly from today's perspective and based on comprehensive market analyses. The fair value calculated for the power plants as of 30 June 2014 of around €3.6 billion was thus significantly below the carrying amount as of 30 June 2014. The impairment losses in the previous year also relate mainly to power plants and are allocated to the Generation and Trading segment for segment reporting purposes.

(7) Investment result

in € million[1]	2014	2013
Share of profit/loss of entities accounted for using the equity method	17.3	15.3
Write-downs of entities accounted for using the equity method	-36.2	-2.2
Write-ups of entities accounted for using the equity method	3.2	62.2
Net profit/loss from entities accounted for using the equity method	**-15.7**	**75.3**
Investment income	47.2	72.5
of which non-consolidated affiliated entities	(1.3)	(1.5)
Write-downs of investments	-12.9	-83.5
of which non-consolidated affiliated entities	(0.0)	(-0.3)
Write-ups of investments	0.0	79.0
Income from the sale of equity investments	7.0	-43.7
Other profit/loss from investments[2]	**41.3**	**24.3**
Investment result	**25.6**	**99.6**

[1] The figures for the previous year have been restated.
[2] Of which €23.2 million (previous year: €33.6 million) income from investments held as financial assets.

The write-downs of companies accounted for using the equity method primarily contain a valuation allowance for the carrying amount of our Turkish investment in the current financial year. The recoverable amount calculated on the basis of the fair value less selling costs (€132.7 million) 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 valid as of the date of the impairment test and long-term assumptions regarding electricity price development in Turkey beyond the mid-term planning. The discount rates used in the valuation are 8.6% and 8.8%, respectively (previous year: 9.1%). In the prior period, the investment carrying amount of our Turkish investment was adjusted as part of a write-up on its recoverable amount (€144.0 million).

The write-downs on investments of €12.9 million mainly relate to impairment losses on shareholdings held as financial assets. The previous year's balance from write-ups and write-downs on investments amounting to €-4.5 million consists mainly of impairment losses on other investments amounting to €16.8 million, most of which are shareholdings held as financial investments, as well as a write-up of our shares in EVN AG amounting to €12.6 million. The impairment losses on shares in affiliated entities amount to €0.0 million in the reporting period (previous year: €0.3 million).

In the previous year, the income from the sale of equity investments essentially comprised the expense from the transfer of the shares in our equity investment in EVN AG and of shares in our non-strategic Hungarian equity investments in EnBW Trust e. V. within the framework of a CTA.

(8) Financial result

in € million[1]	2014	2013
Interest and similar income	243.7	209.0
of which non-consolidated affiliated entities	(0.1)	(0.1)
Other financial income	190.1	149.3
Finance income	**433.8**	**358.3**
Borrowing costs	-268.5	-269.8
Other interest and similar expenses	-197.2	-372.9
Interest portion of increases in liabilities	-577.1	-620.6
Personnel provisions	(-174.8)	(-207.8)
Provisions relating to nuclear power	(-390.7)	(-402.8)
Other non-current provisions	(-5.0)	(-4.1)
Other liabilities	(-6.6)	(-5.9)
Other finance costs	-26.4	-48.0
Finance costs	**-1,069.2**	**-1,311.3**
Financial result	**-635.4**	**-953.0**

[1] The figures for the previous year have been restated.

Interest and similar income contains interest income from interest-bearing securities and loans, dividends and other shares in the profits. In the 2014 financial year, interest income of €37.1 million (previous year: €4.4 million) were offset against these economically related interest expenses.

Borrowing costs are composed as follows:

in € million[1]	2014	2013
Expenses incurred for bank interest and bonds	226.8	227.9
Interest component incurred for the costs of finance lease agreements	11.4	17.6
Other borrowing costs	30.3	24.3
Borrowing costs	**268.5**	**269.8**

[1] The figures for the previous year have been restated.

Other interest and similar expenses contains non-operating interest expenses as a result of reducing the discount rate for nuclear power provisions from 5.0% to 4.8% (previous year: reduction from 5.4% to 5.0%). 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 €9.8 million (previous year: €9.3 million). Expenses from valuation allowances on our financial investments amounting to €1.2 million (previous year: €7.5 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 €181.7 million (previous year: €130.3 million). Impairment losses on loans of €3.2 million (previous year: €0.0 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	2014	2013
Total interest income	206.4	236.7
Total interest expenses	-269.4	-268.0

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[1]	2014	2013
Actual income tax		
Domestic corporate income tax	52.9	213.4
Domestic trade tax	-44.3	-24.0
Foreign income taxes	41.7	45.5
Total	**50.3**	**234.9**
Deferred taxes		
Germany	-260.9	-196.9
Abroad	-11.5	10.4
Total	**-272.4**	**-186.5**
Income tax (-income/+expense)	**-222.1**	**48.4**

[1] The figures for the previous year have been restated.

The actual income taxes amounting to €50.3 million (previous year restated: €234.9 million) concern income taxes from the current financial year amounting to €124.3 million (previous year restated: €117.4 million) and income taxes for past periods amounting to €74.0 million (previous year: €117.5 million expense). The actual income taxes largely comprise expenses for tax audit risks.

Deferred tax income amounting to €272.4 million (previous year: €186.5 million) consists of deferred tax income from the current year amounting to €304.8 million (previous year: €95.1 million) and deferred tax expenses for past periods of €32.4 million (previous year: €91.4 million income). The balance of the deferred taxes contains expenses totalling €0.2 million (previous year: €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 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	2014	2013
Origination or reversal of temporary differences	-290.1	-52.6
Origination of unused tax losses	-29.7	-158.4
Utilisation of unused tax losses	0.3	0.8
Write-down of unused tax losses	47.1	23.7
Deferred taxes (–income/+expense)	**-272.4**	**-186.5**

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

in € million[1]	2014	in %	2013	in %
Earnings before tax	**-609.7**		**170.7**	
Applicable tax rate		29.0		29.0
Theoretical income tax expense (-income/+expense)	**-176.8**		**49.5**	
Tax effects				
Differences in foreign tax rates and tax rate differences	-15.3	2.5	-16.1	-9.4
Tax-free income	-50.2	8.2	-84.1	-49.3
Non-deductible expenses	28.9	-4.7	66.6	39.0
Amortisations of goodwill from business combinations	0.0	0.0	2.1	1.2
Addbacks and reductions for trade tax purposes	16.1	-2.6	12.2	7.1
Accounting for joint ventures and associates using the equity method	5.5	-0.9	-18.8	-11.0
Adjustment/Valuation of losses carried forward	25.7	-4.2	0.0	0.0
Zero-rated disposals of investments	-12.4	2.0	11.8	6.9
Taxes relating to other periods	-41.6	6.8	26.1	15.3
Other	-2.0	0.3	-0.9	-0.5
Current income tax (-income/+expense)	**-222.1**		**48.4**	
Effective tax rate		**36.4**		**28.4**

[1] The figures for the previous year have been restated.

(10) Intangible assets

in € million[1]	Franchises, industrial rights and similar rights and assets	Internally generated intangible assets	Goodwill	Other	Total
Cost					
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
Accumulated amortisation					
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
Carrying amounts					
As of: 31/12/2014	1,006.3	5.6	751.1	20.0	1,783.0
Cost					
As of: 01/01/2013	2,126.9	87.5	815.9	6.3	3,036.6
Changes in accounting policies	3.5	0.0	0.0	0.0	3.5
As of: 01/01/2013	2,130.4	87.5	815.9	6.3	3,040.1
Increase/decrease due to changes in the consolidated companies	-12.9	0.0	-1.1	0.0	-14.0
Additions	28.5	0.7	0.0	8.5	37.7
Reclassifications	36.3	-0.2	0.0	-1.2	34.9
Currency adjustments	-22.0	0.0	-22.0	0.0	-44.0
Disposals	-34.8	0.0	0.0	0.0	-34.8
As of: 31/12/2013	2,125.5	88.0	792.8	13.6	3,019.9
Accumulated amortisation					
As of: 01/01/2013	1,019.8	71.6	18.5	0.0	1,109.9
Decrease due to changes in the consolidated companies	-13.3	0.0	-0.9	0.0	-14.2
Additions	104.2	7.1	0.0	0.0	111.3
Reclassifications	0.4	0.0	0.0	0.0	0.4
Currency adjustments	-4.8	0.0	0.0	0.0	-4.8
Disposals	-34.1	0.0	0.0	0.0	-34.1
Impairment	0.1	0.0	7.2	0.0	7.3
As of: 31/12/2013	1,072.3	78.7	24.8	0.0	1,175.8
Carrying amounts					
As of: 31/12/2013	1,053.2	9.3	768.0	13.6	1,844.1

[1] The figures for the previous years have been restated. Intangible assets amounted to €1,930.2 as of 1 January 2013. They include retroactive restatements as of 1 January 2013 of €3.5 million (as of 31 December 2013: €3.3 million).

The carrying amount of the intangible assets includes €24.4 million (previous year: €56.6 million) accounted for by a finance lease agreement that only concerns an electricity procurement allowance. The contract expires in 2015. The carrying amount of the intangible assets also includes franchises to operate power plants amounting to €666.1 million (previous year: €654.6 million) and customer relationships amounting to €163.5 million (previous year: €182.8 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 2014, a total of €27.9 million (previous year: €26.7 million) was spent on research and development. This sum contains public subsidies totalling €3.1 million (previous year: €4.5 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 2014, no non-scheduled goodwill amortisation was carried out (previous year: €7.2 million).

As of 31 December 2014, goodwill totalled €751.1 million (previous year: €768.0 million). Of this figure, 85.4% (previous year: 85.0%) 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	
	2014	2013	**2014**	2013
PRE subgroup	6.2–8.2	6.5–8.1	245.2	242.9
Electricity sales and distribution	4.6–6.9	4.6–6.9	132.9	146.9
Stadtwerke Düsseldorf AG subgroup	4.6–6.9	4.6–6.9	127.4	127.4
Energiedienst Holding AG subgroup	4.6–6.9	4.6–6.8	135.6	135.6

The goodwill allocated to the other cash-generating units or groups of cash-generating units accounted for less than 14.6% of total goodwill in each case. Its aggregate total amounted to €110.0 million (previous year: €115.2 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 4.6% and 8.2% after tax, or between 6.5% and 10.1% before tax (previous year: 4.6% to 8.1% after tax, and 6.5% to 10.0% 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: 01/01/2014	86.5	541.1	20.5	118.6	1.3	768.0
Increase/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
Carrying amounts as of: 01/01/2013	93.9	563.1	20.5	118.6	1.3	797.4
Increase/decrease due to changes in the consolidated companies	-0.2	0.0	0.0	0.0	0.0	-0.2
Other changes	-7.2	-22.0	0.0	0.0	0.0	-29.2
Carrying amounts as of: 31/12/2013	86.5	541.1	20.5	118.6	1.3	768.0

(11) Property, plant and equipment

in € million	Land and buildings	Power plants	Distribution plants	Other equipment	Fixed assets under construction	Total
Cost						
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
Accumulated depreciation						
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
Carrying amounts						
As of: 31/12/2014	2,091.8	3,855.3	5,418.3	431.1	1,885.2	13,681.7

in € million[1]	Land and buildings	Power plants	Distribution plants	Other equipment	Fixed assets under construction	Total
Cost						
As of: 01/01/2013	3,895.4	14,348.3	14,818.0	1,534.7	1,778.6	36,375.0
Changes in accounting policies	16.7	40.0	33.4	0.4	48.8	139.3
As of: 01/01/2013	3,912.1	14,388.3	14,851.4	1,535.1	1,827.4	36,514.3
Increase/decrease due to changes in the consolidated companies	-0.8	-9.6	-3.0	-0.5	-0.1	-14.0
Additions	18.3	418.0	343.0	52.3	534.9	1,366.5
Reclassifications	-5.2	61.8	63.4	9.8	-156.7	-26.9
Reclassification to assets held for sale	-0.4	0.0	-258.2	0.0	0.0	-258.6
Currency adjustments	-10.2	-4.8	-106.8	-0.1	-1.7	-123.6
Disposals	-8.3	-11.1	-488.3	-32.8	-6.1	-546.6
As of: 31/12/2013	3,905.5	14,842.6	14,401.5	1,563.8	2,197.7	36,911.1
Accumulated depreciation						
As of: 01/01/2013	1,672.6	11,008.6	8,876.6	1,032.5	2.2	22,592.5
Changes in accounting policies	0.3	0.9	0.4	0.0	0.0	1.6
As of: 01/01/2013	1,672.9	11,009.5	8,877.0	1,032.5	2.2	22,594.1
Decrease due to changes in the consolidated companies	-0.6	-21.1	-0.8	-0.3	-0.1	-22.9
Additions	75.0	291.3	320.1	88.3	0.0	774.7
Reclassifications	-3.4	-11.9	1.2	-0.9	0.0	-15.0
Reclassification to assets held for sale	0.3	0.0	-175.6	0.0	0.0	-175.3
Currency adjustments	-4.2	-2.6	-43.2	-0.1	0.0	-50.1
Disposals	-3.2	-6.5	-299.6	-32.1	0.0	-341.4
Impairment	1.2	40.4	21.5	14.5	0.1	77.7
Reversal of impairment losses	0.0	0.0	-0.4	0.0	0.0	-0.4
As of: 31/12/2013	1,738.0	11,299.1	8,700.2	1,101.9	2.2	22,841.4
Carrying amounts						
As of: 31/12/2013	2,167.5	3,543.5	5,701.3	461.9	2,195.5	14,069.7

[1] The figures for the previous years have been restated. Property, plant and equipment amounted to €13,920.2 million as of 1 January 2013. They include retroactive restatements as of 1 January 2013 of €137.7 million (as of 31 December 2013: €145.3 million).

Items of property, plant and equipment amounting to €124.9 million serve as collateral for liabilities to banks (previous year restated: €128.6 million). Of which, charges on land accounted for €19.4 million (previous year restated: €13.2 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 €57.2 million (previous year: €76.5 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	31/12/2014	31/12/2013
Franchises, industrial rights and similar rights and assets	24.4	56.6
Technical equipment and machines	57.2	76.5
Total	**81.6**	**133.1**

The Group's capital expenditures on intangible assets and property, plant and equipment totalling €1,704.4 million (previous year restated: €1,060.2 million) can be seen below in the statement of changes in non-current assets:

in € million[1]	2014	2013
Additions to intangible assets and property, plant and equipment according to the statement of changes in non-current assets	1,813.8	1,404.2
less additions to assets recognised under finance leases	-2.6	0.0
less additions to the provision recognised for the decommissioning and dismantling of property, plant and equipment	-118.6	-344.0
plus additions to intangible assets and property, plant and equipment of assets held for sale	11.8	0.0
Capital expenditures on intangible assets and property, plant and equipment	**1,704.4**	**1,060.2**

[1] The figures for the previous year have been restated.

(12) Investment properties

in € million	
Cost	
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
Accumulated depreciation	
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
Carrying amount	
As of: 31/12/2014	75.8
Cost	
As of: 01/01/2013	161.6
Reclassifications	15.1
Reclassification to assets held for sale	-12.8
Disposals	-1.0
As of: 31/12/2013	162.9
Accumulated depreciation	
As of: 01/01/2013	80.1
Additions	1.9
Reclassifications	4.5
Reclassification to assets held for sale	-5.8
Disposals	-0.2
Impairment	5.4
As of: 31/12/2013	85.9
Carrying amount	
As of: 31/12/2013	77.0

As of the reporting date, the market value of the real estate that is classified as investment property was €93.3 million (previous year: €97.9 million). The market value was determined by means of either the comparable value method or 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 valuation 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 €7.7 million (previous year: €7.0 million). The directly allocable operating expenses amounted to €0.6 million (previous year: €0.5 million). Operating expenses that were not offset by rent income totalled €0.7 million (previous year: €0.6 million).

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

In the 2014 financial year, gains of €6.2 million were generated from the sale of investment property (previous year: €1.6 million).

The receivables from irredeemable operating leases of the EnBW Group amounting to €123.0 million (previous year: €119.2 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	2014	2013
Due within 1 year	38.2	36.9
Due in 1 to 5 years	39.5	34.9
Due in more than 5 years	45.3	47.4
Total	**123.0**	**119.2**

(13) Entities accounted for using the equity method

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

EWE Aktiengesellschaft, 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. EnBW has a 26% shareholding in this company.

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

Earnings data[1]

in € million	2014	2013
Revenue	8,067.3	8,862.6
Net profit from continuing operations	80.3	56.1
Other income	29.4	-42.3
Total comprehensive income	109.7	13.8
Dividends received	22.9	22.9

[1] Preliminary figures for the current reporting year.

Balance sheet data[1]

in € million	31/12/2014	31/12/2013
Non-current assets	7,453.2	7,399.4
Current assets	2,183.5	2,971.0
Non-current liabilities	5,333.0	5,318.2
Current liabilities	1,893.3	2,673.0
Net assets	2,410.4	2,379.2
Adjustment to EnBW's interest	-1,050.6	-942.4
Carrying amount of entities accounted for using the equity method	1,359.8	1,436.8

[1] Preliminary figures for the current reporting year.

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	2014		2013	
	Remaining associates	Joint ventures	Remaining associates	Joint ventures
Carrying amount of entities accounted for using the equity method	336.1	245.1	336.9	153.7
Net profit/loss for the year from continuing operations	23.7	-10.4	32.6	-14.7
Other income	0.7	15.3	-4.6	-2.8
Total comprehensive income	24.4	4.9	28.0	-17.5

Elektrizitätswerk Rheinau AG has a different reporting date and is consolidated with the figures from its financial statements as of 30 September 2014.

(14) Other financial assets

in € million	Shares in affiliated entities	Other investments[1]	Non-current securities[2]	Loans	Total
Cost					
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	-24.5	-79.6	-3,314.0	-10.5	-3,428.6
As of: 31/12/2014	75.3	1,091.6	7,591.9	57.7	8,816.5
Accumulated amortisation					
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	-20.0	-14.3	-6.0	0.0	-40.3
Reversal of impairment losses	0.0	0.0	0.0	-0.1	-0.1
As of: 31/12/2014	12.4	167.1	119.3	4.3	303.1
Carrying amounts					
As of: 31/12/2014	62.9	924.5	7,472.6	53.4	8,513.4
Cost					
As of: 01/01/2013	56.8	782.8	5,481.8	82.6	6,404.0
Increase/decrease due to changes in the consolidated companies	0.4	7.2	0.0	6.0	13.6
Additions	4.5	210.5	3,517.3	22.5	3,754.8
Reclassifications	-3.6	5.3	-508.5	-0.6	-507.4
Currency adjustments	0.0	-0.6	0.0	-0.2	-0.8
Disposals	-8.7	-83.8	-2,797.6	-55.2	-2,945.3
As of: 31/12/2013	49.4	921.4	5,693.0	55.1	6,718.9
Accumulated amortisation					
As of: 01/01/2013	28.6	152.8	141.6	22.3	345.3
Decrease due to changes in the consolidated companies	0.0	0.0	0.0	-14.5	-14.5
Impairment	0.3	16.8	7.5	0.0	24.6
Reclassifications	-0.1	0.1	0.0	0.0	0.0
Disposals	-3.2	-1.3	-25.2	-6.1	-35.8
Reversal of impairment losses	0.0	0.0	0.0	-0.6	-0.6
As of: 31/12/2013	25.6	168.4	123.9	1.1	319.0
Carrying amounts					
As of: 31/12/2013	23.8	753.0	5,569.1	54.0	6,399.9

[1] The carrying amounts include €794.5 million (previous year: €612.6 million) accounted for by investments held as financial assets.
[2] €454.5 million (previous year: €266.5 million) of the additions to acquisition costs and €51.7 million (previous year: €113.8 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 €4.6 million (previous year: €0.3 million), loans to entities in which participating interests are held amounting to €34.6 million (previous year: €32.8 million) and other loans amounting to €14.2 million (previous year: €20.9 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[1]			31/12/2014			31/12/2013
	Current	Non-current	Total	Current	Non-current	Total
Trade receivables	3,193.1	678.6	3,871.7	3,745.0	641.9	4,386.9
of which receivables from affiliated entities	(24.9)	(0.0)	(24.9)	(19.7)	(10.0)	(29.7)
of which receivables from other investees and investors	(27.7)	(0.0)	(27.7)	(67.0)	(0.0)	(67.0)
of which receivables from entities accounted for using the equity method	(30.9)	(0.0)	(30.9)	(23.2)	(0.0)	(23.2)

[1] The figures for the previous years have been restated. Trade receivables stood at €4,486.9 million as of 1 January 2013. They include retroactive restatements as of 1 January 2013 totalling €0.2 million (as of 31 December 2013: €-2.0 million).

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	2014	2013
As of 01/01	46.5	52.6
Utilisation	-24.0	-48.0
Net additions	6.5	41.9
As of 31/12	**29.0**	**46.5**

The credit risks inherent in trade receivables are presented below:

in € million[1]	31/12/2014	31/12/2013
Not past due and not impaired	3,761.8	4,284.4
Past due, but not impaired		
Due within 3 months	34.7	28.1
Due in between 3 and 6 months	4.6	9.4
Due in between 6 months and 1 year	7.2	13.6
Due in more than 1 year	12.3	6.1
Impaired	51.1	45.3
Total	**3,871.7**	**4,386.9**

[1] The figures for the previous year have been restated.

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[1]	31/12/2014			31/12/2013		
	Current	Non-current	Total	Current	Non-current	Total
Other tax refund claims	75.5	0.0	75.5	102.6	0.0	102.6
Derivatives	1,407.6	151.8	1,559.4	894.1	147.2	1,041.3
of which without hedges	(1,297.0)	(47.3)	(1,344.3)	(860.9)	(53.9)	(914.8)
of which cash flow hedge	(76.4)	(0.0)	(76.4)	(10.2)	(0.1)	(10.3)
of which fair value hedge	(34.2)	(104.5)	(138.7)	(23.0)	(93.2)	(116.2)
Finance lease receivables	7.6	25.6	33.2	4.2	31.4	35.6
Payments on account	75.3	34.8	110.1	53.9	45.7	99.6
Active prepaid expenses	18.5	38.3	56.8	14.7	30.6	45.3
Sundry assets	501.1	19.5	520.6	473.4	22.3	495.7
Total	**2,085.6**	**270.0**	**2,355.6**	**1,542.9**	**277.2**	**1,820.1**

[1] The figures for the previous years have been restated. Other assets amounted to €2,135.0 million as of 1 January 2013. They include retroactive restatements as of 1 January 2013 totalling €-368.0 million (as of 31 December 2013: €-393.1 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	31/12/2014	31/12/2013
Total lease instalments	38.6	42.6
Interest portion of outstanding lease instalments	5.4	7.0
Present value of outstanding lease instalments	**33.2**	**35.6**

The outstanding lease instalments are due as follows:

in € million	31/12/2014		31/12/2013	
	Nominal value	Present value	Nominal value	Present value
Due within 1 year	8.9	7.6	5.6	4.3
Due in 1 to 5 years	19.0	16.5	26.1	22.6
Due in more than 5 years	10.7	9.1	10.9	8.7
Total	**38.6**	**33.2**	**42.6**	**35.6**

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 €46.2 million (previous year: €50.0 million). Of the active prepaid expenses, €3.8 million (previous year: €9.0 million) relate to deferred lease instalments.

The other assets contain collateral for over-the-counter trading transactions amounting to €282.6 million (previous year: €293.5 million), as well as variation margins of €22.7 million (previous year: €13.4 million).

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

in € million	2014	2013
As of 01/01	34.2	38.3
Utilisation	-0.1	-3.6
Net additions	-0.2	-0.5
As of 31/12	**33.9**	**34.2**

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

in € million[1]	31/12/2014	31/12/2013
Not past due and not impaired	2,108.1	1,547.9
Past due, but not impaired		
Due within 3 months	0.2	0.2
Due in between 3 and 6 months	0.4	0.3
Due in between 6 months and 1 year	0.1	0.1
Due in more than 1 year	0.1	0.1
Impaired	0.9	23.6
Total	**2,109.8**	**1,572.2**

[1] The figures for the previous year have been restated.

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	31/12/2014	31/12/2013
Materials and supplies	590.7	840.2
Nuclear fuel rods (including payments on account)	311.7	366.3
Work in progress	73.3	57.4
Finished goods and merchandise	158.9	88.8
Payments on account	0.8	1.2
Total	**1,135.4**	**1,353.9**

No inventories have been assigned as collateral. There are no significant long-term construction contracts which would need to be accounted for as long-term construction contracts.

In the reporting year, write-downs of €19.3 million were recorded on the inventories (previous year: €2.8 million).

Of the inventories, €103.0 million (previous year: €87.6 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 €4.7 million in the financial year (previous year: €4.2 million), as well as write-downs of €1.6 million (previous year: €3.6 million).

As in the previous year, there were no unscheduled write-downs on other financial assets.

in € million	31/12/2014	31/12/2013
Profit participation rights, funds and shares	760.3	729.1
Other current financial assets	19.8	21.2
Total	**780.1**	**750.3**

Current financial assets totalling €169.9 million (previous year: €195.7 million) were provided as collateral. The collateral was mainly provided for stock exchange transactions fluctuating according to 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 2014 (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 2014 (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 €0.1 million (previous year: €129.4 million) and the transfer to other revenue reserves amounting to €400.0 million (previous year: withdrawal from other revenue reserves amounting to €831.0 million), retained earnings amounted to €849.5 million (previous year: €187.0 million). We will propose to the Annual General Meeting that a dividend of €0.69 (previous year: €0.69) per share be distributed from the retained earnings of EnBW AG. As of 31 December 2014, 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 2014 financial year will total €186.9 million (previous year: €186.9 million).

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

Treasury shares

As of 31 December 2014, EnBW AG holds 5,749,677 treasury shares (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:

2014 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 equity holders 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
Other comprehensive income before tax	**-1,178.7**	**3.9**	**-12.8**	**240.1**	**-53.7**	**-1,001.2**	**-34.2**	**-1,035.4**
Income tax	234.2	0.6	1.2	-37.3	0.0	198.7	9.1	207.8
Other comprehensive income	**-944.5**	**4.5**	**-11.6**	**202.8**	**-53.7**	**-802.5**	**-25.1**	**-827.6**

2013 in € million	Revaluation of pensions and similar obligations	Difference from currency translation	Cash flow hedge	Available-for-sale financial assets	Shares of the equity holders of EnBW AG	Non-controlling interests	Total
Unrealised changes in market value in the current period	31.0	-75.0	-382.8	149.8	-277.0	-14.2	-291.2
Reclassification adjustments included in the income statement	0.0	49.9	79.6	-113.6	15.9	-1.0	14.9
Reclassification to cost of hedged items	0.0	0.0	115.0	0.0	115.0	0.0	115.0
Other comprehensive income before tax	**31.0**	**-25.1**	**-188.2**	**36.2**	**-146.1**	**-15.2**	**-161.3**
Income tax	-7.9	-0.4	49.9	10.6	52.2	-1.8	50.4
Other comprehensive income	**23.1**	**-25.5**	**-138.3**	**46.8**	**-93.9**	**-17.0**	**-110.9**

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

in € million	2014			2013		
	Before tax	Tax expenses/ income	After tax	Before tax	Tax expenses/ income	After tax
Revaluation of pensions and similar obligations	-1,193.5	236.9	-956.6	31.0	-7.9	23.1
Difference from currency translation	7.7	0.6	8.3	-96.2	-0.4	-96.6
Cash flow hedge	-292.0	58.5	-233.5	-375.8	103.1	-272.7
Available-for-sale financial assets	401.7	-54.3	347.4	149.8	-0.8	149.0
Entities accounted for using the equity method	-53.7	0.0	-53.7	0.0	0.0	0.0
Other comprehensive income	**-1,129.8**	**241.7**	**-888.1**	**-291.2**	**94.0**	**-197.2**

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

in € million	2014			2013		
	Before tax	Tax expenses/ income	After tax	Before tax	Tax expenses/ income	After tax
Difference from currency translation	0.0	0.0	0.0	47.5	0.0	47.5
Cash flow hedge	255.9	-50.9	205.0	195.9	-54.9	141.0
Available-for-sale financial assets	-161.5	17.0	-144.5	-113.5	11.3	-102.2
Other comprehensive income	**94.4**	**-33.9**	**60.5**	**129.9**	**-43.6**	**86.3**

Non-controlling interests

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

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

in € million			2014			2013
	Energiedienst Holding AG	Stadtwerke Düsseldorf AG	Pražská energetika a.s.	Energiedienst Holding AG	Stadtwerke Düsseldorf AG	Pražská energetika a.s.
Capital share in %	33.33	45.05	30.16	33.33	45.05	30.16
Profit/loss for the year from non-controlling interests	12.4	20.3	20.8	21.8	2.8	24.9
Dividends paid	14.0	16.8	18.8	13.9	18.8	20.4
Carrying amount of non-controlling interests	395.0	339.3	221.7	397.2	342.6	223.4
Balance sheet data for subsidiaries where there is a significant influence without a controlling interest						
Non-current assets	1,482.9	1,361.4	1,019.5	1,509.7	1,215.2	1,016.8
Current assets	404.2	443.6	84.6	403.9	452.7	92.3
Non-current liabilities	509.1	716.8	230.0	539.0	522.1	227.7
Current liabilities	177.7	373.6	135.2	161.4	402.7	136.8
Earnings data for subsidiaries where there is a significant influence without a controlling interest						
Adjusted EBITDA	112.6	146.7	149.1	121.8	159.4	168.8

(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[1]		31/12/2014			31/12/2013	
	Current	Non-current	Total	Current	Non-current	Total
Provisions for pensions and similar obligations	137.5	5,648.5	5,786.0	132.5	4,442.6	4,575.1
Provisions relating to nuclear power	402.2	7,669.2	8,071.4	418.1	7,246.3	7,664.4
Provisions for non-contractual nuclear obligations	(249.5)	(5,182.1)	(5,431.6)	(255.3)	(4,825.1)	(5,080.4)
Provisions for contractual nuclear obligations	(152.7)	(2,487.1)	(2,639.8)	(162.8)	(2,421.2)	(2,584.0)
Other provisions	611.9	984.5	1,596.4	841.0	761.8	1,602.8
Other electricity provisions	(195.5)	(42.2)	(237.7)	(360.4)	(57.9)	(418.3)
Personnel provisions	(104.8)	(112.3)	(217.1)	(77.7)	(125.4)	(203.1)
Provisions for onerous contracts	(63.6)	(633.9)	(697.5)	(59.1)	(362.1)	(421.2)
Sundry provisions	(248.0)	(196.1)	(444.1)	(343.8)	(216.4)	(560.2)
Total	**1,151.6**	**14,302.2**	**15,453.8**	**1,391.6**	**12,450.7**	**13,842.3**

[1] The figures for the previous years have been restated. The provisions amounted to €13,486.7 million as of 1 January 2013. They include retroactive restatements as of 1 January 2013 totalling €2.6 million (as of 31 December 2013: €2.9 million).

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, depending on when the respective employee joined 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 2014 was €5,438.9 million (previous year: €4,354.2 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 €347.1 million (previous year: €220.9 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	31/12/2014		31/12/2013	
	Staff with prospective pension entitlements	Pensioners	Staff with prospective pension entitlements	Pensioners
Closed systems dependent on final salary	9,120	13,668	9,210	13,944
Pension component systems	7,263	231	6,742	221

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.

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 power provisions, within 25 to 30 years 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 2014 totalled approximately €9.0 billion (previous year: €6.7 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:

- The long-term target return for the financial investments was set at 5.5%. This is reviewed annually by calculating the anticipated return on the strategic asset allocation.
- 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 must be minimised.
- Reducing costs and simplifying administration are also major priorities.

As of the end of the 2013 financial year, additional plan assets of €902.8 million were also created to further cover the non-current provisions for pensions and other obligations by establishing an in-house EnBW contractual trust arrangement (CTA). A CTA is a legally-structured trustee arrangement for the capital cover of direct pension commitments with separated and spun-off assets.

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

in € million	2014	2015–2019[1]	2020–2024[1]	2025–2029[1]	2030–2034[1]	2035–2039[1]	2040–2044[1]	2045–2049[1]
Closed systems dependent on final salary	138.8	149.8	185.2	216.9	261.7	249.3	224.4	191.0
Pension component systems	0.4	1.1	2.9	6.5	14.2	25.0	35.8	49.4
Total	**139.2**	**150.9**	**188.1**	**223.4**	**275.9**	**274.3**	**260.2**	**240.4**

[1] 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	31/12/2014		31/12/2013	
	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%	-58.6/53.5	-502.5/571.2	-34.0/39.4	-362.5/411.5
Salary trend +/-0.5%	8.8/-12.1	165.0/-144.2	6.9/-6.3	120.0/-101.5
Pension trend +/-0.5%	6.8/-3.1	413.3/-377.9	6.8/-1.9	301.0/-277.3
Life expectancy +/-1 year	13.0/-15.3	364.6/-367.8	8.0/-8.5	254.0/-260.9

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 %	31/12/2014	31/12/2013
Discount rate	2.20	3.75
Future expected wage and salary increases[1]	2.70	3.00
Future expected pension increase	1.90	2.10
Employee turnover	2.00	2.00
Expected return on plan assets	2.20	3.75

[1] Taking stock in 2014.

The discount rate matching the term to maturity of the provisions for pensions and similar obligations was determined based on the modified GlobalRate:Link methodology from the consulting firm Towers Watson. In the application of this modified process, the not insignificant spread between corporate bonds with an AA rating and government bonds was taken into account. This spread has been almost completely eliminated over time. For this reason, and to also continue to guarantee a sufficient underlying population of bonds with an AA rating, the standard process for determining the discount rate from Towers Watson was reintroduced in the 2014 financial year. This change has no significant impact on the investment result nor, therefore, on the net assets and financial position of the company. 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	2014	2013
Current service cost	102.9	99.1
Past service cost	-0.5	-35.1
Interest income from plan assets	-37.1	-4.4
Interest costs	208.6	208.7
Recording in the income statement	**273.9**	**268.3**
Income from plan assets excluding interest income	-2.5	-7.6
Actuarial gains (+)/losses (-) from changes in demographic assumptions	0.0	-75.5
Actuarial gains (+)/losses (-) from changes in financial assumptions	1,164.8	26.7
Actuarial gains (+)/losses (-) from experience-based restatements	31.2	25.4
Recording in the statement of comprehensive income	**1,193.5**	**-31.0**
Total	**1,467.4**	**237.3**

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	31/12/2014	31/12/2013
Defined benefit obligation at the beginning of the financial year	5,643.7	5,648.9
Current service cost	102.9	99.1
Interest costs	208.6	208.7
Benefits paid	-254.4	-251.0
Actuarial gains (+)/losses (-)	1,196.0	-23.4
Actuarial gains (+)/losses (-) from changes in demographic assumptions	(0.0)	(-75.5)
Actuarial gains (+)/losses (-) from changes in financial assumptions	(1,164.8)	(26.7)
Actuarial gains (+)/losses (-) from experience-based restatements	(31.2)	(25.4)
Past service cost	-0.5	-35.1
Changes in the consolidated companies and currency adjustments	1.8	1.0
Reclassifications	-9.7	-4.5
Present value of the defined benefit obligation at the end of the financial year	**6,888.4**	**5,643.7**
Fair market value of plan assets at the beginning of the financial year	1,068.6	155.1
Interest income	37.1	4.4
Appropriations to the plan assets[1]	107.7	911.6
Benefits paid	-115.2	-8.8
Income from plan assets excluding interest income	2.5	7.6
Currency adjustments and reclassifications	1.7	-1.3
Fair market value of plan assets at the end of the financial year	**1,102.4**	**1,068.6**
Provisions for pensions and similar obligations	**5,786.0**	**4,575.1**

[1] Applies almost exclusively to the employer's contributions.

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

in € million	31/12/2014	31/12/2013
Funded benefits	1,255.5	1,216.1
Full funding	(1,226.7)	(1,193.8)
Partial funding	(28.8)	(22.3)
Pension entitlements without asset funding	5,632.9	4,427.6

The actual development of plan assets amounted to €39.6 million (previous year: €12.0 million). Payments into the plan assets in the amount of €3.5 million (previous year: €9.2 million) are planned in the subsequent period.

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	31/12/2014	31/12/2013
Present value of benefit obligations	6,888.4	5,643.7
Fair market value of plan assets	1,102.4	1,068.6
Plan surplus or deficit	5,786.0	4,575.1

The plan assets consist of the following asset classes:

in %	31/12/2014	31/12/2013
Shares	86.3	90.1
Share-based investment funds	0.4	0.0
Pension funds	1.1	0.0
Fixed-interest securities	9.2	7.5
Land and buildings	1.2	1.2
Other assets	1.1	0.8
Current financial assets	0.7	0.4
	100.0	**100.0**

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. They do not include any shares of EnBW Group entities 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 €296.3 million (previous year: €235.1 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 €16.4 million (previous year: €16.2 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 2014 amounted to €89.7 million (previous year: €87.0 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	31/12/2014	31/12/2013
Decommissioning and restoration	4,641.7	4,515.1
Fuel rod disposal	3,049.1	2,805.1
Waste	380.6	344.2
Total	**8,071.4**	**7,664.4**

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-closure operating of the plants, dismantling and disposal of parts of nuclear power plants, and also the actual costs of ultimate storage. With regard to the disposal of fuel rods, the non-contractual share of costs mostly relates to costs for conditioning in preparation for ultimate storage, transportation costs, costs for the procurement of containers for ultimate storage purposes, as well as the costs of ultimate 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 interim storage in the vicinity of the plants, central interim storage at the Gorleben and Ahaus interim 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 €706.5 million (previous year: €815.6 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 €104.8 million (previous year: €342.1 million). These changes in estimates related to discontinued power stations 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 €675.4 million (previous year: €623.9 million) which relate to restoration 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 4.8% (previous year: 5.0%). Based on the information currently available, the provisions are expected to be utilised mostly in the period from 2020 to 2070.

A reduction or increase of 0.5 percentage points in the interest rate would increase the present value of the nuclear power provisions by €774.3 million (previous year: €714.4 million) or reduce it by €644.4 million (previous year: €598.0 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 €592.4 million (previous year: €570.3 million). The payments to the German Federal Office for Radiation Protection relate to the construction of the Gorleben and Konrad ultimate storage facilities and are based on the German Final Storage Advance Payments Ordinance (EndlagerVlV).

Other provisions

Other electricity provisions primarily relate to obligations from CO_2 emission allowances, the restoration obligations for wind and hydroelectric power stations, 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 2.00% on average (previous year: 0.50% to 2.75%). 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[1]	As of 01/01/2014	Increases	Reversals	Increase due to the passage of time	Changes recognised in equity	Changes in consolidated companies, currency adjustments, reclassifi-cations	Utilisation	As of 31/12/2014
Provisions for pensions and similar obligations	4,575.1	102.4	0.0	171.5	1,193.5	-117.3	139.2	5,786.0
Provisions relating to nuclear power[2]	7,664.4	237.6	23.6	390.7	104.8	11.2	313.7	8,071.4
Other provisions	1,602.8	848.3	127.9	8.3	9.6	-24.4	720.3	1,596.4
Other electricity provisions	(418.3)	(189.8)	(20.4)	(0.9)	(9.6)	(-23.4)	(337.1)	(237.7)
Personnel provisions	(203.1)	(85.6)	(1.0)	(3.3)	(0.0)	(8.3)	(82.2)	(217.1)
Provisions for onerous contracts	(421.2)	(472.1)	(56.7)	(0.0)	(0.0)	(0.0)	(139.1)	(697.5)
Sundry provisions	(560.2)	(100.8)	(49.8)	(4.1)	(0.0)	(-9.3)	(161.9)	(444.1)
Total	**13,842.3**	**1,188.3**	**151.5**	**570.5**	**1,307.9**	**-130.5**	**1,173.2**	**15,453.8**

[1] The figures for the previous years have been restated. The provisions amounted to €13,486.7 million as of 1 January 2014. They include retroactive restatements as of 1 January 2013 totalling €2.6 million (as of 31 December 2013: €2.9 million).
[2] Utilisation breaks down into decommissioning and restoration totalling €226.8 million, disposal of spent fuel rods totalling €78.4 million and waste totalling €8.5 million.

(23) Deferred taxes

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

in € million[1]	31/12/2014		31/12/2013	
	Deferred tax assets[2]	Deferred tax liabilities[2]	Deferred tax assets[2]	Deferred tax liabilities[2]
Intangible assets	24.1	35.8	20.8	92.1
Property, plant and equipment	238.7	1,969.7	184.8	2,020.2
Financial assets	43.3	148.0	7.8	80.8
Other assets	3.1	16.0	5.3	19.6
Derivative financial instruments	0.0	45.1	0.0	43.9
Non-current assets	**309.2**	**2,214.6**	**218.7**	**2,256.6**
Inventories	9.6	2.9	12.2	9.6
Financial assets	0.4	21.1	0.6	0.7
Other assets	79.0	484.2	58.3	336.7
Current assets	**89.0**	**508.2**	**71.1**	**347.0**
Provisions	1,376.9	208.2	1,209.1	328.2
Liabilities and subsidies	232.5	56.6	267.9	57.4
Non-current liabilities	**1,609.4**	**264.8**	**1,477.0**	**385.6**
Provisions	202.8	3.6	69.1	0.1
Liabilities and subsidies	685.7	251.7	618.8	306.5
Current liabilities	**888.5**	**255.3**	**687.9**	**306.6**
Unused tax losses	125.5	0.0	143.2	0.0
Interest carried forward	2.4	0.0	0.0	0.0
Deferred taxes before netting	**3,024.0**	**3,242.9**	**2,597.9**	**3,295.8**
Netting	-2,594.0	-2,594.0	-2,340.1	-2,340.1
Deferred taxes after netting	**430.0**	**648.9**	**257.8**	**955.7**

[1] The figures for the previous years have been restated. After netting, deferred tax assets amounted to €48.3 million as of 1 January 2013. They do not include any retroactive restatements. After netting, deferred tax liabilities amounted to €1,000.8 million as of 1 January 2013. They include retroactive restatements as of 1 January 2013 totalling €2.0 million (as of 31 December 2013: €2.0 million). The deferred tax assets prior to netting contain retroactive restatements in the amount of €1.5 million (as of 1 January 2013: €1.5 million). The deferred tax liabilities prior to netting contain retroactive restatements in the amount of €3.5 million (as of 1 January 2013: €3.5 million).
[2] Deferred tax assets and liabilities prior to netting.

In the 2014 financial year, €2,594.0 million (previous year restated: €2,340.1 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 €1.0 million (previous year: €3.0 million).

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 €0.3 million (previous year: €0.8 million). Unused tax losses for which no deferred tax assets have been recognised in the balance sheet amounted to €53.2 million for corporate income tax and €107.1 million for trade tax (previous year: €19.9 million for corporate income tax and €22.3 million for trade tax). The deferred taxes on the non-valued unused tax losses that would theoretically have to be formed would amount to €8.4 million for corporate income tax and €14.1 million for trade tax (previous year: €3.2 million for corporate income tax and €2.9 million for trade tax). The existing unused tax losses for which the deferred tax assets were formed, amounting to €568.4 million for corporate income tax and €268.5 million for trade tax (previous year restated: €585.1 million for corporate income tax and €378.7 million for trade tax) are available without restrictions and almost exclusively concern German companies. According to the law to reduce tax benefits, from 2004 onwards only 60% of the current taxable income which exceeds €1 million can be offset against unused tax losses.

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

in € million[1]	31/12/2014	31/12/2013
Corporate income tax (or comparable foreign tax)	90.0	92.6
Trade tax	35.5	50.6
Total	**125.5**	**143.2**

[1] The figures for the previous years have been restated. The deferred taxes on unused tax losses were €9.3 million as of 1 January 2013. They include retroactive restatements as of 1 January 2013 of €1.5 million (as of 31 December 2013: €1.5 million).

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

in € million[1]	31/12/2014	31/12/2013
Opening balance	143.2	9.3
Utilisation of tax losses	-0.3	-0.8
Origination of tax losses (addition)	29.7	158.4
Write-downs	-47.1	-23.7
Closing balance	**125.5**	**143.2**

[1] The figures for the previous years have been restated. The deferred taxes on unused tax losses were €9.3 million as of 1 January 2013. They include retroactive restatements as of 1 January 2013 of €1.5 million (as of 31 December 2013: €1.5 million).

As of 31 December 2014, the deferred tax assets were adjusted and not recognised on unused tax losses to the amount of €20.9 million (previous year: €23.7 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[1]	2014				2013			
	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	2.9	28.4	58.7	90.0	18.6	63.4	10.6	92.6
Trade tax	0.6	23.6	11.3	35.5	21.0	19.5	10.1	50.6
Total	**3.5**	**52.0**	**70.0**	**125.5**	**39.6**	**82.9**	**20.7**	**143.2**

[1] The figures for the previous years have been restated. The deferred taxes on unused tax losses were €9.3 million as of 1 January 2013. They include retroactive restatements as of 1 January 2013 of €1.5 million (as of 31 December 2013: €1.5 million).

The deferred taxes on interest amounts carried forward totalling €2.4 million (previous year: €0.0 million) exclusively concern German companies and will probably be realised within one year.

Deferred tax assets totalling €643.5 million (previous year: €435.7 million in deferred tax assets) were offset directly against equity under other comprehensive income as of 31 December 2014.

As of 31 December 2014, deferred tax assets not affecting net income were not recognised against deductible temporary differences in assets of €103.0 million. This non-recognition 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 2014 compared to the previous year as follows:

in € million[1]	31/12/2014			31/12/2013		
	Current	Non-current	Total	Current	Non-current	Total
Hybrid bonds	0.0	1,985.5	1,985.5	0.0	998.0	998.0
Bonds	760.3	3,479.8	4,240.1	0.0	3,468.7	3,468.7
Liabilities to banks	225.4	1,587.7	1,813.1	99.4	902.9	1,002.3
Other financial liabilities	92.8	134.1	226.9	125.3	177.8	303.1
Financial liabilities	**1,078.5**	**7,187.1**	**8,265.6**	**224.7**	**5,547.4**	**5,772.1**

[1] 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, €3,046.1 million (previous year: €3,663.7 million) have a term of between one year and five years, and €4,141.0 million (previous year: €1,883.7 million) have a term of more than five years.

In the 2014 financial year, financial liabilities increased by €2,493.5 million (previous year: decreased by €992.9 million).

Overview of the hybrid bonds

Issuer	Issue volume	Carrying amounts	Coupon	Maturity
EnBW AG[1]	€1,000 million	€998.4 million	7.375%	02/04/2072
EnBW AG[2]	€1,000 million	€987.1 million	3.625%	02/04/2076
		€1,985.5 million		

[1] Repayment option for EnBW every five years after the first interest payment date; the earliest possible date is 2 April 2017.
[2] Repayment option for EnBW every five years after the first interest payment date; the earliest possible date is 2 April 2021.

In March 2014, EnBW issued a second hybrid bond with a total volume of €1 billion. The subordinated bond has a term to maturity of approximately 62 years and includes the option for EnBW to make early repayment of the bond. Based on its terms and conditions, half of the amount of the bond will be recognised as equity by rating agencies. This supports the good credit standing of EnBW. The issue date was 18 March 2014 and the final repayment date is 2 April 2076. The first interest payment date will be 2 April 2015. EnBW has the right to repay the bond early, for the first time on 2 April 2021 and then every five years afterwards. The bond has been initially given a coupon of 3.625%. EnBW also has the option of suspending interest payments. However, these interest payments must be subsequently paid if EnBW pays dividends or redeems other hybrid bonds.

The second bond matures on 2 April 2072 and has an equal ranking with the existing hybrid bond, while it is subordinate to all other financial liabilities.

An overview of our bonds

Issuer	Issue volume	Carrying amounts	Coupon	Maturity
Public bonds				
EnBW International Finance B.V.	€750 million	€760.3 million[1]	4.125%	07/07/2015
EnBW International Finance B.V.	€500 million	€498.7 million	4.250%	19/10/2016
EnBW International Finance B.V.	CHF 100 million	€85.2 million[1]	1.250%	12/07/2018
EnBW International Finance B.V.	€750 million	€747.8 million	6.875%	20/11/2018
EnBW International Finance B.V.	CHF 100 million	€82.8 million	2.250%	12/07/2023
EnBW International Finance B.V.	€500 million	€594.1 million[1]	4.875%	16/01/2025
EnBW International Finance B.V.	€500 million	€498.0 million	2.500%	04/06/2026
EnBW International Finance B.V.	€600 million	€588.8 million	6.125%	07/07/2039
Private placements				
EnBW International Finance B.V.	€100 million	€98.1 million	2.875%	13/06/2034
EnBW International Finance B.V.	JPY 20 billion	€137.7 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
		€4,240.1 million		

[1] Adjusted for valuation effects from interest-induced hedging transactions.

EnBW issued a bond with a volume of €500 million and a term to maturity of twelve years at the end of May 2014. The bond was given a coupon of 2.500% and will be used to pre-finance future maturities due on the capital markets. In addition, EnBW made three private placements with a total volume of €250 million in the second and third quarters of 2014.

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 increased compared to the previous year by €810.8 million (previous year: increase of €30.6 million). A long-term investment loan of €500 million was taken out from the European Investment Bank for the offshore wind farm EnBW Baltic 2 that is currently under construction. After the reporting date, EnBW AG took out a short-term loan on the money market to the amount of €125 million. In addition, a credit line that had been agreed between a subsidiary and a banking consortium in 2013 was utilised to a further amount of €222.2 million. 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 was reduced to €1.5 billion on 21 July 2014 and has been initially extended until July 2019 (previous year: €2.0 billion). In addition, extension options have also been agreed, giving the opportunity to extend the credit line in 2015 and 2016 by one additional year each up to July 2021 at the latest. The credit line remained unused as of 31 December 2014.

In addition, a further €352 million (previous year: €623 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 totalling €19.4 million (previous year restated: €13.2 million) are collateralised with real estate lien. Liabilities to banks to the amount of €106.1 million are collateralised with other types of security (previous year: €116.7 million).

Other financial liabilities

The item "other financial liabilities" includes mainly long-term finance leases. It also contains the (residual) purchase price obligations from acquisitions made. In comparison to the previous year, other financial liabilities fell by a total of €76.2 million (previous year: decrease of €109.5 million).

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

in € million	31/12/2014		31/12/2013	
	Nominal value	Present value	Nominal value	Present value
Due within 1 year	77.1	72.3	102.4	96.0
Due in 1 to 5 years	9.8	3.2	84.1	69.2
Due in more than 5 years	53.4	28.4	50.9	26.6
Total	**140.3**	**103.9**	**237.4**	**191.8**

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 2015	Due in 2016	Due in 2017	Due in 2018	Due in 2019	Due after 2019	
Hybrid bonds	0.0	0.0	998.4	0.0	0.0	987.1	1,985.5
Bonds	760.3	498.7	0.0	833.0	0.0	2,148.1	4,240.1
Liabilities to banks	225.4	123.8	237.3	148.9	122.8	954.9	1,813.1
Other financial liabilities	92.8	9.8	8.4	8.4	56.6	50.9	226.9
Financial liabilities	**1,078.5**	**632.3**	**1,244.1**	**990.3**	**179.4**	**4,141.0**	**8,265.6**

Weighted average interest:

in %	31/12/2014	31/12/2013
Hybrid bonds	5.5	7.4
Bonds	3.8	4.0
Liabilities to banks	1.5	1.9
Other financial liabilities	2.8	3.6
Total financial liabilities	**3.7**	**4.2**

The weighted average interest rate for the financial liabilities decreased as of 31 December 2014 compared with the previous year. 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[1]	31/12/2014	31/12/2013
Non-current liabilities	714.3	717.8
Current liabilities	7,273.7	6,875.5
Liabilities	**7,988.0**	**7,593.3**
Non-current subsidies	1,294.2	1,415.3
Current subsidies	67.5	64.3
Subsidies	**1,361.7**	**1,479.6**
Non-current liabilities and subsidies	2,008.5	2,133.1
Current liabilities and subsidies	7,341.2	6,939.8
Liabilities and subsidies	**9,349.7**	**9,072.9**

[1] The figures for the previous years have been restated. The liabilities and subsidies amounted to €8,778.7 million as of 1 January 2013. They include retroactive restatements as of 1 January 2013 totalling €-362.6 million (as of 31 December 2013: €-387.1 million).

Other liabilities as of 31 December 2014 break down as follows compared to the previous year:

in € million[1,2]	31/12/2014			31/12/2013		
	Current	Non-current	Total	Current	Non-current	Total
Payments received on account	111.7	38.2	149.9	36.1	45.9	82.0
Trade payables	3,829.6	0.4	3,830.0	3,611.0	0.5	3,611.5
of which liabilities to affiliated entities	(8.4)	(0.1)	(8.5)	(3.0)	(0.0)	(3.0)
of which liabilities to other investees and investors	(49.1)	(0.0)	(49.1)	(54.9)	(0.0)	(54.9)
of which liabilities to entities accounted for using the equity method	(44.0)	(0.0)	(44.0)	(29.0)	(0.2)	(29.2)
Other deferred income	17.6	184.8	202.4	17.2	199.7	216.9
Liabilities from derivatives	1,700.2	118.7	1,818.9	1,550.9	90.7	1,641.6
of which without hedges	(1,484.6)	(29.4)	(1,514.0)	(1,416.0)	(42.4)	(1,458.4)
of which cash flow hedge	(215.6)	(89.3)	(304.9)	(134.8)	(48.4)	(183.2)
Income tax liabilities	330.9	134.3	465.2	418.0	164.4	582.4
Miscellaneous liabilities	1,283.7	237.9	1,521.6	1,242.3	216.6	1,458.9
of which interest from back taxes	(0.0)	(0.7)	(0.7)	(0.0)	(2.0)	(2.0)
of which from other taxes	(126.0)	(0.0)	(126.0)	(294.3)	(0.0)	(294.3)
of which relating to social security	(17.5)	(7.0)	(24.5)	(18.3)	(8.1)	(26.4)
Other liabilities	**7,273.7**	**714.3**	**7,988.0**	**6,875.5**	**717.8**	**7,593.3**

[1] The figures for the previous years have been restated. Other liabilities amounted to €8,778.7 million as of 1 January 2013. They include retroactive restatements as of 1 January 2013 totalling €-362.6 million (as of 31 December 2013: €-387.1 million).
[2] 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 other non-current liabilities, €398.1 million (previous year: €445.1 million) have a term of between one year and five years and €316.2 million (previous year: €272.7 million) have a term of more than five years.

Liabilities relating to trade payables principally include obligations for outstanding invoices amounting to €1,568.1 million (previous year: €1,732.6 million).

Other liabilities mainly concern collateral for over-the-counter trading transactions (margin calls received) amounting to €420.0 million (previous year: €309.3 million), as well as exchange-based transactions (variation margins) of €129.2 million (previous year restated: €18.4 million), interest obligations from bonds amounting to €160.4 million (previous year: €120.7 million) and non-controlling interests in fully consolidated partnerships recorded as liabilities to the amount of €74.7 million (previous year: €54.6 million). Furthermore, advance payments received in the previous year for future asset disposals amounting to €67.3 million were deferred. The fall in the liabilities from other taxes which are contained within other liabilities is mainly due to the complete and obligatory use of the reverse charge procedure for energy supplies by resellers within Germany since 1 January 2014 (transfer of the VAT liability from the taxable commercial entity to the recipient of the commercial performance, whereby the tax liability and the input tax deduction accrue to the aforementioned recipient and balance out).

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

in € million	31/12/2014	31/12/2013
Investment grants	0.7	1.1
Investment cost subsidies	13.2	15.8
Other subsidies from public authorities	23.9	0.3
Construction cost subsidies	1,323.9	1,462.4
Total	**1,361.7**	**1,479.6**

The investment grants were awarded in accordance with Sec. 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, €1,294.2 million (previous year: € 1,415.3 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	31/12/2014	31/12/2013
Property, plant and equipment	95.8	83.3
Investment properties	1.8	7.0
Other assets	6.9	0.0
Total	**104.5**	**90.3**

Liabilities directly associated with assets classified as held for sale

in € million	31/12/2014	31/12/2013
Deferred taxes	4.4	3.7
Provisions	23.4	0.0
Other liabilities and subsidies	20.7	28.9
Total	**48.5**	**32.6**

In both the reporting year and the previous year, the property, plant and equipment held for sale refer primarily to distribution facilities and are 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 refer 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 equity holders 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		2014	2013
Earnings from continuing operations	in € million	-387.6	122.3
of which profit/loss shares attributable to the equity holders of EnBW AG	in € million	(-450.7)	(51.0)
Group net profit/loss	in € million	-387.6	122.3
of which profit/loss shares attributable to the equity holders of EnBW AG	in € million	(-450.7)	(51.0)
Number of shares outstanding (weighted average)	Thousands Number of shares	270,855	270,855
Earnings per share from continuing operations[1]	in €	-1.66	0.19
Earnings per share from Group net profit/loss (€)[1]	in €	-1.66	0.19
Dividend per share for the EnBW AG 2013 financial year	in €	–	0.69
Proposed dividend per share for the EnBW AG 2014 financial year	in €	0.69	–

[1] In relation to the profit/loss attributable to the equity holders 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.

31/12/2014		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)
Total assets	**18,530.5**	**4,858.7**	**3,830.8**	**9,764.7**	**245.8**	**18,700.0**
Assets held for sale				6.0	98.5	104.5
Financial liabilities	9,289.2			8,265.6		8,265.6
Measured at amortised cost[1]	(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)
Total liabilities	**12,602.2**	**12.7**	**1,806.2**	**9,759.7**	**5,571.5**	**17,150.1**
Liabilities directly associated with assets classified as held for sale					48.5	48.5

[1] Of the financial liabilities measured at amortised cost, an amount of €1,243.6 million is part of fair value hedges.

31/12/2013		Hierarchy of input data				
in € million[1]	Fair value	Level 1	Level 2	Measured at amortised cost	Not in IFRS 7's field of application	Carrying amount
Financial assets	7,195.3	3,819.6	1,514.5	1,816.1		7,150.2
Held for trading	(258.2)	(258.2)				(258.2)
Available for sale	(5,852.7)	(3,561.4)	(1,514.5)	(776.8)		(5,852.7)
Held to maturity	(1,009.2)			(964.1)		(964.1)
Loans and receivables	(75.2)			(75.2)		(75.2)
Trade receivables	4,386.9			4,386.9		4,386.9
Loans and receivables	(4,386.9)			(4,386.9)		(4,386.9)
Other assets	1,572.2	3.2	1,038.1	530.9	247.9	1,820.1
Held for trading	(914.8)	(3.2)	(911.6)			(914.8)
Loans and receivables	(495.3)			(495.3)		(495.3)
Derivatives designated as hedging instruments	(126.5)		(126.5)			(126.5)
Carrying amount in accordance with IAS 17	(35.6)			(35.6)		(35.6)
Cash and cash equivalents	2,424.9			2,424.9		2,424.9
Loans and receivables	(2,424.9)			(2,424.9)		(2,424.9)
Total assets	**15,579.3**	**3,822.8**	**2,552.6**	**9,158.8**	**247.9**	**15,782.1**
Assets held for sale					90.3	90.3
Financial liabilities	6,386.8			5,772.1		5,772.1
Measured at amortised cost[2]	(6,195.0)			(5,580.3)		(5,580.3)
Carrying amount in accordance with IAS 17	(191.8)			(191.8)		(191.8)
Trade payables	414.2			414.2	3,196.8	3,611.0
Measured at amortised cost	(414.2)			(414.2)		(414.2)
Other liabilities and subsidies	2,433.3	21.6	1,620.0	791.7	2,446.2	4,879.5
Held for trading	(1,458.4)	(14.0)	(1,444.4)			(1,458.4)
Measured at amortised cost	(791.7)			(791.7)		(791.7)
Derivatives designated as hedging instruments	(183.2)	(7.6)	(175.6)			(183.2)
Total liabilities	**9,234.3**	**21.6**	**1,620.0**	**6,978.0**	**5,643.0**	**14,262.6**
Liabilities directly associated with assets classified as held for sale					32.6	32.6

[1] The figures for the previous years have been restated.
[2] Of the financial liabilities measured at amortised cost, an amount of €1,214.6 million is part of fair value hedges.

The fair value of the assets in the "held for trading" measurement category amounts to €1,566.2 million (previous year restated: €1,173.0million): €264.9 million by the first hierarchical level (previous year restated: €261.4 million) and €1,301.3 million by the second hierarchical level (previous year: €911.6 million).

The financial assets of the “available for sale” measurement category have a fair value totalling €7,895.6 million (previous year: €5,852.7 million): €4,591.1 million by the first hierarchical level (previous year restated: €3,561.4 million), €2,317.1 million by the second hierarchical level (previous year restated: €1,514.5 million) and €987.4 million by “measured at amortised cost” (previous year: €776.8 million). Assets classified as “loans and receivables” are measured at amortised cost and amount to €7,647.3 million (previous year restated: €7,382.3 million). Equity instruments measured at cost had a carrying amount of €987.4 million as of the reporting date (previous year: €776.8 million).

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 that all inputs which 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.

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.

31/12/2014				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)

31/12/2013[1]				Non-netted amounts		
in € million	Gross amounts	Netting	Net amounts accounted for	Master netting agreement	Financial collateral received/paid	Net amount
Other assets	1,548.9	-513.7	1,035.2	-797.9	-213.5	23.8
Held for trading	(1,383.7)	(-468.9)	(914.8)	(-793.7)	(-105.3)	(15.8)
Derivatives in hedge accounting	(165.2)	(-44.8)	(120.4)	(-4.2)	(-108.2)	(8.0)
Other liabilities and subsidies	2,161.1	-556.6	1,604.5	-797.9	-529.1	277.5
Held for trading	(1,754.1)	(-325.2)	(1,428.9)	(-793.7)	(-465.5)	(169.7)
Derivatives in hedge accounting	(407.0)	(-231.4)	(175.6)	(-4.2)	(-63.6)	(107.8)

[1] The figures for the previous year have been restated.

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

Net gains or losses by measurement category

in € million	2014	2013
Financial assets and liabilities held for trading	19.4	92.3
Available-for-sale financial assets	165.0	107.8
Loans and receivables	12.0	-52.5
Financial liabilities measured at amortised cost	-0.3	-0.1

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 gain 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.

The net gain recorded in the “available-for-sale financial assets” measurement category includes realised losses on disposal as well as impairment losses. The previous year’s figure also included earnings from the write-ups.

The net gain recorded in the “loans and receivables” measurement category is a result of the altogether positive currency effects and write-ups, which outmatch the impairment losses. In the previous year, the impairment losses as well as the currency effects burdened the net result, which therefore showed an overall net loss.

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 €401.4 million in the 2014 financial year (previous year: €149.8 million). Of the changes in market values posted with no impact on income, €161.2 million was transferred with a positive earnings impact (previous year: €113.5 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 €14.1 million (previous year: €24.6 million) or €3.2 million (previous year: €0.0 million). In the 2014 financial year, impairment losses were carried out on trade receivables amounting to €32.2 million (previous year: €35.4 million) and on other assets totalling €0.4 million (previous year: €0.4 million), which were measured at amortised cost.

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.

Changes in the fair value of the hedges used – above all forward contracts and futures – are thus recorded directly in other comprehensive income (measurement of financial instruments at market value) until termination of the hedge, provided it is effective. The ineffective portion of the gain or loss on the hedging instrument is immediately recognised in profit or loss.

Date of reclassification from OCI to the income statement in 2014

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

Date of reclassification from OCI to the income statement in 2013

in € million	Fair value	2014	2015–2018	>2018
Currency-related cash flow hedges	-84.7	-8.3	-25.9	-50.5
Commodity cash flow hedges	-268.2	-148.8	-119.4	0.0
Interest-related cash flow hedges	2.5	0.0	0.0	2.5
Other derivative cash flow hedges	-7.9	-7.9	0.0	0.0

As of 31 December 2014, unrealised gains from derivatives amounted to €463.9 million (previous year:. €427.8 million). The effective portion of the cash flow hedges amounting to €292.0 million (previous year: €375.8 million) was recognised directly in equity in the reporting period. From the ineffective portion of the cash flow hedges as of 31 December 2014, there arose expenses of €7.0 million (previous year: income in the amount of €5.2 million) and expenses from reclassifications from the other comprehensive income in the amount of €86.5 million (previous year: €80.9 million) to the income statement. The reclassification will be made to revenue (increase of €80.8 million, previous year: €317.0 million), cost of materials (increase of €166.7 million, previous year: increase of €335.9 million) and in the financial result (decrease of €0.6 million, previous year: €38.0 million). In the previous year, the other operating income decreased by €24.0 million. Moreover, the amounts reclassified during the previous year also included the de-designation of cash flow hedges amounting to €24.0 million. An amount of €169.4 million (previous year: €115.0 million) was reclassified from accumulated other comprehensive income to inventories. This led to an increase in acquisition costs.

As of 31 December 2014, existing hedged transactions are covered by cash flow hedges for foreign currencies with terms of up to 24 years (previous year: up to 25 years). In the commodity area, the terms of planned underlying transactions are generally up to four years (previous year: up to three 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 €22.5 million in the fair value of hedging instruments was recognised in profit or loss with a positive impact on earnings in the reporting period (previous year: €40.2 million with negative 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 €21.8 million that resulted from the underlying transactions were measured through profit or loss with a negative impact on earnings (previous year: €38.6 million with a positive 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 2014, €33.6 million (previous year: €31.4 million) arising from the hedges' exchange rate changes was reported within equity as unrealised losses under "Currency translation".

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	31/12/2014		31/12/2013	
	<1 year	1–5 years	<1 year	1–5 years
up to A1	35.0	13.2	19.8	5.3
up to A3	46.5	35.9	22.1	9.5
Baa1	40.7	22.2	37.2	2.6
up to Baa3	28.8	16.2	8.3	3.7
below Baa3	0.1	0.0	12.9	0.4
Total	**151.1**	**87.5**	**100.3**	**21.5**

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[1]	Nominal volume		Fair value	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Forward exchange transactions	2,510.0	3,366.9	-6.6	-90.1
Electricity options and futures	1,943.9	4,612.9	-7.1	162.7
Forward electricity transactions	9,191.9	13,933.0	-167.6	-397.3
Forward gas transactions and swaps	11,758.9	15,046.4	-17.1	4.6
Forward coal transactions and swaps	3,515.0	3,514.7	-400.1	-362.0
Derivatives for emission rights	806.7	774.2	38.5	-30.6
Fixed interest paying	325.2	156.8	-2.0	-2.8
Fixed interest bearing	1,251.7	1,353.0	131.1	111.6
Other futures and derivatives	1,538.3	1,134.9	-71.6	-38.0
Total	**32,841.6**	**43,892.8**	**-502.5**	**-641.9**

[1] 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[1]	31/12/2014	31/12/2013	Variance
Derivatives used in cash flow hedges with a positive fair value	76.4	10.3	66.1
Derivatives used in cash flow hedges with a negative fair value	494.4	368.5	125.9
	-418.0	**-358.2**	**-59.8**
Deferred tax on changes recognised directly in equity in derivatives used in cash flow hedges	126.7	119.1	7.6
Hedge ineffectiveness	7.8	0.8	7.0
Cascading effects	-21.3	-19.6	-1.7
Effects realised from hedged transactions[2]	-32.4	-50.6	18.2
Non-controlling interests	2.9	-2.6	5.5
Cash flow hedge (recognised in equity)	**-334.3**	**-311.1**	**-23.2**

[1] Before offsetting financial assets and financial liabilities according to IAS 32.
[2] Of which €-56.7 million (previous year: €-66.4 million) which will be reclassified in the income statement in the period 2015 to 2018 (previous year: 2014 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[1]	31/12/2014	31/12/2013	Variance
Derivatives with a positive fair market value	1,348.0	1,104.0	244.0
Derivatives with a negative fair market value	1,571.2	1,503.9	67.3
Carrying amounts of stand-alone derivatives	**-223.2**	**-399.9**	**176.7**

[1] Before offsetting financial assets and financial liabilities according to IAS 32.

in € million	2014	2013
Changes in the carrying amounts of stand-alone derivatives	176.7	-191.6
Option premium paid	-3.8	12.7
Change in fair value of the derivatives	**172.9**	**-178.9**

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

in € million	2014	2013
Fair value adjustment	172.9	-178.9
Gain/loss recognised	-157.6	270.1
Hedge ineffectiveness	-7.0	5.2
Gain/loss from derivatives	**8.3**	**96.4**
of which other operating income	(294.8)	(289.9)
of which other operating expenses	(261.3)	(177.4)
of which finance revenue	(7.4)	(26.2)
of which finance costs	(32.6)	(42.3)

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 internal Group guidelines. They also provide 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, for example 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 2014, the maximum credit risk amounts to €18,460.2 million (previous year restated: €15,534.2 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 €1.9 billion (previous year: €2.6 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 2014 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 2014 were used.

Foreign currency financial instruments are translated at the respective spot price as of 31 December 2014.

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.
- Future transactions are not included in the liquidity analysis because they are settled by daily variation margins and there is thus no liquidity risk.

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	138.6	76.0	23.1	36.7	2.8	0.0
Derivative financial liabilities	11,522.9	8,335.7	2,272.3	778.6	61.3	75.0
Financial guarantees	210.4	210.4				
Total	**24,195.7**	**11,305.8**	**3,247.0**	**2,361.9**	**1,270.8**	**6,010.2**

Undiscounted cash flows as of 31/12/2013

in € million[1]	Total	2014	2015	2016	2017	Cash flows > 2017
Non-derivative financial liabilities						
Debt instruments issued	6,485.0	246.8	996.8	715.9	1,194.7	3,330.8
Liabilities to banks	1,108.6	126.4	170.8	111.8	138.5	561.1
Finance lease liabilities	237.4	102.4	77.2	1.9	2.3	53.6
Other financial liabilities	118.4	29.8	22.2	9.8	8.8	47.8
Trade payables	414.2	414.2				
Other financial obligations	791.7	592.4	2.8	2.4	2.4	191.7
Derivative financial assets[2]	5,274.3	3,869.0	1,099.7	272.2	33.1	0.3
Derivative financial liabilities[2]	9,566.9	7,028.2	2,217.0	287.2	18.2	16.3
Financial guarantees	162.0	162.0				
Total	**24,158.5**	**12,571.2**	**4,586.5**	**1,401.2**	**1,398.0**	**4,201.6**

[1] The figures for the previous year have been restated.
[2] Before netting according to IAS 32.

Due to steadily declining market prices, assets turned into liabilities compared to the previous year. Despite a lower volume of forward purchases in both the electricity and gas segments, the decline in prices resulted in increased liabilities. EnBW's actual liquidity risk from derivatives is not revealed directly by the presentation, as only those 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 excluded.

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.

EnBW has exposure to foreign currency risk from procurement and hedging of prices for the fuel needed, as well as gas and oil trading. 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% revaluation (devaluation) of the euro (previous year: 10%) against all currencies as of the reporting date 31 December 2014 would improve (worsen) the net profit for the year by €2.1 million. In the previous year, a revaluation (devaluation) of the euro would have worsened (improved) the net profit for the year by €29.2 million. The hypothetical change in equity results from the currency sensitivity between the euro and the US dollar (decrease of €3.7 million; previous year: €34.9 million) and between the euro and the Swiss franc (increase of €5.8 million; previous year: €5.7 million).

In the event of a revaluation (devaluation) of 10% (previous year: 10%), the equity would decrease (increase) by €57.9 million (previous year: €67.6million) as of 31 December 2014. The hypothetical change in equity results from the currency sensitivity between the euro and the US dollar (decrease of €68.7 million; previous year: €78.2 million) and between the euro and the Swiss franc (increase of €10.8 million; previous year: €10.6 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 70 basis points in the interest rate in the eurozone as of the reporting date 31 December 2014 (previous year: 60 basis points) in relation to the nominal volume would worsen (improve) the net profit for the year by a total of €8.0 million (previous year: €4.3 million). The hypothetical change in profit consists of potential effects from worsening interest rate derivatives amounting to €8.7 million (previous year: €7.3 million), an increase of variable-interest cash at banks amounting to €9.8 million (previous year: €7.4 million) and greater variable-interest financial liabilities amounting to €9.1 million (previous year: €4.4 million).

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 fuel 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.

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 2014 would worsen (improve) the net profit for the year by €31.0 million (previous year: €206.1 million). In the event of a reduction (increase) of 10% in the market price (previous year: 10%) as of 31 December 2014, the equity would decrease (increase) by €28.0 million (previous year: €53.9 million).

A decrease (increase) of 10% in the market price for coal (previous year: 10%) as of the reporting date 31 December 2014 would worsen (improve) the net profit for the year by €16.6 million (previous year: €53.9 million). In the event of a reduction (increase) of 10% in the market price (previous year: 10%) as of 31 December 2014, the equity would decrease (increase) by €58.4 million (previous year: €149.0 million).

A decrease (increase) of 15% in the market price for oil (previous year: 15%) as of the reporting date 31 December 2014 would worsen (improve) the net profit for the year by €10.0 million (previous year: €15.8 million.) In the event of a reduction (increase) of 10% in the market price (previous year: 10%) as of 31 December 2014, the equity would decrease (increase) by €14.6 million (previous year: €14.8 million).

A decrease (increase) of 15% in the market price for gas (previous year: 10%) as of the reporting date 31 December 2014 would worsen (improve) the net profit for the year by €2.0 million. In the previous year an increase (decrease) would have worsened (improved) the net profit for the year by €2.8 million.

A decrease (increase) of 50% in the market price for emission allowances (previous year: 90%) as of the reporting date 31 December 2014 would worsen (improve) the net profit for the year by €71.2 million (previous year: €41.5 million). In the event of a reduction (increase) of 10% in the market price (previous year: 10%) as of 31 December 2014, the equity would decrease (increase) by €12.9 million (previous year: €24.3 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 2014, shares, share-based investment funds and fixed-interest securities totalling €7,130.1 million (previous year: €5,334.1 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 15% for shares and share-based investment funds (previous year: 16%) and 4% for interest-bearing securities (previous year: 3%).

In the risk scenario in question, the net profit for the year would increase (decrease) by €8.9 million (previous year: €7.7 million). The hypothetical change in profit for the year is due to fixed-interest securities. In the risk scenario in question, the equity would increase (decrease) by €564.4 million (previous year: €408.9 million). Of the hypothetical change in profit, €392.8 million (previous year: €315.8 million) is accounted for by shares and share-based investment funds and €171.6 million (previous year: €93.1 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 2014, and the same share of 24.921% as of 1 January 2015, 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[1]	31/12/2014	31/12/2013
Guarantees	76.0	32.0
Contingent liabilities from pending litigation	1,620.3	1,198.8
Total	**1,696.3**	**1,230.8**

[1] The figures for the previous year have been restated.

No provisions were set up 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.

The guarantees include obligations to companies accounted for using the equity method totalling €73.8 million (previous year restated: €20.8 million). These obligations exclusively concern joint ventures. In addition, this includes business relationships in joint operations to the amount of €0.1 million (previous year: €0.2 million).

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 €21.4 billion (previous year restated: €25.1 billion), of which €4.8 billion (previous year restated: €4.7 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. The other financial commitments comprise purchase obligations to associated entities accounted for using the equity method to the amount of €116.4 million (previous year: €298.4 million). There are no purchase obligations to joint ventures accounted for using the equity method or to joint operations.

In addition, there are provisions for long-term supply agreements amounting to €578.6 million (previous year adjusted: €248.4 million). They include provisions for associated entities accounted for using the equity method amounting to €300.6 million (previous year: €157.0 million). There are no provisions for joint ventures accounted for using the equity method or for joint operations.

Sundry other financial commitments break down as follows:

in € million[1]	31/12/2014			Of which due in	31/12/2013
		< 1 year	1–5 years	> 5 years	
Financial commitments from rent and lease agreements	406.9	68.3	185.7	152.9	334.7
Purchase commitments	633.5	376.7	185.7	71.1	529.1
Capital commitments for property, plant and equipment	984.4	740.9	243.5	0.0	1,037.7
Capital commitments for intangible assets	0.5	0.5	0.0	0.0	1.1
Financial commitments from corporate acquisitions[2]	549.4	221.3	252.7	75.4	494.3
Other financial commitments	497.4	202.1	134.6	160.7	374.5
Total	**3,072.1**	**1,609.8**	**1,002.2**	**460.1**	**2,771.4**

[1] The figures for the previous year have been restated.
[2] Financial commitments from corporate acquisitions < 1 year include investments held as financial assets amounting to €257.8 million (previous year adjusted: €171.0 million).

Sundry other financial commitments include obligations to acquire entities accounted for using the equity method totalling €24.1 million (previous year: €24.1 million). These obligations exclusively concern joint ventures. Sundry other financial commitments also include obligations of €150.9 million (previous year: €117.6 million) to joint operations and €4.6 million (previous year: €3.5 million) to associated entities accounted for using the equity method. There are no other financial commitments for joint ventures accounted for using the equity method.

(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 posses 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 2014, the EnBW Group held a total of €791.4 million (previous year: €764.6 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	2014	2013
Statutory audit	2.3	2.4
Other attestation services	0.6	0.4
Tax advisory services	0.3	0.3
Other services	1.1	1.1
Total	**4.3**	**4.2**

(31) Exemption pursuant to Sec. 264 (3) of the HGB and Sec. 264b of the HGB

The following German subsidiaries made use of some or all of the exemption provisions of Sec. 264 (3) of the German Commercial Code (HGB) or Sec. 264b of the HGB in the 2014 financial year:

Exemption pursuant to Sec. 264 (3) of the HGB

- EnBW Biogas GmbH, Stuttgart
- EnBW EnergyWatchers GmbH, Stuttgart
- EnBW Offshore 1 GmbH, Stuttgart (formerly EnBW Omega Siebzehnte Verwaltungsgesellschaft mbH, Karlsruhe)
- EnBW Offshore 2 GmbH, Stuttgart
- EnBW Perspektiven GmbH, Karlsruhe
- EnBW REG Beteiligungsgesellschaft mbH, Stuttgart
- EnBW Speicher GmbH, Stuttgart
- EnBW Wind Onshore 1 GmbH, Stuttgart
- EnBW Wind Onshore 2 GmbH, Stuttgart
- MSE Mobile Schlammentwässerungs GmbH, Karlsbad-Ittersbach
- NeckarCom Telekommunikation 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

Exemption pursuant to Sec. 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 Sec. 161 of the German Stock Corporations Act (AktG) on 4 December 2014 and made it permanently available to shareholders on the Internet at 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.

(33) Share deals and shareholdings of key management personnel

The company did not receive any notices in the 2014 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 Sec. 15a of the German Securities Trading Act (Wertpapierhandelsgesetz). 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 2014 financial year amounting to €760.0 million (previous year adjusted: €-162.7 million).

Cash and cash equivalents relate almost exclusively to bank balances, largely in the form of time and call deposits. In the 2014 financial year, cash flow from operating activities amounted to €1,775.7 million (previous year adjusted: €1,919.1 million).

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

in € million	2014	2013
Income from the reversal of construction cost subsidies	-70.4	-75.4
Income and expenses from changes in specific bad debt allowances	31.2	43.3
Reversal of impairment losses on property, plant and equipment and intangible assets	-350.3	-0.4
Write-down of inventories	19.3	2.8
Other	28.7	-29.3
Total	**-341.5**	**-59.0**

In the 2014 financial year, €74.9 million (previous year: €80.6 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 €40.8 million (previous year adjusted: €39.2 million). In the reporting year and the previous year, no cash and cash equivalents were acquired in the course of share purchases. Cash paid for investments in the reporting period primarily concerned capital increases at entities accounted for using the equity method, as well as a retroactive purchase price payment as part of the acquisition of 26% of EWE Aktiengesellschaft. In the previous year, the cash paid mainly comprised capital increases and a retroactive purchase price payment as part of the acquisition of 50% of Borusan EnBW Enerji yatirimlari ve Üretem A.S.

The sale prices from the disposal of subsidiaries and entities accounted for using the equity method totalled €108.9 million (previous year adjusted: €18.3 million). No cash and cash equivalents were surrendered in the reporting year as a result of the sale of shares (previous year: €8.4 million). In the reporting period, the funds received resulted from the sale of 74.9% of the shares in SWS Netzinfrastruktur GmbH. The sale of these shares resulted in the loss of distribution facilities totalling €197.9 million and construction cost subsidies totalling €104.1 million. In the previous year, the funds received had primarily resulted from the sale of EnBW Klenk Holzenergie GmbH and a capital reduction at Bayerische-Schwäbische Wasserkraftwerke Beteiligungsgesellschaft mbH.

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.

The total interest paid in the reporting period breaks down as follows:

in € million[1]	2014	2013
Interest paid for investing activities (capitalised borrowing costs)	-38.0	-54.2
Interest paid for financing activities	-338.6	-303.7
Total interest paid in the period	**-376.6**	**-357.9**

[1] The figures for the previous year have been restated.

(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 can have a great influence on the company's financial headroom. The acquisitions and divestitures planned and performed are reviewed regularly and correlated 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 power 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

01/01–31/12/2014 in € million	Sales	Grids	Renewable Energies	Generation and Trading	Other/ Consolidation	Total
Revenue						
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
Earnings indicators						
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
Assets and liabilities						
Capital employed	663.3	4,709.1	2,596.6	2,704.5	2,929.4	13,602.9
of which intangible assets, property, plant and equipment and investment property	(718.5)	(6,999.4)	(2,693.2)	(4,687.7)	(441.7)	(15,540.5)
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 expenditures on intangible assets and property, plant and equipment	76.4	521.6	610.8	476.5	19.1	1,704.4

01/01–31/12/2013 in € million[1]	Sales	Grids	Renewable Energies	Generation and Trading	Other/ Consolidation	Total
Revenue						
External revenue	9,568.4	5,707.6	372.3	4,888.3	8.2	20,544.8
Internal revenue	587.8	2,719.7	445.0	3,334.6	-7,087.1	0.0
Total revenue	10,156.2	8,427.3	817.3	8,222.9	-7,078.9	20,544.8
Earnings indicators						
Adjusted EBITDA	227.1	961.8	220.2	839.0	-23.4	2,224.7
EBITDA	222.0	1,010.1	222.9	527.1	17.6	1,999.7
Adjusted EBIT	162.4	596.1	161.2	473.8	-54.0	1,339.5
EBIT	148.0	635.5	163.9	90.2	-13.5	1,024.1
Earnings from write-ups	0.0	0.4	0.0	0.0	0.0	0.4
Scheduled amortisation and depreciation	-64.7	-365.7	-59.0	-365.2	-30.6	-885.2
Impairment losses	-9.3	-8.9	0.0	-71.7	-0.5	-90.4
Adjusted net profit/loss from entities accounted for using the equity method	0.0	30.7	-4.6	11.9	5.8	43.8
Net profit/loss from entities accounted for using the equity method	0.0	28.8	36.9	11.8	-2.2	75.3
Significant non-cash items	-37.7	22.1	-10.9	-59.8	-11.6	-97.9
Assets and liabilities						
Capital employed	955.6	5,137.1	2,037.3	3,947.7	1,830.9	13,908.6
of which intangible assets, property, plant and equipment and investment property	(729.3)	(7,216.6)	(2,192.5)	(5,400.6)	(451.8)	(15,990.8)
of which carrying amount of entities accounted for using the equity method	(0.0)	(267.7)	(187.0)	(55.7)	(1,417.0)	(1,927.4)
Capital expenditures on intangible assets and property, plant and equipment	56.8	462.0	316.5	207.4	17.5	1,060.2

[1] The figures for the previous year have been restated.

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[1]	2014	2013
Adjusted EBITDA	2,167.4	2,224.7
Non-operating EBITDA	-30.1	-225.0
EBITDA	**2,137.3**	**1,999.7**
Amortisation and depreciation	-2,137.2	-975.6
Earnings before interest and taxes (EBIT)	**0.1**	**1,024.1**
Investment result	25.6	99.6
Financial result	-635.4	-953.0
Earnings before tax (EBT)	**-609.7**	**170.7**

[1] The figures for the previous year have been restated.

Segment reporting is based on internal reporting.

Sales of electricity and gas, as well as the provision of energy-related services such as invoicing 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 decommissioning of nuclear power plants. Assets, liabilities, income and expenses which are attributable to EnBW AG, our shareholdings in EWE Aktiengesellschaft and other activities which cannot be attributed to the segments presented separately are disclosed together with eliminations between the segments under Other/Consolidation. The costs directly attributable to EnBW AG are allocated to the individual segments using allocation keys.

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[1]	31/12/2014	31/12/2013	01/01/2013
Intangible assets	1,783.0	1,844.1	1,930.2
Property, plant and equipment	13,681.7	14,069.7	13,920.2
Investment properties	75.8	77.0	81.5
Investments[2]	2,133.9	2,091.6	2,375.4
Inventories[3]	1,135.4	1,320.0	1,131.5
Current trade receivables[4]	3,168.2	3,725.3	3,900.8
Other assets[5]	2,745.5	2,121.9	2,805.6
of which income tax refund claims	(460.7)	(356.0)	(186.5)
of which assets held for sale	(104.5)	(90.3)	(681.1)
of which other tax refund claims	(75.5)	(102.6)	(137.4)
of which derivatives	(1,559.4)	(1,041.3)	(1,356.8)
of which payments on account made	(110.1)	(99.6)	(104.6)
of which prepaid expenses	(56.8)	(45.3)	(46.1)
of which sundry assets	(520.6)	(495.7)	(451.7)
of which non-current trade receivables	(678.6)	(631.9)	(557.4)
of which assets attributable to net debt	(-820.7)	(-740.8)	(-716.0)
Other provisions	-1,596.4	-1,602.8	-1,144.2
Trade payables and other liabilities[6]	-7,943.6	-7,560.7	-7,174.9
of which payments on account received	(-149.9)	(-82.0)	(-88.9)
of which trade payables	(-3,821.5)	(-3,608.5)	(-3,472.9)
of which other deferred income	(-202.4)	(-216.9)	(-231.4)
of which derivatives	(-1,818.9)	(-1,641.6)	(-1,717.8)
of which income tax liabilities	(-465.2)	(-582.4)	(-544.2)
of which other liabilities	(-1,446.9)	(-1,404.3)	(-1,134.8)
of which liabilities directly associated with the assets classified as held for sale	(-48.5)	(-32.6)	(-0.6)
of which liabilities attributable to net debt	(9.7)	(7.6)	(15.7)
Subsidies	-1,361.7	-1,479.6	-1,566.3
Deferred taxes[7]	-218.9	-697.9	-952.5
Capital employed	**13,602.9**	**13,908.6**	**15,307.3**

[1] The figures for the previous years have been restated.
[2] Including entities accounted for using the equity method, shares in affiliated entities and other investments allocable to operating activities.
[3] Excluding CO_2 allowances purchased for future electricity generation.
[4] Excluding affiliated entities.
[5] Excluding affiliated entities, excluding non-current receivables associated with nuclear power provisions.
[6] Excluding affiliated entities, excluding non-controlling interests in fully consolidated partnerships recognised as liabilities.
[7] 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[1]	2014	2013
Germany	19,509.4	18,694.0
European currency zone excluding Germany	386.7	394.9
Rest of Europe	1,106.4	1,455.9
	21,002.5	**20,544.8**

[1] The figures for the previous year have been restated.

External revenue by product

in € million[1]	2014	2013
Electricity	16,554.8	16,339.4
Gas	3,479.1	3,358.5
Energy and environmental services	968.6	846.9
	21,002.5	**20,544.8**

[1] The figures for the previous year have been restated.

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

in € million[1]	31/12/2014	31/12/2013	01/01/2013
Germany	13,985.9	14,434.1	14,345.0
Rest of Europe	1,554.6	1,556.7	1,586.8
Rest of world	0.0	0.0	0.1
	15,540.5	**15,990.8**	**15,931.9**

[1] The figures for the previous years have been restated.

(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 2014, 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. NECKAPRI-Beteiligungsgesellschaft mbH is a wholly owned subsidiary of NECKARPRI GmbH. Zweckverband Oberschwäbische Elektrizitätswerke directly 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 indirectly. 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 2014. 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 joint ventures accounted for using the equity method are as follows:

Income statement

in € million	2014	2013
Revenue	28.0	9.7
Cost of materials	-7.4	-4.0
Financial result	1.6	1.0

Balance sheet

in € million	31/12/2014	31/12/2013
Receivables	4.4	2.6
Liabilities	7.2	4.6

Revenues and costs of materials result predominantly from electricity supply and procurement contracts. Receivables and liabilities are due within one year. All business relations with joint ventures were based on customary market terms and conditions. Contingent liabilities and other financial commitments to these entities are described in note (28) "Contingent liabilities and other financial commitments".

In the course of ordinary business activities, relationships also exist with associated companies, including, amongst others, municipal entities (municipal utilities, in particular), that are accounted for using the equity method. Goods and service transactions with these entities took place based on customary market terms and conditions and had the following impact on the income statement and balance sheet of the EnBW Group:

Income statement

in € million	2014	2013
Revenue	327.0	273.2
Cost of materials	-269.0	-296.6
Financial result	0.5	-0.3

Balance sheet

in € million	31/12/2014	31/12/2013
Other loans	12.1	9.8
Receivables	26.5	20.6
Payments on account	9.0	13.9
Liabilities	40.4	44.6

The receivables and liabilities for the reporting period are generally due within one year. Contingent liabilities and other financial commitments to these entities are described in note (28) "Contingent liabilities and other financial commitments".

The business relationships in joint operations, whose assets, liabilities, income and expenses have been reported on a proportional basis, are as follows:

Income statement

in € million	2014	2013
Revenue	1.2	2.8
Cost of materials	-6.3	-8.9

Balance sheet

in € million	31/12/2014	31/12/2013
Receivables	0.0	1.3
Liabilities	0.2	3.8

Revenues and the cost of materials result predominantly from business in the areas of electricity and gas. Receivables and liabilities are due within one year. All business relationships with joint ventures were conducted at customary market terms and conditions. Contingent liabilities and other financial commitments to these entities are described in note (28) "Contingent liabilities and other financial commitments".

Related parties also include the EnBW Trust e.V., which manages the plan assets for securing the 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 2014 financial year amounted to €7.5 million (previous year: €6.6 million). Short-term benefits amount to €5.0 million (previous year: €5.5 million) and long-term benefits to €2.5 million (previous year: €1.1 million). After stepping down from his position on the Board of Management as of 30 September 2014, Dr. Dirk Mausbeck was awarded compensation for observing competitive restrictions to the amount of €1,377,734.88 in accordance with his service contract, which – taking into account income received – is to be paid in equal monthly instalments up to 30 September 2016. The addition to the pension obligations for this group of people was €1.1 million (previous year: €1.1 million) in the 2014 financial year including service and interest costs. There are defined benefit obligations in accordance with IFRS of €14.5 million for the current members of the Board of Management (previous year: €10.3 million).

Former members of the Board of Management and their surviving dependants received €5.9 million (previous year: €4.3 million). There are defined benefit obligations to former members of the Board of Management and their surviving dependants in accordance with IFRS of €73.9 million (previous year: €63.1 million).

As in the previous year, no loans or advances had been granted to members of the Board of Management 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 €1.0 million for the 2014 financial year (previous year: €1.0 million). The remuneration includes fixed and variable components, attendance fees and board remuneration from subsidiaries.

As in the previous year, no loans or advances were granted to members of the Supervisory Board in the 2014 financial year.

(39) Additional disclosures

List of shareholdings pursuant to Sec. 313 (2) of the HGB as of 31 December 2014

		Footnote	Capital share[1] (in %)	Equity[2] (in T€)	Earnings[2] (in T€)
Sales segment					
Subsidiaries					
1	ED GrünSelect GmbH, Rheinfelden	6	100.00	487	-13
2	EnBW EnergyWatchers GmbH, Stuttgart	3	100.00	250	–
3	EnBW Gas Verwaltungsgesellschaft mbH, Karlsruhe (formerly EnBW Eni Verwaltungsgesellschaft mbH, Karlsruhe)	15	100.00	0	0
4	EnBW Mainfrankenpark GmbH, Dettelbach		100.00	3,524	222
5	EnBW Propower GmbH, Eisenhüttenstadt	3	100.00	25	–
6	EnBW VertriebsInvestments GmbH, Stuttgart (formerly SüdBest GmbH, Stuttgart)		100.00	12,759	1,260
7	energieNRW GmbH, Düsseldorf	5	100.00	1,139	463
8	ESD Energie Service Deutschland AG, Offenburg		100.00	-16,694	-445
9	eYello CZ a.s., Prague/Czech Republic	5	100.00	547	-247
10	GasVersorgung Süddeutschland GmbH, Stuttgart	3	100.00	65,000	–
11	Gasversorgung Unterland GmbH, Heilbronn		100.00	8,225	1,397
12	NaturEnergie AG, Grenzach-Whylen	6	100.00	7,538	1,864
13	NaturEnergie+ Deutschland GmbH, Rheinfelden		100.00	3,820	215
14	Sales & Solutions GmbH, Frankfurt am Main	3	100.00	75,618	–
15	Thermogas Gas- und Gerätevertriebs-GmbH, Stuttgart	3	100.00	259	–
16	Watt Synergia GmbH, Frankfurt am Main	3	100.00	250	–
17	Yello Strom GmbH, Cologne	3	100.00	1,100	–
18	ZEAG Immobilien GmbH & Co. KG, Heilbronn		100.00	4,153	1,273
19	grünES GmbH, Esslingen am Neckar		51.00	106	5
20	Energiedienstleistungen Rhein-Neckar GmbH, Ludwigshafen	9	50.00	1,613	363
21	Energie- und Medienversorgung Sandhofer Straße GmbH & Co. KG, Mannheim	9	49.91	3,500	2,512
22	Pražská energetika a.s., Prague/Czech Republic	18	41.40	352,446	70,671
Non-consolidated affiliated entities					
23	EZG Operations GmbH, Wismar	5	100.00	117	-5
24	WECO Flüssiggas Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	23	0
25	ZEAG Immobilien Verwaltungsgesellschaft mbH, Heilbronn	5	100.00	40	2
26	WECO Flüssiggas GmbH & Co. KG, Stuttgart	5	90.00	1,446	62
27	Energie- und Medienversorgung Sandhofer Straße Verwaltungs GmbH, Mannheim	5	50.00	43	2
Investments[17]					
28	AQUANTO GmbH, Unterföhring (formerly VEN Energie- und Dienstleistungs-GmbH, Unterföhring)	13	50.00	–	–
29	my-e-car GmbH, Lörrach	13	50.00	–	–
30	Einhorn Energie GmbH & Co. KG, Giengen an der Brenz	5	49.90	613	63
31	Einhorn Energie Verwaltungsgesellschaft mbH, Giengen an der Brenz	5	49.90	25	1
32	Stadtwerke Freiberg a.N. Vertriebs-GmbH, Freiberg am Neckar	13	49.90	–	–
33	Gasversorgung Pforzheim Land GmbH, Pforzheim	5	49.00	15,636	1,875
34	Lernende EnergieEffizienz-Netzwerke GmbH, Karlsruhe	5	37.50	32	-77

		Footnote	Capital share[1] (in %)	Equity[2] (in T€)	Earnings[2] (in T€)
35	espot GmbH, Stuttgart	5	25.10	331	176
36	KEA-Beteiligungs-GbR "Energie", Karlsruhe	8	20.80	–	–
37	EDSR Energiedienste Staldenried AG, Staldenried/Switzerland	5	20.00	178	9
Grids segment					
Subsidiaries					
38	ED Netze GmbH, Rheinfelden (formerly Energiedienst Netze GmbH, Rheinfelden)	3, 6	100.00	30,165	–
39	EnBW Kommunale Investments GmbH, Stuttgart	3	100.00	995,226	–
40	EnBW REG Beteiligungsgesellschaft mbH, Stuttgart	3	100.00	481,685	–
41	EVGA Grundstücks- und Gebäudemanagement GmbH & Co. KG, Obrigheim		100.00	91,621	14,622
42	NeckarCom Telekommunikation GmbH, Stuttgart	3	100.00	511	–
43	Netze BW GmbH, Stuttgart (formerly EnBW Regional AG, Stuttgart)	3	100.00	1,130,860	–
44	Netze-Gesellschaft Südwest mbH, Karlsruhe (formerly Erdgas Südwest Netz GmbH, Karlsruhe)	3	100.00	25	–
45	Netzgesellschaft Düsseldorf mbH, Düsseldorf (formerly Stadtwerke Düsseldorf Netz GmbH, Düsseldorf)	3, 5	100.00	1,000	–
46	Netzgesellschaft Ostwürttemberg DonauRies GmbH, Ellwangen Jagst (formerly Netzgesellschaft Ostwürttemberg GmbH, Ellwangen Jagst)	3	100.00	135	–
47	NHF Netzgesellschaft Heilbronn-Franken mbH, Heilbronn	3	100.00	1,000	–
48	NWS Grundstücksmanagement GmbH & Co. KG, Obrigheim		100.00	320,933	54,285
49	NWS REG Beteiligungsgesellschaft mbH, Stuttgart	3	100.00	89,159	–
50	PREdistribuce a.s., Prague/Czech Republic	5	100.00	707,663	47,454
51	PREmereni a.s., Prague/Czech Republic	5	100.00	10,632	1,306
52	RBS wave GmbH, Stuttgart	3	100.00	503	–
53	terranets bw GmbH, Stuttgart	3	100.00	90,000	–
54	TransnetBW GmbH, Stuttgart	3	100.00	178,141	–
55	EnBW Ostwürttemberg DonauRies AG, Ellwangen	3	99.73	115,439	–
56	ZEAG Energie AG, Heilbronn		98.26	176,089	21,778
57	Erdgas Südwest GmbH, Karlsruhe		79.00	55,739	19,781
58	NetCom BW GmbH, Ellwangen (formerly ODR Technologie Services GmbH, Ellwangen)		74.90	51,316	-4,350
59	Stadtwerke Düsseldorf AG, Düsseldorf	5	54.95	372,437	19,704
60	Stromnetzgesellschaft Heilbronn GmbH & Co. KG, Heilbronn	9	49.90	33,692	0
61	Neckar Netze GmbH & Co. KG, Esslingen am Neckar	9	49.00	25,967	5,861
Non-consolidated affiliated entities					
62	Elektrizitätswerk Aach GmbH, Aach	5	100.00	2,010	957
63	Energieversorgung Gaildorf OHG der EnBW Kommunale Investments GmbH und NWS REG Beteiligungsgesellschaft mbH, Gaildorf	5	100.00	2,701	1,071
64	Energieversorgung Raum Friedrichshafen GmbH & Co. KG, Stuttgart	5	100.00	1,265	-18
65	Energieversorgung Raum Friedrichshafen Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	26	1
66	HEV Hohenloher Energie Versorgung GmbH, Ilshofen-Obersteinach (formerly EBT Elektrizitätswerk Braunsbach-Tullau GmbH, Ilshofen-Obersteinach)	3, 5	100.00	1,319	–
67	Neckar Netze Verwaltungsgesellschaft mbH, Esslingen am Neckar	5	100.00	99	4

		Footnote	Capital share[1] (in %)	Equity[2] (in T€)	Earnings[2] (in T€)
68	SWS Netzbetreiber GmbH, Stuttgart (formerly EnBW Omega Fünfzigste Verwaltungsgesellschaft mbH, Stuttgart)	13	74.90	–	–
69	Rieger GmbH & Co. KG, Lichtenstein, Kreis Reutlingen	5	74.28	269	613
70	Rieger Beteiligungs-GmbH, Lichtenstein, Kreis Reutlingen	5	74.24	59	2
71	Elektrizitätswerk Weißenhorn AG, Weißenhorn	5	63.24	3,111	420
72	Gasnetzgesellschaft Laupheim GmbH & Co. KG, Laupheim	5	50.10	2,990	112
73	Gasnetzgesellschaft Laupheim Verwaltungs GmbH, Laupheim	5	50.10	25	-1
74	Netzgesellschaft Elz-Neckar GmbH & Co. KG, Obrigheim	5	50.10	1,218	108
75	Netzgesellschaft Elz-Neckar Verwaltungs GmbH, Obrigheim	5	50.10	27	1
76	Stromnetzgesellschaft Albershausen GmbH & Co. KG, Albershausen	5	50.10	787	44
77	Stromnetzgesellschaft Albershausen Verwaltungs GmbH, Albershausen	5	50.10	25	1
78	Stromnetzgesellschaft Heilbronn Verwaltungs-GmbH, Heilbronn (formerly EnBW Omega Dreiundvierzigste Verwaltungsgesellschaft mbH, Stuttgart)	13	50.10	–	–
79	Stromnetzgesellschaft Laupheim GmbH & Co. KG, Laupheim	5	50.10	2,306	102
80	Stromnetzgesellschaft Laupheim Verwaltungs GmbH, Laupheim	5	50.10	24	-1
Entities accounted for using the equity method					
81	Stadtwerke Esslingen am Neckar GmbH & Co. KG, Esslingen am Neckar	5	49.98	56,058	3,570
82	Stadtwerke Hilden GmbH, Hilden	5	49.90	18,301	2,798
83	Pražská energetika Holding a.s., Prague/Czech Republic	5, 10	49.00	222,296	38,049
84	Zweckverband Landeswasserversorgung, Stuttgart	5	27.20	108,587	-252
85	Heilbronner Versorgungs GmbH, Heilbronn	4, 5	25.10	36,375	–
86	SWS Netzinfrastruktur GmbH, Stuttgart (formerly EnBW Omega Neunundvierzigste Verwaltungsgesellschaft mbH, Stuttgart)	10, 13	25.10	–	–
87	FairEnergie GmbH, Reutlingen	4, 5	24.90	97,766	–
88	Zweckverband Bodensee-Wasserversorgung, Stuttgart	5	22.13	149,351	0
89	Stadtwerke Karlsruhe GmbH, Karlsruhe	4, 5	20.00	165,710	–
Investments[17]					
90	Netzgesellschaft Sontheim GmbH & Co. KG, Sontheim an der Brenz	5	74.90	1,494	293
91	Netzgesellschaft Sontheim Verwaltungsgesellschaft mbH, Sontheim an der Brenz	5	74.90	25	0
92	Netzgesellschaft Steinheim GmbH & Co. KG, Steinheim am Albuch	5	74.90	207	97
93	Netzgesellschaft Steinheim Verwaltungsgesellschaft mbH, Steinheim am Albuch	5	74.90	25	0
94	Stromnetz Herrenberg Verwaltungsgesellschaft mbH, Herrenberg	5	74.90	27	1
95	Stromnetzgesellschaft Hechingen GmbH & Co. KG, Hechingen	5	74.90	1,524	151
96	Stromnetzgesellschaft Hechingen Verwaltungs GmbH, Hechingen	5	74.90	25	0
97	Stromnetzgesellschaft Herrenberg mbH & Co. KG, Herrenberg	5	74.90	3,865	417
98	Stadtwerke Sinsheim Versorgungs GmbH & Co. KG, Sinsheim	5	60.00	11,816	1,292
99	Stadtwerke Sinsheim Verwaltungs GmbH, Sinsheim	5	60.00	24	1
100	Stromnetz Langenau GmbH & Co. KG, Langenau	5	50.10	2,657	153

		Footnote	Capital share[1] (in %)	Equity[2] (in T€)	Earnings[2] (in T€)
101	Stromnetz Langenau Verwaltungs-GmbH, Langenau	5	50.10	27	1
102	CESOC AG, Laufenburg/Switzerland	5	50.00	191	6
103	e.wa riss GmbH & Co. KG, Biberach	5	50.00	20,388	1,402
104	e.wa riss Verwaltungsgesellschaft mbH, Biberach	5	50.00	66	1
105	Energieversorgung Südbaar GmbH, Blumberg	5	50.00	3,960	541
106	Fränkische Wasser Service GmbH, Crailsheim	5	50.00	32	2
107	HDRegioNet GmbH, Düsseldorf	5	50.00	42	-7
108	Niederrheinisch-Bergisches Gemeinschaftswasserwerk GmbH, Düsseldorf	5	50.00	2,217	91
109	Ostalbwasser Ost GmbH, Ellwangen	5	50.00	30	1
110	Ostalbwasser Service GmbH, Aalen	5	50.00	78	2
111	Ostalbwasser West GmbH, Schwäbisch Gmünd	5	50.00	44	4
112	regioaqua Gesellschaft für Wasser und Abwasser mbH, Rheinfelden	5	50.00	83	14
113	Stadtwerke Schramberg GmbH & Co. KG, Schramberg	5	50.00	11,950	2,246
114	Stadtwerke Schramberg Verwaltungsgesellschaft mbH, Schramberg	5	50.00	59	3
115	Wasserübernahme Neuss-Wahlscheid GmbH, Neuss	5	50.00	332	33
116	Stadtwerke Emmendingen GmbH, Emmendingen	5	49.90	18,373	3,040
117	Stromnetz Blaubeuren GmbH, Blaubeuren	5	49.90	1,156	106
118	Stadtwerke Esslingen-Verwaltungsgesellschaft mbH, Esslingen am Neckar	5	49.80	37	1
119	Energie Sachsenheim GmbH & Co. KG, Sachsenheim	5	49.00	3,780	274
120	Energie Sachsenheim Verwaltungs-GmbH, Sachsenheim	5	49.00	25	0
121	Gemeindewerke Bodanrück GmbH & Co. KG, Allensbach (formerly Netzgesellschaft Bodanrück GmbH & Co. KG, Stuttgart)	13	49.00	–	–
122	Gemeindewerke Bodanrück Verwaltungs-GmbH, Allensbach (formerly EnBW Omega Einundvierzigste Verwaltungsgesellschaft mbH, Stuttgart)	13	49.00	–	–
123	LEO Energie GmbH & Co. KG, Leonberg	4, 5	49.00	7,905	–
124	Netzgesellschaft Marbach GmbH & Co. KG, Marbach am Neckar	5	49.00	1,697	114
125	Stadtwerke Backnang GmbH, Backnang	4, 5	49.00	8,725	–
126	Stadtwerke Bad Wildbad GmbH & Co. KG, Bad Wildbad	5	49.00	6,896	960
127	Stadtwerke Bad Wildbad Verwaltungs-GmbH, Bad Wildbad	5	49.00	29	1
128	Stadtwerke Eppingen GmbH & Co. KG, Eppingen	13	48.96	–	–
129	Energie Calw GmbH, Calw	4, 5	48.82	11,161	–
130	Stadtwerke Münsingen GmbH, Münsingen	5	45.00	5,938	501
131	Stadtwerke Böblingen GmbH & Co. KG, Böblingen	8	41.10	–	–
132	Stadtwerke Böblingen Verwaltungs GmbH, Böblingen	8	41.10	–	–
133	SUEnergie GmbH & Co. KG, Süßen	5	40.00	1,374	70
134	SUEnergie Verwaltungs GmbH, Süßen	5	40.00	27	1
135	Stadtwerke Weinheim GmbH, Weinheim	5	39.32	26,948	2,299
136	Energieversorgung Rottenburg am Neckar GmbH, Rottenburg am Neckar	4, 5	38.00	7,160	–
137	EVG Grächen AG, Grächen/Switzerland	5	35.00	4,227	96
138	EVN Energieversorgung Nikolai AG, St. Niklaus/Switzerland	5, 7	35.00	982	62

		Footnote	Capital share[1] (in %)	Equity[2] (in T€)	Earnings[2] (in T€)
139	EVR Energieversorgung Raron AG, Raron/Switzerland	5, 7	35.00	701	63
140	EVWR Energiedienste Visp – Westlich Raron AG, Visp/Switzerland	5	35.00	1,607	426
141	Valgrid SA, Sion/Switzerland	5	35.00	16,748	284
142	VED Visp Energie Dienste AG, Visp/Switzerland	5, 7	35.00	1,499	184
143	ErmstalEnergie Dettingen an der Erms GmbH & Co. KG, Dettingen an der Erms (formerly Versorgungsbetriebe Dettingen an der Erms GmbH & Co. KG, Dettingen an der Erms)	13	32.60	–	–
144	Versorgungsbetriebe Dettingen an der Erms Verwaltungs-GmbH, Dettingen an der Erms	13	32.60	–	–
145	eneREGIO GmbH, Muggensturm	5	32.00	8,570	325
146	Regionalnetze Linzgau GmbH, Pfullendorf	3, 5	31.64	6,462	–
147	Elektrizitätswerk Mittelbaden AG & Co. KG, Lahr	5	31.00	60,229	12,315
148	Elektrizitätswerk Mittelbaden Verwaltungsaktiengesellschaft, Lahr	5	31.00	103	6
149	Stadtwerke Bad Herrenalb GmbH, Bad Herrenalb	5	30.00	10,536	-1,064
150	Energie- und Wasserversorgung Bruchsal GmbH, Bruchsal	4, 5	27.41	23,002	–
151	Stadtwerke Bad Säckingen GmbH, Bad Säckingen	3, 5	26.30	8,673	–
152	Albwerk GmbH & Co. KG, Geislingen an der Steige	5	25.10	16,994	4,330
153	Albwerk Verwaltungsgesellschaft mbH, Geislingen an der Steige	5	25.10	66	3
154	Energie Kirchheim unter Teck GmbH & Co. KG, Kirchheim unter Teck	5	25.10	100	-9
155	Energie Kirchheim unter Teck Verwaltungs-GmbH, Kirchheim unter Teck	5	25.10	25	–
156	Energieversorgung Immenstaad GmbH & Co. KG, Immenstaad am Bodensee	13	25.10	–	–
157	Gasnetzgesellschaft Schorndorf GmbH & Co. KG, Schorndorf	13	25.10	–	–
158	Gasnetzgesellschaft Winnenden mbH, Winnenden	4, 5	25.10	2,275	–
159	Gasnetzverwaltungsgesellschaft Schorndorf GmbH, Schorndorf (formerly EnBW Omega Achtundvierzigste Verwaltungsgesellschaft mbH, Stuttgart)	13	25.10	–	–
160	Gemeindewerke Brühl GmbH & Co. KG, Brühl	8	25.10	–	–
161	Gemeindewerke Brühl Verwaltungs-GmbH, Brühl (formerly Netzgesellschaft Brühl Verwaltungs-GmbH, Brühl)	8	25.10	–	–
162	Gemeindewerke Plüderhausen GmbH, Plüderhausen	4, 5	25.10	1,598	–
163	Infrastrukturgesellschaft Plochingen GmbH & Co. KG, Plochingen	13	25.10	–	–
164	Netzgesellschaft Besigheim GmbH & Co. KG, Besigheim	5	25.10	4,142	195
165	Netzgesellschaft Besigheim Verwaltungs GmbH, Besigheim (formerly Netzgesellschaft Besigheim Verwaltungs GmbH, Stuttgart)	5	25.10	25	1
166	Netzgesellschaft Leinfelden-Echterdingen GmbH, Leinfelden-Echterdingen	5	25.10	4,419	142
167	Netzgesellschaft Salach GmbH & Co. KG, Salach	5	25.10	1,256	67
168	Netzgesellschaft Salach Verwaltungs GmbH, Salach	5	25.10	25	0
169	Netzgesellschaft Vaihingen GmbH & Co. KG, Vaihingen an der Enz	8	25.10	–	–
170	Netzgesellschaft Vaihingen Verwaltungs-GmbH, Vaihingen an der Enz	8	25.10	–	–
171	Stadtwerke Ellwangen GmbH, Ellwangen	4, 5	25.10	7,302	–
172	Stadtwerke Giengen GmbH, Giengen	5	25.10	11,152	530

		Footnote	Capital share[1] (in %)	Equity[2] (in T€)	Earnings[2] (in T€)
173	Stadtwerke Schwäbisch Gmünd GmbH, Schwäbisch Gmünd	4, 5	25.10	26,151	–
174	Stadtwerke Stockach GmbH, Stockach	5	25.10	9,094	935
175	Stadtwerke Weinstadt Energieversorgung GmbH, Weinstadt	4, 5	25.10	3,704	–
176	Stromnetzgesellschaft Ebersbach GmbH & Co. KG, Ebersbach an der Fils	5	25.10	3,245	161
177	Stromnetzgesellschaft Ebersbach Verwaltungs GmbH, Ebersbach an der Fils	5	25.10	26	1
178	Stromnetzgesellschaft Östlicher Schurwald GmbH & Co. KG, Rechberghausen	5	25.10	2,825	142
179	Stromnetzgesellschaft Östlicher Schurwald Verwaltungs GmbH, Rechberghausen	5	25.10	24	0
180	Technische Werke Schussental GmbH & Co. KG, Ravensburg	5	25.10	30,070	4,339
181	Technische Werke Schussental Verwaltungsgesellschaft mbH, Ravensburg	5	25.10	26	-3
182	Stadtwerke Nürtingen GmbH, Nürtingen	5	25.00	22,453	4,599
183	Stromversorgung Sulz am Neckar GmbH, Sulz am Neckar	5	24.90	3,585	327
184	Netzeigentumsgesellschaft Rheinstetten GmbH & Co. KG, Rheinstetten	5	24.50	2,417	32
185	Stadtwerke Wehr GmbH & Co. KG, Wehr	8	24.50	–	–
186	Stadtwerke Wehr Verwaltungs-GmbH, Wehr	8	24.50	–	–
187	Energieversorgung Oberes Wiesental GmbH, Todtnau	5	24.00	3,728	5
188	Netzgesellschaft Edingen-Neckarhausen GmbH & Co. KG, Edingen-Neckarhausen	13	24.00	–	–
189	ENRW Energieversorgung Rottweil GmbH & Co. KG, Rottweil	5	20.00	23,502	1,540
190	ENRW Verwaltungs-GmbH, Rottweil	5	20.00	15	0
191	Stadtwerke Sindelfingen GmbH, Sindelfingen	5	20.00	31,468	4,239
Renewable Energies segment					
Subsidiaries					
192	Aletsch AG, Mörel/Switzerland	6	100.00	20,810	494
193	EnAlpin AG, Visp/Switzerland	6	100.00	171,852	12,952
194	EnBW Baltic 2 GmbH & Co. KG, Rostock (formerly EnBW Baltic 2 GmbH, Börgerende-Rethwisch)		100.00	1,151,135	21,093
195	EnBW Biogas GmbH, Stuttgart	3	100.00	52	–
196	EnBW He Dreiht GmbH, Varel	3	100.00	891	–
197	EnBW Hohe See GmbH, Stuttgart	3	100.00	1,025	–
198	EnBW Offshore 1 GmbH, Stuttgart (formerly EnBW Omega Siebzehnte Verwaltungsgesellschaft mbH, Karlsruhe)	3, 6	100.00	30,118	–
199	EnBW Offshore 2 GmbH, Stuttgart	3	100.00	1,288,773	–
200	EnBW Offshore Service GmbH, Klausdorf-Barhöft	3	100.00	25	–
201	EnBW Omega Siebenundvierzigste Verwaltungsgesellschaft mbH, Stuttgart		100.00	25	0
202	EnBW Solar GmbH, Stuttgart	3	100.00	25	–
203	EnBW Wind Onshore 1 GmbH, Stuttgart	3	100.00	25	–
204	EnBW Wind Onshore 2 GmbH, Stuttgart	3	100.00	2,556	–
205	EnBW Windkraftprojekte GmbH, Stuttgart		100.00	105	-352
206	EnBW Windpark Eisenach II GmbH, Stuttgart		100.00	37,225	436
207	Energiedienst AG, Rheinfelden	6	100.00	195,674	35,662
208	Grünwerke GmbH, Düsseldorf	3, 5	100.00	29,025	–

		Footnote	Capital share[1] (in %)	Equity[2] (in T€)	Earnings[2] (in T€)
209	Northern Energy OWP Albatros GmbH, Aurich	5, 16	100.00	2,869	-15
210	PRE FVE Mikulov, s.r.o., Prague/Tschechische Republik	5, 16	100.00	68	-5
211	PRE FVE Dacice, s.r.o., Prague/Tschechische Republik	5	100.00	187	-274
212	Windfarm Neuruppin GmbH & Co. KG, Leer	15	100.00	0	568
213	Windkraft FiT GmbH, Hamburg	5	100.00	3	-152
214	Windpark Niederlinxweiler GmbH & Co. KG, Leinfelden-Echterdingen		100.00	-50	131
215	EnBW Holding A.S., Gümüssuyu-Istanbul/Turkey		99.99	183,543	-1,199
216	Neckar Aktiengesellschaft, Stuttgart		82.20	10,179	0
217	Geothermie-Gesellschaft Bruchsal GmbH, Bruchsal	6	74.90	-580	-415
218	Energiedienst Holding AG, Laufenburg/Switzerland	6, 11	66.67	813,832	56,028
219	Rheinkraftwerk Neuhausen AG, Neuhausen/Switzerland	6	56.00	1,015	43
220	EnBW Baltic 1 GmbH & Co. KG, Stuttgart		50.32	41,532	7,283
221	EnBW Onshore Portfolio GmbH, Stuttgart		50.02	155,495	-1,969
222	Kraftwerk Lötschen AG, Steg/Switzerland	6, 12	50.00	24,585	650
Joint operations					
223	Rhonewerke AG, Ernen/Switzerland	5, 10	30.00	24,438	975
Non-consolidated affiliated entities					
224	Baltic 2 Windpark Investments GmbH & Co. KG, Stuttgart	5	100.00	58	-2
225	CarbonBW (Thailand) Ltd., Bangkok/Thailand	5	100.00	6,550	0
226	EnBW Baltic 1 Verwaltungsgesellschaft mbH, Stuttgart (formerly EnBW Baltic 1 Verwaltungsgesellschaft mbH, Karlsruhe)	5	100.00	27	-1
227	EnBW Baltic 2 Windpark Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	26	1
228	EnBW Baltic Windpark Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	26	1
229	EnBW Wind Onshore Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	26	3
230	ZEAG Erneuerbare Energien GmbH, Heilbronn	5	100.00	36	11
231	BürgerEnergie Königheim GmbH & Co. KG, Königheim	5	99.00	64	-32
232	Bürgerenergie Widdern GmbH & Co. KG, Widdern	5	99.00	71	-8
233	EE BürgerEnergie Boxberg GmbH & Co. KG, Boxberg	5	99.00	92	-8
234	EE Bürgerenergie Braunsbach GmbH & Co. KG, Braunsbach	5	99.00	67	-22
235	EE Bürgerenergie Bühlerzell GmbH & Co. KG, Bühlerzell	5	99.00	96	-4
236	EE BürgerEnergie Forchtenberg GmbH & Co. KG, Forchtenberg	5	99.00	94	-6
237	EE Bürgerenergie Frankenhardt GmbH & Co. KG, Frankenhardt	5	99.00	94	-6
238	EE BürgerEnergie Jagsthausen GmbH & Co. KG, Jagsthausen	5	99.00	88	-12
239	EE BürgerEnergie Krautheim GmbH & Co. KG, Krautheim	5	99.00	88	-12
240	EE BürgerEnergie Möckmühl GmbH & Co. KG, Möckmühl	5	99.00	92	-8
241	EE BürgerEnergie Neudenau GmbH & Co. KG, Neudenau	5	99.00	93	-7
242	EE Bürgerenergie Sulzbach-Laufen GmbH & Co. KG, Sulzbach-Laufen	5	99.00	95	-5
243	EE Bürgerenergie Hardthausen GmbH & Co. KG, Hardthausen am Kocher	5	98.00	60	-33
244	Holzkraft Plus GmbH, Düsseldorf	5	90.00	211	-10
245	Solarpark Leutkirch GmbH & Co. KG, Leutkirch im Allgäu	5	55.50	8,837	568
246	Solarpark Leutkirch Verwaltungsgesellschaft mbH, Leutkirch im Allgäu	5	55.50	21	1

		Footnote	Capital share[1] (in %)	Equity[2] (in T€)	Earnings[2] (in T€)
247	Alb-Windkraft Verwaltungs GmbH, Geislingen/Steige	8	51.00	–	–
248	JatroSolutions GmbH, Stuttgart	5	50.99	4,691	-763
249	Alb-Windkraft GmbH & Co. KG, Geislingen/Steige	8	25.50	–	–
Entities accounted for using the equity method					
250	Borusan EnBW Enerji yatırımları ve Üretim Anonim Şirketi, Istanbul/Turkey	5, 10	50.00	203,235	7,208
251	Elektrizitätswerk Rheinau AG, Rheinau/Switzerland	5, 7	50.00	19,033	686
252	Rheinkraftwerk Iffezheim GmbH, Iffezheim	5, 10	50.00	117,037	3,409
253	Bayerische-Schwäbische Wasserkraftwerke Beteiligungsgesellschaft mbH, Gundremmingen	5	37.80	63,474	9,025
254	KW Ackersand I AG, Stalden/Switzerland	5	25.00	1,791	95
Investments[17]					
255	biogasNRW GmbH, Düsseldorf	8	50.00	–	–
256	Centrale Electrique Rhénane de Gambsheim SA, Gambsheim/Frankreich	5	50.00	10,454	0
257	Kraftwerk Reckingen AG, Reckingen	5	50.00	3,204	902
258	Onshore Bündelgesellschaft 2 GmbH, Karlsruhe	13	50.00	–	–
259	Rheinkraftwerk Säckingen AG, Bad Säckingen	5	50.00	7,204	300
260	SwissAlpin SolarTech AG, Visp/Switzerland	5, 7	50.00	69	-12
261	Wasserkraftwerk Hausen GbR, Hausen im Wiesental	5	50.00	812	30
262	Windpark Schurwald GmbH, Esslingen am Neckar	5	50.00	24	-1
263	WKM Wasserkraftwerke Maulburg GmbH, Maulburg	5	50.00	4,241	13
264	KW Jungbach AG, St. Niklaus/Switzerland	5, 7	49.00	3,217	-41
265	Obere Donau Kraftwerke AG, Munich	5	40.00	3,180	0
266	TWKW Trinkwasserkraftwerke Niedergesteln AG, Niedergesteln/Switzerland	5	40.00	1,479	160
267	Kraftwerk Ryburg-Schwörstadt AG, Rheinfelden/Switzerland	5, 7	38.00	31,647	1,486
268	EE Bürgerenergie Heilbronn GmbH & Co. KG, Heilbronn	5	37.00	1,000	64
269	Onshore Bündelgesellschaft 1 GmbH, Stuttgart	13	33.33	–	–
270	KWT Kraftwerke Törbel-Moosalp AG, Törbel/Switzerland	5	30.00	824	51
271	Baltic Windpark Investments GmbH & Co. KG, Stuttgart	5	29.17	30,365	2,942
272	ANOG Anergienetz Obergoms AG, Obergomgs/Switzerland	13	24.50	–	–
273	KWOG Kraftwerke Obergoms AG, Obergoms/Switzerland	5	24.50	1,992	-22
274	ClimatePartner Deutschland GmbH, Munich	5	20.00	-913	0
275	Erneuerbare Energien Zollern Alb GmbH, Balingen	5	20.00	96	-4
276	Kooperation Erneuerbare Energien im Landkreis Rottweil GmbH, Schramberg	13	20.00	–	–
277	Wasserkraftwerk Pfinztal GmbH & Co. KG, Pfinztal	5	20.00	287	10
Trade and Generation segment					
Subsidiaries					
278	AWISTA Logistik GmbH, Düsseldorf	3, 5	100.00	3,025	–
279	EnBW Biomasse GmbH, Karlsruhe		100.00	1,728	2,715
280	EnBW Etzel Speicher GmbH, Karlsruhe	3	100.00	725	–
281	EnBW Grundstücksverwaltung Rheinhafen GmbH, Karlsruhe		100.00	1,762	82
282	EnBW Kraftwerk Lippendorf Beteiligungsgesellschaft mbH, Stuttgart	3	100.00	297,640	–

		Footnote	Capital share[1] (in %)	Equity[2] (in T€)	Earnings[2] (in T€)
283	EnBW Rückbauservice GmbH, Stuttgart		100.00	25	0
284	EnBW Speicher GmbH, Stuttgart	3	100.00	100	–
285	Gemeinschaftsheizkraftwerk Fortuna GmbH, Düsseldorf		100.00	25	-1,310
286	Gesellschaft für nukleares Reststoffrecycling mbH, Neckarwestheim		100.00	50	2
287	Heizkraftwerk Stuttgart GmbH, Stuttgart		100.00	5,145	3
288	Kernkraftwerk Obrigheim GmbH, Obrigheim	3	100.00	51,130	–
289	KMS Kraftwerke Grundbesitzmanagement und -service GmbH & Co. KG, Karlsruhe		100.00	234,048	-1,271
290	MSE Mobile Schlammentwässerungs GmbH, Karlsbad-Ittersbach	3	100.00	1,171	–
291	NWS Energiehandel GmbH, Stuttgart	3	100.00	50	–
292	TAE Thermische Abfallentsorgung Ansbach GmbH, Ansbach		100.00	56,952	24,689
293	TPLUS GmbH, Karlsruhe	3	100.00	18,162	–
294	TWS Kernkraft GmbH, Gemmrigheim	3	100.00	149,297	–
295	U-plus Umweltservice AG, Karlsruhe	3	100.00	186,230	–
296	EnBW Kernkraft GmbH, Obrigheim	3	99.80	10,000	–
297	Kraftwerk Bexbach Verwaltungsgesellschaft mbH, Bexbach/Saar		66.67	23,010	1,151
298	AWISTA Gesellschaft für Abfallwirtschaft und Stadtreinigung mbH, Düsseldorf	5	51.00	45,274	14,747
299	KNG Kraftwerks- und Netzgesellschaft mbH, Rostock		50.40	491	8
Joint operations					
300	Friedeburger Speicherbetriebsgesellschaft mbH "Crystal", Friedeburg	10	50.00	133,756	862
Non-consolidated affiliated entities					
301	Südwestdeutsche Nuklear-Entsorgungsgesellschaft mbH, Stuttgart	5	86.49	8,595	539
302	Zentraldeponie Hubbelrath GmbH, Düsseldorf	5, 6	76.00	18,715	234
303	Nahwärme Düsseldorf GmbH, Düsseldorf	5	66.00	2,208	352
304	KWO Rückbau GmbH i.L., Obrigheim		51.00	–	–
Entities accounted for using the equity method					
305	Fernwärme Ulm GmbH, Ulm/Donau	5, 7, 10	50.00	31,471	1,823
306	Schluchseewerk Aktiengesellschaft, Laufenburg/Baden	5	50.00	59,339	2,809
307	Grosskraftwerk Mannheim AG, Mannheim	5	32.00	114,142	6,647
Investments[17]					
308	Fernwärme Rhein-Neckar GmbH, Mannheim	5	50.00	3,452	2,805
309	KDM Kompostierungs- und Vermarktungsgesellschaft für Stadt Düsseldorf/Kreis Mettmann mbH, Ratingen	5	50.00	3,821	380
310	Powerment GmbH, Ettlingen	5	50.00	4,384	2,958
311	RheinWerke GmbH, Düsseldorf	5	50.00	83	-42
312	MOWA Mobile Waschanlagen GmbH, Neunkirchen-Seelscheid	5	49.00	222	93
313	REMONDIS Rhein-Wupper GmbH & Co. KG, Düsseldorf	5	49.00	10,671	4,194
314	REMONDIS Rhein-Wupper Verwaltungs GmbH, Düsseldorf	5	49.00	35	1
315	Fernwärme Zurich AG, Zurich/Switzerland	5	40.00	2,458	1,026
316	HWM Holzwärme Müllheim GmbH, Müllheim	5	33.33	391	98
317	Heizkraftwerk Pforzheim GmbH, Pforzheim	5	30.00	7,179	1,354
318	Contiplan AG, Vaduz/Liechtenstein	8	25.10	–	–

		Footnote	Capital share[1] (in %)	Equity[2] (in T€)	Earnings[2] (in T€)
319	Rheticus AG, Vaduz/Liechtenstein	8	25.10	–	–
320	Beteiligungsgesellschaft der EVU an der Kerntechnischen Hilfsdienst GmbH – GbR, Karlsruhe	8	21.59	–	–
Other/Consolidation					
Subsidiaries					
321	ED Immobilien GmbH & Co. KG, Rheinfelden	6	100.00	0	160
322	ED Immobilien Verwaltungsgesellschaft mbH, Rheinfelden	6	100.00	30	0
323	EnBW City GmbH & Co. KG, Obrigheim		100.00	8,885	7,190
324	EnBW ImmobilienInvestments GmbH, Stuttgart		100.00	488,583	77,710
325	EnBW International Finance B.V., Rotterdam/Niederlande		100.00	1,166,761	34,972
326	EnBW Perspektiven GmbH, Karlsruhe	3	100.00	1,500	–
327	Energiedienst Support GmbH, Rheinfelden	6	100.00	345	58
328	Facilma Grundbesitzmanagement und -service GmbH & Co. Besitz KG, Obrigheim		100.00	199,595	10,162
329	Neckarwerke Stuttgart GmbH, Stuttgart		100.00	1,713,820	47,606
330	NWS Finanzierung GmbH, Karlsruhe	3	100.00	1,237,605	–
331	SBZ Investments GmbH, Karlsruhe		100.00	25	0
332	symbiotic services GmbH, Karlsruhe	3	100.00	25	–
333	Teweratio GmbH, Stuttgart	3	100.00	26	–
334	MURVA Grundstücks-Verwaltungsgesellschaft mbH & Co. KG, Grünwald	5	95.00	-10,996	16
335	EnBW VersicherungsVermittlung GmbH, Stuttgart		51.00	4,889	4,838
Non-consolidated affiliated entities					
336	EBAG Omega Dritte Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	21	0
337	EnBW CZ spol. s.r.o., Prague/Czech Republic	5	100.00	1,276	168
338	EnBW Omega Dreiundfünfzigste Verwaltungsgesellschaft mbH, Karlsruhe	13	100.00	–	–
339	EnBW Omega Dreiundsechzigste Verwaltungsgesellschaft mbH, Karlsruhe	13	100.00	–	–
340	EnBW Omega Einundfünfzigste Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	25	–
341	EnBW Omega Einundsechzigste Verwaltungsgesellschaft mbH, Stuttgart	13	100.00	–	–
342	EnBW Omega Fünfundfünfzigste Verwaltungsgesellschaft mbH, Stuttgart	13	100.00	–	–
343	EnBW Omega Fünfundsechzigste Verwaltungsgesellschaft mbH, Stuttgart	13	100.00	–	–
344	EnBW Omega Neununddreißigste Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	24	-2
345	EnBW Omega Neunundfünfzigste Verwaltungsgesellschaft mbH, Karlsruhe	13	100.00	–	–
346	EnBW Omega Sechsundfünfzigste Verwaltungsgesellschaft mbH, Stuttgart	13	100.00	–	–
347	EnBW Omega Vierundfünfzigste Verwaltungsgesellschaft mbH, Stuttgart	13	100.00	–	–
348	EnBW Omega Vierundsechzigste Verwaltungsgesellschaft mbH, Stuttgart	13	100.00	–	–
349	EnBW Omega Zweiundfünfzigste Verwaltungsgesellschaft mbH, Karlsruhe	13	100.00	–	–

		Footnote	Capital share[1] (in %)	Equity[2] (in T€)	Earnings[2] (in T€)
350	EnBW Omega Zweiundsechzigste Verwaltungsgesellschaft mbH, Karlsruhe	13	100.00	–	–
351	EnBW Real Estate GmbH, Obrigheim	5	100.00	70	8
352	EnBW Senergi Immobilien GmbH, Karlsruhe	5	100.00	75	2
353	KMS Verwaltungsgesellschaft mbH, Stuttgart	5	100.00	40	3
354	SSG Verwaltungsgesellschaft mbH i.L., Kornwestheim		100.00	–	–
Entities accounted for using the equity method					
355	EWE Aktiengesellschaft, Oldenburg	5	26.00	2,086,500	127,900
Investments[17]					
356	GRADUS Investitionsgüter-Vermietungsgesellschaft mbH & Co. Objekt Badenwerk KG, Karlsruhe	5, 6	100.00	0	7
357	Wp Global Germany Private Equity L.P., Wilmington, Delaware/USA	8	100.00	–	–
358	Impulse L.P., Edinburgh/UK	8	99.87	–	–
359	Continuum Capital Limited Partnership, Edinburgh/UK	8	98.00	–	–
360	KOGO Grundstücks-Verwaltungsgesellschaft mbH & Co. KG i.L., Grünwald		95.00	–	–
361	Sirius EcoTech Fonds Düsseldorf GmbH & Co. KG., Düsseldorf	8	78.15	–	–
362	regiodata GmbH, Lörrach	5	35.00	660	107
363	RWE – EnBW Magyaroszág Kft., Budapest/Hungary	5	30.00	374	54
364	E & G Bridge Equity Fonds GmbH & Co. KG, Munich	7, 8	29.97	–	–
365	EFR Europäische Funk-Rundsteuerung GmbH, Munich	5	25.10	2,222	485
366	Ökotec Energiemanagement GmbH, Berlin	5	25.10	363	122
367	KIC InnoEnergy Germany GmbH, Karlsruhe	5	25.00	55	52
368	MVV Energie AG, Mannheim	7, 14	22.48	998,085	78,912

1 Shares of the respective parent company calculated in accordance with Sec. 313 (2) of the HGB (as of: 31/12/2014).
2 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.
3 Profit and loss transfer agreement and/or domination agreement.
4 Profit and loss transfer agreement with third parties.
5 Previous year's figures
6 Preliminary figures.
7 Divergent financial year.
8 Exemption clause Sec. 313 (2) item 4 sentence 3 and 4 of the HGB.
9 Control due to contractual agreement.
10 Joint control pursuant to IFRS 11.
11 Before taking treasury shares of the company into account.
12 Majority of the voting rights.
13 New company, annual financial statements not yet available.
14 No significant influence exists.
15 Commercial merger or accretion in 2014, entered into the commercial register in 2015.
16 Commercial purchase in 2014, entered into the commercial register in 2015.
17 Includes investments that are not accounted for using the equity method because of their minor importance. They are recognised instead at their acquisition costs.
18 Other shareholdings included due to contractual control arrangements.

(40) Disclosures pertaining to 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

EnBW Energie Baden-Württemberg AG has sold 49.89% of the shares in the offshore wind farm EnBW Baltic 2 that were held by its subsidiary EnBW Offshore 2 GmbH to a subsidiary of the Australian financial investor Macquarie Capital Group Limited. A corresponding purchase agreement was signed on 5 January 2015. The purchase price for the shares, which will be transferred to Macquarie Capital after receipt of antitrust approval and following the full commissioning of the offshore wind farm that is expected this summer, is €720 million. At the same time, EnBW will take over the operation of the wind farm and any maintenance tasks and thus also correspondingly expand its service business.

Karlsruhe, 19 February 2015
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 2014. 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 Sec. 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 Sec. 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 Sec. 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.

Mannheim, 19 February 2015
KPMG AG
Wirtschaftsprüfungsgesellschaft

Janz	Stratmann
German Public Auditor	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, 19 February 2015
EnBW Energie Baden-Württemberg AG

Dr. Mastiaux Dr. Beck

Kusterer Dr. Zimmer

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