Annual financial statements for 2015

Stadtwerke Leipzig GmbH

Leipziger
Stadtwerke

Ratios at a glance
Stadtwerke Leipzig GmbH

		2015	2014	2013	2012	2011
Employees and trainees (balance-sheet date)		**672**	**686**	**695**	**953**	**981**
Profit and loss statement						
Sales revenues	€k	1,974,110	2,228,275	3,226,333	4,019,404	4,064,505
of which: Wholesale trading	€k	1,547,418	1,808,209	2,679,585	3,454,266	3,525,526
of which: Energy marketing	€k	371,065	383,931	488,719	471,411	443,419
of which: additional sales revenues	€k	55,627	36,135	58,029	93,727	95,560
EBITDA	€k	67,960	58,118	78,685	92,478	75,735
EBITA	€k	45,436	36,654	57,446	69,977	53,842
EBIT	€k	71,111	65,464	80,820	88,678	76,128
EBIT adjusted	€k	69,148	64,329	79,649	87,510	74,758
EBT	€k	60,354	54,703	67,190	75,851	60,378
Profit/loss before profit transfer	€k	54,373	54,703	67,190	74,548	60,278
EBITDA margin	%	3.4	2.6	2.4	2.3	1.9
EBIT margin	%	3.6	2.9	2.5	2.2	1.9
Balance sheet						
Fixed assets	€k	536,269	520,503	531,634	536,380	592,343
Current assets[1]	€k	124,631	150,485	240,586	285,343	281,003
Balance sheet total	€k	660,900	670,988	772,220	821,723	873,346
Net working capital	€k	–73,505	–8,213	37,242	51,445	15,920
Operational assets	€k	462,764	512,290	568,876	587,825	608,263
Equity	€k	250,066	250,066	250,060	250,060	250,060
Equity ratio	%	37.8	37.3	32.4	30.4	28.6
ROCE	%	14.9	12.6	14.0	14.9	12.3
Return on equity	%	21.8	21.9	26.9	29.8	24.1
Cash flow statement[2]						
Cash flows from operating activities	€k	75,947	67,128	109,300	67,822	105,121
Cash flows from investing activities	€k	–7,667	20,239	–14,271	53,319	–11,130
Cash flows from financing activities	€k	–67,065	–124,726	–91,112	–107,631	–70,587
Financing						
Financial debt	€k	144,799	153,268	199,483	220,033	251,328
Net financial debt	€k	135,344	143,092	189,191	209,609	236,846

[1] Including prepaid expenses
[2] Beginning 2014, calculated according to GAS 21, up to 2013 according to GAS 2

Definition of ratios

EBITDA	Sales revenues + inventory changes + internally produced and capitalised assets + other operating income – cost of materials – personnel expenses – other operating expenses
EBITA	EBITDA – depreciation of tangible and intangible assets
EBIT	EBITA + profit/loss from participations
EBIT adjusted	EBIT – income from the release of special items with an equity portion
EBT (Profit/loss from ordinary activities)	EBIT + interest income – interest expenses
EBITDA margin	EBITDA / sales revenues x 100
EBIT margin	EBIT / sales revenues x 100
Net working capital	Tied-up operational assets (short term assets – cash and cash equivalents + prepaid expenses) – financing through non-interest bearing debt (short-term provisions and liabilities – short term liabilities to banks + deferred income)
Operational assets	Fixed assets + net working capital
Equity ratio	Equity / balance sheet total x 100
ROCE	EBIT adjusted / operational assets
Return on equity	Profit/loss before profit transfer / equity x 100
Financial debt	Liabilities to banks + loans to LVV
Net financial debt	Financial debt – cash and cash equivalents (securities and cash)

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Report of the supervisory board

of Stadtwerke Leipzig GmbH

In the 2015 business year, the composition of Stadtwerke Leipzig GmbH's Supervisory Board was in line with the provisions of the One-Third Participation Act (Drittelbeteiligungsgesetz). The Supervisory Board is made up of 21 members: in 2015 there were 13 shareholder representatives from the City of Leipzig and LVV Leipziger Versorgungs- und Verkehrsgesellschaft mbH and seven employee representatives from Stadtwerke Leipzig GmbH. One place on the shareholder side was vacant in 2015. The Chair of the Supervisory Board is Dr Norbert Menke.

The following changes took place among the Board members in 2015: on the shareholder side, Mr Oliver Beckel, Mr Achim Haas, Mr Tobias Keller, Ms Anett Ludwig and Mr Frank Tornau were appointed to the Supervisory Board in the first quarter. Prof. Dr Thomas Bruckner, Ms Ursula Grimm, Ms Heike König, Mr Volkmar Müller and Prof. Dr Daniela Thrän are no longer members of the Supervisory Board.

Following the election of the employee representatives in the second quarter, Ms Marissa Zorn joined the Supervisory Board on the employee side. As a result of this election, Mr Eckhard Hölzel resigned from the Supervisory Board.

Four ordinary meetings of the Supervisory Board were held during the 2015 financial year. The Supervisory Board also met for three extraordinary meetings.

One resolution was adopted by written consent in 2015.

The Supervisory Board has formed a personnel committee. This committee is composed of an equal number of employee and management representatives and met twice in 2015.

At its meetings, the Supervisory Board was comprehensively informed by the management in oral and written reports about the course of business, the company's position and development, and fundamental business-policy issues, and in this way supervised management. Significant business transactions were the subject of thorough discussions. The focus here was, among other things, on resolutions regarding the submission of a bid to the City of Leipzig as part of a call for tenders for the electricity franchise contract for 19 districts in Leipzig for a term of 20 years and the participation in a company for renewable energy, as well as the 2016 business plan/consolidated business plan for Stadtwerke Leipzig GmbH.

Obligations – resulting from a shareholders' resolution on the implementation of the Leipzig Corporate Governance Code of 17 February 2014 – to implement individual regulations were fully met in the financial statements.

The annual financial statements, the consolidated financial statements, the GmbH management report and the Group management report for the 2015 financial year, all of which had been prepared by the management, were audited and given an unqualified audit certificate by KPMG AG, Wirtschaftsprüfungsgesellschaft, Berlin, which had been appointed as statutory auditor by the Shareholders' Meeting.

The Supervisory Board took note of and approved the result of the audit and inspected the annual financial statements and the management report. No objections were raised. The Supervisory Board approved the annual financial statements and recommended that they be adopted by the Shareholders' Meeting. The Supervisory Board also inspected and approved the consolidated financial statements and the Group management report.

The Supervisory Board would like to thank the employees and the management for their dependable work and to express its recognition of the successful performance of all those involved.

Leipzig, 21 April 2016

Dr Norbert Menke
Chair of the Supervisory Board

Management report for the 2015 business year

Stadtwerke Leipzig GmbH, Leipzig

1 Company principles

1.1 Business model

In terms of turnover, Stadtwerke Leipzig GmbH, Leipzig (SW Leipzig) is one of the largest municipal utilities in Germany. This municipal utility and energy service provider pursues a multi-utility approach. On its home market, SW Leipzig is the market leader in a growing city, thanks to efficient and environmentally friendly power generation. As part of the company's operations in Poland, the subsidiary Gdańskie Przedsiębiorstwo Energetyki Cieplnej Sp. z o.o., Danzig (GPEC), is the market leader in the supply of heating to the region around the northern Polish city of Danzig. SW Leipzig is a wholly owned subsidiary of LVV Leipziger Versorgungs- und Verkehrsgesellschaft mbH, Leipzig (LVV).

The company's business activities focus on generating power and heat with modern power-generation plants, providing reliable energy and energy services to customers as well as providing the network infrastructure for supplying electricity, gas and district heating to the city of Leipzig. The portfolio of products and services ranges from the marketing of electricity, gas and heat products, a customer-oriented range of energy-related services, along with metering solutions, portfolio management and power-station marketing. In addition to private and business customers, SW Leipzig's focus is on small and medium-sized enterprises (SMEs) and the real-estate sector. The company is founded on a strong presence in Leipzig; this is complemented by selected trans-regional activities. SW Leipzig is supported in the implementation of its business activities by its subsidiaries and participations.

SW Leipzig's business fields reflect the different levels of the value chain in the energy sector. Power stations are run to generate electricity and heat from both conventional and renewable energy sources. In addition to this, the procurement and portfolio management of electricity, gas, wood and CO_2 certificates are carried out by the Wholesale Energy Trading unit. In addition to selling electricity, gas and heat, the Energy Marketing unit, as the interface with the customer, bundles energy services related to decentralised generation, photovoltaics, energy management, energy efficiency and metering. As an integrated service provider, LAS GmbH, Leipzig (LAS), supports sales activities.

The Networks business unit is organised along the lines of grid ownership and the operation and management of the electricity, gas, and district heating network. Apart from SW Leipzig, which is the owner of the low and medium-voltage grid, this business unit bundles other wholly owned subsidiaries – RETIS Leipzig GmbH, Leipzig (RETIS) as the owner of the gas and district heating grid and Netz Leipzig GmbH, Leipzig (Netz Leipzig) as the owner of the high-voltage grid. Netz Leipzig is also the operator of the electricity and gas grids and in charge of plant management of the district-heating grid. Power was supplied to 42,329 (2014: 41,981) housing units, gas to 24,265 (2014: 23,933) housing units and district heating to 5,557 (2014: 5,486) points of consumption.

SW Leipzig's foreign commitment is bundled in the GPEC Group. In addition to supplying heat to local markets, the GPEC Group generates and markets electricity from renewable energy sources, primarily from hydroelectric plants, and offers energy-related services and products. In order to strengthen the Group, the corporate identities of the subsidiaries under the umbrella of GPEC were harmonised with that of the parent company in the 2015 business year. As a result of an investment in kind by the city of Danzig, SW Leipzig's shareholding decreased to 82.86% (previously: 83.66%).

1.2 Goals and strategies

In an environment of rapidly changing energy markets and stricter regulatory requirements, SW Leipzig aims to gain a sustainable position as a modern energy service provider for central Germany. In this way, it contributes to local municipal public services and the performance of LVV. In doing so, SW Leipzig pursues its mission to guarantee reliable supply in the grid areas managed, to undertake entrepreneurial activities in the various business fields and to serve as an attractive employer. In this context, the strategic focus of the Networks business unit is on winning gas and electricity franchises for Leipzig's outer districts. Marketing focuses primarily on securing market leadership in Leipzig, reasonable growth for energy services as well as expanding heating business. The Generation business unit focuses on adapting existing generation plants to the changed overall conditions and to the growth potential offered by renewable energy. Energy Trading is the central hub for optimising the company's position in the energy sector and is geared to making use of the opportunities in the field of system services.

In 2015, SW Leipzig's strategy was defined in greater detail. In order to achieve the goals listed above, programmes were introduced to boost customer orientation, to improve competitiveness, especially by adapting cost structures, and to develop the corporate culture further.

Various strategically important milestones were reached in 2015. The awarding of the gas franchises for the city districts incorporated into the city of Leipzig enabled SW Leipzig to take a first step towards assuming responsibility for reliable energy grids throughout the city district of Leipzig. The commissioning of the thermal storage facility and the installation of two hot-water generators to boost its capacity marked the end of the implementation of the latest concept to secure district heating. Furthermore, additional operational improvements were carried out at the gas and steam turbine plant, SW Leipzig's CHP plant, in order to address the growing importance of the flexibility of conventional power-generation capacity. Progress was also made in the further-development of the customer service process. Another priority in 2015 was the development of a new pricing system for district heating. This new system was launched in the fourth quarter and now forms the basis for the successful continuation of district heating business.

SW Leipzig is determined to grow in order to strengthen its position on the market. This includes investing in power-generation plants and/or expanding its own power-generation capacity using renewable energy sources and with a focus on wind projects. In 2015, various models and potentials were identified and defined in detail in this context.

2 Economic report

2.1 General economic climate and industry-specific conditions

According to estimates by leading economic research institutes, gross domestic product rose in 2015 by 1.8% against the previous year.

Intense political debate regarding the future of energy supply in Germany and Europe, also with a view to climate protection even globally, is leading to persistently uncertain conditions. Once again in 2015, a host of new regulations came into effect as part of energy legislation which either directly or indirectly impact SW Leipzig's business fields.

The White Paper for the Electricity Market that was adopted in 2015 is of particular importance in this context. This White Paper is designed to end the extensive energy-policy debate regarding the electricity market and supply certainty. Despite extraordinary efforts, the sector was not able to push through a number of demands. The White Paper, for instance, does not foresee any remunerated capacity mechanisms for power stations. Elements beyond this, such as balancing group loyalty, load flexibility, aggregation of loads and further development of grid remuneration schemes, will impact how companies develop across the entire sector. The revision of the Law on the Combination of Heat and Power Generation is extremely important for the sector, because it takes into account the importance of this technology in many areas. That being said, however, not all of the proposals put forward by the sector were accepted. The hoped-for positive effects on the positioning of the Leipzig gas and steam turbine plant did not materialise.

In connection with the regulation of the wholesale markets, banks and other market participants are withdrawing from the wholesale market for electricity and gas. As a result, liquidity levels in trading are falling, especially in the longer-term futures market. The shift in trading volumes to the short-term sphere continues unabated, mostly due to the ongoing increase in renewable energy fed into the grid. Furthermore, there has been a decline in price fluctuations, particularly in futures. Regulatory requirements, mostly involving reporting obligations, are leading to higher legal costs.

In the Networks business field, the focus in the 2015 business year was on the discussion regarding the revision of the Incentive Regulation Ordinance (ARegV). In addition to proposals to adapt this Ordinance, which were included in the Incentive Regulation Evaluation Report by the Federal Network Agency (BNetzA), the Federal Ministry for Economic Affairs and Energy (BMWi) has published a key issues paper. The smart-meter rollout was also a priority for revised regulation. On 4 November 2015, the Federal Cabinet passed a draft law for the digitisation of the energy revolution. An import aspect of this law is the Law on the Operation of Metering Points contained there which determines, among other things, the economic framework and time schedule for the installation of state-of-the-art meters and smart metering systems. This law is due to come into effect in mid-2016 and the first roll-out will already begin early in 2017.

2.2 Business development

The profit before profit transfer recorded for the 2015 business year, which is on the same level as the previous year, is €5m below expectations compared to the €59.4m forecast in the business plan.

Ratios in €m

	2015	2014	Change absolute	Planned value 2015
Sales revenues	1,974.1	2,228.3	–254.2	2,279.3
Gross margin	133.0	117.2	15.8	146.8
EBIT	71.1	65.5	5.6	73.4
Profit/loss from ordinary activities	54.4	54.7	–0.3	59.4
Investments	69.6	26.1	43.5	108.2

SW Leipzig recorded operating profit (EBIT) of €71.1m which is up €5.6m against the previous year. The difference between EBIT and the profit to be transferred to the shareholder is due to interest and extraordinary income effects.

Lower temperatures compared to the previous year were the main reason for this development in operating profit. The daily temperature figures in 2015 were 7.8% above the figures in 2014. Based on this development, SW Leipzig's Energy Marketing unit generated additional sales, particularly with temperature-responsive media, such as gas and district heating, and this has a positive impact on the development of sale revenues. In contrast to this, a declining trend was recorded with electricity, a medium that is less dependent on temperatures, mostly due to the weaker market position in nationwide business.

In addition, changes in market conditions for commercial transactions had a negative impact on SW Leipzig's profit. The decline recorded here was largely due to lower prices on the wholesale market as well as a rising trend towards short-term (spot) trading.

Earnings of the Leipzig gas and steam turbine plant were once again dominated in 2015 by the development of the wholesale electricity market and the related negative spread development. Furthermore, biomass power plants remained below the previous year's level due to unplanned lack of energy availability. Earnings recorded for wind-energy power plants were higher than in the previous year due to higher wind levels.

Total investments by SW Leipzig in the 2015 business year amounted to €69.6m (2014: €26.1m); the focus here was on investments in tangible fixed assets (€24.2m) and in financial assets (€44.3m). The 2015 forecast had assumed that there would be acquisitions of franchise areas; these are now expected to take place in the upcoming business years.

2.3 Income situation

In the 2015 business year, SW Leipzig recorded a profit before profit transfer amounting to €54.4m (2014: €54.7m) which is primarily affected by the profit from ordinary activities which was up €5.7m against the previous year as well as the extraordinary profit/loss.

Income situation

in €m

	2015	2014	Change absolute
Operating sales revenues	1,974.3	2,241.6	−267.3
Inventory changes	−1.0	−1.1	0.1
Internally produced and capitalised assets	0.3	0.3	0.0
Operating cost of materials	−1,839.0	−2,112.2	273.2
Operating income	78.3	76.5	1.8
Operating personnel expenses	−41.7	−42.7	1.1
Operating expenses	−105.9	−105.5	−0.4
Regular depreciation	−22.1	−21.3	−0.8
Operating profit/loss	**43.3**	**35.6**	**7.7**
Financial profit/ loss	15.0	18.0	−3.0
Non-operating profit/loss	2.1	1.1	1.0
Profit/loss from ordinary activities	**60.4**	**54.7**	**5.7**
Extraordinary expenditure	−6.0	0.0	−6.0
Extraordinary profit/loss	**−6.0**	**0.0**	**−6.0**
Profit/loss before profit transfer	**54.4**	**54.7**	**−0.3**
Expenses from profit transfer	−54.4	−54.7	0.3
Net income	**0.0**	**0.0**	**0.0**

Operating profit for the 2015 business year amounts to €43.3m and is €7.7m up against the previous year, largely due to the effect of weather on the heating market.

In the 2015 business year, SW Leipzig generated operating sales revenues of €1,974.3m (2014: €2,241.6m) which are largely due to the near-market business fields of Energy Marketing and Wholesale Energy Trading. Furthermore, operating expenses declined over-proportionally compared to operating sales revenues. Operating cost of materials primarily includes the costs of energy procurement.

Financial profit is largely influenced by profit/loss transfer agreements with the subsidiaries RETIS, LAS and Netz Leipzig. RETIS and LAS recorded results that were on par with the previous year. Unlike in the previous year, this item includes expenditure for the assumption of a loss amounting to €3.9m (2014: Income from profit/loss transfer €0.5m) for Netz Leipzig. Furthermore, SW Leipzig received income from participations amounting to €9.2m (2014: €10.6m).

Non-operating profit, which is close to the previous year's figure, primarily includes income from the release of provisions amounting to €10.8m (2014: €14.3m) and income from the valuation of receivables, especially from bad-debt allowances, amounting to €4.6m (2014: €3.8m) as well as income relating to other periods amounting to €2.5m (2014: €3.3m). This item also includes non-operating expenditure on bad-debt allowances and written-off uncollectable receivables amounting to €7.1m (2014: €5.5m) as well as expenditure on the transfer of provisions amounting €7.5m (2014: €4.0m).

2.4 Financial position

The cash flow statement for 2015 shows financial resources amounting to €45.0m. Compared to the beginning of the business year, this figure rose by €1.2m.

Financial position

in €m

	2015	2014	Change absolute
Net cash from business activities	27.9	43.1	–15.2
Change in the working capital	48.0	24.0	24.0
Cash flows from operating activities	**75.9**	**67.1**	**8.8**
Cash flows from investing activities	**–7.7**	**20.2**	**–27.9**
Cash flows from financing activities	**–67.0**	**–124.7**	**57.7**
Net change in financial resources	**1.2**	**–37.4**	**38.6**
Financial resources at beginning of period	43.8	91.0	–47.2
Change in financial resources as a result of GAS 21	0.0	–9.9	9.9
Financial resources at end of period	**45.0**	**43.7**	**1.2**

The cash flow statement shows cash flows from operating activities amounting to €75.9m, which marks an €8.8m increase against the previous year. Cash flows from investing activities include investments in fixed assets as well as interest received and profits transferred by subsidiaries with an impact on liquidity. Cash flows from financing activities primarily include the distribution to the shareholder as well as interest paid and loss compensation for subsidiaries with an impact on liquidity.

2.5 Net worth position

On the balance-sheet date, SW Leipzig records a balance sheet total of €660.9m, so that the company's assets have declined by €10.1m. The company's asset structure is dominated by long-term assets, especially fixed and financial assets, as well as equity that is constant in all of its components.

Net worth position in €m

	31.12.2015	31.12.2014	Change absolute
Assets			
Fixed assets	536.3	520.5	15.8
Other long-term assets	2.2	1.8	0.4
Long-term assets	**538.5**	**522.3**	**16.2**
Inventories	10.5	12.1	–1.6
Receivables from deliveries and services	40.6	46.1	–5.5
Receivables from affiliated companies	53.1	63.4	–10.3
of which: cash pool	42.5	48.2	–5.7
Receivables from companies in which a participating interest is held	0.6	2.9	–2.3
Other short-term assets	5.8	11.0	–5.2
Cash and cash equivalents	9.4	10.2	–0.8
Short-term assets	**120.0**	**145.7**	**–25.7**
Prepaid expenses	**2.4**	**3.0**	**–0.6**
	660.9	**671.0**	**–10.1**
Liabilities			
Equity	**250.1**	**250.1**	**0.0**
Special items	**34.9**	**40.4**	**–5.5**
Long-term provisions	54.8	80.5	–25.7
Long-term liabilities to banks	10.6	12.0	–1.4
Long-term liabilities to affiliated companies	122.7	132.9	–10.2
Long-term provisions and liabilities	**188.1**	**225.4**	**–37.3**
Short-term provisions	92.9	57.0	35.9
Short-term liabilities to banks	1.3	1.3	0.0
Payments received on account of orders	0.3	0.2	0.1
Liabilities from deliveries and services	46.6	50.7	–4.1
Short-term liabilities to affiliated companies	35.0	33.3	1.7
of which: cash pool	7.0	14.6	–7.6
Other short-term liabilities	11.4	12.3	–0.9
Short-term provisions and liabilities	**187.5**	**154.8**	**32.7**
Deferred income	**0.3**	**0.3**	**0.0**
	660.9	**671.0**	**–10.1**

Compared to the previous year, the share of fixed assets in the balance sheet total has increased by 3.6% to 81.1%. This is largely due to developments within financial assets as a result of the increase in equity and the acquisition of shares. Tangible fixed assets also declined by €13.1m in the year under review. In the 2015 business year, investments in tangible fixed assets were again higher than the resulting depreciation. Intangible assets recorded in the balance sheet as per 31 December 2015 total €5.4m (2014: €7.8m).

Due to unchanged equity and a profit for the year similar to that of the previous year, return on equity stabilised at 21.8% (2014: 21.9%). Furthermore, the equity ratio increased due to the lower balance sheet total to 37.8% (2014: 37.3%). The development of provisions is strongly influenced by the re-allocation of a previously long-term provision for anticipated losses (€35.9m) to short-term provisions.

Long-term liabilities to banks as well as amounts owed to affiliated companies are largely influenced by scheduled repayments.

2.6 Employees and employment policy

On 31 December 2015, SW Leipzig had 624 employees (2014: 626) and 48 apprentices, young skilled workers and trainees (2014: 60). The number of employees has fallen slightly compared to the previous year. 20 employees of Kommunale Wasserwerke Leipzig GmbH and Leipziger Verkehrsbetriebe (LVB) GmbH have been transferred to the Corporate Communications Center at SW Leipzig. The fall in the number of employees due to improved efficiency has offset this increase in employees.

In 2015, the average employee had been working for the company for 20 years. After adjustment to take into account employees leaving the company to retire or because their fixed-term contracts had expired, the labour turnover rate was 2.1%. Almost one third of the company's senior management positions are filled by women.

Long-term human-resources development is made possible at the SW Leipzig Group by identifying and recording the professional and interdisciplinary skills required up to 2020. Qualified junior members of employees are trained and developed in commercial and industrial-technical occupations, as well as in dual degree programmes, mostly within the company. In addition, 45 apprentices are being trained by SW Leipzig for cooperation partners. In anticipation of the company's strategic orientation, the development of special areas of expertise is moving more into focus. In order to secure qualified IT and engineering employees in the long term, the company now offers training positions for computer specialists specialising in application development.

Compliance with work safety regulations issued by the state and the employers' liability insurance association regarding the ergonomic design of workplaces and plants is monitored using the risk assessment instrument. In order to maintain and develop the safety level reached, the process of ongoing improvement focuses on targeted further training and active knowledge transfer. Compared to the previous year, the accident rate (measured as the number of notifiable accidents per 1,000 employees) was down by 2.8‰ to 6.4‰. This meant that in 2015 SW Leipzig's accident rate was again significantly better than the industry average rate of 15.3‰ occupational accidents per 1,000 insured persons (figure for 2014) as reported to the statutory accident insurer.

2.7 Activity statements

With its activity statements for the year ended 31 December 2015, SW Leipzig is meeting the reporting requirement pursuant to section 6b of the Energy Industry Act (EnWG). The business units cover the activities of electricity distribution, gas distribution and other activities inside and outside of the electricity and gas sectors.

Additional activity-related account allocations, which are added to all entries, form the basis for allocating all business transactions to the different activities. Compared to the company's total turnover of €1,974,110k, the activity fields of electricity distribution (€3,406k) and gas distribution (€824k) generated relatively low turnover in the year under review.

Profit from SW Leipzig's electricity distribution activities was dominated by income from the lease of the electricity grid to Netz Leipzig. Other operating income from the lease of the electricity grid and the on-charging of franchise fees was offset by other operating expenses (mainly the franchise fee) and corresponding depreciation on tangible assets. Electricity distribution generated an net income of €12,678k for the year under review (2014: €9,341k). The balance sheet total of the electricity-distribution activity field amounted to €175,666k (2015: €184,797k). This corresponds to 26.6% (2014: 27.5%) of the balance sheet total of SW Leipzig. Tangible fixed assets fell compared to the balance-sheet date of the previous year by €17,625k to €116,346k, with receivables and other assets declining by €3,533k to €983k. On the liabilities side, liabilities in particular fell from €35,465k to €32,871k. Special items for investment subsidies and investment grants for fixed assets are no longer shown in the balance sheet following the sale of the respective assets (2014: €2,043k).

The profit of gas distribution activities primarily show income from the leasing of land required to operate the gas network. Furthermore, other operating income is generated by on-charging the franchise fee to RETIS. This income is offset by other operating expenses (essentially expenses incurred in connection with franchise fees and contributions to connection costs). The activity field of gas distribution recorded net income of €1,396k for the year under review (2014: €69k). The balance-sheet total of gas distribution contributed €3,140k (2014: €5,490k) and hence a share of 0.5% (2014: 0.8%) to the balance-sheet total of SW Leipzig. On the liabilities side, provisions fell from €1,869k to €50k.

3 Supplementary report

No events of special importance took place after the end of the business year.

4 Risk report, opportunity report, forecast report

4.1 Risk-management system

Strategic decisions in the company are made on the basis of economically substantiated information. This requires the continuous identification, analysis and evaluation of company-wide risks and their management. For this reason, risk management at SW Leipzig is integrated into the operational processes and consistently implemented all the way up to executive management. This ensures risk control, risk monitoring and risk limitation, the implementation of risk-measurement methods, and the operational risk controlling of trading and portfolio-management activities. Opportunities are not incorporated into this risk-oriented approach.

Reporting on all relevant risks that could prejudice the continued existence or the business results of the SW Leipzig Group proceeds from the risk owner in aggregated form to the management of SW Leipzig and to the management of LVV. The subjects and frequency of reports are determined by the analysis-related rules laid down in the risk portfolio which is regularly updated in risk inventories.

A manual explains the fundamental rules on handling risks; it is a component of risk management and a guide on risk control. The annual risk inventory comprises, among other things, the classification of the defined risks on the basis of the potential level of damage – taking risk-control measures into account and weighting them with their probability of occurrence – and considers the type of risk limitation to be used on the basis of uniformly prescribed analytical steps for deriving risk-specific, early-warning indicators and measurement methods. Furthermore, the Internal Audit unit regularly audits the company's internal control system.

SW Leipzig has installed committees that meet on a regular basis in order to control risk. The risk situation of the company and/or the respective business areas is regularly presented to these committees. The Risk Committee is a management instrument; its task is to ensure the consistent implementation of the prescribed strategy and risk policy. This includes, among other things, making decisions on the risk strategies of the business units and any changes in strategy, approving a general organisational framework (limitation and risk control), discussing strategic issues and initiating the company's entry into new markets.

Due to the complexity of energy trading and the resultant possible risks, specific methods and instruments of risk-oriented control are used in Wholesale Energy Trading.

4.2 Risk report

External and industry risks: SW Leipzig is once again preparing itself for changes in the economic, political and social environment in 2016. Particular importance is being attached to involvement in national energy policy. Risks in this context consist mainly in the assessment of future political, technological and market-related developments and in the company's response to these changes. These risks are counteracted by intensively observing both the market and competitors and by holding regular closed-door internal meetings on strategy.

Regulatory risks are seen in the requirements of the Energy Industry Act (EnWG), the ordinances – especially those on incentive regulation and network charges – and in the regulatory authorities' (administrative) decisions and the resultant future schedules for the lowering of the revenue caps for network charges. Further risks can stem from new tasks that were not known about at the time of the base years for the approval of prices – and from the costs related to these tasks.

Performance-related risks: The market-price risk caused by falling spreads for conventional generation plants, which is still regarded as high, is counteracted by rolling optimisation of plant deployment, marketing on the futures market and marketing of system services. For biomass and wind-energy power plants, risks result from rising fuel prices and from a lack of wind.

Operating complex generation plants leads to risks of equipment failure, loss of output and supply interruptions. These risks are limited by regular maintenance and by insurance policies covering the main effects of potential damage or loss; these risks are therefore considered to be low.

The impact of the energy revolution on energy trading is reflected, for instance, in the higher requirements for balancing-group management and in the extent to which renewable energy is influencing pricing. In light of this, the accuracy of 15-minute forecasts is becoming increasingly important in order to avoid additional costs. Risks exist due to the stricter regulations for balancing group management planned by the Federal Network Agency and the Federal Ministry for Economic Affairs and Energy. This move could lead to higher process costs as well as additional costs due to the penalties planned.

The economic success of Energy Marketing depends heavily on the market position and effectiveness of sales activities. Active and permanent competition pressure combined with price and advertising activities that are at times well-publicised by local competitors have a lasting impact on distribution business.

Financial risks: Financing risks essentially consist of the financing-cost risk, the risk of a reduction in placeable volumes caused by a worsening of the company's credit standing, and the loan-prolongation risk. SW Leipzig's financing capability depends on LVV's creditworthiness and financing capability.

In order to limit counterparty risk, a credit-rating analysis is carried out on principle on all trading partners and key accounts before contract negotiations begin and before a binding offer is submitted. In this context, Risk Management uses external and internal rating analyses.

The risks of changes in interest rates that result from the shareholder loan with variable interest taken out with LVV in 2014 are limited by existing interest-rate swaps just like for a large part of the overall portfolio.

SW Leipzig meets the exchange-rate risks, which result from the annual dividend payment to GPEC, by continuously monitoring exchange-rate developments between euro and zloty. Once the dividend amount and time of payment are known, this is generally hedged by a forward exchange transaction.

Financial derivatives with positive market values involve corresponding risks of non-payment by the contracting party. SW Leipzig hedges against these risks by concluding derivative transactions with several selected European financial institutions.

Other risks: SW Leipzig protects itself from the failure of IT systems by concluding agreements on availability with the operators of the IT systems. Personal data require appropriate technical and organisational protection measures that are regularly reviewed. The security measures have also been extended to mobile devices. Ongoing security analyses and emergency drills help maintain and enhance the high level of IT security. For example, security-penetration tests for different IT systems at SW Leipzig were repeatedly carried out in order to check the vulnerability of the IT systems from outside.

In the event of a major incident, SW Leipzig has implemented a crisis management system that is reviewed annually to check whether it is still up to date or needs to be adjusted.

4.3 Opportunities report

Market and utilisation opportunities are to be found in the design of the energy market and in contractual and regulatory market developments. As a result of the modernisation and optimisation of operations carried out in 2015 at the Leipzig gas and steam turbine plant, there are medium opportunities in the marketing of balancing energy and a rising electricity/gas/CO_2 spread in power generation.

With a view to the power-plant gas contract, there is a chance of prices developing so that the contractual gas price may fall below the planned price, depending on the decisions by the court of arbitration. The opposite case would result in a risk.

For biomass and wind power plants, the opportunities resulting from lower wood prices and better wind availability are moderate compared to the forecast. The weather-dependent heating business can be influenced equally in both directions by temperature fluctuations.

SW Leipzig's adjustment of its strategic orientation means that Wholesale Energy Trading now focuses on providing system services for customers and making use of the opportunities available in a changing market. The requirements from the White Paper that address the electricity market for the energy revolution will create the opportunity for an expansion of the market for balancing energy. The required transparency of electricity market data allows energy trading to respond better and faster to price fluctuations.

Further opportunities lie in the expansion of the CHP and renewable-energy portfolio. Efforts are to be made to use collaborations to build up service business and achieve economies of scale.

4.4 Forecast report

Based on its economic planning for the business year, SW Leipzig predicts a profit before profit transfer of €46.2m for 2016. An EBIT of €60.2m is expected. A lower gross margin and lower income from participations are the reasons for this downward development in profit. In light of political, regulatory and competitive conditions, a downward trend for operating sales revenues is expected in the coming year. According to the Accounting Directive Implementation Act, these revenues will total €2,047.9m.

Income development will be largely influenced by the revision of the price scheme, especially for district heating, and overall energy policy. The key factors are the significant rise in the volatility of generation and greater possibilities to control consumption. The basic elements of this are the focus in energy policy on successive decarbonisation, digitisation and the increasing decentralisation of generation. Particularly with a view to the debate on the Law for the Digitisation of the Energy Revolution, completely new aspects are now centre stage, such as data sovereignty and role definition.

In conjunction with the introduction of the new *Leipziger wärme.komfort* district-heating product, SW Leipzig is lowering its prices in this segment by an average of 6.3%. This price adjustment is SW Leipzig's response to the changed overall conditions both for SW Leipzig and for customers. In the field of electricity and gas, prices for basic supply will remain stable. Based on price developments, Energy Marketing will focus on pushing ahead with promising sales activities. In conjunction with the introduction of the Leipziger umbrella brand, the company's presence in the city will be expanded further.

Despite falling gas prices, persistently low electricity prices on the wholesale market will also lead to a negative difference between the electricity price charged and the costs paid for fuel (spark spread) at the Leipzig gas and steam turbine plant. Operating income from biomass power plants will develop positively thanks to the expected stabilisation of plant operations and falling wood prices. Rising profit contributions are expected in the medium term from wind turbines due to the implementation of the project-based expansion strategy. Furthermore, SW Leipzig is increasingly gaining access to balancing energy markets in order to provide system services.

With a view to the investment in kind by the city of Danzig, which was decided on in 2015 but has not yet been fully contributed, SW Leipzig's shareholding in GPEC will be strengthened at 82.69%.

On-balance-sheet investments in fixed assets totalling €82.0m are planned for 2016, including €52.7m in investments in tangible fixed assets which is largely due to the planned acquisition of the gas grid of the incorporated districts of Leipzig. Following the awarding of the gas franchise area, there are plans to acquire the grid in 2016. The physical acquisition of the gas grid also depends on progress in the transfer procedure. Replacement and expansion investments in existing plants as well as investments in decentralised CHP and contracting plants are also included. Investments in financial assets amounting to €26.1m primarily include the acquisition and development of wind turbines.

Leipzig, 29 February 2016

Management

Dr Johannes Kleinsorg   Karsten Rogall

Balance sheet at 31 December 2015

Stadtwerke Leipzig GmbH, Leipzig

Assets

in €k

	31.12.2015	31.12.2014
A. Fixed assets		
I. Intangible assets		
1. Concessions, industrial property rights acquired for a consideration and similar rights and values as well as licences to such rights and values	5,173	7,079
2. Payments on account	209	718
	5,382	**7,797**
II. Tangible assets		
1. Lands, leasehold rights and buildings including buildings on leased land	51,099	51,415
2. Technical equipment and machines	141,728	154,923
3. Other equipment, factory and office equipment	2,729	2,717
4. Payments on account and assets under construction	6,118	5,682
	201,674	**214,737**
III. Financial assets		
1. Shares in affiliated companies	198,991	169,991
2. Loans to affiliated companies	122,547	122,602
3. Participations	1,534	756
4. Loans to companies in which a participating interest is held	4,469	4,469
5. Other loans	1,672	151
	329,213	**297,969**
	536,269	**520,503**
B. Current assets		
I. Inventories		
1. Raw materials and supplies	10,370	10,995
2. Unfinished services	116	1,121
3. Payments on account on inventories	5	0
	10,491	**12,116**
II. Receivables and other assets		
1. Receivables from deliveries and services	40,562	46,116
2. Receivables from affiliated companies	53,102	63,388
3. Receivables from companies in which a participating interest is held	568	2,846
4. Other assets	8,025	12,814
	102,257	**125,164**
III. Cash in hand, bank balances and cheques	**9,455**	**10,176**
	122,203	**147,456**
C. Prepaid expenses	**2,428**	**3,029**
	660,900	**670,988**

Liabilities

in €k

	31.12.2015	31.12.2014
A. Equity		
I. Subscribed capital	**22,000**	**22,000**
II. Capital reserve	**184,411**	**184,411**
III. Profit reserves	**43,655**	**43,655**
Other profit reserves	43,655	43,655
	250,066	**250,066**
B. Special items		
1. Special item with an equity portion	5,669	7,632
2. Special item for investment subsidies for fixed assets	1,250	2,169
3. Special item for building-cost subsidies	27,974	30,603
	34,893	**40,404**
C. Provisions		
1. Provisions for pensions and similar obligations	15,558	14,133
2. Provisions for taxation	110	333
3. Other provisions	131,984	123,069
	147,652	**137,535**
D. Liabilities		
1. Liabilities to banks	11,941	13,268
2. Payments received	363	239
3. Liabilities from deliveries and services	46,632	50,696
4. Liabilities to affiliated companies	157,622	166,190
5. Other liabilities of which from taxes: €7,231k (2014: €8,195k)	11,438	12,255
	227,996	**242,648**
E. Deferred income	**293**	**335**
	660,900	**670,988**

Profit and loss statement
for the financial year from 1 January until 31 December 2015

Stadtwerke Leipzig GmbH, Leipzig

in €k

	2015	2014
1. Sales revenues	1,974,110	2,228,275
2. Increase or decrease in inventory of unfinished services	–1,005	–1,092
3. Other internally produced and capitalised assets	332	259
4. Other operating income	98,916	101,840
5. Cost of materials		
a) Cost of raw materials and supplies and purchased goods	–1,811,725	–2,083,061
b) Cost of purchased services	–29,406	–27,982
	–1,841,131	–2,111,043
6. Personnel expenses		
a) Wages and salaries	–35,282	–35,541
b) Social security contributions and expenses for pensions and other employee support of which for pensions: €948k (2014: €1,312k)	–6,859	–7,185
	–42,141	–42,726
7. Depreciation and amortisation	–22,524	–21,464
8. Other operating expenses	–121,121	–117,395
9. Income from participations of which from affiliated companies: €9,161k (2014: €10,600k)	9,167	10,606
10. Income from profit/loss transfer agreements of which from affiliated companies: €13,746k (2014: €14,196k)	13,746	14,196
11. Income from loans from financial assets of which from affiliated companies: €6,163k (2014: €6,322k)	6,671	6,710
12. Other interest earned and similar income of which from affiliated companies: €82k (2014: €626k)	214	1,376
13. Depreciation of financial assets and of securities held as current assets	0	–2,702
14. Interest and similar expenses of which to affiliated companies: €2,669k (2014: €1,240k)	–10,971	–12,137
15. Expenses from loss assumption	–3,909	0
16. Profit/loss from ordinary activities	**60,354**	**54,703**
17. Extraordinary expenditure	–5,981	0
18. Extraordinary profit/loss	**–5,981**	**0**
19. Expenses from a profit/loss transfer agreement	–54,373	–54,703
20. Net income	**0**	**0**

Notes to the financial statements for the 2015 business year

Stadtwerke Leipzig GmbH, Leipzig

1 Information on the form and presentation of the balance sheet and the profit and loss statement

The regulations of the German Commercial Code (HGB), the Deutsche Mark Balance Sheet Act (DMBilG) and the relevant regulations of the German Limited Liability Companies Act (GmbHG) were applied in the preparation of the annual financial statements of Stadtwerke Leipzig GmbH (SW Leipzig) for the year ended 31 December 2015.

The balance sheet format followed the regulations of sections 266 et seq. of the HGB; the profit and loss statement was compiled using the 'total cost' type of short-term results accounting pursuant to section 275, subsection 2 of the HGB.

2 Information on the items of the balance sheet and the profit and loss statement in terms of posting, accounting and valuation

2.1 Accounting and valuation methods

The following accounting and valuation methods were authoritative in the preparation of the annual financial statements.

2.1.1 Fixed assets

Purchased intangible assets and tangible fixed assets are valued at acquisition or production cost minus regular and non-scheduled depreciation. The production costs of fixed assets constructed by the company for its own use take into account not only direct costs, but also appropriate parts of the overhead.

Real-estate additions within the meaning of the Assets Allocation Act [Vermögenszuordnungsgesetz] are shown on the balance sheet at a flat-rate property value. Fixed assets taken over free of charge are reported at their fair market value on the date of transfer.

Most regular depreciation is carried out on a straight-line basis over the asset's useful life or using the correspondingly highest rates permissible under tax law.

Low-value assets with acquisition or production costs of up to €150 are always written off with effect on expenses in the year of acquisition. Stadtwerke Leipzig took the option of immediately writing off low-value assets with acquisition costs of between €150 and €410 in the year of acquisition.

Financial assets are stated at acquisition cost. Shares in foreign companies are translated at the current exchange rate that applied on the date of the transaction. Where necessary, items were depreciated at the lower fair value on the balance-sheet date pursuant to section 253, subsection 3, sentence 3 of the HGB where a permanent impairment of value was expected.

2.1.2 Current assets

All raw materials and supplies are reported at average cost prices, applying the principle of the lower of cost or market.

Emission certificates allocated free of charge are posted under inventories at their memo value. Purchased emission certificates are shown in the balance sheet under inventories and in other assets at acquisition cost. Where necessary, items were written down to the lower fair value on the balance-sheet date.

Unfinished services is valued loss-free at production cost.

Receivables and other assets are valued at their nominal value. Recognisable risks have been taken into account by making appropriate value adjustments. Itemised general bad-debt provisions were made according to the age structure of the receivables to cover general non-payment risks; a general bad-debt provision of 1% was made to cover general credit risks. Under receivables from electricity, gas and district heating supplies, received payments on account are set off against SW Leipzig customers' deferred consumption that has not yet been metered.

Receivables and liabilities have been netted out where netting contracts have been agreed with wholesale trading partners.

In cases where the other assets are special-purpose funds to secure obligations relating to agreements on part-time employment schemes for older employees (semi-retirement), they are netted against the provisions for semi-retirement obligations pursuant to section 246, subsection 2, sentence 2 of the HGB.

Cash resources (cash in hand, cash at banks and cheques) are shown at their nominal value.

2.1.3 Equity

The subscribed capital is recognized at its nominal value. Profit reserves include the special-purpose reserve pursuant to section 27, subsection 2 of the DMBilG.

2.1.4 Special items

The retention and continuation option pursuant to Article 67, paragraph 3, sentence 1 of the Introductory Act to the German Commercial Code (EGHGB) was taken for the special item with an equity portion.

The special item with an equity portion formed for special depreciation under section 4 of the Development Area Act (FöGbG) is released to income according to plan. The special item is always released to income at the end of each preferential period on a straight-line basis, either for the remaining useful life of the fixed asset or on retirement of the subsidised fixed assets.

Investment grants are shown under liabilities as a special item for fixed assets. Investment grants are released to income over the useful life of the fixed assets.

The annual release of the special item for building-cost subsidies amounts to 5% for building-cost subsidies received up to 31 December 2002. After 1 January 2003, the item is released to income over the useful life of the subsidised assets. The rights shown under the special item for emission entitlements issued free of charge were posted on the balance sheet at their memo value.

2.1.5 Provisions

Wherever possible, the retention and continuation options pursuant to Article 67, paragraphs 1 and 3, of the EGHGB were taken for the provisions existing on 1 January 2010.

Selected provisions for personnel as well as provisions for pensions and similar obligations are formed on the basis of actuarial expert opinions according to the 2005 G guideline tables compiled by Prof. Dr Klaus Heubeck using the projected unit credit method. As per 31 December 2015, the assumed rate of interest for discounting these provisions is 3.89% pursuant to section 253, subsection 2, sentence 2 of the HGB.

In the case of excreted and pensioned employees, the provision corresponds to the present value of the obligation.

The provisions for pensions and similar obligations were based on assumed increases in salaries and pensions (or increases in expenditure) of up to 5%.

Obligations from partial retirement agreements are secured by a pension-plan reinsurance policy from Allianz AG. The receivables from this time-accounts pension plan reinsurance were netted against the obligations pursuant to section 246, subsection 2, sentence 2 of the HGB.

Also included in 'other provisions' are emission certificates allocated free of charge, which are posted at their memo value to meet the obligation to return them.

A rate of cost increases of between 2% and 3% was taken into account when valuing other provisions. Other provisions with a term of more than one year are discounted at interest rates that are in line with the respective time span and have been announced by the Deutsche Bundesbank. The interest rates for discounting the provisions are between 2.02% and 3.98% for 2015, depending on the residual term.

Recognisable risks and uncertain obligations are taken into account in the determination of other provisions. They are valued at the amount needed to settle the obligation.

2.1.6 Liabilities

Liabilities are always reported at the amount needed to settle the obligation.

2.2 Notes to the balance sheet

2.2.1 Fixed assets

The development of fixed assets is shown in SW Leipzig's 'Movements in Fixed Assets' schedule.

2.2.2 Inventories

The inventories on the balance-sheet date include returnable emission entitlements for the emission of the CO_2; they are posted at a memo value of €1 per plant (market value on 31 December 2015: €4,483k).

2.2.3 Receivables and other assets

Receivables from affiliated companies contain receivables from deliveries and services of €7,401k (2014: €12,623k) and other receivables amounting to €45,700k (2014: €50,765k).

Receivables from affiliated companies include receivables from the shareholder LVV Leipziger Versorgungs- und Verkehrsgesellschaft mbH, Leipzig (LVV), amounting to €37,171k (2014: €40,665k).

Other assets contain receivables relating to not-yet-deductible tax prepayments amounting to €2,772k (accruals) and long-term receivables relating to claims that have been assigned to third parties amounting to €2,216k. All the other receivables and other assets are payable in the short term.

2.2.4 Special item

The special item with an equity portion formed pursuant to section 4 of the FöGbG and the special item for capital investment grants include an unscheduled release amounting to €2,793k as per 31 December 2015.

2.2.5 Provisions

Claims from pension-plan reinsurance are netted against partial-retirement obligations pursuant to section 246, subsection 2, sentence 2 of the HGB. The fair value of the netted asset, which corresponds to the amortised cost, is €2,472k. Netted debts (calculated as the amount needed to settle the obligation) are valued at €3,626k. Interest expense as a result of the partial retirement obligations (€115k) was netted against interest income from the pension-plan reinsurance (€32k).

Other provisions include, in particular, provisions for anticipated losses (€36,696k), personnel-related provisions (€27,234k), and provisions for invoices not yet received (€16,096k).

Other provisions include provision for expenses amounting to €9,638k for which the retention and continuation option pursuant to Article 67, paragraph 3, sentence 1 of the EGHGB was taken.

The amount of surplus coverage pursuant to Article 67, paragraph 1, sentence 4 of the EGHGB amounts to €37k for provisions retained pursuant to Article 67, paragraph 1, sentence 2 of the EGHGB.

2.2.6 Liabilities

The following table shows the remaining terms of the liabilities:

Liabilities

in €k

	Remaining term				Total
	up to one year	**up to one year (31.12.2014)**	**from one to five years**	**over five years**	**31.12.2015**
1. Liabilities to banks	1,327	(1,327)	5,307	5,307	11,941
2. Payments received on account of orders	363	(240)	0	0	363
3. Liabilities from deliveries and services	46,632	(50,696)	0	0	46,632
4. Liabilities to affiliated companies	34,500	(33,332)	109,984	13,138	157,622
of which: to the shareholder	20,436	(12,292)	109,984	13,138	143,558
5. Other liabilities	11,438	(12,254)	0	0	11,438
	94,260	**(97,849)**	**115,291**	**18,445**	**227,996**

Negative declarations have been issued for liabilities to banks amounting to €11,941k (2014: €13,268k).

Liabilities to affiliated companies are made up of €4,375k (2014: €5,319k) in deliveries and services and €153,247k (2014: €160,871k) in other liabilities.

Liabilities to affiliated companies include €143,558k (2014: €145,594k) owed to the shareholder LVV.

The €132,858k shareholder loans contained in the liabilities to affiliated companies were secured with negative declarations.

2.3 Notes to the profit and loss statement

2.3.1 Sales revenues

Sales revenues of €1,974,110k are made up as follows:

Sales revenues in €k

	2015	2014
Electricity marketing (gross)	213,040	228,069
Electricity tax	–19,292	–19,302
Electricity marketing (net)	193,748	208,767
Gas marketing (gross)	50,655	52,974
Natural-gas tax	–5,103	–4,761
Gas marketing (net)	45,552	48,213
District-heating marketing	131,765	126,951
Energy marketing	**371,065**	**383,931**
Wholesale electricity trading (gross)	1,484,835	1,779,760
Electricity tax	–450	0
Wholesale electricity trading (net)	1,484,385	1,779,760
Wholesale gas trading (gross)	63,106	28,525
Natural-gas tax	–73	–76
Wholesale gas trading (net)	63,033	28,449
Wholesale trading	**1,547,418**	**1,808,209**
Additional sales revenues	**55,627**	**36,135**
	1,974,110	**2,228,275**

Additional sales revenues include sales revenues relating to other periods amounting to –€211k (2014: –€13,350k). This is largely related to the previous year's adjustments in the sales revenues estimated on the basis of rolling consumption billing.

2.3.2 Other operating income

Other operating income includes income relating to other periods totalling €18,329k (2014: €24,005k). This is primarily related to income from the release of provisions as well as income from the release of allowances for doubtful debt.

Other operating income includes income relating to income from the release of special items with an equity portion (€1,963k).

2.3.3 Cost of materials

Cost of raw materials and supplies and purchased goods includes cost of materials amounting to €2,170k (2014: –€1,155k) that relates to other periods.

2.3.4 Depreciation and amortisation

In the 2015 business year, unscheduled depreciation of fixed assets amounted to €456k (2014: €171k). This related mainly to real estate and buildings.

2.3.5 Other operating expenses

Other operating expenses include expenses relating to other periods of €1,157k (2014: €2,121k). This item includes losses from disposals of fixed assets as well as expenditure relating to franchise fees in other periods.

2.3.6 Net interest income

Net interest income shows income (€109k, 2014: €40k) and expenditure (€946k, 2014: €854k) as a result of the compounding and discounting of provisions pursuant to section 277, subsection 5 of the HGB.

2.3.7 Extraordinary profit/loss

Extraordinary profit/loss includes provisions of €5,981k for restructuring measures.

3 Information on the profit/loss for the year

A profit/loss transfer agreement has existed since 1 January 2001 between Stadtwerke Leipzig and LVV which was concluded for a term of five years. It is extended by another year every year unless terminated six months prior to expiry.

4 Other information

The annual financial statements for SW Leipzig are incorporated with discharging effect into the Consolidated Financial Statements of its parent's company LVV. Both financial statements are published in the Electronic Federal Gazette.

4.1 Other financial commitments and obligations not included in the balance sheet

On 31 December 2015 operational leasing commitments amounted to €116,901k. Three signed leasing agreements involve commitments up until 2021, 2022 and 2024 respectively. In the case of two leasing agreements, future payments include a variable interest component which is calculated on the basis of the three-month EURIBOR. Interest components are not shown in the posted operational leasing commitments for any of the three agreements. Operational leasing serves to finance the existing biomass power stations and the gas and steam turbine plant.

Other financial obligations of €55,225k result from rental and lease agreements and investments, of which €18,200k is owed to affiliated companies.

Other financial liabilities result from the granting of loans and/or guarantees, from uncalled capital contributions as well as uncalled capital contributions relating to GmbH shares and from possible obligations under existing profit/loss transfer agreements amounting to €17,036k, of which €8,678k is vis-à-vis affiliated companies.

With a view to obligations relating to energy procurement, please refer to No. 4.2.

4.2 Derivative financial instruments

Interest-rate and currency derivative transactions are made to limit interest-rate and foreign-exchange risks. We use commodity derivatives to hedge against energy-price risks.

On the balance-sheet date, the nominal volumes, fair values and book values of the financial derivatives posted were as follows:

Financial and commodity derivatives

in €k

	Nominal volume		Fair value		Book value	
					Assets	Liabilities
	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2015
Interest-rate derivatives (interest rate swaps)	130,000	162,500	−17,521	−23,585	0	0
Commodity derivatives[1]	1,962,455	2,008,710	−3,027	−1,347	0	233[2]
Gas options	0	0	0	0	0	400[2]

[1] Underlying and hedging instruments in valuation units
[2] Ineffective part of the hedging relationship

Interest-rate derivatives: As hedging instruments, payer swaps are part of a valuation unit (portfolio hedge) that has been formed to hedge against interest-rate risks with a hedging horizon up to 31 December 2018. The underlying transactions are variable-interest leasing agreements and loans.

Retrospective effectiveness is measured cumulatively on the basis of the change in the market value of the hypothetical derivatives on the balance-sheet date compared to the designation date, according to the cumulative dollar-offset method.

The market-data shift method was used to measure prospective effectiveness. This is a quantitative sensitivity analysis in which the sensitivity of underlying transactions and hedging instruments is determined for the event of a hypothetical change in the basis variables.

The change in the value of the existing hedging transactions is compared with the change in value of hypothetical derivatives with the same specifications, which are meant to represent the change in value of the underlying transactions resulting exclusively from the change in the interest-rate-curve risk factor.

Commodity derivatives: We hedge against energy-price risks with commodity derivatives in the form of options, forwards and futures.

In line with section 285, sentence 1, number 19 of the HGB, all financial derivatives purchased for trading purposes and for in-house requirements are reported under commodity derivatives in the Notes to the Financial Statements. The nominal volume corresponds to the aggregate value of all agreed purchase (€979.4m) and selling (€983.1m) agreements for future delivery periods in the commodities electricity, gas and CO_2 emission certificates up to and including 2018. In line with risk-management rules, the purchase and selling contracts concluded for trading purposes were pooled into separate portfolios according to delivery periods and commodities and valued pursuant to section 254 of the HGB. The fair values were determined at market prices on the balance-sheet date based on externally recognised sources, e.g. the official closing prices on the European Energy Exchange AG, Leipzig (EEX).

A provision consisting of €233k in valuation units was formed for the own-account electricity-trading portfolio in 2015.

In the field of wholesale energy trading, a gas option was signed for the delivery of 215 GWh of gas for the 2015 to 2016 period. A provision for anticipated losses amounting to €400k was formed for this business in the 2015 annual financial statements.

Sales portfolios are formed for the commodities electricity and gas in the field of energy marketing. The portfolios currently comprise the completed or expected selling and procurement transactions for each of the years 2016, 2017 and 2018. Sales transactions include binding sales contracts with customers, highly probable customer sales as well as contracted exchange or OTC (over-the-counter) sales transactions. Procurement transactions include contracted exchange or OTC procurement transactions with a value of €191.4m as per 31 December 2015. No provisions for anticipated losses were necessary as per 31 December 2015, because no losses were to be expected in the portfolios in the year of performance.

The net hedge presentation method was used for reporting the valuation units.

4.3 Information pursuant to section 6b, subsection 2 of the Energy Industry Act (EnWG)

In the year under review, the following reportable large-scale transactions were carried out with Netz Leipzig GmbH:

- income from the leasing of the electricity grid (€40.4m) and from commercial services (€19.0m),
- expenses amounting to €17.4m for services based on the district-heating service contract and
- sale of assets amounting to €16.9m.

4.4 Information on the executive bodies

The members of management are:

- Dr Johannes Kleinsorg, Management spokesman and
- Mr Karsten Rogall, Commercial Director.

Payments made to the current members of management in the 2015 business year:

in €k

	Fixed annual basic salary	Other benefits	Performance-related remuneration	Total remuneration	Payments at the end of employment (severance payments)	Type of pension scheme[1]	Pension scheme Contribution	Amounts paid in the 2015 business year	
								Total remuneration	of which performance-related remuneration
Dr Johannes Kleinsorg	220	14	22	256	0	B	20	234	17
Karsten Rogall	200	16	13	229	0	B	30	216	10
	420	**30**	**35**	**485**	0		**50**	**450**	**27**

[1] A – Pension commitment, B – Support fund

The remuneration of former members of management amounted to €507k. Provisions of €5,396k have been made to cover ongoing pensions for former managers.

The Supervisory Board is made up of the following members:

Shareholder representatives		
Dr Norbert Menke Chair of the Supervisory Board	LVV Leipziger Versorgungs- und Verkehrsgesellschaft mbH	Management spokesman
Reiner Engelmann 2nd Vice-Chair	City of Leipzig, 'DIE LINKE' parliamentary group	Teacher
Karsten Albrecht	City of Leipzig, 'CDU' parliamentary group	Independent production engineer
Uwe Albrecht	City of Leipzig, Dept. of Economics and Labour	Mayor
Heiko Bär	City of Leipzig, 'SPD' parliamentary group	Freelance teacher
Oliver Beckel (since 23 March 2015)	Hanwah Q Cells GmbH	Business graduate

Shareholder representatives		
Ingrid Glöckner	City of Leipzig, 'SPD' parliamentary group	Certified engineer
Achim Haas (since 23 March 2015)	City of Leipzig, 'CDU' parliamentary group	Managing director
Tobias Keller (since 23 March 2015)	City of Leipzig, 'AfD' parliamentary group	Managing director
Anett Ludwig (since 23 March 2015)	City of Leipzig, 'Bündnis 90/Die Grünen' parliamentary group	Research associate
Ingo Sasama	City of Leipzig, 'Bündnis 90/Die Grünen' parliamentary group	Managing director of parliamentary group
Frank Tornau (since 23 March 2015)	City of Leipzig, 'CDU' parliamentary group	Managing director
Steffen Wehmann	City of Leipzig, 'DIE LINKE' parliamentary group	Bank employee
Prof. Dr Thomas Bruckner (until 23 March 2015)	University of Leipzig, Institute for Infrastructure and Resource Management	Professor of Energy Management and Sustainability
Ursula Grimm (until 23 March 2015)		Pensioner
Heike König (until 23 March 2015)	City of Leipzig, 'Bündnis 90/Die Grünen' parliamentary group	Project manager
Volkmar Müller (until 23 March 2015)	LVV Leipziger Versorgungs- und Verkehrsgesellschaft mbH	Managing director
Prof. Dr Daniela Thrän (until 23 March 2015)	German Biomass Research Centre	Division manager

Employee representatives		
Steffen Schmidt 1st Vice-Chair	Stadtwerke Leipzig GmbH	Works council member
Susann Frölich	Stadtwerke Leipzig GmbH	Works council member
Jana Fromm	Netz Leipzig GmbH	Office clerk
Ines Kuche	United Services Union (ver.di), Region Leipzig North Saxonia	District manager
Peter Kubiak	Netz Leipzig GmbH	Office clerk
Thomas Washeim	Stadtwerke Leipzig GmbH	Shift supervisor
Marissa Zorn (since 5 May 2015)	Stadtwerke Leipzig GmbH	Works council member
Eckhard Hölzel (until 4 May 2015)	Stadtwerke Leipzig GmbH	Office clerk

The members of the Supervisory Board received the following remuneration for their work in the 2015 business year:

in €k

Shareholder representatives	Remuneration[1]	Expense allowance
Dr Norbert Menke Chair of the Supervisory Board	2.2	0.6
Reiner Engelmann 2nd Vice-Chair	1.6	0.6
Karsten Albrecht	1.3	0.6

in €k

Shareholder representatives	Remuneration[1]	Expense allowance
Uwe Albrecht	1.4	0.6
Heiko Bär	1.4	0.6
Oliver Beckel	0.9	0.4
Ingrid Glöckner	1.6	0.6
Achim Haas	0.9	0.4
Tobias Keller	0.9	0.4
Anett Ludwig	0.9	0.4
Ingo Sasama	1.2	0.6
Frank Tornau	0.8	0.4
Steffen Wehmann	1.4	0.6
Prof. Dr Thomas Bruckner	0.4	0.1
Ursula Grimm	0.4	0.1
Heike König	0.4	0.1
Volkmar Müller	0.4	0.1
Prof. Dr Daniela Thrän	0.3	0.1

in €k

Employee representatives	Remuneration[1]	Expense allowance
Steffen Schmidt 1st Vice-Chair	1.8	0.6
Susann Frölich	1.4	0.6
Jana Fromm	1.4	0.6
Ines Kuche	1.6	0.6
Peter Kubiak	0.9	0.6
Thomas Washeim	1.6	0.6
Marissa Zorn	0.9	0.4
Eckhard Hölzel	0.6	0.2

[1] Including attendance money

4.5 Auditor's fee

SW Leipzig is exempt from the obligation to publish the overall fee charged by the auditor, because this information is incorporated into the consolidated financial statements of its parent company LVV.

4.6 Annual average number of employees

Annual average number of employees (section 267, subsection 5 of the Commercial Code; HGB)

	2015	2014
White-collar workers	512	505
Blue-collar workers	117	121
	629	**626**

4.7 Share ownership of Stadtwerke Leipzig GmbH as per 31 December 2015 (section 285, subsection 11 of the HGB)

On the balance-sheet date, SW Leipzig had a share of at least 20% in the following undertakings:

Affiliated companies

	Abbreviation	Share in the subscribed capital	Equity	Profit/loss
		%	€k	€k
Netz Leipzig GmbH, Leipzig[1]	Netz Leipzig	100.00	30,009	–3,909
LAS GmbH, Leipzig[1]	LAS	100.00	499	1,316
SWL Beteiligungs GmbH, Leipzig	SWL-B	100.00	38	3
RETIS Leipzig GmbH, Leipzig[1]	RETIS	100.00	55	12,425
Innvo Innovationsgesellschaft-Management mbH, Leipzig[2, 3]	Innvo mbH	100.00	195	0
Natur21 GmbH, Leipzig[1]	Natur21	100.00	25	5
ELG Leipzig GmbH, Leipzig	ELG	90.00	38	6
Gdańskie Przedsiębiorstwo Energetyki Cieplnej Sp. z o.o., Danzig, Poland[4]	GPEC	82.86	79,852	13,504
PROMETHEUS-Gesellschaft für Erdgasanwendungsanlagen mbH, Leipzig[5]	PROMETHEUS	51.00	64	6

Participations

	Abbreviation	Share in the subscribed capital	Equity	Profit/loss
		%	€k	€k
Erdgasversorgung Industriepark Leipzig Nord GmbH, Leipzig	EVIL	50.00	430	–5
Meter1 GmbH & Co. KG, Halle[5]	Meter1	33.33	0	–582
WEO GmbH & Co. KG, Nuremberg[5]	WEO	33.33	0[6]	–1,732

[1] Net income before profit transfer in 2015
[2] Annual financial statements for 2015 (provisional)
[3] On 31 December 2015 Innvo Innovationsgesellschaft mbH & Co. KG was merged with Innvo Innovationsgesellschaft-Management mbH.
[4] The conversion rate on the reporting date was used for the balance sheet; the average conversion rate was used for the profit and loss statement
[5] Annual financial statements for 2014
[6] Limited partners' share of loss not covered by capital contributions: €4,328k

Leipzig, 29 February 2016

Management

Dr Johannes Kleinsorg Karsten Rogall

Development of fixed assets in the 2015 business year

Stadtwerke Leipzig GmbH, Leipzig

	Acquisition and production cost				
	01.01.2015	**Additions**	**Disposals**	**Transfers**	**31.12.2015**
I. Intangible assets					
1. Concessions, industrial property rights acquired for a consideration and similar rights and values as well as licences to such rights and values	57,842	935	339	268	58,706
2. Payments on account	749	152	424	–268	209
	58,591	**1,087**	**763**	**0**	**58,915**
II. Tangible assets					
1. Lands, leasehold rights and buildings including buildings on leased land	129,833	3,340	710	–3	132,460
2. Technical equipment and machines	464,617	14,680	48,125	4,893	436,065
3. Other equipment, factory and office equipment	16,872	859	2,263	58	15,526
4. Payments on account and assets under construction	5,725	5,356	15	–4,948	6,118
	617,047	**24,235**	**51,113**	**0**	**590,169**
III. Financial assets					
1. Shares in affiliated companies	177,540	29,000	7,500	0	199,040
2. Loans to affiliated companies	122,602	12,240	12,295	0	122,547
3. Participations	4,531	1,375	597	0	5,309
4. Loans to companies in which a participating interest is held	6,330	0	0	0	6,330
5. Other loans	408	1,635	114	0	1,929
	311,411	**44,250**	**20,506**	**0**	**335,155**
	987,049	**69,572**	**72,382**	**0**	**984,239**

in €k

					Cumulative depreciation		Book values
01.01.2015	**Additions**	**Disposals**	**Attributions**	**Transfers**	**31.12.2015**	**31.12.2015**	**31.12.2014**
50,763	3,077	338	0	31	53,533	5,173	7,079
31	0	0	0	–31	0	209	718
50,794	**3,077**	**338**	**0**	**0**	**53,533**	**5,382**	**7,797**
78,418	2,946	0	3	0	81,361	51,099	51,415
309,694	15,597	30,737	260	43	294,337	141,728	154,923
14,155	904	2,262	0	0	12,797	2,729	2,717
43	0	0	0	–43	0	6,118	5,682
402,310	**19,447**	**32,999**	**263**	**0**	**388,495**	**201,674**	**214,737**
7,549	0	7,500	0	0	49	198,991	169,991
0	0	0	0	0	0	122,547	122,602
3,775	0	0	0	0	3,775	1,534	756
1,861	0	0	0	0	1,861	4,469	4,469
257	0	0	0	0	257	1,672	151
13,442	**0**	**7,500**	**0**	**0**	**5,942**	**329,213**	**297,969**
466,546	**22,524**	**40,837**	**263**	**0**	**447,970**	**536,269**	**520,503**

Cash flow statement
for the financial year from 1 January until 31 December 2015

Stadtwerke Leipzig GmbH, Leipzig

in €k

	2015	2014
Profit or loss from ordinary activities	**60,353**	**54,703**
Depreciation (+)/reinstated depreciation (–) of tangible and intangible assets	22,260	21,464
Depreciation (+)/reinstated depreciation (–) of financial assets	0	2,702
Increase (+)/decrease (–) in pension provisions	815	–538
Increase (+)/decrease (–) in other long-term provisions	–27,336	–5,751
Increase (+)/decrease (–) in special items	–7,813	–6,788
Profit (–)/loss (+) from the disposal of fixed assets	704	–1,925
Expenses (–)/income (+) from extraordinary items	–5,982	0
Interest expenses (+)/interest income (–)	4,086	4,051
Interest from operating activities	–161	19
Income from participations (–)/loss assumption (+)	–19,004	–24,802
Net cash from business activities	**27,922**	**43,135**
Increase (–)/decrease (+) in inventories including depreciation on current assets	1,625	–486
Increase (–)/decrease (+) in receivables from deliveries and services	5,555	56,390
Increase (–)/decrease (+) in receivables from affiliated companies	5,360	7,987
Increase (–)/decrease (+) in receivables from companies in which a participating interest is held	2,279	–1,176
Increase (–)/decrease (+) in other assets	2,541	–3,012
Increase (–)/decrease (+) in prepaid expenses	601	–857
Increase (+)/decrease (–) in provisions for taxation	–232	242
Increase (+)/decrease (–) in other short-term provisions	36,026	–21,628
Increase (+)/decrease (–) in liabilities from deliveries and services	–4,065	–11,696
Increase (+)/decrease (–) in payments received	124	–1,206
Increase (+)/decrease (–) in liabilities to affiliated companies	–929	–247
Increase (+)/decrease (–) in other liabilities	–817	–368
Increase (+)/decrease (–) in deferred income	–43	50
Change in the working capital	**48,025**	**23,993**
Cash flows from operating activities	**75,947**	**67,128**
Receipts from disposals of tangible fixed assets	18,433	3,119
Payments for investments in tangible fixed assets	–24,234	–19,537
Payments for investments in intangible fixed assets	–1,088	–973
Payments for investments in financial assets (not including loans)	–30,375	–150
Payments for investments in financial assets (only loans)	–12,275	–5,483
Receipts from repayment of loans in financial assets	12,407	11,914
Interest received	6,287	6,752
Dividends received	22,531	24,347
Receipts from disposal of cover assets	1,020	1,034
Payments for the acquisition of cover assets	–373	–784
Cash flows from investing activities	**–7,667**	**20,239**
Receipts from equity-capital contributions	**0**	**6**
Distribution to the shareholder	**–48,993**	**–65,102**
Shareholder loans	28,000	120,000
Other receipts from additions, special item for building-cost subsidies and building connection costs	2,302	2,047
Receipts from borrowings and other financing activities	**30,302**	**122,047**
Repayments to banks	–1,327	–164,940
Repayments of shareholder loans	–35,142	0
Interest paid	–9,805	–15,031
Dividends paid	–2,100	–1,706
Payments for loan repayment and other financing activities	**–48,374**	**–181,677**
Cash flows from financing activities	**–67,065**	**–124,726**
Net change in financial resources	**1,215**	**–37,359**
Financial resources at beginning of period	43,751	90,997
Change in financial resources as a result GAS 21	0	–9,887
Financial resources at end of period	**44,966**	**43,751**

Independent auditors' opinion

We have audited the annual financial statements – comprising the balance sheet, the income statement and the notes of the annual financial statements – together with the bookkeeping system, and the management report of the Stadtwerke Leipzig GmbH, Leipzig, for the business year from January 1 to December 31, 2015. Pursuant to § 6b paragraph 5 Energy Industry Act (Energiewirtschaftsgesetz – hereinafter referred to as "EnWG") our audit comprised the compliance of the bookkeeping with the obligations stipulated under § 6b paragraph 3 EnWG. The maintenance of the books and records and the preparation of the annual financial statements and management report in accordance with German commercial law as well as the compliance of the bookkeeping with the obligation under § 6b paragraph 3 EnWG are the responsibility of the Company's management. Our responsibility is to express an opinion on the annual financial statements, together with bookkeeping system, and on the management report as well as on the compliance of the bookkeeping with the obligation under § 6b paragraph 3 EnWG based on out audit.

We conducted out audit of the annual financial statements in accordance with § 317 HGB („German Commercial Code") and German generally accepted standards for the audit of annual financial statements promulgated by the Institut der Wirtschaftsprüfer. 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 annual financial statements in accordance with German principles of proper accounting and in the management report are detected with reasonable assurance and that it can be assessed with reasonable assurance whether the obligation under § 6b paragraph 3 EnWG are fulfilled in all material respects. 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 books and records, the annual financial statements and the management report as well as the compliance with the obligation under § 6b paragraph 3 EnWG are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made my management, as well as evaluating the overall presentation of the annual financial statements and 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 findings of our audit, the annual financial statements of the Stadtwerke Leipzig GmbH, Leipzig, comply with the legal requirements and give a true and fair view of the net assets, financial positions and results of operations of the group in accordance with German principles of proper accounting. The management report is consistent with the annual financial statements and as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

Our audit of the compliance of the bookkeeping with the obligation under § 6b paragraph 3 EnWG has not led to any reservations.

Leipzig, February 29, 2016

KPMG AG
Wirtschaftsprüfgesellschaft

Dr Flascha Wirtschaftsprüfer (German Public Auditor)	Lorenz Wirtschaftsprüfer (German Public Auditor)

List of abbreviations

AG	Public limited company according to German law (Aktiengesellschaft)
ARegV	Incentive Regulation Ordinance (Anreizreguli-erungsverordnung)
BMWi	Federal Ministry for Economic Affairs and Energy (Bundesministerium für Wirtschaft und Energie)
BNetzA	Federal Network Agency (Bundesnetzagentur)
CHP plant, Leipzig	Gas and steam turbine plant, Leipzig
DMBilG	Deutsche Mark Balance Sheet Act (Gesetz über die Eröffnungsbilanz in Deutscher Mark und die Kapitalneufestsetzung)
e.g.	for example
EEX	European Energy Exchange AG, Leipzig
EGHGB	Introductory Act to the German Commercial Code (Einführungsgesetz zum Handelsgesetzbuch)
EnWG	Energy Industry Act (Energiewirtschaftsgesetz)
et seq.	And the following
EURIBOR	European Interbank Offered Rate
€k	Thousands of euros
€m	Millions of euros
FöGbG	Development Area Act (Fördergebietsgesetz)
GAS	German Accounting Standard (Deutscher Rech-nungslegungs Standard – DRS)
GPEC	Gdańskie Przedsiębiorstwo Energetyki Cieplnej Sp. z o.o., Danzig, Poland
GPEC group	GPEC, i.e. including all polish subsidiaries
GmbH	Limited liability company according to German law (Gesellschaft mit beschränkter Haftung)
GmbHG	German Limited Liability Companies Act (Gesetz betreffend die Gesellschaften mit beschränkter Haftung)
GWh	Gigawatt hour
HGB	German Commercial Code (Handelsgesetzbuch)
i.e.	that is
IT	Information technology
KWK	Combined heat and power generation, CHP
LAS	LAS GmbH, Leipzig
LVV	LVV Leipziger Versorgungs- und Verkehrs-gesellschaft mbH, Leipzig
LVB	Leipziger Verkehrsbetriebe (LVB) GmbH, Leipzig
Netz Leipzig	Netz Leipzig GmbH, Leipzig
OTC	Over The Counter (OTC trading)
RETIS	RETIS Leipzig GmbH, Leipzig
ROCE	Return on Capital Employed
SW Leipzig	Stadtwerke Leipzig GmbH, Leipzig

Credits

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