



16 May 2014

For further information,  
please contact:

**Media**

**Barbara Verhaegen**  
+32 2 546 73 78  
+32 473 65 39 47  
[barbara.verhaegen@elia.be](mailto:barbara.verhaegen@elia.be)

**Axelle Pollet**  
+32 2 546 75 11  
+32 475 84 38 91  
[axelle.pollet@elia.be](mailto:axelle.pollet@elia.be)

**Investor Relations**

**Tom Schockaert**  
+32 2 546 75 79  
+32 494 42 28 65  
[investor.relations@elia.be](mailto:investor.relations@elia.be)

## ***Interim statement: Q1 2014***

- ***Elia Transmission successfully issues €350 million bond***
- ***The Wathelet Plan creates a new task for Elia***
- ***Elia Transmission and 50Hertz take further important steps towards integrating the energy market***
- ***New composition of the Elia Board of Directors on the agenda for the AGM of 20 May 2014***

### **Successful €350 million bond issue as part the Elia Transmission's €3 billion EMTN programme**

Elia Transmission successfully issued a €350 million 15-year Eurobond as part of its €3 billion EMTN programme. Investors reacted very positively during the development of the order book, with more than €1.7 billion being received in offers from over 150 investors from 32 countries. This transaction once again highlights Elia's quality and attractiveness on the bond market. The credit margin for the transaction was set at 82 bp above the mid-swap rate for 15-year bonds, resulting in a 3.0% coupon. The proceeds from the bond issue will be used to pay back loans that fall due in May and for general corporate purposes.

### **Strategic reserves: a new task for Elia**

Starting this year, Elia will have to provide a strategic reserve in winter if the Secretary of State for Energy deems it necessary. Before he can make that decision, Elia and the Directorate-General for Energy at FPS Energy, respectively, must issue an analysis and an opinion on the situation and the risks that may affect security of supply in Belgium over the coming winter. The Secretary of State used this information as a basis for determining the volume of energy that must be made available from 1 November 2014 to address any problems with security of supply. In the meantime, Elia is preparing the smooth implementation of this new mechanism.

These strategic reserves are the result of the Wathelet Plan, with which the Secretary of State for Energy, Melchior Wathelet, intends to maintain Belgium's electricity supply in the short, medium and long term.

### **Launch of NWE Price Coupling for the day-ahead market**

On 4 February, market coupling for the North-West Europe (NWE) day-ahead market was successfully launched by the 13 system operators and 4 power exchanges participating in the project. Since that date, the North-West Europe region has been using a shared technical solution to couple the markets of the Central-West Europe region (Belgium, France, the Netherlands, Germany and Luxembourg) with Scandinavia and the UK.

The chosen solution (also known as PCR) was developed by a number of European power exchanges in the aim of providing a unique algorithm and uniform working procedures for calculating prices, as well as making efficient use of the cross-border transmission capacity that is calculated by TSOs and placed on the market in a coordinated way.

The Belgian electricity market has been coupled since 2006. To begin with, Belgium was coupled with two countries that border it (France and the Netherlands). Further integration took place in November 2010, when the CWE

region was linked to the North European region using another technical solution. Market coupling within the NWE region is a key step towards an integrated European electricity market.

### **Start of discussions with CREG on the new regulatory framework**

Discussions have now begun between Elia Transmission and CREG, the Belgian electricity and gas market regulator, on the new regulatory framework that will apply from 1 January 2016. CREG intends to release an initial version of the potential regulatory framework early this summer, for consultation purposes. After the consultation, it will sound out various stakeholders on the document with a view to publishing the final version of the regulatory framework in late 2014. In 2015, Elia Transmission will submit a tariff proposal on the basis of the new tariff framework.

### **Agreement between Polish (PSE) and German (50Hertz) transmission system operators on phase shift transformers: an important step towards further integration of the European energy market**

The Polish transmission system operator and 50Hertz have found a solution to the problem of unplanned energy flows at the German-Polish border: in March, they signed an agreement on the operation of phase shift transformers (PSTs) in Warsaw. This move will boost system security and provide additional capacity for cross-border energy flows between Germany and Poland and, as a result, facilitate the integration of the European energy market.

### **New Elia Group subsidiary to strengthen international activities**

The energy industry is evolving rapidly, with the integration of renewable energy sources (RES), developments in high-voltage technology and the ongoing integration and deregulation of competitive energy markets. This presents system operators worldwide with huge new challenges. To respond to these challenges as a system operator and proactively tap into new opportunities, the Elia Group is now offering its expertise to the international market through a new entity, Elia Group International (EGI), that was specially created for that purpose.

We are a dynamic, forward-thinking company offering innovative, state-of-the-art grid solutions and we are open to forming long-term partnerships with a view to developing such solutions.

You can find more information on EGI's official website, [www.eg-international.com](http://www.eg-international.com).

### **New composition of the Elia Board of Directors**

Mr Luc Van Nevel, Mr Thierry Willemarck and Mr Clément De Meersman have been independent directors on the Elia Board for 12 years. Due to legal requirements they cannot continue their directorship and therefore put their mandates at the disposal of the general assemble.

The Board of Directors proposes the annual general meeting of shareholders on 20 May to appoint Mr Luc De Temmerman, Mr Frank Donck and Ms Saskia Van Uffelen as new independent directors of the company.

Furthermore, the Board of Directors proposes, at request of Publi-T, to appoint Mr Luc Hujoel as a non-independent director to replace Jennifer Debatisse, who resigns.

### **Financial forecasts**

As reported in the publication of the 2013 annual results, Elia Group is unable to make any concrete profit forecasts since the annual result depends on parameters that will not be known until the end of 2014 or which can only be calculated at that time (such as the average Belgian 10-year interest rate, the Elia share beta, or inflation).

The Board of Directors will propose a dividend of €1.54 gross per share to the annual general meeting of shareholders on 20 May 2014. The dividend for FY 2013 will be paid out on 4 June 2014 (date of detachment of the coupon is 30 May, before the stock exchange opens) in exchange for coupon 10. Payment will be made at Belgian branches of Belfius, BNP Paribas Fortis, KBC Bank and ING. ING is also the central payment agent.

## Financial calendar

<i>Annual general meeting on 2013</i>	<i>20 May 2014</i>
<i>Trading of ex-coupon number 10</i>	<i>30 May 2014</i>
<i>Payment of dividend for 2013</i>	<i>4 June 2014</i>
<i>Publication of half-yearly results for 2014</i>	<i>29 August 2014</i>
<i>Update Q3 2014</i>	<i>14 November 2014</i>

## About Elia:

*The Elia Group is organised around two electricity transmission system operators: Elia Transmission in Belgium and (in cooperation with Industry Funds Management) 50Hertz Transmission, one of the four German transmission system operators, active in the north and east of Germany. With more than 1,900 employees and a transmission grid comprising some 18,300 km of high-voltage connections serving 30 million consumers, the Elia Group is one of Europe's top five TSOs. It efficiently, reliably and securely transmits electricity from generators to distribution system operators and major industrial consumers, while also importing and exporting electricity from and to neighbouring countries. The Group is a driving force behind the development of the European electricity market and the integration of energy generated from renewable sources.*

*In addition to its system operator activities in Belgium and Germany, the Elia Group offers businesses a range of consultancy and engineering.*

*The Group operates under the legal entity Elia System Operator, a listed company whose reference shareholder is municipal holding company Publi-T.*