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Press release

Regulated information

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Highlights for the first half of 2015

- ***Improved reported results for Elia (Belgium) as the negative impact of the decrease of the 10-year government bond interest rates was more than compensated by good operational and financial performance.***
- ***Strong increase in the normalized* results of 50Hertz (Germany) thanks to the realization of important investments; decrease in reported results compared to the first half of 2014 due to the disappearance of one-off elements.***
- ***This resulted in a slight decrease of the reported consolidated results of the Elia Group.***
- ***Flow-based market coupling a major success***

1. Key figures

Consolidated results of the Elia Group, the operator of the Elia high-voltage grid in Belgium and the 50Hertz high-voltage grid in Germany, for the first six months of 2015:

Consolidated results (in million EUR) - period ended 30 June	2015	2014	Difference (%)
Total revenues and other income	383.5	405.5	(5.4%)
Results from operating activities	87.6	93.5	(6.3%)
Share of profit of equity accounted investees (net of income tax)	59.5	61.4	(3.1%)
Earnings before interest and tax (EBIT)	147.1	154.9	(5.0%)
Earnings before depreciations, amortizations, interest and tax (EBITDA)	201.3	213.0	(5.5%)
Net finance costs	(44.5)	(53.8)	(17.3%)
Income tax expenses	(9.8)	(6.7)	46.3%
Profit attributable to the Owners of the Company	**93.0**	**94.5**	**(1.6%)**
Basic earnings per share (EUR)	1.53	1.56	(1.9%)
Consolidated statement of financial position (in million EUR)	30 June 2015	31 December 2014	Difference (%)
Total assets	5,793.0	5,697.0	1.7%
Equity, attributable to the Owners of the Company	2,298.0	2,285.1	0.6%
Net financial debt	2,630.8	2,539.2	3.6%
Equity per share (EUR)	37.8	37.6	0.5%
Number of shares (end of period)	60,750,239	60,738,264	0.0%

EBIT = earnings before interest and taxes, including share of profit of equity-accounted investees (net of income tax)
EBITDA = EBIT + depreciation/amortisation + changes in provisions

* Excluding important one-offs (€32.7 million EBIT; €22.9 million net profit) included in the 2014 results.

Elia Group CEO Chris Peeters comments on the first half of 2015:

"Elia Group performed strongly during the first half of 2015. The slight drop in half-yearly results, which amount to EUR 93.0 million, is primarily attributable to the disappearance of one-off effects from 2014. If we normalise the results, taking these effects into account, we can once again post healthy growth of the normalised results, made possible by the implementation of substantial investments as well as operational excellence in both Belgium and Germany.

As the new CEO of the Elia Group, during the second half of the year I intend to focus on ensuring security of supply during the winter months, closely follow up on our investment programme and make certain that all our employees have a safe work environment. In Belgium, the lion's share of investments will be used to boost interconnection capacity and to maintain and upgrade the existing grid. Investments in Germany will, in the coming years, primarily focus on expanding the network. The energy sector is going through a very exciting transformation, and Elia will continue to play a leading role going forward."

Analyst & Investor conference call

The Elia group will host a conference call for the institutional investors and analysts on August 28, 2015 at 10:00 AM CET. For dial-in details and webcast links please visit our website (http://www.eliagroup.eu).

Financial

The Elia Group's reported **consolidated net profit** decreased by 1.6%, following the increase in the net profits of Elia Transmission (Belgium) and the decrease in net profits of 50Hertz Transmission (Germany).
At Elia Transmission the result was mainly impacted by a decrease in the regulated profit due to the lower OLO, more than compensated by the higher offsetting in tariffs of the decommissioning of fixed assets, the increase in the share of the profit of the financial participation in HGRT (Holding des Gestionnaires de Réseau de Transport) and a positive impact from insurance and damage files.
At 50Hertz the reported results decrease because of the disappearance of the important one-offs realized in the first 6 months of 2014 (down €22.9 million). Looking at the normalized results, excluding the exceptional elements of last year, the results have again increased as a result of the realization of the important investments. Per end of June 2015, 50Hertz Transmission's share in the consolidated net profit came in at 59%; the remainder of the consolidated net profit comes from Elia Transmission.

More details of the financial performance of the two constituent transmission system operators (Elia Transmission in Belgium and 50Hertz Transmission in Germany) can be found in the individual segment reporting sections below.

The **net financial debt** increased to €2,630.8 million (up 3.6%).

Elia Group shareholders' equity remained at a similar level compared to the previous year, at €2,298.0 million, mainly due to the reservation of profit from the first half of the year (€93.0 million) being offset by the dividend payment for 2014 (€93.5 million).

2.A. Segment reporting for Elia Transmission (Belgium)

Results of Elia Transmission for its transmission system operator (TSO) activities in Belgium in the first six months of 2015:

Results Elia Transmission (in million EUR) - period ended 30 June	2015	2014	Difference (%)
Total revenues and other income	383.5	405.5	(5.4%)
Results from operating activities	87.6	93.5	(6.3%)
Share of profit of equity accounted investees (net of income tax)	4.7	1.7	176.5%
Earnings before interest and tax (EBIT)	92.2	95.2	(3.2%)
Earnings before depreciations, amortizations, interest and tax (EBITDA)	146.5	153.3	(4.4%)
Net finance costs	(44.5)	(53.8)	(17.3%)
Income tax expenses	(9.8)	(6.7)	46.3%
Profit attributable to the Owners of the Company	**38.1**	**34.7**	**9.8%**
Consolidated statement of financial position (in million EUR)	30 June 2015	31 December 2014	Difference (%)
Total assets	5,036.8	4,989.6	0.9%
Net financial debt	2,630.8	2,539.2	3.6%

EBIT = earnings before interest and taxes, including share of profit of equity-accounted investees (net of income tax)
EBITDA = EBIT + depreciation/amortisation + changes in provisions

Financial

Elia Transmission's revenue in Belgium dropped by 5.4% in the first six months of 2015 compared with the same period the previous year, at €383.5 million. The decrease in the revenues reflects the lower actual costs realized, mainly for ancillary services and financing, which are being passed through in the revenues. The table below provides more details of changes in the various revenue components.

(in million EUR) - Period ended 30 June	2015	2014	Difference (%)
Grid connection revenue	21.1	20.5	2.6%
Grid use revenue	309.8	307.8	0.7%
International revenue	33.1	25.6	29.1%
Ancillary services revenue	86.2	88.9	(3.1%)
Transfers of assets from customers	2.3	0.4	416.6%
Other revenue	4.7	1.6	193.6%
Other income	20.0	22.8	(12.4%)
Subtotal revenues & other income	**477.1**	**467.8**	**2.0%**
Settlement mechanism: to be refunded to the tariffs of current period	(13.5)	(28.9)	(53.4%)
Settlement mechanism: deviations from approved budget	(80.2)	(33.4)	140.2%
Total revenues and other income	**383.5**	**405.5**	**(5.4%)**

Grid connection and grid use revenue, amounting to resp. €21.1 million and €309.8 million, were at the same level as for the first six months of 2014.

International revenue increased by €7.5 million (29.1%), mainly due to higher auction revenue at the interconnections, especially with France. The prices for the annual auctioning, which are set every year in September and November for the following year, where significantly higher for 2015 compared to 2014 due to the unavailability of Doel 3 and Tihange 2.

The **ancillary services revenue** decreased by 3.1% primarily due the lower injection of energy by the nuclear power plants.

Revenue from customer contributions to investments ("**transfers of assets from customers**") was up €1.9 million while **other revenue** was up €3.1 million compared to the same period the previous year, primarily due to the higher revenue from work on behalf of third parties.

The **settlement mechanism** encompasses deviations from the **budget approved by CREG** with regard to non-controllable costs and revenue. The operational result was up €80.2 million, mainly owing to higher international revenue (€28.6 million), the lower actual average OLO (€19.0 million), lower costs for ancillary services (€23.1 million), lower financial charges (€19.5 million) and lower taxes (€4.6 million), with these items being partly offset by lower volumes (down €13.3 million) mainly due to the lower injection of the nuclear power plants and the lower income from imbalances. In addition, a temporary tariff surplus of €13.5 million was realized which is carried forward within the current tariff period.

The **share of profit of equity accounted investees (net of income tax)** was considerably higher as a result of the increase in the share of the profit of the HGRT participation following the integration of the power exchanges APX Group in EPEX SPOT, of which HGRT, after the integration, owns 49%.

EBITDA (down 4.4%) and **EBIT** (down 3.2%) are mainly impacted by the decrease in the fair remuneration due to a decrease in the average OLO (down from 2.08% to 0.96%) and the lower financial charges, which are passed through to the revenues, partially compensated by an increase in the offsetting in tariffs of the decommissioning of fixed assets.

Net finance costs dropped significantly (down 17.3%) from the same period the previous year to €44.5 million. This is mainly an outcome of the combination of the lower average cost of debt and a lower average outstanding amount. In April 2014, a €500 million Eurobond came to maturity and was replaced with a €350 million Eurobond at a more attractive pricing.

The increase in **income tax expense** (up 46.3%) was mainly a result of the decrease in the Belgian notional interest deduction, increasing our effective tax rate from 16.9% in 2014 to 22.8%.

Consolidated profit after income tax increased 9.8% from €34.7 million for the first half of 2014 to €38.1 million for the first six months of 2015, principally due to the following items:

1. decrease in the regulated profit due to lower OLO (down €7.1 million);
2. higher cost savings and revenue (up €0.7 million);
3. increase in the offsetting in tariffs of the decommissioning of obsolete fixed assets (up €2.6 million);
4. lower incentive on replacement investments (down €0.2 million);
5. positive impact from insurance files (up €3.6 million);
6. increase in the share of the profit of the HGRT participation (up €4.6 million).

Total assets remained stable at €5,036.8 million, while **net financial debt** increased by 3.6% to €2,630.8 million.

Operational

The **load** recorded on the Elia grid increased slightly by 1.4% in the first six months of 2015 to 39.1 TWh compared with the same period the previous year. Net offtake from the Elia grid also fell but to a lesser extent (33.6 TWh as opposed to 34.6 TWh in 2014, i.e. a decrease of 2.8%).

In the first half of 2015, Belgium was a net importer of 10.7 TWh, which was significantly higher than the 6.7 TWh of net imports in the first six months of 2014. This increase was mainly due to the unavailability of the Doel 3 and Tihange 2 nuclear reactors in 2015, whereas early 2014 the two reactors were available for some months. Total electricity flows between Belgium and its neighbours also increased considerably (up 12.8%) to 13.2 TWh.

Investments

A net sum of €132.7[1] million was invested, mainly on upgrading high-voltage stations and laying high-voltage cables. Up till June, €23.9 million had already been invested in the Stevin project, mainly in the substations. Furthermore, a second phase shifter in Zandvliet is being installed, for which €8.1 million has already been invested.

[1] Including capitalisation of software, IAS 23 (Borrowing Costs) and IFRIC 18 (Transfers of Assets from Customers – with customer contributions to grid connections fully recognised in IFRS as revenue), this gives €142.2 million.

elia group — Powering a world in progress — 50hertz elia

2.B. Segment reporting for 50Hertz Transmission (Germany)

Results of 50Hertz Transmission for its transmission system operator (TSO) activities in Germany in the first six months of 2015:

Results 50Hertz Transmission (Germany) (in million EUR) – Period ended 30 June*	2015	2014	Difference (%)
Total revenues and other income	657.9	510.0	29.0%
Earnings before interest and tax (EBIT)	140.4	148.9	(5.7%)
Earnings before depreciations, amortizations, interest and tax (EBITDA)	181.3	178.6	1.5%
Net finance costs	(7.5)	(4.6)	n/a
Income tax expenses	(41.5)	(44.9)	(7.6%)
Profit attributable to the Owners of the Company **	**91.4**	**99.4**	**(8.0%)**
Of which 60% attributable to the Elia Group	***54.8***	***59.6***	***(8.0%)***
Consolidated statement of financial position (in million EUR)	30 June 2015	31 December 2014	Difference (%)
Total assets	4,339.2	3,538.8	22.6%
Net financial debt	(95.1)	(24.9)	n/a

EBIT = earnings before interest and taxes, including share of profit of equity-accounted investees (net of income tax)
EBITDA = EBIT + depreciation/amortisation + changes in provisions
* Income, expenses, assets and liabilities are reported in the table at 100%
** 60% of the profit attributable to the owners of the Company is included in the Share of profit of equity accounted investees (net of income tax) of the Group.

Financial

50Hertz Transmission's revenue was up 29.0% on the same period the previous year. This rise was mainly a result of increased onshore and offshore investments and the higher energy costs to be recovered, partly compensated by the settlement of old tariff surpluses. The **total revenues** are detailed in the table below.

Total revenues and other income (in million EUR) – period ended 30 June	2015	2014	Difference (%)
Vertical grid revenues	376.2	433.5	(13.2%)
Horizontal grid revenues	67.2	48.3	39.1%
Ancillary services revenues	75.9	38.4	97.7%
Other income	22.4	19.4	15.5%
Subtotal revenue and other income	**541.7**	**539.6**	**0.4%**
Settlement mechanism: deviations from approved budget	116.2	(29.6)	n/a
Total revenues and other income	**657.9**	**510.0**	**29.0%**

Vertical grid revenues (tariffs end customers) decreased by €57.3 million (13.2%), primarily as a result of the decrease in the total allowed revenues by the regulator. The allowed non controllable costs to be passed on in the tariffs, which are updated each year, were significantly impacted by lower cost covering of energy costs and the settlement of old tariff surpluses. These effects were only partly compensated by the increased allowed cost recovery for new investments.

Horizontal grid revenues (tariffs to TSOs) rose 39.1% mainly due to the higher volume of offshore investments. The investment programme meant that these costs increased substantially, leading to a sharp rise in costs passed on to the other three TSOs.

Ancillary services revenue increased significantly by €37.5 million (97.7%), primarily as a result of significantly higher need for redispatching measures mainly due to the windy weather in the first months of 2015.

In the case of 50Hertz Transmission, the **settlement mechanism** includes both the annual offsetting of deficits and surpluses arising before 2015 (+ €68.5 million) and the deviations in 2015 between the costs allowed to be passed on and the actual costs (+ €47.7 million). The substantial operational deficit in 2015 is primarily a result of significantly higher-than-expected energy costs due to the windy weather.

The **EBITDA** has increased to €181.3 million. The additional result from the increased investments compared to 2014 has been counterbalanced by the disappearance of the 2014 one-off effects coming from the settlement of the first regulatory period for an amount of €24.2 million. At the end of Q2 2014, the company received the official German Federal Network Agency (BNetzA) decision regarding the previous regulatory period. This upheld the costs passed on in the past, allowing 50Hertz to release the recognized regulatory provisions. Excluding these 2014 one-offs, EBITDA would have increased by 17.4%.

EBIT (down 5.7%) and **net profit** (down 8.0%) were further impacted by the increased depreciation and the 2014 one-off release of a provision relating to a court case, which was cancelled following a positive court judgement. Normalising the results for the one-off effects in 2014, in total adding up to €32.7 million, EBIT would have increased by 20.8% confirming again the strong performance at 50Hertz Transmission.

Net finance costs increased by 63% as a result of higher financial charges per June 2015 due to the further decrease of the interest rate which needs to be used for the discounting of the long term provisions.

The decrease in **income tax expense** (down 7.6%) was mainly a result of the decrease in pre-tax profit.

Total assets increased by 22.6% to €4,339.2 million, while **net financial debt** remained negative (cash balance of €95.1 million) as a result of the positive net inflow from the EEG mechanism (surplus of €851.6 million per end of June 2015).

<u>Operational</u>

In first half of 2015 a net volume of 25.3 TWh was drawn off from the 50Hertz grid. The net offtake of electricity was 6.0% lower than during the same period last year (26.9 TWh).

50Hertz imported 5.8 TWh of electricity in the first half 2015 (6.0 TWh in 1st half of 2014) and exported 25.7 TWh (22.0 TWh in the 1st half of 2014). As a result, net exports of electricity were up 24% from 16.0 TWh to 19.9 TWh. The maximum offtake within the 50Hertz grid was 9,024 MW in the first half of 2015. This represents a reduction of 5.6% with the maximum offtake in the first half of 2014 (9,557 MW).

<u>Investments</u>

On the way to accomplish the "Energiewende", 50Hertz Transmission invested €181.6 million in the first half of 2015. The onshore investments amounted to €84.6 million and the corresponding figure for the offshore investments amounts to €97.0 million. The most significant onshore investment was made for the overhead line project South-West Coupling Line (€20.8 million). Offshore investments were mainly made in connection with off-shore grid connections Baltic 2 (€50.3 million) and Ostwind 1 (€42.7 million).

3. Significant events in the first half of 2015

Changes at management level

The Board of Directors of Elia System Operator has appointed Chris Peeters Chief Executive Officer. Since 6 July he has taken over the duties of François Cornélis, who had been holding the position of ad interim CEO since 14 January 2015.

Chris Peeters is 48 years old and obtained a Master's degree in Civil Engineering at the University of Leuven, Belgium. For the past three years, he ran the Business Consulting activities of Schlumberger in Europe, Russia, Africa and the Middle East. Prior to that, he was 14 years with McKinsey & Company (of which seven years as Partner), specializing in the energy sector. During the first ten years of his career, he created an engineering firm and subsequently started a manufacturer of building materials, before joining Hoogovens Aluminium as Sales & Technical Manager for part of Europe.

On 1 July 2015 Marco Nix succeeded Udo Giegerich, Managing Director Finance (CFO). Marco Nix was Head of Controlling and Risk Management at 50Hertz and CFO at Elia Grid International. He has 14 years of professional experience in accounting, corporate governance, regulatory affairs and management control in the energy sector, and has been part of the management of 50Hertz for nine years. Marco Nix earned a degree in economics from Humboldt University of Berlin.

New regulatory framework for Elia Transmission - agreement for mark-up on strategic investments

In the context of the approved new regulatory framework for Elia Transmission, applicable as from 1 January 2016, further discussions between Elia Transmission and the CREG, the Belgian electricity and gas regulator, took place regarding the details of the various incentives. As the CREG, together with Elia, considers that strategic investments (i.e. investments mainly aimed at enhancing EU integration) are of primary importance for enhancing the integration of European electricity markets, it agreed with Elia to introduce a mark-up on these investments. The draft specifics about the mark-up were published on 24 August and are available for consultation until 14 September 2015.

Successful €500 million bond issue as part of 50Hertz Transmission's new €5 billion EMTN programme

50Hertz' holding company, Eurogrid GmbH, has set up a debt issuance programme of €5 billion, which will be the cornerstone for the long term financing of the important investment programme that lies ahead of 50Hertz Transmission. Furthermore, a new revolving credit facility has also been concluded with a consortium of 8 banks, totalling €750 million with duration of 5 years and with an option of two more years.

Eurogrid GmbH issued the first corporate bond of €500 million under the EMTN programme on June 2. The bond has a denomination of €100,000 with a duration of 10 years and a coupon of 1.875 %. The issuance was done via Bourse Luxembourg where the bond will also be traded.

Significant progress on crucial investments in Belgium and Germany

Nemo project - Belgium
On Friday, 27 February Elia and National Grid signed a joint venture agreement to build the Nemo Link interconnector. Once the project is completed the interconnector will be able to handle a capacity of 1000 MW and provide enough electricity to power half a million homes. The line will connect the town of Richborough, on the Kent coast, with Herdersbrug, near Zeebrugge, via subsea and underground cables stretching 140 kilometres. Electricity will be exchanged between the two countries.

Stevin project - Belgium
Work on the Stevin project began on April 1st, 2015. The Stevin project will upgrade the grid between Zomergem and Zeebrugge in order to incorporate electricity generated by the new offshore windfarms in the grid. To that end, various types of work are on the schedule and will be carried out between April 2015 and the end of 2017.

Boucle de l'Est (East Loop) – Belgium
Work started on Boucle de l'Est on the first of June. The primary aim of the Boucle de l'Est upgrade project is to be able to accommodate the energy generated from renewable sources in the region. It will also contribute to enhancing the security of the electricity supply for the zone in question.

Brabo project – Belgium
The installation of a 4th phase-shifting transformer at Zandvliet will make it possible to increase peak import

capacity at the northern border to 3,400 MW starting this winter.

The installation of this transformer is the first stage in the Brabo project, which is part of the initiative to upgrade the Belgian electricity grid. The Brabo project is key to guaranteeing supply for the whole of Belgium, and more particularly the Antwerp port area. In addition to the installation of this additional phase-shifting transformer at Zandvliet, the project provides, for implementation in 2016, for the upgrading of the existing 150 kV line between Zandvliet and Doel into a 380 kV line. A new 380 kV line is also planned, at a later stage, between the high voltage station at Zandvliet, the new station at Lillo and the Mercator high-voltage station (municipality of Kruibeke).

Baltic 2 project - Germany

The project to connect the second German wind farm in the Baltic Sea, EnBW Baltic 2, to the grid has cleared another hurdle. 50Hertz, the transmission system operator responsible for offshore grid connections in the German Baltic Sea, has started trial operations with the first of two 150-kV submarine cables and the required technology on the wind farm platform. EnBW Baltic 2 is currently under construction 32 kilometres north of the Baltic island of Rügen. One by one, the wind turbines can now be added to the grid. Ultimately, the wind farm and its 80 wind turbines will offer a total capacity of 288 megawatts. This should enable EnBW to generate approximately 1,200 gigawatt hours of electricity for about 340,000 households, resulting in around 900,000 tonnes less CO_2 emissions compared to conventional electricity generation.

Flow-based market coupling a major success

On 20 May Elia announced, together with the 7 other partners in this project, the successful launch of the new flow-based methodology, the aim of which is to optimise the efficiency of the cross-border electricity market for Central Western Europe (CWE). The implementation of this method is an additional important step in the integration of the European market and paves the way toward creating an internal European energy market.

Through its innovative and dynamic approach, the flow-based method offers a better representation of the actual grid situation, thereby enabling a more efficient analysis of the related commercial transactions and physical flows. In offering a more precise tool for ensuring electricity supply this calculation method will make it possible to increase price convergence, leading to significant economic gains. The coupling of the flow-based market for Central Western Europe was brought about by several high-voltage transmission system operators (Elia, Amprion, RTE, TenneT and TransnetBW) and power exchanges (APX and EPEX SPOT).

Building up of strategic reserves for the winter of 2015-16

On 14 July, Elia presented the power supply situation for the winter of 2015-2016 to Belgium’s Chamber of Representatives within the Economics Committee, along with an update on the strategic reserve requirements for this winter.

Elia presented a comprehensive package of measures, taken at the initiative of the authorities, operators and Elia, thereby providing the necessary confidence that the power supply situation will be adequate throughout the upcoming winter.

Specifically, the quantitative analysis of the combined effects of the expected restart of Doel 1 and Doel 2, the return to the market of approximately 900 MW of other generation units, the ordering of the full lot of 805 MW additionally tendered strategic reserves, the reinforcement of the northern border with the 4^{th} phase shifting transformer in Zandvliet (PST), and the review of the expected peak load based on recent observations, yielded a generation-load balance for the coming winter that is considered adequate compared with the legal norm.

4. Additional information as required by the Royal Decree of 14 November 2007

In view of the impact of the 10 year government bond interest rate (OLO) on the Belgian result and the fact that the Belgian result depends on parameters that will only be known or can only be calculated at the end of 2015 (e.g. the inflation figure for December 2015 and the beta factor of the Elia share), the Elia Group cannot make specific profit forecasts for 2015. For Germany, the outlook remains positive, although here too no profit forecast can be given.

5. Joint auditors' review report

The review report is annexed in section 4.

6. Financial calendar for 2015

Interim statement Q3 2015	*13 November 2015*
Publication of 2015 annual results	*26 February 2016*
Publication of 2015 Annual Report	*Early April 2016*
General Meeting of Shareholders	*17 May 2016*

About Elia:

The Elia Group is organized around two electricity transmission system operators (TSOs): Elia Transmission in Belgium and (in cooperation with Industry Funds Management (IFM) 50Hertz Transmission, one of the four German transmission system operators, active in the north and east of Germany.

With over 2,000 employees and a grid comprising some 18,300 km of high-voltage lines serving 30 million end 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 TSO activities in Belgium and Germany, the Elia Group offers businesses a range of consultancy and engineering services through its subsidiary Elia Grid International (EGI).

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

ANNEXES

1. Declarations by responsible parties
2. Interim management report
3. Condensed consolidated interim financial statements:
   - Consolidated statement of financial position
   - Consolidated income statement
   - Consolidated statement of profit or loss and other comprehensive income
   - Consolidated statement of changes in equity
   - Consolidated statement of cash flows
   - Notes accompanying the condensed consolidated interim financial statements
4. Joint auditors' review report

ANNEXES:

1. Statement on the true and fair view of the condensed consolidated interim financial information and the fair overview of the interim management report

Catherine Vandenborre, Chief Financial Officer, and Frédéric Dunon, Chief Operations, Maintenance & Methods Officer, certify, on behalf and for the account of the company, that, to their knowledge,

a) the condensed consolidated interim financial information which have been prepared in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union, give a true and fair view of the equity, financial position and financial performance of the company, and the entities included in the consolidation as a whole,

b) the interim management report includes a fair overview of the information required under Article 13, §§ 5 and 6 of the Royal Decree of November 14, 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market.

Brussels, 27 August 2015

Catherine Vandenborre
Chief Financial Officer

Frédéric Dunon
Chief Operations,
Maintenance & Methods Officer

2. Interim management report

- Key figures, reported in sections 1 and 2 of the press release
- Significant events in the first half of 2015, reported in section 3 of the press release
- Additional information pursuant to the Royal Decree of 14 November 2007, given in section 4 of the press release

3. Condensed consolidated interim financial statements

Consolidated statement of financial position

(in million EUR)	Notes	30 June 2015	31 December 2014
ASSETS			
NON CURRENT ASSETS		**5,185.3**	**5,192.2**
Property, plant and equipment	(7)	2,563.2	2,478.9
Intangible assets		1,734.8	1,735.0
Non-current tax receivables	(11)	0.0	138.2
Trade and other receivables		10.3	0.0
Investments in equity-accounted investees	(4)	783.2	731.5
Other financial assets (including derivatives)		83.7	87.2
Deferred tax assets		10.1	21.4
CURRENT ASSETS		**607.7**	**504.8**
Inventories		13.7	14.8
Trade and other receivables		349.5	302.8
Current tax assets	(11)	145.1	5.0
Cash and cash equivalents		86.0	171.1
Deferred charges and accrued revenues		13.4	11.1
Total assets		**5,793.0**	**5,697.0**
EQUITY AND LIABILITIES			
EQUITY		**2,298.6**	**2,285.9**
Equity attributable to owners of the Company		2,298.0	2,285.1
Share capital		1,512.8	1,512.4
Share premium		10.0	9.9
Reserves		138.7	116.5
Hedging reserve		(14.2)	(16.8)
Retained earnings	(6)	650.7	663.1
Non-controlling interest		0.6	0.8
Non-controlling interest		0.6	0.8
NON CURRENT LIABILITIES		**2,288.4**	**2,811.2**
Loans and borrowings	(8)	2,147.2	2,646.4
Employee benefits		90.8	109.3
Derivatives	(9)	21.5	25.4
Provisions		20.0	21.9
Deferred tax liabilities		6.4	5.7
Other liabilities		2.5	2.5
CURRENT LIABILITIES		**1,206.0**	**599.9**
Loans and borrowings	(8)	569.6	63.9
Provisions		5.9	6.5
Trade and other payables		298.3	301.2
Current tax liabilities		2.0	0.8
Accruals and deferred income		330.2	227.5
Total equity and liabilities		**5,793.0**	**5,697.0**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated statement of profit or loss

(in million EUR) – for the period ended	Notes	30 June 2015	30 June 2014
Continuing operations			
Revenue		363.5	382.6
Raw materials, consumables and goods for resale		(2.6)	(2.5)
Other income		20.0	22.9
Services and other goods		(162.2)	(172.0)
Personnel expenses		(66.9)	(68.4)
Depreciations, amortizations and impairments		(56.7)	(53.8)
Changes in provisions		2.4	(4.3)
Other expenses		(9.9)	(11.0)
Results from operating activities		**87.6**	**93.5**
Share of profit of equity accounted investees (net of income tax)		59.5	61.4
Earnings before interest and tax (EBIT)		**147.1**	**154.9**
Net finance costs		**(44.5)**	**(53.8)**
Finance income		6.3	5.9
Finance costs		(50.8)	(59.7)
Profit before income tax		**102.6**	**101.1**
Income tax expense	(10)	(9.8)	(6.7)
Profit from continuing operations		**92.8**	**94.4**
Profit for the period		**92.8**	**94.4**
Profit attributable to:			
Owners of the Company		93.0	94.5
Non-controlling interest		(0.2)	(0.1)
Profit for the period		**92.8**	**94.4**
Earnings per share (EUR)			
Basic earnings per share		1.53	1.56
Diluted earnings per share		1.53	1.56

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated statement of profit or loss and other comprehensive income

(in million EUR) – For the period ended	30 June 2015	30 June 2014
Profit for the period	**92.8**	**94.4**
Other comprehensive income (OCI)		
Items that may be reclassified subsequently to profit or loss:		
Effective portion of changes in fair value of cash flow hedges	3.9	(0.6)
Tax on items that are or may be reclassified subsequently to profit or loss	(1.3)	0.2
Exchange differences on translation of foreign operations	0.7	(0.8)
Items that will not be reclassified to profit or loss:		
Remeasurements of post-employment benefit obligations	14.7	(6.7)
Tax on items that will not be reclassified to profit or loss	(5.0)	2.3
Other comprehensive income for the period, net of income tax	**13.0**	**(5.6)**
Total comprehensive income for the period	**105.8**	**88.8**
Total comprehensive income attributable to:		
Owners of the Company	106.0	88.9
Non-controlling interest	(0.2)	(0.1)
Total comprehensive income for the period	**105.8**	**88.8**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated statement of changes in equity

(in million EUR)	Share capital	Share premium	Hedging reserve	Foreign currency translation	Reserves	Retained earnings	Total	Non controlling interests	Total equity
Balance at 1 January 2014	1,506.9	8.8	(18.2)		97.2	614.3	2,209.1		2,209.1
Profit for the period						**94.5**	**94.5**	**(0.1)**	**94.4**
Other comprehensive income			**(0.4)**	**(0.8)**		**(4.4)**	**(5.6)**		**(5.6)**
Total comprehensive income for the period			**(0.4)**	**(0.8)**		**90.1**	**88.9**	**(0.1)**	**88.8**
Transactions with owners, recorded directly in equity									
Contributions by and distributions to Owners									
Transfer to legal reserve					18.5	(18.5)			
Dividends						(93.3)	(93.3)		(93.3)
Total contributions and distributions					18.5	(111.8)	(93.3)		(93.3)
Changes in ownership interests									
Establishment of subsidiary with non-controlling interest								1.0	1.0
Total changes in ownership interests								1.0	1.0
Total transactions with Owners					18.5	(111.8)	(93.3)	1.0	(92.3)
Balance at 30 June 2014	**1,506.9**	**8.8**	**(18.6)**	**(0.8)**	**115.7**	**592.6**	**2,204.7**	**0.9**	**2,205.6**
Balance at 1 January 2015	1,512.4	9.9	(16.8)	(0.6)	116.5	663.7	2,285.1	0.8	2,285.9
Profit for the period						**93.0**	**93.0**	**(0.2)**	**92.8**
Other comprehensive income			**2.6**	**0.7**		**9.7**	**13.0**		**13.0**
Total comprehensive income for the period			**2.6**	**0.7**		**102.7**	**106.0**	**(0.2)**	**105.8**
Transactions with owners, recorded directly in equity									
Contributions by and distributions to Owners									
Shares issued	0.3	0.1					0.4		0.4
Share-based payment expenses	0.1						0.1		0.1
Transfer to legal reserve					22.1	(22.1)			
Dividends						(93.6)	(93.6)		(93.6)
Total contributions and distributions	0.4	0.1			22.1	(115.7)	(93.1)		(93.1)
Total transactions with Owners	0.4	0.1			22.1	(115.7)	(93.1)	0.0	(93.1)
Balance at 30 June 2015	**1,512.8**	**10.0**	**(14.2)**	**0.1**	**138.6**	**650.7**	**2,298.0**	**0.6**	**2,298.6**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated statement of cash flows

(in million EUR)	Notes	30 June 2015	30 June 2014
Cash flows from operating activities			
Profit for the period		**92.8**	**94.4**
Adjustments for:			
Net finance costs		44.5	53.8
Other non-cash items		0.1	0.0
Income tax expense		4.2	4.1
Profit or loss of equity accounted investees, net of tax		(59.5)	(61.4)
Depreciation of property, plant and equipment and amortisation of intangible assets		56.0	53.2
Gain on sale of property, plant and equipment and intangible assets		2.2	3.8
Impairment losses of current assets		0.8	0.7
Change in provisions		(6.2)	3.4
Change in fair value of derivatives		0.5	0.0
Change in deferred taxes		5.7	2.4
Cash flow from operating activities		**141.1**	**154.4**
Change in inventories		0.4	(0.6)
Change in trade and other receivables		(43.0)	25.8
Change in other current assets		(2.3)	(7.6)
Change in trade and other payables		(2.8)	41.9
Change in other current liabilities		106.1	75.0
Changes in working capital		**58.4**	**134.5**
Interest paid		(98.6)	(116.8)
Interest received		0.4	1.0
Income tax paid		(1.7)	(4.4)
Net cash from operating activities		**99.6**	**168.7**
Cash flows from investing activities			
Acquisition intangible assets	(7)	(3.2)	(3.8)
Acquisition of property, plant and equipment	(7)	(135.0)	(102.7)
Acquisition of equity accounted investees	(4)	(6.9)	0.0
Proceeds from sales of investments	(4)	14.3	0.0
Loans to joint ventures		(10.4)	0.0
Net cash used in investing activities		**(141.2)**	**(106.5)**
Cash flow from financing activities			
Proceeds from issue share capital		0.4	0.0
Dividends paid (-)		(93.7)	(93.8)
Repayment of borrowings (-)		0.0	(500.0)
Proceeds from withdrawal borrowings (+)	(8)	50.0	346.8
Non-controlling interests		(0.2)	0.0
Other cash flows from financing activities		0.0	2.5
Net cash flow from (used in) financing activities		**(43.5)**	**(244.5)**
Net increase (decrease) in cash and cash equivalents		**(85.1)**	**(182.3)**
Cash & Cash equivalents at 1 January		171.1	242.7
Cash & Cash equivalents at 30 June		86.0	60.4
Net variations in cash & cash equivalents		**(85.1)**	**(182.3)**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Notes

1. General information

Elia System Operator SA/NV (hereinafter "the company" or "Elia") is established in Belgium, having its head office at Boulevard de l'Empereur 20, B-1000 Brussels.
Elia's core business is managing, maintaining and developing very-high-voltage grids (380 kV, 220 kV and 150 kV) and high-voltage grids (70 kV, 36 kV and 30 kV). It is responsible for transmitting electricity from power generators in Belgium, Germany and elsewhere in Europe to customers, particularly distributors and major industrial users.

These condensed consolidated interim financial statements of the company for the six months to 30 June 2015 contain the financial position and performance of the company and its subsidiaries (collectively referred to as "the Group") and the Group's interests in joint ventures.

The condensed consolidated interim financial statements were approved by the Board of Directors of Elia System Operator SA/NV on 27 August 2015.

2. Basis for preparation and changes to the Group's accounting policies

Basis for preparation
The condensed consolidated interim financial statements were prepared in accordance with IAS 34 *Interim Financial Reporting*, issued by the IASB as approved by the European Union.

The condensed consolidated interim financial statements do not include all the information and disclosures required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant for an understanding of the changes in the Group's position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2014.

New standards, interpretations and amendments adopted by the Group
The accounting policies applied when preparing the condensed consolidated interim financial statements are consistent with those used to prepare the Group's annual consolidated financial statements as of and for the year ended 31 December 2014, except for the adoption of new standards and interpretations effective as of 1 January 2015 as mentioned in note 3.8 accompanying the annual consolidated financial statements as of and for the year ended 31 December 2014. The application of IFRIC 21 Levies, Amendments to IAS 19 and the annual improvements to IFRS 2010-2012 and 2011-2013 did not have a material impact on the Group's condensed consolidated interim financial statements.

As the new standards and interpretations did not have a material impact on the Group's condensed consolidated interim financial statements, no retrospective application of the change in accounting policies and retrospective restatement of previous financial statements was needed.

3. Use of estimates and judgements

The condensed consolidated interim financial statements for the first half of 2015 were prepared using estimates and judgements as indicated in note 2.4 accompanying the annual consolidated financial statements as of and for the year ended 31 December 2014.

4. Subsidiaries, joint ventures and associates

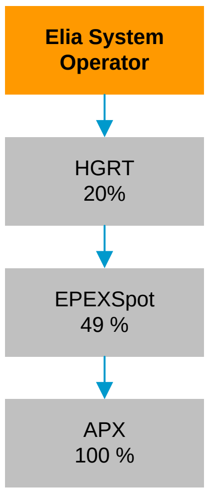
The following changes occurred within the consolidation scope in 2015:

- On 27 February 2015 Elia System Operator together with National Grid signed a joint venture agreement to build the Nemo Link Interconnector; each shareholder holds 50% in Nemo Link Limited, a UK company. As per 30 June 2015 Elia provided funding to Nemo Link Limited in the amount of 17,250 KEUR, of which 40% via equity contributions and 60% via loans (with an annual interest rate of 4% and a maturity of 25 years as of starting date of the commercial operations of the Interconnector). This joint venture is included in the Belgian segment using the equity method.

- In the 2nd quarter of 2015, the power exchanges EPEX SPOT and the APX group, including Belpex, integrated their businesses in order to form a power exchange for Central Western Europe (CWE) and the UK. Both companies have signed respective agreements, including the sale of the Clearing activities of APX to ECC Clearing. As a result of this restructuring AXP group is now directly held by EPEX SPOT. Following these transactions Elia (20%), RTE and TenneT together own 49% of the new EPEX SPOT capital through HGRT. APX is therefore no longer a direct associate of the Elia Group.
  The stake of Elia in HGRT decreased from 24.5% to 20% as a result of 2 distinct transactions:
  1. Exchange of Elia’s APX share for EPEX SPOT shares, which were then contributed to HGRT
  2. Sale of 6.2% stake in HGRT to RTE, resulting in decrease of the stake to 20%.

  HGRT is still accounted for using the equity method.

  The current structure of HGRT and its associates is a follows:



- In 2015, 50Hertz Transmission acquired extra shares in the European Energy Exchange (EEX) worth €10.5 million and therefore now holds 8.7% of the shares in EEX, amounting to €21.0 million in total. In accordance with the Group's accounting policies, EEX is measured at cost value because there is no quoted price on an active market and the fair value cannot be reliably measured.

Apart from the changes mentioned above, there have been no other changes to the subsidiaries, joint ventures and associates related to note 8.5 in the annual report relating to the situation as at 31 December 2014.

5. Segment reporting

5.1. Elia Transmission (Belgium)

Results Elia Transmission (in million EUR) - period ended per 30 June	2015	2014	Difference (%)
Total revenues and other income	383.5	405.5	(5.4%)
Depreciation, amortization, impairment and changes in provisions	(54.2)	(58.1)	(6.7%)
Results from operating activities	87.6	93.5	(6.3%)
Share of profit of equity accounted investees (net of income tax)	4.7	1.7	176.5%
Earnings before interest and tax (EBIT)	92.2	95.2	(3.2%)
Earnings before depreciations, amortizations, interest and tax (EBITDA)	146.5	153.3	(4.4%)
Finance income	6.3	5.9	6.8%
Finance costs	(50.8)	(59.7)	(14.9%)
Income tax expenses	(9.8)	(6.7)	46.3%
Profit attributable to the Owners of the Company	**38.1**	**34.7**	**9.8%**
Consolidated statement of financial position (in million EUR)	30 June 2015	31 December 2014	Difference (%)
Total assets	5,036.8	4,989.6	0.9%
Capital expenditures	138.2	276.7	(50.1%)
Net financial debt	2,630.8	2,539.2	3.6%

5.2. 50Hertz Transmission (Germany)

Results 50Hertz Transmission (Germany) (in million EUR) - 100% - period ended per 30 June	2015	2014	Difference (%)
Total revenues and other income	657.9	510.0	29.0%
Depreciation, amortization, impairment and changes in provisions	(40.9)	(29.8)	37.2%
Earnings before interest and tax (EBIT)	140.4	148.9	(5.7%)
Earnings before depreciations, amortizations, interest and tax (EBITDA)	181.3	178.6	1.5%
Finance income	1.1	1.6	(31.3%)
Finance costs	(8.6)	(6.2)	38.7%
Income tax expenses	(41.5)	(44.9)	(7.6%)
Profit attributable to the Owners of the Company *	**91.4**	**99.4**	**(8.0%)**
Consolidated statement of financial position (in million EUR)	30 June 2015	31 december 2014	Difference (%)
Total assets	4,339.2	3,538.8	22.6%
Capital expenditures	191.9	591.1	(67.5%)
Net financial debt	(95.1)	(24.9)	281.9%

* 60% of the profit attributable to the owners of the Company is included in the Share of profit of equity accounted investees (net of income tax) of the Group.

5.3. Segment reporting reconciliation

Consolidated results (in million EUR) - period ended 30 June 2015	**2015** Elia Transmission (Belgium) (a)	**2015** 50Hertz Transmission (Germany) (b)	**2015** Consolidation entries (c)	**2015** Elia Group (a) + (b) + (c)
Total revenues and other income	383.5	657.9	(657.9)	383.5
Depreciation, amortization, impairment and changes in provisions	(54.2)	(40.9)	40.9	(54.2)
Results from operating activities	87.6	140.4	(140.4)	87.6
Share of profit of equity accounted investees (net of income tax)	4.7	0.0	54.8	59.5
Earnings before interest and tax (EBIT)	92.2	140.4	(85.5)	147.1
Earnings before depreciations, amortizations, interest and tax (EBITDA)	146.5	181.3	(126.5)	201.3
Finance income	6.3	1.1	(1.1)	6.3
Finance costs	(50.8)	(8.6)	8.6	(50.8)
Income tax expenses	(9.8)	(41.5)	41.5	(9.8)
Profit attributable to the Owners of the Company	**38.1**	**91.4**	**(36.5)**	**93.0**
Consolidated statement of financial position (in million EUR)	30 June 2015	30 June 2015	30 June 2015	30 June 2015
Total assets	5,036.8	4,339.2	(3,583.0)	5,793.0
Capital expenditures	138.2	191.9	(191.9)	138.2
Net financial debt	2,630.8	(95.1)	95.1	2,630.8

Consolidated results (in million EUR) - period ended 30 June 2014	**2014** Elia Transmission (Belgium) (a)	**2014** 50Hertz Transmission (Germany) (b)	**2014** Consolidation entries (c)	**2014** Elia Group (a) + (b) + (c)
Total revenues and other income	405.5	510.0	(510.0)	405.5
Depreciation, amortization, impairment and changes in provisions	(58.1)	(29.8)	29.8	(58.1)
Results from operating activities	93.5	148.9	(148.9)	93.5
Share of profit of equity accounted investees (net of income tax)	1.7	0.0	59.7	61.4
Earnings before interest and tax (EBIT)	95.2	148.9	(89.2)	154.9
Earnings before depreciations, amortizations, interest and tax (EBITDA)	153.3	178.6	(118.9)	213.0
Finance income	5.9	1.6	(1.6)	5.9
Finance costs	(59.7)	(6.2)	6.2	(59.7)
Income tax expenses	(6.7)	(44.9)	44.9	(6.7)
Profit attributable to the Owners of the Company	**34.7**	**99.4**	**(39.6)**	**94.5**
Consolidated statement of financial position (in million EUR)	31 December 2014	31 December 2014	31 December 2014	31 December 2014
Total assets	4,989.6	3,538.8	(2,831.3)	5,697.1
Capital expenditures	276.7	591.1	(591.1)	276.7
Net financial debt	2,539.2	(24.9)	24.9	2,539.2

All revenues are realized from external customers except for the intersegment revenues disclosed in note 13.

6. Dividends

On 19 May 2015, the shareholders approved payment of a gross dividend of €1.54 per share (i.e. a net dividend of €1.155 per share), corresponding to a total gross dividend of €93.5 million.

7. Acquisitions and disposals of PPE

A net sum of €132.7[2] million was invested, mainly on upgrading high-voltage stations and laying high-voltage cables. Up till June, already €23.9 million was invested in the Stevin project, mainly in the substations. Furthermore, a second phase shifter in Zandvliet is being installed for which already €8.1 million has been invested.

8. Loans and borrowings

As per 30 June 2015, Elia used its commercial paper for an amount of €50.0 million, carrying an interest rate of 0.1% and a maturity of 4 weeks, ending 24 July 2015.

The eurobond with maturity date April 2016 is presented under current portion of long-term borrowings, amounting to €499.2 million (nominal amount €500 million).

9. Financial instruments

The table below shows a comparison of the carrying amount and fair value of financial instruments as at 30 June 2015 and the fair value hierarchy:

	Carrying amount						Fair value			
(in million EUR)	Designated at fair value	Fair value - hedging instruments	Held-to-maturity investments	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
31 December 2014										
Other financial assets	13.6					13.6	13.3		0.3	13.6
Trade and other receivables				302.8		302.8				0.0
Cash and cash equivalents				171.1		171.1				0.0
Interest rate swaps used for hedging		(25.4)				(25.4)		(25.4)		(25.4)
Unsecured financial bank loans and other loans					(619.7)	(619.7)		(619.7)		(619.7)
Unsecured bond issues					(2,090.6)	(2,090.6)		(2,427.9)		(2,427.9)
Trade and other payables					(301.2)	(301.2)			0.0	0,0
Total	**13.6**	**(25.4)**	**0.0**	**473.9**	**(3,011.5)**	**(2,549.5)**	**13.3**	**(3,072.9)**	**0.3**	**(3,059.4)**
30 June 2015										
Other financial assets	13.6					13.6	13.3		0.3	13.6
Trade and other receivables				349.5		349.5				0.0
Cash and cash equivalents				86.0		86.0				0.0
Interest rate swaps used for hedging		(21.5)				(21.5)		(21.5)		(21.5)
Unsecured financial bank loans and other loans					(625.7)	(625.7)		(625.7)		(625.7)
Unsecured bond issues					(2,091.1)	(2,091.1)		(2,364.7)		(2,364.7)
Trade and other payables					(298.3)	(298.3)				0.0
Total	**13.6**	**(21.5)**	**0.0**	**435.5**	**(3,015.1)**	**(2,587.5)**	**13.3**	**(3,011.9)**	**0.3**	**(2,998.3)**

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

[2] Including capitalisation of software, IAS 23 (Borrowing Costs) and IFRIC 18 (Transfers of Assets from Customers – with customer contributions to grid connections fully recognised in IFRS as revenue), this gives €142.2 million. Difference with acquisitions mentioned in Consolidated Statement of Cash Flows is the amount of Borrowing Costs.

Fair-value hierarchy

The above fair value of 'sicavs' falls into level 1, i.e. valuation is based on the (unadjusted) listed market price on an active market for identical instruments.

The above fair value of interest rate swaps is classified as level 2, which means that the valuation is based on input from prices other than the stated prices. These other prices can be observed for assets or liabilities. This category includes instruments valued on the basis of listed market prices on active markets for such instruments; listed prices for identical or similar instruments on markets that are deemed insufficiently active; and other valuation techniques arising directly or indirectly from observable market data.

Estimate of fair value

Brokers' statements are used for interest-rate swaps. The statements are checked using valuation models or techniques based on discounted cash flows.

10. Income tax expense

Excluding share profit of equity-accounted investees, the effective income tax rate is 22.8% for the six months ended June 2015 compared to 16.9% for the six months ended June 2014.

The increase in tax rate is mainly due to the lower percentage of notional interest deduction that can be applied in the current year (1.63% versus 2.63% in 2014).

11. Current tax asset

A court hearing took place on 25 June 2015 relating to the tax assessment in note 7.3 accompanying the annual consolidated financial statements as of and for the year ended 31 December 2014. The judgement of the Court of Appeal is expected by the end of September 2015 and therefore the outstanding non-current income tax receivable was reclassified to current tax assets.

12. Regulatory framework

In 2015, there were no significant changes to the regulatory framework in either Belgium or Germany or to the regulatory uncertainties due to the final settlements arising from the tariff regulation mechanisms to be approved by the relevant authorities, as described in note 9 and 10 accompanying the annual consolidated financial statements as of and for the year ended 31 December 2014.

13. Related parties

Transactions with key management personnel

The key management includes Elia's Management Committee. Members of the Management Committee do not receive stock options, special loans or other advances from the Group. Jacques Vandermeiren, CEO, left the company at 14 January 2015. The total departure indemnity for Jacques Vandermeiren equaled 1.697.194 EUR.

There were no significant transactions with entities in which key management exercise a significant influence (e.g. holding positions such as CEO, CFO and vice-chairmen of the management committee) in the first half of 2015.

There were various significant transactions with entities (mainly distribution system operators) in which Elia directors exercise a significant influence in the first half of 2015, all of them at arm's length. Sales and expenses amounted to €29.9 million and €2.0 million respectively for the six months ended 30 June 2015. As at 30 June 2015, there were outstanding trade receivables of €8.3 million and no significant outstanding trade debts.

Transactions with Group entities

There were no material transactions between Elia and the German segment, except for the transactions relating to International Grid Control Cooperation (hereafter "IGCC") signed at the end of 2012 between Elia System Operator and 50Hertz Transmission, representing revenues of €2.2 million in the first six months of 2015 (compared with €1.2 million for the previous six months).

In June 2015, Eurogrid GmbH paid a dividend of €98.7 million to Eurogrid International CVBA (compared with €96.7 million for the previous six months).

Details of transactions with other related parties are shown below.

(in million EUR) – for the period ended	30 June 2015	30 June 2014
Transactions with joint ventures and associated companies	**2.3**	**1.0**
Sales of goods	3.8	1.6
Purchases of goods	(1.5)	(0.6)
Interest and similar revenue	0.0	0,0
Outstanding balances with joint ventures and associated companies	**10.1**	**0.2**
Non-current trade and other receivables	10.2	0,0
Current trade and other receivables	0.8	0.4
Current trade and other payables	(0.9)	(0.2)

The increase in sales of goods with joint ventures and associated companies can mainly be explained by the higher revenues from IGCC (see above paragraph) and some other revenues resulting from transactions between Elia System Operator and 50Hertz Transmission.

The long-term debtors entirely represent the shareholder's funding which is provided by Elia System Operator to her joint venture Nemo Link Limited.

14. Seasonal fluctuations

The Group's profit profile follows a seasonal pattern, primarily due to the higher volumes of electricity consumed during the winter which have to be transmitted by the grid operator from power generators to distributors and large industrial customers, and also due to the impact of renewable energies, which are highly sensitive to weather conditions and hence have a considerable effect on revenue inflows.

15. Events after the balance-sheet date

There are no important events to report since 30 June 2015, which would affect the condensed consolidated interim financial statements.

After having received an approval from the Walloon Government, on 1 July 2015, Elia sold Walloon green certificates (levies) to Solar Chest for an amount of €221 million. In the near future similar transactions will occur. The agreement between Solar Chest and Elia has been concluded for a total amount of €275 million.
Upon realization of the above sales, Elia has the commitment to reimburse to a certain group of customers a portion of the previously paid "Walloon green certificates" levy estimated at €50 million for the year 2013 and approximately €50 million for the year 2014. For the year 2015, the amount cannot yet be determined.

The net cash received after taking into account the above said transactions will reduce the outstanding net receivable in respect of the Walloon green certificates.

The mission of Solar Chest is to buy, hold and sell Walloon green certificates. Solar Chest will hold certificates during a period of respectively 5, 6 and 7 years. At the end of each period potential unsold certificates will be bought back by Elia.

4. Report of the joint statutory auditors on the review

ERNST & YOUNG BEDRIJFSREVISOREN - REVISEURS D'ENTREPRISES De Kleetlaan 2 B - 1831 Diegem	KPMG BEDRIJFSREVISOREN - REVISEURS D'ENTREPRISES Bourgetlaan 40 B - 1130 Brussels

Report of the joint statutory auditors on the review of the condensed consolidated interim financial statements of Elia System Operator NV/SA as of 30 June 2015 and for the six month period then ended

Introduction

We have reviewed the accompanying consolidated statement of financial position of Elia System Operator NV/SA (the "Company"), and its subsidiaries (jointly "the Group") as at 30 June 2015 and the related consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the six month period then ended, and explanatory notes, collectively, the "Condensed Consolidated Interim Financial Statements". These statements show a consolidated statement of financial position total of € 5,793.0 million and a profit for the period of € 92.8 million. The Board of Directors of the Company is responsible for the preparation and presentation of these Condensed Consolidated Interim Financial Statements in accordance with IAS 34 *Interim Financial Reporting* as adopted by the European Union. Our responsibility is to express a conclusion on these Condensed Consolidated Interim Financial Statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Condensed Consolidated Interim Financial Statements as at 30 June 2015 and for the six month period then ended are not prepared, in all material respects, in accordance with IAS 34, *Interim Financial Information*, as adopted by the European Union.

Emphasis of certain matters

Without qualifying our conclusion, we draw attention to note 12 and note 11 of the Condensed Consolidated Interim Financial Statements, that provide a description of the uncertainties resulting from the final settlements arising from the tariff regulation mechanisms to be approved by the competent authorities, and of the uncertainties resulting from the outcome of the tax audit.

Brussels, 27 August 2015

Joint statutory auditors

Ernst & Young
Bedrijfsrevisoren - Réviseurs d'Entreprises
represented by

Marnix Van Dooren*
Partner
* Acting on behalf of a BVBA

KPMG
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Partner