

Elia Group FY2017



At the interest of society

A wide-angle photograph of an offshore construction site. In the foreground, a long, dark, cylindrical pipeline with white markings runs from the bottom center towards the middle ground. The pipeline is supported by wooden posts. The ground is a flat, muddy expanse with shallow puddles reflecting the sky. In the middle ground, a large green and yellow vessel with a crane is positioned. A person in a yellow safety vest stands near the vessel. The background shows a flat horizon under a blue sky with scattered white clouds.

Elia Group FY 2017

Chris Peeters
Chief Executive Officer

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Today's agenda

1. FY2017 achievements
2. Strong regulated financials
3. Conclusion and outlook

Elia Group FY 2017 performance



Investments

€ 947 million¹

(19.6%) yoy

RAB*

€ 7.4 billion

+4.2% yoy

Normalised²
Net profit

€ 216.6 million

+28.9% yoy

Dividend

€1.62

45.6% payout

Normalised²
RoE

8.2%

+150 bps yoy

Leverage ratio

0.52x

debt/(debt+equity)

* Regulated Asset Base

¹ Includes 100% of the investments realized by 50Hertz

² The term “normalised” refers to performance measures before non-recurring items. Non-recurring items are either income or expenses which do not occur regularly as part of the normal activities of the company. They are presented separately because they are important for the understanding of the underlying sustainable performance of the company due to their size or nature. Reported result at €229.1m

Milestones Belgium



Inauguration Stevin



Optimised NCC



Safety for Contractors

Milestone Germany



South-West Coupling Line



Electricity Scenario's for Belgium towards 2050

Supported by a fact-based study





Video
Milestones 2017



Elia Group

Robust regulated financials

Catherine Vandenberghe
Chief Financial Officer

2017 Highlights

Operations

- Realization of mark-up investments in Belgium and strong operational performance in Germany
- Good progress on the implementation of our strategy
- Continued very high security of supply and reliability

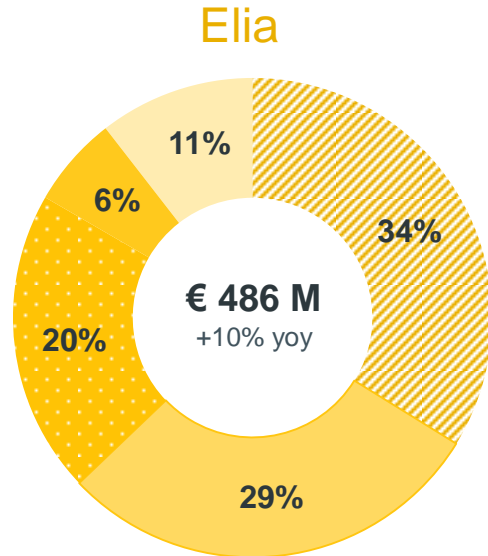
Regulation

- Offshore legislation approved by the Belgian Parliament
- Negotiations for the establishment of a fair and sustainable costs base for the 3rd regulatory period ongoing with BNetzA.

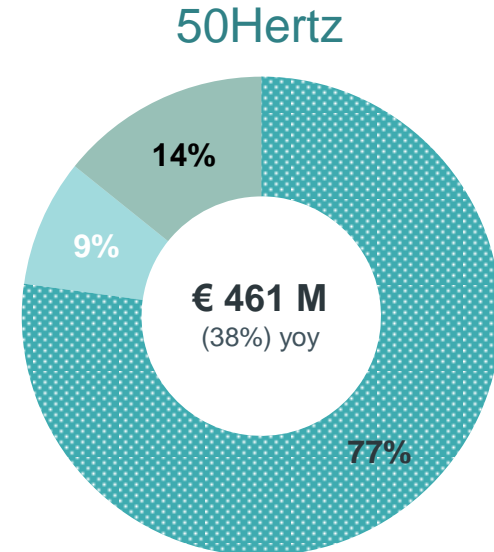
Finance

- Very strong normalised result at €216.6 million (up 28.9%) driven by containment of operating costs in Germany and full realisation of the strategic investment programme in Belgium
- Proposed dividend of 1.62€ (gross)
- Successful debt capital market transactions by Elia Transmission

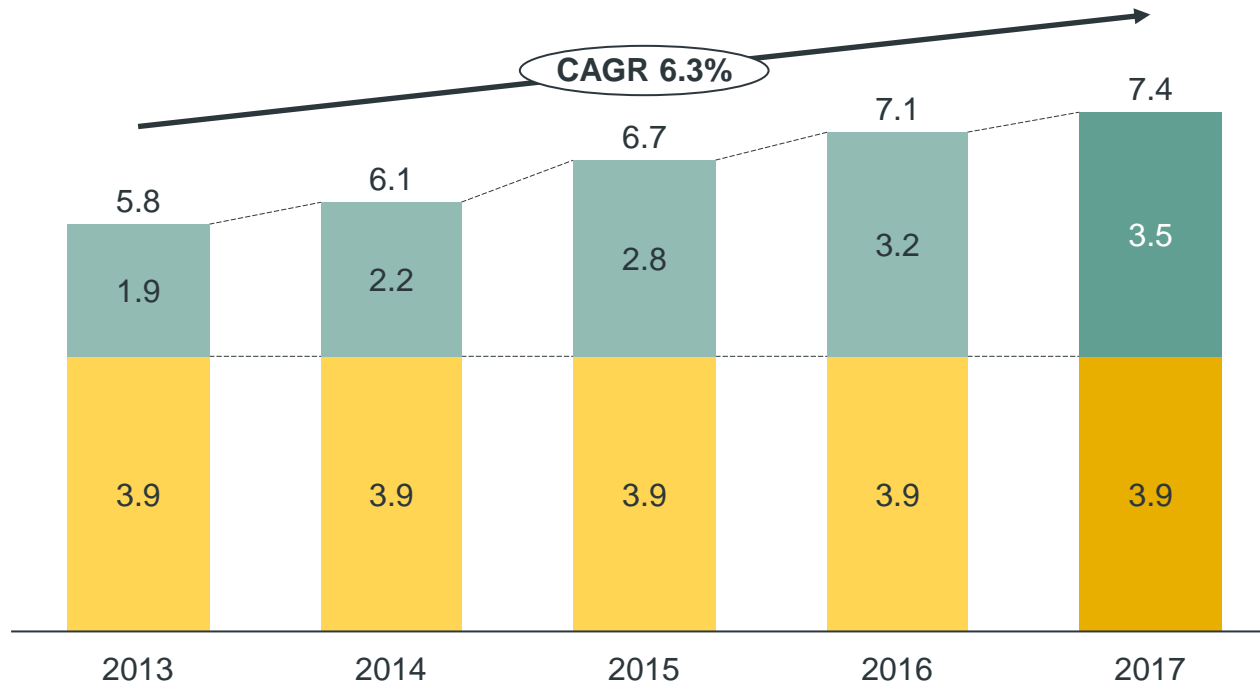
Elia Group's investments in 2017



- Mark-up Investments
- Nemo
- Regional reliability of supply
- Renewables Development
- Funct. & tech. conformity and Customers & DSO
- European Markets and security of supply



Elia Group: Our growing Regulated Asset Base (RAB)



■ RAB 50Hz (60%) ■ RAB Elia (excl. Nemo Inv.)

In 2017,
€7.4 billion
Regulated Asset Base

2017 Elia Group results

KEY FIGURES

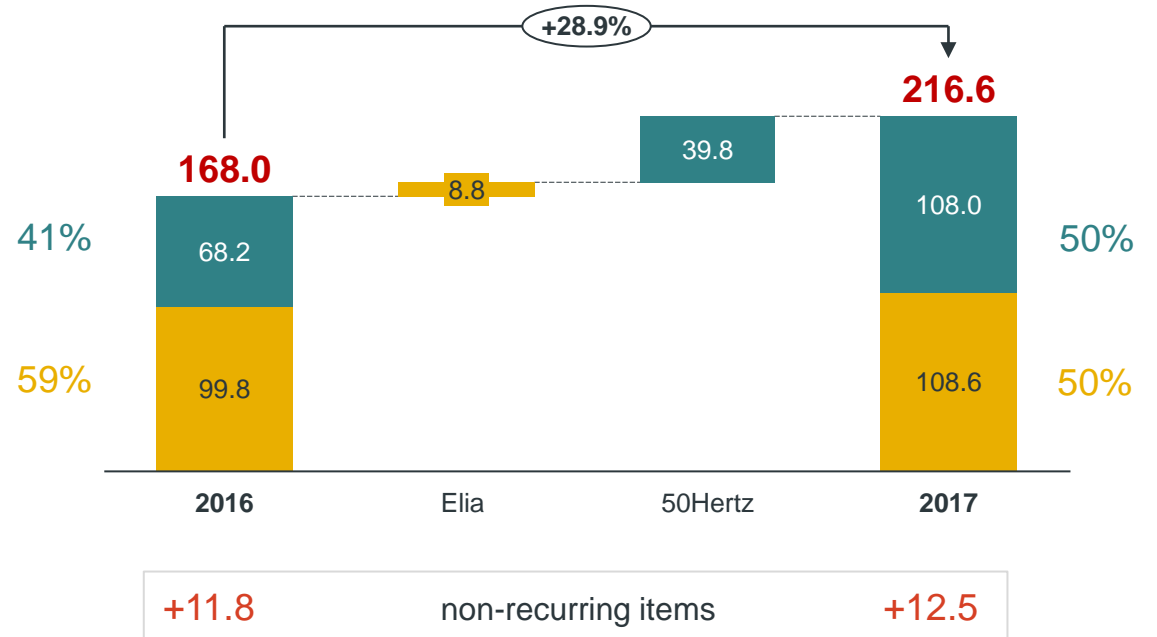
Revenues
€ 887.5 million
 +2.2%

Reported Net Profit
€ 229.1 million
 +27.4%

Normalised Net Profit
€ 216.6 million
 +28.9%

Normalised RoE
8.2%
 +150 bps

NORMALISED NET PROFIT EVOLUTION



2017 Elia Group: net debt evolution

KEY FIGURES

Net Debt

2,689.1

+5.2%

Leverage

0.52

(Debt / Debt + Equity)

Fixed Debt ratio

82.51%

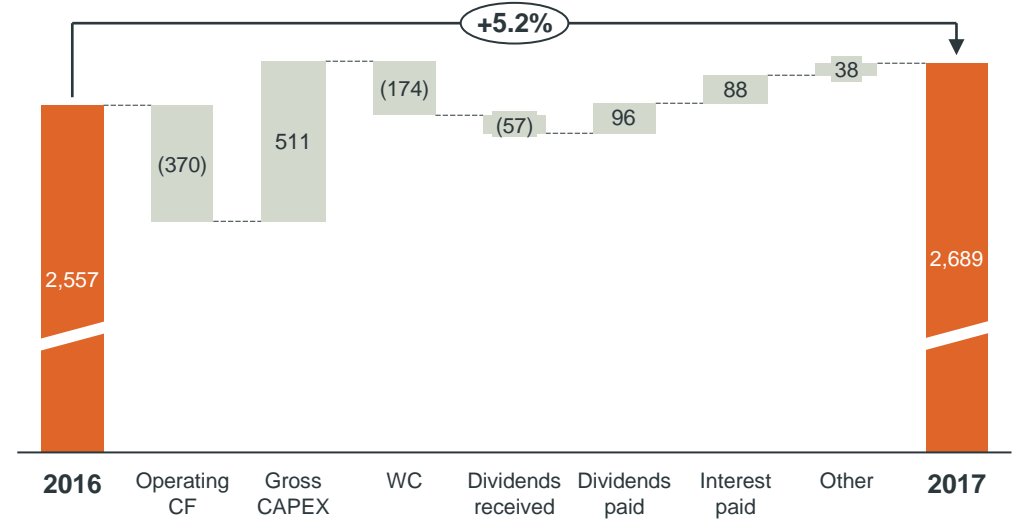
(Calculated on gross debt)

Avg. Cost of Debt

2.92%

(14 bps)

NET DEBT EVOLUTION



Elia: Realisation investments driving results

KEY FIGURES

Revenues
€ 887.5 million

+2.2%

Reported Net Profit
€ 121.0 million

+15.8%

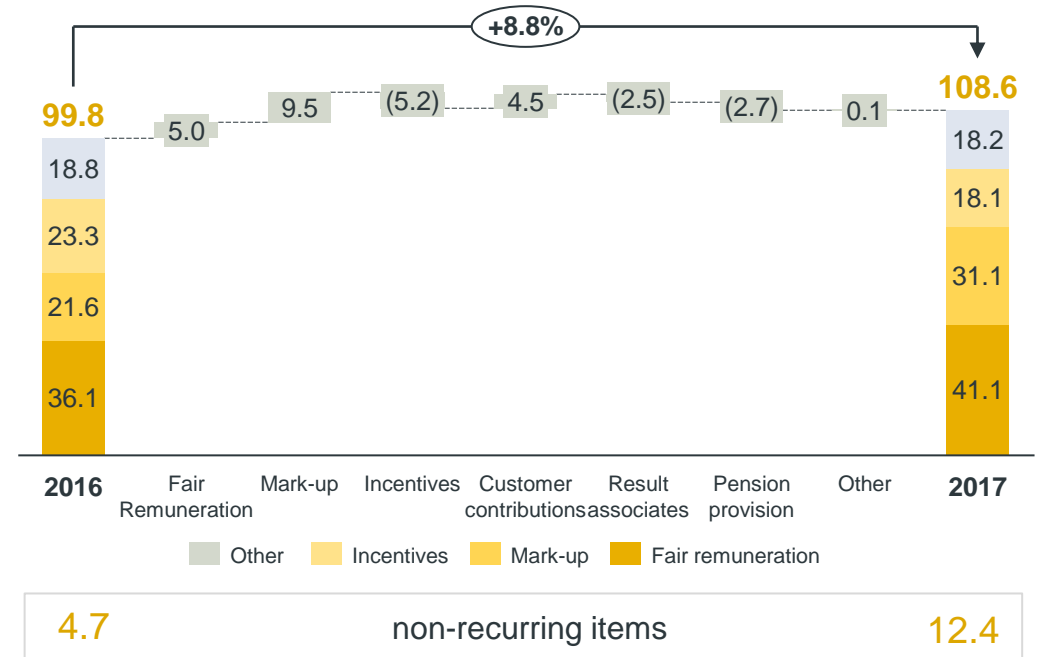
Normalised Net Profit
€ 108.6 million

+8.8%

Normalised RoE
5.2%

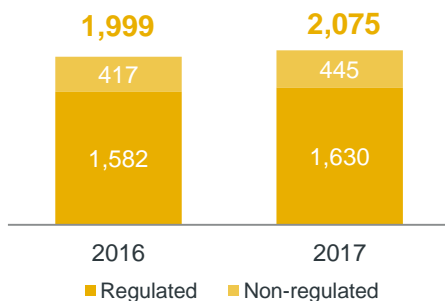
+20 bps

NORMALISED NET PROFIT EVOLUTION

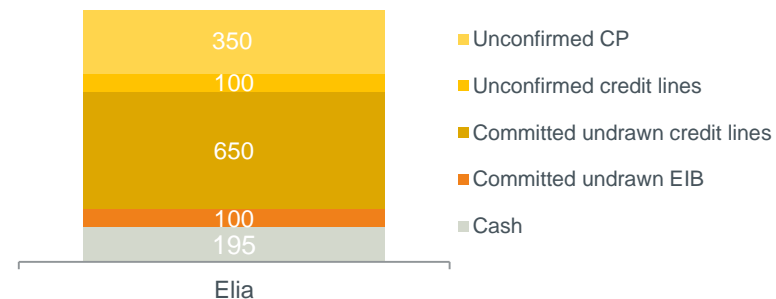


Elia: balance sheet with a manageable debt maturity profile

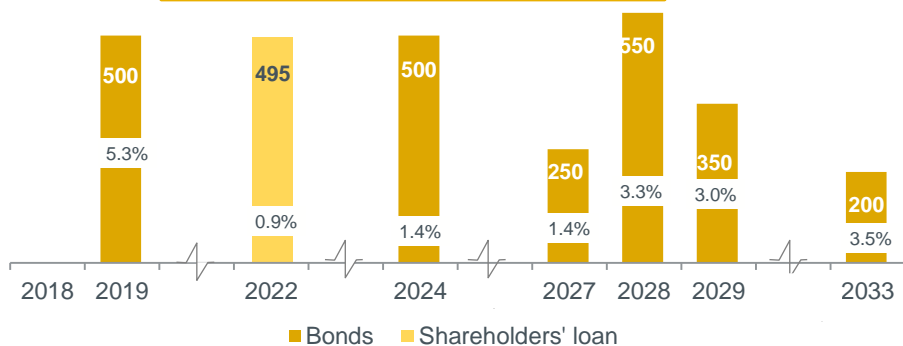
EQUITY (€m)



LIQUIDITY (€m)



MATURITY PROFILE (€m)



S&P Global Ratings **BBB+/Stable/A-2**

“The stable outlook on Belgian electricity transmission operator, reflects S&P Global Ratings' view that the company will continue to benefit from reliable cash flows from its regulated energy operations.” **S&P**

50Hertz: Strong operational performance driving result

KEY FIGURES

Revenues
€1,330.2 million

+3.0%

Reported Net Profit
€ 180.2 million

+43.5%

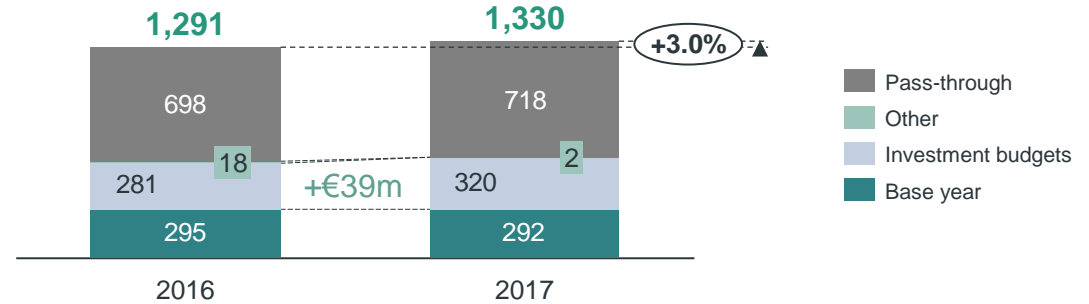
Normalised Net Profit
€ 180.1 million

+58.3%

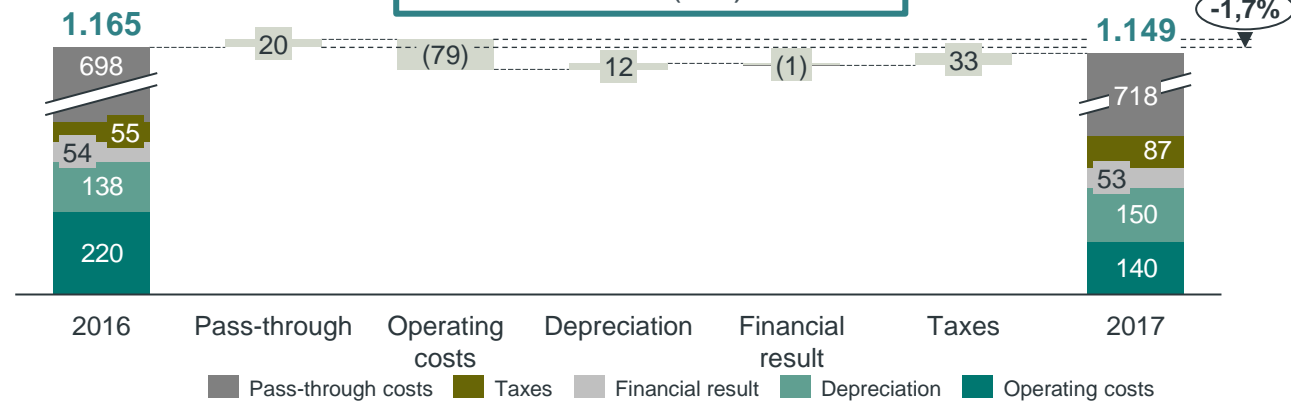
Normalised RoE
13.0%

+420 bps

REVENUES (€m)

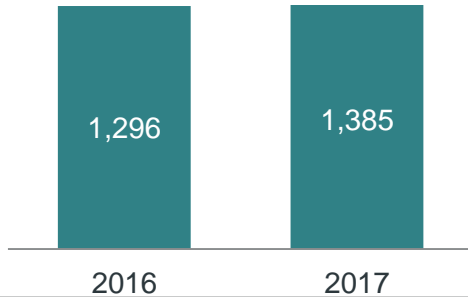


COST (€m)

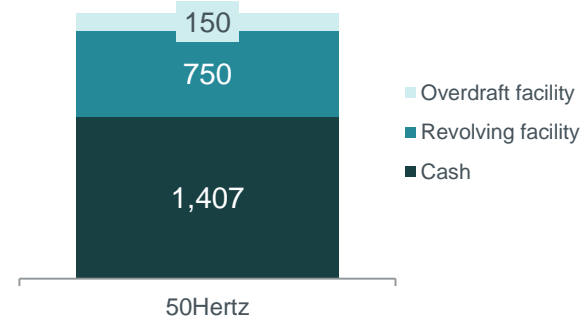


50Hertz: strong balance sheet

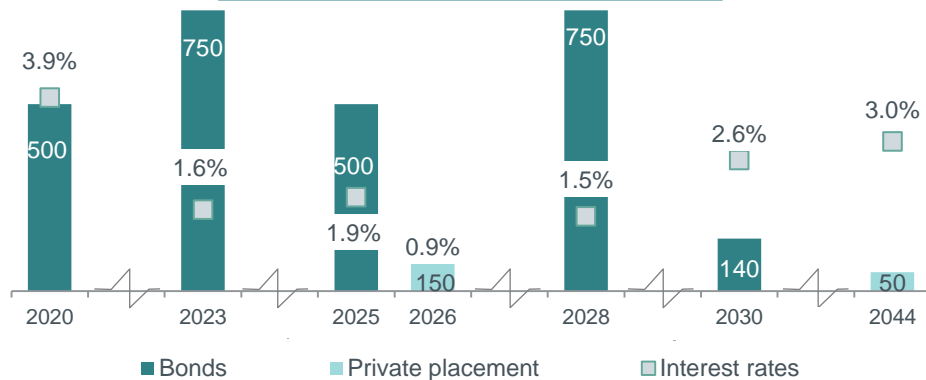
EQUITY (€m)



LIQUIDITY (€m)



MATURITY PROFILE (€m)



MOODY'S
INVESTORS SERVICE

Baa1/Stable

“Strong business risk profile of the electricity transmission business operated by its principal subsidiary and guarantor of the debt, 50Hertz Transmission GmbH, and the relatively stable and predictable cash flows it generates under a developed regulatory framework”
Moody's

Other - Expanding Elia Group's role & responsibilities

GRID Consulting

Elia Grid International (Non-regulated)

Elia Grid International (EGI) embodies the international ambitions of the Elia Group. By offering consultancy and engineering services on the international energy market, EGI develops power system projects for third parties.

2017 revenue: €9.7M

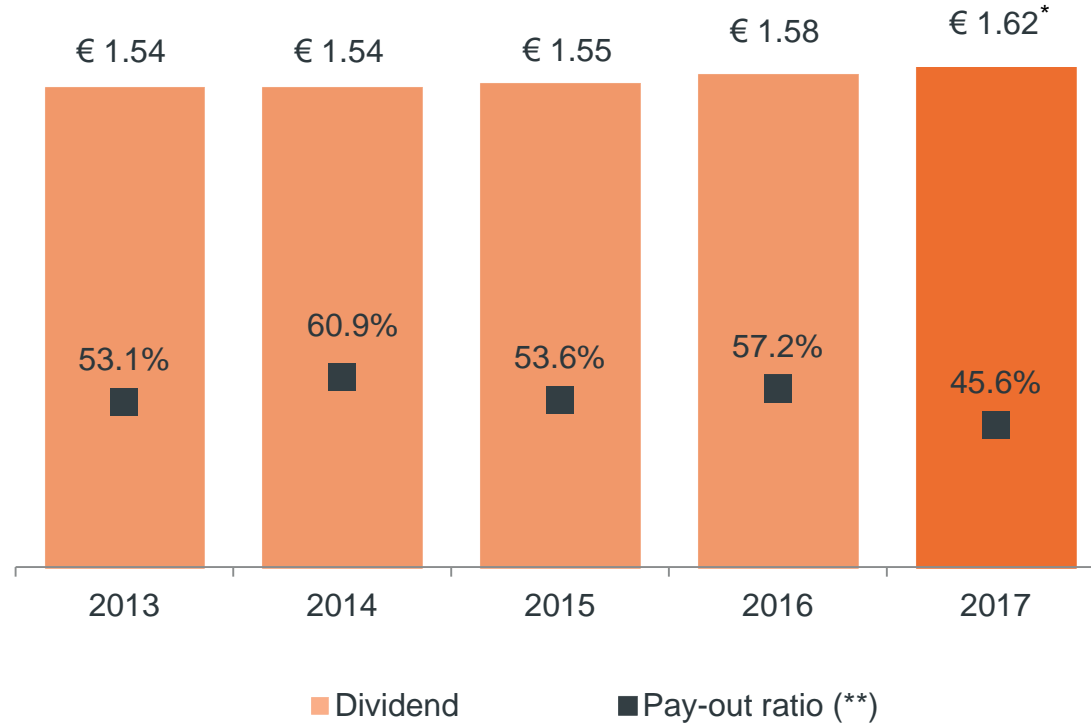
International Projects

NEMO Project (Regulated)

The Nemo Link® interconnector will consist of subsea and underground cables connected to a converter station and an electricity substation in Belgium and the United Kingdom, which will allow electricity to flow in either direction between the two countries.

NEMO to generate operational profit from early next year

Elia Group to propose a €1.62 dividend per share for 2017



Proven track record of **growing dividend over time**

* Proposed dividend for 2017 AGM planned on 15 May 2018

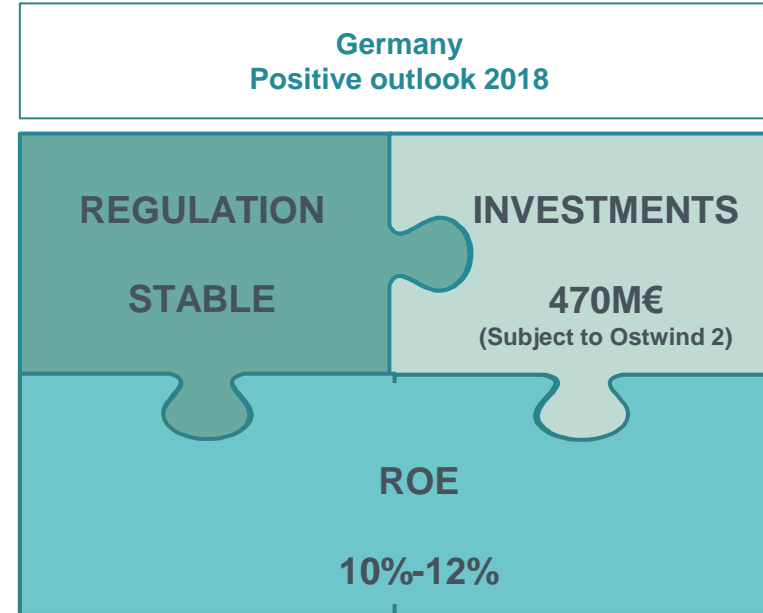
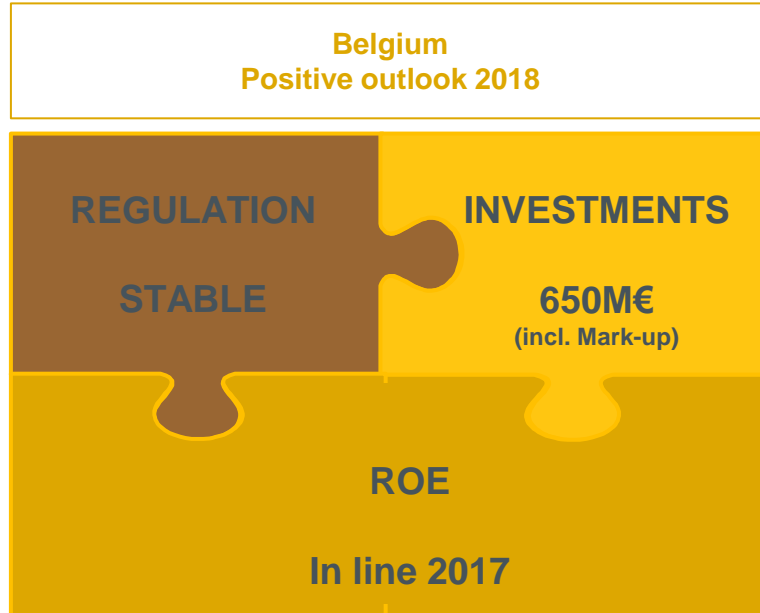
** Based on Normalised net result (IFRS)

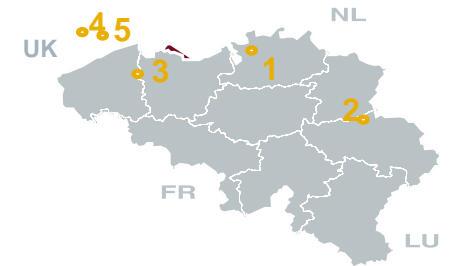


Elia Group Conclusion and outlook

Chris Peeters
Chief Executive Officer

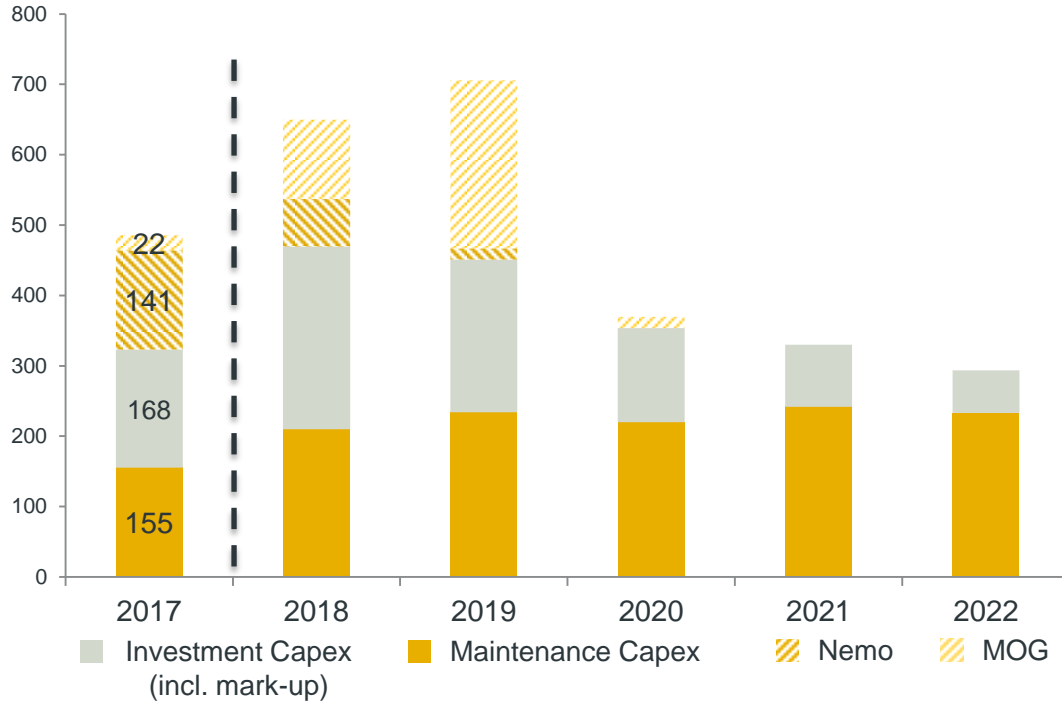
Elia Group's – Outlook





Elia's investment programme for the next 5 years

← CAPEX plan of €2.3 billion →



Selected investment projects



1. Brabo
Reinforce the Port of Antwerp & increase cross-border capacity with NL



2. ALEGrO
Increase cross-border capacity with Germany with the first HVDC on land



3. Mercator -Horta
Strengthening the backbone to allow a higher integration of renewables from offshore



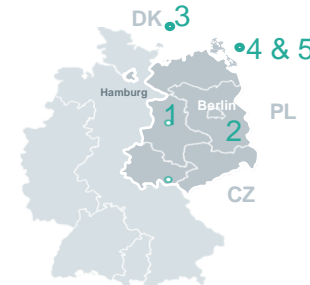
4. Nemo Link
Subsea HVDC-interconnection with UK



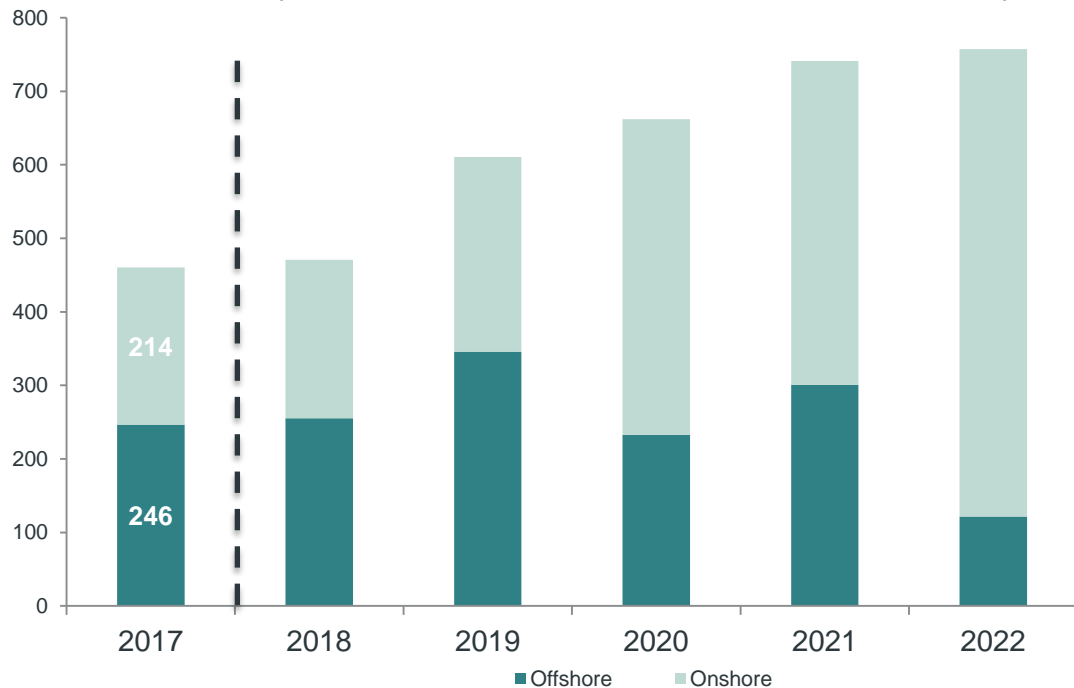
5. Modular Offshore Grid
Connection of wind farms in North Sea with the onshore grid

Investment plan driven by the need for interconnection and integration of renewables.

50Hertz German grid expansion plan 2018-2022



CAPEX plan of €3.3 billion



Selected investment projects



1. HVDC connector line
Line linking Saxony-Anhalt and Bavaria



2. Berlin Cable
Reinforcement 380-kV-Cable Berlin



3. Kriegers Flak
Combined offshore grid solutions with DK and potentially SWE



4. Ostwind 1
Cluster Westlich Adlergrund / Offshore connection in the Eastern German Baltic shore



5. Ostwind 2
2nd Cluster Westlich Adlergrund / Offshore connection in the Eastern German Baltic shore

Increasing investment program driven by both offshore and onshore

Nb: Elia Group owns 60% of 50 Hertz. These numbers represent 100% of 50 Hertz

Financial calendar

Early April 2018

15 May 2018

16 May 2018

Early June 2018

27 July 2018

30 November 2018

Publication of Annual Report

2018 General meeting

Interim statement Q1 2018

Payment of 2017 dividend

Publication of 2018 half-yearly results

Interim statement Q3 2018

Elia Group's investment case

Elia group a **strong, reliable and sustainable** partner

Licensed to **build the electrical system of the future**, well positioned in **centre of Europe**

Generating share holder value through the **distribution of dividends** and **asset base growth**

Operating within different regulatory frameworks resulting in **low risk business** and **predictable and secured cashflows**

Proven track record in terms of operational and financial excellence



Q&A

Thank you

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