



Board approves new company structure of Elia Group

Extraordinary Shareholders' Meeting on 8 November 2019 to formally validate certain aspects of the transaction

Regulated information

The Board of Directors of Elia System Operator approved the new corporate structure of Elia Group. The decision was taken following the fulfilment of certain preconditions, which included regulatory approval and confirmation of the compliance with the Belgian Electricity Law. As a result, an extraordinary shareholders' meeting will be convened on 8 November 2019. The main aim of the new company structure is to isolate and ring-fence the regulated activities of Elia in Belgium from the non-regulated activities and regulated activities outside Belgium. This will also allow its existing and future Belgian and European activities (regulated and non-regulated) to develop in line with the defined growth strategy.

As communicated in the press releases of 8 April 2019 and 26 July 2019, Elia was considering how it should optimise its internal organisation. This is a result of the new Belgian tariff methodology for 2020-2023, which includes a provision defining the impact on regulated tariffs of loans contracted to finance non-regulated activities of Elia (being all activities other than those regulated in Belgium).

The Commission for Electricity and Gas Regulation (CREG) confirmed that such a reorganisation, by ring-fencing the Belgian regulated activities of Elia from its non-regulated activities, would significantly reduce the risk of cross-subsidy between regulated and non-regulated activities or regulated activities outside Belgium. Thereby, it provides a suitable framework for the further development of Elia's non-regulated activities and regulated activities outside Belgium.

Our Board of Directors approved the new company structure that will allow us to pursue our ambitious growth strategy and capture opportunities that the energy transition brings. We are looking forward to further contributing to the creation of a sustainable and reliable energy system in the benefit of society.



Chris Peeters, CEO Elia Group



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“Elia System Operator” transforms into “Elia Group”

The new company structure involves transforming “*Elia System Operator*”, the current transmission system operator (TSO), into a holding company which will be renamed “*Elia Group*” and will remain the listed company. After implementation, the holding company will hold shares in various subsidiaries, including a recently created subsidiary, *Elia Transmission Belgium SA/NV* (“*Elia Transmission Belgium*”). Elia Group will also hold shares in other subsidiaries such as Eurogrid International, which controls 50Hertz Transmission GmbH (“*50Hertz*”), a TSO active in Germany, and Elia Grid International (“*EGI*”). Upon completion, Elia Transmission Belgium will take over the Belgian regulated activities, and will be designated as the TSO for the high-voltage electricity grid in Belgium.

Extraordinary Shareholders’ Meeting on 8 November 2019

As part of the next step, an extraordinary shareholders’ meeting will be convened on 8 November 2019 to validate certain aspects of the reorganisation and approve certain changes to the governance structure of Elia Group which going forward will be a holding company that is no longer subject to the electricity law. Once validated, the necessary actions will be taken in order to have Elia Transmission Belgium designated as the TSO in Belgium at federal and regional levels. Elia will do its very best to obtain these designations by 31 December 2019.

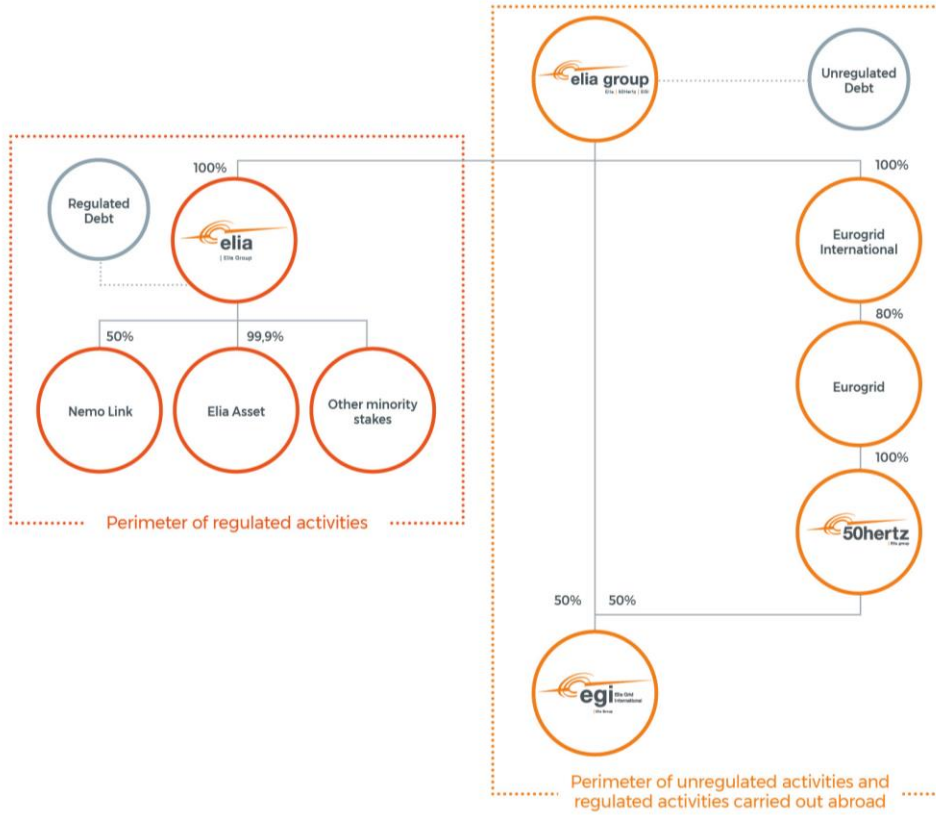
More information related to the Extraordinary Shareholders’ Meeting of 8 November 2019 will be published mid-October at <https://www.eliagroup.eu/en/investor-relations/shareholders-meetings-overview>

Bond consent solicitation

In view of the implementation of the reorganisation, Elia Group will also launch a consent solicitation in relation to various series of outstanding bonds. More information related to the bond consent solicitation will be available in due time on the Investor Relations section of our websites: elia.be and eliagroup.eu.



New corporate structure of Elia Group



About Elia Group

One of Europe's top five players

Elia Group is active in electricity transmission. We ensure that production and consumption are balanced around the clock, supplying 30 million end users with electricity. With subsidiaries in Belgium (Elia) and north-east Germany (50Hertz), we operate 18,990 km of high-voltage connections. As such, our group is one of Europe's top 5. With a reliability level of 99.999%, we give society a robust power grid, which is important for socio-economic prosperity. We also aspire to be a catalyst for a successful energy transition towards a reliable, sustainable and affordable energy system.

We make the energy transition happen

By expanding international high-voltage connections and integrating ever-increasing amounts of renewable energy production, Elia Group promotes both the integration of the European energy market and the decarbonisation of our society. Elia Group is also innovating its operational systems and developing market products so that new technologies and market parties can access our grid, thus making the energy transition happen.

In the interest of society


As a key player in the energy system, Elia Group is committed to working in the interest of society. We respond to the rapidly changing energy mix, i.e. the increase in renewable energy, and constantly adapt our transmission grid. We also ensure that investments are made on time and within budget, with a maximum focus on safety. When we carry out our projects, we manage stakeholders proactively by establishing two-way communication with all affected parties very early on in the development process. We also offer our expertise to our sector and relevant authorities to build the energy system of the future.

International focus

In addition to its activities as a transmission system operator in Belgium and Germany, Elia Group provides various consulting services to international customers through its subsidiary Elia Grid International (EGI). Elia is also part of the Nemo Link consortium that is operating the first subsea electrical interconnector between Belgium and the UK. The Group operates under the legal entity Elia System Operator, a listed company whose core shareholder is the municipal holding company Publi-T.

More information: eliagroup.eu

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