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Ratings

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Alliander N.V.

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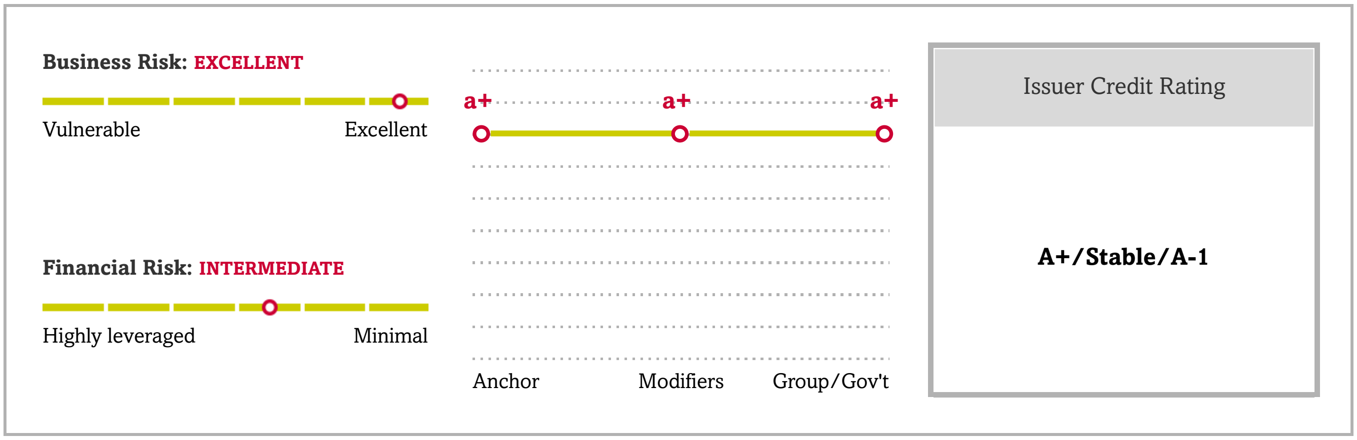


Credit Highlights

Overview

Key strengths	Key risks
Largest regulated electricity and gas distribution operator in the Netherlands, with a monopoly over the regions it operates in and adjusted EBITDA of about €770 million in 2021.	Lower regulatory returns over 2022-2026 that will continue to pressure allowed revenue, in line with the rest of the Dutch networks.
A supportive five-year regulatory framework started in 2022, driving about 90% of the company's profits, with the regulator having allowed for anticipated recovery of extra energy costs for 2022 and 2023.	Limited rating headroom in the next two years, with timeliness and magnitude of remedy measures fundamental to maintaining the rating.
Pivotal role in the energy transition in the Netherlands, with the central government potentially willing to financially support the company.	Large capital expenditure (capex) program on its electricity grid (averaging €1.2 billion per year over 2022-2024), which will increase external funding needs and further pressure metrics.
Clear financial policy commitment, with the company targeting an adjusted funds from operations (FFO) to debt of 15%.	

S&P Global Ratings expects limited rating headroom in the next two years, due to lower remuneration within the 2022-2026 regulatory period and increasing investment. We expect Alliander's adjusted EBITDA to decline to about €650 million in 2024 compared with €776 million in 2021 on the expected decline in nominal pretax weighted-average cost of capital (WACC) for the gas grid gradually during the regulatory period to 2.8% from 2.9% in 2022, and inflation-adjusted pretax real WACC for the electricity grid gradually declining to 1.9% from 2.0% in 2022. The lower remuneration will be insufficient to support Alliander's net investment increasing to close to €1.2 billion annually on average over 2022-2024 from €639 million in 2021, resulting in free cash flow after capex and dividends being negative, at more than €500 million per year. This will translate into limited headroom at the rating, with S&P Global Ratings' adjusted FFO to debt of 18%-19% in 2022 and 17%-18% in 2023, compared with about 26% in 2021.

We view positively the regulator's decision to allow for earlier recovery of energy costs in 2022-2023, which alleviates near-term pressure on metrics. In line with the rest of the electricity and gas distribution system operators (DSOs) in the Netherlands, higher energy costs are impacting Alliander's profit margins, because the company has long exposure to gas and electricity market prices to cover its network losses. While Alliander has a prudent hedging policy that aims to limit extreme fluctuations in these costs if commodity prices are too volatile, the energy situation in Europe has meant that energy procurement costs were already €75 million (about 10% the company's EBITDA) higher in the first six months of 2022 compared with the same period in 2021. Furthermore, we expect these costs will be more than €400 million higher in 2023 compared with our previous base-case scenario. The Dutch regulatory framework usually allows for recovery of these exceptional cots only through the next regulatory period starting in 2027. However, the Authority for Consumers and Markets (ACM) has decided to anticipate recovery of these costs to next year so that operators don't bear the mismatch between remuneration and costs. Alliander will receive 75% of the difference between the income already recognized for grid losses in allowed revenue for 2022 and the actual incurred costs. In addition, in 2023, it will receive 50% of the difference between allowed revenue for compensation of net grid losses and expected higher energy costs. The remainder is expected to be recovered with a two-year delay. We view this decision positively because it prevents DSOs from having less room for investment in crucial projects for the energy transition, and it supports our assessment of a strong regulatory framework in the Netherlands.

Timeliness and magnitude of remedy measures are fundamental in maintaining the rating. Although the timing and magnitude of additional measures have not been fully defined, which is why our metrics do not reflect them for now, we expect the company to enact remedial measures to counter credit metric deterioration below our threshold at the 'A+' rating for at least the next two years. Alliander is looking into measures, both short- and long-term, to support its metrics, including the conversion of its €600 million settled convertible shareholder loan. We expect this conversion would take place in tranches, with a first partial conversion in 2024 and the remainder in 2028. In addition, the company has the right to convert the instrument if its FFO to debt falls below 16%.

We now see financial support from the Dutch government as increasingly needed for the network operators, further supporting our rating on Alliander. We consider the Dutch government's likelihood to render timely financial support as a supporting factor for the rating on the company. The energy transition is of crucial importance to the sovereign, and the government's participation in funding Alliander's capex plan is needed and likely to happen by 2024. We view positively the Dutch government's publicly stated willingness to participate in funding grid companies' investment plans, including Alliander's, and we now expect a decision should be taken in first-half 2023 (for more information, see "Dutch Government's Willingness To Support Is Mildly Credit Positive For Energy Distributors," published July 25, 2022, on RatingsDirect). Discussions are ongoing, and while we understand financial support would take the form of a capital contribution of up to €2 billion, uncertainty remains over the size and timing. We understand the size will also depend on the willingness of Alliander's shareholders to either take part in the capital injection or accept a dilution. We will closely monitor the decision-making process on potential state support over the next 12-24 months.

Outlook: Stable

The stable outlook reflects our expectation that, despite incremental debt due to increased capex and a scheduled decline in regulatory WACC within the 2022-2026 regulatory period for gas and power distribution, Alliander will post an FFO-to-debt ratio above 18% at least over 2022 and 2023. Over the next 12 months, we also anticipate management, backed by shareholders, will enact remedial measures to counter downward trending metrics.

Downside scenario

The rating could come under pressure if our forecast FFO to debt fell below 18% with no immediate likelihood of recovery. This could result from the company failing to implement timely and sufficient remedial measures.

Upside scenario

We consider an upgrade unlikely, given the predictable ongoing decline of tariffs set by the regulator, alongside the company's steadily increasing capex plan and dividend policy. However, we would consider an upgrade if, all else remaining equal, Alliander were to achieve and sustain FFO to debt above 23% backed by the company's financial policy.

Our Base-Case Scenario

Assumptions

- Real GDP growth in the Netherlands of 4.3% in 2022, 0.2% in 2023, and 2.1% in 2024 (see "Economic Outlook Eurozone Q4 2022: Crunch Time," published Sept. 26, 2022). We expect limited impact from the economic situation on Alliander's activities, due to its majority-regulated nature.
- Sustained inflation levels, with consumer price index (CPI) growth at 11.1% in 2022, 5.4% in 2023 and 1.1% in 2024. The Dutch regulatory framework allows for yearly indexation of the tariffs to inflation.
- Over the 2022-2026 regulatory period, nominal pretax WACC for the gas grid declining to 2.8% from 2.9%, and inflation-adjusted pretax real WACC for the electricity grid declining to 1.9% from 2.0% in 2022 (it was 3.04% for existing assets and 2.76% for new assets in 2021).
- EBITDA margin of 30%-32% from 2022-2024.
- Net average capex of about €1.2 billion annually, driven by the energy transition target in the Netherlands and the requirement to expand Alliander's electric grid (connecting new renewable projects to the grid) as well as grid replacement. We expect less than 15% of the capex will be deployed in gas networks, reflecting the business' maturity.
- Dividend payout ratio of 45% of the previous year's net income, according to Alliander's policy.
- No acquisitions or sale of assets.
- No credit remedy measures such as capital injections or the conversion of its convertible shareholder loan.

Key metrics

Alliander N.V.--Key Metrics

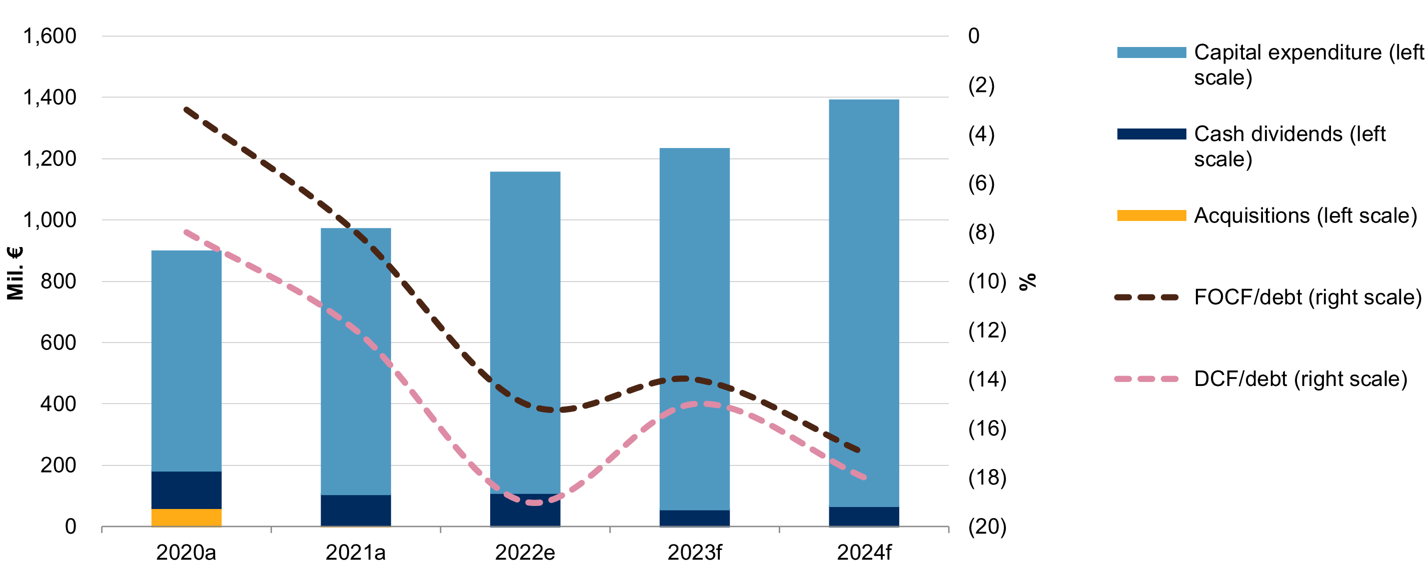
	--Fiscal year ended Dec. 31--				
	2020a	2021a	2022e	2023f	2024f
EBITDA	707.0	776.0	660-680	720-750	625-655
FFO to debt (%)	24.2	25.9	18-19	17-20	12.0-15.0
Debt	2,542.0	2,589.8	3150-3200	3600-3800	4400-4600
Capex (net)	715.0	865.0	1030-1060	1100-1200	1300-1400
Debt to EBITDA	3.6	3.3	4.5-5.0	4.5-5.5	6.0-8.0
DCF (mil. €)	(203.0)	(303.0)	(550)-(600)	(500)-(600)	(800)-(900)

FFO--Funds from operations. DCF--Discretionary cash flow. Capex--Capital expenditure. a--Actual. e--Estimate. f--Forecast.

Our forecast of total capex will result in negative discretionary cash flow over the next two years, which will increase Alliander's funding needs. For 2022, the company has no additional external funding needs, having drawn on its €600 million convertible shareholder loan and having refinanced the €400 million November maturity with the issuance of a new five-year bond earlier in September. Nevertheless, due to the increasing capex, we expect funding needs will accelerate in the next two years, in line with our expectation of €600 million-€700 million yearly average DCF in 2022-2024.

Chart 1

Alliander Will Generate Negative FOCF And DCF
2020a-2024f



a--Actual. e--Estimate. f--Forecast. FOCF--Free operating cash flow. DCF--Discounted cash flow.
Source: S&P Global Ratings.

Company Description

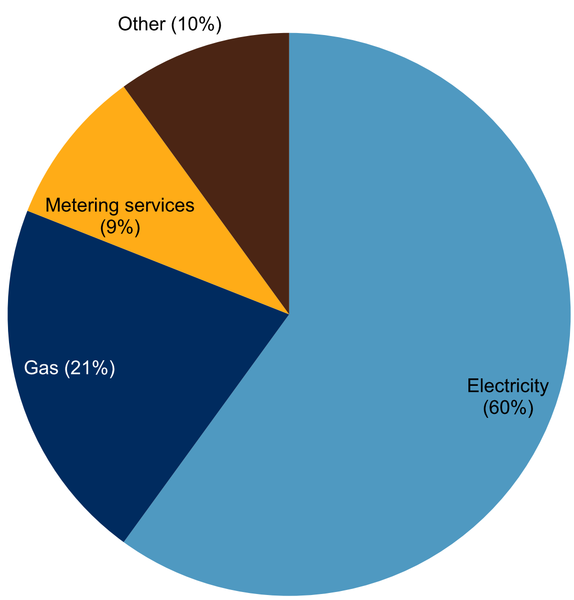
Alliander is a Dutch group mainly devoted to electricity and gas distribution in the regions of Gelderland, Noord-Holland, Amsterdam, Zuid-Holland, Friesland, and Flevoland.

Through its main subsidiary, Liander (about 90% of Alliander's EBITDA), the group provides electricity and gas to about 3.3 million consumers and businesses through its more than 5.7 million connection points. Qirion, another subsidiary, focuses on developing sustainable technologies and intelligent energy infrastructure. Lastly, Kenter is a metering company that provides metering energy and energy management services. Qirion and Kenter represent about 10% of Alliander's EBITDA.

Alliander is 100% owned by 74 Dutch provinces and municipalities. The Province of Gelderland owns 44.7%, Friesland 12.7%, Noord-Holland 9.2%, and the city of Amsterdam 9.2%. The remainder is owned by other smaller Dutch municipalities. In 2021, reported net revenue was €2.12 billion and reported EBITDA €852 million.

Chart 2

Alliander's Net Revenue Breakdown
2021



Source: Company disclosures.

Peer Comparison

Table 1

Alliander N.V.--Peer Comparison					
Industry sector: Electric					
	Alliander N.V.	**Stedin Holding N.V.**	**Enexis Holding N.V.**	**TenneT Holding B.V.**	**N.V. Nederlandse Gasunie**
Ratings as of Oct. 19, 2022	A+/Stable/A-1	A-/Stable/A-2	A+/Stable/A-1	A-/Stable/A-2	AA-/Stable/A-1+
	--Fiscal year ended Dec. 31, 2021--				
(Mil. €)					
Revenue	2,120.0	1,279.0	1,634.0	5,503.0	1,468.6
EBITDA	776.0	488.0	732.0	896.0	866.5
Funds from operations (FFO)	670.0	390.0	629.8	447.5	667.4
Interest expense	43.8	106.0	42.2	209.5	79.7
Cash interest paid	41.0	99.0	37.2	202.5	88.9
Cash flow from operations	660.0	365.0	613.8	5,534.5	666.5
Capital expenditure	865.0	682.0	762.6	3,711.0	289.2
Free operating cash flow (FOCF)	(205)	(317)	(148.8)	1,823.5	377.3
Discretionary cash flow (DCF)	(303)	(855)	(229)	1,612.0	115.0
Cash and short-term investments	623.0	133.0	107.0	2.0	65.3
Debt	2,589.8	3,407.8	3,036.5	16,551.8	3,697.4
Equity	4,522.0	3,020.0	4,491.0	6,524.5	6,580.7
Adjusted ratios					
EBITDA margin (%)	36.6	38.2	44.8	16.3	59.0
Return on capital (%)	5.2	2.0	4.4	(1.2)	5.0
EBITDA interest coverage (x)	17.7	4.6	17.3	4.3	10.9
FFO cash interest coverage (x)	17.3	4.9	17.9	3.2	8.5
Debt/EBITDA (x)	3.3	7.0	4.1	18.5	4.3
FFO/debt (%)	25.9	11.4	20.7	2.7	18.0
Cash flow from operations/debt (%)	25.5	10.7	20.2	33.4	18.0
FOCF/debt (%)	(7.9)	(9.3)	(4.9)	11.0	10.2
DCF/debt (%)	(11.7)	(25.1)	(7.5)	9.7	3.1

Alliander is the largest DSO in the Netherlands, with more than 5.7 million connection points for gas and electricity, compared with 5.1 million for Enexis and 4.6 million for Stedin, which are the company's closest peers.

Like Enexis, Alliander operates in territories that include large rural areas prone to the development of decentralized wind and solar generation, which means higher activity in terms of grid adaptation. Also, Alliander is the least leverage among the DSOs as of end-2021.

We also included TenneT and Gasunie, the Dutch power and gas transmission system operator, respectively, as peers because they are exposed to the same operating environment as Alliander and generate revenue under the same regulatory framework, although the nature of their transmission activities is only partially comparable to distribution.

Business Risk: Excellent

In our view, the Dutch regulatory framework has a high degree of regulatory stability. We estimate that about 90% of Alliander's EBITDA is fully regulated under a framework that provides well-developed tariff-setting procedures, which have allowed regulated utilities in the Netherlands to timely recover their costs (except for energy costs) and earn a return on their regulated asset base. A stable and predictable operating environment results in low cash flow volatility, which we see as one of the main components of Alliander's low-risk business. Furthermore, despite decreasing remuneration, other supportive elements were introduced in the current regulatory period, such as a nominal WACC and an accelerated depreciation for gas assets (1.3x, up from 1.0x in the previous regulatory period), on top of a real WACC for electricity grids incorporating an additional 50% of inflation expectations.

We believe that the energy transition supports the company's business because it provides incentives to further develop the power grid, which provides the base for cash flow and will translate into increasing investment. The DSOs' role will become more and more relevant as power generation is decentralized as some thermal capacity is phased out from the Dutch generation mix. The Dutch Climate Agreement stipulates that the Netherlands aims to generate 70% of its electricity through renewable sources by 2030. Alliander is a key stakeholder in adapting the grid to these changes. As a result, the company is facing an increasing workload to keep up with the energy transition, which is a key component of its business strategy. For Alliander, capex related to the Climate Agreement is €1.3 billion, deployed in electricity infrastructure until 2030, which translates into €130 million of additional capex per year.

Most of the company's capex will strengthen the electricity grid, with a moderating role for natural gas infrastructure in the country. Alliander will connect new wind and solar parks to the network, while smartening the grid. On the other hand, we expect investment in the gas grid to decline consistently, given energy policy incentives to reduce natural gas usage. While we expect most of the decrease in demand after 2030, residential fossil heating will be banned from 2026, with hybrid solutions (combined heat pump and gas boilers) remaining possible. We believe that this is already resulting in capex optimization within the sector and particularly in Alliander's gas grid, with gas expansion and replacement capex decreasing to represent about 12% of its total capex as of first-half 2022 from 36% in 2015.

Financial Risk: Intermediate

The regulation allows for yearly indexation of tariffs to inflation. We view this feature of the regulation, which is common across strong regulatory frameworks in Western Europe, as positive, especially in the high inflationary context that Europe will witness in the coming months. The ACM has already discussed a significant increase in the regulated tariffs for 2023 and 2024, based on expected CPI increase in 2022 of 12.1% in the Netherlands, which compares with S&P Global Ratings' expectation of 11.1% for the year. This will allow the company to recover its increased operating expense.

Alliander's management and shareholders are committed to the rating. One of the strengths of the current rating is that the company's shareholders, as well as the central government as a new potential shareholder, are committed to a high-investment-grade rating. Also, by Dutch law, regulated operators in the Netherlands must have a credit rating of at least 'A'. Furthermore, the company's management is committed to enacting credit-remedying measures to mitigate deteriorating metrics. Alliander has a stable dividend payout policy, set at 45%, which allows for predictable yearly dividend payments. Still, before the start of the current regulatory period, it revised its minimum FFO to debt threshold at 15% from 20% previously. While this is not a target in itself, it signals a higher leverage tolerance.

Financial summary

Table 2

Alliander N.V.--Financial Summary					
Industry sector: Electric					
	--Fiscal year ended Dec. 31--				
	2021	**2020**	**2019**	**2018**	**2017**
(Mil. €)					
Revenue	2,120.0	2,009.0	1,930.0	1,920.0	1,797.0
EBITDA	776.0	707.0	757.0	754.0	654.5
Funds from operations (FFO)	670.0	614.0	648.0	625.4	537.4
Interest expense	43.8	44.1	54.1	64.6	62.1
Cash interest paid	41.0	42.0	52.0	71.6	61.1
Cash flow from operations	660.0	630.0	634.0	644.4	464.4
Capital expenditure	865.0	715.0	710.0	605.0	570.0
Free operating cash flow (FOCF)	(205.0)	(85.0)	(76.0)	39.4	(105.6)
Discretionary cash flow (DCF)	(303.0)	(203.0)	(230.0)	(63.1)	(217.6)
Cash and short-term investments	623.0	297.0	152.0	140.0	101.0
Gross available cash	623.0	297.0	152.0	140.0	101.0
Debt	2,589.8	2,542.0	2,257.0	2,036.7	2,092.4
Equity	4,522.0	4,080.5	3,976.0	3,881.5	3,694.0
Adjusted ratios					
EBITDA margin (%)	36.6	35.2	39.2	39.3	36.4
Return on capital (%)	5.2	5.0	6.3	6.9	5.7
EBITDA interest coverage (x)	17.7	16.0	14.0	11.7	10.5
FFO cash interest coverage (x)	17.3	15.6	13.5	9.7	9.8
Debt/EBITDA (x)	3.3	3.6	3.0	2.7	3.2
FFO/debt (%)	25.9	24.2	28.7	30.7	25.7
Cash flow from operations/debt (%)	25.5	24.8	28.1	31.6	22.2
FOCF/debt (%)	(7.9)	(3.3)	(3.4)	1.9	(5.0)
DCF/debt (%)	(11.7)	(8.0)	(10.2)	(3.1)	(10.4)

Reconciliation

Table 3

Alliander N.V.--Reconciliation Of Reported Amounts With S&P Global Ratings' Adjusted Amounts (Mil. €)

	--Fiscal year ended Dec. 31, 2021--							
Alliander N.V. reported amounts								
	Debt	**Shareholders' equity**	**EBITDA**	**Operating income**	**Interest expense**	**S&P Global Ratings' adjusted EBITDA**	**Cash flow from operations**	**Dividends**
Reported	3,111.0	4,470.0	852.0	354.0	40.0	776.0	664.0	102.0
S&P Global Ratings' adjustments								
Cash taxes paid	--	--	--	--	--	(65.0)	--	--
Cash interest paid	--	--	--	--	--	(37.0)	--	--
Reported lease liabilities	123.0	--	--	--	--	--	--	--
Intermediate hybrids reported as debt	(299.5)	299.5	--	--	(0.3)	--	--	--
Intermediate hybrids reported as equity	247.5	(247.5)	--	--	4.1	(4.0)	(4.0)	(4.0)
Postemployment benefit obligations/deferred compensation	30.8	--	--	--	--	--	--	--
Accessible cash and liquid investments	(623.0)	--	--	--	--	--	--	--
Dividends received from equity investments	--	--	1.0	--	--	--	--	--
Nonoperating income (expense)	--	--	--	5.0	--	--	--	--
EBITDA: Other	--	--	(77.0)	(77.0)	--	--	--	--
Depreciation and amortization: Other	--	--	--	77.0	--	--	--	--
Total adjustments	(521.3)	52.0	(76.0)	5.0	3.8	(106.0)	(4.0)	(4.0)
S&P Global Ratings' adjusted amounts								
	Debt	**Equity**	**EBITDA**	**EBIT**	**Interest expense**	**Funds from operations**	**Cash flow from operations**	**Dividends paid**
Adjusted	2,589.8	4,522.0	776.0	359.0	43.8	670.0	660.0	98.0

Liquidity: Adequate

We assess Alliander's liquidity score as adequate, based on our view that the company's liquidity sources will exceed its funding in the 12 months from Sept. 30, 2022, by more than 1.1x.

Furthermore, our liquidity assessment factors Alliander's high standing in the credit markets, as shown by the company consistently outperforming regulated cost of debt.

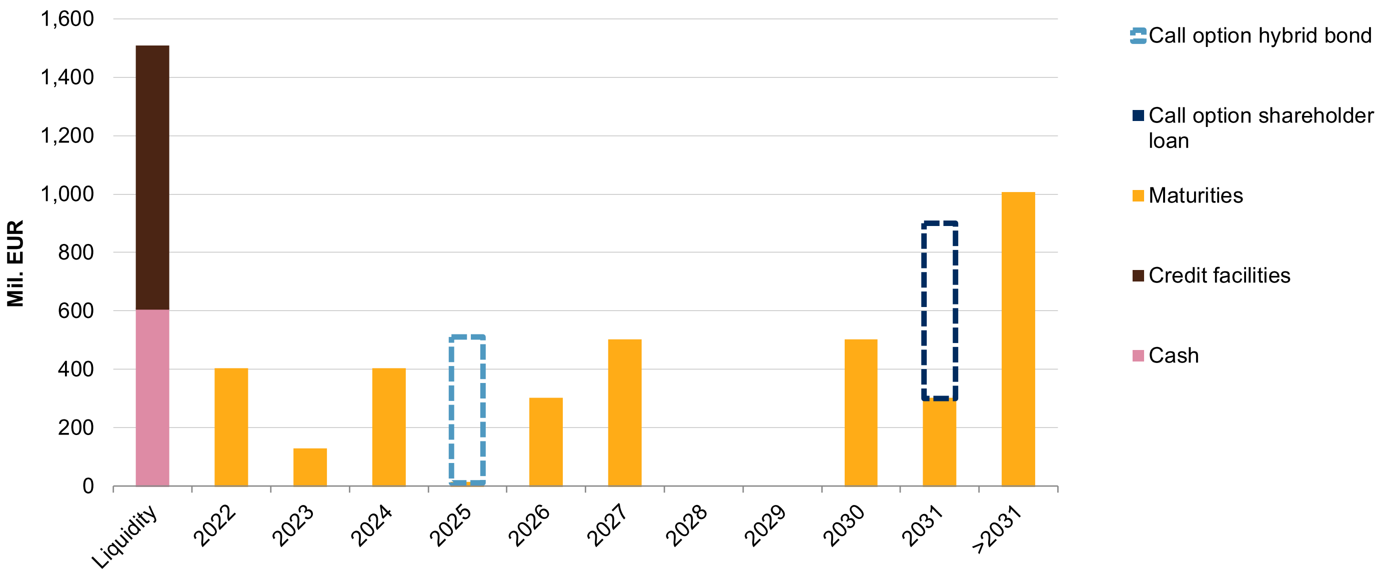
Principal liquidity sources	**Principal liquidity uses**

• Cash and near-term investments of €600 million • A committed credit facility of €900 million maturing in 2026 • Cash FFO of about €690 million over the next 12 months	• Debt maturities of €400 million over the next 12 months • Capex of €1.1 billion • Working capital swings of about €60 million due to additional investment in inventory • Dividends of about €70 million

Debt maturities

Chart 3

Liquidity And Debt Maturity Profile
As of Sept. 30, 2022



Source: S&P Global Ratings.

Environmental, Social, And Governance

ESG Credit Indicators

E-1	**E-2**	E-3	E-4	E-5	S-1	**S-2**	S-3	S-4	S-5	G-1	**G-2**	G-3	G-4	G-5

ESG credit indicators provide additional disclosure and transparency at the entity level and reflect S&P Global Ratings' opinion of the influence that environmental, social, and governance factors have on our credit rating analysis. They are not a sustainability rating or an S&P Global Ratings ESG Evaluation. The extent of the influence of these factors is reflected on an alphanumerical 1-5 scale where 1 = positive, 2 = neutral, 3 = moderately negative, 4 = negative, and 5 = very negative. For more information, see our commentary "ESG Credit Indicators: Definition And Applications," published Oct. 13, 2021.

ESG factors have no material influence on our credit rating analysis of Alliander. The company is one of the most relevant stakeholders for the Dutch government to deliver on its energy transition objectives, as illustrated by the recent discussions with the central government for an equity injection. Its pivotal role entails collaborating with Dutch local governments, industries, and communities to integrate new renewable capacity into its grid while managing congestion. We believe this will stimulate Alliander's electricity grid deployment by expanding its regulatory asset base over the next decade. In our opinion, the company's critical role in electricity infrastructure more than compensates for the more uncertain long-term prospects of its gas grid as the country strives to phase out gas by 2050 and embrace renewables.

Given the extreme rise in power and gas prices, political scrutiny on affordability remains high in Europe. While we consider that there could be negative government intervention in the sector, we believe any potential negative impact is well covered by a supportive regulatory framework.

Issue Ratings - Subordination Risk Analysis

Capital structure

As of June 30, 2022, Alliander's gross debt (including financial lease obligations) totaled about €3.3 billion, of which about €1.2 billion consisted of green bonds, €800 million medium-term notes, and a €300 million loan from the European Investment Bank. The rest relates to the €600 million convertible shareholder loan and €500 million hybrid instrument, in addition to smaller bank loans.

In our calculations of S&P Global Ratings-adjusted debt, we consider only 50% of both the company's 1.625% €500 million perpetual subordinated notes and the nonmandatory €600 million convertible shareholder loan maturing in 2081, because we evaluate these instruments as having intermediate equity content.

Analytical conclusions

We rate the company's senior unsecured debt 'A+', the same as the long-term issuer credit rating.

Alliander is the holding company of a key operating company and other smaller subsidiaries. All new debt is placed at the Alliander level; and debt at the Liander level, which is small compared with the group's total, will be repaid at the end of 2027.

Beside this, we rate Alliander's debt in line with the issuer credit rating, because we consider the company's leverage low enough to limit the possibility of any noteholders being significantly disadvantaged relative to other lenders.

We rate the perpetual notes 'A-', two notches below the 'A+' issuer credit rating on Alliander, reflecting:

- A one-notch deduction because of contractual subordination; and
- An additional one-notch deduction for payment flexibility to reflect that the deferral of interest is optional.

Ratings Score Snapshot

Issuer Credit Rating

A+/Stable/A-1

Business risk: Excellent

- **Country risk:** Very low
- **Industry risk:** Very low
- **Competitive position:** Excellent

Financial risk: Intermediate

- **Cash flow/leverage:** Intermediate

Anchor: a+

Modifiers

- **Diversification/portfolio effect:** Neutral (no impact)
- **Capital structure:** Neutral (no impact)
- **Financial policy:** Neutral (no impact)
- **Liquidity:** Adequate (no impact)
- **Management and governance:** Satisfactory (no impact)
- **Comparable rating analysis:** Neutral (no impact)

Related Criteria

- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- General Criteria: Hybrid Capital: Methodology And Assumptions, July 1, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments, April 1, 2019
- Criteria | Corporates | General: Reflecting Subordination Risk In Corporate Issue Ratings, March 28, 2018
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Dec. 16, 2014

- Criteria | Corporates | General: Corporate Methodology, Nov. 19, 2013
- General Criteria: Methodology: Industry Risk, Nov. 19, 2013
- General Criteria: Country Risk Assessment Methodology And Assumptions, Nov. 19, 2013
- Criteria | Corporates | Utilities: Key Credit Factors For The Regulated Utilities Industry, Nov. 19, 2013
- General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities, Nov. 13, 2012
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Related Research

- What Europe's Energy Redesign Might Mean For Its Power And Gas Markets, Sept. 13, 2022
- Dutch Energy Network Enexis Outlook Revised To Stable On Fudura Sale, Expected State Support; Affirmed At 'A+/A-1', Aug. 9, 2022
- Dutch Government's Willingness To Support Is Mildly Credit Positive For Energy Distributors, July 25, 2022
- Dutch Energy Distributor Alliander Downgraded To 'A+/A-1' On Regulatory Decision; Outlook Stable, Dec. 20, 2021
- Dutch DSO Stedin Holding Affirmed At 'A-/A-2' On Regulatory Visibility And Financial Policy; Outlook Stable, Nov. 8, 2021

Business And Financial Risk Matrix

	Financial Risk Profile					
Business Risk Profile	Minimal	Modest	**Intermediate**	Significant	Aggressive	Highly leveraged
Excellent	aaa/aa+	aa	**a+/a**	a-	bbb	bbb-/bb+
Strong	aa/aa-	a+/a	a-/bbb+	bbb	bb+	bb
Satisfactory	a/a-	bbb+	bbb/bbb-	bbb-/bb+	bb	b+
Fair	bbb/bbb-	bbb-	bb+	bb	bb-	b
Weak	bb+	bb+	bb	bb-	b+	b/b-
Vulnerable	bb-	bb-	bb-/b+	b+	b	b-

Ratings Detail (As Of October 19, 2022)*

Alliander N.V.	
Issuer Credit Rating	A+/Stable/A-1
Junior Subordinated	A-
Senior Unsecured	A+
Short-Term Debt	A-1
Issuer Credit Ratings History	
20-Dec-2021	A+/Stable/A-1
04-Jun-2021	AA-/Watch Neg/A-1+
15-Aug-2013	AA-/Stable/A-1+

Ratings Detail (As Of October 19, 2022)*(cont.)

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.