



## Investments remain high

2013 half-year figures: higher profit, stable costs

**Arnhem, 26 July 2013 - Alliander reports a higher result for the first half of 2013, as shown by the interim figures presented today. Profit after tax in the first half of 2013 rose to €129 million, compared with €82 million in the first half of 2012, largely driven by higher regulated tariffs for distribution network operators. Investments remained high and stable in the first half of 2013 at €245 million (2012: €250 million). Average electricity outage duration improved from 24.5 minutes in 2012 to 21.9 minutes in the past twelve months.**

‘A solid financial basis is essential if we are to perform our social function of providing a reliable energy supply. This result will help us do that’, commented CEO Peter Molengraaf. ‘We are installing more smart networks with sensors to permit enhanced monitoring and remote control of energy flows. In these systems, data communications will be more intensive and more crucial to operations. On the basis of the Draft Decisions on the Regulation of Gas and Electricity Distribution Service Operators published by the Netherlands Authority for Consumers & Markets (ACM), we expect the network distribution tariffs to fall sharply on 1 January 2014. That may be good for our customers, but it will make it more difficult for our network operators Liander and Endinet to maintain their current level of investment.’

### Investments stable

Total investments remained stable at €245 million in the first half of 2013. Investments in network replacement and renewal were slightly lower, but investments relating to the offering of smart meters to customers were higher at €25 million, up €8 million on the first half of 2012.

### Revenue and profit higher, costs stable

Revenue increased from €819 million in the first half of 2012 to €860 in same period this year, driven by the higher regulated tariffs. Operating expenses were a little higher in the first half of 2013 at €698 million (2012: €685 million). The net effect was an increase in profit after tax from €82 million to €129 million. Three cross-border lease contracts, including the related obligations, were terminated in the first half of 2013 in consultation with the US investors involved.

### Expenses higher due to sufferance tax

The cost of sufferance tax (a tax paid for the use of municipal land) is still increasing. It has doubled over the past four years to €43.2 million in 2012 and is continuing to rise in 2013, up to €27 million in the first half of this year. Alliander is not in favour of the sufferance tax because the tax charged on gas mains and electric cables by one municipality is paid partly by residents of other municipalities via the network distribution tariffs.

**Outage duration and customer satisfaction**

The electricity outage duration is on a downward trend, with the twelve-month rolling average to 30 June 2013 falling to 21.9 minutes (2012: 24.5 minutes). Customer satisfaction remains high: in the first half of 2013, Liander achieved a satisfaction rating of 92 per cent (2012: 93 per cent) among residential customers and 86 per cent in among business customers (2012: 87 per cent). The number of customers generating their own electricity from renewable sources – mostly using solar panels – continues to grow: from around 21,500 at the end of 2012 to over 36,000 by 30 June 2013.

**Smart grids**

Liander and ATAG's biogas network in Eerbeek (Gelderland) was commissioned at the end of May. This is a special network for transporting biogas produced from waste water, biosolids and biomass such as vegetable waste and manure. After cleaning, the biogas can be delivered direct to end-users for heating homes and other buildings. It is usual in the Netherland to adjust the quality of the gas to suit the equipment, but this biogas network is different: the equipment is adjusted to suit the quality of the gas.