

## Investments in networks again higher

Full-year figures 2012: Financial result slightly lower

**Arnhem, 20 February 2013 - Investments by the network company in electricity and gas networks were again higher last year, at € 578 million compared with € 475 million in 2011, according to Alliander's 2012 annual report which is published by the company today. Alliander's profit after tax in 2012 was € 224 million (2011: € 251 million). Average power outage duration in 2012 was 24.5 minutes, several minutes longer than in 2011 (20.0 minutes).**

'The financial result was in line with expectations. As in 2011, we invested more in our electricity and gas networks last year, mainly in maintenance and replacement of existing networks so we can ensure that our networks continue to meet high quality and safety standards in the future,' commented CEO Peter Molengraaf. 'Wherever possible, we undertake replacement work at the same time as other third-party work, to minimise nuisance to residents. We are also continuing to innovate: the smart network in Amsterdam Nieuw-West is a good example of how these networks will look in the future. Residents can generate almost unlimited power using solar panels which they can feed back into the electricity network, install heat pumps or charge electric vehicles. The number of customers feeding solar power back into the network doubled in 2012. We plan gradually to install more of these smart networks in our supply area in the coming years.'

### Investments

Investments by Alliander increased last year to € 578 million (2011: € 475 million). The increase was mainly due to higher replacement investment in 2012, including preventive replacement of older gas networks. Replacement investment in 2012 totalled € 228 million (2011: € 162 million) and € 226 million was invested in expansion (2011: € 209 million).

### Financial result slightly lower, revenue higher

Revenue increased from € 1,586 million in 2011 to € 1,674 million in 2012, mainly due to higher regulated tariffs. With expenses also higher at € 1,378 million (2011: € 1,297 million), driven by higher depreciation charges reflecting the increased investments, higher network maintenance costs, higher surcharge tax and higher staff employee benefit expenses, the operating profit was unchanged.

Net profit was slightly lower, due to additional non-recurring financing charges in connection with the refinancing of existing loans for longer terms. Including a non-recurring tax asset, profit after tax turned out at € 224 million (2011: € 251 million).

### Customer satisfaction and outage duration

Customer satisfaction remained high: 93 per cent (2011: 92 per cent) for Liander's residential customers and 87 per cent (2011: 89 per cent) for its business customers.

The average power outage measured by Liander was longer in 2012 at 24.5 minutes (2011: 20.0 minutes). The number of outages showed little change, but each outage affected more customers on average.

### Renewable energy initiatives

Alliander is participating in the construction of a district heating network in Nijmegen in association with the municipal authority. This network will ultimately deliver heat from a nearby waste-

processing plant to over 10,000 new homes. This environment-friendly energy network will later be extended to other parts of the region. It will also be possible to connect other heat sources to the network.

The number of applications to feed in energy produced by solar panels doubled last year. By the end of 2012, there were some 21,500 Liander customers feeding renewable energy back to the electricity grid. Growth in private solar power systems accounted for almost all of this increase. There are also more than 750 systems (wind farms and stand-alone wind turbines) operated by large business customers.

### **About Alliander**

Network company Alliander, which is active in the energy sector and employs approximately 7,000 staff, comprises the Liander, Endinet and Liandon companies. Network operators Liander and Endinet distribute electricity to 3.1 million customers and gas to 2.6 million customers in an area extending to over a third of the Netherlands. Liander and Endinet are responsible for maintenance, expansion and renewal of their grids in the provinces of Gelderland, Friesland, Noord-Holland and parts of Zuid-Holland, Flevoland and NoordBrabant. Liandon provides services relating to the construction and maintenance of complex energy infrastructures.

### **For more information:**

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