

## PRESS RELEASE

# Alliander full-year figures: strengthened financial position is a good basis for future investment

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- **The solvency ratio increased from 41.6% to 48.5% as at 31 December 2010, due to the issue of a subordinated perpetual bond and organic growth. Equity increased from €2.2 billion to €2.9 billion, which has further strengthened Alliander's financial position.**
- **Network company Alliander's profit after tax in 2010 turned out at €222 million, compared with €312 million in 2009. Profit after tax adjusted for incidental items was €174 million (2009: €160 million).**
- **The customer satisfaction score in the consumer market improved from 89% in 2009 to 91% in 2010. The satisfaction rating in the business market, including municipal authorities, remained unchanged compared with 2009 at 87%.**

These are the key points of the figures published today by Alliander. CEO Peter Molengraaf commented: 'I'm pleased with our results for 2010, which provide a sound basis on which to pursue our ambitions. As a network company, we're facing major challenges. More renewable energy is being generated in the Netherlands and we need to make our grids smarter and more flexible. Alliander will be investing more in the grids in the coming years, in replacing cables and pipelines but more importantly in making our infrastructure more intelligent. This year, for example, we're digitising Liander's distribution substations – a first step towards smart grids – and preparing to offer our customers smart meters.'

### **Revenue and profit stable**

Revenue showed little change at €1,432 million (2009: €1,446 million). Profit after tax adjusted for incidental items increased slightly to €174 million (2009: €160 million). Endinet is included in Alliander's figures from 1 July 2010. Endinet Haarlemmermeer has been integrated into Liander with effect from 1 January 2011.

### **Expenses**

Operating expenses were €64 million lower in 2010, partly reflecting the expenses incurred in 2009 in connection with the unbundling programme. Other factors in 2010 included lower corporate staff costs, lower cost on grid losses and lower contract staff costs. The number of contract staff was reduced by 355 FTEs, some of whom were replaced with permanent employees. The procurement cost of electricity from TenneT was also higher, following the sale of the HV grids in 2009.

### **Investments**

Alliander invested €368 million in 2010, of which the gas and electricity grids accounted for €321 million. The total sum invested was €29 million lower than in 2009, due to the relatively long period of sub-zero temperatures and reduced customer demand for new connections, but this was partly offset by higher replacement investment. Investment in IT systems was also down following the completion of various projects relating to the unbundling exercise.

### **Customer satisfaction and outage duration**

Customer satisfaction among Liander's residential customers rose from 89% in 2009 to 91% in 2010. The satisfaction rating among municipal authorities and business customers was unchanged at 87%.

The average outage duration for electricity recorded by Liander increased from 27.4 minutes in 2009 to 31.2 minutes in 2010, due to several extensive and prolonged power failures: on 11 March in Landsmeer, 24 April in part of North Holland and 1 July in Doetinchem.

**About Alliander**

Energy network company Alliander, which employs approximately 6,000 staff, comprises the Liander, Endinet and Liandon companies. Grid managers Liander and Endinet transport electricity to 3.0 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 grid maintenance, expansion and enhancement in the provinces of Gelderland, Friesland, North Holland, parts of South Holland, Flevoland and North Brabant. Liandon provides services relating to the construction and maintenance of complex energy infrastructures.

**For more information:**

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