



PRESS RELEASE

Alliander is working on a sustainable future

Full-year figures for 2013: improved financial result, investments remain high

Arnhem, 21 February 2014 – Network company Alliander today publishes its annual report for 2013. Revenue increased from € 1,674 million in 2012 to € 1,744 million in 2013. Profit after tax rose from € 224 million in 2012 to € 288 million in 2013. The electricity outage duration was 24.0 minutes (down from 24.5 minutes in 2012).

‘The main focus in 2013 was on making the right choices for the future of our networks,’ says Peter Molengraaf, CEO of Alliander. ‘Whilst continuing to maintain and replace our existing electricity and gas networks, we are also preparing for the radically changing energy landscape of the future. In 2013, we made further strides forwards in making the infrastructure suitable for this changing energy supply. One example is our decision to set up a wireless mobile telecommunications network to facilitate the exchange of all information with our grids. And we will continue these initiatives in the coming years.’ The impact of the energy transition is becoming increasingly visible. For instance, more and more renewable energy is being generated, and this will have major consequences for the networks in the long term.

Partly to compensate for the tariff reductions from 2014, Alliander will seek to improve its effectiveness and efficiency in the coming years, with a particular focus on the further reduction of operating expenses. The initial results are visible in the lower indirect costs and trends in corporate accommodation. In the coming years, Alliander will concentrate its operations at a limited number of central locations.

Peter Molengraaf: ‘The infrastructure must be adjusted and made ready for the future. This calls for substantial capital expenditures. To keep the social costs low, Alliander is looking to extend its cooperation with other network operators in order to share investments and costs.’

Higher financial result and revenue

Revenue increased from € 1,674 million in 2012 to € 1,744 million in 2013, principally due to the higher regulated tariffs. Total operating expenses remained virtually unchanged at € 1,389 million (2012: € 1,378 million). Infrastructure-related expenses (including amortisation/depreciation) rose, while other expenses declined. The unprecedented sharp increase in sufferance tax (up 38% from € 43 million in 2012 to € 59 million in 2013) is a cause for concern, as this essentially raises the tariffs for all customers.

Indirect expenses excluding incidental items and one-off projects fell to € 275 million in 2013 (2012: 288 million).

Investments

Alliander's investments in 2013 are at a equal high level in comparison with last year: € 570 million (2012: € 578 million), of which almost 85% was invested in the electricity and gas network.

Customer satisfaction and outage duration

Customer satisfaction showed a slight decrease, but remained high, with ratings of 91% for consumers (2012: 93%) and 85% for business customers (2012: 87%).

The electricity outage duration in 2013 was below the level of 2012. The outage duration for Liander was 24.0 minutes versus 24.5 minutes in 2012. This decrease was achieved despite several interruptions due to drought and extreme heat, and interruptions during the storm on 28 October.

Sustainability initiatives

Peter Molengraaf: 'We, as an organisation, must change and respond to any opportunities that arise. Three major new developments that we are responding to are sustainable housing, sustainable area development and electric mobility. We have started up new business activities aimed at giving municipalities, housing associations and consumers concrete help in their efforts to use energy sustainably.'

On behalf of the municipality of Nijmegen, Alliander is currently constructing a heat transportation network that is designed to provide 10,000 new homes in Nijmegen with heating from a local waste-to-energy plant. The environmentally-friendly heating network will cut CO₂ emissions by up to 70% compared to heating from high performance gas boilers. The heat transmission main is over 6 kilometres long and the work on its construction started in 2013. The total project costs are estimated at about € 20 million.

There are now over 1030 public charging points for electric cars in the regions where Alliander is active, of which more than 300 were realised in 2013. One of the parties responsible for installing the charging points is Stichting e-laad, an initiative of the cooperating network companies. The municipality of Arnhem has granted Alliander Mobility Services an exclusive concession for the delivery and operation of a network of charging poles for electric cars. The number of charging points will be expanded further in the coming period.

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 covering over a third of the Netherlands. Liander and Endinet are responsible for maintenance, expansion and innovation of their networks in the provinces of Gelderland, Noord-Holland and parts of Zuid-Holland, Friesland, Flevoland and Noord-Brabant. Liandon provides services relating to the construction and maintenance of complex energy infrastructures.

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