

## PRESS RELEASE

Liander reports sharp reduction in outage duration

### **Strong financial position and increased investment**

**Arnhem, Monday, 13 February 2012 – Energy network company Alliander reports profit after tax of €251 million for 2011 (2010: €222 million). Adjusted for exceptional items, profit after tax was €228 million (2010: €174 million). Network investment increased from €368 million in 2010 to €475 million in 2011. Equity totalled €3.1 billion and the solvency ratio was 47.5 per cent. Network operator Liander reports a sharp reduction in average power outage duration, from 31.2 minutes in 2010 to 20.4 minutes in 2011, partly due to the implementation of new technology coupled with an enhancement programme.**

These are the key points of the 2011 full-year figures published today by Alliander. 'We invested more heavily in our networks last year and we sharply reduced the outage duration,' commented CEO Peter Molengraaf. 'In the years ahead, investment in our networks will be higher than in the past. This is necessary because we want to maintain a high standard of safety and quality in our infrastructure and we need to prepare the networks for sustainability-related developments.'

#### **Investment and revenue higher**

The higher level of network investment as from the first half of 2011 is being sustained. A total of €475 million was invested in 2011, compared with €368 million in 2010. Higher replacement investment, up from €105 million in 2010 to €162 million in 2011, accounted for part of this increase. Revenue was also higher, rising from €1,432 million in 2010 to €1,586 million in 2011, mainly reflecting higher tariffs and the inclusion of Endinet in the consolidated 2011 figures. Operating expenses in 2011 also came in higher at €1,297 million, an increase of €109 million on 2010, largely due to higher maintenance and network operating costs, higher depreciation/amortisation charges and the effect of including Endinet in the consolidation. Overheads were slightly lower.

#### **Outage duration 30 per cent lower**

The average power outage duration measured by Liander in 2011 was the lowest since records began. Customers connected to Liander's networks were without electricity for an average of 20.4 minutes in 2011, a reduction of 30 per cent compared with the 2010 figure of 31.2 minutes. This improvement was the combined result of new technology, such as GSM outage alarms at crucial points in the network, and an enhancement programme. Customer satisfaction remained high: 92 per cent (2010: 91 per cent) for Liander's residential customers and 89 per cent (2010: 87 per cent) for its business customers.

#### **Sustainable energy supply ever closer**

The energy world is changing fast. Alliander is preparing its networks for further sustainability-related developments. A decision was taken in 2011 to invest €15 million a year up to the end of 2018 in digitising some 300 substations, which will among other things give Liander better control of the voltage quality on the networks. This is now necessary as more and more customers start generating their own power, for example from solar panels or wind turbines, which is fed back into the network. The new digital system was installed at 29 of these key points in the network in 2011. The rollout of smart meters in the Netherlands will also start on a small scale in 2012, offering the option of having a smart meter installed in new buildings, in renovation projects, at the time of scheduled meter replacement and at the individual customer's request.

#### **National network of rapid charging points**

Alliander took part in 2011 in a new initiative to create a national network of rapid charging points for electric vehicles. These can recharge a car's batteries in only 30 minutes, whereas an ordinary mains

charger would take 6–8 hours. Alliander is also 'greening' its own vehicle fleet: as at year-end 2011, Alliander had 42 electric vehicles in service, making it one of the largest users of electric vehicles in the Netherlands. Liander is also receiving an increasing number of applications to supply 'green' gas (biogas treated to match normal mains gas quality). The first biogas feeder station was commissioned by Liander in Hoofddorp in 2011. The 'green' gas produced here is derived entirely from green waste.

#### **About Alliander**

Network company Alliander, which 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 2.7 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 Noord-Brabant. Liandon provides services relating to the construction and maintenance of complex energy infrastructures.

#### **For more information:**

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