

PRESS RELEASE

Alliander: good half-year results

Increased investment in grids, reduced power outages

Arnhem, Monday, 22 August 2011 – Energy network company Alliander's profit after tax for the first half of 2011 was €119 million, compared with €62 million for the first half of 2010.

Alliander invested €201 million in its grids in the first half of 2011, which was €44 million more than in the first half of 2010 (€157 million). The outage duration fell to 26.3 minutes, from 31.2 minutes in 2010.

These are the key points of the half-year figures for 2011 published today by Alliander. CEO Peter Molengraaf commented: 'I'm pleased with these figures. The challenge we face is to make the energy supply more sustainable while keeping the reliability of the energy grids at a high level. We are therefore increasing investment in our grids. We have made a start this year on digitalising the substations and completed installing 1,900 GSM outage alarms. These are the first steps towards smart grids. Our investments have already yielded a reduction in power outage duration.'

Investments and revenue higher, costs stable

Investments were €44 million higher at €201 million (first half 2010: €157 million), mainly reflecting higher investment in the grids. Net revenue rose to €763 million (first half 2010: €679 million), largely due to higher tariffs in the regulated market and the consolidation of Endinet with effect from 1 July 2010.

Operating expenses increased to €617 million from €601 million in the first half of 2010, mainly as a consequence of the inclusion of Endinet in the consolidation. The profit after tax excluding incidental items rose to €111 million, up from €70 million in the first half of 2010. The solvency ratio remained stable.

Outage duration and customer satisfaction

The average power outage was of shorter duration. The average time for which Liander customers were without electricity in 2010 was 31.2 minutes. In the period up to the end of the first half of 2011, this fell to 26.3 minutes (12-month rolling average), mainly as a consequence of the improvement programme and investments in new technologies, such as the installation of GSM outage alarms at key points in the network.

Customer satisfaction remained high, at 92% among Liander's consumer market customers (2010: 91%) and 86% among business market customers (2010: 87%).

Sustainability initiatives

Alliander plays an active role in making energy supply more sustainable, for example by setting up or taking part in various sustainable and innovative projects. We recently decided to extend our participation in Amsterdam Smart City, an Amsterdam-based partnership whose object is to test sustainable and innovative technologies. Since its creation in 2009, the organisation has started sixteen innovative projects.

Alliander is also involved in various regional sustainability projects. We help municipal authorities to achieve their climate change objectives, for example by advising them on the creation of local energy companies and mapping energy use at neighbourhood level. All 30 municipalities in Friesland and the Friesland provincial authority benefit from the insight into energy use provided by the Energie in Beeld (Energy View) service.

About Alliander

Network company Alliander, which employs approximately 6,000 staff, comprises the Liander, Endinet and Liandon companies. Grid managers Liander and Endinet distribute 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 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.

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