



Creating a European Electricity Network

Press Conference
12 March 2010, Berlin



Agenda

- The Transaction – Facts and Figures
- 50Hertz Transmission – Facts and Figures
- Selling 50Hertz Transmission – A Voluntary Decision
- Elia and IFM – All Criteria Fulfilled
- Reliable Investors With Strong Vision
- Benefits of the Transaction for the customers
- Benefits of the Transaction for the Elia shareholders
- Benefits of the Transaction for IFM's investors
- Key Take Aways

The Transaction – Facts and Figures

- Implementation of a voluntary strategic decision taken in 2008
- Enterprise value: €810 m
- Elia 60%, IFM 40%
- Strong consortium with complementary financial and operational expertise
- Closing expected in Q2, subject to approval by the relevant authorities

50Hertz Transmission – Facts and Figures

- Operating the 380 and 220 kV transmission grid in North East Germany and Hamburg
- Serving 19 million people and companies representing approx. 20 percent of Germany's GDP
- Total area of 110,000 square kilometers
- Grid length approx. 10,000 kilometers
- Approx. 600 employees
- Newest and most modern transmission grid in Germany
- Key role in the development of the European market due to central location



Elia and IFM – All Criteria Fulfilled

Long-term orientation

- Elia: Strategic investor
- IFM: Open-ended fund, no exit required



Substantial investments

- Priority on reliability, connection of renewables and congestion relief



Non-discriminatory grid access

- Continued free access to the grid to all customers



Promotion of electricity flow across European borders

- Elia a pioneer in European grid integration



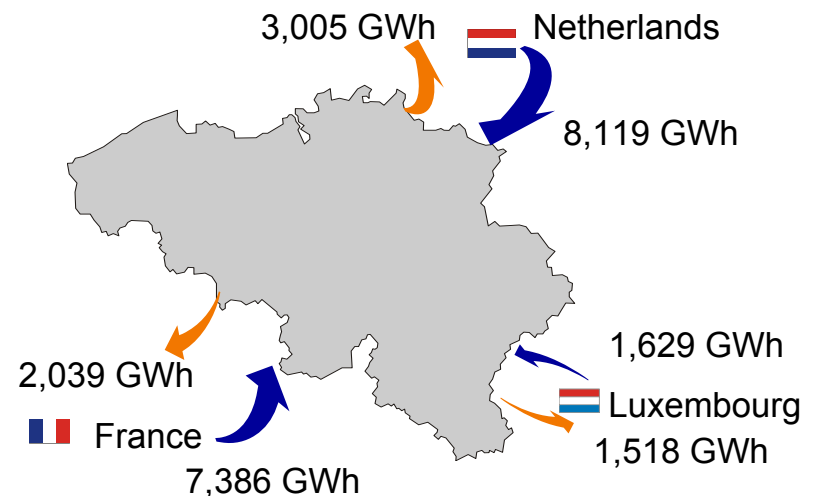
A few Facts About Elia: the Belgian TSO

A truly independent TSO

- Incorporation as independent TSO in 2001
 - Strong corporate governance by law
 - Independence appraised by customers
 - Model role internationally recognized
- Successful 2005 IPO (Euronext Brussels)
 - 40% free float
- A portfolio of 130 large industrial customers and 25 Distribution System Operators (800 substations)
- Ownership:
 - 100% of 150 kV – 380 kV grids
 - 94% of 30 kV – 70 kV grids
- Reliability: 99,999% since incorporation

2009 IFRS in EUR million

Consolidated turnover	771,3
EBITDA	327,9
Operating result (EBIT)	225,8
Consolidated net profit	84,0
Total assets	4,420.0



A few Facts About IFM

Overview

- Established in 1995
- Owned by 36 Australian not-for-profit pension funds, whose total assets exceed €85 billion
- The funds are comprised of joint industry and workers council representatives
- €12.5 billion under management (as of September 2009), including €4.0 billion in infrastructure across Australia, Europe, USA and South America
- Second largest infrastructure manager worldwide with over 15 years' experience
- IFM has a global investor base and is open to German investors



A few Facts About IFM

Investment Strategy

- Long term investor as no exit requirements due to open ended fund structure
- Focused on core infrastructure assets with a non conflicting business model
- Multi discipline capabilities to assist with the long term management of assets
- Avoid distressed assets and excessive leverage
- IFM has signed the United Nations Principles for Responsible Investments (“UN PRI”)

Asset Management

- IFM manages 27 current portfolio companies across two infrastructure funds, in each sector, including
 - Transmission & Distribution
 - Renewable Energy
 - Transportation
 - PPPs
- Asset management via the supervisory board and not interfering in day to day management
- Deep understanding of businesses we invest in
- Support for capital investment programmes

Elia & IFM: Strategic Investors With Long Term Commitment

Experience

- Elia is an experienced owner and operator of electricity networks
- IFM has a long history of investing in essential services companies













Commitment

- Elia is fully committed to a reliable electricity supply
- IFM supports the growth and development of its assets
- Both are dedicated to make their investment in Germany a success for the benefit of all stakeholders

Long Term Strategy

- Reliability at affordable tariffs is a priority
- Focus on networks with specific attention for the integration of renewable energy sources for a sustainable development

Elia + 50Hertz Transmission = 4th TSO in Europe

	 elia	50Hertz	Elia Group
110 to 380 kV lines & cables			13,421 km
30 to 70 kV lines & cables			4,800 km
Number of substations			872
Area covered (sq km)			~ 143,000
Direct customers			~ 130
Residents covered			> 29m
Employees (FTE)			~ 1,800
Regulated Asset Base (RAB)			€ 5,097m

Benefits for IFM's Investors

50Hertz provides significant benefits for IFM's investors

- Core infrastructure asset with strong and predictable cash flows
- Young and well-invested asset base
- Further addition to an already well diversified portfolio of seven infrastructure assets in Europe and the US
- Further diversification of regulatory risk
- IFM's first investment in Germany, but culmination of two years of groundwork in Germany

Fully Unbundled TSOs Combining Forces for Their Customers and the Community

Further improving operational excellence & efficiency

- Sharing of best practices, common standards (e.g. maintenance, operation)
- Sharing experiences and resources (e.g. planning, project management)
- Developing joint tools and applications for respective customers
- Cooperation at corporate level (e.g. IT services, purchasing)



Fully Unbundled TSOs Combining Forces for Their Shareholders

Consolidating added shareholder value

- Joined contribution to earnings
 - capex programs
 - potential for outperformance
 - consultancy services at the international level
- Diversification of the regulatory risk



EU Perspective With a Focus on Central Europe

Strengthen role within the Central European markets

- Focus on reliable grid operation and long term security of supply
- Managing bottlenecks in a cost efficient manner
- Working jointly towards regional reliability
- Enhancing access to reliable and diversified generation mix
 - Green electricity from offshore and onshore renewables
 - Traditional generation units with different technologies and maturity levels



EU Perspective With a Focus on Climate Change and Energy Policies

Integrating Renewable Energy Sources

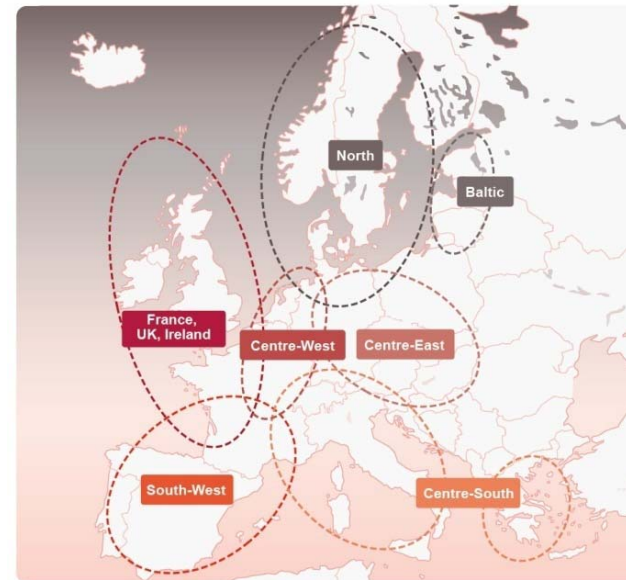
- Specific expertise to share, i.e.
 - 50Hertz: integration of large wind farms
 - Elia: operating highly meshed grids with phase shifting transformers
- Setting standards for North and Baltic Sea grids
- Paving the way towards investments in favor of climate protection for future generations



Important Step Forward in Creating an EU Electricity Market and an Integrated Network for Central Europe

Positioning both TSOs for future market integration

- European TSO group with mutual engagements in regional coordination
- Strategic link between
 - Central-West and Central East regions and
 - towards Northern Europe
- Joined participation in R&D programs and studies
- Increased cooperation within ENTSO-E



Key Take Aways

- **Tomorrow's Elia Group:**
 - consolidation of shareholder value with potential for outperformance
 - combined expertise and knowledge for further market integration
 - long-term EU vision focused on a reliable integration of renewables
 - best practices and increased cooperation at all levels
- **IFM as long term responsible owner of infrastructure assets committed to supporting 50Hertz**
- **Major step forward in construction of the EU network**
 - with access to a large and diversified energy mix
- **Positive for industries & the community in Belgium & Germany**
- **Enhanced security of operation and supply**