



Completion of the internal reorganisation of the Elia Group

Just before midnight today, Elia will have effectively implemented its internal reorganisation, the aim of which is to isolate and ring-fence the regulated activities of Elia in Belgium from the non-regulated activities and regulated activities outside Belgium.

As previously communicated in the press release of 2 October 2019, this reorganisation aims to optimise Elia's debt positions in view of the new Belgian tariff methodology for the regulatory period 2020-2023. The Commission for the Regulation of Electricity and Gas (CREG) has confirmed that, by ring-fencing the Belgian regulated activities of Elia from its non-regulated activities and its regulated activities outside Belgium, the implemented reorganisation will significantly reduce the risk of cross-subsidy between those activities.

This new structure will therefore allow the Elia group to further develop its existing and future Belgian and European activities (both regulated and non-regulated) in the most appropriate set-up to deliver on its growth strategy.

The completion of the reorganisation follows the fulfilment of all preconditions, which included several regulatory approvals, confirmation of compliance with the unbundling and independence requirements set out in the Belgian Electricity Law of 29 April 1999 (the "Electricity Law") and approval by the extra-ordinary shareholders' meeting of Elia System Operator held on 8 November 2019.

As a result, just before midnight today, the recently created subsidiary of Elia System Operator SA/NV, Elia Transmission Belgium SA/NV ("Elia Transmission Belgium"), will effectively take over the Belgian regulated activities of Elia System Operator SA/NV, including the indebtedness related to these activities (in particular the outstanding series of notes issued by Elia System Operator under its EMTN programme). All procedures to have Elia Transmission Belgium designated as the national and regional TSO have been initiated with the relevant authorities and such designations are expected to be obtained shortly. In the meantime, and as long as Elia System Operator holds the relevant licenses, Elia System Operator will subcontract the operation of the transmission system to Elia Transmission Belgium in the framework of a silent partnership between Elia System Operator, Elia Transmission Belgium and Elia Asset SA/NV. Through this partnership, the mentioned companies will act as one economic unit, in accordance with the Electricity Law, for the period from 1 January 2020 until the date at which Elia Transmission Belgium will have effectively obtained all designations by the relevant federal and regional authorities as the national and regional/local TSO for the very high- and high-voltage electricity grid in Belgium (including all three regions).



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About the Elia Group

One of Europe's top five players

The Elia Group is active in electricity transmission. We ensure that production and consumption are balanced around the clock, supplying 30 million end users with electricity. With subsidiaries in Belgium (Elia) and north-west Germany (50Hertz), we operate 18,600 km of high-voltage connections. As such, our group is one of Europe's top 5. With a reliability level of 99.999%, we give society a robust power grid, which is important for socio-economic prosperity. We also aspire to be a catalyst for a successful energy transition towards a reliable, sustainable and affordable energy system.

We make the energy transition happen

By expanding international high-voltage connections and integrating ever-increasing amounts of renewable energy production, the Elia Group promotes both the integration of the European energy market and the decarbonisation of our society. The Elia Group is also innovating its operational systems and developing market products so that new technologies and market parties can access our grid, thus making the energy transition happen.

In the interest of society

As a key player in the energy system, the Elia Group is committed to working in the interest of society. We respond to the rapidly changing energy mix, i.e. the increase in renewable energy, and constantly adapt our transmission grid. We also ensure that investments are made on time and within budget, with a maximum focus on safety. When we carry out our projects, we manage stakeholders proactively by establishing two-way communication with all affected parties very early on in the development process. We also offer our expertise to our sector and relevant authorities to build the energy system of the future.

International focus

In addition to its activities as a transmission system operator, the Elia Group provides various consulting services to international customers through its subsidiary Elia Grid International (EGI). Elia is also part of the Nemo Link consortium that is operating the first subsea electrical interconnector between Belgium and the UK.

The Group operates under the legal entity Elia System Operator, a listed company whose core shareholder is the municipal holding company Publi-T.

More information: eliagroup.eu

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