



Quarterly statement: Elia Group Q3

REGULATED INFORMATION

Highlights

- Financial outlook for 2020 confirmed
- ALEGrO ready to be commissioned at the end of 2020
- Brabo II entering its final phase
- A further step forward for Ostwind 2 with seabed route clearance completed and permission for expansion obtained
- Elia sells entire stake in Ampacimon

Financial outlook for 2020 confirmed

Despite a continuing public health crisis, **Elia Group** remains confident that it will reach an Adjusted Return on Equity (ROE adj.) around the **mid-point** of its full-year target range of 6.5% to 7.5%. Elia Group has assessed and continues to assess the potential quantitative impact of the situation resulting from the management of Covid-19 on its results. Given the largely regulated nature of the business in which it operates, it considers that Covid-19 will have no material impact on its expected results for 2020.

- In **Belgium**, we aim to achieve a return on equity (ROE) around the mid-point of the full-year target range of 5% to 6%. While the lockdown measures affected the rollout of the investment programme in the first half of 2020, we managed to make up for the delays on some construction sites or even accelerate certain investments, leading to an upward revision of the expected investments for 2020 to approximately €325 million. The realisation of this investment programme is always prone to some external risks.
- In **Germany**, we increase our guidance and aim to achieve a return on equity (ROE) slightly above the targeted 9% to 11%. The realisation of the investment programme, which is always prone to some external risks, is progressing well and 50Hertz Transmission forecasts to invest approximately €725 million in 2020.

The return on equity at the level of Elia Group depends on the return on equity of the regulated activities in Belgium and Germany, but also on the return of Nemo Link, the return of the non-regulated activities and the operating costs inherent to the management of a holding company. Considering all these elements, we remain confident in our ability to reach an Adjusted Return on Equity (ROE adj.) around the mid-point of the full-year target range.



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ALEGrO ready to be commissioned by the end of 2020

ALEGrO is the first electricity interconnector between Belgium and Germany. The entire infrastructure has been installed and energisation testing is ongoing, with a view to starting commercial operation by the end of the year. The 90-km line will connect the grids operated by transmission system operators Elia Transmission (Belgium) and Amprion (Germany) and enable the two countries to exchange 1,000 MW of additional electricity.

ALEGrO is a vital link in the construction of an integrated European electricity system. Belgium is at the centre of this system and is an essential hub for its development. The interconnector will enhance security of supply for both Belgium and Germany and contribute to price convergence, as well as facilitating the energy transition and enabling better integration of renewable energy.

Brabo II entering its final phase

As part of the Brabo II project, a branch line has been constructed on the existing 380-kV overhead line between Doel and the Mercator high-voltage substation in Kruibeke. This branch connects the Lillo high-voltage substation with the existing Doel-Mercator overhead line. The upgraded Doel-Lillo-Mercator line was fully commissioned on 14 August. This is an important milestone for the Brabo II project. With the commissioning of the Doel-Lillo-Mercator overhead line, the Brabo II project is entering its final phase.

At local level, the Brabo project will increase the grid's supply capacity, enabling it to cope with growing electricity consumption in the port of Antwerp. At national and international levels, the project will upgrade Belgium's north-south axis and bolster Europe's network of international interconnections. This will boost international trade opportunities and reduce reliance on Belgian generating facilities.

A further step forward for Ostwind 2 with seabed route clearance completed and permission for expansion obtained

Works on Ostwind 2 are progressing well. In order to ensure safety, environmental protection and economic efficiency, 50Hertz checks the route of each subsea cable for unexploded ordnance. The primary seabed route clearance is successfully completed. 50Hertz also obtained the permission for the expansion of the Lubmin substation and the production of the land cable is in progress. Further soil investigation is ongoing for a minor route change required for the cable that will connect to Baltic Eagle wind park. 50Hertz expects to receive shortly the permit for the cable sections to be laid within the German EEZ from the responsible authority.

Ostwind 2 will connect two additional wind farms to the Lubmin substation: Arcadis Ost (Parkwind) and Baltic Eagle (Iberdrola). Both are located 20 to 30 km northeast of the island of Rügen. Together, the two wind farms are to generate an output of approximately 725 MW. 50Hertz plans to build three submarine cable systems to deliver this power.



Elia sells entire stake in Ampacimon

On August 26 2020, Elia sold its entire stake in Ampacimon for €1.6 million, realizing a capital gain of €1.2 million, to the partial benefit of the society (40% to the tariffs and 60% to the shareholder). Ampacimon wants to diversify the scope of products and services beyond grid operators, making participation less strategic for Elia.

Financial calendar

Publication of 2020 results	3 March 2021
Publication of 2020 annual report	16 April 2021
General meeting of shareholders	18 May 2021
Quarterly statement Q1 2021	19 May 2021
Ex-dividend date	28 May 2021
Record date	31 May 2021
Payment of dividend for 2020	1 June 2021
Publication of half-year results 2021	28 July 2021
Quarterly statement Q3 2021	26 November 2021

Useful links

- [Press release](#)
- Find the HY financial reports on Elia Group [website](#)
- [2019 annual report](#)



About Elia Group

One of Europe's top five players

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-east Germany (50Hertz), we operate 19,271 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, Elia Group promotes both the integration of the European energy market and the decarbonisation of our society. 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, 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 in Belgium and Germany, 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 Group, a listed company whose core shareholder is the municipal holding company Publi-T.

More information: eliagroup.eu

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