

INVESTOR PRESENTATION

ENEXIS HOLDING N.V.

ANNUAL RESULTS 2019

- 27 FEBRUARY 2020
- MAARTEN BLACQUIÈRE
- CHIEF FINANCIAL OFFICER



ENEXIS
HOLDING N.V.

KEY HIGHLIGHTS

- **Enexis - a leading publicly owned DSO in the Netherlands**
- **Focusing on excellent grid management and accelerating the energy transition**
- **Enabling the Dutch energy transition in its service area**
- **Committed to Sustainable Development Goals**
- **Operating in a stable and transparent regulatory environment**
- **Consistent solid financial performance**
- **Increasing investments due to sustainability projects**
- **Financial ratios comfortably meet required hurdles**
- **Outlook 2020**



ENEXIS - A LEADING PUBLICLY OWNED DSO IN THE NETHERLANDS

Key financials (in million euro's)

Balance sheet total	8,258
Net turnover	1,491
Profit after tax	210

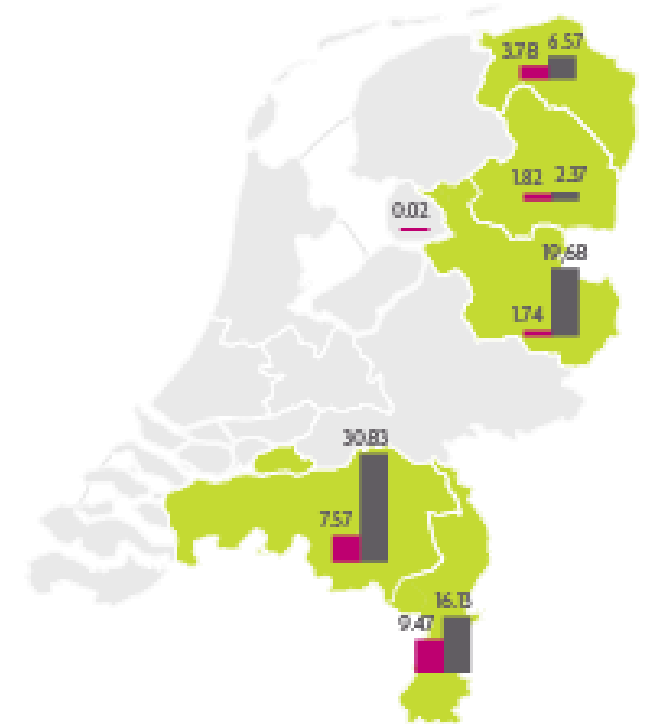
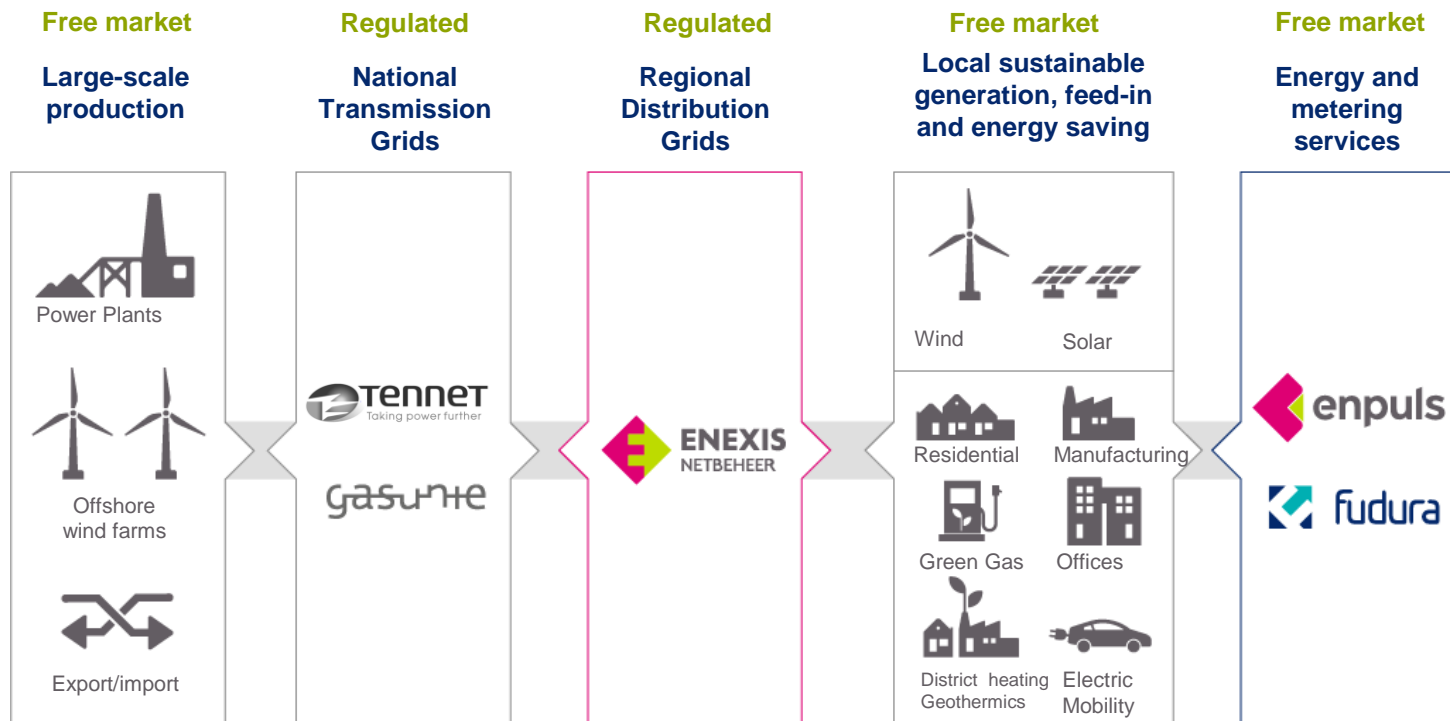
Other Key figures

Employees	4,488
Connections (E+G)	5.2 million
% regulated turnover	91%

Service area

Shares owned by 5 provinces (75.6%)
and **88 municipalities (24.4%)**

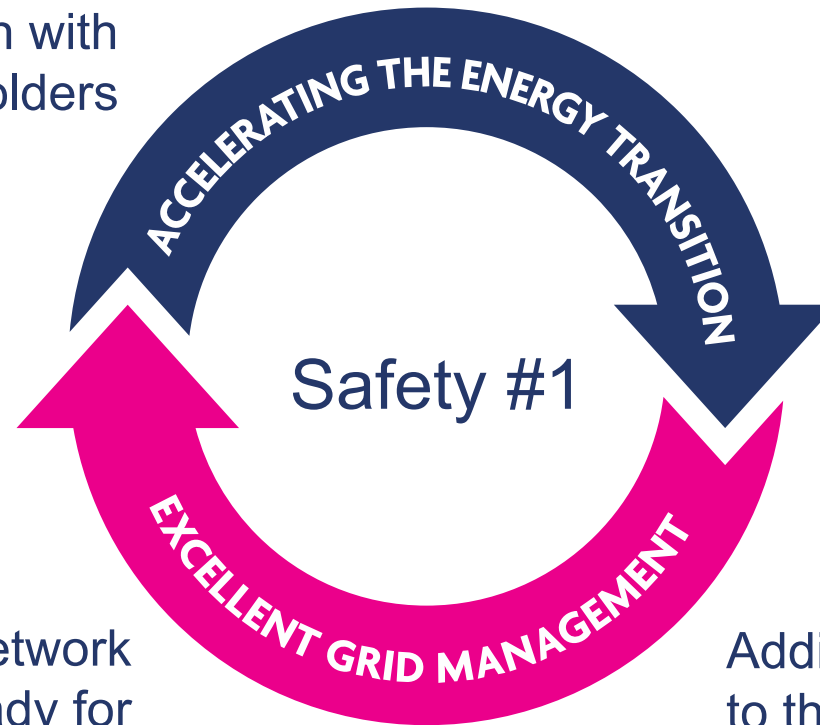
Linking pin within the energy chain



FOCUSING ON EXCELLENT GRID MANAGEMENT AND ACCELERATING THE ENERGY TRANSITION

Achieving the goals of the Dutch Climate Agreement in active collaboration with other stakeholders

Scalable solutions and innovation



Keeping the network reliable and ready for the future

Adding ICT to the grid



ENABLING THE ENERGY TRANSITION IN ITS SERVICE AREA

DUTCH CLIMATE AGREEMENT TARGETS AND REGIONAL STRATEGIES

The related Dutch Climate Law passed Parliament (2018) and Senate (2019) and has 3 main goals:



49% reduction of greenhouse emissions by **2030**



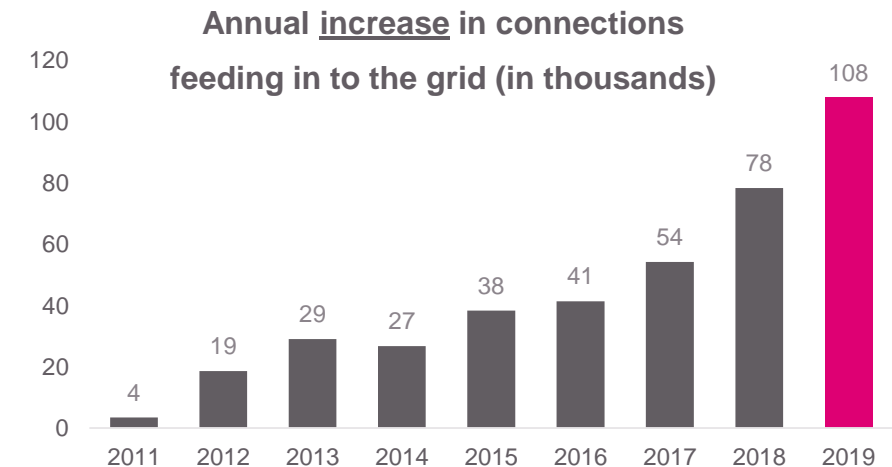
95% reduction of greenhouse emissions by **2050**



100% CO₂-neutral electricity supply by **2050**

Targets are set and actions are being taken

- Provinces and municipalities must present a first plan for the Regional Energy Strategy (RES) in June 2020
- Enexis gained a strong position as a discussion partner in the Regional Energy Strategies



COMMITTED TO SUSTAINABLE DEVELOPMENT GOALS

ENEXIS IS CARBON NEUTRAL WITH A STRONG ESG RATING



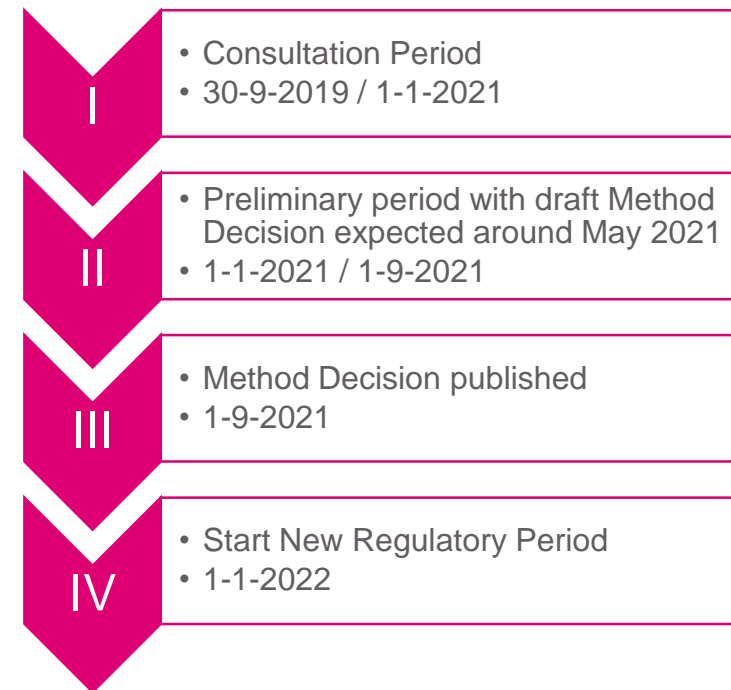
- Enexis has a CO₂ neutral footprint
- Strong ESG rating (71) and low ESG risk rating (21.5), well below subindustry average



OPERATING IN A STABLE AND TRANSPARENT REGULATORY ENVIRONMENT

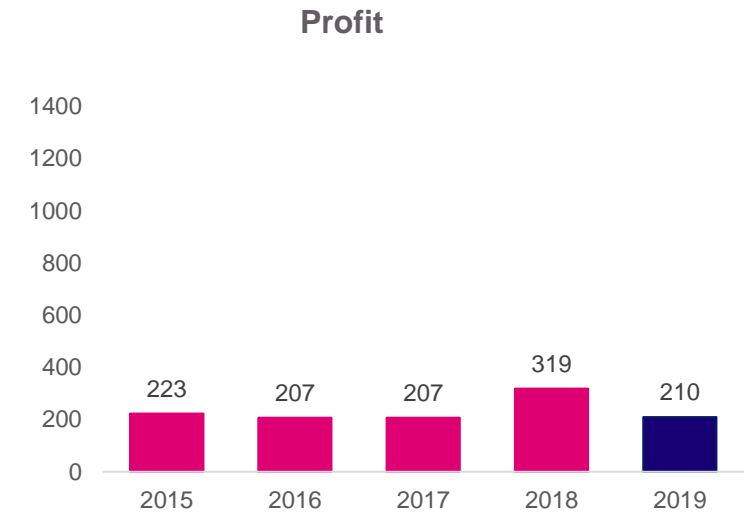
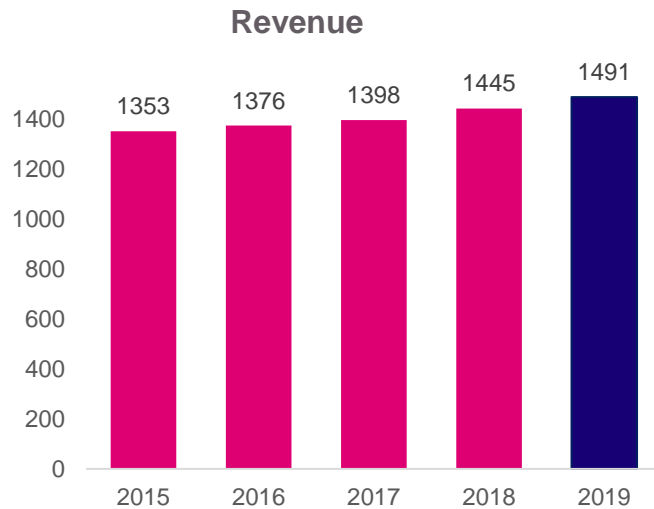
Preparations and dialogue for the new regulatory period

- Established regulatory framework allows us:
 - to earn a return on Regulated Asset Base
 - to recover efficient costs
- With the energy transition gaining speed we face increasing grid investments year on year
- Gradual further declining WACC in a low interest environment
- Utilities in constructive dialogue with ACM (Dutch regulator) regarding treatment of pre-financing of increasing investments



CONSISTENT SOLID FINANCIAL PERFORMANCE

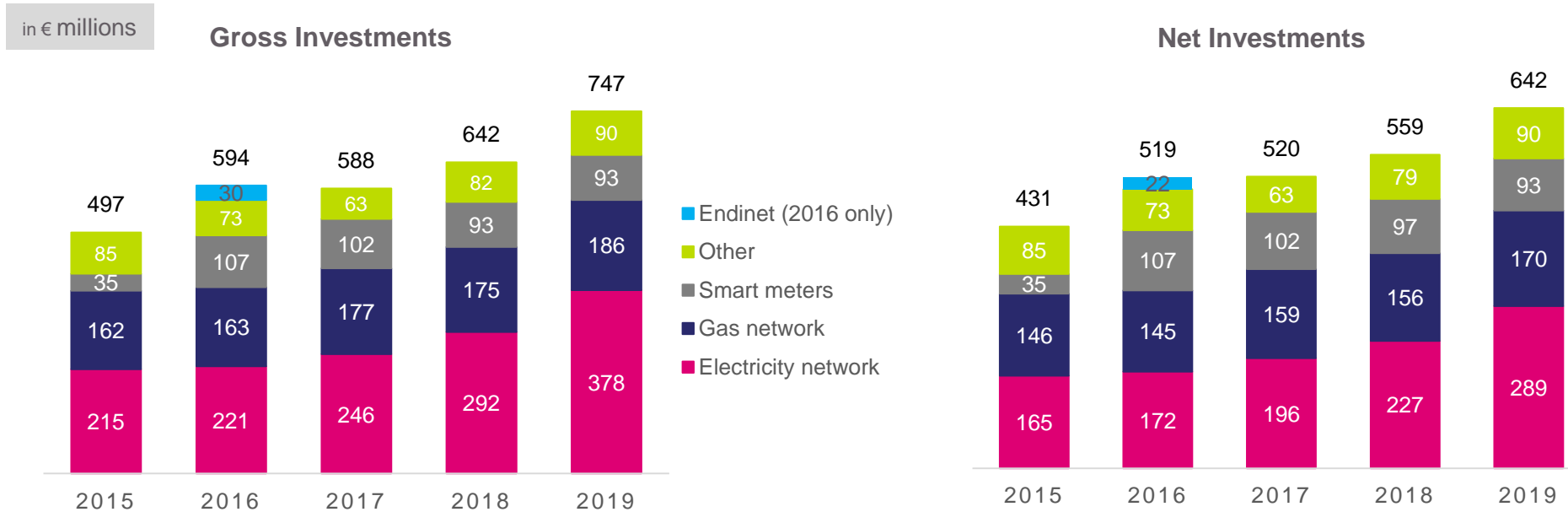
in € millions



- Revenues moved fairly stable. Lower WACC caused downward pressure, which was compensated mainly by CPI
- Operational costs increased due to more workload and focus on our priorities, like recruitment and training of technical personnel, facilitating the energy transition and improving IT-systems
- Multi year profits in line with regulatory return for shareholders, with 2019 including € -18 million one-off items (2018: € +76 million)



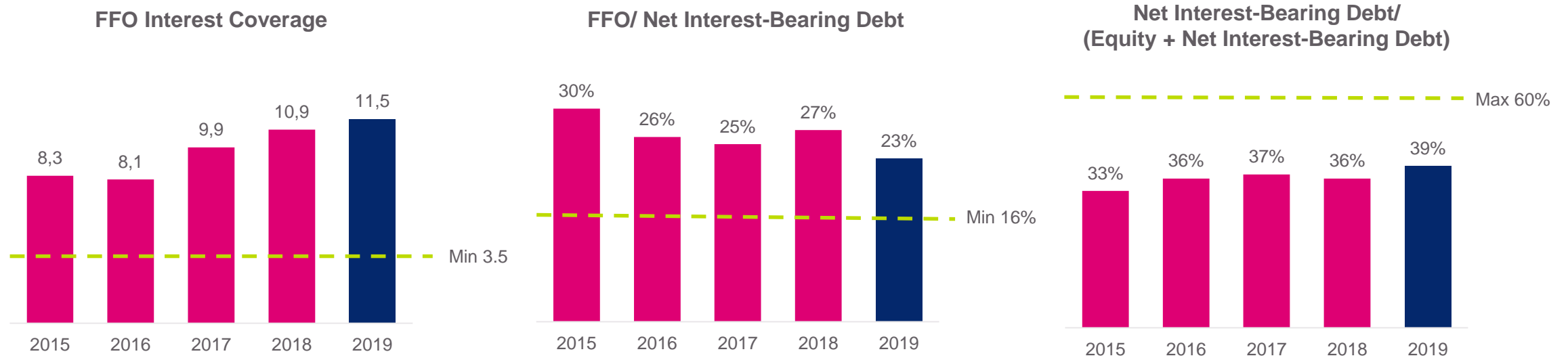
INCREASING INVESTMENTS DUE TO SUSTAINABILITY PROJECTS



- Energy transition and economic growth lead to increasing gross and net investments for the electricity grid
- Replacement of brittle gas pipes to keep the gas grid safe and reliable
- Until end of 2019 we have installed Smart Meters at 2.5 million addresses



FINANCIAL RATIOS COMFORTABLY MEET REQUIRED HURDLES



- All ratios well above hurdle rates
- The Interest Coverage Ratio benefitted from decreasing interest rates
- Due to the increasing investments in our grids and lower WACC, we see a decreasing trend in our FFO / Net Debt. We are committed to our financial policy, hence safeguarding a minimum A credit rating profile



OUTLOOK 2020

Regulation

- Tariff increase of 0.9% on Electricity for average household customer
- Tariff increase of 2.9% on Gas for average household customer

Capex

- Capex will increase approximately 10-15% in 2020 mainly because of grid investments related to wind and solar projects on land, smart meters roll out and investments in buildings

Financing

- New financing for increasing investments and redemption of a bond
- Preparing for potential issuance of a green bond

Profit

- € 50 million impact due to higher TenneT transmission costs, will be compensated for in 2022



REFERENCE LINKS

- For more detailed information please visit our website, in particular the investor-relations section.
<https://www.enexisgroep.com/investor-relations/>
 - financial statements
 - credit rating reports
 - introduction to the regulatory framework
 - debt redemption schedule



TOGETHER WE ARE WORKING ON A
RELIABLE AND SUSTAINABLE
ENERGY SUPPLY FOR TODAY AND
FOR THE FUTURE.



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