

W U T I S



Equity Research Division

Elia Group SA/NV

Enabling Energy Transition

Target Price: EUR 138.99

Current Price: EUR 112.80

Upside Potential: +23.22%

Recommendation: BUY

Vienna, 23th January 2026

Team Overview

Elia Group SA/NV Equity Research



**Markus
Liebl**

**Senior
Associate**

- Equity Story
- Task Distribution



MSc. (WU) –
3rd Sem.



**Maximilian
Elser**

Associate

- Business Model
- Strategy



BSc. (WU) –
7th Sem.



**Maximilian
Rieberer**

Analyst

- Valuation
- Industry Analysis
- Strategy



BSc. (WU) –
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**Jakob
Schwanhäuser**

Analyst

- Valuation
- Industry Analysis
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Avdzhy**

**Fellow
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- Risks & Regulatory & ESG
- Business Model



BSc. (WU) –
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**Joshua
Leo**

**Fellow
Analyst**

- Company Overview
- Share Price Performance
- Strategy



BSc. (WU) –
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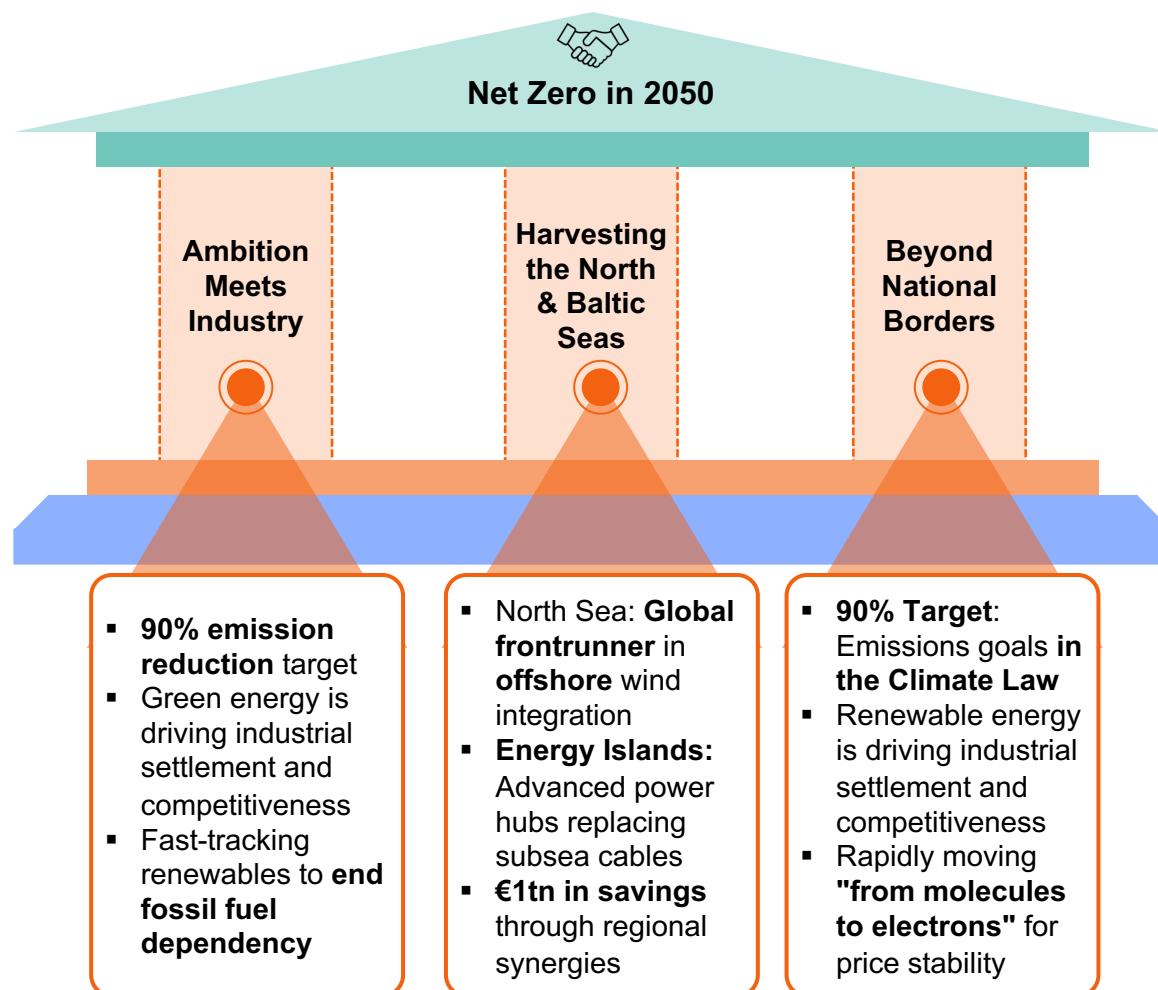
A photograph of a wind farm at sunset. The sky is a mix of blue, orange, and yellow. Several high-voltage power lines stretch across the frame from the top left towards the right. In the foreground and middle ground, there are numerous wind turbines silhouetted against the bright horizon. A semi-transparent dark blue rectangle is overlaid on the left side of the image, containing white text.

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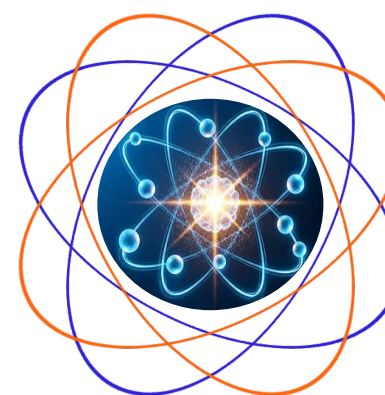
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Energy Transition Report

Overview: The Three Pillars of European Decarbonization



Nuclear Phase-Out vs. Renewable Upscale



1
2
3

Widening Capacity Gap: European wind and utility-scale solar capacity currently in pre-construction or construction outpaces nuclear by a factor of **14 to 1**

Aging Fleet Risks: Approximately **90% of the EU's remaining nuclear reactors** are over 35 years old, leading to a steady decline in baseload capacity as retirements accelerate

Speed to Market: Renewable project lead times typically range from **1 to 4 years**, compared to a decade or more for new nuclear developments

Transition Analysis: Pros and Cons



Firm Power Gap: Retirement of 24/7 capacity exceeds the commissioning of storage and hydrogen plants

Supply Chain Bottlenecks: Equipment markets for both generation and transmission are extremely tight, leading to significant delivery delays



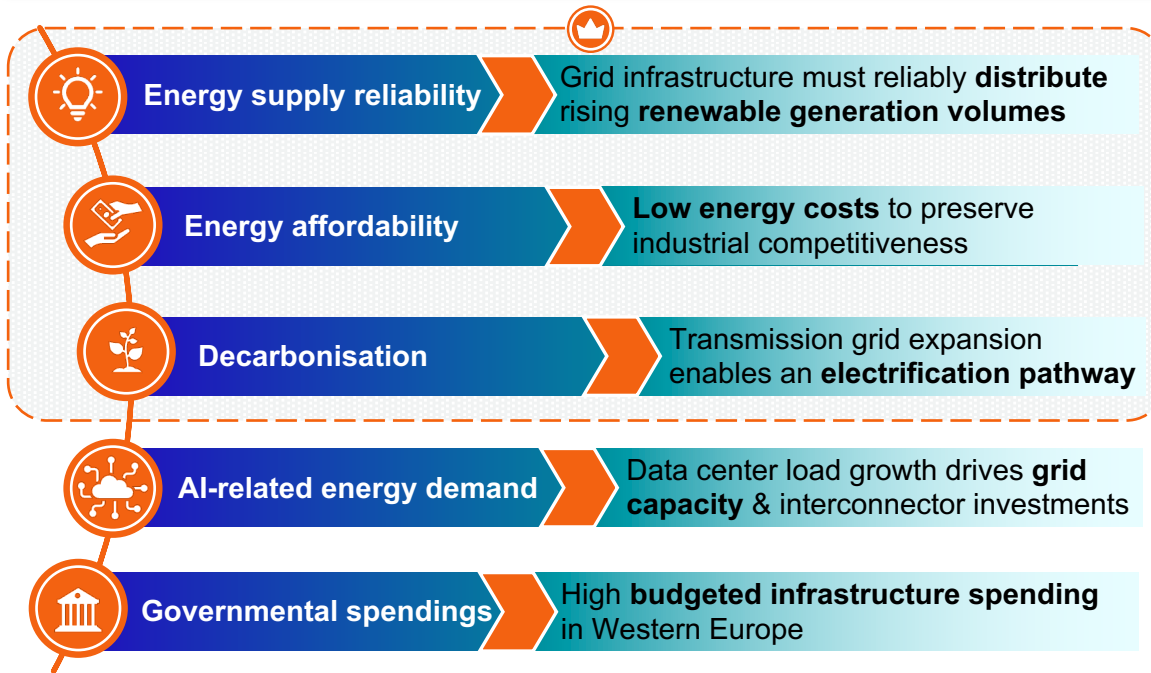
Price Stability: Shifts the system from OPEX-heavy (fossil fuel volatility) to CAPEX-driven (stable domestic production)

Joint Infrastructure: Scaling hybrid interconnectors to synchronize national grids and foster collective European energy sovereignty



Requirements on Future Grid and Tailwinds Bolstering Grid Investments

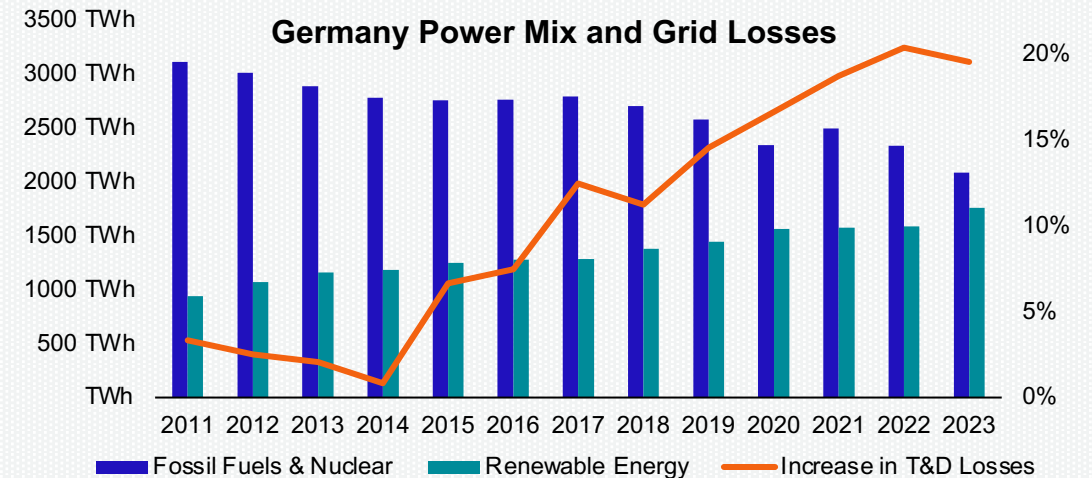
▶ **European grid transformation:** From cost center to competitive advantage



Ambidexterity of challenges :

The industry faces severe challenges that simultaneously create **massive opportunities** for TSOs. Navigating this ambidexterity by balancing all requirements requires sophisticated infrastructure **operators with regulatory expertise**

Grid Control Challenges in High-Renewable Power Systems



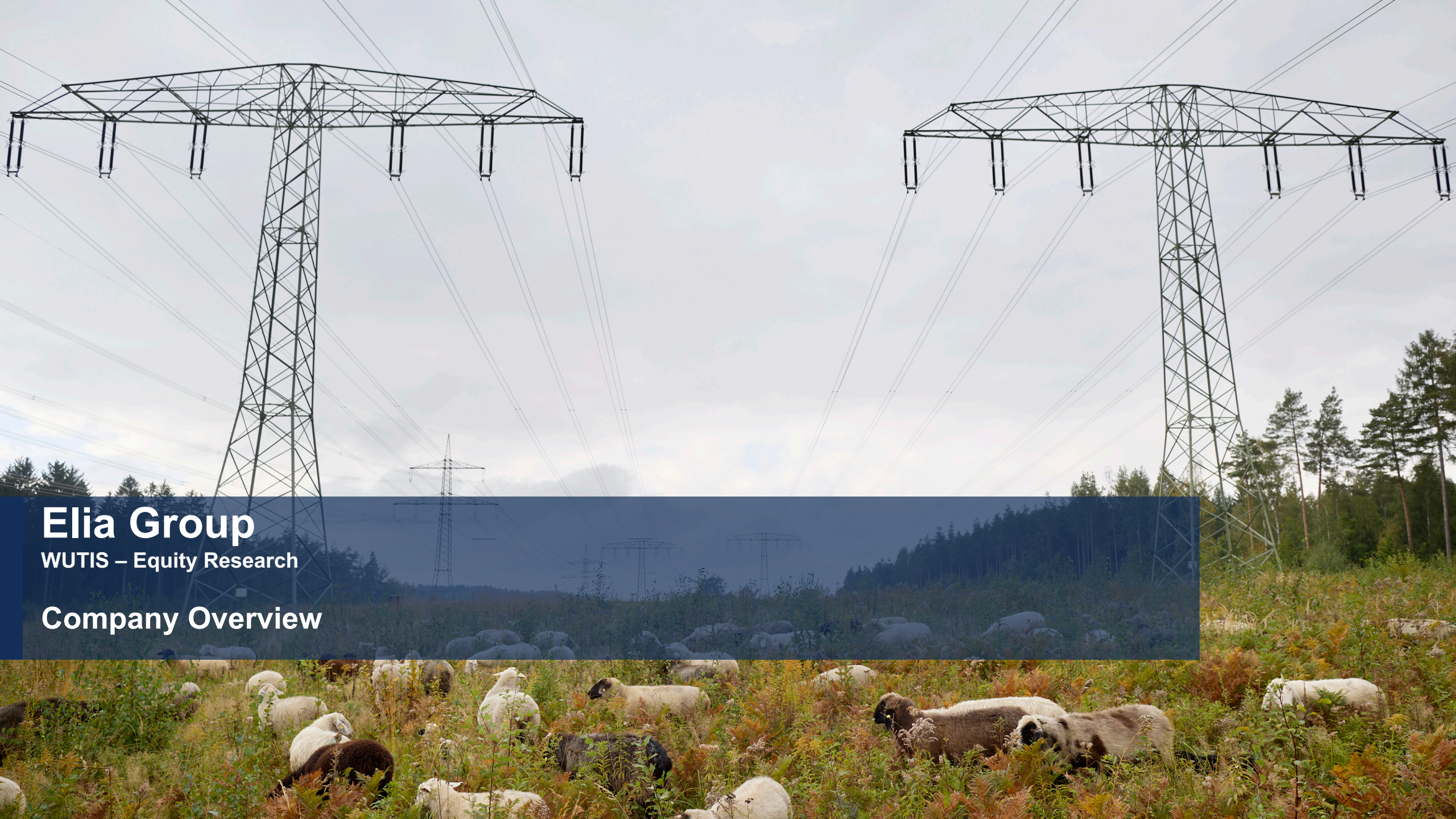
Renewable expansion changes the **power-flow geography**, **increasing long-distance transmission**, especially in countries with high offshore wind exposure (e.g., UK, Denmark, Germany, Belgium)



Western European countries **expanded renewables faster than transmission upgrades**, creating short-term congestion, redispatch, and operational challenges



High shares of inverter-based generation **require new controls** (inertia, voltage, flexibility) that **legacy grids were not originally designed to provide**



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Company Overview

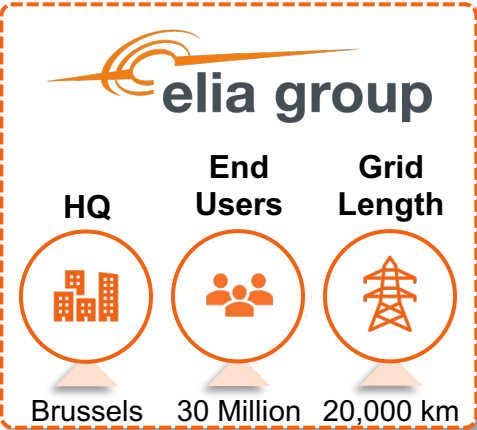


- Electricity demand** is set to **rise ~60% by 2035** in Germany and Belgium, while **renewable energy volatility** increases system complexity - Together, these trends make **large-scale grid reinforcement** an unavoidable necessity
- Elia's **technical leadership** lies in its expertise in **integrating AC to DC conversion and HVDC transmission**, a **system-critical capability** for connecting offshore wind and renewables in its **core regions**
- Elia benefits from a **natural monopoly in Belgium** and strong regulatory positioning, while **50Hertz anchors Germany's** northern and eastern **grid transition** with exclusive access to the North and Baltic Seas
- Elia Group is in a **solid financial position**, supported by a stable and well-structured funding base - Its **entire CAPEX program** is already **fully financed through 2028**, ensuring long-term visibility and execution certainty
- Elia Group plans a **bnEUR 26.8 CAPEX** program for **2025–2028** to accelerate grid expansion and energy-transition projects, creating both **significant strategic opportunities** and **higher execution and regulatory risks**
- Elia Group's **earnings** are **closely tied to regulatory frameworks**, as **revenue is largely determined by tariff rules and allowed returns**, creating stability but also meaningful **exposure to regulatory changes**

Company Overview

Regulated TSO backed by Stable Public Ownership and Experienced Leadership

Key Company Information



Company Description

Elia Group SA/NV is a leading European electricity **transmission system operator (TSO)**, playing a central role in enabling the energy transition. Through the operation of transmission networks in **Belgium** and **Germany**, the Group ensures system reliability, cross-border integration and the efficient connection of renewable energy.



Bernard Gustin
CEO of Elia Group

Former CEO of Brussels Airlines with 25+ years of leadership experience



Marco Nix
CFO of Elia Group

Former CFO of 50Hertz with 20+ years of finance experience in power grids

Frédéric Dunon
CEO of Elia

20+ years at Elia, combining operational and executive TSO expertise

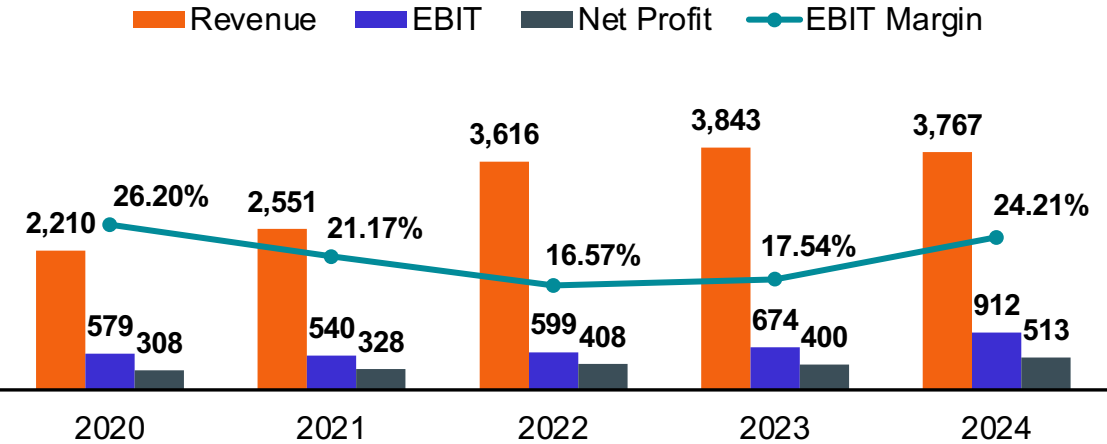


Stefan Kapferer
CEO of 50Hertz

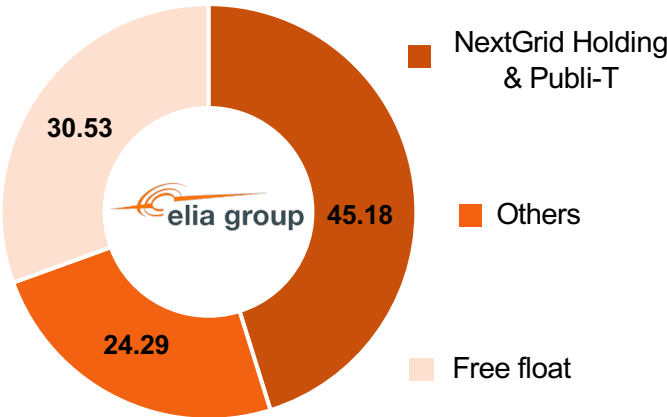
Deep regulatory background as German State Secretary for Energy



Financial Overview (mEUR)



Shareholder Structure

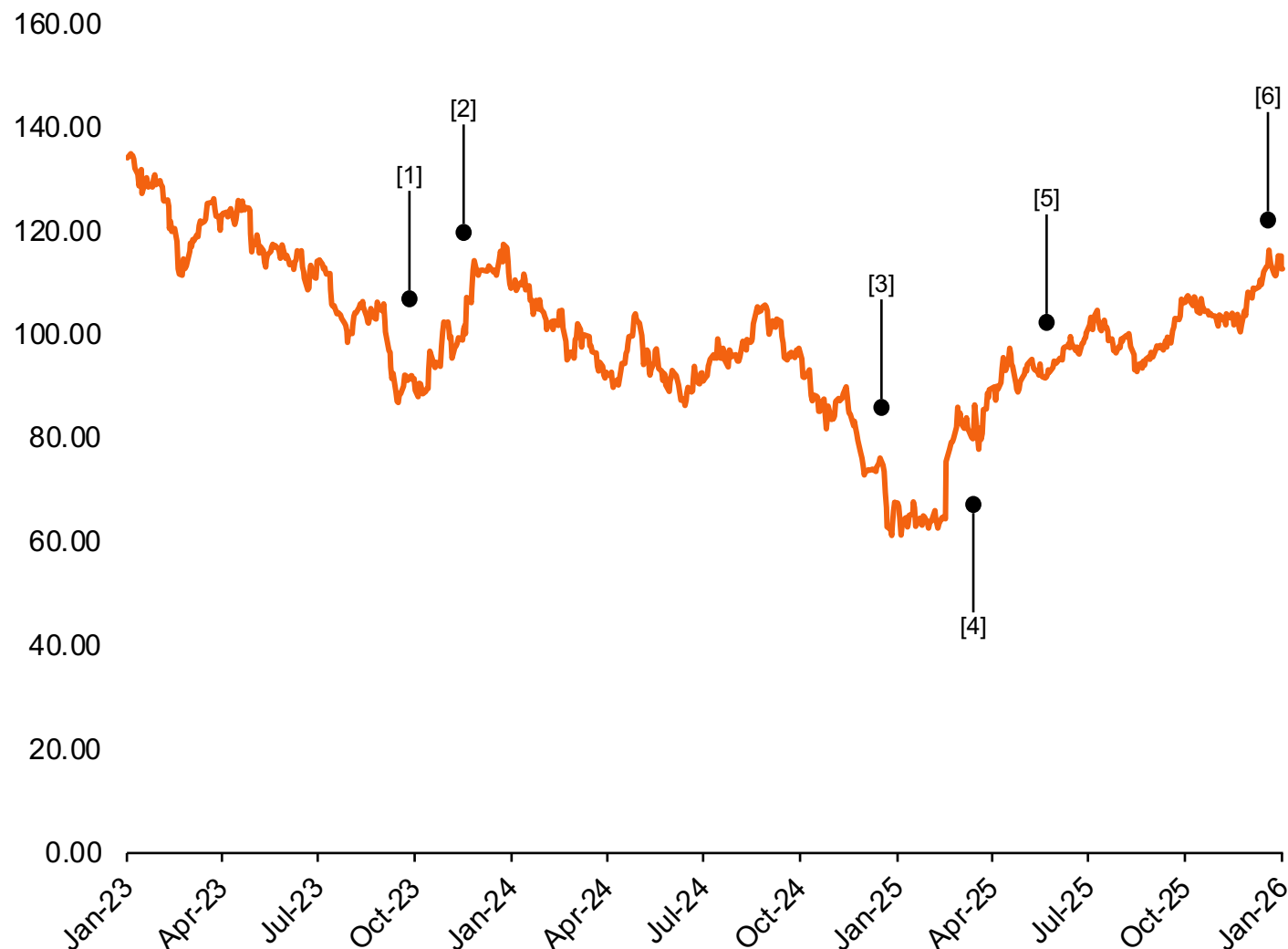


Top Institutional Shareholders

	4.94%
BlackRock	1.91%
Vanguard	1.88%
CPP Investments	1.78%

Share Price Performance

The Share Price Emerges Stronger After a Prolonged Market Reset



Major Events

- [1] **September 2023 (-12%)** – ECB rate hike to 4.00% and multi-year highs in 10-year bond yields trigger utilities sell-off
- [2] **December 2023 (+20%)** – Q3 results + CMD enhance visibility on quantified CAPEX plan for 2024–2028
- [3] **December 2024-January 2025 (-30%)** – Utilities derate as bond yields rebound and “higher-for-longer” rate expectations return
- [4] **March 2025 (+33%)** – bnEUR 2.2 equity package and strong FY 2024 results mark a fundamental turning point
- [5] **July 2025 (+9%)** – Strong H1 results confirm earnings momentum and support continued re-rating
- [6] **January 2026 (+6%)** – Share price reaches new 52-week high after long-lasting downtrend

Key Stats

- **IPO:** 17.06.2005
- **Ticker:** ELI
- **Share Price (20.01.2026):** EUR 112.80
- **52-week-range:** EUR 57.17 – 117.10
- **Market capitalization:** bnEUR 12.30



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Business Model Overview

Business Model (I/IV) – Core Business

Elia Grows Revenues Not by Volume or Prices, but by Building More Regulated Infrastructure

Business Model at a Glance

- Elia Group operates high-voltage electricity transmission grids in Europe → Elia does **not sell electricity**
- Natural monopoly in Belgium** under strict national and EU regulation

Revenue (core logic):

- Regulated network tariffs
- Allowed return on the Regulated Asset Base
- Revenues increase with regulator-approved capital investments



Growth mechanism:

- Growth driven by regulator-approved grid investments
- CAPEX increases the Regulated Asset Base (RAB)
- Higher RAB → higher regulated revenues

Key characteristics:

- Predictable long-term cash flows:** regulation-based, multi-decade assets
- Effectively no price/volume risk:** no power price exposure, regulated demand
- Regulation-driven growth:** CAPEX approval and allowed returns

Revenue Generation

CAPEX → Regulated Asset Base → Allowed Return → Revenue

What is the Product?

What Elia Group provides

- High-voltage electricity transmission
- Real-time grid operation & frequency control
- Building and maintaining the grid



What Elia Group does not do

- No electricity generation
- No DSO¹ transport
- No electricity retail



Customers & Stakeholders

- Electricity producers
- Distribution system operators
- Market participants & neighboring TSOs²

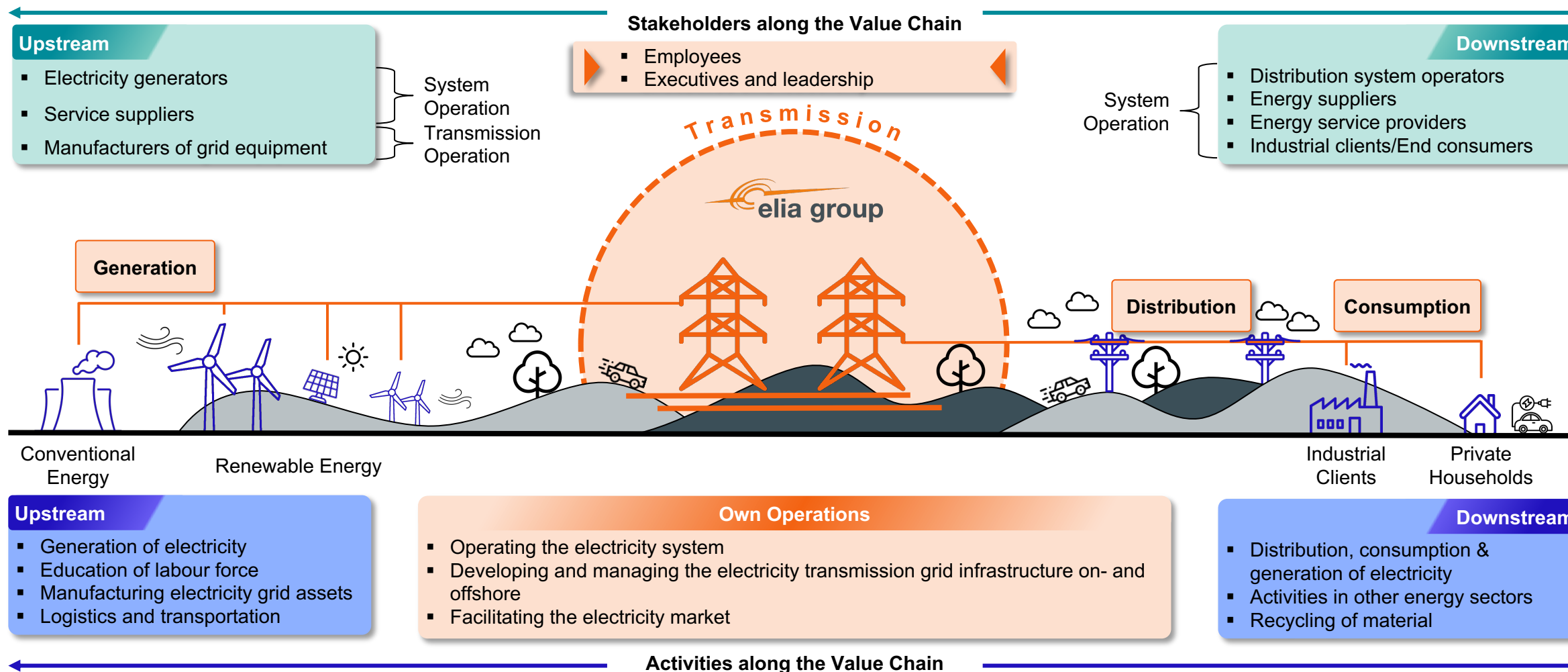
Technical complexity

- Continuous 24/7 system operation
- High reliability standards
- Zero tolerance for system failures

Business Model (II/IV) – Value Chain

Connect Generation to Consumption by Operating the Transmission System at the Center of the Value Chain

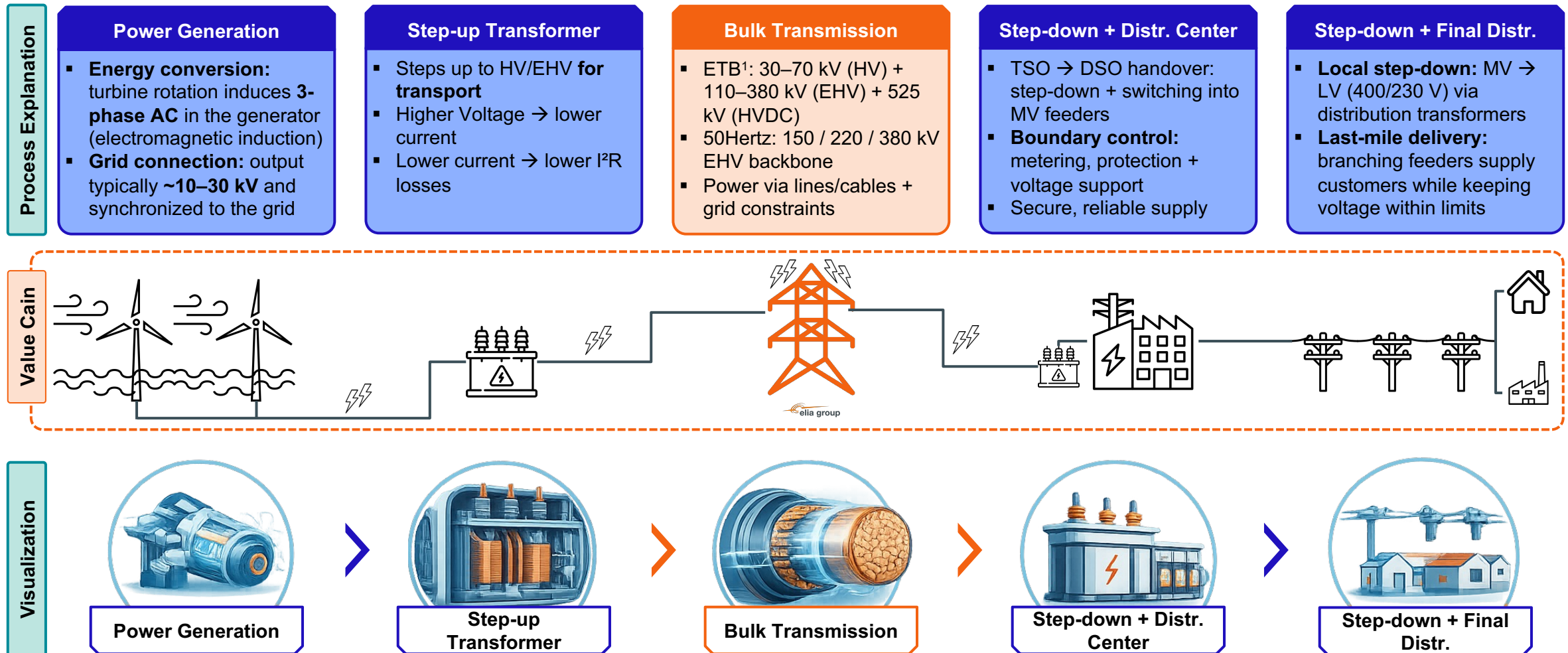
The Value Chain and its Stakeholders



Business Model (III/IV) – Technical Deep Dive

Move Electricity from Generation to End Customers through Step-Up, Transmission, and Distribution

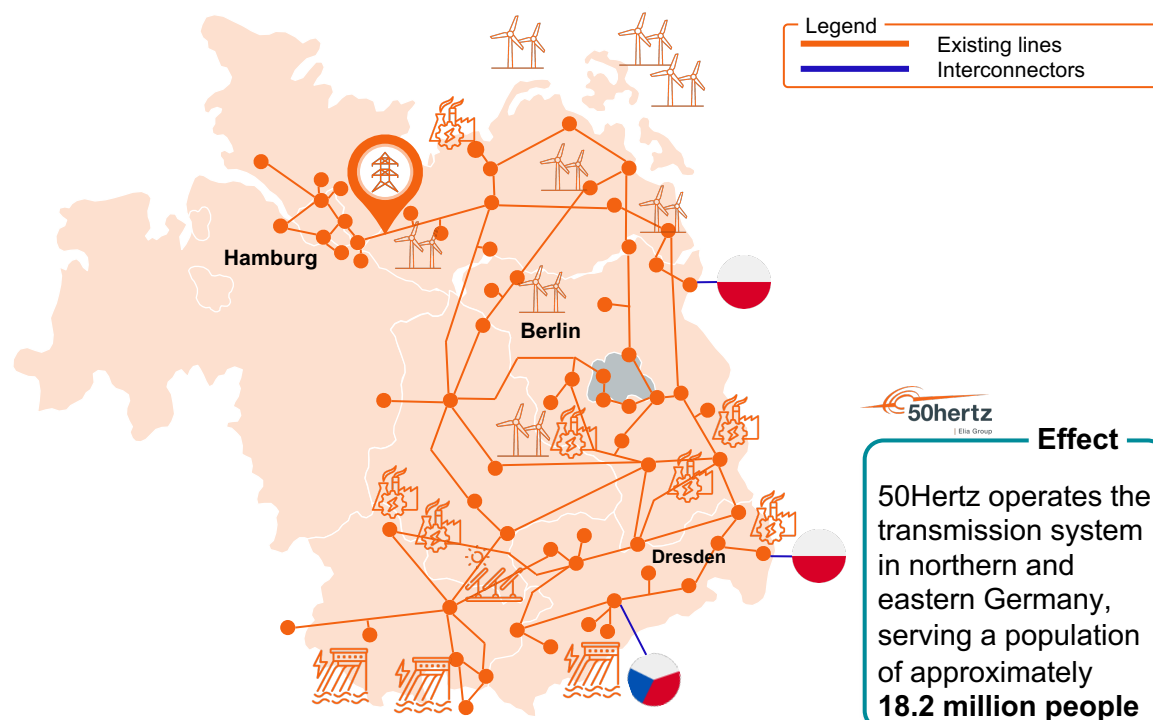
The Technical Process in the Value Chain



Business Model (IV/IV) – Geographical Footprint & Grid Status Quo

Elia Group is Positioned at Europe's Renewable and Offshore Growth Hotspots

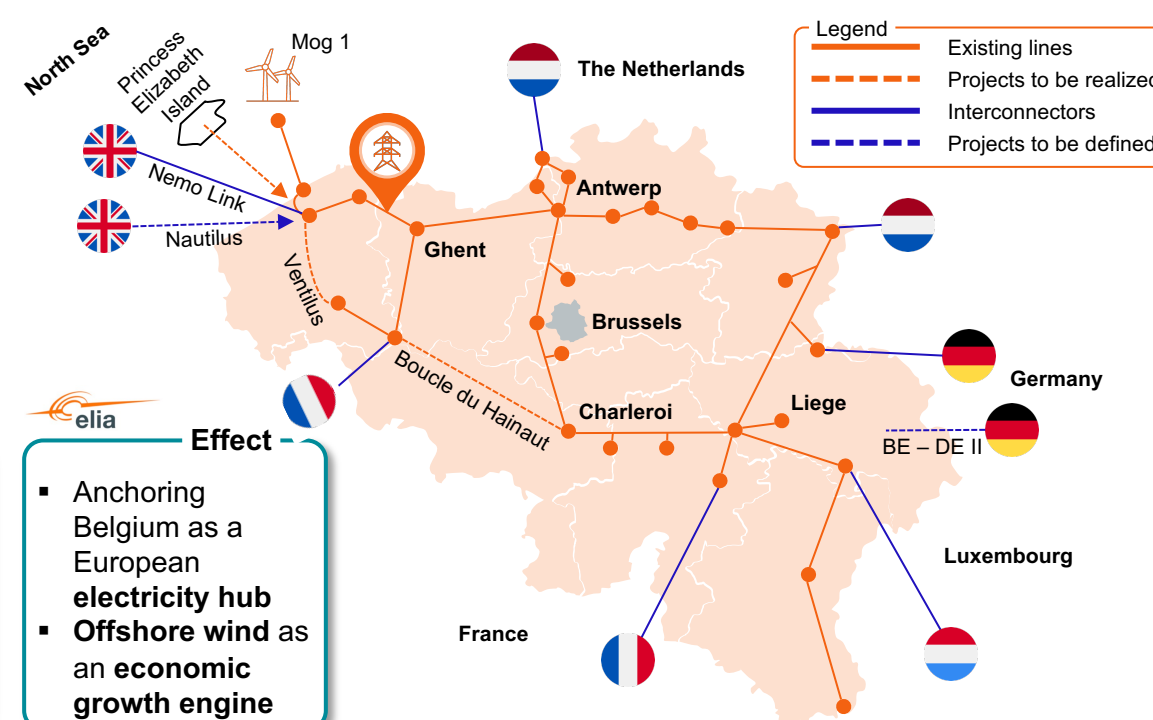
Transmission Map - Germany



Geographical Key Advantages:

- 50 Hertz is the only TSO in Germany with **exclusive access to the North & Baltic Sea**
- Its geography makes 50Hertz central to HVDC corridors transporting renewable power to southern industrial regions

Transmission Map - Belgium



Geographical Key Advantages:

- Belgium's position at the heart of Western Europe makes Elia a **key hub for cross-border electricity flows** and market integration
- Coastal geography enables **efficient connection of offshore wind** via projects like the Modular Offshore Grid and Princess Elisabeth Island



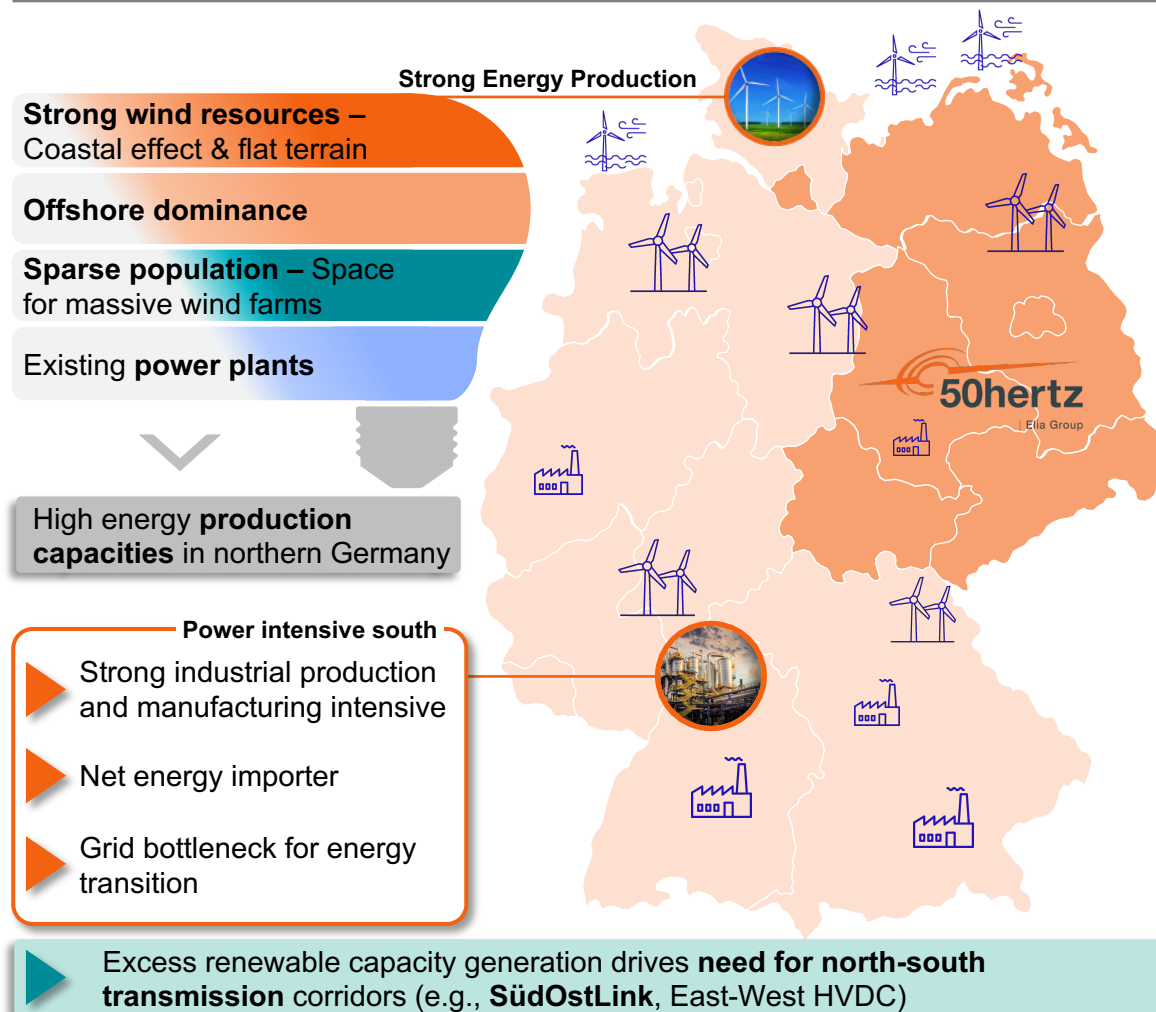
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Market Overview

Existing and New Grid Infrastructure Require Massive Investments to Meet Future Energy Demand

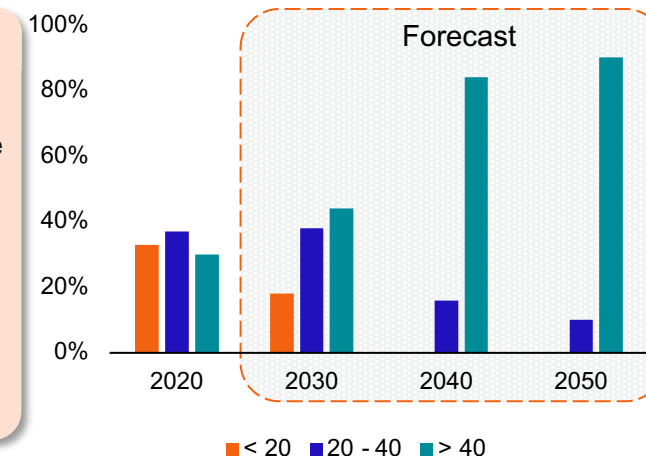
Geographical Disparity of Energy Production and Energy Consumption



Ageing Structure of Existing Grid Assets and Reinforcement Needs

Observations

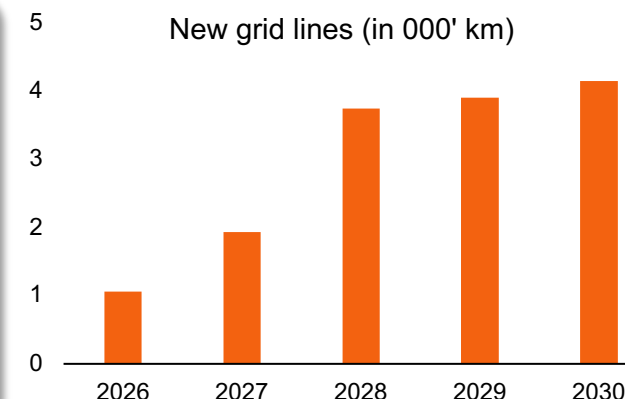
- 30% of today's grid is more than 40 years old on average
- Ensuring a reliable grid, heavy investments in replacements and renewals are required
- Northern Germany's natural conditions particularly necessitate grid renewal



Bundesnetzagentur Forecast of New Grid

Implications

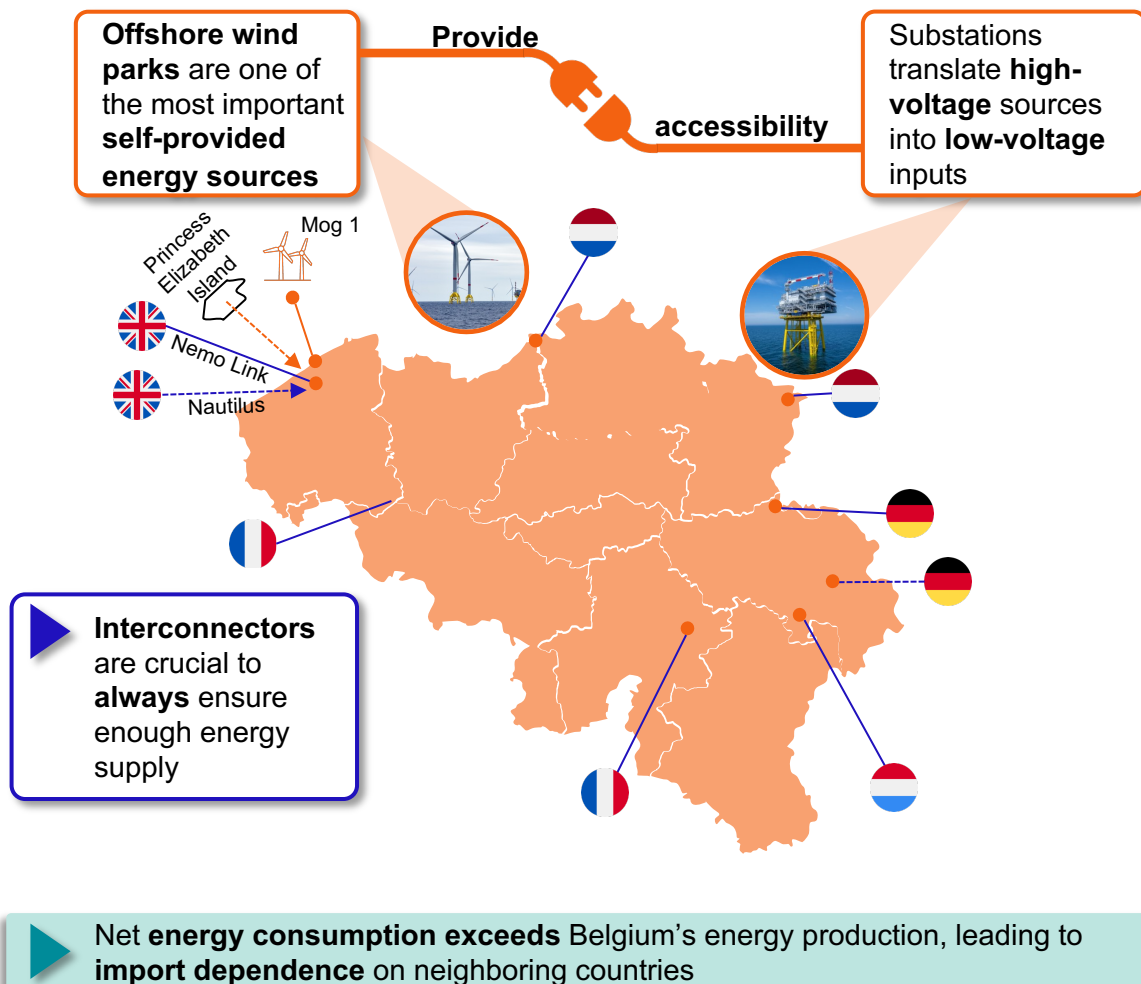
- Current permissions for new grid lines drive outlook for upcoming years
- 50Hertz will contribute 26% of all grid line kilometers until 2030
- Regulatory tailwinds fuel the trend



Belgian Market Overview

Due to High Offshore Energy Generation, Substation Infrastructure Investments are Required in the Future

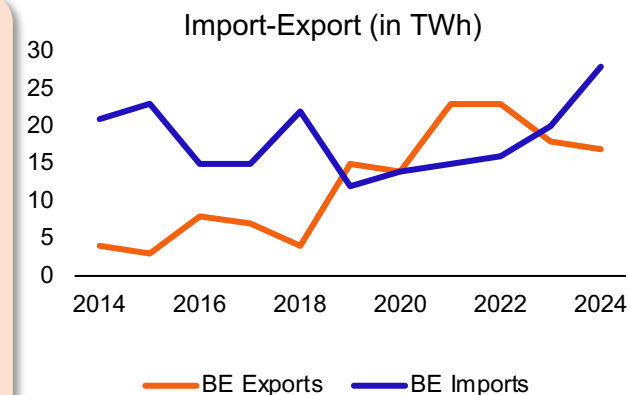
Energy Sources and Interconnections to Neighboring Countries



Belgium's Energy Trade Balance over the last 10 Years

Observations

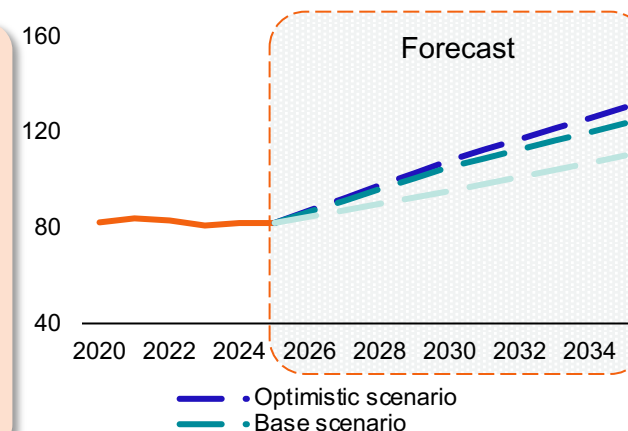
- Belgium transitioned from a consistent net exporter to an importer, driven by domestic **generation challenges** and **rising electricity demand**
- Concerns over **nuclear phase-out** accelerated renewable buildout, resulting in a **supply-demand mismatch**



Belgium Energy Demand Forecast (in TWh)

Implications

- Concentrated demand requires substantial **substation conversion**. While lower grid length reduces CAPEX intensity versus Germany, substations remain a **critical infrastructure constraint**



Technical Deep Dive: Substations vs Lines

Grid Structure Differs by Geography: Lines Dominate Germany, Substations Dominate Belgium

Germany:

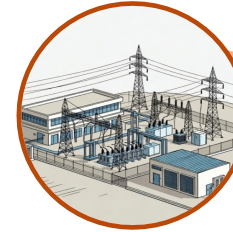
The renewable build-out make **transmission lines critical**, as electricity must be transported over **long distances**, pushing **AC** grids to their **limits** and increasing the **need for HVDC corridors**



Connection Line		Main function	Implementation	Average Length (in km)
 525 kv (HVDC)		Long distance bulk transport	Underground/ offshore	200 - 600
 380 kv		High-capacity transmission	Mostly overhead	50 - 150
 220 kv		Regional transmission	Overhead/ underground	30 - 100
 150kv		Supply of cities & industry	Mostly underground	10 - 50

Belgium:

Belgium's transmission system is constrained by **complexity and controllability** - Substations and converters are the **primary levers** to control the grid



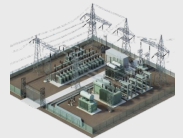
525 kv HVDC

Convert direct current (DC) into alternating current (AC) proves crucial for Germany



380 kv

380 kV substations form the backbone of the AC transmission system by providing high short-circuit power and while stepping down bulk power to 220 kV, 150 kV, or 110 kV



380/ 220 kv

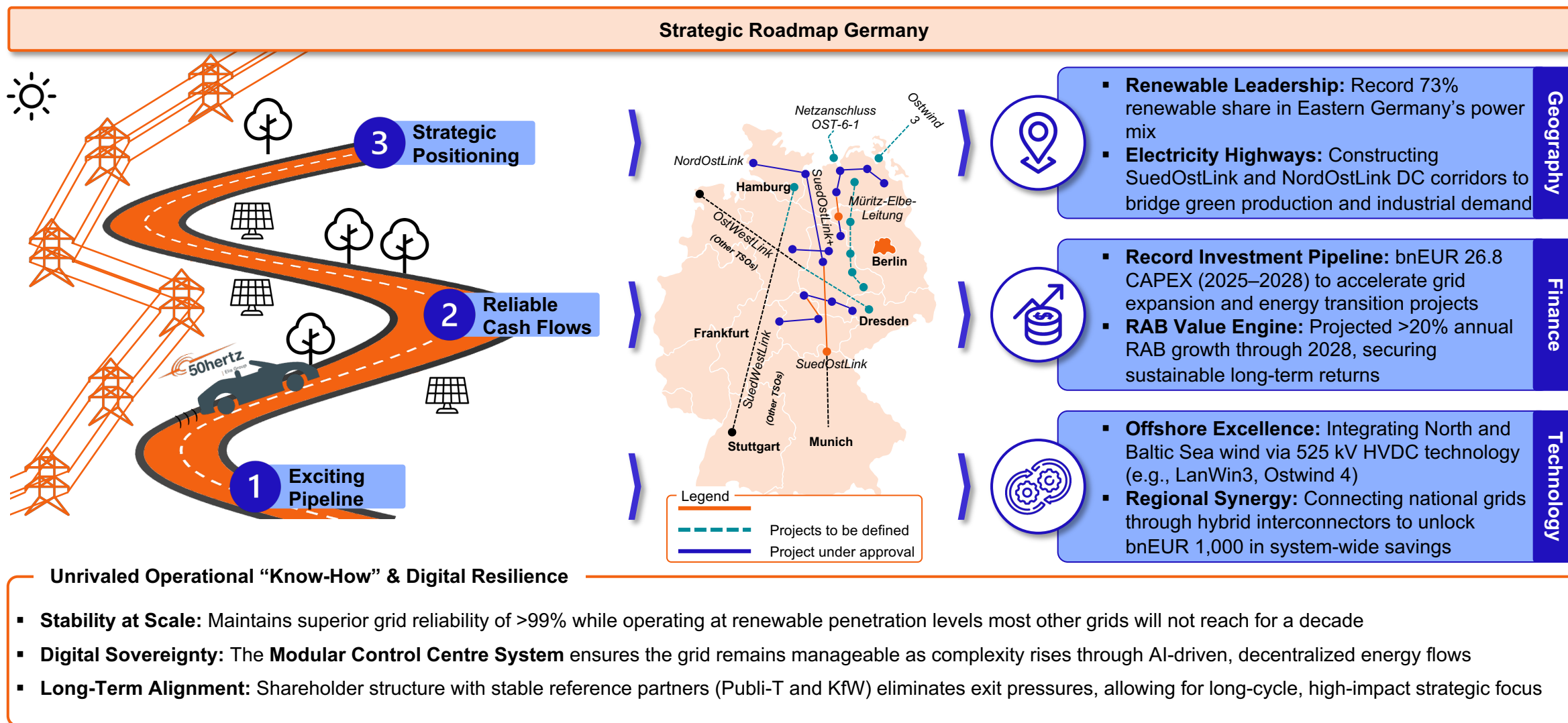
380/ 110-150 kv

Offshore Substation

Enable efficient export of large power volumes to shore via high-voltage AC or HVDC links

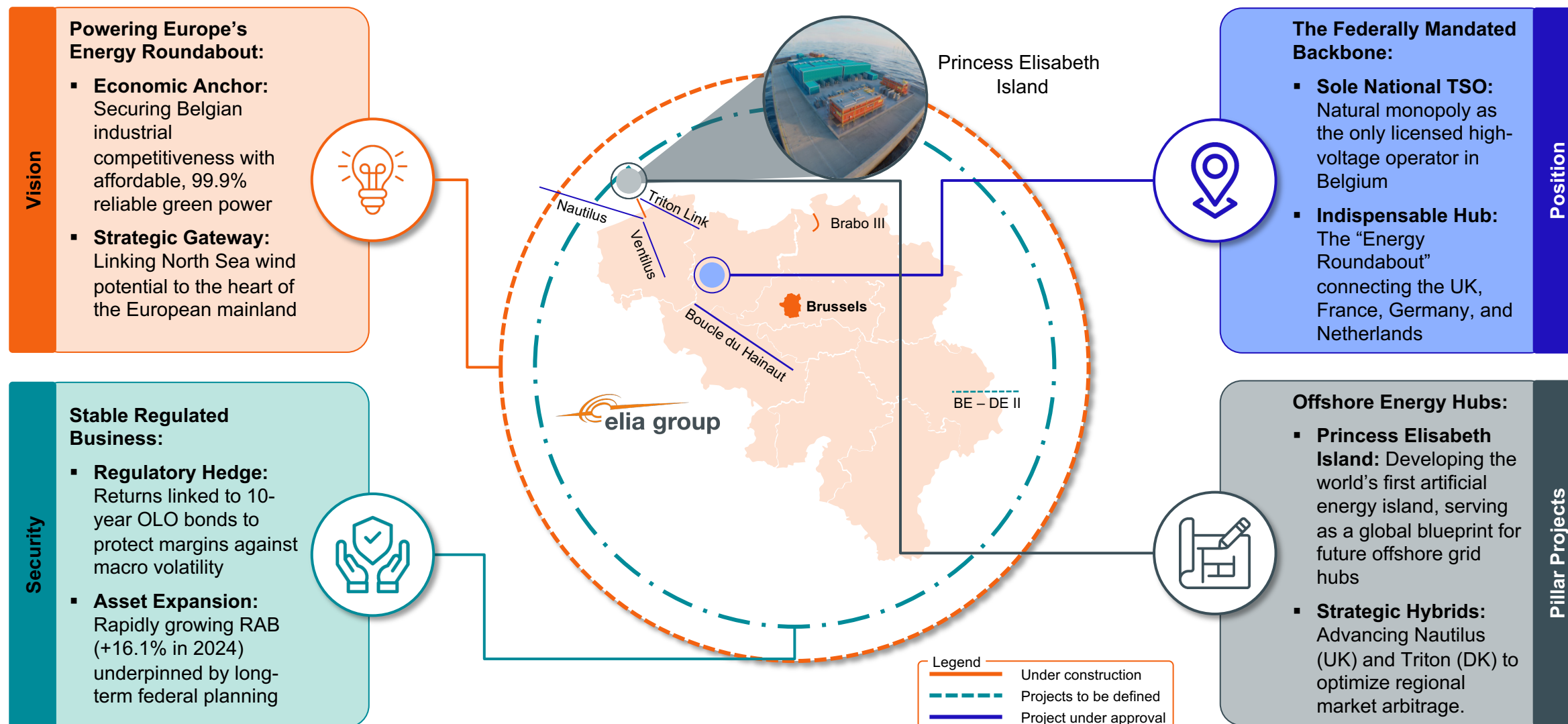


Belgium relies more on dense, high-capacity substations while **Germany depends on long transmission corridors**, but both systems require strong lines and substations, with **525 kV HVDC links** being **especially critical in Germany**



Future Strategy - Belgium

Strategic Position in Central Europe Unlocks a Pivotal North Sea Distribution Role



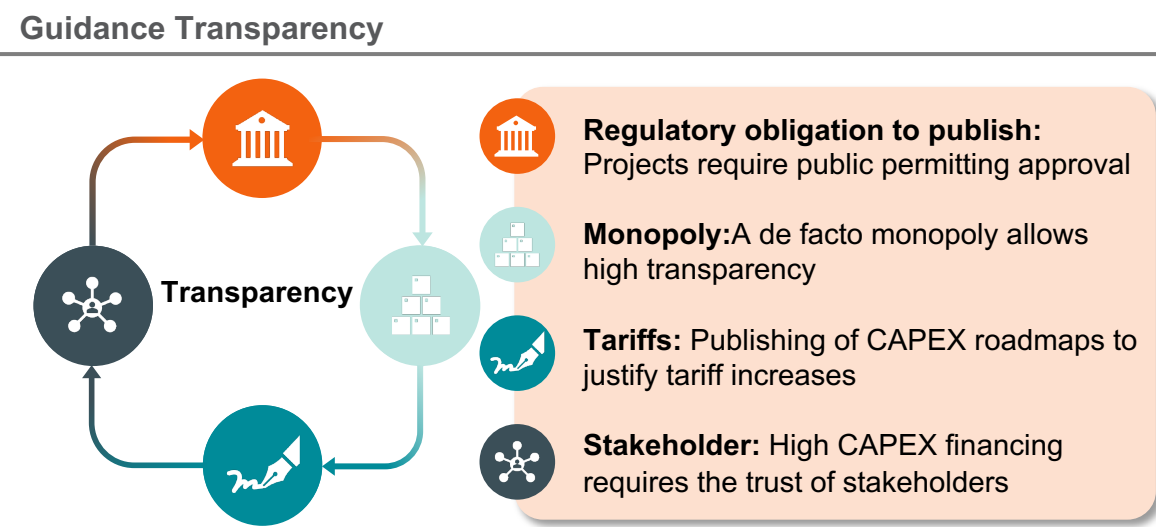
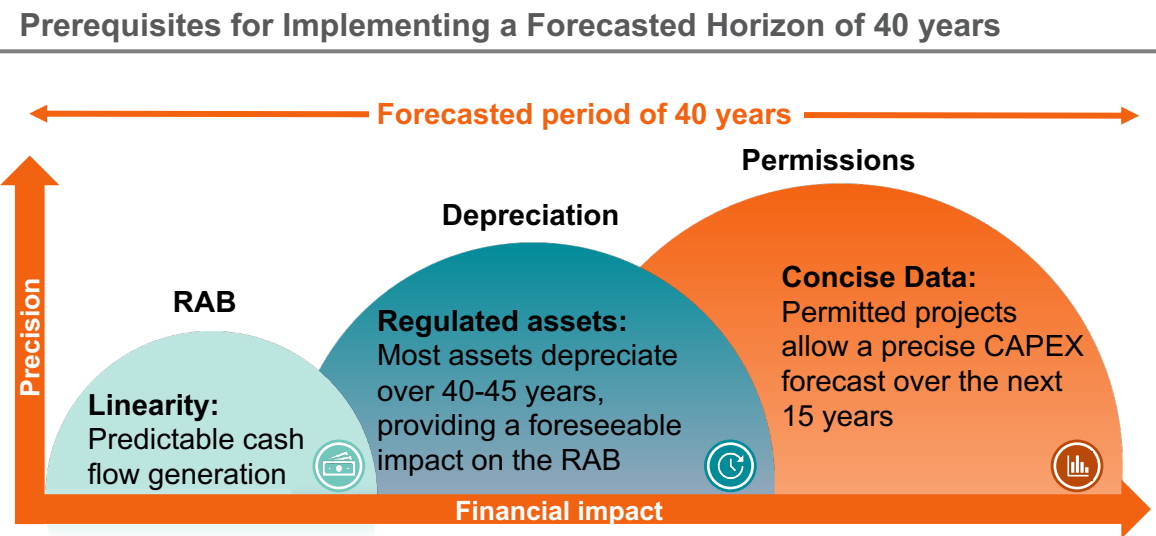
A high-angle photograph of a male worker on a yellow offshore oil or gas platform. The worker is wearing a bright orange safety helmet with a headlamp, clear safety glasses, a dark blue work jacket with orange accents, and black gloves. He is looking directly at the camera with a slight smile. The platform's yellow metal grating and railings are visible. In the background, the dark blue, choppy sea extends to the horizon. A semi-transparent dark blue banner is overlaid on the lower-left portion of the image, containing white text.

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Financials & Valuation

Elia Provides Great Transparency and Predictability Paving the Way for a 40-year Forecast



CCA Redundancy

Monopoly and regulatory

De facto **monopoly** TSO with fully **regulated revenues** in Belgium and Germany

No listed peers operate under the same **CREG framework** and pure-play transmission focus

Incomparability

Potential peers have **different regulatory regimes** and implied risks, making CCA results **economically meaningless**

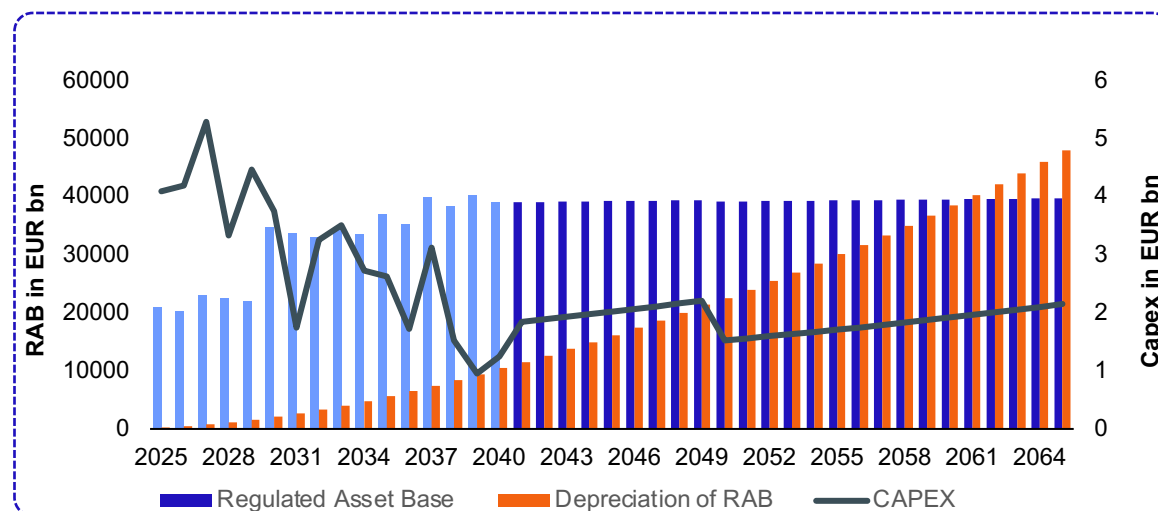
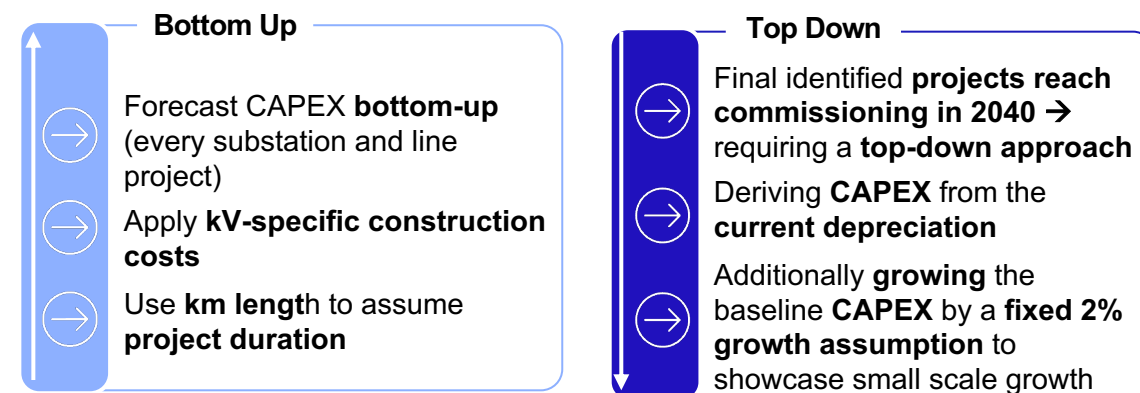
Cost of Equity Calculation

CoE	5.66%	Due to the high CAPEX, levered free cash flows were discounted by the Cost of Equity instead of the WACC.
Growth rate	1.0%	We apply a terminal value growth rate of 1.0% as revenues grow with ~1.0% annually over the last 15 years of the forecasted period
Beta	0.50	We arrived at a 5-year levered beta of 0.5, reflecting Elia's regulated business model and non-cyclical cash flows that exhibit low correlation with overall market movements

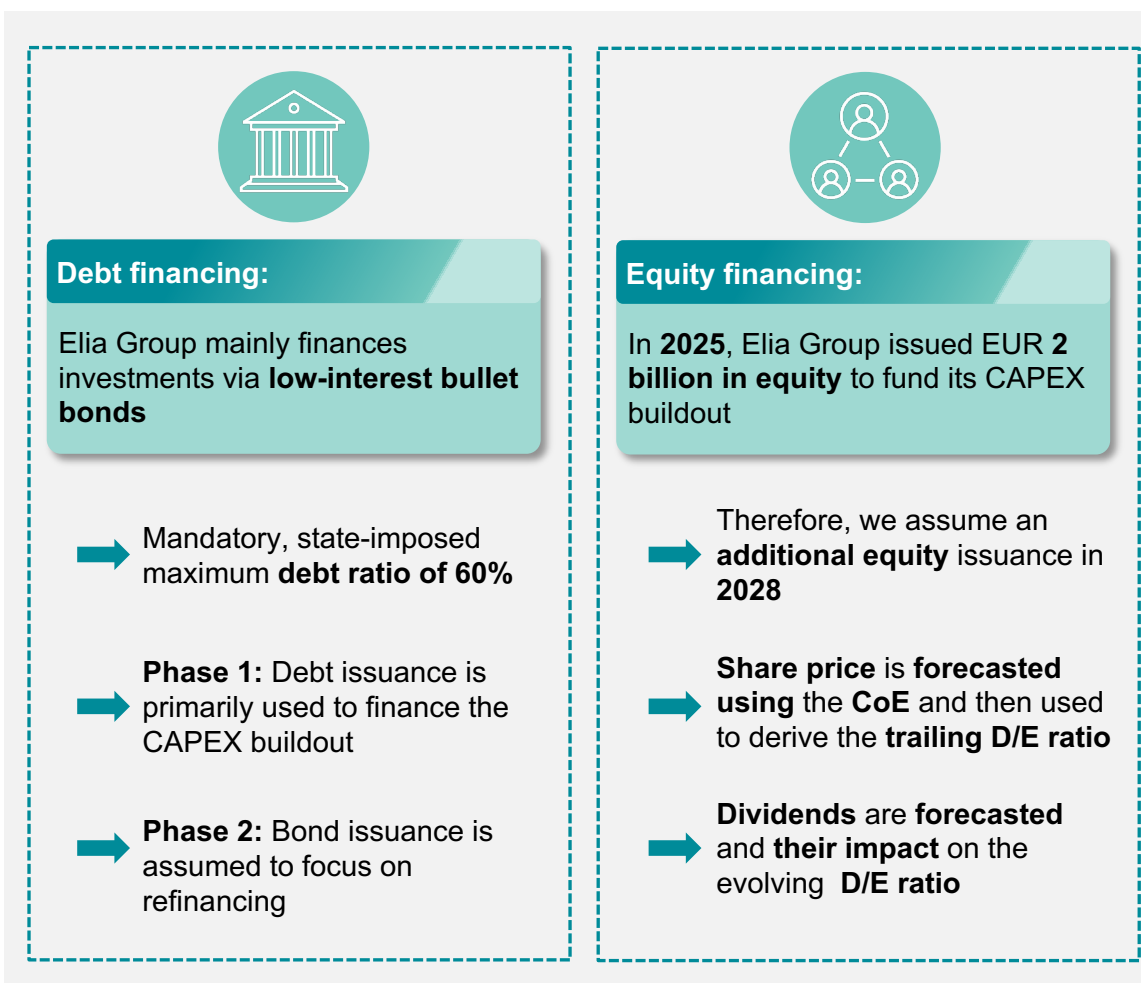
Financials & Valuation: CAPEX & Financing

Strategic CAPEX Buildout Supported by Disciplined Debt and Equity Financing

Bottom Up Capex Forecast



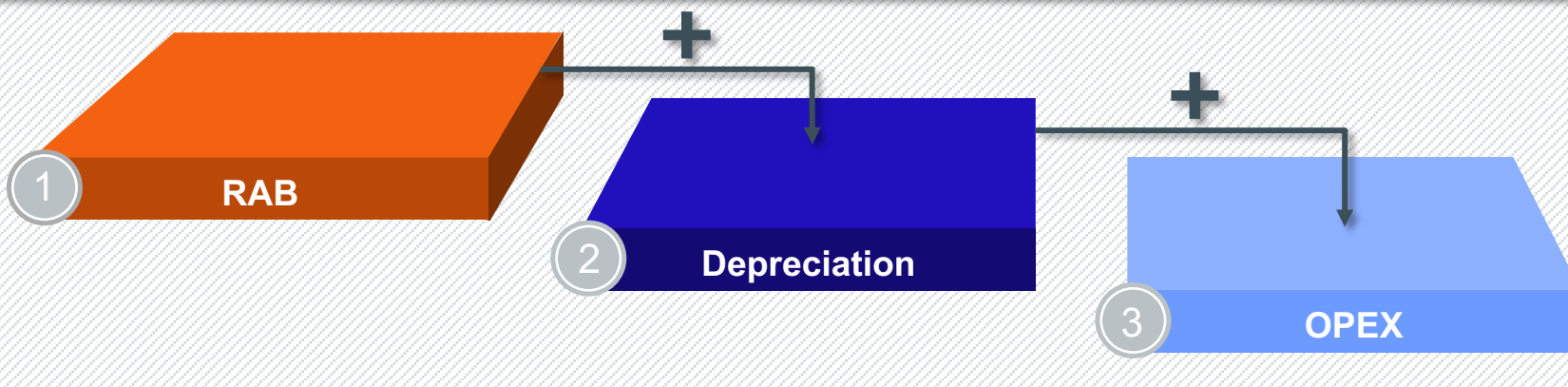
Financing Schedule



Forecasting CAPEX Marks the Cornerstone for the Revenue Build-Up as all Revenue Components can be Derived

Revenue Composition

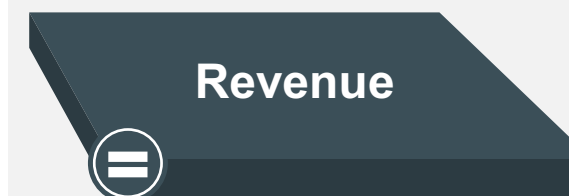
Revenue consists of three different cost and return component layers that add up to revenue



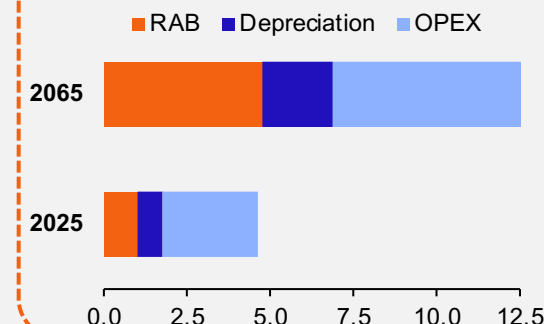
1	2	3
Regulated Asset Base	Depreciation	OPEX
Return on Equity - Fixed return/tariff on Equity for each project - Base RoE: 5.1 – 7.1% (Germany) 5.8% (Belgium) - Overall Equity ratio of 40%	Return on Debt - Fixed return/tariff on Equity for each project - Base RoD: 4.4% (Germany) 4.0% (Belgium) - Overall Equity ratio of 60%	Depreciation - Coverage of the depreciation 45-year depreciation window
		OPEX Coverage - OPEX for respective projects are covered retroactively - Added back after commission of the project

Revenue

- Cost covering component (D&A and OPEX) and **return component** (ROE and ROD)
- Reliability** of revenues due to the fixed-return model



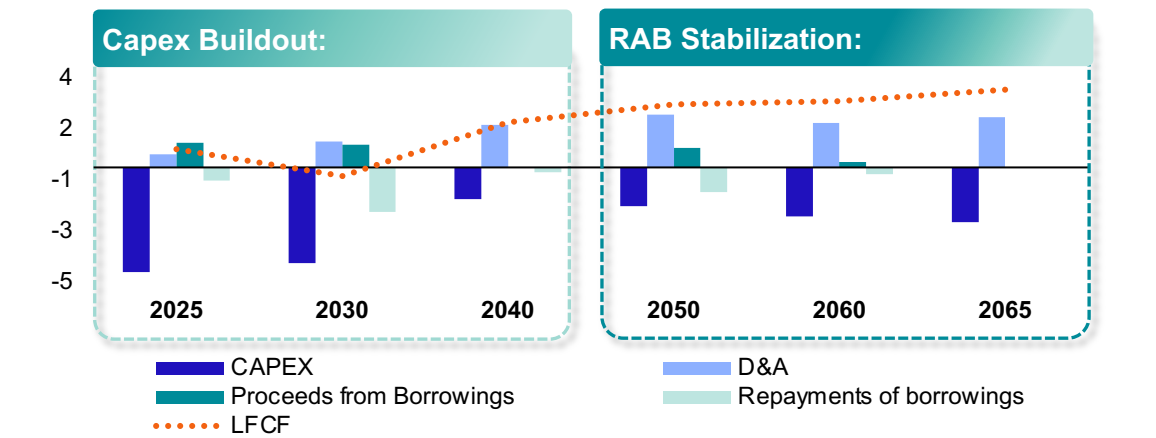
Revenue Breakdown 2025 vs. 2065 in bnEUR



Financials & Valuation: Overview

Extended 40-Year LFCF Visibility Underpins Equity Valuation

LFCF Development (in bnEUR)



Sensitivity Analysis

	TV g				
WACC	0,50%	0,75%	1,00%	1,25%	1,50%
5,16%	162,95	167,00	171,54	176,66	182,48
5,41%	147,16	150,48	154,17	158,31	162,98
5,66%	133,23	135,96	138,99	142,35	146,13
5,91%	120,88	123,14	125,63	128,38	131,45
6,16%	109,87	111,75	113,81	116,08	118,60

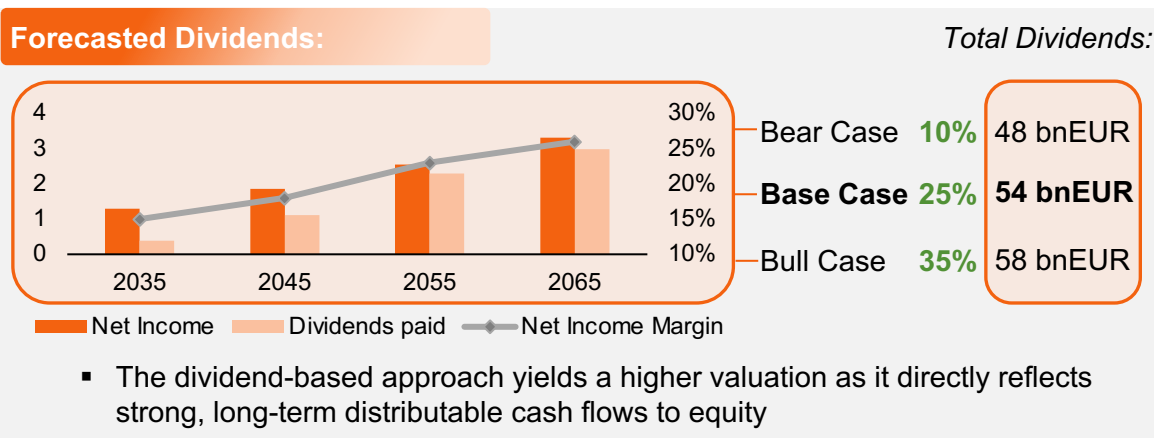
Value contribution split:

LFCF 59%

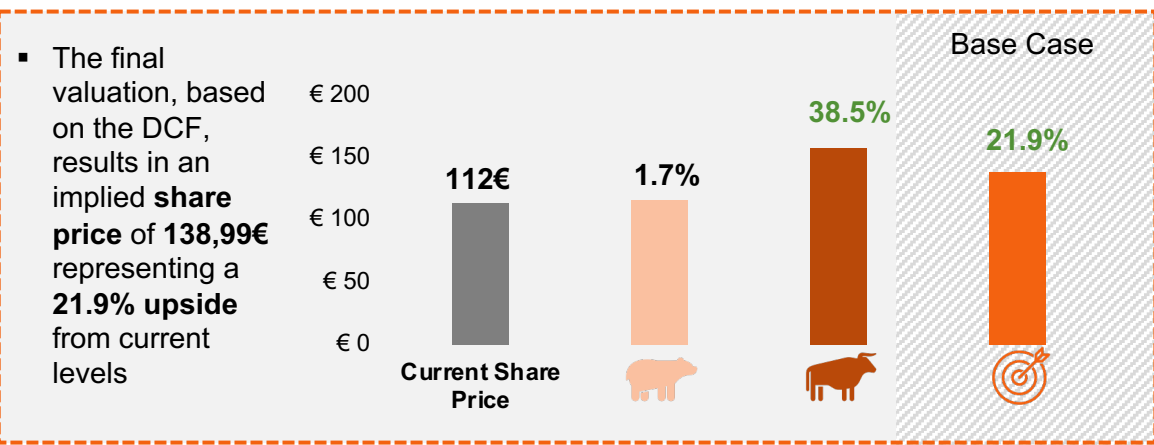
TV 41%

With a 40 – year forecast horizon, the **LFCF accounts** for a higher share of equity value **than the terminal value**

Dividend-based Approach



DCF Valuation Outcomes



An aerial photograph of a large, rectangular offshore oil platform floating in the ocean. The platform has a complex network of pipes, ladders, and structural elements. The water is a deep green color with white foam from the platform's wake. A dark blue semi-transparent banner is overlaid on the left side of the image, containing white text.

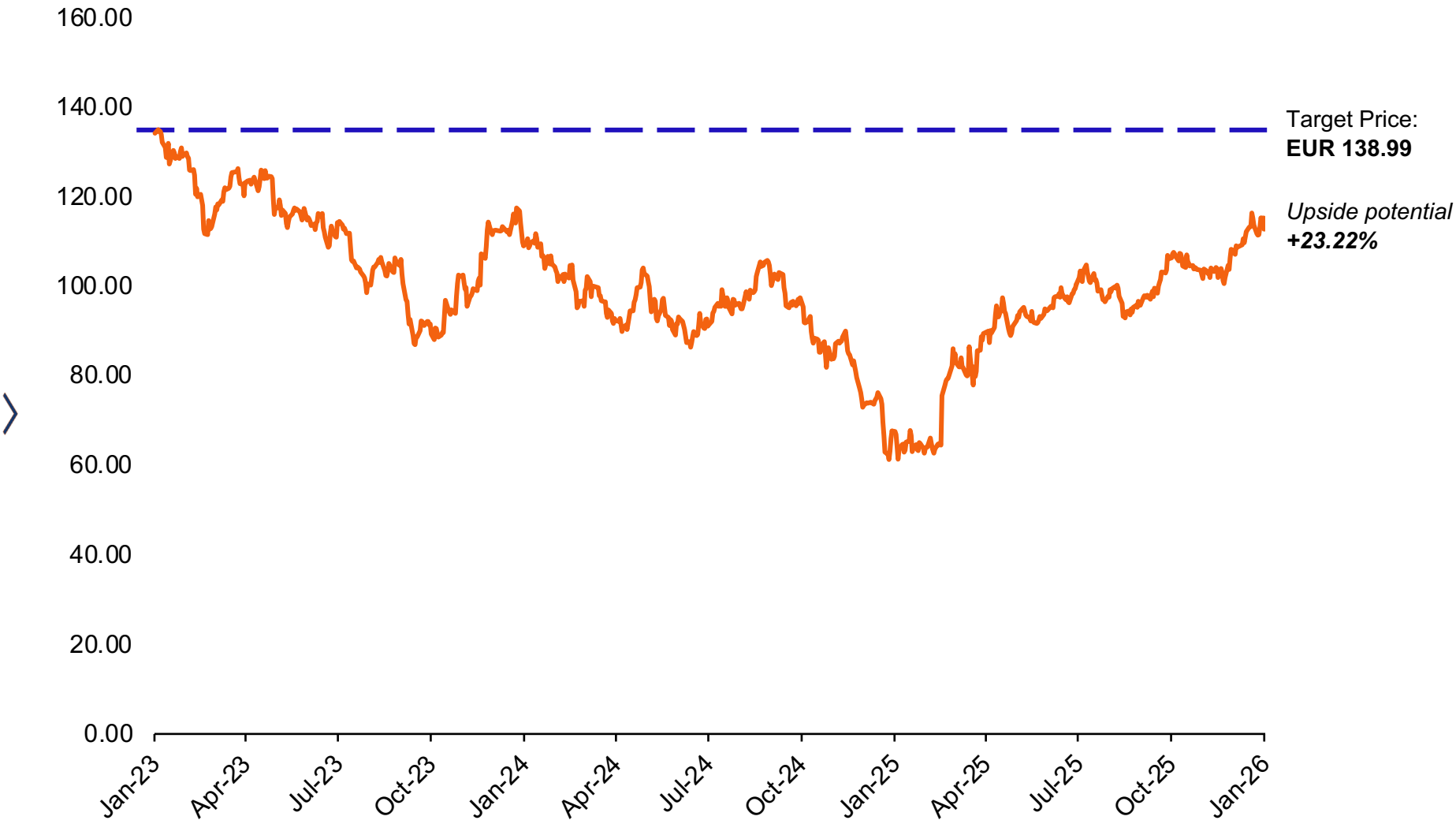
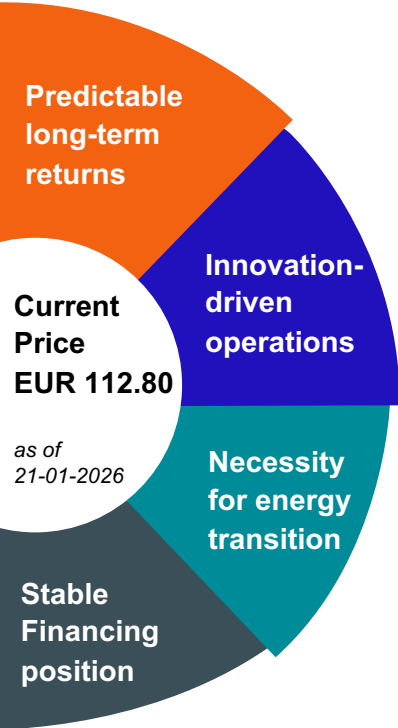
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Conclusion

Conclusion

Elia Group Offers a Compelling Buy Case through Essential Grid Infrastructure and Accelerating Regulated Growth





Elia Group

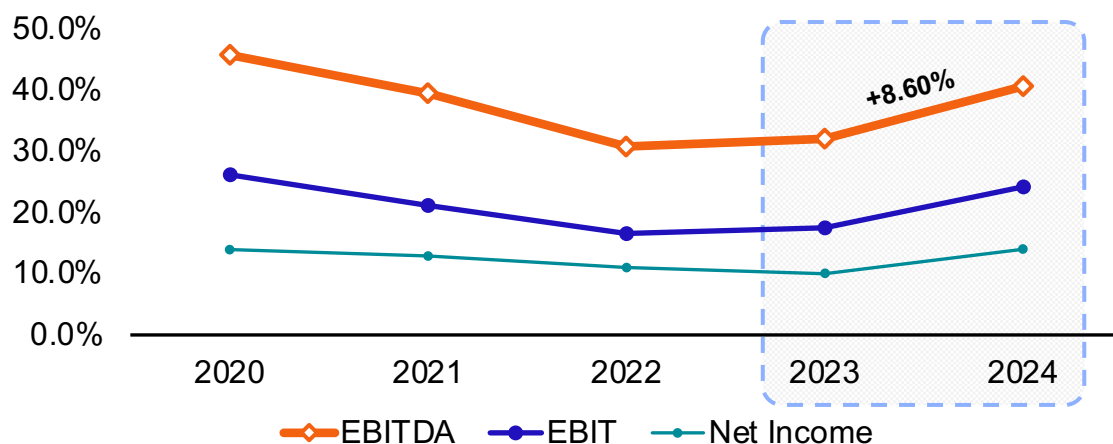
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Appendix

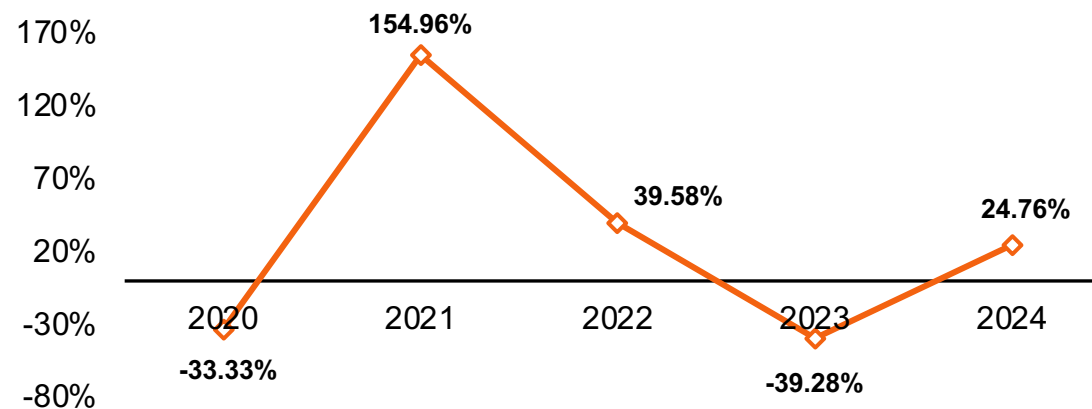
Appendix

Financial Analysis I/III

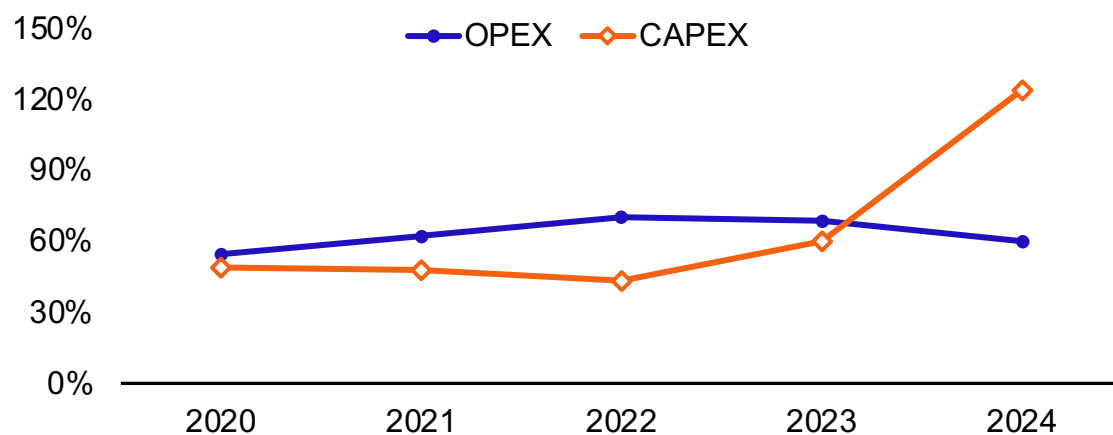
Margin Development [%]



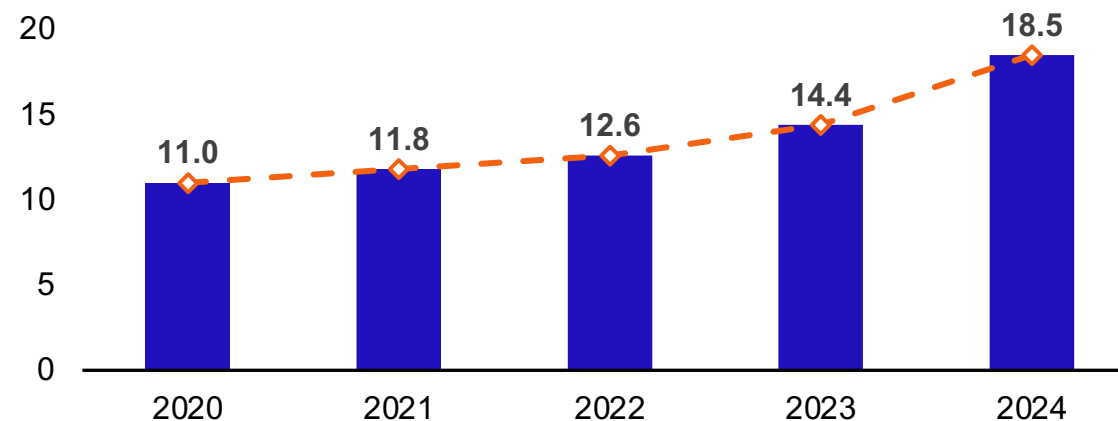
Operating CF as % of Total Revenue



OPEX & CAPEX as % of Total Revenue



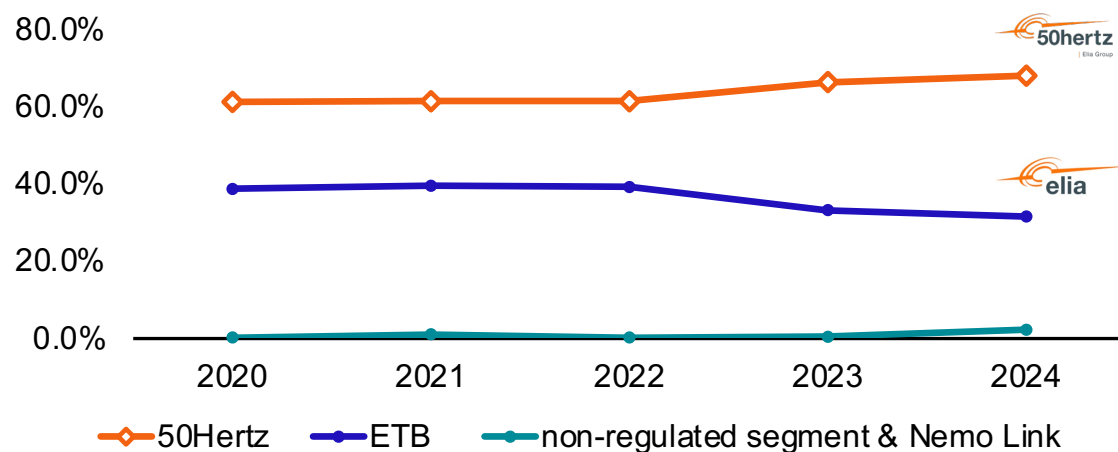
Regulatory Asset Base (RAB) [bnEUR]



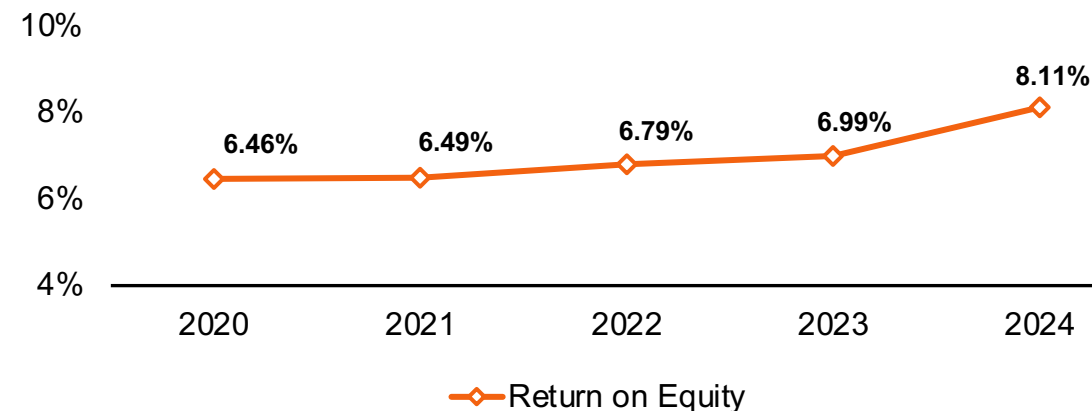
Appendix

Financial Analysis II/III

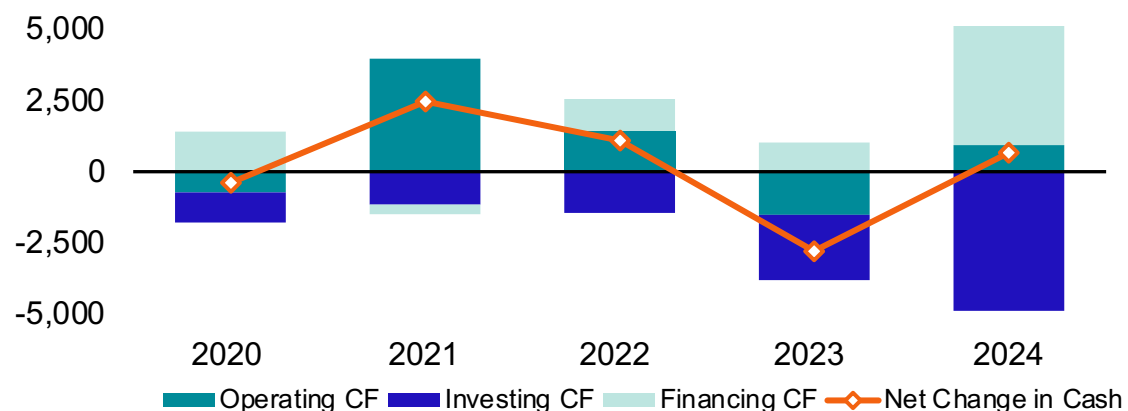
Revenue by Segment [%] ⁽¹⁾



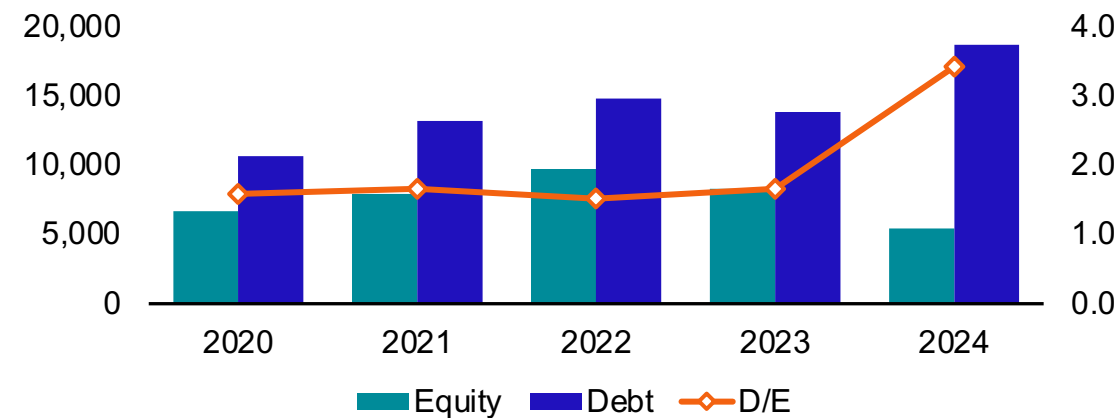
Return on Equity [%]

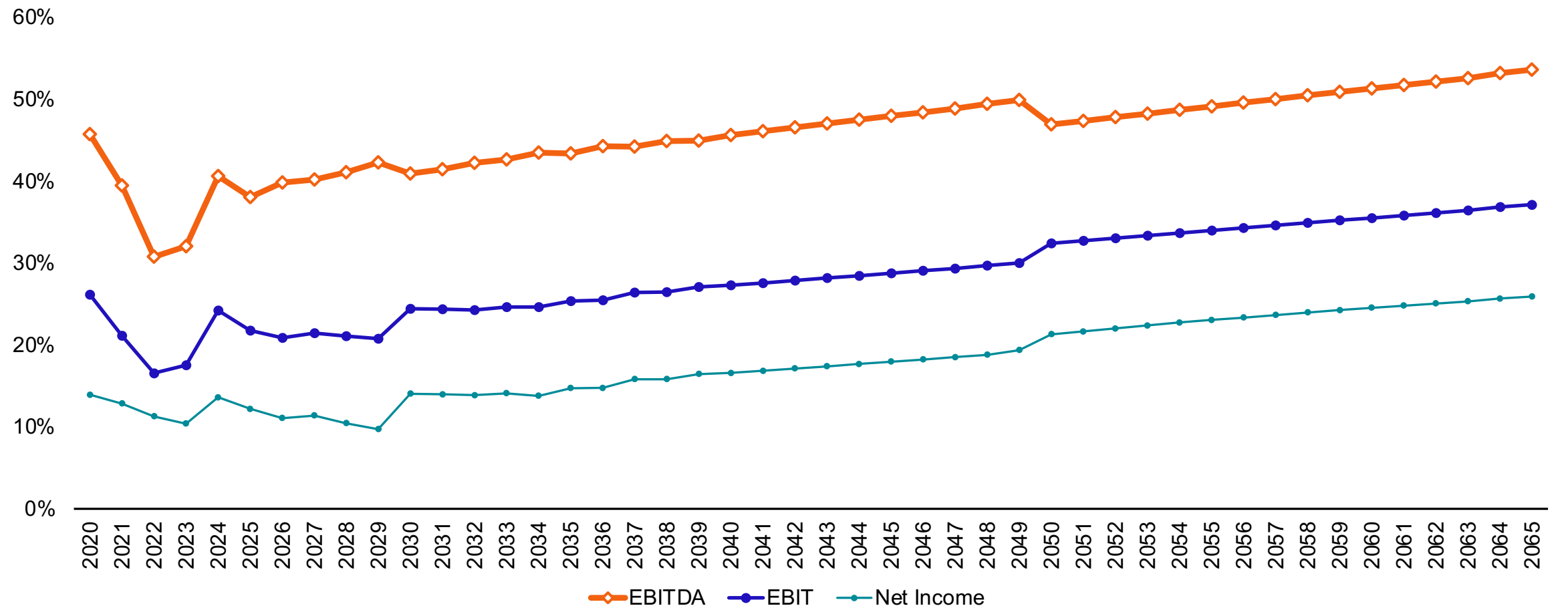


Cashflow Development [mEUR]



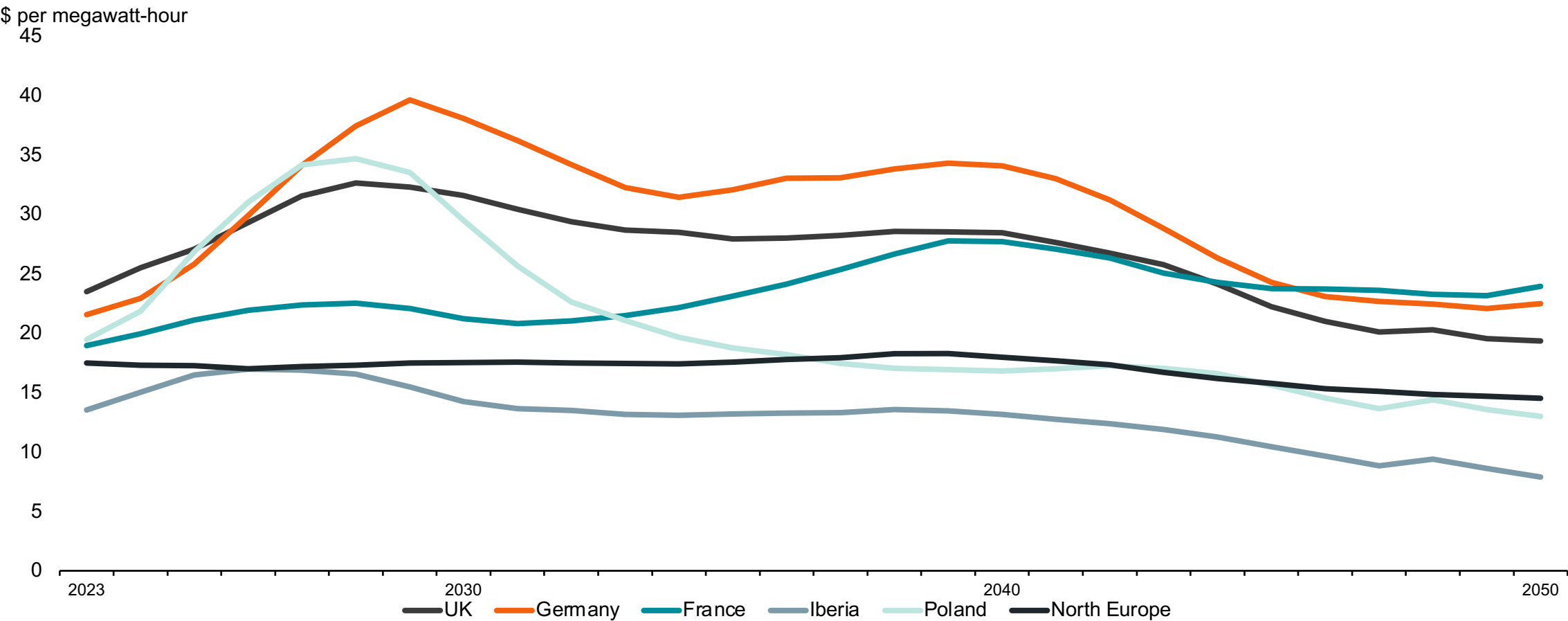
Capital Structure [mEUR]





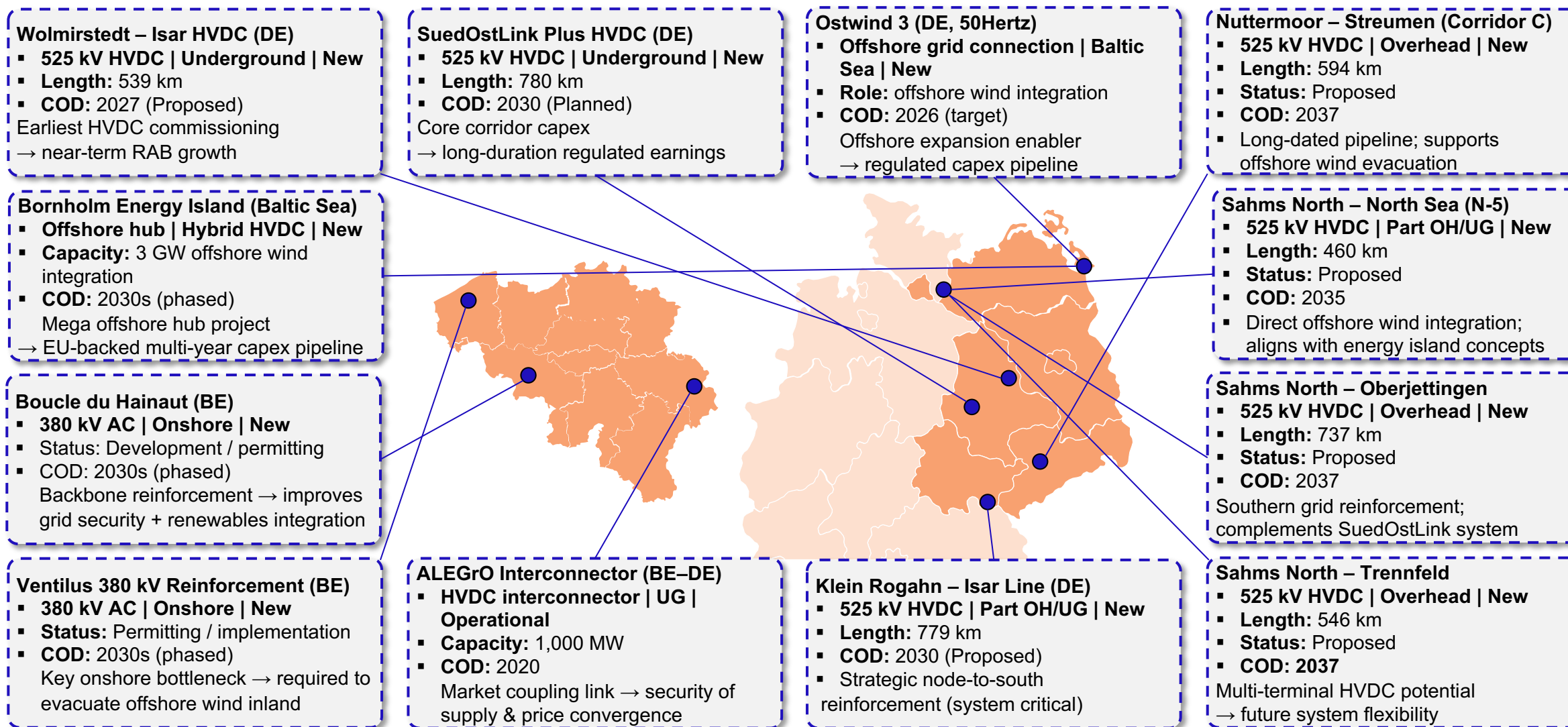
- Margin increase is mainly attributable to a relative flattening of OPEX (compared to revenue growth) over the forecasted horizon.
- Gross margins improve as RAB-driven allowed revenues grow faster than personnel and other controllable costs, with additional support from Elia’s Moonshot automation program, which limits OPEX growth through efficiency gains

Grid Capital Expenditure per Megawatt-Hour of Energy Consumption in Europe

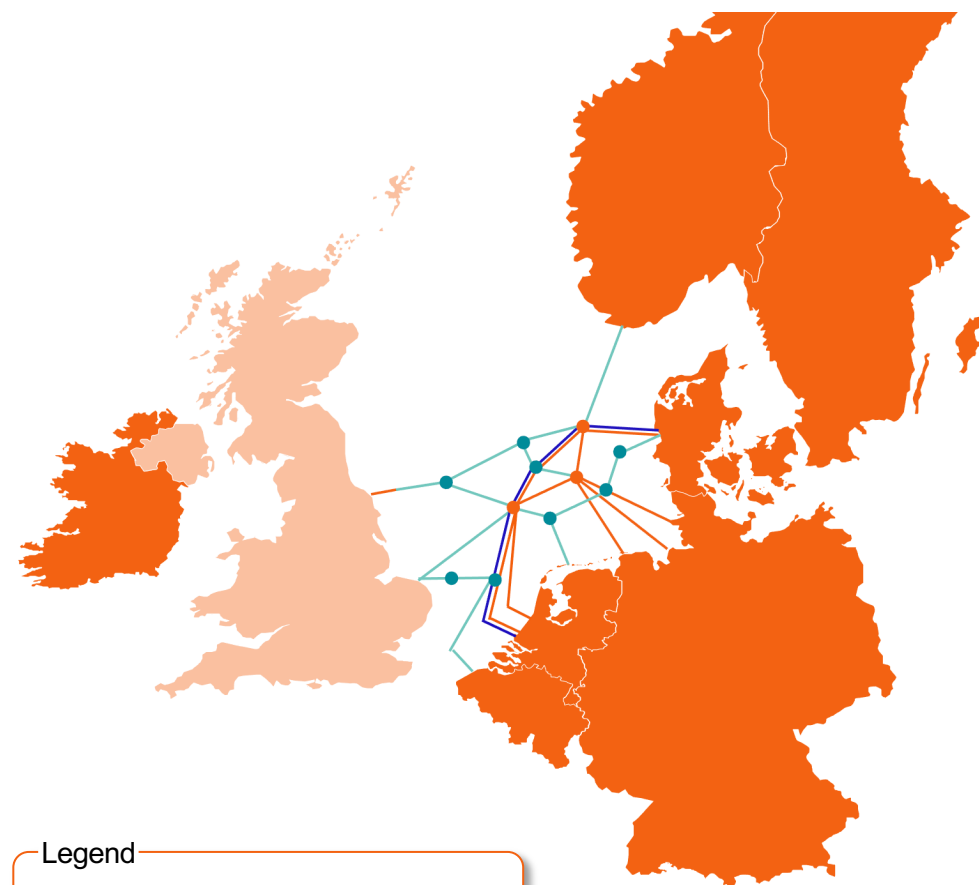


▪ The Germany capex-intensity trajectory shown in the chart supports the capex forecast for Elia Group, which assumes a strong front-loaded investment ramp-up followed by slower, normalized growth as the German grid expansion matures over time

Overview of Major HVDC Lines, Offshore Hubs and Interconnectors (BE + DE)



Prinzess Elizabeth Island - Offshore Energy Hub



Project description:

- Artificial island approx. 45 km offshore (Ostend area) **serving as offshore grid hub**
- **Collects** offshore wind power from Princess Elisabeth wind zone and **exports to the Belgian grid**
- Designed for HVAC + HVDC architecture

AC

Used for **local** transmission & distribution

DC

Used for **long-distance**, subsea cables & inter-connectors

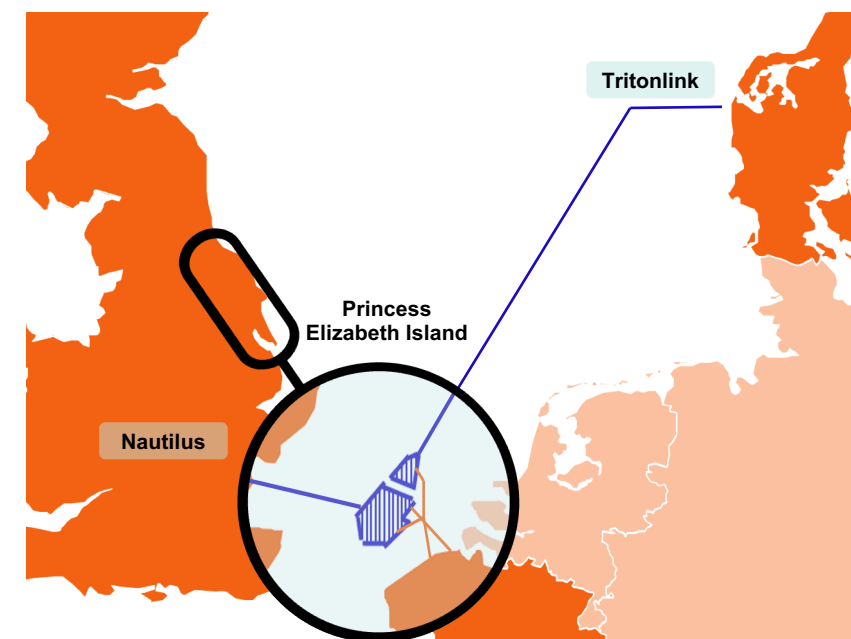
Construction Status

Planned Construction 2024–2027

HVDC contract signing temporarily postponed due to cost escalation (re-optimisation ongoing)

“Strategic relevance / corridors”

- Supports **North Sea offshore meshed grid** concept (EU offshore integration)
- Enables **hybrid corridors** (wind + trade):
Nautilus (UK–BE) concept
TritonLink (DK–BE) hybrid interconnector
- Positions Belgium as **regional electricity trading node** in North Sea build-out



Legend

- Electricity corridors
- Hydrogen corridors
- Offshore energy hubs
- Infrastructure corridors
- Offshore energy hubs

Regulatory Developments Deep Dive: Status Quo

Key Changes



- Risk free rate (OLO 10-Y) now floats instead of being fixed, impacting fair margin
- Belgium's federal energy regulator applies revised incentive framework and fair margin calculation



- Regulatory regime transitions to Capital Cost Adjustments with annual adjustment of revenue cap
- Distinction between assets pre-2024 and new investments from 2024 onwards
- Annual floating ROE via Base rate + Fixed rate premium (3%)

Purpose



Ensure sufficient financial resources for grid investment programme, including offshore expansion (MOG II)



Align remuneration with a more volatile interest rate environment



Support Germany's goals of energy sovereignty and climate neutrality by 2045 through cost-reflective remuneration and continued grid expansion



Ensure predictable, flexible investment conditions

Impact on Returns

Belgium

Switch from fixed → floating risk free rate (10Y Belgian OLO)
Fair margin adjusts with OLO fluctuation
During 2024-2027

- Regulatory return can increase to 7.2% (if OLO is 3.27%)
- Base fair remuneration is 1.49%
- When OLO is low, min return is at 5.7%

Germany

Pre-2024 → fixed ROE of 4.13%
Post-2024 → floating ROE (base+risk premium)
New CAPEX model and cost-plus adj.

- ROE for new assets may rise up to 5.6% post tax
- Unified ROE to be set 2026-2029
- Profitability impact under assessment

Investor Takeaway

Belgium:

- Creates transparency in remuneration & encourages stable investment outlook aligned with market risks
- Dynamic returns may enhance attractiveness in rising rate environments
- Reinforces ETB's long-term investment capacity and regulatory credibility

Germany:

- ROE transparency supports capital allocation decisions
- Annual return recalibration reflects evolving interest rate environment
- Draft 2026-2029 reforms will require investors to closely monitor unified ROE developments and WACC harmonization

Core Responsibilities of a Transmission System Operator (TSO)

System Planning



Design and develop onshore and offshore electricity grid infrastructure to:

- Support fast pace of electrification
- Strengthen security of supply in Belgium, Germany, and Europe
- Provide recommendations for electricity market design
- Contribute to national and EU-wide publications, helping ensure the future energy system is efficient

Main activities include:

- Studying future energy scenarios
- Creating cost-efficient grid investment plans
- Checking whether Europe will have enough reserve

Infrastructure Design and Construction



Design and manage the construction of modern grid assets to support:

- increasing electrification
- large-scale renewable energy
- integration progress toward net zero in their home countries

Challenges in 2024:

- Impacts from COVID-19 and the war in Ukraine continued to affect supply chains
- Shortages and high prices for raw materials

Elia Group focused on:

- Reducing the carbon footprint of infrastructure projects
- Upgrading parts of the grid in Belgium and Germany
- Ensuring compatibility of technologies

Grid Operations and Maintenance



Operates and maintains the transmission grid to ensure it stays reliable

They maintain key assets such as:

- Overhead line, underground cables, substations, interconnectors, subsea cables and, offshore assets

Teams manage asset performance, risks, and costs across their whole life cycle

Operations were affected by:

- Ongoing global supply chain disruptions
- Focus on climate resilience
- Improve security against external threats

System Operations



ETB and 50Hertz ensure electricity is delivered 24/7 to Belgium and the north/east of Germany

Their responsibility is to **keep electricity supply and demand balanced** across their control areas through **key activities such as:**

- Balance management: amount of electricity produced matches what consumers use
- Voltage management: keeping voltage within safe limits
- Congestion management: optimising the grid
- Enabling maintenance and grid connections
- Emergency management: responding quickly to security incidents

Core Responsibilities of a Transmission System Operator (TSO)

Market facilitation



ETB and 50Hertz, acting as market facilitators, help to keep supply and demand balanced in their control areas

They do this by using flexibility from balancing service providers and procuring ancillary services

Aims to achieve:

- Support a European energy market
- Strengthen security of supply
- Deliver fair prices
- Adapt electricity markets to increasing reliance on intermittent renewable energy sources

The EU adopted new electricity market design rules:

- Protect consumers from extreme price volatility
- Support Europe's energy sovereignty

Trusteeship



Trusteeship plays an organisational role in financing/supporting:

- renewable electricity
- some combined heat
- power production capacity mechanisms

Main mechanisms described:

- ETB fulfils public service obligations related to green and CHP certificates
- ETB manages Belgium's CRM to guarantee long-term security of supply, especially in winter
- German TSOs coordinate energy surcharges under the Energy Financing Act (EnFG)

In December 2022, TSOs were assigned responsibilities to **limit consumer impact of high prices**

Services for electrification



Accelerating decarbonisation through digital tools

Energy Track & Trace (ETT)

Track green electricity flows for consumers

- High time/location resolution
- Cross border tracking
- Supports transparency on RES

Energy Portal Interface for Customers

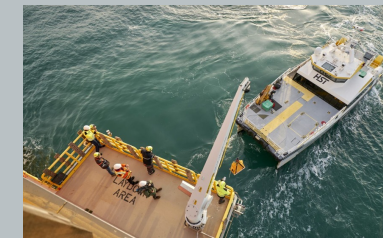
A digital customer portal offering

- Monitor electricity use and data
- Manage data
- Improve sustainability strategies

GreenGrid Compass

- A project offering free live data
- CO₂ intensity across all ENTSO-E zones and renewable energy share

Business facilitators



- **Communication**
Strategy and builds stakeholder trust
- **Digital Transformation**
Boosts agility and embeds digital tools
- **Finance**
Operations and green investments
- **HR**
Recruits and develops talent
- **Innovation**
Invests in tech; runs future-focused programs
- **Innovation Culture**
Promotes employee-driven innovation
- **Legal**
Legal and regulatory compliance
- **Procurement**
Manages purchases; reduces supply chain risk
- **Strategy**
Growth areas and company direction

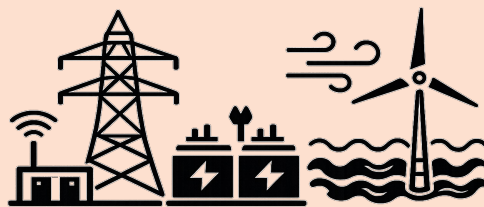
Important Resources of Elia Group SA/NV

Financial Resources



Revenues from grid users, clients, tariffs, and consultancy.
Funded via shareholders, debt investors, financial institution

Assets



Grid infrastructure, substations, tech (digital to mechanical), and public infrastructure and private facilities access

Intellectual resources



Licenses to operate in core markets, in-depth research, proprietary processes and standards

Employees and Subcontractors



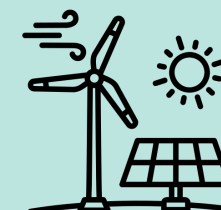
Skilled workforce and subcontractors with legal, digital, and project expertise in a wide range of areas

Society and Relationships



Collaboration with society, stakeholders, regulators, and communities. Insights from engagement help guide planning

Environmental resources



Natural inputs: raw materials, energy, water, gases, woods, land for infrastructure projects

Company Overview - Legal Structure

Entity	Description	Ownership/Control
 elia group	Elia Group SA/NV Listed holding company owning and controlling all regulated and non-regulated group activities	45.18% anchor shareholder 54.82% other & free float
 elia	Elia Transmission Belgium SA/NV Belgian regulated TSO operating the national high- and extra-high-voltage transmission grid	99.99% Elia Group
 Nemo Link®	Nemo Link Limited Subsea high-voltage interconnector linking the Belgian and UK electricity markets	50% Elia Transmission Belgium 50% National Grid
 eurogrid International	Eurogrid International SA/NV Group holding separating Belgian and German regulated activities at the holding level	100% Elia Group
 eurogrid	Eurogrid GmbH German intermediate holding owning 50Hertz, with 20% minority stake held by KfW	80% Eurogrid International 20% Kreditanstalt für Wiederaufbau
 50hertz Elia Group	50Hertz Transmission GmbH German regulated TSO operating the transmission grid in northern and eastern Germany	100% Eurogrid GmbH
 egi Elia Grid International Elia Group	Elia Grid International SA/NV Non-regulated international platform providing grid consulting and engineering services	50.1% Elia Group 49.9% 50Hertz
 WindGrid Elia Group	WindGrid International SA/NV US-focused platform for offshore grid connections and renewable transmission infrastructure	100% Elia Group

Risks

- M1

Political pressure to limit energy bills could **cap tariff increases** or **delay regulatory approvals**, compressing Elia's allowed return and future revenue growth
- M2

Trade **policy changes** like CBAM can **reduce interconnector revenues** and raise imported equipment costs, adding uncertainty to Elia's cross-border asset return
- M3

Talent shortages could **slow project delivery** and limit future RAB monetization
- O1

Supplier capacity constraints and long lead times could delay infrastructure projects, impacting the pace of grid expansion and future allowed revenues
- O2

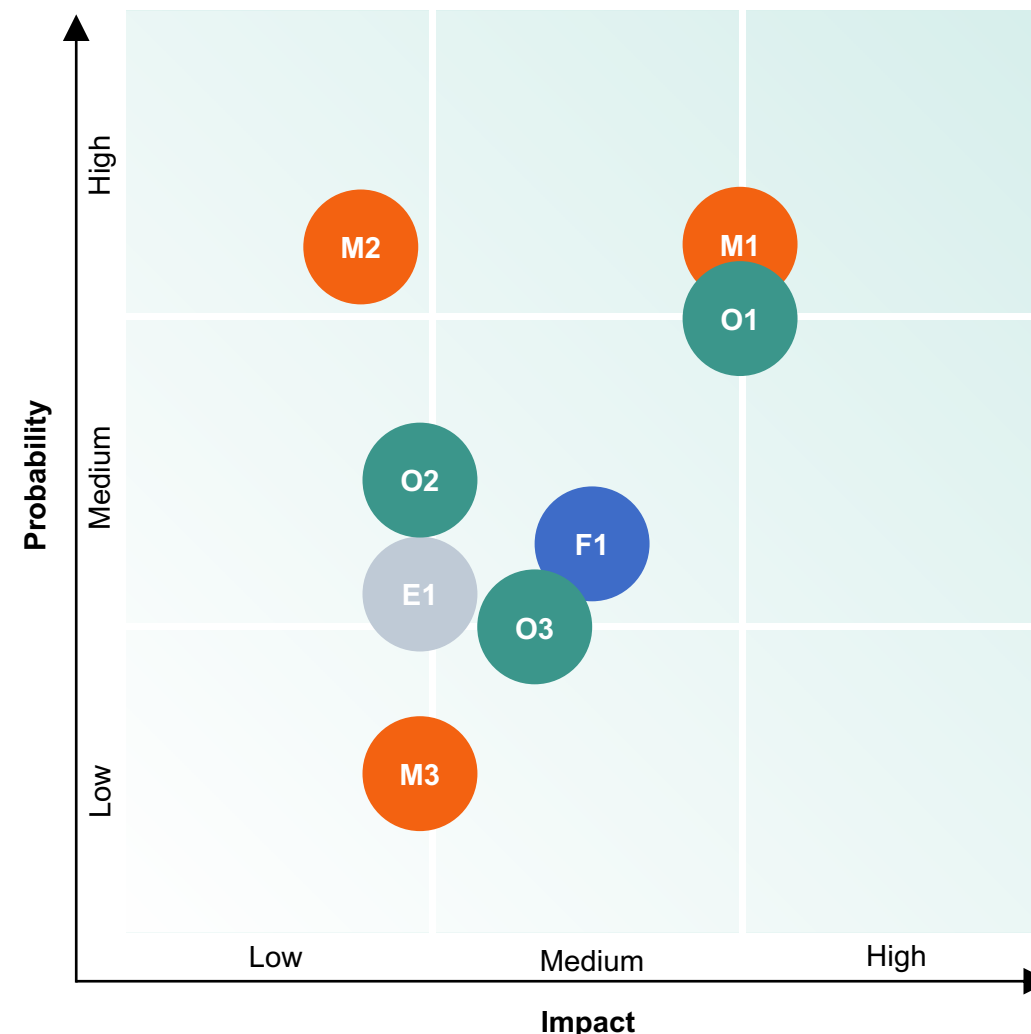
Rising renewable penetration and reduced conventional generation increase system balancing challenges, creating a **risk of supply interruptions**
- O3

Permitting **hurdles and project execution issues** may delay infrastructure rollout and harm performance on strategic targets
- F1

Large capex needs require **continuous access to capital**; higher rates or **rating pressure** could **reduce allowed returns** and slow RAB growth
- E1

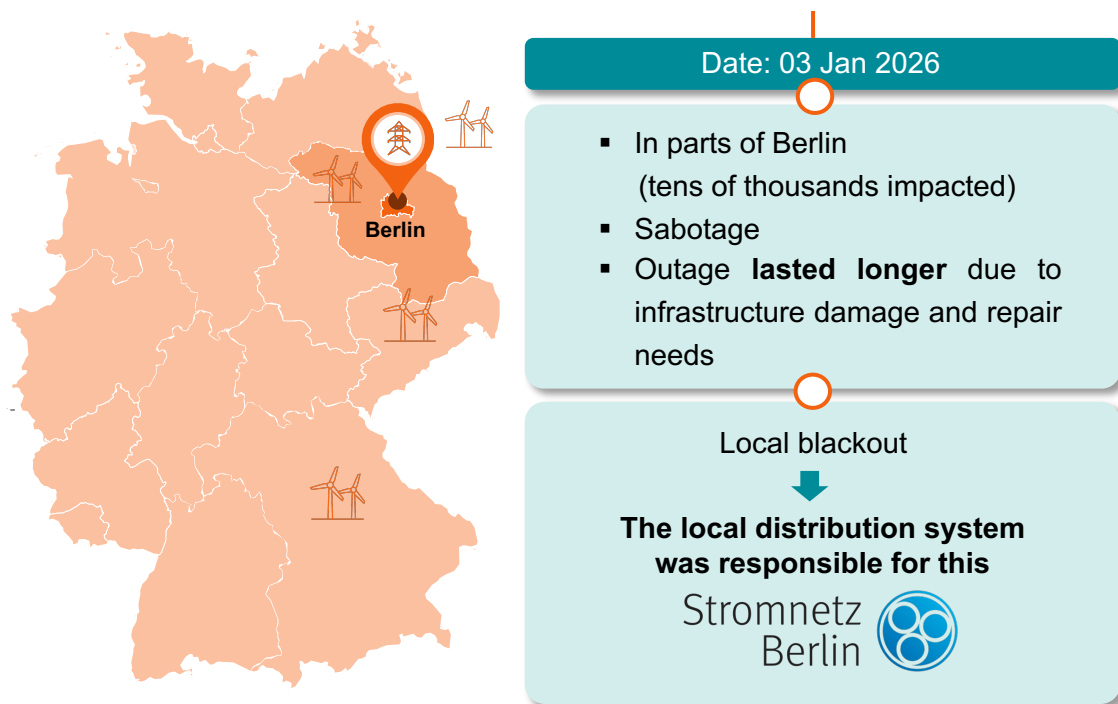
Faster-than-planned **electrification** increases **pressure on capex** execution and could shift revenue timing from regulated investments

Operations (O) – Market (M) – Financial (F) – Legislation (L) – Workforce (W)

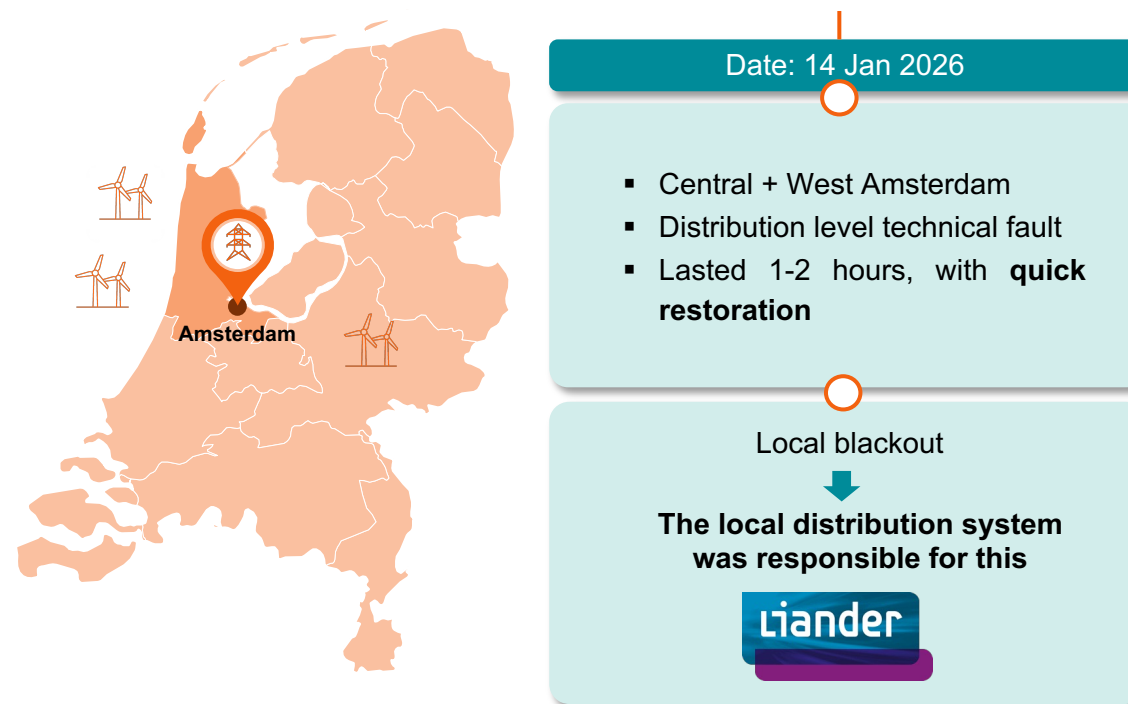


Urban Outages Highlight Resilience & Security Risks – Limited Direct Impact on Elia

Berlin Blackout

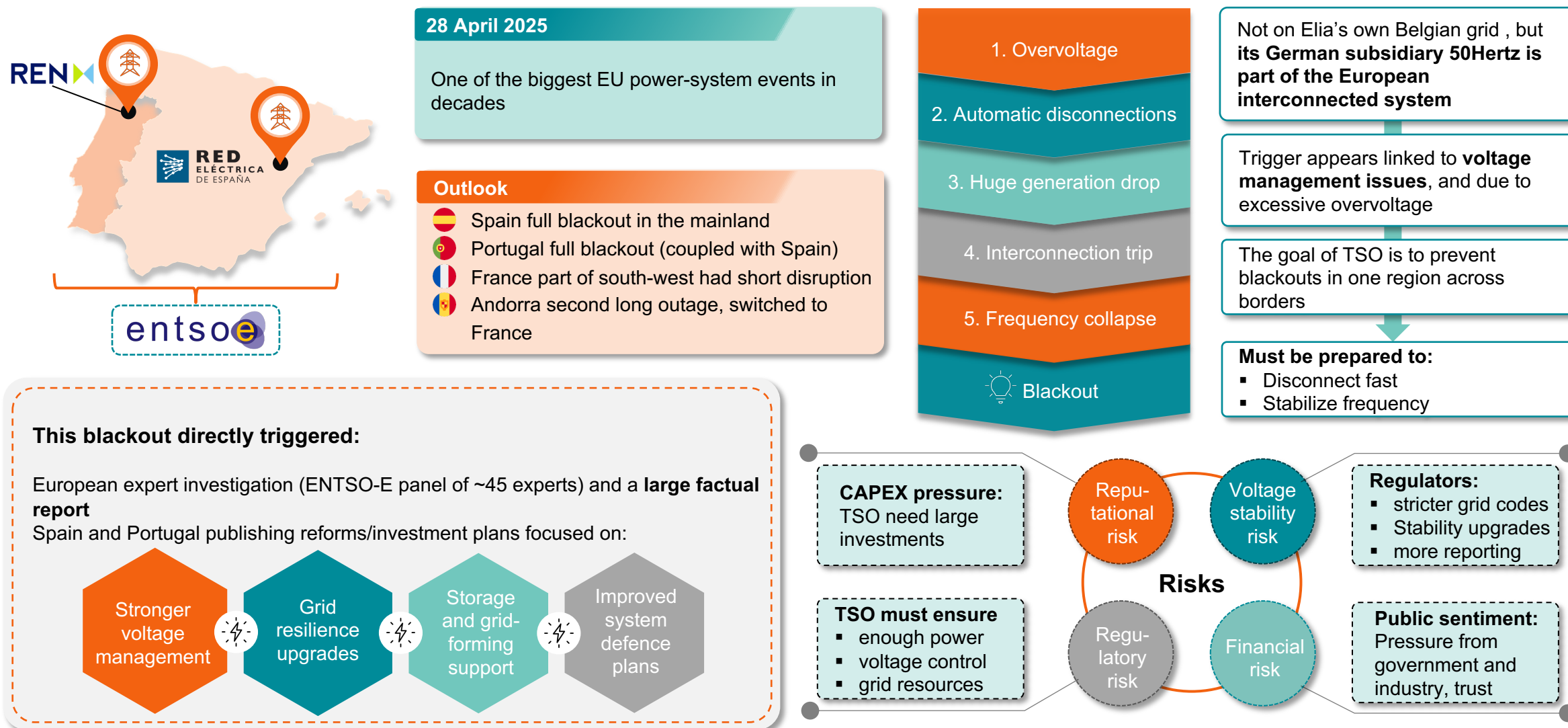


Amsterdam Outage

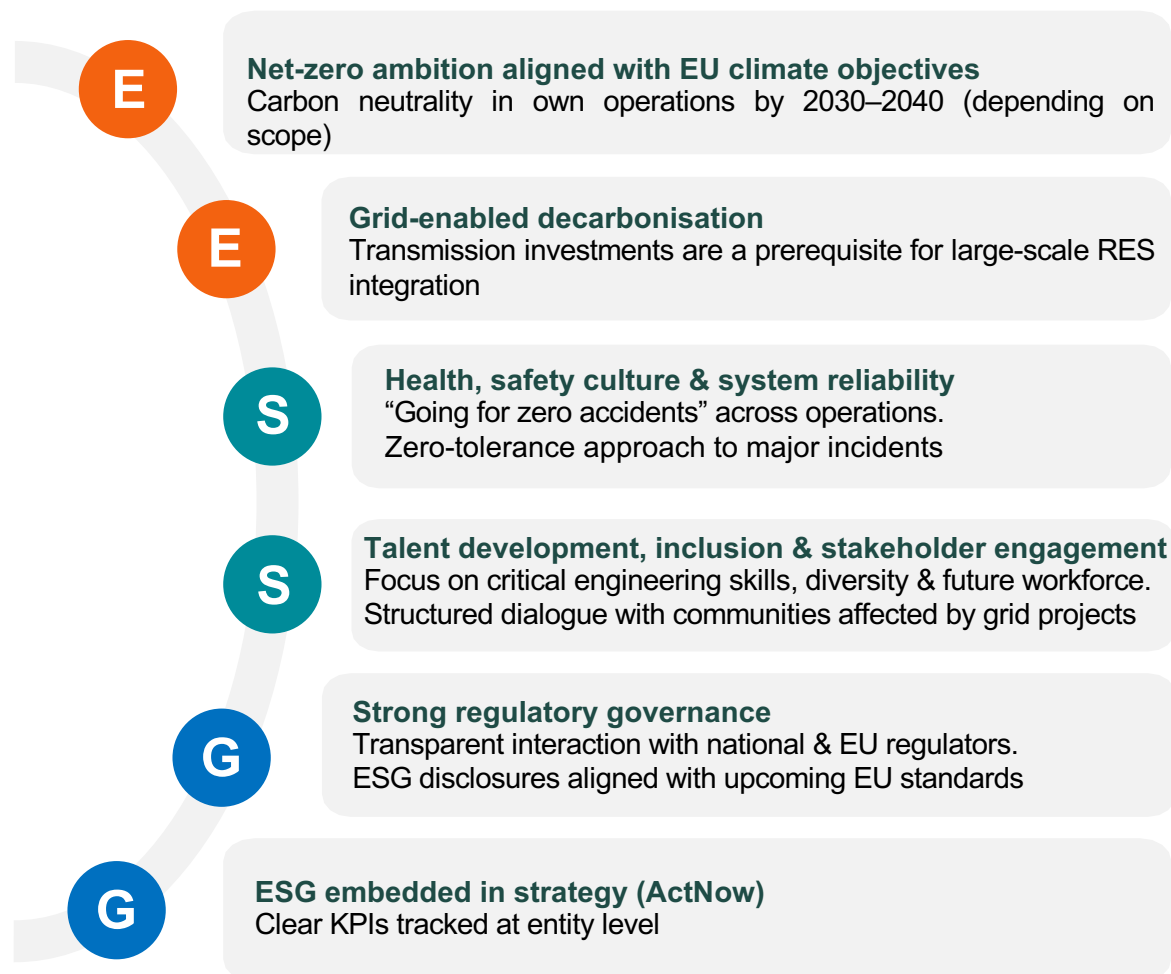


- Events have **no material operational/financial impact**
- The Berlin event has increased focus on security/resilience – related CAPEX (50Hertz exposure)

April 2025 Iberian Peninsula Blackout: Largest EU Power System Failure in Decades



ESG – Performance



Sustainability Programme



With sustainability programme, **ActNow**, Elia Group is playing its part to decarbonize society. They obtained an ISO 14001 **certification for environmental management system** at Elia Transmission Belgium. 50Hertz received this certification in 2022. An environmental management system allows companies to assess their environmental risks and define concrete and achievable environmental objectives. **It also ensures continuous improvement thanks to monitoring and internal audits.**

SWOT Analysis

STRENGTHS

- **Dominant, regulated transmission business** - Elia Group operates Belgium's high-voltage grid and controls transmission assets in Germany via its 50Hertz subsidiary, making it one of Europe's top five TSOs, with exceptionally high reliability (>99.9%)
- **Essential role in Europe's energy infrastructure** - The company ensures 24/7 balance of electricity supply and demand for ~30 million end users, a mission-critical service in a decarbonising energy system
- **Strong regulated cash flows and investment capacity** - As a regulated utility, Elia benefits from predictable revenues and tariff frameworks, supporting large multi-year capital investment
- **Growing international and non-regulated activities** - The group expands consultancy and engineering services beyond core operations



- **Large capital expenditure and execution risk** - Massive grid modernization and offshore projects require complex management and long timelines, creating execution, cost overrun, or permitting risks
- **Limited diversification outside core grid operations** - The business remains heavily focused on transmission infrastructure with limited exposure to higher-growth segments
- **Grid congestion and administrative delays** - Increasing grid access applications - can lead to congestion, backlog, or stakeholder friction

WEAKNESSES

OPPORTUNITIES

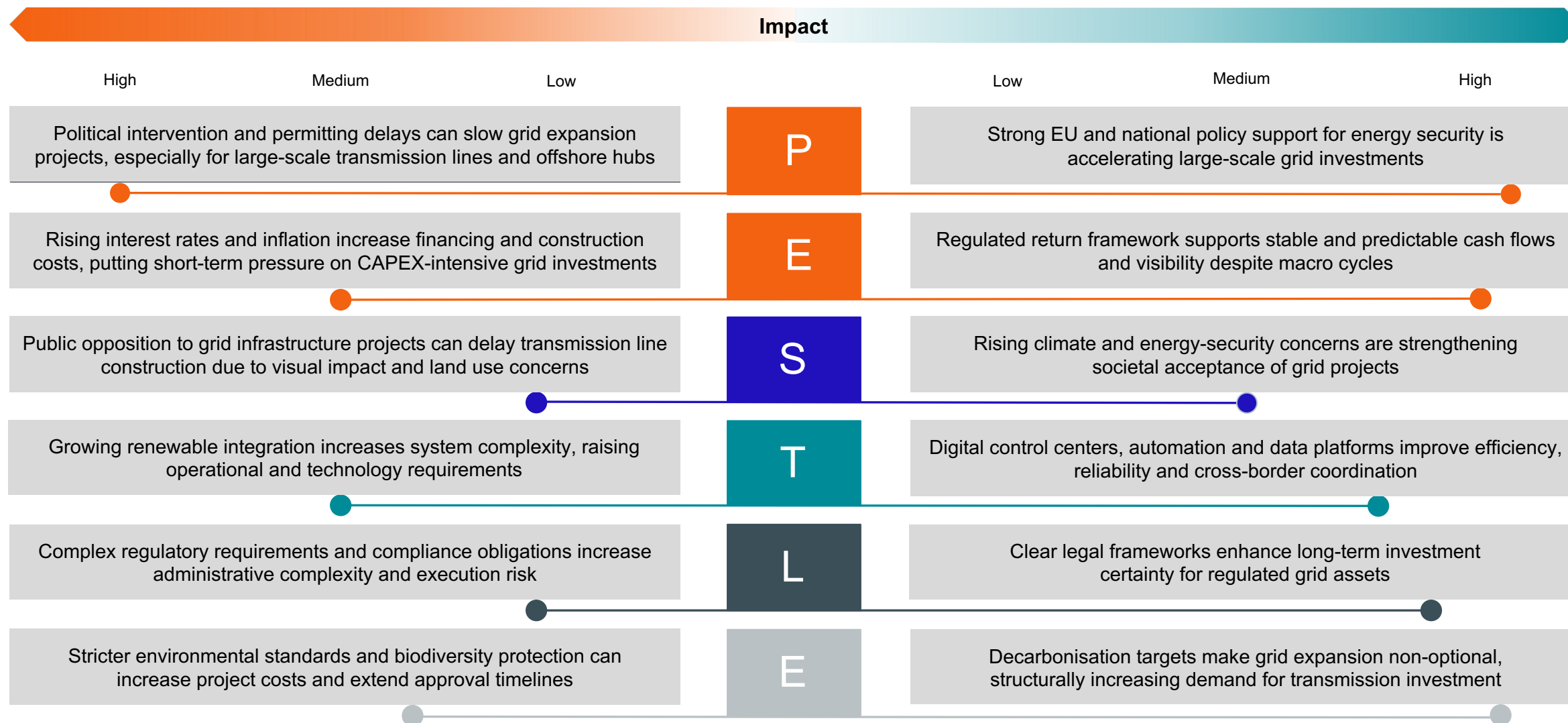
- **Accelerated renewable integration** - EU targets for wind and solar deployment (including North Sea offshore capacity) drive demand for advanced transmission solutions and interconnections, fitting Elia's strategic roadmap
- **Cross-border and digital grid solutions** - Expansion of interconnectors and digital system management tools can enhance market access and stability
- **Green financing and sustainability-linked instruments** - Issue green bonds and secure sustainability-linked credit supports appealing to ESG-focused investors
- **Consultancy & international growth** - Leveraging technical expertise through Elia Grid International and offshore grid ventures opens opportunities in emerging markets and non-regulated energy system services

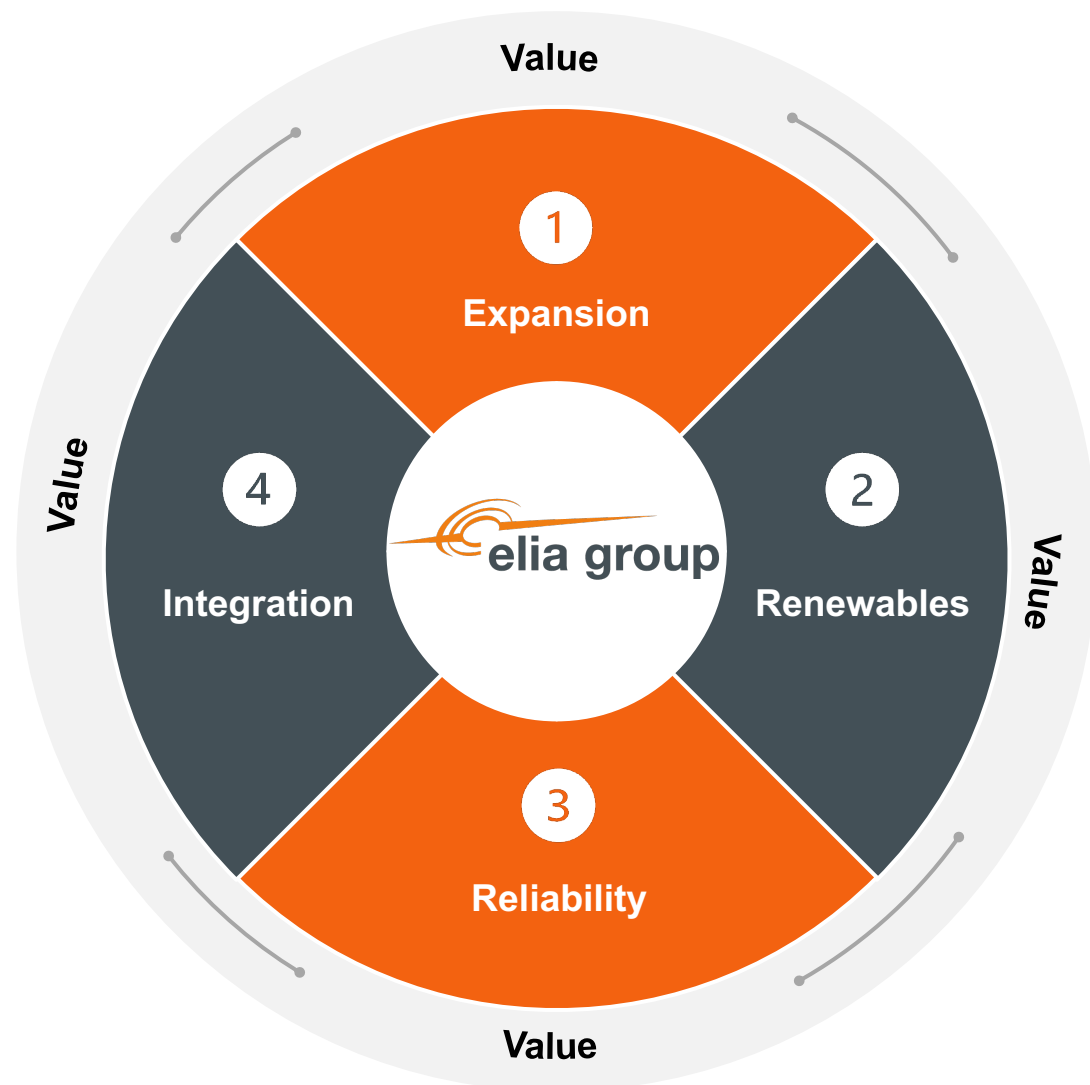
- **Regulatory changes** - Shifts in national or EU regulation could compress allowed returns or increase compliance costs
- **Macroeconomic & financing pressures** - Higher interest rates, inflation, or constrained public budgets can increase costs for capital-intensive projects
- **Geopolitical & cybersecurity risks** - As critical infrastructure, Elia faces heightened expectations for grid security; cyber threats or geopolitical tensions may disrupt operations or require costly protections
- **Market and technology disruption** - Rapid decentralized energy resources, storage technologies, peer-to-peer energy markets could alter grid usage patterns and regulatory priorities, challenging traditional transmission models

THREATS

Appendix

PESTLE Analysis





Elia Group creates essential value for Europe's electricity system

- 1**
 - Enabling **large-scale grid expansion** to meet rising electricity demand
 - Providing additional transmission capacity for electrification and industrial growth
- 2**
 - Backbone for offshore wind hubs in the **North Sea** and **Baltic Sea**
 - Grid infrastructure as a **prerequisite for EU energy transition targets**
- 3**
 - **99.9%** grid availability ensures a continuous and secure power supply
 - Transparent, **regulated framework** ensures **predictable system operation**
- 4**
 - **Cross-border power flows** via interconnectors such as **Nemo Link**
 - Efficient allocation of electricity across European electricity markets

Through regulated grid expansion, renewable energy integration, cross-border market connectivity and high system reliability, Elia Group enables Europe's energy transition while **ensuring a long-term secure, affordable and sustainable electricity supply**

Appendix – Valuation

Base Case: DCF (FY 2020 – FY 2035) & WACC Calculation

DCF Valuation	FY 2023A	FY 2024A	FY 2025E	FY 2026E	FY 2027E	FY 2028E	FY 2029E	FY 2030E	FY 2031E	FY 2032E	FY 2033E	FY 2034E	FY 2035E
Valuation Date: 100 DD, YYYY	Dec 31, 2023	Dec 31, 2024	Dec 31, 2025	Dec 31, 2026	Dec 31, 2027	Dec 31, 2028	Dec 31, 2029	Dec 31, 2030	Dec 31, 2031	Dec 31, 2032	Dec 31, 2033	Dec 31, 2034	Dec 31, 2035
in € millions													
Net Sales	3.842,5	3.767,0	4.633,1	4.709,2	5.381,9	5.420,4	5.494,4	7.682,4	7.621,2	7.665,7	8.072,5	8.035,8	8.739,7
Growth YoY (%)	n.a.	(2,0%)	23,0%	1,6%	14,3%	0,7%	1,4%	39,8%	(0,8%)	0,6%	5,3%	(0,5%)	8,8%
Gross Profit	1.201,7	1.498,5	1.763,4	1.876,9	2.164,7	2.228,0	2.326,0	3.145,8	3.162,8	3.240,2	3.446,4	3.496,9	3.794,2
Gross Profit Margin (%)	31,3%	39,8%	38,1%	39,9%	40,2%	41,1%	42,3%	40,9%	41,5%	42,3%	42,7%	43,5%	43,4%
EBITDA	1.231,9	1.531,7	1.763,4	1.876,9	2.164,7	2.228,0	2.326,0	3.145,8	3.162,8	3.240,2	3.446,4	3.496,9	3.794,2
EBITDA Margin (%)	32,1%	40,7%	38,1%	39,9%	40,2%	41,1%	42,3%	40,9%	41,5%	42,3%	42,7%	43,5%	43,4%
EBIT	674,4	912,3	1.010,0	984,7	1.154,8	1.144,0	1.142,7	1.878,9	1.857,1	1.862,2	1.990,2	1.980,0	2.219,0
EBIT Margin (%)	17,6%	24,2%	21,8%	20,9%	21,5%	21,1%	20,8%	24,5%	24,4%	24,3%	24,7%	24,6%	25,4%
Interest	(119,4)	(172,4)	(256,1)	(289,0)	(337,8)	(388,1)	(430,2)	(437,6)	(436,9)	(444,9)	(472,5)	(501,2)	(501,1)
EBT	505,8	684,2	753,9	695,7	817,0	755,9	712,5	1.441,4	1.420,2	1.417,3	1.517,8	1.478,8	1.717,9
Taxes	(168,6)	(228,1)	(252,5)	(246,2)	(288,7)	(286,0)	(285,7)	(469,7)	(464,3)	(465,5)	(497,6)	(495,0)	(554,7)
Net Income	399,5	512,6	501,4	449,5	528,3	469,9	426,8	971,6	955,9	951,7	1.020,2	983,8	1.163,1
Tax rate (%)	25,0%	25,0%	25,0%	25,0%	25,0%	25,0%	25,0%	25,0%	25,0%	25,0%	25,0%	25,0%	25,0%
+ Depreciation & Amort.	432,5	467,5	513,7	557,5	619,4	753,4	892,3	1.009,9	1.083,9	1.183,3	1.266,9	1.305,7	1.378,1
- Change in NWC			1.159,7	(385,5)	4,8	(253,3)	131,2	(529,3)	(239,9)	183,4	(47,4)	(89,0)	(153,8)
- Capital Expenditures			(4.112,9)	(4.192,7)	(5.293,3)	(3.331,7)	(4.471,6)	(3.759,3)	(1.747,4)	(3.257,3)	(3.514,9)	(2.732,9)	(2.625,2)
+ Proceeds from Borrowings			964,3	3.316,1	3.806,9	3.587,4	3.020,9	882,2	1.170,2	1.655,4	2.512,4	558,2	261,4
- Repayments of Borrowings			(505,1)	(506,3)	(251,7)	(1.652,7)	(355,9)	(1.753,4)	(1.364,1)	(753,4)	(1.220,5)	0,0	0,0
+ Proceeds from Equity Issuance			2.199,9	0,0	0,0	0,0	0,0	2.838,3	0,0	0,0	0,0	0,0	0,0
Levered FCF	938,3	1.151,7	721,1	(761,4)	(585,6)	(427,0)	(356,3)	(339,9)	(141,3)	(36,9)	16,6	25,8	23,6
in % of Net Sales	24,4%	30,6%	15,6%	(16,2%)	(10,9%)	(7,9%)	(6,5%)	(4,4%)	(1,9%)	(0,5%)	0,2%	0,3%	0,3%
Reinvestment Rate, % EBT	(85,5%)	(68,3%)	323,6%	578,0%	571,5%	374,6%	483,9%	227,5%	63,6%	133,4%	151,2%	102,5%	81,6%
Partial Period Adjustment			0,06	1,00	1,00	1,00	1,00	1,00	1,00	1,00	1,00	1,00	1,00
Shares outstanding			109,05	109,05	109,05	109,05	109,05	129,05	129,05	129,05	129,05	129,05	129,05
Partial Shares			1,00	1,00	1,00	1,00	1,00	0,85	0,85	0,85	0,85	0,85	0,85
Adjusted LFCFs			40,1	(761,4)	(585,6)	(427,0)	(356,3)	(287,3)	(119,4)	(31,2)	14,0	21,8	19,9
COE (%)			5,66%	5,66%	5,66%	5,66%	5,66%	5,66%	5,66%	5,66%	5,66%	5,66%	5,66%
Periods for Discounting			0,06	1,06	2,06	3,06	4,06	5,06	6,06	7,06	8,06	9,06	10,06
Discount Factor			1,00	0,94	0,89	0,85	0,80	0,76	0,72	0,68	0,64	0,61	0,58
PV of Adjusted LFCFs			39,9	(718,4)	(523,0)	(360,9)	(285,0)	(217,5)	(85,6)	(21,2)	9,0	13,3	11,4

WACC Calculation	
Financials as of Q2 2026	
Cost of Equity	
Risk-free Rate	3,48%
Unlevered Beta (β_{UL})	0,26
Implied D/E Ratio	90,11%
Relevered Beta	0,50
Market Risk Premium	4,34%
Country Risk Premium (CRP CoE)	0,00%
Inflation Differential	0,00%
Size Premium	0,00%
Cost of Equity (CoE)	5,66%
Cost of Debt	
Risk-free Rate	3,48%
Credit spread	1,70%
Country Risk Premium (CRP CoD)	0,00%
Inflation Differential	0,00%
Size Premium	0,00%
Cost of Debt (CoD)	5,18%
Effective Tax Rate (t)	25,0%
Cost of Debt (After-tax)	3,89%
WACC Calculation	
Net Debt (EoP)	11.320,0
Market Cap, as of 100 dd, YYYY	12.562,1
Implied EV	23.882,1
Equity / Value (capped at 100%)	52,6%
Debt / Value	47,4%
WACC	4,82%

Appendix – Valuation

Base Case: DCF (FY 2050 – FY 2065) & DCF Outcome

DCF Valuation	FY 2050E	FY 2051E	FY 2052E	FY 2053E	FY 2054E	FY 2055E	FY 2056E	FY 2057E	FY 2058E	FY 2059E	FY 2060E	FY 2061E	FY 2062E	FY 2063E	FY 2064E	FY 2065E	TV
Valuation Date: 100 DD, YYYY	Dec 31, 2050	Dec 31, 2051	Dec 31, 2052	Dec 31, 2053	Dec 31, 2054	Dec 31, 2055	Dec 31, 2056	Dec 31, 2057	Dec 31, 2058	Dec 31, 2059	Dec 31, 2060	Dec 31, 2061	Dec 31, 2062	Dec 31, 2063	Dec 31, 2064	Dec 31, 2065	Dec 31, 2066
in € millions																	
Net Sales	10.310,4	10.454,2	10.601,2	10.751,6	10.905,4	11.062,8	11.223,8	11.388,4	11.556,8	11.729,1	11.905,3	12.085,6	12.269,9	12.458,5	12.607,4	12.803,9	
Growth YoY (%)	(5,5%)	1,4%	1,4%	1,4%	1,4%	1,4%	1,5%	1,5%	1,5%	1,5%	1,5%	1,5%	1,5%	1,5%	1,2%	1,6%	
Gross Profit	4.839,9	4.954,5	5.071,8	5.191,7	5.314,5	5.440,2	5.568,7	5.700,3	5.834,9	5.972,7	6.113,6	6.257,9	6.405,5	6.556,5	6.711,1	6.869,4	
Gross Profit Margin (%)	46,9%	47,4%	47,8%	48,3%	48,7%	49,2%	49,6%	50,1%	50,5%	50,9%	51,4%	51,8%	52,2%	52,6%	53,2%	53,7%	
EBITDA	4.839,9	4.954,5	5.071,8	5.191,7	5.314,5	5.440,2	5.568,7	5.700,3	5.834,9	5.972,7	6.113,6	6.257,9	6.405,5	6.556,5	6.711,1	6.869,4	
EBITDA Margin (%)	46,9%	47,4%	47,8%	48,3%	48,7%	49,2%	49,6%	50,1%	50,5%	50,9%	51,4%	51,8%	52,2%	52,6%	53,2%	53,7%	
EBIT	3.343,2	3.423,1	3.504,9	3.588,5	3.674,1	3.761,7	3.851,3	3.943,1	4.036,9	4.133,0	4.231,3	4.331,9	4.434,8	4.540,1	4.647,9	4.758,4	
EBIT Margin (%)	32,4%	32,7%	33,1%	33,4%	33,7%	34,0%	34,3%	34,6%	34,9%	35,2%	35,5%	35,8%	36,1%	36,4%	36,9%	37,2%	
Interest	(412,6)	(404,6)	(391,3)	(377,5)	(365,1)	(357,8)	(354,0)	(348,7)	(340,9)	(335,2)	(333,6)	(333,0)	(332,2)	(331,6)	(331,6)	(331,6)	
EBT	2.930,6	3.018,5	3.113,5	3.211,0	3.309,0	3.403,9	3.497,3	3.594,3	3.696,0	3.797,8	3.897,6	3.998,9	4.102,7	4.208,6	4.316,4	4.426,9	
Taxes	(835,8)	(855,8)	(876,2)	(897,1)	(918,5)	(940,4)	(962,8)	(985,8)	(1.009,2)	(1.033,2)	(1.057,8)	(1.083,0)	(1.108,7)	(1.135,0)	(1.162,0)	(1.189,6)	
Net Income	2.094,8	2.162,7	2.237,3	2.313,9	2.390,4	2.463,4	2.534,5	2.608,6	2.686,8	2.764,6	2.839,8	2.916,0	2.994,0	3.073,5	3.154,4	3.237,3	
Tax rate (%)	25,0%	25,0%	25,0%	25,0%	25,0%	25,0%	25,0%	25,0%	25,0%	25,0%	25,0%	25,0%	25,0%	25,0%	25,0%	25,0%	
+ Depreciation & Amort.	2.073,2	2.121,3	2.170,5	1.496,7	1.531,4	1.566,9	1.603,2	1.640,4	1.678,5	1.717,4	1.757,2	1.798,0	1.839,7	1.882,3	1.926,0	1.970,7	
- Change in NWC	21,2	(22,4)	(22,9)	(23,4)	(23,9)	(24,5)	(25,0)	(25,6)	(26,2)	(26,8)	(27,4)	(28,0)	(28,6)	(29,3)	(20,5)	0,0	
- Capital Expenditures	(1.526,6)	(1.562,0)	(1.598,2)	(1.635,3)	(1.673,2)	(1.712,0)	(1.751,7)	(1.792,4)	(1.833,9)	(1.876,5)	(1.920,0)	(1.964,5)	(2.010,1)	(2.056,7)	(2.104,4)	(2.153,2)	
+ Proceeds from Borrowings	771,5	2.652,9	3.045,5	2.870,0	2.416,8	705,8	936,1	1.324,3	2.009,9	446,6	209,1	89,5	252,7	0,0	0,0	0,0	
- Repayments of Borrowings	(964,3)	(3.316,1)	(3.806,9)	(3.587,4)	(3.020,9)	(882,2)	(1.170,2)	(1.655,4)	(2.512,4)	(558,2)	(261,4)	(111,8)	(315,9)	0,0	0,0	0,0	
+ Proceeds from Equity Issuance	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	
g = 01%																	
Levered FCF	2.469,7	2.036,4	2.025,3	1.434,4	1.620,5	2.117,4	2.126,9	2.100,0	2.002,7	2.467,1	2.597,4	2.699,1	2.731,8	2.869,9	2.955,4	3.054,7	66.277,6
in % of Net Sales	24,0%	19,5%	19,1%	13,3%	14,9%	19,1%	19,0%	18,4%	17,3%	21,0%	21,8%	22,3%	22,3%	23,0%	23,4%	23,9%	
Reinvestment Rate, % EBT	(19,4%)	(17,8%)	(17,6%)	5,0%	5,0%	5,0%	5,0%	4,9%	4,9%	4,9%	4,9%	4,9%	4,9%	4,8%	4,6%	4,1%	
Partial Period Adjustment	1,00	1,00	1,00	1,00	1,00	1,00	1,00	1,00	1,00	1,00	1,00	1,00	1,00	1,00	1,00	1,00	1,00
Shares outstanding	129,05	129,05	129,05	129,05	129,05	129,05	129,05	129,05	129,05	129,05	129,05	129,05	129,05	129,05	129,05	129,05	129,05
Partial Shares	0,85	0,85	0,85	0,85	0,85	0,85	0,85	0,85	0,85	0,85	0,85	0,85	0,85	0,85	0,85	0,85	0,85
Adjusted LFCFs	2.087,0	1.720,8	1.711,4	1.212,1	1.369,3	1.789,2	1.797,3	1.774,5	1.692,3	2.084,7	2.194,9	2.280,7	2.308,4	2.425,1	2.497,4	2.581,3	56.005,6
COE (%)	5,66%	5,66%	5,66%	5,66%	5,66%	5,66%	5,66%	5,66%	5,66%	5,66%	5,66%	5,66%	5,66%	5,66%	5,66%	5,66%	5,66%
Periods for Discounting	25,06	26,06	27,06	28,06	29,06	30,06	31,06	32,06	33,06	34,06	35,06	36,06	37,06	38,06	39,06	40,06	40,06
Discount Factor	0,25	0,24	0,23	0,21	0,20	0,19	0,18	0,17	0,16	0,15	0,15	0,14	0,13	0,12	0,12	0,11	0,11
PV of Adjusted LFCFs	525,9	410,4	386,4	259,0	276,9	342,5	325,6	304,3	274,6	320,2	319,1	313,8	300,6	298,9	291,4	285,0	6.184,3

DCF Outcome		
PV Sum of Adjusted LFCFs	59,2%	8.972,1
PV of Terminal Value	40,8%	6.184,3
Enterprise Value (EV)	100,0%	15.156,3
/ Shares Outstanding		109,0
Implied Price per Share		€ 138,99

Appendix – Valuation

Base Case: Income Statement Forecast (FY 2020 – FY 2035)

Income Statement	FY 2020A	FY 2021A	FY 2022A	FY 2023A	FY 2024A	FY 2025E	FY 2026E	FY 2027E	FY 2028E	FY 2029E	FY 2030E	FY 2031E	FY 2032E	FY 2033E	FY 2034E	FY 2035E
in € millions	31 Dez 2020	31 Dez 2021	31 Dez 2022	31 Dez 2023	31 Dez 2024	31 Dez 2025	31 Dez 2026	31 Dez 2027	31 Dez 2028	31 Dez 2029	31 Dez 2030	31 Dez 2031	31 Dez 2032	31 Dez 2033	31 Dez 2034	31 Dez 2035
Elia Transmission	858,1	1.009,8	1.420,4	1.276,3	1.190,6	1.554,2	1.483,5	1.446,9	1.410,6	1.372,9	1.404,8	1.357,5	1.306,5	1.264,9	1.211,7	1.196,9
50Hertz Transmission	1.353,6	1.569,9	2.222,4	2.553,0	2.566,1	3.078,9	3.225,7	3.935,0	4.009,8	4.121,5	6.277,6	6.263,7	6.359,2	6.807,7	6.824,1	7.542,9
Non-regulate activities & Nemo Link	5,1	28,7	5,9	18,5	84,7	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Consolidation entries & intersegment transaction	(7,2)	(57,1)	(32,7)	(5,3)	(74,4)	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Net Sales	2.209,6	2.551,3	3.616,0	3.842,5	3.767,0	4.633,1	4.709,2	5.381,9	5.420,4	5.494,4	7.682,4	7.621,2	7.665,7	8.072,5	8.035,8	8.739,7
Growth YoY (%)	n.a.	15,5%	41,7%	6,3%	(2,0%)	23,0%	1,6%	14,3%	0,7%	1,4%	39,8%	(0,8%)	0,6%	5,3%	(0,5%)	8,8%
Elia Transmission as % of Net Sales	38,8%	39,6%	39,3%	33,2%	31,6%	33,5%	31,5%	26,9%	26,0%	25,0%	18,3%	17,8%	17,0%	15,7%	15,1%	13,7%
50Hertz Transmission as % of Net Sales	61,3%	61,5%	61,5%	66,4%	68,1%	66,5%	68,5%	73,1%	74,0%	75,0%	81,7%	82,2%	83,0%	84,3%	84,9%	86,3%
Non-regulate activities & Nemo Link as % of Net Sales	0,2%	1,1%	0,2%	0,5%	2,2%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
COGS / OPEX	(1.207,8)	(1.593,1)	(2.542,3)	(2.640,8)	(2.268,5)	(2.869,7)	(2.832,3)	(3.217,1)	(3.192,4)	(3.168,4)	(4.536,6)	(4.458,3)	(4.425,5)	(4.626,1)	(4.538,9)	(4.945,5)
Gross Profit	1.001,8	958,2	1.073,7	1.201,7	1.498,5	1.763,4	1.876,9	2.164,7	2.228,0	2.326,0	3.145,8	3.162,8	3.240,2	3.446,4	3.496,9	3.794,2
Gross Profit Margin (%)	45,3%	37,6%	29,7%	31,3%	39,8%	38,1%	39,9%	40,2%	41,1%	42,3%	40,9%	41,5%	42,3%	42,7%	43,5%	43,4%
+ Share of profit of equity accounted investees (net of tax)	9,2	49,4	39,5	30,2	33,2	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
EBITDA	1.011,0	1.007,6	1.113,2	1.231,9	1.531,7	1.763,4	1.876,9	2.164,7	2.228,0	2.326,0	3.145,8	3.162,8	3.240,2	3.446,4	3.496,9	3.794,2
EBITDA Margin (%)	45,8%	39,5%	30,8%	32,1%	40,7%	38,1%	39,9%	40,2%	41,1%	42,3%	40,9%	41,5%	42,3%	42,7%	43,5%	43,4%
- Depreciations, amortisations and impairments	(432,5)	(467,5)	(513,7)	(557,5)	(619,4)	(753,4)	(892,3)	(1.009,9)	(1.083,9)	(1.183,3)	(1.266,9)	(1.305,7)	(1.378,1)	(1.456,2)	(1.516,9)	(1.575,2)
EBIT	578,5	540,1	599,5	674,4	912,3	1.010,0	984,7	1.154,8	1.144,0	1.142,7	1.878,9	1.857,1	1.862,2	1.990,2	1.980,0	2.219,0
EBIT Margin (%)	26,2%	21,2%	16,6%	17,6%	24,2%	21,8%	20,9%	21,5%	21,1%	20,8%	24,5%	24,4%	24,3%	24,7%	24,6%	25,4%
Financial Result & Other	(141,5)	(106,6)	(43,6)	(119,4)	(172,4)	(256,1)	(289,0)	(337,8)	(388,1)	(430,2)	(437,6)	(436,9)	(444,9)	(472,5)	(501,2)	(501,1)
EBT	437,0	433,5	555,9	555,0	739,9	753,9	695,7	817,0	755,9	712,5	1.441,4	1.420,2	1.417,3	1.517,8	1.478,8	1.717,9
- Taxes	(129,0)	(105,2)	(147,5)	(155,5)	(227,3)	188,5	173,9	204,3	189,0	178,1	360,3	355,1	354,3	379,4	369,7	429,5
Taxes	(129,0)	(105,2)	(147,5)	(155,5)	(227,3)	(188,5)	(173,9)	(204,3)	(189,0)	(178,1)	(360,3)	(355,1)	(354,3)	(379,4)	(369,7)	(429,5)
Tax Rate (%)	29,5%	24,3%	26,5%	28,0%	30,7%											
Net Income	308,0	328,3	408,4	399,5	512,6	565,5	521,8	612,8	566,9	534,4	1.081,0	1.065,2	1.062,9	1.138,3	1.109,1	1.288,4

Appendix – Valuation

Base Case: Income Statement Forecast (FY 2050 – FY 2065)

Income Statement	FY 2050E	FY 2051E	FY 2052E	FY 2053E	FY 2054E	FY 2055E	FY 2056E	FY 2057E	FY 2058E	FY 2059E	FY 2060E	FY 2061E	FY 2062E	FY 2063E	FY 2064E	FY 2065E
in € millions	31 Dez 2050	31 Dez 2051	31 Dez 2052	31 Dez 2053	31 Dez 2054	31 Dez 2055	31 Dez 2056	31 Dez 2057	31 Dez 2058	31 Dez 2059	31 Dez 2060	31 Dez 2061	31 Dez 2062	31 Dez 2063	31 Dez 2064	31 Dez 2065
Elia Transmission	586,4	585,1	584,0	583,1	582,4	581,8	581,4	581,2	581,1	581,2	581,5	582,0	582,6	583,3	582,2	583,7
50Hertz Transmission	9.724,1	9.869,1	10.017,2	10.168,5	10.323,1	10.481,0	10.642,3	10.807,2	10.975,7	11.147,8	11.323,8	11.503,6	11.687,4	11.875,2	12.025,2	12.220,2
Non-regulate activities & Nemo Link	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Consolidation entries & intersegment transaction	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Net Sales	10.310,4	10.454,2	10.601,2	10.751,6	10.905,4	11.062,8	11.223,8	11.388,4	11.556,8	11.729,1	11.905,3	12.085,6	12.269,9	12.458,5	12.607,4	12.803,9
Growth YoY (%)	(5,5%)	1,4%	1,4%	1,4%	1,4%	1,4%	1,5%	1,5%	1,5%	1,5%	1,5%	1,5%	1,5%	1,5%	1,2%	1,6%
Elia Transmission as % of Net Sales	5,7%	5,6%	5,5%	5,4%	5,3%	5,3%	5,2%	5,1%	5,0%	5,0%	4,9%	4,8%	4,7%	4,7%	4,6%	4,6%
50Hertz Transmission as % of Net Sales	94,3%	94,4%	94,5%	94,6%	94,7%	94,7%	94,8%	94,9%	95,0%	95,0%	95,1%	95,2%	95,3%	95,3%	95,4%	95,4%
Non-regulate activities & Nemo Link as % of Net Sales	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
COGS / OPEX	(5.470,5)	(5.499,7)	(5.529,5)	(5.559,9)	(5.590,9)	(5.622,6)	(5.655,0)	(5.688,1)	(5.721,9)	(5.756,4)	(5.791,7)	(5.827,7)	(5.864,4)	(5.902,0)	(5.896,3)	(5.934,5)
Gross Profit	4.839,9	4.954,5	5.071,8	5.191,7	5.314,5	5.440,2	5.568,7	5.700,3	5.834,9	5.972,7	6.113,6	6.257,9	6.405,5	6.556,5	6.711,1	6.869,4
Gross Profit Margin (%)	46,9%	47,4%	47,8%	48,3%	48,7%	49,2%	49,6%	50,1%	50,5%	50,9%	51,4%	51,8%	52,2%	52,6%	53,2%	53,7%
+ Share of profit of equity accounted investees (net oft ax)	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
EBITDA	4.839,9	4.954,5	5.071,8	5.191,7	5.314,5	5.440,2	5.568,7	5.700,3	5.834,9	5.972,7	6.113,6	6.257,9	6.405,5	6.556,5	6.711,1	6.869,4
EBITDA Margin (%)	46,9%	47,4%	47,8%	48,3%	48,7%	49,2%	49,6%	50,1%	50,5%	50,9%	51,4%	51,8%	52,2%	52,6%	53,2%	53,7%
- Depreciations, amortisations and impairments	(1.496,7)	(1.531,4)	(1.566,9)	(1.603,2)	(1.640,4)	(1.678,5)	(1.717,4)	(1.757,2)	(1.798,0)	(1.839,7)	(1.882,3)	(1.926,0)	(1.970,7)	(2.016,4)	(2.063,1)	(2.111,0)
EBIT	3.343,2	3.423,1	3.504,9	3.588,5	3.674,1	3.761,7	3.851,3	3.943,1	4.036,9	4.133,0	4.231,3	4.331,9	4.434,8	4.540,1	4.647,9	4.758,4
EBIT Margin (%)	32,4%	32,7%	33,1%	33,4%	33,7%	34,0%	34,3%	34,6%	34,9%	35,2%	35,5%	35,8%	36,1%	36,4%	36,9%	37,2%
Financial Result & Other	(412,6)	(404,6)	(391,3)	(377,5)	(365,1)	(357,8)	(354,0)	(348,7)	(340,9)	(335,2)	(333,6)	(333,0)	(332,2)	(331,6)	(331,6)	(331,6)
EBT	2.930,6	3.018,5	3.113,5	3.211,0	3.309,0	3.403,9	3.497,3	3.594,3	3.696,0	3.797,8	3.897,6	3.998,9	4.102,7	4.208,6	4.316,4	4.426,9
- Taxes	732,7	754,6	778,4	802,8	827,2	851,0	874,3	898,6	924,0	949,5	974,4	999,7	1.025,7	1.052,1	1.079,1	1.106,7
Taxes	(732,7)	(754,6)	(778,4)	(802,8)	(827,2)	(851,0)	(874,3)	(898,6)	(924,0)	(949,5)	(974,4)	(999,7)	(1.025,7)	(1.052,1)	(1.079,1)	(1.106,7)
Tax Rate (%)																
Net Income	2.198,0	2.263,9	2.335,1	2.408,3	2.481,7	2.552,9	2.623,0	2.695,8	2.772,0	2.848,4	2.923,2	2.999,2	3.077,0	3.156,4	3.237,3	3.320,2

Appendix – Valuation

Base Case: Balance Sheet Forecast (FY 2020 – FY 2035)

Balance Sheet	FY 2020A	FY 2021A	FY 2022A	FY 2023A	FY 2024A	FY 2025E	FY 2026E	FY 2027E	FY 2028E	FY 2029E	FY 2030E	FY 2031E	FY 2032E	FY 2033E	FY 2034E	FY 2035E
in € millions	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK
Non-Current Assets																
Property, Plant & Equipment (PP&E)	10.094,4	10.859,5	11.844,7	13.648,7	17.692,6	21.052,1	24.352,6	28.636,0	30.883,8	34.172,1	36.664,6	37.106,2	38.985,5	41.044,3	42.260,2	43.310,1
Goodwill	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1
Others	538,5	596,9	686,1	760,4	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2
Total Non-Current Assets	13.044,0	13.867,5	14.941,9	16.820,2	21.425,9	24.785,4	28.085,9	32.369,3	34.617,1	37.905,4	40.397,9	40.839,5	42.718,8	44.777,6	45.993,5	47.043,4
Current Assets																
Inventory	39,0	21,6	21,6	42,7	224,6	97,3	96,0	109,1	108,2	107,4	153,8	151,2	150,0	156,8	153,9	167,7
Trade and other receivables	1.475,4	861,3	1.206,2	1.066,2	1.098,4	571,2	580,6	663,5	668,3	677,4	947,1	939,6	945,1	995,2	990,7	1.077,5
Cash and cash equivalents	590,1	3.049,5	4.151,2	1.368,1	2.030,3	1.169,7	815,3	704,7	705,3	747,6	449,7	319,7	269,9	252,4	282,0	241,5
Other Current Assets	17,1	344,4	273,4	93,0	148,4	261,2	265,5	303,5	305,6	309,8	433,2	429,7	432,2	455,2	453,1	492,8
Total Current Assets	2.121,6	4.276,8	5.652,4	2.570,0	3.501,7	2.099,4	1.757,5	1.780,7	1.787,4	1.842,2	1.983,8	1.840,2	1.797,3	1.859,7	1.879,7	1.979,5
Total Assets	15.165,6	18.144,3	20.594,3	19.390,2	24.927,6	26.884,9	29.843,4	34.150,1	36.404,5	39.747,6	42.381,7	42.679,8	44.516,1	46.637,3	47.873,3	49.023,0
Shareholders' Equity																
Share capital	1709,1	1709,2	1823,1	1823,3	1823,3	4.023,2	4.023,2	4.023,2	4.023,2	4.023,2	6.861,5	6.861,5	6.861,5	6.861,5	6.861,5	6.861,5
Share premium	262,4	262,9	738,6	739,1	739,1	739,1	739,1	739,1	739,1	739,1	739,1	739,1	739,1	739,1	739,1	739,1
Other reserves	169,7	369,3	290,4	79,3	209,8	209,8	209,8	209,8	209,8	209,8	209,8	209,8	209,8	209,8	209,8	209,8
Retained earnings	1330,5	1509,2	1766,2	1930,9	2268,1	2.833,6	3.355,3	3.968,1	4.535,0	5.069,4	5.826,1	6.571,7	7.315,8	8.112,6	8.889,0	9.790,8
Equity attributable to hybrid securities holders	701,4	701,4	701,4	515,9	515,9	515,9	515,9	515,9	515,9	515,9	515,9	515,9	515,9	515,9	515,9	515,9
Non-controlling interest	326,9	386,4	436,7	428,8	621,2	621,2	621,2	621,2	621,2	621,2	621,2	621,2	621,2	621,2	621,2	621,2
Total Shareholders' Equity	4.500,0	4.938,4	5.756,4	5.517,3	6.177,4	8.942,8	9.464,5	10.077,3	10.644,2	11.178,6	14.773,6	15.519,2	16.263,3	17.060,1	17.836,5	18.738,4
Non-Current Liabilities																
Loans and borrowings	7249,6	7741,7	7715,6	9254,8	13968,8	14.428,0	17.237,9	20.793,1	22.727,8	25.392,9	24.521,7	24.327,7	25.229,7	26.521,5	27.079,7	27.341,1
Employee benefits	130,1	104,9	75	87,1	61,4	61,4	61,4	61,4	61,4	61,4	61,4	61,4	61,4	61,4	61,4	61,4
Long-term provisions	133,3	125,6	146,2	165,9	172,1	172,1	172,1	172,1	172,1	172,1	172,1	172,1	172,1	172,1	172,1	172,1
Deferred tax liabilities	89,5	209,7	223,7	146,9	301,9	301,9	301,9	301,9	301,9	301,9	301,9	301,9	301,9	301,9	301,9	301,9
Other non-current liabilities	221,1	289,4	387,6	380,1	395	395,0	395,0	395,0	395,0	395,0	395,0	395,0	395,0	395,0	395,0	395,0
Total Non-Current Liabilities	7.823,6	8.471,3	8.548,1	10.034,8	14.899,2	15.358,4	18.168,3	21.723,5	23.658,2	26.323,3	25.452,1	25.258,1	26.160,1	27.451,9	28.010,1	28.271,5
Current Liabilities																
Short term borrowings	805,5	194	867,2	755,2	859,7	859,7	859,7	859,7	859,7	859,7	859,7	859,7	859,7	859,7	859,7	859,7
Short-term provisions	7,4	7,7	8,6	8,4	8,9	8,9	8,9	8,9	8,9	8,9	8,9	8,9	8,9	8,9	8,9	8,9
Trade and other payables	1022,7	3723,2	4830,8	2372	2168,8	901,5	528,4	667,1	419,9	563,5	473,8	220,2	410,5	443,0	344,4	330,8
Derivatives	0	0	0	0	2,3	2,3	2,3	2,3	2,3	2,3	2,3	2,3	2,3	2,3	2,3	2,3
Accruals and deferred income	1006,4	809,7	583,2	702,5	811,3	811,3	811,3	811,3	811,3	811,3	811,3	811,3	811,3	811,3	811,3	811,3
Total Current Liabilities	2.842,0	4.734,6	6.289,8	3.838,1	3.851,0	2.583,7	2.210,6	2.349,3	2.102,1	2.245,7	2.156,0	1.902,4	2.092,7	2.125,2	2.026,6	2.013,0
Total Liabilities and Equity	15.165,6	18.144,3	20.594,3	19.390,2	24.927,6	26.884,9	29.843,4	34.150,1	36.404,5	39.747,6	42.381,7	42.679,8	44.516,1	46.637,3	47.873,3	49.023,0

Appendix – Valuation

Base Case: Balance Sheet Forecast (FY 2050 – FY 2065)

Balance Sheet	FY 2050E	FY 2051E	FY 2052E	FY 2053E	FY 2054E	FY 2055E	FY 2056E	FY 2057E	FY 2058E	FY 2059E	FY 2060E	FY 2061E	FY 2062E	FY 2063E	FY 2064E	FY 2065E
in € millions	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK
Non-Current Assets																
Property, Plant & Equipment (PP&E)	43.753,6	43.784,3	43.815,6	43.847,7	43.880,5	43.914,0	43.948,4	43.983,5	44.019,5	44.056,3	44.093,9	44.132,5	44.171,9	44.212,2	44.253,5	44.295,7
Goodwill	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1	2.411,1
Others	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2	1.322,2
Total Non-Current Assets	47.486,9	47.517,6	47.548,9	47.581,0	47.613,8	47.647,3	47.681,7	47.716,8	47.752,8	47.789,6	47.827,2	47.865,8	47.905,2	47.945,5	47.986,8	48.029,0
Current Assets																
Inventory	185,5	186,5	187,5	188,5	189,6	190,6	191,7	192,9	194,0	195,2	196,4	197,6	198,8	200,1	199,9	201,2
Trade and other receivables	1.271,2	1.288,9	1.307,0	1.325,5	1.344,5	1.363,9	1.383,8	1.404,1	1.424,8	1.446,1	1.467,8	1.490,0	1.512,7	1.536,0	1.554,3	1.578,6
Cash and cash equivalents	10.307,7	9.817,9	9.235,8	8.703,7	8.291,0	8.311,8	8.280,7	8.158,5	7.871,1	7.980,7	8.155,8	8.366,8	8.543,3	8.789,3	9.051,2	9.310,6
Other Current Assets	581,4	589,5	597,8	606,3	614,9	623,8	632,9	642,2	651,7	661,4	671,3	681,5	691,9	702,5	710,9	722,0
Total Current Assets	12.345,7	11.882,7	11.328,1	10.824,0	10.440,0	10.490,2	10.489,1	10.397,6	10.141,6	10.283,3	10.491,2	10.735,9	10.946,7	11.227,9	11.516,4	11.812,3
Total Assets	59.832,7	59.400,3	58.877,0	58.405,0	58.053,8	58.137,5	58.170,8	58.114,4	57.894,4	58.072,9	58.318,4	58.601,6	58.851,9	59.173,4	59.503,1	59.841,3
Shareholders' Equity																
Share capital	6.861,5	6.861,5	6.861,5	6.861,5	6.861,5	6.861,5	6.861,5	6.861,5	6.861,5	6.861,5	6.861,5	6.861,5	6.861,5	6.861,5	6.861,5	6.861,5
Share premium	739,1	739,1	739,1	739,1	739,1	739,1	739,1	739,1	739,1	739,1	739,1	739,1	739,1	739,1	739,1	739,1
Other reserves	209,8	209,8	209,8	209,8	209,8	209,8	209,8	209,8	209,8	209,8	209,8	209,8	209,8	209,8	209,8	209,8
Retained earnings	21.712,9	21.939,3	22.172,8	22.413,6	22.661,8	22.917,1	23.179,4	23.448,9	23.726,1	24.011,0	24.303,3	24.603,2	24.910,9	25.226,6	25.550,3	25.882,3
Equity attributable to hybrid securities holders	515,9	515,9	515,9	515,9	515,9	515,9	515,9	515,9	515,9	515,9	515,9	515,9	515,9	515,9	515,9	515,9
Non-controlling interest	621,2	621,2	621,2	621,2	621,2	621,2	621,2	621,2	621,2	621,2	621,2	621,2	621,2	621,2	621,2	621,2
Total Shareholders' Equity	30.660,4	30.886,8	31.120,3	31.361,2	31.609,3	31.864,6	32.126,9	32.396,5	32.673,7	32.958,5	33.250,8	33.550,8	33.858,5	34.174,1	34.497,8	34.829,9
Non-Current Liabilities																
Loans and borrowings	26.367,2	25.704,0	24.942,6	24.225,1	23.621,0	23.444,5	23.210,5	22.879,4	22.376,9	22.265,3	22.213,0	22.190,7	22.127,5	22.127,5	22.127,5	22.127,5
Employee benefits	61,4	61,4	61,4	61,4	61,4	61,4	61,4	61,4	61,4	61,4	61,4	61,4	61,4	61,4	61,4	61,4
Long-term provisions	172,1	172,1	172,1	172,1	172,1	172,1	172,1	172,1	172,1	172,1	172,1	172,1	172,1	172,1	172,1	172,1
Deferred tax liabilities	301,9	301,9	301,9	301,9	301,9	301,9	301,9	301,9	301,9	301,9	301,9	301,9	301,9	301,9	301,9	301,9
Other non-current liabilities	395,0	395,0	395,0	395,0	395,0	395,0	395,0	395,0	395,0	395,0	395,0	395,0	395,0	395,0	395,0	395,0
Total Non-Current Liabilities	27.297,6	26.634,4	25.873,0	25.155,5	24.551,4	24.374,9	24.140,9	23.809,8	23.307,3	23.195,7	23.143,4	23.121,1	23.057,9	23.057,9	23.057,9	23.057,9
Current Liabilities																
Short term borrowings	859,7	859,7	859,7	859,7	859,7	859,7	859,7	859,7	859,7	859,7	859,7	859,7	859,7	859,7	859,7	859,7
Short-term provisions	8,9	8,9	8,9	8,9	8,9	8,9	8,9	8,9	8,9	8,9	8,9	8,9	8,9	8,9	8,9	8,9
Trade and other payables	192,4	196,9	201,4	206,1	210,9	215,8	220,8	225,9	231,1	236,5	242,0	247,6	253,3	259,2	265,2	271,4
Derivatives	2,3	2,3	2,3	2,3	2,3	2,3	2,3	2,3	2,3	2,3	2,3	2,3	2,3	2,3	2,3	2,3
Accruals and deferred income	811,3	811,3	811,3	811,3	811,3	811,3	811,3	811,3	811,3	811,3	811,3	811,3	811,3	811,3	811,3	811,3
Total Current Liabilities	1.874,6	1.879,1	1.883,6	1.888,3	1.893,1	1.898,0	1.903,0	1.908,1	1.913,3	1.918,7	1.924,2	1.929,8	1.935,5	1.941,4	1.947,4	1.953,6
Total Liabilities and Equity	59.832,7	59.400,3	58.877,0	58.405,0	58.053,8	58.137,5	58.170,8	58.114,4	57.894,4	58.072,9	58.318,4	58.601,6	58.851,9	59.173,4	59.503,1	59.841,3

Appendix – Valuation

Base Case: Cashflow Forecast (FY 2020 – FY 2035)

Cashflow	FY 2020A	FY 2021A	FY 2022A	FY 2023A	FY 2024A	FY 2025E	FY 2026E	FY 2027E	FY 2028E	FY 2029E	FY 2030E	FY 2031E	FY 2032E	FY 2033E	FY 2034E	FY 2035E
in € millions	31 Dez 2020	31 Dez 2021	31 Dez 2022	31 Dez 2023	31 Dez 2024	31 Dez 2025	31 Dez 2026	31 Dez 2027	31 Dez 2028	31 Dez 2029	31 Dez 2030	31 Dez 2031	31 Dez 2032	31 Dez 2033	31 Dez 2034	31 Dez 2035
EBT	437,0	433,5	555,9	555,0	739,9	753,9	695,7	817,0	755,9	712,5	1.441,4	1.420,2	1.417,3	1.517,8	1.478,8	1.717,9
+ Depreciation & Amortization	433,8	468,3	514,5	562,1	618,6	753,4	892,3	1.009,9	1.083,9	1.183,3	1.266,9	1.305,7	1.378,1	1.456,2	1.516,9	1.575,2
+ Asset Disposal & Fair-Value Effects	8,6	17,5	-6,3	16,5	14	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
+ Equity-Accounted & Other Non-Operating Results	-7,2	-47,3	-35,6	-29,7	-30,8	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
- Additions to LT Provisions	-4,8	1,5	-10,5	-5,9	-4,2	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
+ Deferred Taxes	0,8	10,5	35,4	33,6	76,2	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Cash Earnings	868,2	884,0	1.053,4	1.131,6	1.413,7	1.507,4	1.587,9	1.826,9	1.839,8	1.895,8	2.708,2	2.725,9	2.795,3	2.974,0	2.995,7	3.293,1
+/- Chg. in Accounts Receivables	-1060,8	639,9	-314,7	159,8	-71,4	527,2	(9,4)	(82,9)	(4,8)	(9,1)	(269,8)	7,5	(5,5)	(50,2)	4,5	(86,8)
+/- Chg. in Inventory	-14,9	17	-0,3	-21,5	-182,4	127,3	1,3	(13,0)	0,8	0,8	(46,4)	2,7	1,1	(6,8)	3,0	(13,8)
+/- Chg. in Accounts Payables	-258,6	2645	1188,1	-2805,4	-112,3	(1.267,3)	(373,1)	138,7	(247,2)	143,7	(89,8)	(253,6)	190,3	32,5	(98,6)	(13,6)
+/- Chg. in Other Current Operating Assets	-0,5	-0,7	-3,7	6,6	-24,7	(112,8)	(4,3)	(37,9)	(2,2)	(4,2)	(123,4)	3,5	(2,5)	(22,9)	2,1	(39,7)
+/- Chg. in Other Current Operating Liabilities	-106,3	-119,8	-243,1	180,5	137,1	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Cash from Working Capital	(1.441,1)	3.181,4	626,3	(2.480,0)	(253,7)	(725,7)	(385,5)	4,8	(253,3)	131,2	(529,3)	(239,9)	183,4	(47,4)	(89,0)	(153,8)
- Income Taxes paid	(166,0)	(97,5)	(164,6)	(192,8)	(229,0)	(188,5)	(173,9)	(204,3)	(189,0)	(178,1)	(360,3)	(355,1)	(354,3)	(379,4)	(369,7)	(429,5)
Additional Interest Paid / Received	2,4	-14,5	-83,9	31,9	1,7	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Net Cash Flow from Operating Activities	(736,5)	3.953,4	1.431,2	(1.509,3)	932,7	593,2	1.028,6	1.627,5	1.397,6	1.848,9	1.818,6	2.130,9	2.624,4	2.547,1	2.537,0	2.709,8
- Capital Expenditure	(1.082,3)	(1.220,3)	(1.571,1)	(2.313,8)	(4.675,9)	(4.112,9)	(4.192,7)	(5.293,3)	(3.331,7)	(4.471,6)	(3.759,3)	(1.747,4)	(3.257,3)	(3.514,9)	(2.732,9)	(2.625,2)
+/- Equity Investments & Disposals	1,2	34,0	81,3	0,0	(230,4)	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
- Financial Investments & Funding to Affiliates	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
+ Investment Income & Asset Disposals	31,9	32,9	35,4	26,7	37,9	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Net Cash Flow from Investing Activities	(1.049,2)	(1.153,4)	(1.454,4)	(2.287,1)	(4.868,4)	(4.112,9)	(4.192,7)	(5.293,3)	(3.331,7)	(4.471,6)	(3.759,3)	(1.747,4)	(3.257,3)	(3.514,9)	(2.732,9)	(2.625,2)
Equity Issuance & Equity Movements	5	-0,1	636,9	20,3	112,4	2.199,9	0,0	0,0	0,0	0,0	2.838,3	0,0	0,0	0,0	0,0	0,0
Dividends	-140	-141,5	-144,3	-166,4	-182,3	0,0	0,0	0,0	0,0	0,0	(324,3)	(319,5)	(318,9)	(341,5)	(332,7)	(386,5)
Repayment of Borrowings	-1319,5	-737,7	-95,8	-787,1	-639,9	(505,1)	(506,3)	(251,7)	(1.652,7)	(355,9)	(1.753,4)	(1.364,1)	(753,4)	(1.220,5)	0,0	0,0
Proceeds of Borrowings	2874,5	558	747,4	2162,9	5337	964,3	3.316,1	3.806,9	3.587,4	3.020,9	882,2	1.170,2	1.655,4	2.512,4	558,2	261,4
Hybrid Capital	-19,3	-19,3	-19,3	-216,4	-29,3	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Net Cash Flow from Financing Activities	1.400,7	(340,6)	1.124,9	1.013,3	4.597,9	2.659,1	2.809,8	3.555,2	1.934,7	2.665,0	1.642,8	(513,5)	583,1	950,4	225,5	(125,1)
Effects of exchange rate changes on C&CE																
Net change in cash and cash equivalents	(385,0)	2.459,4	1.101,7	(2.783,1)	662,2	(860,6)	(354,3)	(110,7)	0,6	42,3	(297,9)	(129,9)	(49,8)	(17,5)	29,6	(40,5)

Appendix – Valuation

Base Case: Cashflow Forecast (FY 2050 – FY 2065)

Cashflow	FY 2050E	FY 2051E	FY 2052E	FY 2053E	FY 2054E	FY 2055E	FY 2056E	FY 2057E	FY 2058E	FY 2059E	FY 2060E	FY 2061E	FY 2062E	FY 2063E	FY 2064E	FY 2065E
in € millions	31 Dez 2050	31 Dez 2051	31 Dez 2052	31 Dez 2053	31 Dez 2054	31 Dez 2055	31 Dez 2056	31 Dez 2057	31 Dez 2058	31 Dez 2059	31 Dez 2060	31 Dez 2061	31 Dez 2062	31 Dez 2063	31 Dez 2064	31 Dez 2065
EBT	2.930,6	3.018,5	3.113,5	3.211,0	3.309,0	3.403,9	3.497,3	3.594,3	3.696,0	3.797,8	3.897,6	3.998,9	4.102,7	4.208,6	4.316,4	4.426,9
+ Depreciation & Amortization	1.496,7	1.531,4	1.566,9	1.603,2	1.640,4	1.678,5	1.717,4	1.757,2	1.798,0	1.839,7	1.882,3	1.926,0	1.970,7	2.016,4	2.063,1	2.111,0
+ Asset Disposal & Fair-Value Effects	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
+ Equity-Accounted & Other Non-Operating Results	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
- Additions to LT Provisions	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
+ Deferred Taxes	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Cash Earnings	4.427,3	4.549,9	4.680,4	4.814,2	4.949,4	5.082,3	5.214,7	5.351,6	5.494,0	5.637,5	5.780,0	5.924,9	6.073,3	6.225,0	6.379,5	6.537,9
+/- Chg. in Accounts Receivables	74,1	(17,7)	(18,1)	(18,5)	(19,0)	(19,4)	(19,8)	(20,3)	(20,8)	(21,2)	(21,7)	(22,2)	(22,7)	(23,3)	(18,4)	(24,2)
+/- Chg. in Inventory	(0,2)	(1,0)	(1,0)	(1,0)	(1,1)	(1,1)	(1,1)	(1,1)	(1,1)	(1,2)	(1,2)	(1,2)	(1,2)	(1,3)	0,2	(1,3)
+/- Chg. in Accounts Payables	(86,6)	4,5	4,6	4,7	4,8	4,9	5,0	5,1	5,2	5,4	5,5	5,6	5,7	5,9	6,0	6,2
+/- Chg. in Other Current Operating Assets	33,9	(8,1)	(8,3)	(8,5)	(8,7)	(8,9)	(9,1)	(9,3)	(9,5)	(9,7)	(9,9)	(10,2)	(10,4)	(10,6)	(8,4)	(11,1)
+/- Chg. in Other Current Operating Liabilities	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Cash from Working Capital	21,2	(22,4)	(22,9)	(23,4)	(23,9)	(24,5)	(25,0)	(25,6)	(26,2)	(26,8)	(27,4)	(28,0)	(28,6)	(29,3)	(20,5)	(30,5)
- Income Taxes paid	(732,7)	(754,6)	(778,4)	(802,8)	(827,2)	(851,0)	(874,3)	(898,6)	(924,0)	(949,5)	(974,4)	(999,7)	(1.025,7)	(1.052,1)	(1.079,1)	(1.106,7)
Additional Interest Paid / Received	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Net Cash Flow from Operating Activities	3.715,9	3.772,9	3.879,2	3.988,1	4.098,2	4.206,9	4.315,4	4.427,4	4.543,8	4.661,3	4.778,2	4.897,2	5.019,0	5.143,5	5.279,9	5.400,7
- Capital Expenditure	(1.526,6)	(1.562,0)	(1.598,2)	(1.635,3)	(1.673,2)	(1.712,0)	(1.751,7)	(1.792,4)	(1.833,9)	(1.876,5)	(1.920,0)	(1.964,5)	(2.010,1)	(2.056,7)	(2.104,4)	(2.153,2)
+/- Equity Investments & Disposals	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
- Financial Investments & Funding to Affiliates	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
+ Investment Income & Asset Disposals	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Net Cash Flow from Investing Activities	(1.526,6)	(1.562,0)	(1.598,2)	(1.635,3)	(1.673,2)	(1.712,0)	(1.751,7)	(1.792,4)	(1.833,9)	(1.876,5)	(1.920,0)	(1.964,5)	(2.010,1)	(2.056,7)	(2.104,4)	(2.153,2)
Equity Issuance & Equity Movements	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Dividends	(1.978,2)	(2.037,5)	(2.101,6)	(2.167,4)	(2.233,5)	(2.297,6)	(2.360,7)	(2.426,2)	(2.494,8)	(2.563,5)	(2.630,9)	(2.699,3)	(2.769,3)	(2.840,8)	(2.913,5)	(2.988,1)
Repayment of Borrowings	(964,3)	(3.316,1)	(3.806,9)	(3.587,4)	(3.020,9)	(882,2)	(1.170,2)	(1.655,4)	(2.512,4)	(558,2)	(261,4)	(111,8)	(315,9)	0,0	0,0	0,0
Proceeds of Borrowings	771,5	2.652,9	3.045,5	2.870,0	2.416,8	705,8	936,1	1.324,3	2.009,9	446,6	209,1	89,5	252,7	0,0	0,0	0,0
Hybrid Capital	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Net Cash Flow from Financing Activities	(2.171,0)	(2.700,7)	(2.863,0)	(2.884,9)	(2.837,7)	(2.474,0)	(2.594,7)	(2.757,3)	(2.997,3)	(2.675,2)	(2.683,2)	(2.721,6)	(2.832,5)	(2.840,8)	(2.913,5)	(2.988,1)
Effects of exchange rate changes on C&CE																
Net change in cash and cash equivalents	18,2	(489,8)	(582,1)	(532,1)	(412,7)	20,8	(31,1)	(122,2)	(287,4)	109,6	175,0	211,0	176,5	246,0	261,9	259,3

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