



**Unaudited Interim Consolidated Financial  
Statements Vier Gas Transport GmbH  
as of 30 June 2018**

**August 2018**



## Disclaimer

The information in this presentation is being made available by Vier Gas Transport GmbH (“**Vier Gas**”) for information purposes only. It does not constitute an investment advice, an offer, solicitation, or recommendation to subscribe, purchase or sell any securities of Vier Gas, or any of its subsidiaries and affiliates (the “**Group**”), in any way.

This presentation includes financial information taken from the condensed interim consolidated financial statements of Vier Gas for the period 1 January to 30 June, 2018. These condensed interim consolidated financial statements have not been audited. They have been prepared with due regard to the accounting policies and principles applied in the audited consolidated financial statements of Vier Gas for the period ending 31 December 2017 unless indicated otherwise which can be found on our website [www.viergas.de](http://www.viergas.de) for a more comprehensive view.

### **No warranty or liability**

Although this presentation has been arranged very meticulously concerning its content, its information and its statements, neither Vier Gas nor any member of the Group nor any of their respective directors, officers or employees or any other person provides a guarantee, express or implied, or assumes any liability in relation to the fairness, accuracy, completeness or reasonableness of this presentation and/or the information and statements contained herein. In particular, it is possible that the information and the statements may be incomplete, shortened and may not contain all the information which might be of great value to a person receiving this presentation. Unless explicitly confirmed otherwise in writing by Vier Gas, no one can rely on this presentation.

### **In particular no reliance on forward-looking statements or projections, expectations, estimates or prospects**

This presentation contains forward-looking statements. By their nature, forward-looking statements involve a number of unknown risks, uncertainties and assumptions that could cause actual results, performance, achievements, outcome and financial effects of the plans and events described in this presentation to differ materially from those expressed or implied by the forward-looking statements. None of the future projections, expectations, estimates or prospects in this presentation should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive.

### **No obligation to update or to carry out transactions**

The presentation speaks only as of its date. This presentation might be subject to amendment, revision and updating without notice, but neither Vier Gas nor any member of the Group, nor any of their respective advisers and/or agents, undertake any obligation to provide the investors with access to any additional information, or to update or revise this presentation or any information contained in it, including forward-looking statements, or to correct any inaccuracies in any such information which may become apparent.

### **Nondisclosure/restrictions by law**

The distribution or possession of this presentation in or from certain jurisdictions may be restricted by law. Persons into whose possession this presentation comes are required to inform them about and to observe any such restrictions. Neither Vier Gas nor any member of the Group nor any of their respective directors, officers or employees or any other person accept any liability to any person in relation to the distribution or possession of this presentation in or from any jurisdiction.

## Key Messages

### Result of Operations 1<sup>st</sup> Half 2018

- EBITDA per Q2 2018 at €279m significantly above prior year
  - Transport revenues above prior year level
  - Operating and other expenses slightly below prior year
- Substantial investment programme on track:
  - CAPEX at €164m significantly below prior year based on timing effects
  - More than 80% of Group CAPEX related to grid development
- Successful extension of VGT's €600m Revolving Credit Facility (RCF) for one year<sup>1</sup>

### Outlook Full Year 2018

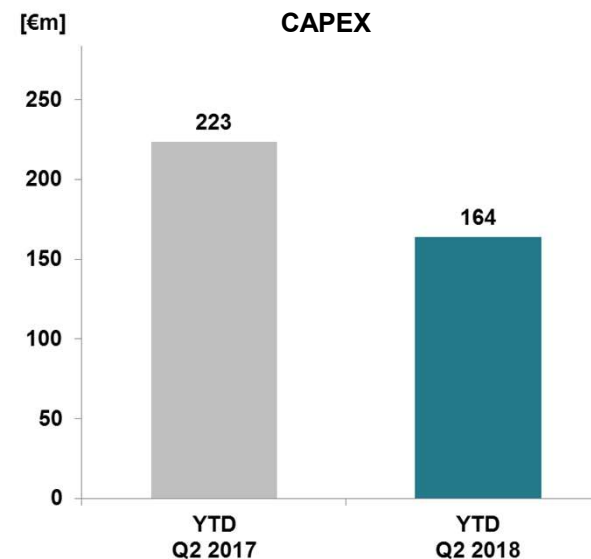
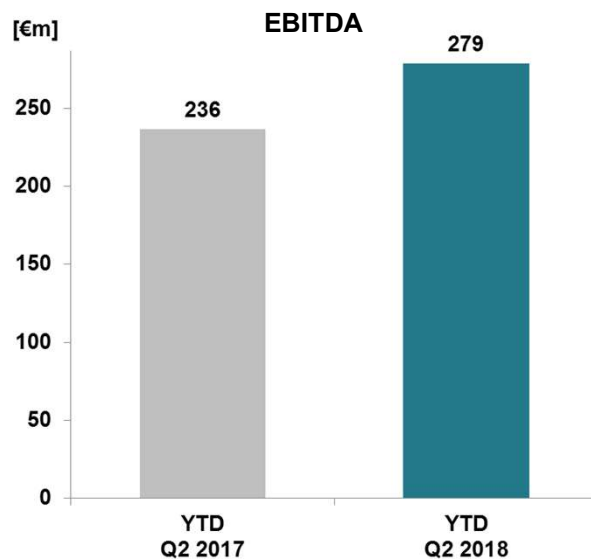
Full year Outlook 2018 adjusted:

- Transport revenues expected above allowed revenue cap
- EBITDA Outlook 2018 improved to: €440-500m (prior Outlook: €400-460m)
- CAPEX Outlook 2018 unchanged at: €480-540m

<sup>1</sup> Termination date extended with effect as of 4 August 2018, new maturity: 2023

## EBITDA of VGT Group per Q2 2018 Significantly Above Prior Year

### Key Financials 1<sup>st</sup> Half of 2018 (€m)<sup>1</sup>



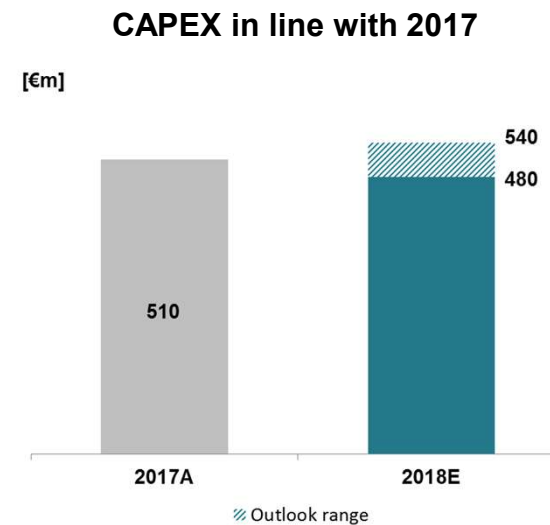
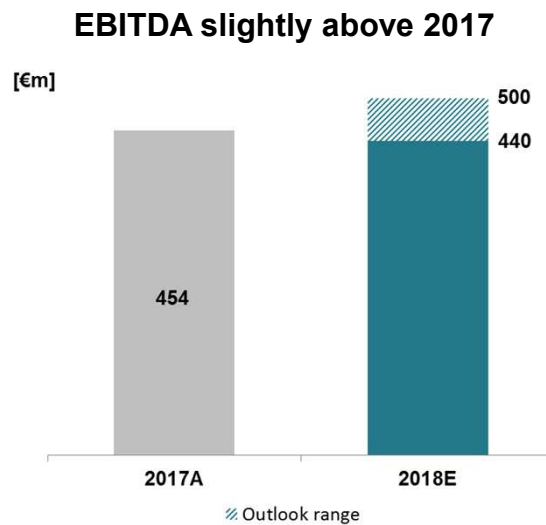
### Comments

- Transport revenues above prior year level
    - Planned tariff increase
    - Higher volumes than anticipated
  - Service revenues slightly above prior year
  - Operating and other expenses slightly below prior year
- CAPEX significantly below prior year due to timing effects
  - Main projects (NDP<sup>2</sup>):
    - Pipeline Schwandorf-Forchheim-Finsing
    - Compressor station (CS) Herbstein
    - Machine units at CS Werne

<sup>1</sup> IFRS Condensed Interim Consolidated Financial Statements of Vier Gas Transport GmbH as of 30 June 2018. Aggregated figures may contain rounding differences.

<sup>2</sup> NDP = Network Development Plan

## EBITDA & CAPEX Outlook 2018



- 2018 characterised by stable EBITDA and high level of investments due to NDP
- Regulatory decisions on major parameters for 3<sup>rd</sup> RP (2018-2022)
  - Decision on revenue cap 2018-2022 received, result in line with expectations
  - Pending issues: Decision on regulatory account balance & outcome of complaint proceedings regarding general efficiency factor and return on equity

## VGT Group Income Statement

1<sup>st</sup> Half of 2018 (€m)<sup>1</sup>

Income Statement			
[€m]	YTD Q2 2018	YTD Q2 2017	Δ
Transport & related revenues	450	417	+33
Other revenues	54	52	+2
<b>Total revenues</b>	<b>504</b>	<b>469</b>	<b>+35</b>
Other income	17	19	-1
Cost of materials	-137	-135	-2
Personnel costs	-79	-79	-0
Other expenses	-33	-40	+7
Equity income	6	2	+3
<b>EBITDA</b>	<b>279</b>	<b>236</b>	<b>+42</b>
Depreciation	-72	-77	+5
<b>EBIT</b>	<b>207</b>	<b>160</b>	<b>+47</b>
Interest result	-27	-32	+5
Current taxes	-62	-49	-12
Deferred taxes	10	12	-2
<b>Net Income</b>	<b>128</b>	<b>90</b>	<b>+37</b>

<sup>1</sup> IFRS Condensed Interim Consolidated Financial Statements of Vier Gas Transport GmbH as of 30 June 2018. Aggregated figures may contain rounding differences.

## VGT Group Balance Sheet

1<sup>st</sup> Half of 2018 (€m)<sup>1</sup>

### Balance Sheet

[€m]	Assets			Equity and Liabilities			[€m]
	Q2 2018	Q4 2017	Δ	Q2 2018	Q4 2017	Δ	
<b>Non-current assets</b>				<b>Equity</b>			
Intangible assets	40	42	-2	Subscribed capital	0	0	+0
Goodwill	830	830	+0	Additional paid-in capital	926	926	+0
Property, plant and equipment	3.422	3.346	+76	Retained earnings	188	140	+49
Financial assets	146	154	-8	Accumulated OCI	-2	-2	+0
<i>at equity method</i>	113	121	-8	<b>Total equity</b>	<b>1.112</b>	<b>1.064</b>	<b>+49</b>
<i>other financial assets</i>	32	33	-0	<b>Non-current liabilities</b>			
Deferred tax assets	27	27	+0	Provisions for pensions	140	130	+10
Non-current receivables	39	40	-1	Other provisions	95	93	+3
<b>Total non-current assets</b>	<b>4.505</b>	<b>4.439</b>	<b>+66</b>	Financial liabilities	2.554	2.553	+1
<b>Current assets</b>				Other non-current liabilities	29	29	-0
Inventories	35	30	+4	Deferred tax liabilities	483	493	-10
Trade receivables	24	34	-10	<b>Total non-current liabilities</b>	<b>3.302</b>	<b>3.298</b>	<b>+3</b>
Receivables from tax creditors	5	14	-8	<b>Current liabilities</b>			
Other receivables	51	37	+14	Other provisions	31	34	-3
Cash and cash equivalents	151	106	+45	Financial liabilities	181	108	+73
<b>Total current assets</b>	<b>266</b>	<b>221</b>	<b>+45</b>	Trade payables	44	82	-38
				Income tax liabilities	1	0	+1
				Other liabilities	99	74	+26
				<b>Total current liabilities</b>	<b>357</b>	<b>298</b>	<b>+59</b>
<b>Total</b>	<b>4.771</b>	<b>4.660</b>	<b>+111</b>	<b>Total</b>	<b>4.771</b>	<b>4.660</b>	<b>+111</b>

<sup>1</sup> IFRS Condensed Interim Consolidated Financial Statements of Vier Gas Transport GmbH as of 30 June 2018. Aggregated figures may contain rounding differences.

## VGT Group Cash Flow Statement

1<sup>st</sup> Half of 2018 (€m)<sup>1</sup>

Cash Flow Statement			
[€m]	YTD Q2 2018	YTD Q2 2017	Δ
<b>Net Income</b>	<b>128</b>	<b>90</b>	<b>+ 37</b>
<b>Operating Cash Flow</b>	<b>263</b>	<b>191</b>	<b>+ 72</b>
<b>Investing Cash Flow</b>	<b>-175</b>	<b>-204</b>	<b>+ 29</b>
<b>Free Cash Flow</b>	<b>87</b>	<b>-13</b>	<b>+ 101</b>
<b>Financing Cash Flow</b>	<b>-43</b>	<b>-23</b>	<b>- 20</b>
<b>Total Cash Flow of the period</b>	<b>45</b>	<b>-36</b>	<b>+ 81</b>
Cash Position beginning of period (01.01.)	106	189	- 83
<b>Cash Position end of period (30.06.)</b>	<b>151</b>	<b>153</b>	<b>- 2</b>

<sup>1</sup> IFRS Condensed Interim Consolidated Financial Statements of Vier Gas Transport GmbH as of 30 June 2018. Aggregated figures may contain rounding differences.



## Treasury Contacts & Ongoing Investor Engagement

### Contacts



**Axel Berndt**

Head of Finance, Accounting & Tax



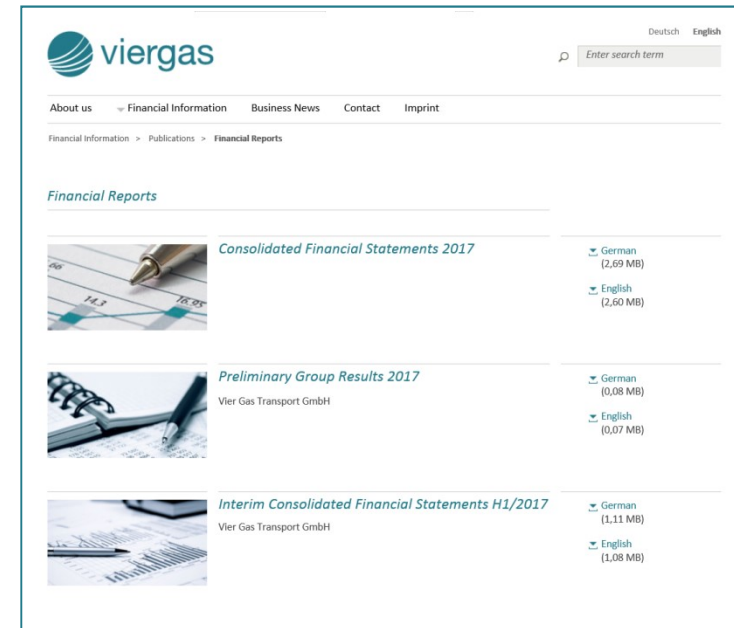
**Sebastian Brauer**

Head of Corporate Finance & Treasury

### Viergas Website



The screenshot shows the Viergas website homepage. At the top, there is a search bar and navigation links for 'About us', 'Financial Information', 'Contact', and 'Imprint'. The main content area features a large image of gas pipelines with the text: 'Vier Gas Transport GmbH is the sole owner of Open Grid Europe, Germany's leading natural gas carrier with a gas transmission network of around 12,000 km in length. With its modern and efficient pipeline network and comprehensive range of services, Open Grid Europe offers and arranges future-orientated gas transmission solutions. Vier Gas Transport GmbH acquired 100% of the shares in Open Grid Europe from E.ON Ruhrgas AG, Essen, on 23 July 2012.' Below this, there are sections for 'Publications' and 'Contact'. The footer includes copyright information and additional navigation links.



The screenshot shows the 'Financial Reports' page on the Viergas website. It features a list of reports with download options in German and English. The reports listed are:

- Consolidated Financial Statements 2017**
  - German (2,69 MB)
  - English (2,60 MB)
- Preliminary Group Results 2017**
  - German (0,08 MB)
  - English (0,07 MB)
- Interim Consolidated Financial Statements H1/2017**
  - German (1,11 MB)
  - English (1,08 MB)

### Email

info@viergas.de

### Phone

+49 201 384 58 740

### Website

www.viergas.de