



Investor Conference Call

Financial Year 2013

24 April 2014

Agenda

- 1 Business Profile
- 2 Regulatory Developments
- 3 Refinancing
- 4 Financial Performance
- 5 Outlook

Presenter



Dr. Jörg Bergmann

Chief Financial Officer
Open Grid Europe GmbH

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Key Messages from 2013

Regulatory

- BNetzA Efficiency Benchmarking result of 100% demonstrates competitive position of Open Grid Europe GmbH (OGE).
- OGE successfully certified as Independent Transmission Operator.

Refinancing

- Full take-out of €2.2bn acquisition facilities by issuance of three Bond series ensures the group's long-term, diversified maturity profile.
- Signing of €0.2bn Revolving Credit Agreement secures a comfortable liquidity position.

Financial Performance

- OGE with strong operative performance in 2013 driven by efficiency programme and regulatory improvements.
- Substantial CAPEX in 2013 including construction of new fixed assets and the acquisition of existing pipeline and compressor assets.
- Excellent credit standing, A- rating with stable outlook from S&P affirmed as of 22 April 2014.



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Business Profile

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Regulatory Developments

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Outlook

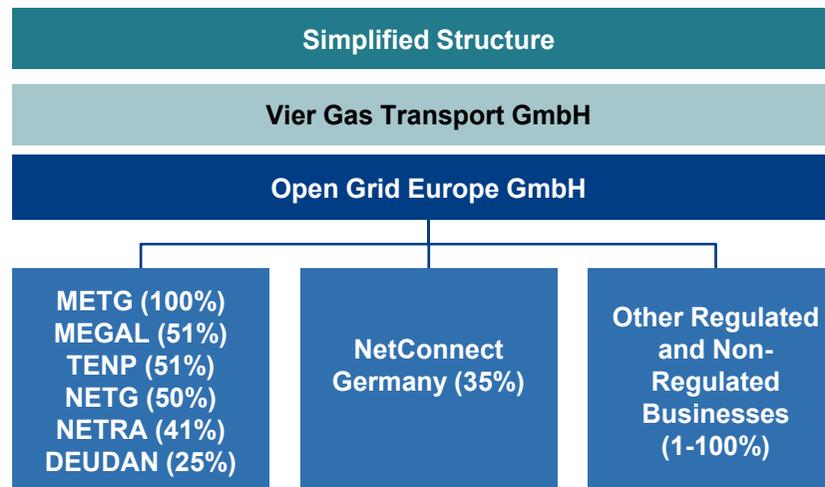
Vier Gas Transport at a Glance

Overview OGE

- Largest German gas transmission operator
 - ▶ Natural gas transmission for 450 customers
 - ▶ Design, construction, operation and marketing of gas transmission
 - ▶ Largest supra-regional pipeline network in Germany
 - ▶ Providing services related to gas transmission
- Legally established end of 2003 as subsidiary of E.ON Ruhrgas AG
 - ▶ Operating history dates back 85 years
 - ▶ Fully stand alone company today

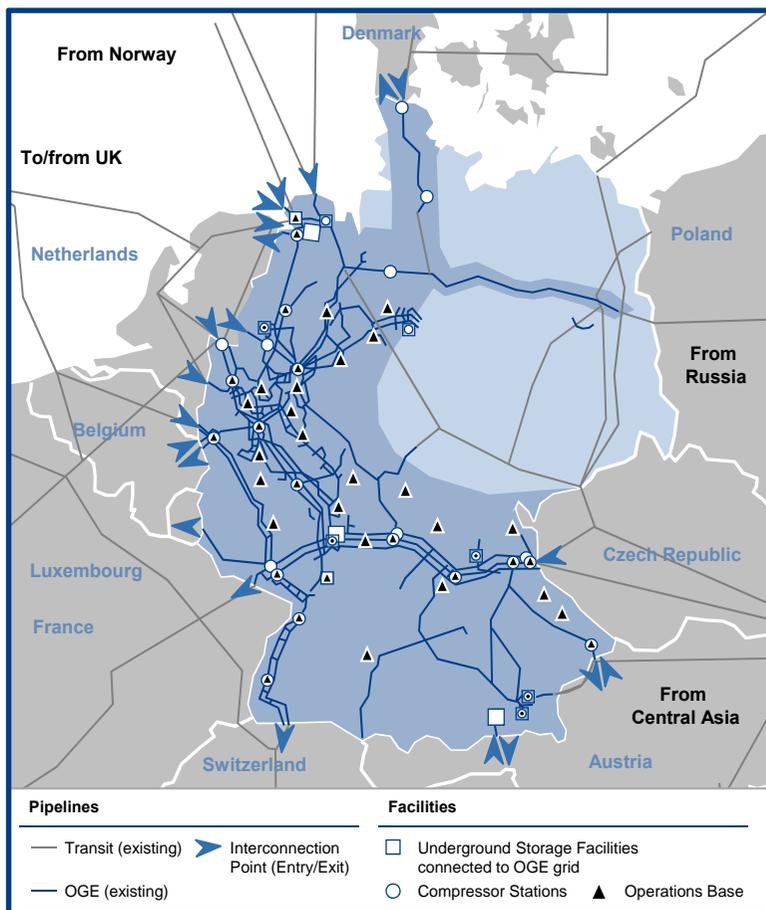
Key Figures VGT Group (2013)

Total Revenues	€1,033m
EBITDA	€485m
CAPEX	€196m
Group Employees	1,494



A Key Gas Transmission System Operator at the Heart of Europe

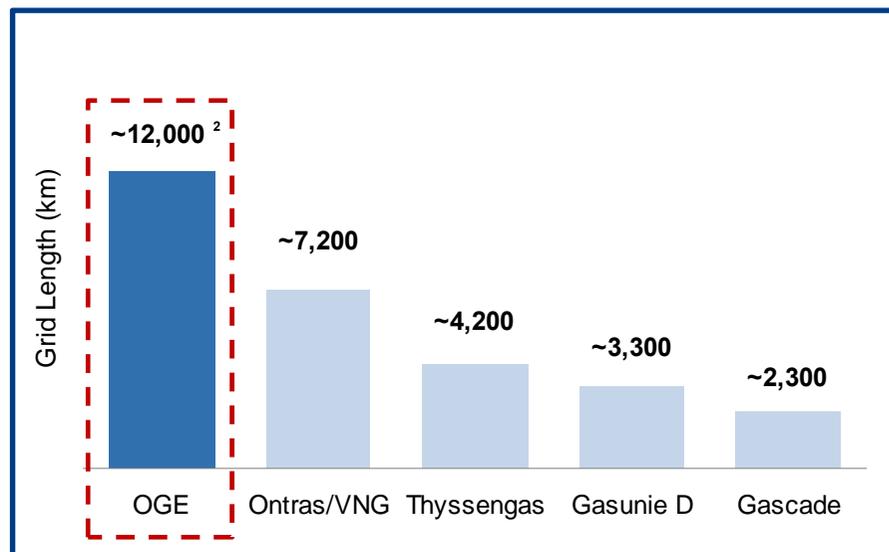
Centrally Positioned Service Area



¹ Source: FNB Gas "Netzentwicklungsplan Gas 2013"

² Thereof approx. 7,730km fully owned by OGE

Largest Gas Transmission Network and Operator ¹



- Covering 70% of the total shipping volume in Germany with approx. 62.5 bcm p.a.
- 27 compressor stations and 97 units
- Approx. 51 entry and 1,100 exit points with 17 interconnections to bordering countries
- 450 national and international customers



1 Business Profile

2 **Regulatory Developments**

3 Refinancing

4 Financial Performance

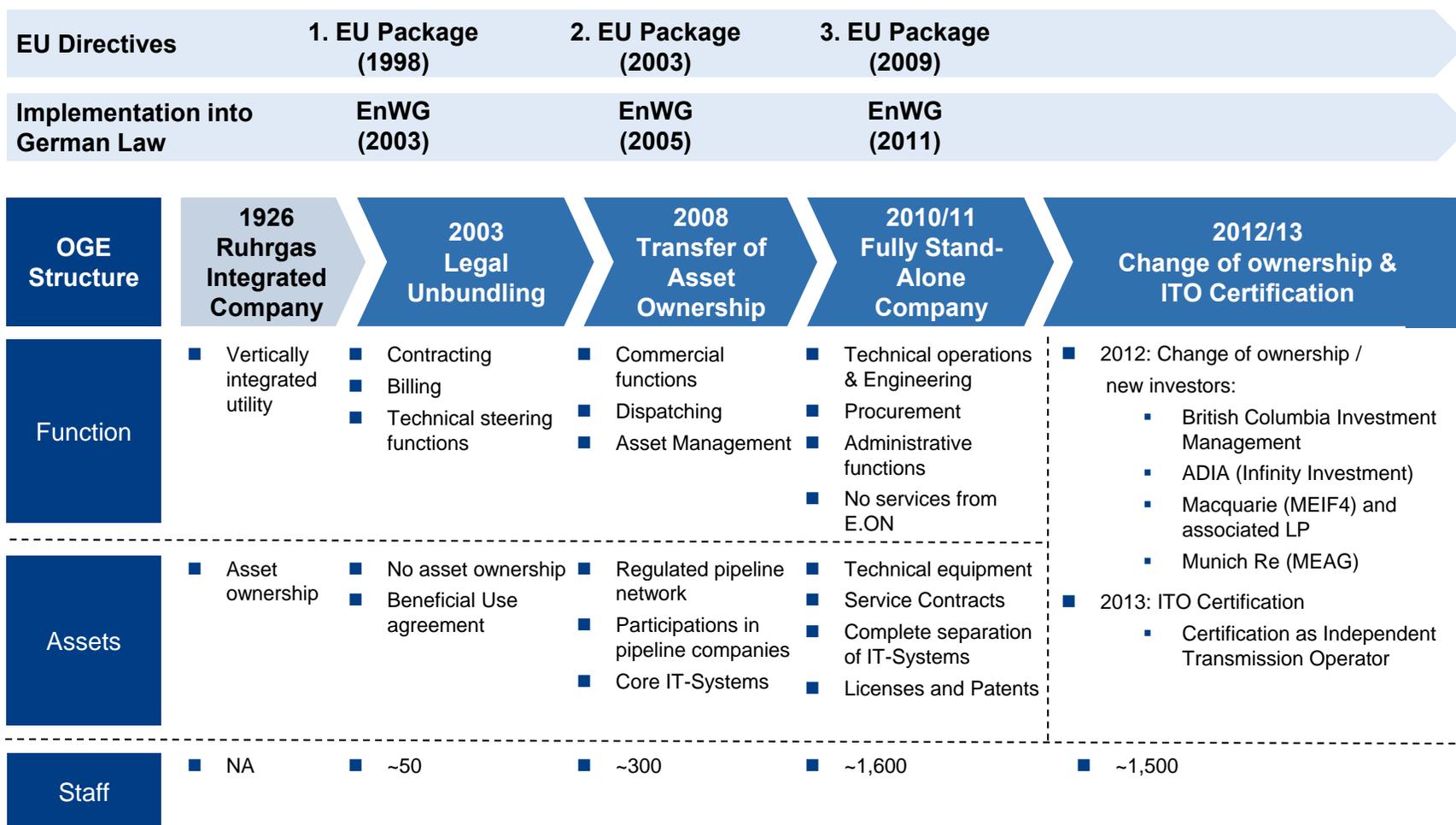
5 Outlook

Regulatory Highlights 2013

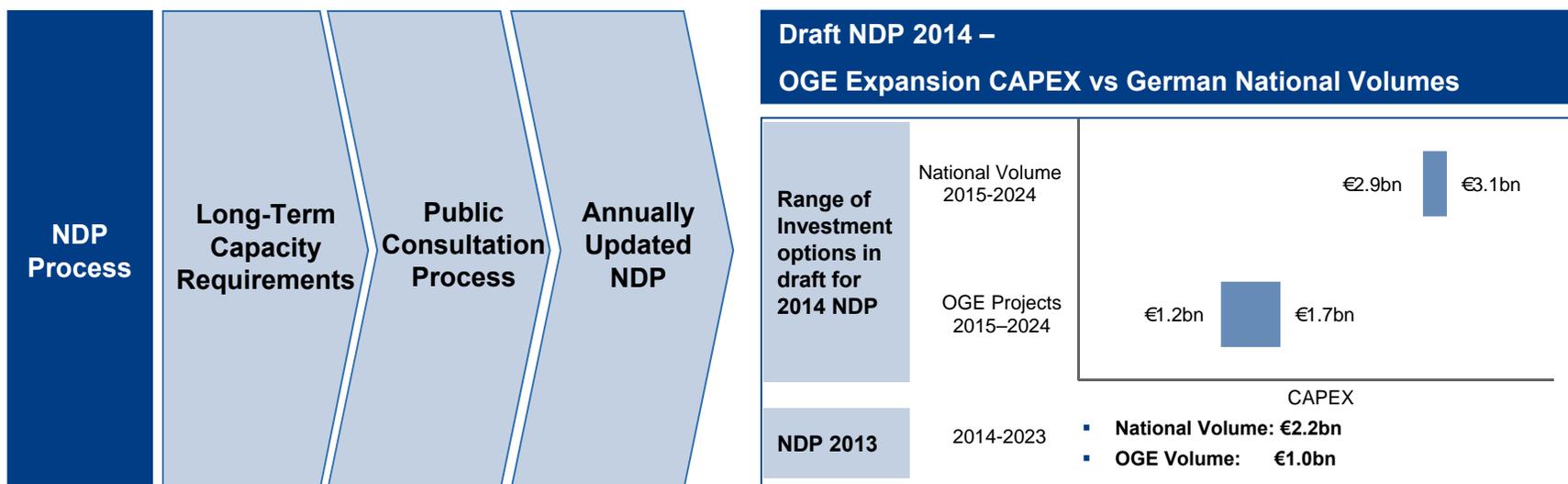
Important steps for OGE in 2013

- OGE certified as Independent Transmission Operator (ITO) by BNetzA.
- BNetzA Efficiency benchmarking process between all German TSOs resulted in an efficiency factor of 100% for OGE for the second regulatory period (2013 – 2017).
- Revenue cap for OGE in the second regulatory period determined by BNetzA.
- Regulatory regime continues to be stable and supportive, with further improvements in 2013.

Transition to ITO- Requirements Completed, now Focus on Efficiency



CAPEX Driven by Future Investment Requirements under the National Network Development Plan (NDP)



Regulatory Framework promotes Expansion CAPEX

- New assets earn imputed cost of capital already during construction phase
- Operating expenses are covered in a lump-sum approach

Required investments continuously add to revenue and EBITDA growth!



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Business Profile

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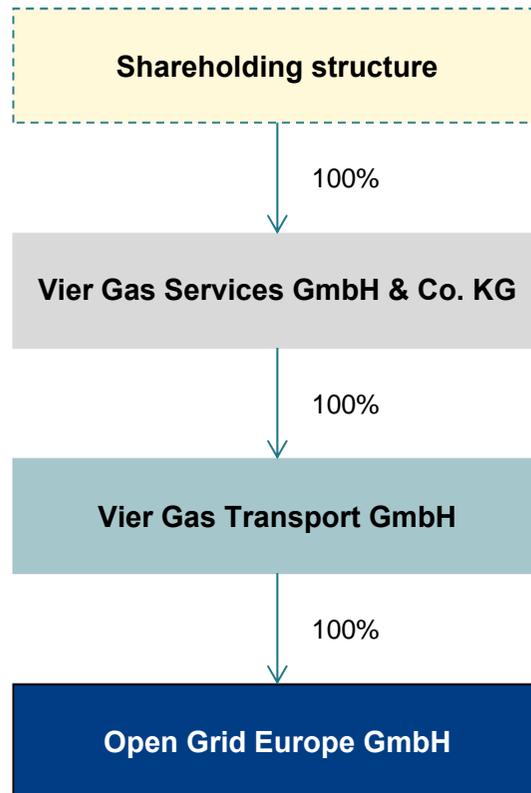
Financial Performance

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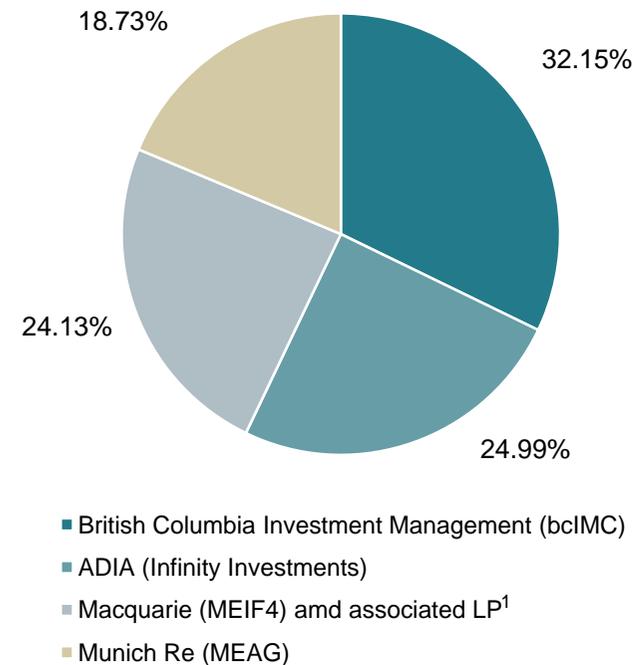
Outlook

Group Ownership Structure: Experienced Long-Term Investors

Simplified Group Structure

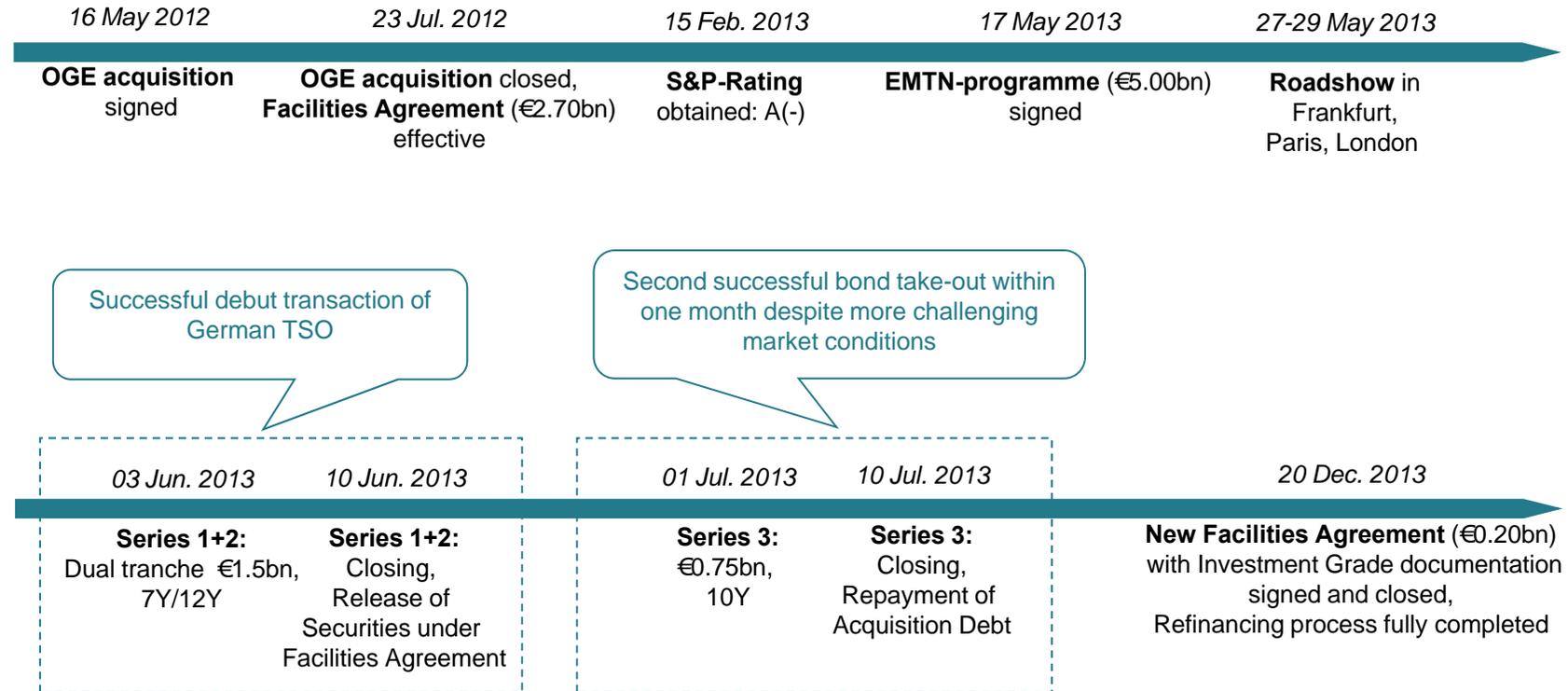


Shareholder Composition

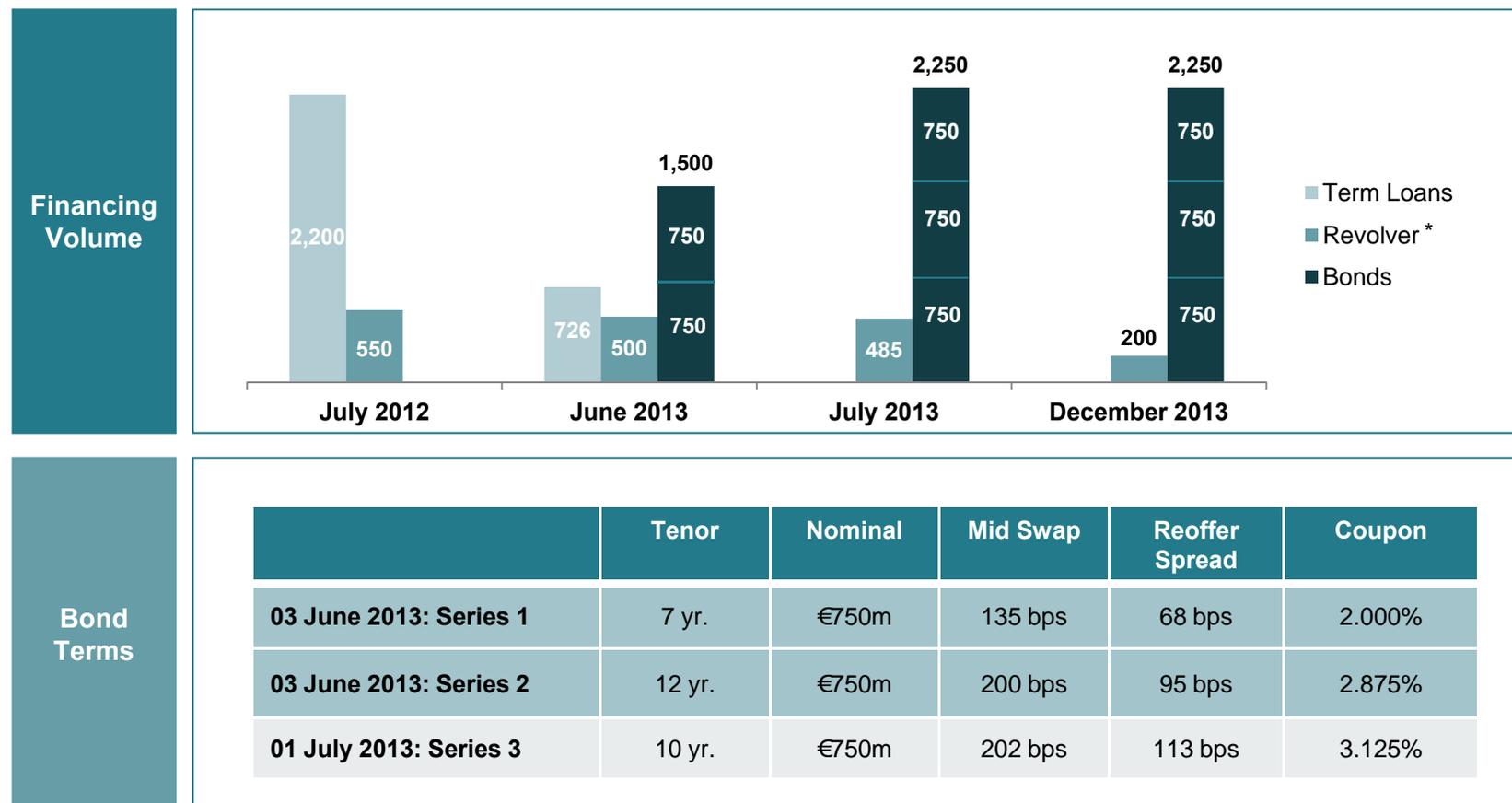


¹ 97.7% MEIF4 and 2.3% Halifax Regional Municipality Master Trust

Bond Takeout – Refinancing Process Completed in 2013

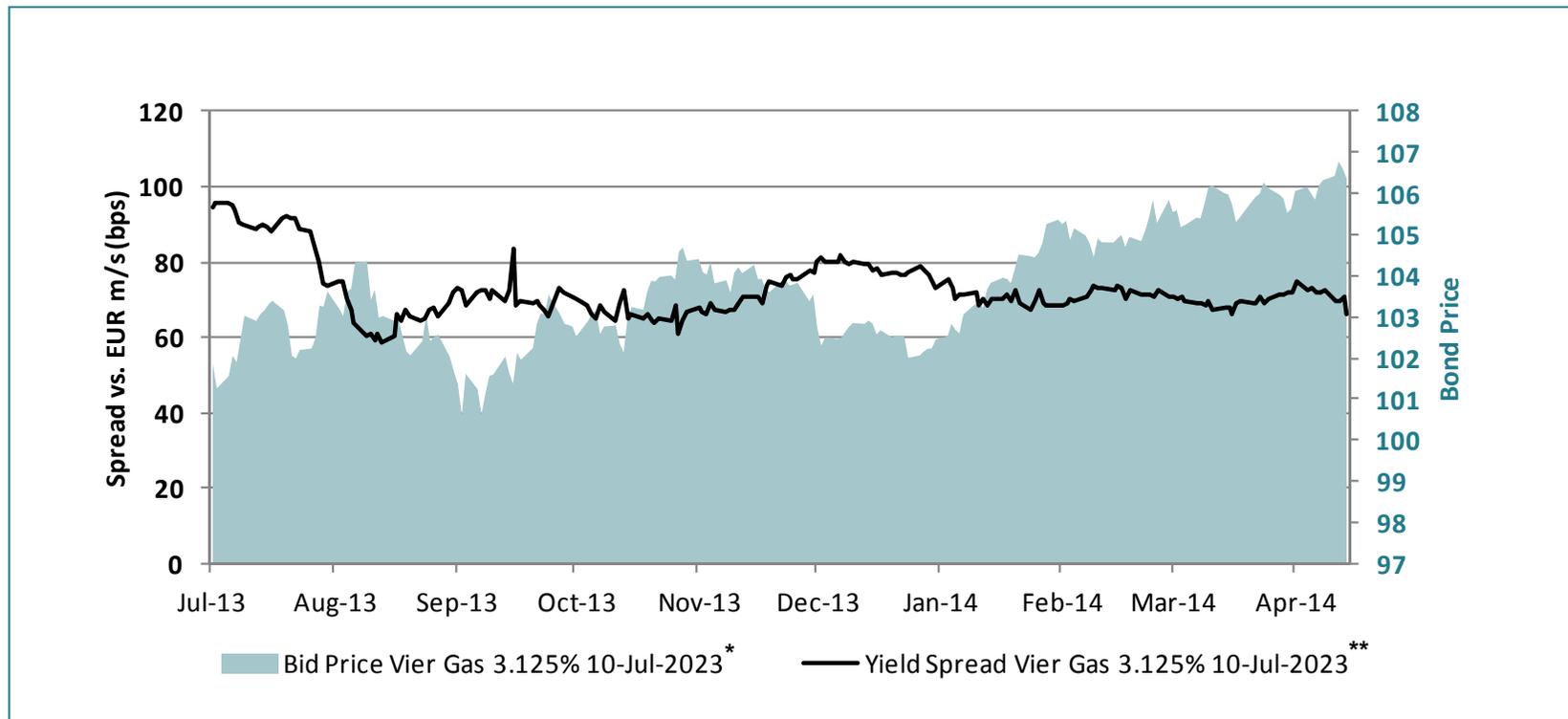


Transition of Financing Structure with Favourable Conditions



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Positive Bond Performance Demonstrates Good Standing in Credit Markets



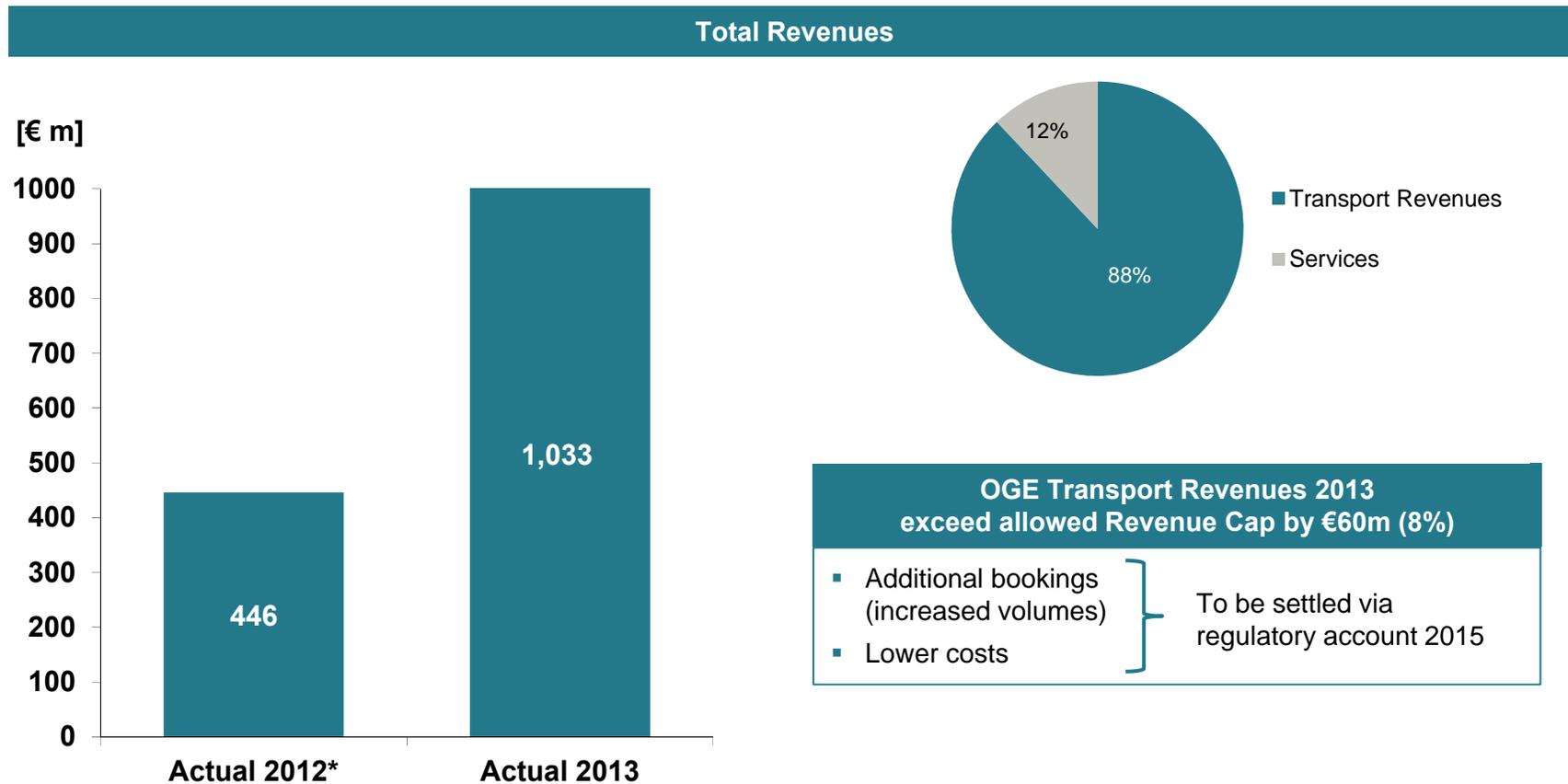
* Source: Thomson Reuters Eikon

** Source: Thomson Reuters Eikon, Spread calculated against interpolated 10Y/9Y EUR Mid Swap

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2013 Revenues Affected by Excess Revenues at OGE

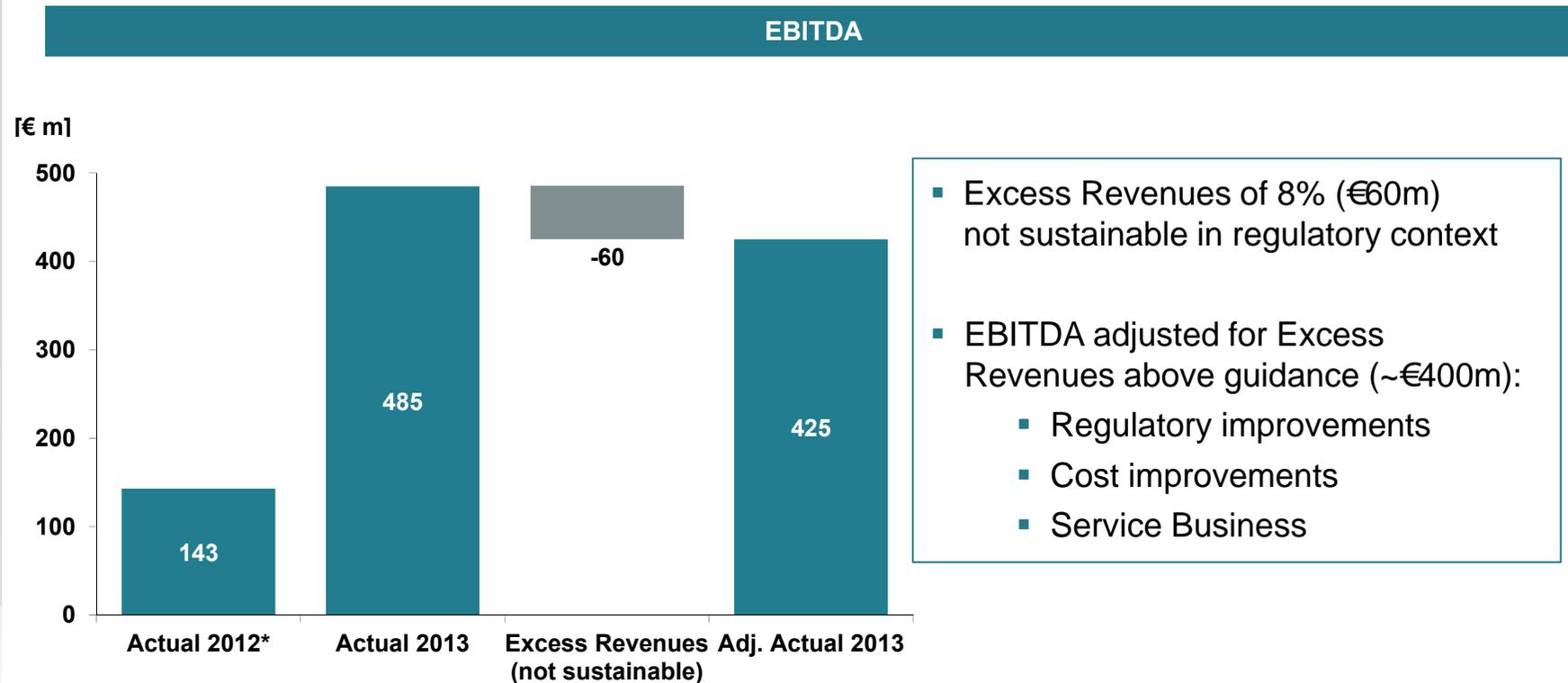
IFRS Consolidated Vier Gas Transport financial statements



*2012 short financial year, incl. OGE from August-December

Performance of VGT Group in 2013 above Expectations

IFRS Consolidated Vier Gas Transport financial statements

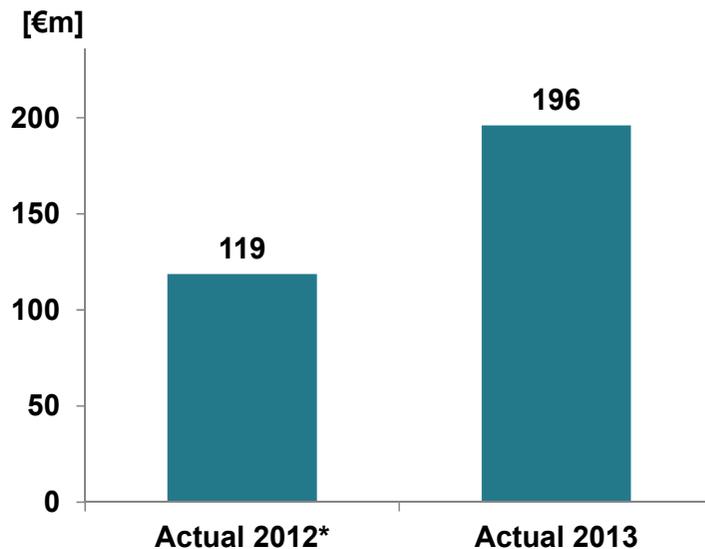


*2012 short financial year

VGT Group CAPEX 2013 in line with CAPEX Plan

IFRS Consolidated Vier Gas Transport financial statements

CAPEX



Major Projects 2013:

Compressor Units:

- Acquisition of Compressor Unit in Bierwang (€17m)
- Replacement of Compressor Units in Emsbüren and Werne (€8m)
- Replacement of Compressor Units METG, MEGAL, TENP (€32m)

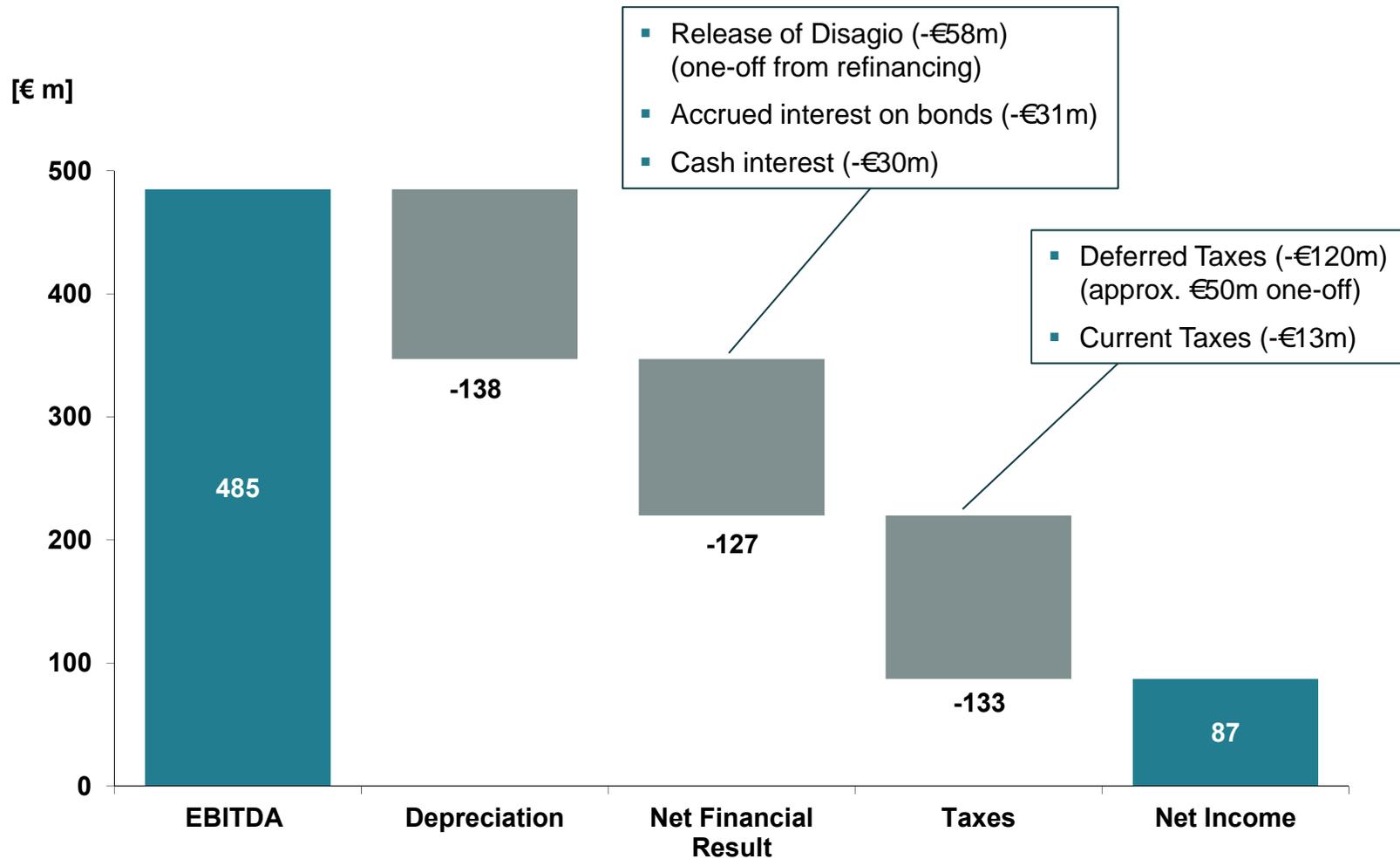
Pipelines:

- Acquisition of EGL asset (€47m)
- Interconnection of MIDAL and MEGAL (€8m)

*2012 short financial year

VGT Group Net Income 2013 Affected by One-off Items

IFRS Consolidated Vier Gas Transport financial statements



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Outlook: Optimisation in Stable Environment

2014 and beyond

- Adjusted for non-sustainable effects, 2014 EBITDA expected on the level of 2013
- Focusing on internal growth and further optimisation of internal cost structures
- Implementing investment programme in line with NDP
- Preparing for 3rd regulatory period
- Supporting the European gas market integration

Treasury Contacts & Ongoing Investor Engagement

Contacts



Axel Berndt

Head of Finance, Accounting & Tax



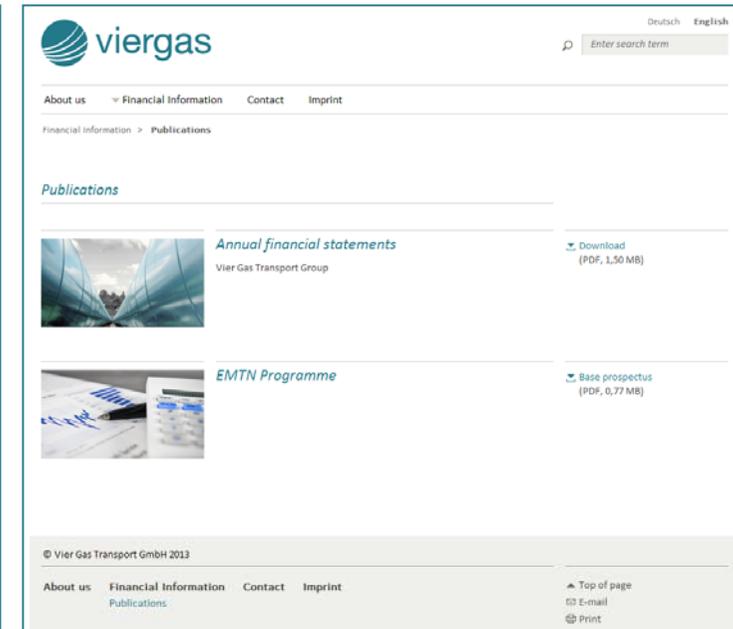
Sebastian Brauer

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. 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 screenshot shows the 'Publications' page on the Viergas website. It features a list of publications with download links. The first publication is 'Annual financial statements' (PDF, 1,50 MB) for the Vier Gas Transport Group. The second is 'EMTN Programme' (Base prospectus, PDF, 0,77 MB). The page includes navigation links and a footer with copyright information for 2013.

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Appendix:

Financial Statements 2013

VGT Group Income Statement 2013

IFRS Consolidated Vier Gas Transport financial statements

[€m]	2013	2012*	Δ
Transport Revenues	909	381	+527
Other Revenues	125	64	+60
Total Revenues	1,033	446	+588
Other Income	36	13	+23
Cost of Materials	-355	-185	-170
Personnel costs	-148	-67	-81
Other expenses	-89	-67	-22
Equity Income	7	3	+4
EBITDA	485	143	+341
Depreciation	-138	-53	-85
EBIT	346	90	+256
Net Financial Result	-127	-35	-92
Current Taxes	-13	-3	-9
Deferred Taxes	-120	-19	-102
Net Income	87	33	+54

*2012 short financial year, incl. OGE from August-December

VGT Group Balance Sheet 2013

IFRS Consolidated Vier Gas Transport financial statements

[€m]	Assets		
	2013	2012	Δ
Intangible assets	107	118	-11
Goodwill	830	830	+0
Tangible assets	2,770	2,711	+59
Financial assets	108	124	-15
Total fixed assets	3,816	3,783	+33
Inventory	35	48	-13
Financial receivables	16	19	-4
Cash	293	326	-33
Trade receivables	47	48	-1
Other assets	139	122	+17
Current assets	530	563	-33
Total	4,346	4,346	+0

	Equity and Liabilities		
	2013	2012	Δ
Equity	772	1,092	-320
Pension provisions	40	56	-16
Other provisions	132	148	-15
Provisions	173	204	-31
Financial liabilities	2,603	2,481	+122
Trade payables	55	47	+9
Other liabilities	240	146	+94
Total liabilities	2,899	2,674	+224
Deferred tax liabilities	502	376	+126
Total	4,346	4,346	+0

VGT Group Cash Flow Statement 2013

IFRS Consolidated Vier Gas Transport financial statements

[€m]	2013	2012*	Δ
Net income/loss before P&L transfer	87	33	+ 54
+/- Depreciation, amortisation, impairment charges and reversals	148	53	+ 94
+/- Changes in deferred taxes	120	19	+ 102
+/- Other non cash income and expenses	122	-15	+ 137
= Operating Cash Flow	477	90	+ 387
+/- Investing Cash Flow	-192	-2,949	+ 2,758
= Free Cash Flow	285	-2,860	+ 3,145
+/- Financing Cash Flow	-318	3,186	- 3,503
thereof profit transfer	-325	0	-325
= Total Cash Flow of the Period	-33	326	- 359
+/- Opening balance cash	326	0	+ 326
= Cash Position end of Period	293	326	- 33

*2012 short financial year, incl. OGE from August-December

Definition of Net Financial Result

IFRS Consolidated Vier Gas Transport financial statements

[€m]	2013	2012*	△
Income before financial result and taxes	340	87	+253
Equity Income	7	3	4
Depreciation	138	53	85
EBITDA	485	143	+341
Depreciation	-138	-53	-85
EBIT	346	90	+256
Financial Result (as reported)	-120	-32	-88
Adj. for Equity Income (incl. in EBITDA)	-7	-3	-4
Net Financial Result	-127	-35	-92
Current Taxes	-13	-3	-9
Deferred Taxes	-120	-19	-102
Net Income	87	33	+54

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