

Financial results 2014 Press conference



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Disclaimer

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and applicable as at 31 December 2014.

The figures in this report are derived from the 2014 audited annual report of N.V. Nederlandse Gasunie. The financial statements as prepared will be submitted on 2 April 2015 to the General Meeting of Shareholders for adoption.

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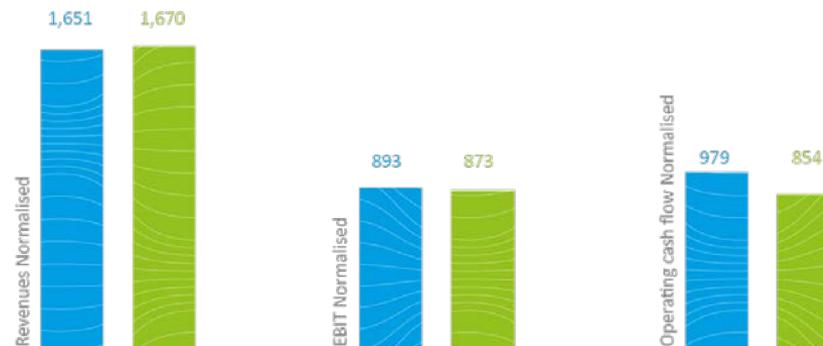
This presentation may contain projections or other forward-looking statements regarding future events or the future financial performance of N.V. Nederlandse Gasunie and its subsidiaries. We would like to bring to your attention that these statements are management predictions and that actual events or results may differ materially.

Key financial highlights

Financial performance*

- Net profit of € 603 million (2013: € 464 million) with an invested capital of € 9,295 million, increase due to the termination of the repayment obligation of GTS (€ 206 million) and release pension provision (€ 91 million) in 2013; proposed dividend of € 362 million (60% pay-out for 2014; 3.9% on invested capital).
- Normalised** revenues 2014 lower than 2013 due to the efficiency discount required by the Dutch regulator and lower capacity bookings at Gasunie Transport Services. These lower revenues were compensated to a large extent by higher revenues from GOAL and assets under construction in Germany.
- Energy costs (ENF) 2014 lower than 2013 due to a warm winter, lower prices and higher delivery pressure from the NEL-pipeline. The difference with the norm applied by the regulator is to be settled in the future.
- Normalised EBIT 2014 slightly higher than 2013 as a result of the above mentioned effects.
- Normalised operating cash flow 2014 higher than 2013 due to lower revenues and lower costs, a reduction in net working capital (€ 100 million), higher tax paid in 2014 due to the termination of the depreciation at will scheme offset by lower interest costs 2014.

Developments 2014 | 2013
(in € mln)



*The 2013 comparative figures are revised, because of the abolition of proportional consolidation for joint ventures under IFRS 11 Joint Arrangements. IFRS 11 is retrospective applicable as of 1 January 2014.

Key financial figures & main developments

In € mln	2014	2013**
Revenues	1,651	1,464
Revenues normalised*	1,651	1,670
EBITDA	1,186	1,034
EBITDA normalised*	1,186	1,149
EBIT	893	757
EBIT normalised*	893	873
Net Profit	603	464
Net profit normalised*	603	551
Operating cash flow	979	622
Operating cash flow normalised*	979	854
In € mln	2014	2013
Total assets	10,299	10,188
Of which cash position	47	36
Net debt	4,056	4,248

Main developments

- Before normalisations, revenues and EBIT are higher than 2013. This is mainly due to the effect of the termination of the repayment obligation of GTS in 2013. Normalised revenues in 2014 were lower than 2013 (-1%) mainly due to the efficiency discount required by the regulators, partly offset by higher revenues from GOAL and assets under construction in Germany.
- Normalised EBIT is slightly higher than 2013 mainly due to lower energy costs as a result of a warm 2014. The difference with the norm applied by the regulator is to be settled in the future.
- Normalised net profit is higher (+9%) than 2013 as a result of the above mentioned EBIT effects and lower interest expenses.
- Normalised cash flow from operating activities is higher than 2013 due to a higher EBIT, a reduction in net working capital (€ 100 million), higher tax paid in 2014 due to the termination of the depreciation at will scheme offset by lower interest costs in 2014 due to refinancing of the long-term loans maturing in 2013 and decreased net debt in 2014.
- Net debt decreased as the result of positive cash flows (higher operating cash flows and lower cash flows from investing activities).

*Figures 2013 normalised for one-off effects: repayment GTS as a result of method decisions 2010-2013 (€ 206 million) and release pension provision (€ 91 million).

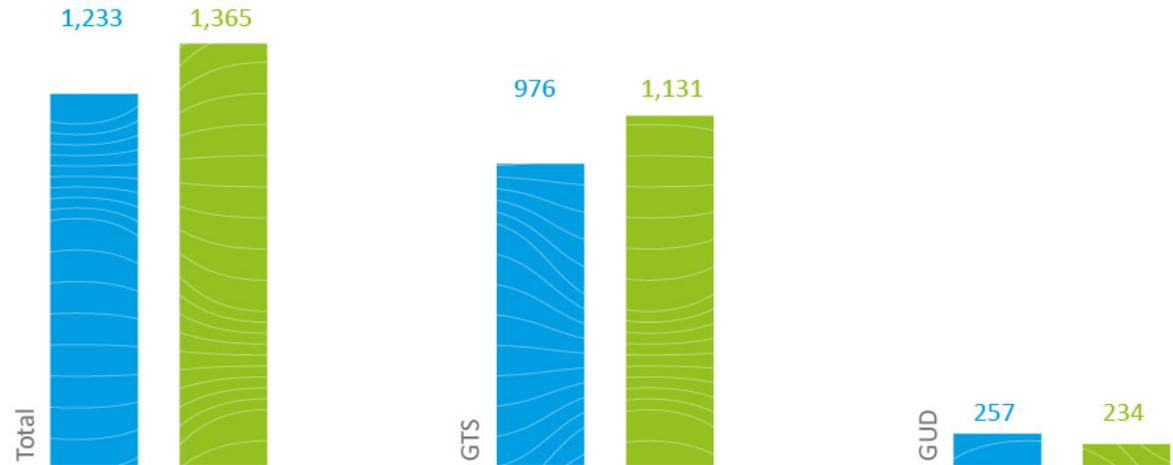
Outlook

- Compared to 2014, a lower EBIT from regular operating activities is expected for 2015:
 - Revenues will decrease due to the efficiency discount required by the Dutch regulator.
 - Operating expenses will increase mainly due to costs related to the long-term maintenance programme.
- It is expected that net profit will decrease in 2015 because of annual efficiency discount factors, partly offset by revenues from new assets. Focus will be on the preparation of new regulatory frameworks for Gasunie Transport Services and Gasunie Deutschland and on the sales of available non-regulated transport capacity.
- In general, a shift is visible from long-term to short-term (capacity) contracts in the gas market.
- CAPEX
 - Shift from expansion projects to replacement investments. For the following three years we expect an annual CAPEX level of approximately € 300 million.
 - In Q4 2015, a final investment decision is foreseen by Gasunie Transport Services for a new nitrogen facility in the Netherlands.
- Net debt is expected to decrease further.
- Redemption of € 1,950 million long-term debt in 2015-2017 of which € 500 million in October 2015.
- Additional funding will be attracted taking into account all relevant products and markets, including the buy-back of outstanding bonds.

Developments gas transport

- Total transported volume decreased from 1,365 TWh to 1,233 TWh:
 - Gasunie Transport Services: decrease (-14%) mainly due to warm winter in 2014.
 - Gasunie Deutschland: increase (+10%) mainly due to higher transport of GOAL (RFO in October 2013).

Transported volume 2014 | 2013
(in TWh)



Mission

Gasunie is a leading European gas infrastructure company.

We serve the public interest, offer integrated transport and infrastructure services to our customers and adhere to the highest safety and business standards.

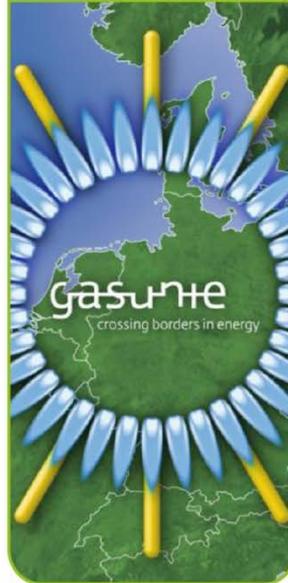
We focus on short and long term value creation for our shareholder(s), other stakeholders and the environment.

Optimise value of existing assets.



Strategic pillars

Strengthen leading position as cross-border gas infrastructure company in Europe.



Enable transition towards more sustainable energy usage.



Vision

We believe in a sustainable future with a balanced energy mix and a lasting role for gas from various sources, both fossil and renewable.

We believe that we serve our customers best with innovative gas infrastructure solutions.

Safety and security of supply

Safety performance

- Decrease in pipeline damage incidents in 2014
- Safety targets not fully met, due to an increase of reported injuries
- Measures are being taken to avoid similar incidents in the future

Security of supply

- Reliability of gas transport was excellent in 2014
- One minor interruption in gas supply in 2014
- New infrastructure in operation in 2014. Gas roundabout is successful. Via Gasunie's infrastructure Northwest Europe is connected to global gas supply sources

Business highlights

Open Season Netherlands

- On 1 October 2014, the Dutch part of the Integrated Open Season project was completed
- The Dutch regulator concluded that Gasunie Transport Services was 100% efficient and effective in the execution of this project

Expansion German grid

- First phase ExEII (Exit Ellund) project for additional transport capacity from Germany to Denmark operational in 2014

Market places

- Dutch TTF Europe's largest and most liquid gas hub, next to British NBP
- TTF European front runner in bilateral Over the Counter (OTC) trading
- Increased traded volume at both TTF (59%) and GASPOOL (3,2%)

Break Bulk LNG at Gate terminal

- Increase number of vessels for supply and transit of LNG
- New truck loading bay, constructed for trucks, operational in January 2014 (capacity max 5,000 trucks annually)
- 3 July FID was taken for development of new LNG break bulk infrastructure and services in Rotterdam (with Vopak)

New energy opportunities

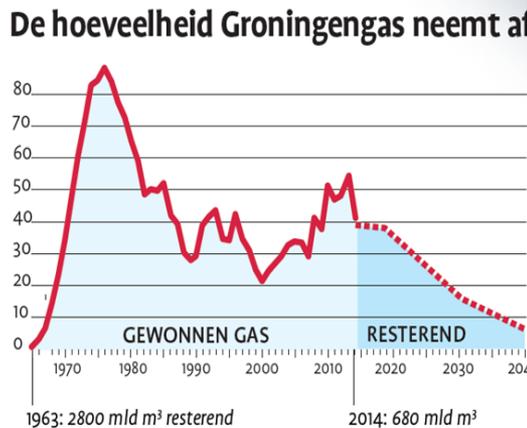
- The new department Gasunie New Energy signed Green Deal with HarvestaGG to develop a facility for the production of biogas from biomass (grass)

Energy in transition, gas in transition



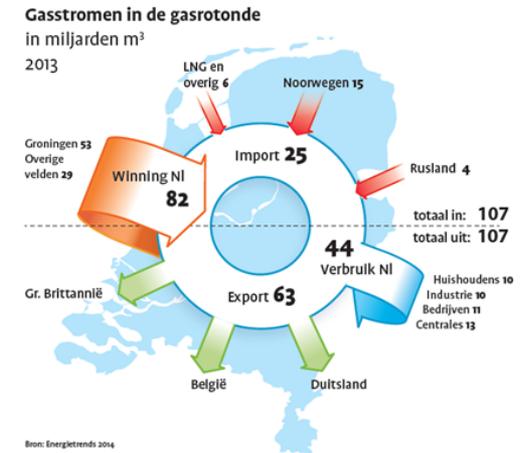
- Growth sustainable energy sources
- More decentralised generation
- Geopolitical tensions

New chapter Dutch gas production



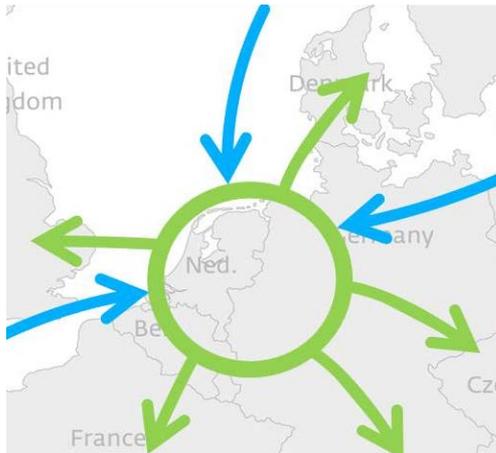
- Decline domestical production
- Earthquakes and societal impact
- Public acceptance issues

Sufficient gas available



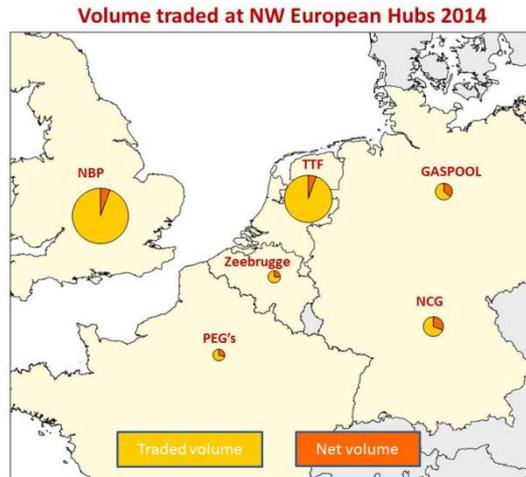
- More gas from abroad in the future
- Quality conversion (GTS)
- Replace coal by gas is most efficient way to CO₂ reduction

European gas roundabout



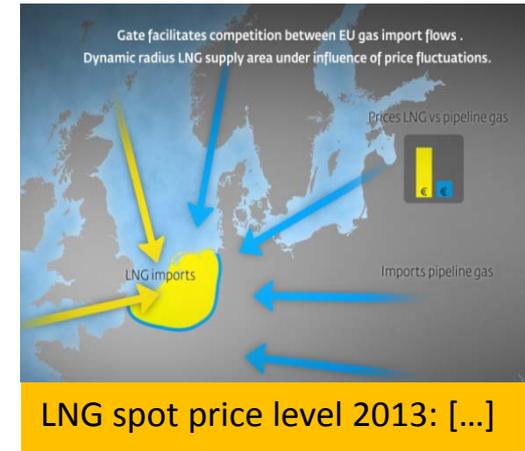
- Direct international connections
- Pipelines, storage and LNG
- 1,233 TWh gas transported by Gasunie in 2014

Gas trading point TTF



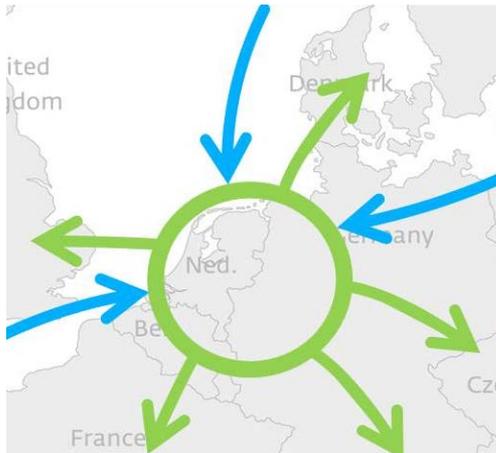
- 13,216 TWh traded in 2014
- Most liquid hub in Europe
- Often most favourable prices in European gas market

Liquefied natural gas (LNG)



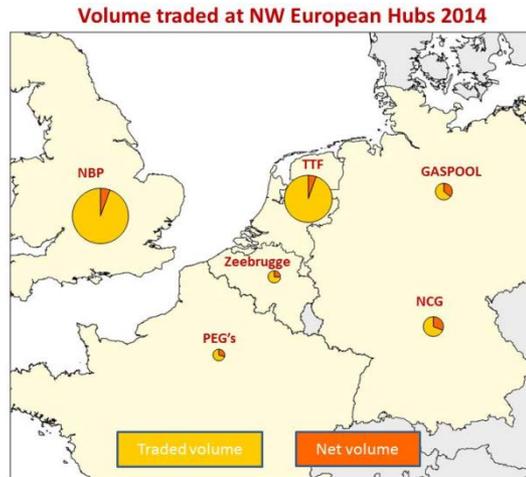
- Diversification (Atlantic, M-East)
- EU LNG spot market prices driver for dynamics

European gas roundabout



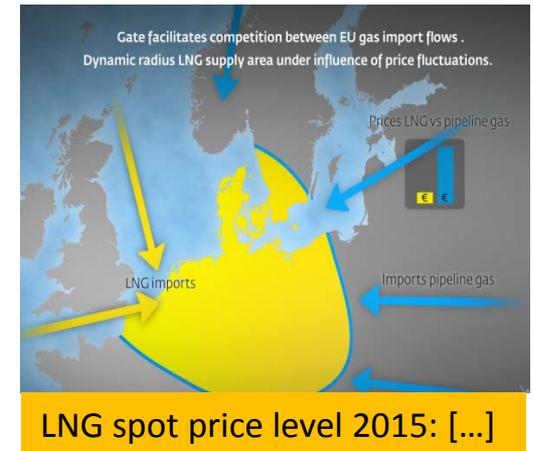
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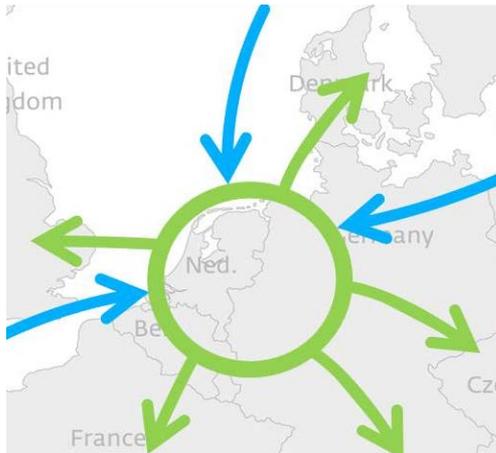
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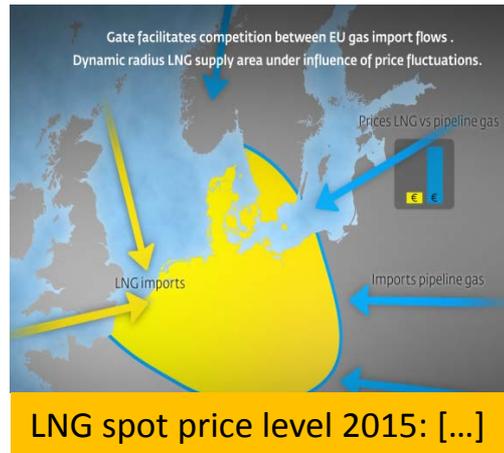
- Diversification (Atlantic, M-East)
- EU LNG spot market prices driver for dynamics: now in sending mode

European gas roundabout



- Direct international connections
- Pipelines, storage and LNG
- 1,233 TWh gas transported by Gasunie in 2014

Liquefied natural gas (LNG)



- Diversification (Atlantic, M-East)
- EU LNG spot market prices driver for dynamics: now in sending mode

Small scale LNG



- Small scale LNG: European hub
- Cleaner fuel heavy-duty transport
- Green Deal: 100 ships and 500 trucks in 2015

Questions & Answers

Thank You!

For further information:

Eveline van der Hek (Corporate Communications): +31 50 521 9111,
press@gasunie.nl

Appendix

Financial summary (1)

Results (in € mln)	2014	2013
Revenues	1,651	1,464
Total expenses	-758	-707
EBIT	893	757
Financial income and expenses	-88	-140
Tax	-202	-153
Net Profit	603	464

Normalised results (in € mln)	2014	2013
Revenues	1,651	1,670
Total expenses	-758	-797
EBIT	893	873

Financial summary (2)

Balance sheet (in € mln)	2014	2013
Fixed assets	10,032	9,883
Current assets	267	305
Total assets	10,299	10,188
Shareholders' equity	5,505	5,214
Long-term liabilities	3,768	4,238
Current liabilities	1,026	736
Total equity and liabilities	10,299	10,188
Solvency	53%	51%

Cash flow (in € mln)	2014	2013
From operating activities	979	622
From investing activities	-462	-639
From financing activities	-506	-816
Change in cash	11	-833

Results 2014: Virtual gas hubs TTF and GASPOOL successful

- TTF (Netherlands):
 - Europe's largest and most liquid gas hub, next to British NBP
 - European frontrunner in Over-The-Counter trading (OTC)
 - Traded volume gas: 13,216 TWh (2013: 8,287)
 - Net volume: 430 TWh (2013: 447)
 - Number of active TTF-traders: 127 (2013: 113)

- GASPOOL (Germany):
 - Traded volume gas : 1,291 TWh (2013: 1,251)
 - Net volume: 400 TWh (2013: 444)
 - Number of active traders : 398 (2013: 355)

Annual Report 2014

