

# Glossary

## Pertinence of published financial ratios

The Fluxys group continually evaluates its financial solidity, in particular using the following financial ratios:

- **Solvency:** The ratio between net financial debt and the sum of equity and net financial debt indicates the solidity of the Fluxys group's financial structure.
- **Interest coverage:** The ratio between the FFO, before interest expenses, and interest expenses represents the group's capacity to cover its interest expenses thanks to its operating activities.
- **Net financial debt/extended RAB:** This ratio expresses the share of the extended RAB financed by external debt.
- **FFO/Net financial debt:** This ratio is to determine the group's capacity to pay off its debts based on cash generated by its operating activities.
- **RCF/Net financial debt:** This ratio is to determine the group's capacity to pay off its debts based on cash generated by its operating activities after payment of dividends.

## Definition of indicators

### Other property, plant and equipment investments outside the RAB

Average combined investments in property, plant and equipment linked to the extensions to the Zeebrugge LNG terminal and in unregulated activities.

### Net finance costs

Interest charges less financial income from lease contracts, interest on investments and cash equivalents and other interest received, excluding interest on regulatory assets and liabilities.

### Interest expenses

Interest expenses on debts (including interest charges on leasing debts), less interest on regulatory liabilities.

### EBIT

Earnings Before Interests and Taxes, or operating profit/loss from continuing operations plus the result of investments accounted for using the equity method and the dividends received from non-consolidated entities. EBIT is used to monitor the operational performance of the group over time.

### EBITDA

Earnings Before Interests, taxes, depreciation and amortisation, or operating profit/loss from continuing operations plus the result of investments accounted for using the equity method and the dividends received from non-consolidated entities. EBITDA is used to monitor the operational performance of the group over time, without considering non-cash expenses.

## Net financial debt

Interest-bearing liabilities (including leases and guarantees granted), less regulatory liabilities, non-current loans linked to debts, cash linked to early refinancing transactions and 75% of the balance of cash, cash equivalents and short- and long-term cash investments (the other 25% is considered as reserve for operational needs and therefore not available for investments). This indicators gives an idea about the amount of interest bearing debt that would remain if all available cash would be used to reimburse loans.

## FFO

Funds from Operations or operating profit/loss from continuing operations, excluding changes in regulatory assets and liabilities, before depreciation, amortization, impairment and provisions, to which dividends received from associates and joint ventures and unconsolidated entities are added, and from which net financial expenses and current tax are deducted. This ratio indicates the cash generated by operational activities and thus the capacity of the group to reimburse its debts, invest but also pay dividends.

## RAB

Average Regulatory Asset Base, or average value of the regulated asset base for the year. The RAB is a regulatory concept which contains the assets on which a regulatory return is granted, as regulated by the CREG (or foreign regulators).

## Extended RAB

Total of the RAB and other property, plant and equipment investments outside the RAB.

## RCF

Retained Cash-Flow or FFO, less dividends paid. This ratio indicates the cash generated by operational activities, but after payments of the dividends and thus shows the remaining net capacity of the group to reimburse its debts and invest.

Fluxys SA consolidated income statement in thousands of €	31.12.2020	31.12.2019	Notes
Operating profit/loss from continuing operations	299.759	346.401	4
Depreciations	402.659	401.163	4.3.5
Provisions	16.382	-7.625	4.3.5
Impairment losses	-396	568	4.3.5
Earnings from associates and joint ventures	21.124	3.767	4.6
Dividends from unconsolidated entities	0	0	4.4.2
<b>EBITDA In thousands of €</b>	<b>739.528</b>	<b>744.274</b>	

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Operating profit/loss from continuing operations	299.759	346.401	4
Earnings from associates and joint ventures	21.124	3.767	4.6
Dividends from unconsolidated entities	0	0	4.4.2
<b>EBIT in thousands of €</b>	<b>320.883</b>	<b>350.168</b>	

Fluxys SA consolidated income statement in thousands of €	31.12.2020	31.12.2019	Notes
Financial income from lease contracts	182	0	4.4.2
Interest income on investments, cash and cash equivalents at fair value through profit and loss	5.856	7.206	4.4.2
Other interest income	406	1.115	4.4.2
Borrowing interest costs	-62.100	-59.906	4.5
Borrowing interest cost on leasing	-7.880	-8.372	4.5
Interest on regulatory assets and liabilities	2.194	529	
<b>Net financial expenses in thousands of €</b>	<b>-61.342</b>	<b>-59.428</b>	



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Borrowing interest costs	-62.100	-59.906	4.5
Borrowing interest costs on leasing	-7.880	-8.372	4.5
Interest on regulatory liabilities	2.257	529	
<b>Interest expenses in thousands of €</b>	<b>-67.723</b>	<b>-67.132</b>	

Fluxys SA consolidated income statement in thousands of €	31.12.2020	31.12.2019	Notes
Operating profit/loss from continuing operations	299.759	346.401	4
Operating revenue - Movements in regulatory assets and liabilities	-68.937	-4.377	4
Depreciation	402.659	401.163	4.3.5
Provisions	16.382	-7.625	4.3.5
Impairment losses	-396	568	4.3.5
Inflows related to associates and joint ventures	3.650	0	5.5
Dividends from unconsolidated entities	0	0	4.4.2
Net financial expenses	-61.342	-59.428	
Current tax	-69.737	-92.253	4.7
<b>FFO In thousands of €</b>	<b>522.038</b>	<b>584.449</b>	

Fluxys SA consolidated income statement in thousands of €	31.12.2020	31.12.2019	Notes
FFO	522.038	584.449	
Dividends paid	-170.677	-172.854	E – consolidated statement of cash flows
<b>RCF</b>	<b>351.361</b>	<b>411.595</b>	

Fluxys SA consolidated balance sheet in thousands of €	31.12.2020	31.12.2019	Notes
Non-current interest-bearing liabilities	2.977.406	3.318.201	5.13
Current interest-bearing liabilities	404.340	238.738	5.13
Granted guarantees	702.269	549.312	7.7
Other financial assets	-25.775	-12.554	6
Other financing (non-current)	-65.557	-82.789	6
Other liabilities (current)	-109.257	-100.701	6
Other liabilities (current)	-337.929	-410.249	6
Non-current loan	-77.470	-87.379	5.7
Cash investments (75%)	-72.230	-137.223	5.10
Cash and cash equivalents (75%)	-165.439	-122.833	5.10
Other financial assets (75%)	-80.517	-65.576	5.6.2
<b>Net financial debt in thousands of €</b>	<b>3.149.841</b>	<b>3.086.947</b>	



<b>Fluxys SA consolidated balance sheet in millions of €</b>	<b>31.12.2020</b>	<b>31.12.2019</b>	<b>Toelichting</b>
Transmission	2.935,0	2.939,7	
Transmission - Fluxys Belgium	2.086,9	2.125,3	
Transmission - Fluxys TENP	3,0	7,1	
Transmission - TENP	282,0	260,5	
Transmission - Fluxys Deutschland	563,1	546,8	
Storage	235,6	239,7	
LNG terminalling	302,7	314,4	
<b>RAB (in millions of €)</b>	<b>3.473,2</b>	<b>3.493,8</b>	
Other tangible investments outside RAB	2.924,0	3.029,9	
<b>Extended RAB in millions of €</b>	<b>6.397,2</b>	<b>6.523,7</b>	

In Belgium, the Regulated Asset Base (RAB) is determined based on the average book value of the fixed assets for the period, plus essentially the accounting amortisations accumulated on the revaluation surpluses. The calculation is in line with the tariff methodology published by the CREG.