Resa

2017

Resa Annual Report

RESA S.A.

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Belgium

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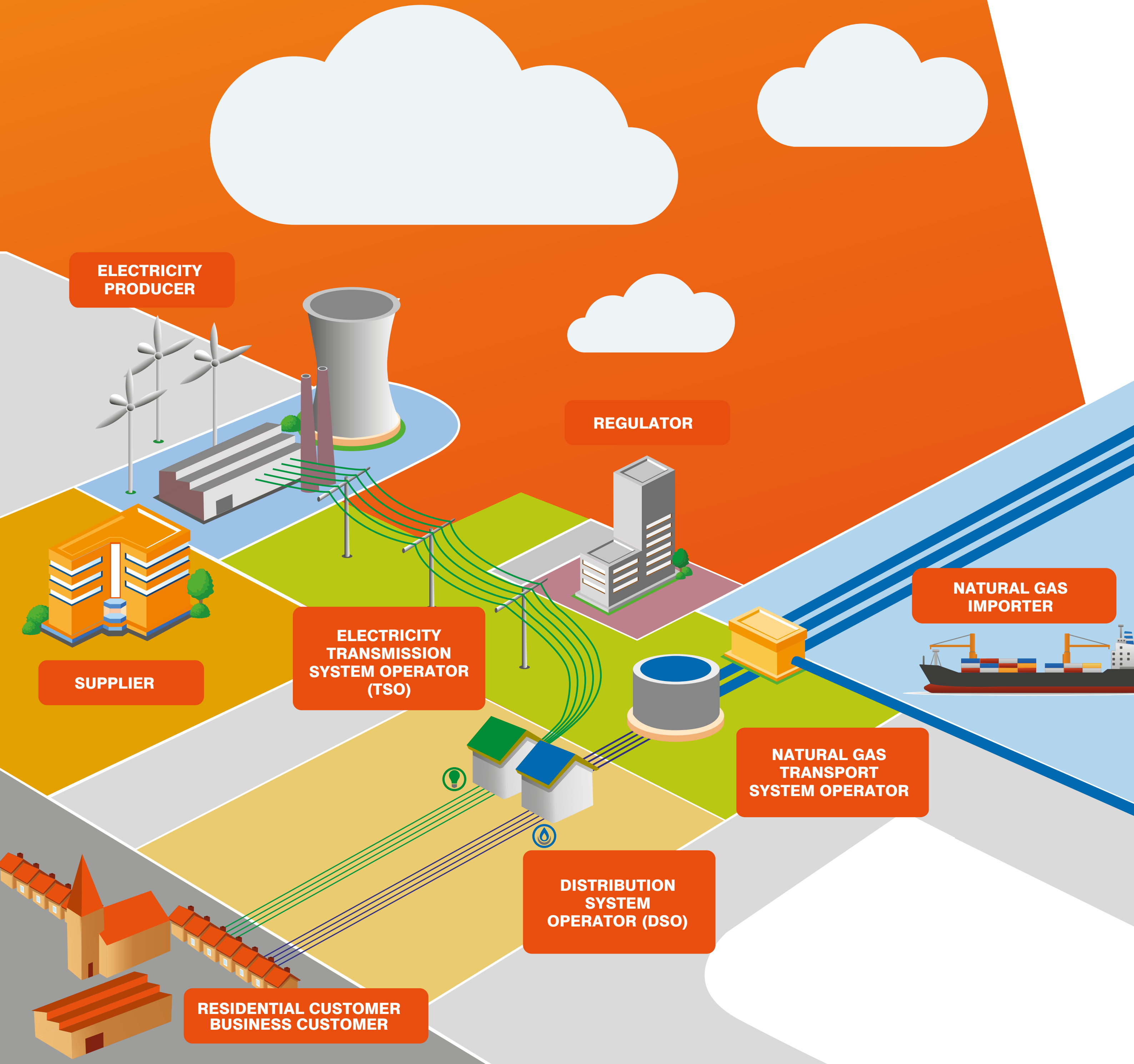
The players in the energy market



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the network user at the heart of primary concerns

resa

RESA is a public interest player in the distribution of energy, a market facilitator between the different intermediaries in the world of production, distribution and the transportation of energy. Like all Walloon distribution system operators, RESA places the grid user at the heart of its primary concerns. In a market that is marked by a desire to control households' energy envelope, the DSO must organise itself and challenge its mode of operation according to sector regulation requirements.

RESA DSO has managed to meet the major challenges of regulation, for the benefit of network users, by ensuring control of its operating costs. Legislative initiatives under way to set new standards for the constitution of DSOs and strengthened requirements for independence, sometimes beyond the wishes expressed by the EU, will cause new upheavals, not only within the group to which the DSO is attached and from which it draws its management efficiency, but also call to the more general reflection on the future of the landscape of energy distribution in Wallonia. The public authorities of Liège, the ultimate shareholders of the group, are today fully aware of the issues surrounding DSO RESA, and more generally the Nethys-PUBLIFIN group.

Certainly the year 2017 has been atypical and full of paradoxes, for more than one reason... An exceptional financial balance sheet, unprecedented results - the result of sound and strict management at all times - with a troubled political and media context linked to PUBLIFIN, the parliamentary inquiry committee. In spite of this particularly difficult and uncertain climate, we wish to underline the exemplary professionalism of our staff who have tirelessly fulfilled their daily tasks in the service of the customers. This behaviour is testimony to the extreme maturity of the workers in our group who are not fazed nor are distracted from their essential role. This behaviour reflects the extreme maturity of the workers in our group who do not allow themselves to be diverted from their essential role.

Management Bodies

On 11 May 2018, the Walloon Parliament passed a decree amending the decree of 12 April 2001 on the organisation of the regional electricity market and the decree of 19 December 2002 on the organisation of the regional gas market.

As a result of the provisions of this decree and in order to meet the requirements expressed by the Walloon Regulator as part of the controls carried out during the financial year, DSO RESA will be called upon to make a substantial change in the composition of its management bodies.

Board of Directors

RESA's management bodies have undergone significant changes in the fiscal year 2017

SITUATION AS OF 31 DECEMBER 2017

1. **La Compagnie du Monty SA** represented by **Mr. Pierre MEYERS**
   Chairman
2. **NETHYS S.A.**, represented by **Mr.Stéphane MOREAU**
   Managing Director
3. **Mr. Pol GUILLAUME**
   Vice-Chair
4. **Ms.Josette MICHAUX**
   Vice-Chair
5. **Mr. Pierre STASSART**
   Director
6. **Ms. Denise LAURENT**
   Director

RESIGNED FROM THEIR POSITION DURING THE YEAR 2017

1. **PUBLIFIN SCRL** represented by **Mr. André GILLES**
2. **Mr. Dominique DRION**
3. **Mr. Claude PARMENTIER**
4. **Mr. Georges PIRE**
5. **Mr. Pol HEYSE**
6. **ABNM Consulting Services SPRL** represented by **Mr. Diego AQUILINA**
7. **CGO SA**, represented by **Mr. Philippe DELAUNOIS**

Publication has been provided in the annexes of the Moniteur belge.

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The Executive Committee

1. **NETHYS S.A**. represented by **Mr. Stephane MOREAU**
   Chairman
2. **Ms. Bénédicte BAYER**
   Chief of the CEO office
3. **Mr. Pol HEYSE**
   CFO
4. **Mr. Gil SIMON**
   General Secretary

Specific Committees

Audit and Risk Committee

Vacant position
Chairman

Mr. Pol GUILLAUME
Member

Ms. Josette MICHAUX
Member

Nomination and Remuneration Committee

Vacant position
Chairman

Mr.Pol GUILLAUME
Member

Ms. Denise LAURENT
Member

Quality
Safety
Availability
Efficiency

An identity and strong values

680,083
GAS AND ELECTRICITY SUPPLY POINTS

723
STAFF

136,500
public lightning POINTS

14,113
KILOMETRES of electricity network

4,033
KILOMETRES of gas network

8
OPERATING SITES

5,752,595
MWh/Yr DEMAND ON THE GAS NETWORK

3,601,563
MWh/Yr DEMAND ON THE ELECTRICITY GRID

3

Management Report

Management report from the Board of Directors on the annual accounts at 31 December 2017

In accordance with the provisions of the Corporate Code, we have the honour to report on the fiscal year covering the period from 1 January to 31 December 2017 and submit for your approval the accounts for the year ended 31 December 2017.

As a first step, the Board wishes to bring to your attention the following information which occurred in fiscal year 2017:

I. GENERAL CONTEXT

For most of 2017, the company's activities took place in the politico-media context linked to the parliamentary inquiry commission charged with transparency on the PUBLIFIN-Nethys group, parent companies of RESA SA. In its final report, the parliamentary commission of inquiry concluded with various recommendations, which certainly have no legal significance as such, but which will directly or indirectly have a potential impact on the structure of the DSOs in Wallonia. This final report was the initiator of various draft legislative amendments, including one amending the decrees relating to the organisation of the regional market for electricity and gas. The Board of Directors is of the opinion that the recommendations issued by the Parliamentary Committee of Inquiry in 2017 are not binding and that it is therefore not appropriate for the financial year under review to consider the potential financial impacts resulting from it. The Parliamentary Inquiry Committee makes the following recommendation: *put the structure of the group in compliance with the "gas" and "electricity" decrees and take all measures to ensure the legality of acts by each body including the DSO. As a result, take all the necessary measures to this end and in particular recover RESA's shares and even assets in PUBLIFIN - without cost to PUBLIFIN - in order to directly link the DSO to its public shareholding and to ensure strict independence with regard to other activities within the group.* These structural changes cancel the 2014 and 2015 decree amendments and will necessarily generate significant costs, the size of which remains to be determined.

The Board of Directors considers, however, that the recommendation made with regard to the structure of the DSO is based on a misunderstanding of Articles 6 and 7 of the Electricity Decree as demonstrated by the international law firm LINKLATERS in the analysis of 12 September 2017, in response to the Committee's final report commissioned by majority shareholder Nethys.

Compliance with the future provisions of the Gas and Electricity Decrees can only be achieved after - or concomitantly with - the entry into force of the aforementioned legal provisions and with consequent restructuring costs (legal, financial, HR , IT, logistics, purchasing, etc.). Internal services, however, are already working on the preparation of legal and operational decisions to make RESA SA independent from the rest of the Group. The announced autonomy of RESA SA with regard to the Nethys group will necessarily lead to losses of operational synergies that will impact on operating results.
In the context of the company's bond program, however, on 14 September 2017 the rating agency Moody's confirmed the A2 rating with stable outlook.

The CWaPE* and the UVCW** have delivered their respective opinions on the draft decree amending the Gas and Electricity decrees. The Board of Directors acknowledges that the CWaPE considers in particular that the possibility for a DSO to entrust all or part of the day-to-day operation of its activities to a subsidiary should be limited if this would be justified by an economy of scale, which could hardly be the case when only one DSO has an operational subsidiary. The presence of a subsidiary presents, in the opinion of the CWaPE, supervisory difficulties for the regulator particularly with regard to the examination and proper understanding of the nature of the subsidiary's costs which are re invoiced to the DSO. The Board of Directors notes, however, that this objective of economy of scale has indeed been achieved by DSO RESA, particularly in terms of pooling a range of support services through its links with the NETHYS Group.

The opinion of the Board of Directors of the UVCW highlights a set of major impacts such as the obstacle to the raising of capital on the markets to finance future investments, an interpretation of the unbundling (of property) beyond European standards, the obligation to call on its own staff, the modification of the composition of management bodies and the prohibition of the form of legal person governed by private law, in particular.

II. REGULATORY CONTEXT AND TRENDS OVER THE FINANCIAL YEAR

Electricity and gas distribution management activities were carried out under the cover of distribution tariffs as part of the transitional period implemented by the Regulator pending the new tariff methodology coming into force for the years 2019 to 2023 which was finally published on 17 July 2017. By agreement of the Regulator, the electricity and gas distribution rates in force on 31 December 2017 were also extended for the transitional tariff period 2018, and not indexed.

In addition, a consultation calendar with market participants has been established. This new tariff methodology is part of the decree adopted on 19 January 2017 by the Walloon Parliament.

For each year of the regulatory period, the calculation of the authorised revenue (covered by the periodic distribution rates) is made according to a specific formula. The constraint linked to this model is that the revenue authorised for 2019 excluding charges relating to specific budgets and excluding regulatory balances cannot exceed the 2017 budget envelope (indexed) beyond the ceiling and excluding the regulatory deposit. The authorised income proposals for the years concerned must reach the CWaPE for 1 January 2018. These authorised electricity and gas revenue proposals were approved by the Board of Directors on 20 December 2017 and returned to the regulator.

* CWaPE : Commission wallonne pour l'Energie - Walloon Commission for Energy
** UVCW : Union des Villes et Communes de Wallonie - Union of Cities and Towns of Wallonia

According to this future tariff methodology, the decrease in RESA's controllable costs is estimated at 1.5% per year from 2020 and cumulative annually (estimated impact of factor X in the working groups), which accentuates the regulatory pressure on the operational activities of the DSO.

In addition, RESA has granted the audits carried out by the CWaPE on the Walloon DSOs in terms of independence, organisation and confidentiality and has communicated a number of elements and arguments with regard to the decree provisions applicable to it.

*

Overall, the year 2017 is characterised by an average 2.95% increase in tariffs and a slight increase of 0.45% in electricity for billed volumes, which is a stable situation due to the increase in consumption of 0.92% of customers connected to low voltage. As far as the distribution of gas is concerned, we have seen volumes distributed increase by 4.62 %, mainly due to an increase of 1.51% for Sane and degree days by 5.94% (degree-days rolling over 12 months)

The combination of these two phenomena results in an increase in Grid fee turnover (distribution fees) for RESA S.A. of 3.98%.

Also note, regarding the remuneration of DSO activities, that OLO 10-year rates, key factors for determining the margin of remuneration for the activity are at historically low levels and remain below 1% in 2017. However, the application of the new formula of determining the DSO's fair margin established by the CWaPE's transitional tariff methodologies for 2015-2016 and 2017 helped limit the effects of this decline (impacting only secondary regulated assets) on the net income of the DSO. This is an increase over the previous year.

For the future, the regulatory pressure exerted on the DSO will inevitably intensify. It will be up to the DSO to exercise the utmost management rigour and the greatest possible efficiency in the management of controllable costs so as not to degrade its profit, i.e. its fair margin. To maintain profitability, RESA must therefore continue to improve its efficiency, including through optimal management of assets and resources. The new 2019-2023 tariff methodology goes in this direction and introduces a "Revenue Cap" regulatory system containing a productivity factor of 1.5%/year for DSOs.

As evidenced by the graph below drawn up by the CWaPE, by way of example, RESA's low-voltage electricity distribution tariffs (€241/ year) is below the weighted average of Walloon DSOs (€268/year), reflecting efficiency and cost control efforts.

Application of the provisions of the Code of Well-being at Work, Book III - Title 2 on the minimum safety requirements for electrical installations in workplaces.

Title 2 of Book III of the Code of Well-being at Work (MB 02/06/2017), incorporates the provisions of the Royal Decree of 4 December 2012 (which has become obsolete).

As a reminder, by Judgement of 5 March 2015, the Council of State rejected RESA, as well as other managers of distribution systems, in their action for annulment against the Royal Decree of 4 December 2012 on the minimum safety requirements of electrical installations in the workplace.

A review of the said judgment is no longer topical, but contacts with the authorities, via Synergrid, are nevertheless seeking an interpretation taking into account the particular situation of network managers. The aim of this approach is, first, to make the provisions of the Code (Book III Title 2) manageable for DSOs and, secondly, to revise certain articles of the new RGIE - Book 3 for DSOs (whose publication is planned for the end of 2018) in order to take into account the specifics of the DSOs, in particular concerning the DSOs' exemption from the obligation of conformity and periodic inspections of low-voltage pavement substations (thus attempting to prolong certain provisions of the exemptions that had been obtained by post from the Ministry of Economic Affairs on 6 May 1999, but whose legal value has been questioned since then).

In 2017, RESA carried out an inventory, a risk analysis on 2,300 cabins and a prioritisation of investments on these cabins. The finalisation of these analyses is scheduled for 2018. RESA has also awarded a contract for the initial checks of the old cabins. These will be spread over 2018 and 2019.

The first renovations of cabins listed as potentially dangerous following the risk analysis started in 2017.

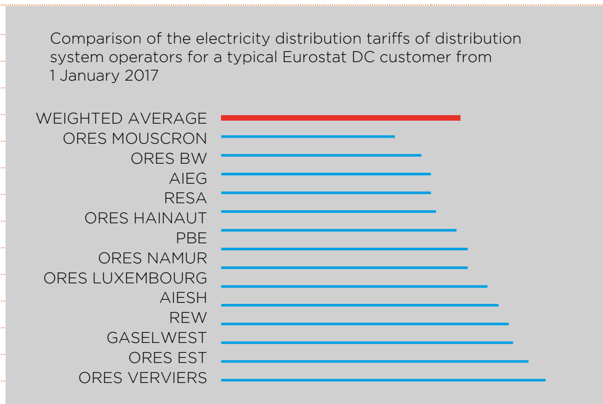
A renewal policy has been budgeted for future years in order to achieve compliance of all our network cabins.

Electricity distribution tariffs in Wallonia

LOW VOLTAGE

Customer type Dc Consumption HP: 1.600kWh
Consumption HC: 1.900kWh

Network managers	Distribution tariff 2017 (€/yr)	Change 2017/2015
ORES MOUSCRON	197	7%
ORES Walloon Brabant	226	7%
AIEG	236	16%
RESA	241	7%
ORES HAINAUT	266	12%
PBE	277	8%
ORES NAMUR	279	11%
ORES LUXEMBOURG	303	9%
AIESH	313	3%
REW	325	17%
GASELWEST	326	38%
ORES EST	346	9%
ORES VERVIERS	366	15%
WEIGHTED AVERAGE	€268	10%



Source: annual report 2017 CWaPE

III. OPERATIONAL ACTIVITIES

Resumption of the operational management of the electricity grids in Liège city centre

As part of the takeover of INTERMOSANE Sector 1's electricity grid management, an agreement on ORES's operating procedures for the distribution of electricity in Liège was concluded in 2011. Operational management has been entrusted to ORES until 31 December 2016 with the gradual provision of RESA staff to replace the posts directly assigned to grid management in Liège city centre. In order to allow RESA to fully resume operational management of the grids in Liège city centre without any impact on grid users, the agreement by ORES on the terms of operation of the distribution of electricity in Liège for and on behalf of RESA has been extended until 30 June 2017. The actual recovery took place on 1 July 2017.

Participation in the federal clearing house project, Atrias, a complex creation taking shape

The DSOs and Atrias have been on the Central Market System programme (Federal clearing house) for several years. They make every effort to complete this complex project which is important for the sector, and which aims to create a platform capable of supporting information exchange in the SMART world, the beginnings of which are now noticeable.
Both human and financial investments in this national project agreed by the DSO have however generated discussions with the Regulator and led to the recognition in the distribution tariffs for the periods 2015-2016 and 2017 of a complementary fixed-rate package for the project based on the number of Sane available to the different DSOs, taking into account the fact that the DSO is simultaneously supporting, over the years 2016 and 2017, the development costs of the Atrias clearing house (CMS) and current costs of maintenance of the clearing house based on the introduction by the DSO of a multi-year business plan for the costs and expected benefits of the proposed ATRIAS clearing house.

The year 2017 has had a series of tests and has concluded, in view of the position of different DSOs invested in this programme, the postponement of the go live for this project.
At RESA, the Atrias@RESA program consolidates all the components of the internal transformation aiming to implement in its own systems the changes related to the implementation of this new contract model as well as the specifics related to the integration with the Central Market System.

E-Cloud Project

As a reminder, the "E-Cloud" is a pilot project, introduced to the Walloon Region as part of the Marshall Plan 4.0, which tends to demonstrate interest in an electrical system integrating consumers and production units by optimising energy flows, optimising them for consumers, producers and the community.
This project is aimed primarily at SMEs in two areas of economic activity, one in the territory of DSO RESA and the other in the territory of DSO ORES, both coordinators of the project in their area.

In 2017, although the project has been approved by DG06 - recognising its innovative nature - and given the change of majority at Government level, subsidy funds have so far not been claimed by the project partners . However, convinced of the usefulness and the interest for Walloon industrialists and SMEs, the partners started the project using their own funds and just completed the analysis and simulation phase at the beginning of 2018.

This first phase was completed with the assistance of the customers in the two selected zones of activity. After an information session and one-on-one meetings, nearly 25% of the customers connected to these areas showed interest and signed a participation agreement. This participation rate is an important indicator for project partners. It reassures us that the concept of the E-Cloud responds well to the concerns of the target audience, SMEs Walloon zonings.
In this project, the DSOs are in charge of the collection of the various data leading to the correct invoicing of the energy exchanges within the E-Cloud community and the link with the energy market.

The DSOs also want to give different customers forecasts on their consumption and production profile in order to allow participating customers to optimise their consumption profile according to these forecasts. It should be noted that all that the DSO does is communicate this information. It is up to the customers themselves, or even other service providers that customers could freely choose, to use this information to drive their consumption processes. We believe that the DSOs are again in their role of market facilitator by creating the optimal conditions for the emergence of new services for SMEs. Means for making these forecasts available to customers will be studied in 2018.

For the actual creation of the forecasts, the DSOs will be releasing models developed as part of the GREDOR project.
After many simulations, the DSOs were able to find a configuration that would allow a reduction in the cost of electricity for the customers participating in the E-Cloud while guaranteeing profitability to the investors in the means of production (of the order of 7 %).

The goal of the project is to:

- Check the impact that an "E-cloud operation" might have on how partner customers consume;
- See the influence that the E-cloud can have on energy flows (injection/removal) at the ELIA station;
- Show that the E-cloud is a way to support the development of renewable energies without resorting to the green certificates mechanism;
- Ensure that all players in the E-cloud are winners by minimising the impact on the distribution bill of customers outside the E-Cloud and/or having a lower impact compared to other models of development of existing renewable energies (direct line, individual self-consumption) or future ones (micro-grid).

To maximise the gains from the E-Cloud, the involvement of partner customers is essential. The DSOs are convinced that only the confrontation with the reality of the field will validate the hypotheses and simulations carried out in the first part of the project.

This is the reason why the two DSOs have requested the agreement of the CWaPE to deploy the E-Cloud tools on the defined zones, benefiting from a tariff exception based on Article 21 of the Decree of 19 January 2017 on the tariff methodology applicable to gas or electricity DSOs. The CWaPE response is scheduled for the first quarter of 2018.

THE GREAT ACHIEVEMENTS OF 2017

A. On the Electricity Grid

As every year, RESA has carried out several major projects on its electricity distribution network to improve its efficiency, safety and its quality:

Below is a summary of the main sites:

a) Improvement to supply in the Geer valley at Bassenge

Medium voltage cables were laid for the removal of two overhead networks from the GENDARMERIE and HAESEN network cabins. These installations will facilitate the transfer of electricity by eliminating sections of cables with small cross-sections and will avoid voltage differences when switching from one injection point to another (MALVOIE/ALLEUR). RESA laid 1,985 m of cables and decommissioned 849 m of obsolete paper cables.

b) Improvement in the supply to part of the municipality of Oupeye

Medium voltage cables were installed to improve the supply to a part of Oupeye from the HAUTS SARTS substation in Herstal (departing form EMUBEL). These installations have also eliminated a medium voltage overhead line overhanging homes and gardens. RESA laid 3,390 m of cables, decommissioned 2,685 m of obsolete paper cables and removed 420 m of overhead lines.

c) Improvement in the supply to part of the town of Hannut

Medium voltage cables were installed to improve the supply to part of Hannut from the divisional cabin of HANNUT GARE at Hannut (departing from TALLEYRAND). These installations have also made it possible to remove several cast iron terminals located in the cabins along the installations as well as the removal of a dilapidated customer cabin in a building. RESA laid 1,646 m of cables and decommissioned 1,888 m of obsolete paper cables.

d) Removal of overhangs and overhead lines

In 2017, RESA devoted a part of its strategic investment to the burial of several dilapidated overhead lines and the elimination of overhangs in housing areas and areas with trees. The first project was in the municipality of Juprelle and the second was in the municipality of Aywaille. These different cable layouts will make the customer's power supply more reliable, and also improve network operation during repairs. For these two projects, RESA laid 8,677 m of cables and removed 7,050 m of overhead lines

B. On the Gas Distribution Network

As every year, RESA has carried out several major operations on its natural gas distribution network, whether renewals of pipelines, moves, extensions or technical closures, but also setting up new gas cabins or their renewal.

Below is a summary of the main sites:

SITE OF RENEWALS AND MOVES

a) Construction site at Seraing, rue du Molinay

As part of the Molinay district renovation project, RESA has proceeded with the renewal of 625m of low pressure pipelines and the connections of the network users in the area covered by the sanitation.

b) Construction site at Eupen Herbesthalerstrasse

As part of the SPW* development project from the main street to Eupen city centre, RESA proceeded with the renewal and relocation of 2400m of LP and MP pipelines. This project was completed in 2017 after three separate phases, the first of which started in 2015.

EXTENSIONS AND TECHNICAL CLOSURES

b) Construction site at Stavelot, rue Basse-Levée

In order to secure Stavelot's network while under development, RESA proceeded with the technical closure of two network cabins. This looping required the installation of a low pressure pipeline DN 160 over a length of 1200 m.

c) Construction site at Ivoz, Avenue Gonda - Seraing, Val Saint-Lambert

In 2017, RESA finalised the second phase of the 15 bar medium pressure project to supply a 15bar/5bar distribution station with a capacity of 30,000 Nm³/h from the new Fluxys station in Ivoz-Ramet. This installation totalled 2700m of DN200 pipes (including 1900m in 2017). This investment will increase the reinjection capacity to the MP network in the Seraing center but will also strengthen the left bank at Flémalle.

NEW NETWORK AND CUSTOMER CABINS

A new network cabin was also built in 2017 as well as seven cabins for customers:

Location	Address	Cabin Type	Capacity (Nm³/h)
Liège	Rue Fusch	5bar/20mbar network cabin	400
Herstal	Rue de l'Ecole Technique	Customer IPES Herstal	650
Oupeye	Trilogiport	Customer DL Trilogiport	250
Eupen	Rue Hütte	Customer municipal swimming pool	100
Battice	Rue des Gayettes	Customer Haver Belgium	250
Welkenraedt	Chemin Du Duc	Customer Dantresangle	
Seraing	Rue Camille Lemonnier	Customer Fédé Wallonie-Bxl school	
Limburg	Quai des Religieuses	Customer Ste-Claire school	100

RESA then proceeded with the renewal of six network cabins

Location	Address	Cabin Type	Capacity (Nm³/h)
Beyne-Heusay	Rue du Homvent	5bar/ 20mbar	1,500
Liège	Rue Sainte-Walburge	5 bar/ 20 mbar	1,500
Liège	Angleur, Municipal park	5 bar/ 20 mbar	1,500
Liège	Angleur, rue Vaudrée	5 bar/ 100 mbar/20mbar	2,500
Liège	Sclessin, rue de la Centrale	5 bar/ 100 mbar	1,500
Huy	Rue de Durbuy	5 bar/ 100 mbar	750

a) Campaign to promote connection to the natural gas network

Note that the linear reduction of the volumes flowing through the gas distribution network has led RESA to implement a campaign to promote connection to the network of natural gas as a priority on the territories equipped to do so (excluding extensions), to increase the base of the network users and to counter this volume effect in the coming years. A potential of 48,000 users has been identified. The awarding of bonuses for new connections or replacement of heaters began in April 2017.

* SPW : Service Public de Wallonie - Public Service of Wallonia

IV. ANALYSIS OF THE ANNUAL ACCOUNTS

A. Balance Sheet and Income Statement

BALANCE SHEET

The total balance sheet of S.A. RESA amounts to €1,483,683,024.10.

The main headings of the assets are:

- Fixed assets worth €1,326,330,636.38 are mainly made up of the value of the electricity and gas networks
- Stocks and contracts in progress: €14,356,603.58
- Amounts receivable within one year: €82,987,824.39 of which €79,921,675.01 are trade debtors
- Cash at the bank and in hand: €36,704,272.97
- Deferred charges and accrued income: €23,303,686.78

The main line items of the assets are:

- Share capital of €657,880,492.30 represented by 9,063,477 shares
- Shareholders' equity amounted to 702,356,508.28 €
- Provisions for liabilities and charges: €7,858,017.32
- Amounts payable after more than one year: €545,016,262.06, including the €500 million bond issue
- Amounts payable within one year: €182,680,005.80, including €80,279,908.95 of commercial debts, €23,869,853.43 of tax debts and €34,327,281.25 of other debts
- Accrued charges and deferred income: €45,772,230.64

INCOME STATEMENT

Operating income include a turnover of €352,628,221.72.

The cost of sales and services in the amount of €267,819.801,39 breaks down as follows:

• Raw materials, consumables:	€36,743,183.35
• Services and other goods:	€163,100,479.99
• Depreciation, downward valuations and provisions:	€45,069,682.55
• Other operating charges:	€22,006,578.69
• Non-recurring operating expenses:	€899,876.81

The financial performance shows a positive result of €8,783,954.55
The performance before tax for the year ended with a profit of €76,024,465.78
Profit after tax amounted to €50,932,783.90.

B. Allocation of Profits

Gain to be appropriated:	€50,932,783.90
Profit to be appropriated:	€15,507,329.68
Transfers to the legal reserve:	€2,546,639.20
Profit to be carried forward:	€33,333,804.04
Return on capital:	€30,559,670.34

C. Risks and uncertainties facing the company

The Board of Directors remains particularly attentive to the legislative work related to the preliminary draft decree of the Walloon Government modifying the Electricity and Gas Decrees.

The new legislative projects no longer provide for any unbundling of ownership, but retain the provisions relating to the removal of the possibility for the DSO to establish itself in the form of a private company but rather in the form of a public legal entity of which at least 75% of the capital is held by municipalities or provinces; the rest may be held by one or more private shareholders.

It shows the DSO must in the future be set up in the form of an intermunicipal company with as shareholders the different local authorities attached to the DSO or a "pure inter-municipal" financing company involving these same local authorities. Given the current status of PUBLIFIN scrl, parent company of the group, it could not be a shareholder of DSO RESA.

The Board of Directors has taken note of the review of various types of risks related to RESA becoming autonomous of the Nethys group. They consist, for the most part, of significant expenses and investments to be allocated to the reconstruction of an IT infrastructure aimed at supporting RESA's business processes, the overall organisational overhaul of activities and a reallocation of human resources, even, where applicable, commitments of management and management staff.

D. Significant events since the end of the fiscal year

The Board of Directors became aware of various avenues of reflection stemming from the analysis conducted with the support of the consulting firm McKINSEY on the recalibration of the scope of activities of the majority shareholder Nethys with as a precept the autonomy of DSO RESA from the Nethys group. This decision was also recorded by Nethys's Board of Directors as binding on the company, in view of the draft decree currently being adopted and the position of the regulator. The future "DSO" decree, which passed to its second and third readings during the first quarter of 2018, will impose upon RESA the conditions of ownership and the specific operating conditions. In fact, the DSO will have to take the form of a legal public entity directly owned by the Province/municipalities or by a pure inter-municipal financing company. The regulator's position of enhancing the DSO's independence from the group companies will require RESA to retain its own staff and to prevent resources from delivering for different activities. Both of these lead to the autonomy of DSO RESA as regards the Nethys group.
On the basis of the analyses carried out by the McKinsey consultancy on behalf of the shareholder Nethys, "disynergies" were evaluated, upon first approach, at €8 million for RESA and represent an estimated €90 million loss in value. The interaction of support services in the broad sense has thus far allowed the generation of important synergies that result in lower prices to the weighted average of Walloon DSOs.
The importance of these "disynergies" requires an extremely precise "carve out" study in order to have a comprehensive register of operations and impacts in the operational field, of allocation of resources and information including tools. The total cost of these operations has not yet been defined with precision, but it will have a significant impact on the operating expenses and of investments during the next years.

E. Circumstances which may have a significant influence on SA RESA's development

The main impact of the draft decree for the Walloon Region to amend the Decree of 12 April 2001 on the organisation of the regional electricity market and the Decree of 19 December 2002 on the organisation of the regional gas market, as drafted at the time the present annual report was established, will be making DSO RESA autonomous from the Nethys-PUBLIFIN group. In its final report of 1 March 2018 on the control over DSO RESA, the CWaPE reckoned it would be appropriate to favour an interpretation of the Electricity Decree in line with the Electricity Directive and consider that the notion of "producer" within the meaning of Articles 7 bis and 16 ter of the Electricity Decree also targets companies that have both a producer and a DSO. The Board of Directors does not however share the CWaPE's interpretation on the notion of producer extended to Nethys and stresses the substantial social difficulties as well as a likely increase in payroll that could result from a transfer of Nethys staff. RESA argues strongly for Nethys staff to continue to work for the DSO because the 'disynergies' that will result are extremely strong.

In conclusion, the compliance of the structure of the PUBLIFIN Group with regard to the future provisions of the Electricity and Gas Decrees can only be put in place after - or concomitantly with - the entry into force of the aforementioned legal provisions, leading to a broad restructuring cost. Majority shareholder Nethys has already initiated a set of preparatory analyses to implement the empowerment of DSO RESA and its future positioning in the Walloon energy distribution landscape.

F. Research and development activities

RESA has development and research activities in the following areas:

- the development of new systems for intelligent distribution of electricity and gas: Smart Distribution.
- the development of new communication and telemetry techniques for electricity distribution equipment: communications and low currents.
- the development of new tools and methodologies for the management of the network infrastructure.
- the development of new technologies related to energy distribution: Electricity/Gas technology watch.

G. Existence of branches

None.

H. Information on the use of financial instruments

RESA S.A. has access to three-month versus long-term interest rate swaps.

Then, we inform you that:
- there is no interest against the directors or shareholders.

Please kindly approve the present annual accounts and grant discharge to the directors as well as the Commissioner for their roles in the past year.

For the Board of Directors.
Liège, 28 March 2018.

Monty S.A. company
Represented by **Pierre MEYERS**
Chairman.

Remuneration report

FINANCIAL YEAR FROM 01/01/2017 TO 31/12/2017

Dear shareholders,

In accordance with the provisions of Article 100 (6) /3 of the Companies Code, we hereby present you with a remuneration report giving an overview, on an individual basis, of the amount of compensation and other benefits, whether in cash or in kind, granted directly or indirectly, during the financial year, to the non-executive directors as well as to the executive directors as regards their position as a member of the Board of Directors, by the company or a company that is part of that company's accounting consolidation exercise.

We inform you that no remuneration or benefit has been attributed to administrators of RESA SA for the fiscal year 2017.

The positions of Directors within RESA SA are exercised free of charge, it being understood that these directors were remunerated in the exercise of their positions as Directors within the majority shareholder, Nethys SA.

4

Electricity and gas networks at the heart of our business

resa

As a key player in the distribution of electricity and natural gas in the province of Liège, RESA constantly invests to improve the quality of its supply and adapt its networks to the development of 73 municipalities.

Missions

To bring energy to your home

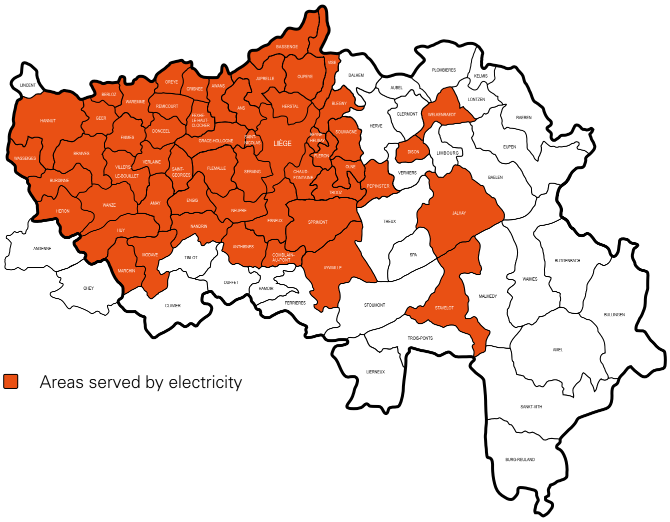
Whether it is for its individual or professional customers, RESA builds, maintains and operates natural gas and electricity distribution networks, is responsible for new connections and the modification of existing connections, and solves power outages and failures on the networks 24 hours a day.

In 2017, RESA recorded 2,768 new connections to the electricity grid and 1,794 new connections to the gas network.

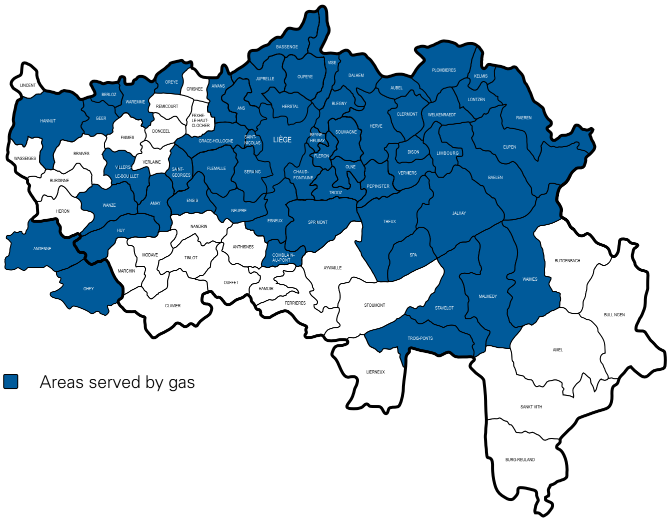
To exchange information and contribute to the proper operation of the market

RESA records and processes all information related to metering, points of supply and consumption data, and transmits it to suppliers for billing.

RESA maintains the access register that brings together data on nearly 680,083 connections to electricity and gas and provides access to its networks for the various players in the market.



Areas served by electricity



Areas served by gas

To fulfil public service obligations and offer its expertise to the population of Liège

RESA designs, builds, maintains and supplies energy to public street lighting.

RESA provides electricity and natural gas to vulnerable consumers with the status of 'protected customer' and plays a role of 'social provider' to customers who can't find a commercial provider. As such, RESA may need to install a prepayment meter that helps people better control their energy budget.

RESA educates and encourages individuals and communities to use energy more rationally. At the same time, RESA promotes technological innovation by working actively towards the development of smart grids and meters.

Time Highlights

135,500 public lighting points and a new Order from the Walloon Government (AGW)

RESA designs, develops, maintains and supplies energy to public street lighting.
RESA's network of **135,500** lights is distributed over 54 municipalities in Liège.
Preventive maintenance, normal curative maintenance and organisation for the maintenance of the components of the grid are provided by RESA's teams. Public lighting maintenance costs have been the responsibility of DSOs since 2008.
Now, these 135,500 lights consume 47 million kWh per year, which represents an expenditure of 7.6 million.
After a detailed audit, RESA is now able to provide each municipality with an inventory of energy-consuming lights, per neighbourhood and per street, and to propose solutions to reduce the energy bill of 5.32 million, i.e. a reduction of the overall bill by 70 %. In particular RESA is offering the municipalities the chance to work on the equipment in place and adjust the power of the lights to meet real needs, taking into account the standards in force, the places to be lit and how busy they are.
In 2017, RESA replaced **28.012** lamps as part of routine preventive maintenance and **9.517** lamps as a curative measure (5 visits per year per municipality) i.e. **37.529** interventions.

Towards better energy efficiency

The energy efficiency of public lighting installations has 4 components:

- the replacement of the set of low-pressure mercury vapour fittings ('fluorescent' tubes) was completed at the end of 2015. Despite the weak power of these lamps, this change has enabled a saving of 55%
- the replacement by the end of 2018 of the set of high-pressure mercury vapour fittings, banned from sale by the European Union because they are too energy-intensive
- investments to make energy and maintenance savings
- the five-year energy audit

LED is gaining ground

LEDs are increasingly present in our urban landscapes. These compact sources allow more flexibility in designs, the use of colours and dynamic management of light, which makes them essential for illumination. In addition to decorative lighting, LED technology begins to take a more and more important place in street lighting. As part of each renovation and expansion record, RESA has decided to place lamps equipped with LEDs and dimming devices to allow the affected municipalities to make substantial energy savings and meet the EU standard in the field

LED shows significant advances in both environmental and financial terms:

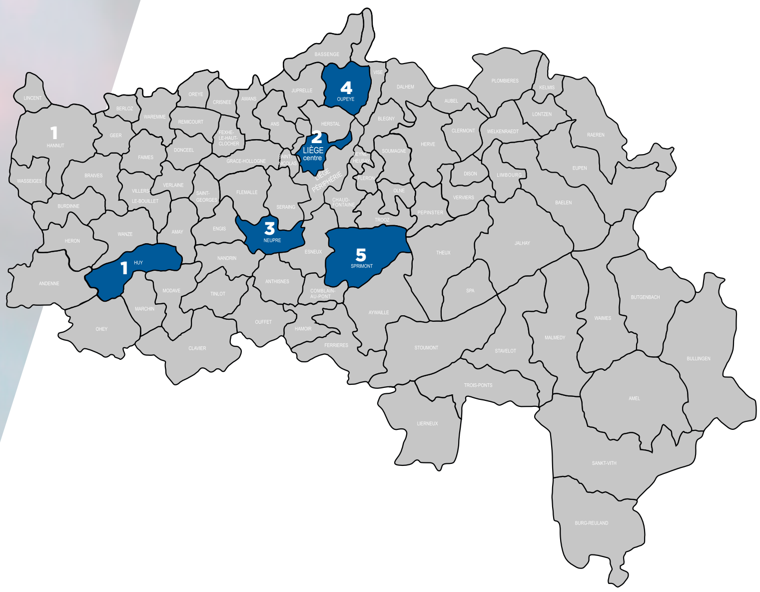
- dissemination of white light with a better colour than yellow light
- increase the sense of safety
- reduction in energy consumption
- increase in light efficiency
- adaptation of lighting for every situation (dimming)
- reduction in light pollution (modulation of power and luminous flux)

RESA carried out an energy audit for 54 affiliated municipalities this year. These highlight the situation of public lighting. They also advocate suggestions for improvements, including in energy and maintenance for the lighting fixtures in each municipality.

At the end of 2017 RESA also started to replace about 1,300 high-pressure mercury vapour fittings with dimmed LED lighting in 5 municipalities:

In 2017, the Walloon Government modified the AGW of 6 November 2008 relating to the OSP imposed on the DSO in terms of maintenance and improvement of energy efficiency in public lighting systems (Walloon Government Decree of 14 September 2017), which has led to RESA creating a 10-year plan to replace all lamps with LED technology or some other equivalent.

This plan will be presented at the CWaPE level and our 54 municipalities during 2018.



MUNICI-PALITIES	NUMBER OF LEDs INSTALLED END 2017
1 HUY	689
2 LIEGE	147
3 NEUPRE	125
4 OUPEYE	107
5 SPRIMONT	93

MUNICIPALITIES EQUIPPED IN LEDs END 2017, TO REPLACE MERCURY VAPOURS

Atrias, a complex undertaking taking shape

The DSOs and Atrias have been on the Central Market System programme (Federal clearing house) for several years. They make every effort to complete this complex project which is important for the sector, and which aims to create a platform capable of supporting information exchange in the SMART world, the beginnings of which are now noticeable.

Both human and financial investments in this national project agreed by the DSO have however generated discussions with the Regulator and led to the recognition in the distribution tariffs for the periods 2015-2016 and 2017 of a complementary fixed-rate package for the project based on the number of Sane available to the different DSOs, taking into account the fact that the DSO is simultaneously supporting, over the years 2016 and 2017, the development costs of the Atrias clearing house (CMS) and current costs of maintenance of the clearing house based on the introduction by the DSO of a multi-year business plan for the costs and expected benefits of the proposed ATRIAS clearing house.

The year 2017 has had a series of tests and has concluded, in view of the position of different DSOs invested in this programme, the postponement of the go live for this project.
At RESA, the Atrias@RESA program consolidates all the components of the internal transformation aiming to implement in its own systems the changes related to the implementation of this new contract model as well as the specifics related to the integration with the Central Market System.

To facilitate access to energy for all

Among the social Public Service Obligations (OSP), RESA assists socially protected customers and assumes its role of supplier to people in difficulty by guaranteeing a social price that is lower than any commercial service. One of the objectives pursued by the liberalisation of the gas and electricity markets in Wallonia is in a strengthening of the protection of the low-income people facing the risk of being deprived of resources that have become essential to heat, light, or nourishment.

For the year 2017, the number of protected customers provided with gas and/or electricity by RESA is 23,111, or a slight increase of 41% compared to the year 2016, linked to the resumption of network management of the territory of Liège city centre.

In order to control its energy costs and to avoid situations of over-indebtedness, RESA is also responsible for the placement of prepayment meters. A prepayment meter allows electricity and/or gas to be paid for in advance using a rechargeable prepaid card. Since 2013, prepayment meters have been reloaded using ATMs, available at DSO offices, in some CPASs* and at many shops.

As of 31 December 2017, RESA's number of active-budget meters amounts to 11,544 gas-budget meters and 21,583 electricity-budget meters.

* CPAS : Centre Public d'Action Sociale - public social welfare center

Resumption of the operational management of the electricity grids in Liège city centre

As part of the takeover of INTERMOSANE Sector 1's electricity grid management, an agreement on ORES's operating procedures for the distribution of electricity in Liège was concluded in 2011. Operational management has been entrusted to ORES until 31 December 2016 with the gradual provision of RESA staff to replace the posts directly assigned to grid management in Liège city centre. In order to allow RESA to fully resume operational management of the grids in Liège city centre without any impact on grid users, the agreement by ORES on the terms of operation of the distribution of electricity in Liège for and on behalf of RESA has been extended until 30 June 2017.

The actual recovery took place on 1 July 2017.

The E-Cloud Project

As a reminder, the "E-Cloud" is a pilot project, introduced to the Walloon Region as part of the Marshall Plan 4.0, which tends to demonstrate interest in an electrical system integrating consumers and production units by optimising energy flows, optimising them for consumers, producers and the community.

This project is aimed primarily at SMEs in two areas of economic activity, one in the territory of DSO RESA and the other in the territory of DSO ORES, both coordinators of the project in their area.

In 2017, although the project was approved by DG06 - recognising its innovative nature - and given the change of majority at Government level, subsidy funds have so far not been claimed by the project partners. However, convinced of the usefulness and the interest for Walloon industrialists and SMEs, the partners started the project using their own funds and just completed the analysis and simulation phase at the beginning of 2018.

This first phase was completed with the assistance of the customers in the two selected zones of activity. After an information session and one-on-one meetings, nearly 25% of the customers connected to these areas showed interest and signed a participation agreement. This participation rate is an important indicator for project partners. It reassures us that the concept of the E-Cloud responds well to the concerns of the target audience, SMEs Walloon zonings.

In this project, the DSOs are in charge of the collection of the various data leading to the correct invoicing of the energy exchanges within the E-Cloud community and the link with the energy market.

The DSOs also want to give different customers forecasts on their consumption and production profile in order to allow participating customers to optimise their consumption profile according to these forecasts. It should be noted that all that the DSO does is communicate this information. It is up to the customers themselves, or even other service providers that customers could freely choose, to use this information to drive their consumption processes. We believe that the DSOs are again in their role of market facilitator by creating the optimal conditions for the emergence of new services for SMEs. Means for making these forecasts available to customers will be studied in 2018.
For the actual creation of the forecasts, the DSOs will be releasing models developed as part of the GREDOR project.

After many simulations, the DSOs were able to find a configuration that would allow a reduction in the cost of electricity for the customers participating in the E-Cloud while guaranteeing profitability to the investors in the means of production (of the order of 7 %).
The goal of the project is to:

- Check the impact that an "E-cloud operation" might have on how partner customers consume;
- See the influence that the E-cloud can have on energy flows (injection/removal) at the ELIA station;
- Show that the E-cloud is a way to support the development of renewable energies without resorting to the green certificates mechanism;
- Ensure that all players in the E-cloud are winners by minimising the impact on the distribution bill of customers outside the E-Cloud and/or having a lower impact compared to other models of development of existing renewable energies (direct line, individual self-consumption) or future ones (micro-grid).

To maximise the gains from the E-Cloud, the involvement of partner customers is essential. The DSOs are convinced that only the confrontation with the reality of the field will validate the hypotheses and simulations carried out in the first part of the project.

This is the reason why the two DSOs have requested the agreement of the CWaPE to deploy the E-Cloud tools on the defined zones, benefiting from a tariff exception based on Article 21 of the Decree of 19 January 2017 on the tariff methodology applicable to gas or electricity DSOs. The CWaPE response is scheduled for the first quarter of 2018.

A dynamic investment policy

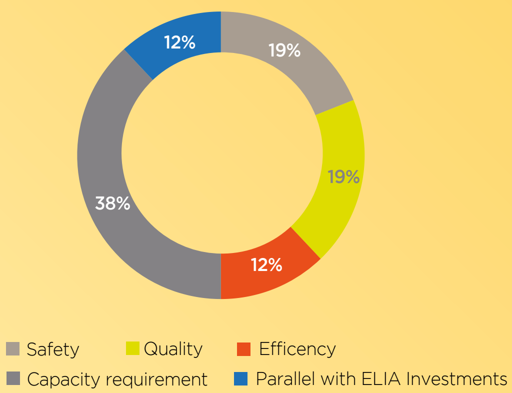
Investments in the electricity grid

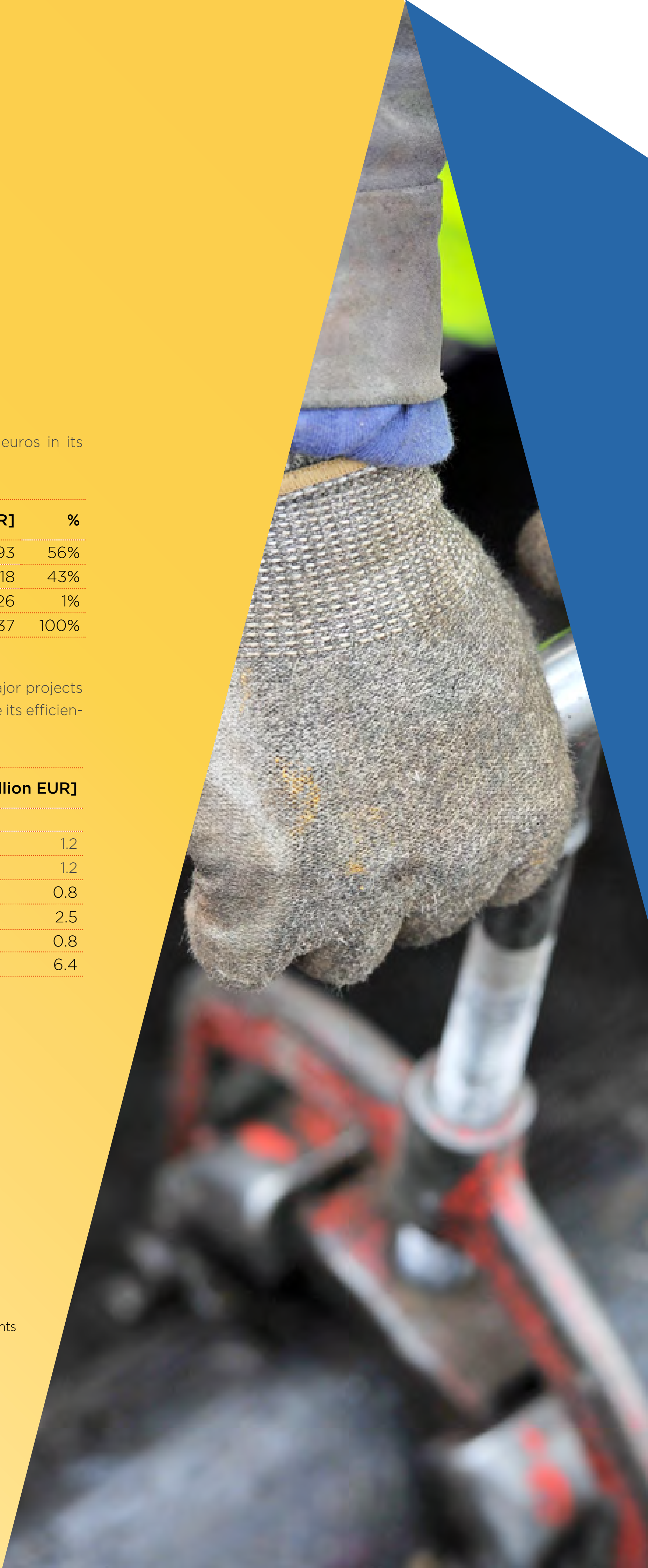
In 2017, RESA invested more than 43 million euros in its electricity grid, as follows:

NETWORK	Gross investments [k EUR]	%
LV	24,293	56%
MV	18,618	43%
OTHER	526	1%
TOTAL	43,437	100%

As every year, RESA has carried out several major projects on its electricity distribution network to improve its efficiency, safety and the quality:

INVESTMENT 2017	[million EUR]
Safety	1.2
Quality	1.2
Efficiency	0.8
Capacity requirement	2.5
Parallel with Elia investments	0.8
TOTAL	6.4





Main projects

Improvement to supply in the Geer valley at Bassenge

Medium voltage cables were laid for the removal of two overhead networks from the GENDARMERIE and HAESEN network cabins. These installations will facilitate the transfer of electricity by eliminating sections of cables with small cross-sections and will avoid voltage differences when switching from one injection point to another (MALVOIE/ALLEUR). RESA laid 1,985 m of cables and decommissioned 849 m of obsolete paper cables.

Improvement in the supply to part of the municipality of Oupeye

Medium voltage cables were installed to improve the supply to a part of Oupeye from the HAUTS SARTS substation in Herstal (departing form EMUBEL). These installations have also eliminated a medium voltage overhead line overhanging homes and gardens. RESA laid 3,390 m of cables, decommissioned 2,685 m of obsolete paper cables and removed 420 m of overhead lines.

Improvement in the supply to part of the town of Hannut

Medium voltage cables were installed to improve the supply to part of Hannut from the divisional cabin of HANNUT GARE at Hannut (departing from TALLEYRAND). These installations have also made it possible to remove several cast iron terminals located in the cabins along the installations as well as the removal of a dilapidated customer cabin in a building. RESA laid 1,646 m of cables and decommissioned 1,888 m of obsolete paper cables.

Removal of overhangs and overhead lines

In 2017, RESA devoted a part of its strategic investment to the burial of several dilapidated overhead lines and the elimination of overhangs in housing areas and wooded areas. The first project was in the municipality of Juprelle and the second was in the municipality of Aywaille. These different cable layouts will make the customer's power supply more reliable, and also improve network operation during repairs. For these two projects, RESA laid 8,677 m of cables and removed 7,050 m of overhead lines

Investments in the gas network

In 2017, RESA invested more than €33 million in its gas network, as follows:

NETWORK	Gross investments [k EUR]	%
LP	27,205	81.6%
MP	6,033	18.1%
OTHER	88	0.3%
TOTAL	33,326	100%

As every year, RESA has carried out several major operations on its natural gas distribution network, whether renewals of lines, moves, extensions or technical closures, but also setting up new gas cabins or their renewal.

Main projects

Site of renewals and moves

Construction site at Seraing, rue du Molinay

As part of the Molinay district renovation project, RESA has proceeded with the renewal of 625m of low pressure pipelines and the connections of the network users in the area covered by the sanitation.

Construction site at Eupen Herbesthalerstrasse

As part of the SPW* development project from the main street to Eupen city centre, RESA proceeded with the renewal and relocation of 2400m of LP and MP pipelines. This project was completed in 2017 after three separate phases, the first of which started in 2015.

Extensions and technical closures

Construction site at Stavelot, rue Basse-Levée

In order to secure Stavelot's network while under development, RESA proceeded with the technical closure of two network cabins. This looping required the installation of a low pressure pipeline DN 160 over a length of 1200 m.

Construction site at Ivoz, Avenue Gonda - Seraing, Val Saint-Lambert

In 2017, RESA finalised the second phase of the 15 bar medium pressure project to supply a 15bar/5bar distribution station with a capacity of 30,000 Nm /h from the new Fluxys station in Ivoz-Ramet. This installation totalled 2700m of DN200 pipes (including 1900m in 2017). This investment will increase the reinjection capacity to the MP network in the Seraing center but will also strengthen the left bank at Flémalle.

* SPW : Service Public de Wallonie - Public Service of Wallonia

New network and customer cabins

A new network cabin was also built in 2017 as well as seven cabins for customers:

Location	Address	Cabin Type	Capacity (Nm^3/h)
Liège	Rue Fusch	5bar/20mbar network cabin	400
Herstal	Rue de l'Ecole Technique	Customer IPES Herstal	650
Oupeye	Trilogiport	Customer DL Trilogiport	250
Eupen	Rue Hütte	Customer municipal swimming pool	100
Battice	Rue des Gayettes	Customer Haver Belgium	250
Welkenraedt	Chemin du Duc	Customer Dantresangle	
Seraing	Rue Camille Lemonnier	Customer Ecole Fédé Wallonie-Bxl School	
Limburg	Quai des Religieuses	Customer Ste-Claire School	100

RESA then proceeded with the renewal of six network cabins

Location	Address	Cabin Type	Capacity (Nm^3/h)
Beyne-Heusay	Rue du Homvent	5bar/ 20mbar	1,500
Liège	Rue Sainte-Walburge	5 bar/ 20 mbar	1,500
Liège	Angleur, Municipal park	5 bar/ 20 mbar	1,500
Liège	Angleur, rue Vaudrée	5 bar/ 100 mbar/20mbar	2,500
Liège	Sclessin, rue de la Centrale	5 bar/ 100 mbar	1,500
Huy	Rue de Durbuy	5 bar/ 100 mbar	750

Investments supports

In 2017, RESA invested more than 8 million in computer equipment and its buildings, as follows:

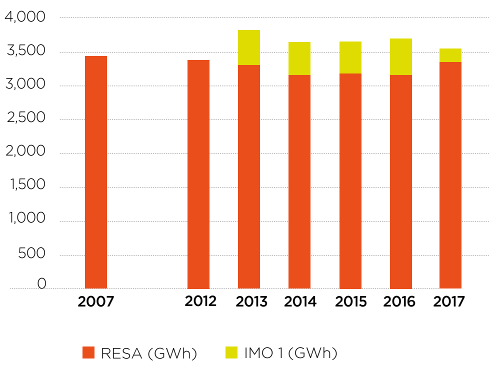
SUPPORT	Gross investments [k EUR]	%
Facility	3,465	64%
MV	1,911	36%
TOTAL	5,376	100%

Energy drawn

In 2017, the energy demand for all RESA networks is 3,601,562,941 kWh.

On RESA's territory we see a drop of 0.94% on the collective volume, all customers included, in 2017 compared to the year 2016.

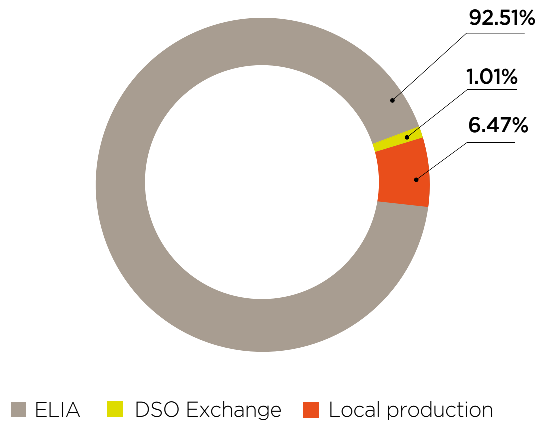
The change in energy demand for the last eleven years for all RESA customer appears as follows:



The Intermosane 1 part has been incorporated into the RESA figures from June 2017.

Origin of energy consumed in 2017

Total annual energy of 3,601,562,941 kWh comes from:



Total energy having transited on our network in 2017 is 3,658,488,543 kWh.

Total energy consumed

The distribution of consumed energy, for all RESA networks, is respectively as shown in the adjacent table:

2017 electricity figures

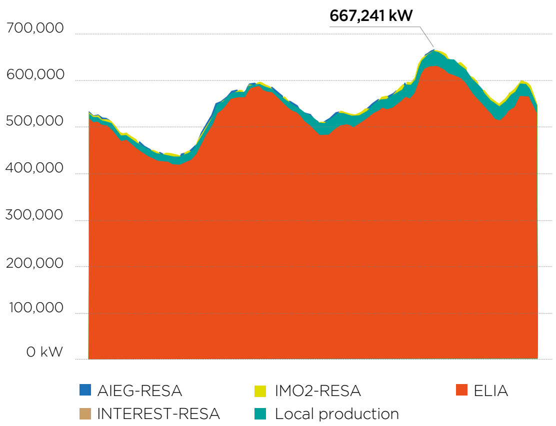
Maximum quarter-hourly power

On the RESA territory including Liège city centre, the maximum quarter-hourly power for the year took place on **tuesday 18 January 2017**.

On that date, the maximum power taken at 18:30 on our network was 667,241 kW.

It is noteworthy that the maximum power for 2017 was reached during the full-hour period.

Tuesday 18 January 2017:



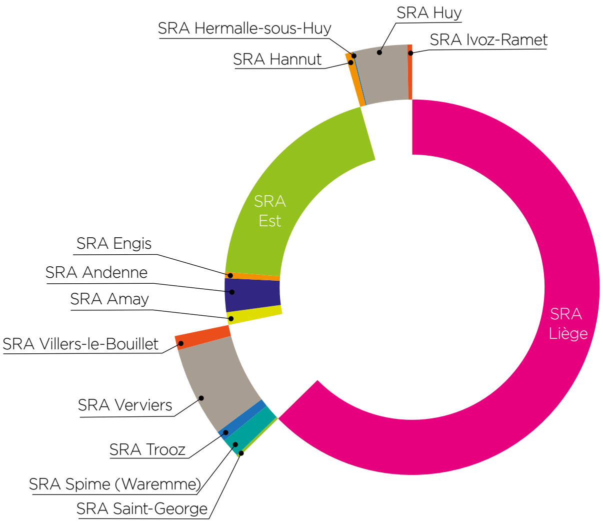
Energy consumed (kWh)

SECTOR		2017	
		ENERGY (kWh)	**DISTRIBUTION (%)**
LOW VOLTAGE			
Residential and non-residential uses		1,766,416,908	97.58
Street lighting		43,758,648	2.42
	Total	**1,810,175,557**	**53.34**
MEDIUM VOLTAGE			
Services		734,379,613	46.38
Industry		848,980,450	53.62
	Total	**1,583,360,062**	**46.66**
OVERALL TOTAL		**3,393,535,619**	**100.00**

The annual basis of low voltage billing distributed throughout the year has meant that the globalisation of these energies does not represent a calendar year, but rather a sliding year that begins in the middle of the previous year.

Energy demand on the RESA network

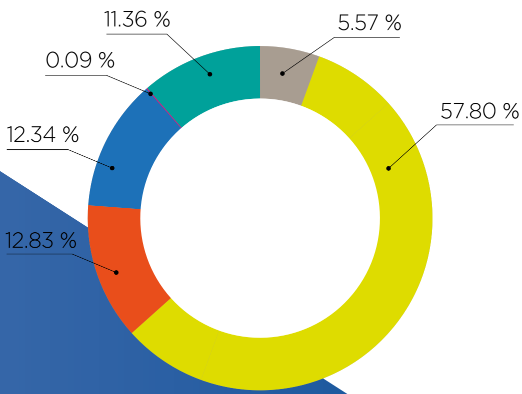
The RESA network is divided into 14 SRAs (Aggregate receiving stations).



Below is the distribution of energy demand on the network:

Name of the SRA	Eenergy demand in 2017 [kWh]
SRA Amay	62,858,458
SRA Andenne	167,084,115
SRA Engis	30,699,444
SRA East	1,107,035,980
SRA Hannut	28,076,518
SRA Hermalle-sous-Huy	4,271,855
SRA Huy	206,060,052
SRA Ivoz-Ramet	18,519,831
SRA Liège	3,604,806,417
SRA Saint-Georges-sur-Meuse	10,355,533
SRA Spime (Waremme)	72,969,082
SRA Trooz	40,218,898
SRA Verviers	345,048,211
SRA Villers-le-Bouillet	54,591,025

Breakdown of sales per tariff - volumes

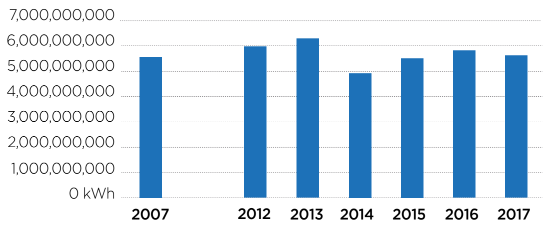


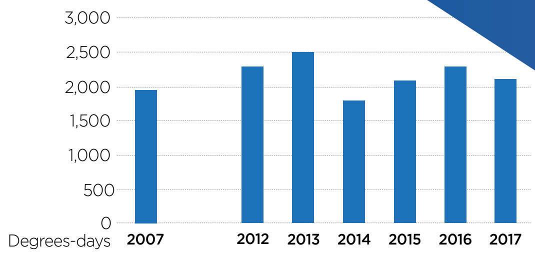
Energy demand

In 2017, the energy demand on all RESA networks is 5,752,595,419 kWh, representing a decrease of 1.78 % for all customers combined relative to the 2016 infeed. This decrease can be explained by the number of degree-days, down by 7.51 %. In fact, 2017 was hotter than 2016 (2,330 degree-days in 2016 against 2,155 in 2017).

Rate
- T1 (0-5,000 kWh)
- T2 (5,001-150,000 kWh)
- T3 (150,001-1.000,000 kWh)
- T4 (>1,000,000 kWh)
- T5 (<10,000,000 kWh - AMR)
- T6 (>10,000,000 kWh - AMR)

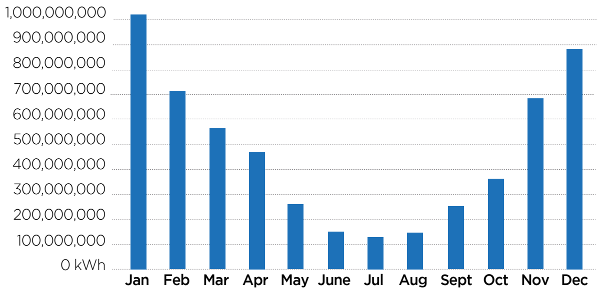
2017 gas figures

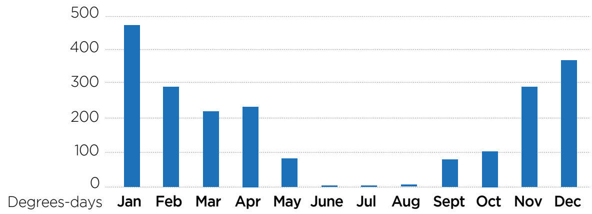




The "degree-days" chart gives a picture of the temperature and therefore the average needs profile in heating a home. It should be noted with regard to gas, that monthly or annual energy is strongly connected to it.

Below, the energy demand per month by 2017 with the total number of corresponding degree days.
The coldest period of the year is in January - February and November - December.



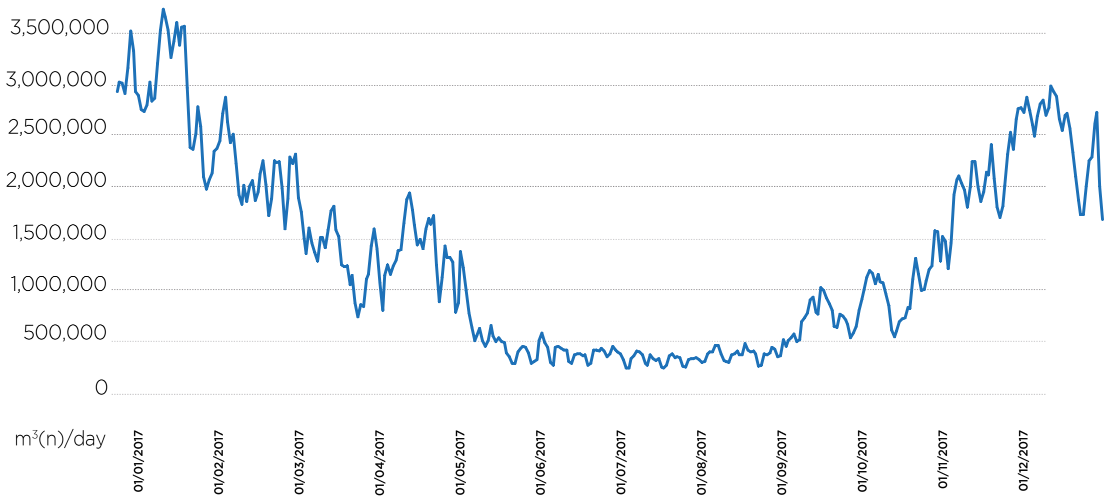


* Degree-days are a criterion for assessing the cold for a given period. To calculate equivalent degree days in Belgium, it is necessary to first know the equivalent temperatures.

Hourly volume

In 2017, the coldest day was 18/01/2017 (-3 degrees Celsius, which is equivalent to 19 degree days as this is the number of degrees below a mean 16.5 degrees on a day measured in Uccle) with consumption on the day of 3,733,433 Nm³ including an hourly peak at 7:00 am of 192,646 Nm³ .

Below are the hourly volumes input into the system in 2017 (in Nm³).



5

Annual accounts 2017

5.1. Balance sheet after appropriation 2017

(in thousands of euros)

ASSETS	Codes	Period 2017	Period 2016
FORMATION EXPENSES	20		
FIXED ASSETS	21/28	1,326,331	1,303,877
I. Intangible fixed assets	**21**	**19,158**	**21,307**
II. Tangible fixed assets	**22/27**	**1,307,080**	**1,282,472**
A. Land and buildings	22	41,082	41,334
B. Plant, machinery and equipment	23	1,203,323	1,160,880
C. Furniture and vehicles	24	8,399	6,461
D. Leasing and other rights	25	1,388	1,446
E. Other tangible fixed assets	26		
F. Tangible assets under construction and advance payments made	27	52,888	72,351
III. Financial fixed assets	**28**	**93**	**98**
A. Affiliated enterprises	280/1		
1. Participating interests	280		
2. Amounts receivable	281		
B. Other enterprises linked by participating interests	282/3	88	88
1. Participating interests	282	88	88
2. Amounts receivable	283		
C. Other financial assets	284/8	5	10
1. Shares	284		4
2. Amounts receivable and cash guarantees	285/8	5	6
CURRENT ASSETS	29/58	157,352	163,503
IV. Amounts receivable after more than one year	**29**		
A. Trade debtors	290		
B. Other amounts receivable	291		
V. Stocks and contracts in progress	**3**	**14,356**	**13,511**
A. Stocks	30/36	13,886	13,940
1. Raw materials and consumables	30/31	13,736	13,790
2. Work in progress	32	150	150
3. Finished goods	33		
4. Goods purchased for resale	34		
5. Immovable property intended for sale	35		
6. Advance payments	36		
B. Contracts in progress	37	470	454
VI. Amounts receivable within one year	**40/41**	**82,988**	**90,937**
A. Trade debtors	40	79,922	74,172
B. Other amounts receivable	41	3,066	16,765
VII. Current investments	**50/53**		
A. Own shares	50		
B. Other investments and deposits	51/53		
VIII. Cash at bank and in hand	**54/58**	**36,704**	**42,594**
IX. Deferred charges and accrued income	**490/1**	**23,304**	**15,578**
TOTAL ASSETS	**20/58**	**1,483,683**	**1,467,380**

EQUITY AND LIABILITIES	Codes	Period 2017	Period 2016
EQUITY	10/15	702,357	681,041
I. Capital	**10**	**657,880**	**657,880**
A. Issued capital	100	657,880	657,880
B. Uncalled capital *	101		
II. Share premium account	**11**		
III. Revaluation surpluses	**12**		
IV. Reserves	**13**	**8,310**	**5,763**
A. Legal reserve	130	8,310	5,763
B. Reserves not available	131		
1. In respect of own shares held	1310		
2. Others	1311		
C. Untaxed reserves	132		
D. Available reserves	133		
V. Accumulated profits (losses) (+)/(-)	**14**	**33,334**	**15,507**
VI. Investment grants	**15**	**2,833**	**1,891**
VII. Advance to associates on the sharing out of the assets **	**19**		
PROVISIONS AND DEFERRED TAXES	16	7,858	7,890
VIII. Provisions for liabilities and charges	**160/5**	**7,858**	**7,890**
A. Pensions and similar obligations	160		
B. Taxation	161		
C. Major repairs and maintenance	162		17
D. Environmental liabilities	163		
E. Other risks and costs	164/5	7,858	7,873
IX. Deferred taxes	**168**		
AMOUNTS PAYABLE	17/49	773,468	778,449
X. Amounts payable after more than one year	**17**	**545,016**	**567,870**
A. Financial debts	170/4	545,016	567,870
1. Subordinated loans	170		
2. Unsubordinated debentures	171	500,000	515,000
3. Leasing and other similar obligations	172	33	100
4. Credit institutions	173	44,983	52,770
5. Other loans	174		
B. Trade debts	175		
1. Suppliers	1750		
2. Bills of exchange payable	1751		
C. Advances received on contracts in progress	176		
D. Other amounts payable	178/9		
XI. Amounts payable within one year	**42/48**	**182,680**	**171,540**
A. Current portion of amounts payable after more than one year falling due within one year	42	22,853	7,962
B. Financial debts	43		1
1. Credit institutions	430/8		
2. Other loans	439		1
C. Trade debts	44	80,280	74,986
1. Suppliers	440/4	80,280	74,986
2. Bills of exchange payable	441		
D. Advances received on contracts in progress	46	21,350	19,569
E. Taxes, remuneration and social security	45	23,870	34,451
1. Taxes	450/3	23,870	34,451
2. Remuneration and social security	454/9		
F. Other amounts payable	47/48	34,327	34,571
XII. Accrued charges and deferred income	**492/3**	**45,772**	**39,039**
TOTAL LIABILITIES	**10/49**	**1,483,683**	**1,467,380**

* Amount to be deducted from the issued capital.
** Amount to be deducted from the other components of equity.

5.2. Income statement on 31 décembre 2017

(in thousands of euros)

	Codes	Period 2017	Period 2016
I. Operating income and charges	**70/76A**	**352,629**	**337,629**
A. Turnover	70	279,958	263,057
B. Increase (decrease) in stocks of finished goods, work and contracts in progress (+)/(-)	71	16	218
C. Own construction capitalised	72	67,925	64,059
D. Other operating income	74	3,936	9,644
E. Non-recurring operating income	76A	794	651
II. Operating charges	**60/66A**	**267,820**	**264,199**
A. Raw materials, consumables	60	36,743	34,400
1. Purchases	600/8	36,711	35,065
2. Decrease (increase) in stocks (+)/(-)	609	32	-665
B. Services and other goods	61	163,101	157,360
C. Remuneration, social security costs and pensions (+)/(-)	62		
D. Depreciation of and amounts written off formation expenses, intangible and tangible fixed assets	630	44,172	44,017
E. Increase, Decrease in amounts written off stocks contracts in progress and trade debtors: Appropriations (write-backs) (+)/(-)	631/4	929	-185
F. Provisions for risks and charges - Appropriations (uses and write-backs) (+)/(-)	635/8	-32	-46
G. Other operating charges	640/8	22,007	26,946
H. Operation charges carried to assets as restructuring costs (-)	649		
I. Non-recurring operating charges	66A	900	1,707
III. Operating profit (loss)	**9901**	**84,809**	**73,430**

	Codes	Period 2017	Period 2016
I. Financial income	**75/76B**	**95**	**62**
A. Recurring financial income	75	95	62
1. Income from financial fixed assets	750		
2. Income from current assets	751	26	8
3. Other financial income	752/9	69	54
B. Non-recurring financial income	76B		
II. Financial charges	**65/66B**	**8,879**	**12,319**
A. Recurring financial charges	65	8,879	12,319
1. Debt charges	650	8,819	11,158
2. Amounts written down on current assets except stocks, contracts in progress and trade debtors (+)/(-)	651		
3. Other financial charges	652/9	60	1,161
B. Non recurring financial charges	66B		
III. Profit (loss) for the period before taxes (+)/(-)	**9903**	**76,025**	**61,173**
IV. Transfer from postponed taxes	**780**		
V. Transfer to postponed taxes	**680**		
VI. Income taxes (+)/(-)	**67/77**	**25,092**	**16,866**
A. Income taxes	670/3	25,342	17,351
B. Adjustment of income taxes and write-back of tax provisions	77	250	485
VII. Profit (loss) for the period (+)/(-)	**9904**	**50,933**	**44,307**
VIII. Transfer from untaxed reserves	**789**		
IX. Transfer to untaxed reserves	**689**		
X. Profit (loss) for the period available for appropriation (+)/(-)	**9905**	**50,933**	**44,307**

5.3. Appropriation account

(in thousands of euros)

	Codes	Period 2017	Period 2016
I. Profit (loss) to be appropriated (+) / (-)	**9906**	**66,440**	**44,307**
A. Gain (loss) to be appropriated (+) / (-)	(9905)	50,933	44,307
B. Profit (loss) to be carried forward (+) / (-)	14P	15,507	
II. Transfers from capital and reserves	**791/2**		
A. from capital and share premium account	791		
B. from reserves	792		
III. Transfers to capital and reserves	**691/2**	**2,546**	**2,216**
A. to capital and share premium account	691		
B. to the legal reserve	6920	2,546	2,216
C. to other reserves	6921		
IV. Profit (loss) to be carried forward (+) / (-)	**(14)**	**33,334**	**15,507**
V. Owner's contribution in respect of losses	**794**		
VI. Profit to be distributed	**694/7**	**30,560**	**26,584**
A. Dividends	694	30,560	26,584
B. Director's or managers' entitlements	695		
C. Workers	696		
D. Other beneficiaries	697		

5.4. Appendices to the annual accounts
(in thousands of euros)

STATEMENT OF INTANGIBLE FIXED ASSETS

DEVELOPMENT COSTS	**Codes**	**Period 2017**	**Period 2016**
I. Acquisition value at the end of the period	**8051P**		**64**
II. Movements during the period			
A. Acquisitions, including produced fixed assets	8021		
B. Sales and disposals	8031		
C. Transfers from one heading to another (+)/(-)	8041		
III. Acquisition value at the end of the period	**8051**	**64**	
IV. Depreciation and amounts written down at the end of the period	**8121P**		**64**
V. Movements during the period			
A. Recorded	8071		
B. Written back	8081		
C. Acquisitions from third parties	8091		
D. Cancelled owing to sales and disposals	8101		
E. Transfers from one heading to another (+)/(-)	8111		
VI. Depreciation and amounts written down at the end of the period	**8121**	**64**	
NET BOOK VALUE AT THE END OF THE PERIOD	**81311**		

CONCESSIONS, PATENTS, LICENCES, KNOWHOW, BRANDS AND SIMILAR RIGHTS	**Codes**	**Period 2017**	**Period 2016**
I. Acquisition value at the end of the period	**8052P**		**42,293**
II. Movements during the period			
A. Acquisitions, including produced fixed assets	8022	648	
B. Sales and disposals	8032		
C. Transfers from one heading to another (+)/(-)	8042	17	
III. Acquisition value at the end of the period	**8052**	**42,958**	
IV. Depreciation and amounts written down at the end of the period	**8122P**		**30,482**
V. Movements during the period			
A. Recorded	8072	3,361	
B. Written back	8082		
C. Acquisitions from third parties	8092		
D. Cancelled owing to sales and disposals	8102		
E. Transfers from one heading to another (+)/(-)	8112		
VI. Depreciation and amounts written down at the end of the period	**8122**	**33,843**	
NET BOOK VALUE AT THE END OF THE PERIOD	**211**	**9,115**	

GOODWILL	Codes	Period 2017	Period 2016
I. Acquisition value at the end of the period	**8053P**		**6,609**
II. Movements during the period			
A. Acquisitions, including produced fixed assets	8023		
B. Sales and disposals	8033		
C. Transfers from one heading to another(+)/(-)	8043		
III. Acquisition value at the end of the period	**8053**	**6,609**	
IV. Depreciation and amounts written down at the end of the period	**8123P**		**2,600**
V. Movements during the period			
A. Recorded	8073	650	
B. Written back	8083		
C. Acquisitions from third parties	8093		
D. Cancelled owing to sales and disposals	8103		
E. Transfers from one heading to another (+)/(-)	8113		
VI. Depreciation and amounts written down at the end of the period	**8123**	**3,250**	
NET BOOK VALUE AT THE END OF THE PERIOD	**212**	**3,359**	

ADVANCE PAYMENTS	Codes	Period 2017	Period 2016
I. Acquisition value at the end of the period	**8054P**		**5,487**
II. Movements during the period			
A. Acquisitions, including produced fixed assets	8024	1,214	
B. Sales and disposals	8034		
C. Transfers from one heading to another (+)/(-)	8044	-17	
III. Acquisition value at the end of the period	**8054**	**6,684**	
IV. Depreciation and amounts written down at the end of the period	**8124P**		
V. Movements during the period			
A. Recorded	8074		
B. Written back	8084		
C. Acquisitions from third parties	8094		
D. Cancelled owing to sales and disposals	8104		
E. Transfers from one heading to another (+)/(-)	8114		
VI. Depreciation and amounts written down at the end of the period	**8124**		
NET BOOK VALUE AT THE END OF THE PERIOD	**213**	**6,684**	

STATEMENT OF TANGIBLE FIXED ASSETS

LAND AND BUILDINGS	Codes	Period 2017	Period 2016
I. Acquisition value at the end of the period	**8191P**		**71,874**
II. Movements during the period			
A. Acquisitions, including produced fixed assets	8161	1,272	
B. Sales and disposals	8171	546	
C. Transfers from one heading to another (+)/(-)	8181	89	
III. Acquisition value at the end of the period	**8191**	**72,689**	
IV. Revaluation surpluses at the end of the period	**8251P**		**6,731**
V. Movements during the period			
A. Recorded	8211		
B. Acquisitions from third parties	8221		
C. Cancelled	8231	28	
D. Transfers from one heading to another (+)/(-)	8241		
VI. Revaluation surpluses at the end of the period	**8251**	**6,703**	
VII. Depreciation and amounts written down at the end of the period	**8321P**		**37,272**
VIII. Movements during the period			
A. Recorded	8271	1,268	
B. Written back	8281		
C. Acquisitions from third parties	8291		
D. Cancelled owing to sales and disposals	8301	230	
E. Transfers from one heading to another (+)/(-)	8311		
IX. Depreciation and amounts written down at the end of the period	**8321**	**38,310**	
NET BOOK VALUE AT THE END OF THE PERIOD	**(22)**	**41,082**	

PLANT, MACHINERY AND EQUIPMENT

PLANT, MACHINERY AND EQUIPMENT	Codes	Period 2017	Period 2016
I. Acquisition value at the end of the period	**8192P**		**1,520,854**
II. Movements during the period			
A. Acquisitions, including produced fixed assets	8162	27,470	
B. Sales and disposals	8172	1,777	
C. Transfers from one heading to another (+)/(-)	8182	52,738	
III. Acquisition value at the end of the period	**8192**	**1,599,285**	
IV. Revaluation surpluses at the end of the period	**8252P**		**499,713**
V. Movements during the period			
A. Recorded	8212		
B. Acquisitions from third parties	8222		
C. Cancelled	8232	482	
D. Transfers from one heading to another (+)/(-)	8242		
VI. Revaluation surpluses at the end of the period	**8252**	**499,231**	
VII. Depreciation and amounts written down at the end of the period	**8322P**		**859,688**
VIII. Movements during the period			
A. Recorded	8272	36,866	
B. Written back	8282		
C. Acquisitions from third parties	8292		
D. Cancelled owing to sales and disposals	8302	1,360	
E. Transfers from one heading to another (+)/(-)	8312		
IX. Depreciation and amounts written down at the end of the period	**8322**	**895,194**	
NET BOOK VALUE AT THE END OF THE PERIOD	**(23)**	**1,203,322**	

FURNITURE AND VEHICLES

FURNITURE AND VEHICLES	Codes	Period 2017	Period 2016
I. Acquisition value at the end of the period	**8193P**		**31,121**
II. Movements during the period			
A. Acquisitions, including produced fixed assets	8163	2,166	
B. Sales and disposals	8173	4,970	
C. Transfers from one heading to another (+)/(-)	8183	1,791	
III. Acquisition value at the end of the period	**8193**	**30,108**	
IV. Revaluation surpluses at the end of the period	**8253P**		**597**
V. Movements during the period			
A. Recorded	8213		
B. Acquisitions from third parties	8223		
C. Cancelled	8233	51	
D. Transfers from one heading to another (+)/(-)	8243		
VI. Revaluation surpluses at the end of the period	**8253**	**546**	
VII. Depreciation and amounts written down at the end of the period	**8323P**		**25,257**
VIII. Movements during the period			
A. Recorded	8273	1,970	
B. Written back	8283		
C. Acquisitions from third parties	8293		
D. Cancelled owing to sales and disposals	8303	4,972	
E. Transfers from one heading to another (+)/(-)	8313		
IX. Depreciation and amounts written down at the end of the period	**8323**	**22,255**	
NET BOOK VALUE AT THE END OF THE PERIOD	**(24)**	**8,399**	

LEASING AND SIMILAR RIGHTS

LEASING AND SIMILAR RIGHTS	Codes	Period 2017	Period 2016
I. Acquisition value at the end of the period	**8194P**		**1,908**
II. Movements during the period			
A. Acquisitions, including produced fixed assets	8164		
B. Sales and disposals	8174		
C. Transfers from one heading to another (+)/(-)	8184		
III. Acquisition value at the end of the period	**8194**	**1,908**	
IV. Revaluation surpluses at the end of the period	**8254P**		
V. Movements during the period			
A. Recorded	8214		
B. Acquisitions from third parties	8224		
C. Cancelled	8234		
D. Transfers from one heading to another (+)/(-)	8244		
VI. Revaluation surpluses at the end of the period	**8254**		
VII. Depreciation and amounts written down at the end of the period	**8324P**		**462**
VIII. Movements during the period			
A. Recorded	8274	58	
B. Written back	8284		
C. Acquisitions from third parties	8294		
D. Cancelled owing to sales and disposals	8304		
E. Transfers from one heading to another(+)/(-)	8314		
IX. Depreciation and amounts written down at the end of the period	**8324**	**520**	
NET BOOK VALUE AT THE END OF THE PERIOD	**(25)**	**1,388**	
WHEREOF			
A. Land and buildings	250	1,388	
B. Plant, machinery and equipment	251		
C. Furniture and vehicles	252		

ASSETS UNDER CONSTRUCTION AND ADVANCED PAYMENTS

ASSETS UNDER CONSTRUCTION AND ADVANCED PAYMENTS	Codes	Period 2017	Period 2016
I. Acquisition value at the end of the period	**8196P**		**72,351**
II. Movements during the period			
A. Acquisitions, including produced fixed assets	8166	35,155	
B. Sales and disposals	8176		
C. Transfers from one heading to another (+)/(-)	8186	-54,618	
III. Acquisition value at the end of the period	**8196**	**52,888**	
IV. Revaluation surpluses at the end of the period	**8256P**		
V. Movements during the period			
A. Recorded	8216		
B. Acquisitions from third parties	8226		
C. Cancelled	8236		
D. Transfers from one heading to another (+)/(-)	8246		
VI. Revaluation surpluses at the end of the period	**8256**		
VII. Depreciation and amounts written down at the end of the period	**8326P**		
VIII. Movements during the period			
A. Recorded	8276		
B. Written back	8286		
C. Acquisitions from third parties	8296		
D. Cancelled owing to sales and disposals	8306		
E. Transfers from one heading to another (+)/(-)	8316		
IX. Depreciation and amounts written down at the end of the period	**8326**		
NET BOOK VALUE AT THE END OF THE PERIOD	**(27)**	**52,888**	

ENTERPRISES LINKED BY A PARTICIPATING INTEREST - PARTICIPATING INTERESTS AND SHARES	Codes	Period 2017	Period 2016
I. Acquisition value at the end of the period	**8392P**		**117**
II. Movements during the period			
A. Acquisitions, including produced fixed assets	8362		
B. Sales and disposals	8372		
C. Transfers from one heading to another (+)/(-)	8382		
III. Acquisition value at the end of the period	**8392**	**117**	
IV. Revaluation surpluses at the end of the period	**8452P**		
V. Movements during the period			
A. Recorded	8412		
B. Acquisitions from third parties	8422		
C. Cancelled	8432		
D. Transfers from one heading to another (+)/(-)	8442		
VI. Revaluation surpluses at the end of the period	**8452**		
VII. Amounts written down at the end of the period	**8522P**		
VIII. Movements during the period			
A. Recorded	8472		
B. Written back	8482		
C. Acquisitions from third parties	8492		
D. Cancelled owing to sales and disposals	8502		
E. Transfers from one heading to another (+)/(-)	8512		
IX. Amounts written down at the end of the period	**8522**		
X. Uncalled amounts at the end of the period	**8552P**		**29**
XI. Movements during the period (+)/(-)	**8542**		
XII. Uncalled amounts at the end of the period	**8552**	**29**	
NET BOOK VALUE AT THE END OF THE PERIOD	**(282)**	**88**	

OTHER ENTERPRISES - PARTICIPATING INTERESTS AND SHARES	Codes	Period 2017	Period 2016
I. Acquisition value at the end of the period	**8393P**		**4**
II. Movements during the period			
A. Acquisitions, including produced fixed assets	8363		
B. Sales and disposals	8373	4	
C. Transfers from one heading to another (+)/(-)	8383		
III. Acquisition value at the end of the period	**8393**		
IV. Revaluation surpluses at the end of the period	**8453P**		
V. Movements during the period			
A. Recorded	8413		
B. Acquisitions from third parties	8423		
C. Cancelled	8433		
D. Transfers from one heading to another (+)/(-)	8443		
VI. Revaluation surpluses at the end of the period	**8453**		
VII. Amounts written down at the end of the period	**8523P**		
VIII. Movements during the period			
A. Recorded	8473		
B. Written back	8483		
C. Acquisitions from third parties	8493		
D. Cancelled owing to sales and disposals	8503		
E. Transfers from one heading to another (+)/(-)	8513		
IX. Amounts written down at the end of the period	**8523**		
X. Uncalled amounts at the end of the period	**8553P**		
XI. Movements during the period (+)/(-)	**8543**		
XII. Uncalled amounts at the end of the period	**8553**		
NET BOOK VALUE AT THE END OF THE PERIOD	**(284)**		

OTHER ENTERPRISES - AMOUNTS RECEIVABLE	Codes	Period 2017	Period 2016
NET BOOK VALUE AT THE END OF THE PERIOD	**285/8P**		**6**
I. Movements during the period			
A. Additions	8583		
B. Repayments	8593	1	
C. Amounts written down	8603		
D. Amounts written back	8613		
E. Exchange differences (+)/(-)	8623		
F. Other (+)/(-)	8633		
NET BOOK VALUE AT THE END OF THE PERIOD	**(285/8)**	**5**	
ACCUMULATED AMOUNTS WRITTEN OFF ON AMOUNTS RECEIVABLE AT THE END OF THE PERIOD	**8653**		

INFORMATION RELATING TO THE SHARE IN THE CAPITAL

SHARE IN THE CAPITAL AND OTHER RIGHTS IN OTHER COMPANIES

List of both enterprises in which the enterprise holds a participating interest (recorded in the headings 280 and 282 of assets) and other enterprises in which the enterprise holds rights (recorded in the headings 284 and 51/53 of asset in the amount of at least 10% of the capital issued.

NAME, full address of the REGISTERED OFFICE and for the enterprise governed by Belgian law, the COMPANY NUMBER	**SHARES HELD BY**			**INFORMATION FROM THE MOST RECENT PERIOD FOR WHICH ANNUAL ACCOUNTS ARE AVAILABLE**			
	directly		subsidiaries	Primary financial statement :	Monetary unit	Capital and reserves	Net result
	Number	%	%			(+) of (-) *(in units)*	
ATRIAS SCRL Galerie Ravenstein 4 , box 2 1000 Brussel 1 Belgium 0836.258.873 Part sociale	58	15.59	0.00	31/12/2016	EUR	18,600	0
INTER-REGIES SCRL Royale 55, box 10, 1000 Brussel 1 Belgium 0207.622.758 Part sociale	4,591	26.07	0.00	31/12/2016	EUR	1,132,366	17,210

OTHER INVESTMENTS AND DEPOSIT, DEFFERED CHARGES AND ACCRUED INCOME (ASSETS)

DEFFERED CHARGES AND ACCRUED INCOME	Period 2017
Allocation of heading 490/1 of assets if the amount is significant.	
Other expenses to be carried forward	11,061
Other products acquired	12,243

STATEMENT OF CAPITAL AND SHAREHOLDING STRUCTURE

STATEMENT OF CAPITAL	Codes	Period 2017	Period 2016
I. Social capital			
A. Issued capital at the end of the period	100P		657,880
B. Issued capital at the end of the period	(100)	657,880	
		Montants	**Nombre d'actions**
C. Changes during the period			
D. Structure of the capital			
E. Different categories of shares			
1. Registered shares		657,880	9,063,477
F. Registered shares	8702		9,063,477
G. Shares dematerialized	8703		

PROVISIONS FOR OTHER LIABILITIES AND CHARGES

	Period 2017
Analysis of the heading 164/5 of liabilities if the amount is significant	
1. Provisions for other liabilities and charges	7,858

STATEMENT OF AMOUNTS PAYABLE, ACCRUED CHARGES AND DEFERRED INCOME

	Codes	Period 2017
BREAKDOWN OF AMOUNTS PAYABLE WITH AN ORIGINAL PERIOD TO MATURITY OF MORE THAN ONE YEAR, ACCORDING TO THEIR RESIDUAL TERM		
I. Current portion of amounts payable after more than one year fallin due within one year		
A. Financial debts	8801	22,853
1. Subordinated loans	8811	
2. Unsubordinated debentures	8821	15,000
3. Leasing and other similar obligations	8831	66
4. Credit institutions	8841	7,787
5. Other loans	8851	
B. Trade debts	8861	
1. Suppliers	8871	
2. Bills of exchange payable	8881	
C. Advance payments received on contracts in progress	8891	
D. Other amounts payable	8901	
TOTAL AMOUNTS PAYABLE AFTER MORE THAN ONE YEAR, NOT MORE THAN ONE YEAR	**(42)**	**22,853**
II. Amounts payable after more than one year, between one and five years		
A. Financial debts	8802	26,726
1. Subordinated loans	8812	
2. Unsubordinated debentures	8822	
3. Leasing and other similar obligations	8832	33
4. Credit institutions	8842	26,693
5. Other loans	8852	
B. Trade debts	8862	
1. Suppliers	8872	
2. Bills of exchange payable	8882	
C. Advance payments received on contracts in progress	8892	
D. Other amounts payable	8902	
TOTAL AMOUNTS PAYABLE AFTER MORE THAN ONE YEAR, BETWEEN ONE AND FIVE YEARS	**8912**	**26,726**
III. Amounts payable after more than one year, over five years		
A. Financial debts	8803	518,290
1. Subordinated loans	8813	
2. Unsubordinated debentures	8823	500,000
3. Leasing and other similar obligations	8833	
4. Credit institutions	8843	18,290
5. Other loans	8853	
B. Trade debts	8863	
1. Suppliers	8873	
2. Bills of exchange payable	8883	
C. Advance payments received on contracts in progress	8893	
D. Other amounts payable	8903	
TOTAL AMOUNTS PAYABLE AFTER MORE THAN ONE YEAR, OVER FIVE YEARS	**8913**	**518,290**

AMOUNTS PAYABLE GUARANTEED (headings 17 and 42/48 of liabilities)	**Codes**	**Period 2017**
I. Amounts payable guaranteed by Belgian public authorities		
A. Financial debts	8921	34,164
1. Subordinated loans	8931	
2. Unsubordinated debentures	8941	
3. Leasing and other similar obligations	8951	
4. Credit institutions	8961	34,164
5. Other loans	8971	
B. Trade debts	8981	
1. Suppliers	8991	
2. Bills of exchange payable	9001	
C. Advance payments received on contracts in progress	9011	
D. Remuneration and social security	9021	
E. Other amounts payable	9051	
TOTAL AMOUNTS PAYABLE GUARANTEED BY BELGIAN PUBLIC AUTHORITIES	**9061**	**34,164**

AMOUNTS PAYABLE FOR TAXES, REMUNERATION AND SOCIAL SECURITY

I. Taxes (headings 450/3 and 178/9 of the liabilities)		
A. Expired taxes payable	9072	
B. Non expired taxes payable	9073	15,030
C. Estimated taxes payable	450	8,840
II. Remuneration and social security (headings 454/9 and 178/9 of the liabilities)		
A. Amount due to the National Office of Social Security	9076	
B. Other amounts payable relating to remuneration and social security	9077	

ACCRUED CHARGES AND DEFERRED INCOME

Allocation of heading 492/3 of liabilities if the amount is significant	
1. Other charges to be charged	18,243
2. Other products to carry forward	27,529

OPERATING RESULTS

OPERATING INCOME	Codes	Period 2017	Period 2016
I. Net turnover			
A. Broken down by categories of activity			
1. Turnover		279,957	263,057
B. Allocation into geographical markets			
II. Other operating income			
A. Operating subsidies and compensatory amounts received from public authorities	740	247	66

OPERATING COSTS	Codes	Period 2017	Period 2016
III. Employees for whom the company has submitted a DIMONA declaration or are recorded in the general personnel register			
A. Total number at the closing date	9086		
B. Average number of employees calculated in full-time equivalents	9087		
C. Number of actual worked hours	9088		
IV. Personnel costs			
A. Remuneration and direct social benefits	620		
B. Employers' social security contributions	621		
C. Employers' premiums for extra statutory insurances	622		
D. Other personnel costs	623		
E. Old-age and widows' pensions	624		
V. Provisions for pensions			
A. Additions (uses and write-back) (+)/(-)	635		
VI. Amounts written off			
A. Stocks and contracts in progress			
1. Recorded	9110	21	
2. Written back	9111		
B. Trade debtors			
1. Recorded	9112	6,178	1,976
2. Written back	9113	5,270	2,161
VII. Provisions for risks and charges			
A. Additions	9115		
B. Uses and write-back	9116	32	46
VIII. Other operating charges			
A. Taxes related to operation	640	442	539
B. Other charges	641/8	21,565	26,407
IX. Hired temporary staff and persons placed at the enterprise's disposal			
A. Total number at the closing date	9096		
B. Average number calculated as full-time equivalents	9097		
C. Number of actual worked hours	9098	27	
D. Charges to the enterprise	617		

FINANCIAL RESULTS

RECURRING FINANCIAL INCOME	Codes	Period 2017	Period 2016
I. Other financial income			
A. Subsidies granted by public authorities and recorded as income for the period			
1. Capital subsidies	9125	57	43
2. Interest subsidies	9126		
B. Allocation of other financial income			
1. Other financial income		13	10
II. RECURRING FINANCIAL CHARGES			
III. Depreciation of loan issue expenses	**6501**		**3,618**
IV. Capitalized Interests	**6503**		
V. Amounts written off current assets			
A. Recorded	6510		
B. Written back	6511		
VI. Other financial charges			
A. Amount of the discount borne by the enterprise, as a result of negotiating amounts receivable	653		
VII. Provisions of a financial nature			
A. Appropriations	6560		
B. Uses and write-backs	6561		
VIII. Allocation of other financial charges			
A. Other financial charges		59	1,161

INCOME AND CHARGES OF EXCEPTIONNAL SIZE OR INCIDENCE

	Codes	Period 2017	Period 2016
NON-RECURRING INCOME	**76**	**794**	**651**
I. Non-recurring operating income	**(76A)**	794	651
A. Write-back of depreciation and of amounts written off intangible and tangible fixed assets	760		
B. Write-back of provisions for extraordinary operating liabilities and charges	7620		
C. Capital gains on disposal of intangible and tangible fixed asset	7630	764	
D. Other non-recurring operating income	764/8	30	651
II. Non-recurring financial income	**(76B)**		
A. Write-back of amounts written down financial fixed assets	761		
B. Write-back of provisions for extraordinary financial liabilities and charges	7621		
C. Capital gains on disposal of financial fixed assets	7631		
D. Other non-recurring financial income	769		
NON-RECURRING EXPENSES	**66**	**900**	**1,707**
III. Non-recurring operating charges	**(66A)**	**900**	**1,707**
A. Non-recurring depreciation of and amounts written off formation expenses, intangible and tangible fixed assets	660		
B. Provisions for extraordinary operating liabilities and charges: Appropriations (uses)(+)/(-)	6620		
C. Capital losses on disposal of intangible and tangible fixed assets	6630	900	1,707
D. Other non-recurring operating charges	664/7		
E. Non-recurring operating charges carried to assets as restructuring costs (-)	6690		
IV. Non-recurring financial charges	**(66B)**		
A. Amounts written off financial fixed assets	661		
B. Provisions for extraordinary financial liabilities and charges - Appropriations (uses) (+)/(-)	6621		
C. Capital losses on disposal of financial fixed assets	6631		
D. Other non-recurring financial charges	668		
E. Non-recurring financial charges carried to assets as restructuring costs (-)	6691		

CORPORATE INCOME TAXES AND OTHER TAXES

CORPORATE INCOME TAXES	Codes	Period 2017
I. Income taxes on the result of the period	**9134**	**25,342**
A. Income taxes paid and withholding taxes due or paid	9135	25,342
B. Excess of income tax prepayments and withholding taxes paid recorded under assets	9136	
C. Estimated additional taxes	9137	
II. Income taxes on the result of prior periods	**9138**	
A. Additional income taxes due or paid	9139	
B. Additional income taxes estimated or provided for	9140	
III. In so far as taxes of the period are materially affected by differences between the profit before taxes as stated in annual accounts and the estimated taxable profit		
A. Deduction for at-risk capital		-1,609
B. Taxable provisions		-32
C. Reduction of taxable values44		-585
D. Expenses not allowed		3

VALUE ADDED TAXES AND OTHER TAXES BORNE BY THIRD PARTIES	Codes	Period 2017	Period 2016
I. Value added taxes charged			
A. To the enterprise (deductible)	9145	70,917	64,511
B. By the enterprise	9146	112,714	106,211
II. Amounts withheld on behalf of third party			
A. For payroll withholding taxes	9147		
B. For withholding taxes on investment income	9148		

RELATIONSHIPS WITH AFFILIATED ENTERPRISES, ASSOCIATED ENTERPRISES AND OTHERS ENTERPRISES LINKED BY PARTICIPATING INTERESTS

AFFILIATED ENTERPRISES	**Codes**	**Period 2017**	**Period 2016**
I. Financial fixed assets	**(280/1)**		
A. Participating interests	(280)		
B. Subordinated amounts receivable	9271		
C. Other amounts receivable	9281		
II. Amounts receivable	**9291**	**385**	**255**
A. Over one year	9301		
B. Within one year	9311	385	255
III. Current investments	**9321**		
A. Shares	9331		
B. Amounts receivable	9341		
IV. Amounts payable	**9351**	**8,519**	**5,931**
A. Over one year	9361		
B. Within one year	9371	8,519	5,931
V. Personal and real guarantees			
A. Provided or irrevocably promised by the enterprise as security for debts or commitments of affiliated enterprises	9381		
B. Provided or irrevocably promised by affiliated enterprises as security for debts or commitments of the enterprise	9391		
VI. Other significant financial commitments	**9401**		
VII. Financial results			
A. Income from financial fixed assets	9421		
B. Income from current assets	9431		
C. Other financial income	9441		
D. Debt charges	9461		1,878
E. Other financial charges	9471		1,125
VIII. Disposal of fixed assets			
A. Capital gains obtained	9481		
B. Capital losses suffered	9491		

OTHER ENTERPRISES LINKED BY PARTICIPATING INTERESTS			
IX. Financial fixed assets	**9252**	**88**	**88**
A. Participating interests	9262	88	88
B. Subordinated amounts receivable	9272		
C. Other amounts receivable	9282		
X. Amounts receivable	**9292**	**2,722**	
A. Over one year	9302		
B. Within one year	9312	2,722	
XI. Amounts payable	**9352**	**243**	**414**
A. Over one year	9362		
B. Within one year	9372	243	414

FINANCIAL RELATIONSHIPS WITH

AUDITORS OR PEOPLE THEY ARE LINKED TO	Codes	Period 2017
I. Auditor's fees	**9505**	**28**
II. Fees for exceptional services or special missions executed in the company by the auditor		
A. Other attestation missions	95061	45
B. Tax consultancy	95062	
C. Other missions external to the audit	95063	
III. Fees for exceptional services or special missions executed in the company by people they are linked to		
A. Other attestation missions	95081	
B. Tax consultancy	95082	
C. Other missions external to the audit	95083	

Mentions related to article 133, paragraph 6 from the Companies Code

DERIVATIVES NOT MEASURED AT FAIR VALUE

FOR EACH CATEGORY OF FINANCIAL DERIVATIVES NOT MEASURED AT FAIR VALUE

				Period 2017		Period 2016	
I. Category of financial derivatives	**II. Hedge risk**		**III. Volume**	**IV. Book value**	**V. Fair value**	**VI. Book value**	**VII. Fair value**
IRS	EVOLUTION EURIBOR	Hedging	633,404	0	-47	0	-74
IRS	EVOLUTION EURIBOR	Hedging	1,484,800	0	-64	0	-105
IRS	EVOLUTION EURIBOR	Hedging	355,491	0	-26	0	-42
IRS	EVOLUTION EURIBOR	Hedging	196,684	0	-15	0	-23
IRS	EVOLUTION EURIBOR	Hedging	2,000,000	0	-96	0	-152
IRS	EVOLUTION EURIBOR	Hedging	335,564	0	-25	0	-39

INFORMATION RELATING TO CONSOLIDATED ACCOUNTS

INFORMATION TO DISCLOSE BY EACH ENTERPRISE THAT IS SUBJECT TO COMPANY LAW ON THE CONSOLIDATED ACCOUNTS OF ENTERPRISES

The enterprise has not published a consolidated annual statement of accounts and a management report, since it is exempt for this obligation for the following reason *

The enterprise and its subsidiaries on consolidated basis exceed not more than one of limits mentioned in art.16 of Company Law*

INFORMATION TO DISCLOSE BY THE REPORTING ENTERPRISE BEING A SUBSIDIARY OR A JOINT SUBSIDIARY

Name, full address of the registered office and, for an enterprise governed by Belgian Law, the company number of the parent company(ies) and the specification whether the parent company(ies) prepare(s) and publish(es) consolidated annual accounts in which the annual accounts of the enterprise are included**

PUBLIFIN
Rue Louvrex 95
4000 Liège 1, Belgium
0204.245.277

The enterprise draws up consolidated annual accounts data for the major part of the enterprise

* Delete where no appropriate.
** Where the accounts of the enterprise are consolidated at different levels, the information should be given for the consolidated aggregate at the highest level on the one hand and the lowest level on the other hand of which the enterprise is a subsidiary and for which consolidated accounts are prepared and published.

5.5. Valuation rules

PREAMBLE

With effect from 1 January 2014, RESA has benefited from a contribution from the "electricity" business line and, with effect from 1 January 2015, a contribution from the "gas" line by the intermunicipal company Publifin. These contributions were made in accounting continuity, assessment rules previously applicable to assets and liabilities within SCIRL Publifin continue to apply. Those assessment rules have been built in as follows:

ASSETS

1. Formation expenses

These consist of costs for changes of voltage, staff training costs and bond issuing charges. These are valued at direct production cost and are fully depreciated in the year of acquisition.

2. Intangible assets

These include:

- office software and other software, valued at acquisition price and depreciated on a straight-line basis over 5 years;
- costs of studies and research, valued as direct return costs, depreciated linearly over 5 years;
- the resulting goodwill from mergers by absorption would in principle have been, in all or in part, allocated to different asset items acquired on the occasion of the merger. These are mainly related to customers and the absorbed network of the entity. They are depreciated linearly over ten years, pro rata for the the first year, which matches the depreciation period usually observed for the sector of activity concerned.

3. Tangible assets

a. General remarks

Since 01.01.2007, all of the customers of the electricity and gas Distribution Network Operator or DSO are liberalised. As such, the CREG (Commission for Regulation of Electricity and Gas) has since 2001 applied a set of assessment rules, depreciation rates and residual values of fixed assets for which it has legal competence. The assessment rules have been adapted accordingly since the fiscal year 2007.

From 2014, the tariff jurisdiction was transferred to the Walloon regional regulator, the Commission Wallonne Pour l'Energie (CWaPE).

b. Assessment

Tangible fixed assets are valued at the net revalued book value (possibly limited to residual predefined values for the assets within the regulator's jurisdiction, previously acquired in 2002), i.e. the acquisition value or the direct production cost is increased by the added value, by overheads of a percentage of the acquisition value (16.5% until 2007, 32.15% from 2008 to 2012 for "electricity" tangible assets and 16.5% until 2012 for the "gas" business line and then a percentage determined annually based on the fiscal year from 2013 for the two business lines) and decreased by interventions by third parties and recorded depreciation.

c. Reassessment

Capital assets can be reassessed in accordance with Article 57 of the Royal Decree of 30 January 2001, implementing the Corporate Code.

d. Ordinary depreciation

Fixed assets are systematically subjected to depreciation in accordance with Article 57 of the Royal Decree of 30 January 2001, implementing the Corporate Code.Depreciation is applied pro rata using the straight-line method at the following rates:

Business line: "electricity"

- 2% on administrative buildings;
- 3% on structures and buildings and 15 kV low voltage network substations;
- 2% on low voltage and high voltage lines;
- 3% on other low voltage and high voltage electrical equipment;
- 10% on furniture, tools and electronic equipment;
- 20% on rolling stock;
- 20 % on computer hardware.

Business line: "gas"

- 2% on administrative buildings;
- 3% on industrial buildings;
- 3% on stations, posts and cabins;
- 2% on pipes;
- 2% on connection works;
- 3% on meters;
- 10 % on prepayment meters;
- 10% on telemetry systems;
- 10% on furniture, facilities, machinery and equipment;
- 20% on rolling stock.

e. Withdrawals

In case of withdrawals (disposals), the net revalued book value is decreased for all or part of the depreciation record concerned. For the particular case of added value from revaluation recorded in accordance with the CREG guidelines, this is subject to a reduction in value of 2% annually as an estimate of decommissioning (imposed by the regulator).

4. Financial fixed assets

Financial fixed assets are listed as assets on the balance sheet at their nominal value or at their acquisition value under deduction of uncalled amounts. Reductions in value are applied for long-lasting or permanent losses.

5. Amounts receivable for over one year

These are listed as assets on the balance sheet at their nominal value or at their acquisition value under any deduction of reductions in value for long-lasting or permanent losses.

6. Stock and manufacturing work in progress

Stock is valued at the weighted average unit price. It is subject to reductions or reversal in value taking into account the status of the stock on the date the financial year closes.
Work in process is valued at direct production cost.

7. Amounts receivable within one year

Amounts receivable within a year are recorded at face value. A value reduction is based on the estimated doubtful amounts.

8. Cash investments and disposable assets

These are included in the balance sheet at their nominal value and the fixed-income securities at acquisition value.

9. Regularisation accounts

Adjustment accounts are valued at their nominal value.

LIABILITIES

1. Reserves

The allocation to the legal reserve is in accordance with Article 616 of the Corporate Code.

2. Investment grants

These are taken at face value.
They are transferred annually to the income statement at the same rate as the depreciation of the investment concerned.

3. Provisions for risks and expenses

Provisions are set up to deal with risks or predictable expenses. A reversal of provisions is carried out insofar as these are no longer justified and use is achieved when the risk or charge arises. An annual adjustment is carried out.

4. Liabilities

These are taken at face value.

5. Regularisation accounts

Adjustment accounts are valued at their nominal value.

NON BALANCE-SHEET ITEMS

1. Rights and commitments

These are recorded at face value.

5.6. Statutory auditor's report
on the annual accounts as of and for the year ended 31 December 2017

Sint-Stevens-Woluwe, 4 April 2018

To the Shareholders of RESA SA
Liège

We present to you our statutory auditor's report in the context of our statutory audit of the annual accounts of RESA SA (the "Company"). This report includes our report on the audit of the annual accounts, as well as the report on other legal and regulatory requirements. These reports form part of an integrated whole and are indivisible.

We were appointed as statutory auditor by the general meeting of 27 April 2017, following the proposa} formulated by the Board of Directors. Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2019. We have performed the statutory audit of the annual accounts of RESA SA for four consecutive years..

REPORT ON THE AUDIT OF THE ANNUAL ACCOUNTS

Unqualified opinion

We have performed the statutory audit of the annual accounts of the Company, which comprise the balance sheet as at 31 December 2017, the profit and loss account for the year then ended, and the notes to the annual accounts. These annual accounts show a balance sheet total of EUR 1.483.683.024,10 and a profit and loss account with a profit for the year of EUR 50.932.783,90.

In our opinion, the annual accounts give a true and fair view of the Company's net equity and financial position as at 31 December 2017, and of its results for the year then ended, in accordance with the financial-reporting framework applicable in Belgium.

Basisfor unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs).

Our responsibilities under those standards are further described in the "Statutory auditor's responsibilities for the audit of the annual accounts" section of our rep_ort. We have fulfilled our ethical responsibilities in accordance with the ethical requirements that are relevant to our audit of the annual accounts in Belgium, including the requirements relating to independence.

We have obtained from the Board of Directors and Company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Observation

Without calling into question the opinion expressed above, we draw the attention of the reader to appendix C 6.14 of the annual accounts which mentions an estimate of costs that the Company may have to face following the application of the future Walloon decrees regulating the Gas and Electricity distribution markets. Specifically, these decrees could affect the Company at the financial level and adversely impact its future results.

Responsibilities of the Board of Directorsfor the annual accounts

The Board of Directors is responsible for the preparation of annual accounts that give a true and fair view in accordance with the financial-reporting framework applicable in Belgium, and for such interna! control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to the going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance that the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error. We design and perform audit procedures that respond to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of interna! control;

- obtain an understanding of interna! control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's interna! control;
- evaluate the appropriateness of the accounting policies used as well as the reasonableness of the accounting estima tes and related disclosures made by the Board of Directors;
- conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internai contrai that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Responsibilities of the Board of Direct ors

The Board of Directors is responsible for the preparation and the content of the directors' report and of the documents required to be deposited by virtue of the legal and regulatory requirements, as well as for compliance with the legal and regulatory requirements regarding bookkeeping, with the Companies' Code and with the Company's articles of association.

Statu.tory auditor's responsibilities

In the context of our mandate and in accordance with the Belgian standard (Revised) complementary to the International Standards on Auditing .(ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report, certain documents which must be deposited by virtue of legal and regulatory requirements, as well as compliance with certain legal and regulatory requirements, and to report on these matters.

Aspects relating to the directors' report

In our opinion, after having performed specific procedures in relation to the directors' report, the directors' report is consistent with the annual accounts for the year under audit, and it has been prepared in accordance with articles 95 and 96 of the Companies' Code.

In the context of our audit of the annual accounts, we are also responsible for considering, in particular based on the knowledge acquired further to the audit, whether the directors' report is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you. We do not express any form of assurance whatsoever regarding the directors' report.

Statements relating to independence

- We did not provide services which are incompatible with the statutory audit of the annual accounts and remained independent of the Company in the course of our mandate.
- The fees for additional services which are compatible with the statu tory audit of the annual accounts referred to in article 134 of the Companies' Code are correctly disclosed and itemised in the notes to the annual accounts.

Other statements

- Without prejudice to formai aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting complies with the legal provisions and the provisions of the articles of association.
- There are no transactions undertaken or decisions taken in breach of the Company's articles of association or the Companies' Code that we have to report to you.

The Statutory auditor
PwC Reviseurs d'Entreprises sccrl
Represented by

Isabelle Rasmont
Statutory auditor

Michaël Focant
Statutory auditor


resa

List of the adjudicators

6

List of the adjudicators of 2017 public contracts awarded on behalf of RESA sa

I. Works contracts

Procurement method: procedure negotiated with publication.

- Tegec sprl
- ORLANDO FABRICE SPRL
- AGEC sprl
- SM HOTTON INFRA-APK INFRA
- HYDROGAZ sa
- Jacobs sa
- Wilkin S.A.
- COLLIGNON ENG. Sa
- Boniver sa
- TRTC BONFOND FILS S.A
- ROGER GEHLEN SA
- BODARWE SA
- SM R. Lejeune & Fils SA – Nelles SA
- R. Lejeune & Fils SA
- SM Hydrogaz SA - RMS SPRL
- SPIE BELGIUM sa
- Aquaflux sa
- Ets Crosset Leon sa
- NEWELEC sa
- AM NASTA CONSEIL sa ET MODAL INSTALLATION SA
- Nelles Freres sa
- Fodetra Infra S.A.
- Etablissements E. Ronveaux sa
- Genetec sa

Procurement method: procedure negotiated without publication.

- C. LONNEUX sprl

Procurement method: directly negotiated procedure without publication.

- GALERE SA

Procurement method: negotiated procedure with a prior call for competition.

- WILKIN SA
- Yvan Paque sa
- ROGER GEHLEN SA
- SM HYDROGAZ - TEGEC

Procurement method: directly negotiated procedure with prior competitive bidding / directly negotiated procedure with a prior call for competitio.

- AIR AMBIANCE SA

Procurement method: directly negotiated procedure without publication.

- COLLIGNON ENG. Sa
- APRUZZESE SA
- Menuiserie Boulanger SPRL

II. Supply contracts

Procurement method: procedure negotiated with publication.

- ABB
- SGC NV
- DEBA NV
- DEPAIRON sa
- TUBE BELGIUM SA
- KABELWERK EUPEN AG
- Dyka
- BG PIPE
- INDUTUBE
- MRC Global SA
- EMMER SERVICE
- ELSTER
- PAULY-ANDRIANNE SPRL
- LISAP
- VANDEPUTTE SAFETY
- SOCOMEC - BELGIUM SA
- VOLTACOM SPRL
- Construction Electriques Schreder sa
- Philips Belgium SA
- AXPO BENELUX SA
- Electrabel S.A.
- Lampiris S.A.
- EDF Luminus S.A.
- AM SEVA DEPANNAGES SA
- Renault Neri Liège sa
- ELECOM SA

Procurement method: directly negotiated procedure with publication.

- ACT Commodities B.V.

Procurement method:
procedure negotiated without publication.

- Ej Benelux Access Solutions
- INFRATECH sa
- AVK Belgium NV
- EMMER SERVICE
- IMBEMA BELGIUM nv
- Ateliers Berton SA
- Piping Products Distribution
- Tpim sa
- HINNI-TRACHET
- AM SEVA DEPANNAGES SA
- COMET BELGIUM SA
- RENAULT V.I. BELGIQUE SA
- SAGEMCOM ENERGY & TELECOM SAS

Procurement method:
negotiated procedure without a prior call for competition.

- Construction Electriques Schreder sa
- A.D. Mécanique Générale SPRL
- LITHOBETON SA
- CDC-CABINES DE CINEY SA

III. Procurement of services

Procurement method:
procedure negotiated with publication.

- BOIS & TRAVAUX SA
- SFR SA
- JARDIN D'O
- DELAWARE CONSULTING CVBA
- Persolis S.A.
- MICROPOLE CONSULTING BELGIUM NV
- FLEXSO BRUSSELS S.A.
- LAURENTY NV
- ETHIAS sa
- CGI Belgium SA
- Contraste Europe S.A.
- TUBE BELGIUM SA

Procurement method:
procedure negotiated without publication.

- CEGELEC Infra Technics sa
- PWC REVISEURS D'ENTREPRISES sccrl
- MEGA International
- WIN S.A.
- LABORELEC CVBA

Procurement method:
negotiated procedure without a prior call for competition.

- C.I.B. S.A.
- NEXXEO SPRL
- Deloitte Consulting
- C.I.B. S.A.

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