

CREDIT OPINION

1 October 2025

Update



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RATINGS

Fluvius System Operator CV

Domicile	Belgium
Long Term Rating	A3
Type	LT Issuer Rating - Dom Curr
Outlook	Negative

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

Contacts

Benjamin Leyre +33.1.5330.3373
VP-Sr Credit Officer
benjamin.leyre@moodys.com

Maxime Amalvict, +33.1.5330.5985
CFA
Sr Ratings Associate
maxime.amalvict@moodys.com

Paul Marty +33.1.5330.3371
Associate Managing Director
paul.marty@moodys.com

Fluvius System Operator CV

Update to credit analysis

Summary

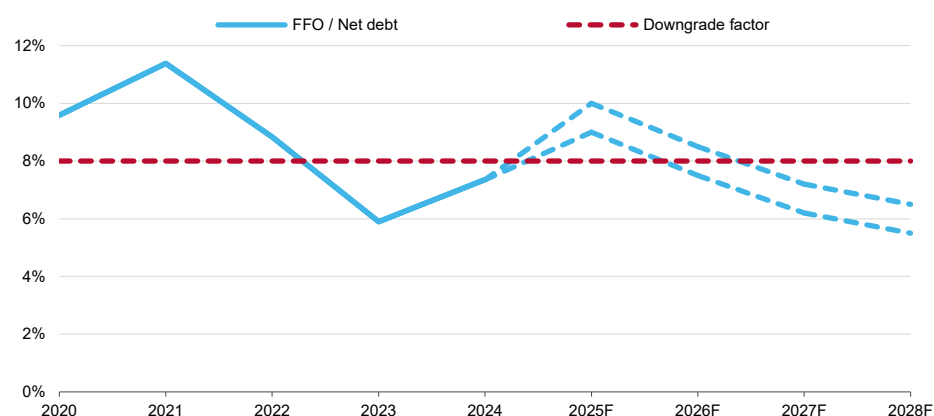
The credit quality of [Fluvius System Operator CV](#) (Fluvius) reflects that of the nine intermunicipal utility companies that own the company and severally guarantee its liabilities. The regulated electricity and gas distribution network activities of the distribution system operators (DSOs) in the Flemish region of Belgium have a low business risk, underpinned by a regulatory framework that is generally supportive and transparent, albeit with a shorter track record in the context of European regulated network peers.

Fluvius' credit quality is constrained by the progressive decline in the remuneration of the historical regulated asset base's (RAB) revaluation surpluses, rising capital spending to support the region's energy transition, its relatively weak liquidity profile and need for external financing due to projected negative free cash flow over the current 2025-28 regulatory period, and a high financial leverage compared to peer companies.

Credit metrics, expressed as funds from operations (FFO)/net debt and net debt/fixed assets (excluding revaluation surpluses), are unlikely to recover sustainably to the required thresholds over the current regulatory period absent mitigating measures.

Exhibit 1

Fluvius' FFO/net debt ratio has fallen below our downgrade threshold, and is unlikely to recover sustainably over the current regulatory period without balance-sheet strengthening measures



Rated entity is Fluvius System Operator CV; financials are under Fluvius Economic Group.

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.

The forecasts are Moody's opinion and do not represent the views of the issuer. They do not factor in any capital injection from the Community of Flanders.

Sources: Moody's Financial Metrics™ and Moody's Ratings forecasts

Fluvius' A3 rating incorporates two notches of uplift for potential extraordinary regional government support from its Baseline Credit Assessment (BCA) of baa2. This is based on

our assessment of high dependence between Fluvius and its owners, 285 municipalities within the Community of Flanders (Aa3 negative) through their ownership of the DSOs, and a strong likelihood of Fluvius receiving support in the event this were needed to avoid a default.

Credit strengths

- » Low business risk profile of its monopoly regulated electricity and gas distribution network operations
- » A transparent and generally supportive regulatory framework, further underpinned by a longer track record of predictable regulation
- » Expectation of strong exceptional support from the Community of Flanders if needed, given that Fluvius provides essential energy network services

Credit challenges

- » Progressive decline in remuneration of the revaluation surpluses of the historical RAB until its suppression in 2028
- » Rising capital spending for necessary investments in the electricity network to support the Flemish region's energy transition
- » Relatively weak liquidity and need for external financing due to projected negative free cash flow over the current 2025-28 regulatory period
- » High financial leverage compared to peer companies

Rating outlook

The negative rating outlook reflects the group's relatively weak liquidity as well as our expectation that, without balance-sheet strengthening measures, the financial metrics of the Fluvius Economic Group will remain below the levels appropriate for the current rating during the 2025-28 regulatory period.

We could change the outlook to stable if capital raising plans of sufficient size become sufficiently developed and are likely to suggest that the Fluvius Economic Group will be able to maintain financial metrics in line with those expected for the current rating, and if the group's liquidity improves.

Factors that could lead to an upgrade

Given the negative outlook, a rating upgrade is unlikely in the near term. However, we could upgrade the BCA if the Fluvius Economic Group is able to maintain FFO/net debt in the low teens in percentage terms and net debt/fixed assets (excluding revaluation surpluses) remains below 70% on a sustained basis. An upgrade of the BCA would not necessarily lead to an upgrade of the final ratings.

Factors that could lead to a downgrade

We could downgrade the BCA and ratings if the group's liquidity does not improve, or if the planned capital increase is significantly delayed or uncertain, resulting in a failure of the Fluvius Economic Group to meet the thresholds for the current ratings, namely FFO/net debt above 8% and net debt/fixed assets less revaluation surpluses below 80%.

The ratings may also come under pressure if we assess that there is a lower probability of support from the Community of Flanders or if we downgraded the sub-sovereign's rating significantly.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on <https://ratings.moody.com> for the most updated credit rating action information and rating history.

Key indicators

Exhibit 2

Fluvius Economic Group

	2020	2021	2022	2023	2024	Moody's 12-18 month forward view
FFO Interest Coverage	4.6x	5.9x	5.3x	3.6x	3.8x	3.3x-3.7x
Net Debt / Fixed Assets	61.1%	62.7%	63.8%	71.0%	71.9%	72%-77%
FFO / Net Debt	9.6%	11.3%	8.8%	5.9%	7.4%	6.5%-8.5%
RCF / Net Debt	5.2%	7.5%	6.0%	3.8%	5.4%	5.5%-7.5%

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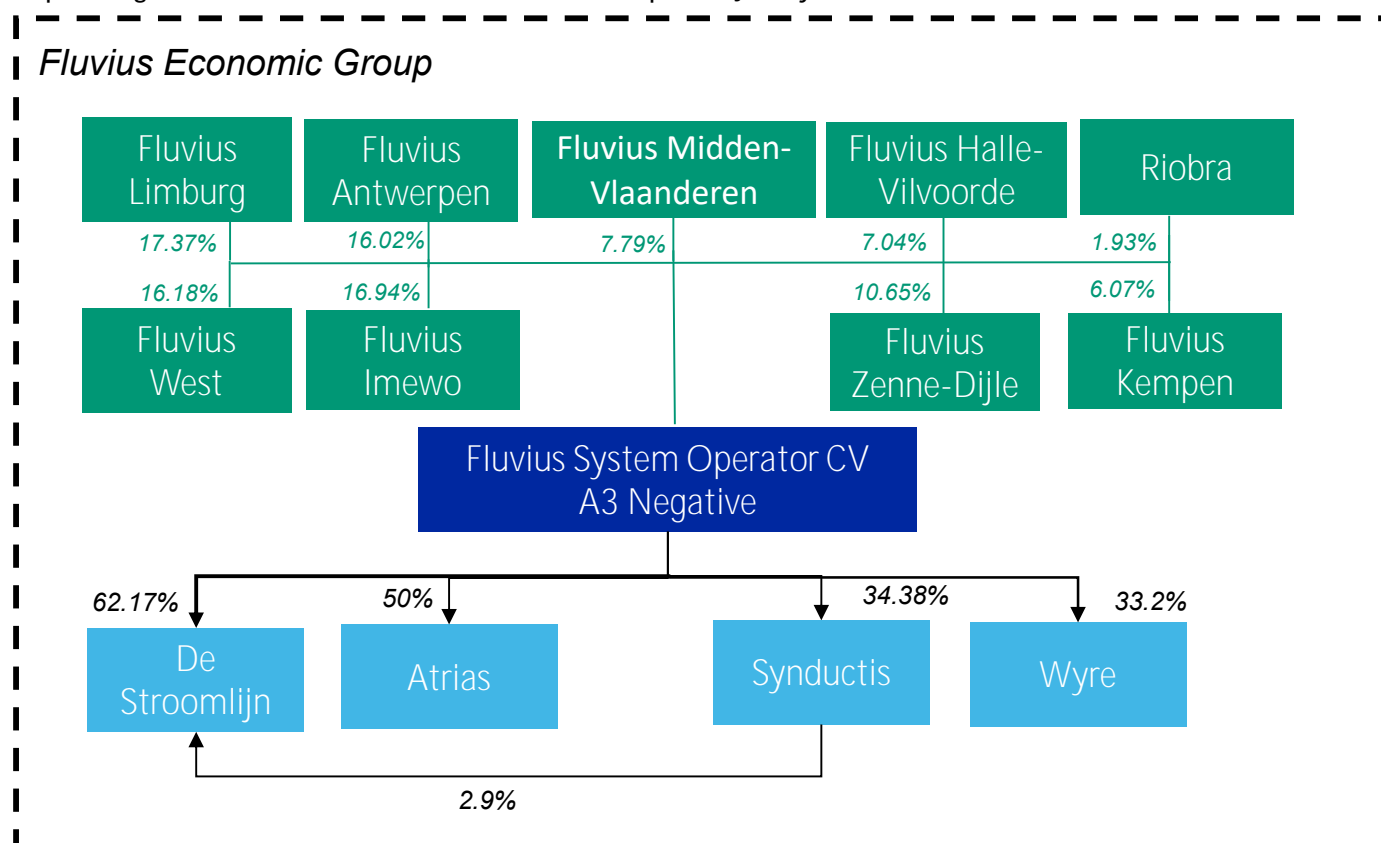
Sources: Moody's Financial Metrics™ and Moody's Ratings forecasts

Profile

Fluvius System Operator CV is a Belgian utility established in March 2006, which manages the regulated activities of electricity and gas distribution networks in the Flemish region of Belgium. Fluvius was formed through the merger of Eandis and Infrax in July 2018, and is 100% owned by municipalities in the Flemish region. Fluvius, together with its nine utility shareholders, form the Fluvius Economic Group, which derived around 95% of its revenue from the regulated energy distribution activities in 2024, with the rest derived predominantly from regulated sewage. The group also has small district heating infrastructure in select areas.

Exhibit 3

Simplified organisational structure of the Fluvius Economic Group as of 1 January 2025



Sources: Company filings and Moody's Ratings

Because of a specific stipulation in the Flemish Energy Decree effective since 1 January 2025, municipalities are obliged to only have a single DSO for electricity and gas. This led to minor changes in the ownership structure, without any impact on the overall scope of the Fluvius Economic Group.

Detailed credit considerations

Current 2025-28 regulatory framework carries forward main parameters from the previous framework, underpinning stability and predictability of the regulatory regime ...

The federal state and each of the three Belgian regions have established their own regulatory bodies for the electricity and gas market with complementary competencies, with the national regulator Commission for Electricity and Gas Regulation (CREG) principally responsible for tariff-setting in respect of the DSOs and the regional regulators for licensing issues. As part of the decentralisation of powers from the federal to the regional governments, on 1 July 2014, the responsibility for setting electricity and gas distribution tariffs passed on from the CREG to the regional regulators. In the Flemish region, this responsibility was transferred to the Vlaamse Nutsregulator (VNR, translates to Flemish Utility Regulator).

On 24 June 2024, the VNR published the tariff methodology for the current regulatory period 2025-28, which in large part carries forward core features of the previous regulatory framework. The revenue cap model comprises allowances for operational expenses (both controllable and non-controllable), regulatory depreciation and an allowed return on the RAB of 5.2% (pretax weighted average cost of capital [WACC], nominal) based on an unchanged notional gearing of 60%.

The WACC of 5.2% for 2025 is 1.70% higher than in the previous regulatory period. However, it will now be recalculated annually during the current 2025-28 regulatory period. The increase is driven by various factors, such as a higher risk-free rate, a higher market risk premium and higher cost of new debt. Notably, the cost of equity (post-tax) for 2025 is set at 7.37%, up 3.29% from the previous regulatory period. The higher cost for new debt has only a marginal impact on the overall debt allowance, because the regulatory framework now allocates an 80% weight to historical debt and 20% to new debt. Fluvius' average interest rate on outstanding debt in 2024 was around 2.96%, which is above the 2025 cost allowance of 2.17% (see Exhibit 4).

Exhibit 4

WACC has increased mostly because of the higher cost of equity and a higher risk-free rate

	VNR (2021-24)	VNR (2025-28)*
Cost of debt (historical)	2.84%	1.73%
Risk-free rate	0.09%	2.95%
Risk premium	0.85%	0.83%
Transaction fee	0.15%	0.15%
Cost of debt (new)	1.09%	3.93%
Historical: new debt ratio	60:40	80:20
Cost of debt (allowed)	2.14%	2.17%
Market risk premium	4.81%	5.20%
Asset Beta	39%	40%
Equity Beta	83%	85%
Equity risk premium	3.99%	4.42%
Cost of equity (post-tax)	4.08%	7.37%
Cost of equity (pre-tax)	5.44%	9.83%
Gearing	60%	60%
WACC (nominal, post-tax)	2.92%	4.25%
Tax rate	25%	25%
WACC (nominal, pre-tax)	3.5%	5.2%

* VNR (2025-28) values are set parameters for 2025. There will be an annual recalculation, which might result in deviations from the numbers shown above for subsequent years.

The risk-free rate for debt and equity is adjusted annually and calculated as the weighted average of the 10-year German Bund and the 10-year Belgian linear bond (OLO) (25:75 over a one-year period).

Sources: VNR and Moody's Ratings

... but increasing cost pressure weighs on Fluvius' financial metrics

Although we assess the regulatory framework as generally supportive, it contains elements that could challenge Fluvius' financial performance. Notably, the approach to historical debt and the application of a cumulative efficiency factor (frontier shift) to controllable (endogenous) costs for the electricity segment stand out as potential pressure points. Controllable costs are basically assessed ex ante and, in the previous regulatory period, there was no efficiency factor for the electricity grid (0.4% for the gas grid). Because Fluvius had already achieved cost savings of €150 million over the 2021-24 regulatory period following the Eandis/Infrax merger, there may be limited potential to achieve the 1.1% frontier shift for electricity, especially towards the end of the new regulatory period. As in the previous regulatory period, certain non-controllable (exogenous) costs remain pass-through items.

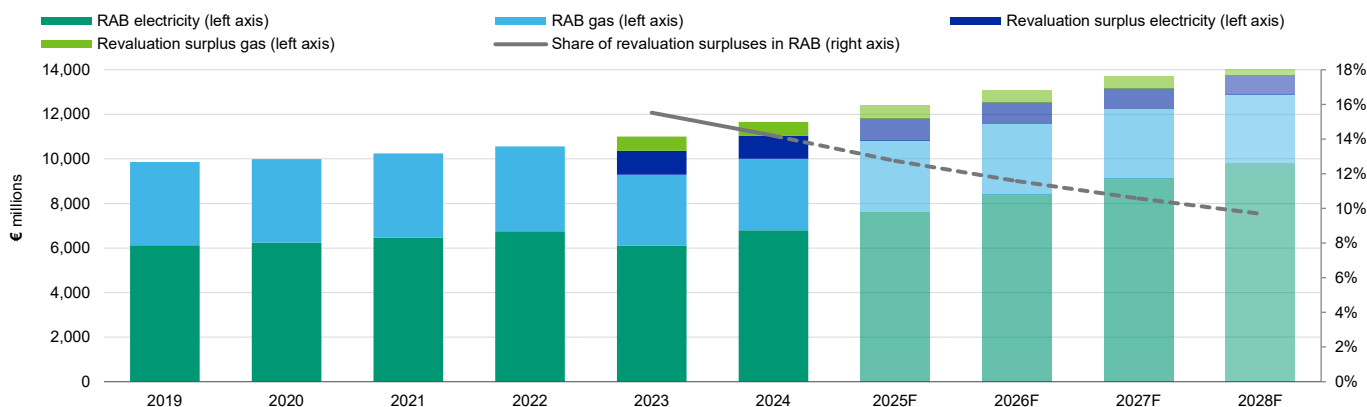
The regulatory framework continues to make use of regulatory balances, which account for deviations between the ex ante allowances and actual (ex post) realisations. These include exogenous costs, volume deviations, the re-indexation of basic parts of the endogenous costs, revaluation surpluses and adjustments to corporate taxes. Regulatory balances arising from the re-indexation of the basic part of endogenous costs will be returned through tariffs as follows: 50% in t+1 and 50% in t+2, and all other regulatory balances reported by the DSOs (in t+1) will be recovered or returned as follows: 50% in t+2 and 50% in t+3. This ensures a smoother and faster recovery of differences with the ex ante allowances, ultimately reducing the tariff volatility. Furthermore, as of 1 January 2023, a capacity-based tariff for electricity was introduced.

The split of the RAB between historical cost and revaluation surpluses remains in place. This separation was implemented in the 2021-24 regulatory period. The WACC for the revaluation surpluses is diminishing over the eight-year period 2021-28 and will reach zero after 2028. At the end of 2024, the proportion of revaluation surpluses relative to the total RAB of €11.5 billion was 15%. As a consequence of significantly increasing capital spending, mainly for the expansion and reinforcement of the electricity grid, the RAB is likely to grow to around €14 billion at the end of the regulatory period in 2028. The mechanism of advanced payments has been carried forward as well, which allows Fluvius to apply for advanced payments for certain investments. Advanced payments only need to be repaid in the next regulatory period, supporting financial metrics in the current regulatory period.

Exhibit 5

RAB and revaluation surpluses 2019-28

The RAB will grow because of high capital spending while the proportion of revaluation surpluses will decline



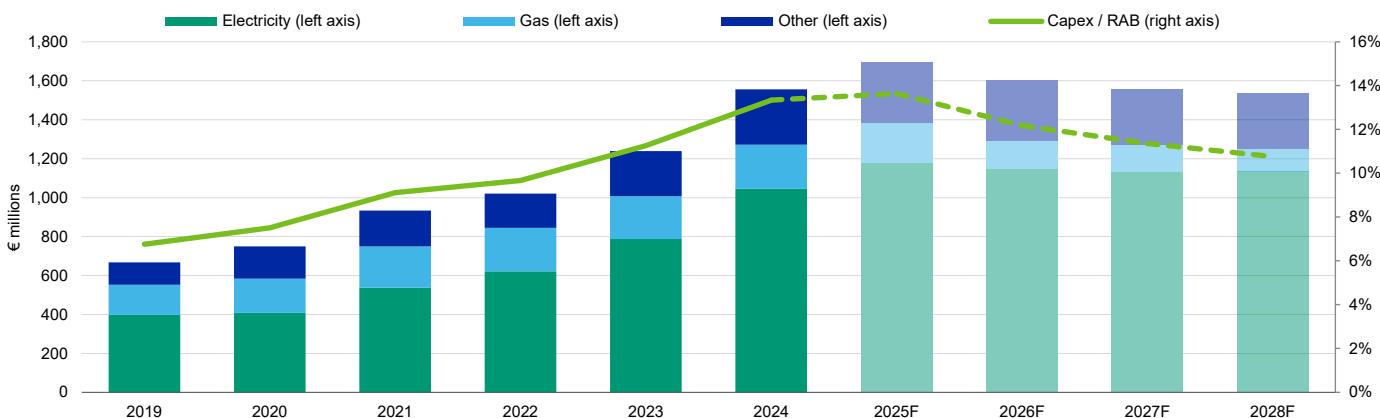
Sources: VNR and company filings

Capital spending is rising to cope with the requirements of the Flemish region's energy transition

Fluvius' capital spending has increased significantly compared with historical levels. The company forecasts a substantial increase in its capital spending to around €1.6 billion per year on average over the projection period 2025-28, compared with capital spending of €1.2 billion per year on average over 2021-24. The increase in capital spending is driven by the region's shift towards sustainable energy, primarily targeting the expansion and enhancement of the electricity distribution grid, while also allocating resources, albeit to a lesser degree, to the maintenance of its gas distribution network. Gas-related spending beyond 2025 will likely be focused on maintenance spending, given the Flemish government's decision to prohibit new gas grids from 2026.

Based on Fluvius' 2026-2035 investment plan, annual gas investments reflect a "keep-it-running" scenario with a significant decline to about €70 million by 2030. Separately, the investment plan allocates €1.6 billion to digital meters (for electricity and gas), with the timeline for full deployment shortened from 15 years to nine years. By 2025, the goal is to have 80% of these meters installed. Additionally, because of the electrification of personal mobility, up to 35,000 additional charging points are to be installed in the Flemish region by 2025. Investments in public lighting will be accelerated, leading to funding needs of up to around €110 million per year until 2027.

Exhibit 6

Fluvius' capital spending will increase to contribute to the energy transition in the Flemish region

Metrics are for the Fluvius Economic Group, which combines the financial profiles of the operating company and its DSO owners.

Rated entity is Fluvius System Operator CV; financials are under Fluvius Economic Group.

Source: Company filings

Mitigating measures to alleviate pressure on financial metrics are contemplated

Between May and June 2021, the boards of Fluvius System Operator and its shareholder DSOs voted on a set of measures to safeguard the Fluvius Economic Group's financial health in the context of lower allowed returns for the 2021-24 regulatory period. These include the application for advances for the accelerated digital meter rollout (applied for and received only in 2021 and 2022); a review of Fluvius' investment plans; an expectation to achieve cost savings of €150 million, a target set by the regulator to capture synergies from the merger between Eandis and Infrax, which was achieved by end of 2024; and a revision of the company's dividend policy to align and maintain equity/RAB at 40% for individual DSOs. For each DSO's regulated electricity and gas activities, the dividend payout was then indexed upon its equity/RAB ratio, whereas the previous dividend policy aimed at maintaining dividends at a minimum level equivalent to the 2018 figure (€267 million) through 2024.

Notwithstanding these mitigating measures, and because of the higher investment levels than those in previous years to support the energy transition and to make up for delays in investing in digital metering, the cashflow-based credit metrics of the Fluvius Economic Group fell below our downgrade threshold in 2023 and remained below in 2024 as well, as a consequence of a notable increase in reported net debt to around €8.8 billion in 2023 and €9.7 billion in 2024, and the repayment of advances received in 2021-22 over 2023-24. Because financial metrics under the parameters of the new 2025-28 regulatory period are projected to remain weak in light of the higher capital spending, Fluvius has been actively looking for capital injections to maintain an equity buffer of at least 40% in an attempt to return to a financial profile commensurate with the current credit quality, that is, FFO/net debt of at least 8%.

Several options for a capital increase have been under discussion, such as an equity injection by its current shareholders, or alternatively the Community of Flanders, the entry of private investors, or a combination of these. As an important step, in July 2025, the Flemish government committed to provide up to €1.56 billion of capital through its investment company Participatie Maatschappij Vlaanderen (PMV), with the aim of keeping Fluvius in public hands. Flanders is considering two options: either investing directly in intermunicipal entities, with PMV subscribing to all amounts not taken up by local authorities, or having PMV purchase shares in Publi-T and Publigas from the municipal entities, enabling them to use the proceeds to strengthen Fluvius¹.

However, there are risks to the plan, including uncertainties around the size and timing, particularly given the Fluvius Economic Group's organisational structure and ownership. Because the financial profiles - and therefore the potential support capacity - of the individual group members (and ultimately the Flemish municipalities) differ, it remains uncertain whether an agreement will be reached. Further progress and visibility on the potential capital injection over the course of 2026 will be key to maintaining the current credit quality.

In addition, the dividend policy was further revised. From 2025 to 2028, dividends will be determined by the application of the '60/100' rule: for each DSO's regulated electricity and gas activities, if equity/RAB is above 40%, the dividend payout can reach up to 100% of regulated earnings (versus 120% previously), whereas if equity/RAB is below 40%, the dividend payout is limited to 60% (versus 80% previously).

Restructuring of participations in the Belgian transmission grid operators

Given the increasing capital demand of the Belgian transmission grid operator for electricity (Elia System Operator), some of the intermunicipal utility companies have transferred their shares in the so-called Publi-T holding to the Vlaamse Energieholding (VEH), and other intermunicipal utility companies are contemplating the transfer of their shares in Publi-T (and sister holding Publigas) to a new holding company named Transco Energy. This is because the current structure does not allow the addition of external, private investors. Under the newly adopted structure, not only does this arrangement become feasible, but it also effectively insulates the intermunicipal groups, and by extension, Fluvius, from increasing capital demands at the TSO level.

A decline in Fluvius' ownership in both Publi-T and Publigas is possible depending on the equity strengthening measures implemented.

Regional government support considerations

The DSOs, which comprise the Fluvius Economic Group and act as guarantors of Fluvius' debt, are owned by the municipalities in the Flemish region. Consequently, Fluvius and the Fluvius Economic Group fall within the scope of our Government-Related Issuers methodology.

The A3 rating incorporates two notches of uplift from the Fluvius Economic Group's standalone credit quality, expressed as a Baseline Credit Assessment of baa2, taking into account the credit quality of the Community of Flanders; our assessment that there is a strong

probability that the community would provide support to the DSOs and its municipality owners if either were in financial distress; and a high level of default dependence (that is, the degree of exposure to common drivers of credit quality) because of the entirely domestic operations of the Fluvius Economic Group and its close association with its owners and the region.

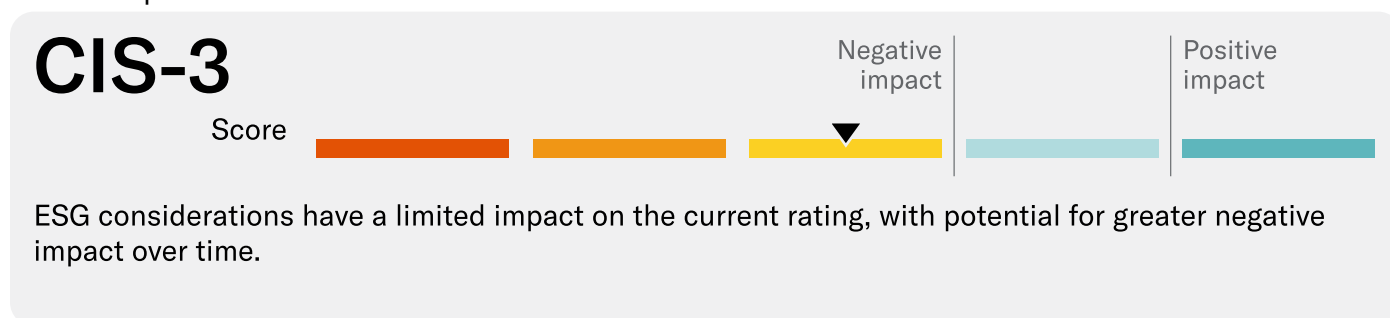
The Community of Flanders is ultimately responsible for the organisation of the electricity and gas market, and the distribution of energy within the Flemish region, which is considered a public service, and would be indirectly affected by any difficulties (including financial problems) experienced by the entities entrusted with this task. Consequently, the Community of Flanders is deemed to be the supporting entity under our Government-Related Issuers methodology.

ESG considerations

Fluvius System Operator CV's ESG credit impact score is CIS-3

Exhibit 7

ESG credit impact score

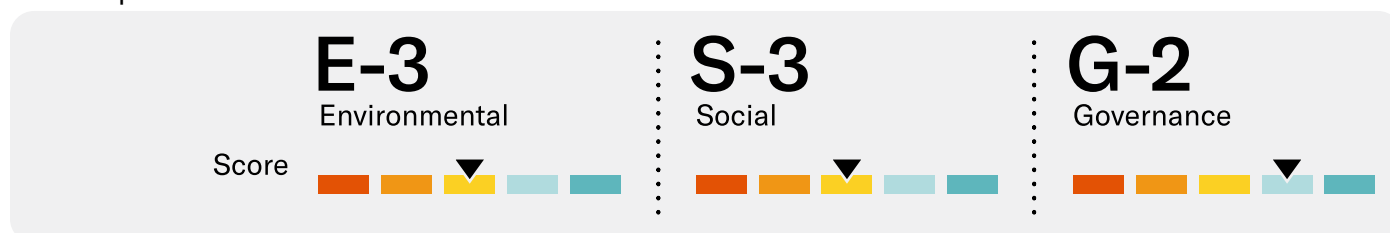


Source: Moody's Ratings

Fluvius SO's **CIS-3** indicates that ESG considerations have a limited impact on the current credit rating with potential for greater negative impact over time. Fluvius's **CIS-3** reflects moderately negative exposure to environmental and social risk and neutral-to-low governance risk. The effect of these considerations on the rating is mitigated by a supportive regulatory framework.

Exhibit 8

ESG issuer profile scores



Source: Moody's Ratings

Environmental

Fluvius SO's **E-3** score reflects that its electric and gas network assets have a moderately negative exposure to physical climate risk and a moderately negative exposure to carbon transition risk given the longer term uncertainties over gas usage. The Fluvius Economic Group generates around 95% of its operating profit from its regulated electric and gas distribution network activities with a substantial, although decreasing, share from gas (on average around 25%-30% of its regulated asset base in the regulatory period 2025-28). This is balanced by neutral to low risk exposure from water management, natural capital, and waste and pollution.

Social

Fluvius SO's **S-3** score reflects its exposure to the risk that public concern over environmental, social or affordability issues could lead to adverse regulatory or political intervention, similar to other regulated electric and gas network operators. Fluvius SO also has moderately negative exposure to public safety risks as a gas leak or explosion, although unlikely, could have significant negative impact

on the company's reputation and financial situation. These risks are balanced by neutral to low risks to health and safety, human capital, and customer relations.

Governance

Fluvius SO's **G-2** score takes into account neutral to low scores on compliance and reporting, organizational structure, management credibility and track record, and financial strategy and risk management. In particular, the group took mitigating measures to address the decline in allowed remuneration in the previous 2021-24 regulatory period, including a review of the dividend policy. These mitigate moderately negative exposure to board structure and policies: Fluvius SO is owned by 9 intermunicipal utility companies which in turn are owned by 285 Flemish municipalities; as Fluvius SO is ultimately owned by the Flemish municipalities and because Fluvius SO's board members are appointed by its shareholders, we assess the independence of Fluvius SO' board as weak.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click [here](#) to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

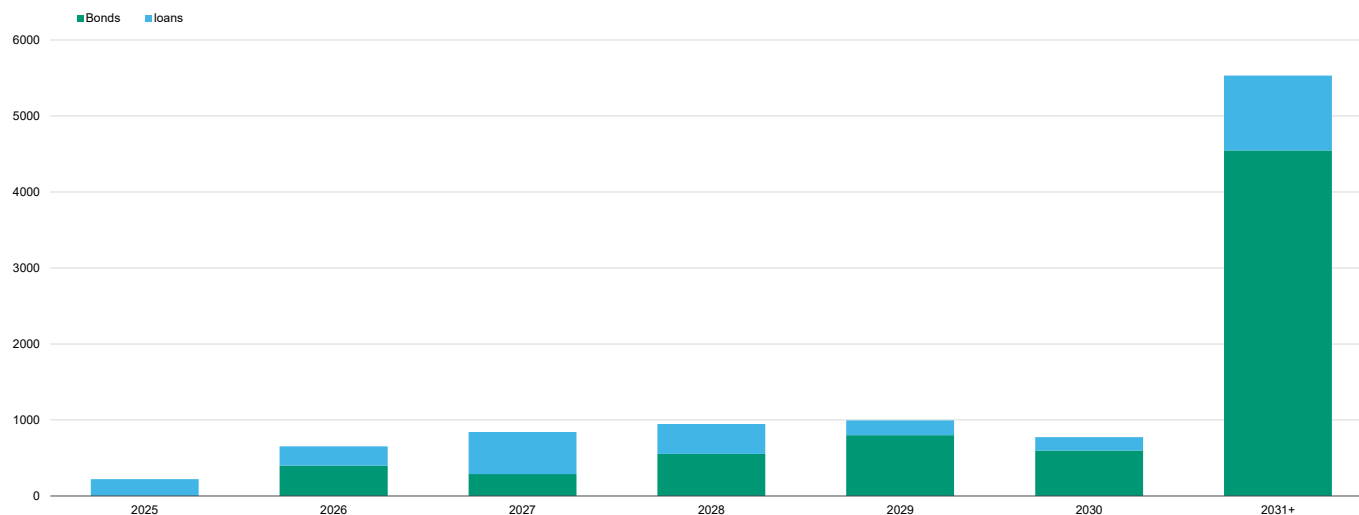
Liquidity analysis

As of December 2024, Fluvius' cash and cash equivalents amounted to €1.1 million. Additionally, the company has access to €525 million of overdraft and revolving credit facilities, of which €467 million was undrawn. In addition, the company has an uncommitted commercial paper program of €500 million, which was fully undrawn as of December 2024.

Because of Fluvius' sizeable capital spending program, which will result in negative free cash flow at least over 2025-28, we expect the company to make use of its short-term funding sources, that is, drawing significantly under existing credit facilities or under its commercial paper program before refinancing with medium-term debt. This leaves Fluvius with a relatively weak liquidity, and a high reliance on continued access to the debt capital markets. This is partly mitigated by the company's track record of access to the bond market given its strategic importance and municipal ownership; its ability to reduce somewhat capital spending if required; and the forthcoming sizeable cash inflows to stem from the planned capital increase.

Exhibit 9

Debt maturity profile of the Fluvius Economic Group As of June 2025



Source: Company filings

Methodology and scorecard

Fluvius is rated in accordance with our Regulated Electric and Gas Networks rating methodology and the Government-Related Issuers methodology.

Exhibit 10

Rating factors

Fluvius System Operator CV

Regulated Electric and Gas Networks Industry		Current FY 12/31/2024		Moody's 12-18 Month Forward View	
Factor 1 : Regulatory Environment and Asset Ownership Model (40%)		Measure	Score	Measure	Score
a) Stability and Predictability of Regulatory Regime		A	A	A	A
b) Asset Ownership Model		Aa	Aa	Aa	Aa
c) Cost and Investment Recovery (Ability and Timeliness)		A	A	A	A
d) Revenue Risk		Aa	Aa	Aa	Aa
Factor 2 : Scale and Complexity of Capital Program (10%)					
a) Scale and Complexity of Capital Program		Baa	Baa	Baa	Baa
Factor 3 : Financial Policy (10%)					
a) Financial Policy		Baa	Baa	Baa	Baa
Factor 4 : Leverage and Coverage (40%)					
a) FFO Interest Coverage (3 Year Avg)		4.1x	A	3.3x - 3.7x	Baa
b) Net Debt / Fixed Assets (3 Year Avg)		69.1%	Baa	72% - 77%	Baa
c) FFO / Net Debt (3 Year Avg)		7.3%	Ba	6.5% - 8.5%	Ba
d) RCF / Net Debt (3 Year Avg)		5.0%	Ba	5.5% - 7.5%	Ba
Rating:					
a) Scorecard-Indicated Outcome			Baa1		Baa2
b) Actual Baseline Credit Assessment Assigned					baa2
Government-Related Issuer					Factor
a) Baseline Credit Assessment					baa2
b) Government Local Currency Rating					Aa3
c) Default Dependence					High
d) Support					Strong
e) Actual Rating Assigned					A3

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Source: Moody's Financial Metrics™ and Moody's Ratings forecasts

Appendix

Exhibit 11

Peer comparison

Fluvius System Operator CV

(in € millions)	Fluvius System Operator CV			RESA S.A.			Terega SA		
	A3 Negative			A3 Stable			Baa2 Stable		
	FY Dec-22	FY Dec-23	FY Dec-24	FY Dec-22	FY Dec-23	FY Dec-24	FY Dec-22	FY Dec-23	FY Dec-24
Revenue	2,400	2,326	2,463	365	393	384	799	692	517
EBITDA	1,005	1,063	987	126	125	136	306	309	324
Total Debt	7,751	9,043	9,677	593	677	765	1,437	1,460	2,027
Net Debt	7,671	8,982	9,676	552	653	735	1,402	1,437	1,454
(FFO + Interest Expense) / Interest Expense	5.3x	3.6x	3.8x	15.0x	12.7x	8.9x	10.4x	10.4x	8.6x
Net Debt / Fixed Assets	63.8%	71.0%	71.9%	38.9%	42.9%	46.8%	76.4%	75.5%	74.6%
FFO / Net Debt	8.8%	5.9%	7.4%	18.4%	16.9%	15.2%	18.4%	17.8%	17.9%
RCF / Net Debt	6.0%	3.8%	5.4%	15.0%	14.0%	12.7%	12.7%	11.1%	11.2%

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Source: Moody's Financial Metrics™

Exhibit 12

Moody's-adjusted net debt reconciliation

Fluvius System Operator CV

(in € millions)	2020	2021	2022	2023	2024
As reported debt	6,633.3	7,237.6	7,644.6	8,888.2	9,618.3
Pensions	547.5	213.6	106.5	155.1	58.6
Moody's-adjusted debt	7,180.8	7,451.2	7,751.1	9,043.4	9,676.9
Cash & Cash Equivalents	(31.3)	(89.3)	(80.2)	(61.6)	(1.1)
Moody's-adjusted net debt	7,149.4	7,361.8	7,670.9	8,981.7	9,675.8

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Source: Moody's Financial Metrics™

Exhibit 13

Overview of selected historical Moody's-adjusted financial data
Fluvius System Operator CV

(in € millions)	2020	2021	2022	2023	2024
INCOME STATEMENT					
Revenue	2,924	3,038	2,400	2,326	2,463
EBITDA	1,091	1,201	1,005	1,063	987
EBITDA Margin	37.3%	39.5%	41.9%	45.7%	40.1%
EBIT	647	738	470	550	438
EBIT Margin	22.1%	24.3%	19.6%	23.6%	17.8%
Interest Expense	188	169	159	207	251
Net income	351	427	271	329	144
BALANCE SHEET					
Total Debt	7,181	7,451	7,751	9,043	9,677
Cash & Cash Equivalents	31	89	80	62	1
Net Debt	7,149	7,362	7,671	8,982	9,676
Net Property Plant and Equipment	11,707	11,738	12,014	12,651	13,449
Total Assets	15,712	16,242	16,888	18,087	17,764
CASH FLOW					
Funds from Operations (FFO)	686	834	678	530	711
Cash Flow From Operations (CFO)	761	570	809	286	708
Dividends	311	285	221	192	186
Retained Cash Flow (RCF)	375	549	457	338	525
Capital Expenditures	(730)	(869)	(1,040)	(1,191)	(1,465)
Free Cash Flow (FCF)	(280)	(585)	(452)	(1,096)	(942)
INTEREST COVERAGE					
(FFO + Interest Expense) / Interest Expense	4.6x	5.9x	5.3x	3.6x	3.8x
LEVERAGE					
Debt / EBITDA	6.6x	6.2x	7.7x	8.5x	9.8x
Net Debt / EBITDA	6.6x	6.1x	7.6x	8.5x	9.8x
Net Debt / Fixed Assets	61.1%	62.7%	63.8%	71.0%	71.9%

Rated entity is Fluvius System Operator CV; financials are under Fluvius Economic Group.

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.

Source: Moody's Financial Metrics™

Ratings

Exhibit 14

Category	Moody's Rating
FLUVIUS SYSTEM OPERATOR CV	
Outlook	Negative
Bkd Issuer Rating -Dom Curr	A3
Bkd Senior Unsecured -Dom Curr	A3

Source: Moody's Ratings

Endnotes

- 1 <https://themis.vlaanderen.be/files/9aa084f0-94c3-11f0-9b44-3797f8128cc9/download?name=VR%202025%201909%20MED.0352-1%20Fluvius%20-%20mededeling%20QUATER.pdf&content-disposition=inline>

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