

Press release

Morges, 5 June 2014

Romande Energie participating in capital increase of Forces Motrices Hongrin-Léman SA

Romande Energie is participating in a CHF 28.8m capital increase by Forces Motrices Hongrin-Léman (FMHL SA), launched to fund ongoing major work for increasing the generation capacity of the Hongrin-Léman hydro-electric plant (Veytaux) in accordance with the project's funding plan.

FMHL SA plans to carry out a capital increase, as stated in the budget for this project, which aims to increase the pumped-storage capacity of the company's installations. Official approval will be sought at the Annual General Meeting on 18 June.

The shareholders of FMHL SA, which are Romande Energie Holding SA (41.13%), Alpiq Suisse SA (39.30%), Groupe E SA (13.13%) and Lausanne City Council (6.43%), have been solicited to participate in proportion to their existing equity interests in the company.

Romande Energie Holding SA has today signed the paperwork to subscribe to its full entitlement, which amounts to 2,880 registered shares, each with a face value of CHF10,000 and issued at par. This represents a total sum of CHF 28.8 million. Following the transaction, Romande Energie's holding in FMHL SA is likely to remain unchanged at its current level of 41%.

Doubling the output of the Veytaux power plant

The current extension project consists in tunnelling a cave in the mountain next to the existing Veytaux plant in order to install two new pumped-storage units, each with a capacity of 120 megawatts (MW). Once the work has been completed, the available power capacity will be 480 MW - of which 420 MW will be in regular service and 60 MW reserved for back-up, thus practically doubling the plant's output relative to the current level.

Because both peak and balancing power will be provided, this massive pumped-storage project dovetails perfectly with generation facilities harnessing new but more irregular sources of renewable energy. Thus, Romande Energie's involvement in the project tallies with its strategy to develop proprietary generation assets based chiefly on renewable power sources (solar, wind and hydro power along with biomass and geothermal solutions).

Notes to editorial desks

This press release is being issued outside the trading hours of the SIX Swiss Exchange as required by the SIX Listing Rules on ad hoc publicity.

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Romande Energie at a glance

Romande Energie Group is the leading electricity distributor in Western Switzerland. Through its subsidiary Romande Energie Commerce, it supplies more than 300,000 end-customers directly in approximately 300 municipalities in the cantons of Vaud, Valais, Fribourg and Geneva. Its core business lines are the **generation, distribution and marketing** of power together with **energy services**.

Priorities are liaising with customers to ensure high-quality services in line with expectations; guaranteeing a reliable, sustainable and competitive supply of energy; developing proprietary power generation through priority investments in renewable energy; and promoting innovative energy-efficiency solutions.

Romande Energie's corporate social responsibility policy systematically guides its approach to business.

For more information on Romande Energie Group, visit www.romande-energie.ch