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Operating results for Q3 2005

Atel still on the road to success

The business results for Aare-Tessin Ltd. for Electricity (Atel) for the first nine months of 2005 are better than the results for the corresponding period of the previous year. This is primarily due to its strong operating results. Turnover until the end of September 2005 rose by 17% year-on-year to CHF 6 billion.

Atel, an energy services provider active right across Europe, achieved a satisfactory overall result for the first nine months of 2005, despite difficult conditions. Compared to the same period of the previous year, energy sales grew by 3 percent to 70.1 TWh. The energy services group's turnover rose by 17% to CHF 5,980 million. This growth was also supported by higher energy prices. The operating profit (EBIT) increased by 5 percent to CHF 382 million. From January to September 2005, the Atel group earned a group profit of CHF 309 million, which represents an increase of 10 percent year-on-year. The good results are mainly due to successful trading and sales activities. In addition, the results include extraordinary income from real estate sales, financial income from securities sales, and the positive performance by the Group's financial holdings.

Various amendments to the IFRS accounting principles took effect on 1 January 2005. These effects have been incorporated into the previous year's figures for comparison.

Outlook for 2005

Atel expects its 2005 annual accounts to reflect a higher turnover overall and a slightly better operational result than in 2004. The stoppage of the Leibstadt nuclear power plant which lasted several months and high energy prices noticeably burdened the results, but this effect is compensated by the positive performance in other divisions.

Aare-Tessin Ltd. for Electricity
Corporate Communications

Inquiries: Martin Bahnmüller, Head of Corporate Communications
 Tel.: +41 62 286 71 10 presse@atel.ch www.atel.ch

Aare-Tessin Ltd. for Electricity (Atel)

Aare-Tessin Ltd. for Electricity (Atel) is the leading production-based energy service provider in Switzerland and operates at a pan-European level. Founded in 1894, Atel focuses on the two core businesses of production-based Energy Trading and Energy Services. The group of companies, domiciled in Olten, employs a staff of around 8000 and generated a turnover of CHF 7 billion in 2004. Its main markets in the energy sector are Switzerland, Italy, Germany and the Central and Eastern European countries. Its goods and services range from portfolio management and group energy supplies, to energy derivatives and option contracts, to establishing distribution concepts involving other partners. Trading and distribution are supported by a number of proprietary hydraulic and thermal power stations plus a broadly ramified transmission grid. With its Energy Services Division, Atel provides all technical services pertaining to energy (electricity, gas, oil and biomass) and its uses as power, lighting, cooling and heating, communication and security. Atel is among the leading providers of Energy Services in both Switzerland and Germany.