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ANNUAL REPORT 2014



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Prices are our mission

Power markets need a price signal. That is why prices are our core mission.

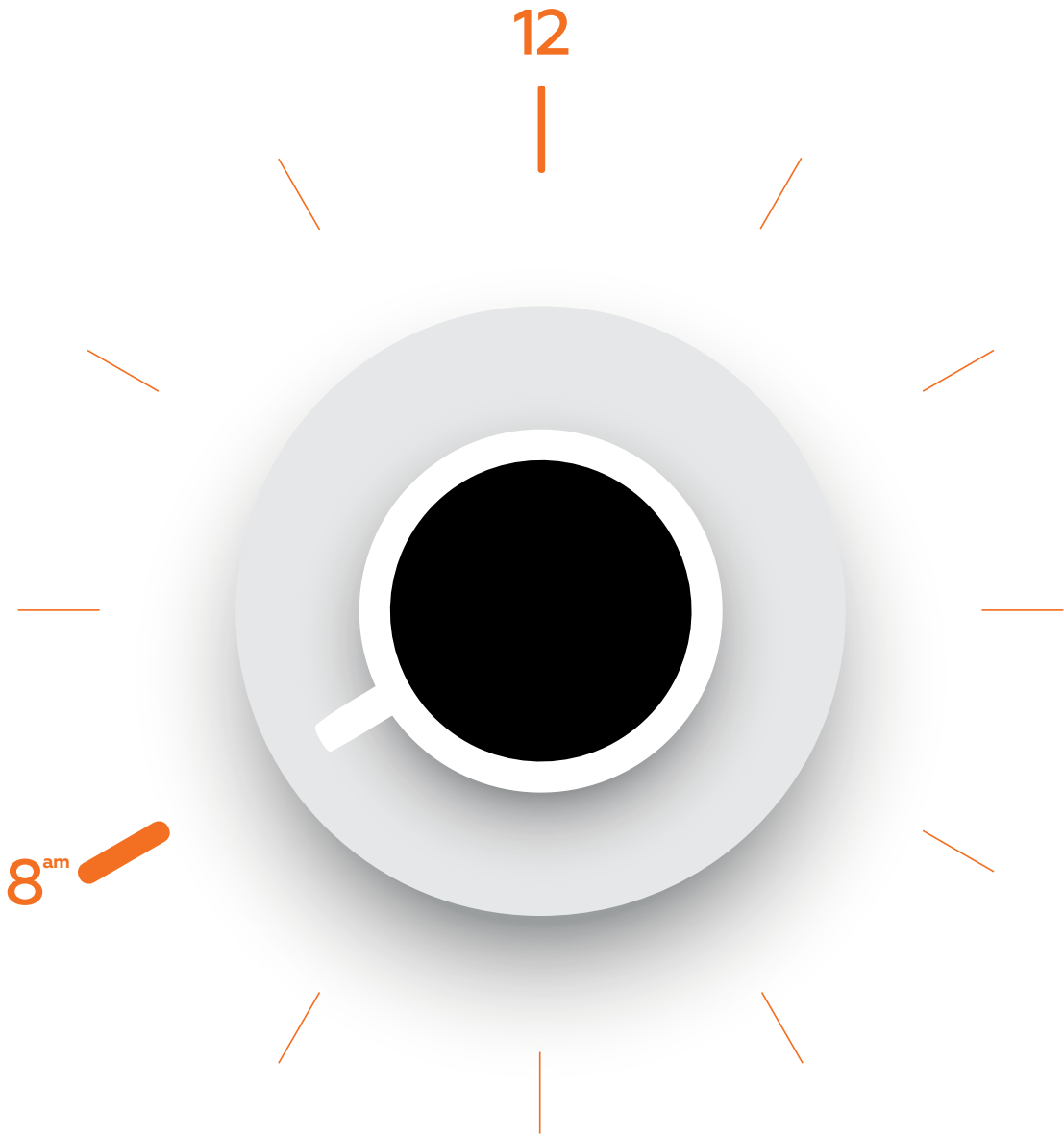
Prices define power flows between different countries, with optimal volumes and directions. Prices remunerate flexibility – and reveal the need for investments.

Prices reveal the real value of electricity.

Being international is the success factor of EPEX SPOT – both regarding our activities and our staff. One hundred people from all over the world form a unique team of experts. They operate the power markets in Germany, France, Austria and Switzerland. They develop market coupling solutions and pave the way for the European electricity market. They help service other Power Exchanges across the European continent and beyond.

But above all, EPEX SPOT provides a European power price – because power markets need a price signal.

EPEX SPOT – we are the European Power Exchange.



The
power
to change

“European energy questions require European solutions.”



Jean-François Conil-Lacoste,
Chairman of the Management Board
of EPEX SPOT

European energy policy is at a crossroads. The energy mix of our continent is shifting fundamentally and creating continuously new challenges to which European answers are needed. At the same time, European energy questions are too often tackled through national solutions.

Change is difficult, it's uncomfortable, and it always involves effort. Still, as a company at the centre of the European energy sector, we need to embrace the change around us. Even more, we have to think about how to anticipate and foster it – how to build up the power to change.

European energy questions require European solutions

This is the foremost idea behind the European Power Exchange EPEX SPOT since its creation in 2008. Over the years, the challenges in European energy policy may have changed, but this answer still holds true.

In the past year, things have changed for EPEX SPOT in the market, but also in terms of its teams and its governance. There are many changes in and around EPEX SPOT:

- Major European grid operators have become direct shareholders of the company. EEX has become an indirect majority shareholder.
- With the integration of APX Group starting in 2015, EPEX SPOT is pursuing the vision of offering a Power Exchange for Central Western Europe (CWE) and the United Kingdom.

- The staff of EPEX SPOT has grown to more than 100 employees. This increase is a challenge for our teams, but at the same time pays off for our customers. The growth of staff will further strengthen our services and the robustness of our operations.

Power Exchanges in Europe have gone through several phases: initially, they devoted themselves primarily to developing liquidity and establishing reference prices in their home markets. This was the first phase from 2000 to 2007. They then focused on delivering market coupling. This second phase – from 2007 to 2015 – is almost complete, with 85% of European consumption now covered. At the same time, the first steps towards consolidation were taken, and EPEX SPOT is the result of this process.

The reshuffling of our shareholder structure and the integration with APX are steps in anticipation of bigger changes; the third phase that we are entering now will require even more innovation, adaptability, a strong focus on customer care and operational stability in a fast-changing energy mix. Competition amongst the now well-established Power Exchanges will increase. This is why we are enlarging our base camp: APX is becoming part of EPEX SPOT within the EEX Group while we strengthen our link with European transmission system operators (TSOs).

The European power market faces new challenges – and we have prepared ourselves for reaching the summits ahead.



Meeting with shareholders

Natural partners

EPEX SPOT has changed its shareholder structure. Transmission system operators have jointly taken a direct stake in the European Power Exchange.



Pierre Bornard,

Vice President of RTE,
Vice Chairman of the Supervisory
Board of EPEX SPOT

Why did HGRT, the holding company for European TSOs, become a shareholder of EPEX SPOT?

The direct participation in EPEX SPOT of the electricity TSOs that make up HGRT opens a new chapter for the European Power Exchange. HGRT has been one of the creators of the French Power Exchange, initially Powernext (of which I have been the Chairman of the Board since the beginning). It also played a key role in the creation in 2008 and in the development of EPEX SPOT as the majority shareholder of Powernext. RTE and the HGRT TSOs think that close cooperation between TSOs and Power Exchanges is fundamental for a well functioning integrated power market in Europe.

How will the network codes on Capacity Allocation and Congestion Management (CACM) change the landscape of power trading?

This network code on CACM, drafted by the European Commission and the European Network of Transmission System Operators for Electricity (ENTSO-E) where the HGRT TSOs are very active, is a major achievement for the European electricity market. CACM is the first set of harmonised pan-European rules to be implemented in 2015. It confirms the relevance of the innovative choices made by the Central Western Europe TSOs and EPEX SPOT in previous regional initiatives on day-ahead market coupling, as these choices are today an integral part of the European target model. CACM now paves the way towards the integration of European markets for the intraday timeframe.

“This network code is a major achievement for the European electricity market.”

In your opinion, what are the main challenges for the European power market in the upcoming years?

By optimizing short-term electricity resources at the European level, the development of a liquid and transparent European spot power market has already recorded many successes. It is now time to be pioneers again and to address the key Energy Union challenges, with security of supply as the first priority. Power Exchanges and TSOs will need to keep cooperating to build on the current market design through innovative solutions and products, in order to manage increasing levels of renewable energy, meet needs for flexibility and capacity, and fully empower European consumers as active market participants.



Daniel Dobbeni,

Chairman of the Board
of 50Hertz GmbH

Why did HGRT become a shareholder of EPEX SPOT?

For a power system operator, reliability and security of supply at affordable prices are essential elements of a well functioning power market. Among the tools to achieve these targets, traders and suppliers need liquidity at different moments in time. With the increasing share of variable energy sources in several member states, liquidity close to real time becomes essential to ensure the balance between supply and demand. As power exchanges deliver the tools and products that are needed by generators, traders and suppliers to bid for liquidity in the market, it made sense for HGRT to become an active shareholder of EPEX SPOT. The same rationale, focused on a well functioning day-ahead market, was at the basis of the HGRT decision to become a founding member of Powernext several years ago. The long-term commitment of TSOs, such as Elia System Operator, alongside Power Exchanges should not come as a surprise, as both share the ambition to facilitate the integration of national power markets.

How will the network codes on CACM change the landscape of power trading?

Although a single network code cannot deeply modify the landscape of power systems and trading, the CACM code together with the Regulation on Wholesale Energy Market Integrity and Transparency (REMIT) have the potential to significantly increase transparency and liquidity across borders. Both will ensure a fair price on the wholesale market and facilitate exchanges between member states. The network codes, among which CACM, will also facilitate a better usage of the diversity of national energy resources, whether nuclear, fossil, hydro or renewable. In a context of worldwide competition for energy resources, this diversity will become a pillar of the European economy and the welfare of its 500 million citizens.

In your opinion, what are the main challenges for the European power market in the upcoming years?

While power systems all over the planet are designed, maintained and operated according to the same laws of physics, the last decade witnessed an increasing diversity of legislation and regulations among the member states. Too often, their impact on interconnected neighbouring power systems was insufficiently taken into account, leading to unexpected situations, like negative wholesale prices and the mothballing of modern power plants. Establishing more stable and comprehensive European energy policies (supporting innovation and investments) with fewer short-term national interventions are the main challenges for the upcoming years.



Mel Kroon,
President and CEO of TenneT

Why did HGRT (in which TenneT holds 40%) become a shareholder of EPEX SPOT?

With this strong, new combination, TenneT is joining forces to serve all of Central Western Europe, including the UK. As a shareholder in both APX and EPEX SPOT, TenneT regards the integration of APX and EPEX SPOT as a logical step. This will allow us to work more effectively, in collaboration with Elia and RTE on improvements to the market system, such as intraday electricity trading and flow-based market coupling. The merger is an important step towards further integration of the European electricity markets, which will eventually benefit energy consumers. In addition to further market integration, the combination of the two power exchanges will also benefit market parties in other ways. Both exchanges will start deploying a single system, resulting in lower system costs as well as the possibility to use only one instead of two so-called 'rule books'.

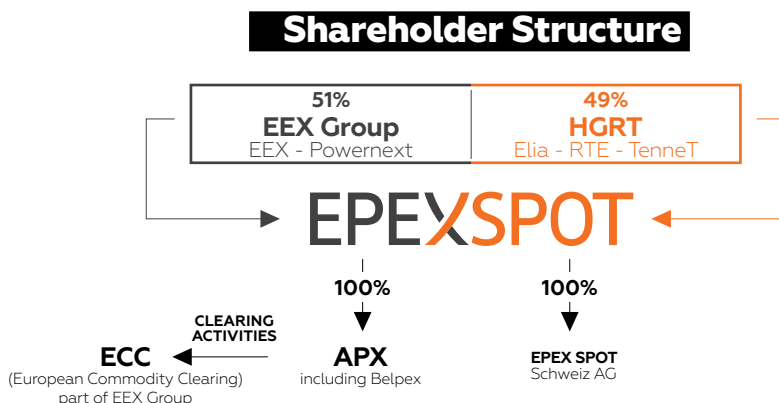
How will the network codes on CACM change the landscape of power trading?

The expected entry into force of the CACM Guideline provides a solid foundation for the development of the European internal electricity trading market, as the Guideline prescribes in broad terms how the day-ahead and intraday markets should be organised. The CACM Guideline also includes provisions on the governance arrangements between the parties that organise the market integration process. EPEX SPOT is one of those parties. In the past few years, EPEX SPOT has taken the lead in developing the internal market, together with its partners such as the TSOs and the other power exchanges in the Central West European region. The entry into force of the CACM Guideline provides further evidence that these voluntary initiatives were the right way to go, and demonstrates the soundness of the vision of EPEX SPOT and its partners. The CACM Guideline will now clear the way for other regions, which must also contribute to the realisation of the internal market. At the same time, we must continue to work on improving the operation of the market in ways that go beyond the prescriptions of the CACM Guideline.

“In the past few years, EPEX SPOT has taken the lead in developing the internal market.”

In your opinion, what are the main challenges for the European power market in the upcoming years?

Following successful launch and operations of the European Market Coupling of Regions, one key challenge will be to further expand this market coupling activity to other regions whilst maintaining the required performance level. A second key challenge will be to rapidly progress on the launch of a cross-border intraday service in North-West Europe.



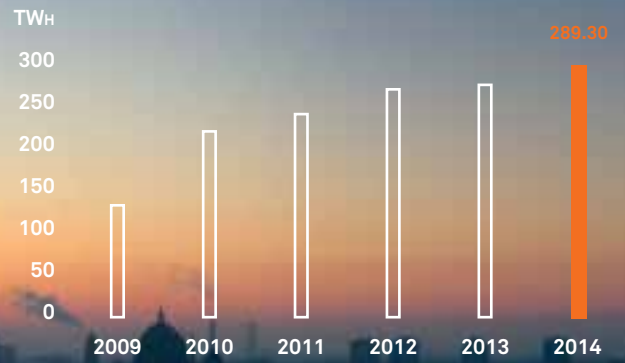
2014

in data

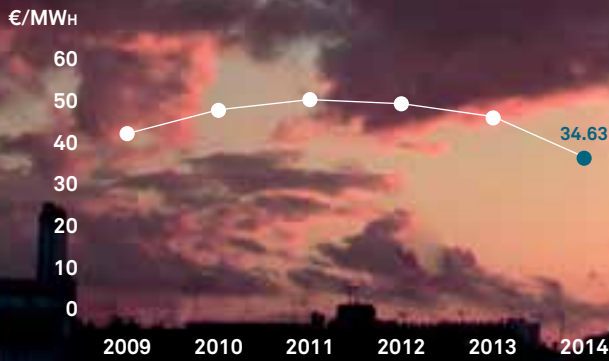
Yearly base price

Volumes

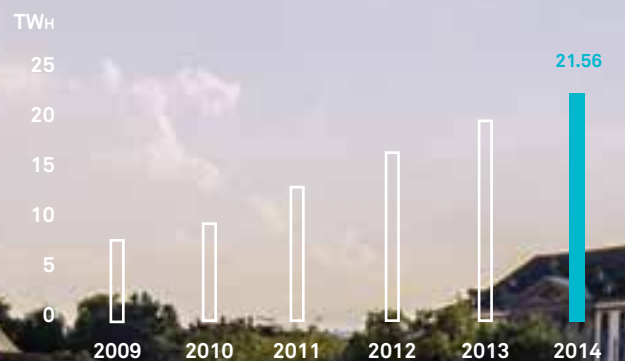
DE/AT



FR



+ CH



Key figures



382 TWh

of power were traded on all EPEX SPOT markets (2013: 346 TWh).



33%

of the electricity consumption in the markets we cover are traded on our markets.



224

companies traded on EPEX SPOT's markets at the end of 2014 (2013: 212).



32.10 €/MWh

is the yearly average price of all hours of all EPEX SPOT markets, the European Electricity Index called ELIX (2013: 39.03 €/MWh).



51%

of the time over the year, the power prices of the German and the French markets converged (2013: 48%).



4,996,341 MWh

were traded in 15-minute contracts across the German and Swiss intraday markets in 2014 (2013: 2,625,136 MWh).

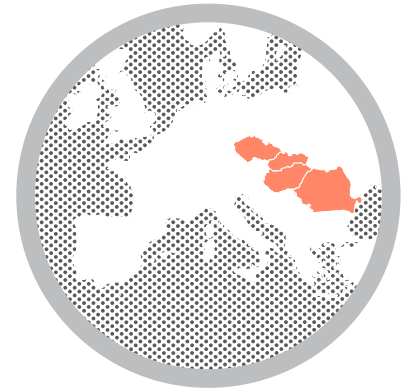
I T L I S B F A M P M
A C Q U A R T E R D C
T W E N T Y F I V E X
H A L F B T E N F T O
P A S T E R U N I N E
O N E S I X T H R E E
F O U R F I V E T W O
E I G H T E L E V E N
S E V E N T W E L V E
T E N S E O C L O C K

20
minutes

are needed to calculate
volumes and prices of the
4M Market Coupling, as well
as the flows between the
countries covered.

11:00^{am}

4M Market Coupling: four countries, one market



Power markets in Eastern Europe are gradually closing ranks. In 2014, Romania joined the coupling between Slovakia, Hungary and the Czech Republic. Together, the countries are getting ready for the pan-European power market. EPEX SPOT supports their integration as service provider for three of the four local Exchanges.

Paris, the City of Lights, has become one of the capitals of power markets in Europe. The market operations of EPEX SPOT are one of the main pillars in the operation of the Hungarian power market – as well as in the coupling of the power markets between the Czech Republic, Hungary, Slovakia and Romania.

Since 19 November 2014, these four Eastern European markets are coupled based on the PCR solution (see box on the right). The countries together represent about 10% of European electricity consumption. And they are an exceptional case in Europe: they form the only coupled area in Europe not yet being linked to the overarching, pan-European Multi-Regional Coupling. This again shows the upside of the regional, step-wise approach in market integration.

Since 2010, EPEX SPOT operates the Hungarian power market on behalf of the local Power Exchange HUPX. In 2012, the coupling with the Czech and the Slovakian power markets started – again with the support of EPEX SPOT. And in 2014, Romania joined while their coupling solution was upgraded to be compatible with the rest of Europe.

Every day at 11 am, EPEX SPOT receives the orders of the serviced Exchanges and the available transfer capacity between the four countries, and then calculates the prices and flows between the countries. The results are published by the Power Exchanges themselves: EPEX SPOT acts as calculator.

Nonetheless, today's situation will evolve. Neighboring countries in Central Eastern Europe are willing to couple as well; and at some point, the entire region will connect with the rest of Europe.

The PCR solution

Market coupling – the link between power markets – needs a set of solutions for defining the relationship between the different Exchanges. Back in 2009, three Power Exchanges started an initiative called Price Coupling of Regions, or PCR. The goal was to create such a solution which could one day be used to cover and couple all power markets in Europe.

PCR was first used in the North-West European Price Coupling European Price Coupling when it launched on 4 February 2014. Today, 19 markets covering 85% of European consumption rely on the PCR solution. In addition, the 4M Market Coupling uses the PCR solution since its extension to Romania.





11 00^{am}

Focus on Switzerland

The mature power market

The Swiss power market has again witnessed an increase in traded volumes on the day-ahead and intraday markets in 2014. These markets have become more and more mature, although they are not yet coupled with the markets of the neighbouring countries.

The “electric heart” of Europe

Switzerland is traditionally a transit country for electricity.

While not yet integrated into the pan-European Multi-Regional Coupling, 11% of total electricity exchanged between the ENTSO-E countries in continental Europe is transported over Swiss lines and 23% of all transnational capacity crosses Swiss borders. But Swiss energy consumption accounts for only 2% of overall European consumption.

Over 50 years ago, the “Star of Laufenburg” interconnected for the first time in Europe the German, French and Swiss electricity grids, making the first step towards integrated network operation in Europe.

Today about 40 interconnectors are established between Switzerland and the rest of Europe. Switzerland’s electricity production is covered mostly by hydropower (55%), nuclear power plants (40%) and the rest from renewable energies, gas and waste. Moreover, the Swiss hydropower plants play an important role in balancing the European high-tension network and in storing surplus renewable energy produced in Europe.

Mature Swiss day-ahead market, high potential for intraday market

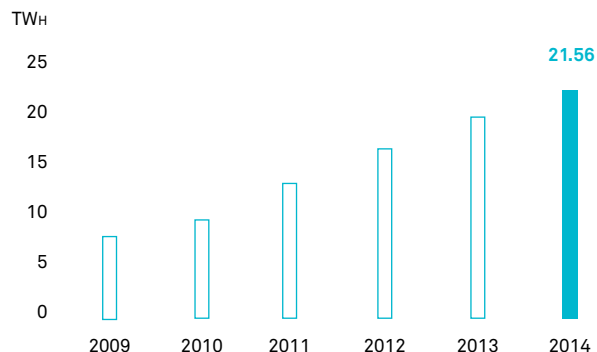
Since its creation, EPEX SPOT is operating the Swiss day-ahead market, which was launched in 2006. Every morning, the Swiss day-ahead trading participants buy cross-border capacity directly from the Swiss TSO Swissgrid. EPEX SPOT collects the buy and sell orders for the following day until 11 am. Then the market closes and the actual calculation of price starts. Ten minutes later, EPEX SPOT publishes the Swissix, the day-ahead Swiss market price. Over the years, day-ahead volumes of the Swiss market have increased from 8 TWh in 2009, to 16.6 TWh in 2012 and 20.5 TWh in 2014, corresponding to about 34% of Swiss national electricity consumption.

The Swiss intraday market was launched in June 2013. About 1.1 TWh were traded in 2014. This market is predominantly on the sell part and cross-border, with a high percentage of volumes generated by Swiss market players. Although quite young, this market has a high potential to further increase the volumes traded. Market participants could, for example, use the 15-minute products and hence benefit from the flexibility of Swiss hydropower plants for electricity production or storage.

Market coupling in Switzerland

All neighbouring countries of Switzerland are now part of the European market coupling; Italy was connected in February 2015. EPEX SPOT and Swissgrid have fulfilled all the technical requirements to include Switzerland in the Multi-Regional Coupling (MRC) and are waiting for positive signals from the European Commission. Various obstacles are being faced by Switzerland in its negotiations with the European Commission on a bilateral electricity agreement, which in turn prevent the successful integration of Switzerland in the MRC. If Switzerland were not to participate in the European market coupling, the initial consequences would be economic losses due to higher electricity costs. In the medium term, Switzerland could be further separated from the European electricity market.

The development of the Swiss power market



One admission + One rulebook + One system + One clearing

ONE POWER EXCHANGE FOR CENTRAL WESTERN EUROPE
AND THE UNITED KINGDOM

A Power Exchange for eight countries

APX and EPEX SPOT integrate their businesses for the benefit of trading participants and the European power sector.

On 17 April 2015, EPEX SPOT and APX, including Belpex, announced the merger of their activities in order to form a Power Exchange for Central Western Europe (CWE) and the United Kingdom. The day-ahead and intraday power markets of APX will be integrated into EPEX SPOT in a stepwise approach, while the clearing activities of APX are being migrated to European Commodity Clearing (ECC). The integration of APX into EPEX SPOT will lay the foundation for a CWE and UK Power Exchange, covering eight countries in the very heart of the continent (see map).

This development should be looked at on a larger scale. APX and EPEX SPOT have been partners for over a decade in the development of market coupling with some teams cooperating on a daily basis in order to create and operate a single European electricity market. Now, with the completion of the integration of nearly all European power markets (see page 19), Power Exchanges are turning to possible synergies to further increase the social welfare for European population.

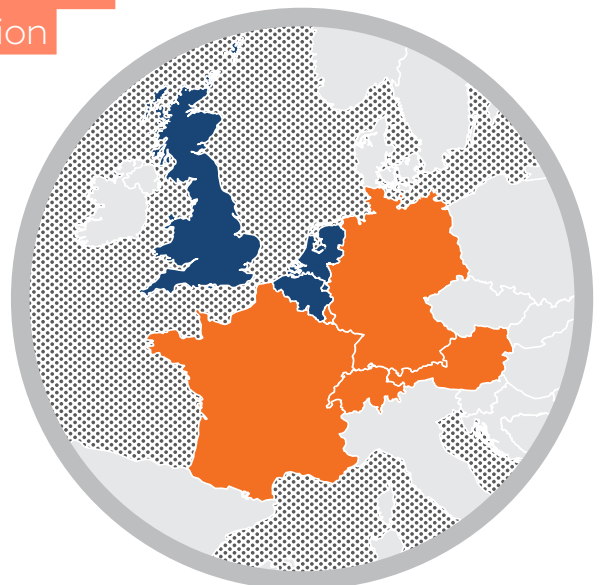
For APX and EPEX SPOT, the logical step resulted in a merger, lowering barriers between power markets across the CWE and UK region through a stepwise implementation of one membership, one rulebook, one clearing, one system – one Power Exchange.

Both companies will provide as much information as possible along the road in order to clearly work out the benefits for the market. For more information, please visit the EPEX SPOT website, or, if you are a member, get in touch with your account manager.

The eight countries covered by EPEX SPOT after the integration of APX

Austria, Belgium, France, Germany, Luxembourg, the Netherlands, Switzerland and the United Kingdom.

● **EPEX SPOT**
● **APX** including Belpex



11 45^{am}

Closer to Austrian and Swiss stakeholders and clients

By Arnold Weiß and Davide Orifici

In 2014, EPEX SPOT went one step further in reaching out to its Austrian and Swiss stakeholders and clients. A representation office in Vienna and a subsidiary in Berne (EPEX SPOT Switzerland) became operational. The objectives of both offices are to represent EPEX SPOT in order to intensify and deepen the relationship with Austrian and Swiss stakeholders.

Established late 2013, the Austrian office became operational in early 2014 by intensifying cooperation with the main Austrian stakeholders: the Federal Ministry of Science, Research and Economy (BMWFW), the Austrian national regulatory authority Energie-Control Austria (E-Control), the Austrian association of the electricity industry



Arnold Weiß,
Head of Vienna Office

Davide Orifici,
Head of Bern Office

(Oesterreichs Energie), the Federation of Austrian Industries (IV), the Energy Community Secretariat (ECS), Austrian think tanks and market players. The Austrian office entered into a qualified institutional relationship with Oesterreichs Energie and became a member of IV in late 2014.

Besides visiting all Austrian members of EPEX SPOT, the office was closely involved in the discussion of the Austrian transaction data reporting system (EGHD-VO), the debate on potential reconfigurations of bidding zones and the consultation concerning amendments to the Austrian market rules. Moreover, the Austrian office

contributed to the REMIT implementation and market coupling initiatives and added an Austrian perspective to the internal discussions of EPEX SPOT.

Since the opening of the Swiss subsidiary in April 2014, EPEX SPOT Switzerland Ltd. established close contacts and working relationships with representatives of the Federal Department of the Environment, Transport, Energy and Communications (DETEC), Swiss Federal Office of Energy (SFOE), the Swiss national regulatory authority Federal Electricity Commission (ElCom) and Swiss Cantons, as well as contacts with key politicians in the Federal Parliament.

It became a member of the Swiss Association of Electricity Companies (VSE) and started direct discussions with key stakeholders on topics such as market coupling, capacity market and flexibility products.

EPEX SPOT Switzerland also took part in the working group for the SFOE Study on Power Exchange for Switzerland in the context of the European Regulation on CACM. Furthermore, it closely assisted with negotiations between the European Union and Switzerland on a bilateral electricity agreement impacting the coupling of Swiss borders with its neighbouring markets in Germany, France, Italy and Austria.

Finally, together with the EPEX SPOT Customer Care Department, both offices deepened their contacts with selected Austrian and Swiss members. More contacts will be established with market participants of both countries in 2015. Exploratory discussions also took place with new prospects. Finally, media contacts were set up in order to present the role and activities of EPEX SPOT, with particular regard to market coupling in Europe.

All these activities enabled EPEX SPOT to be positioned as a major player in market coupling in Austria and Switzerland, and as the Austrian and Swiss Power Exchange in the long term.

Highlights of public speeches and high-level visits

6 MARCH 2014
VIENNA

First visit and presentation of EPEX SPOT's role and activities to BMWFW.

7 MARCH 2014
MARIA ENZERSDORF

Presentation of EPEX SPOT's role and activities to the President of Oesterreichs Energie.

10 APRIL 2014
LECH/ARLBERG

Presentation of EPEX SPOT's stance and activities concerning the fair value of energy on the Lech Energy Forum moderated and chaired by Commissioner Oettinger.

10 JULY 2014
VIENNA

Meeting and discussions with the national regulators from Austria, Germany, France and Switzerland in Austria for the first time.

4 SEPTEMBER 2014
LAUSANNE

Presentation of EPEX SPOT's role and activities to Cantonal Energy Ministers.

11 SEPTEMBER 2014
BERN

Presentation of EPEX SPOT's role and activities to Federal Energy Minister, as well as selected Federal Parliamentarians and representatives of Swiss economic branches, industries and trade unions.

22 OCTOBER 2014
PARIS

Visit and discussions with President and Vice President of ElCom.

23 OCTOBER 2014
VIENNA

Presentation of EPEX SPOT's stance and activities concerning the new electricity market design at the 18th Handelsblatt Jahrestagung: Energiewirtschaft.

14 NOVEMBER 2014
BIEL

Presentation of EPEX SPOT's role and activities in the context of CACM at ElCom Forum.



MON MARK K

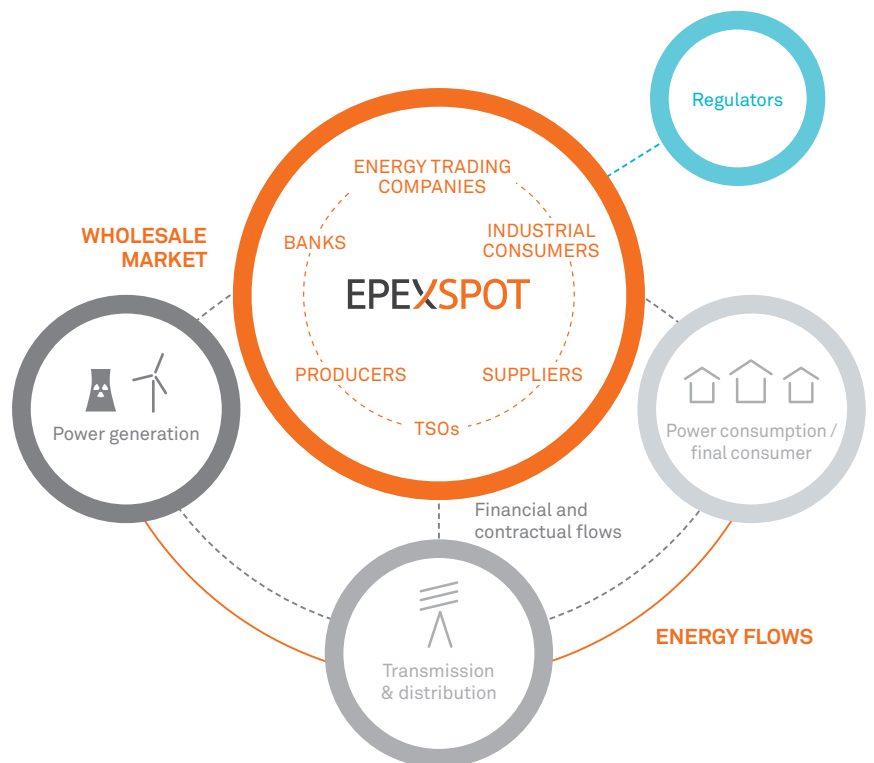
Our members: who they are, why they trade

Providing a reliable, transparent and clear-cut price signal is our core business – and our members are at the heart of it. They buy and sell electricity, and in so doing, they create a strong, liquid and active market with a robust price reference.

Our members make the market

Their community is just as diverse as our products and include energy trading companies, producers, banks, suppliers, industrial consumers and TSOs. 225 companies traded 382 TWh of electricity on EPEX SPOT in 2014 – one-third of their countries' electricity consumption.

But who are they and why is trading on an organised market important to them? Have a look at the following pages and discover some of the companies that trade on EPEX SPOT – and the reasons why they have become a member of the European Power Exchange.



THE ET





NORTHPOOL

Frans Kleipool,
Director

Northpool is a commodity trading company active in the German and French power markets. Besides fundamental knowledge regarding the energy markets, we have a strong meteorological background, which enables us to better understand and model weather effects, creating a good foundation for our trading activities on the power markets.

Northpool selected the German and French power markets of EPEX SPOT for their high degree of transparency and liquidity. Our main objective is to further improve the liquidity of these markets and make a contribution to the realisation of market prices in an open and competitive environment. EPEX SPOT provides a well organised power market to accomplish Northpool's objectives!



DANSKE

Bo Palmgren,
Director, Head of Intraday

We combine trading expertise, intelligent data and Europe-wide market access to provide customers with energy trading-related services such as asset management, consumption management, and risk management.

The transition towards market liberalisation and more exchange trading means greater transparency and liquidity in the market. This benefits all market participants and the overall economy. For us, EPEX SPOT represents a liquid market that enables us to obtain the best market prices for our various portfolios.

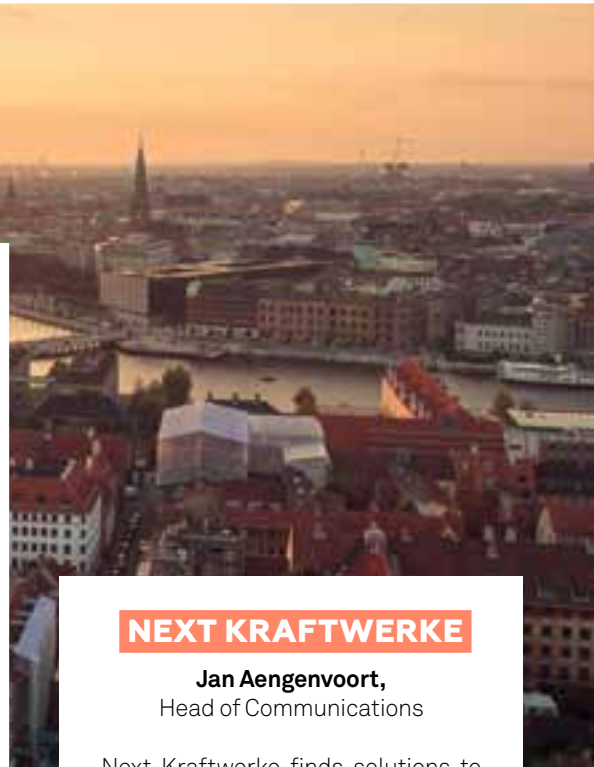


NEXT KRAFTWERKE

Jan Aengenvoort,
Head of Communications

Next Kraftwerke finds solutions to some of the key challenges of transforming energy production to favour renewable energy sources (RES). These challenges include grid stability, market and system integration of renewables, short-term trading, and the pooling of decentralised renewables plants. The company's business model relies on leveraging the flexibility that some renewables possess, e.g. biogas, biomass and hydropower plants. The interconnected flexibility of these plants is monetised on short-term energy markets such as the EPEX SPOT market and the balancing energy market.

EPEX SPOT is the right marketplace for our business because it allows us to trade our portfolio – mostly RES – on short-term markets. As it is a company whose core business is short-term flexibility for energy markets, EPEX SPOT enables us to work smoothly for the integration of RES into existing market structures. Apart from the integration of RES, EPEX SPOT also gives us a platform from which we can develop new products for our customers, such as our Smart Demand Tariff for flexible power consumers. The high liquidity, international scope, and graphical user interfaces such as ComTrader are additional values that we appreciate in EPEX SPOT.



E.ON GLOBAL COMMODITIES

Michael Bonde,
Lead Trader Short-Term Trading

E.ON Global Commodities is the energy-trading business of one of Europe's largest investor-owned power and gas companies. As the commercial interface between E.ON and the world's dynamic wholesale energy markets, our trading desks buy and sell electricity, emissions certificates, natural gas, liquefied natural gas (LNG), coal and freight. Furthermore, E.ON Global Commodities provides tailored solutions to manage earnings risks caused by variable weather. Our primary objective is to maximise the value of E.ON's power and gas portfolio by operating as the company's centre of expertise for asset optimisation, commodity price risk management, and wholesale market access. We also own and manage a gas infrastructure business, which has stakes in more than 2,000 kilometres of gas pipelines, and one of Europe's leading gas storage businesses.

We are trading on EPEX SPOT in Germany, Austria, France and Switzerland on the day-ahead and intraday markets because we need a professional and reliable market access for our power plants' optimisation and trading positions. And EPEX SPOT is offering us the trading products that we need.



COMPAGNIE NATIONALE DU RHÔNE

Rémi Perrin,
Head of Trading

The Compagnie Nationale du Rhône (CNR) is France's second-largest producer of electricity. Its production comes from a mix of hydropower, wind power and solar power, all of which are 100% renewable and total 15 TWh on average per year. A fully integrated company and expert in intermittent energy management, CNR controls all processes from the design and operation of its production facilities to the sale of the energy it produces. CNR also manages 700 MW in hydro assets with reservoirs that belong to the ENGIE Group.

Because of the uncertainty of renewable energy production, we need a flexible way to optimise and sell our product, especially in the short term. EPEX SPOT meets our needs perfectly because it offers good liquidity even with an hourly granularity.

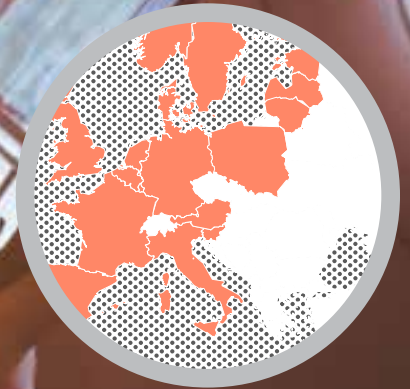
The intraday platform is also very useful, as we can easily balance our position regarding the fluctuations of forecasts. And thanks to the implicit allocation of interconnection capacities, we can fill orders from almost all over Europe.



I T L I S B F A M P M
A C Q U A R T E R D C
T W E N T Y F I V E X
H A L F B T E N F T O
P A S T E R U N I N E
O N E S I X T H R E E
F O U R F I V E T W O
E I G H T E L E V E N
S E V E N T W E L V E
T E N S E O C L O C K

55
minutes

– this is the time for the calculation of market results across the Multi-Regional Coupling. Order books close at noon precisely, with results published at 12:55 pm.



Coupled countries

The power markets of these countries are connected through the Multi-Regional Coupling: Austria, Belgium, Denmark, Estonia, Finland, France, Germany, Great Britain, Italy, Latvia, Lithuania, Luxembourg, the Netherlands, Norway, Poland, Portugal, Slovenia, Spain, Sweden.

The nearly European-wide power market

What began in 2011 as a political target has become reality within record time: 19 countries that represent 85% of European power consumption have coupled their power markets in the past few years. Electricity prices and power flows are calculated amongst several Power Exchanges across Europe, on a daily basis. This is it: the nearly European-wide power market.

Every day at noon, a European calculator starts crunching European numbers. EUPHEMIA is the name of this calculator, an acronym for EU Pan-European Hybrid Electricity Market Integration Algorithm.

Seven Power Exchanges developed EUPHEMIA jointly in the past four years. It is one of the core tools of the internal electricity market in Europe, and one of the essential ingredients of the PCR (see page 9).

High noon in Europe

All Exchanges collect the buy and sell orders on a national basis for the following day until exactly 12 noon. That's when the market closes and the actual calculation of prices and flows begins – across all coupled markets. EUPHEMIA looks for optimal economic matches based on the orders and available cross-border capacities on a European scale.

This may take a moment, as the calculator compares the gains in social welfare and looks for the best solution.

It's a moment of tension and focused silence in the market operations office, the heart of any Exchange. There is a long row of screens, filled with figures and sheets, surrounded by huge posters showing maps of Europe and coordination processes: this is where prices are born. Two dozen people work here in Paris as well as in the Leipzig and Amsterdam offices of EPEX SPOT. This process occurs literally every day of the year, as EPEX SPOT's power markets are structured as daily auctions – or as nonstop continuous markets (see page 30).

It is truly high noon at the market operations office, as their responsibilities have grown in recent years. Through European integration, they are now strongly interconnected with 11 other markets in Europe.



Security through shared tasks

The various teams of the Power Exchanges that operate all these markets share the tasks amongst themselves on a rotating principle: one team calculates, while another covers the risk by assuring a hot backup. Moreover, any Exchange is free to double-check the prices and flows. In so doing, correct results are guaranteed. And correct results are a must: power trading in Europe relies on fair and on-time price signals.

12.55 pm: It's time for results.

The transfer, calculation and double-check is finished. All involved Power Exchanges publish prices and flows for the hours of the following day, simultaneously, in a transparent and fair manner, and, most importantly, for almost all of Europe.

The history of market coupling

Market coupling was first conceived by the French Power Exchange Powernext – which later became one of the founders of EPEX SPOT – and its Dutch counterpart APX as early as 2003. The initial idea was to use the price signals of the national markets to determine the most efficient electricity flows between the countries. In so doing, existing lines are used to 100%, liquidity rises and competition increases. In the process, the Belgian Power Exchange Belpex was founded. The Trilateral Coupling between France, Belgium and the Netherlands launched in November 2006.

Shortly after, planning began for an extension to Germany/Austria and Luxembourg. These six countries form the region of Central Western Europe, or CWE. The CWE market coupling went live in November 2010.

In parallel, a so-called tight volume coupling between CWE and the Nordic countries was set up. This interim solution – as well as the CWE coupling – was replaced in February 2014 by the introduction of price coupling in North-West Europe (NWE). It is the first implementation of the PCR solution. It is built to couple all of the power markets in Europe.

At the time of launch, NWE covered 15 countries: the six nations of CWE, Great Britain, the four Nordic and the three Baltic countries, and Poland via the link with Sweden. In May 2014, Portugal and Spain joined – thanks to the PCR solution, which can easily be expanded.

The latest step of power market integration took place in February 2015. Italy and Slovenia joined the now Multi-Regional Coupling. Today, electricity is traded across 19 European countries, representing 85% of European electricity consumption.





01 00 pm

Focus on France

A market awakens

The French power market has seen extraordinary development in 2014. The market is starting to tap its true potential.

In July 2014, volumes on the French day-ahead market soared to about 6 TWh. After years of stable yet stagnant volumes, this jump of 20% compared to the year before seemed to be another long-awaited step towards a liberalised and liquid wholesale power market. At the same time, French power futures on EEX Power Derivatives also started to increase significantly.

15% of the French consumption was traded on EPEX SPOT in 2014. Compared to other European markets, this share is still quite small: 34% percent of Swiss consumption passes through the market; in Germany/Austria, the share amounts to 50%. This is due to the fact that the structure of market participants differs. Dozens of regional suppliers as well as participants

from different European countries buy and sell volumes on the German power market, which has led to an unmatched depth and liquidity. As a consequence, the German/Austrian market has become the European price reference.

The French power market is actually quite comparable to that of Germany in terms of national consumption. Both countries consume about 500 TWh of electricity per year – France a few dozen TWh less, Germany a bit more. Their power markets, however, are at different stages, and the French market could catch up with Germany one day.

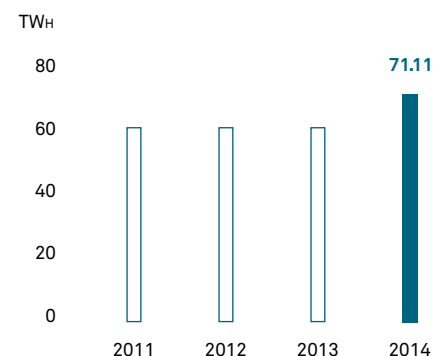
Ongoing liberalisation efforts and new market participants brought positive momentum to the market – especially in the last quarter of 2014. 6.1, 6.4 and 6.9 TWh – these are the monthly trading volumes from October to December 2014; they represent three all-time records in a row. The benefits of an organised market, with fair

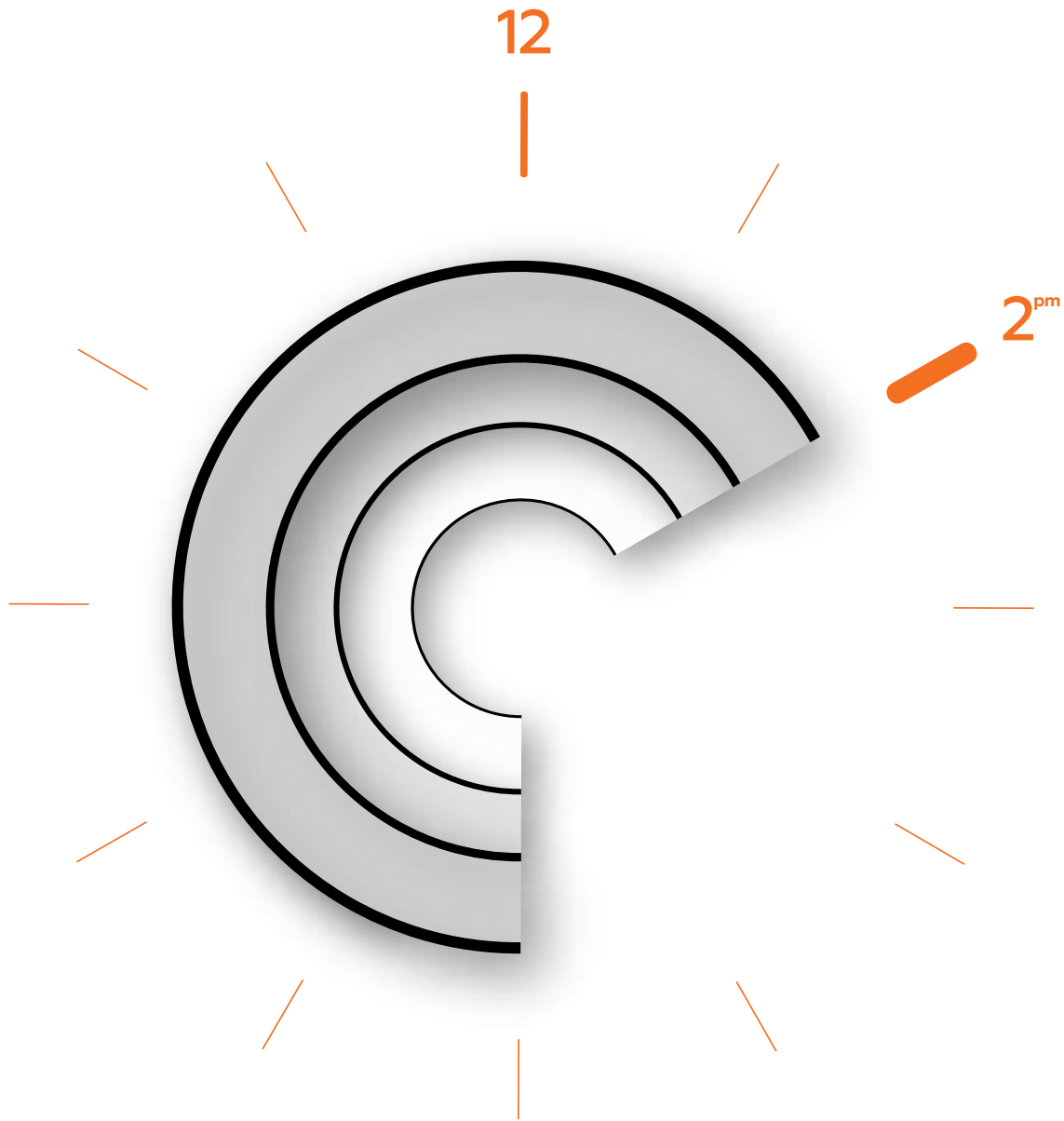
15%
of France's consumption was traded on EPEX SPOT in 2014. In Germany/Austria, the share was 50%.

and transparent prices and secure transactions may convince a growing number of companies.

The trend seems to be continuing in 2015: on average, almost 8 TWh were traded monthly in the first three months on the French day-ahead market.

The development of the French power market





The
traders'
parliament



“The Exchange Council of EPEX SPOT is the voice of our members. It is one of the most important interfaces between EPEX SPOT and its trading participants. Their votes and recommendations directly influence the markets’ evolution.”

Peter Heydecker,

Head of European Power at Vitol

He was elected Chairman of the EPEX SPOT Exchange Council in 2012. In June 2015, he was confirmed Exchange Council Chairman by the newly elected EPEX SPOT Exchange Council, a group of 22.

In the past three years, the Exchange Council has handled a wide range of issues, from 15-minute contracts and the Price Coupling of Regions to flow-based methodology and market coupling in North-West Europe and South-West Europe.

I tend to compare the time I had the honour to chair the EPEX SPOT Exchange Council to a hiking trip: there were periods requiring great effort, but also beautiful results to observe once we had climbed the mountains together.

The Exchange Council indeed is the parliament of the European Power Exchange. It reflects the variety of the community of trading participants. They have elected 22 members in five categories and four permanent guests from the energy market and the academic world further enlarge the horizon.

Together, they discuss and approve issues, and in so doing they contribute to the shape of the European power market.

I'd like to name just three of the major developments we discussed and segments we approved:

- Price coupling in North-West Europe and its extensions, laying the foundation for the pan-European power market
- The extension of the intraday markets based on M7, former ComXerv, to Switzerland, including the trading of 15-minute contracts across borders – a world premiere
- The intraday call auction in Germany, providing a robust price reference on a 15-minute basis for the German intraday market

And there is still a lot to come: market coupling in Central Eastern Europe, European cross-border intraday market, and flexibility products. Many challenges lie ahead. I am eager to see what the future of our still young sector will bring. And I am happy to continue to assist the European community of power traders as Chairman of the Exchange Council.

A three-year term

The Exchange Council, a direct channel of communication for members on the development of the Exchange, is elected every three years by all members in five different categories. Members can suggest candidates; the vote is held electronically. The Exchange Council meets quarterly in major cities across Europe.

INTER SIT

Here comes the sun (... and the wind, and the biomass...)

Renewable energies have been in the shadow of the energy world for a long time. A shift in mindset of European policy has brought them to the centre of Europe's energy supply. Power markets have evolved alongside, in order to respond to their specific characteristics.

Renewables play an increasingly important role in Europe's energy production. In contrast to other energy sources, the amount of production of renewable energy is impossible to predict in the long term. As soon as the sun shines and the wind blows, they produce huge amounts of electric power; at other times, they produce barely enough to supply a handful of households.

This makes the day-ahead and intraday market the natural home of renewables. Their integration into the power system is one of today's major challenges – a challenge EPEX SPOT has tackled since its creation by offering products that respond to market needs.

In 2011 EPEX SPOT launched 15-minute contracts on the German intraday, a market especially involved in renewables. In 2013, these contracts were extended to Switzerland, in order to facilitate the trading of flexible capacity across the border. A 15-minute call auction for Germany has ensured a clear-cut price signal since December 2014, maximising the benefits of 15-minute sharp trading.

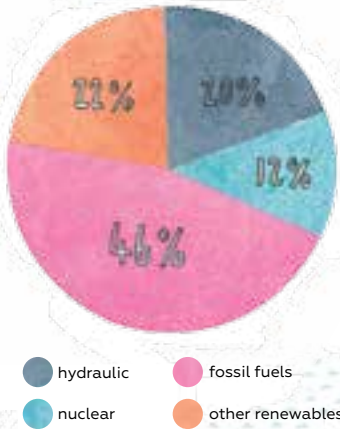
The energy world is shifting. Renewables are intermittent and different: they do not necessarily fit the current power system. The system has to adapt to renewables – and EPEX SPOT facilitates this shift.

AN ION

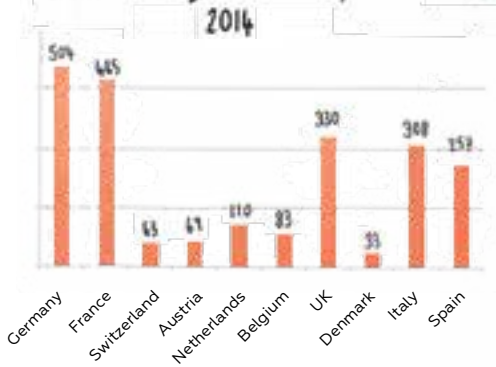
A photograph of several offshore wind turbines in the ocean at sunset. The sky is a mix of blue, orange, and yellow, with the sun low on the horizon. The water is calm, reflecting the colors of the sky. The turbines are silhouetted against the bright sky, and their blades are blurred from motion. The text 'AN' is positioned above the turbines, and 'ION' is positioned below them, with the 'I' and 'O' overlapping the first turbine's tower.

Renewables:
The different approaches across Europe

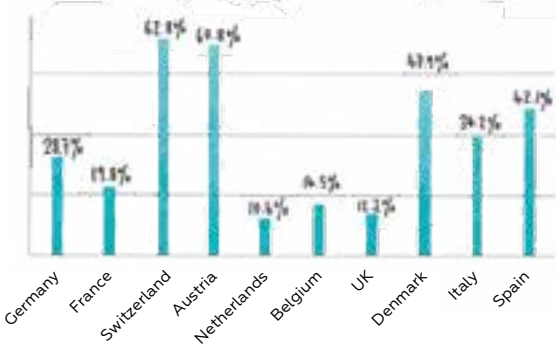
Net generating capacity in 2014



Electricity Consumption (TWh) 2014



Share of consumption covered by renewable energy generation in 2014



Germany

24,876 installed wind turbines (as of 2014), of which 226 are offshore. In 2015, 556 new offshore wind turbines will be installed.

Source: Bundesverband WindEnergie, offshore: Franco-German office for renewable energies

France

97% of installed photovoltaic plants (320,000) have a capacity smaller than 36 kVA (as of 2014). These 97% of installed plants provide 25% of the total photovoltaic capacity installed in France.

Source: RTE

Austria

In Austria, the use of nuclear fission to produce energy is prohibited by the constitution. 76% of gross electricity production comes from renewables.

Source: Austrian Federal Chancellery / Oesterreichs Energie

Switzerland

1,328 hydroelectric power plants are installed in Switzerland (as of 2014). 86% of them have a capacity smaller than 10 MW; together they provide about 6% of the total hydroelectric capacity installed in Switzerland.

Source: Schweizerischer Wasserwirtschaftsverband



ITLISBFA M P M
ACQUARTERDC
TWENTYFIVEX
HALFBTENFTO
PASTERUNINE
ONESIXTHREE
FOURFIVETWO
EIGHTELEVEN
SEVENTWELVE
TENSEOCLOCK

15
minutes

is the new favorite timespan for power contracts. Facing an increasing amount of intermittent power production from renewables, these shorter contracts allow for an intra-hour balancing of supply and demand.

15-minute call auction: a sharp price for short contracts

With more and more renewables arriving on the power market, shorter delivery time spans gain in importance. 15-minute contracts – instead of the usual hourly ones – respond perfectly to this need. A daily auction at 3 pm designed specifically for these contracts now provides a 15-minute sharp price signal.

15-minute contracts have been a success story. Since December 2011, market participants have been better able to balance the variations of their power generation and fluctuations in consumption within hours, with the launch of 15-minute sharp trading on the continuous German intraday market. Since June 2013, the Swiss market has also had access to these shorter contracts, and benefits from the German liquidity through automatic matching of orders across borders.

Since December 2014, a new 15-minute call auction has marked a new chapter for short-term power trading. Parties responsible for electricity balancing now have a further tool for effectively managing production ramps, fine-tuning their clients' portfolios and balancing forecast errors. Thanks to its auction configuration, it delivers the best and most robust price signal for 15-minute power trading yet.

Every day at 3 pm, orders for the 96 quarters of the next calendar day get

matched at EPEX SPOT: the 15-minute call auction takes place on the German intraday market, providing volumes and a price signal.

Its placement between the day-ahead auction at 12 noon and the continuous trading of 15-minute contracts at 4 pm allows an initial balancing on a 15-minute basis for market participants. The contracts help take into account intra-hour variations in production and consumption. At the end of 2014, shortly after the launch, 86 exchange members were already admitted on the 15-minute intraday call auction. This illustrates the high demand for this new auction.

The auction concentrates liquidity and creates a robust price reference – for every quarter of every hour of the next day. One hour later, at 4 pm, the continuous market for 15-minute contracts opens, with moving price signals until the close of trading shortly before delivery. Members can further adjust their portfolios – and, at the same time, already have an idea of what electricity should cost on a 15-minute basis.

The 15-minute call auction has unlocked new market potential. While the volume of 15-minute contracts on the continuous market has slightly decreased, the total volume of auction and continuous market combined is far above the volumes observed in 15-minute so far.

The 15-minute call auction is an ideal example of providing an answer to market needs.

Where does this auction fit in the trading process?





04:00 pm

Intraday: a rising star

It's 4 pm. During the last hour, in parallel to the 15-minute call auction in Germany, the continuous intraday market for the next calendar day has started across all EPEX SPOT countries. Now, continuous quarterly intraday trading in Germany and Switzerland kicks off. All hours and 15-minute periods of the following calendar day can be traded from this moment on, continuously, up to 30 minutes before delivery.

Whereas the day-ahead market is designed as an auction that takes place once a day, the intraday market is structured by continuous quoting – trading is possible 24 hours a day and seven days a week. The M7 trading system directly matches orders as soon as two of them are compatible. M7 is directly connected to the allocation platforms for cross-border transmission capacity run by the TSOs. This brings supply and demand together not only on a national level, but also on a cross-border basis between all EPEX SPOT intraday markets.

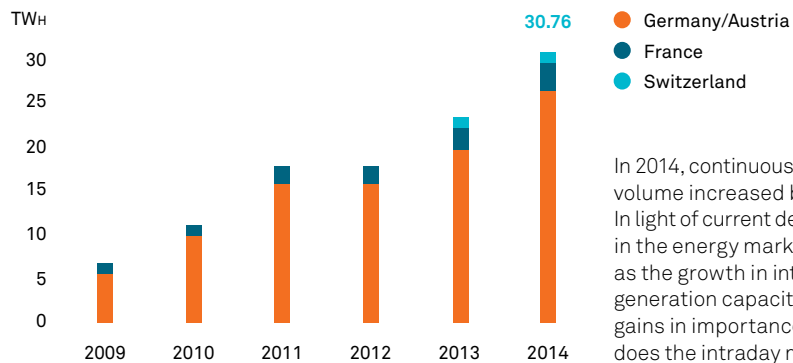
Both its configuration and its placement in the trading timeline make intraday the market for intermittent power production.

The intraday market helps producers and consumers make use of more accurate forecasts and optimise their positions closer to real time, thereby providing a high level of flexibility. The possibility of cross-border trading ensures liquidity at all times and paves the way towards a fully integrated European energy market.

For the same reasons, EPEX SPOT is participating in the Cross-Border Intraday Market project called XBID, which is working on a single European intraday market. The XBID solution is being developed by Deutsche Börse based on today's M7 solution, and will launch in 2017.

The possibility of cross-border trading ensures liquidity at all times and paves the way towards a fully integrated European energy market.

Continuous intraday volumes



In 2014, continuous intraday volume increased by 33%. In light of current developments in the energy market, such as the growth in intermittent generation capacity, flexibility gains in importance – and so does the intraday market.

2006
 Launch of German intraday market

2007
 Launch of French intraday market

2009
 Creation of EPEX SPOT, putting French and German intraday markets under one roof

DECEMBER 2010
 Implementation of the M7 (ex-ComXerv) intraday cross-border solution, enabling automatic cross-border trading between Germany and France

MARCH 2011
 Lead time reduced by 30 minutes to 45 minutes on German and French intraday market (60 minutes cross-border)

DECEMBER 2011
 Launch of 15-minute contracts on German intraday market

OCTOBER 2012
 Launch of Austrian intraday market

JUNE 2013
 Launch of Swiss intraday market, extension of 15-minute contracts to Switzerland

DECEMBER 2014
 Launch of 15-minute call auction on German intraday market

JULY 2015
 Lead time further reduced: 60 minutes for cross-border trading, 30 minutes on local level (with Switzerland remaining at 60 minutes)

05 00^{pm}

Being EPEXian

It is 5 pm. Time to get to know the EPEXians, the people working at EPEX SPOT. Curious? Have a seat and listen to Céline Maurer, Director Human Resources of EPEX SPOT and Head of Human Resources of EEX Group.

Céline, who is the EPEXian?

Of course, all our employees are individuals. At the same time, they share a certain set of values. Jean-François Conil-Lacoste, EPEX SPOT's CEO, often cites three values, called the three C's in French for "Compétence, Cohésion and Comportement" (skills, cohesion and behaviour). Being open-minded, knowledgeable and honest, being able to listen, to question ourselves and to work in a team are essential characteristics of EPEX SPOT's staff. We want to have at all times a kind of team intelligence or what we would call today a collective intelligence.

In the past six years, EPEX SPOT has grown from a start-up to a company with about 100 employees. How do you handle this growth?

Growth is a permanent issue. The main challenge is to keep a dynamic start-up spirit. When we talk with our employees, we often use the image of a little sailboat that is able to react quickly to changes, in contrast to a slow-to-manoeuver cruise ship. Besides this dynamic spirit, the fundamental method for handling the growth is sharing ideas. Personally, I deeply believe that having an idea is not the most important thing. It is also important to be able to share this idea,



“Having an idea is not the most important thing. You need to share the idea. Sharing an idea makes it grow.”

Céline Maurer,
Director Human Resources
of EPEX SPOT and Head
of Human Resources
of EEX Group

and let it bear fruit. Sharing an idea makes it grow. Every time an idea passes from one person to another, the idea is enriched. With a growing number of employees, more ideas are shared with an increasing number of people. EPEX SPOT is really into this: sharing within a constant dialogue in order to enrich and enhance ideas and at the same time facing the organisation's growth, adapting to the number of people and the complexity of the changes that are ahead of us. We recently launched a Change Management Program with the Group, with the help of

an external consultant. That initiative is really driven by our willingness to support our staff on a personal and very concrete basis, to help every individual to live better and thereby cope with the many challenging changes we face.

How does the internationality of EPEX SPOT's employees affect the working methods?

The average age at EPEX SPOT is quite low; at the same time, the average number of languages spoken per person is quite high.



The internationality of EPEX SPOT is not only due to the structure of the team, but also to the the company's many locations.

Intercultural communication is challenging. As we all know, establishing a dialogue is often difficult. We cannot say that communication is something that must be "shared" between two people, but rather that communication must always go both ways. Also, the corporate culture is not the same in every country. One approach is to intensify the team spirit. We work a lot on this topic. Creating an identity is not only a matter for Human Resources, but also an issue for Internal Communication. It is important to speak about differences, based on real examples and real cases of miscommunication.

Technical questions need to be resolved to create a virtual closeness. However, it's not just an issue of techniques, but rather of how to enable virtual closeness among teammates.

When is it appropriate to communicate, and in which way? When do I write an email, make a phone call, hold a videoconference? Is it necessary to meet in person? Which method of communication is most appropriate in a given situation? We have to take a more global perspective, and think beyond locations and borders. The creation of EEX Group is enhancing internal mobility. EPEXians as we are, this dynamism is evident to us.

17 nationalities

The people at EPEX SPOT come from 15 different countries - not even counting their origins. This internationalisation continues with the integration with APX.




7 offices

The European Power Exchange is headquartered in Paris and has had an office in Leipzig since its creation. In 2014, branches in Bern and Vienna were opened. With the integration of APX, three more offices in Amsterdam, London and Brussels join the ranks in 2015.



48% of all EPEX SPOT employees are women

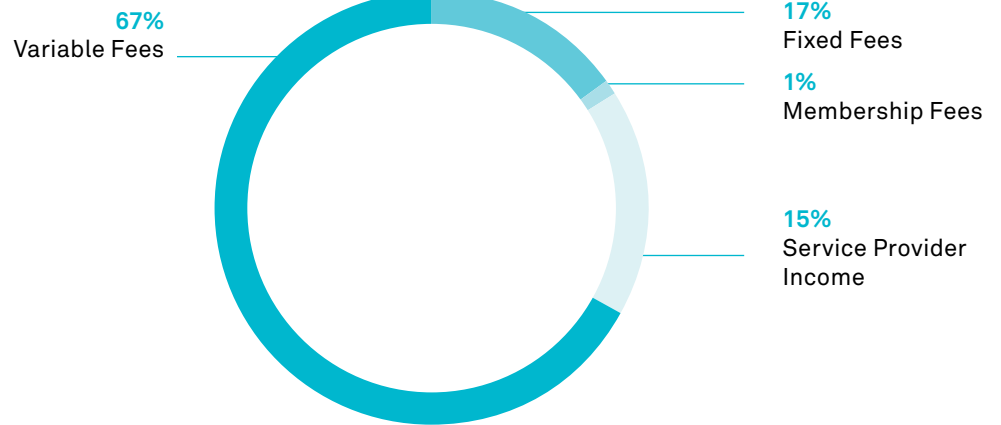
This is especially striking in view of the power-trading industry, where the majority of employees are male.



FINANCI REPOR

ANALORT

2014 Income



+18% 

increase in turnover
compared to 2013

47% 

EBIT margin,
the share of EBIT
in the total revenue

Balance sheet

The following balance sheet reflects the financial position of EPEX SPOT SE before distribution of the profits of the period. The financial statements have been prepared in accordance with the standards, principles and methods of the Commercial Code and the General Accounting Plan as stated in the standard rule No. 2014-03 released by the French accounting authority (ANC) on 5 June 2014.

	31/12/2014 (12 months)	31/12/2013 (12 months)
ASSETS		
FIXED ASSETS		
Intangible fixed assets		
Concessions, patents and similar assets		
Concessions, patents and similar assets	9 246 137	8 448 352
Depreciation of concessions, patents and similar assets	-8 159 751	-7 322 211
Goodwill	1 544 079	1 544 079
Intangible fixed assets in progress	444 825	424 962
Total intangible fixed assets	3 075 290	3 095 182
TANGIBLE FIXED ASSETS		
Other tangible fixed assets	669 515	573 466
Depreciation of other tangible fixed assets	-430 365	-261 308
FINANCIAL FIXED ASSETS		
	295 780	140 617
Total fixed assets	3 610 220	3 547 957
CURRENT ASSETS		
Debts receivable		
Trade debtors and related accounts	9 055 392	7 281 539
Other debts receivable	1 285 435	1 142 493
Suppliers-payments on account/order	238 051	-
Financial Investment	3 000 000	-
Liquid assets	16 655 750	17 140 515
Prepayments	195 652	221 125
Total current assets	30 430 280	25 785 672
OVERALL TOTAL	34 084 473	29 333 629
STOCKHOLDER'S EQUITY AND LIABILITIES		
CAPITAL AND RESERVES		
Capital	4 973 094	4 973 094
Premiums on shares issued, mergers, contributions	2 473 138	2 473 138
Legal reserve	497 309	497 309
Profit for the financial year	16 691 418	10 500 269
Total capital and reserves	24 634 959	18 443 810

PROVISIONS FOR LIABILITIES AND CHARGES		
Provisions for liabilities	428 548	4 504 558
Provisions for charges	614 148	347 802
Total provisions	1 042 696	4 852 360
DEBTS PAYABLE		
Trade creditors and related accounts	3 537 006	2 286 006
Tax and social security debts payable	4 363 458	3 464 341
Other debts payable	486 295	283 362
Deferred income	20 058	3 748
Total provisions	8 406 817	6 037 458
OVERALL TOTAL	34 084 473	29 333 629

Comments on balance sheet items:

Concessions, patents and similar assets

The net of this item amounts to EUR 1,086K versus EUR 1,126K in the previous year. The gross amount increased by EUR 937K and is amortised according to the straight-line method over a duration of 36 months. The investments in 2014 relate mainly to market coupling projects and intraday cross-border.

Goodwill

The goodwill results from the merger between the Exchange market of Frankfurt and Leipzig in 2002. It was attributed to EPEX SPOT SE when EPS (the German spot markets) was merged into EPEX SPOT on January 1, 2009.

Intangible fixed assets in progress

On December 31, 2013 this position amounts to EUR 445K and mainly contains investments for market coupling projects and intraday cross-border projects.

Other tangible fixed assets

The gross amount (EUR 670K) increased slightly due to improvement of the office space, new material investments following the arrival of new employees, and the creation and development of new meeting rooms.

Financial fixed assets

This position contains rent deposit (EUR 104K) and the 60% stake in the joint venture EPEX-Soops BV (EUR 30K), 100% stake in EPEX SPOT SCHWEIZ AG (EUR 82K) and miscellaneous guaranty and deposit for EUR 80K.

Trade debtors and related accounts

This item (EUR 9,055K) increased by +24% compared to the previous year (EUR 7,281K) in line with turnover increase.

Other debts receivable

This position (EUR 1,286K) represents mainly the VAT receivable for an amount of EUR 735K (balance on December 31, 2013: EUR 1,142K).

Liquid assets

Cash of EPEX SPOT SE (EUR 16,656K) is mainly in hand on the bank current accounts of Paris & Leipzig and of one monetary deposit opened for EUR 3,000K.

Prepayments

The breakdown of this item is as follows:

in thousands of euros	
Rental	91
IT support	38
Miscellaneous subscriptions	67
	196

Capital and reserves

The share capital remains unchanged from 2013 and amounts to EUR 4,973K. The legal reserve corresponds to 10% of the share capital (EUR 497K).

Provisions for liabilities

This item contains several provisions for risks related to several incidents for EUR 429K in total.

Trade creditors and related accounts

This item decreased by EUR 3,537K (+54% compared to previous year) and mainly represents trade payables to external service providers for projects as well as further accrued expenses at closing date.

Tax and social security debts payable

This item contains mainly social debts (variable salary, paid holidays and social security funds) of EUR 4,364K compared to EUR 3,464K on 12/31/2013.

Income statement

The following income statement covers a 12-month period (fiscal and financial year of EPEX SPOT SE) compared to 12 months of the prior year.

	31/12/2014 (12 months)	31/12/2013 (12 months)
OPERATING INCOME		
Sales of services	50 290 597	42 843 769
NET TURNOVER	50 290 597	42 843 769
Own work capitalised	597 090	508 714
Provisions and depreciation written back, charges transferred	484 526	375 442
Other income	1 915	10 364
OPERATING INCOME	51 374 129	43 738 289
OPERATING CHARGES		
Other purchases and external charges	-15 702 648	-12 634 724
Taxes, levies and similar payments	-568 378	-357 883
Wages and salaries	-5 508 094	-4 594 062
Social security costs	-3 204 360	-2 539 782
Fixed assets: Appropriations to amortisation	88 119	-
Fixed assets: Appropriations to depreciation	-1 084 354	-1 928 747
Liabilities and charges: appropriations to provisions	-266 346	-2 993 020
Other operating charges	-133 142	-287 959
Operating charges	-26 555 442	-25 336 177
OPERATING PROFIT OR LOSS	24 818 687	18 402 112
FINANCIAL INCOME		
Other interest and similar income	35 772	39 550
Financial income	35 772	39 550
Exchange difference	272	
Interest and similar charges	-3	-10
Financial charges	-275	-10
FINANCIAL PROFIT OR LOSS	35 497	39 540
PROFIT OR LOSS ON ORDINARY ACTIVITIES	24 854 184	18 441 652
Extraordinary income	3 651 006	24 069
Extraordinary charges	-3 752 104	-50 007
EXTRAORDINARY PROFIT OR LOSS	-101 098	-25 938
Profit sharing	-754 869	-710 344
Income tax	-7 306 799	-7 205 101
PROFIT OR LOSS	16 691 418	10 500 269

Comments on income statement items

Net turnover

The turnover increased by 17% compared to prior year. It is composed as follows:

in thousands of euros	31/12/2014	31/12/2013	variance	variance in %
Variable fees	33 541	29 075	4 466	15%
Service provider income	7 750	6 816	934	14%
Fixed fees	8 600	6 403	2 197	34%
Membership fees	400	550	- 150	-27%
NET TURNOVER	50 291	42 844	7 447	17%

Own work capitalised

This item represents the market coupling projects and intraday cross-border market project.

Provisions and depreciation written back, charges transferred

In 2014 provision written back was performed in total of EUR 465K.

Other purchases and external charges

This post contains mainly services of external providers and fees of external consultants.

Taxes, levies and similar payments

This item corresponds to the business entity tax as well as taxes on wages.

Wages and salaries

This item (EUR 5,508K) increased by 20% compared to the previous year (EUR 4,594K) caused by the arrival of several new employees.

Social security costs

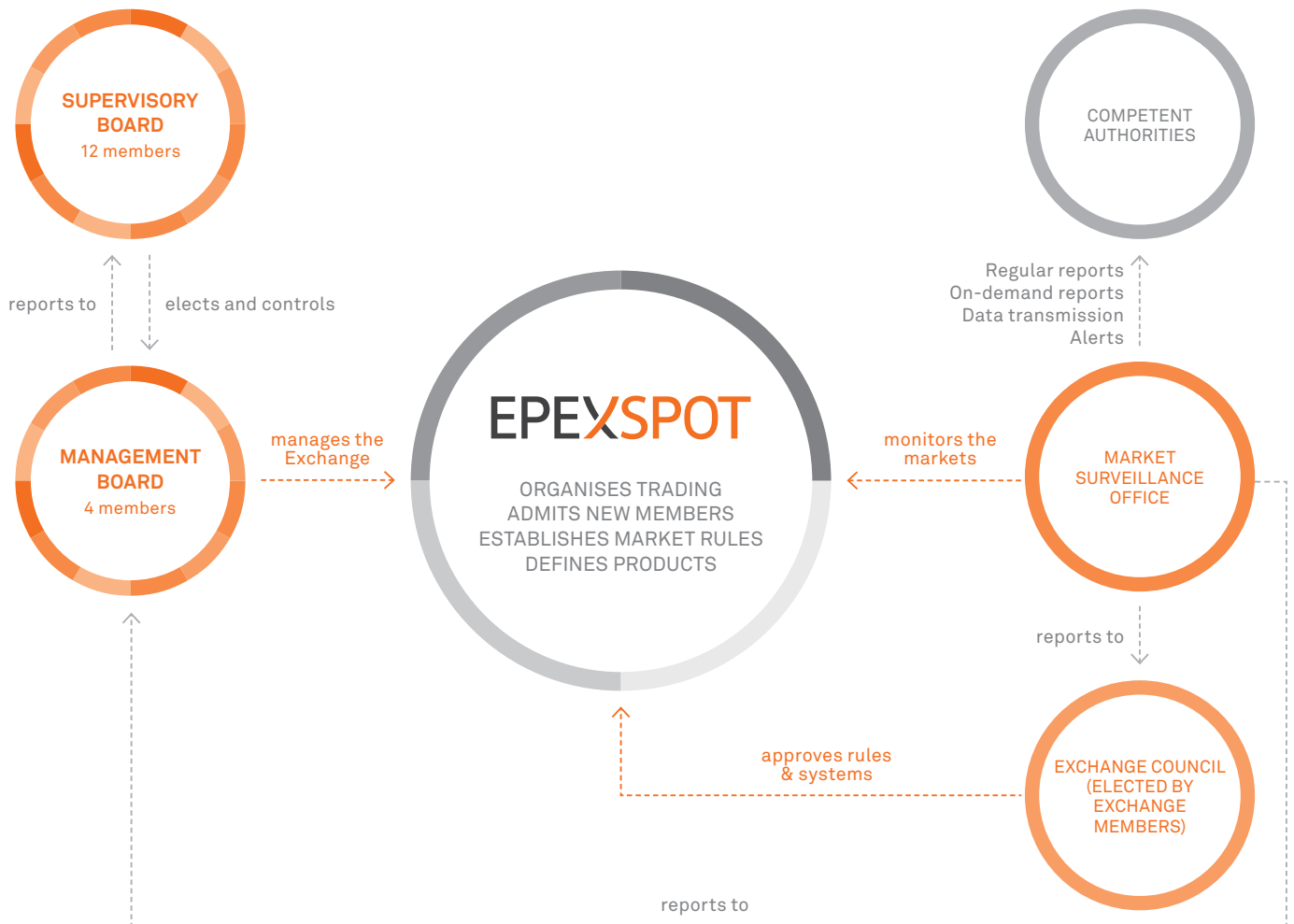
This item (EUR 3,204K) increased by 26% compared to the previous year (EUR 2,540K) due to the increase of the item "Wages and Salaries".

Financial income

This item represents interest on current accounts (Paris & Leipzig).



EPEX SPOT SE is a company with a two-tier governance system. The shareholders appoint a **Supervisory Board**, composed of leading players in the European energy sector. The Supervisory Board elects the **Management Board**, which approves the company’s strategy and budget and controls the management’s actions. The Supervisory Board also supports EPEX SPOT’s work on the integration of the European power market and takes into account the increasing number of European and international partnerships.



Management Board:

Jean-François Conil-Lacoste
Chairman of the Management Board

Jeroen van den Heuvel
Chief Financial Officer

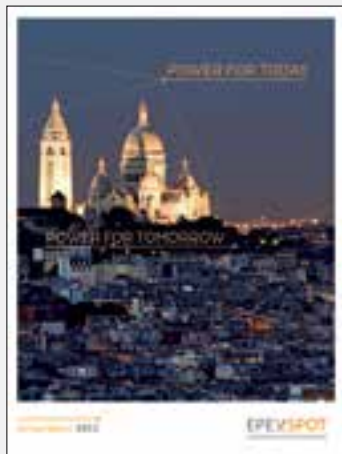
Thierry Morello
Deputy Chairman of the Management Board and Chief Operating Officer

Dr. Dr. Tobias Paulun, Director

The **Market Surveillance Office** is an independent Exchange body which continuously monitors the EPEX SPOT markets and verifies that Members comply with the rules and regulations and more specifically with the code of conduct of the Exchange. It is the central point of contact for authorities in charge of the EPEX SPOT market areas.

The **Exchange Council** represents the interests of our Exchange Members and is involved in all decisions of fundamental importance to the Exchange. Its mission includes in particular the adoption of the rules and regulations of EPEX SPOT and their amendments.

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To learn more about the European
Power Exchange EPEX SPOT,
our market results and our e-learning
program, please visit our website.

Conception, realisation & design

Lonsdale (www.lonsdale.fr)

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Director of Publication

Jean-François Conil-Lacoste
Registered at the RCS Paris,
No. 508 010 501,
with paid-in capital of EUR 6,167,858.60



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