

Significant growth on the Power Derivatives Market and on the Natural Gas Markets -
Successful entry into new markets and products

The European Energy Exchange (EEX) looks back on a very successful year 2014. Last year, the exchange achieved new record volumes on the Power Derivatives and Gas Markets and successfully expanded its fields of business to further products and commodities.

“We have again succeeded in increasing the volume on the existing markets and, in addition, we were also able to establish new offers on the markets”, explains Peter Reitz, Chief Executive Officer of EEX. “In achieving this, the collaboration with our cooperation partners has played a decisive role.”

On the Power Derivatives Market, a total of 1,570.4 TWh was sold in 2014. This represents an increase of 24 percent compared with the previous year (2013: 1,264.0 TWh).

EEX generated significant growth rates, in particular, in power trading for the French market area. The volume on the French Market totalled 82.7 TWh and, hence, it more than quadrupled as against the volume generated in the previous year (2013: 20.3 TWh). The volume in the German power products increased to 1,336.6 TWh (2013:1,206.4 TWh) by ten percent. On the German Power Derivatives Market, which is declining overall, EEX was able to further increase its market share - from 20 percent in 2013 to 25 percent in 2014.

The Italian Power Futures, which EEX has offered for exchange trading since April 2014, account for an essential share in the success on the Power Derivatives Market. The possibility to register over-the-counter transactions in these products on EEX for clearing (Trade Registration) was introduced as early as in October 2013. Since the market launch, the volumes have grown continuously both in the Trade Registration product and in exchange trading. In 2014, EEX recorded a total volume of 115.6 TWh in the Italian power products, which corresponds to a share of 16 percent in the total European Energy Exchange AG Page 4 market. Because of the high demand among customers, EEX also opened a sales office in Milan in October 2014.

In addition, EEX launched further Trade Registration products in the course of the year. Since March 2014, EEX trading participants have been able to register trades in Spanish Power Futures for clearing. Additionally, this service has also been available for the Greek market area since December 2014. Furthermore, with the introduction of futures on the Brent 901 oil price formula in September, EEX now covers a completely new market.

In the Natural Gas business division, the PEGAS platform, which was jointly launched by EEX and its French partner Powernext in 2013, continues its positive development. As a result, EEX was able to further increase the liquidity of its connected market areas. The volume more than doubled compared with the previous year both on the Spot Market (GASPOOL, NCG and TTF market areas) and on the Derivatives Market (GASPOOL and NCG market areas). In 2014, the volume on the Spot Market amounted to 196.4 TWh in total (2013: 80.6 TWh), while a volume of 85.4 TWh was sold on the Derivatives Market (2013:

29.5 TWh).

On the markets for emission allowances, a total volume of 533.7 million tonnes of CO₂ (2013: 850.3 million tonnes of CO₂) was sold in 2014. A large share of the volume comes from the primary market auctions for European Emission Allowances (EUA) and European Aviation Allowances (EUAA). In 2014, EEX successfully carried out 198 auctions with a total volume of 468.8 million emission allowances. As a result of the withdrawal of emission allowances from the market (the so-called “back-loading” effect), the auction volume was lower than in the previous year (2013: 731.0 million emission allowances). On the short-term Secondary Market, the volume rose by 6 percent to 29.3 million tonnes of CO₂ (2013: 27.5 million tonnes of CO₂).

In addition to the business in the existing markets, EEX expanded its offering to further products and commodities in the course of the year. In this context, the acquisition of the majority shareholding in Cleartrade Exchange (CLTX), which became effective on 1 January 2014, formed an important element. CLTX gives the customers of EEX Group access to further commodities, such as freight, iron ore, fuel oil and fertiliser, including contracts which EEX will offer as Trade Registration products from this year.

As a result, even more participants will have access to clearing by the European Energy Exchange AG Page 5 Commodity Clearing (ECC), which now offers clearing and settlement services for eight exchanges.

“The year 2015 began with yet another important milestone for us. As of 1 January 2015, we took over the majority of the shares in Powernext and, indirectly, in EPEX SPOT and fully concentrated our gas business within Powernext under the brand PEGAS. As a result, we will expand the offering of EEX Group and lay the foundation for the further reinforcement and expansion of our position as a leading platform for energy, related products and further commodities in 2015”, adds Peter Reitz.

The European Energy Exchange (EEX) is the leading energy exchange in Europe. It develops, operates and connects secure, liquid and transparent markets for energy and commodities products. At EEX, contracts on Power, Coal and Emission Allowances as well as Freight and Agricultural Products are traded or registered for clearing. Alongside EEX, EPEX SPOT, Powernext, Cleartrade Exchange (CLTX) and Gaspoint Nordic are also part of EEX Group. Clearing and settlement of trading transactions are provided by the clearing house European Commodity Clearing (ECC).

Source; EEX