ANNUAL REPORT 2014

Growing TOGETHER

eex

GLOSSARY

Auction Trading form for pricing and matching of bid and ask orders into trades. In auctions, all orders in the order book are matched to form transactions at a given point in time.

Back-end The central trading system is called the back-end of the exchange. This system is responsible for matching supply and demand and processes these in accordance with specific execution rules.

Balance area Energy volume account for power and natural gas in which the feed-in, withdrawal and transfers of energy to other balance areas are recorded. Balance areas are managed centrally by a transmission system operator. The account is managed by the so-called balance area coordinator who is responsible for deviations in the balance area.

Base load This refers to the load profile for power deliveries with a constant output over 24 hours of every day of the delivery period.

Broker This is a term for companies that do not conclude transactions for their own account but on behalf of a third party. On EEX, brokers assume the arrangement of transactions concluded over the counter (OTC trades).

Clearing house This is a body which steps into the process chain between the buyer and seller in the capacity of a central counterparty. The clearing house settles the transactions with the buyer and seller, carries out the delivery of transactions with these and collateralises the transactions.

Continuous trading This is a form of trading in which all orders in the order book (bid and ask) are constantly checked as to whether they are executable. As soon as there are two matching executable orders, these are immediately combined into a trade.

Control area Defined grid area with regard to which a transmission system operator is responsible for balancing. Control areas serve as the places of delivery for power contracts.

Day-ahead market This is a sub-market of the spot market on which products can be traded up until one day before delivery.

Derivatives market Trading transactions concluded on the derivatives market are settled physically or financially at a later time agreed in advance. Trading on the derivatives market permits portfolio optimisation in the medium to long term. On the EEX derivatives market, trading participants can hedge against price risks up to six years in the future.

ECarbix The European Carbon Index (ECarbix) is calculated and published as an exchange-based price for the current market value for EU emission allowances (EUA) of the third trading period.

EU ETS EU Emission Trading System – The emissions trading scheme of the European Union, which was launched as the first multinational emissions trading system in 2005. The first trading period of the EU ETS was from 2005 to 2007 and the second trading period was from 2008 to 2012. The third EU ETS period began in 2013 and will end in 2020.

EUA EU Allowance – One EUA confers the right to emit one tonne of CO_2 equivalent. An EUA is the smallest tradable unit in EU emissions trading.

Front-end This term refers to the user interface of a trading system for the participants which permits the exchange of data with the back-end. The trading participants have the possibility to use individual front-ends or ISV software.

Future A future is the contractual obligation to buy (buyer of a future) or sell (seller of a future) a specified quantity of an underlying security at a specified price during a specified future period (delivery period). Futures contracts are exclusively traded on regulated exchanges and settled on a daily basis at the current market price.

Intraday market This is a sub-market of the spot market on which products are traded very short-term – on EPEX SPOT up to 45 minutes before delivery.

ISV Independent Software Vendor – An ISV offers solutions for trading. EEX cooperates with a large number of ISVs.

Market coupling This is a process employed to efficiently manage grid congestion between adjacent power spot markets. This is done with the help of implicit auctions of grid capacities. In order to achieve this, the spot auctions of the exchanges taking part must be coordinated.

Market maker A market maker is a trading participant who holds both a buy and a sell order (quote) in the order book for a minimum period during the trading day. Market makers help to ensure basic liquidity in the order book.

Nomination The delivery of schedules to the transmission system operator or grid gas company operator is called “nomination”.

Option An option is the contractual right to buy (buy or call option) or sell (sell or put option) a specified volume of an underlying security at a specified price and a predetermined future time.

Peak load This refers to a load profile for power deliveries with a constant output over twelve hours from 8 a.m. to 8 p.m. on any business day of the delivery period.

Phelix Physical Electricity Index – Phelix designates the price index for base load (Phelix Day Base) and peak load (Phelix Day Peak) which is published daily on the power spot market for the German/Austrian market area. The Phelix is established by EPEX SPOT and constitutes the underlying security for the EEX Phelix Future.

Primary market auction In the framework of primary market auctions, CO_2 emission allowances are issued to the market for the first time. EEX has carried out these auctions as a service provider since 2010. At present, auctions are carried out on the EEX spot market on behalf of the European Commission and of 25 EU member states taking part as well as Germany and Poland.

Schedule A schedule is an instruction to the transmission system operator to book power or natural gas between two balance areas. The physical settlement of the trades is carried out by nominating the schedules to the respective TSO for power and gas.

Secondary market Continuous trading of CO_2 emission allowances takes place on the secondary market. EEX operates the secondary market for EU Allowances (EUA), EU Aviation Allowances (EUAA) and Certified Emission Reductions (CER).

Settlement price Daily market price for a futures or options contract which is established by the exchange and used for its daily settlement.

Spot market Trading transactions concluded on the spot market are settled physically at the latest two days after the conclusion of the trade. The spot market is used for the short-term optimisation of procurement and sales on the market.

Trade registration A service which enables the trading participants to register transactions concluded over the counter (OTC transactions) on the exchange, as a result of which clearing and settlement are provided by the clearing house.

TSO Transmission System Operator – TSOs are responsible for operating the power transmission systems within a given delivery area.

Virtual trading point A term used in the gas industry. A virtual trading point is an assumed delivery point within a market area which serves as a transmission point for the fulfilment of gas deliveries.

EEX – KEY DATA

		2014	2013	Change (%)
Profit and loss account				
Sales revenue	kEUR	77,098	62,219	+ 24
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	kEUR	27,709	21,735	+ 27
Earnings before interest and taxes (EBIT)	kEUR	23,798	16,976	+ 40
Earnings before taxes (EBT)	kEUR	24,035	17,318	+ 39
Balance sheet (as of 31 December)				
Non-current assets	kEUR	63,524	58,070	+ 9
Equity	kEUR	132,202	119,701	+ 10
Balance sheet total	kEUR	917,019	940,941	– 3
Core business parameters				
Spot market				
Power spot market volume[1]	TWh	387	345	+ 12
Emissions spot market volume	mt*	498	759	– 34
Gas spot market volume	TWh	196	81	+ 142
Derivatives market				
Power derivatives market volume	TWh	1,570	1,265	+ 24
Emissions derivatives market volume	mt*	36	92	– 61
Gas derivatives market volume	TWh	85	29	+ 193
Coal derivatives market volume	kt**	165	0	n/a
Company parameters				
Trading participants		247	236	+ 5
Employees (annual average)		182	154	+ 18
Sales revenue per employee	kEUR	424	404	+ 5
Average return on equity (EBT/average equity)	%	19	15	+ 27
Equity ratio, adjusted[2]	%	82	86	– 5

* Million tonnes
** Thousand tonnes

[1] Clearing volume at ECC
[2] Equity/balance sheet total (adjusted for cash collateral by the Clearing Members, derivative financial instruments, payments on account made and received as of the balance sheet date, and trade accounts payable and receivable)

EEX Group is growing. Last year, we strengthened our position on the existing markets and developed a number of new markets. We are the leading energy trading centre in Europe and are planning to expand even further.

Our strength is that we know our customers. Because we continuously communicate with them to develop individual solutions. And just how we can do that is explained in talks about our future strategy, innovations and perspectives.

This annual report consists of dialogues.
After all, we can only *grow together* if we are close to each other and intensively discuss our joint journey into the future.

TABLE OF CONTENTS

CONSOLIDATED MANAGEMENT REPORT

CONSOLIDATED FINANCIAL STATEMENT

CONSOLIDATED NOTES

Peter Reitz

has been the CEO of EEX AG since 1 August 2011.
After gaining a degree in mathematics, he started his career as a product manager at Deutsche Börse AG in Frankfurt. From 2000 to 2001, he worked at Dow Jones Indexes in New York before he became a Management Board member of the Eurex derivatives exchange. From 2007, he oversaw the development of EEX as a member of the EEX Supervisory Board.

DEAR READERS, DEAR SHAREHOLDERS,

For EEX, the financial year 2014 was an extremely successful one during which we were able to even exceed the record results achieved in the previous year. We consistently drove our growth strategy forward and grew significantly in our core markets – power and natural gas. Overall, the increase in volumes is reflected in the two-digit growth rates of the sales revenue and the operating result.

In the power segment, in 2014 we were able to extend our leading position in the market. The volume in our biggest segment, the power derivatives market, grew by 24 percent to 1,570 terawatt hours (TWh). On the German power market, which is declining overall, we further increased our market share and brought more volume from the broker market onto the exchange. Our Italian power futures also contributed significantly to the growth achieved. The volume in Italian power products was 116 TWh and thus accounted for an impressive market share of, on average, 16 percent of the overall market. Moreover, at 83 TWh, the volume on the French power derivatives market increased more than four-fold compared with the previous year.

Our growth was also driven by the gas markets. PEGAS was established on the market, and it has now been operated by our subsidiary Powernext since January 2015. In 2014, both on the spot and on the derivatives market, the volume more than doubled compared with the previous year. In the course of the reporting year, we expanded our offering on the gas market with new products, such as spot and derivatives contracts for Belgium and new spread products. On the CO_2 markets, EEX again successfully operated as an auction platform and regularly carried out auctions of emission allowances for 27 EU member states. In all, 198 auctions with a total volume of 469 million emission allowances were carried out through our spot market.

In addition to growth in the existing EEX markets and the expansion of our geographic reach, we extended our offering with new products and asset classes in the course of the year under review. In May 2015, we will take over the agricultural derivatives products from Eurex. Moreover, this year we will start offering products for freight, iron ore and fertilisers – which are listed on our subsidiary Cleartrade Exchange (CLTX) – on our own platform as clearing products. With this step, we will give further market participants access to our clearing house, ECC.

In June 2014, ECC – which is a service provider for, in total, eight exchanges – received recognition as a central counterparty according to the EU EMIR regulation (European Market Infrastructure Regulation). In February 2015, it also launched reporting services for its customers in the framework of EMIR, supporting them in their compliance with regulatory reporting requirements. In the same vein, our own transparency platform, whose website we completely revised in 2014, enables trading participants to fulfil their publication requirements in the framework of the REMIT regulation. In view of the ever growing number of regulatory requirements, it is safe to assume that the importance of reporting services for our customers will continue to increase, and we are developing solutions to this end.

In addition to our growth in existing markets and our entry into new regions and new asset classes, we also continued to grow inorganically in 2014. For instance, we entered into a cooperation with the Danish transmission system operator Energinet.dk. In the framework of this cooperation, we acquired 50 percent of the shares in the Gaspoint Nordic exchange, and together we will further develop the Danish gas market. The acquisition of the majority shares in Powernext (as a result of which we also indirectly have the majority holding in EPEX SPOT) constituted a milestone on our path to becoming a bigger and more powerful corporate group. In the context of this transaction, all gas market activities of EEX Group have been operated by Powernext since January 2015 – under the well-known and established PEGAS brand and with a uniform set of rules. We are convinced that this set-up will be a success and will support us in the further development of the gas markets. After the integration of Powernext and EPEX, EEX Group now employs more than 300 employees at eleven sites and brings together more than 350 trading participants from 32 countries.

We expect to see a wide range of challenges in 2015. Tougher competition between energy exchanges, numerous unresolved regulatory issues, in particular in the field of financial market regulation, and discussions regarding the future market design of the power market are all subjects that we will be dealing with in detail in the course of this year.

We owe the record results for the year 2014 to our team – the many colleagues who made this success possible with their dedication and commitment. On this occasion, we would like to thank our customers and partners for the trust they have placed in us. We are looking forward to a new and fascinating year in which we will continue the growth story of EEX Group as a winning team – together with our customers, shareholders and trading participants.

Leipzig, April 2015
For the Management Board

Peter Reitz
Chief Executive Officer (CEO)

The Management Board

From left to right:
Dr Dr Tobias Paulun › Chief Strategy Officer Dr Egbert Laege › Executive Director Gas Markets
Peter Reitz › Chief Executive Officer Iris Weidinger › Chief Financial Officer Jean-François Conil-Lacoste › Executive Director Power Spot Markets
Dr Thomas Siegl › Chief Risk Officer Steffen Köhler › Chief Operating Officer

Growth AT ALL LEVELS

EEX Group is growing: At the beginning of 2015, the Group increased in size with three further companies – Powernext, EPEX SPOT and Gaspoint Nordic. This means more employees plus new trading participants and markets. CEO Peter Reitz and Jean-François Conil-Lacoste, CEO of EPEX SPOT and, from January 2015 onwards, Executive Director Power Spot Markets on the EEX Management Board, talk about strategic aims and current challenges.

Dialogue
PETER REITZ TALKS WITH JEAN-FRANÇOIS CONIL-LACOSTE

Reitz 2015 will definitely be a fascinating year. As a result of the new group structure, we have expanded from approximately 180 to more than 300 employees in one go. This creates new challenges for us – both internally and externally. Externally, we want to be perceived as a seamless entity – not just as a group of exchanges that happen to have come together. In this respect, we benefit from the fact that we have all known each other for a long time and already have many cross-connections between our teams.

Conil-Lacoste We can indeed look back on a long-standing cooperation – and a very successful one. Together, we have managed to establish EPEX SPOT as the preferred power spot exchange in Europe. Our vision of facilitating the integration of the European energy markets is more relevant than it has ever been – that really is a unifying factor. The integration of the European power markets is something that is at the heart of EPEX SPOT's activities and is pursued, for instance, through market coupling. This is a process which enables the efficient management of grid congestion between neighbouring power spot markets. Last year, EPEX SPOT and its partners successfully implemented an essential step in the integration of European markets by introducing price coupling in 17 European countries. As a result, today's integrated power market encompasses three quarters of Europe.

Reitz Europe is the leitmotif of our activities as the "European Energy Exchange". Last year, we strengthened our position in European energy trading. In the process, we not only increased liquidity in our core markets but also expanded our geographic reach, and began to offer our trading participants new fields of business – over and above our traditional energy markets. Last year, the trading volumes increased significantly, particularly on the power market, which generated new record volumes, with a gain of 24 percent on the derivatives markets.

Conil-Lacoste We saw the same trend on the power spot market. Thanks to the growing share of renewable energies, the day-ahead market grew significantly last year. This applied particularly to the integrated German/Austrian price zone, but the French and Swiss markets also grew significantly. The prices on our markets are the reference prices for Europe, with "Phelix" being widely used as a quality benchmark. The intraday market is becoming increasingly important, as is testified by a 33 percent increase in 2014. This is a development which we have been observing for some time and which will gather yet more momentum as a result of the increasing feed-in of wind and solar power. Forecasting the availability of power is becoming increasingly difficult and, for this reason, the trading participants need tools which permit shorter-term trading and rapid optimisation. The key word on the market is "flexibility".

Reitz Yes, flexibility has become an important requirement on the market. And we – the exchanges – need to find the right answers to this in the form of new and innovative products. A lot has already happened in the field of short-term trading …

Conil-Lacoste … the 15-minute auction which we introduced for German intraday trading in December 2014 is a good example. The volumes attained in the auctions are steadily rising, and this supports our customers in their need for increased shorter-term optimisation of their portfolios.

Reitz We are also "blazing a trail" for the "Power Market 2.0" on the derivatives market. We have developed a product with which the trading participants can hedge risks inherent in renewable energies – our new "Cap Futures", which we will launch this year. With this product, we give flexible power plants the opportunity to be remunerated for providing flexibility. This generates a new source of income for producers of conventional energy which can be brought on stream rapidly and at very short notice. We are convinced that the capacity problem which some foresee as looming in the future can be addressed with a market-based solution which is much more efficient than a capacity market.

Our vision of promoting the integration of the European energy markets is more relevant than ever before.

[Jean-François Conil-Lacoste]

Jean-François Conil-Lacoste

As the Chief Executive Officer of EPEX SPOT and Executive Director Power Spot Markets at EEX Group, he is in charge of the power spot markets of the Group which are operated by EPEX SPOT. Jean-François Conil-Lacoste spent ten years as a commodity trader at Louis Dreyfus. After that he managed stockbroker Ferri's fixed income department. He joined Euronext in 1997 and accompanied Powernext in the capacity of the Chief Executive Officer from its inception in 2001 until March 2015.

Conil-Lacoste The confidence in markets or market mechanisms is very important. This is something that really has to be emphasised. Within the Central Western European region (i.e. Germany, France and the Benelux countries) we have the most liquid and highly developed power markets. As a result of a number of market coupling initiatives, we have already achieved a high degree of price convergence and harmonisation in trading and settlement processes. These major achievements of a largely integrated European market should not be jeopardised by new subsidies and individual national solutions.

Europe is the leitmotif of our activities.

[Peter Reitz]

Reitz Quite apart from the political will to further integrate the markets, the harmonisation of standards also entails concrete advantages for our customers. In 2014, this was clearly shown by Italy, for example, where there was obviously a significant demand for standardised and transparent trading and clearing solutions. EEX pursues the aim of being present on all essential European energy markets and providing solutions for the customers' needs. This is not only about trading as such, but also about the downstream processes – about settlement. The biggest effect for our participants can be seen in clearing. These days, capital is a scarce commodity. Therefore, our customers are very much interested in having their positions (e.g. in Italian and German power) in only one clearing house because, as a result, only the net risk has to be covered, which in turn significantly lowers the capital requirements.

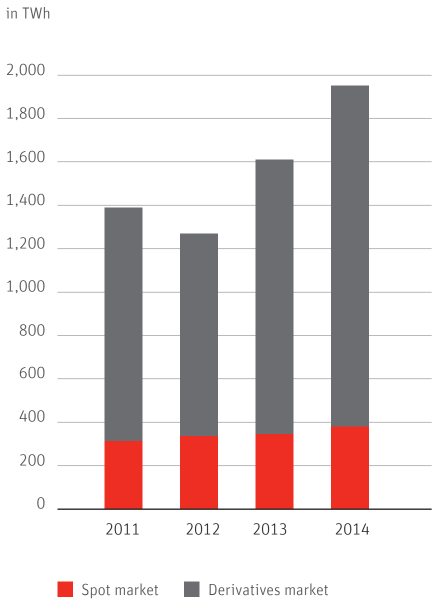
Conil-Lacoste This offsetting is possible across all markets because all the transactions in all asset classes are settled by one clearing house. Consequently, with ECC as a part of our Group, we are very well prepared for the future.

Reitz Yes, the new group structure is a good basis to fulfil the market's requirements, in view of the competition. We want to continue to grow and offer our customers the best possible service, which we want to establish throughout the Group – with unified standards. Furthermore, we, of course, have to consider the characteristics and idiosyncrasies of each individual market. So, we will definitely see some exciting developments in the future.

On the derivatives market, we are currently setting the course for the "Power Market 2.0".

[Peter Reitz]

Trade volumes for power



Total volume in 2014

1,952 TWh

Volume on the power spot and derivatives market

RECORD VOLUMES ON THE POWER MARKETS OF EEX GROUP

EEX Group generated record volumes both on the power spot and derivatives market in 2014. The short-term spot market for power is operated by the Paris-based EPEX SPOT. The volume on the spot market comprises the market areas of Germany/Austria, France and Switzerland. The long-term power derivatives market is operated by EEX. The volume on the derivatives market comprises the market areas of Germany/Austria, France, Italy, Belgium and the Netherlands. This volume also includes the volume from trade registration which EEX offers for the market areas of Greece, Spain, Switzerland, Romania and the Nordic countries.

From EEX to the INTERNATIONAL EEX GROUP

2002	2006	2008	2013	2014	2015
EEX	ECC	EPEX SPOT	PEGAS	CLTX	GASPOINT NORDIC POWERNEXT
Establishment of EEX in Leipzig as a result of the merger of the two German power exchanges	Spin-off of the clearing segment into ECC	Launch of the cooperation between EEX and Powernext in power trading – establishment of EPEX SPOT	Expansion of the cooperation between EEX and Powernext to the gas market – establishment of PEGAS	Acquisition of majority shareholding in Cleartrade Exchange	EEX holds a share of 50 percent in the Danish gas exchange EEX acquires the majority shareholding in Powernext and, as a result, indirectly in EPEX SPOT

Innovation means FULFILLING MARKET REQUIREMENTS

Interview
DR THOMAS SIEGL IN DIALOGUE WITH DR DR TOBIAS PAULUN

Which approach should EEX choose to achieve its corporate aims? Today, trading participants can even trade tangible products, such as freight and potatoes on the biggest energy exchange in Europe. CRO Dr Thomas Siegl and CSO Dr Dr Tobias Paulun talk about the perspectives.

Dr Paulun, you have been a member of the EEX Management Board since January 2015. What is your task as the Chief Strategy Officer?

Paulun EEX Group has expanded significantly. The competences for the different markets are now distributed across different companies, such as EEX for the power derivatives market segment, or Powernext, which now bundles the Group's gas market activities. Our further success will be based on our ability to disseminate the strategy of EEX Group to the individual companies and to interconnect these to a significant degree. At the same time, the Group aims to expand further and to extend its reach. And that is what we are working on now.

Dr Siegl, you control the destiny of ECC in your capacity as the Chief Risk Officer. Which role does ECC play within the conglomerate of companies? After all, it does have a special role.

Siegl And a very decisive role, indeed. The clearing house is not exclusively linked to EEX, but also provides clearing and settlement services for a large number of exchanges. On the one hand, there are EEX, EPEX SPOT and Powernext as companies of EEX Group. On the other hand, there are exchanges, such as e.g. the Austrian gas hub CEGH and the power exchanges in Hungary and the Czech Republic. If you will, clearing forms the framework for all products which are offered through the exchanges. As soon as two trading parties have agreed on a price, as soon as a trade has been confirmed, the post-trading processes begin – and this is ECC's domain.

Which specific task does ECC assume in this process?

Siegl We ensure that all obligations under a trading transaction – payment and delivery – are fulfilled at all times. This means that de facto ECC is the contracting partner of each and every trading partner and assumes the risk in the event of the buyer or seller defaulting – i.e. in the event that they cannot pay or effect delivery. In the process of financial settlement, we are supported by clearing banks. In physical settlement, we closely cooperate with the European transmission system operators for power and natural gas, as well as with the relevant registries – such as on the CO_2 market. Physical delivery is a feature which shapes the energy markets.

At EEX, the product offering now also includes freight and potatoes which, at first glance, do not have anything to do with the energy market. Would you say that it is difficult to focus on all these different markets without losing track?

Paulun Our background and tradition are on the energy market and we offer its classic trading products, i.e. power, natural gas and coal. We classify energy-related products to include CO_2 emission allowances as well as guarantees of origin for green power. In addition, we have expanded our portfolio with products which we offer as clearing products in cooperation with Cleartrade Exchange (CLTX), for example freight and fertilisers. These new offerings create synergetic effects for our trading participants: between freight rates which CLTX offers for trading and our coal products, or between fertilisers (which are also Cleartrade products) and agricultural products.

Dr Thomas Siegl

has been a member of the Management Board of EEX AG since 1 September 2012. After graduating in technical mathematics and attaining a doctorate in technical science he worked at Graz University of Technology. Afterwards, he joined Arthur Andersen in Frankfurt in the field of financial and commodity risk consulting, where he worked until 1999 and later headed the central Risk Management Division of BHF-BANK AG in Frankfurt. Since 2010, he has been a member of the Management Board of the European Commodity Clearing AG (ECC).

Dr Dr Tobias Paulun

has been working for EEX since August 2009. In his functions as Managing Director Exchange and Director Strategy & Market Design, he coordinates the corporate strategy of the exchange and promotes initiatives regarding market design changes of European energy markets. Since March 2011, he has also been a member of the Management Board of EPEX SPOT. On 1 January 2015, he took over responsibility for the new strategy division of the Group as Chief Strategy Officer, enabling EEX to put a stronger focus on the strategic direction of the Group.

To us, innovation means recognising the requirements of the market and closely coordinating with trading participants.

[Dr Dr Tobias Paulun]

In this respect, we are already a commodity exchange focusing on energy. We have established the individual markets in different companies to fulfil the requirements of the different markets, for example at Powernext, which is in charge of the gas markets, or CLTX, which covers the freight and metal segment and which also safeguards the connection to our customer groups in Asia.

Speaking of Asia – with the acquisition of the majority shareholding in Cleartrade you have already moved beyond the confines of Europe. Are further acquisitions outside Europe conceivable?

Paulun We will not stop at Cleartrade alone. Other commodity exchanges operate worldwide and we are certain that we are on track towards becoming a global commodity player. In this context, the name of our parent company – Deutsche Börse – and its global presence are certainly advantageous for us and will help us to open doors. But we are not only focusing on Asia. Other markets are also attractive. For example, we already have a number of customers that are based in North America and operate on the European power market. These are also potential customers for the American market. However, first we are working on interconnecting the activities within EEX Group and aligning these with our group strategy.

ECC's activities are being extended in the context of new products. What effects do new commodities have on its processes?

Siegl Offering clearing services in addition, for example for the dairy market, does not constitute an obstacle for us. The agricultural product range is fulfilled via cash settlement. During its development, ECC has established standard processes and created uniform interfaces to the exchanges so that we can add further products or further asset classes without problems.

Moreover, being able to settle various commodities as a one-stop-shop solution is an advantage for our customers. This integrated solution is much more efficient than covering the default risks in different clearing houses. Moreover, cross-margining, the mutual off-setting of positions, also provides savings potential. Regardless of the individual commodities, we are continuously improving the settlement processes. For example, we have intensively focused on the subject of technical connections and worked on facilitating access to clearing for our customers with the help of so-called "Straight-Through Processing" solutions last year. Moreover, we will be able to offer these improved "STP" solutions on our partner exchanges this year.

Energy products on exchanges are standardised products – one could say: mass-produced goods. How can innovations be created as a result?

Paulun Sufficient standardisation is indispensable to enable the exchange listing of a product. To us, innovation means recognising the requirements of the market and closely coordinating with trading participants with regard to the fulfilment of these requirements. On our exchange, we have institutionalised this dialogue with our customers – in the form of the Exchange Council. As a body representing the traders it is involved in all important decisions regarding the exchange and, in particular, in the field of product innovations.
From our perspective, innovations have a wide range of aspects: They can be totally new products – such as futures on the Brent 901 oil price formula – or a process optimisation which simplifies our customers' lives, for example technical developments of the trading system or the reduction of lead times which EPEX SPOT and ECC are working on at present.

Market requirements also arise because of regulatory changes. In my opinion, this is a crucial development which the exchanges and the clearing houses have to take into account.

[Dr Thomas Siegl]

Siegl That's right. ECC and EPEX SPOT have been intensively working on a project designed to implement reduced lead times on the German intraday power market for some time. As a result, trading will be brought even closer to the delivery time, thus permitting higher flexibility for the trading participants. However, this project creates higher requirements for the systems and processes since the delivery periods of the transmission system operators remain unchanged. For this reason, coordination among all parties is an absolute necessity.

Innovations for trading on energy exchanges – what are the products of the future? Will EEX make an even stronger commitment to the oil market? Which further commodities are also conceivable?

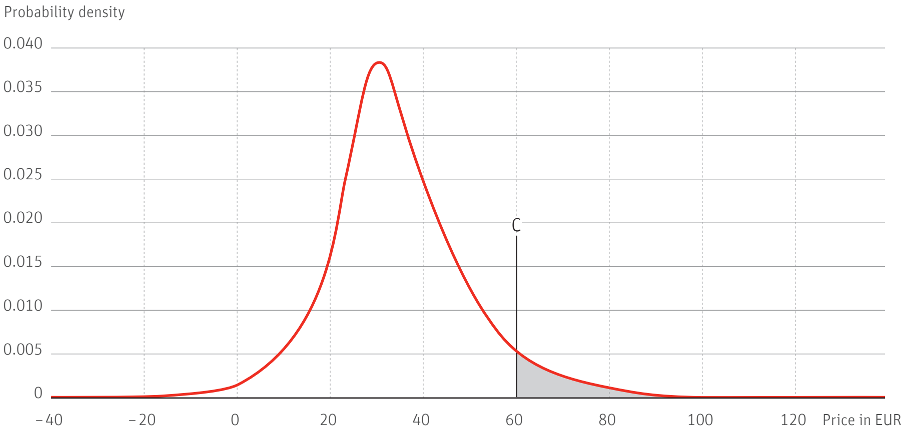
Paulun We first and foremost focus on benefits for our customers. For this reason, we see further opportunities for developing many of our products, such as the extension of our established products into new, developing regions. We already began to do this in 2014 and will continue this development. This year, amongst others, we will focus on Scandinavia. As regards trading in our new business fields, we want to build liquidity on those markets.
Of course, we are already thinking ahead as well. The current realignment of the power markets towards renewable energies, for instance, results in new opportunities as well as certain risks for the market, for which the exchange can offer suitable products. Just think of weather derivatives. If you, as a trading participant, have a forecast of the wind supply (i.e. if you know how windy the next week or the coming winter will be), you might be interested in trading this specific factor on the power price separately. And "Wind Power Futures" permit just that. We are working on the specific design of this product innovation at present.

Which innovations do you see in clearing – and what challenges are connected with these?

Siegl Market requirements also arise because of regulatory changes. In my opinion, this is a crucial development which the exchanges and the clearing houses have to take into account. This results in services which are not exclusively connected with trading but which support our customers in complying with their regulatory requirements. In the past year, everyone talked about reporting transaction data in the context of the EMIR regulation [Note: European Market Infrastructure Regulation]. However, EMIR is only part of the pan-European regulation. REMIT, another regulation, creates tremendous challenges for our trading participants. In this context, the focus is e.g. on reporting insider information which has to be published before trading. Reporting supported by ECC or via the EEX transparency platform constitutes a new service which we will offer and further develop.

Innovations on the power markets
PRODUCTS FOR THE ENERGY TURNAROUND

Cap Futures – hedging intraday price peaks



A Cap Future freezes the expected value of all prices above a certain price threshold.

9 December 2014 EPEX SPOT expands 15-minute trading on the intraday market with an opening auction. This auction takes place at 15:00 CET every day and permits simultaneous trading for all 96 15-minute contracts of the following day.

In 2015, EEX is planning to introduce so-called Cap Futures: These are financially settled derivatives market products with the help of which price peaks on the intraday market can be covered for the first time.

FROM AN IDEA TO THE PRODUCT

Product development cycle on EEX

Product idea ›

Design phase

Market study
- Political-regulatory framework/requirements
- Bilateral meetings
- Market survey
- Analyses
- Concept development

›

Trader forums
- Discuss concrete product ideas with trading participants in trader forums (Working Committee) in the individual market segments (power, gas, CO_2, clearing)

›

Implementation phase

Exchange Council
- Official presentation of product developments
- Approval of product introduction and, if applicable, of amendments of the rules and regulations

›

Implementation project
- Legal implementation
- Technical implementation
- Implementation of settlement & collateralisation (clearing)
- Implementation at the trading participants

› Product launch

3 – 12 months

ECC

European Commodity Clearing (ECC) provides clearing as well as the physical and financial settlement of transactions concluded on the CEGH Gas Exchange of Wiener Börse, EEX, EPEX SPOT, Gaspoint Nordic, HUPX, Powernext and PXE, or registered on these exchanges. In the near future, it will also launch clearing services for the Norwegian exchange NOREXECO.

EMIR

Regulation (EU) No. 648/2012 on OTC derivatives, central counterparties and trade repositories (EMIR, for short) governs over-the-counter trading in derivatives. The requirement for market participants to submit their over-the-counter standard derivatives transactions to clearing by a central counterparty and to report these OTC transactions to a trade repository constitutes one of its main elements.

We want to be THE FIRST CHOICE IN EUROPE

Interview
STEFFEN KÖHLER IN DIALOGUE WITH DR EGBERT LAEGE

Companies from 32 countries trade on the EEX Group markets. On the gas market, a pan-European trading platform – PEGAS – has been set up. Moreover, on the power market, EEX now also offers power futures in Italy, Spain and Greece. Steffen Köhler (COO of EEX Group) and Dr Egbert Laege, who joined the Management Board as the new Executive Director Gas Markets in January 2015, talk about expansion and the development of new products.

Mr Köhler, Dr Laege, how did the year go for you and how have recent developments influenced the internationalisation of EEX?

Köhler Last year, we grew significantly in our core markets. The volume in our biggest market segment – the German power derivatives market – was 1,337 TWh. This corresponds to an average market share of 25 percent. In December 2014, our market share was even higher than 30 percent. Going against the general trend on the German derivatives market, we gained further market shares and brought transactions from the over-the-counter market to the exchange. But we did not only increase volumes – the number of trading participants also rose: On the power market, we acquired 29 new customers. Moreover, we also saw an excellent development and strong growth rates on the gas market.

Laege Our new PEGAS platform is very well accepted. With PEGAS, we offer our customers a broad range of gas contracts for exchange trading – not only consisting of products for different hubs, but also of price differences – the so-called spreads. Based on the EEX and Powernext gas trading hubs with which the cooperation was launched in 2013 – German, French and Dutch hubs – we have expanded the product offering. With the spot and derivatives markets for the Belgian ZTP hub we have expanded our geographic reach. The introduction of new spread products also facilitated trading price differences in quality-specific products. On the French spot market, we now offer 24/7 trading – i.e. trading around the clock, every day.
And these developments are continuing at the same high speed: In March 2015, we introduced spot and derivatives products for the British National Balancing Point (NBP) market area and the Belgian Zeebrügge Beach (ZEE) market area. Moreover, financially settled contracts for the Italian Punto di Scambio Virtuale (PSV) have been introduced. From January 2015 onwards, there has only been one set

of rules and a uniform admission process for PEGAS – this has significantly facilitated access and the process usage by our customers.

Köhler That is a very important point: In order to be successful in a market, EEX Group must make things as easy as possible for the customers. We are continuously working to reduce barriers – while the rules and security regulations on the exchanges, of course, have to be kept in place. Let us consider the example of technology: Electronic trading, of course, has a lot to do with technology and infrastructure. We support the trading participants in selecting

Dr Egbert Laege

has accompanied the development of EEX as a member of the Supervisory Board since June 2008. In his capacity as the Chief Executive Officer of Powernext and Executive Director Gas Markets he is responsible for the PEGAS markets. Egbert Laege began his career at the Institute for Energy Economics of the University of Stuttgart. In 1999, he moved to E.ON where he worked as the Chief Commercial Officer (Asset Optimisation) at E.ON Global Commodities prior to his new position at EEX.

Steffen Köhler

has been a member of the EEX Management Board since 1 March 2012. Having worked for several major companies in the financial sector, Steffen Köhler joined Eurex Clearing in 2003, working specifically in market and product development before becoming Executive Director in 2006. In 2009, he was appointed to the EEX Supervisory Board.

their user interfaces for trading – also as regards technical advice and installation.
Moreover, we fully restructured our membership fees last year and, as a result, made trading on our exchanges easier for our trading participants. This was also a response to changes in the market environment. It is not only the conventional full-service providers that conclude transactions, but new participants specialising in specific business fields are joining as well. And we need to take their requirements into account.

And what are those requirements?

Laege Well, what the trader is primarily interested in is the price found in the order book. This is the decisive aspect. And this is where EEX made significant investments in 2014. Market maker agreements were fully revised in order to enhance the consideration of individual strengths. The buy and sell prices as well as the range between these have become significantly narrower and, as a result, they have become more attractive for the traders.

We gained further market shares against the general trend on the German derivatives market.

[Steffen Köhler]

How are these products doing outside the German market? What is the approach to the development?

Köhler EEX Group has an international and diverse group of customers: Companies from 32 countries actively trade on our markets. We have clearly stated that we want to be present on all important European energy markets. Therefore, offering established products and processes in other regions is the obvious next step. Italy is a good example. We created a local offering there which is based on the concept of the Phelix Future and with which the market participants are already familiar. And the volumes really speak for themselves: Last year, we generated a volume of 116 TWh and, as a result, a market share of, on average, 16 percent on the total market. Moreover, the number of trading participants also increased rapidly. At the end of the year, 117 trading participants were admitted to trading in Italian power futures. Because of this high demand, we opened a sales office in Milan in October 2014 to directly support these customers.

Is this the key to success in a new market? Having a local office?

Köhler Not necessarily – it always depends on the specific local culture and customs. In Italy, it is very important for the customers that you speak their language. However, in the market in the Netherlands this seems to be less important. So, there is no clear pattern to follow. We orientate ourselves to the specific situation in each country, and we also comply with our customers' preferences. In Italy, the fact that we have established a local presence is very important for marketing our products.

Talking about culture – Dr Laege, you come from a European energy supplier and now manage Powernext, an exchange, …

Laege It is a great challenge which I am very much looking forward to. I have known the international energy and trading business for 15 years. Most recently, I was Chief Commercial Officer at E.ON Global Commodities. I have lived in Paris since January, and I am looking forward to further developing the gas markets, together with our colleagues. And my French is getting better every day. What matters now is focusing and controlling the gas market activities of EEX and Powernext. At the trade fair E-world energy & water I already met many customers – and meanwhile I have met most of my colleagues from our Leipzig, London and Paris offices.

Köhler E-world is always a great opportunity to meet customers and partners and exchange ideas and experiences with them. Our customers' feedback on the development of the EEX markets has been extremely positive. This confirms our approach of expanding the markets in close cooperation with them, and tackling the joint challenges together with them.

So, what is next on your agenda?

Köhler We are preparing the launch of new products for the power market. In addition to products for the energy turnaround (flexibility products) which are to be introduced in the course of the year, we launched a number of new power products in the first quarter: spread products and order book trading for Spanish, Swiss and Nordic power futures. For us, the focus in 2015 will be on the Nordic power market. We will open an office in Oslo about halfway through the year.

Laege Regional expansion will also be the focus for PEGAS. We want to be the first choice of gas platform for trading participants in Europe.

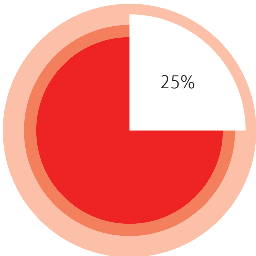
Phelix Futures

CONTRACT WITH THE HIGHEST LIQUIDITY

The EEX Phelix Future for the German power derivatives market is considered the contract with the highest liquidity in European power trading. In 2014, 1,337 TWh were traded on this market.

EEX's share in the overall market in Germany

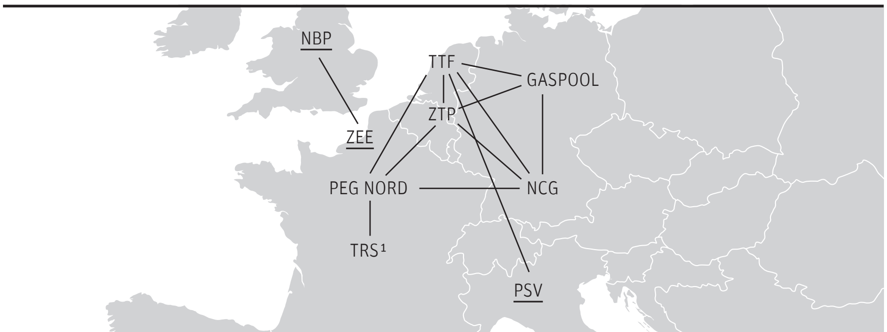
∅



Previous year: Germany 20%

PEGAS CONNECTS EUROPEAN GAS MARKETS

Market areas and location spreads



New market areas in 2015: NBP, ZEE, PSV — Location spreads

[1] TRS includes the current market areas in southern France: PEG Sud and PEG TIGF

PEGAS is the central gas trading platform of EEX Group, and it is operated by Powernext. It offers trading participants access to natural gas trading relating to Belgium, Germany, France, the United Kingdom, Italy, and the Netherlands. The product range comprises spot and derivatives contracts for the big European gas hubs as well as trading in spread products between the market areas.

POWER DERIVATIVES MARKET – EUROPEAN GROWTH

Italian power derivatives market

116 TWh

Total volume in 2014

French power derivatives market

83 TWh

Total volume in 2014

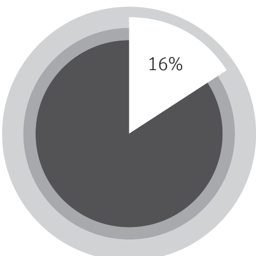
The Italian power futures, which EEX launched for exchange trading in April 2014, account for a major share of the growth on the power derivatives market in 2014. The volume on the French power derivatives market also rose significantly in 2014, compared to the previous year.

With our new sales office in Milan we can support our local customers on site.

[Steffen Köhler]

EEX's share in the overall market in Italy

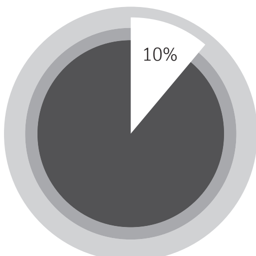
∅



Previous year: Italy n/a

EEX's share in the overall market in France

∅



Previous year: France 4%

The EEX market share in the respective total derivatives market is calculated on the basis of the trade volumes published by the exchanges and the London Energy Brokers' Association (LEBA) every month.

Responsibility IS THE BASIS OF OUR SUCCESS

Interview
IRIS WEIDINGER ABOUT THE CORPORATE RESPONSIBILITY OF EEX

Sustainable action is increasingly gaining importance for enterprises. Iris Weidinger, who has been Board Member for Finance and Human Resources since 2008, explains the significant role sustainability plays for EEX and how the Group fulfils its social responsibility.

Ms. Weidinger, what role does sustainable action play for EEX?

Weidinger Sustainable action is essential to be successful as a company in the long term. And if we talk about our success, we cannot measure this in terms of finance alone, but also have to consider our social responsibility.

Which factors are of essential importance in this respect?

Weidinger We focus on three fundamental aspects where we implement our values. The first refers to the markets in which we operate: Our target is to provide the participants with a fair and transparent market platform and generate lasting liquidity on these markets. The second aspect is responsible corporate management. This includes a sustainable human resources policy as well as the protection of the environment and of resources in the framework of our work. And, finally, the third aspect focuses on our social contribution: We actively support charitable initiatives and organisations. In addition, we are committed to promoting education and research regarding the energy market and energy-related subjects.

What added value does EEX offer to its customers?

Weidinger We offer an exchange trading platform for energy, energy-related products and other commodities. As a result, we ensure that all trading participants can trade on a secure and organised trading platform on an equal footing. They have access to fair and transparent prices which we make available to everyone every day. In this process, we connect European and international markets to offer our customers the biggest possible scope of action. Moreover, the coupling of the European power exchanges leads to the efficient management of the cross-border capacities and, ultimately, to the harmonisation of European power prices.
However, we do not only create transparency regarding the prices and volumes traded on our exchange. Via the transparency platform, power plant operators, as an example, report the planned and actual production of their plants. At the same time, we also offer various services with which the trading participants can fulfil their publication requirements and obligations in the framework of various ordinances. As a result, we create a holistic offering for the markets in which we operate.

Of course, you need staff for this ...

Weidinger Yes, our employees, their motivation and performance – these are our most important success factors. Therefore, we place a lot of value on a long-term and family-oriented human resources policy and an open corporate culture. Our company consists of people of differing ages and many different nationalities and in many varied situations in life. Respectful interaction with each employee forms a basic element to help ensure that our employees enjoy working with us. In this respect, internal communication forms a key resource in creating incentives for our employees and in “taking them along” with us to reach our mutual goals.

Our employees, their motivation and performance, are our most important success factor.

[Iris Weidinger]

Can you give us some examples of how you motivate your employees?

Weidinger The possibility for individual further training is one example. In the framework of an annual target agreement process, we formulate concrete targets and measures to achieve these together with every employee. All colleagues are able to take part in language courses. In view of the fact that we are operating at eleven sites today, having a command of foreign languages is an important aspect which we support and promote. In addition, our development into an international group offers further opportunities. For example, our employees can choose deployment to another site of EEX Group for several months to get to know further aspects of the company as well as other cultures. As a result, they can also develop further within EEX. For the development of our junior staff, we offer a 24-month trainee programme during which university and college graduates are trained specifically for our company and across different departments. Technical experts can pursue the career of a so-called Senior Expert with a programme offering targeted training and support. By the way, the EEX Group staff has increased continuously over the last years – to more than 300 at the beginning of the year 2015. 168 of these work at the Leipzig site. This makes us an important employer for the region.

The reconciliation of work and family is still very much a current topic …

Weidinger This is an aspect which is particularly important to me. It is essential for us to allow employees, both men and women equally, to return to their previous position after their parental leave instead of only being given a comparable position. After parental leave, we also provide the option of working part-time – even for executive staff. Moreover, we have established a parent and child office in Leipzig which gives our employees the opportunity of taking care of their children while working in a child-friendly atmosphere, if necessary. As an alternative, we provide appropriate technical equipment to enable parents to work from home. The benefit of this is reflected in the share of women working for our company: 45 percent of all permanent EEX employees and 33 percent of the executives are female.

So the “work-life balance” is more than lip service for you?

Weidinger Of course, we are a performance-oriented company. But it is important to us that our employees are comfortable and enjoy working with us. This also includes promoting a healthy lifestyle. For example, we subsidise memberships in gyms as well as weekly sports groups. We support healthy eating at the workplace by providing free fruit and vegetables every day. The members of staff can prepare their own fresh meals in fully equipped kitchens which makes healthy and balanced nutrition easier. Moreover, we regularly carry out health promotion measures and health check-ups at our offices.

All of these measures cost money. Does this investment pay off for the company?

Weidinger Yes, it definitely does! However, one cannot assess this exclusively with regard to financial aspects. The “soft comfort factors” should not be underestimated. After all: The more motivated people are, the more they are dedicated to the company. And this does not only apply to the actual core business: Our employees also make an important contribution to making the processes at the company steadily more efficient and more sustainable.

In how far does this apply?

Weidinger Last year, we implemented a number of measures to keep our “ecological footprint” as low as possible and further reduce it by means of targeted steps, for example with regard to reducing the consumption of power, water and paper. Our employees have provided important input as to how we can become even better in the context of a sustainability competition. For example, we compensate for the CO_2 emissions caused by business trips and subsidise the use of public transport by our employees. Moreover, members of staff consider environmental compatibility when purchasing materials and issuing printing orders.

Iris Weidinger

was appointed a member of the Management Board of EEX AG on 15 August 2008. Prior to her appointment to the board, she was chief representative for the finance and human resource functions and an authorised signatory of ECC. Following her training as an expert in business management and as a tax consultant, she worked within the commercial trainee programme of E. Breuninger GmbH & Co., Stuttgart and with PwC Deutsche Revision AG, Leipzig.

You mentioned your social responsibility. How do you exercise this responsibility?

Weidinger On the one hand, every year we financially support projects in and around Leipzig focusing on education, sustainability, the environment and social concerns. On the other hand, each year we present the "EEX Excellence Award", which is awarded for excellent academic theses covering technical, commercial or political questions involved in energy and exchange trading.
Moreover, personal commitment is not only important to us as a company but also to many of our colleagues. Therefore, we held our team event as a "Social Day" for the first time in 2014. This day involved supporting social institutions in and around Leipzig and at the same time getting to know colleagues better. To do that, EEX granted a day off to a large proportion of its workforce and donated urgently needed materials to the respective facilities. The support provided ranged from craftwork to visiting the residents of a nursing home.

Were there more projects of this kind?

Weidinger As a matter of principle, we are open for voluntary social commitment and offer a platform for this. At the end of the year, together with the "Zukunft für Kinder" ["A Future for Children"] association, we put up a "Christmas wish tree" on which small Christmas wishes from children in Leipzig's children's homes were displayed. These wishes were privately fulfilled by employees of EEX and ECC. This campaign met with an overwhelming response at the company. In many cases, even family members and friends of individual colleagues took part. This illustrates very well how much can be done with small but concrete measures. We want to continue promoting campaigns of this type in the future and will further promote and expand the fields of sustainability and social responsibility in 2015.

EEX Social Day 2014

In 2014, EEX held a team event as a so-called "Social Day". A large proportion of the staff was given a day off from work to support social projects in and around Leipzig as volunteers. In the context of this event, our members of staff supported six different institutions and associations. Moreover, EEX also provided the necessary materials.

SOCIAL RESPONSIBILITY

Social engagement

26

projects in the field of education, social affairs and the environment were supported by EEX in 2014

Sustainability competition

50

implementation proposals were submitted by our staff

New format: Policy newsletter

Since 2014, EEX has provided information in its "Policy newsletter". In every issue, EEX presents analyses and comments on selected energy policy subjects, including an overview of the current EEX positions. Moreover, one aspect of energy trading is presented and discussed in more detail under the heading "What's what". In 2014, three "Policy newsletters" were published.

New office in the political heart of Berlin

In late 2014, EEX opened a new office in the Federal Press Conference Building to help safeguard its political interests.

IN DIALOGUE WITH THE POLITICAL SECTOR AND THE PUBLIC

August 2014 During his summer tour, Federal Minister for Economic Affairs and Energy, Sigmar Gabriel, visited EEX in Leipzig on 7 August 2014.

September 2014 Workshop in London on 4 September 2014: "The Elephant in the Room – Harmonisation and organisation of renewables support schemes in Europe".

October 2014 EEX reception in Brussels: On the occasion of the beginning of the new EU Commission's term of office, EEX held its autumn reception on 30 October to discuss current energy policy questions together with representatives of the political institutions, as well as energy experts and economists. Peter Altmaier, Head of the Federal Chancellery and Federal Minister for Special Affairs, and Jos Debelke, Director General for Climate Action, attended the reception as guests of honour.

February 2015 On 2 February 2015, Dr Barbara Hendricks, Federal Minister for the Environment, Nature Conservation, Building and Nuclear Safety visited EEX in Leipzig. Following an expert discussion with EEX representatives regarding the implementation of the energy turnaround and the importance of trading in emission allowances as a climate protection tool, Federal Minister Hendricks visited the Market Supervision Department – the heart of the exchange.

Federal Minister Hendricks visits EEX

Five questions for SIGMAR GABRIEL

FEDERAL MINISTER FOR ECONOMIC AFFAIRS AND ENERGY

Which role does the market play in the framework of the energy turnaround in your opinion? And which specific role does the energy exchange play?

We need the market for the efficient implementation of the energy turnaround. This is because the implementation of the energy turnaround without the market (or even against the market) would be far too expensive and, moreover, inappropriate in an industrialised nation like Germany. Other countries will only follow us on the path towards the energy turnaround if they see that this solution is cost-effective, as well as commercially successful. And it can only be efficient and, as a result, cost-effective if we use market processes to our advantage. Therefore, I am very grateful that EEX has been a reliable market provider for many years. The price signals provided by the exchange are very important – not only for the deployment of power plants but also for financing power plants. I commend EEX for having intensively participated in the development of a liquid market for many years.

How can the market integration of renewable energies be further enhanced in view of their ever-growing share?

The integration of renewables forms an important precondition for the continued success of the reorganisation of our power supply. In 2014, more power was generated from solar, wind, hydroelectric and biomass sources than from lignite for the first time ever. As a result, renewables have become the most important energy source for the German power supply. And their share is set to increase further.

I commend EEX for having intensively participated in the development of a liquid market for many years.

[Sigmar Gabriel]

With the EEG reform in 2014, we have set the agenda with the aim of ensuring that the integration of renewables into the market is enhanced even more. And mandatory direct marketing is at the core. We want plant operators to look into how they can maximise the value of the power generated through the construction and operation of their plants. This was not the case in the past – in a world of fixed remuneration for the feed-in of electricity. Under this system, kilowatt hours produced were maximised. In addition, we have also introduced supporting tools under EEG 2014 to ensure that biogas plants can respond even more flexibly to demand. With direct marketing, renewable energy plants have to forecast their power generation. And if the actual generation deviates from their forecast, they take responsibility. This means they are treated just like conventional power plants.

How can the flexibility required for the energy turnaround be provided in a future power market?

I think one very important aspect is that power prices on the wholesale market can fluctuate. If there are significant price fluctuations on the short-term markets, the market participants will quickly make up their minds as to whether they should switch capacity off or on – depending on the specific situation. This involves a learning process. And the longer it takes, the better the market will be able to respond. Moreover, market providers will also develop new products which grant additional compensation for the provision of flexibility. And there will certainly also be a learning process with regard to this. This is because the greater and the more frequent power price fluctuations are, the bigger the need to hedge them will be – for example by using buy (call) or sell (put) options. I think that over recent years the exchanges – and, in particular, EEX – have impressively shown that they are able to continuously optimise their trading processes. I am sure that this will also be the case with regard to the future need for significantly higher flexibility in the system.

Which role does Europe play with regard to the security of supply?

Europe plays an extraordinary – and ever-growing – role in ensuring the security of supply. The better cross-border trading works, the more we can achieve – not only for the efficient provision of power but also to help guarantee security of supply. At the beginning of March, the Pentalateral Energy Forum published a joint report on the security of supply for Belgium, Germany, France, Luxembourg, the Netherlands, Austria and Switzerland. In this report, neighbouring countries jointly calculated their overall generation capacity in the power segment for the first time and considered the mutual influences on the internal market. For example, one major advantage is due to the fact that the maximum demand for power never occurs at the same time in the countries concerned and that, as a result, power provided to, or received from, the neighbouring countries makes a decisive contribution to satisfying demand. This first joint report on the security of supply is a milestone on the way towards attaining a more profoundly integrated and enhanced European internal power market.

Which role does grid expansion play in the success of the energy turnaround?

We need the planned transmission lines – and we need them fast. And to ensure that they can be built, we need the local people in the affected areas to accept them. To this end, all the players on the market have to act in concert. What matters now is that the political sector fully supports these decisions and expressly advocates grid expansion. The energy turnaround can only be successful with the expansion of the grid.

The COMPANY

THE LEADING ENERGY TRADING PLATFORM IN EUROPE

REPORT OF THE SUPERVISORY BOARD

DEAR SHAREHOLDERS,

During the reporting year 2014, the Supervisory Board of EEX dutifully carried out the tasks with which it was entrusted, according to the applicable legislation, the statutes of the company and its rules of procedure, it accompanied the Management Board in the management of the company in an advisory capacity and continuously monitored the conduct of the company's business. It was directly involved in all decisions and measures which were of fundamental importance to the company.

The Management Board regularly, promptly and comprehensively reported to the Supervisory Board on the corporate planning, including financial, investment and human resources planning, the course of the business, the further strategic development and the current situation of the Group. This was based on the detailed reports by the Management Board rendered both in writing and verbally. The business transactions which were important to the company were discussed intensively on the basis of the Management Board's reports. The Supervisory Board approved the draft resolutions of the Management Board following thorough examination and deliberation. In addition to the adoption of resolutions at meetings, two resolutions were adopted by circulation on account of their urgency during the year under review.

In addition to the meetings of the Supervisory Board, the Chairman of the Supervisory Board was in regular contact with the Management Board. Moreover, the Management Board informed him of the current development of the business situation and essential business transactions early on.

WORK OF THE COMMITTEES

In order to efficiently discharge its tasks, the Supervisory Board has established three committees. These prepare resolutions to be taken by the Supervisory Board and deal with matters to be covered by the board. In addition, the Supervisory Board has transferred individual tasks and parts of its decision-making competences to committees. The chairmen of the committees regularly and comprehensively reported to the Supervisory Board on the content and the results of the committee meetings.

During the reporting period, the **Executive Committee** held seven meetings. It consists of the Chairman and the Deputy Chairmen of the Supervisory Board and has the task of preparing resolutions to be adopted by the Supervisory Board, subjects to be covered by the Strategy Committee and issuing recommendations with regard to these matters to these bodies.

The **Strategy Committee** prepares the Supervisory Board meetings in as far as the strategic development of the company and of the Group forms the subject of the deliberations and resolutions tabled at these. It has nine members. At one regular meeting during the period under review, the work of the committee focused on the discussion of the strategic framework conditions for preparing revenue planning from 2015 to 2020. At another extraordinary meeting, the Strategy Committee dealt with a transaction for the acquisition of the majority shareholding in Powernext SA with registered offices in Paris, as well as its financial and balance sheet effects. As a result of its deliberations, it issued the recommendation to adopt a resolution by the Supervisory Board.

Dr Jürgen Kroneberg

Dr Jürgen Kroneberg is a proven expert in the energy industry. As a lawyer, he held leading positions at various city and district administrations from 1984 to 1997. In 1997, he became member of the Board of RWE Energie AG with responsibility for Sales Germany/Benelux and Law. As a member of the Executive Board of RWE Net AG, he was responsible for Sales/Law from 2000 to 2003 and subsequently joined the Executive Board of RWE Energy AG. Since leaving RWE Energy AG in June 2009, he worked as a lawyer at Clifford Chance before joining White & Case (Düsseldorf) as a lawyer in April 2015. Dr Kroneberg has been Chairman of the Supervisory Board of EEX since 2000.

The **Personnel Committee** prepares decisions to be made by the Supervisory Board regarding the appointment and dismissal of Management Board members, as well as the determination of their compensation. Furthermore, it proposes to the Supervisory Board the conclusion or amendment of employment contracts with members of the Management Board including decisions relevant for compensation and on target agreements and target achievement. The Personnel Committee committee consists of the Chairman and the Deputy Chairmen of the Supervisory Board and met three times during the reporting period. At these meetings, it dealt with the reappointment of a Management Board member and prepared proposals for the target agreements and the degrees of target achievement for the members of the Management Board. In addition, it discussed an expansion of the Management Board from four to seven members with effect as of 1 January 2015 and issued recommendations for the corresponding resolutions by the Supervisory Board.

SUPERVISORY BOARD MEETINGS

In the reporting year 2014, four ordinary meetings of the Supervisory Board were held. At all ordinary meetings, the focus was on the current report of the Management Board regarding the present situation of the company, which the Supervisory Board then discussed with the Management Board in detail.

The meetings of the Supervisory Board were characterised by an intense and open exchange regarding the company's situation, the development of the business and financial situation, as well as the discussion of fundamental questions as to corporate policies and strategy. The members of the Supervisory Board regularly prepared resolutions regarding matters requiring their approval on the basis of documents made available to them in advance by the Management Board. In addition, the Management Board regularly informed the Supervisory Board of the most important commercial parameters and developments in written monthly reports.

At the meeting convened to approve the balance sheet on 1 April 2014, the Supervisory Board closely examined the 2013 annual and consolidated financial statement and the corresponding management reports in the presence of the auditor of the annual accounts. The presented annual financial statement were approved and are, hence, considered adopted. Moreover, the Supervisory Board approved the Management Board's proposal to the General Meeting to use the balance sheet profit to pay out a dividend of EUR 0.18 per share certificate entitled to dividends. Based on a recommendation by the Personnel Committee, the Supervisory Board also approved the proposed degrees of target achievement of the Management Board members for the financial year 2013 and the connected management bonuses. Furthermore, the Supervisory Board renewed Steffen Köhler's appointment to the Management Board by a further five years upon recommendation by the Personnel Committee.

After EEX's 2014 Annual General Meeting on 5 June 2014, during which elections for the Supervisory Board were held after the expiry of the regular term of office, the newly elected EEX Supervisory Board met for the first time. Six new members were welcomed to the Supervisory Board on this occasion. In addition to electing the Chairman and the Deputy Chairmen as well as forming and staffing committees, reporting on strategic projects and the approval of the acquisition of a shareholding in the Danish Gaspoint Nordic A/S formed the focus of the deliberations. A decision on the introduction of a new EEX trading front-end was also taken. As regards the affiliated companies of EEX, the Supervisory Board approved the amendments of the statutes of EEX Power Derivatives GmbH (EPD), EGEX European Gas Exchange GmbH (EGEX) and Global Environmental Exchange GmbH (GEEX), as well as the changes to the EPD Management Board. In addition to adopting the 2015 budget and medium-term planning from 2016 to 2020, the resolution on executing a transaction with the aim of taking over a majority shareholding in Powernext SA constituted a central subject at the meeting on 10 October 2014. In the framework of this transaction, which was approved by the Supervisory Board, an indirect majority interest in EPEX SPOT SE was also acquired. As a result, both companies will be consolidated in EEX Group's annual financial statement from the financial year 2015. In this context, the Supervisory Board approved the staffing of the Supervisory Board, respectively of the Board of Directors, of the two companies; moreover, a resolution on the delegation of members to the Supervisory Board of Gaspoint Nordic A/S was also adopted. The expansion of the Management Board from 2015 with Jean-François Conil-Lacoste, Dr Egbert Laege and Dr Dr Tobias Paulun as new members constituted a further focus of the deliberations.

Besides regular reporting on the strategy, market, financial and risk development, the transition of the adopted 2015 budget and of the medium-term planning from 2016 to 2020 to the new group structure after implementing the approved transactions constituted a central subject of the meeting on 11 December 2014. In this context, a new performance indicator for corporate control and target review was also acknowledged. Furthermore, the Supervisory Board adopted the target agreements proposed by the Personnel Committee for the members of the Management Board for the year 2015 and adopted a resolution to temporarily assume rent expenses as well as the relocation costs for the future member of the Management Board, Dr Egbert Laege. With regard to affiliated companies of EEX, the Supervisory Board approved amendments of the statutes of EPD and EGEX. Moreover, it adopted the resolution to recommend to the Annual General Meeting that EEX be authorised to acquire own shares.

AUDIT OF THE ANNUAL ACCOUNTS

The Management Board prepared the annual financial statement and the management report as well as the consolidated financial statement and the consolidated management report of EEX and submitted these to the Supervisory Board in due time.

KPMG AG Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, which was appointed as the auditor of the annual accounts and group auditor for the financial year 2014 by the Annual General Meeting, audited the annual financial statement as of 31 December 2014 prepared according to the rules of the German Commercial Code (HGB) and the appertaining management report (as well as the consolidated financial statement as of 31 December 2014) prepared according to IFRS in the version in which these have to be applied within the EU and the appertaining consolidated management report and certified each of these without qualification.

The auditor of the annual accounts submitted his reports on the type and extent as well as the result of the audits to the Supervisory Board. The documents regarding the financial statement referred to, as well as the audit reports provided by the auditors of the annual accounts, were submitted to all members of the Supervisory Board by the due date. The auditor of the annual accounts attended the meeting of the Supervisory Board on 14 April 2015 and comprehensively reported on the essential audit findings.

The Supervisory Board examined the annual financial statement, the management report as well as the consolidated financial statement and the consolidated management report. As there were no objections, the result of the audit conducted by the auditor of the annual accounts was approved. The Supervisory Board approved the annual financial statement prepared by the Management Board as well as the consolidated financial statement for the financial year 2014. EEX's annual financial statement is, therefore, adopted. The Supervisory Board approved the Management Board's proposal regarding the appropriation of the balance sheet profit.

PERSONNEL MATTERS OF THE MANAGEMENT BOARD

There were no changes in the staffing of the EEX Management Board in 2014.

Jean-François Conil-Lacoste, Dr Egbert Laege and Dr Dr Tobias Paulun were appointed further members of the Management Board with effect as of 1 January 2015.

PERSONNEL MATTERS OF THE SUPERVISORY BOARD

The following members left the EEX Supervisory Board as of the end of the regular term of office on 5 June 2014:

› Edward Backes, Head of Department Market Supervision Trading and Clearing, Deutsche Börse AG, Eschborn
› Ulrich Kastner, Management Consultant, UKC GmbH, Munich
› Dr Stefan Mai, Executive Director, Eurex Frankfurt AG, Eschborn
› Dr Dirk Mausbeck, Member of the Management Board, EnBW Energie Baden-Württemberg AG, Karlsruhe
› Marc Reiffers, Chief Operating Officer, Enovos Luxembourg S.A., Strassen/Luxembourg
› Dr Hans-Jürgen Witschke, Chairman of the Board, DB Energie GmbH, Frankfurt/Main

The following members of the Supervisory Board were elected as new members at the Annual General Meeting on 5 June 2014 or delegated as new members of the Supervisory Board by EEX shareholders with effect as of 5 June 2014:

› Dr Dirk Biermann, Managing Director, 50Hertz Transmission GmbH, Berlin
› Pierre Bornard, Vice Chairman of the Executive Board, RTE-Réseau de Transport d'Electricité, Paris/France
› Ulf Heitmüller, Head of the Trading Department, EnBW Energie Baden-Württemberg AG, Karlsruhe
› Mike Lockett, Director of Power Dispatch & Real-Time Trading, E.ON Global Commodities SE, Düsseldorf
› Klaus Rohatsch, Member of the Management Team, EDF SA, Cattenom/France
› Marco Steeg, Head of Financial Accounting & Controlling, Deutsche Börse AG, Eschborn

In connection with his appointment as a member of the EEX Management Board, Dr Egbert Laege resigned from his position on the Supervisory Board with effect as of 12 December 2014.

Heike Eckert, Management Board member of Eurex Clearing AG, was delegated to the EEX Supervisory Board with effect as of 1 January 2015.

REPORT ON EVENTS AFTER THE END OF THE REPORTING PERIOD

Roland Werner resigned from his position as a member of EEX's Supervisory Board as of 31 March 2015. As successor, State Secretary Dr Hartmut Mangold was appointed with effect as of 1 April 2015.

The Supervisory Board would like to thank the members of the Management Board and all staff members of European Energy Exchange AG for the work they performed during the year under review – they made a significant contribution to EEX's success during this particularly successful financial year.

Leipzig, April 2015
On behalf of the Supervisory Board

Dr Jürgen Kroneberg
Chairman of the Supervisory Board

EEX AT A GLANCE

EEX Group provides the central market platform for energy, energy-related and commodity products and access to a network of more than 350 trading participants. The Group's offerings extend to contracts for energy, environmental products, freight rates, metals and agricultural products listed on the European Energy Exchange (EEX), EPEX SPOT, Powernext, Cleartrade Exchange (CLTX) as well as Gaspoint Nordic. Clearing and settlement of all transactions concluded or registered on the exchanges are provided by the European Commodity Clearing, the Group's central clearing house. EEX Group has its headquarters in Leipzig and is present at eleven locations with more than 300 employees.

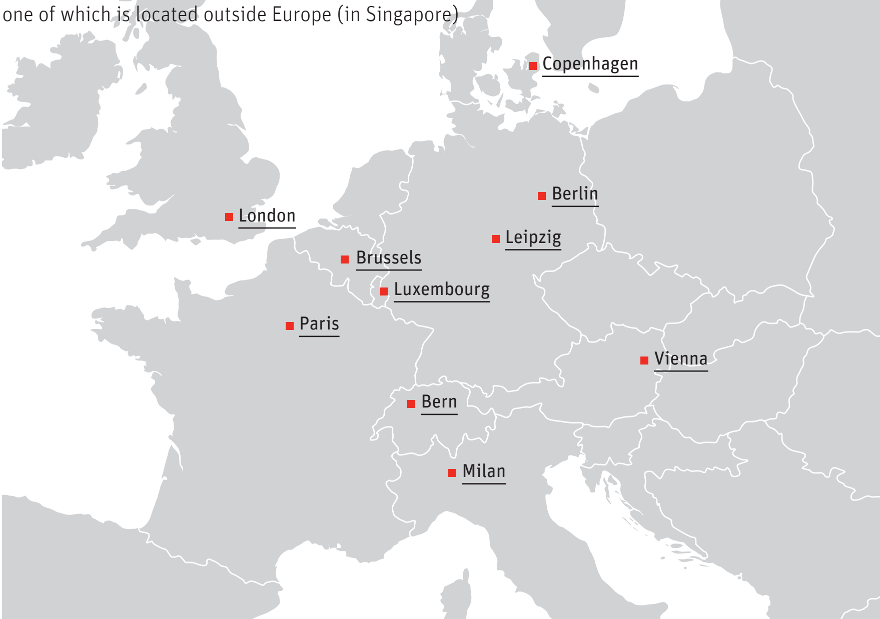
MEMBERS OF EEX GROUP

eex | powernext – Powering the next markets | EPEXSPOT | PEGAS
ECC European Commodity Clearing | CLTX | GASPOINT NORDIC

EEX GROUP LOCATIONS

EEX Group is present at eleven locations

one of which is located outside Europe (in Singapore)



MANAGEMENT BOARD OF EEX

Members

Peter Reitz Chief Executive Officer	Member since 1 August 2011
Jean-François Conil-Lacoste Executive Director Power Spot Markets	Member since 1 January 2015
Steffen Köhler Chief Operating Officer	Member since 1 March 2012
Dr Egbert Laege Executive Director Gas Markets	Member since 1 January 2015
Dr Dr Tobias Paulun Chief Strategy Officer	Member since 1 January 2015
Dr Thomas Siegl Chief Risk Officer	Member since 1 September 2012
Iris Weidinger Chief Financial Officer	Member since 15 August 2008

SHAREHOLDERS OF EEX

Shareholders

Share ownership %		Share ownership %	
Eurex Zürich AG	62.82	Edison S.p.A.	0.76
LVV Leipziger Versorgungs- und Verkehrsgesellschaft mbH	7.38	EDF Électricité de France	0.67
Free State of Saxony	4.51	VERBUND Trading GmbH	0.67
Alpiq AG	4.50	DB Energie GmbH	0.50
RWE Beteiligungsgesellschaft mbH	4.35	e&t Energie Handelsgesellschaft m.b.H.	0.50
50Hertz Transmission GmbH	4.31	Iberdrola Generación España, S.A.U.	0.50
E.ON Global Commodities SE	3.48	Morgan Stanley Capital Group Inc.	0.50
EnBW Energie Baden-Württemberg AG	3.30	SWU Energie GmbH	0.25
MVV Energie AG	0.99	City of Leipzig	0.01

EEX'S TASK UNDER PUBLIC LEGISLATION

The European Energy Exchange (EEX) is an exchange with spot and derivatives markets for energy and related products, which is approved and supervised by the government. The German legal system differentiates between the company operating the exchange – which, in the case of EEX, is a joint-stock corporation – and the exchange itself, which is directly subject to public legislation. The exchange under public law has the task of operating an exchange market platform.

As an exchange under public legislation, EEX is comprised of various bodies which all, each in their own way, contribute to making EEX a secure and trustworthy market in accordance with the provisions of the German Exchange Act (Börsengesetz). The exchange bodies include the Management Board of the Exchange, the Exchange Council, the Market Surveillance and the Sanctions Committee.

MANAGEMENT BOARD OF THE EXCHANGE

The **Management Board of the Exchange** manages the business operations of the exchange on its own responsibility. It decides on all matters of current exchange operations. Decisions on admitting and suspending exchange participants, traders or market makers, the specification of the exchange trading days and trading hours as well as, finally, the specifications of the products which can be traded on the exchange can be cited as typical examples of the large number of different tasks it carries out.

EXCHANGE COUNCIL

The **Exchange Council** is involved in all essential decisions regarding the further development of the exchange. It consists of a total of 24 members who expertly represent the various relevant interest groups and business circles: In addition to the trading participants (who are represented by 19 elected members from five different voting groups), four representatives from relevant industry associations and one representative from the academic energy science field are members. The Exchange Council above all adopts the rules and regulations of the exchange, as well as amendments to these.

MARKET SURVEILLANCE

In addition to transparency, the trust which the public and the trading participants place in the market and its pricing mechanism constitutes the precondition for the successful functioning of an exchange. Therefore, it has to be ensured at all times that trading and pricing are effected fairly and without manipulation. At EEX, the **Market Surveillance** department assumes this task. The Market Surveillance is an independent and autonomous body of the exchange which is only subject to instructions by the Exchange Supervisory Authority.

SANCTIONS COMMITTEE

The **Sanctions Committee** is EEX's youngest exchange body. An ordinance by the Saxon Ministry of Economic Affairs and Labour of 19 January 2009 paved the way for it being set up. According to the Exchange Act, the Sanctions Committee can penalise a trading participant with a warning, a fine of up to EUR 250,000 or exclusion from the exchange if the trading participant violates regulatory provisions under exchange legislation.

Members of the Exchange Council as of 31 December 2014

Peter Heydecker (Chairman) Head of Origination Gas & Power Vitol S.A.	**Dr Christoph Jansen** Head of Energy Procurement ThyssenKrupp Steel Europe AG
Pierre Chevalier (Deputy Chairman) Head of Energy Price Risk Management, Energy Trading DB Energie GmbH	**Prof. Dr Albert Moser** Professor RWTH Aachen
Dr Michael Redanz (Deputy Chairman) Managing Director MVV Trading GmbH	**Edgar Röck** Head of Portfolio Management and Trading TIWAG – Tiroler Wasserkraft AG
Dr Bernhard Walter (Deputy Chairman) Senior Manager Market Design & Regulatory Affairs EnBW Energie Baden-Württemberg AG	**Dr Heiko Sanders** Chief Financial Officer EWE Aktiengesellschaft
Nicolas Barbannaud Head of Power Regulation (Europe) and Gas (France) EDF Trading Limited	**Dr Peter Sentker** Head of Purchasing, Germany HeidelbergCement AG
Paul Dawson Head of Market Design & Regulatory Affairs RWE Supply & Trading GmbH	**Andrea Vittorio Siri** Head of Power Origination for Continental Europe Edison Trading S.p.A.
Werner Fleischer Member of the Management Board Verbund Trading GmbH	**Christophe Solere** Head of European Energy Trading Susquehanna Ireland Ltd.
Pierre Guesry Head of Asset Optimisation Alpiq AG	**Dr-Ing. Anke Tuschek** Member of the General Executive Management Board BDEW – German Association of Energy and Water Industries, registered association
Dr Jan Haizmann Chairman EFET Legal Committee | Member of the EFET Board | Director EU Liaison Office EFET – European Federation of Energy Traders	**Vincent van Lith** Head of Energy Listed Derivatives Deutsche Bank AG
Ralf Henze Head of Energy Trading Stadtwerke Hannover AG	**Dr Wolf B. von Bernuth** Managing Partner Energy & More Energiebroker GmbH und Co. KG
Nicole Hildebrand Vice President Commodities Morgan Stanley	**Leonardo Zanella** Head of Trading (Senior Vice President) Enel Trade S.p.A.

Two seats on the Exchange Council were vacant at the end of the year.

EEX GROUP'S PRODUCT PORTFOLIO

In principle, we differentiate between two markets: the **spot market** and the **derivatives market**. Trading transactions concluded on the spot market are physically settled, at the latest, two days after concluding the transaction. As a result, the spot market is used for the short-term optimisation of procurement and sales on the market.

Trading transactions concluded on the derivatives market are settled physically or financially at a later time agreed in advance. As a result, trading on the derivatives market can be used to optimise portfolios in the medium to long term. On the EEX derivatives market, trading participants can hedge against risks of price change up to six years in advance.

In addition to exchange trading, transactions can also be registered for clearing. With the help of the so-called **trade registration**, trading participants can also register transactions concluded off the exchange (OTC transactions) on the exchange – with ECC assuming clearing and settlement in this case. The participants benefit from standardised processes as well as hedging against payment and delivery defaults.

ENERGY

Power

The power spot market for Germany, France, Austria and Switzerland is operated by EPEX SPOT. Power products which are settled on the same day (intraday) or on the following day (day-ahead) can be traded. Financially settled futures for the market areas of Germany, France, Italy, Spain, Switzerland and the Nordic countries can be traded on the EEX derivatives market. This offer is rounded off by physically settled power futures for the market areas of the Netherlands and Belgium and by trade registration services for other market areas.

Natural gas

The natural gas spot and derivatives markets are operated by Powernext under the "PEGAS" brand. The trading platform covers spot and derivatives market products for the gas market areas in Germany (GASPOOL and NCG), France (PEG Nord, TRS), the Netherlands (TTF), Belgium (ZTP and ZEE) as well as Italy (PSV) and the United Kingdom (NBP). Moreover, Gaspoint Nordic operates exchange trading for the Danish gas market within EEX Group.

Coal

On the derivatives market, EEX offers exchange trading and trade registration of financially settled coal futures for the delivery points of Amsterdam-Rotterdam-Antwerp and Richards Bay.

Oil

EEX offers trading participants the possibility of trade registration for derivatives contracts linked to the Brent 901 oil price formula.

ENVIRONMENTAL PRODUCTS

Emission allowances

On the spot market, EEX offers trading in EU allowances (EUA), EU aviation allowances (EUAA) as well as certified emission reductions (CER). On the derivatives market, trading participants can trade in EUA, EUAA and CER futures. In addition to continuous trading on the secondary market, EEX carries out primary market auctions for emission allowances (EUA and EUAA) for 27 EU member states.

Guarantees of origin

Guarantees of origin are certificates which confirm that a given megawatt hour of power has been generated from renewable resources. On the EEX derivatives market, guarantees of origin are traded for hydroelectric power from Scandinavia (Nordic Hydro) and the alpine region. Furthermore, guarantees of origin for wind power from the North Sea region (Central Northern Europe Wind) are also available.

FREIGHT RATES

Cleartrade Exchange (CLTX) with registered offices in Singapore has been a member of EEX Group since 2014 and has its roots in the Asian market. CLTX is a regulated derivatives market and offers an electronic market platform for freight, iron ore, marine fuel and fertilisers.

Freight

In cooperation with CLTX, EEX permits the trade registration of freight rates (so-called forward freight agreements). These derivatives contracts permit hedging volatile prices for freight rates of various types of ships and sea trade routes.

METALS

Iron ore

In cooperation with CLTX, EEX will also offer a future on iron ore. The Iron Ore 62% Fe CRF Tianjin contract will be offered for trade registration.

AGRICULTURAL PRODUCTS

Starting in May 2015, EEX will take over the market for agricultural index futures of Eurex Exchange.

Dairy, potato and meat futures

The offer for the dairy market comprises financially settled futures on butter, skimmed milk powder and whey powder. In addition, EEX also offers futures on European processing potatoes and futures on piglets and hogs. These products are available both for exchange trading and trade registration.

Futures on fertilisers

In cooperation with CLTX, EEX offers financially settled futures on fertilisers for trade registration. The product portfolio comprises six derivatives contracts for fertilisers based on urea, DAP (diammonium phosphate) and UAN (urea ammonium nitrate) for various points of delivery in the USA, Europe and North Africa.

TRADING PARTICIPANTS

247 participants from 24 countries trade on EEX

one of these is based outside Europe (USA)

EEX has an extensive and diversified network of trading participants. On 31 December 2014, 247 trading participants from 24 countries, including energy utilities, municipal utilities, industrial enterprises, energy traders, brokers and banks, were eligible for trading on the exchange.

In total, EEX Group (including EPEX SPOT, Powernext, CLTX and Gaspoint Nordic) brings together more than 350 trading participants from 32 countries.

Consolidated MANAGEMENT REPORT

FOR THE 2014 FINANCIAL YEAR

1 BASICS REGARDING THE GROUP

EEX has evolved from a pure power exchange into a leading trading platform for energy and related products

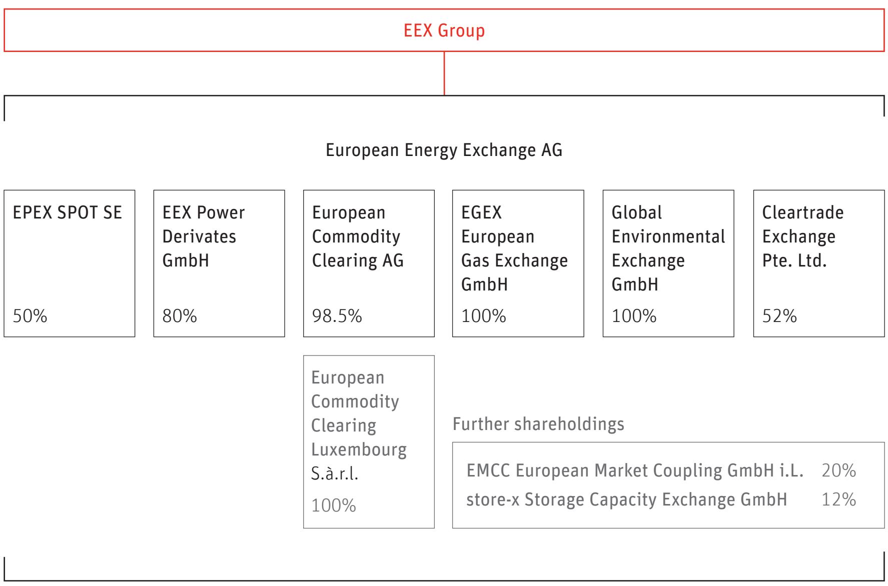
BUSINESS ACTIVITIES AND GROUP STRUCTURE

The European Energy Exchange AG (EEX), with its registered office in Leipzig, is Europe's leading energy exchange. It was established in 2002 as a result of the merger of the two German power exchanges in Frankfurt/Main and Leipzig. Since then, it has evolved from a pure power exchange into a leading trading platform for energy and related products with international partnerships. On 31 December 2014, EEX Group had offices in Berlin, Brussels, Milan, Leipzig, London, Luxembourg, Paris and Singapore and employed 191 staff members in total.

EEX develops, operates and networks secure, liquid and transparent markets for energy and related products. On these markets, power, natural gas, CO_2 emission allowances, coal, guarantees of origin and the Brent 901 oil price formula can be traded. Moreover, EEX offers trading on the markets for freight, iron ore, marine fuel and fertilisers in the context of its majority shareholding in Cleartrade Exchange Pte. Ltd. (CLTX). The clearing and settlement of all transactions are provided by the European Commodity Clearing AG (ECC) clearing house. EEX is a member of Eurex Group.

In addition to EEX, ECC and CLTX, European Commodity Clearing Luxembourg S.à.r.l. (ECC Lux), EEX Power Derivatives GmbH, EGEX European Gas Exchange GmbH (EGEX), Global Environmental Exchange GmbH (GEEX) as well as the EPEX SPOT SE (EPEX SPOT) Joint venture are members of EEX Group. The chart below provides an overview of the group structure and EEX Group's ownership structure as of 31 December 2014:

Group structure



EEX continues to rely on cooperations to operate flexibly on the market.

EEX Group relies on a business model which achieves enhanced flexibility, increased market coverage and increased volumes, e.g. through targeted spin-offs and partnerships. Because of these consistently expanding cooperations, EEX makes a decisive contribution to the integration of the European energy markets. The flexible structure, consisting of companies for different markets with sites in different countries, ensures close contact with the market as well as optimum support provided locally to customers.

EEX operates derivatives trading in coal and guarantees of origin, as well as futures on the Brent 901 oil price formula. It provides training services, operates a transparency platform for fundamental data, offers information products covering trading and fundamental data and provides a technical application landscape for all customers of EEX Group. Furthermore, it also acts as a service provider in the field of business management for its subsidiaries.

EEX holds 50 percent of the shares in EPEX SPOT, which operates the power spot market for Germany, France, Austria and Switzerland. The power derivatives market is concentrated within EEX Power Derivatives GmbH, an 80-percent subsidiary of EEX with registered offices in Leipzig.

Moreover, with ECC, EEX Group also has a clearing house which operates throughout Europe and whose range of services comprises clearing and settlement for exchange transactions and transactions registered for clearing on the connected exchanges. The delivery transactions are settled by ECC Lux, a subsidiary of ECC. EEX holds 98.5 percent of the shares in ECC.

The natural gas spot and derivatives markets are operated by the wholly-owned subsidiaries EGEX and GEEX.

In the financial year 2013, EEX acquired 43.7 percent of the shares in the Singapore-based CLTX. As a result of a capital increase during the financial year 2014, EEX now holds 52 percent of the shares in CLTX. CLTX is a derivatives market which is regulated by the Singaporean supervisory authority and offers a global electronic market platform for commodity transactions and commodity derivatives for freight, iron ore, marine diesel oils, fertiliser, coal, steel and container contracts.

European Market Coupling Company GmbH i.L. (EMCC), which ECC holds 20 percent of, performs market coupling for power transmission between the Central Western Europe (CWE) region and Scandinavia. As a result of the NWE market coupling launch, EMCC discontinued its operations in 2014 and is, therefore being liquidated as of the balance sheet date.

In addition, EEX holds an equity interest of 12 percent in store-x Storage Capacity Exchange GmbH (store-x), an online platform for trading in storage capacities for natural gas.

CORPORATE MANAGEMENT

As a German public limited company, EEX incorporates various internal statutory bodies and functions – the Annual General Meeting, the Supervisory Board and the Management Board, each with their own competences.

Because of consistently expanding cooperations, EEX makes a decisive contribution to the integration of European energy markets

With ECC, EEX Group also has a clearing house which operates throughout Europe

At the Annual General Meeting, the members of the Supervisory Board are appointed, resolutions are adopted approving the activities of the Management Board and of the Supervisory Board and decisions are made on the disposal of the balance sheet profit.

The Supervisory Board appoints, monitors and advises the Management Board and is directly involved in decisions which are of fundamental importance to the company. Moreover, it adopts the annual financial statement prepared by the Management Board. At present, the Supervisory Board has 18 members, each with a term in office of three years. In 2014, the elections for the Supervisory Board were held as scheduled.

The Management Board manages the company and is coordinated by the Chief Executive Officer (CEO). The CEO represents the company in the public sphere and also has a leading role in verbal and written communications with the Supervisory Board.

The "one-stop-shop" business model provides all services from a single source

On 31 December 2014, the EEX Management Board consisted of four members: In addition to the Chief Executive Officer (CEO), a Chief Financial Officer (CFO), a Chief Operations Officer (COO, with responsibility for internal processes, IT and sales) and a Chief Risk Officer are in charge of the company's operations. In 2014, the Management Boards of EEX and ECC were identical with regard to their membership. In October 2014, the Supervisory Board approved an expansion of the EEX Management Board to seven members as of 1 January 2015.

EEX has four executive bodies: an Exchange Council, a Management Board, a Market Surveillance and a Sanctions Committee

As an exchange under the German Exchange Act, the European Energy Exchange has an Exchange Council, a Management Board of the Exchange, a Market Surveillance and a Sanctions Committee as bodies of the exchange. The Exchange Council represents the trading participants' interests and is involved in all fundamental decisions of the exchange. Its tasks include, in particular, the adoption of rules and regulations of the exchange. The Exchange Council is also tasked with appointing and supervising the Management Board of the Exchange Operating Board and with appointing the Head of Market Surveillance. It consists of 24 members, 19 of whom are elected directly by the trading participants. In addition, four associations delegate one representative each to the Exchange Council. One representative from the field of energy science is elected by the Exchange Council. On 31 December 2014, the Management Board of the Exchange had the following composition: the Chief Operating Officer, the Director Strategy & Market Design and the Head of Sales Power, Environmental Markets, Training & Education at EEX.

STRATEGY AND GROUP MANAGEMENT

STRATEGY

In recent years, EEX Group has established a position for itself as Europe's integrated energy exchange. This position is based on a "one-stop-shop" business model under which customers are offered efficient and cost-effective services in the fields of trading, clearing and settlement as well as market data services – all from a single source. These services are offered in the asset classes of power, natural gas, emission allowances, coal, guarantees of origin for green power, as well as futures on the Brent 901 oil price formula. In the context of the majority shareholding in CLTX, these services are also provided for freight, iron ore, marine fuel, fertiliser, steel and containers.

In 2014, trading volumes within the power segment rose significantly as against the previous year.

The EEX growth strategy pursues three aims:
› Growth in existing markets
› Gradual expansion of the geographical reach
› Continuation of the diversification strategy and growth in new fields of business

In the future, EEX will continue to rely on the concurrent and reinforced development of energy trading in the strategic business fields referred to above. In addition to the continuous expansion of these markets, EEX focuses, in particular, on developing trading in new commodities. In 2014, the integration of CLTX into EEX Group constituted an important step in this direction as it enabled EEX to expand its product and service offering globally by establishing a presence in new markets and in new products – as a supplement to the existing portfolio. Moreover, the agriculturals business of Eurex Frankfurt AG (Eurex) will be taken over and, in addition, clearing services for pulp and recycled paper will be offered in the forthcoming year. Furthermore, the activities of EEX focus on expanding its service offering, the accelerated expansion of technical capacity for the customers, constantly optimising the IT processes and the IT infrastructure, as well as increasing the geographic reach – as well as acquiring new partners.

Within the power segments, the EEX markets are to develop into clear reference markets throughout Europe. In 2014, trading volumes rose significantly as against the previous year. On the power derivatives market, a new all-time monthly record was reached in December – at more than 200 TWh. The power spot markets also reached new record volumes in December. The product portfolio on the derivatives market was very successfully enhanced with order book trading in Italian futures. Moreover, the initiative for introducing products for trade registration (i.e. the offer for registering over-the-counter products on the exchange), which was begun in 2012, was continued in 2014. Financially settled power derivatives contracts for the Spanish and Greek market were introduced, for example. Moreover, further order books and contracts for existing market areas are scheduled to be introduced in 2015.

Within the natural gas segment, EEX further expanded the pan-European trading platform – a collaboration between EEX and the French Powernext SA (Powernext) – in 2014. For example, the product offering was expanded with spot and derivatives contracts for the Belgian ZTP market area, as well as further spread functionalities. As a result, trading on EEX ensures access to the most important European gas markets, with trading being possible around the clock on the spot market.

As a result of its international network and the connected partner exchanges, the clearing subsidiary ECC has become the leading European clearing house for energy and related products. In cooperation with its partner exchanges, ECC is expanding its position, e.g. by widening its product and market coverage. Furthermore, ECC aims to increase the international coverage of its clearing service by connecting further partner exchanges, for instance by expanding the trade registration clearing offering and further developing and simplifying clearing services.

Within the transparency/information products segment, the publication of fundamental data on the "Transparency in Energy Markets" platform is to be expanded and the existing portfolio of information products is

›200 TWh

New all-time monthly record
on the power derivatives market

to be gradually expanded within the framework of the European Regulation on Wholesale Energy Market Integrity and Transparency (REMIT), services for forwarding of data are to be established and the existing portfolio of information products is to be enhanced and made more flexible on a step-by-step basis.

In a difficult market environment (which continues to be shaped by structural change in the power market), with persistent uncertainties on the market because of the Ukraine and euro crises and unresolved regulatory questions, EEX proceeded to successfully promote its diversification strategy in the 2014 financial year. For example, the natural gas business field as well as power trading – in particular, in the German core business as well as in new geographical markets – and the clearing cooperations were successfully developed further.

EEX will become the majority shareholder of Powernext as a result of a share swap

As of 1 January 2015, EEX will become the majority shareholder of Powernext as a result of a share swap with the HGRT consortium, which comprises several transmission system operators. The current majority shareholder of Powernext, HGRT will receive a share in EPEX SPOT, which, in turn, is closely connected with HGRT activities. The aim of the transaction is to align the ownership structure of Powernext and EPEX SPOT to the strategic aims of its shareholders. The transaction enables EEX to integrate both EPEX SPOT and Powernext into the Group as fully consolidated subsidiaries and to concentrate the entire gas business within Powernext from 1 January 2015. With this step, EEX will strengthen the position of the entire Group as a central market for energy, along with related products and commodities in Europe.

MANAGEMENT CONTROL

EEX Group essentially uses the parameters of EBT, sales revenue and revenue, net revenue, costs and the annual net profit for controlling the Group. The corresponding values for 2014 are explained below in chapter 4. In addition to financial targets, EEX focuses on further aspects of sustainability. In the field of ecological sustainability, this e.g. includes conserving and reusing resources. Moreover, sponsoring regional and charitable projects is part of EEX's social responsibility activities.

Revenue has a decisive influence on EBT. It consists of transaction fees, other income, income from investments and the other operating income, as well as the financial result.

As regards expenditure – the second dimension which is relevant with regard to the EBT – we differentiate between variable and fixed expenses. Variable expenses include costs which correlate to the amount of the transaction fees, e.g. sales-related system expenses for Deutsche Börse AG (DB AG) and reimbursements for market maker and broker. Fixed expenses include the other system expenses, personnel costs, depreciation and other operating expenses (see chapter 4 below for details).

Approximately 75 percent of the total costs of EEX Group are fixed costs (2013: 78 percent). Because of economies of scale and scope, the Group can settle additional trading volumes without a significant increase in costs. Nonetheless, a decline in trading volumes would have a direct effect on the Group's profitability. As a result, volume-dependent expenses account for approximately 25 percent of the total costs of EEX Group.

INTERNAL CONTROL SYSTEM (ICS)

With its Internal Control System (ICS), EEX Group has a management instrument for ensuring process reliability which indirectly helps to attain the corporate aims. The ICS comprises the principles, procedures and measures which the organisational units of EEX have implemented within their business processes. In order to ensure a proper execution of the business processes and business activities and to prevent errors or irregularities and/or to detect such in due time, for instance the following protection and control measures have been implemented at EEX: separation of incompatible tasks, principle of dual control, approval processes, access and admission restrictions, job descriptions, documentation of processes in work instructions and checklists, staff training courses, and signature guidelines. The rules and regulations are regularly reviewed and modified as required to ensure that they are up to date.

As an outsourced and independent unit within EEX Group, the Internal Auditing department carries out risk-oriented and process-independent controls to check the adequacy and effectiveness of the ICS. The Management Board and the Supervisory Board are informed of the audit result. Furthermore, operational events and risks (i.e. failure of business processes on account of inadequate process design, human errors and IT errors, or mistakes made by external service providers) are centrally recorded and analysed regularly to identify weaknesses within the ICS – and measures are suggested to remedy these. Critical and important operational events are regularly reported to the Management Board and the Supervisory Board – and, if required, this will also be done ad hoc (cf. chapter 6 below, “Risk management”).

With its Internal Control System (ICS), EEX has a management instrument for ensuring process reliability which indirectly helps to attain the corporate aims

2 ECONOMIC SITUATION

MACROECONOMIC AND INDUSTRY-SPECIFIC FRAMEWORK CONDITIONS

The macroeconomic and industry-specific framework conditions which are decisive for the business activities of the companies within EEX Group and, in particular, for the development of the transaction volumes, are briefly outlined below.

GROWING RENEWABLES – ENERGY CONSUMPTION AND POWER GENERATION DECLINE

In 2014, renewable energies decisively influenced the development on the German power market

In 2014, renewable energies again decisively influenced the development on the German power market. With a share of 27 percent in German power consumption, they have now replaced lignite as the most important source of energy in the German power mix.

According to calculations by the Working Group on Energy Balances, primary energy consumption in Germany declined by 5 percent in the first half of 2014 as against the previous year. This was among others due to the mild weather. According to the projections by the Working Group on Energy Balances, the decline in primary energy consumption is associated with a 5-percent decline in CO_2 emissions.

At 610 TWh, BDEW, the German Association of Energy and Water Industries, expects a decline in gross power generation (2013: 633 TWh). The amount of trading volumes on the exchange power market is e.g. influenced by power generation and the physical consumption of power as a part of primary energy consumption.

The energy turnaround again had significant influence on the development of prices on the power markets in 2014. For example, under its influence the exchange prices for power in the German market area continued to decline. On the EPEX SPOT day-ahead market, the average hourly price declined by approximately 13 percent as against the previous year (from EUR 37.78 per MWh in 2013 to EUR 32.76 per MWh in 2014). On the EEX derivatives market, the price for the annual delivery of power for the respective next calendar year declined by approximately 10 percent from an average of EUR 39.08 per MWh in 2013 for the calendar year 2014 to EUR 35.09 per MWh in 2014 for the calendar year 2015.

NATURAL GAS CONSUMPTION ALSO DECLINING

With its share of 20 percent in primary energy consumption, natural gas was again one of the most important energy sources in Germany in 2014. Nonetheless, BDEW expects a 14-percent decline in the German consumption of natural gas as against 2013. This is essentially due to the field of electricity generation from natural gas, which is expected to decline by approximately 20 percent as a result of the displacement of gas-fired power plants by renewable energies, and the mild weather.

In addition, new extraction technologies (shale gas production) as well as the geopolitical tensions between Europe and Russia decisively influenced the German and European gas market.

The primary energy consumption in Germany is declining.

INCONSISTENT DEVELOPMENT OF ENERGY AND COMMODITY PRICES

Starting at EUR 36.01 per MWh, the price for Phelix baseload year futures for the 2015 front year on the power derivatives market initially rose to EUR 36.90 per MWh in February and closed the year at EUR 34.18 per MWh. With fluctuations of up to 13 percent during the year, 2014 proved to be less volatile than the previous year (33 percent).

Starting at EUR 28.02 per MWh in January, the monthly EGIX gas price index fell to EUR 16.69 per MWh in August. At the end of the year, the gas price rallied again and reached a level of EUR 23.36 per MWh.

The prices for emission certificates are still at a low level; however, they increased in the course of 2014. Starting at EUR 4.65 per t CO_2, the price briefly rose to EUR 7.10 per t CO_2 in February. After yet another decline to EUR 4.17 per t CO_2 in March, the price recovered and closed the year at EUR 6.93 per t CO_2. In January 2014, the EU member states adopted the so-called "back-loading" to stabilise the market by tightening the supply of CO_2 certificates. This, for example, led to the significant price fluctuations observed at the beginning of the year. In addition, the long-term reform of EU emissions trading will also decisively influence developments on the market.

After an annual high of USD 115.61 per barrel (Brent type) in June, the oil price halved to USD 57.61 per barrel (Brent type) by the end of the year. The rise in oil production by Saudi Arabia, in particular in response to shale oil production by the USA, and the resulting pricing contest led to this massive price slump.

The effects of the framework conditions on the development of business in the respective divisions for 2014 are described in chapter 3 below, while the effects on the future development of business are outlined in chapter 8.

INCREASING REGULATION INFLUENCES DEVELOPMENTS ON THE MARKET

In 2014, the energy markets were again shaped by discussions on current and new regulatory interventions. The following projects have the highest relevance for energy trading:

› Design of the revised EU Markets in Financial Instruments Directive (MiFID II, for short) and of the appertaining EU MiFIR Regulation
› Discussion regarding a financial transaction tax and the possible inclusion of derivatives trading
› Discussion of the power market design with regard to the introduction of a capacity mechanism for conventional power plants
› Discussion regarding the division of the German-Austrian price zone into several small market areas as a result of grid bottlenecks and insufficient grid expansion

MiFID II is designed to revise the regulation of financial instruments. However, the definition of financial instruments according to MiFID II provides for exceptions for certain energy derivatives, depending on the trading platform. This could place over-the-counter platforms at a disadvantage compared to exchange trading platforms. Details still have to be published by the European Securities and Markets Authority (ESMA) in the framework of technical standards.

Initially, the monthly EGIX gas price index recorded a significant price decline, but at the end of the year the gas price rallied again

After an annual high of USD 115.61 per barrel (Brent type) in June, the oil price halved to USD 57.61 per barrel (Brent type) by the end of the year

The European energy markets are still characterised by heavy regulation.

Regulatory projects and, in particular, the current uncertainty regarding their exact form influence the trading participants' activities

Furthermore, the introduction of a financial transaction tax in individual EU member states may also have a lastingly negative impact on derivatives trading and lead to a shift in trading to trading platforms in countries unaffected by such a tax. The question as to whether a financial transaction tax shall be introduced and whether it will include derivatives is still the subject of political discussions.

Changes to the power market design as a result of political or regulatory decisions can have an impact on the importance of the exchange price signal and, as a result, also lead to a decline in liquidity on the energy markets. This includes, in particular, the need for establishing a capacity mechanism to finance the provision of conventional power plants, in addition to the existing power market (energy-only market). Moreover, the reduction of the market area sizes due to grid bottlenecks and insufficient grid expansion (which is currently being discussed) would also have a negative impact on the power trading markets.

The regulatory projects and, in particular, the current uncertainty regarding their exact form influence the trading participants' activities and sometimes lead to delayed decisions and lower trading activities. The specific effects of the individual regulatory measures on EEX are explained in detail under "Risks" in chapter 8 below.

3 DEVELOPMENT OF BUSINESS

In spite of the difficult market environment, the profound structural changes in the power market and the continuing uncertainty on the market because of the Ukraine and euro crises, as well as unresolved questions of regulation, EEX successfully continued its growth strategy in the 2014 financial year. This growth was primarily driven by the natural gas spot markets, which achieved three-digit growth rates. Moreover, the power markets and clearing cooperations also generated significant growth. The previous year's forecasts were partly significantly exceeded in this respect.

POWER

EEX further expanded its position in continental European power trading and in the cleared OTC segment in 2014 and, moreover, it also succeeded in enhancing its position as regards the competition, in particular in trading on the German power market. In addition to other European energy exchanges, the principal competitors of EEX Group include, in particular, brokers and non-regulated trading platforms. On the German power derivatives market (which declined overall by 13 percent), EEX was able to further increase its trading volume (by 10 percent). As a result, the market share of the trading volumes settled through EEX and ECC in the overall market increased to, on average, 25 percent from an average of 20 percent in 2013. This is essentially due to the improved quality of the order book as a result of closer spreads (i.e. the spread between the bid and ask prices offered in the order book) as well as EEX's improved technical infrastructure and improved connectivity. In combination with the further development of the services offered by EEX and ECC, the higher basic liquidity resulting from this led to these gains in market share. Nonetheless, the majority of trades are still concluded off the exchange and settled bilaterally between the trading participants.

The transaction fees for trading, clearing and settlement on the power spot and derivatives markets still form the main source of revenue within EEX Group. In 2014, this business field accounted for 64 percent of the sales revenue (2013: 64 percent).

POWER DERIVATIVES MARKET

Compared with the previous year, the trading volumes on the EEX power derivatives market increased significantly by 24 percent. In December, a new all-time monthly record was reached at, in total, 205.1 TWh. In addition to further developments of the technical infrastructure, it was, first and foremost, the improved quality of the order book (closer spreads) as well as the increased relevance of credit risks for trading participants and, as a result, the need for trades to be settled through the exchange or a central clearing house which contributed to this. Overall, the power derivatives market within EEX Group accounted for a revenue contribution of 49 percent (2013: 50 percent).

Significant growth on the existing markets in 2014
On the German power derivatives market, exchange trading accounted for 812 TWh in 2014 (2013: 669 TWh). This corresponds to a 21-percent increase compared to the previous year. Trade registration accounted for 557 TWh (2013: 575 TWh) thereof. This corresponds to a decline of 3 percent as against the previous year. As a result, the share of the transactions traded through the exchange in the total volume increased from 54 to 59 percent. This underlines the increasing attractiveness of EEX order book for

812 TWh

of the German power derivatives market volume accounted for exchange trading

83 TWh

Trading volumes on the French power derivatives market increased significantly

the German power derivatives market. This development of trading volumes and liquidity is positive and exceeded expectations by far. At the same time, the share of the German power derivatives market in the total trading volume of the EEX power derivatives market declined from 98 percent in 2013 to 87 percent in 2014. This is due to the strong growth of the other market areas offered by EEX and, as a result, confirms EEX's successful diversification strategy.

The volume traded on the French power derivatives market in France increased significantly, in particular during the second half of 2014, and totalled 83 TWh in that year. This means the trading volume increased by 315 percent compared to 2013 and, as a result, it also significantly exceeded the previous record in 2011. This development is based, in particular, on an amendment of the NOME Act (which requires the sale of generated volumes of nuclear power at a regulated price). An increase in this regulated price in 2014 led to a corresponding decline in power sales at regulated charges. As a result, exchange and trade registration transactions have recently played a more important role again because of their increased competitiveness. Moreover, the volatility of prices on the French derivatives market and, as a result, the demand for risk hedging transactions has increased. In the 2014 financial year, French futures accounted for a share of 5 percent in the total trading volume on the EEX power derivatives market.

EEX successfully establishes a position in the Italian market

In addition to the German and French power derivatives market, trading in Italian power products, in particular, generated an extraordinarily positive development in 2014. In addition to the existing possibility of registering over-the-counter transactions for clearing, exchange trading in Italian power futures was launched in April 2014. Thereafter, EEX evolved into the biggest exchange platform for trading in futures on Italian power within a very short time. This development was also, and in particular, boosted by the establishment of a sales office in Milan. In addition to the attractive product offering and the local sales structure, the increased interest in hedging trading participants' default risks on the Italian market (as well as differences in the price structure compared with other European reference markets) was decisive for the positive development of trading volumes. In addition, EEX was also able to use competitive advantages with regard to price setting and the clearing offering within the Italian market. Overall, a trading volume of 116 TWh was recorded in 2014, which corresponds to a share of 7 percent in the total volume of the EEX power derivatives market. In the previous year, a volume of 1.1 TWh was settled following the launch in October 2013.

Growth in further market areas

Physical futures on Dutch and Belgian power, which were introduced in 2013, also generated significant growth in 2014, albeit at a continuing low level. Overall, a trading volume of 1 TWh was reached in 2014 (2013: 0.1 TWh).

The initiative for introducing products for trade registration (i.e. the offer for the registration of over-the-counter transactions on the exchange), which had been launched in 2012, was continued in 2014. For example, EEX added financially settled power derivatives contracts for the Spanish (in March 2014) and the Greek (in December 2014)

For the markets in Spain, Scandinavia and Switzerland, own order books are to be introduced this year.

market. The offering for the Spanish market, in particular, was welcomed by the trading participants. Furthermore, EEX also offers power derivatives contracts for the Scandinavian, Swiss and Romanian market. In total, a volume of 1.9 TWh was registered on these five markets, with the Spanish market accounting for a predominant share (1.6 TWh) thereof. In 2013, a volume of 0.01 TWh was registered for clearing in this category.

The existing market areas for power are to be developed further in 2015. For example, specific order books are also to be introduced for the markets in Spain, Scandinavia and Switzerland – in line with the very successful introduction in Italy. Additionally, day and weekend futures will be introduced as products for short-term power trading for the high-growth markets in Italy, France and Spain, based on the German model. The German, French and Italian markets are to be connected initially as a result of the implementation of so-called location spreads – i.e. products permitting the trading of price differences between the individual market areas. This is intended to bring EEX yet another step closer to its aim of providing a European reference price for power and attaining the status of the central European energy exchange which is associated with it. Moreover, it promotes liquidity in the respective less-developed market areas.

POWER SPOT MARKET

The power spot markets for Germany, France, Austria and Switzerland (which are concentrated within EPEX SPOT) continued their positive development and grew again in 2014. At 382 TWh, the volume traded on EPEX SPOT increased by 36 TWh as against the previous year (346 TWh). Overall, a clearing volume of 387 TWh (2013: 345 TWh) had an impact on revenue at ECC[1]. In December, a new monthly record was achieved with a trading volume of, in total, 37.2 TWh (impact on revenue at ECC: 37.5 TWh). As a result, the revenue contribution made by clearing of the spot market transactions of EPEX SPOT within the Group accounted for, in total, 15 percent (2013: 14 percent).

Moreover, EPEX has benefited from both the transmission system operator's obligation to market quotas of power from renewable energies on a power exchange. This was established in the framework of the German Renewable Energies Act (EEG), which took effect in 2010, and is specified in more detail in the Ordinance on a Nationwide Equalisation Scheme (AusglMechV) and direct marketing which was implemented in January 2012. Direct marketing creates the possibility to sell power generated from renewable sources of energy directly to a large buyer or on a power exchange.

Even though, in the context of direct marketing, there is no obligation to market power through an exchange or, more specifically, through EPEX SPOT, EPEX was still able to successfully establish a position for itself as a strong market platform in this segment. This is due to the high liquidity which is associated with this, and the comprehensive product offering of the exchange – both in day-ahead and intraday trading. As a result of this position, EPEX SPOT assumes that it will also benefit from the increased volumes in direct marketing in the future.

15 %

Revenue contribution made by clearing the spot market transactions of EPEX SPOT

[1] The volume traded on EPEX SPOT differs from the volume recorded as revenue on ECC on account of the different consideration of border-crossing power volumes. EPEX SPOT considers the net position which reflects the balance of import and export for a market area as the trading volume. At ECC, it is not this balance which is considered as revenue but the volume of the market coupling contracts which consider the export volume from one market area into another. These two volumes are usually not identical.

+24 %

Trading volumes on the power derivatives market increased significantly

Power volumes

in TWh	2014	2013	Change
Derivatives market	**1,570**	**1,265** [1]	**+ 24%**
Germany	1,369	1,244	+ 10%
thereof exchange trading	812	669	+ 21%
thereof trade registration	557	575	– 3%
Italy	116	1.1	+ 10,445%
thereof exchange trading	19	n/a	n/a
thereof trade registration	96	1.1	+ 8,627%
France	83	20	+ 315%
thereof exchange trading	36	12	+ 200%
thereof trade registration	47	8	+ 488%
Spain	1.6	n/a	n/a
Netherlands	0.9	0.1	+ 800%
Romania	0.06	0.01	+ 500%
Belgium	0.04	0	n/a
Switzerland	0.3	0	n/a
Greece	0.02	n/a	n/a
Northern Europe	0	0	n/a
Spot market	**387**	**345**	**+ 12%**
Auction for Germany/Austria	266	247	+ 8%
Auction for France	70	56	+ 25%
Auction for Switzerland	20	19	+ 5%
Intraday Germany	26	19	+ 37%
Intraday France	3.3	2.9	+ 14%
Intraday Switzerland	1.1	0.5	+ 120%
Intraday Austria	0.5	0.4	+ 25%

Rounding differences of ± one unit (TWh, EUR, %, etc.) may occur in the tables for arithmetical reasons.

[1] Compared with the annual report for the previous year, the trading volumes for guarantees of origin were removed from the power segment. The corresponding values for the previous year have been adjusted.

The trading volumes on the day-ahead markets of EPEX SPOT developed positively in 2014. Compared with the previous year, the day-ahead market for France (+25 percent) and the day-ahead market for the German-Austrian market area (+8 percent), in particular, generated significant gains. In the calendar year 2014, the intraday segment gained further liquidity. This trend was observed, in particular, on the German intraday market with an increase of 37 percent as against the previous year. Even though it is smaller in size compared with the day-ahead markets (31 TWh vs. 356 TWh), the intraday markets are gaining in importance. This is due, in particular, to the growing importance of fluctuating renewable energies. For example, in December a new maximum

PEGAS offers trading in location spreads, i.e. the price differences between the same products in different gas market areas.

value was achieved in German wind power generation. This entails an increasing need for short-term balancing for the balancing group managers.

In order to provide additional short-term flexibility for the trading participants, EPEX SPOT successfully launched a new intraday auction (with 15-minute contracts) for the German market areas in December 2014. These contracts help to fine-tune portfolios after the day-ahead auction for hourly contracts which is held around noon and permits trading of intra-hour deviations in generation and consumption.

In 2014, the North-Western (NWE) and South-Western (SWE) European markets were coupled with the CWE market areas in the framework of the Price Coupling of Regions (PCR) following the market coupling in Central and Western Europe (CWE), which had already been launched in 2010. As a result, market participants from Portugal to Finland now use a common auction mechanism. On all these so-called implied auctions, the trading participants are not directly allocated border-crossing capacities but they submit bids for power to their local exchange. Afterwards, the cooperating exchanges use the capacities which are available on the border-crossing points to minimise the price differences between two or more market areas. The expansion of European market coupling facilitates border-crossing power trading and has also contributed to the positive development of the power spot markets. At present, EPEX SPOT is working with its partners to expand market coupling to Southern Europe (CSE).

NATURAL GAS

The natural gas business field was restructured to a significant degree and concentrated on a joint platform in the context of the gas cooperation with Powernext (PEGAS) in 2013. The redesign of the technical infrastructure landscape (which resulted from the switch to the Trayport trading system) has led to a significant increase in the number of trading participants. As a result of the integration of all EGEX and Powernext products within one trading system, the trading participants also benefit from trading location spreads, i.e. the price differences between the same products in different gas market areas. Moreover, in 2014, trading of location spreads for quality-specific products for high- and low-calorific natural gas (H-/L-gas) was introduced in 2014. Overall, seven market areas are now offered for trading via the PEGAS platform.

EPEX SPOT launch of a new intraday auction with 15-minute contracts for the German market areas

Tradable market areas in the framework of the PEGAS cooperation

	Spot	Derivatives
NCG (Germany)	EGEX	EGEX
GASPOOL (Germany)	EGEX	EGEX
TTF (Netherlands)	EGEX	Powernext
PEG Nord (France)	Powernext	Powernext
PEG Sud (France)	Powernext	Powernext
PEG TIGF (France)	Powernext	n/a
ZTP (Belgium)	Powernext	Powernext

Thanks to product and technical innovations, the trading volumes within the gas segment were boosted across all market areas. This confirms the high degree of attractiveness of the joint EEX and Powernext trading platform. Following a decline in 2013, the trading volumes on the derivatives market again jumped (+ 193 percent). Moreover, the trading volumes on the spot markets also

Due to product and technical innovations, gas trading volumes increased across all market areas

Natural gas volumes

in TWh	2014	2013	Change
Spot market	**196**	**81**	**+ 142%**
NCG	79	38	+ 108%
GASPOOL	50	23	+ 117%
TTF	67	19	+ 253%
Derivatives market	**85**	**29**	**+ 193%**
NCG	64	22	+ 191%
GASPOOL	21	7	+ 200%

Rounding differences of ± one unit (TWh, EUR, %, etc.) may occur in the tables for arithmetical reasons.

+142%

Natural gas spot markets increased significantly

increased by 142 percent in total compared to 2013. In line with the trading activity, the number of newly admitted companies actively trading on PEGAS also rose significantly in 2014. The high gains in volumes also led to a significantly increased revenue contribution of the natural gas business division within EEX Group of 10 percent (2013: 5 percent).

As a result of the rise in the number of trading participants mentioned above, EEX and Powernext were able to strengthen the position of PEGAS to become the trading platform for natural gas with the highest number of trading participants in Europe in 2014. The platform implemented improved preconditions for further growth by gaining uncleared transactions (which are concluded off the exchange at present) for exchange trading with settlement on ECC.

Compared with other European gas markets, the German NCG and GASPOOL market areas offer the biggest growth potentials. This is due to the very high physical natural gas consumption, extensive storage capacities and excellent connections to neighbouring market areas. Based on control energy trading (which the market area coordinators have been able to carry out through EEX since October 2009) and following the addition of new natural gas products, EEX was able to attract new groups of customers for exchange trading in natural gas and accordingly increased liquidity in exchange trading in natural gas.

The prices which are transparently established on the exchange under supervision and the price indices (such as the EGIX) formed on this basis increasingly influence purchase, sales and customer contracts on the gas market and are also used as reference values for the settlement of additional and reduced volumes – as well as for balancing energy between gas transport customers and market area coordinators. This further increases the importance of the PEGAS platform.

Internationally, PEGAS competes with natural gas exchanges and brokers that were able to successfully establish positions for themselves on the more liquid markets (especially NBP and TTF) over recent years. Within Germany, PEGAS competes, in particular, with brokers and unregulated trading platforms but also with other exchanges for market shares in the evolving German market areas.

As of 2015, all natural gas market activities of EEX Group are bundled within Powernext.

On 1 January 2015, EEX will take over the majority interest in Powernext and integrate the company into EEX Group. This step forms the logical further development of the successful and long-standing cooperation between the two companies. In the framework of the transaction, the natural gas activities of EEX Group will be concentrated within Powernext in future. As a result, the merger of the gas markets follows the basic concept of the PEGAS cooperation and creates immediate advantages through a single membership and a single set of rules. In this context, the participants benefit from the further harmonisation of the platform and stronger support from the market. Moreover the capacity for the further development of the consolidated platform leads to shorter development times for new products and services. There are plans to continue the regional expansion of the PEGAS platform with the introduction of spot and derivatives market products for the Zeebrügge (ZEE) virtual trading hub, the British National Balancing Point (NBP) market area as well as the Italian Punto do Scambio Virtuale (PSV) market area in 2015.

In addition, EEX in 2014 agreed a comprehensive cooperation with the Danish gas transmission system operator Energinet.dk in the course of the further development of the European natural gas market. As a result, EEX will acquire 50 percent of the shares in the Danish gas exchange Nordic A/S (Gaspoint Nordic) in the framework of this cooperation as of 1 January 2015. Before the transaction, Gaspoint Nordic was wholly-owned by Energinet.dk, which will continue to be a shareholder. In future, EEX and Energinet.dk will jointly support Gaspoint Nordic in developing the Scandinavian gas market. In addition to its involvement as a shareholder, EEX supported Gaspoint Nordic in the implementation of 24/7 operations of the Danish gas market and with market supervision services in 2014, and on 1 October 2014 ECC assumed all clearing and settlement services for Gaspoint Nordic.

EMISSIONS

In 2014, trading volumes in the emissions business field fell by 37 percent as against 2013. This was due, to a significant degree, to the temporary tightening or postponement of auction volumes which was adopted by the EU ("back-loading") and took effect in March 2014. In this context, the Europe-wide auction volume was reduced by emission allowances (EUA) of some 400 mt in 2014; in 2015 and 2016, the volume will be reduced by 300 and 200 million EUA, respectively. All these reduced volumes will be returned to the market in 2019 and 2020.

As the central auction platform for 25 EU member states (as well as for Germany and Poland), EEX was particularly affected by this. Overall, volumes on the spot market fell by 34 percent. Irrespectively, the number of auctions carried out remained unchanged. In 2014, a total of 198 auctions was held on EEX on up to four days per week. This also included four auctions for EU emission allowances for the aviation sector (so-called EU Aviation Allowances), which were carried out for the first time since 2012. On the derivatives market, the trading volume declined by as much as 61 percent in 2014. The main cause for this was the exit of market makers at the beginning of 2014.

As a result, revenue in the emissions business field declined by 18 percent as against 2013 and accounted for a share of 2 percent in the EEX Group's revenue (2013: 3 percent).

Moreover, trading volumes on the overall emission market declined by 11 percent in 2014. This was a trend observed for the

The merger of the gas markets follows the basic concept of the PEGAS cooperation and creates immediate advantages for the customers

EEX and Energinet.dk will jointly support Gaspoint Nordic in developing the Scandinavian gas market

Emissions volume

in mt	2014	2013	Change
Spot market	**498**	**759**	**– 34%**
Primary auction EU	322	479	– 33%
Primary auction Germany	127	183	– 31%
Primary auction, others	20	69	– 71%
Secondary trading	29	28	+ 4%
Derivatives market	**36**	**92**	**– 61%**

Rounding differences of ± one unit (TWh, EUR, %, etc.) may occur in the tables for arithmetical reasons.

first time ever since the beginning of EU emissions trading. The developments on the market continued to be decisively influenced by the political debate regarding the long-term reform of EU emissions trading and the introduction of a so-called market stability reserve. The average EEX market share was approximately 6 percent (2013: 9 percent). Against the background of an exchange landscape in the field of emissions which has largely been consolidated, EEX ranked second after the market leader ICE in this respect.

In an international context, the development of new emissions trading systems continued to gain in importance

In an international context, the development of new emissions trading systems continued to gain in importance – e.g. with China's announcement of its intention to launch a national emissions trading scheme in 2016 and the political requirements in the USA aimed at limiting emissions in the power sector on a national level. On account of the size of these markets, it can be assumed that this will also influence the dynamism on the European emissions market. However, EEX has established a sound position for itself to participate in these developments based on its pioneering role and long-standing experience in EU emissions trading. For example, a cooperation agreement was signed with the Kazakh Caspi exchange as early as in May 2014. Under this agreement, EEX will support the development of emissions trading on the exchange in the framework of the Kazakh emissions trading scheme.

COAL

In 2014, EEX launched an initiative for reviving the coal market, and in this context it focused on the registration of over-the-counter transactions for clearing. As an incentive to support this initiative, EEX decided to waive fees for trading as well as clearing and settlement of coal products during the 2014 financial year. Overall, a volume of 165,000 t was registered on EEX (2013: no volume) which corresponds to a relatively small share of the overall market. The high level of competitive pressure in this business field, in particular, forms the reason for the continued unsatisfactory development of the coal business field.

In future, the coal business is to be developed first and foremost in collaboration with CLTX. The combination with other CLTX products, such as freight and iron ore, provides good opportunities for establishing a successful offering on the coal market. In this context, the focus will be on the Asian market.

GUARANTEES OF ORIGIN FOR GREEN POWER

Guarantees of origin are certificates which guarantee the origin of one MWh of power from renewable energies. They are exclusively used for "labelling" power. In June 2013, EEX became the first exchange to offer a derivatives market for guarantees of origin. In the 2014 financial year, a total of 1.0 TWh (2013: 0.5 TWh) was traded in futures on guarantees of origin. Since February 2014, EEX has temporarily suspended the trading fees to encourage trading activities in this product, which is still immature, and, as a result, the company exclusively charges fees for clearing and settlement.

BRENT 901 OIL PRICE FORMULA

In September 2014, EEX introduced a trade registration service for futures on the Brent 901 oil price formulas. The average price for crude oil from the North Sea region for a period of nine months before delivery constitutes the underlying for this new futures contract. This price reference is used, in particular, on the Italian energy market for the assessment of long-term supply contracts as well as for hedging. No volume was recorded in this field in the 2014 financial year.

CLEARTRADE EXCHANGE

The operations of the newly acquired CLTX contributed 2 percent to the sales revenue of EEX Group in 2014. CLTX is a derivatives market which is regulated by the Singaporean supervisory authority and offers a global electronic market platform for commodity futures transactions and commodity derivatives for freight, iron ore, fertiliser, coal, steel, and container contracts. Freight and iron ore contracts, in particular, made a decisive contribution to the CLTX sales revenue. In the 2014 financial year, the trading volume in the most important asset class of freight remained stable compared with the previous year (–1 percent), while the trading volume in iron ore increased significantly (+65 percent). In addition, significant growth rates were generated, in particular, in the young asset classes of coal, containers and steel.

In 2015, EEX and ECC are planning to gradually introduce the asset classes offered by CLTX to the trading participants admitted to trading in power and gas. To this end, EEX offers selected products for trade registration on the regulated market of EEX so that transactions established on CLTX can be transferred to clearing at ECC via EEX. In

EEX integrates Cleartrade Exchange into the Group

Cleartrade volumes

	2014	2013	Change
Freight (thousand days)	384	388	–1%
Iron ore (kt)	144,760	87,599	+65%
Marine fuel (kt)	2,631	2,486	+6%
Fertilisers (kt)	2,393	2,764	–13%
Coal (kt)	2,462	6	+40,933%
Containers (teu)[1]	485	86	+464%
Steel (kt)	226	9	+2,411%

[1] Teu (Twenty-foot Equivalent Unit) is a standard size for specifying container capacities.

Volumes from clearing and settlement of the partner exchange transactions increased in almost all markets

January 2015, this service will initially be introduced for freight and fertilisers. In the further course of the year, additional new product categories, such as iron ore and marine diesel fuel, are to be integrated into this service.

CLEARING & CLEARING COOPERATIONS

Within the Group, sales at ECC which are not generated by the trading platforms of EEX Group or EPEX but by cooperations with exchanges outside EEX Group are allocated to the Clearing Cooperations business field. In 2014, this business field accounted for a share of 6 percent (2013: 9 percent) in the Group revenue, and it again developed positively.

Except for the cooperation with APX/ENDEX, which was terminated in October 2013, the volumes from clearing and the settlement of the partner exchange transactions as well as of the HUPX power derivatives market increased as against the previous year.

Clearing volumes

in TWh	2014	2013	Change
Cooperation with APX/ENDEX			
Power derivatives market	n/a	79	– 100%
Natural gas derivatives market	n/a	237	– 100%
Cooperation with Powernext			
PEG gas spot market	93	70	+ 33%
ZTP gas spot market	0.4	n/a	n/a
TTF gas derivatives market	150	13	+ 1.054%
PEG gas derivatives market	42	29	+ 45%
ZTP gas derivatives market	0.01	n/a	n/a
Cooperation with CEGH			
Gas spot market	19	13	+ 46%
Gas derivatives market	2	0.3	+ 567%
Cooperation with HUPX			
Power spot market	13	9	+ 44%
Power derivatives market	4	8	– 50%
Cooperation with PXE			
Power spot market	6	0.8	+ 650%
Power derivatives market	22	13	+ 69%
Gas derivatives market	1	n/a	n/a
Cooperation with Gaspoint Nordic			
Gas spot market	4	n/a	n/a
Gas derivatives market	1	n/a	n/a

Rounding differences of ± one unit (TWh, EUR, %, etc.) may occur in the tables for arithmetical reasons.

POWERNEXT

The volumes of natural gas traded at the PEGAS cooperation partner Powernext and cleared by ECC again increased significantly in the 2014 financial year and amounted to 94 TWh on the spot market (+34 percent) and to 192 TWh on the derivatives market (+350 percent). In this respect, the essential factor driving growth on the derivatives market was the Dutch TTF market area, for which significant growth rates are predicted again in 2015.

The product and service offering on Powernext was again expanded in 2014. For example, the Zeebrügge Trading Point (ZTP) market area was offered for physical trading for the first time. Moreover, Powernext introduced new spread functionalities in the French PEG market areas as well as 24/7 trading on the spot market.

CENTRAL EUROPEAN GAS HUB (CEGH)

The volumes on the CEGH of Wiener Börse AG again developed positively in the course of the year and reached a level of 21 TWh in 2014 compared with 13 TWh in 2013. This corresponds to a 62-percent increase.

On the derivatives market, the CEGH was able to significantly increase its trading volume with the introduction of additional maturities (quarter, season and year futures) in August 2014, as well as the concurrent switch of the settlement method for monthly contracts. On the occasion of the fifth anniversary of the establishment of CEGH in December 2014, a new market initiative designed to targetedly develop the derivatives market will be launched at the beginning of 2015.

HUPX HUNGARIAN POWER EXCHANGE LTD. (HUPX)

On the Hungarian power market of HUPX, the trading volume declined in total by 4 percent to 16.5 TWh in the 2014 financial year (2013: 17.1 TWh). While volumes on the spot market rose considerably by 44 percent, volumes on the derivatives market fell by 50 percent. This means that the trading activities on HUPX shifted significantly in favour of short-term power products.

POWER EXCHANGE CENTRAL EUROPE A.S. (PXE)

Since September 2013, ECC has provided clearing and settlement services for the Prague-based energy exchange PXE. PXE operates the Czech power market for power and offers Czech, Slovak and Hungarian power derivatives for trading. In addition, Czech gas futures with physical settlement can also be traded on PXE in cooperation with CEGH. In September 2014, the PXE product offering was further expanded with the introduction of Polish and Romanian power futures. As a result, PXE increasingly positioned itself as one of the most important energy exchanges in Central Eastern Europe.

In the first full financial year during which ECC provided clearing and settlement services for PXE, a volume of 28 TWh (22 TWh of which on the derivatives markets) was traded on the power markets and registered via ECC. On the gas market, which is still young, a volume of 0.7 TWh was registered.

+350%

Natural gas derivatives on Powernext increased to 192 TWh

24/7

Introduction of established settlement processes on the Danish gas market

GASPOINT NORDIC

Since October 2014, ECC has been offering clearing and settlement services for transactions concluded on the Gaspoint Nordic Danish gas exchange. In addition to the successful takeover of the settlement services from the current clearing house Nord Pool Spot, the 24/7 settlement processes, which had already been established on the existing natural gas spot markets, were also introduced on the Danish gas market. Since then, Gaspoint Nordic has achieved new record volumes. Overall, volumes of 4 TWh on the spot market and 1 TWh on the derivatives market have been settled since the launch of clearing by ECC.

NOREXECO AS (NOREXECO)

With the Norwegian company NOREXECO AS (NOREXECO) ECC has found an exchange partner which will offer commodity derivatives for pulp and recycling paper for trading for the first time. NOREXECO is planning to launch a regulated market for these commodities in the spring of 2015. Moreover, further derivatives and options offers in the field of paper and wood commodities are to be implemented in the future. ECC already obtained the licence required for the assumption of clearing for NOREXECO in the 2014 financial year. In addition to the expansion of the range of services with a global market with good growth perspectives, ECC is convinced that this commitment will also provide interesting interactions with the existing product portfolio.

NEW COOPERATIONS AND PRODUCT CATEGORIES

The attractiveness of ECC, which is continuously growing as a result of the expansion of the product portfolio and market coverage, is reflected in the increasing transaction volumes as well as a continuously growing customer base. Within the energy sector, ECC provides the physical settlement of gas and power contracts for, by now, 21 grid and hub operators in eleven countries with the help of ECC Lux. This constitutes an important unique selling proposition in the competition with other clearing houses. Moreover, the clearing of financial derivatives on freight, fertilisers, marine diesel fuel and iron ore (EEX/CLTX), pulp and recycled fibres (NOREXECO) as well as agricultural products (previously Eurex) is also scheduled for 2015. This will establish a position for ECC with regard to new partnerships – even outside the energy sector. In addition, ECC is increasing its attractiveness for potential new, as well as existing Clearing Members with these expanded product offerings. The company is currently negotiating the assumption of clearing service offers with a number of trading platforms and, as a result, it is convinced that this confirms the policy of a continuation of its strategic partner exchange approach.

In 2014, ECC admitted two new Clearing Members and expanded the clearing licence of another Clearing Member with the possibility of providing support to all trading participants, products and markets (General Clearing Member). As a result, there are now 21 (2013: 20) admitted Clearing Members. The number of clearing participants (including Non-Clearing Members) rose to 392 as of the end of the year (2013: 381).

EMIR / REGULATION

In the framework of the implementation of the European Market Infrastructure Regulation (EMIR), which provides uniform standards for the required organisational structure, supervision and risk management

EEX launched its new transparency website in September 2014.

of central counterparties throughout Europe for the first time, ECC reached two important milestones in 2014. On the one hand, it was one of the first clearing houses in Europe to be able to offer a settlement service in compliance with EMIR after being granted an EMIR licence in June 2014. This means that it has established a very good position for itself in the competition among central counterparties. The necessary adjustments, especially of the risk management models, were implemented in compliance with the schedule and commissioned without any problems. On the other hand, ECC introduced the Trade Report, which is mandatory under EMIR, in February 2014 and now offers its customers the possibility of providing transaction messages as a service.

Furthermore, in addition to an efficient technical connection, trading participants are increasingly focusing on questions regarding the provision of collateral. In addition to the continuous optimisation of the models for the calculation of margins – i.e. the calculation of the amount of the margins – under consideration of the regulatory specifications, ECC is convinced that it has established a sound position for itself by permitting emission allowances to be submitted as collateral under certain conditions from the end of 2013.

NEW SERVICES

In May 2014, ECC was able to commission a new process chain for the fully automatic transmission for clearing and confirmation of broker-arranged over-the-counter transactions in cooperation with EEX and the straight-through processing (STP) system service providers EFETnet B.V. and Trayport Ltd. Upon the transfer of the gas derivatives market from EEX to Powernext, Powernext will also be able to use this service for its entire product range. Furthermore, there are plans to integrate all other partner exchanges into the new uniform interface in 2015.

TRANSPARENCY/INFO PRODUCTS

This business field includes the operation of the transparency platform, regulatory reporting to different recipients as well as the marketing of trading and fundamental data. This business field contributed approximately 2 percent to the Group revenue in 2014. Prime tasks comprise attaining the broadest possible distribution of the EEX markets and its products, supporting efficient pricing as well as marketing the data available on EEX. As a result, the success of this business field cannot be measured in purely quantitative terms.

At the end of 2014, EEX supported 134 data vendors (2013: 125) which use the EEX data commercially. Vendors are companies that offer their customers' market data and products derived from these on a commercial basis. In 2014, there were 2,909 data subscriptions with internal rights of use. In the further development of data marketing, the focus for the 2014 financial year was on the renewal of the infrastructure which will be commissioned in January 2015. The gradual expansion of the data product portfolio is planned for 2015.

In the framework of its commitment to transparency in European energy trading, EEX operates the central "Transparency in Energy Markets" transparency platform. It was established in October 2009 and expanded comprehensively in 2014. The aim of the platform is to strengthen the comprehensibility of market pricing and reinforce the trust which the public places in the markets. In 2014, a new website for the

ECC reached two important milestones in 2014 – the acknowledgement as EMIR CCP and the introduction of trade reporting services

The process for the fully automatic transmission for clearing and confirmation of broker-arranged OTC trades was optimised further

+57%

Revenue from shareholding in EPEX SPOT increased significantly in the year under review

transparency platform was commissioned (www.eex-transparency.com). It enables the reporting companies to publish insider information on the capacity, use and availability of plants for the generation, storage and consumption of power and natural gas. As a result, the scope of data was expanded with new steps in the value chain and countries by the balance sheet date:

- Generation of power: Belgium, Germany, Netherlands, Austria, Czech Republic and Hungary
- Storage of power: Germany, Austria
- Power consumption: Germany
- Natural gas consumption: Germany, Austria

The launch of data publication on power generation and storage for Switzerland is expected for the first quarter of 2015.

Furthermore, in the framework of regulatory reporting, the transmission of fundamental data to the European Network of Transmission System Operators – Electricity (ENTSO-E) is being prepared and will be commissioned as scheduled on 5 January 2015. In the course of 2015, the next steps will include forwarding fundamental and transaction data to the European Agency for the Cooperation of Energy Regulators (ACER) in the framework of European Regulation on Wholesale Energy Market Integrity and Transparency (REMIT).

SHAREHOLDINGS

In addition to the fully consolidated subsidiaries ECC, ECC Lux, EEX Power Derivatives GmbH, EGEX, GEEX and CLTX, EEX also has further shareholdings. These are detailed briefly below.

EPEX SPOT: POWER SPOT MARKET

2014 was yet another record year for EPEX SPOT. Inter alia, on account of the increase in the trading volume and growing cost reimbursements from the execution of market coupling projects, EPEX SPOT was able to considerably increase sales during the reporting period. At kEUR 8,139, revenue from the investment in EPEX SPOT increased significantly, by 57 percent. As a result of the takeover of the majority shareholding in Powernext (and its shareholding in EPEX SPOT) by EEX, EPEX SPOT will become a fully consolidated subsidiary of EEX from 2015 and, as a result, it will be fully consolidated in the results of EEX Group, along with all revenues and expenses.

EMCC: NWE MARKET COUPLING

On account of the introduction of market coupling in the entire NWE region in February 2014, the EMCC business model was replaced with a price coupling algorithm. For this reason, EMCC discontinued its business operations after a transition period and is being liquidated as of the balance sheet date.

STORE-X: MARKETING NATURAL GAS STORAGE CAPACITIES

store-x is a European online trading platform for the primary and secondary marketing of storage capacities for natural gas. The marketing of storage capacities which store-x enables contributes to the optimisation of capacity utilisation at the gas storage facilities and promotes liquidity as well as competition on the European gas storage market. In 2014, EEX received a dividend of kEUR 62 for the financial year 2013.

TRADING PARTICIPANTS

On the balance sheet date (31 December 2014), the number of trading participants on the different EEX markets increased to 247 – up from 236 trading participants on the 2013 balance sheet date. This corresponds to a net gain of 5 percent. In the course of the year, 41 trading participants were admitted, while 30 cancelled their membership.

On account of the continuous rise in liquidity on the EEX trading platforms, as well as the improvement and expansion of the product and service offering plus the technical availability provided to the customers – the growth achieved over recent years is expected to continue into the future. This was also confirmed by the second EEX customer satisfaction survey, which was carried out in 2014. As a result, the excellent results from 2013 were improved on.

FURTHER DEVELOPMENTS

For the purpose of the strategic aim of continuing the diversification strategy and of expansion into new business fields, EEX will completely take over the Eurex agriculturals business in May 2015. This includes financially settled futures on butter, piglets, potatoes, milk powder, whey powder and hogs. As a result, EEX is gradually expanding its focus and moving away from pure energy products towards commodities in general.

Until the summer of 2014, EEX also cooperated with Eurex in the framework of the concluded product and sales cooperation. In the context of this cooperation, Eurex trading participants were able to trade and clear the most important derivatives products for power, natural gas, emissions and coal offered on EEX with their existing infrastructure via a simplified admission process. This product cooperation was terminated in 2014 since Eurex participants increasingly opted specifically for EEX membership. The relevant clearing link between ECC and Eurex (which was connected with this) was discontinued as a result.

247

EEX trading participants as of 31 December 2014

4 GROUP SITUATION

+24 %

Sales revenue significantly increased as against the previous year

The EEX Group business results achieved in 2014 testify to the lasting success of the Group and its affiliated companies. In spite of the muted macroeconomic development and the difficult energy industry market environment (described above), the Group was able to slightly increase its profitability and expand its solid capital base.

EARNINGS SITUATION

SIGNIFICANT GROWTH IN SALES REVENUES AND PROFITS

At kEUR 77,098, the EEX sales revenue increased by 24 percent up to the end of the 2014 financial year as against the previous year. The transaction fees for trading and clearing contained therein totalled kEUR 64,341. This corresponds to an increase by kEUR 14,389 or by 29 percent as against the previous year. This development was primarily driven by the revenue on the power spot and derivatives markets which rose by kEUR 9,733 or by 24 percent and the revenue on the gas markets which increased by kEUR 5,009 or by 165 percent. In addition to the increased trading volumes, the development of the sales revenue on the power spot market is also due to the impact of the price increase implemented in June 2013 on the full business year. Compared with 2013, the sales revenue from the emissions business field declined as a result of back-loading (kEUR –287). The sales revenue on the secondary markets for emission rights, on the other hand, increased significantly in spite of volumes which only increased slightly on the spot market and declining volumes on the derivatives market. The reason for this is a market incentive programme in the previous year as a result of which no sales revenue was generated in the second half of 2013. Moreover, the clearing cooperation business field did not reach the level of sales of the previous year (kEUR –761). This is due to the discontinuation of clearing for the APX/ENDEX Derivatives B.V. (APX/ENDEX) markets which was not fully compensated by growth in the other cooperations. Overall, CLTX, which was integrated into the corporate group in 2014, contributed kEUR 1,763.

At kEUR 11,695, the other sales revenue is kEUR 571 or 5 percent lower than the corresponding values for the previous year. This development is essentially due to a one-off payment in 2013 in connection with the termination of the APX/ENDEX clearing services agreement with ECC. The adjustment of the EEX price list as of 1 January 2014 is reflected in the development of the annual fees and revenues from technical connections. In this context, the price list was simplified and the fee structure was revised. While, in 2013, the annual fee comprised the use of EEX's technical infrastructure, both components have been invoiced separately since 2014. The annual fees were lowered accordingly. This has led to a significant reduction in the revenue from annual fees and, concurrently, to a significant increase of revenue from technical connections.

The other operating revenue essentially comprised the revenue from on-charging of costs to partners and third parties. In 2014, it amounted to kEUR 1,018 and was, hence, significantly above the level of the previous year (+71 percent). This is due to a significant increase in on-charging of ECC project costs to the project partners in the framework of the (NWE and SWE) market coupling projects.

The individual business fields contributed to this development as follows:

Detailed sales revenue according to business fields

in kEUR	2014	2013	Change
Total sales revenue [1]	**77,098**	**62,219**	**+ 24%**
Power	**49,548**	**39,815**	**+ 24%**
Derivatives market	**38,019**	**30,832**	**+ 23%**
Germany	33,051	30,305	+9%
thereof exchange trading	20,086	16,687	+ 20%
thereof trade registration	12,965	13,618	– 5%
Italy	2,863	27	+ 10,504%
thereof exchange trading	482	0	n/a
thereof trade registration	2,380	27	8,715%
France	2,048	499	310%
thereof exchange trading	882	299	195%
thereof trade registration	1,166	200	483%
Netherlands/Belgium	9	1	800%
Further market areas	48	0	n/a
Spot market (clearing)	**11,530**	**8,983**	**28%**
Auction for Germany/Austria	5,780	4,760	21%
Auction for France	1,789	1,299	38%
Auction for Switzerland	629	580	8%
Intraday Germany	780	508	54%
Intraday France	99	74	34%
Intraday Switzerland	34	17	100%
Intraday Austria	16	11	45%
Physical settlement	1,818	1,338	36%
Capacity	585	395	48%
Natural gas	**8,044**	**3,035**	**165%**
Spot market	6,535	2,550	156%
Derivatives market	1,509	485	211%
Emissions	**1,292**	**1,579**	**– 18%**
Primary spot market	891	1,473	– 40%
Secondary spot market	198	53	274%
Derivatives market	202	53	281%
Coal	**0**	**0**	**n/a**
Guarantees of origin	**1**	**8**	**– 88%**

[1] Compared with the annual report for the previous year, the sales revenue for guarantees of origin was removed from the power revenue. The corresponding values for the previous year have been adjusted.

[continued from page 71]

Cleartrade	**1,763**	**n/a**	**n/a**
Transaction fees	700	n/a	n/a
Technical fees	608	n/a	n/a
Others	454	n/a	n/a
Clearing cooperations	**4,755**	**5,516**	**– 14%**
Cooperation with APX/ENDEX	n/a	2,870	– 100%
Cooperation with Powernext	3,312	1,758	88%
Cooperation with CEGH	418	264	58%
Cooperation with HUPX	469	377	24%
Cooperation with PXE	468	247	89%
Cooperation with Gaspoint Nordic	87	n/a	n/a
Total others	**11,695**	**12,267**	**– 5%**
Annual fees	2,813	4,783	– 41%
Training courses	668	829	– 19%
Info products	1,452	1,448	0%
Technical connections	4,450	1,931	130%
External service agreements	1,550	1,839	– 16%
Others	763	1,438	– 47%

Rounding differences of ± one unit (TWh, EUR, %, etc.) may occur in the tables for arithmetical reasons.

EXPENSES INCREASED IN 2014

The recruitment of new staff leads to increased expenses

The total expenses considered in the operating result (personnel expenses, depreciation, other operating expenses) increased from kEUR 51,033 to kEUR 62,776 and, as a result, by 23 percent during the reporting period.

In this context, personnel expenses increased from kEUR 14,597 to kEUR 18,828 during the reporting period as a result of the planned personnel expansion, the integration of the CLTX staff, as well as higher result-based management bonuses.

At kEUR 3,911, depreciation was kEUR 848 lower than in the previous year. This was primarily due to one-off unscheduled depreciation on the customer base in the 2013 financial year. At the same time, scheduled depreciation increased as a result of the continued high investment activities regarding the IT systems as well as the integration of CLTX in the 2014 financial year. These continuing high investment levels are necessary for:

- Attaining the aims defined in the IT strategy (e.g. consolidation of the business applications and maintenance of process reliability)
- Implementing system adjustments for the introduction of new markets and products

In addition to reimbursements of transaction fees, the other operating expenses primarily comprise variable system costs as well as overheads of EEX (essentially, infrastructure, consultancy services and marketing). At kEUR 40,037, other operating expenses increased by kEUR 8,360 or 26 percent as against the previous year. This development is primarily driven by increased costs dependent on sales (+ kEUR 5,169) as well as increased overheads (+ kEUR 3,191).

The volume-dependent expenses for reimbursements to market makers and brokers which result from the operating business, as well as expenses for market incentive programmes, increased from kEUR 4,902 to kEUR 10,338, primarily due to higher trading volumes. Variable system costs (comprising costs for the trading and settlement systems of EEX Group) rose from kEUR 267 to kEUR 3,490 as against 2013 – also because of the positive development of sales.

The increase in overheads is primarily due to the expansion of the EEX Group product portfolio and its geographic expansion (new markets and new sites). Moreover, this item also reflects the implementation of the IT strategy as well as the integration of CLTX into the EEX Group profit and loss account.

DEVELOPMENT OF FURTHER REVENUE ITEMS

In 2014, the financial result declined by kEUR 106 to kEUR 236 compared with the previous year. This weaker result is due to the European Central Bank's interest rate policy and a corresponding lower interest rate from spring 2014.

At kEUR 8,139, the EPEX SPOT income from investment assessed at equity significantly exceeded the value achieved in the previous year (kEUR 5,194). The increase in the trading volumes and the increasing cost reimbursements from the execution of market coupling projects formed the reasons for this. In addition, the item "Income from equity method" included the appreciation of the shareholding of EMCC, which is currently being liquidated, by kEUR 320.

The expansion of the product portfolio and the geographic expansion led to an increase in overheads

Consolidated profit and loss account

in kEUR	2014	2013	Change
Sales revenue	77,098	62,219	24%
Other operating income	1,018	596	71%
Personnel expenses	– 18,828	– 14,597	29%
Depreciation	– 3,911	– 4,759	– 18%
Other operating expenses	– 40,037	– 31,677	26%
Operating result	**15,340**	**11,782**	**30%**
Interest and similar income	497	349	42%
Interest and similar expenses	– 261	– 7	3.629%
Financial result	**236**	**342**	**– 31%**
Income as per equity method	8,459	5,194	63%
Revenue from ordinary activities	**24,035**	**17,318**	**39%**
Tax on income and profit	– 6,542	– 3,635	80%
Consolidated net profit	**17,493**	**13,683**	**28%**

Rounding differences of ± one unit (TWh, EUR, %, etc.) may occur in the tables for arithmetical reasons.

+39 %

Earnings before tax significantly increased against the previous year

SIGNIFICANT INCREASE IN EARNINGS FIGURES

At kEUR 24,035, the resulting earnings before tax (EBT) were kEUR 6,717 or 39 percent higher than in the previous year (kEUR 17,318) and, hence, reached a new record level.

At 22 percent, the pretax return on equity rose by five percentage points as against the previous year. It is calculated on the basis of the EBT with reference to the average group equity during the reporting period.

The EBT margin defined as the ratio between EBT and the total revenue (i.e. sales, other operating income, financial result and income from investments) was 28 percent and, hence, three percentage points higher than in the previous year. The EBT margin (which rose only slightly in spite of strong increases in sales) reflects the EEX expansion strategy that continued in 2014, as well as the investments and project expenses associated with it.

Compared with the previous year, earnings after taxes rose to kEUR 17,493 by kEUR 3,810 as against the previous year. Taxes on income and profit of kEUR 6,542 comprised the taxes to be paid, as well as deferred tax payments. In this context, the assessment of deferred taxes which are recognised in profit or loss reduced the tax expenses by kEUR 1,458 in the previous year.

ASSET SITUATION

DEVELOPMENT OF ASSETS

On the balance sheet date, the long-term assets amounted to kEUR 63,524 (2013: kEUR 58,070). They essentially comprise the shares in associated companies and Joint ventures (EPEX SPOT and EMCC) to the amount of kEUR 27,622 (2013: kEUR 33,269). As a result of acquiring the majority shareholding in CLTX and the full consolidation as of 1 January 2014, which became necessary as a result, it is no longer reported as an associated company but is integrated in the EEX Group balance sheet (along with all of its assets and liabilities). This explains the decline in the shares in associated companies and Joint ventures as against 2013.

The goodwill constitutes the second essential item within the long-term assets. This item comprises the goodwill of ECC, EEX Power Derivatives GmbH, as well as the CLTX goodwill (from 1 January 2014). As a result, this item increased significantly in 2014. Moreover, the increase in intangible assets can essentially be attributed to the full consolidation of CLTX as well as to the ongoing investments in the IT systems of the Group.

The item “Derivative financial instruments” records ECC options with terms of more than one year at fair value. The fair value is established on the basis of the current exchange price of the open positions. Since ECC operates as a central counterparty for the different markets of EEX Group, this asset is offset by a corresponding liability of the same amount.

The assets side of the balance sheet is essentially shaped by the short-term assets to the amount of kEUR 853,495 (2013: kEUR 882,871). This included e.g. bank balances of ECC resulting from cash collateral deposited to the amount of kEUR 684,032 (previous year: kEUR 740,995). The market participants connected with the clearing house ECC provide collateral, partly in the form of cash collateral deposits which are adjusted on a daily basis. These cash funds are recorded under the item "Cash at bank with restrictions on disposal". The collateral deposited increased significantly in the course of the year. However, this asset is offset by a liability of the same amount.

Further material items under short-term assets comprise cash funds of kEUR 73,401 (2013: kEUR 58,271), the trade accounts receivable of kEUR 78,851 (2013: kEUR 64,625) and other assets of kEUR 15,462 (2013: kEUR 16,074). The increase in cash funds as well as receivables reflects the successful expansion of the business operations of EEX Group.

The assets were financed with equity of kEUR 132,202 (2013: kEUR 119,701) as well as debts of kEUR 784,817 (2013: kEUR 821,240). The balance sheet total was kEUR 917,019 (2013: kEUR 940,941).

DEVELOPMENT OF EQUITY AND BORROWED CAPITAL

The increase in equity by kEUR 12,501 as against the previous year is due to the fact that profits for the year 2014 exceed the dividend payout and that profits from the previous year were partly retained. This is shown by the increase in reserves by kEUR 7,709 and the increase in results generated by kEUR 2,843. Minorities account for a share of kEUR 7,677 (+kEUR 1,611) in the EEX Group equity. The increase in minorities reflects the added minority shares of CLTX. The other result in the amount of kEUR 338 reflects the exchange rate differences which emerged in the assessment of the CLTX equity in the course of the financial year.

On 31 December 2014, the borrowed capital consisted almost completely of short-term liabilities to the amount of kEUR 779,489 (2013: kEUR 819,555). On the balance sheet date, long-term debts of kEUR 5,328 were recorded (2013: kEUR 1,685). The increase in long-term debts is primarily due to the fact that liabilities from derivative financial instruments increased by kEUR 2,407 as against the 2013 balance sheet date. Furthermore, long-term liabilities increased by kEUR 903. These are subsequent purchase price payments which are based on results and connected with acquiring the majority in CLTX.

The short-term liabilities essentially comprise the liabilities from cash collateral furnished by the trading participants, which was lower as of the balance sheet date at kEUR 684,032 (2013: kEUR 740,995). Furthermore, trade accounts payable of kEUR 86,470 (2013: kEUR 66,285), short-term provisions of kEUR 5,219 (2013: kEUR 4,964), other liabilities of kEUR 3,486 (2013: kEUR 5,601) as well as derivative financial instruments of kEUR 261 (2013: kEUR 1,295) are, for example, reported in the balance sheet.

Overall, EEX Group invested kEUR 5,489 (2013: kEUR 4,048) in intangible assets and property, plant and equipment during the reporting year and increased the level of investment as against the previous year. In 2014, the essential investments of kEUR 4,747 were made in intangible assets. The investments in a business data warehouse, the transparency platform for publishing fundamental data in the framework of the European REMIT Regulation and the EEX internet presence accounted for an important share thereof. The further essential measures and projects concerned the expansion of clearing and the improvement of the existing IT systems and connectivity.

mEUR 132

Solid equity base established

Consolidated balance sheet

in kEUR	31/12/2014	31/12/2013
ASSETS		
Non-current assets	63,524	58,070
Goodwill	19,298	12,220
Intangible assets	7,128	5,649
Property, plant and equipment	1,401	1,252
Shares in associated companies and Joint ventures	27,622	33,269
Other financial investments	153	165
Other financial assets	0	100
Derivative financial instruments	2,998	591
Deferred tax assets	4,924	4,824
Current assets	853,495	882,871
Derivative financial instruments	261	1,295
Trade accounts receivable	78,851	64,625
Other assets	15,462	16,074
Tax refund claims	1,353	894
Accounts receivable from associated companies	135	717
Cash at bank with restrictions on disposal	684,032	740,995
Cash and cash equivalent	73,401	58,271
Total assets	917,019	940,941

in kEUR	31/12/2014	31/12/2013
LIABILITIES		
Equity	**132,202**	**119,701**
Subscribed capital	40,050	40,050
Capital reserve	10,000	10,000
Reserves	25,257	17,548
Results generated	48,880	46,037
Other results	338	0
Share of non-controlling shareholders	7,677	6,066
Long-term liabilities	**5,328**	**1,685**
Long-term reserves	523	190
Derivative financial instruments	2,998	591
Long-term tax liabilities	1,807	904
Short-term liabilities	**779,489**	**819,555**
Short-term reserves	5,219	4,964
Derivative financial instruments	261	1,295
Trade accounts payable	86,470	66,285
Accounts payable to associated companies	21	415
Cash deposits by the trading participants	684,032	740,995
Other liabilities	3,486	5,601
Total liabilities	**917,019**	**940,941**

Rounding differences of ± one unit (TWh, EUR, %, etc.) may occur in the tables for arithmetical reasons.

mEUR 15

The consolidated cash flow was mainly fed by the cash flow from current operations and dividends

ADJUSTMENT OF THE BALANCE SHEET TOTAL FOR ECC-SPECIFIC MATTERS

The balance sheet comprises a number of items which are included on the assets and on the liabilities side as an identical amount. The balance sheet total adjusted for these items is indicated below. On the one hand, there are bank balances from cash collateral deposited in the amount of kEUR 684,032 (previous year: kEUR 740,995) which are offset, on the other hand, by liabilities of the same amount with regard to the cash collateral deposited by the trading participants. Furthermore, the balance sheet total also includes trade accounts payable and receivable of kEUR 68,858 (2013: kEUR 59,056). This concerned the disclosure of accounts receivable and payable from the nomination of power and natural gas with regard to the balance sheet date. Moreover, the short- and long-term derivative financial instruments from the reporting of the fair value of the options in the balance sheet are included both on the assets and the liabilities side to the amount of kEUR 3,259 (2013: kEUR 1,886). Following the deduction of these items, the adjusted balance sheet total at the end of the reporting period was kEUR 160,870 (2013: kEUR 138,995), while the equity ratio was 82 percent (2013: 86 percent).

The debt ratio (which is defined as the share of long-term and short-term debt in the adjusted balance sheet total) was 18 percent (2013: 14 percent). The Group was able to cover all expenses with its income at all times and, in addition, generated a significant surplus. Credit lines by external lenders did not have to be used in the financial year under review and, moreover, are not likely to be used in 2015 either.

FINANCIAL SITUATION

The Group's situation regarding cash funds is satisfactory and appropriate. However, in the case of the ECC clearing house, it is characterised by high requirements with regard to the liable equity under EMIR.

Cash and cash equivalents rose from kEUR 58,271 as of the balance sheet date (31 December 2013) to kEUR 73,401 on the 2014 balance sheet date. The consolidated cash flow generated of kEUR 15,130 was mainly due to the cash flow from current operations of kEUR 19,902 and dividends received of kEUR 5,314. Furthermore, the Group received cash funds of kEUR 3,346 from the newly acquired CLTX. As a result, investments made of kEUR 5,489, on the one hand, and the dividend payout of kEUR 7,943, on the other, were covered and a remaining net surplus cash and cash equivalent of kEUR 15,130 was also generated.

In 2014, EEX Group generated a cash flow from current operations of kEUR 19,902 (2013: kEUR 15,243). The cash flow from current operations is established on the basis of the annual net profit (kEUR 17,493) and adjusted for non-cash effective revenue and expenses as well as the cash flows derived from the change in the balance sheet items (indirect method). These adjustments totalled kEUR 2,409 and essentially consisted of the change in accounts receivable, liabilities and provisions, the non-cash effective depreciation, the 2014 EPEX SPOT result which has not yet accrued to EEX, and the non-cash effective expenses from deferred taxes.

EEX Group has a high internal financing capability and comfortable financial position.

In the financial year 2014, funds of kEUR 175 (2013: kEUR 4,716) were paid by EEX Group for investment activities. This year-on-year change is primarily due to the one-off investment in CLTX. This one-off effect was partly compensated by increasing current investments and a lower dividend payment by EPEX SPOT for the 2013 financial year (as against 2012).

The cash outflow in connection with financing activities was kEUR 7,943 (2013: kEUR 7,678) and essentially comprised the dividend paid by EEX for the financial year 2013.

Thanks to the high internal financing capability and its comfortable financial position, the Group does not expect any liquidity shortage for the financial year 2015 (as in the previous years). Moreover, it will also be able to carry out the necessary investments in the future, which are required for the maintenance and further expansion of its healthy competitive position, within the scope of the regular business processes.

In the financial year 2014, funds of kEUR 175 were paid by EEX Group for investment activities

Consolidated cash flow statement

in kEUR	31/12/2014	31/12/2013
Change in scope of consolidation	3,346	
Annual net profit	17,493	13,683
Depreciation on intangible assets and property, plant and equipment	3,911	4,759
Income from deferred taxes	– 100	– 1,458
Result of at-equity investments	– 8,459	– 5,194
Increase in trade accounts receivable and other assets (+)	– 13,391	7,500
Increase in liabilities and reserves (–)	20,448	– 4,047
Cash flow from current operations	**19,902**	**15,243**
Payments for investments in associated companies	0	– 7,049
Payments for investments in intangible assets	– 4,747	– 3,416
Payments for investments in property, plant and equipment	– 742	– 632
Dividends received	5,314	6,381
Cash flow from investing activities	**– 175**	**– 4.716**
Dividend payments to shareholders of EEX AG	– 7,209	– 7,209
Dividend payment to non-controlling shareholders	– 734	– 469
Cash flow from financing activities	**– 7,943**	**– 7,678**
Cash-effective change in cash and cash equivalent	15,130	2,849
Cash and cash equivalent at the beginning of the accounting period	58,271	55,422
Cash and cash equivalent at the end of the accounting period	**73,401**	**58,271**

Rounding differences of ± one unit (TWh, EUR, %, etc.) may occur in the tables for arithmetical reasons.

5 EMPLOYEES

191

Number of employees rose by 19% against the previous year

In the financial year 2014, further staff was recruited. As of 31 December 2014, staff totalled 191 employees, compared with 161 employees as of 31 December 2013 (+19 percent). This includes 21 employees of CLTX, which has been a member of the Group since 2014.

On 31 December 2014, the age structure of the staff was as follows:

Age structure

Age group	No. of employees	Share
< 30 years	50	26%
30 to 39 years	98	51%
40 to 49 years	37	19%
≥ 50 years	6	3%
Total	191	100%

Rounding differences of ± one unit (TWh, EUR %, etc.) may be found in the tables for arithmetical reasons.

In all, 88 percent of group employees hold an academic degree. This derives from the number of employees who have a degree from a university, university of applied sciences, or a university of cooperative education.

On the balance sheet date, 45 percent of the company's employees were women and, as in the past, women held seven of the executive positions within EEX Group.

In the second half of 2014, the Management Board of EEX Group commissioned an external service provider to carry out a compensation analysis with the aim of analysing the wage structure within the Group and making any adjustments which might be required. To this end, the staff structure of EEX was analysed and compared with the compensation structure of comparable companies.

EEX is planning to add further staff, continue the compensation harmonisation measure focusing on the sustainable development of personnel, and continue the trainee programme in 2015.

6 RISK MANAGEMENT

The overall risk assessment for the financial year 2014 did not indicate any threat to the company's continued existence on account of individual risks or aggregated risk positions. Moreover, a substantial change to the risk profile of EEX Group is not expected for the coming financial year 2015.

The operation of risk management for all group companies is provided by ECC in the framework of service agreement.

In accordance with the requirements defined in Section 91 Para. 2 AktG [German Stock Corporation Act], EEX Group has an early warning risk system covering all business areas. Potential risks are evaluated with regard to the likelihood of their occurrence and the possible extent of damage resulting from such.

The Management Board is regularly informed of the risk situation and reports to the Supervisory Board with regard to this on a quarterly basis. Overall responsibility for risk management rests with the EEX Management Board. There is ad-hoc reporting with regard to fundamental changes in the risk situation.

The following are potential risk categories for EEX Group: counterparty risk, market price risk, liquidity risk, operational risk, as well as business and compliance risk.

COUNTERPARTY RISK

Counterparty risk is defined as the risk that business partners might not fulfil their payment obligations under the relevant contract or that they might not fulfil these obligations in due time and that this might lead to a loss for the Group. Within the Group, the principal counterparty risks occur within the ECC subsidiary. ECC is a central counterparty according to the Regulation (EU) No. 648/2012 on OTC derivatives, central counterparties and trade repositories, and an institute within the meaning of Section 1 Para. 1 No. 12 KWG [German Banking Act]. As the central counterparty, it positions itself between the buyer and the seller and assumes the default risk of both sides for all the transactions concluded on its markets – as well as for all OTC transactions registered on its markets for clearing. ECC pursues the risk strategy of covering this default risk with a high security level through its margin system, the clearing fund and its own financial resources at all times. The quality of the margin system is reviewed on an ongoing basis through regular backtesting. With the help of daily stress tests, ECC simulates the counterparty risk in extreme yet plausible market conditions and adjusts the clearing fund and its own financial resources in such a way that the counterparty risk is also covered under these conditions and in the event of a simultaneous default of the two biggest ECC Clearing Members.

The operational risk controlling for all group companies is provided by ECC in the framework of service agreement

Potential risk categories for EEX Group are counterparty risk, market price risk, liquidity risk, operational risk, as well as business and compliance risk

The structural liquidity risk is monitored in the framework of the medium-term plan and the ongoing liquidity reporting

Moreover, a potential counterparty risk arises with ECC with regard to the investment of cash collateral received from its participants with credit institutions. For this reason, these funds are exclusively invested in reverse-repo transactions with approved institutions in return for securities collateral with the highest possible credit rating and liquidity in accordance with the requirements of the Regulation (EU) No. 648/2012 on OTC derivatives, central counterparties and trade repositories.

Furthermore, low default risks arise if a trading participant does not pay the transaction fees or clearing fees which have fallen due. Therefore, the trading participants' credit standing is monitored constantly on the basis of financial parameters and of rating information (if available). In this context, the question of whether the payment of transaction fees concentrates on individual trading participants (cluster or concentration risk) is also analysed.

MARKET PRICE RISK

Market price risks are defined as adverse changes in the value of assets on account of a change in valuation-relevant market parameters, such as, for example, exchange prices. As a result of the positions (buy/sell), which are balanced on principle, there are no market price risks in the clearing business. The market price risks resulting from other operations (essentially, currency risks) are minor and are controlled in accordance with the respective situation.

LIQUIDITY RISK

Liquidity risk is defined as the risk that the Group might not be able to fulfil its payment obligations at a point in time agreed on under a contract. Because of the business strategy pursued, the current operations do not lead to any essential incongruities of dates within EEX Group. The financing required for current expenses and investments is taken out and concluded in a timely manner in the framework of medium-term planning. Any possible gaps in financing are dealt with by providing sources of liquidity within the Group. The structural liquidity risk is monitored in the framework of the medium-term plan, which is prepared every year, and of the ongoing liquidity reporting. The aim is to specify the liquidity reserve and credit lines in planning in such a way as to ensure that sufficient liquidity is available in any case. The investment policy set out in writing only permits investments of free liquidity for counterparties with a good credit standing and within approved limits. Moreover, the maximum term is limited so that sufficient liquidity is available at all times in the event of short-term demand.

The default of a Clearing Member and its impact on liquidity at ECC are controlled according to the requirements under EMIR Article 44 in conjunction with the delegated regulation 153/2013 by means of the following:

› High requirements regarding the realisability of collateral furnished
› Adequate safety haircuts on collateral provided
› Provision of liquid resources which, at least, provide the liquidity required in the event of the stress test scenario (concurrent default of the two Clearing Members which generate the highest liquidity requirements in extreme yet plausible market conditions)

The overall risk assessment does not indicate any threat to the company's continued existence on account of individual risks or aggregated risk positions.

- Provision of credit lines at various banking institutes and the parent company's clearing bank, as well as access to the intraday credit of the Bundesbank

On a daily basis, ECC generates a liquidity report regarding the available liquid resources as well as the liquidity requirement in the event of the default of the two Clearing Members which generate the highest liquidity requirements in extreme yet plausible market conditions. Moreover, the potential sources of liquidity risks are recorded in the liquidity plan which is updated every quarter and submitted to the entire Management Board.

OPERATIONAL RISK

Operational risks are defined as all potential cases of damage arising from malfunctions of the IT systems used due to inadequate design of internal processes, errors by members of staff, errors by, or the defaulting of, external service providers, and project risks. Because of the high degree of automation in processing business transactions, combined with a large number of transactions, malfunctions of the IT systems used constitute essential operational risks for EEX Group. Since key parts of the IT systems are operated by external service providers, errors by, or the default of, external service providers also constitute a significant source of risk.

The risk strategy pursues the fundamental aim of minimising operational risks by using approved methods of system development and comprehensive test procedures. EEX Group either provides core services itself or has such performed by selected specialised, external partners. Individual services are also provided by specialised companies which are part of Deutsche Börse Group. The quality of the service providers is reviewed in the framework of the selection processes and continuously on the basis of established service level agreements. Furthermore, backup processes are implemented for critical business processes. The quality of the Internal Control System is checked regularly with the help of examinations by the internal auditors and the targeted use of external auditors. There are process descriptions and control activities for all fundamental processes. These are documented in checklists to reduce the likelihood of human errors. Operational risks are identified and assessed throughout the Group in the framework of an annual self-assessment.

In the context of the conclusion of balancing group agreements, priority rules regarding nominations by ECC are aimed for (provided they can be negotiated). In addition, a professional liability insurance with regard to errors in commercial activities (E&O insurance) has been taken out.

A damage incident database is maintained for the ongoing monitoring and for reporting cases of malfunctioning during operations. All untoward incidents which occur in the course of the operations – even if they have not led to any direct financial damage – are recorded in this database and analysed in cooperation with the competent members of the Management Board on a monthly basis and, if required, preventative measures are adopted and implemented.

BUSINESS RISK

Business risk is defined as effects resulting from the market entry of new competitors, regulatory or other legal amendments, technical changes, or modifications of the product landscape having a negative effect on the earnings situation in the medium to long term (see also the segment "Risks" in chapter 8 below).

A damage incident database is maintained for the ongoing monitoring and for reporting cases of malfunctioning during operations

The risk strategy pursues the fundamental aim of minimising operational risks by using approved methods of system development and comprehensive test procedures

In order to prevent conflicts of interest, rules of conduct have also been established for staff

These risks are monitored by means of the structured collection and analysis of information on competitors, customers, products and markets as well as processes and procedures. Furthermore, the effects which certain price and volume changes have on earnings are analysed in the framework of scenario calculations (see also the “Outlook report” in chapter 8 for information on the sensitivity of sales and results).

COMPLIANCE RISK

EEX is exposed to compliance risks primarily in the fields of sales tax fraud, damage to its reputation on account of the unauthorised publication of information, and abuse through money laundering or financing terrorism. Furthermore, as a credit institution, ECC has to ensure that transactions are not concluded with individual persons or legal entities which are included on relevant sanction lists.

ECC settles all transactions via Clearing Members. These institutions are subject to the rules of the German Banking Act (KWG) – or other, equivalent European provisions –which provide for the implementation of measures to combat these risks. Therefore, ECC has a low risk of being abused for the purposes of money laundering, financing terrorism or fraud. This risk is re-evaluated every year in the context of a risk analysis.

In addition, know-your-customer measures are intended to identify suspicious counterparties during the initial stages of the business relationship. In the event of reasonable doubt in the admission process, a decision by the Management Board or by the CRO is requested. As a supplement to this, continuous monitoring processes are undertaken by the Market Surveillance. Moreover, all business partners, including important associated companies of these business partners, are checked against known sanction lists on a monthly basis.

Sensitive data requiring specific protection has to be treated as being confidential and protected against unauthorised access in accordance with internal instructions. In order to prevent conflicts of interest, rules of conduct have, in addition, been established for staff.

RISK COVERAGE CAPITAL

The equity and the annual profit are available as risk coverage capital. Overall, risks which are not covered by the existing risk coverage capital and by the margin system as well as the ECC default fund cannot be discerned at the moment.

7 RESEARCH AND DEVELOPMENT

As a service provider, EEX Group does not engage in any research and development activities, such as you would find, for instance, at manufacturing companies. New developments of products and services for 2014 are addressed in chapter 3 above, while future developments are addressed below in chapter 8.

8 GROUP PERSPECTIVE, OUTLOOK REPORT, OPPORTUNITIES AND RISKS

3

Growth targets of EEX: growth in existing markets, expansion of the geographical reach, and continuation of the diversification strategy through growth in all fields of business

Overall, in view of its innovative and increasingly diversified product and service offering as well as its earning power and financial stability, EEX sees itself as being well prepared for achieving its aims and strengthening or defending its position regarding the intensified competition. This is due to the competitive value chain within EEX which is characterised by liquid trading platforms and cost-effective clearing solutions. EEX has set itself the aim of achieving ambitious growth rates in the future and increasing its market shares this way in the medium term.

COMPETITIVE ENVIRONMENT

The increased financial and energy market regulation, the German energy turnaround, as well as growing competitive pressure are likely to create an uncertain market environment again and influence trading at EEX in 2015.

The current market environment is e.g. shaped by the following trends which are relevant for energy exchanges:
› Increasing maturity of energy trading in Europe
› Professionalisation of exchange platforms
› Growing customer demands
› Increasing significance of clearing, e.g. on account of growing risk awareness and regulatory requirements

The increasing standardisation of products, the entry of globally operating exchanges into the market, and a substantial share of financial players in trading – they all reflect the growing maturity of the markets. At the same time, competitive and price pressures are increasing. In the context of competition and technical progress, the customer requirements regarding the product range, prices and technical standards have increased and have forced the exchanges to become more and more professional. The market participants' growing risk awareness as well as new regulatory provisions (e.g. EMIR) increase the importance and benefits of central (clearing) counterparties. Moreover, the new regulatory rules are likely to lead to increasing competition between brokers and exchange platforms.

OUTLOOK AND GROWTH OPPORTUNITIES

EEX aims to continue the positive development generated on the power and gas markets in the financial year 2014 also in 2015 – as well as in the medium term – and to expand into further asset classes and new commodities. In this respect, the EEX growth strategy pursues three aims:
› Growth in existing markets
› Gradual expansion of the geographical reach
› Continuation of the diversification strategy and growth in new fields of business

GOOD GROWTH POTENTIAL ON THE POWER DERIVATIVES MARKET

In 2014, derivatives trading on the EEX power market increased significantly yet again and reached new record levels. This development can be seen as an expression of trust in the regulated market which EEX offers. In combination with the political framework conditions, which have been stable so far, the increased basic liquidity resulting from this can boost the trading participants' confidence in the market and, as a result, contribute to a further expansion of EEX's market share on the German power derivatives market. Together with the planned expansion of the product offering to further European market areas, the further development of the existing markets through the introduction of new contracts, linking these markets via so-called location spreads, as well as the high degree of customer proximity on account of the local presence in important markets – all these factors contribute to continued high growth potential. And ensuring stability and reliability in energy policy will be decisive for this. This creates a high potential for bringing increasing market shares from the still very large uncleared over-the-counter market to the exchange market, and to settlement and clearing by ECC.

EXPANSION OF THE GAS BUSINESS FIELD: CONSOLIDATION OF THE EGEX AND POWERNEXT MARKETS

In the field of trading in natural gas, the consolidation of the business activities within Powernext (combined with the further development of the PEGAS platform and the expansion into further European gas market areas) creates considerable growth potential. Furthermore, the takeover of Powernext and the merger of the gas markets improve the competitiveness of EEX. Already in 2014, the increased liquidity and the quality of the spreads were reflected in the significantly higher trading volumes in the products. For 2015, EEX again aims at generating further growth in the existing market areas – in addition to the expansion into new market areas.

EMISSIONS MARKET: EEX TAKES PART IN BIDDING PROCEDURE FOR THE PERMANENT EU AUCTION PLATFORM

On the market for emission allowances, EEX Group successfully operates the transitional platform for the execution of the primary market auctions for the third trading period within the EU and for Poland. Furthermore, EEX Group has already won the contract for the operation of the permanent auction platform for Germany and is successfully carrying out the corresponding auctions. Winning the bidding procedure for the permanent EU auction platform, which began at the end of 2014, offers opportunities for further earnings potential within Europe. Based on this position, there is also the possibility of gaining market shares on the secondary market and strengthening our position towards main competitor – ICE. This requires safeguarding attractive trading conditions on EEX as well as stronger interconnections between the primary and the secondary market. Moreover, the new emissions trading systems evolving internationally provide additional growth opportunities outside Europe for EEX.

GROWTH ALSO ENVISAGED IN NEW ASSET CLASSES

With the further development of the CLTX business, EEX Group can continue to promote the diversification of its revenue and exploit growth opportunities even beyond Europe. On the freight market, in particular, significant volume growth is aimed at for 2015 following amendments of the regulatory framework conditions in favour of regulated trading platforms. Moreover, significant growth rates can also be achieved in

EEX assumes an increasing market share on the German power derivatives market

In the field of trading in natural gas, the consolidation of the business activities within Powernext creates considerable growth potential

In 2015, EEX is taking over the entire Eurex agriculturals business

the iron ore and marine diesel fuel asset classes. In addition, EEX also intends to gradually provide the asset classes offered by CLTX to the trading participants admitted to trading in power and gas via the trade registration offering.

In the interests of the strategic aim of continuing the diversification strategy and of growth in new business fields, EEX will take over the entire Eurex agriculturals business in 2015. As a result, EEX will gradually expand its focus from pure energy products to other commodities. In this context and, in particular, through new exchange partnerships to be established by ECC, further fields of business will become accessible to EEX. For example, ECC will launch clearing of paper industry and forestry products for the Norwegian exchange NOREXECO in 2015.

IMPORTANCE OF CLEARING SET TO INCREASE

Finally, the increasing importance of clearing (i.e. the settlement of trading transactions via central counterparties) creates additional growth opportunities for EEX Group. Because of the debate regarding the causes of the financial and economic crises, regulatory and public awareness of the advantages of clearing have increased significantly. This offers opportunities for increasing the share of cleared transactions in the overall trading volume. However, amendments of regulatory framework conditions, e.g. as a result of EMIR, do not form decisive preconditions for this. The crucial aspect in this respect is that the trading participants recognise and use the advantages of cleared transactions. On markets with high counterparty default risks, in particular, clearing via ECC provides considerable advantages for the trading participants. A transparent presentation of the cost advantages by ECC both towards the trading participants and political institutions, together with the constant (geographic as well as quantitative) expansion of the clearing services furthermore offers the opportunity to significantly and sustainably increase the volume of the transactions settled by ECC.

FURTHER IMPROVEMENT OF PRODUCTS, SERVICES AND SYSTEMS

As a result of expanding the product portfolio and the growing offer of financial products, the need for trading participants to trade on several exchanges or to execute their transactions via several counterparties is on the decline. In order to meet the increasing competition, EEX will also flexibilise its price model and counter possible price wars with an advanced service offering. In line with the aim of customer-oriented alignment, EEX will also continuously upgrade the other service offering – in particular through flexible trading systems and simplified admission processes – and improve the use of the existing customer potential as well as gain new customers.

In order to advance its competitive position, EEX constantly promotes the reduction of internal complexities and an increase in efficiencys. In 2015, both the internal processes as well as the IT infrastructure will be further improved and simplified – also against the background of the Group structure – for example, through the further

The growing importance of clearing creates further growth potential.

consolidation of the various business applications. In addition, we aim to exploit potential synergies in the functional areas of distribution, product portfolio and IT throughout the Group.

Special focus is placed on the constant improvement of the systems and processes for the physical settlement of power and gas transactions within ECC. The growing importance of short-term trading is accompanied by the requirement to have infrastructures with a correspondingly high availability. ECC makes investments in this field on a permanent basis and will e.g. facilitate the reduction of the entire lead time until delivery on local markets from at present 45 minutes to 30 minutes in future (on the basis of a renewed settlement infrastructure for the EPEX SPOT power intraday market in 2015).

RISKS

The most important risks for developing business within EEX Group originate from the following fields:

› Intensified regulation within the finance and energy sector
› Market design of the power market
› Intensification of competition

INTENSIFIED REGULATION WITHIN THE FINANCE AND ENERGY SECTOR AS THE CENTRAL RISK FOR EEX

The Management Board sees the definition of financial instruments within the European MiFID II regulatory directive as the biggest risk for EEX. Certain physical derivatives on gas and power which are traded over the exchange are not classified as financial instruments. This means that trading in such derivatives is not regulated via MiFID II. Moreover, EMIR also uses the definition of financial instruments provided in MiFID so that these over-the-counter physical derivatives are also not regulated by EMIR. As a result, trading in such physical derivatives has significant regulatory advantages as against the products offered by EEX (no need to obtain a financial services licence along with the requirement of providing corresponding equity, no position limits, no reporting requirements and no mandatory clearing according to EMIR, etc.). These less regulated products can only be traded on platforms referred to as “Organised Trading Facilities” (OTFs). As a result, OTFs have a regulatory advantage as regards trading in physical power and gas derivatives, and there is the risk of a massive shift in volumes away from the exchange and towards the OTFs. This could lead to general restraint on the part of the market participants in trading in EEX products. Moreover, a general reduction in trading activities is also conceivable. Volumes which are registered for clearing using the trade registration channel are also subject to this risk since derivatives traded over the counter are converted into financial instruments via the trade registration process.

Moreover, the possible introduction of a financial transaction tax in Germany entails significant risks for EEX. There are plans to charge a flat-rate tax on the nominal value of every commodity derivatives transaction concluded in Germany. On account of the comparatively high nominal values (e.g. of a Phelix year future) the financial transaction

30 min

Scheduled: A reduction of the lead time on the EPEX SPOT power intraday market

Due to national solo efforts, the potential of the market-based European integration cannot be fully developed

tax might lead to a reduction in the trading interest. However, at present we cannot tell whether energy products will actually be defined as commodity derivatives transactions. Even if the legislative projects regulating the energy and financial market will not take full legal effect or will not be finally applied in 2015, the projects can have an indirect effect on the business of EEX Group if market players anticipate certain developments and take a "wait-and-see" approach.

AMENDMENTS OF THE MARKET DESIGN: NEGATIVE IMPACT ON THE ATTRACTIVENESS OF EXCHANGE TRADING

Moreover, there is a high risk of possible structural changes in energy trading which might significantly impair the business model and lead to the non-fulfilment of the growth aims in the field of power as the mainstay of revenue. The debate regarding market design which has begun in the context of the energy turnaround in the spring of 2011 (and has recently increased in intensity) is decisive for the power market. Discussions regarding interventions characterised by "remoteness from the market", such as the introduction of capacity markets or smaller price zones, can strengthen the trading participants' uncertainty and lead to a decline in trading activities on exchanges, in particular in the long run. Specifically, a reliable energy policy framework providing long-term planning security is absent in this respect. Instead, the power market is increasingly facing individual regulatory measures, while competitive components are being restricted. Such interventions in the market design can jeopardise the role of market-based exchange prices, such as the Phelix, as reference prices. Moreover, their benchmark function would also be jeopardised if the integration of renewable energies in the market cannot be improved and if incentives cannot be created to make sure that the feed-in of renewable energies is based on market prices and, hence, on the actual demand. Finally, increasing numbers of national "solo" efforts have meant that the potential of the market-based European integration cannot be fully developed. There is even the risk that the attainments of liberalisation – and, in particular, the integration of the European power markets – might be called into question and negatively affected in the long term.

INTENSIFICATION OF COMPETITION

The increasing competition and price pressure forms a further significant risk. In the future, a further intensification of the competition – possibly in the form of price wars, in particular on the power derivatives market – and an increasing consolidation and reduction in the number of exchanges in the energy sector in Europe have to be expected. In addition, the entry of US-American derivatives market exchanges into the EEX markets is foreseeable. For example, in 2014 ICE launched a derivatives contract for the German power derivatives market – following its takeover of the natural gas and power derivatives business of the Dutch APX/ENDEX energy exchange in 2013. Furthermore, NASDAQ has also expanded its offer-

In the current financial year, the diversification strategy of EEX will be further promoted.

ing for the German power derivatives market. Since 2014, CME has been offering trading within the Dutch TTF gas market area and in the British NBP market area. As a result of new regulatory provisions, increasing competition between brokers and exchange platforms is also conceivable. For EEX, the entry of competitors into both the existing markets and the EEX growth markets entails the risk that it might lose the possibility of influencing the design of the European energy markets and that it might no longer be able to reach its commercial aims.

OUTLOOK REPORT

As a result of the full consolidation of EPEX SPOT and Powernext from 2015, the structure of the profit and loss account of EEX Group will change. On the one hand, the investment income from EPEX SPOT will cease to apply, while the revenue from the EPEX SPOT power spot markets as well as its other sales revenue will be considered. On the other hand, the ECC clearing revenue generated from the settlement of the Powernext gas markets will be allocated to the core business segment of gas from 2015 (so far, it has been allocated to the clearing cooperations). Furthermore, the Powernext trading fees from its gas markets as well as its other sales revenue will be considered part of the sales revenue of EEX Group. In addition to the EPEX SPOT and Powernext revenue, all of their cost items will also be included in the profit and loss account of EEX Group from 2015.

At 60 percent (2014: 64 percent), the power markets will again constitute the mainstay of revenue in 2015. However, the integration of the EPEX SPOT sales revenue will result in significant shifts between the spot and the derivatives market. In 2015, the power spot markets will contribute 36 percent (2014: 15 percent) to the EEX sales revenue. The derivatives market revenue is expected to account for a share of 24 percent (2014: 49 percent). As a result, the diversification strategy of EEX will be promoted further, in particular through the expected growth of the gas markets and CLTX markets, as well as through the introduction of new products. In 2015, the sales revenue is expected to lie within a range of between kEUR 128,677 and kEUR 134,721 as a result of the integration of EPEX SPOT and Powernext. This corresponds to a significant increase in sales. In determining the possible range, we have considered a 3-percent addition to or, respectively, deduction from the planned results for 2015.

The range of sales revenue from kEUR 57,888 to kEUR 60,700 assumed for 2014 was exceeded by far because of the very positive development of the power derivatives market, as well as of the gas markets.

However, from 2015, the overheads of EEX Group will increase significantly – not least as a result of the inclusion of the EPEX SPOT and Powernext costs. In addition, the cost base will also increase within EEX (not taking into account the new subsidiaries). Against

At approximately 60 percent, the power markets will again constitute the mainstay of revenue in the current financial year

For the current financial year, an EBT within a range of mEUR 22 to 28 is expected

the background of the IT strategy implementation, significant expenses will again be incurred in 2015 for the maintenance and optimisation of the IT infrastructure and processes. Furthermore, the increased importance and complexity of the intraday power market requires additional measures to safeguard the stability and growth potential of the IT systems used. Moreover, depreciation is expected to increase as a result of the required investments in software and systems. Personnel expenses will increase in the context of the planned recruitment of new staff for market and product development, as well as because of pay adjustments in connection with the compensation analysis (see chapter 5 above).

Depending on the development of the sales revenue described above, EEX Group expects an EBT (after adjustment for transaction-based one-off effects in connection with EPEX SPOT) within a range of kEUR 22,435 to 27,678.

Because of the extremely positive development of the sales revenue, the result expected for 2014 was again exceeded by far. In this case, the range was from kEUR 13,837 to kEUR 16,171.

Sensitivity analyses have shown that – again after adjustment for transaction-based one-off effects in connection with EPEX SPOT – a 10-percent decline in sales as against the plan would correspond to a decline in results by approximately 47 percent. In this context, it was assumed that the variable costs would develop in line with the transaction revenue and that all other costs items would be kept constant. A decline in sales of up to approximately 21 percent could be coped with without bringing about a negative result before taxes.

9 OTHER NOTES

The 2014 consolidated financial statement of EEX AG, Leipzig, and its subsidiaries was prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) in the version in which these have to be applied in the European Union. The consolidated management report was prepared on the basis of Section 315 HGB (German Commercial Code). The consolidated management report was also prepared in conformity with German Accounting Standard DRS 20.

EEX AG (as the parent company of the Group) is not publicly listed and does not use any organised markets within the meaning of Section 2 Para. 7 of the German Securities Acquisition and Takeover Act by means of voting shares issued by it.

SHAREHOLDER AND CAPITAL STRUCTURE OF EEX

The subscribed capital of EEX AG consists of 40,050,000 registered no-par shares with a calculated nominal value of EUR 1 per share. Throughout the entire financial year 2014, the company did not hold any own shares.

In 2011, Eurex Zürich AG became the majority shareholder in EEX AG with a shareholding of, at present, 62.82 percent. It is the sole shareholder holding an interest of more than 10 percent in the capital of the company.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements. These statements are based on current expectations, assumptions and forecasts of the Management Board and on the information which is available to it at the present time. These forward-looking statements cannot be considered as guarantees regarding the future developments and events referred to therein. Instead, the future developments and results depend on a large number of factors. They involve different risks and uncertainties and are based on assumptions which might turn out to be inaccurate. We do not assume any obligation to update the forward-looking statements made in this report.

40 million

Registered no-par shares with a calculated nominal value of EUR 1 per share

10 EVENTS AFTER THE BALANCE SHEET DATE

With a shareholding of 55.8 percent, EEX AG attained control of Powernext SA, within which the gas trading activities of EEX Group will be concentrated, in January 2015. Since Powernext, in turn, holds 50 percent in EPEX SPOT SE, this also involves a controlling majority of EPEX SPOT at the same time. Both companies will be fully consolidated in the EEX consolidated financial statement in the financial year 2015.

In addition, EEX acquired 50 percent of the shares in Gaspoint Nordic A/S as of 1 January 2015. This shareholding will be recorded at equity as an associated company during the financial year.

Leipzig, 13 March 2015

Peter Reitz
Chief Executive Officer (CEO)

Jean-François Conil-Lacoste
Executive Director Power Spot Markets

Dr Dr Tobias Paulun
Chief Strategy Officer (CSO)

Steffen Köhler
Chief Operating Officer (COO)

Dr Thomas Siegl
Chief Risk Officer (CRO)

Dr Egbert Laege
Executive Director Gas Markets

Iris Weidinger
Chief Financial Officer (CFO)

Consolidated FINANCIAL STATEMENT

FOR THE FINANCIAL YEAR
FROM 1 JANUARY TO 31 DECEMBER 2014

CONSOLIDATED BALANCE SHEET

Assets

in kEUR	Consolidated notes	31/12/2014	31/12/2013
Non-current assets		63,524	58,070
Goodwill	[14]	19,298	12,220
Intangible assets	[14]	7,128	5,649
Property, plant and equipment	[15]	1,401	1,252
Shares in associated companies and Joint ventures	[16]	27,622	33,269
Other financial investments	[16]	153	165
Other financial assets	[16]	0	100
Derivative financial instruments	[17]	2,998	591
Deferred tax assets	[13]	4,924	4,824
Current assets		853,495	882,871
Derivative financial instruments	[17]	261	1,295
Trade accounts receivable	[18]	78,851	64,625
Other assets	[19]	15,462	16,074
Tax refund claims	[13]	1,353	894
Accounts receivable from associated companies	[20]	135	717
Cash at bank with restrictions on disposal	[21]	684,032	740,995
Cash and cash equivalent	[22]	73,401	58,271
Total assets		917,019	940,941

Liabilities

in kEUR	Consolidated notes	31/12/2014	31/12/2013
Equity		132,202	119,701
Subscribed capital	[23, 24]	40,050	40,050
Capital reserve	[25]	10,000	10,000
Reserves	[25]	18,303	17,548
Results generated	[26]	55,834	46,037
Other results	[26]	338	0
Share of non-controlling shareholders	[27]	7,677	6,066
Long-term liabilities		5,328	1,685
Long-term reserves	[28]	523	190
Derivative financial instruments	[17]	2,998	591
Deferred tax liabilities	[29]	1,807	904
Short-term liabilities		779,489	819,555
Short-term reserves	[30]	5,219	4,964
Derivative financial instruments	[17]	261	1,295
Trade accounts payable	[31]	86,470	66,285
Accounts payable to associated companies	[31]	21	415
Cash deposits by the trading participants	[33]	684,032	740,995
Other liabilities	[34]	3,486	5,601
Total liabilities		917,019	940,941

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Consolidated statement of comprehensive income

in kEUR	Consolidated notes	2014	2013
Sales revenue	[6]	77,098	62,219
Other operating income	[7]	1,018	596
Personnel expenses	[8]	– 18,828	–14,597
Depreciation	[9]	– 3,911	– 4,759
Other operating expenses	[10]	– 40,037	– 31,677
Operating result		**15,340**	**11,782**
Interest and similar income	[11]	497	349
Interest and similar expenses	[11]	– 261	– 7
Financial result		**236**	**342**
Income as per equity method	[12]	8,459	5,194
Result from ordinary activities		**24,035**	**17,318**
Tax on income and profit	[13]	– 6,542	– 3,635
Consolidated net profit		**17,493**	**13,683**
Of which attributable to			
Shareholders of EEX AG		17,761	12,833
Non-controlling shareholders	[27]	– 268	850
Reconciliation to consolidated comprehensive income			
Consolidated net profit		**17,493**	**13,683**
Change in earnings items recorded directly in equity	[26]	338	0
Consolidated comprehensive income		17,831	**13,683**
Of which attributable to			
Shareholders of EEX AG		17,761	12,833
Non-controlling shareholders	[27]	– 268	850

CONSOLIDATED CASH FLOW STATEMENT

Consolidated cash flow statement

in kEUR	Consolidated notes	2014	2013
Change in scope of consolidation	[5]	3,346	
Annual net profit		17,493	13,683
Depreciation on intangible assets and property, plant and equipment	[9]	3,911	4,759
Income from deferred taxes	[13]	– 100	– 1,458
Result of at-equity investments	[12]	– 8,459	– 5,194
Increase in trade accounts receivable and other assets	[16, 18, 19, 20]	– 13,391	7,500
Increase in liabilities and reserves	[28, 29, 30, 31, 34]	20,448	– 4,047
Cash flow from current operations		19,902	15,243
Payments for investments in associated companies	[16]	0	– 7,049
Payments for investments in intangible assets	[14]	– 4,747	– 3,416
Payments for investments in property, plant and equipment	[15]	– 742	– 632
Dividends received	[11, 16]	5,314	6,381
Cash flow from investing activities		– 175	– 4,716
Dividend payments to shareholders of EEX AG	[26]	– 7,209	– 7,209
Dividend payment to non-controlling shareholders	[27]	– 734	– 469
Cash flow from financing activities		– 7,943	– 7,678
Cash-effective change in cash and cash equivalent		15,130	2,849
Cash and cash equivalents at the beginning of the accounting period		58,271	55,422
Cash and cash equivalent at the end of the accounting period		73,401	58,271
In the financial year			
Interest received and similar income		497	349
Dividends received	[11, 16]	5,314	6,381
Interest paid and similar expenses	[11]	261	7
Taxes on income paid	[13]	6,073	5,093

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Consolidated statement of changes in equity

in kEUR	Subscribed capital	Capital reserve	Reserve as per EMIR Article 45 (4)	Reserves	Results generated	Other results	Equity of EEX share-holders	Share of non-con-trolling shareholders	Consolidated equity
As of 31/12/2012	40,050	10,000		12,655	45,306		**108,011**	5,685	**113,696**
Total result					12,833				
Distribution of profits					– 7,209				
Addition to reserves			4,500	393	– 4,893				
Withdrawal from reserves									
As of 31/12/2013	40,050	10,000	4,500	13,048	46,037		**113,635**	6,066	**119,701**
Full consolidation of CLTX								2,291	
Distribution of profits					– 7.209			– 734	
Addition to reserves			1,000	– 246	– 754				
Total result					17,761			– 268	
Foreign currency effects						338		322	
As of 31/12/2014	40,050	10,000	5,500	12,802	55,835	338	124,525	7,677	132,202

Consolidated NOTES

FOR THE FINANCIAL YEAR FROM 1 JANUARY TO 31 DECEMBER 2014

PRINCIPLES AND METHODS

1. GENERAL PRINCIPLES

European Energy Exchange AG (EEX) operates an exchange for trading in energy and related products. Since its foundation, EEX has evolved from being a local power exchange into the leading European energy exchange. The constantly growing EEX Group offers trading, registering and clearing contracts on power, natural gas, coal and emission allowances as well as freight products. EEX Group includes trading platforms, such as EPEX SPOT and Cleartrade Exchange (CLTX), and from 2015 it will also include Powernext and Gaspoint Nordic. Collateralisation (clearing) and settlement of all transactions concluded on the exchange is effected through European Commodity Clearing AG (ECC).

EEX AG is a public limited company registered in the Federal Republic of Germany. EEX was established through the merger of LPX Leipzig Power Exchange GmbH, Leipzig and European Energy Exchange AG, Frankfurt into PVG Vierzehnte Vermögensverwaltung AG, Leipzig as of 1 January 2002. It has its registered offices at Augustusplatz 9, 04109 Leipzig, Germany and is registered in the commercial register of the Leipzig Local Court under HRB no. 18409.

EEX Group is fully consolidated in the consolidated financial statement of Deutsche Börse AG.

This consolidated financial statement will be presented to the Supervisory Board at its meeting on 14 April 2015.

2. REVISIONS OF STANDARDS AND INTERPRETATIONS

DISCLOSURES ACCORDING TO IAS 8.28

› IFRS 10 Consolidated Financial Statements – Control is ensured if the potential parent company has decision-making power regarding the potential subsidiary, participates in positive and negative returns from the subsidiary and can influence these returns on the basis of its decision-making power.

› IFRS 11 Joint Arrangements – The question of whether there is a joint operation or a Joint venture is assessed. In the latter case, the jointly controlling companies have rights in the net assets. This is reflected using the equity method.

› IFRS 12 Disclosure of Interests in Other Entities – Changed disclosure requirements regarding shares in other companies.

› Amendments to IFRS 10, IFRS 11 and IFRS 12 Transition Guidance – Clarification and reliefs in the transition to IFRS 10, IFRS 11 and IFRS 12.

› Amendments to IFRS 10, IFRS 12 and IAS 27 Investment Entities – Changed definition for investment companies and exclusion from the scope of application of IFRS 10.

› Amendments to IAS 27 Separate Financial Statements – Limitation of the scope of application to accounting of subsidiaries, Joint ventures and associated companies in the individual financial statements according to IFRS.

- Amendments to IAS 28 Investments in Associates and Joint ventures – Expansion of the scope of application with Joint ventures.

- Amendment to IAS 32 Offsetting Financial Assets and Financial Liabilities – Addition of the preconditions for netting of financial instruments.

- Amendment to IAS 36 Recoverable Amount Disclosures for Non-Financial Asset – Limitation of the mandatory disclosure regarding the goodwill impairment test in the event of an impairment made.

- Amendment to IAS 39 Novation of Derivatives and Continuation of Hedge Accounting – The novation of a hedging tool to a central counterparty as a result of statutory requirements does not result in the discontinuation of a designated hedging relationship.

DISCLOSURE ACCORDING TO IAS 8.30

EEX Group does not plan to apply the following new or amended standards and interpretations, whose application will only become necessary in subsequent financial years, earlier than required.

EU endorsement effected

- IFRIC 21 Levies – Clarification of a current obligation which is created by levies charged by the public sector. (To be applied for reporting periods beginning on or after 17 June 2014)

- Improvements to IFRS 2011 – 2013 – Adjustments of formulations in the IFRS 1, IFRS 2, IFRS 2 and IAS 40 standards. (To be applied for reporting periods beginning on or after 1 January 2015)

Applications subject to EU endorsement

- IFRS 9 Financial Instruments – Revised guidelines regarding the classification and assessment of financial instruments as well as new general accounting requirements for hedging transactions. (To be applied for reporting periods beginning on or after 1 January 2018)

- IFRS 14 Regulatory Deferral Accounts – Interim standard enables first-time users of IFRS to record regulatory deferrals and accruals also in the IFRS financial statement. (To be applied for reporting periods beginning on or after 1 January 2016)

- IFRS 15 Revenue from Contracts with Customers – New framework conditions regarding the amount and the time of sales revenue recorded. (To be applied for reporting periods beginning on or after 1 January 2017)

- Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint venture – In the case of the sale of assets to an associated company or a Joint venture, recording of the entire profit or loss from a transaction only if the assets sold or contributed constitute a business within the meaning of IFRS 3. (To be applied for reporting periods beginning on or after 1 January 2016)

- Amendments to IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception – Clarification of various issues regarding the application of the exemption from the consolidation requirement according to IFRS 10 for investment entities. (To be applied for reporting periods beginning on or after 1 January 2016)

- Amendments of IFRS 11 Accounting for Acquisitions of Interests in Joint Operations – Accounting of Joint ventures according to the equity method; reflection of joint operations is comparable with the quota consolidation. (To be applied for reporting periods beginning on or after 1 January 2016)

- Amendments to IAS 1 Disclosure Initiative – Disclosures in the notes are required unless their content is insignificant. (To be applied for reporting periods beginning on or after 1 January 2016)

- Amendments to IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation – Guidelines for the specification of an acceptable depreciation method. (To be applied for reporting periods beginning on or after 1 January 2016)

- Amendments to IAS 16 and IAS 41 Agriculture: Bearer Plants – In future, bearer plants have to be accounted as property, plant and equipment according to IAS 16. (To be applied for reporting periods beginning on or after 1 January 2016)

- Amendments to IAS 19 Defined Benefit Plans: Employee Contributions – Allocation of employee contributions or contributions by third parties regarding the service periods if the contributions are connected with the period of service. (To be applied for reporting periods beginning on or after 1 July 2014)

- Amendments to IAS 27 Equity Method in Separate Financial Statements – The equity method is approved as an accounting option for shares in subsidiaries, Joint ventures and associated companies in separate financial statements of an investor. (To be applied for reporting periods beginning on or after 1 January 2016)

- Improvements to IFRS 2010 – 2012 – Amendments of seven standards: Clarification of the existing rules in IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24 and IAS 38. (To be applied for reporting periods beginning on or after 1 July 2014)

- Improvements to IFRS 2012 – 2014 – Clarifications of the existing rules in IFRS 5, IFRS 7, IAS 19 and IAS 34. (To be applied for reporting periods beginning on or after 1 January 2016)

The amendments specified above do not have any essential impact on the presentation of the assets, earnings and financial situation of EEX Group.

3. FUNDAMENTAL ACCOUNTING AND VALUATION METHODS

The fundamental accounting and valuation methods used in the preparation of this consolidated financial statement are described below. The methods described are used consistently for the accounting periods detailed, unless specified otherwise.

PRINCIPLES FOR THE PREPARATION OF THE FINANCIAL STATEMENT

The consolidated financial statement as of 31 December 2014 was prepared according to the International Financial Reporting Standards (IFRS) adopted and published by the International Accounting Standards Board (IASB) as adopted for application in the European Union.

The consolidated financial statement was prepared by applying the regulations contained in Regulation (EC) No. 1606/2002 of the European Parliament and Council of 19 July 2002 regarding the application of international accounting standards in conjunction with Section 315a Para. 3 HGB [German Commercial Code] under consideration of the supplementary provisions under commercial law.

The requirements of IFRS are fully fulfilled and ensure that an impression of the assets, financial and earnings situation of the Group is conveyed which is in line with the actual situation.

With the exception of derivatives, which are assessed at fair value, the consolidated financial statement was prepared on the basis of the historical costs of acquisition and production.

The consolidated financial statement is prepared in EUR. Unless otherwise specified, all amounts are specified in thousand euros (kEUR).

PRINCIPLES OF CONSOLIDATION

Subsidiaries

All those companies in which the Group controls financial and business policy are defined as subsidiaries; as a rule, such control is accompanied by a share of more than 50 percent of the voting rights. Moreover, EEX faces fluctuating returns from the subsidiaries and has the ability to influence this return. In assessing the question of whether such control is ensured, the existence and effect of potential voting rights, which can be currently exercised or converted, is taken into account.

Subsidiaries are included in the consolidated financial statement (full consolidation) as of the time at which control was transferred to the Group. They are submitted to final consolidation at the time at which such control ceases.

Reporting regarding subsidiaries acquired in the financial statement is effected according to the purchase method. The costs of acquisition of the purchase correspond to the fair value of the assets given, the equity instruments issued and the debts created and/or assumed at the time of the transaction, plus the costs which can be directly allocated to the acquisition. Assets, debts and contingent liabilities which can be identified in the framework of a corporate merger are assessed at their respective fair values on the date of acquisition, regardless of the extent of the minority shares. The surplus of the costs of acquisition for the purchase over and above the Group's share in the net assets assessed at the fair value is shown as goodwill. If the costs of acquisition are lower than the net assets of the acquired subsidiary assessed at fair value, the amount of such a difference is directly recorded in the profit and loss account.

Intra-group accounts receivable and payable, as well as intra-group transactions, are set off against each other. In so far as necessary, the accounting and valuation methods for subsidiaries were changed to ensure uniform accounting throughout the Group.

Assets held in the framework of a fiduciary relationship are not considered assets of the Group and are not reported in the consolidated financial statement.

Transactions with non-controlling shareholders

Transactions with non-controlling shareholders are treated like transactions with parties external to the Group. Acquisitions and sales of fully consolidated subsidiaries from or to non-controlling shareholders are recognised directly as equity in the consolidated financial statement.

Associated companies

Associated companies are those companies on which the Group exercises decisive influence but which it does not control; as a rule, this is accompanied by a share of between 20 and 50 percent of the voting rights. Shareholdings in associated companies are reported in the balance sheet by using the equity method and, initially, they are assessed at their costs of acquisition. The share of the Group in associated companies includes the goodwill created upon the acquisition (after consideration of cumulative reductions in value).

The Group's share in the profits and losses of associated companies is recorded in the profit and loss account as of the date of acquisition. The cumulated changes after acquisition are set off against the book value of the shareholding. If the Group's share in the loss in an associated company corresponds to the share of the Group in this company, including other unsecured accounts receivable, or exceeds said value, the Group does not record any further losses unless it has entered into obligations for the associated company or has made payments for the associated company.

In so far as necessary, the accounting and valuation methods for associated companies were changed to ensure uniform accounting throughout the Group.

Joint ventures

Joint ventures are shown in the balance sheet according to the equity method as per IFRS 11.

Scope of consolidation

	Subsidiary							Associated companies and Joint ventures	
	European Commodity Clearing AG	European Commodity Clearing Luxembourg S.à.r.l.	EEX Power Derivates GmbH [1]	EGEX European Gas Exchange GmbH [1]	Global Environ-mental Exchange GmbH [1]	Cleartrade Exchange Pte. Ltd. [2]	Cleartrade Exchange (UK) Ltd. [2]	EPEX SPOT SE	European Market Coupling Company GmbH I.L. [3]
Registered offices	DE Leipzig	LU Strassen	DE Leipzig	DE Leipzig	DE Leipzig	SG Singapore	UK London	FR Paris	DE Hamburg
First consolidation	2006	2009	2008	2007	2011	2014	2014	2008	2008
Share in capital direct (indirect) 31/12/2013	98.5%	(98.5%)	80%	100%	100%	44%	(44%)	50%	20%
Share in capital direct (indirect) 31/12/2014	98.5%	(98.5%)	80%	100%	100%	51.7%	(51.7%)	50%	20%
Currency	kEUR	kEUR	kEUR	kEUR	kEUR	kUSD	kGBP	kEUR	kEUR
Nominal capital	1,015	13	125	100	25	16,500	0.001	4,973	100
Equity 2013	42,457	76	6,018	2,046	48	5,612	30	18,444	1,933
Equity 2014	53,036	47	6,018	2,046	48	5,655	57	24,635	1,824
Balance sheet total 2013	789,865	60,824	13,914	4,686	2,888	5,911	2,908	28,531	33,910
Balance sheet total 2014	759,751	67,643	14,776	2,636	2,668	6,092	115	34,084	2,059
Sales 2013	30,739	14,334	18,923	1,558	1,564	2,534	551	43,080	3,226
Sales 2014	37,137	19,346	23,395	4,161	1,491	674	386	50,730	0
Profit for fin. year 2013	10,305	41	0	0	0	– 1,593	40	10,500	888
Profit for fin. year 2014	13,178	33	0	0	0	– 2,207	28	16,691	– 116
Inclusion	Full consolidation							At equity	

[1] A profit and loss transfer agreement has been concluded.
[2] The values for the previous year refer to the financial year from 01/07/2013 to 30/06/2014.
[3] The values for 2014 refer to the short financial year from 13/06/2014 to 31/12/2014.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment assets, less grants, are capitalised at the costs of acquisition and/or production and depreciated linearly as scheduled in accordance with the probable commercially useful life.

Subsequent costs of acquisition and production, e.g. on account of expansion or replacement investments, are only recorded as part of the costs of acquisition and production of the asset or – if appropriate – as a separate asset, provided it is likely that a commercial benefit will accrue to the company from it in the future and that the costs of the asset can be reliably established.

Expenses for maintenance activities which do not constitute essential replacement investments are recognised as expenses in the profit and loss account for the financial year during which such were incurred.

All assets are depreciated linearly. Office equipment is depreciated over a period of 13 years and hardware is essentially depreciated over a period of three years.

The residual book values and economic lifetime are reviewed as of every balance sheet date and adjusted if required. If the book value of an asset exceeds its estimated achievable amount, it is immediately depreciated to the latter.

Profits and losses from the disposal of property, plant and equipment are established as the amount of the difference between the sales proceeds and the book value of the property, plant and equipment and recognised in the profit and loss.

INTANGIBLE ASSETS

Intangible assets are depreciated linearly, provided they have a limited service life.

Goodwill

Goodwill is defined as the difference between the costs of acquisition of a company over and above the fair value of the shares in the net assets of the company acquired at the time of acquisition. Any goodwill created by the acquisition of the company is reported in the balance sheet under intangible assets. Any goodwill resulting from the acquisition of an associated company is contained in the book value of the shareholding in this associated company. The goodwill shown in the balance sheet is submitted to an annual impairment test and assessed at its original costs of acquisition minus cumulated impairments. Reversals of impairment losses are not permissible.

The goodwill is divided into cash-generating units for the purpose of the impairment test. This division is effected over those cash-generating units which were expected to benefit from the merger during which the goodwill was created.

Other intangible assets

Software acquired is capitalised at its costs of acquisition and production plus the costs for establishing a state ready for going into operation minus any possible grants. The total costs of acquisition are depreciated over the estimated commercially useful life.

An intangible asset which is created by the company itself and results from development activity (or the development phase of an internal project) is shown if and only if all of the following proofs can be furnished:

› Technical feasibility of completion of the intangible asset is ensured so that it will be available for use or for sale.
› The completion of the intangible asset as well as its use or sale are intended.
› There is a likelihood of using or selling the intangible asset.
› It has been established as to how the intangible asset will generate its probable future commercial benefit.
› The availability of adequate technical, financial and other resources for the completion of the development and the use or sale of the intangible asset is ensured.
› There is the capacity to reliably determine the expenses allocable to the intangible asset in the framework of the development.

The value at which an intangible asset created by the company itself is capitalised for the first time corresponds to the total of the expenses incurred as of the day on which said intangible asset fulfils the conditions specified above. In case an intangible asset created by the company cannot be capitalised, the development costs are recognised in income in the accounting period during which such are incurred.

Capitalised costs of acquisition and production for software are depreciated linearly over its useful life. A useful life of three years is assumed for standard software. Purpose-written internal software, on the other hand, is depreciated over five years.

IMPAIRMENT OF NON-MONETARY ASSETS

Assets which have an indefinite useful life are not depreciated according to schedule; they are rather submitted to an impairment test at least once per year as well as upon the emergence of corresponding indicators as a supplement. Assets which are subject to scheduled depreciation are tested for an impairment if there are corresponding indications (events and/or changes in circumstances) signalling that the book value may no longer be realised. An impairment loss is recorded as the amount by which the book value exceeds the achievable amount. The achievable amount is the higher of the fair value of the asset (minus selling costs) and its value in use.

For the purpose of the impairment test, assets are combined at the lowest level for which the cash flows can be separately identified (so-called cash-generating units). With the exception of the value of the business and of the goodwill, non-monetary assets for which an impairment has been recorded in the past are reviewed as to whether a reversal of impairment losses needs to be effected as of every balance sheet date.

LEASING RELATIONSHIPS

The allocation of beneficial ownership has to be evaluated for every leasing relationship. Leasing relationships in which an essential share of the risks and opportunities associated with the ownership of the object of the lease remains with the lessor are classified as operating lease relationships. Otherwise, the relationship constitutes a financial leasing relationship.

Rented or leased assets whose beneficial owner is EEX according to IAS 17 (financing leasing relationship) are shown in the assets at the present value of the rent or leasing instalments or at the time value of the rental or leasing object, if such is lower, and depreciated linearly according to schedule.

In the case of ownership being transferred to EEX as of the end of the leasing term, the period of depreciation corresponds to the commercially useful life; otherwise, it corresponds to the leasing term of the object of the lease. The present value of the payment obligations from the future rental and leasing instalments is reported as a liability and subsequently reduced by the repayment share contained in the rental and leasing payments.

Rental and leasing relationships in which EEX cannot be allocated beneficial ownership are classified as operating lease relationships. The expenses resulting from these agreements are recorded fairly at the time of the use of the corresponding rental and leasing objects. They are recorded linearly in the profit and loss account throughout the term of the leasing relationship.

The classification of a leasing relationship occurs when the total of the leasing payments exceeds kEUR 50.

FINANCIAL ASSETS

A financial instrument is defined as a contract which simultaneously leads to a financial asset for one company and to a financial liability or equity instrument for the respective other company.

Financial assets comprise the following:

- Available funds
- An equity instrument of another company held as an asset
- A contractual right:
  - a) to obtain available funds or other financial assets from another company or
  - b) to exchange financial assets or financial liabilities with another company at potentially advantageous conditions or
- A contract which will or can be fulfilled in own equity instruments of the company and which constitutes the following:
  - a) A non-derivative financial instrument which comprises or can comprise a contractual obligation of the company to receive a variable number of equity instruments of the company or

b) A derivative financial instrument which will or can be fulfilled in another manner than through the exchange of a fixed amount of available funds or other financial assets in return for a fixed number of equity instruments of the company. In that sense, the equity instruments of a company do not comprise any instruments which themselves constitute contracts regarding the future receipt or the future sale of equity instruments of the company.

Recognition and de-recognition of financial investments are effected as per the trading day. Said day is the day of the purchase or sale of a financial asset on which the terms of contract provide for the delivery of the financial asset within the time frame common for the market concerned. The first assessment is effected at the fair value plus the transaction costs. Financial assets categorised as “recognised in income at the fair value” are exempt from this. In this case, the initial assessment is effected at the fair value without consideration of transaction costs.

Financial assets are allocated according to the following categories:

› Assets recognised in income at fair value
› Financial assets held until final maturity
› Financial assets available for sale
› Loans and accounts receivable

The allocation to a category depends on the type and intended purpose of the financial assets and is effected upon the addition of the asset. The allocation to a category needs to be reviewed as of every balance sheet date.

Financial assets are divided into three categories.

Assets at fair value through profit or loss

These are financial assets classified as “held for trading” right from the beginning and financial assets classified as “assets assessed at fair value through profit or loss” from the beginning. A financial asset is assigned to this category if it was acquired with the intention of selling it in the short term on principle or in the case where the financial asset was designated accordingly by the management. Derivatives are also part of this category unless they are specified as financial instruments in a hedge relationship (hedges). Assets of this category are reported as current assets if they are either held for trading or are likely to be realised within a period of twelve months after the balance sheet date.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed and/or definable payments which are not quoted on an active market. They are part of the current assets if their term does not exceed a period of twelve months after the balance sheet date. If this is not the case, they are reported as non-current assets.

Loans and receivables are reported under accounts receivable for sales and services and other accounts receivable in the balance sheet.

Financial assets available for sale

According to IAS 39, financial assets are also allocated to the category of “financial assets available for sale”. Financial assets available for sale are shown in the balance sheet at their time value as of the balance sheet date or, in as far as such cannot be determined, or in as far as such cannot be determined reliably, at the amortised acquisition costs. Since the time values of the shareholdings held by EEX Group cannot be determined by means of suitable valuation methods, they are reported in the balance sheet at acquisition costs.

FINANCIAL INSTRUMENTS OF EUROPEAN COMMODITY CLEARING AG (ECC)

ECC AG is the clearing house of EEX Group and has the function of a central counterparty.

Unconditional futures transactions

In the case of certain futures, the physical delivery of the subject of the contract is intended and mandatory from the outset. The parties to the contract can close out their obligations through a matching transaction. This form of contract is possible for all commodities (except coal). In terms of the balance sheet, futures which were already traded before the balance sheet date but whose last trading day occurs after the balance sheet date, in particular, are relevant at this point.

Variation margins cover daily profits and losses of the open positions, which are caused by changes in the market price. Since this is a daily profit and loss settlement in cash, futures are not shown in the consolidated balance sheet according to IAS 39.17(a) and IAS 39.39.

Futures with mandatory cash settlement are treated as being equivalent to forward contracts with physical settlement and, consequently, they are neither shown as assets nor as liabilities in the balance sheet.

Conditional futures transactions

In the case of options, the buyer of an option has to pay an option premium upon concluding the contract. In the event of price fluctuations which have a negative impact on the seller of the option and lead to losses in the case where the option is exercised, collateral has to be furnished by the seller. The buyer of an option, on the other hand, cannot sustain any further losses beyond the option premium already paid, since the buyer is not obliged to exercise the option. In other words, the value of an option depends on the possible losses which the seller might sustain.

The fair value has to be shown in the balance sheet for options. In this context, the option premiums for the open positions are used. Assets and liabilities positions of the same amount are created since ECC, in its capacity as the central counterparty, has both an account receivable from the seller of the option and an account payable to the buyer of the option.

Option premiums are directly credited to the seller of the option. As a result, they do not constitute any future outflow/inflow of funds and do not have to be shown in the balance sheet.

ACCOUNTS RECEIVABLE FOR SALES AND SERVICES

Initially, accounts receivable for sales and services are assessed at fair value. Afterwards, they are valued at amortised acquisition costs and, in as far as they have a remaining term of more than twelve months, by using the effective interest rate method, as well as by deducting impairments. An impairment of accounts receivable for sales and services is recorded if there are objective indications pointing to the fact that the amounts of the accounts receivable which have fallen due cannot be collected in their entirety. Considerable financial difficulties of a debtor, an increased likelihood of the debtor becoming insolvent or entering into some other reorganisation measure as well as a breach of contract, such as a default or a delay in interest or redemption payments, are considered indicators of the presence of an impairment. The amount of such impairment is categorised as other operating expenses in the profit and loss account.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash assets, sight deposits and other highly liquid short-term financial assets with an original term of, at a maximum, three months, as well as overdraft facilities. These are financial assets available for sale.

Bank deposits with a restriction on disposal comprise cash deposits by the trading participants.

Overdraft facilities used are essentially shown as liabilities to banks under the short-term financial debts in the balance sheet.

COLLATERAL

According to the ECC Clearing Conditions, every trading participant needs to furnish a certain amount of collateral. This form of collateral can be provided in securities, bank guarantees (only for the clearing fund) or in the form of cash funds.

Liabilities from cash securities are reported under the item “Cash deposits by the trading participants” in the consolidated balance sheet. The corresponding amounts are reported under “Bank deposits with a restriction on disposal”.

Collateral supplied in the form of securities is pledged by the Clearing Members. This is not shown in the balance sheet.

FINANCIAL DEBTS

Upon their first assessment, financial debts are assessed at their fair value and after the deduction of transaction costs. In subsequent accounting periods, they are valued at amortised acquisition costs; every difference between the payout amount (after the deduction of transaction costs) and the repayment amount is recorded in the profit and loss account by using the effective interest method throughout the term of lending.

Loan liabilities are classified as short-term liabilities if the Group does not have the unconditional right to postpone the repayment of the liability to a date at least twelve months after the balance sheet date.

DEFERRED TAXES

Deferred taxes are assessed for all temporary differences between the tax balance sheet value of the assets/liabilities and their book values in the annual financial statement according to IFRS. Deferred taxes are assessed by using the tax rates (and taxation provisions) which are applicable on the balance sheet date or have essentially been legally adopted on the balance sheet date and which are expected to be valid at the time of the realisation of the deferred tax asset and/or of the settlement of the deferred tax liability.

Deferred tax liabilities caused by temporary differences in connection with the shareholdings in subsidiaries and associated companies are stated, unless the time of the reversal of the temporary differences can be determined by the Group and it is likely that the temporary differences will not be reversed in the foreseeable future on account of this influence.

Deferred tax assets on losses carried forward are assessed to the degree to which it is likely that such can be used. The use of deferred tax assets on losses carried forward depends on whether sufficient taxable income is likely to be generated in the future. The earnings situation in the past as well as planning calculations are used to evaluate the likelihood of such a situation.

EMPLOYEE BENEFITS

Within the Group there are both defined benefit pension plans and defined contribution pension plans.

A defined contribution pension plan is a pension plan under which the Group pays fixed contributions to a company (fund) which is not part of the Group. The Group is not subject to any legal or de facto obligation to provide additional contributions in case the fund does not have sufficient assets to settle the pension claims of all employees from the current and previous business years. In contrast, defined benefit pension plans typically specify an amount for the pension benefit which an employee receives upon retirement and which usually depends on one or more factors, such as age, length of service and salary.

The provision for defined benefit plans assessed in the balance sheet corresponds to the present value of the defined benefit obligation (DBO) on the balance sheet date. The DBO is calculated annually by an independent actuarial expert by using the projected unit credit method. The present value of the DBO is calculated by discounting the expected future outflow of funds at the interest rate for industrial bonds with the highest credit rating. The industrial bonds are specified in the currency of the payment amounts and have terms corresponding to those of the pension obligations.

Actuarial profits and losses which are based on adjustments and modifications of actuarial assumptions on account of experience are recognised in income throughout the expected remaining period of service of the employees.

Current service costs to be settled subsequently are immediately recognised in income unless the modifications of the pension plan depend on the continuance of the employee in the company for a fixed term (term until the beginning of non-forfeitability). In this case, the current service costs to be subsequently settled are recognised in income linearly throughout the period until the beginning of non-forfeitability.

Actuarial profits and losses are immediately recognised in income. In so far as there are plan assets, these are deducted from the pension reserve.

RESERVES

Reserves are carried as liabilities in the event that the Group has a current legal or de facto obligation resulting from an event in the past in case it is more likely than not that the settlement of the obligation will lead to an encumbrance and the amount of the reserve can be determined reliably. Reserves for future operating losses are not recorded.

Reserves are assessed at the present value of the expected expenses; in this process, a pre-tax interest rate is used which takes the current market expectations regarding the interest effect and the risks specific to the obligation into account. Increases in the reserve merely resulting from compounding are recognised in income as interest expenses in the profit and loss account.

PROFIT REALISATION

All trading and clearing fees for derivatives transactions are provided on the trading day, while delivery fees for spot market transactions are provided upon successful nomination. All transaction fees referred to above are settled on a monthly basis.

Annual fees are charged annually, technical fees are charged on a quarterly basis, while training fees and information products are charged ad hoc.

Interest revenue and interest expenses are recorded if it appears sufficiently likely that a commercial benefit from the transaction will accrue to the company and the amount of the revenue can be determined reliably.

FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are converted into the functional currency (EUR) at the mean foreign exchange rate valid at the time of the transaction. Profits and losses resulting from the fulfilment of such transactions as well as from the conversion of monetary assets and debts recorded in foreign currencies at the exchange rate valid on the balance sheet date are recorded in the profit and loss account.

Foreign exchange rate differences which arise in the framework of consolidation are recognised directly in equity.

ESTABLISHMENT OF THE FAIR VALUE

The fair values of the financial instruments are determined on the basis of corresponding market values or valuation methods. The fair values for cash funds and other short-term original financial instruments (in particular accounts receivable for sales and services and trade accounts payable) roughly correspond to the book values shown in the balance sheet as of the respective balance sheet dates.

The fair value of derivatives traded in an active market is based on the exchange price on the balance sheet date. Since ECC acts as the buyer and the seller at the same time, the relevant exchange price of financial assets corresponds to their current bid price.

The fair value of financial liabilities specified in the notes is established by discounting the future payments agreed on by contract at the currently valid market interest rate which would be granted to the Group for comparable financial instruments.

4. ESTIMATES, VALUATION UNCERTAINTIES AND DISCRETIONARY DECISIONS

All estimates and assessments are constantly re-evaluated and are based on experience gained in the past and further factors, including expectations with regard to future events, which appear reasonable under the prevailing circumstances.

The Group makes assessments and assumptions regarding the future. The estimates derived from these will obviously only in very rare cases correspond exactly to the actual circumstances arising later.

The corporate planning of EEX AG and its subsidiaries constitutes the basis for the annual impairment test regarding the respective goodwill. This planning processes assumptions regarding the future development of the expense and income items of the cash-generating units concerned.

Further estimates and assessments have been made, especially with regard to the evaluation of the likelihood of demands on certain reserves, as well as the realisability of deferred tax assets.

5. CHANGE IN THE SCOPE OF CONSOLIDATION

As of 1 January 2014, EEX increased its share of voting rights in Cleartrade Exchange Pte. Ltd. to 51.7 percent. Due to the control of Cleartrade Group connected with this according to IFRS 10, the companies of Cleartrade Exchange Pte. Ltd. and Cleartrade Exchange (UK) Ltd. have been fully consolidated as of 1 January 2014.

The payment of a share of mUSD 2.5 of the purchase price is connected to the attainment of a specified turnover development by the year 2015.

The purchase price allocation had the following results:

in kEUR	
Transferred consideration	
Fair value of the shares in CLTX Group held before control was attained	8,856
Acquired bank balances	– 3,346
Total consideration	5,510
Acquired assets and debts	
Other intangible and tangible assets	1,101
Other short-term assets	2,940
Other short-term liabilities	– 3,318
Re-evaluation of the share of non-controlling shareholders	– 2,291
Total acquired assets (+) and debts (–)	– 1,568
Goodwill	7,078

One half of the goodwill created is allocated to each of the cash-generating units CLTX and ECC since a significant impact on earnings and synergetic effects in clearing are expected by the management, in addition to CLTX.

Full consolidation of the Cleartrade Group as of 1 January 2013 would have led to an increase in net revenue by mEUR 1,042 and to a reduction in results by mEUR – 1,760.

NOTES ON THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

6. SALES REVENUE

The sales revenue is made up as follows:

in kEUR	2014	2013
Trading fees		
Power derivatives market	22,761	18,399
Gas spot market	2,737	947
Gas derivatives market	602	155
EUA spot market	726	1,021
EUA/CER derivatives market	131	32
CLTX derivatives market	700	0
Other, spot and derivatives market	1	6
Clearing fees	36,682	29,392
Other fees		
Annual fees	2,813	4,783
Technical and licence fees	5,058	1,931
Info products	1,452	1,448
Service agreements	1,550	1,839
Training courses/examinations	668	829
Other clearing services	696	1,205
Other	521	233
Total sales revenue	77,098	62,219

The revenue is settled by using the prices published in the respective current price list.

As in the past, trading and clearing of power derivatives transactions (which increased significantly in spite of the difficult situation on the market) is the mainstay of revenue. Reference is made to the management report with regard to further explanations on the development of sales.

7. OTHER OPERATING INCOME

This item essentially comprises revenue from project costs and other on-charging of costs.

8. PERSONNEL EXPENDITURE

On 31 December 2014, 191 members of staff were employed in EEX Group (2013: 161). On the balance sheet date, female employees accounted for 45 percent of the staff.

in kEUR	2014	2013
Wages and salaries	15,388	11,634
Social security contributions	2,377	2,116
Retirement provisions	1,063	847
Total	18,828	14,597

9. DEPRECIATION

Depreciation was structured as follows:

in kEUR	2014	2013
Intangible assets	3,310	3,921
Property, plant and equipment	601	838
Total	3,911	4,759

10. OTHER OPERATING EXPENSES

in kEUR	2014	2013
Systems costs	15,089	13,055
Consultancy	5,315	5,766
Market makers, brokers, etc.	10,326	5,436
Office expenses	3,151	2,099
Marketing, events and travelling expenses	2,537	2,101
Non-deductible input tax	819	493
Insurances, contributions	727	1,040
Supervisory Board emoluments	340	384
Audit costs	408	382
Other expenses	1,325	921
Total	40,037	31,677

The system costs comprised fixed and sales-based components as well as costs for the trading participants' technical connections to the trading systems.

11. FINANCIAL RESULT

The financial result has the following structure:

in kEUR	2014	2013
Interest income cash collateral	359	145
Interest expenditure cash collateral	0	0
Interest result cash collateral	**359**	**145**
Interest and similar income	75	111
Interest expenditure	– 261	0
Dividends from investments	64	93
Compounding of provisions	– 4	– 7
Other interest income	**– 122**	**197**
Total interest income	497	349
Total interest expenses	– 261	– 7
Total	236	342

12. INCOME FROM EQUITY ACCOUNTING

The result from equity accounting concerns the continuation of the costs of acquisition for EPEX SPOT SE (kEUR 8,139) as well as the European Market Coupling Company GmbH i.L. [which is being liquidated] (kEUR 320) accounted for according to the equity method.

13. TAXES ON INCOME AND PROFIT

This item records the current taxes on income and profit paid or owed as well as deferred taxes. Current taxes on income and profit are recognised in income at the time at which such are incurred.

in kEUR	2014	2013
Current income taxes	6,568	5,010
Income taxes unrelated to the accounting period	74	83
Deferred taxes on income	– 100	– 1,458
Total	6,542	3,635

For the purpose of calculating deferred taxes in Germany, a tax rate of 31.925 percent is used (2013: 31.925 percent). This tax rate includes the business tax with an assessment rate of 460 percent (2013: 460 percent), the basic rate of tax of 3.5 percent (2013: 3.5 percent), the corporation tax rate of 15 percent (2013: 15 percent) and the solidarity surcharge of 5.5 percent (2013: 5.5 percent) on corporation tax.

The expected expenses for taxes on income and profit (which would have resulted from applying the tax rate of 31.925 percent on the consolidated pre-tax profit as per IFRS) are transferred to the taxes on income and profit according to the profit and loss account as follows:

in kEUR	2014	2013
Earnings before taxes	**24,035**	**17,318**
Tax rate	31,925%	31,925%
Expected tax expenditure	**7,673**	**5,529**
Tax-free income	– 2,598	– 1,682
Non-deductible operating expenses	423	250
Tax expenses/income not attributable to the accounting period	– 8	– 646
Amendments/non-use of loss carry-forwards	522	50
Deviation from the assessment basis for business tax	115	94
Deviating tax rate	346	
Others	70	41
Effective tax expenditure	6,542	3,635

The following deferred tax assets and tax liabilities arise from the temporary differences between the tax balance sheet and the IFRS balance sheet and from tax loss carry-forwards:

	Deferred tax assets		Deferred tax liabilities	
in kEUR	2014	2013	2014	2013
Intangible assets	12	17	0	0
Property, plant and equipment	1	1	– 21	– 29
Other financial assets	0	0	0	0
Financial instruments	1,040	602	– 1,040	– 602
Other accounts receivable	19	0	– 9	– 75
Loss carry-forward	4,808	4,906	0	0
Long-term reserves	31	26	0	0
Short-term reserves	204	62	0	0
Short-term liabilities	12	0	0	0
Outside basis differences	0	0	– 133	– 85
Gross value	**6,127**	**5,614**	**– 1,203**	**– 790**
Balancing	– 1,203	– 790	1,203	790
Total	**4,924**	**4,824**	**0**	**0**

Deferred tax assets are assessed with regard to tax loss carry-forwards since their realisation appears sufficiently secure – based on corporate planning calculations. Tax loss carry-forwards of kEUR 9,777 were not assessed. These loss carry-forwards are not limited as to the date at which they may be used.

There are taxable temporary outside basis differences of kEUR 2,956 (2013: kEUR 2,400), which were not shown as liabilities in accordance with IAS 12.39.

The deferred taxes are structured as follows (depending on the term until realisation):

in kEUR	2014	2013
Deferred tax assets		
To be realised after more than 12 months	6,031	5,201
To be realised within a period of 12 months	83	413
Total	6,114	5,614
Deferred tax liabilities		
To be realised after more than 12 months	–974	–291
To be realised within a period of 12 months	–216	–499
Total	–1,190	–790

NOTES ON THE CONSOLIDATED BALANCE SHEET

14. GOODWILL AND INTANGIBLE ASSETS

The goodwill and intangible assets developed as follows:

in kEUR	Other intangible assets	Goodwill	Total
Costs of acquisition as of 31 December 2012	18,426	30,021	48,447
Additions	3,416		3,416
Disposals	– 257		– 257
Costs of acquisition as of 31 December 2013	21,585	30,021	51,606
Change in the scope of consolidation	1,095	7,078	8,173
Additions	4,747		4.747
Disposals	– 1,214		– 1,214
Costs of acquisition as of 31 December 2014	26,213	37,099	63,312
Depreciation/impairment as of 31 December 2012	12,273	17,801	30,073
Scheduled depreciation	1,845		1,845
Impairment	2,075		1,845
Disposal	– 257		– 257
Depreciation/impairment as of 31 December 2013	15,935	17,801	33,736
Scheduled depreciation	3,310		3,310
Disposal	– 4		– 4
Depreciation/impairment as of 31 December 2014	19,241	17,801	37,042
Currency differences	157		157
Book value as of 31 December 2013	5,650	12,220	17,870
Book value as of 31 December 2014	7,128	19,299	26,426

The goodwill has an indefinite useful life. It has the following structure:

in kEUR	ECC	EPD	ECC Lux	GEEX	CLTX	Total
As of 31/12/2013	5,916	6,294	7	3		12,220
Change in the scope of consolidation	3,539	0	0	0	3,539	7,078
As of 31/12/2014	9,455	6,294	7	3	3,539	19,298

With regard to further notes regarding the change in the scope of consolidation, reference is made to item 5.

ANNUAL IMPAIRMENT TEST AS OF 30 SEPTEMBER 2014

The impairment test is based on the medium-term planning for the cash-generating units. These cash flows, which are forecast on an annual basis, are discounted.

In so far as cash flow forecasts are required in addition beyond the planning horizon, a sustainable cash flow is derived from the plan and continued on the basis of a growth rate based on the specific development of the market. A growth rate of 1 percent was assumed for the current budget. In deviation from this, the detailed planning for Cleartrade was extended by five years on the basis of assumptions. After this period, a growth rate of 2 percent was assumed.

The rate of the weighted average cost of capital (WACC), which reflects the capital market's required rate of return for the provision of borrowed capital and equity for EEX, is used for the purpose of discounting the cash flows. The rate used for the weighted average costs of capital for the calculation of the achievable amount is 7 percent (Cleartrade: 9 percent).

In all cases, a fair value (minus selling costs) which was considerably above the book values of the cash-generating units was established.

SENSITIVITY OF THE PLANNING ASSUMPTIONS

A sensitivity analysis was carried out for the cash-generating units which include goodwill. The question of by how much sales revenue may decline without requiring an impairment was analysed.

In all cases, the declines established are far beyond any scenario which can be regarded as being realistic at present.

15. PROPERTY, PLANT AND EQUIPMENT

In 2014, property, plant and equipment have been as follows:

in kEUR	Leasehold improvement	Computer hardware, fixtures and furnishings	Total
Costs of acquisition as of 31 December 2012	1,212	3,527	4,739
Additions	94	538	632
Disposals	0	– 186	– 186
Costs of acquisition as of 31 December 2013	1,306	3,879	5,185
Change in scope of consolidation	0	6	6
Additions	367	375	742
Disposals	0	– 3	– 3
Costs of acquisition as of 31 December 2014	1,673	4,257	5,930
Depreciation/impairment as of 31 December 2012	663	2,618	3,281
Scheduled depreciation	212	626	838
Disposals	0	– 186	– 186
Depreciation/impairment as of 31 December 2013	875	3,058	3,933
Scheduled depreciation	215	386	601
Depreciation/impairment as of 31 December 2014	1,090	3,444	4,534
Currency differences		5	5
Book value as of 31 December 2013	431	821	1,252
Book value as of 31 December 2014	583	818	1,401

16. SHARES IN ASSOCIATED COMPANIES AND JOINT VENTURES, OTHER FINANCIAL INVESTMENTS AS WELL AS OTHER FINANCIAL ASSETS

The associated companies and Joint ventures as well as shareholdings were as follows on the balance sheet day:

	Associated companies and Joint ventures		Share-holdings
	EPEX SPOT SE	European Market Coupling Company GmbH	store-x Storage Capacity Exchange GmbH
Registered offices	France Paris	Germany Hamburg	Germany Leipzig
First inclusion in the balance sheet	2008	2008	2008
Share in capital as of 31 December 2013 in %	50	20	12
Share in capital as of 31 December 2014 in %	50	20	12
Nominal capital in kEUR	4,973	100	200
Inclusion	At equity	At equity	Costs of acquisition

The book values developed as shown in the table below:

in kEUR	Shares in associated companies	Other shareholdings
Costs of acquisition as of 31/12/2012	**20,451**	**210**
Addition	8,856	– 5
Costs of acquisition as of 31/12/2013	**29,307**	**205**
Change in scope of consolidation	– 8,856	0
Disposal	0	– 52
Costs of acquisition as of 31/12/2014	20,451	153
Revaluation as of 31/12/2012	**5,057**	**– 40**
Dividend payment	– 6,288	0
Result of at-equity valuation	5,480	0
Impairment	– 287	0
Revaluation as of 31/12/2013	**3,962**	**– 40**
Dividend payment	– 5,250	0
Result of at-equity valuation	8,459	0
Disposal	0	40
Revaluation as of 31/12/2014	7,171	0
Book value as of 31/12/2013	**33,269**	**165**
Book value as of 31/12/2014	27,622	153

With regard to the change in the scope of consolidation reference is made to item 5. The disposal of investments concerns the remaining shares in PRISMA European Capacity Platform GmbH.

The other financial assets reflect a loan to EMCC which was repaid during the financial year.

17. DERIVATIVE FINANCIAL INSTRUMENTS

This item comprises the fair value of the options which is established on the basis of the current exchange price of the open positions.

On account of ECC's function as the central counterparty, the accounts receivable and accounts payable are recorded on the asset side and liabilities side to the same amount of kEUR 3,259 (2013: kEUR 1,886). Options with a total value of kEUR 261 included in this will mature within one year.

18. ACCOUNTS RECEIVABLE FOR SALES AND SERVICES

in kEUR	31/12/2014	31/12/2013
Accounts receivable	78,973	64,645
Less lump-sum specific individual allowance	– 122	– 20
Accounts receivable for sales and services	**78,851**	**64,625**

in kEUR	2014	2013
Initial amount of the specific allowance as of 1 January	**20**	**57**
Change in scope of consolidation	58	0
Addition	64	20
Utilisation of allowance	– 4	– 24
Reversal	– 16	– 33
Final amount of the lump-sum specific allowance as of 31 December	**122**	**20**

Accounts receivable for sales and services essentially comprise sales on the power and gas spot market (mEUR 68.9; 2013: mEUR 59) which are high due to the balance sheet date, mEUR 49.3 of which result from as yet unsettled nominations of 31 December 2014, in addition to trading and clearing fees.

As in the previous year, there were no accounts receivable for sales and services with a remaining term of more than one year.

19. OTHER ASSETS AND TAX REFUND CLAIMS

in kEUR	31/12/2014	31/12/2013
Accounts receivable from tax authorities regarding sales tax	2,837	14,129
Fixed term deposits/cash pooling	10,000	0
Accruals for system adjustments	1,171	1,440
Tax refund claims	1,353	894
Accruals	867	462
Other	587	43
Total	16,815	16,968

The remaining assets and tax refund claims are short term.

The decline in input tax receivables results from a changed procurement of cross-border power and transmission capacities. Cash funds are invested via the Deutsche Börse cash pooling in the short run.

20. ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES

There are accounts receivable from EPEX SPOT SE, which are explained under note 47.

21. CASH AT BANK WITH RESTRICTIONS ON DISPOSAL

The cash at bank with restrictions on disposal of kEUR 684,032 (2013: kEUR 740,995) especially concerns collateral which has been furnished by the Clearing Members for the spot and derivatives market and which is paid in the form of cash collateral. It is shown as a liability to the same amount.

22. CASH AND CASH EQUIVALENTS

As of the balance sheet date, the Group had cash and cash equivalents of kEUR 73,401 (2013: kEUR 58,271).

23. EQUITY

The changes in equity are shown in the statement of changes in shareholders’ equity.

EEX has 40,050,000 shares issued with a nominal value of one euro each.

24. SUBSCRIBED CAPITAL AND CAPITAL RESERVE

The subscribed capital of EEX still amounts to kEUR 40,050 without any changes. The capital reserves amount to kEUR 10,000.

25. RESERVES

With regard to notes, reference is made to the statement of changes in equity.

26. RESULTS GENERATED AND OTHER RESULTS

The Group's generated equity comprises the results of the companies included in the consolidated financial statement during the past (as well as the current accounting) period, in so far as such were not distributed. In the financial year 2014, kEUR 7,209 was paid out to EEX shareholders. With regard to further explanations, reference should be made to the Group's statement of changes in shareholder equity.

27. MINORITY SHARE

As of 31 December 2014, Powernext SA (Powernext) held an unchanged interest of 15,228 shares in ECC and, indirectly, in European Commodity Clearing Luxembourg (ECC Luxembourg). Furthermore, Powernext still holds an interest of 20 percent in the share capital of EEX Power Derivatives GmbH.

28. NON-CURRENT PROVISIONS

The non-current provisions comprise reserves for early retirement schemes, pensions, archiving and the removal of installations. These developed as follows during the financial year under review:

in kEUR	Pension provisions	Other non-current provisions
As of 01/01/2014	311	175
Utilisation	– 53	– 1
Reversal	0	– 9
Compounding	4	5
Addition	36	314
Deduction covered funds	– 259	0
As of 31/12/2014	39	484

There are reserves for pensions and early retirement schemes for two German employees. On 31 December 2014, IFRS expert opinions stated that a discount rate of 2.15 percent should be used.

The amount of the reserve for another employee is based on the asset value of the reinsurance contract.

29. LONG-TERM LIABILITIES

This item shows the share of the purchase price for Cleartrade, which will fall due in 2016.

30. CURRENT PROVISIONS

The current provisions developed as follows during the 2014 financial year:

in kEUR	2014	2013
Balance as of 1 January	4,964	2,552
Utilisation	– 3,725	– 2,205
Reversal	– 582	– 346
Allocation to provisions	4,562	4,964
Balance as of 31 December	5,219	4,964

The reserves essentially concern reserves for legal risks and bonuses for employees and members of the Management Board.

31. ACCOUNTS PAYABLE FOR SALES AND SERVICES

As of the balance sheet date, there were trade accounts payable to the amount of kEUR 86,470 (2013: kEUR 66,285). As in the case of the accounts receivable, these accounts payable include high liabilities from spot market sales in power and gas (mEUR 68.2), including mEUR 48.7 from as yet unsettled nominations on 31 December 2014, on account of the balance sheet date.

There were no trade accounts payable with a remaining term of more than one year both as of 31 December 2013 and as of 31 December 2014.

32. LIABILITIES TO ASSOCIATED COMPANIES

The liabilities shown here are liabilities to EPEX SPOT SE and are explained under note 47.

33. CASH DEPOSITS BY THE TRADING PARTICIPANTS

The amount of the cash deposits by the trading participants corresponds to the cash at bank with restrictions on disposal. As of the balance sheet date, these amounted to kEUR 684,032 (2013: kEUR 740,995).

34. OTHER LIABILITIES AND TAX LIABILITIES

The other liabilities comprise the following items:

in kEUR	2014	2013
Payments received on account	0	657
Supervisory Board emoluments	332	376
Human resources liabilities	803	597
Other liabilities	433	3,080
Tax liabilities	1,919	891
Total	3,486	5,601

All other liabilities are short-term.

35. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS

FINANCIAL INSTRUMENTS OF ECC

Profits and losses from futures are settled between the parties to the contracts on every exchange trading day. There are no payment obligations or demands for payment whatsoever on the part of ECC. As a result, futures do not have to be shown in the balance sheet according to IAS 39.17(a) and IAS 39.39.

Options which expire after the balance sheet date have to be reported in the balance sheet in the amount of their market value (IAS 39). In this context, the value of the options established on the exchange is used as the market value. In its capacity as the central counterparty, ECC settles both the buy and the sell transaction so that the options have to be reported on the assets and liabilities side of the balance sheet to the same amount. With regard to this, reference is made to note 17.

The options are allocated to the category of “financial assets and liabilities recognised in income at fair value”.

CASH AND CASH EQUIVALENT AND ACCOUNTS RECEIVABLE FOR SALES AND SERVICES

Cash and cash equivalents as well as accounts receivable for sales and services are short-term. For this reason, their book values as of the balance sheet date correspond approximately to the fair value.

NOTES ON THE CONSOLIDATED CASH FLOW STATEMENT

36. NOTES ON THE CONSOLIDATED CASH FLOW STATEMENT

The cash flow statement indicates the balance and the development of the cash and cash equivalents of the Group. The cash flow statement differentiates cash flows from operating , investing and financing activities.

Cash and cash equivalents comprise the cash assets and bank deposits with a term of less than three months, reduced by the short-term liabilities to banks from overdraft facilities.

The cash at bank with restrictions on disposal – the cash deposits by the trading participants – is not part of cash and cash equivalents.

37. CASH FLOW FROM CURRENT OPERATIONS

The cash flow from operating activities is determined using the indirect method. In this process, the annual net profit is initially adjusted for non-cash expenses.

This results in a cash flow from current operations of kEUR 19,902 (2013: kEUR 15,243). The balance – which increased compared with the previous year – is essentially due to the good operating result for 2014 and the increase in outstanding debts.

38. CASH FLOW FROM INVESTING ACTIVITIES

The cash flow from investing activities shows payments made for investments in assets, less dividends received.

In the financial year 2014, it amounted to kEUR 175 (2013: kEUR –4,716). Dividends received fully compensated the payments made for investments.

39. CASH FLOW FROM FINANCING ACTIVITIES

The cash flow from financing activities comprised the payment of dividends to the shareholders of EEX and the minority shareholders. It amounted to kEUR –7,943 (2013: kEUR –7,678).

40. CASH AND CASH EQUIVALENT AT THE END OF THE ACCOUNTING PERIOD

The increase in cash and cash equivalent from mEUR 58 to mEUR 73.4 can essentially be explained on the basis of the positive cash flow from current operations.

OTHER NOTES

41. CLASSIFICATION OF FINANCIAL INSTRUMENTS AS PER IFRS 7

in kEUR								
Assets as of 31/12/2013	Amortised acquisition costs		Fair value				Total	
Valuation category	Other accounts receivable		FVTPL – Financial assets recognised at fair value through profit and loss					
			Trading (HFT)		Fair value option			
Classes of financial instruments	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
Other financial investments	165	165					165	165
Other financial assets	100	100					100	100
Derivative financial instruments			1,886	1,886			1,886	1,886
Accounts receivable for sales and services	64,625	64,625					64,625	64,625
Other assets	16,074	16,074					16,074	16,074
Tax refund claims	894	894					894	894
Accounts receivable from affiliated companies	717	717					717	717
Cash at bank with restrictions on disposal	740,995	740,995					740,995	740,995
Cash and cash equivalents	58,271	58,271					58,271	58,271
Total	**881,841**	**881,841**	**1,886**	**1,886**	**0**	**0**	**883,727**	**883,727**

in kEUR								
Assets as of 31/12/2014	Amortised acquisition costs		Fair value				Total	
Valuation category	Other accounts receivable		FVTPL – Financial assets recognised at fair value through profit and loss					
			Trading (HFT)		Fair value option			
Classes of financial instruments	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
Other financial investments	153	153					153	153
Other financial assets	0	0					0	0
Derivative financial instruments			3,259	3,259			3,259	3,259
Accounts receivable for sales and services	78,851	78,851					78,851	78,851
Other assets	15,462	15,462					15,462	15,462
Tax refund claims	1,353	1,353					1,353	1,353
Accounts receivable from affiliated companies	135	135					135	135
Cash at bank with restrictions on disposal	684,032	684,032					684,032	684,032
Cash and cash equivalents	73,401	73,401					73,401	73,401
Total	853,387	853,387	3,259	3,259	0	0	856,646	856,646

in kEUR

Liabilities as of 31/12/2013	Amortised acquisition costs		Fair value				Total	
Valuation category	Other liabilities		FVTPL – Financial liabilities recognised at fair value through profit and loss					
			Trading (HFT)		Fair value option			
Classes of financial instruments	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
Non-current provisions	190	190					190	190
Derivative financial instruments			1,886	1,886			1,886	1,886
Long-term liabilities	904	904					904	904
Current provisions	4,964	4,964					4,964	4,964
Accounts payable for sales and services	66,285	66,285					66,285	66,285
Liabilities to affiliated companies	415	415					415	415
Cash deposits by the trading participants	740,995	740,995					740,995	740,995
Other liabilities	5,601	5,601					5,601	5,601
Total	**819,354**	**819,354**	**1,886**	**1,886**	**0**	**0**	**821,240**	**821,240**

in kEUR

Liabilities as of 31/12/2014	Amortised acquisition costs		Fair value				Total	
Valuation category	Other liabilities		FVTPL – Financial liabilities recognised at fair value through profit and loss					
			Trading (HFT)		Fair value option			
Classes of financial instruments	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
Non-current provisions	523	523					523	523
Derivative financial instruments			3,259	3,259			3,259	3,259
Long-term liabilities	1,807	1,807					1,807	1,807
Current provisions	5,219	5,219					5,219	5,219
Accounts payable for sales and services	86,470	86,470					86,470	86,470
Liabilities to affiliated companies	21	21					21	21
Cash deposits by the trading participants	684,032	684,032					684,032	684,032
Other liabilities	3,486	3,486					3,486	3,486
Total	781,558	781,558	3,259	3,259	0	0	784,817	784,817

Financial assets and liabilities which are assessed at fair value are to be assigned to the following three hierarchy levels:

Financial assets and liabilities are to be assigned to Level 1 if there is an exchange price for identical assets and debts on an active market.

Assets and liabilities are assigned to Level 2 if the parameters which are used as the basis for the determination of the fair value can be monitored either directly as prices or indirectly derived from prices.

Financial assets and liabilities are assigned to Level 3 if the fair value is derived from non-observable parameters.

The balance sheet value of the derivative financial instruments is established at the prices on the balance sheet date and, hence, is to be allocated to Level 1 of the fair value hierarchy.

During the past reporting period, the valuation category "Loans and accounts receivable" did not generate any interest income (2013: kEUR 20). Furthermore, accounts receivable in the amount of kEUR 64 (2013: kEUR 20) were impaired in the past financial year.

The following table shows the age structure of the valuation categories:

in kEUR		Daily		Not more than 1 year		More than 1 year, not more than 5 years	
	Consolidated notes	2014	2013	2014	2013	2014	2013
Other financial assets	[16]	0	0	0	100	0	0
Accounts receivable from sales and services, from associated companies, from companies in which participating interests are held, and other short-term assets	[18 – 20]	68,858	59,065	25,784	23,245	0	0
Cash at bank with restrictions on disposal	[21]	684,032	740,995	0	0	0	0
Cash at bank and other bank balances	[22]	73,401	58,271	0	0	0	0
Non-derivative financial assets		**826,291**	**858,331**	**25,784**	**23,345**	**0**	**0**
Long-term liabilities	[29]					1,807	904
Accounts payable for sales and services, to associated companies, to companies in which participating interests are held, and other short-term liabilities	[31,32,34]	68,210	59,176	21,767	5,602	0	0
Cash deposits by the trading participants	[33]	684,032	740,995	0	0	0	0
Non-derivative financial liabilities		**752,242**	**800,171**	**21,767**	**5,602**	**1,807**	**904**
Financial assets and derivatives	[17]	0	0	261	1,295	2,998	591
Financial liabilities and derivatives	[17]	0	0	261	1,295	2,998	591

42. FINANCIAL RISK AND CAPITAL MANAGEMENT

In accordance with the requirements defined in Section 91 Para. 2 AktG [German Stock Corporation Act], EEX Group has an early warning risk system covering all business areas. Essential risks are evaluated with regard to the likelihood of their occurrence and the possible extent of damage resulting from such. Risk control for the group companies is provided by ECC in the form of service agreements.

The Management Board is regularly informed of the risk situation and reports to the Supervisory Board with regard thereto on a quarterly basis. Overall responsibility for risk management rests with the EEX Management Board. There is ad-hoc reporting with regard to fundamental changes in the risk.

The counterparty risk, the market price risk, the liquidity risk, the operational risk, as well as the business and compliance risk constitute the potential risk categories.

COUNTERPARTY RISK

Counterparty risk is defined as the risk that business partners might not fulfil their payment obligations under the relevant contract or that they might not fulfil these obligations in due time and that this might lead to a loss for the Group. Within the Group, the principal counterparty risks occur within the ECC subsidiary. ECC is a central counterparty according to the Regulation (EU) No. 648/2012 on OTC derivatives, central counterparties and trade repositories and an institute within the meaning of Section 1 Para. 1 No. 12 KWG [German Banking Act]. As the central counterparty, it positions itself between the buyer and the seller and assumes the default risk of both sides for all the transactions concluded on its markets – as well as for all OTC transactions registered on its markets for clearing. ECC pursues the risk strategy of covering this default risk with a high level of security through its margin system, the clearing fund and its own financial resources at all times. The quality of the margin system is reviewed on an ongoing basis through regular backtesting. With the help of daily stress tests, ECC simulates the counterparty risk in extreme yet plausible market conditions and adjusts the clearing fund and its own financial resources in such a way that the counterparty risk is also covered under these conditions and in the event of a simultaneous default of the two biggest members.

Moreover, a potential counterparty risk arises with ECC with regard to the investment of cash collateral received from its participants with credit institutions. For this reason, these funds are exclusively invested in reverse-repo transactions with approved institutions in return for securities collateral with the highest possible credit rating and liquidity in accordance with the requirements of the Regulation (EU) No. 648/2012 on OTC derivatives, central counterparties and trade repositories.

Low level default risks arise if a trading participant does not pay the transactions fees or clearing fees which have fallen due. The trading participants' credit standing is constantly monitored on the basis of financial parameters and of rating information (provided such is available). In this context, the question of whether the payment of transaction fees concentrates on individual trading participants (cluster or concentration risk) is also analysed.

MARKET PRICE RISK

Market price risks are defined as adverse changes in the value of assets on account of a change in valuation-relevant market parameters, such as, for example, exchange prices. As a result of the positions (which are balanced on principle), there are no market price risks in the clearing business. The market price risks resulting from other operations (essentially, currency risks) are minor and are controlled in accordance with the respective situation.

LIQUIDITY RISK

Liquidity risk is defined as the risk that the Group might not be able to fulfil its payment obligations at a point in time agreed on under a contract. Because of the business strategy pursued, the current operations do not lead to any essential incongruities of dates within EEX Group. The financing required for current expenses and investments is taken out and concluded in a timely manner in the framework of medium-term planning. Any possible gaps in financing are dealt with by providing sources of liquidity within the Group. The structural liquidity risk is monitored in the framework of the medium-term plan, which is prepared every year, and of the ongoing liquidity reporting. The investment policy set out in writing only permits investments of free liquidity for counterparties with a good credit standing within approved limits. Moreover, the maximum term is limited so that sufficient liquidity is available at all times in the event of short-term demand.

According to the requirements under EMIR Article 44 in conjunction with the delegated regulation 153/2013, the default of a Clearing Member and its impact on liquidity at ECC are controlled by means of the following:

- High requirements regarding the realisability of collateral to be furnished
- Adequate safety haircuts on collateral provided
- Provision of liquid resources which, at least, provide the liquidity required in the event of the concurrent default of the two Clearing Members which generate the highest liquidity requirements in extreme yet plausible market conditions (stress test)
- Provision of credit lines at various banking institutes and the parent company, as well as access to the intraday credit of the Bundesbank

On a daily basis, ECC generates a liquidity report regarding the available liquid resources, as well as the liquidity requirement, in the event of the default of the two Clearing Members which generate the highest liquidity requirements in extreme yet plausible market conditions. Moreover, the potential sources of liquidity risks are recorded in the liquidity plan which is updated every quarter and discussed in the Management Board.

OPERATIONAL RISK

Operational risks are defined as all potential cases of damage arising from malfunctions of the IT systems used due to inadequate design of internal processes, errors by members of staff, errors by, or the defaulting of, external service providers, and project risks. Because of the high degree of automation in processing business transactions combined with a large number of transactions, malfunctions of the IT systems used constitute essential operational risks for EEX Group.

Since key parts of the IT systems are operated by external service providers, errors by, or the default of, external service providers also constitute a significant source of risk.

The risk strategy pursues the fundamental aim of minimising operational risks by using approved methods of system development and comprehensive test procedures. EEX Group either provides core services itself or has such performed by selected specialised, external partners. Individual services are also provided by specialised companies which are part of Deutsche Börse AG. The quality of the service providers is reviewed in the framework of the selection processes and continuously on the basis of established service level agreements. Backup processes are implemented for critical business processes. The quality of the Internal Control System is checked regularly with the help of examinations by the internal auditors and the targeted use of external auditors. There are process descriptions and control activities for all fundamental processes. These are documented in checklists in order to reduce the likelihood of human errors. Operational risks are identified and assessed throughout the Group in the framework of an annual self-assessment.

In the context of the conclusion of balancing group agreements, priority rules regarding nominations by ECC are aimed for (provided such can be negotiated).

In addition, a professional liability insurance with regard to errors in commercial activities (E&O insurance) has been taken out.

A damage incident database is maintained for the ongoing monitoring and for reporting cases of malfunctioning during operations. All untoward incidents which occur in the course of the operations – even if they have not led to any direct financial damage – are recorded in this database and analysed in cooperation with the competent members of the Management Board on a monthly basis and, if required, measures are adopted and implemented.

BUSINESS RISK

Business risk is defined as effects resulting from the market entry of new competitors, regulatory or other legal amendments, technical changes, or modifications of the product landscape having a negative effect on the earnings situation in the medium to long term (see also the report on opportunities and risks with regard to this).

These risks are monitored by means of the structured collection and analysis of information on competitors, customers, products/markets as well as processes and procedures. Furthermore, the effects which certain price and volume changes have on earnings are analysed in the framework of scenario calculations (see also the group perspective and outlook report with regard to sales and profit sensitivity, chapter 8).

COMPLIANCE RISK

EEX is exposed to compliance risks primarily in the fields of sales tax fraud, damage to its reputation on account of the unauthorised publication of information, and abuse through money laundering or the financing of terrorism. Furthermore, as a credit institution, ECC has to ensure that transactions are not concluded with individual persons or legal entities which are included in various sanctions lists.

ECC settles all transactions via Clearing Members. These institutions are subject to the rules of the German Banking Act (KWG) – or other, equivalent European provisions – which provide for the implementation of measures to combat these risks. Therefore, ECC has a low risk of being abused for the purposes of money laundering, financing of terrorism or fraud. This risk is re-evaluated every year in the context of a risk analysis.

Know-your-customer measures are intended to identify suspicious counterparties during the initial stages of the business relationship. In the event of reasonable doubt in the admission process, a decision by the Management Board or by the CRO is requested. In addition, continuous monitoring processes are undertaken by the Market Surveillance. Moreover, all business partners, including important associated companies of these business partners, are checked against known sanctions lists on a monthly basis.

Sensitive data requiring specific protection has to be treated as being confidential and protected against unauthorised access in accordance with internal instructions. In order to prevent conflicts of interest, rules of conduct have, in addition, been established for staff.

43. OWN SHARES

As of 31 December 2014, there were no own shares in the possession of EEX.

44. TRUST ASSETS

In accordance with the Clearing Conditions, ECC Luxembourg keeps the emission allowances surrendered by the trading participants in exchange trading in EU emission allowances in trust in its account at the German Emissions Trading Authority. As of 31 December 2014, these comprised 89,048,601 certificates (2013: 75,319,462 certificates) with a market value of kEUR 615,407 (2013: kEUR 357,716). As a result, there are trust liabilities to the corresponding amount in the form of the trustors' rights to the recovery of the allowances.

45. OTHER FINANCIAL LIABILITIES AND CONTINGENT LIABILITIES

The other financial liabilities of the Group comprise future payment obligations under operating leasing relationships. These are structured as follows:

in kEUR	Up to 1 year	1 to 5 years	More than 5 years
Systems/maintenance/infrastructure	7,785	5,336	132
Rent	1,084	3,781	3,945
Motor vehicles	78	47	0
Others	417	217	105
Total	9,364	9,381	4,183

46. FEE FOR THE AUDITOR OF THE ANNUAL ACCOUNTS ACCORDING TO SECTION 314 NO. 9 HGB [GERMAN COMMERCIAL CODE]

in kEUR	2014	2013
Auditing services for the annual accounts	215	186
Other auditing services	6	15
Others	45	5
Total	266	206

47. RELATIONS WITH RELATED PARTIES AND COMPANIES

According to IAS 24, those persons and companies who dominate the Group or exercise decisive influence over it, or who are dominated by the Group or over whom the Group exercises decisive influence, are considered related parties and companies.

Accordingly, the members of the Management Board and of the Supervisory Board, shareholders holding an interest of more than 20 percent, as well as the subsidiaries and Joint ventures, are defined as related parties and companies.

Business transactions with related companies and parties are concluded according to conditions which are common among unrelated third parties.

RELATIONS WITH RELATED PERSONS

Management Board

Peter Reitz, Chief Executive Officer Leipzig	**Dr Thomas Siegl** Eschborn
Steffen Köhler Oberursel	**Iris Weidinger** Leipzig

On 1 January 2015, the following persons were appointed members of the Management Board:

Jean-François Conil-Lacoste Paris	**Dr Dr Tobias Paulun** Leipzig
Dr Egbert Laege Gröbenzell	

In 2014, the total remuneration of the Management Board amounted to kEUR 2,667, including fixed and variable components.

Supervisory Board

Dr Jürgen Kroneberg (Chairman) Lawyer, Cologne	**Mike Lockett** (since 5 June 2014) Director of Power Dispatch & Real-Time Trading, E.ON Global Commodities SE, Düsseldorf
Hans E. Schweickardt (Vice Chairman) Chairman of the Board of Directors, Alpiq Holding AG, Lausanne/Switzerland	**Dr Stefan Mai** (until 5 June 2014) Executive Director, Executive Office, Eurex Frankfurt AG, Eschborn
Jürg Spillmann (Vice Chairman) Member of the Executive Board, Eurex Zürich AG, Zurich/Switzerland	**Dr Dirk Mausbeck** (until 5 June 2014) Managing Director, EnBW Energie Baden-Württemberg AG, Karlsruhe
Roland Werner (Vice Chairman) Dresden	**Katja Mayer** Managing Partner, KM Networks GmbH, Hofheim
Dr Hans-Joachim Arnold Head Legal/Compliance, RWE Deutschland AG, Essen	**Prof. Harald R. Pfab** Fronreute
Edward Backes (until 5 June 2014) Head of Department Market Supervision Trading and Clearing, Deutsche Börse AG, Eschborn	**Dr Michael Redanz** Managing Director, MVV Trading GmbH, Mannheim
Dr Dirk Biermann (since 5 June 2014) Managing Director, 50Hertz Transmission GmbH, Berlin	**Marc Reiffers** (until 5 June 2014) Chief Operating Officer, Enovos Luxembourg S.A., Strassen/Luxembourg
Pierre Bornard (since 5 June 2014) Vice Chairman of the Executive Board, RTE-Réseau de Transport d'Electricité, Paris/France	**Klaus Rohatsch** (since 5 June 2014) Member of the Management Team, EDF SA, Cattenom/France
Ulf Heitmüller (since 5 June 2014) Head of the Trading Division, EnBW Energie Baden-Württemberg AG, Karlsruhe	**Dr Randolf Roth** Chief Executive Officer, Zimory GmbH, Berlin
Burkhard Jung Mayor of the City of Leipzig, Leipzig	**Uwe Schweickert** Director, Head of Executive Office, Eurex Frankfurt AG, Eschborn
Ulrich Kastner (until 5 June 2014) Management Consultant, UKC GmbH, Munich	**Marco Steeg** (since 5 June 2014) Head of Financial Accounting & Controlling, Deutsche Börse AG, Eschborn
Dr Egbert Laege (until 11 December 2014) Gröbenzell	**Dr Hans-Jürgen Witschke** (until 5 June 2014) Chairman of the Managing Board, DB Energie GmbH, Frankfurt am Main

SUPERVISORY BOARD EMOLUMENTS

The members of the Supervisory Board of EEX received emoluments of kEUR 385 for their work in 2014. The emoluments will be paid next year.

RELATIONS WITH RELATED COMPANIES

Eurex Zürich AG with registered offices in Zurich, Switzerland held 62.82 percent of the shares in EEX on 31 December 2014 (previous year: 62.57 percent).

in kEUR	2014	2013
Deutsche Börse Group		
EEX Group as the recipient of services		
Provision of the trading system & IT infrastructure	7,710	7,755
Service agreements	23	0
Financial services	45	47
Sharing of costs and revenue from Eurex cooperation	172	266
EEX Group as the provider of services		
Provision of trading data	– 252	– 249
Account receivable as of 31 December	63	170
Liabilities as of 31 December	10,011	103
Financial liability as of 31 December	1,268	1,686

RELATIONS WITH UNCONSOLIDATED COMPANIES, ASSOCIATED COMPANIES AND JOINT VENTURES

in kEUR	2014	2013
EPEX SPOT SE		
EEX Group as the recipient of services		
Use of market data	289	0
Physical settlement of derivatives market transactions	22	21
EEX Group as the provider of services		
Service agreements	1,556	1,822
Project costs	304	148
Others	0	7
Accounts receivable as of 31 December	135	107
Liabilities as of 31 December	21	10
European Market Coupling Company i.L.		
EEX Group as the recipient of supplies and services		
Power delivery	38,169	221,789
EEX Group as the provider of supplies and services		
Power delivery	4,844	199,582
Transaction fees	17	144
Interest income	0	14
Accounts receivable as of 31 December	0	655
Liabilities as of 31 December	0	70
Accounts receivable from loan (residual term > 1 year)	0	100

48. OVERVIEW AS OF THE BALANCE SHEET DATE ACCORDING TO SECTION 313 PARA. 2 NOS. 1 TO 4 HGB [GERMAN COMMERCIAL CODE]

	Registered office	Currency	Subscribed capital	Share in %	Equity	Annual profit
1. Shares in affiliated companies						
European Commodity Clearing AG	Leipzig	kEUR	1,015	98.5	53,036	13,178
European Commodity Clearing Luxembourg S.à.r.l.	Luxembourg[2]	kEUR	13	98.5	47	33
EEX Power Derivatives GmbH	Leipzig[1]	kEUR	125	80	6,018	0
EGEX European Gas Exchange GmbH	Leipzig[1]	kEUR	100	100	2,046	0
Global Environmental Exchange GmbH	Leipzig[1]	kEUR	50	100	48	0
Cleartrade Exchange Pte. Ltd.	Singapore	kUSD	16,500	51.7	5,655	– 2,207
Cleartrade Exchange (UK) Ltd.	London[2]	kGBP	0.001	51.7	57	28
2. Equity investments						
EPEX SPOT SE	Paris	kEUR	4,973	50	24,635	16,690
European Market Coupling Company i.L.	Hamburg[3]	kEUR	100	20	1,824	– 116

Values are specified in accordance with the local accounting standards in each case.
[1] A profit and loss transfer agreement has been concluded.
[2] There is an indirect shareholding.
[3] The values for 2014 refer to the short financial year from 13 June 2014 to 31 December 2014.

49. ESSENTIAL EVENTS AFTER THE BALANCE SHEET DATE

In January 2015, EEX AG acquired control of Powernext SA, within which gas trading of EEX Group will be concentrated, with a shareholding of 55.8 percent. Since Powernext, in turn, holds an interest of 50 percent in EPEX SPOT SE, this results in EEX holding a controlling stake in EPEX SPOT SE. Both companies will be fully consolidated in the EEX consolidated financial statement for the 2015 financial year. Full consolidation as of 1 January 2014 would have led to an increase in net revenue by mEUR 56 and to an increase in results by mEUR 14.

The table below shows the preliminary results of the purchase price allocation:

in kEUR	
Transferred consideration	
Fair value of the shares transferred	72,091
Cash and cash equivalents acquired	– 40,071
Total consideration	**32,020**
Acquired assets and liabilities	
Customer relations	98,947
Brand names	6,224
Other intangible assets	2,577
Other non-current assets	1,325
Deferred tax assets	1,168
Other current assets	14,223
Liabilities	– 13,747
Deferred tax liabilities	– 35,211
Minority shares	– 66,272
Total acquired assets (+) and liabilities (–)	**9,234**
Goodwill	**22,786**

In addition, EEX acquired 50 percent of the shares in Gaspoint Nordic A/S as of 1 January 2015. This participation will be balanced at equity as an associated company in the new financial year.

Leipzig, 13 March 2015

Peter Reitz
Chief Executive Officer (CEO)

Jean-François Conil-Lacoste
Executive Director Power Spot Markets

Steffen Köhler
Chief Operating Officer (COO)

Dr Egbert Laege
Executive Director Gas Markets

Dr Dr Tobias Paulun
Chief Strategy Officer (CSO)

Dr Thomas Siegl
Chief Risk Officer (CRO)

Iris Weidinger
Chief Financial Officer (CFO)

AUDITOR'S REPORT

We have audited the consolidated financial statements prepared by the European Energy Exchange AG, Leipzig, comprising the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated cash flow statement, the consolidated statement of changes in equity and the consolidated notes, together with the group management report for the business year from January 1 to December 31, 2014. The preparation of the consolidated financial statements and the group management report in accordance with IFRSs, as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315a Abs. 1 HGB [Handelsgesetzbuch "German Commercial Code"] are the responsibility of the parent company's management. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with § 317 HGB [Handelsgesetzbuch "German Commercial Code"] and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRSs, as adopted by the EU, the additional requirements of German commercial law pursuant to § 315a Abs. 1 HGB and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Frankfurt/Main, March 13, 2015
KPMG AG
Wirtschaftsprüfungsgesellschaft

Mock
Wirtschaftsprüfer (German Qualified Auditor)

Müller
Wirtschaftsprüfer (German Qualified Auditor)

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