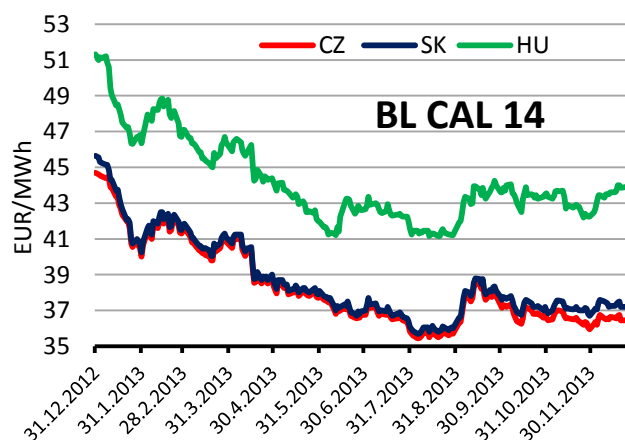
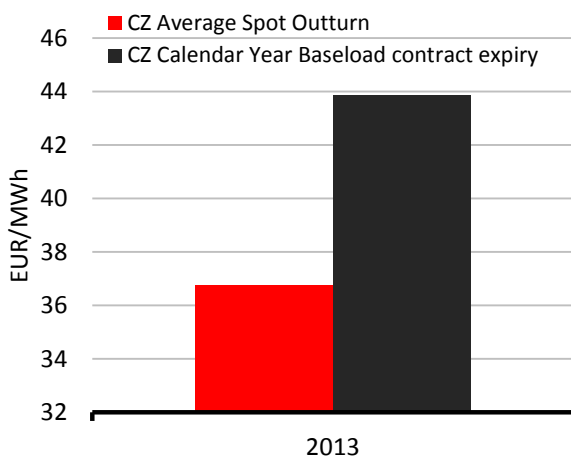
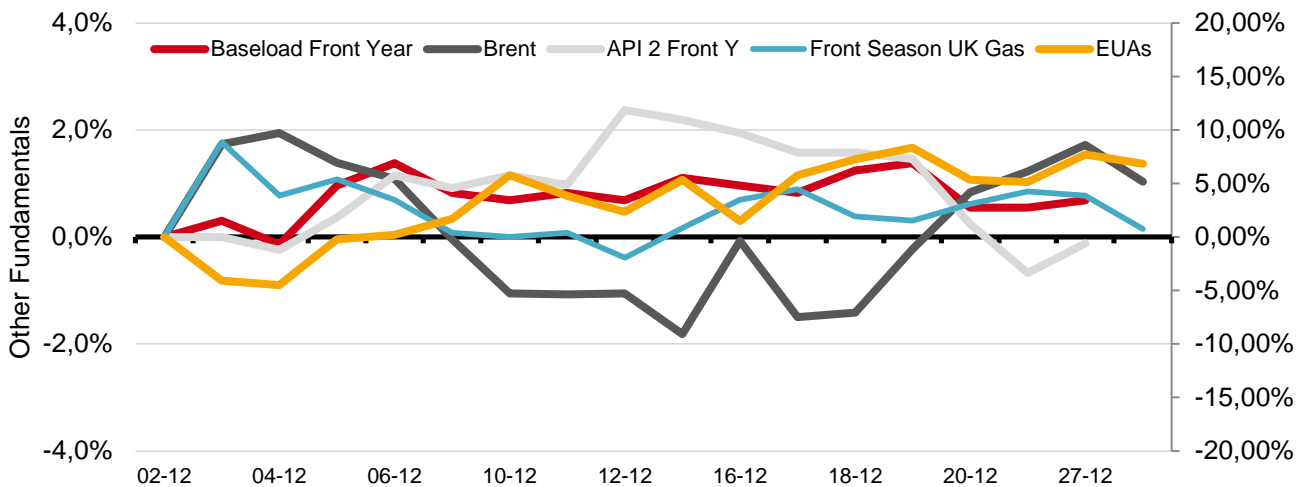
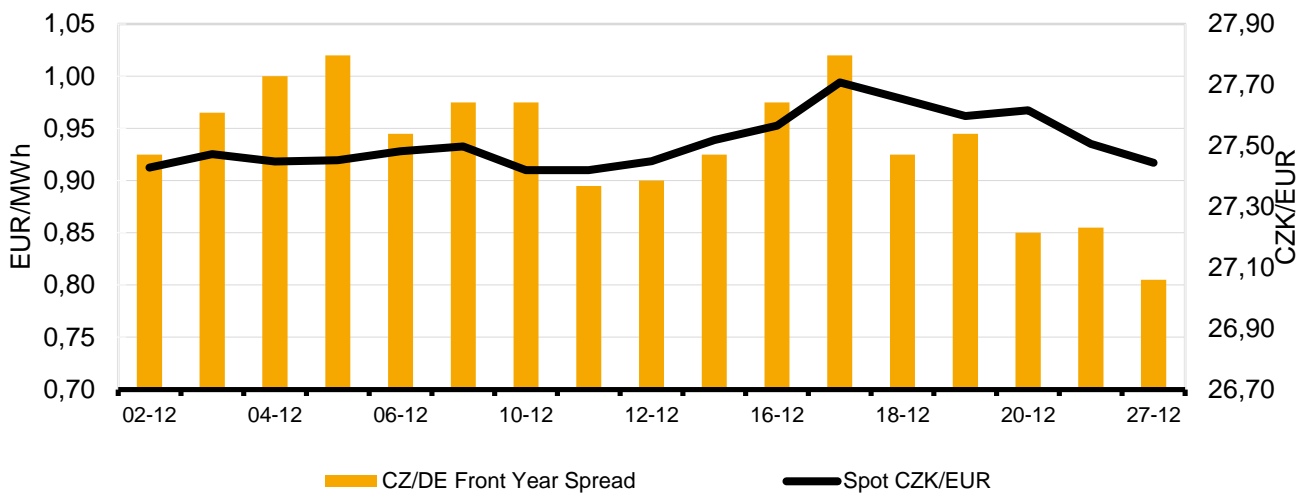


The development of electricity in 2013 compared to 2012 was accompanied by a continuing downward trend in the markets. Front year contract saw its biggest drop in more than 5 years, though towards the end of the period there was a slight rebound in price, behind which stood the economic recovery in the Western Europe. The prices of electricity were mainly influenced by prices of emission allowances, coal prices and higher performance of renewable energy sources. The Czech/Slovak and Hungarian contracts closed the year much lower than they started it, the Czech Cal 14 opened the year at 44.70 EUR/MWh and closed it at 36.50 EUR/MWh, the Slovak Cal 14 opened the year at 45.65 EUR/MWh and closed it at 37.25 EUR/MWh, the Hungarian Cal 14 opened the year at 51.32 EUR/MWh and closed it at 44.05 EUR/MWh. During 2013, the average spot outturn came to 36.74 EUR/MWh, which is 7.11 EUR/MWh below the 43.85 EUR/MWh where the Czech Cal 13 Baseload expired. December proved to be a quiet month for trading on the markets in the region due to two-week holiday break (Christmas holiday and New Year). The price movements were slightly bullish. The Czech baseload Cal 14 hit its lowest point on 4th of December at 36.20 EUR and its highest point on the 6th and 19th of the month at 36.75 EUR. The contract closed 25 cents above where it had entered the month. A similar situation was seen in the Slovak equivalent, while the Hungarian products had a much more bullish trend, closing 1.55 EUR above where it had entered the month. During this time the spread between German/Czech contracts narrowed compared to the previous month, while the spread between the Czech/Slovak remained relatively stable. The German/Hungarian spread on the front year extended, rising in the second part of the month. Spot power prices lost ground during this month with healthy wind power production in Germany. The Czech and Slovak prices mirrored the German market on windy days. Excluding strong wind power production, the spot prices also came under pressure from public holidays, lower demand and warmer forecast weather. Everybody was expecting colder weather in the second part of December, but the results were the exact opposite. The Slovak baseload price of the month in delivery finished 32 cents below the last price in November for the December Future product. The Hungarian baseload price of the month in delivery finished 9.07 EUR above the last price in November for the December Future product. It was due to power plant outages (Bulgarian NPP Kozloduy, Hungarian Coal Fired plant Matra), and limited cross border capacity. The Czech and Slovak spot markets were decoupled only 1 day, while the Hungarian spot market was decoupled every day in the month. Overall the Czech Hungarian spot spread came to over 15.8 EUR for the month, around 12.08 EUR higher compared to previous month.



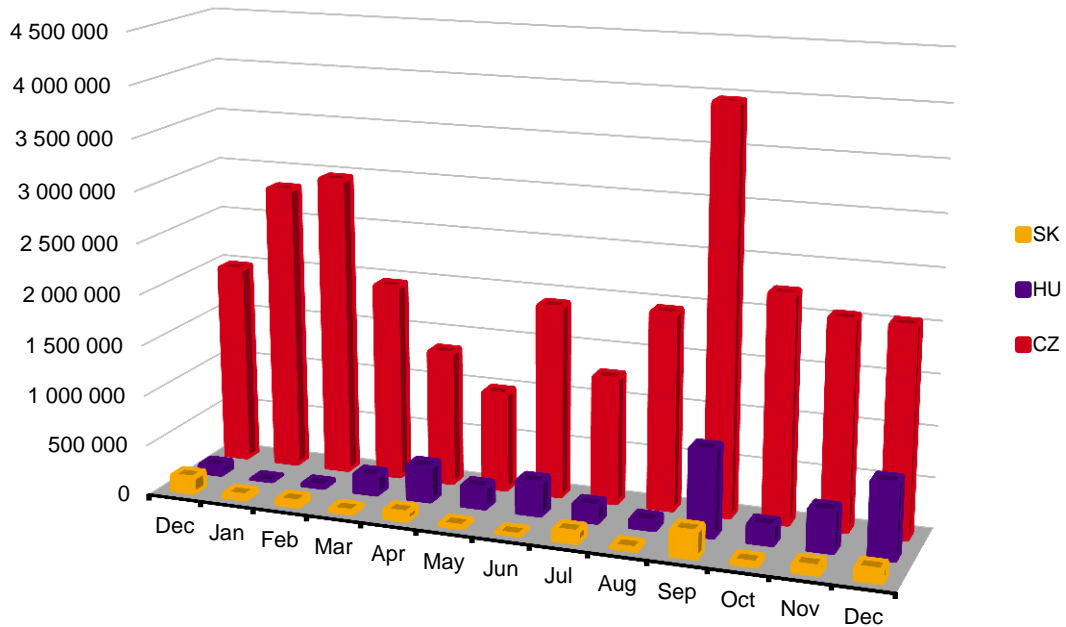


German - Czech CAL 14 baseload spread averaged at 0.94 EUR/MWh down from 1.01 EUR/MWh. The spread on the Hungarian – German CAL 14 baseload averaged at 6.06 EUR/MWh premium up from 5.40 EUR/MWh.



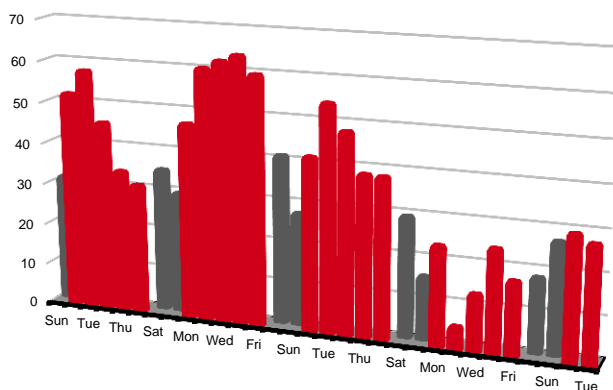
Volumes in December increased 14.92 % month on month. The total volume traded on PXE was 2 886 146 MWh. Slovak power trading amounted for 124 070 MWh (up from 78 120 MWh) out of the total, while Czech power trading stood for 2 029 741 MWh (down from 2 036 280 MWh). On the Hungarian market, 732 335 MWh were traded (up from 397 070 MWh).

Total volume by market - last twelve months (MWh)



The OTE Spot Index averaged at 36.01 EUR (down from 37.40 EUR/MWh) for the base and 45.89 EUR (down from 46.84 EUR) for the peak. The Hungarian spot price averaged at 51.82 EUR (up from 41.13 EUR/MWh) for the base and 65.03 EUR (up from 52.17 EUR) for the peak.

Czech Spot Market Index Baseload (EUR/MWh)



Hungary Spot Market Index Baseload (EUR/MWh)

