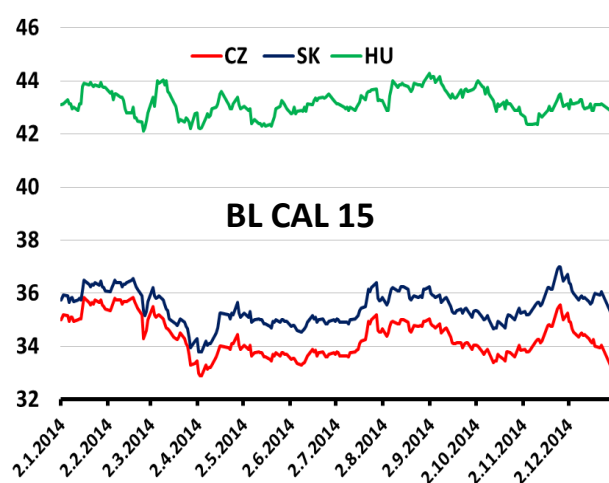
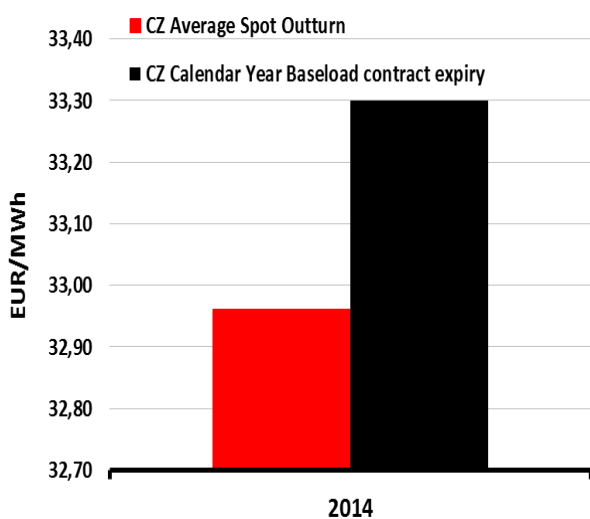
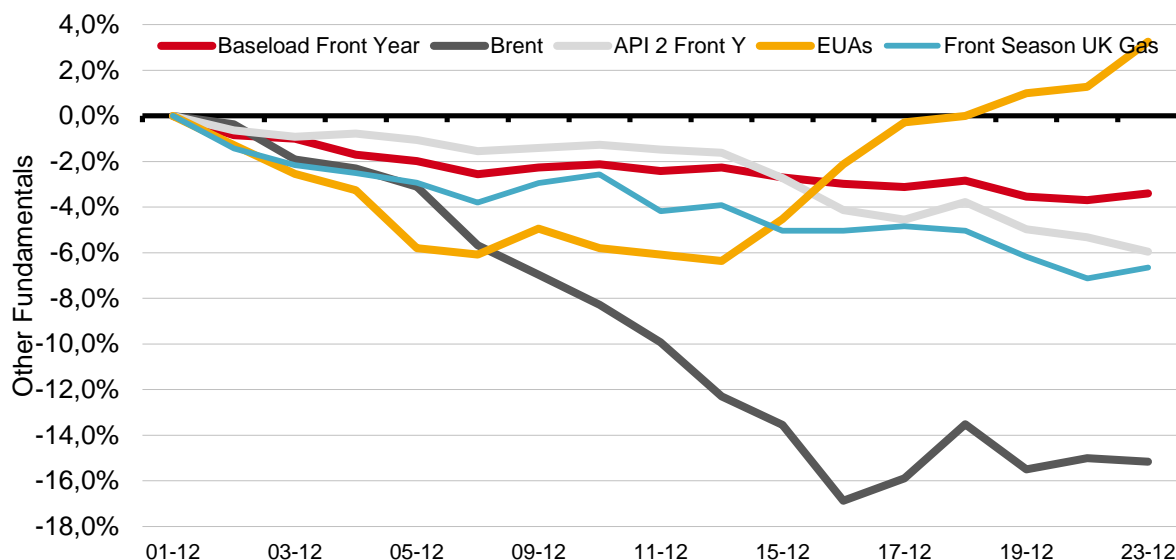
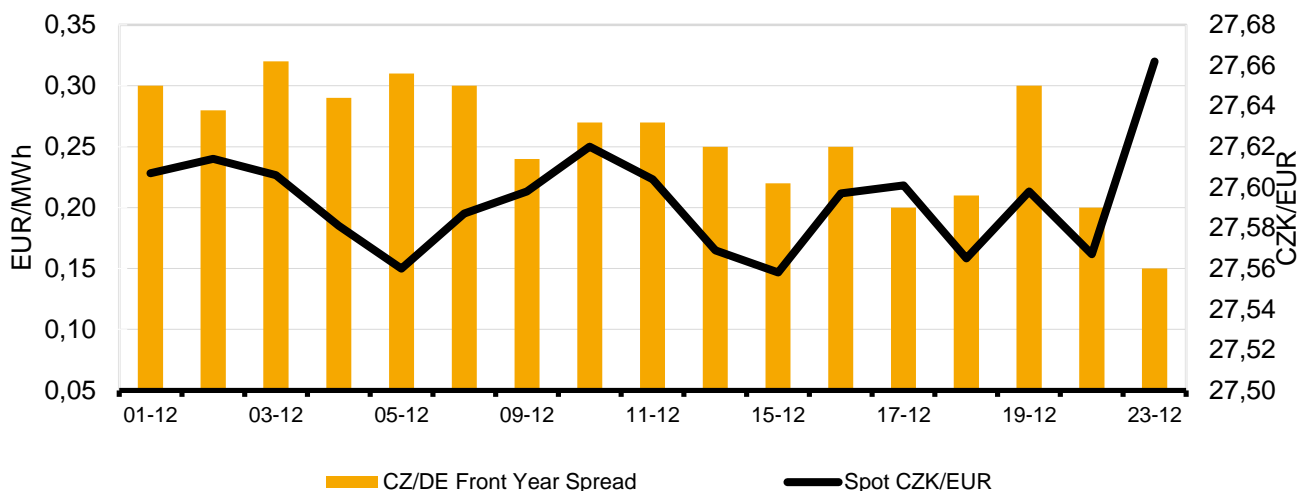


Electricity prices in 2014 were lower compared to 2013 despite occasional upward movements, with the downtrend continuing. In 2014 the price of power and gas was influenced primarily by dropping commodity prices, coal and EUAs, as well as the situation in Ukraine and above average temperatures during the winter months. This all led to a decrease in the price of power and gas with a sharp drop towards the end of the year. The Czech/Slovak and Hungarian contracts closed the year lower than they started it, the Czech Cal 15 opened the year at 35.00 EUR/MWh and closed it at 33.30 EUR/MWh, the Slovak Cal 15 opened the year at 35.75 EUR/MWh and closed it at 35.30 EUR/MWh, the Hungarian Cal 15 opened the year at 43.10 EUR/MWh and closed it at 42.90 EUR/MWh. During 2014, the average spot outturn came to 32.96 EUR/MWh, which is 34 cents below the 33.30 EUR/MWh where the Czech Cal 15 Baseload expired. December proved to be a quiet month for trading due to two-week holiday break (Christmas holiday and New Year). The price movements were bearish. Behind this trend was lower Oil, Coal, Gas prices, warmer weather and lower spot power prices. The Czech baseload Cal 15 hit its lowest point on the 29th of December at 33.30 EUR and its highest point in the first day of the month at 35.25 EUR. The contract closed 1.95 EUR below where it had entered the month. A similar situation was seen in the Slovak equivalent. The Hungarian baseload Cal 15 hit its lowest point on 17th, 18th and 29th of November at 42.90 EUR and its highest point on the 3rd, 9th and 10th of the month at 43.30 EUR. The contract closed 25 cents below where it had entered the month. During this time the spread between German/Czech contracts continued to narrow compared to previous month, while the Czech/Slovak spread remained relatively stable. The German/Hungarian spread on the front year extended their value, rising in the second half of the month. Spot power prices lost ground during December under pressure of massive wind power generation coming from Germany. Spot prices also came under pressure from public holidays in the regions, lower power demand and warmer weather outlook. The Czech baseload price for the month in delivery finished 2.60 EUR below the last price in November for the December Future product, while the Slovak baseload price for the month in delivery finished 2.65 EUR below the last price in November for the December Future product. The Hungarian baseload price for the month in delivery came to 3.39 EUR below the final closing price. The Czech and Slovak spot markets were decoupled just 8 days in the month, while the Hungarian spot market was fully coupled just 5 days in the month. Overall the Czech Hungarian spot spread came to over 7.91 EUR for the month, around 1.73 EUR lower compared to previous month.



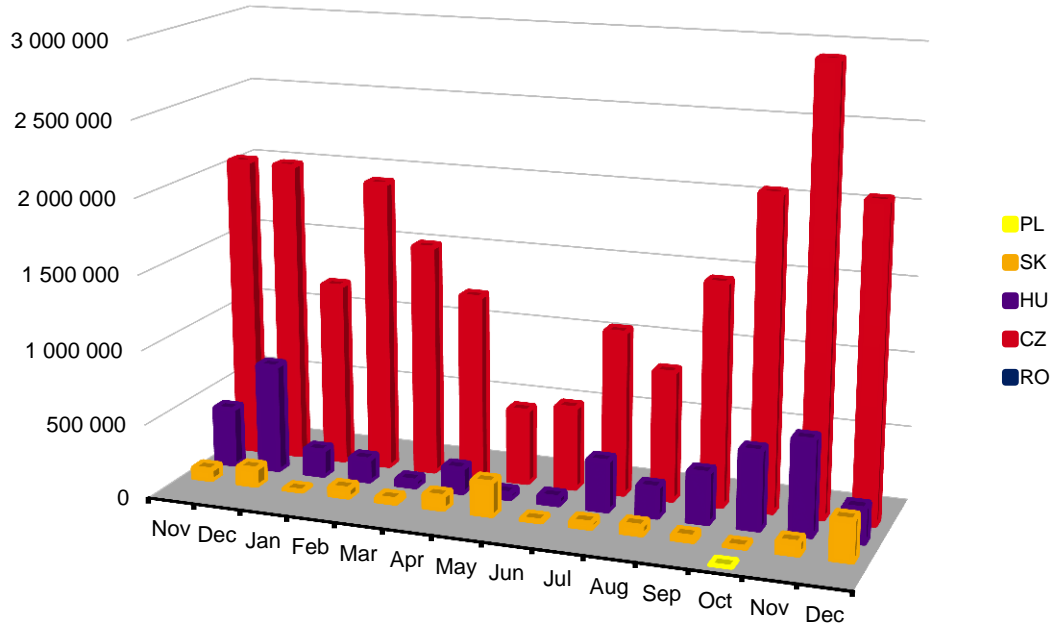


German - Czech CAL 15 baseload spread averaged at 0.26 EUR/MWh down from 0.46 EUR/MWh. The spread on the Hungarian – German CAL 15 baseload averaged at 8.42 EUR/MWh premium up from 7.81 EUR/MWh.



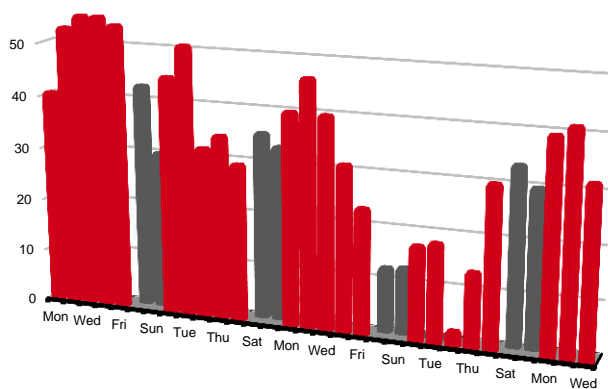
Volumes in December decreased 29.02 % month on month. The total power volume traded on PXE was 2 602 737 MWh. Slovak power trading amounted for 275 730 MWh (up from 87 720 MWh) out of the total, while Czech power trading stood for 2 094 447 MWh (down from 2 940 714 MWh). On the Hungarian market, 232 560 MWh were traded (down from 638 260 MWh).

Total volume by market - last twelve months (MWh)



The OTE Spot Index averaged at 33.75 EUR (down from 36.58 EUR/MWh) for the base and 42.21 EUR (down from 50.63 EUR) for the peak. The Hungarian spot price averaged at 41.66 EUR (down from 46.21 EUR/MWh) for the base and 52.25 EUR (down from 61.31 EUR) for the peak.

Czech Spot Market Index Baseload (EUR/MWh)



Hungary Spot Market Index Baseload (EUR/MWh)

