



ANNUAL REPORT  
AND ACCOUNTS 2013

2013

## ACRONYMS:

### **OMIP**

*OMIP – Pólo Português, S.G.M.R., S.A.*

### **OMIClear**

*OMIClear – Sociedade de Compensação de Mercados de Energia, S.G.C.C.C.C., S.A.*

### **OMIE**

*OMI – Polo Español, S.A.*

### **OMIP SGPS**

*OMIP – Operador do Mercado Ibérico (Portugal), SGPS, S.A.*

### **OMEL**

*Operador del Mercado Iberico de Energía, Polo Español, S.A.*

# 2013

ANNUAL REPORT AND ACCOUNTS

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*The year 2013 was characterized by the continued difficult economic situation lived worldwide and particularly by the European Union's difficulty in adopting measures which would effectively reactivate its economy.*

*In such a complex situation for the markets, the MIBEL derivatives market was still able to resume growth, having traded 47.44 TWh, representing a growth of 23% compared to the previous year, in a scenario in which the demand for electricity in the Iberian Peninsula has dropped by around 2%, to a volume similar to that recorded 9 years ago. As regards participants, twelve new entities were admitted as trading members.*

*During 2013 several trading maximums were beaten, of which we highlight the maximum daily volume of 1.1 TWh, recorded in the trading session of 24 September.*

*This extremely positive performance resulted in a net profit for the year of nearly 600 000 EUR.*

*Furthermore, and equally important, in 2013 the corporate structure of OMI – Operador do Mercado Ibérico was finalised. This was accomplished by means of a capital increase in OMIClear, subscribed in full by OMIE, with OMI now holding 50% of OMIClear, as had been decided in the International Agreement of Santiago.*

*The year 2014 began with announcements of the launching of options contracts for trading and registration, and the reduction of fees charged to trading members as envisaged in the new guarantees. These decisions aim to make OMIP more competitive and more attractive to its clients.*

*These measures will most certainly contribute towards an increase in OMIP's visibility and strengthen its role as an Energy Exchange in the Iberian Peninsula and, indirectly, within the European context, it will also strengthen the internal energy market. We work every day with the motivation to remain competitive and to create more value for our shareholders and for all the market players who place their trust in us.*

*We'd like to conclude by reiterating our grateful thanks to all shareholders for their constant trust and support, as well as acknowledge and thank the OMIP team for their excellent work. Undoubtedly, they are our best asset.*

Lisbon, 23 April 2014



**José Isidoro d'Oliveira Carvalho Netto**  
*Chairman of the Board of Directors*

**Pedro Jesus Mejía Gómez**  
*Deputy Chairman of the Board of Directors*

## MESSAGE FROM THE CHAIRMAN

# 02

## YEAR 2013

## 2.1. Framework

The Iberian Electricity Market (MIBEL), a joint venture of the Governments of the Republic of Portugal and the Kingdom of Spain, aims to build a regional market that is consistent with- and a facilitator of- a much broader market: the Internal Energy Market.

Both countries designated OMIP as the managing entity of the futures markets, alongside OMIE, to which the management of the daily and intra-day market sessions was assigned.

It is in this capacity that OMIP, founded in June 2003, manages MIBEL's Derivatives Market together with OMIClear, founded in April 2004, and which functions as a Clearing House and doubles-up as Central Counterparty and Settlement System for market transactions.

OMIP and its subsidiary, operate under Portuguese law, and, in this context, they are recognised respectively as operator of the regulated market and as managing entity of a Clearing House with functions of Central Counterparty and Settlement System, registered with CMVM - *Comissão do Mercado de Valores Mobiliários*, the Portuguese Securities Market Commission.

In accordance with the International Agreement of Santiago, MIBEL's supervision is the responsibility of a Board of Regulators comprised of regulators from the financial sector (CMVM and *Comisión Nacional del Mercado de Valores*) and from the energy sector (*Entidade Reguladora dos Serviços Energéticos* and *Comisión Nacional de Energía*) of both countries.

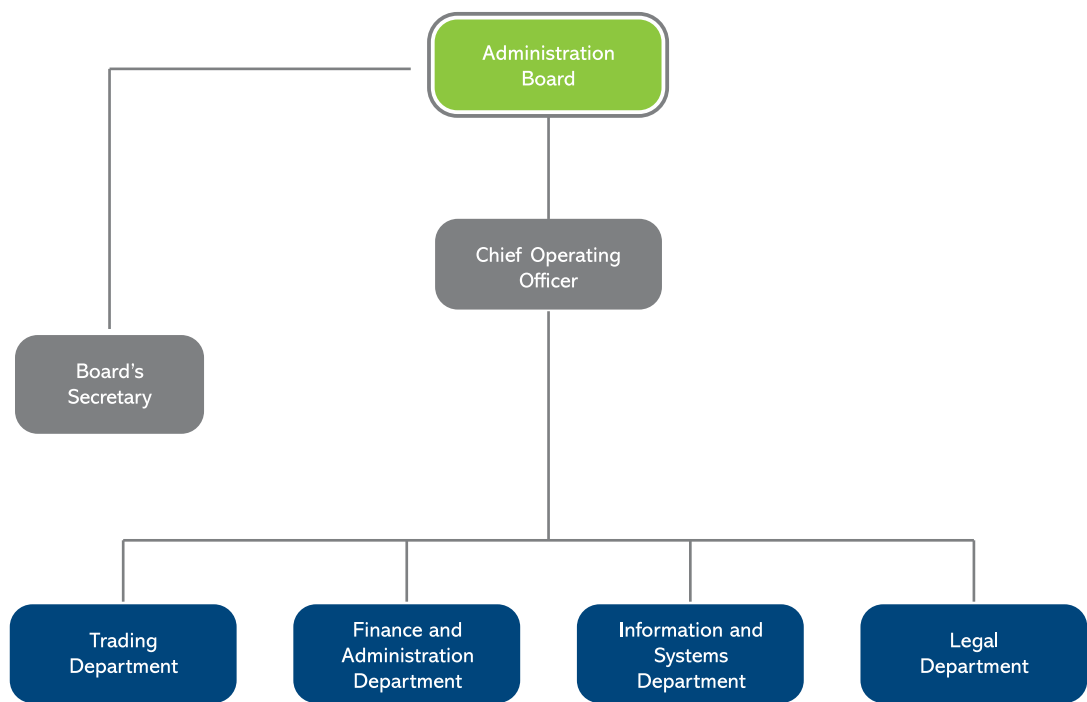
## 2.2 Operational Organisation

Towards the end of 2013, the internal process of separating the organizational structures of OMIP and OMIClear began. The Company, which has the trading department as its central area of operational activity, is now best described as in Figure 1.

Notwithstanding the above, all support areas, which under the applicable legislation do not require exclusivity, provide their services jointly with OMIClear.

As regards human resources, as at 31 December 2013, the Company had nine collaborators (two female and seven male). To this number must be added the Chairman and the Deputy Chairman of the Board of Directors, as members who perform executive functions.

Figure 1 | OMIP's operational organization



### 2.3 OMI

In 2011, the corporate structure of *OMI - Operador do Mercado Ibérico*, was effectively implemented, as provided for in Article 4 of the International Agreement of Santiago, in the wording of the Braga Agreement which revised the former, and which states that OMI “shall comprise two holding companies, with headquarters in Portugal and Spain respectively, with cross-shareholdings of 10% and where both companies will hold 50% of each of the market managing companies ...”. Figure 2 illustrates the agreed model.

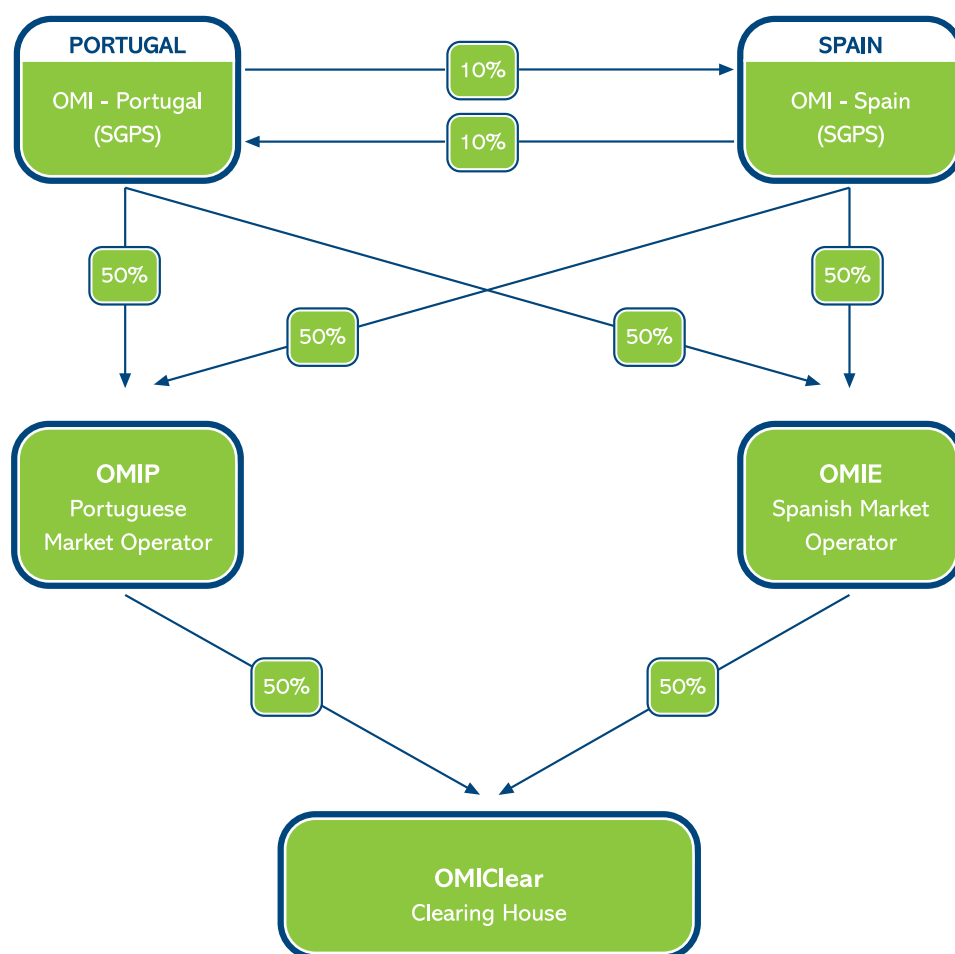
In this context, on 18 October 2011, the holding companies OMIP, SGPS and OMEL, became shareholders in the equity capital of the market managing companies, OMIP and OMIE.

Furthermore, and as previously envisaged, the corporate governance model was implemented, comprising a Board of Directors common to both market managing companies, OMIE and OMIP, which, in the case of OMIP was elected on 3 November 2011 to complete the current mandate, 2009-2011, and also immediately re-elected for the triennium 2012-2014.

On 12 September 2013, OMIE entered the shareholding structure of OMIClear. This operation was carried out by a capital increase.

For 2014, the main objectives and challenges involve the strengthening of the integration with OMIE so as to create synergies for business development.

Figure 2 | OMI's Organizational Chart



Along with the institutional rearrangements carried out, 2013 also represented the seventh year of activity in the exercising of the duties assigned to the Portuguese entity by OMIE - *Operador do Mercado Ibérico de Electricidade*.

## 03

**DEVELOPMENTS IN  
MIBEL'S DERIVATIVES MARKET**

In a year that was once again marked by a state of economic and financial crisis in Europe and, particularly, in the Iberian Peninsula, OMIP continued to assert itself in its role as exchange mechanism of the Iberian energy derivatives.

Business developments through permanent efforts and measures to improve trading levels and services provided to market members contributed significantly, in an increasingly competitive environment, to our results and success.

As demonstrated by the values presented in Table 1, OMIP's activity, once again, experienced positive development in the course of 2013. In terms of continuous traded volume, 47,44 TWh was reached, that is an increase of 23,3% on the 38,48 TWh traded in 2012. The notional value traded showed the same trend, being about 14,1% higher than that recorded in 2012. These values once again highlight OMIP's positioning as the reference entity in this market and contrasts markedly with the developments of electricity consumption which, in Spain decreased by 2,1% and in Portugal increased by 0,2% in relation to last year, as shown in Figure 3.

Figure 3 | Electricity Consumption in the Iberian Peninsula

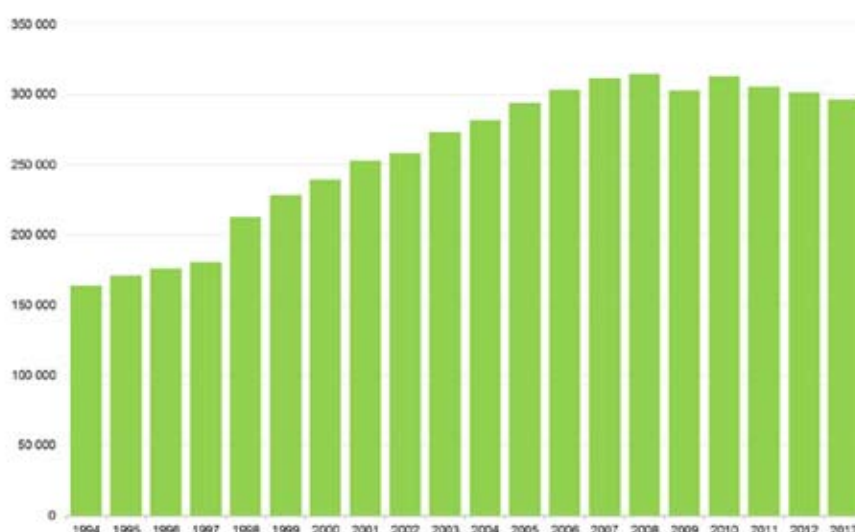


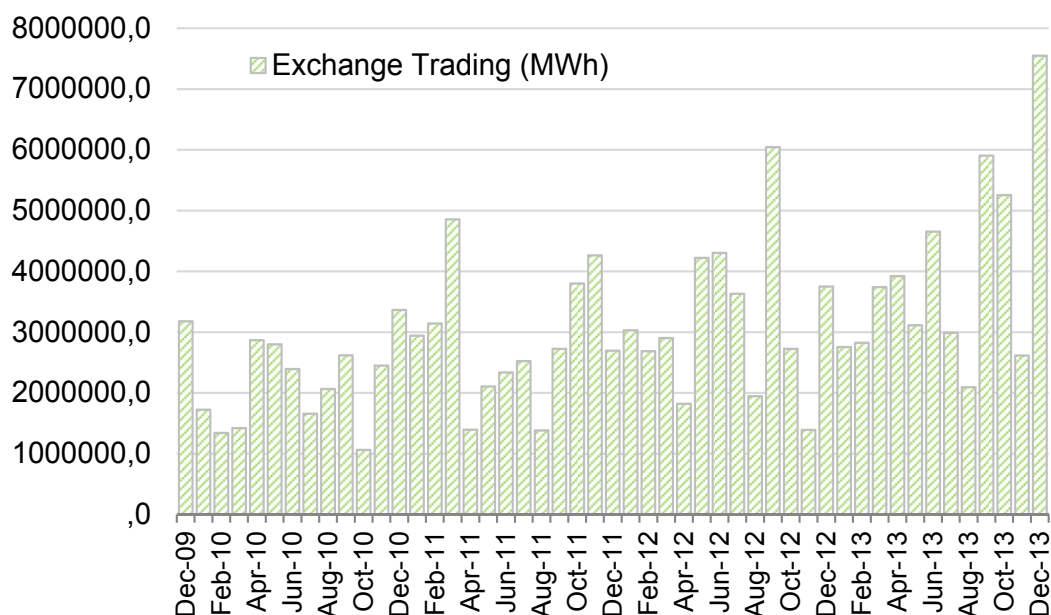
Table 1 | Main activity indicators

	2013	2012
Traded Volume (TWh)	47	38
Notional Traded Value (M€)	2296	2013
Number of Members	49	39

With regard to the number of members and as demonstrated in detail below, in 2013 the market saw an exponential growth with the admission of 12 new trading members.

With regard to traded volumes, the graph in Figure 4 clearly shows that the months of September, October and December, stood out in 2013 for having surpassed the threshold value of 5 TWh. In first place, December, where the monthly maximum of 7,55TWh was reached, followed by September with 5,90 TWh and October with 5,26TWh. Together, these three months accounted for around 81,5% of the total volume traded in 2013. It should also be noted that, the average monthly trading was around 3,95 TWh, as against the 3,21 TWh traded in 2012.

Figure 4 | Volume of Energy Traded in the Market (MWh)



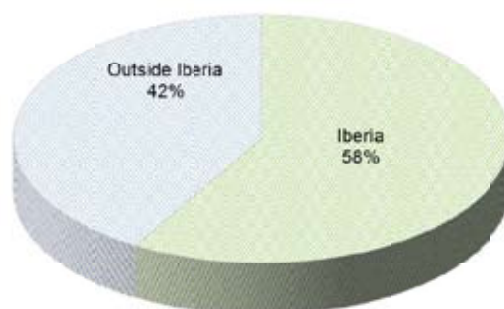
Analysing the volumes traded on an annual basis, as shown by the graph in Figure 5, the upward trend depicted in 2013, was considerably higher than that observed between 2011 and 2012, at around 23,3% compared to the previous year.

Figure 5 | Annual Volume Traded in the Market (TWh)



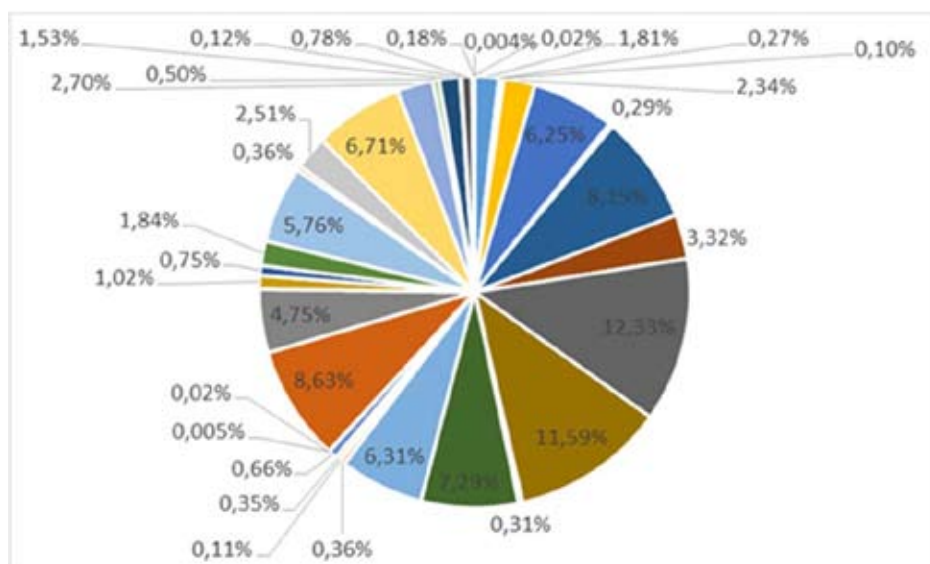
In Figure 6 we can observe that 58% (38% in 2012) of the total traded volume was traded by entities domiciled in the Iberian Peninsula.

Figure 6 | Market share according to the location of the Trading Member



As regards the distribution of market share among all trading members in 2013 (see Figure 7), the volume was well distributed, with the three major members representing 32,5% of the total traded volume. It is noted that this percentage continues to decline, year-on-year (2013: 39,8%), thereby evidencing an increasingly mature and competitive market.

Figure 7 | Market share per Trading Member



With respect to contracts listed for trading, and in terms of equivalent energy, the three-monthly contracts (Quarterly contracts) were once again the most traded with 40% of the total portfolio available at OMIP, as shown in Figure 8, followed by the Annual and the Monthly contracts. The short term maturity instruments, as expected, represented a small percentage of the equivalent energy. However, in terms of liquidity and depth, the growth in the Weekly contracts is worthy of note.

Figure 8 | Share per traded volume for each type of contract in 2013

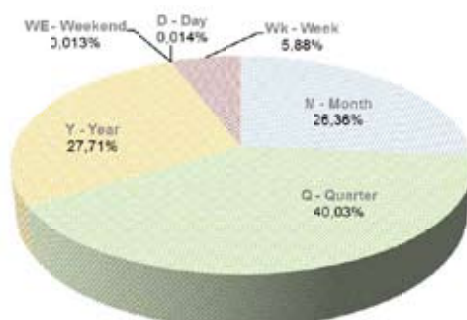


Table 2 lists all the members at OMIP, as at 31 December 2013, indicating Trading Members for Own Account (OA), Trading Members for Third Parties Account (TPA) and OTC Brokers.

Table 2 | MIBEL Derivatives Market members

Company	Trading Member Dealer	Trading member Broker	OTC Brokers
Acciona Green Energy Developments, S.L.			
AXPO Iberia, S.L.			
Banco Santander, S.A.			
Céltica Energía, S.L.			
CIMD – Corretaje e Información Monetaria y de Divisas, S. V., S.A.			
Citigroup Global Markets Ltd.			
Danske Commodities, A/S			
Deutsche Bank AG London Branch			
Dreue Electric S.L.			
E.ON Comercializadora de Último Recurso, S.L.			
E.ON Generación, S.L.			
E.ON Global Commodities SE			
EDF Trading Markets Limited			
EDP - Energias de Portugal, S.A.			
EDP - Serviço Universal, S.A.			
Elliott International, L.P.			
Endesa Energía XXI, S.L.			
Endesa Generación, S.A.			
Enérgya VM Gestión de Energía, S.L.U.			
Factor Energía, S.A.			
Fortia Energía, S.L.			
Freepoint Commodities Europe LLP			
Galp Power, S.A.			
Gás Natural SUR SDG, S.A.			
Gás Natural SDG, S.A.			
GDF Suez Trading, S.A.S.			
GeoAtlanteer S.L.			
Gnera Energía y Tecnología			
Goldman Sachs International			
HC Naturgas Comercializadora de Último Recurso, S.A.			
Hidroeléctrica del Cantábrico, S.A.			
Iberdrola Comercialización de Último Recurso, S.A.U.			
Iberdrola Generación, S.A.U.			
ICAP Energy, AS			
J.P. Morgan Securities, plc			
Merrill Lynch Commodities (Europe) Limited			
Morgan Stanley & Co. International plc.			
Nexus Energía, S.A.			
Rascasse Energy Europe Limited			
REN - Rede Electrica Nacional, S.A.			
Shell Energy Europe Ltd.			
Spectron Energy Services Limited			
Switch Energy, S.L.			
The Liverpool Limited Partnership			
Total Gas & Power Ltd.			
Tradition Financial Services Derivatives Ltd.			
Tradition Financial Services Ltd.			
TrailStone GmbH			
Tullett Prebon (Europe) Limited			
Tullett Prebon (Securities) Limited			
Vertsel Energía S.L.U.			

The geographical distribution of members, in Figure 9, shows two distinct and highly representative poles. One in the Iberian Peninsula, where companies with assets and interests in the production and sale of electricity stand out, and the other in the United Kingdom where mainly financial institutions are involved.

Figure 9 | Origin of members (December 2013)



At 31 December 2013, MIBEL's Derivatives Market comprised forty-eight entities in the form of Trading Members for Own Account (OA), five entities in the form of Trading Members for Third Parties Account (TPA) and five entities in the form of OTC Brokers, as indicated in Table 3.

Table 3 | Members at the end of 2013

Origin	Trading Member (OA)	Trading Member (TPA)	OTC
Spain	24	1	1
Portugal	4	0	0
The United kingdom	11	3	3
Germany	3	0	0
Norway	1	1	1
The U.S.A.	2	0	0
Belgium	1	0	0
Denmark	1	0	0
Malta	1	0	0
<b>Total</b>	<b>48</b>	<b>5</b>	<b>5</b>
Iberian	28	1	1
Non-Iberian	20	4	4

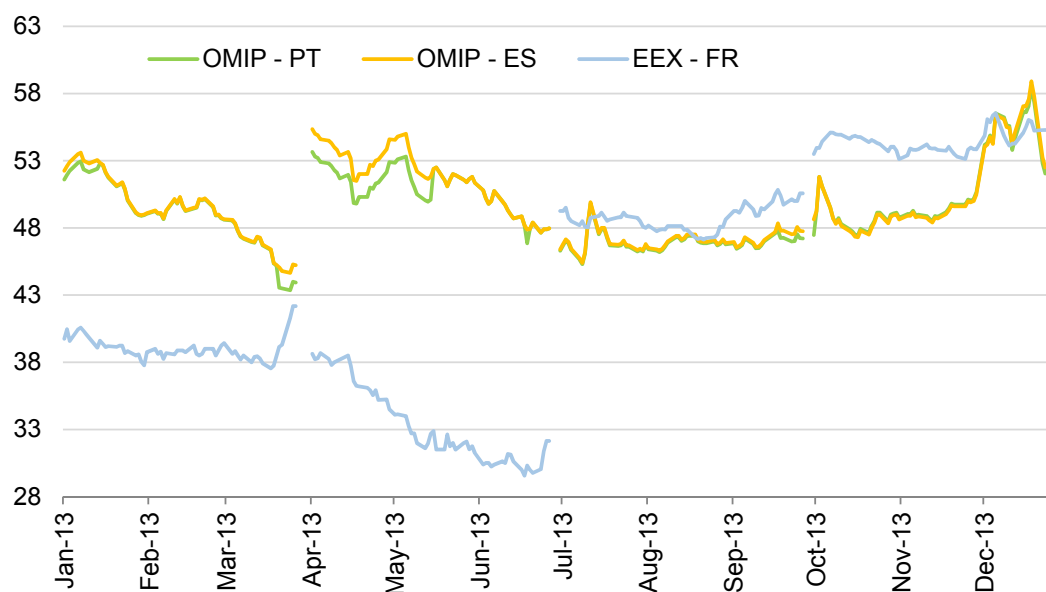
In the group of Trading Members for Own Account (OA), there was a predominance of Iberian members, whereas in the groups Trading Members for Third Parties Account (TPA) and OTC Brokers the majority continue to be Non-Iberian members.

As a result of a marketing campaign the following companies were admitted as trading members in 2013: *Celtica Energía, S.L.* (10 April); *Switch Energy, S.L.* (20 May); *Rascasse Energy Europe Limited* (28 May); *Gnera Energía y Tecnología, S.L.* (30 May); *Freepoint Commodities Europe LLP* (24 June); *Vertsel Energía, S.L.U.* (25 June); *Elliott International, L.P.* (28 August); *The Liverpool Limited Partnership* (28 August); *TrailStone GmbH* (27 September); *GeoAtlante, S.L.* (3 October); *Dreue Electric, S.L.* (31 October) and *REN – Rede Eléctrica Nacional, S.A.* (19 December). In the same category, the following members ceased their participations: *Electrabel N.V./S.A.* (11 February) and *Alpiq Energía España, S.A.U.* (31 March).

In terms of price rates relative to the first-quarter contracts of the two MIBEL zones listed for trading, as shown in Figure 10, the seasonal nature that characterizes the Iberian Peninsula is evident; this is even more striking when compared to the French market which is far more sensitive to aspects of consumption and technology at their production plants.

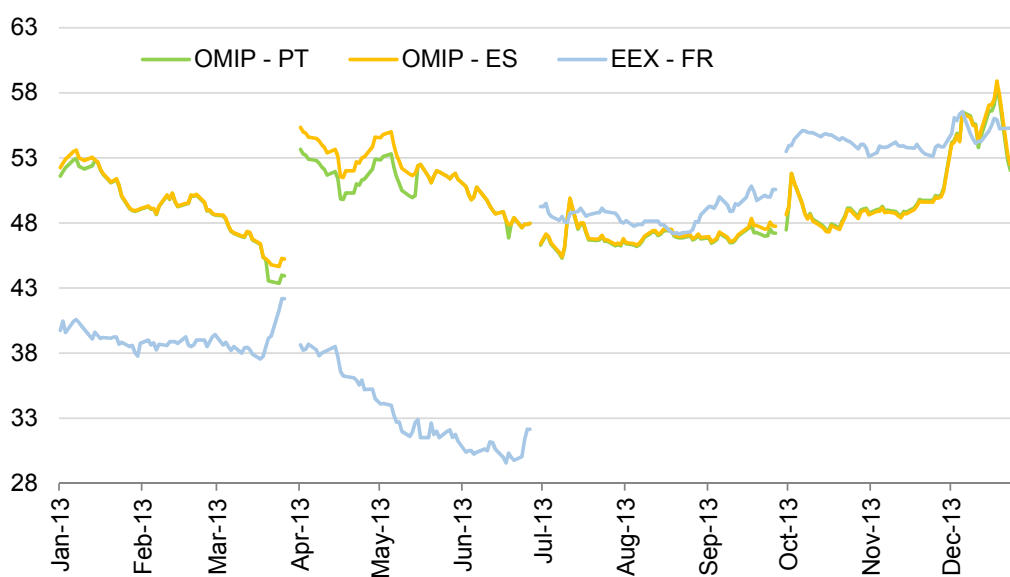
During the course of 2013, the quarterly contracts reached their maximum value on 19 December with prices of 58,9 EUR/MWh and 58,45 EUR/MWh, for the Spanish and Portuguese zones, respectively.

Figure 10 | Evolution of price rates for first-quarter trading contracts (€/MWh)



As for annual contracts (cf. Figure 11), after a decline trend during the first semester, there followed a slight recovery in the second half of the year. Even so, the maximum prices were recorded on 8 January, with 56 EUR/MWh for Spain and 55,27 EUR/MWh for Portugal. Nevertheless, in the French market, price differentials remained constant throughout the year.

Figure 11 | Evolution of price rates for the first annual trading contracts (€/MWh)



As shown in Figure 12, which compares the volumes of listed electricity derivatives contracts traded in the various Exchange markets, OMIP occupies an honourable third position. In the top positions are the Nasdaq OMX Commodities (Scandinavian market) and the EEX (German and French markets) exchanges, which were the pioneers of this business in Europe and whose level of 'maturity' is far more advanced.

Figure 12 | Comparison between European Exchanges in terms of Continued Traded Volume (TWh)

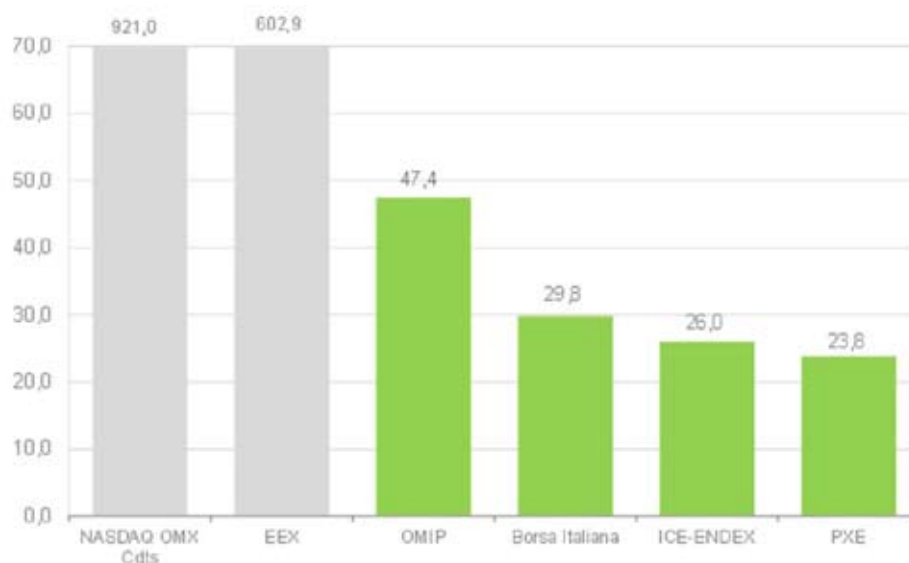


Table 4 summarizes some of the major events that marked 2013.

Table 4 | Summary of events in 2013

**01 JANUARY** AXPO *Energía Iberia* (quarterly and annually), Citigroup Global Market Limited (monthly and annually), *Nexus Energía* (monthly and quarterly) and JP Morgan (weekly), are announced as market makers to develop activities throughout 2013.

**06 FEBRUARY** 20th Trading and Products Committee Meeting, in Düsseldorf.

**21 MARCH** The sixth Special Regime Placement Auction for delivery in the Portuguese MIBEL market, with an energy equivalent to 878 400 MWh, took place. The closing prices were 43,35 EUR/MWh and 53,20 EUR/MWh for the Second and Third Quarter 2013 contracts, respectively.

**14 JUNE** 21st Trading and Products Committee Meeting, in London.

**21 JUNE** The seventh Special Regime Placement Auction for delivery in the Portuguese MIBEL market, with an energy equivalent to 1 540 400 MWh, took place. The closing prices were 46,85 EUR/MWh for the Third Quarter 2013 contract, 44,90 EUR/MWh for the Fourth Quarter 2013 contract and 47,35 EUR/MWh for the Annual 2014 contract.

**20 SEPTEMBER** The eighth Special Regime Placement Auction for delivery in the Portuguese MIBEL market, with an energy equivalent to 1 749 600 MWh, took place. The closing prices were 47,79 EUR/MWh for the Fourth Quarter 2013 contract, 46,41 EUR/MWh for the First Quarter 2013 contract and 47,90 EUR/MWh for the Annual 2014 contract.

**24 SEPTEMBER** History was made when more than 1 TWh was traded continuously in a single trading session. Sixty-two business tradings were executed, corresponding to a total energy of 1 056 GWh.

**30 SEPTEMBER** OMIP achieved a new record for weekly continuous trading in a session with a total of 2 154 570 GWh traded, representing an increase of 32% in relation to the previous registered maximum.

**18 OCTOBER** 22nd Trading and Products Committee Meeting, in Lisbon.

**01 NOVEMBER** OMIP registers a new maximum for monthly continuous trading in a session with a total of 5,3 TWh traded, representing an increase of 8% in relation to the previous record.

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**13 DECEMBER** The ninth Special Regime Placement Auction for delivery in the Portuguese MIBEL market, with an energy equivalent to 1 525 600 MWh, took place. The closing prices were 53,80 EUR/MWh for the First Quarter 2014 contract, 44,30 EUR/MWh for the Second Quarter 2014 contract and 50 EUR/MWh for the Annual 2014 contract.

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**19 DECEMBER** OMIP successfully carried out the first auction of financial contracts for capacity rights in the interconnection Portugal-Spain, whose model was harmoniously defined by energy regulators of this sector in both countries. The 400 MW of capacity offered for sale (200 MW in each direction of the interconnection) were purchased by nine market agents at a price of 0,26 EUR/MW for the direction Portugal-Spain and 0,16 EUR/MW for the direction Spain-Portugal.

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# 04

## INFORMATION SYSTEMS

In 2013, work in the field of information systems focused on three essential components: (i) the management of contracts with external suppliers, applications as well as the hosting of systems and infrastructures which support the company's activities; (ii) the design, specification and implementation of new solutions and features, and improvements to the software applications in use; and (iii) the development of a business continuity plan involving procedures, software applications and human resources.

In the first aspect above, the commercial and technical management (new releases, incident management, etc) of systems and services related to market trading and other activities provided by OMIP are included. These include things such as: (i) the *hosting* of the Negotiation Platform; (ii) the Negotiation System (Trayport); (iii) the administration of OMIPlus-A Clock Auctions (ie. open-outcry descending-price auction), as back up to the Special Regime Energy Auction; (iv) the company website ([www.omip.eu](http://www.omip.eu)), as well as systems and services which are necessary for the management of the company; (v) a software application to monitor the performance of market makers; (vi) the Document Management System (Filedoc); (vii) the Accounting and Invoicing System (Primavera); and (viii) the various suppliers of communication services.

With regard to new developments, we highlight the following features as being the most important:

- a) In-house developments:
  - (i) An application to facilitate the drawing up of reference prices at the end of the day;
  - (ii) Implementation of a mechanism for periodic replication of trading information into the disaster recovery data centre.
- b) Specification and implementation of new features using external suppliers:
  - (i) Integration of OMIP's trading system with Trayport's Hosted Clearing Links (HCL) infrastructure in order to facilitate the registration process and confirmation of OTC trading processes mediated by brokers. Two entities subscribed this service whose process confirmation function will be optimized further in the first quarter of 2014;
  - (ii) New SMRA (Simultaneous Multiple Round Ascending Auction) auctions software application permits bidding for spectrum frequency for the UKE (Polish telecommunications regulator), similar to that which was developed for ANACOM in 2011. Work began in late 2013 and despite the development period having been very short in relation to the number of changes that were made, OMIP was able to deliver the solution within the stipulated deadline, still in 2013. The process is expected to be completed during the third quarter of 2014.
  - (iii) Improvements and new features introduced to the e-Switch platform, namely improvements in the information reporting processes to the ERSE (energy services regulator).

Regarding the third component, we highlight the continued implementation of the recovery plan in case of disaster (Disaster Recovery), both in the software applications and human resources areas. As part of this, OMIP's recovery plan was tested, based on the unavailability of the primary work site. The procedure was carried out successfully. The plan entailed the safe transferral of the whole operational team to the disaster recovery site. The whole test procedure lasted less than two hours, as is stipulated in the applicable legislation.

These modifications were carried out against a background of constant concern. On the one hand, we wanted to increase corporate efficiency; on the other hand, we wanted to improve the robustness of our systems in order to provide better services to market members.

## 05

## OTHER ACTIVITIES

## 5.1 Special Regime Production Placement Auctions

The terms and conditions governing Special Regime Production Placement Auctions, published in Annexure to Directive n.º 5/2011 of ERSE (the Energy Services Regulatory Authority) on 24 November, names OMIP as the entity responsible for organizing auctions. It is a regulated mechanism for the sale of electricity production by *EDP - Serviço Universal, S.A.*, under the special regime, within its function as Last Resort Supplier (CUR), which entails the auctioning of futures contracts with delivery in the Portuguese zone of the Iberian Electricity Market (MIBEL). The above mentioned Directive requires that auctions follow the clock auction model. For the purpose, OMIP decided to include these auctions as part of the MIBEL Derivatives Market, running them during the course of a special trading session. Four auctions were held in 2013, with all the contracts offered for sale by the Last Resort Supplier (CUR), having been sold.

## 5.2 Auction of capacity in the electrical interconnection between Portugal and Spain

Following the standardization work done by MIBEL's Board of Regulators, energy sector regulators, ERSE and CNMC, set up a mechanism for the concerted management of the interconnection Portugal-Spain, based on the auctioning of financial contracts for capacity rights (internationally designated as Financial Transmission rights - FTR), which allow electricity suppliers to safeguard themselves against the risk of price differences between Portugal and Spain, in both directions of the interconnection. It was decided that auctions would be integrated into MIBEL and carried out on OMIP's trading platform. Since the legal and regulatory framework for Spain was not published on time, in the first auction, held in December 2013, the capacity of 200 MW in each direction of the interconnection was offered for trading exclusively by the Portuguese electrical system. An option contract, relating to the first quarter of 2014, was made available for each direction.

## 5.3 Multiband Spectrum Auction in Poland

OMIP, taking advantage of its solid and diverse experience in developing market solutions, particularly where auctions are concerned, and considering the know-how that it has acquired in similar projects in Portugal, participated in and presented a proposal for a public procurement tender for the Polish Telecommunications sector conducted by the Office of Electronic Communications (UKE) in October 2013. The project consists of the development of an Electronic Auction System (ESA) based on the simultaneous multiple-round ascending auction model, commonly known as SMRA, for the granting of rights of use of radio frequencies in the 800MHz and 2,6GHz bands. OMIP's proposal was considered to be the most advantageous and the two entities immediately began their joint collaboration in stipulating all the details, rules and features of the new auction platform. The project development will be underway in 2014 and the auction should take place mid-year.

## 5.4 Development of the GPMC Project

In 2013, OMIP continued to ensure the operational management of *e\_Switch*, the IT platform developed by OMIP to support in a quick, transparent and secure manner requests for supplier change in the gas market in Portugal, as a result of the agreement with *REN – Gasodutos, S.A.*, the entity designated by ERSE to be responsible for the facilitation procedure of changing supplier in the natural gas market. The implementation of a number of major improvements continued, including the optimization of menus, automatic delivery of emails by the system and the development of new statistical reports for ERSE.



## OUTLOOK FOR 2014

The coming year, 2014, will again be one of great challenges for OMIP.

At an institutional level, it needs to address, more deeply, its integrated functioning within the OMI context. It should come to be in a position where it provides a set of comparative advantages over its competitors, whilst at the same time continuing its trading volume growth, which has been happening year-on-year since its founding in 2006.

Regarding the development of the business, we expect:

- Growth in trading volume and in the number of participants in the market, given the interest that it has aroused, in particular, with investment fund managers and financial intermediaries;
- That the continuation of the current cycle of economic and financial crises will continue to provide business opportunities for OMIP, in particular, the increase in demand for hedging, leveraging the business of its subsidiary OMIClear as the main reference and resource regarding the clearing of off-exchange transactions in order to eliminate counterparty risk and credit risk;
- To continue organizing Auctions of financial rights for capacity in the interconnection between Portugal and Spain;
- To continue organising Special Regime Production Placement Auctions for the Portuguese MIBEL zone; and
- To draw on the previously acquired experience in natural gas, so as to allow OMIP to legitimately aspire to be one of the most important entities in the liberalisation process of the natural gas sector in the Iberian Peninsula.

Thus, OMIP will continue to operate with high standards of efficiency and innovation, seeking to meet the growing needs of its members and the requirements of the business sector in which the company operates.

In terms of international cooperation, OMIP will continue to participate actively in activities undertaken by the various international bodies, of which OMIP is an integral part.

# 07

## PROPOSED APPROPRIATION OF PROFITS

The Board of Directors, under and for the purposes of Article 25 of the Company Statutes, decided that the net profit for the year 2013 in the amount of 595 329,47 EUR be applied as follows:

to Legal Reserve .....	59 532,95 EUR
Distribution of Dividends .....	535 796,52 EUR

Lisbon, 23 April 2014

## The Board of Directors,

José Isidoro d'Oliveira Carvalho Netto

Pedro Jesus Mejía Gómez

**Abengoa, S.A.**

Ana Raquel Díaz Vázquez

**E.ON España, S.L.**

Javier Anzola Pérez

**EDP – Energias de Portugal, S.A.**

Carlos Manuel Sola Pereira da Mata

**Endesa Generación Portugal, S.A.**

Adolfo Javier de Rueda Villén

**Gas Natural, SDG, S.A.**

Rosa María Sanz García

**Iberdrola Generación, S.A.**

Rodolfo Martínez Campillo

**Parcaixa, SGPS, S.A.**

Paulo Alexandre da Rocha Henriques

**REN – Redes Energéticas Nacionais, SGPS, S.A.**

Maria José Menéres Duarte Pacheco Clara



SHAREHOLDERS,  
GOVERNING BODIES,  
ETHICS COMMITTEE  
AND SUBSIDIARY

## 8.1 Shareholders

OMIP – Operador do Mercado Ibérico (Portugal), SGPS, S.A. (50%)

OMEL – Operador del Mercado Ibérico de Energía, Polo Español, S.A. (50%)

## 8.2 Governing Bodies

(Triennium 2012 – 2014)

### Board of the Shareholder's General Meeting

Rafael Lapeña Galán ..... Chairman  
Pedro Filipe Raio Félix ..... Secretary

### Board of Directors

José Isidoro d'Oliveira Carvalho Netto ..... Chairman  
Pedro Jesus Mejía Gómez ..... Deputy Chairman

Abengoa, S.A. (Ana Raquel Díaz Vázquez) ..... Member  
E.ON España, S.L. (Javier Anzola Pérez) ..... Member  
EDP – Energias de Portugal, S.A. (Carlos Manuel Sola Pereira da Mata) ..... Member  
Endesa Generación Portugal, S.A. (Adolfo Javier de Rueda Villén) ..... Member  
Gas Natural, SDG, S.A. (Rosa María Sanz García) ..... Member  
Iberdrola Generación, S.A. (Rodolfo Martínez Campillo) ..... Member  
Parcaixa, SGPS, S.A. (Paulo Alexandre da Rocha Henriques) ..... Member  
REN – Redes Energéticas Nacionais, SGPS, S.A. (Maria José Menéres Duarte Pacheco Clara) ..... Member

Pedro Filipe Raio Félix ..... Secretary  
Rafael Cayetano Ramos Gil ..... Assistant Secretary

### Fiscal and Supervisory Board

PricewaterhouseCoopers & Associados, Lda. (SROC) ..... Executive  
José Manuel Henriques Bernardo (ROC) ..... Deputy

### Remuneration Committee

Emilio Recoder de Casso ..... Chairman  
Vitor José Lilaia da Silva ..... Member  
Juan Luis Lopez Cardenente ..... Member  
Pedro Cabral Nunes ..... Member

## 8.3 Subsidiary

OMIClear – Sociedade de Compensação de Mercados de Energia, S.G.C.C.C., S.A. - Fifty percent (50%) holding of the share capital of 7 500 000 EUR.



**FINANCIAL STATEMENTS AND ANNEXURES  
AS AT 31 DECEMBER 2013**

## Balance Sheet

		Currency: Euros	
	Note	31-12-2013	31-12-2012
<b>Assets</b>			
<b>Non-current</b>			
Fixed Tangible Assets	5	123.358	239.958
Participating Interests - Equity Method	7	5.540.424	3.970.144
Deferred Tax Assets	8	-	-
		<b>5.663.782</b>	<b>4.210.102</b>
<b>Current</b>			
Clients		304.837	47.251
State and other Public Entities	9	-	-
Other receivables	10	721.779	279.455
Deferred Tax Assets	8	-	-
Deferrals		33.617	23.316
Cash and Bank Deposits	4	1.283.742	1.075.345
		<b>2.343.975</b>	<b>1.425.367</b>
<b>Total Assets</b>		<b>8.007.757</b>	<b>5.635.469</b>
<b>Equity Capital</b>			
<b>Capital and Reserves attributable to equity holders</b>			
Paid-up Capital	11	2.500.000	2.500.000
Issue premium		1.193.711	1.193.711
Legal Reserve	12	105.812	27.026
Retained Earnings		1.025.810	316.733
Adjustments in financial assets		1.114.928	-
		<b>5.940.262</b>	<b>4.037.470</b>
Net result for the period		595.329	787.864
<b>Total Equity Capital</b>		<b>6.535.591</b>	<b>4.825.334</b>
<b>Liabilities</b>			
<b>Non-current</b>			
Borrowings	13	5.195	10.748
		<b>5.195</b>	<b>10.748</b>
<b>Current</b>			
Suppliers	13	214.651	225.679
Advance Payments from clients		-	73.756
State and other Public Entities	9	190.985	94.099
Borrowings	13	5.553	20.621
Deferred Tax Liabilities	8	-	-
Other Accounts Payable	13	1.055.781	378.231
Deferrals		-	7.001
		<b>1.466.970</b>	<b>799.387</b>
<b>Total Liabilities</b>		<b>1.472.165</b>	<b>810.135</b>
<b>Total Equity Capital and Liabilities</b>		<b>8.007.757</b>	<b>5.635.469</b>

## Profit and Loss Account / Income Statement

	Note	Currency: Euros	
		31-12-2013	31-12-2012
Sales and Services	14	2.115.742	1.715.088
Gains / losses charged to subsidiaries, associates and joint ventures	6	455.352	866.300
Supplies and External Services	15	(743.797)	(813.399)
Costs with Staff	16	(1.365.035)	(1.248.868)
Other Operating Income / Revenue	18	633.725	641.698
Other Operating Costs / Expenses	17	(324.865)	(255.470)
<b>Results before depreciation, financial expenses and taxes</b>		<b>771.123</b>	<b>905.350</b>
Expenses / Reversal depreciation and amortization		(118.379)	(132.242)
<b>Operational Results (before financial expenses and taxes)</b>		<b>652.744</b>	<b>773.108</b>
Interest and similar earnings	19	33.257	21.433
Interest and similar absorbed costs	19	(613)	(7.300)
<b>Pre-tax Results</b>		<b>685.388</b>	<b>787.241</b>
Income Tax	20	(90.058)	623
<b>Net Results</b>		<b>595.329</b>	<b>787.864</b>

## Statement of Changes in Equity

	Share Capital	Issue Premium	Legal Reserve	Accumulated Results	Adjustments in Financial Assets	Results for the Period	Total
As at 1 January 2012	2.500.000	1.193.711	18.820	242.879	-	82.059	4.037.470
Total income	-	-	-	-	-	787.864	787.864
Increase by the application of results	-	-	8.206	73.853	-	(82.059)	-
As at 31 December 2012	2.500.000	1.193.711	27.026	316.733	-	787.864	4.825.334

Equity Capital attributable to Equity Holders							
	Share Capital	Issue Premium	Legal Reserve	Accumulated Results		Results for the Period	Total
As at 1 January 2013	2.500.000	1.193.711	27.026	316.733	-	787.864	4.825.334
Total income	-	-	-	-		595.329	595.329
Increase in investments					1.114.928		1.114.928
Increase by the application of results	-	-	78.786	709.078	-	(787.864)	-
A 31 de Dezembro de 2013	2.500.000	1.193.711	105.812	1.025.810	1.114.928	595.329	6.535.591

## Cash Flow Statement

	December 2013	December 2012
<b>CASH FLOWS OF OPERATING ACTIVITIES:</b>		
Receivables from clients	1.735.102	2.532.381
Payments to suppliers	(1.154.134)	(1.021.343)
Payments to staff	(1.091.849)	(1.026.968)
<b>Cash Flow generated by the operations</b>	<b>(510.881)</b>	<b>484.070</b>
Payment / Refund of Income Tax	(16.175)	(20.158)
Other Receivables / Payments	713.247	455.223
<b>Cash Flow of Operational Activities (1)</b>	<b>186.192</b>	<b>919.134</b>
<b>CASH FLOW OF INVESTMENT ACTIVITIES:</b>		
Payments with regard to:		
Fixed Tangible Assets	(2.020)	(580)
Receivables resulting from:		
Fixed Tangible Assets	-	50
Interest and similar income / Revenue	24.801	14.586
<b>Cash Flow of Investment Activities (2)</b>	<b>22.781</b>	<b>14.056</b>
<b>CASH FLOW OF FINANCIAL ACTIVITIES:</b>		
Payments with regard to:		
External borrowing / Funding	-	(21.473)
Interest and similar expenses / Costs	(575)	(581)
<b>Cash Flow of Financial Activities (3)</b>	<b>(575)</b>	<b>(22.054)</b>
Net Cash Flows (4)=(1)+(2)+(3)	208.398	911.136
Effect of Exchange Rate variations		
Cash and Cash Equivalents at the start of the period	1.075.345	164.208
Cash and Cash Equivalents at the end of the period	1.283.742	1.075.345
<b>BREAKDOWN OF CASH COMPONENTS AND EQUIVALENTS</b>		
Cash	1.889	1.339
Bank Deposits available on demand and equivalents	211.853	74.005
Bank Overdrafts		
Bank Deposits	211.853	74.005
Fixed Deposits	1.070.000	1.000.000
Other financial availabilities		
<b>Cash and Bank Balances</b>	<b>1.283.742</b>	<b>1.075.345</b>

## ANNEXURE TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1 General Information

OMIP – *Pólo Português, S.G.M.R., S.A.* was constituted under Order N° 360/ME/2003 of the Ministry of Economic Affairs, on 6 June, and its public deed was signed on 16 June 2003.

The company began its activity on 10 December 2003, having as its main objective the organising and managing of a support system for conducting transactions and settlements in the Iberian Energy Market, and thus being responsible for:

- a) the management of an organised termed energy market;
- b) the mediation of agents with the purpose of establishing commercial relationships in the Iberian Electricity Market;
- c) the management of other markets of energy-based products;
- d) the provision of settlement services within the organised electricity markets;
- e) the provision of settlement services for standard transactions in non-organised energy markets; and
- f) the organisation of market services within the operational electricity system.

On 18 October 2011, OMIP's share capital became 50% held by OMIP - *Operator do Mercado Ibérico (Portugal), SGPS, S.A.*, and 50% held by OMEL - *Operator del Mercado Iberico de Energía, Polo Español S.A.*

At 12 September 2013, OMIP held the entire share capital of OMIClear - *Sociedade de Compensação de Mercados de Energia, S.G.C.C.C., S.A.*, whose corporate purposes are management of the clearing house and of the settlement system, as well as playing the role of central counterparty.

On the said date, OMI – *Polo Español, S.A. (OMIE)*, after having agreed to a capital increase totalling 6.2 million EUR, of which 3 million EUR were allocated to share capital and the remaining 3.2 million EUR to share premiums, came to hold 50% of OMIClear's total share capital. This transaction led to OMIP's adjustment of its financial assets, with the result that it now also holds 50% of OMIClear.

These financial statements were approved by the Board of Directors at its meeting held on 23 April 2014.

In the opinion of the Board of Directors, these financial statements reflect a true and fair view of the operations carried out by OMIP, as well as its financial position, performance and cash flows.

### 2 Accounting standards for financial reporting

#### 2.1. Preparation basis

These financial statements were prepared in accordance with the ruling accounting and financial reporting norms (IFRS), which came into effect as of 1 January 2009.

These financial statements were prepared using the Euro as the reference currency.

### 3 Accounting Policies

The principal accounting policies applied in preparing these financial statements are described below. These policies have been applied consistently to all topics presented, unless otherwise stated.

### 3.1. Shareholdings – Subsidiaries and associates

Subsidiaries are all entities (including those created for special purposes) where OMI has the power to decide on financial or operating policies. This is usually associated with the control, direct or indirect, of more than half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether OMI is in control of an entity.

Shareholdings in subsidiaries or associates are recorded as the value resulting from applying the equity accounting method. According to this method, the portion of results achieved in subsidiaries and associates, in proportion to the shareholding, are included in the profit and loss account / income statement, and the portion of their net worth, considering any implicit added values resulting from fair value adjustments and goodwill, is reflected in the balance sheet. These values are calculated from the approved financial statements of the subsidiaries and associates, or in the absence thereof, on the basis of the best possible estimates, having the financial year of the Company as a reference date.

### 3.2. Tangible Fixed Assets

Tangible assets are valued at cost less accumulated depreciation and accumulated impairment losses. This cost includes the estimated cost at the date of transition to IFRS, and the acquisition costs for assets acquired after that date.

The acquisition cost includes the purchase price of the asset, costs directly attributable to its acquisition and those incurred in preparing the asset for its commissioning.

Subsequent expenses incurred with renovations and major repairs that may extend the lifespan of the assets are accounted for in the cost of the assets.

The cost of repairs and maintenance services of a current nature are recorded as expenses in the period in which they occurred.

Tangible fixed assets are depreciated systematically for the duration of their estimated lifespan, on the basis of the straight line method.

The estimated lifespan for the most important tangible fixed assets are as shown below:

	YEARS
Vehicles / Transport	Between 3 and 5 years
Office Equipment	Between 3 and 10 years

The lifespan of each asset is reviewed at the end of every year so as to ensure that the depreciation is in accordance with its consumption patterns. Changes in lifespan are treated as alterations to the accounting estimate and are applied prospectively.

Gains or losses resulting from the disposal of assets are calculated as the difference between the net realizable value and the book value of the asset and are recorded in the profit and loss account / income statement.

### 3.3. Financial Assets

The Board of Directors determines the classification of financial assets on the date of initial record, in accordance with the purpose of their purchase, and reassesses this classification at each reporting date.

Financial Assets may be classified as follows:

- a) Assets at fair value through profit or loss: – these include non-derivative financial assets held for trading as short-term investments and assets at fair value through profit or loss at the date of initial record;

- b) Loans granted and accounts receivable: - these include non-derivative financial assets with fixed payments or non-listed determinable in an active market.
- c) Investments held until maturity: – these include non-derivative financial assets with fixed or determinable payments and fixed maturities that the entity has the intention and ability to hold until maturity; and
- d) Financial assets available-for-sale: - these include non-derivative financial assets that are designated as available-for-sale at initial record or do not fit any of the above categories. They are recognised as non-current assets unless management intends to dispose of them within 12 months of the balance sheet date.

Purchases and sales of investments in financial assets are recorded on the trade date, i.e. the date on which OMIP undertakes to purchase or sell the asset.

Financial assets at fair value through profit or loss are initially recorded at fair value with the transaction costs expensed in the results. These assets are subsequently measured at fair value, with the gains and losses arising from changes in fair value recorded in the results for the period in which they occur under net financial expenses, which also includes the amounts of interest income and dividends received.

Financial assets available-for-sale are initially recorded at fair value plus transaction costs. In subsequent periods, they are measured at fair value and changes in fair value are recorded in the fair value reserve of equity. Dividends and interest income from financial assets available-for-sale are recorded as income in the period in which they occur, under other operating income when the right to receive payment is established.

The fair value of listed investments is based on market prices (“bid”). If there is no active market, OMIP establishes fair value through valuation techniques. These techniques include using recent arm’s length transactions, as long as market conditions allow for comparison with instruments that are substantially similar, and the calculation of “cash flow” discounted when information is available, favouring market information at the expense of the target entity’s internal information.

Accounts receivable are classified in the balance sheet as “Other receivables”. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due in accordance with the original terms of the transactions which gave rise to it.

### 3.4. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank deposits, other short-term high liquidity financial investments with original maturities of up to three months, and bank overdrafts. Bank overdrafts are shown in the Balance Sheet as current liabilities under “Borrowings”, and are considered in the preparation of the Cash Flow Statement as cash and cash equivalents.

### 3.5. Share Capital

Ordinary shares are classified as equity capital.

Costs directly attributable to issue of new shares or options are shown in the equity capital as a deduction, net of tax, in the amount issued.

### 3.6. Financial Liabilities

The Board of Directors determines the classification of financial liabilities on the date of initial recording, in accordance with the IFRS 27 – Financial Instruments.

Financial liabilities may be classified / measured as:

- a) At cost or amortized cost less any impairment loss; or
- b) At fair value with changes in fair value being recorded in the income statement.

OMIP classifies and measures at cost or at amortized cost, financial liabilities: (i) which, in terms of period, are short or have defined maturity; (ii) whose interest yield may be flat-rated, fixed-rated or variable-rated as indexed to market indices; and (iii) where there is no contractual clause which could alter the liability of refunding the nominal value and the accrued interest payable.

For liabilities recorded at amortized cost, the interest earned in each period, is determined according to the effective interest rate method, which is the rate that deducts exactly the estimated future cash payments throughout the expected lifespan of the financial instrument.

Financial liabilities which result from accounts payable (suppliers, other creditors, etc.) and equity capital instruments, as well as any associated derivative contracts not traded in an active market or whose fair value cannot be determined reliably, are recorded at cost or amortized cost.

An entity shall derecognise a financial liability (or part of a financial liability) only when it is extinguished, that is, when the obligation set up under contract is paid, is cancelled or expires.

### 3.7. Income Tax

Income tax for the period comprises current taxes and deferred taxes. Taxes on income are recorded in the financial statement, except if they relate to items directly recorded in the equity capital. The amount of current income tax payable is determined based on total income before tax, adjusted in accordance with tax regulations.

In the fiscal years 2012 and 2013, payments on account were recorded in the company's balance sheet and will be deducted from tax payable.

Deferred tax is recorded using the liability method which is based on the balance sheet and takes into account temporary differences arising from the difference between the tax base of assets and liabilities and their carrying values on the financial statements.

Deferred taxes are calculated based of the tax rates in force at the time or on new tax rates which are officially announced in time for the new balance sheet, and which are expected to be applicable on the date of realisation of the deferred tax assets, or on the date of payment of deferred tax liabilities.

Deferred tax assets are recorded to the extent that it is likely that future taxable profits will be available to cover the temporary difference. Deferred tax liabilities are recorded for all temporary taxable differences, except for those relating to: (i) the initial recognition of goodwill; or (ii) the initial recognition of assets and liabilities that do not result from a combination of activities, and that at the time of the transaction will affect neither the accounting results nor the tax results.

However, in relation to temporary taxable differences related to investments in subsidiaries, these must not be recorded because: (i) the parent company is able to control the timing for reversal of the temporary difference; and (ii) it is not probable that the temporary difference will revert in the near future.

### 3.8. Leases

Leases of fixed tangible assets, for which OMIP substantially holds all risks and benefits incidental to ownership of the asset are classified as finance leases. Agreements in which the analysis of one or more conditions of the contract indicate such nature are also classified as finance leases. All other leases are classified as operating leases.

Finance leases are capitalised at the start of the lease at the value of the minimum lease payments, each determined at the start of the contract. The debt arising from a lease contract is recorded net of finance charges under "Loans". Finance charges included in the rent and depreciation of leased assets, are recorded in the Profit and Loss Account / Income Statement for the period to which they relate.

Tangible assets acquired through finance leases are depreciated over the lesser of the useful life of the asset and the lease term if the company does not have a purchase option at the end of the contract period or for the estimated useful life when the company intends to acquire the asset at the end of the contract.

In operating leases, the lease instalments are recorded as an expense on a straight line basis over the lease period.

### 3.9. Revenue

Revenue comprises the fair value of services rendered, net of taxes and deductions.

The services rendered are recorded in the period to which they relate, as advocated by the accrual accounting principle.

### 3.10. Accrual accounting

Other income and expenses are recorded in the period to which they relate independently of when they are paid or received, in accordance with the principle of accrual accounting. The differences between amounts received and amounts paid and their corresponding revenue and expenses are recorded as accruals and deferrals under the items Accounts Receivable and Accounts Payable.

## 4 Cash Flows

### 4.1. Cash and Cash Equivalents restricted for use

OMIP has no balance for cash or cash equivalents restricted for use, for the year under review.

### 4.2. Breakdown of the values shown under cash

At 31 December 2013, the breakdown of cash and cash equivalents is as follows:

	31-12-2013	31-12-2012
Cash	1.889	1.339
Bank Deposits	1.281.853	1.074.005
	<b>1.283.742</b>	<b>1.075.345</b>

The breakdown of the amount deemed as final balance under “Cash and cash equivalents”, for the purpose of preparing the cash flow statement for the year ended 31 December 2013, is as follows:

	31-12-2013	31-12-2012
<b>Cash Resources</b>		
- Cash	1.889	1.339
	<b>1.889</b>	<b>1.339</b>
<b>Bank Deposits</b>		
- Current Accounts	211.853	74.005
- Fixed Deposits	1.070.000	1.000.000
	<b>1.281.853</b>	<b>1.074.005</b>
	<b>1.283.742</b>	<b>1.075.345</b>

## 5 Tangible Fixed Assets

During the year ended 31 December 2012 the movements recorded under tangible fixed assets were as follows:

### Tangible Fixed Assets movements – 2012

	Vehicles / Transport	Office Equipment	Assets under construction	Total
<b>1 January 2012</b>				
Cost of acquisition	170.000	1.541.900	175.150	1.887.050
Accumulated Depreciation	(40.750)	(1.485.224)	-	(1.525.974)
<b>Net book value</b>	<b>129.250</b>	<b>56.676</b>	<b>175.150</b>	<b>361.076</b>
<b>31 December 2012</b>				
Additions	-	11.124	-	11.124
Alienations	-	-	-	-
Transfers and Disposals	-	175.150	(175.150)	-
Depreciation - for the period	(42.792)	(89.451)	-	(132.242)
<b>Net book value</b>	<b>(42.792)</b>	<b>96.823</b>	<b>(175.150)</b>	<b>(121.118)</b>
<b>31 December 2012</b>				
Cost of acquisition	170.000	1.728.174	-	1.898.174
Accumulated Depreciation	(83.542)	(1.574.674)	-	(1.658.216)
<b>Net book value</b>	<b>86.458</b>	<b>153.500</b>	<b>-</b>	<b>239.958</b>

On the other hand, during the year ended 31 December 2013 the movements recorded under tangible fixed assets were as follows:

### Tangible Fixed Assets movements – 2013

	Vehicles / Transport	Office Equipment	Assets under construction	Total
<b>1 January 2013</b>				
Cost of acquisition	170.000	1.728.174	-	1.898.174
Accumulated Depreciation	(83.542)	(1.574.674)	-	(1.658.216)
<b>Net book value</b>	<b>86.458</b>	<b>153.500</b>	<b>-</b>	<b>239.958</b>
<b>31 December 2013</b>				
Additions	-	1.778	-	1.778
Depreciation - for the period	(42.500)	(75.879)	-	(118.379)
<b>Net book value</b>	<b>(42.500)</b>	<b>(74.101)</b>	<b>-</b>	<b>(116.601)</b>
<b>31 December 2013</b>				
Cost of acquisition	170.000	1.729.952	-	1.899.952
Accumulated Depreciation	(126.042)	(1.650.553)	-	(1.776.595)
<b>Net book value</b>	<b>43.958</b>	<b>79.399</b>	<b>-</b>	<b>123.358</b>

## 6 Leasing Agreements

As at 31 December 2012 and at 31 December 2013, the company held the following assets under leasing contracts:

	2013			2012
	Costs	Depreciation / Losses accumulated taxes	Carrying amount	Carrying amount
Vehicles / Transport	100.000	(89.583)	10.417	43.
	100.000	(89.583)	10.417	43.

## 7 Participating Interests – Equity Method

At 31 December 2013 the investment in the associated company / subsidiary is as follows:

	% shareholding	31-12-2013	
OMIClear	50,00%	7.500.000	—
<b>Total</b>		<b>7.500.000</b>	<b>—</b>

Following are details on the associated company:

	31-12-2013	31-12-2012
	OMICLEAR	OMICLEAR
<b>Assets</b>		
Non-current	418.985	63.79
Current	183.885.831	168.305.99
	<u>184.304.816</u>	<u>168.369.78</u>
<b>Liabilities</b>		
Non-current	-	-
Current	173.223.967	164.399.64
	<u>173.223.967</u>	<u>164.399.64</u>
<b>Equity capital</b>	<u>11.080.848</u>	<u>3.970.14</u>
	11.080.848	3.970.14
<b>Activity during the year</b>		
Income / Revenue	3.511.366	2.891.07
Expenses	(2.600.662)	(2.024.776)
Net book value	<u>910.704</u>	<u>866.30</u>
% shareholding	50%	100%
	<u>455.352</u>	<u>866.30</u>

Changes in the financial participation between 1 January 2012 and 31 December 2013 show the following breakdown:

	<u>OMICLEAR</u>
<b>1 January 2012</b>	3.103.844
Acquisitions	-
Gains / (Losses)	866.300
Other Capital movements	-
Alienations	-
Received Dividends	-
<b>31 December 2012</b>	<u>3.970.144</u>
Acquisitions	-
Gains / (Losses)	455.352
Other Capital movements	1.114.928
Alienations	-
Received Dividends	-
<b>31 December 2013</b>	<u>5.540.424</u>

## 8 Deferred Tax Assets and Deferred Tax Liabilities

The movements under deferred tax assets and deferred tax liabilities for the period under review are as follows:

### Deferred Tax Assets

	<u>Tariff Adjustments</u>	<u>Tax losses carried</u>	<u>Total</u>
As at 1 January 2012	40.565	34.350	74.915
<b>Period ending 31 December</b>			
Results by constitution	-	-	-
<b>Movements for the period</b>	<u>(40.565)</u>	<u>(34.350)</u>	<u>(74.915)</u>
As at 31 December 2012	-	-	-

### Deferred Tax Liabilities

	<u>Tariff Adjustments</u>
As at 1 January 2012	116.109
<b>Period ending 31 December</b>	
<b>Movements for the period</b>	<u>(116.109)</u>
As at 31 December 2012	-

During 2013, OMIP did not receive any amount as fees.

## 9 State and Other Public Entities

For the year 2013, the breakdown of the item “State and Other Public Entities” is shown in the following table:

	31-12-2013		31-12-2012	
	Assets	Liabilities	Assets	Liabilities
Income Tax	-	65.617	-	30.778
Withholding tax on income		25.083		29.413
VAT - Value Added Tax	-	81.522	-	18.120
Contributions to Social Security	-	18.763	-	15.788
	<b>0</b>	<b>190.985</b>	<b>0</b>	<b>94.099</b>

	2013	2012
Payments on Account	16.175	4.931
Withholding Tax	8.267	4.862
Corporate Tax estimate	(90.058)	(40.571)
<b>Total</b>	<b>(65.617)</b>	<b>(30.778)</b>

## 10 Other Receivables

As at 31 December 2013, the breakdown of “Other Receivables” is as follows:

	31-12-2013		31-12-2012	
	Current	Total	Current	Total
Advance Payments to Staff	13.951	13.951	3.737	3.737
<b>Other debtors</b>				
<i>REN - Rede Eléctrica Nacional, S.A</i>	-	-	6.500	6.500
<i>REN Serviços</i>	5.250	5.250	-	-
<i>REN Gasodutos</i>	21.516	21.516	-	-
<i>OMIClear</i>	478.364	478.364	188.489	188.489
<i>OMIP SGPS</i>	136.085	136.085	33.756	33.756
Other debtors	12.957	12.957	519	519
<b>Accruals and Deferrals</b>				
Accrued income	53.655	53.655	46.454	46.454
<b>Other Accounts Receivables</b>	<b>721.779</b>	<b>721.779</b>	<b>279.455</b>	<b>279.455</b>

## 11 Share Capital

As at 31 December 2013, OMIP's share capital is fully subscribed and paid for, and is represented by 250 000 shares, each with a nominal value of 10 EUR.

## 12 Legal Reserve

In accordance with existing Corporate Law, the Company is required to transfer to “legal reserve” at least 5% of annual net profit until it reaches 20% of equity. This reserve cannot be distributed to shareholders, but can be used to absorb losses after all other reserves have been exhausted.

Notwithstanding the foregoing, the *Regime Jurídico das Sociedades Gestoras de Mercado Regulamentado* [English: the Legal Regime of Companies of Regulated Market], approved by Decree-Law n. 357-C/2007 of 31 October, states at Paragraph 3 of Article 40, as a prudent rule with regard to legal reserve, the mandatory setting aside of a fraction not inferior to 10% of net profits by the managing company of the regulated market, unless it has already reached the value of its equity capital.

At 31 December 2013, legal reserve amounted to 105 812 EUR.

## 13 Suppliers and Other Accounts Payable

At 31 December 2013, the breakdown of “Suppliers and Other Accounts Payable” is as follows:

	31-12-2013			31-12-2012		
	Current	Non-current	Total	Current	Não Corrente	Total
<b>Suppliers</b>						
	214.651	-	214.651	225.679	-	225.679
	<b>214.651</b>	<b>-</b>	<b>214.651</b>	<b>225.679</b>	<b>-</b>	<b>225.679</b>
<b>Financing</b>						
Borrowings	5.553	5.195	10.748	20.621	10.748	31.369
	<b>5.553</b>	<b>5.195</b>	<b>10.748</b>	<b>20.621</b>	<b>10.748</b>	<b>31.369</b>
<b>Others Creditors</b>						
Staff	2.142	-	2.142	-	-	-
REN SGPS	-	-	-	8.856	-	8.856
OMIP SGPS	43.886	-	43.886	3.496	-	3.496
OMIClear	478.267	-	478.267	80.067	-	80.067
REN Armazengem	53.325	-	53.325	53.325	-	53.325
Other creditors	62.389	-	62.389	34.216	-	34.216
<b>Creditors due to accrued expenses</b>						
Holidays and Holiday Bonuses	287.742	-	287.742	148.055	-	148.055
Tariff Adjustments	40.043	-	40.043	-	-	-
Others	87.987	-	87.987	50.216	-	50.216
<b>Total</b>	<b>1.055.781</b>	<b>-</b>	<b>1.055.781</b>	<b>378.231</b>	<b>-</b>	<b>378.231</b>

## 14 Sales and Services

At 31 December 2013, the income for “Sales and Services” had the following breakdown:

	31-12-2013	31-12-2012
Services rendered - Natural gas	394.959	300.919
Services rendered - Electricity	75.000	130.000
Management Systems Maintenance Services	377.822	
Commissions	897.596	
Licences	126.851	1.203.775
Other services	243.515	80.395
	<b>2.115.742</b>	<b>1.715.088</b>

“Management Systems Maintenance Services” were recorded under “Other Income and Gains” in 2013.

Business fees invoiced to OMIClear are included under “Other Services”. This value is charged because all OMIP’s trading is cleared by OMIClear.

## 15 Supplies and External Services

In 2012 and 2013, the breakdown of costs incurred with “Supplies and External Services” was as follows:

	31-12-2013	31-12-2012
Costs with specialised work	486.505	560.393
Travel and accommodation	17.043	37.565
Communication	8.630	14.287
Representation expenses	120.363	86.132
Fees	10.433	12.447
Seminars and Congresses	-	5.038
Expenses with the Condominium	4.897	8.612
Water and Energy	11.635	8.061
Materials	26.907	32.526
Insurance	4.951	6.054
Rentals	37.275	29.816
Maintenance and Repair	6.689	2.937
Others (individually inferior to 5.000 €)	8.469	9.530
	<b>743.797</b>	<b>813.399</b>

The most relevant items under “Supplies and Services” are: (i) costs with specialized work which includes the maintenance of systems and access to IT platforms and (ii) management fees that offset the efforts/work in favour of OMIP by collaborators of other OMI Group companies.

## 16 Costs with Staff

At 31 December 2012 and at 31 December 2013, the Company had incurred the following "Costs with Staff":

	31-12-2013	31-12-2012
Remuneration of Governing Bodies' members	424.464	433.713
Remuneration of staff	648.548	632.076
Severance compensation / package	111.939	-
Charges without compensation	164.585	165.773
Health and Safety work insurance	15.338	15.586
Benefit costs	107	357
Other expenses	55	1.362
	<b>1.365.035</b>	<b>1.248.868</b>

The average number of collaborators in 2013 was 9 (they were 7 in 2012).

## 17 Other Operating Costs / Expenses

"Other Operating Costs / Expenses" can be broken down as follows:

	31-12-2013	31-12-2012
<b>Indirect Taxes</b>	<b>9.619</b>	<b>12.871</b>
- VAT - Value Added Tax	9.074	11.197
- Stamp Duty	52	396
- Rates and Taxes	22	373
- Other	471	906
Corrections of previous year's accounts	73	6.515
Donations	2.000	-
Contributions / Levies	20.382	19.528
Estimated shortfall for taxes	6.410	5.049
Market Operations	257.869	179.388
Others	28.512	32.119
	<b>324.865</b>	<b>255.470</b>

"Market Operations" includes fixed monthly fees/commissions charged by *market makers*. These members ensure adequate levels of liquidity and depth of market offers. The variations recorded result from the re-negotiation of commissions in the year under review.

"Contributions / Levies" includes the costs borne by the company in 2013 as a result of being a member of representative entities in the sector, namely APE (Association of Power Exchanges), EUROPEX, among others.

## 18 Other Operating Income / Revenue

"Management Fees" includes the amounts that were debited by OMIP to the other group companies, as a result of it making available human resources to carry out work arising from the activities of these companies.

	31-12-2013	31-12-2012
Gains on Fixed Assets	-	130
Gains on previous years' adjustments	192	21.619
Management Fees	623.785	583.667
Carrying out positions of responsibility in other companies	-	50
Other income	9.748	36.233
	<b>633.725</b>	<b>641.698</b>

## 19 Expenses and Financial Income

During 2013, the company obtained a higher yield than in 2012 with regard to investments. In this respect, income and expenses undertaken in 2012 and 2013 showed the following differences:

	<u>31-12-2013</u>	<u>31-12-2012</u>
<b>Interest and similar income / revenue</b>		
Interest on Fixed Deposits	33.257	20.316
Favourable variations in Exchange Rate	-	1.117
	<u>33.257</u>	<u>21.433</u>
<b>Interest and similar costs / expenses</b>		
Unfavourable variations in Exchange Rate	-	(5.510)
Interest paid on leasing contracts	(533)	(1.299)
Interest Agreements	-	(448)
Bank charges	(42)	(5)
Others	(38)	(38)
	<u>(613)</u>	<u>(7.300)</u>
	<u>32.644</u>	<u>14.133</u>

## 20 Tax period

The breakdown of the tax amount for the period recorded in the financial statements is as follows:

Current income tax	90.058	40.571
Deferred income tax	-	(41.194)
<b>Total</b>	<b>90.058</b>	<b>(623)</b>

The tax rate used for the valuation of taxable differences at the date of the Balance Sheet for the year ended 31 December 2013 was 26,5% (it was also 26,5% in 2012).

The reconciliation of the tax amount for the period is as follows:

	<u>31-12-2013</u>	<u>31-12-2012</u>
Pre-Tax results	685.388	787.241
Tax Rate	26,5%	26,5%
	<u>181.628</u>	<u>208.619</u>
Non-deductable expenses	5.713	307.715
Non-taxable income	(120.946)	(875.243)
Separate settlement	23.664	14.077
	<u>90.058</u>	<u>(344.831)</u>
Current income tax	90.058	40.571
Deferred income tax	-	(41.194)
Income tax	<u>90.058</u>	<u>(623)</u>
<b>Effective Tax Rate</b>	<b>13,14%</b>	<b>-0,08%</b>

The tax rate used to determine the amount of tax in the financial statements remained unchanged:

	31-12-2013	31-12-2011
Tax Rate	25,00%	25,00%
Surcharge	1,50%	1,50%
	<b>26,50%</b>	<b>26,50%</b>

## 21 Transactions with Related Companies

At 31 December 2013, OMIP was 50% owned by OMIP SGPS and 50% owned by OMEL.

### Related Entities

#### Shareholders

REN – Redes Energéticas Nacionais, SGPS, S.A.  
 OMEL – Operador del Mercado Iberico de Energía, Polo Español, S.A.  
 EDP – Energias de Portugal, S.A.  
 Parcaixa, SGPS, S.A.  
 Endesa Generación Portugal, S.A.  
 Abengoa, S.A.  
 Asociación Española de la Industria Eléctrica (UNESA)  
 Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A.  
 E.ON España, S.L.U.  
 Gas Natural, SDG, S.A.  
 Iberdrola, S.A.  
 Fundo de Pensões do Grupo BCP, representado por PENSÕESGERE - Sociedade Gestora de Fundos de Pensões, S.A.

#### Companies within the Group

OMIP – Operador do Mercado Ibérico de Energia (Pólo Português), S.G.M.R., S.A.  
 OMI – Polo Español, S.A. (OMIE)  
 MIBGAS, S.A.  
 OMIClear – Sociedade de Compensação de Mercados de Energia, S.G.C.C.C.C., S.A.  
 OMEL Diversificación, S.A.U.  
 OMEL Mercados, A.V., S.A.

#### Other related parties

REN - Redes Energéticas Nacionais, SGPS, SA  
 REN - Rede Eléctrica Nacional, SA  
 REN Armazenagem, SA  
 REN Serviços, SA  
 Caixa Geral de Depósitos, S.A.

During the period, the Company had the following transactions with these related entities:

### 21.1. Revenue – Companies within the Group

	31-12-2013	31-12-2012
<b>Services Rendered</b>		
REN - Rede Eléctrica Nacional, S.A	-	138.000
REN Gasodutos, S.A	203.340	370.130
REN Serviços	146.078	-
OMIP SGPS	181.068	147.496
OMIClear	586.694	394.106
	<b>1.117.180</b>	<b>1.049.733</b>

## 21.2. Expenses – Companies within the Group

	<u>31-12-2013</u>	<u>31-12-2012</u>
<b>Purchase of Services</b>		
<i>OMIClear</i>	131.637	127.556
<i>OMIP SGPS</i>	9.429	
<i>REN Serviços</i>	6.495	6.495
	<u>6.495</u>	<u>6.495</u>

## 21.3. Remuneration of the Board of Directors

During the period ended 31 December 2013, the remuneration of OMIP's Board of Directors was as follows:

	<u>31-12-2013</u>	<u>31-12-2012</u>
<b>Governing Bodies</b>		
Salaries and other short-term benefits	424.464	433.713
	<u>424.464</u>	<u>433.713</u>

There are no existing loans to the members of the Board of Directors.

For the period ended 31 December 2013, the balance resulting from transactions with related parties is:

## 21.4. Balances with related parties - Companies within the Group

	<u>31-12-2013</u>	<u>31-12-2012</u>
<b>Clients and other receivable accounts</b>		
<i>REN - Rede Eléctrica Nacional</i>	-	43.611
<i>REN Serviços</i>	5.250	-
<i>REN Gasodutos</i>	21.516	-
<i>OMIP SGPS</i>	136.085	33.756
<i>OMIClear</i>	478.364	187.614
	<u>641.216</u>	<u>264.981</u>
 <b>Suppliers and other accounts payable</b>		
<i>REN - Redes Energéticas Nacionais SGPS</i>	-	(8.856)
<i>REN Armazenagem</i>	(53.325)	(53.325)
<i>OMIP SGPS</i>	(43.886)	(3.496)
<i>OMIClear</i>	(478.267)	(80.067)
	<u>(575.477)</u>	<u>(145.743)</u>

## 22. Contingencies

As at 31 December 2013, there is no knowledge of any contingency or commitment undertaken.

## 23. Subsequent Events

No significant facts occurred after the date of the balance sheet.

Lisbon, 23 April 2014

As per Registered Accountant (T.O.C.), nº 30375,

*Maria Teresa Rodrigues Martins*

**The Board of Directors,**

José Isidoro d'Oliveira Carvalho Netto

Pedro Jesus Mejía Gómez

*Abengoa, S.A.*

*Ana Raquel Díaz Vázquez*

*E.ON España, S.L.*

*Javier Anzola Pérez*

*EDP – Energias de Portugal, S.A.*

*Carlos Manuel Sola Pereira da Mata*

*Endesa Generación Portugal, S.A.*

*Adolfo Javier de Rueda Villén*

*Gas Natural, SDG, S.A.*

*Rosa María Sanz García*

*Iberdrola Generación, S.A.*

*Rodolfo Martínez Campillo*

*Parcaixa, SGPS, S.A.*

*Paulo Alexandre da Rocha Henriques*

*REN – Redes Energéticas Nacionais, SGPS, S.A.*

*Maria José Menéres Duarte Pacheco Clara*

# 10

## ANNEX

# AUDITOR'S REPORT



## **Statutory Audit Report**

*(Free Translation from the original in Portuguese)*

### **Introduction**

1 We have audited the financial statements of OMIP – Pólo Português, S.G.M.R., S.A., comprising the balance sheet as at December 31, 2013, (which shows total assets of Euros 8.007.757 and total shareholder's equity of Euros 6.535.591, including a net profit of Euros 595.329), the statement of income by nature, the statement of changes in equity and the statement of cash flows for the year then ended, and the corresponding notes to the accounts.

### **Responsibilities**

2 It is the responsibility of the Board of Directors to prepare the Director's Report and the financial statements which present fairly, in all material respects, the financial position of the Company, the results of its operations, the changes in equity and the cash flows, as well as to adopt appropriate accounting policies and criteria and to maintain an adequate system of internal control.

3 Our responsibility is to express an independent and professional opinion on these financial statements based on our audit.

### **Scope**

4 We conducted our audit in accordance with the Standards and Technical Recommendations issued by the Institute of Statutory Auditors which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Accordingly, our audit included: (i) verification, on a sample basis, of the evidence supporting the amounts and disclosures in the financial statements, and assessing the reasonableness of the estimates, based on the judgements and criteria of the Board of Directors used in the preparation of the financial statements; (ii) assessing the appropriateness of the accounting principles used and their disclosure, as applicable; (iii) assessing the applicability of the going concern basis of accounting; and (iv) assessing the overall presentation of the financial statements.

5 Our audit also covered the verification that the financial information included in the Director's Report is consistent with the financial statements.

6 We believe that our audit provides a reasonable basis for our opinion.

### **Opinion**

7 In our opinion, the financial statements referred to above present fairly in all material respects, the financial position of OMIP – Pólo Português, S.G.M.R., S.A. as at December 31, 2013, the results of its operations, the changes in equity and the cash flows for the year then ended, in accordance with generally accepted accounting principles in Portugal.

PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda.

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## AUDITOR'S REPORT

### ***Report on other legal requirements***

8 It is also our opinion that the financial information included in the Director's Report is consistent with the financial statements for the year.

April 29, 2014

PricewaterhouseCoopers & Associados  
- Sociedade de Revisores Oficiais de Contas, Lda.  
represented by:

João Rui Fernandes Ramos, R.O.C.





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