

emiclear

ANNUAL REPORT AND ACCOUNTS 2013



ACRONYMS:

OMIClear

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

OMIP

OMIP – Pólo Português, S.G.M.R., 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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INDEX

01	Message from the Chairman	07
02	Relevant Facts	08
03	Commercial Risk	10
	3.1 Competitive Environment	
	3.2 Opportunities and Risks	
	3.3 Risk Mitigation through diversification	
04	Derivatives Market	14
	4.1 Framework	
	4.2 Clearing and Settlement Activity	
	4.3 Participants	
05	Information Systems	25
06	Other Services	27
07	Organisational Structure	28
	7.1 Shareholders	
	7.2 Governing Bodies	
	7.3 Risk Committee	
	7.4 Staff	
08	Outlook for 2014	31
09	Proposed Appropriation of Profits	32
10	Financial Statements as at 31 December 2013	34
11	Annex - Auditor's Report	53



01 MESSAGE FROM THE CHAIRMAN

From a business perspective, OMIClear maintained its normal activity during 2013. Despite the current economic situation in the Iberian Peninsula and taking into account that there has been an increase in the number of central counterparties offering identical services, we have managed to improve operational and financial results in comparison to last year. 85.8 TWh were cleared which represented a 28% growth on 2012. This resulted in a net profit of 910 104 EUR, once again surpassing our best expectations.

The year 2013 presented one of our biggest challenges since the start of the MIBEL Derivatives Market in July 2006 when, at the beginning of the year, shareholders gave their approval for OMIClear to become compliant with EMIR's legal framework.

EMIR dictated that partners would have to be prepared to compete in the new European context, with larger organizational and solvency requirements for central counterparties. The imposition by law of a minimum equity capital in excess of 10.2 million EUR, when, in accordance with the criteria set out therein, for the risk currently undertaken by OMIClear, no more than 4 million EUR would have been needed, is quite revealing of the situation that was encountered.

Thanks to the financial effort of shareholders, who increased our equity capital by 6.2 million EUR, and to the dedication of all who collaborate with us, in due time we were able to present CMVM - Comissão do Mercado de Valores Mobiliários, the Portuguese Securities Market Commission, with the qualification portfolio for the EMIR central counterparty license, a process we expect to be completed by next July. Further, shareholders used this process in order to complete OMI Group's corporate structure.

The year 2014 began with the announcement of the introduction of the Delegated Reporting Service, the reduction in commissions charged and the reduction, within the limits permitted by risk management, of guarantees given by agents, in order to make OMIClear more competitive and attractive to its clients. New products and services will be offered, ranging from those related to natural gas, within the creation of its Iberian market, to the German and French electricity futures, within the cooperation agreement established with the European Commodity Clearing (ECC) and the European Energy Exchange (EEX).

All this will no doubt contribute to increase OMIClear's visibility and strengthen its role as a clearing house with the assumption of central counterparty and settlement system of energy markets in the Iberian Peninsula, and indirectly, within the European context, of the internal energy market. We work every day with great motivation in order to remain competitive and to create more value for our shareholders and for all the agents who place their trust in us.

We would like to end this message by reiterating our grateful thanks to all our shareholders for their constant trust and support, as well as recognise and thank the OMIClear team for their excellent work. Undoubtedly, they are our best asset.

Lisbon, 27 March 2014

Pedro Jesús Mejía Gómez

Chairman of the Board of Directors

José Isidoro d'Oliveira Carvalho Netto

Deputy-Chairman of the Board of Directors

02

RELEVANT FACTS

2013

05 February	20th Clearing and Settlement Committee Meeting, in Düsseldorf.
25 March	Admission of <i>Banco L.J. Carregosa, S.A.</i> as a general clearing member.
14 June	21st Clearing and Settlement Committee Meeting, in London.
12 September	Increase in capital equity, joining of <i>OMI – Polo Español, S.A.</i> as shareholder and election of new members to the Board of Directors.
13 September	OMIClear hands in EMIR portfolio in order to become an authorised central counterparty.
18 October	22nd Clearing and Settlement Committee Meeting, in Lisbon.
04 December	Signing of cooperation agreement with ECC, EEX and OMIP, which enables OMIClear to accept the registration and clearing of German and French electricity futures and also allow ECC to accept the registration and clearing of Spanish and Portuguese electricity futures.
19 December	Admission of <i>REN – Rede Eléctrica Nacional, S.A.</i> as a direct clearing member.
31 December	New monthly (December), quarterly (4th quarter) and annual maximums of 12 TWh, 27.3 TWh and 85.8 TWh reached, respectively.

03

COMMERCIAL RISK

3.1. Competitive environment

OMIClear has established itself as the reference clearing house and central counterparty for energy-based products in the Iberian Peninsula. As a provider of clearing and settlement services, it competes directly with other clearing houses and central counterparties. Services are conducted mostly via IT systems and platforms, requiring no personal or direct contact with the market participants. In this context, OMIClear may be considered as being part of an international competitive scenario.

In addition to the direct pressure from other competing clearing houses and central counterparties, the competitive environment in which OMIClear operates also comprises other trading platforms that are competitors of OMIP, such as multilateral trading systems and platforms operated by brokers, with which OMIClear has agreements that facilitate the registration of businesses conducted therein. This is due to the fact that changes in the intermediate volumes on these platforms have a direct impact on the number of bilateral transactions entered for registration and clearing by OMIClear. As a result, indirect competitive pressure may lead to the trading of some volumes on platforms whose operators do not have agreements with OMIClear. For this reason, future developments involving platforms where energy and related products are traded are of great importance to OMIClear.

Energy consumption, the pressure of competition and the new regulation of financial and energy markets, will contribute significantly to a market environment expected to be complex and uncertain and it has already had an impact on the volumes traded by OMIP. Among other aspects, the current scenario is marked by the following trends which are important to the exchanges: professionalization of trading platforms, greater demands by clients and the growing importance of the interposition of a central counterparty, due to increased risk perception.

The market which provides clearing and settlement services is changing rapidly. In the long term, the growing demand by market participants and the increased competitiveness will, most likely, lead to the appearance of new operators of trading platforms, clearing houses and central counterparties, as well as to mergers and acquisitions. The use of economies of scale could play a crucial role in the future. Similarly, technological developments also bear particular importance in the market trading of energy products.

The financial sector has already begun its process of consolidation and the international financial markets are showing signs of recovery. However, the current debate on the root causes of the financial and economic crisis has led to changes in the clearing and settlement market of financial products. The importance of clearance by central counterparties has been reinforced and the supervision of financial and energy markets has been increased. As a result of these developments, clearing houses and central counterparties who have been in the financial market business for several years have started to offer services to the energy markets.

Furthermore, the adoption of stricter requirements as regards capital resources and the assessment of inherent business risks have resulted in stronger competition, even though the importance of central counterparties in OTC trading is now perceived differently.

3.2. Opportunities and Risks

Economic recovery and the stability of financial markets are likely to contribute positively to boost business volumes and increase financial results. However, the situation concerning policies related to financial markets within the Euro zone (which is crucial to OMIClear) also presents risks. A worsening of the public debt crisis and a continued low economic growth in Europe, particularly in Spain and Portugal, may hinder OMIClear reaching its growth objectives.

The acquisition of market share through the transfer of non-compensated OTC transactions to the exchange market, or for clearing and settlement by OMIClear, could provide significant business opportunities. The political and legal conditions for trading and clearing of financial and energy products have been subject to profound changes as a consequence of the economic and financial crisis. The advantages of clearing through central counterparties are now strongly perceived both by regulating authorities and by the public in general, as a direct result of the debate around the causes of the crisis. This fact offers opportunities to increase market share. Furthermore, changes to the legal framework conditions, such as the EMIR (obligation to settle OTC trading through central counterparties for a variety of derivative classes), although not an absolute requisite, it is important, as many negotiating agents will realize and will take advantage of the benefits of compensated transactions.

OMIClear's established market position as a reference clearinghouse, specializing in energy, with an integrated business model, is a good selling argument to face growing competition. Where this is concerned, the identification, development and continuous communication of OMIClear's specific advantages for the energy market to potential future partners, is of paramount importance. Moreover, the approach adopted by OMIClear of integrated compensation within a uniform settlement system, offers a comparative advantage over its competitors.

The most significant risks that may hinder OMIClear's business development result from: the structure of the European energy markets, and particularly that of the Iberian market; regulation of the financial and energy sector; and increased competition.

Changes in the energy market, which are beyond the stakeholders' control may increase the uncertainty of negotiating agents, and thus lead to a decline in trading activity on the exchange market.

Such changes, essential to market structuring, compromise European and Iberian market integration, as well as the role the SPEL and PTEL indices play in price referencing.

Apart from that, changes aiming to regulate financial markets also present great risks. This may lead to a general restriction on trading by negotiating agents, and in some cases, even to a possible change in trading activity outside of the exchange market for platforms with less regulation and/or standardization.

Other risks arise from the international competition for clearing and settlement services, in both the energy and the financial sectors. This competition is particularly encouraged by EMIR. The new regulation considerably simplifies the access to trading platforms by clearing houses - as well as the access of clearing houses to operations on other trading platforms. Yet, OMIClear's advantage, in this aspect, is characterized by its flexibility, allowing it to meet client needs in the short term and with personalised solutions. For this reason, the preservation and strengthening of this flexibility confers an important contribution towards reducing strategic risks.

3.3. Risk mitigation through diversification

From the beginning of its operations, OMIClear has developed a risk mitigation strategy which includes fixed costs reduction measures and the diversification of its products and services portfolio.

With respect to the latter, OMIClear has launched various products and services in order to complement those already offered. The products and services available are the following:

- Capacity rights for the use of natural gas infrastructures;
- Managing the process of supplier change in the natural gas sector;
- Transmission capacity rights;
- Guarantee certificates (shortly);
- German and French Futures contracts (shortly); and
- Natural gas contracts (shortly).

Additionally, OMIClear is part of a business group which includes a Derivatives Exchange Market and a Spot Market. In its synergies merging strategy, it is possible that spot market clearing and settlement transactions may come to be integrated thus helping to maintain OMIClear as a competitive company in the business sector in which it operates.

04

DERIVATIVES MARKET

4.1. Framework

In 2013, electricity spot prices decreased for the second consecutive year, having registered, on average and in comparison to last year, in the MIBEL Spanish and Portuguese zones, differences of 2.98 EUR/MWh and 4.423 EUR/MWh, respectively.

Figure 1 | Spot Prices (EUR/MWh) 1998 to 2013. Annual average. Spanish and Portuguese Zones.



Worthy of highlighting is the fact that, for the first time, the Portuguese average price was 0.62 EUR/MWh lower than the Spanish, inverting the tendency that had prevailed since 2007, year in which the Iberian Market began operating in a joint manner.

In addition to the aforementioned decline in the spot prices compared to 2012, the futures market also registered a similar trend, with the average futures price falling to 49.16 EUR/MWh (2012): 51.05 EUR/MWh) monthly, 49.70 EUR/MWh (52.74 EUR/MWh) quarterly and 49.61 EUR/MWh (52.32 EUR/MWh) annually.

Figure 2 | Prices of Futures for the first Contracts (EUR/MWh). Spanish Zone.

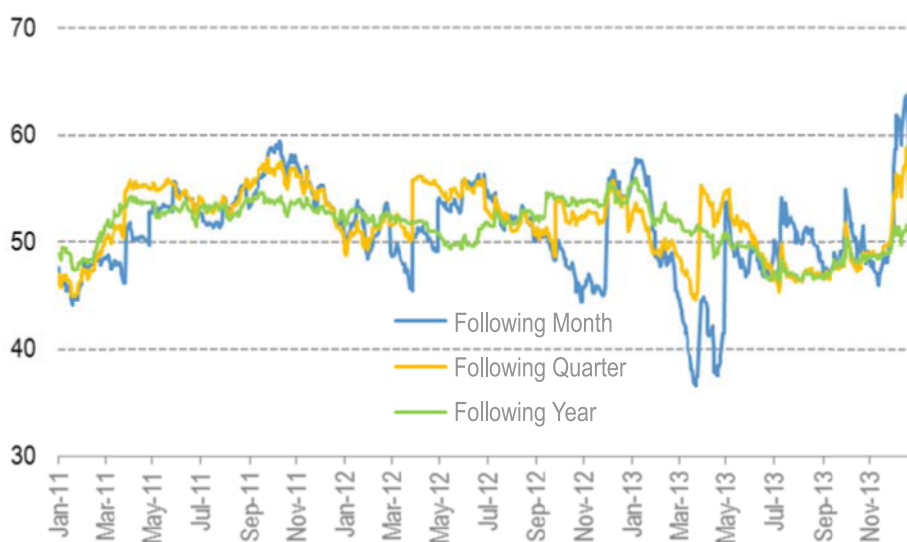
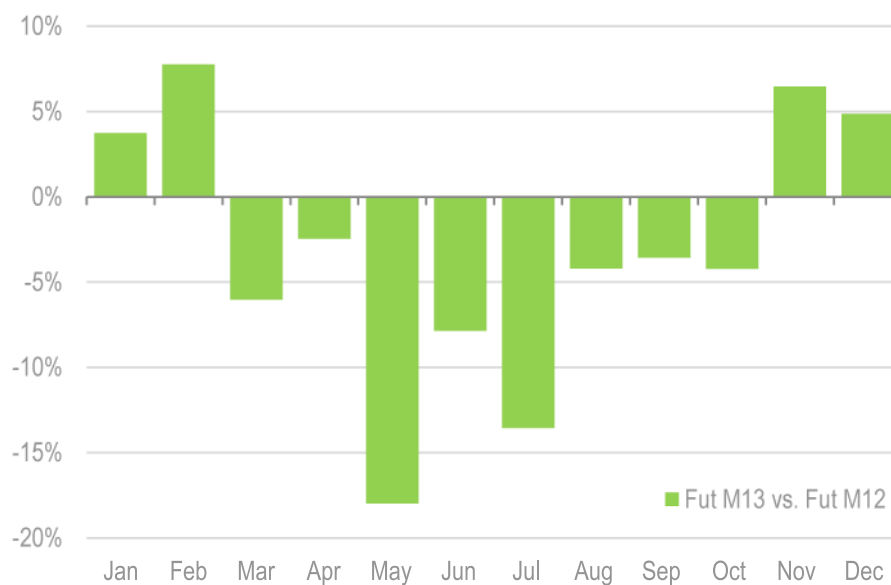


Figure 3 | Variations in Average Monthly Futures Prices 2013 vs 2012. Spanish Zone.



In the instrument year 2014, compared to the French, the Iberian prices were always higher. In the case of quarterly figures, history repeated itself with the second and third quarters being cheaper in France, with the reverse situation in the first and fourth quarters, albeit with narrower spreads.

Figure 4

Prices for the first Quarterly Futures Contract (EUR/MWh). Iberian Market vs French Market.

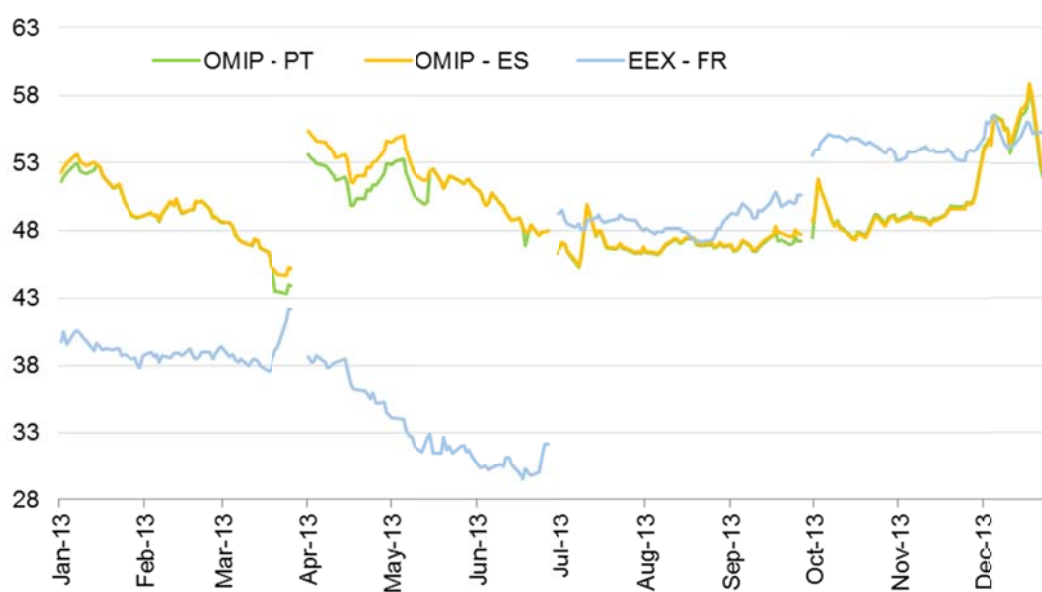
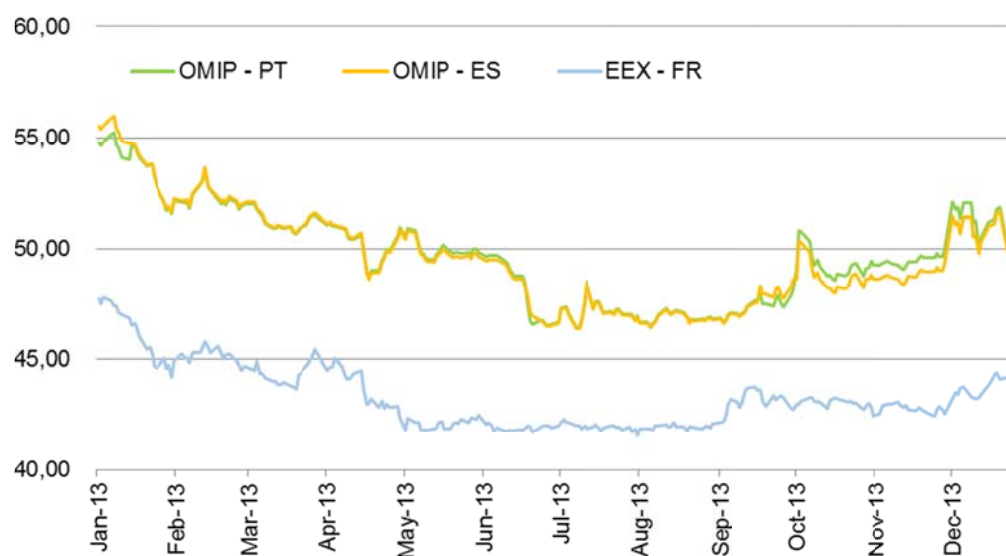


Figure 5 | Prices for Futures Contract 2014 (EUR/MWh). Iberian Market vs French Market.



4.2. Clearing and Settlement Activity

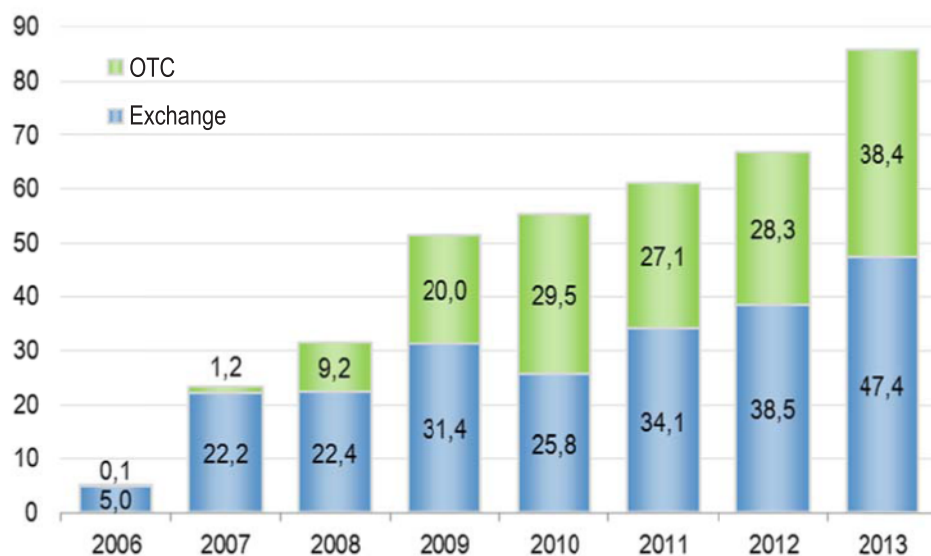
The volume recorded and compensated by OMIClear increased about 28% compared to the previous year, having gone up from 66.8 TWh to 85.5 TWh, representing a notional amount of 4 205 million EUR.

Table 2 | OMIClear Activity Indicators

	2013	2012
Registered Volume (TWh)	85,8	66,8
Registered Notional Principal Amount (Million EUR)	4 205	3 486

A closer analysis of the volumes recorded on an annual basis, shows that the upward trend remains evident, with OMIClear having consolidated its position within the European clearing houses of electricity derivatives.

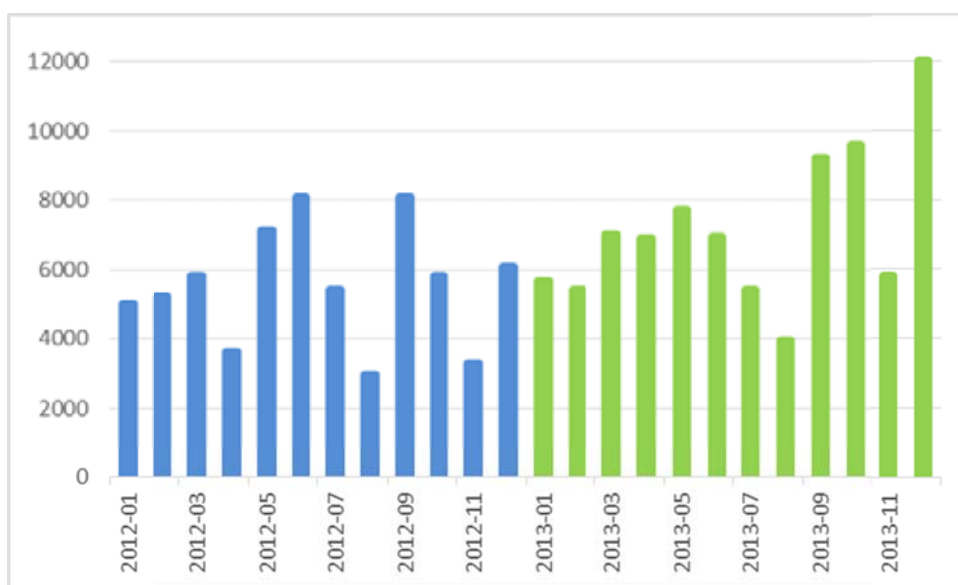
Figure 6 | Annual volumes cleared by OMIclear (TWh)



There were increases of 23.1% and 35.6%, in clearance of exchange market transactions and in the registration of bilateral transactions (OTC), respectively. Volume originating from OMIP accounted for 57.6% of the total, having the clearance of bilateral operations accounted for the remaining 42.4%, equivalent to 27.3 TWh.

However, cleared volumes still show some volatility. During the course of 2013 only four months recorded volumes which were above the registered monthly average.

Figure 7 | Monthly Energy Volumes registered at OMIclear (MWh)



December was the month with the highest volume, followed by October and September respectively. The same applied in the fourth and the second quarters of 2013, where volumes of futures contracts clearances reached 27.2 TWh and 21.5 TWh respectively.

Aimed at promoting market liquidity, OMIClear, in collaboration with OMIP, continued its support of the market makers programme in 2013, with:

- The setting up of an annual contract with all market makers;
- The admission of a new market maker. *EDF* joined *AXPO Energia* and *Citigroup*, both of which had already played this important role in previous years.

Figure 8 | Market Making in the market within which OMIP operates. Spanish Futures Zone.

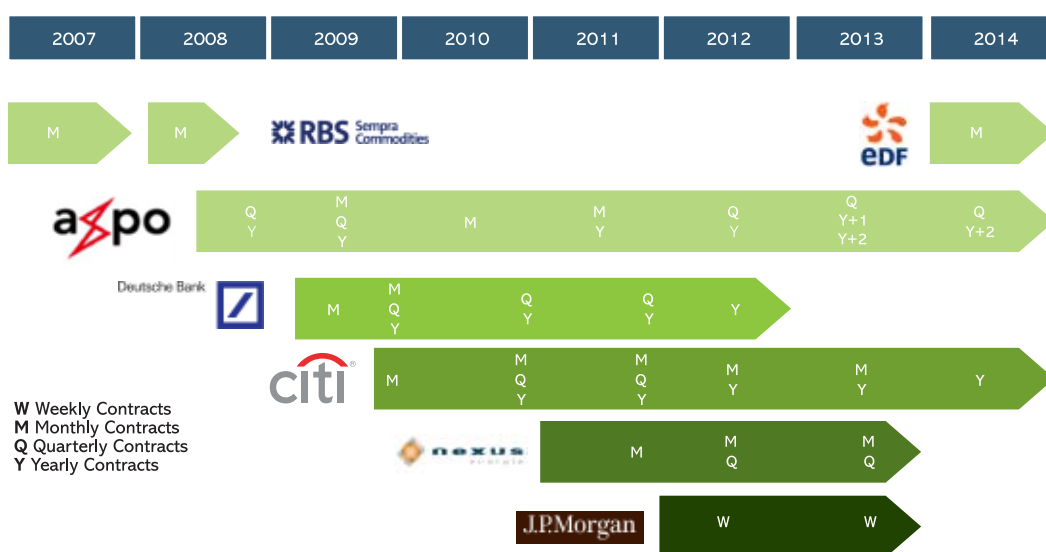
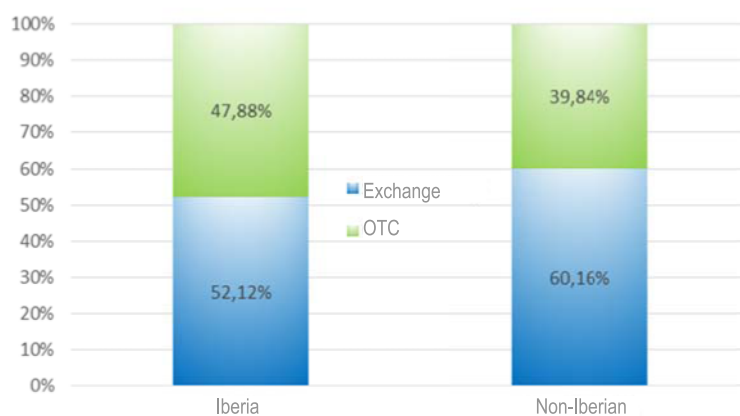


Figure 9

Distribution of volumes cleared by OMIClear. Exchange Trading vs. OTC and Iberia vs. Outside Iberia (2013).



Approximately 41.5% of the cleared volume originated outside Iberia and the distribution per segment is clearly asymmetric.

The volume registered by Iberian companies comes from, in equal portions, in Market Trading and in OTC Market.

On the other hand, the “Outside Iberia” companies show a clear predominance in the Market Trading operations (60.2%) as compared to the recorded OTC Market transactions (39.8%).

Contracts within the Portuguese Zone represented approximately 6.6% of the total volume cleared.

Where contract maturity is concerned, the majority of contracts registered by OMIclear (cf. Figure 11) continue to be those delivered quarterly, with a market share of close to 38%.

Figure 10

Volumes traded in the Market and cleared by OMIclear (MWh). Historical distribution by maturity.

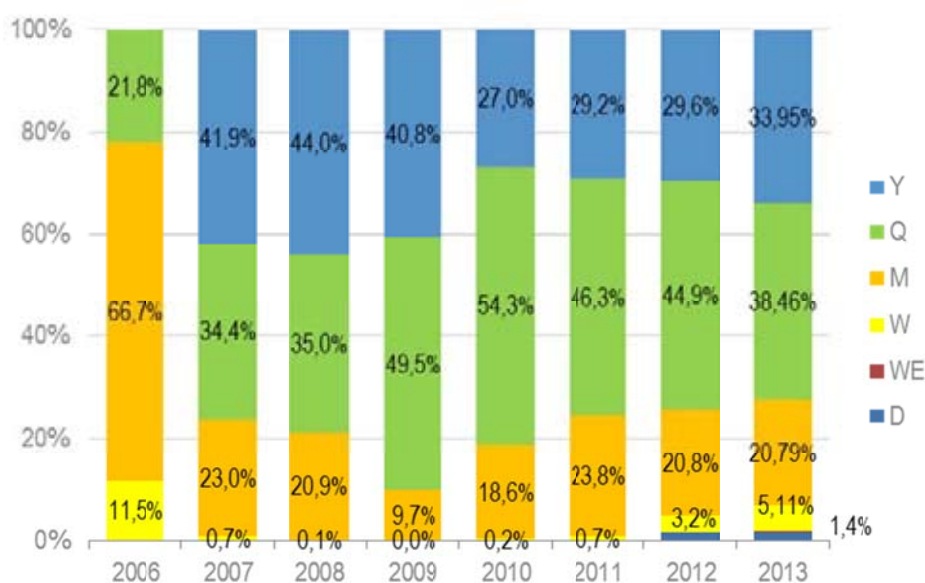
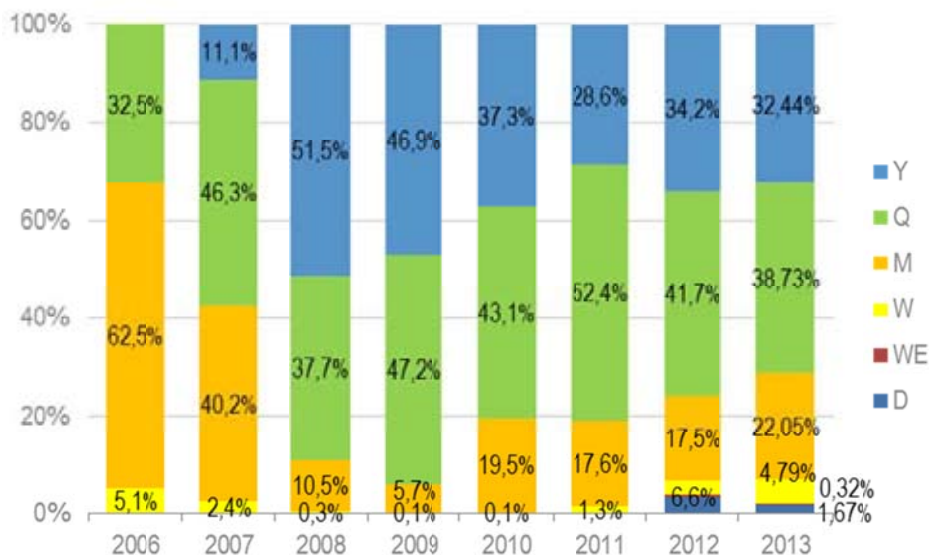


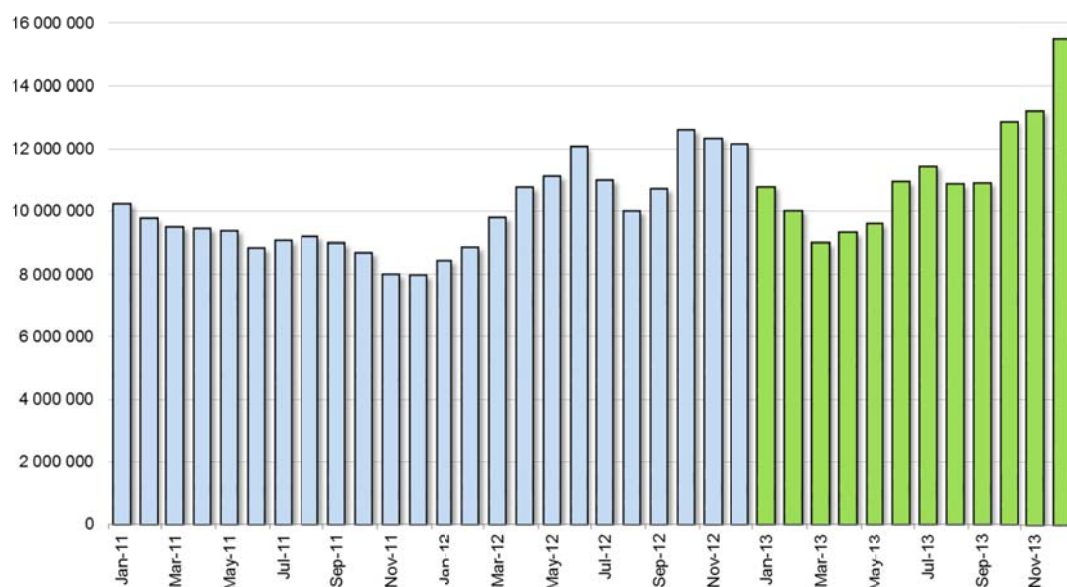
Figure 11

Volumes traded in the OTC Market and cleared by OMIclear (MWh). Historical distribution by maturity.



The open positions revealed a growing tendency, especially in the last three months of the year, which could be related to the perception of a bigger price risk due to increased market volatility.

Figure 12 | Value at month end of Open Positions registered at OMIClear (MWh).



4.3. Participants

OMIClear has two types of participants: clearing members, who are counterparties in the registered operations; and settlement agents, who play a complementary role in facilitating or providing settlement services to the clearing members, by means of the TARGET2 system of the European Central Banks in cases of financial settlements and with OMIE in cases of physical settlements. OMIClear is thus not a counterparty in the transactions.

In 2013, *Banco L.J. Carregosa, S.A.* and *REN – Rede Eléctrica Nacional, S.A.* were admitted as clearing members.

At the end of the year, the total number of clearing members was 15. The number of settlement agents totalled 25 entities, of which 18 were physical settlement agents and 7 were financial settlement agents. During 2013, *Alpiq Energía España, S.A.U.*, ceased its participation as a direct clearing member and as a physical settlement agent.

The following table represents the list of OMIClear participants, as at December 2013, with a breakdown of each one's respective status.

Table 3 | OMIClear Members and Agents (at 31 December 2013)

	Direct Clearing Member	General Clearing Member	Financial Settlement Agent	Physical Settlement Agent
AXPO Iberia, S.L.				
Banco L. J. Carregosa, S.A.				
Banco Santander, S.A.				
Caixa Geral de Depósitos, S.A.				
Citibank International PLC, Sucursal en España				
Citigroup Global Markets Ltd.				
Deutsche Bank AG Frankfurt				
Deutsche Bank AG - Sucursal em Portugal				
E.ON Comercializadora de Último Recurso, S.L.				
E.ON Generación, S.L.				
E.ON Global Commodities SE				
EDP - Energias de Portugal, S.A.				
EDP - Serviço Universal, S.A.				
EGL A.G.				
Endesa Energía XXI, S.L.				
Endesa Generación, S.A.				
Factor Energía, S.A.				
Fortia Energía, S.L.				
Gás Natural Electricidad SDG, S.A.				
Gás Natural SUR SDG, S.A.				
Gás Natural SDG, S.A.				
GDF Suez Trading, S.A.S.				
Goldman Sachs International				
HC Naturgas Comercializadora de Último Recurso, S.A.				
Hidroeléctrica del Cantábrico, S.A.				
Iberdrola Generación, S.A.U.				
J. Aron & Company				
Morgan Stanley & Co. International plc.				
Morgan Stanley Bank, AG				
Nexus Energía, S.A.				
REN - Rede Electrica Nacional, S.A.				

Spain and Portugal account for the majority of companies registered with OMIClear as either clearing members or settlement agents. However, there is no symmetric distribution of the functions: the modality of general clearing member and financial settlement agent show an almost equal distribution between the Iberian zone and the rest of Europe, whereas, in the modality of direct clearing member and physical settlement agent, the predominance of Iberian members is rather significant.

Figure 13 | Origin of OMIClear's participants (Dec 2013)

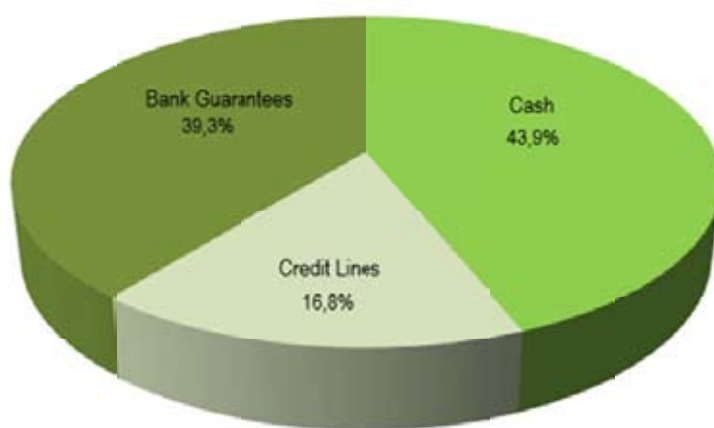


Origin	Direct Clearing Member	General Clearing Member	Physical Settlement Agent	Financial Settlement Agent
Spain	5	1	14	2
Portugal	1	2	2	3
United Kingdom	2	1	0	0
Germany	1	1	0	2
Switzerland	0	0	1	0
Belgium	1	0	0	0
U.S.A.	0	0	1	0
Total	10	5	18	7
Iberians	6	3	16	5
Non-Iberian	4	2	2	2

As in past years, a study was carried out amongst clearing members aimed at measuring the level of risk undertaken by OMIclear. The main conclusions are that both the management model and the systems in place, have responded most adequately to market requirements and that each member's risk level lies within acceptable parameters in relation to the guarantees deposited by them.

At the end of 2013, OMIclear held approximately 393 million EUR in guarantee deposits, of which around 172 million EUR corresponded to deposits in the Euro currency.

Figure 14 | Composition of OMIclear's Guarantee Portfolio (Dec 2013)



05

INFORMATION SYSTEMS

During 2013, activity in the information systems' area focused on three fundamental components: *(i)* management of contracts with external suppliers of software applications as well as hosting systems and infrastructures that support OMIClear's activities; *(ii)* design, specification and implementation of new solutions and features and updating of software applications already in use; *(iii)* development of a business continuity plan involving procedures, software applications and human resources.

Included in the first case are the commercial and technical management (new versions, incident management, etc.) of systems and services related to market trading and other activities provided by OMIClear, such as: *(i)* the Hosting of the clearing platform; *(ii)* the clearing system (MiClear); *(iii)* the international system of bank transactions (SWIFT); *(iv)* the company website (www.omiclear.eu), as well as systems and services which are necessary for the management of the company; *(v)* the document management system (Filedoc); *(vi)* the accounting and invoicing system (Primavera); and *(vii)* the various providers of communication services.

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

- a) Internal developments:
 - (i) New features introduced into the internal portal permit the extraction of reports from the clearing system;
 - (ii) Automation of the extraction of other reports used daily during clearing procedures; and
 - (iii) Information reporting relative to OMIClear's trades and positions, within the framework of the delegated report for interested counterparties and their end clients.
- b) Specification and implementation of new features using external suppliers:
 - (i) Integration with the Trayport Clearing Hub platform which centralizes the registration, confirmation and clearing of OTC trading carried out on platforms operated by brokers;
 - (ii) Integration with platform eXRP (eXchange Related Processing) managed by EFETNet, which centralizes the registration and clearing of OTC trading carried out on all types of platforms operated by brokers or traders.
 - (iii) Several API (Application Programming Interface) alterations were introduced into the clearing system, in order to support the new model of initial margin required and information reporting.

With regard to the third aspect, we were able to ensure that the maintenance work carried out on the network, data and communications infrastructure, once again were in line with our needs, whilst optimizing our existing resources.

These modifications were made 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 a better service to market participants.

Finally, we would like to highlight our ongoing implementation of the recovery plan, in case of disaster (Disaster Recovery), for software applications as well as human resources. As part of this project, OMI Clear'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 required in terms of the applicable legislation.



OTHER SERVICES

In 2013, OMIClear continued to perform the function of guarantees management of the Portuguese electricity operating system run by *REN - Rede Eléctrica Nacional, SA.*, which it had started doing in 2007. Market players that enter into contract with the Portuguese system operator (REN), have to provide sufficient guarantees to cover the financial obligations arising from their trading.

Market players may choose to settle these guarantees directly with REN or with OMIClear. In the latter case, OMIClear will notify REN and guarantee, within certain limits, the amount of guarantees made available by the market player in question. This service affords market players large operational gains through the benefits of synergies, because they end up dealing with only one entity, the same one with which they are used to dealing with when managing risk and providing guarantees.

OMIClear approved the emission of guarantee certificates, an innovative product which aims to optimize guarantees. They are expected to be made available to market during the course of the first half of 2014.

On the other hand, OMIClear continued its close collaboration with OMIP in the management of the process of natural gas supplier change, namely the e_Switch operation, an IT platform created to support this process, in a quick, transparent and secure manner. The need for this change arose as a result of the agreement celebrated with *REN – Gasodutos, S.A.* The implementation, in 2013, of a new feature which allows the entry of new customers which have access to Webservice communication, is a fact worth mentioning.

Still within the natural gas sector, OMIClear was contracted by the Portuguese system operator, *REN Gasodutos, S.A.*, to provide clearing and settlement services of capacity rights related to the use of various Portuguese natural gas infrastructures, for the 'gas year' which began in October 2013.



ORGANISATIONAL STRUCTURE

7.1 Shareholders

OMIP – Pólo Português, S.G.M.R., S.A. (50%)

OMI – Polo Español, S.A. (50%)

7.2 Governing Bodies

Board of the Shareholder's General Meeting (Biennium 2013 – 2014)

Filipa Meireles de Begonha.....Chairman

Rafael Cayetano Ramos Gil.....Secretary

Board of Directors (Biennium 2013 – 2014)

Pedro Jesus Mejía Gómez.....Chairman

José Isidoro d'Oliveira Carvalho Netto.....Deputy-Chairman

Eduardo Aguilar Fernandez-Hontoria.....Member

José Manuel Amado da Silva.....Member

Gonzalo Solana González.....Member

Paulo Alexandre da Rocha Henriques.....Member

Fiscal and Supervisory Board (Triennium 2012 – 2014)

PricewaterhouseCoopers & Associados, Lda. (SROC).....Executive

José Manuel Henriques Bernardo (ROC).....Deputy

7.3 Risk Committee

In accordance with best practices for clearing houses and central counterparties, OMIClear, following an electoral process that was carried out amongst its clearing members and their clients (trading members), set up a Risk Committee comprising the following members:

José Manuel Amado da Silva (Independente).....Chairman

Gonzalo Solana González (Independente).....Deputy-Chairman

Jaime Román Úbeda (Endesa).....Member

João Miguel Chambel Filipe Lopes Leitão (EDP).....Member

Julián Calvo Moya (Iberdrola).....Member

Manuel Maeso Plaza (Enérgya VM).....Member

Mario Hélair Margarita Claeys (EON Energy Trading).....Member

All members possess sound expertise and knowledge in OMIClear's sphere of activity.

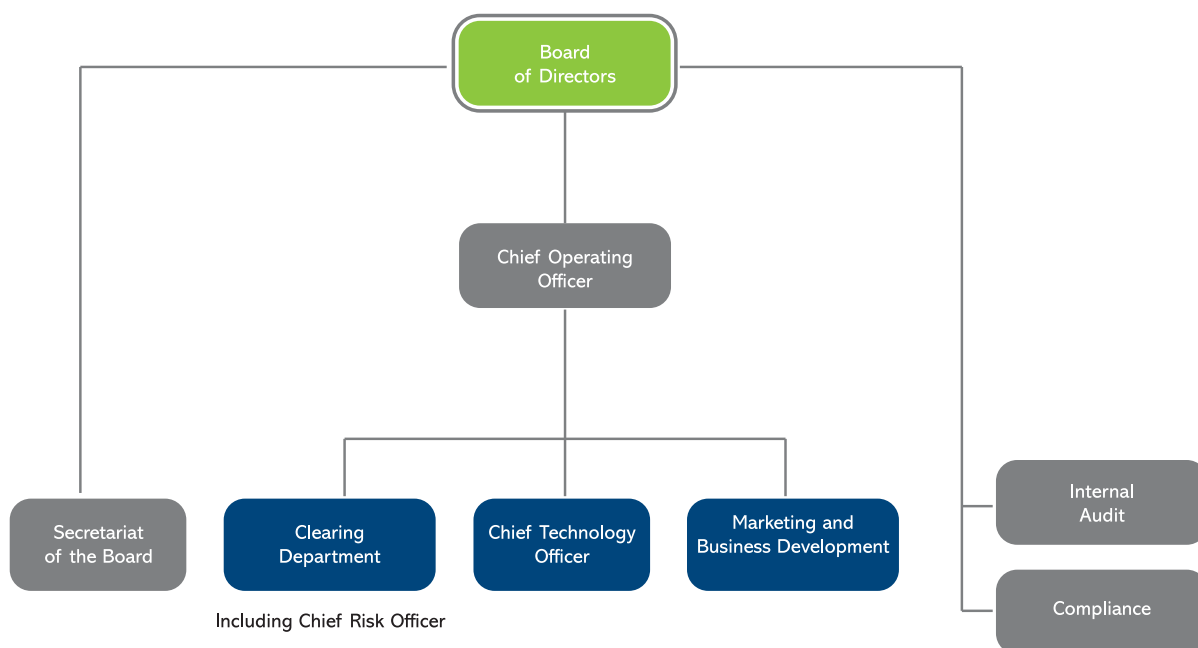
The functions of the Risk Committee are set out in Article 28 of EMIR, and comprise advising the Board of Directors on matters related to the different types of risks to which the central counterparty is exposed, as well as its risk management structure, organization and procedures. The Risk Committee met three times during 2013, having pronounced itself on a broad number of issues, such as, the requisites for admission of new participants, the providing of central counterparty services and settlement system for trading performed under different negotiating structures, as well as the readiness in providing clearing and settlement services for new types of products.

The mandate of the Risk Committee ends in June 2014, excepting for the two independent members.

7.4. Staff

In terms of organizational structure, OMIClear has a specific operational area dedicated to the central management of the clearing house, namely, its risk management functions. The provision of services in the supporting areas is conducted in collaboration with OMIP. Notwithstanding, each member of staff signs an employment contract with only one of the companies.

Figure 15 | OMIClear's Operational Organization



As at 31 December 2013, in addition to the six members of the Board of Directors, OMIClear had ten staff members, five of whom work exclusively with clearing and settlement. Six of these staff members are female and four are male. Their average ages is 30 and all have bachelor's degrees or higher academic qualifications.



OUTLOOK FOR 2014

If in 2013 our efforts were focused on conforming to EMIR's legal framework, this year we expect to return our attention to developing business growth. New policies were announced which in practice mean that there will be a reduction in the commissions charged to agents and the lowering of guarantees requested from clearing members, within the global framework of risk management. In this way, we hope to make OMIClear more attractive by comparison to our competitors and thus attract new clearing members.

We will continue investing in the improvement of our risk management system and in the development of our compliance capacity. These are key factors to better protect market players and thereby increase their confidence.

Already in early 2014, *Group OMI's* holding companies, reached an agreement, on principles, with the company promoting the Iberian Gas Hub, where they would work together in the creation and establishment of an Iberian Natural Gas Market. In the agreement, it is expressly stated that OMIClear shall be the clearing house and central counterparty where clearing and settlement of OTC transactions as well as those performed in daily and forward markets, will take place.

Still on the subject of broadening the range of products and services made available to OMIClear members, we must add the cooperation agreement, signed in late 2013 with the European Commodity Clearing and the European Energy Exchange, which leaves open the possibility of admitting, for registration and compensation, bilateral transactions of futures contracts for German and French electricity.



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 910 704 EUR be applied as follows:

to Legal Reserve.....	91 070 EUR
to Other reserves – Autonomous Reserve.....	66 895 EUR
to Dividends.....	677 465 EUR
to Retained Earnings.....	75 274 EUR

Lisbon, 27 March 2014

The Board of Directors,

Pedro Jesus Mejía Gómez

José Isidoro d'Oliveira Carvalho Netto

Eduardo Aguilar Fernandez-Hontoria

José Manuel Amado da Silva

Gonzalo Solana González

Paulo Alexandre da Rocha Henriques



**FINANCIAL STATEMENTS AS
AT 31 DECEMBER 2013**

Balance Sheet

		Currency: Euros	
	Note	31-12-2013	31-12-2012
Asset			
Non-current			
Tangible Fixed Assets	5	13.985	58.794
Loans granted		400.000	-
Financial investments - others		5.000	5.000
Deferred Tax Assets	6	-	-
		418.985	63.794
Current			
Clients		6.440	-
State and other Public Entities	7	316.774	356.523
Other receivables	8	647.162	264.407
Deferrals		9.229	11.352
Guarantee Deposits	20	172.233.256	163.809.682
Cash and Bank Deposits	4	10.672.970	3.864.027
		183.885.831	168.305.991
Total Assets		184.304.816	168.369.785
Equity Capital			
Capital and Reserves attributable to equity holders			
Paid-up Capital	9	7.500.000	3.000.000
Legal Reserve	10	95.700	9.070
Others Reserves	10	1.875.000	-
Retained Earnings	10	699.444	94.774
		10.170.144	3.103.844
Net result for the period		910.704	866.300
Total Equity Capital		11.080.848	3.970.144
Liabilities			
Current			
Suppliers	11	23.567	121.660
Advance Payments from clients		-	23.170
State and other Public Entities	7	157.382	13.816
Other Accounts Payable	11	809.763	431.314
Guarantee Deposits	20	172.233.255	163.809.682
		173.223.967	164.399.641
Total Liabilities		173.223.967	164.399.641
Total Equity Capital and Liabilities		184.304.816	168.369.785

Profit and Loss Account / Income Statement

	Note	Currency: Euros	
		31-12-2013	31-12-2012
Sales and Services	12	1.546.384	1.240.383
Supplies and External Services	13	(1.061.350)	(901.040)
Costs with Staff	14	(556.916)	(380.475)
Other operating Income	16	1.837.629	1.508.621
Other operating Costs / Losses	15	(594.006)	(300.417)
Results before depreciation, financial expenses and taxes		1.171.742	1.167.072
Expenses/ Reversal depreciation and amortization		(51.910)	(136.436)
Operacional Results (before financial expenses and taxes)		1.119.832	1.030.635
Interest and similar earnings	17	127.353	142.073
Interest and similar absorbed costs	17	(44)	(16)
Pre-tax results		1.247.140	1.172.692
Income Tax for the period	18	(336.436)	(306.392)
Net Result		910.704	866.300

Statement of Changes in Equity

	Equity Capital attributable to equity Holders				
	Share Capital	Legal Reserve	Accumulated Results	Results for the Period	Total
As at 1 January 2012	3.000.000	4.030	49.414	50.399	3.103.844
Total Income	-	-	50.399	866.300	916.700
Increase by the Applications of results	-	5.040	(5.040)	(50.399)	(50.399)
As at 31 December 2012	3.000.000	9.070	94.774	866.300	3.970.144

	Equity capital attributable to Equity Holders					
	Share Capital	Legal Reserve	Other Reserves	Accumulated Results	Results for the Period	Total
As at January 2013	3.000.000	9.070		94.774	866.300	3.970.144
Total Income	-	-		-	910.704	910.704
Increase by change in equity capital	4.500.000		1.875.000			6.375.000
Increase by the application of results	-	86.630		604.670	(866.300)	(175.000)
As at 31 December 2013	7.500.000	95.700	1.875.000	699.444	910.704	11.080.848

Cash Flow Statement

	31-12-2013	31-12-2012
CASH FLOW OF OPERATING ACTIVITIES		
Receivables from clients	(i) 8.250.092	66.936.536
Payments to suppliers	(ii) (7.279.258)	(66.061.137)
Payment to staff	(460.306)	(340.290)
Cash Flow generated by the operations	510.528	535.109
Payment / Refund of Income Tax	157.507	76.082
Other Receivables / Payments	(1.550.653)	(1.345.744)
Flow of Operational Activities (1)	(882.618)	(734.553)
CASH FLOW OF INVESTMENT ACTIVITIES		
Payments with regard to:		
Financial Investments	-	-
Fixed Tangible Assets	(316)	-
Intangible Assets	-	-
Receivables resulting from:		
Interest and similar income / Revenue	1.491.899	1.021.477
Dividends	-	-
Flow of Investment Activities (2)	1.491.899	1.021.477
CASH FLOW OF FINANCIAL ACTIVITIES		
Receivables resulting from:		
External borrowing / Funding	-	-
Increase in Equity Capital	6.200.000	-
Interest and similar income / Revenue	-	-
Payments with regard to:		
External borrowing / Funding	-	-
Interest and similar expenses / Costs	(22)	(266)
Dividends	-	-
Flow of Financial Activities (3)	6.199.978	(266)
Net Cash Flows (4)=(1)+(2)+(3)	6.808.942	286.657
Foreign Exchange effects		
Cash and Cash Equivalents at the start of the period	3.864.027	3.577.370
Cash and Cash Equivalents at the end of the period	10.672.970	3.864.027
BREAKDOWN OF CASH COMPONENTS AND EQUIVALENTS		
Cash	224	383
Bank Deposits available on demand and equivalents		
Bank Overdrafts		
Bank Deposits	296.344	1.363.644
Other financial availabilities	10.376.402	2.500.000
Cash and Bank Balances	10.672.970	3.864.027

- 1) Of the total amount received from clients 6.557.773 EUR relates to guarantee deposits submitted to OMIClear by clearing members.
- 2) Of the total amount paid to suppliers 6.557.773 EUR, relates to guarantee deposits submitted to OMIClear by clearing members.

ANNEXURE TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General Information

OMIClear – *Sociedade de Compensação de Mercados de Energia, S.G.C.C.C.C., S.A.*, with head office at Avenida Casal Ribeiro, 14 – 8.º piso, in Lisbon, was duly constituted under Article 488, Paragraph 1, of Código das Sociedades Comerciais (Commercial Companies Code) and had its public deed signed on 6 April 2004.

The company began activity on 7 April 2004, its purpose being the management of a clearing house and a settlement system, as well as playing the role of central counterparty in spot and futures market operations, namely: futures, *forwards*, *swaps* and options, whose underlying assets are electricity, other energy-related commodities or equivalents, real or notional, electricity indices of energy-based products or other equivalent assets, regardless of whether settlement is by delivery or whether settlement is merely financial.

The company may also engage in activities that are subsidiary or accessory to its main purpose, provided that these do not constitute an intermediary financial activity, namely:

- (i) Managing systems of book-entry accounts and calculation of net positions;
- (ii) Providing members of the systems under its management, services which are required for the intervention of such members in markets or systems managed by a foreign similar entity in another country;
- (iii) Providing consultancy services related to the systems under its management;
- (iv) Participation in research studies, preparation, distribution and commercialisation of information concerning markets; and
- (v) Development, management and marketing of computer hardware and software, as well as data transmission networks geared at the contracting and transmission of orders and/or data.

The company may also participate in other companies with similar or complementary corporate objectives, even if governed by special laws, as well as in complementary group of companies.

OMIClear's share capital is 7.5 million EUR, represented by 750 000 shares, each with a nominal value of 10 EUR, which, on 31 December 2013, was 50% owned by OMIP - *Pólo Português, S.G.M.R., S.A.* and 50% by the lawfully registered Spanish company, OMI - *Polo Español, SA (OMIE)*.

The entry of OMIE into the shareholding structure was possible after it 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.

The share premiums were later used as follows: 1.5 million EUR in a capital increase and the remaining 1.7 million EUR in the establishment of reserve (SIG B), specified in Article 35 of the Commission Delegated Regulation n.º 153/2013 of 19 December 2012, which supplements Regulation (EU) n.º 648/2012 of the European Parliament and of the European Council as regards the regulatory technical standard requirements for central counterparties.

On 22 November 2010, OMIClear opened its Spanish branch with the tax identification number W0106378C. This Spanish branch is called *OMIClear – Sociedade de Compensação de Mercados de Energia, Sociedade Gestora de Câmara de Compensação com assunção de Contraparte Central (SGCCCC), S.A.*, Sucursal en España and has its head office situated at *Calle Ribera de Loira, 46, 28046 Madrid, Spain*.

The activities described below constitute the main business objectives of the Spanish branch, which are partially similar to the corporate objectives of its mother company:

- (i) The management of a clearing house and a settlement system, as well as playing the role of central counterparty in spot and futures market operations, namely: futures, *forwards*, *swaps* and options, whose underlying assets are electricity, other energy-related commodities or equivalents, real or no-

tional, electricity indices of energy-based products or other equivalent assets, regardless of whether settlement is by delivery or whether settlement is merely financial.

- (ii) Engaging in activities that are subsidiary or accessory to its main objective/purpose, provided that these are not of an intermediary financial activity, namely: a) managing systems of book-entry accounts and calculation of net positions; b) providing members of the systems under its management, services which are required for the intervention of such members in markets or systems managed by a foreign similar entity in another country; c) providing consultancy services related to the systems under its management; d) participation in research studies, preparation, distribution and commercialisation of information concerning markets; and e) development, management and marketing of computer hardware and software, as well as data transmission networks geared at the contracting and transmission of orders and/or data.
- (iii) Participation in other companies with similar or complementary corporate objectives, even if governed by special laws, as well as in complimentary group of companies.
- (iv) Grant loans and other forms of lending, and may provide supplementary benefits to subsidiary companies.

This Spanish branch office was initially endowed with 5 000 EUR in cash, amount which was transferred by OMIClear into a bank account opened in the name of the said branch at a credit institution domiciled in Spain. The Branch may exist for an indefinite period of time, as long as OMIClear remains in existence.

These financial statements were approved by the Board of Directors at its meeting held on 27 March 2014. In the opinion of the Board, these financial statements reflect a true and fair view of the operations carried out by OMIClear, 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 currency.

3 Accounting Policies

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

3.1 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 asset costs.

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
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 income statement.

3.2 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.

3.3 Share Capital

Ordinary shares are classified under equity capital.

3.4 Income Tax

Income tax for the period comprises current taxes and deferred taxes. Taxes on income are recorded in the income 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 financial statements for 2012 and 2013, payments on account were recorded in the company accounts 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 bases 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 recording of assets and liabilities, that do not result from a concentration of activities, and that, at the time of 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 probable that the temporary difference will not revert in the near future.

3.5 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.

Loans granted and accounts receivable include non-derivative financial assets with fixed payments or non-listed determinable in an active market.

Loans granted and accounts receivable are classified on the balance sheet as "Other receivables" and are carried as cost less any impairment loss. A provision for the impairment of accounts receivable 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 that gave rise to them.

Financial assets are not accounted for when the right to receive the cash flows originated by these investments expire or are transferred, and the same applies to all risks and benefits associated with their ownership.

3.6 Novation Transaction

OMIClear functions as a clearing house for transactions in the Electricity Derivatives Market, which is managed by OMIP, and also accepts registrations for clearing and settlement of transactions over-the-counter. OMIClear performs all the necessary functions to ensure that transactions are properly cleared and settled, namely:

- (i) Admission of participants in the registration, clearing and settlement of transactions;
- (ii) Supports the recording of transactions and their respective clearing and settlement;
- (iii) Playing the role of Central Counterparty in registered transactions;
- (iv) Defining the formula and, subsequently, calculating the value of - and managing the guarantees provided by the participants, for the registration of transactions; and
- (v) Monitoring the risk undertaken by the holders of registered positions.

OMIClear functions as Central Counterparty in all registered transactions, ensuring that both parties comply with their obligations. Once the transaction is registered, OMIClear manages the whole process with neutrality, acting as buyer to the seller and vice versa.

Derivatives are valued at fair value on the date of transaction, the value being zero. Adjustments to the fair value of derivatives occurring after the transaction date are adjusted on a daily basis, by means of cash deposits, bringing the fair value back to zero. Guarantee deposits received and debts to participants are presented on the balance sheet in net terms, so as to make it a zero value (see note 20 for details).

3.7 Restricted Deposits

In order to guarantee fulfilment of the futures contracts, OMIClear receives monetary deposits from the agents. These are then deposited into a separate bank account in the company's name. However, the use of these deposits is restricted solely to situations where the agent enters into breach of contract, forcing OMIClear to take up its position before the other counterparty. Restricted deposits are recorded as assets, as well as the corresponding liability towards the participant. These deposits are reimbursed when the member ends its participation in the market.

3.8 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.

OMIClear 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 accurately determined, 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.

3.9 Revenue

Revenue comprises the fair value of services rendered, net of taxes and deductions. Services rendered are recorded in the period to which they refer, 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

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

4.2 Breakdown of values shown under cash

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

	<u>31-12-2013</u>	<u>31-12-2012</u>
Cash	224	383
Bank Deposits	10.672.746	3.863.644
	<u>10.672.970</u>	<u>3.864.027</u>

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, and is as follows:

	<u>31-12-2013</u>	<u>31-12-2012</u>
Cash Resources		
- Cash	224	383
	<u>224</u>	<u>383</u>
Bank Deposits		
- Current Accounts	296.344	1.363.644
- Fixed Deposits	10.376.402	2.500.000
	<u>10.672.746</u>	<u>3.863.644</u>
	<u>10.672.970</u>	<u>3.864.027</u>

5 Tangible Fixed Assets

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

Tangible Fixed Assets Movement – 2012

	Office Equipment	Total
1 January 2012		
Cost of acquisition	1.771.766	1.771.766
Accumulated Depreciation	(1.577.871)	(1.577.871)
Net book value	193.895	193.895
31 December 2012		
Additions	1.336	1.336
Depreciation for the period	(136.436)	(136.436)
Net book value	(135.101)	(135.101)
31 December 2012		
Cost of acquisition	1.773.102	1.773.102
Accumulated Depreciation	(1.714.307)	(1.714.307)
Net book value	58.794	58.794

During the year ended 31 December 2013 the movements recorded under tangible fixed assets were as follows:

Tangible Fixed Assets Movement – 2013

	Office Equipment	Total
1 January 2013		
Cost of acquisition	1.773.102	1.773.102
Accumulated Depreciation	(1.714.307)	(1.714.307)
Net book value	58.794	58.794
31 December 2013		
Additions	7.100	7.100
Depreciation for the period	(51.910)	(51.910)
Net book value	(44.809)	(44.809)
31 December 2013		
Cost of acquisition	1.780.202	1.780.202
Accumulated Depreciation	(1.766.217)	(1.766.217)
Net book value	13.985	13.985

As at 31 December 2013, tangible fixed assets refer to office equipment which mainly includes software used for operating activities of the clearing house.

6 Deferred Tax Assets and Deferred Tax Liabilities

As concerns Deferred Tax Assets and Deferred Tax Liabilities, no movements were recorded for the year 2013.

7 State and Other Public Entities

In the year ended 31 December 2013, the breakdown of the item “State and Other Public Entities” is as follows:

	31-12-2013		31-12-2012	
	Assets	Liabilities	Assets	Liabilities
Income Tax	-	127.532	163.627	-
Withholding tax on income		18.151		5.401
VAT - Value Added Tax	316.774	-	192.896	-
Contributions to Social Security	-	11.698	-	8.415
	316.774	157.382	356.523	13.816

Details of Corporate Tax

	2013	2012
Payment on account	3.281	3.038
Withholding Tax	205.623	338.567
Corporate Tax estimate	(336.436)	(177.978)
Total	(127.532)	163.627

8 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
Staff				
Wage advance	16.004	16.004	-	-
Other Debtors				
OMIP SGPS	13.372	13.372	4.073	4.073
OMIP SGMR	478.350	478.350	80.067	80.067
Others	180	180	-	-
Accrued Income				
Interest	132.363	132.363	129.329	129.329
Accrued Income - Tariff adjustments	6.892	6.892	-	-
Others	-	-	50.939	50.939
Other receivables	647.162	647.162	264.407	264.407

The amount of 132 363 EUR refers to the accrued interest on guarantee deposits for the month of December 2013 which the company will only receive in January 2014.

9 Share Capital

As at 31 December 2013, OMIClear's share capital is fully subscribed and paid for, and is represented by 750 000 shares, each with a nominal value of 10 EUR.

As at 31 December 2013, OMIClear was owned 50% by *OMIP – Pólo Português, S.G.M.R., S.A.*, and 50% by *OMI – Pólo Español, SA (OMIE)*.

10 Other Reserves and Retained Earnings

"Other reserves" and "Retained earnings" registered the following movements during the period ended 31 December 2013:

	Legal reserve	Other Reserves	Retained Earnings	Results for the period
As at 1 January 2013	9.070		94.774	866.300
Net Profit for the period	-		-	910.704
Total	9.070	-	94.774	1.777.005
Change to equity capital	-	-	-	-
Transfer to other reserves	86.630	1.875.000	604.670	(866.300)
As at 31 December 2013	95.700	1.875.000	699.444	910.704

Transfer to "Other Reserves" was done in accordance with approval of the application of the net result for the year 2012 at the Annual General Meeting on 17 April 2013.

On 25 October 2013, the shareholders approved the creation of reserve SIG B, with total value of 1.875million EUR, as specified in Article 35 of the Commission Delegated Regulation n.º 153/2013 of 19 December 2012, which supplements the European Parliament's and the European Council's Regulation (EU) n.º 648/2012 as regards the regulatory technical standard requirements for central counterparties.

Under the legislation in force, at least 10% of the net annual profit must be used to increase the legal reserve, until its value amounts to 20% of the total share capital. This reserve is only distributable in case of liquidation of the company and may only be used to cover losses after all other reserves have been depleted or if it is incorporated into the share capital.

Under the legislation in force, this reserve (SIG.B) can only be used when required to cover a clearing member's breach of contract.

11 Other Accounts Payable

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

	31-12-2013		31-12-2012	
	Current	Total	Current	Total
Suppliers	23.567	23.567	121.660	121.660
Total for Suppliers	23.567	23.567	121.660	121.660
Other Creditors				
OMIP SGPS	19.902	19.902	3.496	3.496
OMIP SGMR	478.289	478.289	188.489	188.489
Other creditors	82.576	82.576	71.900	71.900
Creditors due to accrued expenses				
Holidays and Holiday bonuses	20.974	20.974	16.181	16.181
Other expenses with staff	36.156	36.156	36.782	36.782
Productivity bonuses awarded	50.568	50.568	-	-
Remuneration paid to members of statutory bodies	40.790	40.790	-	-
Others	80.508	80.508	112.591	112.591
Total - Other Accounts Payable	809.763	809.763	429.437	429.437

The item “Others” refers to:

- Licences 2013, payable to members in 2014	25.900
- Services provided by market makers with reference to 2013 and only invoiced in 2014	50.442
- Sundry	4.166

12 Sales and Services

At 31 December 2012 and 31 December 2013, the breakdown for “Sales and Services” is as follows:

	31-12-2013	31-12-2012
Secondary Services		
- Admission and maintenance fees	117.500	117.500
- Various Fees	1.321.445	1.037.984
- Licenses	106.080	84.899
- Sundry	1.360	
	1.546.384	1.240.383

13 Supplies and External Services

At 31 December 2012 and 31 December 2013, the breakdown of costs incurred with “Supplies and External Services” is as follows:

	31-12-2013	31-12-2012
Costs with specialized work	888.215	759.447
Salaries / Fees	27.560	34.277
Commissions	7.384	-
Legal Services - litigation and notaries	2.816	-
Travel and accommodation	15.667	12.662
Communication	7.934	23.905
Rentals	35.813	34.994
Representation expenses	55.789	12.704
Expenses with the Condominium	7.512	7.163
Seminars	-	5.038
Others (individually inferior to 3 000 EUR)	12.661	10.851
	1.061.350	901.040

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 within the Group the efforts/work in favour of OMIClear by other employees of the Group.

14 Costs with Staff

Costs with staff for the financial year 2013 were as follows:

	31-12-2013	31-12-2012
Salaries	465.143	300.010
Social Welfare	89.107	76.687
Other expenses	2.666	3.778
	556.916	380.475

As at 31 December 2013 the number of staff members was 10 (same as 2012).

15 Other Operating Costs

The breakdown of the item “Other Operating Costs” is as follows:

	31-12-2013	31-12-2012
Taxes	-	897
Costs with operations in the market	566.497	288.565
Corrections of previous years' accounts	-	1.599
Contributions / Levies	6.000	6.000
Tax estimates - insufficiency	2.839	-
Others	18.670	3.355
	594.006	300.417

The expenses recorded in market operations to December 2013 and December 2012, resulted from the fixed fees charged by the market makers.

16 Other Operating Income

	31-12-2013	31-12-2012
Income from management fees	150.095	156.945
Income from guarantees	1.593.909	1.342.889
Income from correcting previous years' accounts	2.480	-
Autonomous Reserve	64.528	-
Other income	26.616	6.769
Excess of Income Tax estimate	-	574
Foreign Exchange variations	-	1.443
	1.837.629	1.508.621

The value of “Income Guarantees” refers to capital income received for the management of guarantees deposited with OMIClear.

17 Expenses and Financial Income

The breakdown of “Expenses and Financial Income” is as follows:

	31-12-2013	31-12-2012
Interest and similar earnings		
Interest on deposits	124.986	142.073
Other interest and similar income	2.367	-
	127.353	142.073
Interest and similar absorbed costs		
Interest paid	(44)	-
Other financial costs	-	(16)
	(44)	(16)
	127.309	142.057

18 Tax period

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

	31-12-2013	31-12-2012
Income Tax - current	336.436	177.978
Income Tax - deferred	-	128.413
Total	336.436	306.392

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

	31-12-2013	31-12-2012
Pre-tax results	1.247.140	1.172.692
Tax Rate	26,5%	26,5%
	330.492	310.763
Non-deductible expenses	1.039	2.426
Non-taxable income	(674)	(25.101)
Autonomous taxation	5.579	1.270
	336.436	289.359
Income Tax - current	336.436	177.978
Income Tax - deferred	-	128.413
Income Tax	336.436	306.392
Effective Tax Rate	26,98%	26,13%

The income tax rate used in determining the amount of tax in the financial statements is as follows:

	31-12-2013	31-12-2012
Tax Rate	25,00%	25,00%
Surcharge	1,50%	1,50%
	26,50%	26,50%

19 Transactions with Related Companies

At 31 December 2013, OMIClear was 50% owned by OMIP – *Polo Português, S.G.M.R., S.A.* and 50% owned by OMI – *Polo Español, S.A. (OMIE)*. These two companies, in turn, were also owned, in part, by the holding companies OMIP – *Operador do Mercado Ibérico (Portugal), SGPS, S.A.* and OMEL – *Operador del Mercado Iberico, Polo Español, S.A.* whose shares, representative of the equity capital held by each one, are spread over several other companies. The list of entities related to OMIClear during the course of 2013 is the following:

Related Companies

Companies within the Group

OMIP - Operador do Mercado Ibérico (Portugal), SGPS, SA
 OMIP (Pólo Português) SGMR, S.A.
 OMEL - Operador del Mercado Ibérico de Energia, Pólo Español, SA
 OMI - Polo Español, S.A. (OMIE),
 OMIClear – Sociedade de Compensação de Mercados de Energia, (SGCCCC), S.A., Sucursal en España

Other related parties

REN Serviços, SA
 REN Redes Energéticas Nacionais, SGPS, SA
 REN Rede Eléctrica Nacional, SA
 Banco Comercial Português
 Caixa Geral de Depósitos
 Banco Espírito Santo

19.1 Expenses – Related companies

During the period, OMIclear held the following transactions with these related parties:

	<u>31-12-2013</u>	<u>31-12-2012</u>
Purchase of Services:		
OMIP SGMR	442.717	394.106
REN Serviços, S.A	<u>6.248</u>	<u>6.248</u>
	<u>448.965</u>	<u>400.355</u>

19.2 Revenue – Related companies

During the period, OMIclear held the following transactions with these related parties:

	<u>31-12-2013</u>	<u>31-12-2012</u>
Services Rendered:		
OMIP SGMR	131.637	127.556
OMIP SGPS	<u>18.458</u>	<u>18.669</u>
	<u>150.095</u>	<u>146.226</u>

19.3 Balances with related parties - Companies within the Group

At the end of the period ended 31 December 2013, the balances resulting from transactions with related parties are as follows:

	<u>31-12-2013</u>	<u>31-12-2012</u>
Clients and other receivable accounts		
OMIP SGMR	478.350	80.067
OMIP SGPS	<u>13.372</u>	<u>4.073</u>
	<u>491.722</u>	<u>84.140</u>
	<u>31-12-2013</u>	<u>31-12-2012</u>
Suppliers and other accounts payable		
REN Gasodutos, S.A	(200)	-
REN SERVIÇOS, S.A.	(1.921)	(1.921)
OMIP SGPS	(19.902)	(3.496)
OMIP SGMR	<u>(478.289)</u>	<u>(188.489)</u>
	<u>(500.312)</u>	<u>(193.906)</u>

20 Guarantee Deposits

Cash guarantees are recorded under “Assets” and “Liabilities”.

As at 31 December 2013, the amounts recorded in the balance sheet are as follows:

	<u>31-12-2013</u>	<u>31-12-2012</u>
Guarantee deposits of participants	172.233.256	163.809.682
Values to be paid to participants	<u>(172.233.256)</u>	<u>(163.809.682)</u>
Total	<u>-</u>	<u>-</u>

Apart from guarantee deposits, there are also credit lines and bank guarantees issued in favour of OMIClear, as at 31 December 2013.

	<u>31-12-2013</u>	<u>31-12-2012</u>
Credit Lines	66.000.000	61.000.000
Bank Guarantees	154.500.000	151.500.000
Total	<u>220.500.000</u>	<u>212.500.000</u>

21 Contingencies

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

22 Subsequent Events

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

Lisbon, 27 March 2014

As per Registered Accountant (T.O.C.), n.º 30375,

Maria Teresa Rodrigues Martins

The Board of Directors,

Pedro Jesus Mejía Gómez

José Isidoro d'Oliveira Carvalho Netto

Eduardo Aguilar Fernandez-Hontoria

José Manuel Amado da Silva

Gonzalo Solana González

Paulo Alexandre da Rocha Henriques

11

ANNEX

AUDITOR'S REPORT



Statutory Audit Report

(Free Translation from the original in Portuguese)

Introduction

1 We have audited the financial statements of OMIClear – Sociedade de Compensação de Mercados de Energia, S.G.C.C.C.C., S.A., comprising the balance sheet as at December 31, 2013, (which shows total assets of Euros 184,304,816 and total shareholder's equity of Euros 11,080,848, including a net profit of Euros 910,704), 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 OMIClear – Sociedade de Compensação de Mercados de Energia, S.G.C.C.C.C., 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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PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda. pertence à rede de entidades que são membros da PricewaterhouseCoopers International Limited, cada uma das quais é uma entidade legal autónoma e independente.

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 16, 2014

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

João Rui Fernandes Ramos, R.O.C.



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