

EGL Fact Sheet | Energy Trading & Origination

Activities

International energy trading is EGL's core business.

Trading comprises the following areas:

- Energy trading on approximately 20 European energy exchanges
- Energy trading directly between two parties (OTC/Over-the-Counter trading)
- Trading with physical energy volumes
- Trading with purely financial products (Derivatives: options, futures, swaps)
- Cross-border trading
- Cross-commodity trading (electricity, natural gas, oil, coal, etc.)
- Trading with CO₂ certificates, green certificates and energy from renewable sources

Trading hubs

**EGL clearly sets itself apart from its competitors with its trading strategy:
The trading business is deliberately decentralised.**

This proximity to the individual markets allows EGL to identify opportunities early on and to react quickly and flexibly. Thanks to its international approach and network, EGL is also in a position to take on integral portfolio management for pan-European companies. EGL's trading activities are focused mainly on the liberalised markets of Western Europe, although the company is becoming increasingly involved in the rapidly evolving Southeastern European markets.

EGL's trading hubs:

- **Central South and Asset Trading:** Switzerland and Austria
- **Central & Central Eastern Europe:** France, Benelux, Germany, Poland, Czech Republic, Slovakia, Hungary, Slovenia, Croatia, Bosnia and Herzegovina
- **Italy**
- **Iberia:** Spain and Portugal
- **Nordic & Baltic:** Norway, Sweden, Finland, Denmark, Estonia, Latvia, Lithuania
- **UK:** England, Scotland, Wales, Northern Ireland
- **Iberia:** Spain, Portugal

Energy trading

Asset-backed trading

Use of proprietary assets (power plants and procurement contracts) to hedge trading with financial products (derivatives). In addition, this approach optimises the profitability of proprietary assets.

Proprietary trading

Proprietary trading (short-term), long proprietary trading (long-term)

Origination

EGL develops structured products and services tailored to the individual requirements of its clients across Europe. The offering includes procurement of energy for large-scale consumers (municipal utilities, etc.), or energy sales and portfolio management on behalf of power producers.

Risk management	EGL's risk management ensures that profit and risk potential in the trading business are in optimal balance. The key is a comprehensive, company-wide limit system that sets company-wide credit limits for all trading partners as well as limits on volumes, sensitivities, value-at-risk and contract terms at the portfolio level. Portfolio performance is measured on a daily basis and compliance with the limits is monitored.
Operating result	CHF 110.6 million (financial year 2009/10)
Head	Domenico De Luca
Further information	Online Financial Report 2009/10 (www.geschaeftsbericht.egl.eu)
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