

OpenEP strengthens its position as biggest Swiss gas trading platform

Zurich, 15 March 2019 - Energy service provider OpenEP improves efficiency in gas trading once again during the 2017/2018 fiscal year. The company has reinforced the role of its customers in international procurement and increased its net profits significantly to CHF 575 million.

Major price fluctuations, infrastructure constraints and increased demand due to cold spells: the last fiscal year from 1 October 2017 to 30 September 2018 again presented the gas trading sector with major challenges. In this environment, OpenEP has been particularly successful in demonstrating its strengths as a service provider in the international procurement of natural gas and biogas. In the face of larger price fluctuations, we continued to provide our customers and partners with competitive terms in 2017/2018.

In terms of business performance, OpenEP can look back on a positive year. The solid financing with a liquid capital structure gives us a high level of acceptance among customers and international partners. Organisational milestones included the move to the new offices in Zurich and ISO 9001 certification. The financial figures are also encouraging: net revenues increased in the span of 12 months from about CHF 478 million to more than CHF 575 million. The year's profits, totalling CHF 248,650, exceeded expectations. CEO Rudolf Summermatter attributes this to the demand for the company's products and services, and to the consistent cost control. 'The increase in demand, reflected in greater gross profit, is due to our cost-effective, market-oriented products and services,' says Summermatter. 'We constantly work on these topics, and now it's paying off.'

Price fluctuations used to benefit customers

OpenEP has 10 employees in Zurich and handles about a third of Switzerland's natural gas requirements. The energy volume, which totals about 12 TWh, is supplied to Switzerland largely through long-distance pipelines. During the last fiscal year, pipeline failures in the two TENP lines in Germany raised the question of potential alternatives. On a related note, the Swiss gas economy tapped into the import markets in France and Italy. Additional price fluctuation in gas procurement in Swiss francs compared with the previous year was compounded by the much greater volatility of the EUR/CHF pair and the cold snaps in Europe in February and March 2018.

OpenEP has an uninterrupted market presence and tracks all developments in real time. During the reporting year, we were therefore able to take advantage of these fluctuations to optimise prices for our customers. 'Our staff managed to transform the intense energy price fluctuations during the winter months into positive figures for customers,' says Summermatter.

Digitalisation is paying off

The key to price optimisation has been OpenEP's digitalisation strategy. More specifically, in the past fiscal year we switched to our online marketplace, where customers are able to view prices in various countries and complete transactions directly online. This offers them clear advantages compared with our competitors. Thanks to the expansion of online procurement solutions and real-time reporting, we will continue to offer more of these benefits in the future. OpenEP is constantly improving its services and making them available to an increasing number of customers. During the last fiscal year, we also entered into a partnership for biogas products with Energie 360° AG, one of the leading companies in the Swiss biogas market.

For the current 2018/2019 fiscal year, we predict the order situation to remain stable. The forecast values for operating revenue and results are expected to remain at current levels.

Personnel changes on the Board of Directors

On the strategic level, OpenEP is pursuing these goals with some new additions to the Board of Directors. At the Annual General Meeting held on Friday, 15 March 2019, those with voting rights bid farewell to Chairman Kurt Lüscher, who as Chairman of Erdgas Ostschweiz AG was a founding member of OpenEP. He is leaving the post at his own request. We would like to take this opportunity to thank him for his service and wish him much success in his future endeavours. Constantin Tönz is also leaving his post as a member of the OpenEP Board of Directors. We would like to extend a big thanks to him as well and wish him the very best in the future.

Jörg Wild and Peter Dietiker will be joining the Board of Directors of OpenEP. Jörg Wild has been CEO of Energie 360° AG for the past two years and is a well-respected personality in the energy sector. He will contribute his skills as Chairman of the Board of Directors to OpenEP. Peter Dietiker will be the new Director of the Energy division at Energie 360°AG. He possesses a broad spectrum of expertise in the sector. Among other things, he is a strong supporter of biogas. OpenEP believes that these changes to the Board of Directors will allow the company to continue its successful path.

The voters at the Annual General Meeting confirmed the new and the already existing Board members with applause. For the other agenda items, they accepted the proposals put forward by the Board of Directors.

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About OpenEP

The Open Energy Platform AG (OpenEP) has its headquarters in Zurich and is one of the leading service providers in the Swiss energy sector. It is 100% owned by domestic energy suppliers and is engaged in energy management, supply and trading. Our core activities are the procurement of natural gas and biogas in Europe and their delivery, primarily in Switzerland. We offer the full range of services associated with these activities. In trade and transport management, we are active in several European countries; in the area of distribution, we work primarily with energy suppliers in Switzerland. In the interests of diversification, we maintain business relationships with several dozen international partners. We manage balance groups in several balance zones in various countries. Our 24/7 operations ensure a comprehensive service for our customers.

We are a member of Provisiogas, which administers functions associated with compulsory stocks of natural gas on behalf of the Federal Council as provided for by the Federal Act on National Economic Supply.

Management in line with ISO 9001