

EP ENERGY

2012 Results Presentation

April 8, 2013



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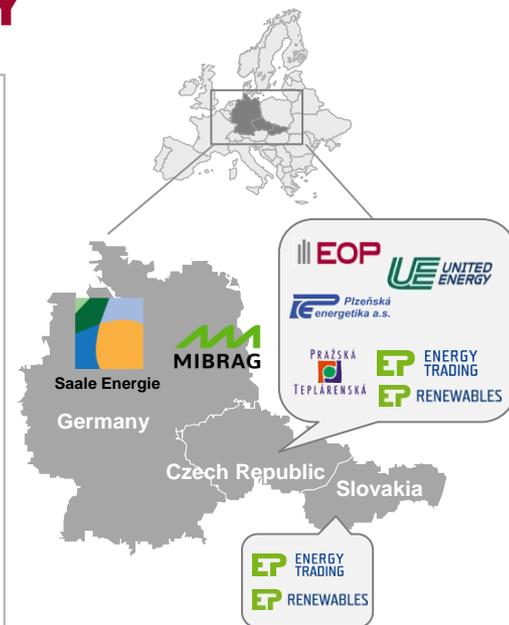
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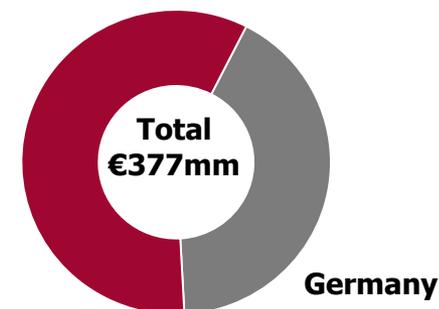
EP ENERGY – VERTICALLY INTEGRATED UTILITY

- ✓ Completion of strategic acquisitions incl. integration into the group
- ✓ EPE is a **vertically integrated energy utility** generating the majority of its EBITDA in:
 - ✓ **Contracted brown coal mining business in Germany** providing brown coal to long-term contracted off-takers
 - ✓ **Regulated heat generation, supply & distribution business in the Czech Republic** serving primarily municipal and residential customers
 - ✓ **Power generation business in the Czech Republic** operating in a highly-efficient cogeneration as well as traditional condensation mode
- ✓ Total **2012 pro forma revenue of €1.8bn** and total **2012 adjusted pro forma EBITDA of €377mm** with balanced split between the Czech Republic and Germany
- ✓ **EBITDA cash conversion** levels of ~78%¹ in 2012 and favorable FFO/leverage due to comparatively low capex intensity of our businesses
- ✓ Key **focus on vertical integration** – controlling the value chain from (1) mining brown coal through (2) heat and power generation & heat distribution to (3) trading and supply to end customers



EPE 2012 PF adjusted EBITDA

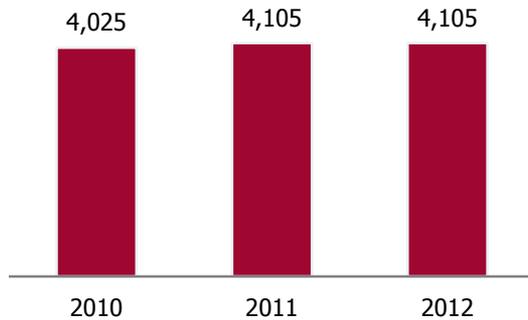
Czech Republic



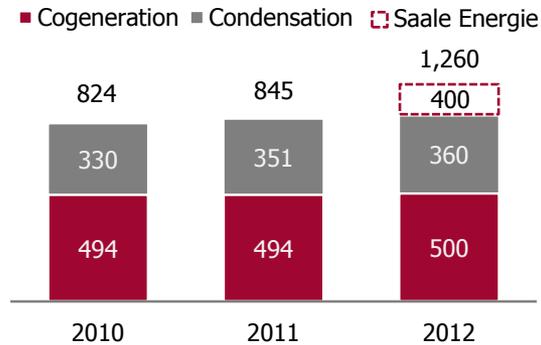
Note: Values converted into € from CZK at the average FX rate of CZK / € of 25.14 as at 2012 year-end
 [1] Defined as (adjusted pro forma EBITDA minus pro forma Capex) / adjusted pro forma EBITDA

OPERATIONAL RESULTS IN 2012 (1/2)

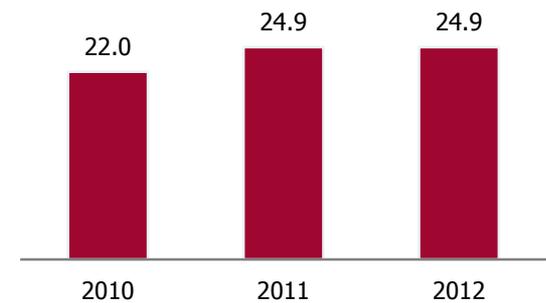
Installed heat capacity (MW)



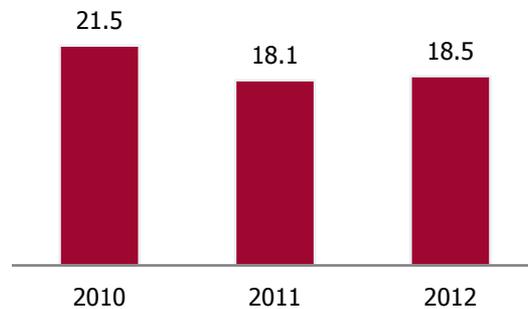
Installed conventional power capacity¹ (MW)



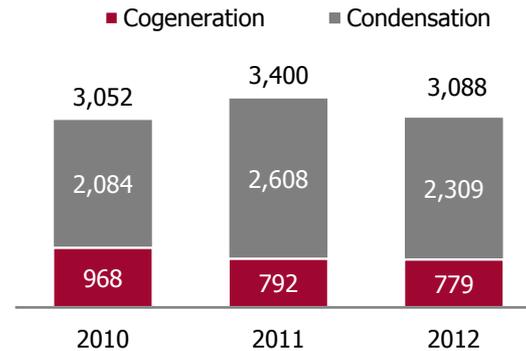
Installed renewable power capacity (MW)



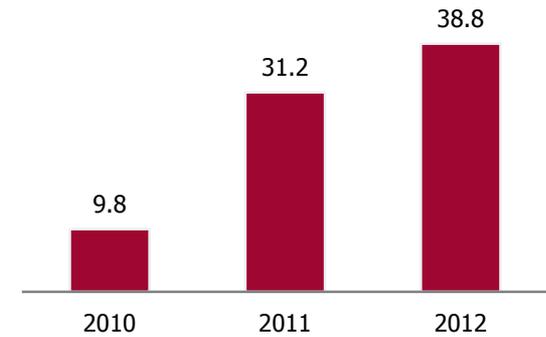
Heat supplied (PJ)



Heat & Power electricity production (GWh)¹



Renewable electricity production (GWh)

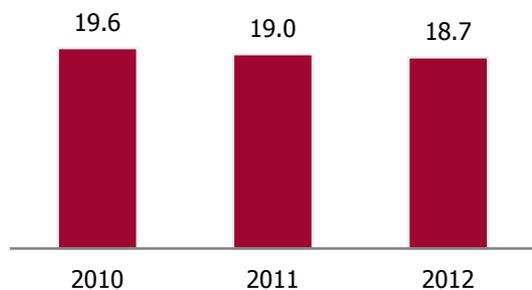


Note: All figures are presented as if all entities were 100% owned by EPE during the whole year

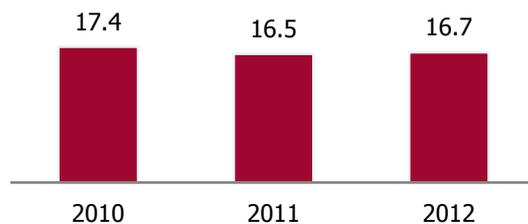
[1] Saale Energie is shown separately in installed capacity, given that from EPE's standpoint this capacity operates on a fixed fee basis without a dependence on volume produced or electricity prices. Saale Energie is not included in electricity production for the same reason

OPERATIONAL RESULTS IN 2012 (2/2)

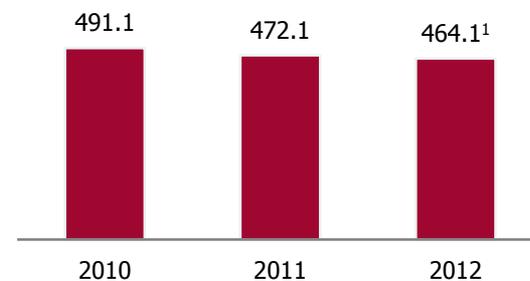
Brown coal produced (Mt)



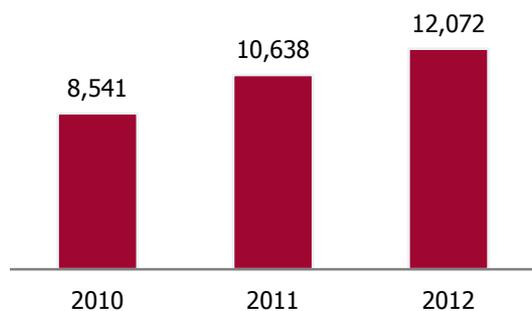
Brown coal sold outside MIBRAG (Mt)



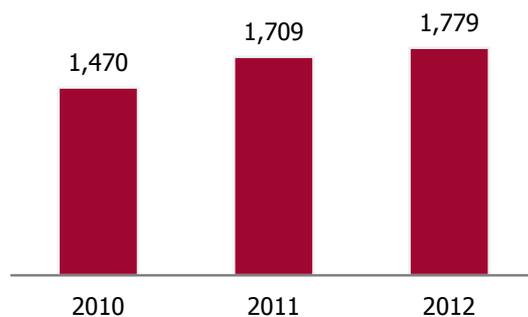
Brown coal reserves (Mt)¹



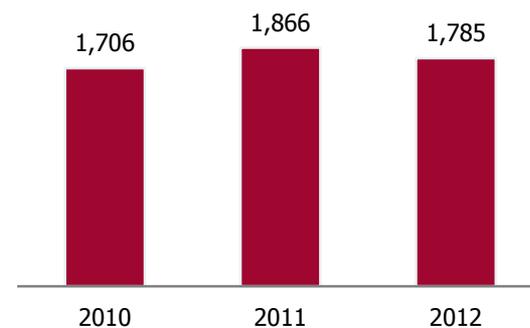
Power traded (GWh)



Power supplied (GWh)



Natural gas supplied (GWh)

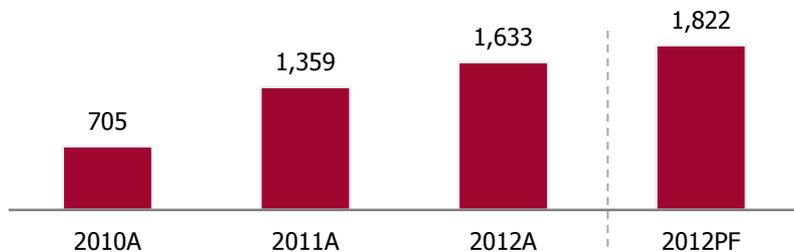


Note: All figures are presented as if all entities were 100% owned by EPE during the whole year

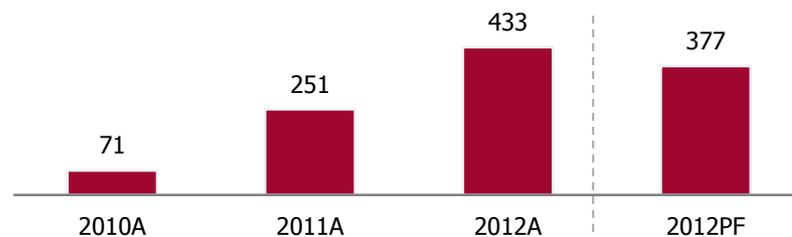
[1] Total reserves of 464Mt is split into proven reserves of 452Mt and probable reserves of 12Mt, which relates to the newly obtained permit for mining field Poedlelitz in late 2012

FINANCIAL PERFORMANCE IN 2012

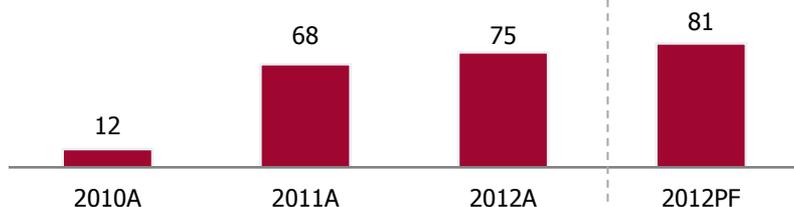
Revenue (€mm)



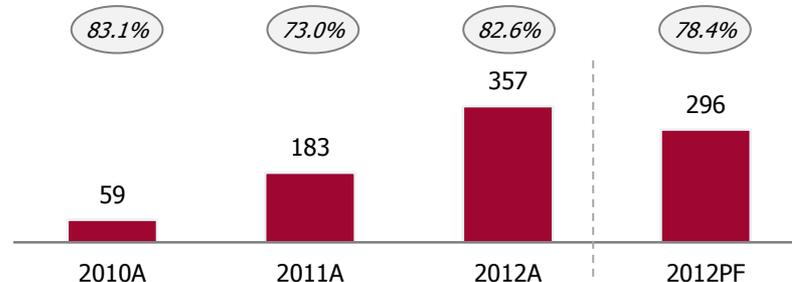
EBITDA¹ (€mm)



CAPEX² (€mm)



EBITDA – Capex (€mm) / Cash conversion ratio³ (%)



- ✓ The major drivers behind revenue and EBITDA growth in 2010-2012:
 - Completion of strategic acquisitions incl. integration to the consolidation scope (primarily MIBRAG, PT, Saale Energie)
 - Heat & Power: Increasing sales prices of both power and grid balancing services, higher heat prices and colder weather conditions in 2012
 - Mining: Increase in the average negotiated sales price of brown coal to MIBRAG's customers
 - Renewables: Commissioning of the biogas plant in Slovakia and increased load factor of wind farms
- ✓ Capital expenditures reflect controlled business planning, engineering, procurement and project management at EPE's operating subsidiaries
- ✓ Reported EBITDA in 2012 was also impacted by changes in recultivation reserves valuation and methodology at MIBRAG
- ✓ Pro forma results reflect sustainable EBITDA levels (excl. one-off events and non-below EBITDA items)

Note: Values converted into € from CZK at the average FX rate of CZK / € of 25.14 for 2012, 24.59 for 2011 and 25.29 for 2010

[1] EBITDA represents Profit from operations, *plus* Depreciation and amortization, *less* Negative goodwill. The PF 2012 number is adjusted for non-cash and/or non-recurring events and calculated on a pro forma basis. Although EBITDA should not be considered a substitute measure for profit and net cash flow from operating activities, we believe that it provides useful information regarding our ability to meet future debt service requirements. EBITDA may not be comparable to the similarly titled measure used by other companies; [2] Excludes acquisition of emission rights; [3] Cash conversion ratio defined as (EBITDA-CAPEX)/EBITDA. For PF 2012 cash conversion calculated as (Pro forma adjusted EBITDA-CAPEX)/Pro forma adjusted EBITDA

KEY FINANCIAL PERFORMANCE INDICATORS

Consolidated financial results in €mm			
€mm	Audited YE 2011 ³	Audited YE 2012 ^{4,5}	Year-on-year change
Sales	1,359	1,633	+20.2%
EBITDA²	251	433	+72.7%
Profit from operations	119	345	+190.5%
Income before tax	63	459	+631.6%
Net profit attrib. to EPE	37	419	+1,045.3%
Total assets	2,327	3,277	+40.9%
Net debt⁸	490	712	+45.5%
CAPEX	68	75	+11.6%
Operating cash flow before changes in working capital	242	384	+58.6%

Unaudited pro forma consolidated financial data in € ¹			
€mm	Unaudited YE 2011 ⁶	Unaudited YE 2012 ¹	Year-on-year change
Sales	1,665	1,822	+9.4%
EBITDA	312 ²	377 ⁷	+20.8%
Profit from operations	24	180	+666.6%
Income before tax	-23	118	+601.8%
Net profit attrib. to EPE	-27	87	+425.3%
Total assets	n.a.	3,280	n.a.
Net debt⁸	n.a.	712	n.a.
Net debt/EBITDA	n.a.	2.4x ⁹	n.a.

Note: Balance sheet items converted into € from CZK at year-end CZK / € FX rates of 25.80 for 2011 and 25.14 for 2012; Income statement items converted into € from CZK at average CZK / € FX rates of 24.59 for 2011 and 25.14 for 2012

[1] The unaudited pro forma consolidated financial data for the year ended December 31, 2012 represent results as if the acquisition of 100% of JTSD Braunkohlebergbau GmbH and its subsidiaries (including Mitteldeutsche Braunkohlengesellschaft mbH "MIBRAG"), the full consolidation of Pražská Teplárenská a.s. (also "PT"), the consolidation of Energotrans SERVIS a.s., the acquisition of Saale Energie GmbH and the disposition of Energotrans, a.s. (also "ET") had all occurred on January 1, 2012

[2] EBITDA represents profit from operations *plus* depreciation of property, plant and equipment and amortization of intangible assets *minus* revaluation of negative goodwill (if applicable). The EBITDA included in this presentation does not represent the term EBITDA as may be defined by any documentation for any financial liabilities of the group

[3] The consolidation includes 50% of the MIBRAG Group only starting from July 1, 2011

[4] The consolidation includes 50% of the MIBRAG Group until June 30, 2012 and 100% of the MIBRAG Group starting July 1, 2012, Pražská Teplárenská a.s. is consolidated fully starting from July 1, 2012, Saale Energie is part of the consolidation from August 1, 2012 and Energotrans a.s. ceased to be part of the consolidation starting from July 1, 2012

[5] The results are positively influenced by release of negative goodwill and, for profit before tax and net profit attributed to EPE, also by the sale of Energotrans a.s.

[6] The unaudited pro forma consolidated financial data for the year ended December 31, 2011 represent results as if the acquisition of 100% of JTSD Braunkohlebergbau GmbH and its subsidiaries (including Mitteldeutsche Braunkohlengesellschaft mbH "MIBRAG"), the full consolidation of Pražská Teplárenská a.s. (also "PT"), and the disposition of Energotrans, a.s. had all occurred on January 1, 2011

[7] Represents pro forma EBITDA as calculated in Note (1) above further adjusted to exclude (a) the following non-recurring, noncash effects related to reclamation provisions: (i) a change in the discount rate (which lead to a CZK 2,718mm (€108.11mm) increase to EBITDA) and (ii) an increase in the assumed inflation rate (which lead to a CZK 582mm (€23.15mm) decrease to EBITDA) and (b) the items related to Saale Energie (which lead to a CZK 355mm (€14.14mm) decrease to EBITDA), which, due to the accounting treatment of the specific contractual arrangement with Schkopau, are charged to operating costs of Saale Energie but relate to entries that would otherwise not be included in EBITDA

[8] Net debt represents Non-current loans and borrowings *plus* Non-current financial instruments and financial liabilities *plus* Current loans and borrowings *plus* Current financial instruments and financial liabilities *minus* Cash and cash equivalents

[9] Net debt/EBITDA ratio is based on net debt adjusted for CZK4,390mm (€174.6mm converted as at Dec-31, 2012 CZK / € FX rate of 25.14) cash balance reserved for dividends to minority shareholders of PT

EPE REVENUE, EBITDA AND CAPEX 2012 BY SEGMENT

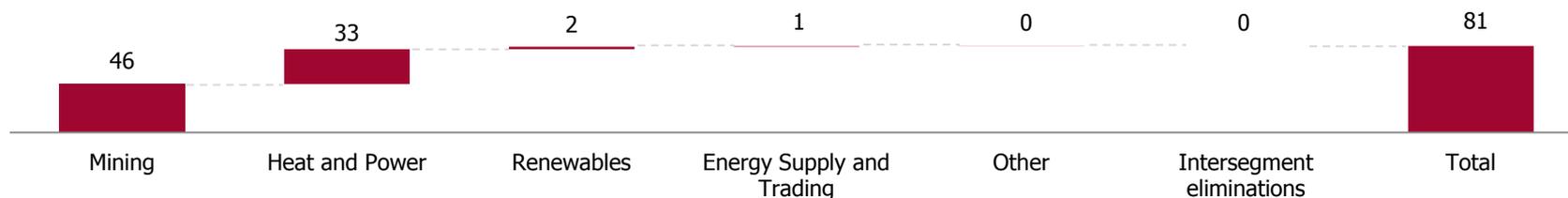
Pro forma revenue 2012 (€mm)



Pro forma adjusted EBITDA 2012 (€mm)



Pro forma CAPEX¹ 2012 (€mm)



Note: Values converted into € from CZK at the average FX rate of CZK / € of 25.14 as at 2012 year-end

[1] Excludes acquisitions of emission rights

RECENT DEVELOPMENTS

Potential acquisitions

- Potential acquisition of a substantial minority interest with management control in a company engaged in power supply and distribution by EPH with subsequent contribution of it into EPE
 - Company is present in one of the countries where EPE currently operates
- Potential acquisition of a German brown coal-fired plant and its adjacent brown coal mine
 - EPE is in ongoing negotiations with the seller and recently submitted an updated offer subject to the finalization of transaction documents
 - Completion expected in 2013
- Potential acquisitions of certain operations in the Czech Republic, including two coal-fired cogeneration plants, which supply heat to public heating networks
- Funding plans
 - A combination of cash from operations, shareholder funding and debt

New cogeneration subsidy

- The Czech government increased a subsidy for highly efficient cogeneration power plants from CZK 45/MWh to CZK 200/MWh and reintroduced a subsidy of CZK 12/MWh for plants connected to regional distribution networks starting January 1, 2013
- EPE cogeneration plants are generally eligible to receive the subsidies

Improving corporate structure

- Effective January 1, 2013, PEAS merged with EPET, with EPET being the surviving entity
- This in line with EPE's strategy of ongoing improvement of our corporate structure; further streamlining is planned in the coming months

MIBRAG: New field and pricing agreement

- Agreement to acquire a new mining field adjacent to MIBRAG's land
- New pricing agreement with Lippendorf introducing a capacity fee for the supply of additional brown coal that exceeds the contractual base volume

Litigation with Czech Coal

- Czech Coal received a court order to continue supplying EPE with brown coal until December 31, 2013
- EPE is prepared to use MIBRAG's or third party brown coal to meet the brown coal demands of EOP in the event Czech Coal stops delivering brown coal to EOP at the end of 2013

TO SUMMARIZE FY 2012

- Completion of strategic acquisitions, which further strengthens the group's vertical integration
- Financial performance of all lines of business better than in 2011
- Key pro forma consolidated figures
 - EBITDA of €377mm
 - EBITDA cash conversion level of 78%
- Long term group financing secured through the issued bond and long term bank financing