Annual Financial Statements for the period ended December 31, 2010 and Management Report

Eurex Clearing Aktiengesellschaft
Frankfurt am Main

This is an English translation of the German text, which is the sole authoritative version.

Balance Sheet as at December 31, 2010
of Eurex Clearing Aktiengesellschaft, Frankfurt/Main

Assets	31.12.2010 €	31.12.2010 €	31.12.2009 € thousand	31.12.2009 € thousand
Liquid funds				
Balances with central banks	128,673,330.11	128,673,330.11	101	101
of which with the Bundesbank				
EUR 128,673,330.11 (previous year: EUR 102 (thousand))				
Receivables from banks				
Current accounts	5,186,338,573.39		2,879,514	
other receivables	934,879,255.05	6,121,217,828.44	2,000,393	4,879,907
Receivables from customers		1,096.00		1
Equity investments and other non fixed income securities		0.00		1,229
Trust assets		62,724,326.90		61,899
Intangible assets		11,892.00		16
Tangible assets		3,035.00		4
Other assets		5,797,757.24		19,563
Prepaid expenses and deferred charges		91,910.27		201
Total assets		6,318,521,175.96		4,962,921

Stockholder's equity and liabilities	31.12.2010 €	31.12.2010 €	31.12.2010 €	31.12.2009 € thousand	31.12.2009 € thousand	31.12.2009 € thousand
Liabilities to banks						
Current accounts		5,120,325,411.00	5,120,325,411.00		3,810,065	3,810,065
Liabilities to customers						
Other liabilities						
Current balances		1,009,844,169.21	1,009,844,169.21		967,958	967,958
Trust liabilities			62,724,326.90			61,899
Other liabilities			7,140,813.72			3,919
Accruals						
Accruals for pensions and other employee benefits		553,550.47			1,645	
Other accruals		4,956,888.02	5,510,438.49		5,185	6,830
Stockholder's equity						
Subscribed capital		25,000,000.00			25,000	
Additional paid-in capital		80,312,845.52			80,313	
Revenue reserves						
Legal reserves	1,306,775.12			909		
Other revenue reserves	6,356,396.00	7,663,171.12		6,028	6,937	
Total stockholder's equity		0.00	112,976,016.64		0	112,250
Total stockholder's equity and liabilities			6,318,521,175.96			4,962,921

Income Statement
of Eurex Clearing Aktiengesellschaft, Frankfurt/Main
for the period from 1 January to 31 December 2010

	2010			2009		
	€	€	€	€ thousand	€ thousand	€ thousand
Interest income from						
loan and money market business		14,585,961.91			44,509	
Interest expense		-5,112,129.65	9,473,832.26		-27,798	16,711
Income from						
noncurrent financial instruments			0.00			18
Commission expense			-1,897,940.66			-1,980
Other operating income			64,674,994.31			46,521
thereof from currency translation EUR 31,299,798.57						
General administrative expenses						
Personnel expenses						
Wages and salaries	-5,336,328.46			-3,693		
Social security and expenses						
for pension and other employee benefits	-493,243.53	-5,829,571.99		-476	-4,169	
of which: for pensions						
EUR 41,503.26 (previous year: EUR 114 (thousand))						
Other administrative expenses		-31,815,874.86	-37,645,446.85		-40,481	-44,650
Depreciation and amortization of						
tangible and intangible assets			-2,150,965.48			-14,409
Other operating expenses			-31,351,095.75			-1,261
thereof from currency translation EUR -30,375,411.27						
Income and write-ups of equity investments, shares						
in affilited companies and securities as noncurrent assets			0.00			199
Net operating income			1,103,377.83			1,149
Extraordinary expense			-54,996.00			0
thereof from first implementation of BilMoG EUR 54,996.00						
Extraordinary earnings			-54,996.00			0
Income Taxes			-1,191.34			-2
Profit transferred under profit and loss transfer agreement			-324,724.43			-375
Net income for the year			722,466.06			772
Transfer to revenue reserves						
into legal reserves		-397,741.62			-397	
Other revenue reserves		-324,724.44	-722,466.06		-375	-772
Balance sheet profit			0.00			0

Notes to the 2010 financial statements

Accounting policies

The annual financial statements of Eurex Clearing Aktiengesellschaft (hereinafter referred to as "Eurex Clearing") for the 2010 financial year have been prepared in accordance with the rules laid down in the German Commercial Code (*Handelsgesetzbuch* - HGB), the German Stock Corporation Act (*Aktiengesetz* - AktG) and the German Accounting Ordinance for Banks and Financial Services Institutions (*Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungs-institute* - RechKredV).

The accounting policies for the 2010 financial year take into account the changes resulting from the German Accounting Law Modernisation Act (*Bilanzrechtsmodernisierungsgesetz* - BilMoG). In accordance with section 67 (8) sentence 2 of the Introductory Law to the German Commercial Code (*Einführungsgesetz zum HGB* - EGHGB), the previous year's figures have not been adjusted in accordance with BilMoG. Given the first-time application of the provisions amended by BilMoG, section 252 (1) no. 6, section 265 (1) and section 284 (2) no. 3 HGB are not to be applied in accordance with article 67 (8) sentence 1 EGHGB.

The total cost format was used for the income statement.

As defined in section 340 a (1) HGB, the Company is to be treated as a “large corporation”. In accordance with section 340 a (2) HGB, section 267 HGB is not applicable.

Fixed asset positions in foreign currencies are translated into euros at the historic exchange rates prevailing at the time of acquisition; in the event of lasting impairment, the currencies are converted on the basis of the reporting date rate.

In accordance with section 340 h HGB taken in conjunction with section 256 a HGB, receivables and liabilities in foreign currency are translated using the ECB reference rate or Bloomberg’s rates as at the reporting date. If foreign currency receivables and liabilities have a remaining term of one year or less, neither section 253 (1) sentence 1 nor section 252 (1) no. 4 clause 2 HGB are to be applied.

Expenses and income were converted using the ECB reference rate or Bloomberg’s rates on the date of initial posting.

As far as receivables and liabilities in the same currency are equal in their corresponding amount, they are considered to be especially covered (“besonders gedeckt”) as defined in section 340 h HGB.

Intangible assets acquired for a consideration are carried at cost less systematic amortisation using the straight-line method, or at their lower fair value. The option to capitalise self-created intangible fixed assets that is allowed by BilMoG was not exercised.

Property, plant and equipment are valued at acquisition or production cost. Property, plant and equipment subject to wear and tear were depreciated on a straight-line basis over their taxable useful life or carried at the lower fair value. As provided for by Art. 6 (2a) of the German Income Tax Act (*Einkommensteuergesetz* - EStG), low-value capital assets with purchase or production costs of more than €150 but not exceeding €1,000 were pooled and amortised on a scheduled basis over a period of five years.

Receivables and other assets are generally carried at their nominal value. All recognisable risks are individually written down.

Provisions for pensions and other employee benefits were stated using the projected unit credit method on the basis of actuarial principles (previous year: stated at partial value in accordance with section 6a EStG) using the 2005 G mortality tables of Prof. Klaus Heubeck, modified by information dating from 2006 to 2008 from the Federal Statistical Office and the German statutory pension insurance scheme. As a result of implementation of BilMoG in the year under review, the actuarial assumptions were expanded and the discount rate of 5.15% published by the German Bundesbank for an assumed remaining term of 15 years was used (preceding year: market-oriented rate of 5.30%).

Actuarial assumptions		
	31.12.2010	31.12.2009
	%	%
Discount rate	5.15	5.30
Salary increase	3.50	-
Pension increase	1.75	-
Staff turnover rate	2.00	-

For the employee-funded deferred compensation plan, the obligation was determined on the basis of actuarial principles using the projected unit credit method (previous year: on the basis of tax rules, partially at present value), applying a discount rate of 5.15% (previous year: market-oriented rate of 5.30%) as well as the 2005 G mortality tables of Prof. Klaus Heubeck, modified by information dating from 2006 to 2008 from the Federal Statistical Office and the German statutory pension insurance scheme.

The option of applying the transitional regulation in accordance with article 67 (1) sentences 1 and 2 EGHGB was not exercised.

In accordance with section 246 (2) HGB, the settlement amount of pension liabilities as at the reporting date was offset against the fair value of those assets that are protected from all creditors and exclusively serve the purpose of meeting liabilities arising from pension obligations or comparable long-term commitments to employees ("plan assets"). The cumulative acquisition cost of these assets is €1.797 thousand.

The offset assets, which equate to a 1.2 % share in a special fund as defined in section 1 of the German Investment Act (*Investmentgesetz* - InvG) in conjunction with section 2 (3) InvG, had a fair value of €1,660 thousand as at the reporting date and this corresponds to the market value as defined in section 36 InvG. Furthermore, €357 thousand was added to the special fund in the year under review. These assets are protected from the claims of all creditors and are therefore not immediately realisable.

The other provisions take appropriate account of all identifiable risks and contingent liabilities as at the reporting date and have been set aside in the amount of anticipated settlement expenses in accordance with prudent commercial judgement. Provisions for the stock option plans were based on the intrinsic value of the option. Provisions for the stock bonus plan are based on Deutsche Börse AG's year-end share price. Provisions for service anniversaries and early retirement benefits are valued in accordance with actuarial principles at the settlement amount (previous year: at partial value) or at present value for early retirees. The projected unit credit method was applied to make these calculations. In the year under review the discount rate of 5.15% published by the German Bundesbank was used (previous year: market-oriented rate of 5.30%). Prof. Klaus Heubeck's 2005 G mortality tables were used as the basis for calculation (with the adjustments described above).

In accordance with section 253 (1) sentence 2 HGB, liabilities have been recognised in their settlement amounts.

The margin deposits to be deposited with Eurex Clearing as collateral by the Clearing members are (if they are provided in the form of cash) shown at Eurex Clearing as liabilities – the so-called member cash deposits. The margins which are payable are calculated in t and are due in t+1. The margin payments are calculated only after the post-trading period. In line with the common standard in this sector, the member cash deposits are only recognised when the margins have been collected.

Balance sheet disclosures

Foreign currency assets

Foreign currency assets as at the reporting date amounted to €881,322 million (previous year: €511,110 thousand).

Receivables from banks

Receivables from credit institutions mainly comprise reverse repo investments of €4,926,589 thousand (previous year: €3,797,253 thousand), including €3,991,810 thousand (previous year: €1,802,849 thousand) payable on demand and €934,779 thousand (previous year: €1,994,404 thousand) with a residual time to maturity of up to three months, and fixed term deposits of €262,538 thousand (previous year €505,520 thousand), including €262,538 thousand (previous year €499,700 thousand) payable on demand and €0 (previous year €5,820 thousand) with a residual time to maturity of up to three months.

Receivables from credit institutions comprise member cash deposits of €6,060,066 thousand (previous year: €4,737,067 thousand), of which €5,193,400 thousand denominated in euros (previous year: €4,237,453 thousand); €0 (previous year: €7 thousand) denominated in US dollars, €12,189 thousand (previous year: €5,596 thousand) denominated in sterling and €854,477 thousand (previous year: €494,011 thousand) denominated in Swiss francs.

Receivables from customers

Receivables from customers comprise VAT on sales invoices and are payable on demand.

Equities and other non-fixed-income securities

The balance sheet item “Equities and other non-fixed-income securities” included securities connected with the special securities fund (CTA) in the previous year. Plan assets are now reported net of pension obligations in accordance with section 246 (2) HGB.

Trust assets

Trust assets comprise receivables due from market participants from sales related to the fees collected on a trust basis for DBAG and SIX. As of the reporting date, receivables amount to €62,724 thousand (previous year: €61,899 thousand), of which €48,272 thousand (previous year: €47,898 thousand) was due from credit institutions and €14,452 thousand (previous year: €14,001 thousand) was due from customers.

Fixed assets

Changes in fixed assets can be seen from the statement of changes in assets. This item mainly comprises software related to Eurex Credit Clear which was written down in the financial year to a value of zero, and a software licence which is written down over a period of ten years on a straight-line basis.

The reclassification shown in the statement of changes in assets in the amount of €1,230 thousand reflects the offsetting of plan assets against pension obligations carried out as part of the switch to BilMoG.

Other assets

The major part of other assets as of the reporting date are receivables due from affiliated companies amounting to €5,641 thousand (previous year: €19,502 thousand); these mainly comprise receivables due from DBAG of €4,621 thousand (previous year: €16,673 thousand), and receivables due from Eurex Zürich AG of €1,000 thousand (previous year: €2,827 thousand) from management agreements.

Foreign currency liabilities

Foreign currency liabilities as at the reporting date amounted to €871,428 thousand (previous year: €503,322 thousand).

Liabilities to banks

The liabilities due to banks of €5,120,325 thousand (previous year: €3,810,065 thousand) are payable on demand and mainly consist of cash deposits of clearing members amounting to €5,050,395 thousand (previous year: €3,769,162 thousand) and related interest of €461 thousand (previous year: €117 thousand).

Liabilities to customers

The liabilities due to customers of €1,009,844 thousand (previous year: €967,958 thousand) are payable on demand and mainly consist of cash deposits of clearing members amounting to €1,009,671 thousand (previous year: €967,906 thousand) and related interest of €173 thousand (previous year: €52 thousand).

Trust liabilities

This item comprises liabilities related to fees collected on a trust basis which have not yet been forwarded to DBAG and SIX.

Other liabilities

Other liabilities mainly comprised liabilities towards affiliated companies totalling €4,211 thousand (previous year: €2,272 thousand), VAT liabilities totalling €316 thousand (previous year: €0), liabilities to suppliers totalling €2,175 thousand (previous year: €1,490 thousand) and wage and church tax still to be paid amounting to €415 thousand (previous year: €155 thousand).

Provisions for pensions and other employee benefits

Asset set-off in application of section 246 (2) HGB	
	€ thous.
Settlement amount of pension liabilities	2,213
Fair value of plan assets	(1,660)
Provisions for pensions and other employee benefits	**553**
Set-off of profit and loss	
	€ thous.
Expense from pension liability	78
Net expense stated under staff costs	**78**
Interest expenditure from pension liability	93
Income from covered funds	87
Net expense stated under net financial result	**6**

Other provisions

Other provisions amounted to €4,957 thousand (previous year: €5,185 thousand) and break down as follows:

	€ thous.
Outstanding invoices	1,514
Compensation	1,384
Provisions for the restructuring programme	885
Phantom stock option plans and stock bonus plan	471
Other staff-related provisions	336
Variable compensation	288
Other provisions	79
	4,957

Equity

The share capital of Eurex Clearing remained unchanged at €25,000,000. It is divided into 2,000,000 registered no-par-value shares. The shares may be transferred only with the Company's approval.

The Company’s share premium and retained earnings changed as follows:

	€ thous.	€ thous.	€ thous.
Share premium			
Carried forward as of 1 January 2010	80,313		
As of 31 December 2010			80,313
Retained earnings			
Statutory reserve			
Carried forward as of 1 January 2010	909		
Addition		398	
As of 31 December 2010			1,307
Other retained earnings			
Carried forward as of 1 January 2010	6,028		
Addition from net income for 2010		325	
Addition from the switch to BilMoG		3	
As of 31 December 2010			6,356
			87,976

Pursuant to section 268 (8) HGB, no dividend payment constraint was in force.

Income statement information and disclosures

Interest income and other operating income were earned predominantly in Germany; no geographical breakdown of income has therefore been provided as per section 34 (2) no. 1 RechKredV.

Other operating income

Other operating income of €64,675 thousand (previous year: €46,521 thousand) comprises gross reported income from currency valuations in the amount of €31,300 thousand due to the first-time application of BilMoG. This item also mainly comprises income due to operations management for DBAG and SIX (€21,448 thousand; previous year: €32,538 thousand) and income from CCP management for DBAG (€11,657 thousand; previous year: €11,552 thousand).

General administrative expenses

The general administrative expenses comprise other administrative costs of €31,816 thousand (previous year: €40,481 thousand) as well as staff costs of €5,830 thousand (previous year: €4,169 thousand). The decline in other administrative costs is mainly due to a reduction in data centre processing services. The increase in staff costs was largely due to the restructuring programme.

The other administrative costs mainly comprise costs of IT services provided by Deutsche Börse Systems AG (€8,565 thousand; previous year: €15,000 thousand) as well as costs for services within the service level agreement with DBAG (€11,717 thousand; previous year: €12,285 thousand). The costs of services within the service level agreement with DBAG comprise, besides the costs for services provided as defined in the service level agreement (€10,225 thousand; previous year: €10,870 thousand), costs for quotations and investment services (€1,492 thousand; previous year: €1,415 thousand). Furthermore, the other administrative costs comprise costs for non-allowable input taxes (€5,285 thousand; previous year: €5,731 thousand) as well as costs for services within the service level agreement with Clearstream Banking AG (€502 thousand; previous year: €507thousand).

Depreciation and impairment of tangible and intangible assets

Depreciation and impairment of tangible and intangible assets of €2,151 thousand (previous year: €14,409 thousand), is due mainly to scheduled depreciation of €191 thousand and non-scheduled depreciation of €1,960 thousand for Eurex Credit Clear.

Other operating expenses

Other operating expenses of €31,351 thousand (previous year: €1,261 thousand) mainly comprise gross reported expenses for currency valuations of €30,375 thousand due to the first-time application of BilMoG and expenses for provisions for damages of €819 thousand (previous year: €770 thousand).

Extraordinary expenses

Extraordinary expenses amount to €55 thousand and only include expenses due to the first-time application of BilMoG.

Transfer of profit/loss

On the basis of the profit and loss transfer agreement with Eurex Frankfurt AG, €325 thousand (previous year: €375 thousand) has been transferred.

Audit fees

Disclosures pertaining to fees for the auditor are set out in the notes to the consolidated financial statements of Deutsche Börse AG in accordance with section 285 no. 17 HGB.

Other financial obligations

The other financial obligations are connected with leasing, maintenance and other agreements within the Group. In the 2011 financial year, costs of €18,790 thousand (previous year: €31,647 thousand) will probably be incurred for this item. These comprise obligations to Deutsche Börse Systems AG (€8,565 thousand, previous year: €8,981 thousand) essentially for operating the systems and the network. Due to the planned merger of Deutsche Börse Systems AG to DBAG these obligations will arise in the future with DBAG. Furthermore obligations comprise to DBAG for services within the service level agreement (€10,225 thousand, previous year: €14,861 thousand).

The obligations to DBAG and Deutsche Börse Systems AG are obligations towards affiliated companies. The agreements can be terminated every year.

It is expected that license agreements will result in financial obligations totalling €1,198 thousand for the next three financial years.

Other information

Supervisory Board

The members of the Supervisory Board are:

Prof. Dr. oec. HSG Peter Gomez (*Chairman*)	Professor for Business Management; University of St. Gallen, St. Gallen
Prof. Dr. Reto Francioni (*Deputy Chairman)*	Chairman of the Executive Board, Deutsche Börse AG, Frankfurt am Main
Dr. Hugo Bänziger	Member of the Executive Board, Deutsche Bank AG, London
Walter Jürg Baumann	Managing Director, Credit Suisse AG, Zurich
Matthias Frisch (since 31 March 2010)	Managing Director, UBS Investment Bank AG, Zürich
Dr.-Ing. Michael Kuhn	Member of the Executive Board, Chief Information Officer, Deutsche Börse AG, Frankfurt/Main
Erik Tim Müller (since 26 October 2010)	Head of Department, Investor Relations & Treasury, Deutsche Börse AG, Frankfurt am Main
Dr. Roger Müller	Managing Director, Legal Affairs, Deutsche Börse AG, Frankfurt am Main
Gregor Pottmeyer	Member of the Executive Board, Chief Financial Officer, Deutsche Börse AG, Frankfurt am Main
Dr. Martin Reck	Managing Director, Group Strategy, Deutsche Börse AG, Frankfurt am Main
Dr. Urs Rüegsegger	Chairman of the Group Executive Board, SIX Group AG, Zurich
Jacques de Saussure	Managing partner, Pictet & Cie, Banquiers, Geneva
Nicholas Teller (until 15 July 2010)	CEO, E.R. Capital Holding GmbH & Cie. KG, Hamburg

Like last year the members of the Supervisory Board received no remuneration for 2010.

Executive Board

The members of the Executive Board are:

Andreas Preuß (*Chairman)*	Chief Executive Officer
Jürg Spillmann (*Deputy Chairman)*	responsible for Information Technology
Dr. Thomas Book	responsible for Clearing/CCP
Gary Katz	responsible for International Securities Exchange
Thomas Lenz (until 31 March 2010)	responsible for Operations
Michael Peters	responsible for Sales & Marketing
Peter Reitz	responsible for Business Development

The total remuneration of the members of the Executive Board in 2010 was €25 thousand (previous year: €119 thousand).

Seats on supervisory boards and other supervisory bodies

Seats on supervisory boards and other supervisory bodies pursuant to section 340a (4) no. 1 HGB are as follows:

Gary Katz

- Direct Edge Holdings LLC, member of the Board of Directors
- ETC Acquisition Corporation, member of the Board of Directors
- International Securities Exchange Holdings, Inc., member of the Board of Directors
- International Securities Exchange, LLC, member of the Board of Directors
- International Securities Exchange Longitude, LLC, member of the Board of Directors
- The Options Clearing Corporation, member of the Board of Directors

Michael Peters

- Phineo AG, member of the Supervisory Board (since 10 August 2010)
- U.S. Exchange Holdings, Inc., member of the Board of Directors

Andreas Preuß

- International Securities Exchange Holdings, Inc., member of the Board of Directors
- International Securities Exchange, LLC, member of the Board of Directors
- Bombay Stock Exchange Ltd., member of the Board of Directors (since 30 March 2010)

Peter Reitz

- BSP (Borzen), member of the Supervisory Board (until 19 August 2010)
- European Commodity Clearing AG, member of the Supervisory Board
- European Energy Exchange AG, member of the Supervisory Board
- European Power Derivatives GmbH, member of the Supervisory Board
- U.S. Exchange Holdings, Inc., member of the Board of Directors

Jürg Spillmann

- International Securities Exchange Holdings, Inc., member of the Board of Directors

Staff

The average number of staff employed in 2010 was 146.3 (previous year: 134.3). As at 31 December 2010, 144 persons (previous year: 141) (excluding the Executive Board) were employed by Eurex Clearing.

Of the 144 staff members, 2 (previous year: 2) were part-time employees, 1 (previous year: 0) had a temporary contract and 1 (previous year: 0) was on parental leave. Taking into account part-time employees, the average full-time equivalent staffing for the year was 34.4 (previous year: 31.3).

Inter-company agreements

Owing to the profit and loss transfer agreement in force between Eurex Clearing and Eurex Frankfurt AG, Eurex Clearing is obliged to transfer its net income, less any loss carried forward from the previous financial year and less the amount to be allocated to the statutory reserve pursuant to section 300 AktG, to Eurex Frankfurt AG. At the same time, Eurex Frankfurt AG undertakes to absorb any net loss for the year posted by Eurex Clearing during the term of the agreement unless such loss is being offset by withdrawals from the other retained earnings added during the term of the agreement.

Group membership

Eurex Clearing is a wholly owned subsidiary of Eurex Frankfurt AG and via Eurex Frankfurt AG a wholly owned subsidiary of Eurex Zürich AG. In accordance with section 290 (2) no.2 HGB, Eurex Zürich AG is a subsidiary of DBAG and is affiliated with DBAG and its subsidiaries.

Eurex Clearing is included in the consolidated financial statements of DBAG, which are available from the offices of our Company. The consolidated financial statements of Deutsche Börse AG are drawn up under IFRS and published in the electronic German Federal Gazette. Since 1999, there has been a control and profit and loss transfer agreement between Eurex Clearing and Eurex Frankfurt AG, and a single entity has accordingly been deemed to exist for trade tax, corporation tax and VAT purposes.

DBAG, Eurex Frankfurt AG and Eurex Zürich AG have notified us in accordance with section 20 (4) AktG that they own a majority interest in our Company.

Frankfurt am Main, 18 March 2011

Eurex Clearing Aktiengesellschaft

Andreas Preuß	Jürg Spillmann	Dr Thomas Book
Gary Katz	Michael Peters	Peter Reitz

Eurex Clearing AG, Frankfurt/Main

Statement of Changes in Noncurrent Assets as at December 31, 2010

	Acquisition and production costs					Depreciation and Amortization						Book Value	
	Balances as at 01/01/2010	Additions 2010	Disposals 2010	Reclassification 2010	Balance as at 31/12/2010	Balances as at 01/01/2010	Depreciation 2010	Write-ups 2010	Disposals 2010	Reclassification 2010	Balance as at 31/12/2010	31/12/2010	31/12/2009
	€	€	€	€	€	€	€	€	€	€	€	€	€
Intangible assets													
Licences and similar rights for data processing and software	14,443,923.51	2,146,233.48	0.00	0.00	16,590,156.99	14,428,086.51	2,150,178.48	0.00	0.00	0.00	16,578,264.99	11,892.00	15,837.00
	14,443,923.51	2,146,233.48	0.00	0.00	16,590,156.99	14,428,086.51	2,150,178.48	0.00	0.00	0.00	16,578,264.99	11,892.00	15,837.00
Tangible assets													
Operating and office equipment	34,783.55	0.00	0.00	0.00	34,783.55	30,961.55	787.00	0.00	0.00	0.00	31,748.55	3,035.00	3,822.00
	34,783.55	0.00	0.00	0.00	34,783.55	30,961.55	787.00	0.00	0.00	0.00	31,748.55	3,035.00	3,822.00
Financial assets													
Long-term securities	1,439,851.40	357,146.79	0.00	1,796,998.19	0.00	210,513.42	0.00	0.00	0.00	210,513.42	0.00	0.00	1,229,337.98
	1,439,851.40	357,146.79	0.00	1,796,998.19	0.00	210,513.42	0.00	0.00	0.00	210,513.42	0.00	0.00	1,229,337.98
	15,918,558.46	2,503,380.27	0.00	1,796,998.19	16,624,940.54	14,669,561.48	2,150,965.48	0.00	0.00	210,513.42	16,610,013.54	14,927.00	1,248,996.98

Management report for the 2010 financial year

Business and operating environment

General situation of the Company

The Executive Board of Eurex Clearing Aktiengesellschaft (hereinafter Eurex Clearing) considers that business performance in 2010 was better than in the previous year. The financial crisis continued to impact on the behaviour of market participants in 2010; over the course of the year, trading activities were significantly higher in some areas than in the previous year. With the sovereign debt problems in Greece and some other European countries, the rescue package put together jointly by the EU and the decline of the euro against the dollar, market volatility increased significantly in the second quarter in particular and resulted in much larger trading volumes in securities and derivatives. The year-on-year upward trend reported in the first six months continued into the second half of the year, albeit at a slower pace. This was due in particular to the lower volatility on equity and bond markets, once the situation described above had returned to normal. Overall the number of transactions processed by Eurex Clearing rose, although figures did not return pre-crisis levels. In Europe, Eurex Clearing remains the market leader based on cleared contract volumes.

Eurex Clearing acts as a central counterparty (CCP) for trading on Eurex Deutschland and Eurex Zürich (Eurex exchanges) and for trading on the Frankfurt Stock Exchange (FSE) in domestic and foreign securities held in collective custody. The Company performs the same function for selected Irish securities which are traded on the Irish Stock Exchange. Eurex Clearing also acts as a central counterparty for all transactions conducted via the European Energy Exchange (EEX) as part of a separate clearing link agreement with European Commodity Clearing (ECC). Furthermore, Eurex Clearing is the central counterparty for all transactions conducted via the trading platforms of Eurex Repo GmbH and Eurex Bonds GmbH, as well as for over the counter (OTC) credit derivatives trading.

The financial market crisis has drawn the attention of the regulatory authorities to OTC derivatives and has led not only to a fundamental debate on the role of banks, but also to a re-evaluation of the value chain in share and derivatives trading. Regulators and governments have recognised that the OTC trading of derivatives with a volume of more than 80 percent of the total market contributed significantly to the financial difficulties of some market players owing to a lack of transparency and risk provisions; only around one-third of this trading is currently cleared via central counterparties. As a result, market and counterparty risks are not adequately protected against in many cases at present. By contrast, the central clearing of OTC derivatives almost eliminates the counterparty risk and thereby reduces the systemic risk for the market as a whole. At the same time, it increases transparency in less transparent market segments that, until recently, were almost entirely unregulated.

To achieve increased transparency in OTC derivatives markets and to contribute to achieving greater market stability and integrity, the heads of state and government attending the G20 in Pittsburgh in September 2009 agreed the following:

All standardised OTC derivatives must be traded on exchanges or electronic trading platforms and settled via a central counterparty by no later than the end of 2012. OTC derivatives contracts must be entered in transaction registers. Higher capital requirements must apply to contracts that are not settled centrally.

To achieve this aim, in June 2010 the European Commission opened a consultation procedure on OTC derivatives and market infrastructure. Eurex Clearing participated in this consultation. In September 2010, the European Commission published a proposal for a Regulation of the European Parliament and of the Council on OTC derivatives, central counterparties and transaction registers. This proposal is still awaiting approval by the European Parliament and the Council.

In 2010, Eurex Clearing also made contributions to numerous consultations of European, US and global regulatory authorities.

With its “Enhanced Risk Solution” introduced in Q1 2010, Eurex Clearing offers a new service for distributing risk data in real time. This new service offers clearing members and non-clearing members direct access to risk data on Eurex Clearing’s real-time risk monitoring system via a new, dedicated connection. Participants can call up their intra-day risk data as well as risk data at the end of the trading day for all of the markets covered by Eurex Clearing.

In Q2 2010, Eurex Clearing also started a review into how introducing the European Central Bank's planned system for securities settlement, TARGET-2-Securities, would affect Eurex Clearing.

Since 30 August 2010, Eurex members have been able to trade and settle futures on KOSPI 200 options through the Eurex/KRX link. These futures fall due for delivery daily and the arising delivery obligation is met by opening a corresponding KOSPI 200 option position on the Korea Exchange (KRX). The KOSPI 200 option authorised on the KRX is the most frequently traded option contract worldwide. The Eurex/KRX link allows international investors and traders to access the KOSPI 200 options market during European core trading hours when the KRX market is closed.

Approval of the Eurex/ISE link by the US regulatory authorities (Securities and Exchange Commission, SEC) is still pending. The Eurex/ISE link is a transatlantic link for trading and settlement between Eurex Clearing, the International Securities Exchange (ISE) and the Options Clearing Corporation (OCC). This will provide Eurex customers with access to the ISE options market via their existing Eurex connection. In the future, this will give Eurex customers direct access to ISE option products and the ability to execute orders in the ISE order book.

In 2010, Eurex Clearing focused on the introduction of the new Eurex release 13.0. The new release was introduced on 15 November 2010 with the following new and expanded clearing-related functions:

- By implementing the Client Asset Protection function, Eurex Clearing is pro-actively meeting the demand for the separation of client collateral assets and for swift assignment of these assets in the event that a clearing participant defaults. Release 13.0 has put in place the technical requirements to offer individual separation as well as a collective account with corresponding identification of the collateral assets as solutions for clearing participants. Once the corresponding legal enforceability has been implemented, these functions can be provided to customers.

- The Advanced Risk Protection function introduced with this release gives clearing participants and associated trading participants' better control over their trading and operational risks. This is achieved by defining "pre-trade limits" based on aggregated measures of risk such as the total margin requirement. This function replaces the "pre-trade risk limits" introduced in Release 10.0. By implementing the Advanced Risk Protection function, Eurex Clearing is responding to the growing challenges of the financial industry, such as high-frequency trading and direct market access, which have dramatically increased the number of transactions and the speed of trading.

- The introduction of a higher-level, clearing-specific user window, the so-called Clearing Board, allows clearing participants to display a variety of clearing-related windows in a single view. A new Exercise/Assignment window has also been introduced for users of the Eurex Clearing GUI. This shows all of the exercised long positions and assigned short positions for each option contract, trader and account and all of the related fields at a glance. A further improvement has been made in relation to the Member Product Assignment. The introduction of a new Product Assignment Maintenance – Import window allows customers to assign products and apply the corresponding volume limits more quickly and simply.

- In addition, process-related improvements have been made in relation to Eurex Clearing standard facilities in order to optimise position transfers and position closures. Processes in the clearing of flexible futures and options have also been optimised. The processing of non-processed "give-ups" has been improved so that these transactions are no longer deleted at the end of the day, but can instead still be identified the next day as "non-processed".

The reuse of GC pooling collateral has been approved for Eurex Clearing margining since 26 November 2010. This new service is offered to clearing members that participate in Eurex repo GC pooling trading with Eurex Repo GmbH and that use the collateral management system Xemac of Clearstream Banking AG to fulfil their margin obligations from Eurex Clearing.

Moreover, since 6 April 2010 Eurex Clearing has improved the risk-based margining methodology for options when calculating risk for clearing participants by implementing changes to implicit volatility. Through this improvement, Eurex Clearing is increasing the accuracy of the additional margin calculation for options, thereby more correctly reflecting a further risk element in collateral management.

By expanding the futures contacts segment to include Italian government bonds, Eurex exchanges are responding to the differing yield trends on European government bond markets. Products with an Asian background have been added to the group of share indices in cooperation with the Bombay Stock Exchange and the Korea Exchange (KRX). This segment has also been extended to include various sector products and a new group has been launched for derivatives based on exchange-traded funds. Particular highlights include further developments in the relatively new asset classes of volatility and dividend products. In addition, the Eurex exchanges have extended the existing product range in the areas at single stock futures and equity options.

The range of energy and commodity products has been extended. Trading was offered for the first tome in a gold contract denominated in euros, milk product contracts have been introduced in the area of agricultural products, and additional commodity index products have been included, Based on the cooperation with the European Energy Exchange (EEX), Eurex Clearing provides access to clearing for other electricity derivatives and emissions rights.

Overall in 2010 more than 200 new products were introduced, with clearing and security provided by Eurex Clearing.

The rapidly expanding GC pooling segment at Eurex Repo GmbH saw an addition to its product range on 29 January 2010 in the shape of the USD-traded GC pooling ECB basket.

On 16 August 2010, US dollar-denominated bonds from European issuers were added to the bond products cleared for Eurex Bonds GmbH.

With its CCP release 6.0 in November 2010, Eurex Clearing added further countries to its pan-European spot market clearing service. This range of services allows international spot market instruments that are traded on the Xetra trading system to be settled directly in the respective domestic market. To achieve this, Eurex Clearing uses an indirect connection from various local central securities depositories via a global custodian. In the same release, measures were implemented to abolish Giovannini Barrier 3 in order to harmonise the processing of corporate actions in Europe.

As at 31 December 2010, clearing services had been used by 128 clearing participants from the European Union and Switzerland that settle products on markets associated with Eurex Clearing.

Overview of business performance in the year under review

In the 2010 financial year, Eurex Clearing achieved solid results. Market activity rose compared with 2009.

Overall, the trading and clearing volume in derivatives rose by 12 percent – from 1,687.2 million traded contracts in the previous year to 1,896.9 million traded contracts in 2010, with the value of underlyings totalling €98.3 trillion.

The products which reported the strongest revenues in 2010 were once again the equity index derivatives, with 808.9 million traded contracts, up 1 percent on the previous year. Futures derivatives based on the Euro STOXX 50 index were the most successful individual products, with 372.2 million futures contracts (up 12 percent on 2009) and 284.7 million option contracts (down 5 percent on 2009).

Equity derivatives rose by some 21 percent from 421.3 million contracts in 2009 to 511.8 million contracts in 2010. The top-performing equity products in terms of revenue were equity options based on German underlyings, with 178.6 million contracts (down from 186.9 million contracts in 2009). Single stock futures increased by 73 percent to 202.2 million contracts. The volume of trading and clearing for interest derivatives rose to 574.8 million contracts in 2010, an increase of 23 percent.

The clearing volume on the spot market rose by 12 percent in 2010 to 96.5 million trades (single counting Xetra/Parkett) compared with 86.3 trades in the previous year.

The volume of trading on the Eurex Repo market also rose in 2010. The average outstanding volume in 2010 increased by 16 percent to €114.5 billion compared with €98.6 billion the previous year. The average monthly share of Euro GC Pooling in relation to the overall volume increased from 74 percent in 2009 to 80 percent in 2010.

In total, bonds with a value of €101.6 billion were traded at Eurex Bonds, compared with €87.3 billion in 2009 (single counting). This corresponds to an increase of 16 percent.

Staff

In the 2010 financial year, the number of staff at Eurex Clearing increased on the previous year and totalled 144 as at 31 December 2010 (141 staff in the previous year). On average for the 2010 financial year, 146.3 staff (134.3 staff in the previous year) was employed by Eurex Clearing.

Two members of staff left Eurex Clearing during the 2010 financial year (one in the previous year), making the turnover rate 1.4 percent (0.7 percent in the previous year).

Eurex Clearing employs its entire staff at a single location.

The age breakdown for Eurex Clearing staff as at 31 December 2010 is as follows:

Age	Number of employees	Percent
< 30 years	11	7.7%
30 – 39 years	64	44.4%
40 – 49 years	56	38.9%
> 50 years	13	9.0%
Total	144	100%

The length of Company service of employees as at 31 December 2010 was as follows:

Length of service at Deutsche Börse Group	Number of employees	Percent
< 5 years	56	38.9%
5 – 15 years	59	41.0%
> 15 years	29	20.1%
Total	144	100%

As at 31 December 2010, 62.5 percent of Eurex Clearing's staff was graduate (61.0 percent in the previous year). This percentage comprises employees with a degree from a university, university of applied sciences or vocational university as well as employees who have completed studies abroad.

The number of further training days amounted to a total of 1.5 days on average per employee at Eurex Clearing (1.7 days in the previous year).

Results of operations, financial position and net assets

The solvency ratio as per the German Solvency Ordinance was between 64.2% and 67.7% based on end-of-quarter values. The range of fluctuation is caused in part by the high level of volatility in the balance sheet total, which is in turn dependent on the fluctuation in member cash deposits, and in part by the option of making secured cash investments against fixed-income securities from top-rated issuers or unsecured cash investments with government agencies with a zero weighting.

The supervisory ratio according to the German Liquidity Regulation is relatively stable and varies between 1.56 and 1.70 based on end-of-month values. This demonstrates the Company's sound liquidity position.

In 2010, net interest income amounted to €9,474 thousand (previous year: €16,711 thousand). This include income from interest of €14,586 thousand (previous year: €44,509 thousand) and interest expenditure of €5,112 thousand (previous year: €27,798 thousand) The averaged fall in cash margins deposited by clearing members (member cash deposits) and low interest rates were the main causes for this negative performance.

The Company does not receive any own commission and fee income from third parties. Within the framework of service contracts for the respective Eurex operating companies Deutsche Börse AG (hereinafter referred to as “DBAG”) and SIX Swiss Exchange AG (hereinafter referred to “SIX”), the Company collected a commission and fee income of €779,215 thousand in 2010 (previous year:

€712,715 thousand), that completely was transferred to the respective companies. Expenditure on commissions and fees totalled €1,898 thousand (previous year: €1,980 thousand); this amount mainly relates to bank charges.

Other operating income at Eurex Clearing amounted to €64,675 thousand in 2010 (previous year: €46,521 thousand) and includes first-time pre-tax income from the foreign currency valuation owing to the introduction of the German Accounting Law Modernisation (BilMoG) in the amount of €31,300 thousand.

General administrative expenses amounted to €37,645 thousand (previous year: €44,650 thousand) and mainly comprise costs of services within the service level agreement with DBAG amounting to €10,225 thousand (previous year: €10,870 thousand) and staff costs totalling €5,830 thousand (previous year: €4,169 thousand). In addition to the IT services now billed directly between Deutsche Börse Systems AG and Eurex operating companies in the amount of €8,565 thousand (previous year: €15 thousand), this figure also includes non-allowable input taxes of €5,285 thousand (previous year: €5,731 thousand).

Depreciation and impairment of intangible assets of €2,151 thousand (previous year: €14,409 thousand) was booked, including scheduled depreciation of €191 thousand and non-scheduled depreciation of €1,960 thousand in connection with Eurex Credit Clear.

The Company’s net income (after taxes and before profit transfer to the parent company) amounted to €1,408 thousand (previous year: €1,147 thousand), of which €398 thousand was added to statutory reserves in accordance with section 300 of the German Stock Corporation Act following the capital increase carried out in the last financial year. After adding €325 thousand to other retained earnings, which corresponds to the Company’s allocation to the clearing fund, €325 thousand (previous year: €375 thousand) was transferred to Eurex Frankfurt AG under the existing profit and loss transfer agreement.

Receivables from banks in the amount of €6,121,218 thousand (previous year €4,879,907 thousand) mainly include the investment of the cash collateral deposited by clearing members in the amount of €6,060,066 thousand (previous year: €4,737,068 thousand).

After deduction of margin deposits and trust liabilities, the balance sheet total amounts to €195,731 thousand (previous year: €163,955 thousand) giving an equity ratio of 57.7% (previous year: 68.5%).

The Company has a solid liquidity position; firstly owing to the short-term investment of its equity and secondly because of the profit and loss transfer agreements that are in place and the regular payment flows associated with these. As of the reporting date, the claims arising from operations management are reflected under the position accounts due from affiliated companies. Multiple credit lines are available with various banks for refinancing. If a loss is recorded, this is offset by the parent company under the profit and loss transfer agreement.

The business situation of the Company can be evaluated as well-regulated.

Risk report

This risk report does not take into account the proposed business combination of Deutsche Börse AG and NYSE Euronext announced on 15 February 2011.

Eurex Clearing is included in Deutsche Börse AG's (FBAG) Group-wide risk management system. Deutsche Börse Group has established a Group-wide risk management system, where functions, processes and responsibilities are defined, and is legally binding on all employees of the Group.

The risk management system ensures that all management bodies at Deutsche Börse Group are able to control the risk profile of the whole Group or of individual legal entities, such as Eurex Clearing, as well as specific material risks in a timely manner. The aim is to identify developments that might endanger the interests of the Group or Eurex Clearing in good time and take appropriate countermeasures.

Eurex Clearing's risk strategy is based on its business strategy and sets upper limits for operational and financial risks that it takes on. This is achieved by prescribing the conditions for risk management, controls and limits. The Company pays special attention to mitigating risk and ensures that suitable action is taken to avoid, reduce and transfer risks or to ensure that risk is taken on as a result of conscious decisions. The aim is to reduce the frequency and extent of losses incurred by Eurex Clearing as a result of risk events by means of appropriate hedging and control measures, e.g. guidelines and procedures, functional segregation, the dual control principle, setting limits as well as by business continuity management. In addition, potential operating losses will be further restricted by a portfolio of insurance policies.

The Executive Board of Eurex Clearing is responsible for the Company's risk management. The local departments are responsible for identifying risks and report them promptly to Group Risk Management, a central functional unit with Group-wide powers. Group Risk Management evaluates all existing and new risks. In addition, Group Risk Management reports regularly and on an ad hoc basis if required to both the Executive Board and the Supervisory Board at Eurex Clearing. Implementation of risk controlling is the responsibility of the respective local departments. They continue to inform their respective managements about changes in key figures relating to risk and continuously improve the quality of the risk management processes.

Internal Auditing ensures through independent audits that risk control and risk management functions are adequate. The results of these audits are also fed into the risk management system.

Eurex Clearing distinguishes between operational, financial and project risks.

Eurex Clearing pursues a standardised approach to measuring and reporting all risks: the "value at risk" (VaR) approach. The aim of this concept is to allow overall risk appetite to be expressed in a comprehensive way and to make it easier to prioritise risk measures.

VaR quantifies existing and new risks. It sets an upper limit for cumulative loss which Eurex Clearing could face if certain loss events occurred within a given period with a given probability.

The Eurex Clearing model is based on a period of one year, a confidence level of 99 percent and the assumption of non-correlated events.

This means that the cumulative loss within the next year will be below the calculated VaR with a probability of 99 percent. Conversely, there is a 1 percent probability that within the next year a loss will occur, resulting from one or more events, which might be at or above the level of the calculated VaR.

In addition to the VaR calculation described, Eurex Clearing performs stress test calculations for credit risk and liquidity risk with a view to continually reviewing its risk-bearing capacity.

The results of the VaR calculation are entered into a reporting system, enabling risks to be managed. Besides quantifying the risks, the reporting also contains qualitative details. Risk-related topics are explained in a comprehensive manner describing their influence on Eurex Clearing's risk profile and listing potential countermeasures. Risk reporting to the Executive Board of Eurex Clearing is carried out monthly or on an ad hoc basis if required. Eurex Clearing's Supervisory Board receives quarterly reports.

The specific relevant risks that are relevant to Eurex Clearing are described in greater detail below:

Operational risks

Operational risks encompass potential losses resulting from inadequate or defective systems and internal processes, from human or technical failure, from inadequate or defective external processes and from damage to physical assets, as well as from legal risks and risks associated with business practices. The main operational risks for Eurex Clearing lie in disruption to or interruption of the provision of its core products. These include in particular clearing systems and systems to calculate margin requirements.

(a) Availability risk

Availability risk is the risk of failures in resources, such as systems, room available, staff or vendors/service providers essential to Eurex Clearing's range of services such that services cannot be provided at all or only with a delay. For example, disruptions to the CCP system can delay processing or problems with the risk engine can result in an incorrect request for deposited assets from clearing participants for clearing.

Eurex Clearing aims wherever possible to provide its products and services with the greatest degree of reliability. Availability risk is accordingly one of the most critical for Eurex Clearing. Triggers include hardware and software failure, operator and security errors and damage to the data centres.

Maintaining normal business operations, including taking measures to protect against emergencies and disasters, is a top priority. Eurex Clearing counters availability risk through comprehensive Business Continuity Management (BCM) planning. BCM comprises all processes which ensure continued operation even in an emergency, and thus considerably reduces the availability risk.

This includes precautions relating to all major resources (systems, premises, employees, suppliers/service providers), including the redundant design of all critical IT systems and the technical infrastructure as well as emergency workstations for employees in key functions. BCM arrangements are reviewed regularly.

There were no losses due to lack of resources in 2010 and no acute risks are currently apparent.

(b) Service deficiency

The category of service deficiencies refers to risks which can arise if Eurex Clearing performs an inadequate service for its customers, e.g. because of product or process flaws or because processes are not carried out correctly or errors are made in manual entry. Despite all the automation and efforts to achieve straight-through processing (STP), manual work is still needed.

Long-term improvements were made once again in the year under review 2010 to reduce the risk of service deficiency either by reducing manual interventions or ensuring that they are more secure.

There were no significant losses arising from service deficiency in 2010.

(c) Legal risks and risks associated with business practices

These risks include losses that arise as a result of non-compliance or inappropriate compliance with new or existing laws, losses from inadequate contract terms or from court decisions not adequately observed in customary business practice, as well as losses from fraud. Risks associated with business practices include losses due to money laundering and infringements of competition law or banking secrecy regulations. Eurex Clearing has established a functional unit Group Compliance with responsibility for protecting the Company against any prejudice that may result from failure to comply with applicable laws, regulations and standards of good corporate governance.

No losses occurred in the year under review as a result of legal risks or risks associated with business practices.

Financial risks

Eurex Clearing is particularly affected by financial risks in the form of credit risk and market price risk. To a lesser extent there are also liquidity risks. Risk arising from the aforementioned types of risk is limited by effective controlling measures.

(a) Credit risk

Credit risks means the risk arising from a counterparty defaulting (default risk) and Eurex Clearing’s claims against such counterparty not being met in full or not being met at all.

Eurex Clearing does not operate a traditional lending business.

In accordance with its clearing conditions, Eurex Clearing only concludes transactions with clearing members. Clearing relates to securities, rights, derivatives and emission allowances that are traded on Eurex Deutschland and Eurex Zürich (Eurex exchanges), Eurex Bonds, Eurex Repo, (the Frankfurt Stock Exchange, the Irish Stock Exchange and the European Energy Exchange and for which Eurex Clearing acts as the central counterparty in the transactions concluded or completed. Furthermore, the Company can act as the central counterparty for over the counter (OTC) derivatives trading, if these transactions are equivalent to derivatives trading on the relevant markets mentioned above in terms of content and the clearing members choose exchange clearing for their over the counter derivatives trading. In this context, Eurex Clearing provides its clearing members with clearing services for the transactions concluded on individual markets or OTC. In some cases this occurs in combination with another clearing house (link clearing house) and based on a separate agreement (clearing link agreement).

Each clearing member must provide evidence of a liable equity capital of at least the figure specified by Eurex Clearing for its clearing activity on various markets. The level of equity depends on risk.

To hedge Eurex Clearing's risk that a clearing member defaults prior to satisfying open transactions, the clearing members commit to daily collateral provisions in cash or securities (margins) – and also to additional intra-day capital – in an amount specified by Eurex Clearing in accordance with current Clearing conditions. Margins are calculated separately for the individual accounts of clearing members and accounts of their customers.

The profit and loss accrued during the day from changes in value to financial instruments is offset between the counterparties either in cash (variation margin) or deposited by the seller as collateral provisions due to the changed counter-value of the position on Eurex Clearing (premium margin). In the case of bond, repo or share transactions, the margin is either levied by the buyer or by the seller (current liquidating margin), depending on the difference between the purchase price and the current value of the financial instruments. Offsetting profits and losses secures the risk of account settlement costs after the agreed liquidation period and assuming that most unfavourable change in value of the positions held in the account (additional margin). The method for calculating the additional margin is referred to as “risk-based margining” and is primarily a VaR approach. The maximum settlement costs are initially determined individually for each product. Contrasting positions of the same risk pattern are then offset, if a high correlation exists between these over a longer period of time. The target confidence level for the additional margin is at least 99.0 percent. Regular reviews ensure that the margins achieve the required confidence level.

Eurex Clearing's approach to hedging risks also ensures that transactions concluded and negotiated bilaterally directly between two parties are completed, particularly OTC derivative transactions such as credit default swaps. In this credit clearing method, the security mechanisms take account of the special risks of credit default swaps through specific margin components for protection sellers and protection buyers. A separate clearing licence is required for credit clearing.

In line with margin obligations, Eurex Clearing only permits selected assets with a high credit rating. Eurex Clearing continuously reviews the assets that are permitted and defines safety margins to hedge the market risk of collateral in the form of assets at a confidence level of at least

99.9 percent. The risk parameters for determining the safety margins are regularly reviewed and the safety margins are recalculated for each individual security on a daily basis.

In addition to setting up margins for ongoing transactions, all clearing members must pay in contributions to a clearing fund according to their individual risk. This fund is then jointly liable for the financial consequences of a default by a clearing member, if this is not covered by the individual margins of the clearing members concerned. Eurex Clearing has set up a separate clearing fund for credit clearing. Eurex Clearing carries out stress tests to ensure that the clearing fund is adequate for the risk involved. All ongoing transactions of clearing members and their assets are subject to market price fluctuations at a confidence level of at least 99.9 percent. To determine potential losses that exceed the individual margins of a clearing member, the effect of a potential default on the clearing fund is simulated. Eurex Clearing has defined limits, which if exceeded can immediately trigger measures to adjust the scope of the clearing fund.

Any clearing member that does not meet its obligations to Eurex Clearing will have access to the following lines of defence:

1. Open positions and transactions for the clearing member in question can initially be netted and/or closed by entering into risk-appropriate offsetting transactions or settled in cash.

2. The collateral provided by the clearing member in question would initially be used to cover any open amount that occurs, which may arise in the case of settlement or cash settlement, and for costs related to the settlement or cash settlement. As at 31 December 2010, Eurex Clearing was provided with assets in the amount of €32.1 billion.

3. The contribution made by the clearing member in question to the clearing fund would then be used for cover.

4. Any shortfall remaining would initially be secured by the retained earnings of Eurex Clearing. As at 31 December 2010, Eurex Clearing had retained earnings of €6.4 million.

5. The contributions made by all other clearing members to the clearing fund would then be realised proportionately. As at 31 December 2010, the clearing fund of Eurex Clearing had a volume of €1,480.7 million. Once used, Eurex Clearing can request additional capital from clearing participants.

Additional credit risks arise from investing money. Eurex Clearing reduces this risk by investing in several counterparties with a higher credit rating, defining investment limits for each counterparty and giving preference to short-term and, if possible, secured investments. Eurex Clearing determines its maximum investment limits based on a regular credit check and event-based ad-hoc analyses.

In 2010 no counterparties defaulted on Eurex Clearing investments.

Stress test calculations

In its stress test calculations for credit risk, Clearstream Banking Frankfurt takes three different scenarios: these simulate a mild recession, a global depression and a default by its largest counterparties; it quantifies these on every business day. The figures calculated in the stress tests are compared to limits that are defined as part of the risk cover funds. The stress test calculations of credit risk carried out in the year under review did not identify any material risks.

To take account of concentrations of credit risk, Eurex Clearing also performs VaR analyses in order to identify potential clusters of risks with individual counterparties. Owing to its business model, Eurex Clearing is almost entirely concentrated on customers from the financial sector but there are no notable concentrations of credit risk on individual counterparties.

(b) Market price risk

Market price risks can arise as interest rate or currency risks when investing money. Due to the short-term maturities of cash investments and liabilities, the interest risk is low. Open currency positions arise to a lesser extent and as such currency risks are relatively low. Equity price risks can arise when investing in a special fund established to cover pension obligations and the like.

(c) Liquidity risk

Liquidity risk at Eurex Clearing arises in that there may be insufficient liquidity to meet daily payment obligations – particularly the repayment of member cash deposits – or through increased refinancing costs in the event of liquidity bottlenecks. Liquidity each day and during any day is monitored by Treasury and managed with the aid of a limit system. Extensive credit lines are available to hedge against extreme situations.

In 2010, Eurex Clearing always held high excess liquidity, so that there never were any liquidity bottlenecks.

Stress test calculations

Stress test calculations are performed for the liquidity risk. To this end, Eurex Clearing has implemented three scenarios that are calculated on a quarterly basis. Under these scenarios, both the sources and the uses of the liquidity are subjected to a stress test, with both historical and hypothetical scenarios being calculated. Overall the liquidity situation may be termed comfortable for Eurex Clearing.

(d) Risk arising from regulatory ratios

The risk from regulatory ratios encompasses losses which may arise from non-adherence to defined ratios.

Eurex Clearing is a bank in accordance with the Kreditwesengesetz (KWG, Banking Act) and must meet the regulatory equity and liquidity requirements stipulated by the Solvabilitätsverordnung (SolvV, Solvency Ordinance), the Liquiditätsverordnung (LiqV, Liquidity Regulation) and the provisions for major credits under the Groß- und Millionenkreditverordnung (GroMiKV, Regulation governing large exposures and loans of €1.5 million or more).

The statutory minimum requirements have been constantly met during the period under review.

Project risks

Project risks can arise as a result of project implementation (launch of new products, processes or systems) which may have a significant impact on one of the three other risk categories (operational, financial and business risks). These risks are assessed by Group Risk Management as described above and are addressed in the early stages of major projects. No project planned and implemented in 2010 result in any material change to Eurex Clearing's overall risk profile.

Risks connected with the delivery of projects, such as budget risk, quality/scope risk or deadline risk, are monitored and reported on a decentralised basis. Once again, this did not lead to any negative effects being inferred for the Company.

Summary

In the 2009 financial year, Eurex Clearing identified all new risks that arose at an early stage and took appropriate measures to counter these risks. As a result of these measures, the risk profile of Eurex Clearing did not change significantly.

Outlook

Eurex Clearing evaluates its risk situation on an ongoing basis. From the present point of view, the Executive Board sees neither significant change to the risk situation nor any resulting threat to the continued existence of Eurex Clearing.

Further enhancements to the risk management systems are scheduled for 2011. For example, the Company plans to extend stress tests for credit risk and to base VaR-figures calculations on a higher confidence level.

Disclosures in accordance with Part 5 of the Solvability Ordinance

A detailed description of risk management can be found in the preceding risk report.

Equity structure

Changes to the equity of Eurex Clearing are described in greater detail in the notes. The structure of liable equity capital as at 31 December 2010 is as follows (in € thousand):

Paid-in capital (share capital)	25,000
Open reserves	87,250
Deductions in accordance with section 10(2a) sentence 2 of the Banking Act	2,162
Total core capital in accordance with section 10(2a) of the Banking Act	110,088
Total modified available equity in accordance with section 10(1d) sentence 1 of the Banking Act	110,088

Appropriateness of capital resources

Eurex Clearing assesses the appropriateness of its capital resources to provide security for current and future activities for credit risk based on the standardised credit risk approach (KSA), and for operational risk based on the basic indicator approach. The OECD was appointed export insurance agency for external credit ratings of the sovereign receivables category. The comprehensive method for financial assets was chosen to calculate credit reduction effects using the credit ratings of Fitch Ratings, Moody´s Investors Service and Standard & Poor´s Ratings Services to take account of financial assets.

The capital adequacy requirements of Eurex Clearing as at 31 December 2010 were as follows:

Credit risk according to standardised credit risk approach (KSA)	In € thousands
- Bank	1,503
- Corporate	13
- Investment units	133
- Other positions	0
Currency risks according to standardised approach	831
Operational risks according to basic indicator approach	11,248
Total capital adequacy requirement	13,728
Total modified available equity in accordance with section 10(1d) sentence 1 of the Banking Act	110,088
Total capital ratio in %	64.15

Eurex Clearing does not operate a traditional lending business. Material claims only arise from the investment of cash assets and from receivables from affiliated companies. Consequently, Eurex Clearing does not use a definition of "in arrears" and "non-performing" for the purposes of accounting.

The total amount of receivables, excluding credit reduction methods, in the amount of €6,257,445 thousand is broken down geographically, including securities held in the amount of €1,660 thousand, into Germany with €4,579,063 thousand, Switzerland with €857,486 thousand, rest of Europe with €812,433 thousand, North America with €6,803 thousand and Asia with €97 thousand. The most important industries for lending were banks with €5,270,978 thousand, central banks with €984,647 thousand and other companies (including other positions) with €160 thousand.

The majority of credit receivables amounting to €6,255,625 thousand had a maturity of up to one month. Due to this short maturity, Eurex Clearing is not exposed to any interest rate risk.

Eurex Clearing holds no derivative default risk positions and as such there are no netting agreements in place.

Currency risks

Eurex Clearing is only exposed to currency risks from open, short-term foreign currency positions in the amount of €831 thousand.

Credit risk reduction methods

Eurex Clearing only applied credit risk reduction methods in the bank receivables category for outstanding claims with credit rating 1. The total of outstanding claims in question in the amount of €5,270,978 thousand is reduced by applying credit risk reduction methods to an amount of €93,936 thousand, giving a share of position values of the bank KSA receivables category secured by financial assets in the amount of €5,177,042 thousand.

The receivables of Eurex Clearing are primarily made up of investments of the cash assets deposited by clearing participants. The majority of the cash investment of Eurex Clearing is secured as real securities repurchase transactions with a maturity of up to one month. A maturity-based collateral surcharge is claimed for the bonds received as collateral. The listed securities accepted by Eurex Clearing as repo collateral have a credit rating of at least AA- and are generally government or country bonds. The investment guidelines of Eurex Clearing prevent any concentration of risk within the investment instruments used.

Branches

The Company does not have any branches.

Report of events after the balance sheet date

On 15 February 2011, the Executive Board of Deutsche Börse AG, the majority shareholder of Eurex Zürich AG and thereby indirectly Eurex Clearing, made an ad-hoc announcement that it was to sign an agreement relating to a business combination between Deutsche Börse AG and NYSE Euronext. This transaction is still subject to approval by the majority of shareholders of NYSE Euronext and an acceptance rate of 75 percent of the takeover bid by the shareholders of Deutsche Börse AG. Approval is also required from the relevant competition and financial authorities, stock exchange supervisory authorities and other regulators in the USA and Europe and other standard market conditions must be met. The specific impact this will have on the individual companies is yet to be determined. Eurex Clearing will examine the relevant effects and contribute to their conception and implementation during 2011.

Forecast report

The forecast report describes the expected performance of Eurex Clearing in the 2011 and 2012 financial years and does not take into account the proposed business combination of Deutsche Börse AG and NYSE Euronext announced on 15 February 2011.

It contains statements and information on events in the future. These forward-looking statements and information are based on the Company's expectations and assumptions at the time of publication of this forecast report. These assumptions and expectations are in turn subject to known and unknown risks and uncertainties. Numerous factors influence the success, the business strategy and the financial results of the Company. Many of these factors are outside the Company's control. Should one of these risks or uncertainties materialise or any of the underlying assumptions prove to be incorrect, the actual performance of the Company may differ positively or negatively from the expectations and assumptions contained in the forward-looking statements and information in this report.

Following a drop in volumes in 2009, Eurex Clearing recorded a positive development in volumes in 2010 with a rise of around 12 percent on the previous year. The overall development of volumes and sales in 2011 is likely to be similar, if not slightly better, than in 2010. It is expected that central banks will raise interest rates in one or two stages. This should trigger a rise in trading in Eurex capital market products. The forecast rise in economic growth, particularly in Europe, is expected to have a positive impact on volumes in equity and index products, although this positive effect will be negatively affected by the expected continuation of low market volatility. Overall, a slight decline in equity and index products is expected based on these conditions.

The financial crisis in 2008 and 2009 revealed major weaknesses in the global financial system. In light of these findings, measures were introduced in Europe and the USA to safeguard the integrity and stability of the financial markets. A key element of this regulation is the offsetting of standardised OTC derivatives via CCPs. It can therefore be assumed that standardised OTC derivatives will in future have to be offset via a CCP.

Clearing by central counterparties is a stabilising element that, when combined with effective risk management, reduces systemic risks and increases transparency and operating efficiency. Extensions in the area of clearing are also planned for 2011 and 2012 with the aim of expanding the current market infrastructure. Eurex Credit Clear, which was launched by Eurex Clearing in 2009, creates the technological and functional basis for offering CCP services for other OTC markets and asset classes. In 2010, Eurex Clearing introduced measures to branch out into interest swaps and equity swaps in 2011 and 2012. It also planned to extend the range of clearing services to securities lending.

The ongoing expansion of risk management services also allows economies of scope throughout all areas of the business thanks to the integrated business model of the Deutsche Börse Group; for example, by linking to collateral deposited with Clearstream.

Further measures are being planned by the regulators to safeguard the integrity and stability of the financial markets. The European Commission is defining new requirements for CCPs as part of its European Market Infrastructure Regulation to take account of the rising importance of CCPs. Basel III also sets down amended capital requirements for CCPs and banks. This definition of new requirements is continuously monitored by the management of Eurex Clearing and the effects are analysed to ensure compliance with new regulations.

Overall based on the constant to slightly higher processing volume forecast, the Company expects 2011 to be a year of stable earnings in conjunction with the company management model.

Both the further changes to the regulatory framework and continuing stability of the economic environment are the fundamental drivers for the further development of the business performance in excess of 2011. Despite the potential financial market stability risks and expectation of a heightened competitive intensity the Company anticipates a positive structural development of the clearing market. The Eurex Clearing will actively participate in advancing this development, which will be reflected in business trend of the Company.

Frankfurt am Main, 18 March 2011

Eurex Clearing Aktiengesellschaft

Andreas Preuß

Jürg Spillmann

Dr Thomas Book

Gary Katz

Michael Peters

Peter Reitz

Auditor’s Report

We have audited the annual financial statements, comprising the balance sheet, the income statement and the notes to the financial statements, together with the bookkeeping system, and the management report of the Eurex Clearing Aktiengesellschaft, Frankfurt/Main for the business year from January 1 to December 31, 2010. The maintenance of the books and records and the preparation of the annual financial statements and management report in accordance with German commercial law are the responsibility of the Company's management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the management report based on our audit.

We conducted our audit of the annual financial statements in accordance with § 317 HGB [„Handelsgesetzbuch“: „German Commercial Code“] and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with [German] principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the annual financial statements and management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the annual financial statements comply with the legal requirements and give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with [German] principles of proper accounting. The management report is consistent with the annual financial statements and as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

Frankfurt/Main, March 18, 2011

KPMG AG
Wirtschaftsprüfungsgesellschaft

Signature	Signature
Bors	Bernhard
German Qualified	German Qualified
Auditor	Auditor