Deutsche Börse Aktiengesellschaft, Frankfurt/Main
Balance Sheet as at 31 December 2010

Assets	31.12.2010 €	31.12.2009 € (thousand)
NONCURRENT ASSETS		
Intangible Assets		
Licenses and similar rights for data processing and software	3,334,930.00	2,167
Prepayments	0.00	56
	3,334,930.00	2,223
Tangible Assets		
Fixtures on third party land	25,633,304.30	9,065
Other assets, furniture and office equipment	19,626,386.91	13,144
Prepayments on account and construction in progress	0.00	11,893
	45,259,691.21	34,102
Financial Assets		
Shares in affiliated companies	2,382,312,789.49	1,918,388
Loans to affiliated companies	922,242,730.02	1,708,156
Investments	60,056,452.36	55,047
Loans to companies in which the company has a participating interest	998,093.50	0
Long-Term securities	11,970,399.08	55,131
Other loans	3,500.00	15
	3,377,583,964.45	3,736,737
Total Noncurrent Assets	3,426,178,585.66	3,773,062
CURRENT ASSETS		
Accounts Receivable and Other Assets		
Trade accounts receivable	98,041,852.76	94,754
Receivables from affiliated companies	178,409,178.78	28,259
Receivables from companies in which the company has a participating interest	2,956,679.73	3,434
Other current assets	28,019,143.19	92,262
thereof with residual term over 1 year € 17,277,839.61 (previous year € 15,692 (thousand))		
	307,426,854.46	218,709
Securities		
Other securities	0.00	90,054
	0.00	90,054
Cash and Bank Balances	510,789,804.96	251,506
Total Current Assets	818,216,659.42	560,269
DEFERRED EXPENSES AND ACCRUED INCOME	9,728,964.57	8,502
DEFERRED TAX ASSETS	0.00	2,144
Total Assets	4,254,124,209.65	4,343,977

Shareholder's Equity and Liabilities	Per value of shares acquired for retirement	Subscribed capital before retirement	31.12.2010 €	31.12.2009 € (thousand)
SHAREHOLDER'S EQUITY	€	€		
Subscribed Capital	195,000,000.00	-9,057,199.00	185,942,801.00	185,923
Capital Reserve			1,284,328,955.19	1,284,329
Retained Earnings				
Other profit reserves			202,686,091.56	315,575
			202,686,091.56	315,575
Unappropriated Surplus			400,000,000.00	400,000
Total Shareholder's Equity			2,072,957,847.75	2,185,827
Provisions				
Provisions for pensions and similar obligations			22,865,931.78	61,854
Provisions for deferred taxes			146,345,136.19	128,200
Other provisions			114,150,221.31	78,761
Total provisions			283,361,289.28	268,815
LIABILITIES				
Bonds			1,451,774,600.00	1,615,056
Liabilities from bank loans and overdraft			19,578,248.81	0
Trade accounts payable			14,509,268.44	10,726
Amounts owed to affiliated companies			344,575,739.42	189,733
Amounts owed to companies in which the company has a participating interest			4,342,379.71	8,986
Other liabilities			59,198,159.53	59,548
thereof tax € 10,249,710.81 (previous year € 7,849 (thousand))				
thereof social securities € 149,475.91 (previous year € 200 (thousand))				
Total Liabilities			1,893,978,395.91	1,884,049
DEFERRED INCOME AND ACCRUED EXPENSES			3,826,676.71	5,286
Total Shareholder's Equity and Liabilities			4,254,124,209.65	4,343,977

Deutsche Börse AG, Frankfurt/Main

Profit and Loss Account

for the period 1 January to 31 December 2010

	2010		2009	
	€	€	€ (thousand)	€ (thousand)
Sales Revenue		1,056,617,630.37		975,811
Other Operating Income		597,450,661.86		196,525
thereof from currency translation 17,575,227.56 €				
Personnel Expenses				
Wages and Salaries	-91,918,713.50		-65,876	
Social securities, pensions and other benefits	-24,496,062.07	-116,414,775.57	-22,317	-88,194
thereof pensions 17,600,777.94 € (previous year €15,730 (thousand))				
Depreciation				
of intangible and tangible assets		-10,276,344.74		-11,903
Other Operating Expenses		-557,223,475.77		-543,305
thereof from currency translation 37,175,785.79 €				
Income from Participating Interests		211,679,254.48		233,057
thereof from affiliated companies 206,412,261.86 € (previous year €231,541 (thousand))				
Income from Profit and Loss Agreements		115,002,792.78		0
Income from Financial Assets: Long-Term Securities and Loans		18,784,386.51		24,314
thereof from affiliated companies 15,491,187.13 € (previous year €15,000 (thousand))				
Interest and Similar Income		3,488,002.14		6,234
thereof from affiliated companies 21,029.94 € (previous year €1,173 (thousand))				
Expenses from Loss Assumption		0.00		-165
Depreciation of Current Assets: Financial Assets and Securities		-784,648,437.48		-80,959
thereof from affiliated companies 784,648,437.48 € (previous year €80,959 (thousand))				
Interest and Similar Charges		-125,938,624.46		-99,346
thereof to affiliated companies 1,083,491.24 € (previous year €635 (thousand))				
thereof from addition of discounted interest 4,536,108.98 €				
Profit before Tax from Ordinary Activities		408,521,070.12		612,069
Extraordinary income		52,498.52		0
thereof from first implementation of BilMoG 52,498.52 €				
Extraordinary expense		-11,973,003.00		0
thereof from first implementation of BilMoG 11,973,003.00 €				
Extraordinary earnings		-11,920,504.48		0
Tax on Profit		-112,218,389.61		-158,739
Other Taxes		-5,613,060.03		-260
Net Income for the Financial Year		278,769,116.00		453,070
Expenses for the retirement of treasury shares		0.00		-9,077
Income from the issue of treasury shares		1,283,351.25		0
Withdrawal from other profit reserves		121,230,884.00		9,077
Allocations to profit reserve		-1,283,351.25		-53,070
Unappropriated Surplus		400,000,000.00		400,000

Notes to the 2010 Financial Statements

Accounting policies

The financial statements of Deutsche Börse AG for 2010 have been prepared in accordance with German Commercial Code (Handelsgesetzbuch HGB) and the German Stock Corporation Act (Aktiengesetz- AktG).

The accounting policies for the 2010 financial year take into account the rules and regulations amended under the German Accounting Law Modernisation Act (Bilanzrechtsmodernisierungsgesetz - BilMoG). As per article 67 (8) sentence 2 of the Introductory Law to the German Commercial Code (EGHGB), the figures for the previous year have not been adjusted in accordance with BilMoG. As provided for by article 67 (8) sentence 1 of the Introductory Law to the German Commercial Code (EGHGB), section 252 (1) no. 6, section 265 (1) and section 284 (2) no. 3 HGB are not to be applied.

The total expenditure format was used for the income statement.

The Company is defined as a large corporation as defined by section 267 (3) HGB.

Non-current assets denominated in foreign currencies are converted into Euro at historic exchange rates prevailing at the date of acquisition; in the case of a permanent decline in value, currencies are converted at the rates prevailing on the reference date.

Foreign receivables and liabilities are translated at the ECB reference rate or Bloomberg rates as of the reporting date. If foreign currency receivables and liabilities have a residual 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.

Income and expenses in foreign currencies are converted at the ECB reference rate or Bloomberg rates on the posting date.

Acquired intangible assets are shown at cost less straight-line amortisation or valued at the lower fair value. The option of capitalising internally produced intangible assets, as provided for by BilMoG, was waived.

Property plant and equipment are valued at acquisition or production cost. Property plant and equipment subject to wear and tear were depreciated in a straight-line at the rates for useful life or at the lower fair value. In the case of movable long-term assets, the tax law simplification rules with respect to the start of depreciation are applied in the form applicable at the time of acquisition. In accordance with section 6 (2a) of the German Income Tax Act (Einkommenssteuergesetz – EStG), low value assets with an acquisition or production costs of more than € 150 but not more than € 1.000 are pooled and depreciated on a scheduled basis over a period of five years.

Investments in affiliated companies and other equity investments under financial assets are reported at acquisition cost or at the lower fair value. Loans to affiliated companies and other loans are carried at their nominal values, where applicable adjusted for any unplanned write-downs in the case of likely long-term impairment. Securities are carried at the lower of cost or fair value on the balance sheet date where there is an indication of probable long-term impairment.

Receivables and other assets are generally carried at their nominal values. All recognisable risks are individually written down. General adjustments are made to reflect potential risks.

Provisions for pensions and other employee benefits were stated using the projected unit credit method on the basis of actuarial principles (previous year: as partial values pursuant to section 6a of the German Income Tax Act (EStG)) using the “2005 G mortality tables” of Prof. Klaus Heubeck modified by data collected between 2006 and 2008 by the Federal Statistics Office and the German Statutory Pension Fund (Deutsche Rentenversicherung). In the course of implementation of the German Accounting Law Modernisation Act in the year under review, actuarial assumptions were expanded and the German Federal Ministry of Finance introduced its 5.15% discount rate for an assumed 15-year residual term (previous year: market-oriented interest rate of 5.30%).

Actuarial assumptions		
	31 Dec. 2010	31 Dec. 2009
	%	%
Discount rate	5.15	5.30
Salary growth	3.50	-
Pension growth	1.75	-
Staff turnover rate	2.00[1]	-

Liabilities in respect of the employee-financed deferred compensation programme are calculated according to actuarial principles on the basis of defined benefit obligations (previous year: using present values to some extent due to tax regulations) while applying a 5.15% discount rate (previous year: market-oriented rate of 5.30%) and using the “2005 G mortality tables” of Prof. Klaus Heubeck modified by data collected between 2006 and 2008 by the Federal Statistics Office and the German Statutory Pension Fund (Deutsche Rentenversicherung).

The option of exercising the transitory provision as pursuant to article 67 (1) sentences 1 and 2 of the Introductory Law to the German Commercial Code (EGHGB) was waived.

In accordance with section 246 (2) sentence 2 (HGB), the settlement value of pension liabilities as at the balance sheet date was offset against the fair value of the assets, which are withdrawn from access of all creditors and serve exclusively to satisfy liabilities from pension plans or other

[1] Up to the age of 50, thereafter 0.00%

comparable long-time liabilities against employees ("Planvermögen"). The total cumulated historical costs of these assets amount to €74.4 million.

The plan assets, which equate to a 50.7% share in a special fund within the meaning of section 1 of the German Investment Act (InvG) in conjunction with section 2 (3) InvG, has a fair value of €68.9 million as at the balance sheet date and this corresponds to the market value within the meaning of section 36 InvG. The special investment fund is an investment fund (mixed fund) with statutory investment restrictions. Parts of the principal investment objective of the investment fund are the replication of the DJ STOXX 600 Europe and also a risk - based asset allocation with the aim on forecast free alpha generation. A withdrawal of €1.8 million was made in the year under review to cover current pension payments. Furthermore, €24.6 million was added to the special fund in the year under review. As these assets are protected from the claims of all creditors, they are not due at call.

All other provisions take appropriate account of all identifiable risks and contingent liabilities as at the balance sheet date and have been set aside in the amount of anticipated settlement expenses in accordance with prudent commercial judgement. The intrinsic value of the option was used as the basis for calculating the amount of the provisions for the stock option programmes. 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 measured in accordance with actuarial principles at settlement value (previous year: at partial value) for tax purposes, or at standard present value for early retirees. The projected unit credit method was used as the valuation method. The 5.15% discount rate (previous year: market rate of 5.30%) introduced by the German Federal Ministry of Finance was applied in the year under review. Prof. Klaus Heubeck's 2005 G mortality tables were used as the basis for calculation (with the adjustments described above).

With regard to all hedging relationships, Deutsche Börse AG exercises its option under section 254 (HGB) to disclose on its balance sheet only those relationships that are ineffective and give rise to a negative result (compensatory valuation/freezing method). In this case, a provision for expected losses is reported.

Deferred taxes derive from the difference between the value of assets, liabilities and prepayments/accruals as shown in the balance sheet and their assigned values in tax terms.

The resulting amounts in the form of tax benefits or liabilities were valued using the Company's own tax rates at the time the differences were resolved, and not discounted. As the deferred tax assets on the assets side of the balance sheet exceed those on the liabilities side, the Company exercised its right under section 274 (1) sentence 2 HGB not to disclose its deferred tax assets.

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

Notes to the balance sheet

Fixed assets

The change in fixed assets can be seen in the statement of changes in fixed assets. In the 2010 financial year, non-scheduled impairments on financial assets amounted to €784.6 million (previous year: €81.0 million). The reclassification of € 43.2 million (book value) shown in the statement of changes in non-current assets (Buchwert) reflects the offset of plan assets against the pension liability due to the first time adoption of BilMoG.

As at 31 December 2010, the carrying amount of loans to affiliated companies in connection with International Securities Exchange Holdings, Inc. (ISE) (notional value: US$2.1 billion) was €760.9 million (previous year: € 1,543.1 million). Due to the unsatisfactory business and financial development as well as a forecasted negative profitability of ISE for the future, Eurex Frankfurt AG was obliged to post a negative annual result that was offset against the profit-sharing rights issued, 85% of which are held by Deutsche Börse Aktiengesellschaft. This offset resulted in DBAG having to effect a non-scheduled impairment of €782.1 million (previous year: € 81.0 million) on the fair value of the profit-sharing rights. The profit-sharing right will participate fully in the losses of the issuer Eurex Frankfurt AG.

Shares in affiliated companies

As at 31 December 2010, DBAG held the following equity interests in affiliated companies:

Company	Domicile	Equity € Thousands[1)]	Net profit/loss in 2010 € Thousands	Equity interest direct (indirect)
Clearstream Holding AG	Germany	2,115,314	115,003[3)]	100.00%
Clearstream International S.A.	Luxembourg	798,633	180,503	(100.00%)
Clearstream Banking S.A.	Luxembourg	526,636	126,002	(100.00%)
Clearstream Banking Japan, Ltd.	Japan	JPY 18,431[2)]	JPY 6,447[2)]	(100.00%)
REGIS-TR S.A.	Luxembourg	3,587	(13)	(50.00%)
Clearstream Banking AG	Germany	233,879	77,790	(100.00%)
Clearstream Services S.A.	Luxembourg	43,743	8,613	(100.00%)
Clearstream Operations Prague s.r.o.	Czech Rep.	CZK 78,069[2)]	CZK 35,481[2)]	(100.00%)
LuxCSD S.A.	Luxembourg	5,995	(5)	(50.00%)

Company	Domicile	Equity € Thousands[1)]	Net profit/loss in 2010 € Thousands	Equity interest direct (indirect)
Deutsche Börse Systems AG	Germany	62,261	59,846	100.00%
Deutsche Boerse Systems Inc.	USA	USD 3,747[2)]	USD 440[2)]	(100.00%)
Deutsche Gesellschaft für Wertpapierabwicklung mbH	Germany	22	(10)	100.00%
Eurex Zürich AG	Switzerland	CHF 213,097[2)]	CHF 3,381[2)]	50.00%[4)]
Eurex Frankfurt AG	Germany	864,411	(148,399) [3)]	(50.00%)[4)]
Eurex Bonds GmbH	Germany	4,593	507	(39.72%)[5)]
Eurex Clearing AG	Germany	112,976	722[3)]	(50.00%)[4)]
Eurex Repo GmbH	Germany	550	5,638[3)]	(50.00%)[4)]
Eurex Services GmbH	Germany	1,182,469	(479,937)[3)]	(50.00%)[4)]
U.S. Exchange Holdings, Inc.	USA	USD 88,252[2)]	USD (918,689)[2)]	(50.00%)[4)]
International Securities Exchange Holdings, Inc.	USA	USD 1,771,888[2)]	USD (411,042)[2)]	(50.00%)[4)]
ETC Acquisition Corp.	USA	USD 2,931[2)]	USD 990[2)]	(50.00%)[4)]
International Securities Exchange, LLC	USA	USD 214,831[2)]	USD 59,870[2)]	(50.00%)[4)]
Longitude LLC	USA	USD 78[2)]	USD (258)[2)]	(50.00%)[4)]
Finnovation S.A.	Luxembourg	49,539	(2,545)	100.00%
Infobolsa S.A.	Spain	11,592	301	50.00%
Difubolsa, Serviços de Difusão e Informaçao de Bolsa, S.A.	Portugal	105	66	(50.00%)
Infobolsa Deutschland GmbH	Germany	1,171	46	(50.00%)
Market News International Inc.	USA	USD 15,015[2)]	USD (479)[2)]	100.00%

Company	Domicile	Equity € Thousands[1)]	Net profit/loss in 2010 € Thousands	Equity interest direct (indirect)
Need to Know News, LLC	USA	USD 4,484[2)]	USD 337[2)]	(100.00%)
Risk Transfer Re S.A.	Luxembourg	1,225	0	100.00%
STOXX Ltd.	Switzerland	CHF 87,678[2)]	CHF 13,564[2)]	50.10%
Tradegate Exchange GmbH	Germany	573	72	75.00%
Xlaunch GmbH	Germany	713	(12)	100.00%
Deutsche Börse Services s.r.o.	Czech Republic	CZK 15,692[2)]	CZK 17,352[2)]	(100.00%)

1) Includes capital reserves and retained earnings, accumulated gains or losses, and net profit or loss for the year and, if necessary, further components in line with the respective local GAAP
2) In thousands
3) Before profit transfer or loss absorption
4) Beneficial interest in profit or loss: 85 percent
5) Beneficial interest in profit or loss: 67.52 percent

On 8 January 2010, Deutsche Börse AG acquired a 75% interest in Tradegate Exchange GmbH, Berlin, Germany, for a purchase price of €0.4 million.

On 1 July 2010, Avox Ltd., Wrexham, UK, a subsidiary which was previously fully included in the consolidated financial statements and in which Deutsche Börse AG had a 76.82% interest, was sold for €11.3 million.

On 21 July 2010, Clearstream International S.A., Luxembourg, and Banque Centrale du Luxembourg founded LuxCSD S.A., Luxembourg, in which Clearstream International S.A. has a 50% interest.

On 9 December 2010, Clearstream Banking S.A., Luxembourg, and Sociedad de Géstion de los Sistemas de Registro, Compensación y Liquidación de Valores S.A.U. Madrid, Spain, founded REGIS-TR S.A., Luxembourg, in which Clearstream Banking S.A. has a 50% interest.

Investments

As at 31 December 2010, DBAG held direct or indirect investments (more than 20%) in the following:

Company	Domicile	Equity € Thousands[1)]	Net profit/loss in 2010 € Thousands[1)]	Equity interest direct (indirect)
Scoach Holding S.A. [2)]	Luxembourg	21,862	7,456	50.01%
Indexium AG	Switzerland	CHF 940[3)]	CHF 660[3)]	49.90%
Phineo gAG	Germany	1,279	730	25.00%
Link-Up Capital Markets, S.L.	Spain	6,835	(2,739)	(26.27%)

1) Preliminary figures
2) Sub-group figures
3) in Thousands

On 19 August 2010, Eurex Frankfurt AG, Frankfurt am Main, Germany, sold its 66% interest in BSP Regional Energy Exchange LLC, Ljubljana, Slowenia for a symbolical sale price.

On 31. January 2010, Infobolsa S.A., Madrid, Spanien, aquired a 62% interest in Open Finance S.L., Valencia, Spanien, for a purchase price of €3.5 million.

As at 31 December 2010, Deutsche Börse AG held voting rights in excess of 5% in the following companies:

Company	Domicile	Equity € Thousands[1)]	Net profit/loss in 2010 € Thousands[1)]	Equity interest direct (indirect)
Deutsche Börse Commodities GmbH	Germany	1,745	816	16.20%
European Energy Exchange AG[2)]	Germany	57,627	16,408	(17.62%)
Direct Edge Holdings, LLC	USA	USD 233,183[3)]	USD 24,630[3)]	(15.77%)
The Options Clearing Corporation	USA	USD 16,229[3)]	USD (1,061)[3)]	(10.00%)
ID´s SAS	France	1,493	(23)	9.50%
Tradegate AG Wertpapierhandelsbank	Germany	33,660	4,368	5.00%
BrainTrade Gesellschaft für Börsensystem mbH	Germany	2,173	773	14.29%

1) Preliminary figures
2) Sub-group figures
3) in Thousands

On 8 January 2010, Deutsche Börse AG paid €2.5 million for a 5% interest in Tradegate AG Wertpapierhandelsbank, Berlin, Germany, which, in turn, has a 25% interest in the fully consolidated Tradegate Exchange GmbH, Berlin, Germany.

On 4 November 2010, Deutsche Börse AG acquired a 9.5% interest in ID's S.A.S., Paris, France, for a purchase price of €1.9 million.

U.S. Futures Exchange LLC, Chicago, USA, which was previously included in the consolidated financial statements according to the equity method and in which US Exchange Holdings, Inc., Chicago, USA had a 27.71% interest, was liquidated with effect from 31 December 2010.

Receivables from affiliated companies

This item comprises trade receivables from affiliated companies totalling €9.5 million (previous year: €8.8 million) and other assets of €168.9 million (previous year: €19.5 million). €115,0 million of other assets is a result of a profit transfer agreement with Clearstream Holding AG.

Receivables from companies in which the company has a participating interest

This item comprises trade receivables from companies in which a participating interest is held totalling €3.0 million (previous year: €3.3 million) and other assets of €0.0 million (previous year: €0.1 million).

Information of financial instruments and hedging business pursuant to section 285 no. 19 and no. 23 of the German Commercial Code (HGB)

On the balance sheet date, the Company was involved in transactions in the following derivative financial instruments; the financial instruments are designated within the framework of hedging relationships:

Risk		Underlying transaction		Hedging instrument		Type of hedge	Prospective effectiveness
Variable	Type	Type	Amount in thousands	Risk	Amount in thousands		
Currency	Expected USD payment	USD forward purchase (August 2011)	USD 51,000	USD forward sale	USD10,000	Micro cash flow hedge (August 2011)	Term and currency congruence
Currency	Expected USD payment	USD forward purchase (December 2011)	USD 51,000	USD forward sale	USD 10,000	Micro cash flow hedge (December 2011)	Term and currency congruence
Currency	Expected USD payment	Forward foreign exchange transaction USD-GBP	USD 3,930	Forward foreign exchange transaction GBP-USD	USD 3,930	Micro cash flow hedge (September 2011)	Term, currency and volume congruence
Interest rate	Cash flows of planned long-term debt instruments	Future issue of fixed-interest debt in-struments	EUR 300.000	Swaption and forward swap	EUR 300,000	Micro cash flow hedge on an expected transaction (April 2018)	Term, currency and volume congruence

Deutsche Börse AG purchased USD 51 million (previous year: USD 51 million) in exchange for Euro in each of two forward foreign exchange transactions and sold USD 10 million (previous year: USD 20 million) in exchange for Euro in each of two further forward foreign exchange transactions. This transaction formed accounting units of €10 million each (previous year: €20 million). The US dollar purchase transaction revealed a positive market value of €1.8 million (previous year: €1.6 million), the US dollar sale transactions a negative market value of €0.4 million (previous year: €0.6 million).

In addition, two forward foreign exchange transactions (USD in exchange for GBP) with a notional amount of USD 3,930 thousand had been concluded at the balance sheet date and these constitute a hedging relationship via-à-vis one another. Deutsche Börse buys and sells USD in exchange for GBP at identical conditions, which means that the two transactions balance each other out. As at 31 December 2010, the US dollar purchase transaction revealed a positive market value of €0.5 million (previous year: €0.8 million), the US dollar sale transaction a negative market value of €0.5 million (previous year: €0.8 million).

During the 2010 financial year, in order to hedge against interest-rate risk in connection with planned issues of long-term debt instruments, Deutsche Börse AG concluded a swaption and a forward interest swap each with a notional value of € 150 million and maturing in 2018. If the swaption is exercised in 2013, DBAG will become the fixed-interest payer in both interest rate derivatives. Along with the high-probability transaction (issue of a debt instrument), the two derivatives constitute a hedge within the meaning of section 254 HGB. As at 31 December 2010, the market prices of the swaption and the swap were €5,383.2 and €5,180.5 thousand, respectively.

Prepayments and accrued income

This item comprises discounts for bonds issued pursuant to section 250 (3) of the German Commercial Code (HGB) in the amount of €3.7 million (previous year: €5.4 million).

Deferred tax assets

In the previous year, deferred tax assets of €2.1 million were established to cover differences between the commercial and tax balance sheets in the valuation of provisions for pensions and similar liabilities and restructuring provisions. As DBAG did not make use of the disclosure option for deferred tax assets, this item was offset against the Company’s retained earnings with no impact on profit or loss.

Shareholders’ Equity

The subscribed capital amounts to €195.0 million. It is divided into 195,000,000 registered no-par-value shares.

The 9,057,199 treasury shares in the portfolio at year-end (previous year: 9,077,310 shares), which constitutes 4.6% of the share capital, are earmarked for retirement. In the 2010 financial year, 20,131 shares were sold for a total of € 1.3 million and 20 shares were purchased for the sum of € 0.0 million. At the end of the year, the portfolio contained shares in the value of €586.9 million.

Subject to the agreement of the Supervisory Board, the Executive Board is entitled to increase the subscribed share capital by the following amounts:

	Amount in €	Date of authorisation by shareholders	Expiry date	Existing shareholders' pre-emptive rights may be disapplied for fractioning and/or may be disapplied if the share issue is:
Authorised share capital I	5,200,000	24 May 2006	23 May 2011	- against non-cash contributions for the purpose of acquiring companies, parts of companies, or interests in companies or other assets.
Authorised share capital II	27,800,000	27 May 2010	26 May 2015	- for cash at an issue price not significantly lower than the stock exchange price up to a maximum amount of 10% of the share capital. - to employees of the Company or affiliated companies within the meaning of section 15 et seq. of the German Stock Corporation Act (AktG), with minimum pro rata amount of of the nominal capital of €3 million. - against non-cash contributions for the purpose of acquiring companies, parts of companies, interests in companies or other assets.
Authorised share capital III	19,500,000	27 May 2010	26 May 2015	- n.a.
Authorised share capital IV	6,000,000	11 May 2007	10 May 2012	- to Executive Board members and employees of the Company, as well as to the executive boards, management and employees of affiliated companies within the meaning of section 15 et seq. of the German Stock Corporation Act (AktG), with no more than 900,00 new shares to be issued per financial year.

In addition to authorised share capital I, II, III and IV, the Company has contingent capital I, which allows it to issue up to 6,000,000 new shares to settle stock options under the Group Share Plan.

The Company's capital reserve and retained earnings developed as follows:

	€ millions	€ millions
Capital reserve		
Carried forward as at 1 January 2010	1,284.3	
Addition	0.0	
Withdrawal	0.0	
Position as at 31 December 2010		1,284.3
Retained earnings		
Other profit reserves		
Carried forward as at 1 January 2010	315.6	
Addition from previous year's unappropriated surplus	9.5	
Addition from net profit for 2010	0.0	
Withdrawal for appropriation in net income for the year	-121.2	
Other withdrawal	-1.2	
Position as at 31 December 2010		202.7

Pursuant to Article 268 (8) of the German Commercial Code (HGB), no dividend payment constraint was in force as at 31 December 2010.

Provisions for pensions and other employee benefits

Excess of plan assets over pension obligations according to Art. 246 (2) sentence 2 of the German Commercial Code HGB)	
	€ millions
Settlement amount of pension obligations	91.7
Fair value of plan assets	-68.9
Provisions for pensions and other employee benefits	**22.8**

Reconciliation of profit and loss	
	€ millions
Cost of pension obligations	8.5
Net expense stated under staff costs	**8.5**
Interest cost of pension obligations	4.0
Income from trust assets	-3.0
Net expense stated under financial result	**1.0**

Other provisions

Other provisions amounted to €114.2 million (previous year: €78.8 million) and are broken down as follows:

	€ millions
Interests on external tax audits	26.9
Provisions for 2010 restructuring programme	23.7
Phantom stock option plan, Stock Bonus Plan and Group Share Plan	12.8
Anticipated losses from rentals and restorations	12.0
Pension obligations to IHK (Chamber of Commerce) arising from the transition agreement	9.2
Variable remuneration	8.4
Outstanding invoices	8.3
Other personnel provisions	4.4
Supervisory Board remuneration	2.0
Severance payments	1.3
Provisions for the 2007 restructuring programme	0.9
Other provisions	4.3
	114.2

Liabilities

The breakdown of liabilities is shown below. No rights of lien or similar have been granted for liabilities.

Figures in € millions	Total	Of which less than 1 year	Of which 1 – 5 years	Of which > 5 years
Bonds (previous year)	1,451.8 (1,615.1)	0.0 (99.9)	1,234.4 (1,515.2)	217.4 (0.0
Payables to credit institutions	19.6 (0.0)	19.6 (0.0)	0.0 (0.0)	0.0 (0.0)
Trade payables (previous year)	14.5 (10.7)	14.5 (10.7)	0.0 (0.0)	0.0 (0.0)
Amounts owed to affiliated companies (previous year)	344.6 (189.7)	344.6 (189.7)	0.0 (0.0)	0.0 (0.0)
- of which trade payables (previous year)	40.8 (78.8)	40.8 (78.8)	0.0 (0.0)	0.0 (0.0)
- of which other liabilities (previous year)	303.8 (110.9)	303.8 (110.9)	0.0 (0.0)	0.0 (0.0)
Amounts owed to companies in which the company has a participating interest (previous year)	4.3 (9.0)	4.3 (9.0)	0.0 (0.0)	0.0 (0.0)
- of which trade payables (previous year)	0.9 (0.9)	0.9 (0.9)	0.0 (0.0)	0.0 (0.0)
- of which other liabilities (previous year)	3.4 (8.1)	3.4 (8.1)	0.0 (0.0)	0.0 (0.0)
Other liabilities	59.2 (59.5)	59.2 (59.5)	0.0 (0.0)	0.0 (0.0)
- of which tax (previous year)	10.2 (7.8)	10.2 (7.8)	0.0 (0.0)	0.0 (0.0)
- of which social security-related (previous year)	0.2 (0.2)	0.2 (0.2)	0.0 (0.0)	0.0 (0.0)
Total liabilities (previous year)	1,894.0 (1,884.0)	442.2 (368.8)	1.234.4 (1.515.2)	217.4 0.0)

Disclosures and notes to the income statement

Sales revenue

Sales revenue of €1,056.6 million (previous year: €975.8 million) breaks down into €654.3 million (previous year: €595.4 million) generated by the electronic derivatives market trading platform Eurex, €221.4 million (previous year: €205.1 million) by the electronic trading system Xetra for the cash market, floor trading and central counterparty for equities, and €180.9 million (previous year: €175.3 million) generated by price marketing, the sale and distribution of information, index development and sales.

Other operating income

Other operating income amounts to €597.4 million (previous year: €196.5 million) and relates mainly to income from the disposal of equity investments (€449.1 million; previous year: €0.9 million). The transfer of 49% of the shares in Clearstream International S.A. to Clearstream Holding AG at the higher fiscal book value (amount of €1,263.0 million) generated income of €444.2 million. In addition, sale of the shares in Avox Ltd. realised €4.9 million income.

This item also includes income from services provided to affiliated companies (€113.9 million; previous year: €141.5 million), and income not related to the accounting period resulting from the reversal of provisions (€11 million; previous year: €6.9 million). The item also comprises income not related to the accounting period resulting from specific valuation allowances for past receivables (€1.2 million; previous year: €0.4 million) and rental income (€1.0 million; previous year: €1.9 million). Currency valuation income results from price differences (€16.8 million; previous year: €13.2 million).

Other operating expenses

Other operating expenses amounted to €557.2 million (previous year: €543.3 million) and relate mainly to costs for IT services (€200.8 million; previous year: €180.5 million), agency agreements with affiliated companies (€163.1 million; previous year: €179.5 million), premises expenses (€43.7 million; previous year: €57.8 million), legal and advisory costs (€33.3 million; previous year: €37.4 million), price marketing expenses (€12.2 million; previous year: €16.3 million), non-deductible input taxes (€9.8 million; previous year: €7.0 million), Xontro settlement costs (€8.8 million; previous year: €8.5 million), costs for advertising and marketing (€8.0 million; previous year: €8.5 million), and central counterparty expenses (€6.0 million; previous year: €7.1 million). Other operating expenses from currency translation shown in the profit and loss account include losses from foreign currency valuation from USD financing (€25.6 million; previous year: none) as well as differences in foreign exchange (€11,0 million; previous year: €4,7 million).

Extraordinary income

Extraordinary income amounts to €0.1 million (previous year: €0 million) and mainly comprises income from the adjustment of provisions for contingent losses on buildings in the context of the German Accounting Law Modernisation Act.

Extraordinary expenses

Extraordinary expenses amounted to €12.0 million (previous year: €0 million) and are the result of adjustments to provisions for staff expenses, notably pension provisions and provisions for deferred compensation and provisions for IHK contributions in the context of the German Accounting Law Modernisation Act.

Auditor fees

Disclosures pertaining to auditor fees are explained in the notes to the Group consolidated financial statements of Deutsche Börse Aktiengesellschaft in accordance with section 285 no. 17 HGB.

Other financial obligations

Other financial obligations include rental, leasing and maintenance, insurance and other agreements.

The obligations arising from rental, leasing and maintenance agreements (€54.4 million; previous year: €41.2 million) relate in 2011 mainly to long-term agreements for renting business premises in the amount of €28.4 million (previous year: €25.9 million). The remaining obligations amounting to €26.0 million (previous year: €15.3 million) essentially comprise maintenance agreements for buildings (€9.8 million; previous year: €7.7 million), a software maintenance agreement (€6.7 million; previous year: €6.7 million), and maintenance services for the user helpdesk (€3.3 million; previous year: €3.3 million). In the financial years as from 2012, costs of €296.4 million will likely be incurred from these agreements.

Obligations arising from insurance (€2.5 million; previous year: €2.9 million) comprise general covers amounting to €2.2 million (previous year: €2.6 million) together with an annual payment of €0.3 million (previous year: €0.3 million) for financial loss liability insurance.

In the 2010 financial year, other obligations arose from agency agreements with Eurex Frankfurt AG totalling €120.0 million (previous year: €123.8 million) and Eurex Clearing AG totalling €34.1 million (previous year: €37.9 million). Deutsche Börse AG predicts that future figures for the obligations arising from the agency agreements with Eurex Frankfurt AG and Eurex Clearing AG will not depart greatly from the 2010 figures. Obligations amounting to €218.9 million (previous year: €197.6 million) also arise from agency agreements with Deutsche Börse Systems AG. In the case of this agreement, €96.5 million (previous year: €63.3 million) is attributable to application development, €108.2 million (previous year: €120.1 million) to data centre services, and €14.2 million (previous year: €14.2 million) to other agency service agreements. Due to the planned merger of Deutsche Börse Systems AG to Deutsche Börse AG these obligations won't arise in the future any more. The obligations towards Deutsche Börse Systems AG, Eurex Frankfurt AG and Eurex Clearing AG are obligations towards affiliated companies.

The Company has issued Eurex Clearing AG with a comfort letter, according to which it undertakes to provide Eurex Clearing AG with 85% of the funds required by Eurex Clearing AG to meet its obligations in its capacity as central counterparty for the clearing of securities traded on the Frankfurt Stock Exchange (FWB), of futures contracts traded on the Eurex in Germany and Zurich, of contracts traded via the Eurex Bond system, and of genuine repurchase transactions traded via the Eurex Repo system in accordance with section 340 (1) and (2) of the HGB. Deutsche Börse AG's obligation arising from the comfort letter is limited to €595.0 million.

In addition, the Company has provided Clearstream Banking AG with an unlimited formal obligation pursuant to section. 5 (10) of the statute of the German Deposit Protection Fund, according to which Deutsche Börse AG is obliged to release the Federal Association of German Banks (Bundesverband deutscher Banken e.V.) from all losses.

Deutsche Börse AG has concluded an investment protection agreement with SIX Swiss Exchange AG in respect of its indirect stake in International Securities Exchange Holdings Inc. and in respect of other interests held by the latter (referred to generally in the following as "ISE Group"). If SIX Swiss Exchange AG reduces its indirect share in the profits of ISE Group companies, the agreement obligates Deutsche Börse AG to make a compensatory payment to SIX Swiss Exchange AG.

In connection with the cooperation agreement between SIX Swiss Exchange AG and Deutsche Börse AG with regard to both parties' participation in Scoach Holding S.A., Deutsche Börse AG has the right and the obligation to retain Scoach Holding S.A. as sole shareholder if notice is served to terminate the cooperation agreement. This obligation results in a contingent liability on the part of Deutsche Börse AG vis-à-vis SIX Swiss Exchange AG to acquire the shares held by SIX Swiss Exchange AG in Scoach Holding S.A. without fair value being measured. In return, SIX Swiss Exchange AG has the right and the obligation to acquire the shares held by Scoach Holding S.A. in Scoach Schweiz AG. However, Deutsche Börse AG (or, alternatively, SIX Swiss Exchange AG) has to make a compensation payment only if the net financial liabilities and assets surplus to business requirements of Scoach Schweiz AG, which is allocated to SIX Group, and of Scoach Holding S.A. and Scoach Europa AG, which are allocated to Deutsche Börse Group, are not of equal value.

In connection with the acquisition of an additional 16.77% share in Stoxx Ltd., an earnout component was included in the purchase price, according to which the parties to the acquisition, Deutsche Börse AG and SIX Group AG, are obliged to make a payment not exceeding €29 million to Dow Jones & Company, Inc. The actual size of the agreed earnout component is geared to the sales revenue generated by STOXX in the 2010 financial year.

Provisions for deferred compensation plans were carried in the balance sheets of the individual subsidiaries on an employee-related basis. However, as Deutsche Börse AG is the pension obligor vis-à-vis participating employees, it has a contingent liability in the amount of the provisions established by the individual subsidiaries of €22.3 million (previous year: €19.5 million).

Other disclosures

Supervisory Board

The members of the Supervisory Board are:

Dr Manfred Gentz Chairman	Chairman of the Board of Directors Zurich Financial Services, Zurich President of the International Chamber of Commerce (ICC) Germany, Berlin Member of the Executive Boards ICC, Paris
Gerhard Roggemann Vice Chairman	Vice Chairman Hawkpoint Partners Europe, London
Supervisory Board appointments	GP Günter Papenburg AG, Schwarmstedt (Chairman) Deutsche Beteiligungs AG, Frankfurt (since 24 March 2010)
Other appointments	F&C Asset Management plc., Edinburgh (Member of the Board of Directors) Friends Provident Group plc., Dorking (Member of the Board of Directors) Friends Provident Holdings (UK) Limited, London (Member of the Board of Directors) Resolution Limited, Guernsey (Member of the Board of Directors)
Herbert Bayer	Trade Union Secretary ver.di, Department 1 Financial Services district Frankfurt/Main and region, Frankfurt/ Main
Supervisory Board appointments	dwpbank - Deutsche WertpapierService Bank AG, Frankfurt/Main
Richard Berliand	Managing Director J.P. Morgan Securities Ltd., London

Other appointments	J.P. Morgan Cazenove Ltd., London (Non-Executive Director, until 31 July 2010) J.P. Morgan Clearing Corp., New York (Member of the Board of Directors, until 31 July 2010) London Wine Agencies, London (Director)
Birgit Bokel	Staff member in the Facility Management section Deutsche Börse AG, Frankfurt/Main (retired since 1 Sep. 2010)
Dr Joachim Faber	Member of the Executive Board, Allianz SE, Munich CEO, Allianz Global Investors AG, Munich
Supervisory Board appointments	Allianz Global Investors Kapitalanlagegesellschaft mbH, Frankfurt/Main, (Chairman) Cominvest Asset Management GmbH, Frankfurt/Main (Chairman, until 14 June 2010)
Other appointments	Allianz Global Investors Deutschland GmbH, Munich (Chairman) Allianz Gobal Investors Italia SGR S.p.A. Milan (Chairman of the Board of Directors, until 30 April 2010) Allianz S.p.A., Trieste (Member of the Board of Directors) Allianz France, Paris (Member of the Board of Directors)
Hans-Peter Gabe	Staff member in the HR Policies & Corporate Training section Deutsche Börse AG, Frankfurt/Main
Richard M. Hayden	Non Executive Chairman, Haymarket Financial LLP, London Senior Advisor, TowerBrook Capital Partners L.P., London
Other appointments	GSC Investment Corp., New York (Chairman of the Board of Directors, until 31 July 2010)
Craig Heimark	Managing Partner, Hawthorne Group LLC, Palo Alto
Other appointments	Avistar Communications Corporation, Redwood Shores (Member of the Board of Directors)
Dr Konrad Hummler	Managing Partner Wegelin & Co. Private Bankers, St. Gallen

Other appointments	AG für die Neue Zürcher Zeitung, Zurich (Member of the Board of Directors) BrainsToVentures AG, St. Gallen (Chairman of the Board of Directors) Bühler AG, Uzwil (Member of the Board of Directors, since 21 July 2010) Christian Fischbacher Co. AG, St. Gallen (Member of the Board of Directors) Christian Fischbacher Holding AG, St. Gallen (Member of the Board of Directors) Credit Europe Bank S.A., Geneva (Vice Chairman of the Board of Directors) Gerlan Finanz AG, Zollikon (Member of the Board of Directors) Habib Bank AG Zurich, Zurich (Member of the Board of Directors) Private Client Bank AG, Zurich (Member of the Board of Directors) SNB Schweizerische Nationalbank, Zurich and Bern (Member of the Bank Council) Telsonic AG, Bronschhofen (Chairman of the Board of Directors)
David Krell	Chairman of the Board of Directors International Securities Exchange, LLC, New York
Hermann-Josef Lamberti	Member of the Executive Board, Deutsche Bank AG, Frankfurt/Main
Supervisory Board appointments	BVV Pensionsfonds des Bankgewerbes AG, Berlin BVV Versicherungsverein des Bankgewerbes a.G., Berlin Carl Zeiss AG, Oberkochen Deutsche Bank Privat- und Geschäftskunden AG, Frankfurt/Main (Chairman)
Other appointments	BVV Versorgungskasse des Bankgewerbes e.V., Berlin (Member of the Supervisory Board) European Aeronautic Defence and Space Company EADS N.V., Schiphol-Rijk, (Member of the Board of Directors)

Friedrich Merz	Lawyer Mayer Brown LLP, Berlin
Supervisory Board appointments	AXA Konzern AG, Cologne BVB Borussia Dortmund AGaA, Dortmund (since 30 Nov. 2010) DBV-Winterthur Holding AG, Wiesbaden (until 9.Sep. 2010) HSBC Trinkaus & Burkhardt AG, Dusseldorf (since 8 June 2010) IVG Immobilien AG, Bonn (until 20 May 2010) WEPA Industrieholding SE, Arnsberg (Chairman)
Other appointments	BASF Antwerpen N.V., Antwerpen (Member of the Administrative Board) Stadler Rail AG, Bussnang (Member of the Board of Directors)
Thomas Neiße	Chief Executive Officer Deka Investment GmbH, Frankfurt/Main
Roland Prantl	Staff member in the Configuration Management & Quality Assurance section Deutsche Börse Systems AG, Frankfurt/Main
Dr Erhard Schipporeit	Management Consultant, Hanover
Supervisory Board appointments	Fuchs Petrolub AG, Mannheim Hannover Rückversicherung AG, Hanover SAP AG, Walldorf Talanx AG, Hanover
Other appointments	Fidelity Advisor World Funds Limited, Bermuda (Member of the Board of Directors, until 30 Sep. 2010) Fidelity Funds (société d’investissement à capital variable), Luxembourg (Member of the Board of Directors) TUI Travel plc., London (Member of the Board of Directors)

Norfried Stumpf	Staff member in the New Issues & Securities Deposit Fra. section Clearstream Banking AG, Frankfurt/Main
Supervisory Board appointments	Clearstream Banking AG, Frankfurt/Main
Johannes Witt	Staff member in the Consolidation & Accounting Frankfurt Section Deutsche Börse AG, Frankfurt/Main

The members of the Supervisory Board received remuneration in the financial year of €1.8 million.

The Supervisory Board has established the following committees:

Audit and Finance Committee
Dr Erhard Schipporeit (Chairman)
Friedrich Merz
Thomas Neiße
Johannes Witt

Personnel Committee
Dr Manfred Gentz (Chairman)
Hans-Peter Gabe
Richard M. Hayden
Gerhard Roggemann

Strategy Committee
Dr Manfred Gentz (Chairman)
Herbert Bayer
Birgit Bokel
Richard M. Hayden
Friedrich Merz
Gerhard Roggemann

Technology Committee
Craig Heimark (Chairman)
Richard Berliand
David Krell
Roland Prantl

Clearing and Settlement Committee

Dr. Konrad Hummler (Chairman)
Dr. Joachim Faber
Thomas Neiße
Norfried Stumpf

Nomination Committee

Dr. Manfred Gentz (Chairman)
Richard M. Hayden
Gerhard Roggemann

Executive Board

The members of the Executive Board are:

Reto Francioni Prof., Dr jur.	Chief Executive Officer
Supervisory Board appointments	Clearstream Holding AG (Chairman) Deutsche Börse Systems AG (Chairman) Eurex Clearing AG (Deputy Chairman) Eurex Frankfurt AG (Deputy Chairman)
Other appointments	Clearstream International S.A. (Chairman of the Board of Directors) Eurex Zürich AG (Deputy Chairman of the Board of Directors)
Andreas Preuß University Degree in Economics (Diplom-Kaufmann)	Member of the Executive Board and Deputy Chief Executive Officer responsible for the Derivatives & Market Data Division Member of the Executive Board, Clearstream Holding AG (until 17 June 2010) Chief Executive Officer, Eurex Clearing AG Chief Executive Officer, Eurex Frankfurt AG Chief Executive Officer, Eurex Zürich AG Member of the Management Board, Eurex Deutschland Member of the Management Board, Eurex Services GmbH
Supervisory Board appointments	Clearstream Holding AG (Vice Chairman, since 17 Aug. 2010)

	Phineo gAG, Berlin (Deputy Chairman, until 10 Aug. 2010)
Other appointments	Bombay Stock Exchange Limited (Member of the Board of Directors, Shareholder Director, since 30 March 2010) International Securities Exchange, LLC (Member of the Board of Directors until 15 June 2010, Shareholder Director, since 16 June 2010) International Securities Exchange Holdings, Inc. (Member of the Board of Directors until 15 June 2010, Vice Chairman of the Board of Directors, since 16 June 2010) U.S. Futures Exchange LLC (Member of the Board of Directors until 31.12.2010)
Frank Gerstenschläger University Degree in Economics, Business Administration and Engineering Dipl.-Wirtschaftsingenieur	Member of the Executive Board, responsible for the Xetra Division Chairman of the Management Board, Frankfurter Wertpapierbörse
Supervisory Board appointments	Clearstream Banking AG Clearstream Holding AG (until 17 Aug. 2010) Deutsche Börse Systems AG
Other appointments	Clearstream International S.A. (Member of the Board of Directors, since 15 Nov. 2010) Scoach Holding S.A. (Member of the Board of Directors)
Michael Kuhn Dr.-Ing.	Member of the Executive Board, Chief Information Officer responsible for the Information Technology Division Chief Executive Officer, Deutsche Börse Systems AG Member of the Executive Board, Clearstream Holding AG (until 16 Aug. 2010)
Supervisory Board appointments	Eurex Clearing AG Eurex Frankfurt AG
Other appointments	Clearstream Services S.A. (Member of the Board of Directors)

	Deutsche Börse Systems Inc. (Member of the Board of Directors) Eurex Zürich AG (Member of the Board of Directors) International Securities Exchange LLC (Member of the Board of Directors)
Gregor Pottmeyer University Degree in Economics Dipl.-Kaufmann	Member of the Executive Board, Chief Financial Officer
Supervisory Board appointments	Clearstream Holding AG (since 17 Aug. 2010) Eurex Clearing AG Eurex Frankfurt AG
Other appointments	Clearstream International S.A. (Member of the Board of Directors) Eurex Zürich AG (Member of the Board of Directors)
Jeffrey Tessler MBA	Member of the Executive Board, responsible for the Clearstream Division Chief Executive Officer, Clearstream Banking S.A. Chief Executive Officer, Clearstream International S.A. Chief Executive Officer, Clearstream Holding AG
Supervisory Board appointments	Clearstream Banking AG (Chairman) Deutsche Börse Systems AG (Deputy Chairman)
Other appointments	Clearstream Banking S.A. (Chairman of the Board of Directors) Clearstream International S.A. (Deputy Chairman of the Board of Directors) Clearstream Services S.A. (Chairman of the Board of Directors)

Executive Board

The total remuneration of the members of the Executive Board in 2010 was €8.9 million. This includes share-based remuneration of €2.1 million. The shares were valued at their market value on the balance sheet date. The number of shares of 40,400 is based on a share price of €51.01 for Deutsche Börse AG, which was the average price of the share during the first two months of the 2010 financial year.

Remuneration paid to former Executive Board members or their dependants in 2010 was €1.3 million (previous year: €1.3 million). There are provisions of €31.5 million (previous year: €23.5 million) for pension obligations to former Executive Board members and their dependants.

For further explanation regarding remuneration we refer to the management report of Deutsche Börse AG.

Staff

The average number of staff employed in 2010 was 559 (previous year: 576). As at 31 December 2010, 545 staff (previous year: 579) were employed by Deutsche Börse AG. Of these 545 staff, 8 had temporary contracts of employment and 86 were part-time staff. 22 staff members were on maternity or parental leave or were granted leave as recipients of parental benefit. Taking into account part-time staff, the average full-time equivalent staffing for the year was 490 (previous year: 515).

Inter-company agreements

On 28 March 2008 effective from 1 January 2009 Deutsche Börse AG signed a control agreement with Deutsche Börse Systems AG, During the duration of the agreement, which has an indefinite period, Deutsche Börse AG is now obliged pursuant to section 302 of the German Stock Corporation Act to take over all realised losses from Deutsche Börse Systems.

Due to the profit transfer agreement in force between Clearstream Holding AG (formerly Deutsche Börse Dienstleistungs AG) and Deutsche Börse AG since 4 March 2008, Clearstream Holding AG is now obliged to transfer its entire net profit, 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 of the German Stock Corporation Act (AktG), to Deutsche Börse AG. At the same time, Deutsche Börse AG undertakes to absorb any net loss for the year posted by Clearstream Holding AG during the term of the agreement unless such loss is being offset by withdrawals from the other retained earnings built up during the term of the agreement.

On 2 March 2010, Deutsche Börse AG signed a control agreement with Clearstream Banking Aktiengesellschaft according to which Clearstream Banking Aktiengesellschaft ceded management control to Deutsche Börse AG and Deutsche Börse AG is entitled to instruct the Executive Board of Clearstream Banking Aktiengesellschaft in the management of the company.

Group membership

DBAG draws up consolidated financial statements. The consolidated financial statements are published in the electronic federal gazette (*Bundesanzeiger*) and can be inspected at our business premises.

On 30 September 2008, Deutsche Börse AG, Frankfurt/Main, Germany published a statement in accordance with section 26 (1) no. 2 of the German Securities Trading Act (WpHG) according to which its portfolio of treasury shares of Deutsche Börse AG had exceeded the threshold of 3% of the voting rights on 26 September 2008 and amounted to 3.05% at that date (5,950,653 voting rights).

BlackRock, Inc., New York, USA, notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of voting rights in Deutsche Börse AG had fallen below the threshold of 5 percent on 18 February 2011, and amounted to 4.99 percent (9,7124,997 voting rights) at that date. All voting rights are attributable to the company in accordance with section 22 (1) sentence 1 no. 6 in conjunction with section 22 (1) sentence 2 of the WpHG.

Previously, BlackRock, Inc., New York, USA, notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of voting rights in Deutsche Börse AG had exceeded the threshold of 5 percent on 2 February 2011, and had amounted to 5.02 percent (9,785,949 voting rights) at that date. All voting rights were attributable to the company in accordance with section 22 (1) sentence 1 no. 6 in conjunction with section 22 (1) sentence 2 of the WpHG at that date.

Franklin Mutual Advisers, LLC, Short Hill, USA, notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of Deutsche Börse AG’s voting rights exceeded the threshold of 3 percent on 25 June 2009 and its share of voting rights amounted to 3.01 percent (5,871,225 voting rights) at that date. All voting rights are attributable to Franklin Mutual Advisers, LLC in accordance with section 22 (1) sentence 1 no. 6 of the WpHG.

Sun Life of Canada (U.S.) Financial Services Holdings, Inc., Boston, USA, Sun Life Financial (U.S.) Investments LLC, Wellesley Hills, USA, Sun Life Financial (U.S.) Holdings, Inc., Wellesley Hills, USA, and Sun Life Assurance Company of Canada – U.S. Operations Holdings, Inc., Wellesley Hills, USA, notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that their share of Deutsche Börse AG’s voting rights exceeded the threshold of 3 percent on 8 September 2009 and their share of voting rights amounted to 3.07 percent (5,990,617 voting rights) at that date. The voting rights of the companies named in this paragraph are attributable to all companies in accordance with section 22 (1) sentence 1 no. 6 in conjunction with section 22 (1) sentence 2 of the WpHG.

Sun Life Global Investment Inc., Toronto, Canada, notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of Deutsche Börse AG’s voting rights exceeded the threshold of 3 percent on 8 September 2009 and its share of voting rights amounted to 3.34 percent (6,518,717 voting rights) at that date. 3.07 percent of the voting rights (5,990,617 voting rights) can be attributed to Sun Life Global Investment Inc. in accordance with section 22 (1) sentence 1 no. 6 in conjunction with section 22 (1) sentence 2 of the WpHG and 0.27 percent of the voting rights (528,100 voting rights) can be attributed to Sun Life Global Investment Inc. in accordance with section 22 (1) sentence 1 no. 1 of the WpHG.

Sun Life Financial Inc., Toronto, Canada, notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of Deutsche Börse AG's voting rights exceeded the threshold of 3 percent on 8 September 2009 and its share of voting rights amounted to 3.34 percent (6,518,717 voting rights) at that date. 3.07 percent of the voting rights (5,990,617 voting rights) can be attributed to Sun Life Financial Inc. in accordance with section 22 (1) sentence 1 no. 6 in conjunction with section 22 (1) sentence 2 of the WpHG and 0.27 percent of the voting rights (528,100 voting rights) can be attributed to Sun Life Financial Inc. in accordance with section 22 (1) sentence 1 no. 1 of the WpHG.

Massachusetts Financial Services Company (MFS), Boston, USA, notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of Deutsche Börse AG's voting rights exceeded the threshold of 3 percent on 8 September 2009 and its share of voting rights amounted to 3.07 percent (5,990,617 voting rights) at that date. All voting rights are attributable to Massachusetts Financial Services Company (MFS) in accordance with section 22 (1) sentence 1 no. 6 of the WpHG.

BlackRock Investment Management (UK) Limited, London, UK, notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that the share of Deutsche Börse AG's voting rights held by BlackRock Advisors Holdings, Inc., New York, USA, exceeded the threshold of 3 percent on 1 Decem-ber 2009 and amounted to 3.35 percent (6,526,163 voting rights) at that date. All voting rights are attributable to BlackRock Advisors Holdings, Inc. in accordance with section 22 (1) sentence 1 no. 6 in conjunction with section 22 (1) sentence 2 of the WpHG.

Fidelity Investment Trust, Boston, USA, notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of voting rights in Deutsche Börse AG had fallen below the threshold of 3 percent on 7 May 2010, and amounted to 2.87 percent (5,588,129 voting rights) at that date.

Previously, Fidelity Investment Trust, Boston, USA, had notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of voting rights in Deutsche Börse AG had exceeded the threshold of 3 percent on 29 April 2010, and amounted to 3.0008 percent (5,851,729 voting rights) at that date.

BlackRock Group Limited, London, UK, notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of voting rights in Deutsche Börse AG fell below the threshold of 3 percent on 13 May 2010, and amounted to 2.48 percent (4,840,213 voting rights) at that date. All voting rights are attributable to BlackRock Group Limited in accordance with section 22 (1) sentence 1 no. 6 in conjunction with section 22 (1) sentence 2 of the WpHG.

Previously, BlackRock Group Limited, London, UK, had notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of voting rights in Deutsche Börse AG had exceeded the threshold of 3 percent on 6 May 2010, and had amounted to 3.73 percent (7,268,984 voting rights) at that date.

BlackRock Financial Management, Inc., New York, USA, and BlackRock Holdco 2, Inc, Delaware, USA, notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of voting rights in Deutsche Börse AG had fallen below the threshold of 5 percent on 13 May 2010, and amounted to 4.83 percent (9,410,599 voting rights) at that date. All voting rights are attributable to these two companies in accordance with section 22 (1) sentence 1 no. 6 in conjunction with section 22 (1) sentence 2 of the WpHG.

Previously, BlackRock Financial Management, Inc., New York, USA, and BlackRock Holdco 2, Inc, Delaware, USA, had notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of voting rights in Deutsche Börse AG had exceeded the thresholds of 5 percent on 6 May 2010, and had amounted to 6.06 percent (11,824,316 voting rights) at that date. All voting rights were attributable to these two companies in accordance with section 22 (1) sentence 1 no. 6 in conjunction with section 22 (1) sentence 2 of the WpHG at that date.

BlackRock, Inc., New York, USA, notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of voting rights in Deutsche Börse AG had fallen below the threshold of 5 percent on 13 May 2010, and amounted to 4.98 percent (9,714,846 voting rights) at that date. All voting rights are attributable to the company in accordance with section 22 (1) sentence 1 no. 6 in conjunction with section 22 (1) sentence 2 of the WpHG.

Previously, BlackRock, Inc., New York, USA, had notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of voting rights in Deutsche Börse AG had exceeded the threshold of 5 percent on 6 May 2010, and had amounted to 6.23 percent (12,147,292 voting rights) at that date. All voting rights were attributable to the company in accordance with section 22 (1) sentence 1 no. 6 in conjunction with section 22 (1) sentence 2 of the WpHG at that date.

BlackRock International Holdings Inc., New York, USA, and BR Jersey International Holdings L.P., St Helier, Jersey, UK, notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that their share of voting rights in Deutsche Börse AG fell below the threshold of 3 percent on 13 May 2010, and in each case amounted to 2.90 percent (5,648,476 voting rights) at that date. All voting rights are attributable to these two companies in accordance with section 22 (1) sentence 1 no. 6 in conjunction with section 22 (1) sentence 2 of the WpHG.

Previously, BlackRock International Holdings Inc., New York, USA, and BR Jersey International Holdings L.P., St Helier, Jersey, UK, had notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that their share of voting rights in Deutsche Börse AG had exceeded the threshold of 3 percent on 1 December 2009, and in each case had amounted to 3.27 percent (6,381,063 voting rights) at that date. All voting rights were attributable to these two companies in accordance with section 22 (1) sentence 1 no. 6 in conjunction with section 22 (1) sentence 2 of the WpHG at that date.

Fidelity Management & Research Company, Boston, USA, notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of Deutsche Börse AG's voting rights had fallen below the threshold of 3 percent on 17 May 2010 and its share of voting rights amounted to 2.97 percent (5,792,105 voting rights) at that date. All voting rights are attributable to Fidelity Management & Research Company in accordance with section 22 (1) sentence 1 no. 6 of the WpHG.

Previously, Fidelity Management & Research Company, Boston, USA, had notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of voting rights in Deutsche Börse AG had exceeded the threshold of 3 percent on 14 August 2009, and had amounted to 3.11 percent (6,070,149 voting rights).

FIL Investments International, Hildenborough, UK, notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of voting rights in Deutsche Börse AG fell below the threshold of 3 percent on 18 June 2010 and its share of voting rights amounted to 2.95 percent (5,762,011 voting rights) at that date. All voting rights are attributable to FIL Limited in accordance with section 22 (1) sentence 1 no. 6 of the WpHG.

Previously, FIL Investments International, Hildenborough, UK, had notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of voting rights in Deutsche Börse AG had exceeded the threshold of 3 percent on 4 June 2010, and had amounted to 3.11 percent (6,058,880 voting rights).

FIL Limited, Hamilton, Bermuda, and FIL Investment Management Limited, Hildenborough, UK, notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that their share of voting rights in Deutsche Börse AG fell below the threshold of 3 percent on 18 June 2010 and its share of voting rights in each case amounted to 2.95 percent (5,762,011 voting rights) at that date. All voting rights are attributable to FIL Limited in accordance with section 22 (1) sentence 1 no. 6 of the WpHG and to FIL Investment Management Limited in accordance with section 22 (1) sentence 1 no. 6 of the WpHG in conjunction with section 22 (1) sentence 2 of the WpHG.

Previously, FIL Limited, Hamilton, Bermuda, and FIL Investment Management Limited, Hildenborough, UK, had notified Deutsche Börse AG that their share of voting rights in Deutsche Börse AG had exceeded the threshold of 3 percent on 4 June 2010 and in each case had amounted to 3.11 percent (6,058,880 voting rights).

FIL Holdings Limited, Hildenborough, UK, notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of voting rights in Deutsche Börse AG fell below the threshold of 3 percent on 18 June 2010 and its share of voting rights amounted to 2.95 percent (5,762,011 voting rights) at that date. All voting rights are attributable to FIL Holdings Limited in accordance with section 22 (1) sentence 1 no. 6 in conjunction with sentence 2 of the WpHG.

Previously, FIL Holdings Limited, Hildenborough, UK, had notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of voting rights in Deutsche Börse AG had exceeded the threshold of 3 percent on 4 June 2010, and had amounted to 3.11 percent (6,058,880 voting rights).

Capital Research and Management Company, Los Angeles, USA, notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of voting rights in Deutsche Börse AG fell below the threshold of 3 percent on 16 August 2010, and amounted to 2.94 percent (5,734,478 voting rights) at that date.

Previously, Capital Research and Management Company, Los Angeles, USA, had notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of voting rights in Deutsche Börse AG had exceeded the threshold of 3 percent on 1 January 2010, and had amounted to 3.03 percent (5,915,000 voting rights) at that date. All voting rights are attributable to the company in accordance with section 22 (1) sentence 1 no. 6 of the WpHG.

FMR LLC, Boston, USA, notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of Deutsche Börse AG's voting rights had fallen below the threshold of 3 percent on 1 October 2010 and its share of voting rights amounted to 2.92 percent (5,703,685 voting rights) at that date. All voting rights are attributable to FMR LLC (Fidelity Management & Research) in accordance with section 22 (1) sentence 1 no. 6 in conjunction with sentence 2 of the WpHG.

Previously, FMR LLC, Boston, USA, had notified Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of voting rights in Deutsche Börse AG had exceeded the threshold of 3 percent on 8 July 2010, and had amounted to 3.03 percent (5,908,305 voting rights).

German Corporate Governance Code

On 10 December 2010, the Executive and Supervisory Boards issued the latest version of the declaration of conformity in accordance with section 161 of the Aktiengesetz (AktG, the German Stock Corporation Act) and made it permanently available to shareholders on the Company's website.

Frankfurt/Main, 3 March 2011

Deutsche Börse Aktiengesellschaft

Executive Board

Reto Francioni	Andreas Preuß	Frank Gerstenschläger
Michael Kuhn	Gregor Pottmeyer	Jeffrey Tessler

Deutsche Börse AG, Frankfurt/Main

Statement of Changes in Noncurrent Assets as at 31 December 2010

	Acquistion and Production Costs					Depreciation and Amortization						Book Value	
	Balance as at 1 Jan. 2010	Additions 2010	Disposals 2010	Reclassification 2010	Balance as at 31 Dec. 2010	Balance as at 1 Jan. 2010	Depreciation 2010	Release 2010	Disposals 2010	Reclassification 2010	Balance as at 31 Dec. 2010	as at 31 Dec. 2010	as at 31 Dec. 2009
	€	€	€	€	€	€	€	€	€	€	€	€	€
Intangible Assets													
Licenses and similar rights for data processing and software	196,317,813.34	2,385,983.05	0.00	0.00	198,703,796.39	194,151,047.34	1,217,819.05	0.00	0.00	0.00	195,368,866.39	3,334,930.00	2,166,766.00
Prepayments on account and construction in progress	56,460.00	0.00	56,460.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	56,460.00
	196,374,273.34	2,385,983.05	56,460.00	0.00	198,703,796.39	194,151,047.34	1,217,819.05	0.00	0.00	0.00	195,368,866.39	3,334,930.00	2,223,226.00
Tangible Assets													
Fixtures on third party land	32,657,733.00	10,756,279.93	0.00	11,892,827.78	55,306,840.71	23,592,835.00	6,080,701.41	0.00	0.00	0.00	29,673,536.41	25,633,304.30	9,064,898.00
Other assets, furnitures and office equipment	49,758,847.87	9,459,992.19	1,100,435.18	0.00	58,118,404.88	36,614,628.87	2,977,824.28	0.00	1,100,435.18	0.00	38,492,017.97	19,626,386.91	13,144,219.00
Prepayments on account and construction in progress	11,892,827.78	0.00	0.00	-11,892,827.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,892,827.78
	94,309,408.65	20,216,272.12	1,100,435.18	0.00	113,425,245.59	60,207,463.87	9,058,525.69	0.00	1,100,435.18	0.00	68,165,554.38	45,259,691.21	34,101,944.78
Financial Assets													
Shares in affiliated companies	1,926,687,494.26	1,291,697,221.39	825,271,926.16	0.00	2,393,112,789.49	8,300,000.00	2,500,000.00	0.00	0.00	0.00	10,800,000.00	2,382,312,789.49	1,918,387,494.26
Loans to affiliated companies	1,791,386,095.21	0.00	3,765,000.00	0.00	1,787,621,095.21	83,229,927.71	782,148,437.48	0.00	0.00	0.00	865,378,365.19	922,242,730.02	1,708,156,167.50
Investments	59,437,956.17	5,009,191.68	0.00	0.00	64,447,147.85	4,390,695.49	0.00	0.00	0.00	0.00	4,390,695.49	60,056,452.36	55,047,260.68
Loans to companies in which the company has a participating interest	0.00	998,093.50	0.00	0.00	998,093.50	0.00	0.00	0.00	0.00	0.00	0.00	998,093.50	0.00
Long-term securities	63,191,071.89	0.00	0.00	-51,220,672.81	11,970,399.08	8,060,038.23	0.00	0.00	0.00	-8,060,038.23	0.00	11,970,399.08	55,131,033.66
Other loans	14,710.79	18,000.00	29,210.79	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00	3,500.00	14,710.79
	3,840,717,328.32	1,297,722,506.57	829,066,136.95	-51,220,672.81	4,258,153,025.13	103,980,661.43	784,648,437.48	0.00	0.00	-8,060,038.23	880,569,060.68	3,377,583,964.45	3,736,736,666.89
	4,131,401,010.31	1,320,324,761.74	830,223,032.13	-51,220,672.81	4,570,282,067.11	358,339,172.64	794,924,782.22	0.00	1,100,435.18	-8,060,038.23	1,144,103,481.45	3,426,178,585.66	3,773,061,837.67

Management report for financial year 2010

Business and operating environment

General position of the Company

2010 saw a large number of developments that had and continue to have a significant influence on the macroeconomic environment and market activity. In particular, these were as follows:

- There was a significant upturn in the global economy, especially in the first half of 2010.
- High government debt levels were seen in several European countries, along with concerted countermeasures by the EU and the decline of the euro against the US dollar, especially in the second quarter of 2010.
- The major central banks continued to inject large amounts of liquidity.
- Banks and corporations affected by the financial crisis started to repay the financial rescue packages provided by governments.

Following a decrease of 3.4 percent in real GDP in 2009, current estimates reveal a rise of 2.8percent for the OECD countries in 2010. Estimates published by the World Bank in January 2011 suggest that the global economy grew by 3.9 percent in 2010. According to the International Monetary Fund, growth was 5.0 percent (2009: real decrease of 1.9 percent).

In this macroeconomic environment, Deutsche Börse AG business is mainly influenced by cyclical trends in Germany, other European countries and the United States.

Based on initial estimates, Germany's GDP growth list in 2010 hit levels last seen in the year after reunification, boosted by the recovery of the global economy and the upturn in world trade. The International Monetary Fund's January 2011 estimates put the growth in German economic output at 3.6 percent in 2010 (2009: real decrease 4.7 percent). GDP recorded a strong year-on-year increase in GDP of approximately 3.1 percent in the first half of 2010. In the second half of the year it showed even higher growth of approximately 3.9 percent as against the prior-year period.

Economic performance in the year under review was mixed across Europe: in addition to Germany, Finland and France were the main beneficiaries of the economic recovery, while Greece, Ireland and Spain remained in recession according to the estimates. A similar divergence between individual European states is also expected for 2011: experts are forecasting significant growth for Germany, while some southern European countries will probably see only a low level of growth or continued recession. The euro zone as a whole is expected to grow by between 1.3 and 1.7 percent in 2011. The key interest rate in Europe remained unchanged at the historically low level of 1.0 percent in 2010. Due to the more stable economic situation and the expected slight increase in inflation, a slow increase in the key rate is expected in 2011 to 2012.

The OECD is forecasting a 2.7 percent increase in US economic output in 2010 as a result of the general upturn in the global economy. Market uncertainty persists, despite the recovery in the economic data, due among other things to the ongoing high unemployment rate and the resulting low level of consumer spending. The forecasts for growth in 2011 vary, ranging between 2.2 and 3.0 percent. The Federal Reserve maintained the target range it had set for the federal funds rate in December 2008 at between zero and 0.25 percent.

Development of trading activity on selected European cash markets

		2010 bn	Change 2010 vs. 2009 %
Deutsche Börse Group – Xetra[1]	€	1,236.9	+17
Bolsas y Mercados Españoles[1]	€	1,040.0	+16
Borsa Italiana[2]	€	839.4	+14
Nasdaq OMX Nordic[3]	€	638.1	+13
Euronext[1) 4]	€	1,685.7	+12
London Stock Exchange[1) 2]	£	1,491.3	+7

1) Trading volume in electronic trading (single-counted)
2) Part of London Stock Exchange Group
3) Part of Nasdaq OMX
4) Part of NYSE Euronext
Source: Exchanges listed

Despite the significant improvement in the economic situation, the high levels of government debt in individual European states and the decline of the euro against the US dollar are adding to the uncertainty on the financial markets. These cyclical factors led to a significantly higher level of trading in the cash and derivatives markets in the second quarter in particular. However, the effect weakened again in the course of the year. Overall, business activities showed only a slight year-on-year increase in 2010.

Development of contracts traded on selected derivatives markets

	2010 €m	Change 2010 vs. 2009 %
CME Group	3,078.3	+19
Korea Stock Exchange	3,751.9	+21
NYSE Euronext	2,146.9	+25
Deutsche Börse Group – Eurex	2,642.1	0
CBOE Holdings	1,115.5	-2

Source: Exchanges listed

A number of governments continued to make increased amounts of liquidity available in 2010 in order to stabilise their national financial markets, leading to a corresponding need for refinancing on the bond markets. According to the Bank for International Settlements, the global volume of domestic bonds issued, i.e. bonds issued in their respective home countries, went down by 13percent year-on-year in the first half of 2010. This is also reflected in the aggregate principal amount of the average domestic bonds outstanding on the bond markets, which increased by 15percent to a new record of approximately €40.0 trillion. By contrast, the global volume of newly issued international bonds declined between June 2009 and June 2010. Nevertheless, their aggregate principal amount increased by 11 percent in the same period to a record high of €19.6trillion. This underlines that the international bond markets remain highly attractive for issuers.

Overview of business development in the year under review

Deutsche Börse AG's results for 2010 were down significantly on financial year 2009. This decline was due primarily to the additional costs of efficiency programmes and based on the unsatisfied economic development of the ISE which lead to an impairment of the profit participation rights, issued by Eurex Frankfurt AG.

Deutsche Börse AG key performance figures	2010 €m	2009 €m	Change 2010 vs. 2009 %
Sales revenue	1,056.6	975.8	+8.3
Total costs	683.9	643.4	+6.3
EBIT	531.0	695.9	-23.7
Profit from ordinary business activities (EBT)	408.5	612.1	-33.3
Net income (€)	278.8	453.1	-38.5
Earnings per share (€)	1.50[1]	2.44[1]	-38.5

[1] Calculated based on the weighted average number of shares outstanding

Sales revenue in the year under review increased by 8.3 percent to €1,056.6 million (2009:€975.8million). The largest contribution to sales came from the Eurex segment, which generated sales of €654.3 million (2009: €595.4 million).

The Company's total costs (personnel expenses, depreciation, amortisation and write-downs, and other operating expenses) were 6.3 percent higher year-on-year at €683.9 million (2009: €643.4 million).

The increase in total costs was due primarily to a 39.5 percent rise in personnel expenses in the year under review to €91.9 million (2009: €65.9 million) as a result of the current measures to optimise operational performance within Deutsche Börse Group. Severance costs including cost of the efficiency program and employee release program in the year under review amounted to €24.2million (2009:€7.1 million). In addition, IT costs rose by €20.3 million to €200.8 million in financial year 2010 (2009: €180.5 million), a rise attributable mainly to the increased costs of data centre processing services as well as a rise in expenses from exchange rate differences of €32.0 million to €36.6 million (2009: €4.7 million) due to foreign exchange rate losses in connection with the financing in US dollars. Conversely, expenses from agency agreements declined by €16.4 million to €163.1 million (2009: €179.5 million) and premises costs to €43.7million (2009: €57.8 million), thereby reducing total costs.

Deutsche Börse AG's net investment income amounted to €–442.5 million in financial year 2010 (2009: income of €166.9 million). This is attributable in particular to the write-down of loans to affiliated companies in the amount of €782.1 million relating to the US equity options exchange International Securities Exchange (ISE). This was partly offset in the year under review by income from profit participation rights of €15.0 million (2009: €15.0 million) and income from profit and loss transfer agreements of €115.0 million (2009: €0 million). The write-down relates to the decline in ISE's sales forecast for 2011, which are based on the underlying business case. In addition, income from long-term equity investments, which among other items includes a distribution from Clearstream International S.A. of €112.7 million (2009:€220.0 million) and a distribution from Deutsche Börse Systems AG of €83.4 million, declined by 9.2 percent to €211.7million (2009: €233.1 million).

Earnings before interest and tax (EBIT) fell by 23.7 percent to €531.0 million (2009: €695.9 million). As a result and in consideration of the expenses from Accounting Law Modernization Act implementation amounted to €12.0 million, Deutsche Börse AG also recorded a significant decline in net income for the financial year compared with financial year 2009, which amounted to €278.8 million (2009: €453.1 million). This decline could not even be compensated by the gain from the contribution in kind of the Clearstream International S.A. shares in Clearstream Holding AG.

Description of the Company's internal management control system

Deutsche Börse AG's internal management control system is primarily based on the performance indicators EBIT, costs, net income for the financial year, return on equity and interest cover ratio (the ratio of EBITDA to interest expenses from financing activities).

Deutsche Börse AG manages its EBIT via income and costs. Income comprises sales from external customers and other operating income. Sales from external customers are generally dependent on the three growth factors described above (performance of the financial markets, structural changes and the Group's ability to innovate). Other operating income comes, among other things, from the contribution of 49 percent interest of the Clearstream International S.A. in Clearstream Holding AG. In the year under review, this item was also positively impacted by the sale of the 77 percent interest in Avox Ltd.

At Company level, Deutsche Börse AG's net income for the financial year also serves as a performance indicator for internal management control.

Operating costs include personnel expenses, depreciation, amortisation and write-downs, and other operating expenses. Personnel expenses consist of wages and salaries, social security costs and the cost of old-age pensions. They are subject to inflation and depend partially on the performance of Deutsche Börse AG's share price, as they also include changes in the provisions and payments for the Stock Option Plan that was closed in 2006 and for the Stock Bonus Plan for members of the Executive Board and senior executives that was introduced in 2007.Other operating expenses mainly comprise the costs of developing and operating the Group's technological infrastructure, office infrastructure costs and marketing costs.

Since a large proportion of Deutsche Börse AG's total costs are fixed costs (excluding special factors), the Company can handle higher volumes of business without a significant increase in costs. Conversely, as the figures for financial year 2009 show, a decline in business volumes has a direct impact on the Company's profitability.

To ensure the Company's continued success in spite of structural changes in the financial markets and new customer requirements in a market environment which remains difficult, the Executive

Board of Deutsche Börse AG adopted comprehensive measures in the first quarter of 2010 designed to optimise its operating processes and cost structures.

This programme will enable Deutsche Börse Group to improve its cost efficiency significantly, with the measures resolved leading to savings totalling around €150 million a year from 2013 onwards. Having already generated €25 million of the €85 million of savings planned for 2011 in 2010, the Company expects to save around €60 million in 2011. This figure will rise to a total of around €115 million in 2012. The measures supplement the programmes set up since 2007 to improve Group efficiency.

The costs of the efficiency measures initiated in 2010, which amount to less than €180 million, were predominantly recognised in the consolidated income statement for 2010. Accordingly, efficiency costs of €110.7 million were recognised in income in financial year 2010, primarily under personnel expenses in all of the Group's segments. Around €42.0 million was recognised for Deutsche Börse AG in financial year 2010.

The return on equity after taxes is another key performance indicator underlying Deutsche Börse AG's strategy. It represents the ratio of after-tax earnings to the average equity available to the Company. As at 31 December 2010, it was 12.9 percent.

Under its capital management programme, Deutsche Börse AG plans to achieve an interest cover ratio (the ratio of EBITDA to interest expenses from financing activities) of at least 16. Due to a slight improvement in business activities and consistent cost management, the ratio of 18.5 achieved in the year under review exceeded this target, after adjustment for restructuring costs.

Business development in the segments

Deutsche Börse AG has a function-based organisational structure. This breaks down into the Xetra (cash market: electronic trading platform, floor trading and clearing services), Eurex (derivatives market: electronic trading platform and clearing services; OTC trading platforms) and Market Data & Analytics (sale of price information and information distribution) segments.

Xetra segment

Segment sales revenue increased by 7.9 percent to €221.4 million (2009: €205.1 million).

The Xetra segment generates much of its sales from trading and clearing cash market securities, e.g. German and international issuers' shares, fixed-income securities, index funds, or shares in actively managed retail funds. The key players on Deutsche Börse's platforms are institutional investors and other professional market participants. The primary sales driver in 2010 was trading income generated by Deutsche Börse Group's platforms (Xetra, floor trading). Added to this was the central counterparty (CCP) for equities operated by Eurex Clearing AG, whose sales are determined to a significant extent by trading activities on Xetra. Income from cooperation agreements relates mainly to systems operation for the Irish Stock Exchange, the Vienna Stock Exchange and the Bulgarian Stock Exchange. Listing fees were generated predominantly from existing company listings and admissions to trading.

The overall economic environment in the year under review was friendlier than in 2009. The upturn stimulated demand from institutional and private investors for trading services provided by the Xetra segment. In particular the second quarter stood out from the rest of the year, as large government deficits in some of the eurozone countries and the resulting decline of the euro versus the US dollar led to severe market volatility on the capital markets, resulting in significantly higher trading volumes than in the prior-year period.

The number of transactions in Xetra electronic trading increased by 13 percent year-on-year to 189.4 million (2009: 167.3 million). The trading volume on Xetra (measured in terms of order book turnover, single-counted) rose by 17 percent in the year under review to €1,236.9 billion (2009: €1,060.6 billion). The average value of a Xetra transaction was €13.1 thousand, a slight increase on the previous year (2009: €12.7 thousand). Deutsche Börse AG's market share of DAX® securities traded by institutional investors stabilised at around 70 percent. The ten largest market participants with the highest order book volume accounted for 47 percent of the trading volume on Xetra, while the 20 largest accounted for 66 percent. The largest market participant in this respect held a market share of 7 percent.

Besides institutional investors, who primarily use Xetra, trading activity was again somewhat higher among private investors than in the previous year. Floor trading volumes on the Frankfurt Stock Exchange (single-counted) increased by 2 percent year-on-year to €61.4 billion (2009: €60.0 billion).

Cash market: trading volume (single-counted)

	2010 €bn	2009 €bn	Change %
Xetra	1,236.9	1,060.6	16.6
Floor trading[1]	61.4	60.0	2.3

1) Excluding certificates and warrants

In November 2009, Deutsche Börse Group had launched Xetra International Market (XIM), a new segment for trading European blue chips on Xetra. Xetra trading participants can trade European blue chips via XIM, have them cleared via Eurex Clearing AG and settle the transactions in their home market. In the year under review, Xetra expanded the XIM product range to include blue chips from other European countries.

Pricing models in the cash market take into account both trading volumes and the number of orders: fees are calculated per executed order and depend on the order value. The latter is more important for the segment's total revenue due to the price structure. As from 1 December 2010, Xetra halved the fixed clearing fee for Xetra transactions. In addition, customers benefited from an extended rebate model, according to which the fixed transaction fee for participants with high trading volumes decreases and the variable transaction fee declines by up to 50 percent. The delivery management fee has been increased by 50 percent to reflect the associated processing cost more accurately. Since the new pricing model will have the effect of stimulating trading and clearing activities, Deutsche Börse AG expects its impact on the Xetra segment's total revenue to be virtually neutral.

Deutsche Börse AG believes that trading will accelerate further and the number of automated trading systems in use will continue to grow (algorithmic trading). By implementing technical innovations and improvements, Deutsche Börse is working to create the best possible conditions for international algo traders. Xetra Release 11.0, which was launched in June 2010, expands the Enhanced Transaction Solution interface. This interface is now used to send order information to participants in real time. In addition, the processing time of non-persistent orders has been reduced. These orders are optimised for speed: they are not permanently stored in the exchange systems. Non-persistent orders from trading participants with the most efficient connections can now be processed in less than 1 millisecond on average, 50 percent faster than before.

Over ten years ago, Deutsche Börse started trading exchange-traded funds (ETFs) on Xetra in a separate segment (XTF®). ETFs combine the flexibility of an equity with the risk diversification of a portfolio. They represent entire markets or sectors in a single product, are traded via stock exchanges as efficiently and with the same liquidity as equities, and can be bought at low transaction costs without load fees. Since being introduced to Europe, their number and assets under management have grown steadily. As at 31 December 2010, 759 ETFs were listed on Deutsche Börse (2009: 547 ETFs), the number of issuers increased to 18 in the course of 2010 (2009: 12), and the assets under management held by ETF issuers amounted to €159.0 billion (2009: €120.5 billion). Deutsche Börse's XTF segment increased its trading volume by 17 percent in the year under review to €153.9 billion (2009: €131.3 billion), making it again the European market leader. The most heavily traded ETFs are based on the European STOXX equity indices and on the German blue-chip DAX index. Since May 2010, investors have additionally been able to include options on ETFs in their trading strategies or to use them to hedge their investments.

Deutsche Börse AG has also expanded its range of exchange-traded commodities (ETCs) and exchange-traded notes (ETNs). ETCs reflect the performance of single commodities or commodity sectors, such as energy, agricultural commodities, or precious metals. ETNs are exchange-traded debt securities that reflect the performance of an underlying benchmark index outside of the commodities sector.

In the listing business, Deutsche Börse AG recorded 172 new admissions in the year under review. The proportion of foreign listings was around 78 percent, underlining the internationalisation of Deutsche Börse's listing platform. In November, IBS Group Holding Ltd. was the first Russian company to be listed in Deutsche Börse's General Standard. The placement volume in 2010 totalled approximately €2.7 billion, including Kabel Deutschland, whose IPO was the largest with a volume of €760 million.

The network of trading houses connected to Xetra is also becoming increasingly international. At the beginning of December, the electronic securities trading system of the Ljubljana Stock Exchange was switched to Deutsche Börse AG's pan-European Xetra trading platform. About 30 new market participants based in Slovenia now have access to the approximately 590,000 instruments tradable on Xetra. The Slovenian Stock Exchange has been connected to the Xetra network through the Vienna Stock Exchange, which has itself been operating its cash market using Xetra since 1999. This has also applied to the Irish Stock Exchange since 2000 and the Bulgarian Stock Exchange since 2008. Likewise, Eurex subsidiary Eurex Bonds and the European Energy

Exchange use the Xetra trading system. The Shanghai Stock Exchange uses Xetra as the basis for its New Generation Trading System, which went live at the beginning of 2010.

Following a resolution by the Exchange Council of the Frankfurter Wertpapierbörse (FWB®, the Frankfurt Stock Exchange), lead broker-based floor trading will be discontinued in May 2011, sooner than expected. From then on, all trading on the FWB will take place via the Xetra system. This will simplify the infrastructure for all market participants and increase Frankfurt's competitiveness as a trading venue. International market participants connected to Xetra will in future have direct access to all securities traded on the Frankfurt Stock Exchange. Specialists will be deployed on Xetra to ensure sufficient trading liquidity. Even though lead broker-based floor trading with the Xontro system will be discontinued on the FWB, the trading floor of the Frankfurt Stock Exchange will be kept operational; Xetra specialists will be present there.

Eurex segment

As in the cash market, the performance of the Eurex derivatives segment depends primarily on the trading activities of institutional investors and proprietary trading by professional market participants. Segment sales revenue are therefore generated primarily from transaction fees, which in the Eurex system comprise a combined fee for trading and clearing contracts. As in previous years, the main sales drivers in 2010 were equity index derivatives, which accounted for some 62percent of total sales.

The economic environment improved significantly in 2010 compared with the previous year. Against the background of the more positive macroeconomic climate, the Eurex segment increased the contract volume for its European products year-on-year. The levels of government debt in Greece and several other European countries, the EU's concerted bailout package and the decline in the Euro against the US dollar triggered a significant rise in market volatility, especially in the second quarter, and led to a jump in the trading volumes of securities and derivatives. The upward trend observed in the first half of the year as against the prior-year period continued in the second half, but at a lower level. This was primarily due to lower volatility on the equity and interest rate markets following the normalisation of the scenarios described above.

Segment sales increased by 9.9 percent to €654.3 million (2009: €595.4 million).

Overall, Eurex generated a trading volume of 1,896.9 million contracts for its European products, an increase of 12 percent in the previous year (2009: 1,687.2 million).

European equity index derivatives remained the product group generating the highest sales revenue. These products recorded a modest increase to 808.7 million contracts (2009:800.1million). By far the most contracts were traded on the EURO STOXX 50 index (372.2 million futures and 284.7 million options). Due to the growth in business with higher-priced dividend derivatives, sales rose slightly faster than contract volumes.

Eurex also recorded strong growth in European equity derivatives: their trading volume increased by 22 percent to 512.0 million contracts (2009: 421.3 million). The positive trend in this product group is mainly due to the significant increase in the trading volume of single-stock futures, which rose by 73 percent year-on-year, fuelled by positive corporate data. As a result of the high proportion of Eurex®-cleared block trades with a fee cap; sales did not increase as significantly as the number of traded contracts.

For some time, interest rate market participants have expected central banks to adjust their monetary policies and therefore interest rate levels. As a result, there was a sustained increase in Eurex-traded contract volumes in the interest rate derivatives product group, following a sharp fall in volumes in the wake of the financial crisis. Moreover, the development of the spreads between government bonds issued by various European countries led to a greater need for market participants to hedge their positions and caused them to make greater use of Eurex interest rate products than in the previous year. In the year under review, Eurex recorded an increase of 23percent to 574.8 million contracts (2009: 465.7 million). Sales revenue increased roughly in line with trading volumes.

Overall, 2,642.1 million contracts were traded on Deutsche Börse Group's derivatives exchanges in 2010 (2009: 2,647.4 million).

The ten largest participants with the highest trading volumes in European derivatives accounted for 30 percent of contracts traded during the year under review, while the 20 largest accounted for 49 percent. The largest market participant by this measure held a market share of 4 percent.

With effect from 1 February 2011, Eurex introduced a new pricing model for European derivatives. This offers price incentives on the basis of the market quality provided, grants volume rebates and gives additional significant fee reductions for selected products. Order book trading is strengthened further to improve market transparency and pricing. To this end, the highest percentage rebates are granted to those market makers who contribute the most to order book quality. For both futures and options, the new pricing model provides special incentives for participants with high trading volumes. Eurex expects that the introduction of the new pricing model will lead to a rise in trading volumes and thus have an overall neutral impact on sales revenue.

Contract volumes in the derivatives market

	2010 m contracts	2009 m contracts	Change %
Equity index derivatives	808.7	800.1	1
Equity derivatives	512.0	421.3	22
Interest rate derivatives	574.8	465.7	23
Total European derivatives (Eurex)[1]	1,896.9	1,687.2	12

[1] The total shown does not equal the sum of the individual figures as it includes other traded derivatives such as ETF, volatility, agricultural, precious metals and emission derivatives.

New products give market participants new impetus to develop their investment, hedging and arbitrage strategies, thus generating additional trading volumes. The products launched by Eurex in the year under review included various equity index, ETF, dividend, volatility and commodity derivatives and a futures contract on short-term Italian government bonds. Dividend derivatives, for example, show that new products not only expand the portfolio, but also make a substantial value contribution. Since they were launched as a new asset class in summer 2008, Eurex has continuously expanded this product group. In 2010, dividend derivatives enjoyed sustained strong growth overall and generated a volume of 4.5 million (2009: 2.5 million) contracts, with index dividend derivatives contributing around 3 percent of sales revenue in the equity index derivatives product group.

Market Data & Analytics segment

Segment sales increased by 3.2 percent to €180.9 million (2009: €175.3 million).

The Market Data & Analytics segment collects and prepares capital market data and macroeconomic information and distributes it to customers in 162 countries. Capital market participants and other interested parties subscribe to receive this information, which they then use themselves, process, or pass on. The segment generates much of its sales revenue through long-term arrangements with customers and is largely independent of trading volumes and volatility on the capital markets. Market Data & Analytics was able to contain the positive trend of the previous years.

Market Data & Analytics generated the majority of its sales revenue from the distribution of real-time data licences. Despite sustained cost pressure in the financial services sector, the segment achieved a small increase in sales revenue generated from real-time price information and financial news, in part because it gained new licensees for the purely machine-readable (non-display) use of this data in automatic trading applications. For example, the segment won a large number of customers for the AlphaFlash® data feed launched in March 2010. AlphaFlash, which is currently the fastest machine-readable data stream for macroeconomic indicators from the USA, Canada and Europe, is the first joint product of Market Data & Analytics and the US news agencies MNI and Need to Know News. The two US news agencies have direct access to the lock-up rooms of all relevant authorities and supranational institutions, such as the World Bank and the International Monetary Fund, and thus also to their embargoed publications. Data such as central bank decisions, employment data, consumer price indices and gross domestic product are processed in such a way that they are available for use in speed-sensitive algorithmic trading via Deutsche Börse AG’s high-speed network with only minimum latency. The data can therefore be processed by the trading applications as soon as they have been released. Market Data & Analytics launched AlphaFlash on the Asia-Pacific market in the fourth quarter and enriched it with key indicators from China, Japan and Australia. After a test phase, the product was officially launched in these markets at the beginning of 2011. In June 2010, the segment also introduced AlphaFlash® Monitor, which makes the data feed visible to users in real time via a web-based display medium.

Deutsche Börse AG’s indices are used by banks and fund companies as underlyings for the financial instruments they offer on the capital market. Issuers can use them to develop structured products for any market situation and trading strategy. Following the financial crisis, the number of structured product issues has increased again slightly. In the index business, Market Data & Analytics also profited from the growing number of exchange-traded funds and the slight increase in assets under management, which make up a significant portion of licence revenue. Ten years after exchange-traded funds (ETFs) were first introduced, initially on the STOXX 50 index, the ETF segment is still expanding. With effect from 1 January 2010, Market Data & Analytics changed its fee model and, following the general practice in the international index business, has since then made the latest detailed parameters relating to the composition of an index available only to registered customers.

Market Data & Analytics' back office data business depends most heavily on trading levels. Since trading levels on Deutsche Börse Group's platforms were up again year-on-year, the segment lifted its sales in the back office business. In particular, demand increased in the year under review for the TRICE® service, which Deutsche Börse uses to support securities firms in meeting their reporting requirements. The segment also expanded the distribution of reference data originating directly in the systems of Deutsche Börse Group.

In order to focus the Market Data & Analytics segment's activities on tradable information such as indices, benchmarks and trading signals, Deutsche Börse AG sold its 77 percent interest in Avox Ltd. to the US company Depository Trust & Clearing Corporation.

Research and development activities

As a service provider, Deutsche Börse AG does not engage in research and development activities comparable with those of manufacturing companies. This section of the report has therefore been omitted. The Company's product and services development activities are described in the report on expected developments.

Employees

In the year under review, the number of people employed by Deutsche Börse AG fell by 34 to stand at 545 as at 31 December 2010. The average number of people employed by Deutsche Börse AG in financial year 2010 was 559.

Forty three43 employees left Deutsche Börse AG in the course of financial year 2010, resulting in a staff turnover rate of 7.7 percent.

As at 31 December 2010, Deutsche Börse AG employed people at 7 locations worldwide. The countries and regions are:

Employees per country

	31 Dec. 2010
Germany	503
United Kingdom	34
Rest of Europe	6
Asia	2
Total	545

The age structure of Deutsche Börse AG's employees as at 31 December 2010 was as follows:

Age structure of Deutsche Börse AG's employees

	Number	%
Under 30 years	37	6.8
30 to 39 years	183	33.6
40 to 49 years	259	47.5
Over 50 years	66	12.1
Total Deutsche Börse Group	545	

The following table illustrates the length of service of the Company's employees as at 31 December2010:

Employees' length of service

	31.12.2010	%
Less than 5 years	185	33.9%
5 to 15 years	273	50.1%
Over 15 years	87	16.0%
Total Deutsche Börse Group	545	

As at 31 December 2010, graduates accounted for 70.5 percent of Deutsche Börse AG's employees. This figure is calculated on the basis of the number of employees holding a degree from a university, university of applied sciences, or professional academy, as well as employees who have completed comparable studies abroad.

In total, the Company invested an average of 2.8 days per employee in staff training.

Environmental protection

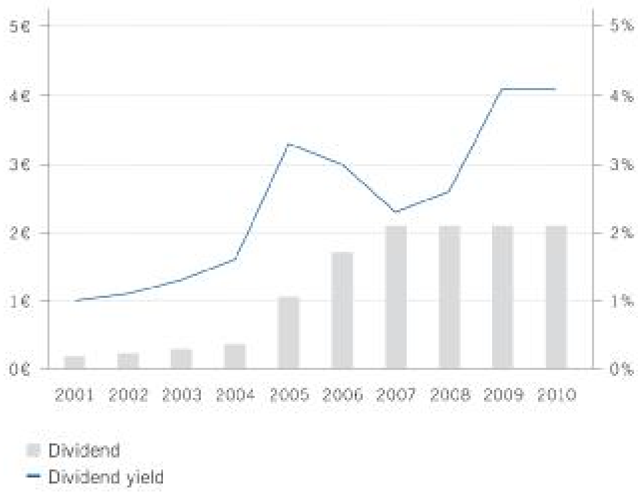
For Deutsche Börse AG, environmental protection means an unconditional commitment to preserving the natural environment and resources. It's aim therefore to record its own "ecological footprint" as accurately as possible and to produce from time to time always less ."ecological footprint" Relocating nearly all staff from Frankfurt to the new, environmentally friendly Group headquarters in Eschborn near Frankfurt is an important step in this direction: "The Cube" is one of the few office buildings in Germany that is LEED platinum certified (LEED stands for Leadership in Energy and Environmental Design, a classification system awarded by the US Green Building Council).

In 2010, Deutsche Börse AG also continued its Green Day concept, which it stages once a quarter: information workshops and campaigns were held on the issues of energy, mobility, waste and paper to intensify the dialogue with staff on ecological alternatives. Changing the settings on the copiers at the Eschborn location to double-sided printing alone saved 11.6 tons of paper.

Stable dividend

In the past year, Deutsche Börse AG again ensured that its shareholders participated in its performance, in spite of the uncertain macroeconomic situation. In May 2010, the Company paid its shareholders a dividend of €2.10 per share, on a par with the previous year. Adjusted for the ISE impairment charge recognised in the fourth quarter of 2009, the distribution ratio amounted to 56 percent of group net income for the financial year. For financial year 2010, the Company will again propose a dividend of €2.10 to the Annual General Meeting.

Development of dividend and dividend yield



Disclosures in accordance with section 289 (4) HGB

In accordance with section 289 (4) of the Handelsgesetzbuch (HGB, German Commercial Code), Deutsche Börse AG makes the following disclosures as at 31 December 2010:

The share capital of Deutsche Börse AG amounts to €195.0 million and is composed of 195,000,000 no-par value registered ordinary shares. There are no other classes of shares besides these ordinary shares. The Executive Board is only aware of limitations to voting rights that result from the Aktiengesetz (AktG, German Stock Corporation Act). These include voting right limitations pursuant to section 136 of the AktG and limitations under the AktG for treasury shares. Section 136 of the AktG stipulates that shareholders may not exercise voting rights for themselves or on behalf of another shareholder if a resolution is to be adopted formally approving their actions, releasing them from an obligation, or deciding whether the Company should assert a claim against them. The voting rights of the relevant shares are thus excluded by law in cases where section 136 of the AktG applies. Under section 71b of the AktG, Deutsche Börse AG is also not permitted to exercise any rights associated with treasury shares held in its portfolio.

Under the Wertpapierhandelsgesetz (WpHG, German Securities Trading Act), any investor whose shareholding reaches, exceeds, or falls below specified voting right thresholds as a result of purchase, sale, or any other transaction is required to notify the Company and the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin, German Federal Financial Supervisory Authority). The lowest threshold for this disclosure requirement is 3 percent. In accordance with this, Deutsche Börse AG is not aware of any direct or indirect investments in the capital of the Company representing 10 percent or more of the voting rights.

In financial year 2009, The Children's Investment Fund Management (UK) LLP, London, UK, informed the Company, through voting right notifications in accordance with sections 21 et seqq. of the WpHG submitted on behalf of itself, other companies affiliated with it and Mr Christopher Hohn, that their respective indirect interests in Deutsche Börse AG had fallen below 3 percent and therefore below the 10 percent threshold relevant for this section of the Management Report. According to these voting right notifications, the change in the voting rights was due, among other things, to the termination of an agreement between The Children's Investment Fund Management (UK) LLP on the one hand and Atticus Capital LP and Atticus Management Limited on the other regarding the coordination of their actions in respect of the interest in Deutsche Börse AG.

In financial year 2009, Atticus Capital LP, New York, USA, Atticus Management Limited, St. Peter Port, Guernsey, other companies affiliated with them and Mr Timothy Barakett also informed the Company through voting right notifications in accordance with sections 21 et seqq. of the WpHG that their respective indirect interests in Deutsche Börse AG had fallen below the 3 percent threshold.

All relevant voting rights notifications are presented in detail in the notes to the financial statements.

None of Deutsche Börse AG's shareholders hold shares that confer special control rights.

Employees holding shares in Deutsche Börse AG exercise their rights in the same way as other shareholders in accordance with statutory regulations and the Articles of Association.

Members of the Executive Board are appointed and dismissed in accordance with sections 84 and 85 of the AktG. In accordance with Article 6 (3) of the Articles of Association of Deutsche Börse AG, membership of the Executive Board generally terminates when the members attain the age of 60.

Amendments to the Articles of Association are adopted by resolution of the Annual General Meeting in accordance with section 119 (1) no. 5 of the AktG. Under Article 12 (4) of the Articles of Association of Deutsche Börse AG, the Supervisory Board has the power to make changes to the Articles of Association that relate only to the wording. In accordance with Article 18 (1) of the Articles of Association of Deutsche Börse AG, resolutions of the Annual General Meeting are passed – unless otherwise stipulated by mandatory requirements of the AktG – by a simple majority of the votes cast. Insofar as the AktG prescribes a majority of share capital to be represented at the Annual General Meeting for resolutions, a simple majority of the represented share capital is sufficient where this is legally permissible.

Subject to the approval of the Supervisory Board, the Executive Board is authorised to increase the share capital until 23 May 2011 by issuing new no-par value registered shares in exchange for cash and/or non-cash contributions on one or more occasions by up to a total of €5.2 million (Authorised Share Capital I). Full authorisation, particularly the conditions for disapplying shareholders' pre-emptive rights, derives from Article 4 (3) of the Articles of Association of Deutsche Börse AG.

The Executive Board is also authorised to increase the share capital until 26 May 2015, subject to the approval of the Supervisory Board, by issuing new no-par value registered shares in exchange for cash and/or non-cash contributions on one or more occasions by up to a total of €27.8 million (authorised share capital II). The shareholders must be granted pre-emptive rights, which the Executive Board can disapply in certain cases, subject to the approval of the Supervisory Board in each case. The Executive Board is authorised to disapply shareholders' pre-emptive rights for cash capital increases if the issue price of the new shares is not significantly lower than the stock exchange price and the total number of shares issued while disapplying pre-emptive rights does not exceed 10 percent of the share capital. Furthermore, the Executive Board is authorised to disapply pre-emptive rights for new shares with a proportionate interest in the share capital totalling up to €3 million in order to issue these new shares to employees of the Company or of companies affiliated with it, excluding the members of the Executive Board and the management of affiliated companies. In addition, the Executive Board is authorised to disapply pre-emptive rights if capital is increased in exchange for non-cash contributions for the purpose of acquiring companies, parts of companies, interests in companies, or other assets. Finally, the Executive Board is authorised to disapply fractional amounts from shareholders' pre-emptive rights. Full authorisation, particularly the conditions for disapplying shareholders' pre-emptive rights, derives from Article 4 (4) of the Articles of Association of Deutsche Börse AG.

The Executive Board is also authorised to increase the share capital until 26 May 2015, subject to the approval of the Supervisory Board, by issuing new no-par value registered shares in exchange for cash contributions on one or more occasions by up to a total of €19.5 million (authorised share capital III). The shareholders must be granted pre-emptive rights, which the Executive Board, with the approval of the Supervisory Board, can disapply only for fractional amounts. The exact content of this authorisation derives from Article 4 (5) of the Articles of Association of Deutsche Börse AG.

The Executive Board is further authorised to increase the share capital until 10 May 2012, subject to the approval of the Supervisory Board, by issuing new no-par value registered shares in exchange for cash and/or non-cash contributions on one or more occasions by up to a total of €6.0 million (authorised share capital IV). Shareholders must be granted pre-emptive rights unless the Executive Board makes use of the authorisation granted to it to disapply shareholders' pre-emptive rights with the approval of the Supervisory Board. The Executive Board is authorised, with the approval of the Supervisory Board, to disapply fractional amounts from shareholders' pre-emptive rights. The Executive Board is also authorised, subject to the approval of the Supervisory Board, to disapply shareholders' pre-emptive rights in order to issue up to 900,000 new shares per financial year from the authorised share capital IV to members of the Executive Board and employees of the Company as well as to members of the executive boards or management and employees of its affiliated companies in accordance with sections 15 et seqq. of the AktG. Full authorisation derives from Article 4 (6) of the Articles of Association of Deutsche Börse AG.

The Company's share capital has been contingently increased in accordance with Article 4 (7) of the Articles of Association of Deutsche Börse AG by up to €6.0 million by issuing up to 6,000,000 no-par value registered shares (Contingent Share Capital I). The contingent capital increase serves exclusively to settle stock options granted up to 13 May 2008 as a result of the authorisation under item 7 of the agenda of the Annual General Meeting of 14 May 2003. The contingent capital increase will only be implemented insofar as the holders of issued stock options exercise their pre-emptive rights and the Company does not settle these stock options by transferring treasury shares or by way of a cash payment. The new shares carry dividend rights from the beginning of the financial year in which they are issued as the result of exercising stock options.

The Executive Board is authorised to acquire treasury shares amounting to up to 10 percent of the share capital. However, the acquired shares, together with any shares acquired for other reasons that are held by or allocated to the Company in accordance with sections 71a et seqq. of the AktG, may at no time exceed 10 percent of the Company's share capital. The authorisation to acquire treasury shares is valid until 31 October 2011 and may be exercised by the Company in full or in part on one or more occasions. However, it may also be exercised by dependent companies, by companies in which the Company holds a majority interest, or by third parties on its or their behalf. The Executive Board may elect to acquire the shares (1) on the stock exchange, (2) via a public purchase offer addressed to all shareholders or via a public request for offers of sale addressed to the Company's shareholders, (3) by issuing tender rights to shareholders, or (4) through the use of derivatives (put or call options or a combination of both). The full and exact wording of the authorisation to acquire treasury shares, and particularly the permissible uses to which the shares may be put, can be found in item 8 of the agenda of the Annual General Meeting of 27 May 2010.

In the event of a change of control following a takeover bid, the following material agreements apply:

On 31 August 1998, Deutsche Börse AG and SIX Swiss Exchange AG (formerly SWX Swiss Exchange AG) agreed, under the terms of a shareholders' agreement relating to their cooperation with regard to Eurex Zürich AG and its subsidiary companies, an extraordinary right of termination for a period of 60 days following registered notification. This applies in the event that a third exchange organisation obtains a controlling influence over the other party whether by means of a takeover or a merger. Termination would have the effect of liquidating Eurex in its current structure with the stake held by SIX Swiss Exchange AG.

On 25 October 2006, Deutsche Börse AG and SIX Group AG (formerly SWX Group) agreed in a cooperation agreement to combine their business operations in the area of structured products in a European exchange organisation under a joint name and trademark (Scoach). This cooperation agreement was adopted by SIX Swiss Exchange AG in place of SIX Group AG on 24 March 2009. The cooperation agreement gives both parties a right of termination with a notice period of six months to the end of the month, which has the effect of ending the cooperation if a change of control occurs at Deutsche Börse AG or SIX Swiss Exchange AG. The right of termination expires if it is not exercised within three months of the date of the change of control. According to the cooperation agreement, a change of control has taken place if a person, corporation, or partnership directly or indirectly acquires control over a company, either alone or together with Group companies or in concert with other persons or companies. A company has control if it directly or indirectly holds more than 50 percent of the voting rights or the capital of another corporation or partnership, if it must fully consolidate another corporation or partnership under the International Financial Reporting Standards (IFRSs), or if it is able to control a company through voting trusts or by appointing executive bodies.

On 6 May 2008, supplemented on 9 April 2009, Deutsche Börse AG and its subsidiary Clearstream Banking S.A. concluded a multicurrency revolving facility agreement with a consortium of banks for a working capital credit totalling up to US$1.0 billion. In the event of a change of control, the lead manager of the consortium must terminate the agreement within a period of 30 days and declare all amounts due to the lenders immediately repayable, if required to do so by a majority of the consortium banks, who together have provided two- thirds of the amount of the facility granted at the time of the change of control. Under the terms of this agreement, a person or group of persons have control if they act in concert and/or if they have the opportunity to govern the business of the Company or to determine the composition of the majority of the Executive Board.

As part of the acquisition of International Securities Exchange (ISE), it was agreed that no person or group may directly or indirectly acquire more than 40 percent of the shares in ISE or acquire control over the voting rights attached to more than 20 percent of the shares in ISE without the prior approval of the US Securities and Exchange Commission (SEC). Otherwise, the number of ISE shares required to comply with the limits will be transferred to a trust.

Under the terms of the 2008/2013 fixed-rate bonds amounting to €650.0 million issued by Deutsche Börse AG and the terms of the subordinated fixed-rate and floating-rate bonds amounting to €550.0 million issued by the Company in 2008, call rights apply in the event of a change of control. If they are called, the bonds are repayable at par plus any accrued interest. A change of control is deemed to have taken place if a person or a group of persons acting in concert, or third parties acting on their behalf has or have acquired more than 50 percent of the shares of Deutsche Börse AG or the number of shares required to exercise more than 50 percent of the voting rights at Annual General Meetings of Deutsche Börse AG. In addition, the relevant loan terms require that the change of control must adversely affect the rating given to one of the preferential unsecured debt instruments of Deutsche Börse AG by Moody’s Investors Services, Inc., Standard & Poor’s, or Fitch Ratings Limited. Further details can be found in the applicable loan terms.

If a change of control occurs, there is also a right to require repayment of various bonds issued by Deutsche Börse AG in 2008 under a US private placement. In addition, the change of control must also adversely affect the rating given to one of the preferential unsecured debt instruments of Deutsche Börse AG by Moody’s Investors Services, Inc., Standard & Poor’s, or Fitch Ratings Limited. The provisions contained in the applicable terms correspond to the conditions specified for the 2008/2013 fixed-rate bonds. The bonds issued under the private placement are as follows: US$170.0 million due on 12 June 2015, US$220.0 million due on 12 June 2018, and US$70.0 million due on 12 June 2020.

Members of Deutsche Börse AG’s Executive Board have a special right of termination in the event of a change of control. According to the agreements made with all Executive Board members, a change of control has occurred if (1) a shareholder or third party discloses its ownership of more than 50 percent of the voting rights in Deutsche Börse AG in accordance with sections 21 and 22 of the WpHG, (2) an intercompany agreement in accordance with section 291 of the AktG is entered into with Deutsche Börse AG as a dependent company, or (3) Deutsche Börse AG is absorbed in accordance with section 319 of the AktG or merged in accordance with section 2 of the Umwandlungsgesetz (UmwG, German Reorganisation and Transformation Act).

Further agreements apply in addition to the above agreements subject to a change of control in the event of a takeover offer. In the opinion of Deutsche Börse AG, however, these are not material as defined by section 289 (4) of the HGB.

The compensation agreements entered into with the members of the Executive Board in the event of a takeover offer can be found in the remuneration report.

Remuneration report

This report reflects the requirements of German Accounting Standard (GAS) 17 “Reporting on the Remuneration of Members of Governing Bodies”. It also includes the information required by the Handelsgesetzbuch (HGB, the German Commercial Code).

Review and adjustment of the Executive Board remuneration system

The structure and amount of the Executive Board remuneration is determined by the Supervisory Board on the basis of recommendations made by the Personnel Committee. The structure of and system governing the Executive Board remuneration was comprehensively reviewed last year by the Supervisory Board together with an independent external adviser. The structure and amount of the Executive Board remuneration was assessed on the basis of horizontal and vertical comparisons, i.e. within Deutsche Börse AG and in relation to comparable undertakings, and are adjusted as necessary. Following intensive Personnel Committee consultations and detailed talks with the Executive Board, the Supervisory Board agreed on a new remuneration system that complies with the new requirements of the Gesetz zur Angemessenheit der Vorstandsvergütung (VorstAG, Act on the Appropriateness of Management Board Remuneration) and the German Corporate Governance Code. The contracts of all Executive Board members, irrespective of their duration, were amended by mutual agreement to reflect the new Executive Board remuneration system with effect from 1 January 2010. Based on the comparisons made, the remuneration can be considered to be appropriate.

Structure of the Executive Board remuneration system

The remuneration system applicable to members of Deutsche Börse AG’s Executive Board since 1 January 2010 is described below. The aim of this system is to remunerate the Executive Board members appropriately for their tasks and responsibilities, as well as in accordance with legal requirements, and to provide incentives based on multiyear assessment periods without encouraging unjustifiable risks. The remuneration consists of performance-related and non-performance-related components. The main structural changes are the revised breakdown of remuneration across the various components, and the new assessment periods and incentive criteria for the variable cash remuneration and share-based payment. The total target remuneration remains essentially the same under the old and the new remuneration systems.

Non-performance-related remuneration components

Non-performance-related remuneration comprises the monthly basic remuneration and ancillary contractual benefits granted.

Basic remuneration

The members of the Executive Board receive a fixed basic salary in twelve monthly instalments. The basic salary represents approximately 30 percent of the total target remuneration for one year. It is reviewed by the Supervisory Board on a regular basis, at least every two years.

Ancillary contractual benefits

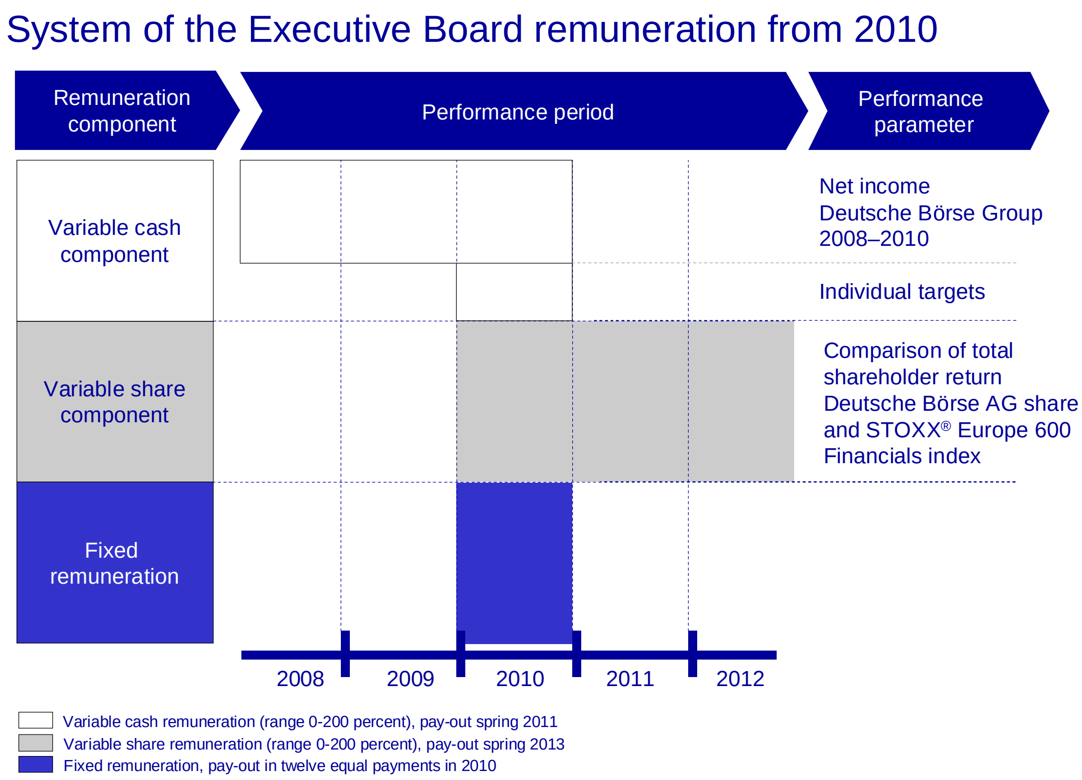
In addition to the basic remuneration, the members of the Executive Board receive certain ancillary contractual benefits. The most significant benefit is an occupational pension commitment in the form of a defined contribution plan for members of the Executive Board employed since January 2009 and a defined benefit plan for those who joined earlier. (See the “Retirement benefits” section for details of the terms and conditions). A further benefit is the provision of an appropriate company car for business and personal use. Tax is payable by the Executive Board members for the pecuniary benefit arising from private use. In addition, members of the Executive Board receive taxable contributions towards private pensions. The Company also takes out accident insurance and directors’ and officers’ liability insurance (D&O insurance) for them. This policy includes a deductible of 10 percent of the damages arising from the insured event, with the maximum deductible per year set by the Supervisory Board at 1.5 times the fixed annual remuneration of the relevant Executive Board member.

Performance-related remuneration components

The performance-related remuneration consists of cash and share components. The cash component represents around 45 percent and the share components around 25 percent of the total annual target remuneration. For performance measurement, the new remuneration model in effect since 2010 uses the period 2008 to 2010 for the variable cash remuneration and the period 2010 to 2012 for the variable share-based payment. By contrast, the old system had only a one-year performance measurement period, with part of the payment being deferred.

Variable cash component

The Supervisory Board establishes the 100 percent target value of the variable cash component in euros for every Executive Board member at the beginning of each year. At the end of the financial year, the Supervisory Board determines the actual degree to which the targets have been met and decides on the amount of the variable cash component. Two parameters are used to measure target achievement:



Achievement of the Group's net income target: Two thirds of the variable cash component is based on the achievement of a specified net income target for the Group, and hence an appropriate return on equity. This measure takes into account not only the group net income for the current financial year, but also for the two preceding years. The degree to which the targets have been achieved is determined on a scale of 0 to a maximum of 200 percent for each of the three financial years. The average level of target achievement over these three years is then used to calculate two-thirds of the variable cash component for the current financial year.

Based on the Executive Board's performance, the Supervisory Board calculated a target achievement for those members of the Executive Board who were in office throughout the years 2008 and 2009. For new Executive Board members, 100 percent target achievement was assumed for past years in which they were not yet in office.

When determining the target achievement level for the year in question, the Supervisory Board checks whether and to what extent exceptional, one-off effects influenced the Group's net income. If these one-off effects were caused by developments or factors not attributable to the Executive Board, the Supervisory Board shall take this into account in determining the level of target achievement.

Achievement of individual targets: One third of the variable cash component is determined based on the degree to which each member of the Executive Board has achieved individual targets in the financial year for which the cash bonus is awarded. Individual targets are agreed with each Executive Board member at the start of the year. Target achievement is assessed after the end of the year; once again, achievement of 0 to a maximum of 200 percent possible.

Variable stock component

The Supervisory Board also establishes the 100 percent target value for the variable stock component for each Executive Board member in euros. The number of phantom Deutsche Börse shares for each member of the Executive Board is calculated based on this target value at the beginning of each financial year. To do this, the euro amount is divided by the average share price (Xetra® closing price) in the two calendar months before the target value is determined. The phantom Deutsche Börse shares are subject to a three-year vesting period (grant year and the two subsequent years). The entitlement to a variable share bonus is settled in cash and only arises at the end of the vesting period. The stock bonus is variable in two ways: the number of phantom Deutsche Börse shares is dependent on the performance of Deutsche Börse's total shareholder return (TSR) compared to the TSR of the STOXX® Europe 600 Financials Index. If the average performance of Deutsche Börse AG's TSR in this period moves parallel to the average TSR of the benchmark index, the number of phantom shares remains unchanged. If the TSR of Deutsche Börse AG is 50 percent or less than the index's TSR, the number of phantom shares falls to zero. If at least the TSR of Deutsche Börse AG is double that of the index, the number of shares doubles. The following table shows the relationship between TSR performance and the number of shares:

Average TSR of Deutsche Börse AG compared to the TSR of the STOXX® Europe 600 Financials index %	Number of phantom shares at the end of the vesting period (compared to the number of shares originally allocated) %
–50	0
–40	50
0	100
40	140
50	150
100	200

The second variable is the share price. The number of shares calculated at the end of the vesting period is multiplied by the share price applicable on that date (average price/ Xetra closing price of the Deutsche Börse share in the preceding two full calendar months). This gives the value of the variable stock component. The Supervisory Board has set the maximum variable stock component at 250 percent of the original target value.

Since the variable stock component described is only being applied for the first time in 2010, the Executive Board members will receive a possible share bonus in 2013 for the first time. For the tranches under 2008 and 2009, the Executive Board members will receive a variable stock component under the former Stock Bonus Plan (SBP) if they were in office throughout these two years. Under the SBP, one third of the variable remuneration was granted in the form of phantom shares for both 2008 and 2009. These shares are subject to a two-year vesting period and will be paid out to the Executive Board members in the spring of 2011 and 2012, respectively. The Supervisory Board may choose whether to settle the award in cash or shares.

A modified Black-Scholes option pricing model (Merton model) was used to measure the number of stock options arising from the 2010 variable stock component (previous year: 2009 tranche). The model does not take exercise hurdles into account. The number of stock options was calculated as at the balance sheet date taking into account the performance of the total shareholder return relative to the performance of the share price of Deutsche Börse AG. It is based on the following valuation parameters:

Valuation parameters

		Share component 2010	Tranche 2009[1]	Tranche 2008[1]
Term[2]		3 years	2 years	2 years
Risk-free interest rate	%	0.87	1.19	1.37
Volatility	%	37.36	55.48 – 56.95	52.62 – 59.49
Deutsche Börse AG share price	€	51.8	47.35 – 54.88	40.03 – 49.35
Dividend yield	%	4.92	4.21 – 4.88	4.68 – 5.77
Fair value	€	46.86	43.21 – 50.70	36.11 – 45.37
Relative total shareholder return	%	–3.27	–	–

1) The valuation parameters are calculated on the date the bonus is determined.
2) Term begins on the grant date.

Termination benefits

There are two different retirement benefit systems for Deutsche Börse AG Executive Board members.

Members of the Executive Board who were first employed before 1 January 2009 receive a defined benefit pension. Executive Board members who were first employed after that date receive a defined contribution pension.

The pensionable income and the present value of the existing pension commitments at 31 December 2010 are presented in the table on the following page.

Contractual changes and amendments to retirement benefit agreements

The former connection between basic remuneration and the replacement rate used to calculate the pensionable income has been eliminated. As of 2010, the amount of the pensionable income is regularly reviewed by the Supervisory Board. The retirement benefit agreements with the Executive Board members were amended in some areas as part of the new remuneration system for the Executive Board. In this context, Mr Pottmeyer received a pension agreement under the defined contribution pension system described below. This also includes the provisions relating to “Death and permanent occupational incapacity benefits” and “Transition payments”.

Changes to existing retirement benefit agreements consisted of the inclusion of an agreement on transition payments in line with the details provided in the “Transition payments” section in the pension agreements for Dr Francioni and Mr Tessler.

Amount of the Executive Board remuneration

The following overviews show the remuneration awarded to each Executive Board member for financial years 2010 and 2009.

Total Executive Board remuneration for 2010 (new)

	Non-performance-related remuneration	Other remuneration from ancillary contractual benefits[1]	Variable cash payment	Variable share component[2]		Total
				Number of phantom shares	Amount at the grant date[3]	
	€ thousands	€ thousands	€ thousands	Number	€ thousands	€ thousands
Reto Francioni	1,100.0	22.8	1,695.7	16,448	839.0	3,657.5
Andreas Preuss	64.0	0.0	112.6	1,092	55.7	232.3
Frank Gerstenschläger	580.0	26.8	826.7	8,411	429.0	1,862.5
Michael Kuhn[4]	325.0	10.3	527.6	5,352	273.0	1,135.9
Gregor Pottmeyer[5]	600.0	46.7	877.8	9,097	464.0	1,988.5
Jeffrey Tessler	-	-	-	-	-	-
Total	2,669.0	106.6	4,040.4	40,400.0	2,060.7	8,876.7

1) Other remuneration comprises salary components such as taxable contributions towards private pensions, taxable lump-sum telephone allowances/living expenses, and company car arrangements.
2) The number of stock options at the 2010 grant date is calculated by dividing the target for the stock bonus by the average share price (Xetra closing price) of Deutsche Börse AG in the calendar months January and February 2010 (€51.01). The number of phantom shares for 2010 is indicative and may change as a result of the performance comparison based on total shareholder return in 2011 and 2012. They will be paid out in 2013.
3) Corresponds to the 100 percent target value for the 2010 phantom stock bonus. The variable stock component under the 2010-2012 performance assessment will be paid out in 2013.
4) For the period from 1 July until 31 December 2010
5) Appointed to the Executive Board on 1 October 2009

Total Executive Board remuneration for 2009 (old)

	Non-performance-related remuneration	Other remuneration from ancillary contractual benefits[1]	Variable cash payment	Variable share component[2]		Total
				Number of stock options shares	Amount at the grant date	
	€ thousands	€ thousands	€ thousands	Number	€ thousands	€ thousands
Reto Francioni	1,000.0	14.8	1,000.0	10,560	456.3	2,471.1
Andreas Preuss	48.0	0.0	70.7	746	32.2	150.9
Thomas Eichelmann[3]	183.3	17.0	-	-	-	200.3
Frank Gerstenschläger	500.0	26.2	486.7	5,139	222.0	1,234.9
Michael Kuhn	-	-	-	-	-	-
Gregor Pottmeyer[4]	125.0	18.0	250.0	-	-	393.0
Jeffrey Tessler	-	-	-	-	-	-
Total	1,856.3	76.0	1,807.4	16,445	711.0	4,450.7

1) Other remuneration comprises salary components such as taxable contributions towards private pensions, taxable lump-sum telephone allowances/living expenses, and company car arrangements.
2) The calculation of the number of stock options and the value at the grant date for 2009 is based on the closing auction price of Deutsche Börse shares in electronic trading on the Frankfurt Stock Exchange on the date the bonus is calculated.
3) Left the Executive Board on 30 April 2009
4) Appointed to the Executive Board on 1 October 2009

Retirement benefits

	Replacement rate		Present value / Defined benefit obligation		Pension expense[1)]	Pensionable income[5)]
	as at 31 Dec. 2010 %	as at 31 Dec. 2009 %	as at 31 Dec. 2010 € thous.	as at 31 Dec. 2009 € thous.	2010 € thous.	2010 € thous.
Defined benefit system						
Reto Francioni	35.0	35.0	7,839.3	5,123.6	2,715.7	1,000.0
Andreas Preuss	40.0	40.0	3,185.7	1,330.3	1,855.4	600.0
Frank Gerstenschläger	40.0	35.0	4,427.4	1,739.2	2,688.2	500.0
Michael Kuhn[2)]	50.0	45.0	5,085.0	0.0	2,569.7	500.0
Jeffrey Tessler	–	–	–	-	-	-
Total			20,537.4	8,193.1	9,829.0	
Defined contribution system						
Gregor Pottmeyer[3)]	48.0[4)]	–	384.7	–	384.7	500.0

1) Pension expense includes the interest charges in the financial result and the amount in the personnel expenses
2) For the period from 1 July until 31 December 2010
3) The pension agreement with Mr Pottmeyer was entered into as part of the restructuring of the Executive Board remuneration in 2010.
4) The annual pension contribution amounts to 48 percent of the basis for assessment in the defined contribution system.
5) Basis for the pensionable income is since 2010 not the non-performance related remuneration. It is determined and regulary reviewed from the supervisory board.

Retirement benefits

The members of the Executive Board are entitled to pension benefits after reaching the age of 60 or 63, if they are no longer in the employment of Deutsche Börse AG at that time. In accordance with the Articles of Association of Deutsche Börse AG, membership of the Executive Board generally terminates when the members attain the age of 60. However, this age limit may be exceeded in individual cases if it is in the Company’s interest.

Defined benefit retirement benefit system

After reaching the contractually agreed retirement age of 60 or 63, members of the Executive Board to whom the defined benefit retirement benefit system is applicable receive a specified percentage (replacement rate) of their individual pensionable income as a pension. This is subject to the Executive Board member in question having served on the Executive Board for at least three years and having been reappointed at least once. Pensionable income is determined and regularly reviewed by the Supervisory Board. When the term of office begins, the replacement rate is 30 percent. This rises by five percentage points with each reappointment, up to a maximum of 50 percent. As a rule, the benefit is granted in the form of a monthly pension. The benefit may also be paid out in the form of a one-off capital payment or in five instalments, provided that the Supervisory Board has adopted a corresponding resolution at the Executive Board member’s request.

Defined contribution retirement benefit system

For Executive Board members to whom the defined contribution benefit system applies, the Company makes a contribution in the form of a capital component in each calendar year they serve on the Executive Board. This contribution is determined by applying an individual replacement rate to the pensionable income. As in the defined benefit retirement benefit system, the pensionable income is determined and regularly reviewed by the Supervisory Board. The annual capital components calculated in this way bear interest corresponding to the discount rate used to measure pension liabilities in the Company's German financial statements in accordance with section 253 (2) of the Handelsgesetzbuch (HGB, the German Commercial Code), but at least 3 percent annually. As a rule, the benefit is also granted in the form of a monthly pension in the defined contribution system. The benefit may also be paid out in the form of a one-off capital payment or in five instalments, provided that the Supervisory Board has adopted a corresponding resolution at the Executive Board member's request.

Early retirement pension

Members of the Executive Board who have a defined benefit pension are entitled to an early retirement pension if the Company does not extend their contract, unless the reason for this is attributable to the Executive Board member and would justify termination without notice of the Executive Board member's contract. The amount of the early retirement pension is calculated in the same way as the retirement benefits by applying the relevant replacement rate to the pensionable income. Again, this is subject to the Executive Board member having served on the Executive Board for at least three years and having been reappointed at least once. In addition, an Executive Board member must have reached the age of 55 to qualify for the early retirement pension. Members of the Executive Board who have a defined contribution pension are not eligible for early retirement benefits.

Death and permanent occupational incapacity benefits

In the event of the permanent occupational incapacity of a member of Deutsche Börse AG's Executive Board, the Company is entitled to retire the Executive Board member in question. Permanent occupational incapacity exists if an Executive Board member is unable to perform his or her professional activities for more than six months and it is not expected that his or her occupational capacity will be regained within a further six months. In such cases, Executive Board members who have a defined benefit pension plan receive the amount calculated by applying the relevant replacement rate to the pensionable income. Executive Board members with a defined contribution pension plan receive the benefit assets acquired when the benefits fall due, plus an allocated amount. The allocated amount corresponds to the full annual pension contribution that would have been due in the year of leaving service multiplied by the number of years between the benefits falling due and the Executive Board member reaching the age of 59.

In the event of the death of an Executive Board member, his or her spouse receives 60 percent of the above amount and each dependent child receives 10 percent (25 percent for full orphans).

Transitional payments

In the event of permanent occupational incapacity, the defined-benefit pension agreements of Deutsche Börse AG's Executive Board provide for a transitional payment in addition to the benefits described above. The amount of this payment corresponds to the amount of the target variable remuneration (cash and share bonuses) in the year in which the benefits fall due, and is paid out in two tranches in the two subsequent years. In the case of the death of an Executive Board member, his or her spouse receives 60 percent of the transitional payment. A transitional payment is only made in the case of defined benefit pension agreements.

Severance payments

In the event of early termination of an Executive Board member's contract of service without good cause, any payments made to the Executive Board member may not exceed the remuneration for the residual term of the contract of service and, additionally, the value of two total annual remuneration payments (severance cap). The payment is calculated based on the total remuneration in the past financial year and, where appropriate, the expected total remuneration for the current financial year. The Supervisory Board may exceed the upper limit in exceptional justified cases.

Change of control

If an Executive Board member is asked to stand down within six months of a change of control, he or she is entitled to a severance payment equal to two total annual remuneration payments or the value of the residual term of his or her contract of service, where this is less than two years. This entitlement can be increased to 150 percent of the severance payment in the case of a change of control. If an Executive Board member resigns within six months of the change of control because his or her position as a member of the Executive Board is significantly negatively impacted as a result of the change of control, the Supervisory Board may decide at its discretion whether to grant a severance payment of the above-mentioned amount. This provision applies to all new contracts and reappointments of members of Deutsche Börse AG's Executive Board since 1 July 2009.

For contracts concluded before 1 July 2009, the previous contractual arrangement, whereby Executive Board members are entitled to a severance payment in the event of both their dismissal and their resignation within six months of a change of control, will continue to apply, but at the latest until the members' next reappointment. The severance payment consists of compensation for the residual term of the contract as well as an additional severance payment of up to twice the annual benefits, whereby the sum of the compensation and severance payment may not exceed five times the annual benefits.

Other provisions

Secondary employment

Additional appointments or secondary employment by an individual member of the Executive Board require the approval of the entire Executive Board and the Chairman of the Supervisory Board or, in certain cases, the entire Supervisory Board, which has delegated the granting of approval to the Personnel Committee. If a member of the Executive Board is remunerated for an appointment in an affiliate of Deutsche Börse AG, this is offset against the Executive Board member's entitlement to remuneration from Deutsche Börse AG.

Loans to Executive Board members

The Company granted no advances or loans to members of the Executive Board in financial year 2010.

Remuneration of the Supervisory Board

Supervisory Board members receive a rateable fixed remuneration for their services in financial year 2010, depending on their length of service in the year under review. The annual fixed remuneration for membership was €96 thousand for the Chairman, €72 thousand for the Deputy Chairman and €48 thousand for each other member. In addition, membership of the Supervisory Board's Committees (Strategy, Technology, Personnel, Nomination, Clearing and Settlement, and Audit and Finance) is remunerated: the additional remuneration is unchanged at €30 thousand per annum for the Chairman of each Committee (€40 thousand per annum for the Chairman of the Audit and Finance Committee) and €20 thousand per annum for each other member of each Committee.

Members of the Supervisory Board also receive annual variable remuneration on the basis of two different targets relating to the Company's performance. Target 1: In the year in which remuneration is paid, the consolidated return on equity after taxes of Deutsche Börse Group must exceed by at least five percentage points the average of the monthly average current yields to maturity of domestic bearer bonds and public-sector bonds with a remaining maturity of more than nine to ten years as calculated by the Deutsche Bundesbank. Target 2: Consolidated earnings per share for the previous two full financial years must exceed consolidated earnings per share for the previous year in each case by 8 percent or more. For each target met, the members of the Supervisory Board each receive annual variable remuneration in the amount of €16 thousand.

In the year under review, the remuneration of the members of the Supervisory Board amounted to €1.8million.

Corporate governance declaration/corporate governance report

In accordance with section 289a of the Handelsgesetzbuch (HGB, German Commercial Code), the Executive Board and the Supervisory Board of Deutsche Börse AG report on the following aspects in the corporate governance declaration: according to the legal requirements, the first item to be included in this declaration is the declaration of conformity in accordance with section 161 of the Aktiengesetz (AktG, German Stock Corporation Act). This is followed by relevant information on corporate governance practices applied over and above the legal requirements. Finally a detailed account is provided of Executive and Supervisory Board working practices as well as of the composition and working practices of their committees. Both Boards regard responsible and forward-looking corporate governance as the basis for the sustainable success of DeutscheBörseAG. The report thus reflects the requirements of the HGB. The inclusion of the corporate governance declaration in the Group management report goes beyond the legal requirements.

Declaration of conformity in accordance with section 161 of the German Stock Corporation Act

The Executive Board and the Supervisory Board of Deutsche Börse AG jointly submitted their updated declaration of conformity in accordance with section 161 of the Aktiengesetz (AktG, German Stock Corporation Act) on 10 December 2010. In this document, the Executive and Supervisory Boards declare that the Company will to the largest extent comply with the recommendations and suggestions of the German Corporate Governance Code in its version dated 26 May 2010, which was published in the electronic Federal Gazette on 2 July 2010, and effective since then The declaration has been made permanently available to the public on the Company's website. The full wording of the declaration is as follows:

Declaration of the Executive Board and the Supervisory Board regarding the German Corporate Governance Code in accordance with section 161 of the German Stock Corporation Act

Section 161 of the German Stock Corporation Act (AktG) requires the Executive Board and the Supervisory Board of a listed stock corporation to declare each year that the recommendations of the "Government Commission German Corporate Governance Code" published by the Federal Ministry of Justice in the official section of the electronic Federal Gazette have been and are being met or, if not, which recommendations have not been or are not being applied and why not.

The Executive Board and the Supervisory Board of Deutsche Börse AG have decided to disclose not only deviations from the Code's recommendations, but also – without legally obliged to do so – deviations from its suggestions.

For the period since the last declaration of conformity dated 17 December 2009, until 1 July 2010, the following declaration refers to the Code in the version as of 18 June 2009. Since 2 July 2010, the declaration refers to the requirements of the Code in its new version as of 26 May 2010, published in the electronic Federal Gazette on 2 July 2010.

The new version of the Code as of 26 May 2010, includes some new recommendations, which, in particular, deal with diversity when appointing Supervisory Board or Executive Board members and other managerial staff. In this context no. 5.4.1 (2) of the Code recommends that the Supervisory Board of a company shall specify concrete objectives regarding its composition. Directly after the Code came into effect measures have been initiated for the implementation of the new recommendation in no. 5.4.1 (2) of the Code. Hence, the forthcoming Corporate Governance Report will include the concrete objectives following a resolution of the Supervisory Board as recommended by the Code.

The Executive Board and the Supervisory Board of Deutsche Börse AG declare that otherwise the recommendations of the "Government Commission German Corporate Governance Code" have been and will be met with few deviations (see I.). Same applies to the suggestions of the Code (see II).

I. Deviations from Recommendations of the German Corporate Governance Code

1. Deductible in the D&O policy (no. 3.8 (3) of the Code)

The Company has not followed the recommendation of agreeing a deductible in the D&O policy for the Supervisory Board.

The D&O policy taken out by Deutsche Börse AG excludes coverage for wilful misconduct anyway. As a matter of fact, a deductible for cases of negligence has remained fairly unusual in other countries until today. Hence, there was some concern that agreeing a deductible could impede the Company's ability to staff its boards with prominent members of the community abroad who have extensive business experience.

At present as in the past, this concern still persists. Thus, the recommendation to agree upon a deductible in the D&O policy for the Supervisory Board will not be complied with in the near future.

However, the D&O policy, which the Company has taken out for members of the Executive Board, includes a deductible in accordance with section 93 (2) sentence 3 AktG in its new version.

2. Agreement of severance payment caps when concluding Executive Board contracts and of change of control clauses (no. 4.2.3 (4) and (5) of the Code)

The recommendation to agree severance payment caps in accordance with no. 4.2.3 (4) of the Code and to limit severance payments in the event of a change of control in accordance with no. 4.2.3 (5) of the Code has not been continuously complied with so far. The Supervisory Board considered it more reasonable to analyse the question of complying with the recommendation on a case to case basis and to implement the recommendation only if appropriate in order to maintain flexibility in contract negotiations.

Against the background of the amendments of the German Stock Corporation Act due to the Law on Adequacy of Executive Board Remuneration (Gesetz zur Angemessenheit der Vorstandsvergütung – VorstAG) and the adjustments of the German Corporate Governance Code in 2009 the Supervisory Board of Deutsche Börse AG reviewed the complete remuneration system for the Executive Board and implemented a new remuneration system for the Executive Board with effect as of 1 January 2010. Regarding the recommendation to agree upon severance payment caps and change of control clauses the following will apply in the future:

- Premature Termination
  If members leave the Executive Board before their regular term of appointment has expired, any severance and other payments that might be granted may not exceed the value of two annual remuneration payments or the value of the remainder of the current contract of service. In these cases, payments to a member of the Executive Board who is leaving the Company prematurely are only granted in principle if the member is not leaving the Company of his own accord and if the Supervisory Board has made a corresponding decision. Thus, the recommendation in no. 4.2.3 (4) of the Code shall be complied with regularly, when payments are granted to an Executive Board member in the event of a premature termination. However, the Supervisory Board reserves the right to deviate from the recommendation in no. 4.2.3 (4) of the Code, if it seems justifiable to the Supervisory Board to exceed the upper limit in exceptional cases.

- Termination in the case of a change of control
  If members leave the Executive Board before their regular term of appointment has expired due to a change of control event, severance payments may be increased to 150% of the severance payment cap as recommended in no. 4.2.3 (5) of the Code. This rule applies to all members who have joined the Executive Board since July 2009 as well as to all Executive Board members who have been re-appointed since 1 January 2010. For all other service agreements of Executive Board members the individual change of control clauses remain unchanged until the end of the term of appointment.

II. Deviations from Suggestions of the German Corporate Governance Code

1. Transmittal of the Annual General Meeting by using modern communication media (no. 2.3.4 of the Code)

Shareholders of Deutsche Börse AG could follow the complete Annual General Meeting 2010 of the Company in the internet as contemplated by suggestion no. 2.3.4 of the Code. As far as the Annual General Meeting 2011 is concerned the opening speeches of the Boards can be followed in the internet again. The decision on a complete transmittal of the Annual General Meeting 2011 has not yet been taken.

2. Separate preparation meetings by representatives of the shareholders and employees (no. 3.6 (1) of the Code)

The suggestion to hold separate meetings of the representatives of the shareholders and employees has not been and will not be met. In deviation to no. 3.6 (1) of the Code the Supervisory Board of Deutsche Börse AG has decided to hold separate sessions to prepare Supervisory Board Meetings not regularly, but only if is required.

Information on corporate governance practices

Deutsche Börse AG’s global orientation requires that binding guidelines and a code of conduct respected by all are applied at each of its 19 locations around the world. Its guidance for the way employees deal with each other and with external service providers is aimed in particular at ensuring respect and mutual esteem.

This guidance is also of importance in the implementation of the business model. As a fully integrated exchange company, Deutsche Börse AG organises financial markets and provides the infrastructure for all areas of equities and derivatives transactions – from trading to settlement and clearing, the provision of market data through to custody and management of securities. Its communication with customers, investors and the public is based on timely information and transparency. In addition to commercial activity, recognised social responsibility standards form the basis for managing Deutsche Börse as a business.

Code of conduct applicable throughout the AG

Irreproachable actions and behaviour are based on values shared by all employees. On the initiative of the Executive Board, Deutsche Börse AG therefore established a standard code of conduct in 2009. These ethical and legal standards apply throughout the AG: the code is binding on members of the Executive Board and the different management levels as well as on all other employees of the AG. In addition to specific rules, it provides general guidance as to how employees can contribute to breathing life into the defined values. The aim of the code of conduct is to provide guidance for working together in the Company's day-to-day activities and to serve as a guideline in cases of conflict. The code is designed to help meet ethical and legal challenges encountered in the course of the workday and can be viewed at www.deutsche-boerse.com > About us > Corporate Responsibility.

Supplier guidelines

Deutsche Börse AG demands adherence to high standards and benchmarks not only from itself and its employees, but also from its suppliers. It has adopted guidelines that require suppliers and other service providers to respect human and labour rights and comply with other minimum requirements. Most suppliers have signed up to these conditions; other business partners have voluntary commitments in place that reflect the above points or even go beyond their remit. Also, when new contracts are signed, adherence to the supplier guidelines becomes a key component of the contract.

The guidelines are regularly reviewed in the light of the latest developments and amended as necessary. The code of conduct and the supplier guidelines can be viewed at www.deutsche-boerse.com > About us > Corporate Responsibility.

Values

The way Deutsche Börse AG acts is based on the legal frameworks of the different countries in which the Company operates. These legal and ethical requirements result in a variety of obligations for the AG and its employees, which are in turn laid down in various internal regulations. The Company's understanding of values management is moreover reflected in its cooperation with international institutions: especially by joining initiatives and organisations that stand for generally accepted ethical standards, the AG makes clear the values to which it attaches importance. The relevant memberships are as follows:

- United Nations Global Compact (www.unglobalcompact.org): The United Nations Global Compact is an international agreement between companies and the UN. By joining, the Company has agreed to meet minimum social and ecological standards.

- Diversity Charter (www.diversity-charter.org): As a signatory to the Diversity Charter, Deutsche Börse AG is committed to recognising, valuing and promoting the diversity in its workforce, customer base and business associates – irrespective of age, gender, handicap, race, religion, nationality, ethnic background, sexual orientation, or identity.

- International Labour Organisation (www.ilo.org): The UN agency is the international organisation responsible for drawing up and overseeing international labour standards; it brings together representatives of governments, employers and workers to jointly shape policies and programmes.

Sector-specific guidelines

Deutsche Börse AG's pivotal role in the financial sector requires that it deals responsibly with its market position and the resulting knowledge. For this reason, a number of regulations are in force in the AG to ensure that employees deal with sensitive information, data and facts consciously and responsibly. These regulations comply with both legal requirements and special guidelines applicable to the respective industry segment. The aim is to ensure that the AG's market systems comply with all legal requirements and work transparently at all times. All internal company guidance applicable in this regard is regularly reviewed and amended if general or sector-specific developments necessitate this.

Whistleblowing system

In August 2010, Deutsche Börse AG established a whistle blowing system that gives employees and external service providers an opportunity to report non-compliant behaviour. Its aim is to prevent any form of financial crime at an early stage. Deutsche Börse AG has engaged Deloitte & Touche to act as an external ombudsman and receive any information employees submit by phone or e-mail. The whistleblowers' identity will remain anonymous at all times and not be revealed to the employer.

Guidelines on risk and control management

Functioning control systems are an important part of stable business processes. Deutsche Börse Group has introduced control systems that are embedded in an overall system. Among other things, this system takes practical rules, the recommendations of the German Corporate Governance Code, European regulations and recommendations, as well as further company-specific guidelines into account. Those people responsible for the different elements of the control system are in close contact with each and with the Executive Board and regularly report to the Supervisory Board or its committees. The AG has therefore established a Group-wide risk management system comprising roles, processes and responsibilities applicable to all staff and organisational entities of Deutsche Börse AG.

Executive and Supervisory Board working practices

The dual board principle, which grants independent responsibilities to the Executive Board and the Supervisory Board, is a fundamental principle of the German Stock Corporation Act. The actions of the governing bodies and committees of Deutsche Börse AG are based on the principle of responsible corporate governance. Corporate governance aims to promote long-term value creation and, through transparency and value-focused actions, make a sustainable contribution to guaranteeing the Company's long-term success: good corporate governance boosts the confidence of investors, customers, business partners, employees and the financial markets.

In accordance with the recommendation of the German Corporate Governance Code in regard to diversity on the Executive and Supervisory Boards and other management positions, both governing bodies, the Executive Board and the Supervisory Board, intend to consider women more appropriately in the nomination for election as shareholders representatives on the Supervisory Board in future.

Executive Board of Deutsche Börse AG

The Executive Board is independently responsible for leading the Company and managing its business, taking the interests of investors and employees into account and promoting long-term value creation.

The Executive Board currently has six members. The members of the Executive Board are appointed by the Supervisory Board for a period of three to five years; the Supervisory Board appoints one member as Chairman of the Executive Board. An Executive Board member's term of office ends when he or she reaches the age of 60. Care is taken to limit initial appointments to three years. The members of the Executive Board are obliged to act exclusively in the Company's interests. For the duration of their term of office, all members are subject to a comprehensive non-competition obligation and must ensure that they comply without delay with any legally required disclosure requirements relating to conflicts of interest and transactions in shares of the Company, as well as all other rules and recommendations.

The working practices of the Executive Board are based on the following legal requirements:

- The laws applicable to an Aktiengesellschaft (German stock corporation)
- The Articles of Association resolved by the Annual General Meeting
- The Executive Board and Supervisory Boards' bylaws
- The schedule of responsibilities
- The respective service contracts

Resolutions are adopted on this basis by the full Executive Board – in accordance with the bylaws it has received from the Supervisory Board. Each Executive Board member is assigned a specific division for which they have primary management responsibility. The responsibilities of the individual members are set out in the schedule of responsibilities. The schedule is proposed by the Chairman of the Executive Board, taking the respective service contracts into account, unanimously approved by the full Executive Board and submitted to the Supervisory Board for its information.

The Executive Board can establish fixed-term Executive Board committees and appoint advisory boards to implement audits or reviews or prepare Executive Board resolutions, but did not make use of this possibility in financial year 2010.

The composition of the Executive Board as well as any other appointments of its members in financial year 2010 can be found in the notes. More information on the Executive Board can be viewed at www.deutsche-boerse.com > Investor Relations > Corporate Governance > Executive Board.

Close cooperation between Executive Board and Supervisory Board

The Executive and Supervisory Boards work closely together on a basis of mutual trust. They perform their duties in the interests of the Company to achieve a sustainable increase in value. The Executive Board must provide the Supervisory Board with regular, timely and comprehensive information on the course of business. In addition, the Executive Board informs the Supervisory Board regularly on all issues concerning business planning, business development, the risk situation and risk management as well as the control systems in the Company. The Chairman of the Executive Board must report to the Supervisory Board without delay, verbally and in writing, on any matters that are of special importance to the Company. The Company's strategic orientation and the implementation thereof are discussed regularly and in detail with the Supervisory Board. In particular, the Chairmen of the two Boards keep in regular contact and discuss the strategy, business performance and risk management of the Company. Moreover, the Supervisory Board can request a report from the Executive Board at any time, if this is deemed necessary by an issue concerning the Company that could have a significant impact on its position.

Supervisory Board of Deutsche Börse AG

The Supervisory Board supervises and advises the Executive Board in the management of the Company. It supports it in significant business decisions and provides assistance in matters of strategic importance.

Two-thirds of the Supervisory Board's members are shareholder representatives and one-third are employee representatives. It currently has 18 members. The current Supervisory Board was elected by the Annual General Meeting 2009. Any persons proposed for election should not yet have reached the age of 70. The Supervisory Board elects a Chairman and at least one Deputy Chairman from among its members. Its current period of office is three years; it runs until the end of the Annual General Meeting 2012, whereby the period of office for the shareholder representatives and that of the employee representatives are identical. Up to a maximum of two former members of the Executive Board of Deutsche Börse AG may become members of the Supervisory Board; currently no former members of Executive Board are members of the Supervisory Board. There is a sufficient number of independent members of the Supervisory Board who have no business or personal relationship with Deutsche Börse AG or with members of the Executive Board. The Supervisory Board's members include finance and audit experts. Generally, all the members of the Supervisory Board have the knowledge, skills and specialist experience they need to fulfil their duties properly. This ensures that the Supervisory Board as a whole always has enough expertise to fully discharge its duties.

The Supervisory Board's working practices are generally based on the legal requirements. The Supervisory Board has adopted bylaws to this end. For important business decisions, the Executive Board must obtain approval from the Supervisory Board in advance in accordance with its bylaws: the Executive Board must agree the strategic planning and development with the Supervisory Board and, if necessary, obtain approval for special and significant measures. The Supervisory Board is also responsible for the contracts of service and remuneration of Executive Board members: the plenary meeting of the Supervisory Board, at the suggestion of its Personnel Committee, resolves the key contract elements, the remuneration system and the individual remuneration for each member of the Executive Board when agreeing contracts of service. The Supervisory Board regularly reviews the structure and the height of the remuneration system and in particular aligns it with changes in legislation.

The composition of the Supervisory Board, details of any other appointments of its members in financial year 2010 and information on the treatment of potential conflicts of interests can be found in this Annual Report. More information on the Supervisory Board can be viewed at www.deutsche-boerse.com > Investor Relations > Corporate Governance > Supervisory Board.

The committees of the Supervisory Board and their working practices

The Supervisory Board has established committees with the aim of improving the efficiency of its work by dealing with complex matters in smaller AGs and preparing them for the Supervisory Board. They are convened by the Chairman of the Committee. In accordance with the legal requirements and the Company's business interests, the Supervisory Board has established six committees. The individual responsibilities and the rules of procedure for adopting resolutions are laid down in the bylaws for the Supervisory Board; the committees do not have their own separate bylaws. The rules of procedure correspond to those of the plenary meeting of the Supervisory Board. The tasks and composition of the individual committees are described in the following.

Audit and Finance Committee

The Audit and Finance Committee deals with matters relating to the preparation of the annual budget, risk management, control systems, accounting, reporting and other related issues. The committee discusses and audits the financial statements and the auditor's report in detail, reports to the Supervisory Board on the audit and recommends that the Board approves the financial statements and the consolidated financial statements. The Committee normally consists of four members who are elected by the Supervisory Board. The Chairman of the Committee has specialist knowledge and experience in the application of international financial reporting principles. The Chairman of the Supervisory Board is not a member of the Audit and Finance Committee. In the year under review, the Committee members were:

§ Dr Erhard Schipporeit (Chairman)
§ Friedrich Merz
§ Thomas Neiße
§ Johannes Witt

Personnel Committee

The Personnel Committee deals with matters relating to the service contracts of Executive Board members, the structure and height of their remuneration, personnel development, succession planning, the acceptance of Executive Board, Supervisory Board, Advisory Board and similar appointments, honorary offices and secondary activities, as well as other related issues. The Personnel Committee normally consists of four members who are elected by the Supervisory Board. They must include one employee representative and the Chairman of the Supervisory Board, who chairs the Personnel Committee. In the year under review, the Committee members were:

§ Dr Manfred Gentz (Chairman)
§ Hans-Peter Gabe
§ Richard M. Hayden
§ Gerhard Roggemann

Nomination Committee

The core responsibility of the Nomination Committee is to propose to the Supervisory Board suitable candidates for its list of candidates for election to be proposed to the Annual General Meeting. The Nomination Committee normally has three members – exclusively shareholder representatives – who are also shareholder representative members of the Personnel Committee. The Chairman of the Personnel Committee also chairs the Nomination Committee. In the year under review, the Committee members were:

- Dr Manfred Gentz (Chairman)
- Richard M. Hayden
- Gerhard Roggemann

Strategy Committee

This Committee advises the Executive Board on matters of strategic importance to the Company. The Committee normally consists of the Chairman of the Supervisory Board and at least five other members who are elected by the Supervisory Board. In the year under review, the Committee members were:

- Dr Manfred Gentz (Chairman)
- Herbert Bayer
- Birgit Bokel
- Dr Joachim Faber
- Richard M. Hayden
- Friedrich Merz
- Gerhard Roggemann

Technology Committee

The Technical Committee advises the Supervisory Board of Deutsche Börse AG on all issues relating to Deutsche Börse AG's IT development and the IT organisation and its affiliated companies. The Committee normally has four members who are elected by the Supervisory Board. In the year under review, the Committee members were:

- Craig Heimark (Chairman)
- Richard Berliand (since 23 March 2010)
- Dr Joachim Faber (until 31 March 2010)
- David Krell
- Roland Prantl

Clearing and Settlement Committee

The Clearing and Settlement Committee advises the Supervisory Board on the assessment of relevant regulatory trends at national and European level and on estimating the impact of these trends on Deutsche Börse AG. The Committee normally has four members who are elected by the Supervisory Board. In the year under review, the Committee members were:

- Dr Konrad Hummler (member since 23 March 2010, Chairman since 31 March 2010)
- Richard Berliand (member until 25 March 2010)
- Dr. Joachim Faber (member since 23 March 2010)
- Hermann-Josef Lamberti (member and Chairman until 30 March 2010)
- Thomas Neiße (since 23 March 2010)
- Norfried Stumpf

Further information on the Supervisory Board committees can be obtained from Deutsche Börse's website at www.deutsche-boerse.com > Investor Relations > Corporate Governance > Supervisory Board > Committees.

Efficiency audit of the work of the Supervisory Board

Thanks to regular reviews of the Supervisory Board's work, it is in a position to improve processes continuously and provide fresh impetus for the further development of its efficiency. In accordance with the recommendation of the German Corporate Governance Code and in compliance with the voluntary commitment undertaken in the Supervisory Board's bylaws, its work is assessed annually. For 2010, the efficiency audit found that its work was balanced overall. Positive factors highlighted by the audit were communication within the Supervisory Board, the role of the Chairman and the general organisation of Supervisory Board work. The results of the audit were discussed at the last Supervisory Board meeting of the year under review: taking into account the results of previous years, suggestions for improvement were discussed and further impulses for their implementation given.

Directors' dealings

In accordance with section 15a of the Wertpapierhandelsgesetz (WpHG, the German Securities Trading Act), the members of the Executive and Supervisory Boards of Deutsche Börse AG are obliged to disclose the purchase or sale of Deutsche Börse shares and derivatives. A detailed account of directors' dealings can be found on the website of Deutsche Börse AG. Website: www.deutsche-boerse.com > Investor Relations > News > Directors' Dealings.

At no time did the ownership of shares of the Company or financial instruments on these shares by individual members of the Executive and Supervisory Boards directly or indirectly exceed 1 percent of the shares issued by the Company. At no time did the total shareholdings of all Executive and Supervisory Board members of Deutsche Börse AG exceed 1 percent of the shares issued by the Company. For this reason, there were no shareholdings requiring disclosure in accordance with section 6.6 of the German Corporate Governance Code.

Transparent reporting

To ensure maximum transparency and equal opportunities for everyone, corporate communications at Deutsche Börse adopts the rule that all target AGs must receive all information at the same time. In its financial calendar, Deutsche Börse AG therefore informs shareholders, analysts, shareholders' associations, the media and the interested public about the most important dates such as the date of the Annual General Meeting or publication dates for financial indicators. In addition to ad hoc disclosures and information on directors' dealings and voting rights notifications, the Company's website (www.deutsche-boerse.com) also provides annual reports, interim reports and company news items. Deutsche Börse AG supplies information about the annual financial statements at an analyst and investor conference. On publication of the interim reports, it offers conference calls for analysts and investors. In addition, it explains strategy, informs investors and analysts in face-to-face meetings and in accordance with the principle of the same information for all interested parties.

Accounting and auditing

In its Annual Report, Deutsche Börse AG informs shareholders and the interested public about its financial results for 2010. In the course of the financial year, it publishes up-to-date information in the half-yearly financial report and in the interim reports for the first and third quarters. The financial statement documents and the annual report are available within 90 days of the end of the financial year (31 December); interim reports are available within 45 days of the quarter concerned. Following preparatory discussions by the Audit and Finance Committee, the annual financial statements and the consolidated financial statements are discussed and examined in great detail by the plenary meeting of the Supervisory Board and with the auditors before being approved.

The Executive Board discusses the half-yearly financial report and the interim reports for the first and third quarters with the Audit and Finance Committee before publication and informs the plenary meeting of the Supervisory Board. The auditors for Deutsche Börse AG's 2010 annual and consolidated financial statements are KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin (KPMG). The 2010 Annual General Meeting also elected KPMG to perform the review of the half-yearly financial report. Before the election, the Audit and Finance Committee had obtained a declaration that there were no personal, business, financial, or other relationships between the auditors and its governing bodies and audit managers on the one hand, and the Company and the members of its Executive and Supervisory Boards on the other that could give cause to doubt the auditors' independence. Moreover, the Audit and Finance Committee monitored the accounting process during the financial year. The Executive Board and the Supervisory Board were informed in time about the Committee's work and knowledge. There were no material questions in the financial year 2010.

The Deutsche Börse AG implemented widespread risk management-systems which are permanently improved and reviewed in due to its effectiveness. These are in the risk report, the part of the management report, described in detail. This corresponds to the internal control system, the compliance, and the internal auditing.

Incentive programmes for senior executives and employees

In the following –on the recommendation of the German Corporate Governance Code– stock option-programmes and similar share-based incentive systems for senior executive and employees are described.

The Deutsche Börse AG established incentive systems whereby the legitimated employees can participate in the Company's success. Whether and in which range these programms have an effect depends on the general business development.

Group Share Plan

In the financial year, the Deutsche Börse AG's Executive Board decided not to establish a Group Share Plan for the employees.

Stock bonus plan

In addition to members of the Executive Board of Deutsche Börse AG, senior executives of Deutsche Börse AG and its subsidiaries as well as members of the Executive Management of the subsidiaries participate in a Stock Bonus Plan (SBP). Details of the SBP are provided in the remuneration report. The beneficiaries participate in the Company's success and increase their identification with the Company through the SBP. The number of SBP shares granted to the beneficiary is generally calculated by dividing the individual SBP bonus determined for the beneficiary each year for the SBP by the average quoted price of Deutsche Börse shares in the fourth quarter of the respective financial year to which the bonus relates, rounded in accordance with standard practice to the nearest whole number. The average quoted price is calculated based on the average (arithmetic mean) of the closing auction prices for Deutsche Börse shares in electronic trading on the Frankfurter Wertpapierbörse (FWB®, the Frankfurt Stock Exchange) in the fourth quarter of the financial year for which the bonus component is set. After a two-year waiting period, the Company chooses whether the beneficiary then receives the shares or a cash settlement.

Control systems

The control systems at Deutsche Börse AG are an essential component in maintaining the orderly execution of business processes and the principles of corporate governance. Those responsible for the individual control systems are in close contact to the Executive Board and report regularly to the Audit and Finance Committee of the Supervisory Board at Deutsche Börse AG. At the request of individual members of the Executive Board, further reports are made to the Supervisory Boards of the Group companies.

Risk management

Risk management is regarded as a fundamental component of the management and supervision of Deutsche Börse AG. The AG has therefore established a Group-wide risk management concept comprising roles, processes and responsibilities binding for all staff and organizational entities of

Deutsche Börse Group. This concept is designed to ensure that emerging risks can be identified and dealt with appropriately at an early stage.

Internal control system

Deutsche Börse AG's internal control system (ICS) is another control tool. Its primary purpose is to ensure that Deutsche Börse AG's accounting process complies with sound bookkeeping and accounting practices. This guarantees that the presentation of the net assets, financial position and results of operations in the annual financial statements of Deutsche Börse AG is correct and complete.

The Financial Accounting and Controlling area (FA&C) and the corresponding units in foreign subsidiaries are mainly responsible for preparing the accounts of Deutsche Börse AG and its consolidated subsidiaries. The head of FA&C at Deutsche Börse AG is responsible for the accounting processes of Deutsche Börse AG as well as for the effectiveness of the safety and control measures, which also form part of the accounting process. This officer ensures that risks in the accounting system are identified early on and that adequate safety and control measures are taken in good time. An internal monitoring system has been implemented to this end, which comprises both integrated and independent controls. The consistent quality of financial reporting is guaranteed by using the following tools:

- Work instructions and process descriptions for each individual accounting process, including the preparation of the consolidated financial statements, are stored in an FA&C database specifically created for this purpose.

- IFRS and HGB accounting manuals and account allocation guidelines ensure a Group-wide standard financial reporting process.

The work instructions and process descriptions are regularly reviewed to ensure that they are up to date. High-risk processes are subject to special controls. The financial reporting manuals and account allocation guideline are also updated on an ongoing basis. All employees within the department have access to the FA&C database, reporting manuals and account allocation guidelines and can thus obtain current information on the regulations to be followed.

Another important feature of the internal control system within the FA&C department is the principle of function separation: tasks and responsibilities are clearly defined and allocated within the organisation. Incompatible tasks, such as changing master data and issuing payment instructions, are kept strictly apart. This function separation is ensured, among other things, by installing an independent control unit with the authority to grant accounting system access rights to employees and continuously monitor them by means of a so-called incompatibility matrix. Transactions are initially recorded in the general ledger or corresponding subledgers based on the table of accounts and the account allocation guideline. The preparation of the closing entries and consolidated financial statements always follows the principle of dual control, which is an additional control measure.

The general ledgers of major subsidiaries of Deutsche Börse Group are kept within the same SAP-System. The consolidation is done using the consolidation software SAP EC-CS. The financial statements of subsidiaries not included in this consolidation system are transferred to the system via upload files for preparing the consolidated financial statements. For the consolidation of liabilities, expenses and income, transactions are recorded in separate accounts under the name of the respective partner company. Differences arising from the consolidation of liabilities, expenses and income are appraised centrally and sent on to the accounting departments of the companies for clarification.

Internal Auditing carries out risk-oriented and process-independent controls to assess the effectiveness and appropriateness of the internal control system for accounting.

The Executive Board and the Audit and Finance Committee set up by the Supervisory Board receive regular reports on the effectiveness of the internal control system for the accounting process. However, even an appropriate and functioning internal control system can only offer adequate, but never total protection against failure to achieve the goals described at the beginning of this section.

Compliance

Compliance represents an important part of corporate culture at Deutsche Börse AG. Deutsche Börse AG has established the Group Compliance function. Its task is to protect the Group from potential damage arising from the failure to comply with applicable laws, regulations and standards of good governance. The particular focus here is on the following topics specific to financial companies:

- Prevention of money laundering and terrorist financing
- Compliance with professional and banking secrecy
- Prevention of insider dealing
- Prevention of market manipulation
- Prevention of fraud
- Prevention of corruption
- Prevention of conflicts of interest
- Data protection

Deutsche Börse Group has passed a binding compliance policy which is valid for all employees, including senior management and external service providers. The content of the compliance policy can be viewed by the general public at www.deutsche-boerse.com > Investor Relations > Corporate Governance > Compliance.

Internal Auditing

Internal Auditing at Deutsche Börse AG provides independent, objective auditing and advisory services aimed at improving business processes and internal procedures. In this context, Internal Auditing assesses the effectiveness of corporate processes, risk management, controls and management and supervisory processes, as well as compliance with regulations. It reports on the associated risks and highlights areas for improvement. In this way, Internal Auditing creates added value for the Company and its supervisory bodies and supports them in achieving their objectives.

Deutsche Börse AG has implemented the control systems described (risk management, internal control system, compliance and internal auditing) as part of an integrated overall concept. The coordination of the control systems is ensured by a central coordination function and by agreements between each of the areas responsible.

The Executive and Supervisory Boards examine the effectiveness of the control systems on a regular basis and did not detect any shortcomings in the year under review.

Results of operations, financial position and net assets

Results of operations

Deutsche Börse AG's sales revenue increased by 8.3 percent to €1,056.6 million in 2010 (2009: €975.8 million).

Sales revenue by segment

	2010 €m	2009 €m	Change %
Xetra	221.4	205.1	+7.9
Eurex	654.3	595.4	+9.9
Market Data & Analytics	180.9	175.3	+3.2
Total	1,056.6	975.8	+8.3

Other operating income increased to €597.5 million in the year under review (2009:€196.5million). Other operating income includes a non-recurring gain of €444.2 million from the non-cash contribution of shares in Clearstream International S.A. at the higher taxable carrying amount into Clearstream Holding AG.

Costs amounted to €683.9 million in the year under review, 6.3 percent higher than in 2009:

Overview of costs

	2010 €m	2009 €m	Change %
Personnel expense	116.4	88.2	+32.0
Depreciation	10.3	11.9	–13.4
Other operating expenses	557.2	543.3	+2.6
Total	683.9	643.4	+6.3

The increase in personnel expenses was due to a significant extent to measures to optimize operational efficiency, which contributed to an increase in expenses for severance payments by €11.5 million to €18.6 million (2009: €7.1 million) as well as to an increase in expenses for efficiency measures and employee releases by €5.3 million to € 5.6 million (2009: €0.3 million) as a result of the planned staff reduction. The programme resulted in higher expenses for early retirement of €5.2 million. In addition, other personnel expenses rose in the year under review by €8.3 million to €4.6 million (2009: income of €3.7 million). This increase was primarily due to higher provisions for bonuses year-on-year in the amount of €8.4 million (2009: €4.9 million).

The decline in depreciation is in particular due to lower depreciation on fixtures and fittings in third-party buildings of €6.1 million (2009: €7.4 million).

Profit before tax from ordinary business activities fell by 33.3 percent year-on-year to €408.5million (2009: €612.1 million). The pre-tax profit margin dropped to 38.7 percent (2009: 62.7 percent). These declines were due to the unsatisfying development of the

International Securities Exchange (ISE) which generated an impairment charge and amortization for profit participation rights issued by the Eurex Frankfurt AG.

Development of profitability

Deutsche Börse AG's return on equity, the ratio of after-tax earnings to the average equity available to the Company in 2010, fell from 21.1 percent in 2009 to 12.9 percent, mainly because of the deterioration in the result.

Financial position

At the end of 2010, cash and cash equivalents amounted to €491.2 million (2009: €251.5 million), including cash, current account balances at banks and term deposits less liabilities from bank loans and overdrafts.

The Company received dividends totalling €211.7 million (2009: €233.1 million). These dividends consist primarily of dividends of €112.7 million (2009: €220.0 million) received from Clearstream International S.A., €83.4 million (2009: €0.0 million) received from Deutsche Börse Systems AG and €10.3 million (2009: €10.9 million) received from STOXX Ltd. Moreover, income from Clearstream Holding AG of €115.0 million based on the profit transfer agreement was recognised.

Deutsche Börse AG has credit lines of €605.0 million (2009: €605.0 million). These comprise a syndicated credit line of US$1 billion, which is shared by Deutsche Börse AG and Clearstream Banking Luxembourg and under which Deutsche Börse's sublimit is €400.0 million, as well as bilateral credit lines totalling €205.0 million.

A commercial paper program offers Deutsche Börse AG an opportunity for flexible, short-term financing, involving a total facility of €2.5 billion in various currencies. As at year-end, no commercial papers were outstanding (2009: €100.0 million).

To replace the syndicated credit lines of €1,000.0 million and US$700.0 million agreed for the acquisition of ISE Holding, Deutsche Börse AG issued a senior benchmark bond of €500.0 million in April 2008. The principal amount was subsequently increased by €150.0 million in June 2008. A further US$460.0 million was issued in June 2008 as part of a private placement in the United States. Also in June 2008, Deutsche Börse AG issued a hybrid bond in the amount of €550.0 million, of which a nominal €4.0 million in 2009 and a nominal €89.0 million in 2010 were repurchased.

Deutsche Börse AG generated strong cash flows from operating activities of €692.7 million in 2010 (2009: €682.0 million). The increase of cash flow from operating activities primarily results from net income being adjusted for the high impairment charges.

The year-on-year change in cash flows from investing activities is primarily attributable to the lower investments in financial assets compared with the previous year.

In the year under review, Deutsche Börse AG repaid loans in the amount of €194.3 million (2009:€819.9 million). In the year under review, no loans were taken up on the financial market (2009: €711.4 million). In combination with nearly unchanged total dividend distribution, this led to cash flows from financing activities € -583.8 million.

Cash and cash equivalents amounted to €184.2 million at the end of 2010 (2009: €140.6 million).

Cash flow statement (condensed)

	2010 €m	2009 €m
Cash flows from operating activities	692.7	682.0
Cash flows from investing activities	-65.3	– 147.8
Cash flows from financing activities	-583.8	–492.2
Cash and cash equivalents as at 31 December	184.2	140.6

Capital management program

Under its capital management program, Deutsche Börse AG will react flexibly to a changing market environment in the forecast period. Deutsche Börse AG continues to pursue the objective of achieving an interest cover ratio (ratio of EBITDA to interest expenses from financing activities) of at least 16 at Group level. Both the planned dividend distribution ratio of 40 to 60 percent of net income for the year and any share buy-backs are subject to capital requirements, investment needs and general liquidity considerations.

Dividend

For 2010, Deutsche Börse AG will propose to the General Meeting that an unchanged dividend of €2.10 per share be paid for the last financial year (2009: €2.10). Deutsche Börse AG withdrew €121.2 million from retained earnings in the past year for the distribution of the dividend. In accordance with the dividend proposal, 185.9 million shares outstanding currently carrying dividend rights would result in the total distribution of €390.5 million (2009: €390.5 million).

Credit ratings

Deutsche Börse AG regularly commissions the rating agency Standard & Poor’s to rate its creditworthiness. As at 31 December 2010, Deutsche Börse AG was one of only two DAX-listed companies that had been given an AA rating by Standard & Poor’s.

Ratings of Deutsche Börse AG

	Long-term	Short-term
Standard & Poor’s	AA	A–1 +

Other

As in the previous year, Deutsche Börse AG received no government grants in 2010.

Net assets

Deutsche Börse AG's noncurrent assets amounted to €3,426.2 million as at 31 December 2010 (2009: €3,773.1 million). Shares in affiliated companies of €2,382.3 million (2009: €1,918.4 million), primarily the investments in Clearstream Holding AG, as well as loans to affiliated companies of €922.2 million (2009: €1,708.2 million) represented the largest proportion of noncurrent assets.

Loans to affiliated companies declined by €785.9 million year-on-year primarily because of the impairment loss of €782.2 million recognized on profit participation rights of Eurex Frankfurt AG. Investments in affiliated companies increased by €463.9 million mainly as a result of the non-cash contribution of shares in Clearstream International S.A. into Clearstream Holding AG at the higher taxable carrying amount. Noncurrent assets were partly offset by equity of €2,073.0 million (2009: €2,185.8 million). The equity ratio went down year-on-year by 1.6 percentage points to 39.7 percent (previous years: 41.3 percent).

Due to depreciation and amortization expense (including write-downs on financial assets and current financial instruments) of €794.9 million (2009: €92.9 million), primarily as a result of the impairment loss on profit participation rights in Eurex Frankfurt AG, depreciation and amortization exceeded investment in the past year. Deutsche Börse AG invested a total of €80.5 million in the year under review (2009: €142.7).

Receivables from and liabilities owed to affiliated companies comprise settlements of inter-company deliveries and services and the amounts Deutsche Börse AG invests under cash pooling arrangements. The receivables from affiliated companies mainly relate to Clearstream Holding AG due to the existing profit and loss transfer agreement of € 115.0 million. Liabilities to affiliated companies arise primarily from cash pooling and borrowings from Group companies in 2010 to finance business activities.

Deutsche Börse AG collects fees for many of its services directly after the end of the month, so that trade receivables amounted to €98.0 million as at 31 December 2010 (2009: €94.8 million).

The working capital amounted to €–311.4 million (2009: €–266.8 million). The change is mainly attributable to the creation of provisions for the efficiency measures that will be carried out as well as to the creation of tax provisions for the 2001 to 2005 financial years as a result of the VAT audit.

Risk report

Risk report

Risk management is a integral component of management and control within Deutsche Börse AG. Effective and efficient risk management safeguards the Company's continued existence and enables it to achieve its corporate goals. To this end, the Company has established a risk management system, which defines the roles, processes and responsibilities applicable to all staff and organisational entities within Deutsche Börse Group.

The Company's risk management system ensures that the Executive Board of Deutsche Börse AG is able to control the risk profile as well as significant individual risks, in a timely manner. The aim is to identify developments that could threaten the interests of Deutsche Börse AG and to take appropriate countermeasures promptly.

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

Risk strategy

Deutsche Börse Group's risk strategy is based on its business strategy and sets limits specifying the maximum risk permitted for operational risks, financial risks, business risks and overall risk of the Group. This is done by laying down respective requirements for risk management, risk control and risk limitation. Deutsche Börse AG ensures that appropriate measures are taken to avoid, reduce and transfer, or intentionally accept, risk.

The risk strategy enables risks to be controlled in a timely and adequate manner. Information needed for risk management is captured and assessed on the basis of structured, consistent procedures. The results of the assessment are collated in a reporting system, which is used to systematically analyse and control the risks. Risk reports are prepared on both a regular and an ad-hoc basis, and cover existing as well as potential risks.

Deutsche Börse AG uses a standardised approach – value at risk (VaR) – for measuring and reporting all risks across the Group, including those entities that are not subject to regulation by supervisory authorities. VaR is a comprehensive way of presenting and controlling the general risk profile; it also makes it easier to prioritise risk management measures. It quantifies existing and potential risks and lays down, for the confidence level specified, the maximum cumulative loss Deutsche Börse AG could face if certain loss events materialised over a specific time horizon. In addition to calculating VaR, the Group performs regular stress test calculations for all material risks.

As of this year, Deutsche Börse AG has calculated economic capital as its main risk management tool. This is used in addition to other performance indicators to determine the capital needed for business operations so that even extreme and unexpected losses can be covered. Economic capital is calculated using a VaR method for a period of one year and a confidence level of 99.98 percent.

Risk management: organisation and methodology

The Executive Board of Deutsche Börse AG is responsible for risk management. The business areas identify risks and report these promptly to Group Risk Management (GRM). The business areas also perform risk control, inform their respective management of developments in performance indicators from a risk perspective and continuously improve the quality of the risk management processes.

GRM ensures that the comprehensive risk management system described above is applied. GRM assesses all new and existing risks and reports on a monthly and, if necessary, on an ad hoc basis to the Executive Board. In addition, GRM regularly reports to the Finance and Audit Committee of Deutsche Börse AG's Supervisory Board. The full Supervisory Board is informed in writing of the content of these reports.

Independent audits by the Internal Auditing function ensure that the risk control and risk management functions are adequately organised and that they perform their duties.

The organisational structure described above and the procedures and responsibilities associated with it enable Deutsche Börse AG to ensure that risk awareness throughout the entire Group is well developed and that an active risk culture is in place in practice.

Risk management system

Deutsche Börse AG's risk management system is used to implement the risk strategy for which the Executive Board is responsible. To this end, all potential losses must be detected in good time, captured centrally, assessed (i.e. quantified in financial terms as far as possible), reported to the Executive Board, together with recommendations, and monitored. Deutsche Börse AG's risk management process therefore has five stages (see also the diagram below):

1. Risk identification
This initial stage detects all threats and causes of losses or malfunctions. Risks may arise as a result of internal activities or because of external factors. All incidents that could have a material impact on Deutsche Börse AG's business or that would change the risk profile have to be detected as early as possible. It is the responsibility of all business areas and their employees to identify these potential risks.

2. Risk reporting
All business areas must inform GRM of the risks they have identified and quantified on a regular, and in acute cases on an ad-hoc, basis. This procedure guarantees that all potential risks and threats are captured centrally.

3. Risk assessment
GRM then performs a qualitative and quantitative assessment of the potential threat based on available information. The value at risk (VaR) method is used for quantitative assessment of potential risks (see the section entitled "Risk structure").

4. Risk control
All business areas and their employees are responsible for risk control and for implementing measures to limit loss. The alternatives for action are: risk mitigation, deliberate risk acceptance, external risk transfer, or risk avoidance. The business areas decide on and implement the most appropriate alternative in each case.

5. Risk report
The Executive Board members and committees responsible are informed of any material risks, their assessment and possible immediate countermeasures; if appropriate, they receive further recommendations so that they can set suitable steps in motion.

Five-level risk management system with central and decentralised responsibilities

Risk structure

Deutsche Börse AG distinguishes between operational, financial, business and project risk.

In the operational risk category, a distinction is made between availability risk, processing errors, damage to physical assets, legal risk and risks associated with business practices.

Deutsche Börse AG breaks financial risk down into credit, market and liquidity risk as well as the risk of not meeting regulatory parameters.

Business and project risk is not broken down any further.

Risk control instruments

The Company determines the VaR in three stages:

1. Determination of the loss distribution for every individual risk identified
This is performed for each individual risk on the basis of historical data (such as market data, default, claim, or outage history) or risk scenarios. This distribution may be a lognormal distribution (often used for service deficiency risks) or a Bernoulli distribution (used e.g. for credit risk to simulate counterparty defaults).

2. Simulation of losses using the Monte Carlo method
A Monte Carlo simulation is used to simulate as many loss events as possible in line with the distribution assumptions made in order to achieve a stable VaR calculation. This produces a spread of possible total losses.

3. Calculation of VaR on the basis of the Monte Carlo simulation
To do this, the losses calculated by the Monte Carlo simulation are arranged in descending order by size and the corresponding losses are determined for the specified confidence levels.

In addition to its main tool, economic capital, Deutsche Börse AG calculates the VaR at other confidence levels.

The Group supplements the VaR calculations by performing stress test calculations for operational, liquidity and credit risk.

To determine credit risk concentrations, the Group performs VaR analyses for the organisational entities, particular Eurex Clearing AG, concerned. This is done to detect any credit risk clusters relating to individual counterparties.

Risk description and assessment

Operational risks

The key types of operational risk facing Deutsche Börse AG relate to the non-availability of its trading and clearing systems (availability risk).

Availability risk

Availability risk results from the fact that resources essential to Deutsche Börse AG's services offering could fail, thereby making it impossible to deliver services on time or at all. This risk constitutes the greatest operational risk for Deutsche Börse AG. Risks in this regard may arise, for example, from hardware and software failures, operator and security errors, and physical damage to the data centers.

Service deficiencies

This category includes risks that could materialize if a service for customers of Deutsche Börse AG is performed defectively. For example, this could be due to product and process errors or processes being performed incorrectly and errors in manual processing, since manual work continues to be necessary, despite all the automated systems and efforts aimed at delivering straight-through processing. As a result, Deutsche Börse AG remains exposed to the risk of inadequate handling of customer instructions in certain business segments. In addition, manual intervention in market and system management is necessary in special cases.

Damage to physical assets

This category includes risks due to accidents and natural disasters, as well as terrorism and sabotage.

Legal risks and risks associated with business practices

Legal risk includes losses that could arise as a result of non- or inappropriate compliance with new or existing laws, losses from inadequate contract terms or from court decisions not adequately taken into account during normal business operations, as well as risk from fraud. Risks associated with business practices include losses resulting from money laundering, violations of competition regulations, or a breach of banking secrecy.

No material losses from operational risk were incurred in the year under review.

Measures to reduce operational risk

Deutsche Börse AG devotes considerable attention to mitigating the operational risk categories mentioned above with the aim of reducing the frequency and amount of potential financial losses from the corresponding risk events. To this end, various quality and control measures are taken to protect the company's business from all kinds of fraud and operational business losses. In addition to compliance with international quality standards, these measures include careful analysis of operational risk events that have occurred so that steps can be defined to reduce the probability of recurrence. In addition, Deutsche Börse AG has defined a large number of business continuity measures to be taken when or after an emergency occurs.

Another risk prevention tool is the internal control system (ICS) that the Executive Board has implemented for Deutsche Börse AG. The ICS is designed to ensure the effectiveness and efficiency of the Group's business operations, avert or uncover financial loss and thus protect all Deutsche Börse's business assets. It comprises both integrated and independent control and safety measures. The internal control system is an integral part of the risk management system and is continuously enhanced and adjusted to reflect changing conditions.

Moreover, compliance with international quality standards (such as certification according to ISO 9001/TickIT and ISO/IEC 20000) aims at reducing operational risk – in particular the Group's availability risk.

Deutsche Börse AG endeavours to ensure that delivery of its products and services is as reliable as possible. For this reason, it attaches the greatest importance to maintaining its business operations and to the need to protect them from emergencies and disasters. Since the non-availability of its core processes and resources poses a substantial risk to Deutsche Börse AG and a potential systematic risk for the financial markets in general, Deutsche Börse AG has established a business continuity management (BCM) system throughout the Company.

The BCM system encompasses all the precautionary processes that ensure business continues as normal if a crisis occurs and therefore substantially reduces availability risk. It covers arrangements for all key resources (systems, space, staff, suppliers/service providers), including the redundant design of all critical IT systems and the technical infrastructure, as well as backup workspaces in each of the main operational centres for employees in critical functions. Examples of these arrangements can be found in the “Business continuity measures” graphic.

Business continuity measures

Incident and crisis management process

Systems	Workspace	Staff	Suppliers
▪ All trading, clearing and settlement systems as well as related networks are designed for continuous high-availability operations without loss of electronic data. ▪ The data centres are duplicated locally to protect against a failure of the whole location.	▪ Backup workplaces are configured for mission critical functions. ▪ The backup locations are fully equipped and always ready for immediate use. ▪ Remote access facilities to the Group's systems enable teleworking.	▪ In case of significant staff unavailability, dispersed operations and business transfer capabilities ensure business continuity for vital functions at other locations. ▪ Additional pandemic mitigation measures are in place to maintain operations in case of a pandemic outbreak.	▪ Service Level Agreements describe contingency procedures with critical suppliers. ▪ Contingency procedures of suppliers are regularly reviewed through a due diligence process. ▪ If the suppliers cannot meet the requirements, alternative suppliers are used where possible.

An emergency and crisis management process has been implemented within the Company to ensure a prompt response and a coordinated approach to any emergencies. The process is designed to minimise the impact on business processes and the market and to facilitate a swift return to business as usual. Emergency managers who can assume responsibility in cases of emergency or crisis have been appointed as central points of contact in all business areas. The emergency managers inform and/or alert the Executive Board (depending on the severity of the incident). In cases of crisis, the Executive Board member responsible for the area concerned acts as the crisis manager.

The business continuity measures are tested regularly by realistically simulating emergency situations. These tests are normally carried out unannounced. GRM reports all problems encountered as well as its test results and recommendations to the Executive Board. The test results are assessed according to the following criteria:

- Functional effectiveness – the measures must work from a technical point of view.
- Executability – employees must be familiar with the emergency procedures and able to execute them.
- Recovery time – the emergency measures must ensure that operations are restored within the scheduled time.

Moreover, Deutsche Börse AG has established a Compliance function that is designed to protect the Company against any loss or damage resulting from failure to comply with applicable laws, regulations and good corporate governance standards, with a particular focus on the following topics:

- Prevention of money laundering and terrorist financing
- Compliance with professional and banking secrecy
- Prevention of insider dealing
- Prevention of market manipulation
- Prevention of fraud
- Prevention of conflicts of interest and corruption
- Data protection

Any residual operational risk will be reduced by an insurance portfolio.

Financial risk

The various categories of financial risk are mitigated by ensuring effective control measures.

Credit risk

Credit risk describes the risk that a counterparty will default and cannot meet its liabilities toward Deutsche Börse AG in full or at all.

Deutsche Börse AG is exposed to credit risk from cash investments solely to a small extent.

Market price risks

Market price risks may arise in the form of interest rate or currency risks in the operating business when recognising net revenues denominated in foreign currency, in connection with cash investments or borrowing as a result of fluctuations in interest rates and foreign exchange rates.

Currency risks in Deutsche Börse AG were largely hedged using forward foreign exchange transactions in financial year 2010. This entailed selling planned currency positions at a price fixed in advance for delivery on the date of the expected cash inflows. Regular reviews ensure the effectiveness of these hedges.

Deutsche Börse AG is exposed to interest rate risk in connection with cash investments solely to a small extent.

Interest rate risk is mitigated using a limit system that only permits maturity transformation to a small extent. In addition, there is interest rate risk when possibly refinancing outstanding debt. In 2010, Deutsche Börse AG used swap and option transactions to secure a fixed interest rate or the right to a fixed interest rate for some of the amounts that may need to be refinanced.

Further market price risks may arise in connection with contractual trust arrangements (insolvency-proof fund assets related to Deutsche Börse AG's existing pension plans).

Liquidity risk

The Company is exposed to liquidity risk in that it may lack sufficient liquidity to meet its daily payment obligations or incur increased refinancing costs in the event of liquidity bottlenecks.

Group Treasury monitors the Company's daily and intraday liquidity and manages it with the help of a limit system. Extensive credit lines are available to provide cover in extreme situations. The Company also performs operational and strategic liquidity management. Operational liquidity management ensures that payments to be made in the subsequent three months are covered while strategic liquidity management is geared towards longer-term planning and securing of liquidity as well as the financing of projects and investments.

Deutsche Börse AG had sufficient liquidity in the year under review.

Business risk

Business risk reflects the sensitivity of the Company to macroeconomic developments and its vulnerability to event risk, such as regulatory adjustments or changes in the competitive environment. This risk is expressed in relation to EBIT. Business risk may impact sales revenue and cost trends, for example because it may lead to a decline in the actual versus the target sales revenue or a rise in costs. In addition, external factors such as the performance and volatility of the stock markets or a lack of investor confidence in the financial markets may impact financial performance.

Regulatory measures represent a material business risk. On the one hand, they could adversely affect Deutsche Börse AG's competitive position; on the other, they could also impact the business models of Deutsche Börse AG's customers and reduce demand for the Company's products and services. With respect to the risk of a changed competitive environment, no assurance can be given that Deutsche Börse AG's financial performance will not deteriorate due to fierce competition for market share in individual business areas. This could mean that intangible assets have to be partially or fully written down following an impairment test.

Scenarios are established and quantitatively assessed for each of the Company's business areas based on the most significant risk events. Deutsche Börse AG closely monitors these developments in order to take early mitigation actions.

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 risk). Project risks are assessed by Group Risk Management and addressed in the early stages of major projects. None of the projects planned and implemented in 2010 triggered a material change in the overall risk profile of Deutsche Börse AG. Risks connected with project implementation, such as budget risk, quality/scope risk, or deadline risk, are monitored and reported to the corresponding supervisory body.

Summary

In the past financial year, Deutsche Börse AG identified all new risks that arose at an early stage and took appropriate measures to counter them. As a result of these measures, the risk profile of Deutsche Börse AG did not change significantly. The Executive Board of Deutsche Börse AG firmly believes in the effectiveness of its risk management system.

Outlook

The Group evaluates its risk situation on an ongoing basis. In the view of the Executive Board, no significant change in the risk situation and hence no threat to the continued existence of the Group can be identified at this time.

Further enhancements to the risk management systems are scheduled for 2011. These include the extension of Group-wide stress tests on economic capital and further improvements in the IT infrastructure for risk management.

This risk report on expected developments has been prepared for Deutsche Börse Group and does not take into account the proposed business combination of Deutsche Börse AG and NYSE Euronext announced on 15 February 2011.

Branches

The Company has branches in London, Paris and Moscow.

Report on post-balance sheet date events

On 15 February 2011, Deutsche Börse AG and NYSE Euronext announced that they have entered into a business combination agreement following approval from both companies' Boards. Under the agreement, the companies will combine to create the world's premier global exchange group, creating the world leader in derivatives trading and risk management as well as the largest, most well-known venue for capital raising and equities trading. The new stock exchange will offer clients global scale, product innovation, operational and capital efficiencies, and an enhanced range of technology and market information solutions.

The group will have dual headquarters, in Deutsche Börse AG's newly built green tower near Frankfurt and in New York, at 11 Wall Street.

The combination is expected to generate annual cost savings of some €300 million, principally from information technology, clearing, and market operations, as well as from corporate administration and support functions. With regard to trading infrastructure, the contracting partners have agreed to harmonise the trading systems following successful completion of the merger. Depending on the time the decision is made, Deutsche Börse Group may face the necessity of impairments on the existing trading infrastructure. In addition, it is expected that the combination will lead to at least €100 million of annual revenue synergies through cross selling and distribution opportunities, increased turnover from liquidity pool consolidation and new products, a progressive introduction of Deutsche Börse Group's clearing capabilities and expanded scope for technology services and market data offerings.

The transaction is structured as a combination of Deutsche Börse AG and NYSE Euronext under a newly created Dutch holding company, which is expected to be listed in Frankfurt, New York and Paris. On the NYSE Euronext side, this will be effected through a merger of NYSE Euronext and a US subsidiary of the new holding company in which each NYSE Euronext share will be converted into 0.47 of a share of the new holding company. On the Deutsche Börse AG side, the new holding company will launch a public exchange offer, in which shareholders of Deutsche Börse AG may tender their shares of Deutsche Börse AG for an equal number of shares of the new holding company.

Following full completion of the contemplated transactions, the former Deutsche Börse AG shareholders would own 60 percent of the combined group and the former NYSE Euronext shareholders would own 40 percent of the combined group on a fully diluted basis and assuming that all Deutsche Börse AG shares are tendered in the exchange offer.

The transaction is subject to approval by holders of a majority of the outstanding NYSE Euronext shares and to a 75 percent acceptance level of the exchange offer to Deutsche Börse AG shareholders as well as approval by the relevant competition and financial, securities and other regulatory authorities in the US and Europe, and other customary closing conditions.
The transaction is expected to close at the end of 2011.
A break up fee of €250 million was agreed upon by Deutsche Börse AG and NYSE Euronext, under specific contractually defined conditions, in case a competing takeover offer is submitted for one of the two companies.

In the opinion of the Management Board and the Supervisory Board of Deutsche Börse AG, a strategic business combination between Deutsche Börse AG and NYSE Euronext is in the best interest of Deutsche Börse AG and its shareholders, and that therefore each of Deutsche Börse AG's Boards has determined, that, subject to fulfilling all of its legal duties in connection with the review of the offer document after such offer document has been published, it will recommend in its statement on the offer under section 27 of the Wertpapiererwerbs- und Übernahmegesetz

(WpÜG, German Securities Acquisition and Takeover Act), that Deutsche Börse AG's shareholders accept the offer and tender their Deutsche Börse AG shares in the offer.
On 28 September 2010, the Executive Board of Deutsche Börse AG decided to combine Deutsche Börse Systems AG with Deutsche Börse AG, subject to the required resolutions of the committees. On 18 January 2011, the supplied version version of the merger agreement was authorized by the Executive Board. On 19 January 2011, the Executive Board of Deutsche Börse Systems AG acceded to the merger as well as to the merger agreement. After the notarized sign of the meger agreement on 1 February 2011, the intention of the merger was reported to the Electronic Federal Gazette on 4 February 2011, the required documents were offered at Deutsche Börse AG, and the merger agreement was submitted to the Commercial Register. The entry in the Commercial Register is expected during the second quarter of 2011. Accordingly, the combination of Deutsche Börse Systems AG and Deutsche Börse AG will become commercially effective retroactively as at 1 January 2011.

Report on expected developments

The report on expected developments describes the expected development of Deutsche Börse AG in 2011 and 2012. 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 report on expected developments. These expectations and assumptions are in turn subject to known and unknown risks and uncertainties. Numerous factors influence the success, the business strategy and the financial results of Deutsche Börse AG. Many of these factors are outside the Company's control. Should one of the risks or uncertainties materialize or one of the assumptions made turn out to be incorrect, the actual development of the Company could deviate in either a positive or a negative way from the expectations and assumptions contained in the forward-looking statements and information in this report on expected developments.

This report on expected developments has been prepared for Deutsche Börse AG and does not take into account the proposed business combination of Deutsche Börse AG and NYSE Euronext announced on 15 February 2011.

Development of the operating environment

Deutsche Börse AG expects a further upturn in the economic environment in the forecast period. In their first forecasts for 2011, leading economic research institutes are projecting economic growth of 1.3 to 1.5 percent in the euro zone and 2.2 to 2.5 percent in Germany. The difference among the euro zone and Germany results from the expected lower growth or even another contraction in some South European countries. If the forecasts prove correct, GDP would return to the level seen before the recession in 2009 in mid-2011. According to current estimates, GDP growth in the euro zone and Germany in 2012 will be on par with 2011.

Expectations for the United Kingdom and the USA are somewhat higher than for the euro zone. Economic growth of 2.0 percent in 2011 and of 2.3 percent in the following year is expected for the United Kingdom. An increase of 2.2 percent to 3.0 percent is expected for the USA in 2011 and of 2.7 percent to 3.1 percent for the year after. The highest growth by far is forecast for the

Asian countries, especially China and India, where growth of 8 percent to 10 percent is projected in anticipation of high domestic demand. Given the extremely varied estimates for the different economic regions, global economic growth is projected to be between 3.3 percent and 4.4 percent in 2011. For 2012, the economic institutes are predicting that the upswing will continue and even accelerate slightly, at between 3.6 percent and 4.6 percent.

To support the stabilization of the financial sector and to prevent future crises of this kind, governments and central banks are currently working to strengthen regulation of the financial markets. The measures envisioned, and in some cases already initiated, range from the revision of the legal framework for banking business and capital requirements to improvements in financial market supervision.

Deutsche Börse AG does not foresee any material changes to its integrated business model, which focuses on trading, clearing, settlement and custody of securities and derivatives. Based on this successful business model, which covers the entire process chain for financial market transactions and the most prominent asset classes, Deutsche Börse will continue to observe the trends on the financial markets worldwide and to leverage them to enhance its products and services. The Company's key strategic goal is to provide all customers with outstanding services.

With its scalable electronic platforms, Deutsche Börse believes it remains very well positioned to compete with other providers of trading and settlement services.

Development of results of operations

Based on the assumption that general conditions in the forecast period will develop positively and, in particular, that confidence in global financial markets will improve further, Deutsche Börse Group and thereby Deutsche Börse AG considers itself well positioned to lift sales revenue in the forecast period compared to the year under review. Depending on how general conditions develop, on the form taken by both cyclical and structural growth drivers, and the success of new products and functionalities, Deutsche Börse AG is expecting sales revenue of approximately €1.1 billion to 1.2 billion excluding the effects from the merger of Deutsche Börse System AG and Deutsche Börse AG in 2011. This would correspond to an increase of around 5 to 10 percent compared with the year under review. If, contrary to expectations, general conditions do not improve as described or do not have a corresponding effect on the Group’s customers, the Company considers that a decline in sales revenue for 2011 to around €1.0 billion, or in extremely negative scenarios even below this figure, is also possible. In any case, the Company believes it is in a good position to continue to do business in a highly profitable manner due to its integrated business model and the cost reduction measures that have been implemented, which are described in the following section. The Company expects sales revenue in financial year 2012 to grow at a similar rate to 2011.

Deutsche Börse AG's Executive Board adopted additional measures in the first quarter of 2010 to optimise operational processes and cost structures, so as to prepare in a timely manner to meet the structural changes in the financial markets and changing customer requirements as well as to respond to the difficult market environment. As part of these measures, Deutsche Börse has resolved to reassign operating functions across the Group's locations, to drive forward ongoing harmonisation of the IT infrastructure, to slim down its management structure, and to focus even more closely on its core activities (Excellence programme).

This programme will lead to significant improvements in Deutsche Börse Group’s, and thereby Deutsche Börse AG's, cost efficiency: all in all, the measures resolved will lead to annual savings totalling around €150 million from 2013. After €25 million of the savings of €85 million planned for 2011 were already made in 2010, the Group is expecting a savings volume of approximately €60 million in 2011. This figure will rise to approximately €115 million overall in 2012. The measures complement the programmes to enhance Group efficiency that have been implemented since 2007.

The Group-wide expenses for these efficiency measures will amount to less than €180 million. In 2010, expenses of €110.7 million, thereof €42.0 million for Deutsche Börse AG, were recognised in connection with efficiency programmes, primarily under staff costs in all Group segments. Most of the remaining expenses will be incurred in 2011 and 2012.

The Company expects operating costs of €650.0 million in 2011 (2010: €641.9 million). This forecast takes into account the savings generated from a further improvement in operational efficiency, the expected cost increases due to inflation, and a further rise in expenses for organic growth initiatives and infrastructure.

Depending on sales revenue performance, the Company expects EBIT to be in the range of around €0.9 billion to €1.0 billion. If sales revenue fails to meet expectations, EBIT could drop to around €0.8 billion – or even significantly below this level in the case of extremely poor sales revenue performance.

Forecasts for financial performance

	2010 €m	2011 (forecast) €m
Sales revenue	1,056.6	~1,050 to ~1,160
Operating costs	641.9[1)]	~645 to ~660
EBIT	908.5[1)]	~900 to ~1,020

1) Adjusted for impairment charge on participation rights Eurex, bookprofits through sales of investemens and costs of efficiency programmes

Xetra segment

Sales revenue in the Xetra cash market segment will continue to depend on equity market trends, equity market volatility, and structural and cyclical changes relating to trading activity.

Structural changes in the equity market stem primarily from the increasing use of fully computerized trading strategies, known as algorithmic trading. The Company continues to expect a high proportion of algorithmic trading in Xetra trading volumes.

Since peaking in the second half of 2008 (excluding second quarter 2010), volatility on the equity markets has been steadily decreasing. Average annual volatility in 2010 was at a slightly lower level than in 2009. Generally speaking, high volatility can provide the Xetra segment with additional short-term growth momentum, as trading is particularly brisk during such market phases. However, a moderate level of volatility is more beneficial to sustainable growth as this generally leads to increased investor confidence.

In addition to continuing to develop its cash market, the Company is maintaining a close watch on changes in the competitive environment for the European cash markets. It considers itself well positioned to retain its status as market leader in trading of German blue-chip shares and to offer its customers across the globe an attractive range of products and services for cash trading in German and European equities as well as equities clearing. However, due to increased competition in the cash market it cannot be ruled out that the market shares of all competitors will shift further.

The Executive Board is expecting a recovery in business activities on the cash market during the forecast period as a result of the further improvement in the economic environment that is anticipated, and of a corresponding increase in confidence among investors. Despite intense competition, the Company is therefore expecting to see growth in trading activity as compared to 2010. At the same time, a slight decline in the average sales revenue per transaction is expected. Overall, therefore, the Company is anticipating stable sales revenue in 2011. Due to the expected reduction in costs in the Xetra segment, the Company is forecasting an increase in EBIT in financial year 2011.

Eurex segment

In 2009 and parts of 2010, trading activity trends on the Eurex derivatives markets were dominated by cyclical factors such as the decline in the equities trading volume, historically low interest rates and the low level of investor confidence. The Company is nevertheless predicting that structural growth factors will continue to exist in principle, which will positively impact trading volumes in all product segments. The structural growth drivers are as follows:

- Traditional investment funds are increasingly including derivatives in their portfolio strategies as a result of the European legal and administrative framework which relates to certain undertakings for collective investment in securities (UCITS III).

- Due to the high significance of risk management, more and more OTC transactions are shifting to Eurex Clearing for settlement so that the counterparty risk can be eliminated through centralized clearing.

- Demand for Eurex products is growing among investors and trading houses from non-European areas such as Asia.

- Banks and investors are increasingly applying fully automated trading strategies (comparable to algorithmic trading on Xetra).

For the forecast period, Deutsche Börse AG is expecting contract volumes to increase and market shares to stabilise further despite the sustained high level of competition. In addition to the expected positive development of the US equity options market, this assessment is based on the various initiatives for enhancing the product range and the trading infrastructure. For example,

Deutsche Börse and ISE have developed a new electronic trading system that will go into operation in 2011.
Eurex will also increase investments in enhancing its technology and its European product offering in the forecast period. The new trading infrastructure, which was developed together with the ISE, will replace Eurex's existing trading system. In addition, the investments are focused on expanding risk management. For example, the Eurex segment is planning to introduce a portfolio-based risk management strategy, which will offer customers the ability to net out on-exchange and off-exchange (OTC) transactions against each other. Among other things, this new feature is also part of the functional preparations being made so as to offer an expanded range of clearing services for OTC derivatives trading in future.

On the whole, Eurex considers itself to be well positioned in its competitive environment and is predicting an increase in business during the forecast period for both European products and US equity options. In addition to the expected positive cyclical factors, this assessment reflects in particular the structural drivers underlying the business. On this basis, the Company is expecting an increase in sales revenue in 2011, coupled with falling costs. Overall, the Group is anticipating a significant increase in EBIT in the Eurex segment in the current financial year.

Market Data & Analytics segment

Sales revenue in the Market Data & Analytics segment is largely dependent on the demand for market data in the financial sector. After demand in Market Data & Analytics core business, the sale of data packages for the cash and derivatives markets, declined slightly as a result of the financial crisis, the Company is expecting a stable performance in this business area in 2011. Despite this, the Group is anticipating a slight increase in sales revenue and EBIT in Market Data & Analytics, as this segment is aiming to steadily expand its product range with new data offerings in all areas.

Development of pricing models

Deutsche Börse AG continues to anticipate sustained price pressure in some of its business areas during the forecast period. The Company's objective is to mitigate this price pressure by continually improving its products and services and offering selective incentives for price-elastic business.

During the year under review, the Company lowered its prices for equities clearing in the Xetra cash market segment. The objective of the Company is to further reinforce its position in the cash market as the largest central liquidity pool for trading German blue chips. For this reason, the Company has not ruled out additional strategic price adjustments in the Xetra segment.

In the Eurex segment, changes were made to the fee model in the year under review, with effect from 1 February 2011. The main objective is to increase the attractiveness of Eurex as a trading venue. In order to achieve this, price incentives are being offered on the basis of the market quality provided, volume discounts are being granted and fees are being reduced for specific products.

The introduction of the new pricing model is expected to lead to a rise in trading activity and hence to have a neutral impact on sales revenue.

Over the long term, it can still be expected that the average sales revenue per chargeable unit will decline in all areas of the Company. This is a result of the laddered pricing models that lead to a decline in income per unit as customers' business activities increase.

Regulatory environment

One consequence of the global financial market crisis is that work is now underway at international level on regulatory initiatives in an extremely wide variety of areas, with the aim of creating a more transparent and more stable financial system. In particular, the focus is on regulations designed to improve supervisory structures, and regulations relating to the financial market infrastructure, the settlement of securities, derivatives and other financial instruments.

Improvement in supervisory structures

New European supervisory authorities were set up to improve supervisory structures. In future, the European Securities and Markets Authority, ESMA, will play a significant role for Deutsche Börse AG in the direct supervision of service providers in the securities industry and in the development of guidelines for their supervision. This applies not only to cash market trading (Xetra segment) but also to derivatives trading, central counterparty functions (Eurex segment). In addition, the European Banking Authority (EBA) will play an important role in the Group's regulatory environment, because banks are among the Group's most important customer groups.

Market infrastructure regulation

With respect to the changes to the regulatory framework, there are two main initiatives at European level that are of relevance to DBAG: the planned revision of the Markets in Financial Instruments Directive (MiFID) and the regulation planned by the European Parliament and the Council on OTC derivatives, central counterparties and trade repositories (European Market Infrastructure Regulation, EMIR).

The European Commission launched a revision of MiFID in 2011. The aim is to continue to increase the transparency and integrity of the markets and to further strengthen investor protection, including in light of the financial market crisis. Implementation at a national level is scheduled for 2013.

The planned Regulation by the European Parliament and the Council on OTC derivatives, central counterparties and trade repositories aims to achieve a harmonised set of rules for the operation and supervision of central counterparties (CCPs), which should enter into force as early as 2011. The European Commission presented a draft of the Regulation in September 2010, which is currently undergoing political discussion. Among other things, the Regulation aims to mandate the use of central counterparties for settling a greater number of derivatives transactions. In addition, it introduces a reporting requirement for OTC derivatives using trade repositories. The supervision of these trade repositories (by ESMA) is also a component of the planned Regulation.

These draft regulations are complemented the European Securities Law Directive (SLD) and the planned regulation of short selling at the EU level. In addition, measures to regulate high frequency trading and the possible introduction of a financial transaction tax are being discussed in political circles.

Additional regulatory changes designed to ensure financial market stability are being examined at a national and international level – including by the Basel Committee, the European Commission, the European Central Bank and the new European supervisory authorities (ESMA, EBA and the European Systemic Risk Council). At a national level, the planned changes to the Insolvenzordnung (German Insolvency Regulation) and the Restrukturierungsgesetz (German Restructuring Act), and the bank levy that they entail, have implications in some cases for Deutsche Börse Group.

Deutsche Börse AG is closely tracking all the above-mentioned political and regulatory processes and initiatives. The Company is participating actively in the consultations and makes political decision makers aware immediately of potential negative consequences for the market as a whole and the company affected in particular. Deutsche Börse AG also comments appropriately on the above-mentioned political initiatives. In this way, it counteracts unreasonable effects on the Group or any of its subsidiaries.

Development of the Company's financial position

The Company expects operating cash flow to remain positive. As part of its cash flow from investing activities, Deutsche Börse plans to invest around €5 million per year in intangible assets and property, plant and equipment during the forecast period. These investments will serve primarily to develop new and enhance existing products and services in the Eurex segment. The increase compared with previous years is primarily the result of increased investments in the trading infrastructure and risk management functionalities.

Under its capital management program, Deutsche Börse AG will react flexibly to a changing market environment in the forecast period. Deutsche Börse AG continues to pursue the objective of achieving an interest cover ratio (ratio of EBITDA to interest expenses from financing activities) of at least 16 at Group level. Both the planned dividend distribution ratio of 40 to 60 percent of consolidated net income for the year and any share buy-backs are subject to capital requirements, investment needs and general liquidity considerations.

Frankfurt/Main, 3 March 2011

Deutsche Börse Aktiengesellschaft

The Executive Board

Reto Francioni	Andreas Preuß	Frank Gerstenschläger
Michael Kuhn	Gregor Pottmeyer	Jeffrey Tessler

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 Deutsche Börse AG, 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 4, März 2011

KPMG AG
Wirtschaftsprüfungsgesellschaft

Signature	Signature
Becker	Bors
German Qualified	German Qualified
Auditor	Auditor

Responsibility Statement by the Executive Board

To the best of our knowledge, and in accordance with the applicable reporting principles, the financial statements of Deutsche Börse Aktiengesellschaft give a true and fair view of the assets, liabilities, financial position and profit and loss of the company, and the management report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal opportunities and risks associated with the expected development of the company.

Frankfurt/Main, 3 March 2011

Deutsche Börse Aktiengesellschaft

The Executive Board

Reto Francioni	Andreas Preuß	Frank Gerstenschläger
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