



TRADEGATE AG

WERTPAPIERHANDELSBANK

Annual Report 2010





TRADEGATE AG

WERTPAPIERHANDELSBANK

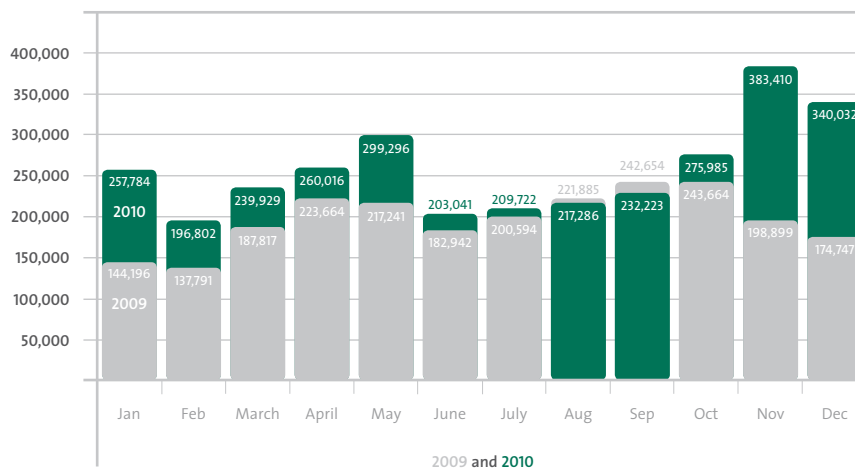
WKN 521 690, ISIN DE0005216907

(listed in the Entry Standard of the Frankfurt Stock Exchange)

DEVELOPMENT OF SHARE TRADEGATE AG WERTPAPIERHANDELSBANK January 2010 to March 2011



SECURITIES TRANSACTIONS (EQUITIES) PER MONTH ON TRADEGATE EXCHANGE Comparison 2009/2010



SHAREHOLDERS' STRUCTURE AS AT 31 DECEMBER 2010

in %	
70.80	Berliner Effektengesellschaft AG
19.72	BNP Paribas
5.00	Deutsche Börse
4.48	Free float

BOARD OF MANAGEMENT

Holger Timm <small>Chairman</small>	Prof. Dr. Jörg Franke <small>Chairman</small>
Thorsten Commichau	Dr. Andor Koritz <small>Deputy Chairman</small>
Jörg Hartmann	Pamela Schmidt-Fischbach
Klaus-Gerd Kleversaat	Karsten Haesen
Kerstin Timm	Wolfgang Hermanni
	Rainer Riess

SUPERVISORY BOARD
COMPANY DATA
AS AT 31 DECEMBER 2010
AS AT 31 DECEMBER 2009

Market capitalisation	138.1 M €	168.1 M €
Number of shares	24,282,354	24,181,450
Accounting	HGB	HGB
Balance sheet total	38,833,000 €	33,901,000 €
No. of employees	84	77

KEY DATA
AS AT 31 DECEMBER 2010
AS AT 31 DECEMBER 2009

Result per share	0.121 €	0.091 €
Dividend*	0.07 €	0.08 €
Interest surplus/gross profit	0.87 %	1.42 %
Commission surplus/gross profit	7.45 %	8.56 %
Trading result/gross profit	91.68 %	90.02 %
Cost/income ratio	82.70 %	91.90 %
Equity ratio	77.61 %	88.62 %

CALENDAR OF EVENTS

Annual General Meeting in Berlin	16 June 2011	10 am
Shareholders' Forum in Berlin	9 December 2011	5 pm

* subject to agreement of AGM 2011

DAX ex Ante

06.25
06.50
07.25
08.00
08.75
09.50
10.25



PREFACE	09
REPORT OF THE BOARD	10
Securities transactions	10
Market share development	11
ANNUAL FINANCIAL STATEMENTS OF THE TRADEGATE AG WERTPAPIERHANDELSBANK	14
REPORT OF THE SUPERVISORY BOARD	44
CONTACT IMPRESSUM	48



**DEAR SHAREHOLDERS, BUSINESS PARTNERS AND FRIENDS
 OF SECURITIES TRADING,**



In the music business a song is considered to be successful if others make a cover version of it. If this is true of stock exchanges then the Tradegate Exchange is definitely the best newcomer of 2010! For some time the new exchange from Berlin was second only to the Frankfurt trading floor in equity transactions and in front of all other six German floor exchanges – in March 2011 it jumped to number one!

In the competitive exchange environment there has been a clear shift towards the Tradegate Exchange. The number of transactions in securities managed by the Tradegate AG Wertpapierhandelsbank increased by 31 percent compared with last year. This equals an increase in volume from 10 to over 16 billion Euros. And with a good start to 2011 we are confident that Europe's exchange for private investors is certainly not a "one hit wonder".

Unfortunately, in the securities trading business the originator is not entitled to royalties when its business model is "covered" by other exchanges. So Tradegate Exchange does not get paid if its range of services is copied – whether it's the abolition of broker's fees that burden the private investor, the early trading start at 8 o' clock in the morning, or the introduction of the latest order types such as one cancels other or trailing stop limit. Still, whoever is being copied all the time is clearly a trendsetter! This just proves that the Tradegate Exchange is always customer-driven and the quickest to react to the changing needs of private investors.

A more unpleasant development for our business, however, is the amount of fees that have to be paid to the Federal Financial Supervisory Authority (BaFin). In our opinion the share of 3.68 percent of the costs of all banks in Germany is unfair and bears no relation to the work required to supervise us. We have therefore filed an objection to all final fee notifications from the BaFin and are currently involved in unprecedented legal procedures at the administrative court regarding fees for the year 2008.

The positive development of our market share in equity trading on the German floor exchanges confirms that investors are increasingly rewarding our efforts to provide the best possible service for private investors Europe-wide. Increasing prominence means that more and more traders are finding their way to the Tradegate Exchange and use and appreciate its advantages – a trend that has continued into 2011: in March, for the first time ever, Tradegate Exchange became the number one in equity trading among the German floor exchanges and maintained its lead position in April. The other most important financial centre for us, the Frankfurt Stock Exchange, also deserves our commitment and with our know-how, our tried and tested IT and the dedication of our experienced traders we will do our best to contribute to its enduring success in traditional trading technology and beyond.

Together with our partners and majority shareholders, the Deutsche Börse AG and BNP Paribas, we aim to support and shape the changes in the international exchange environment wherever we can.

HOLGER TIMM

KERSTIN TIMM

JÖRG HARTMANN

KLAUS-GERD KLEVERSAAT

THORSTEN COMMICHAU



REPORT OF THE BOARD FOR THE YEAR 2010

The year 2010 was characterised by a growing number of securities transactions made by the German private investor. This led – together with rising share prices – to an increase in turnover on the German trading markets.

In addition to the positive situation on the markets the trading platform Tradegate Exchange – with its status as regulated market acquired in January 2010 – was able to make its mark in the private investor business. In its role as specialist on the exchange, Tradegate AG Wertpapierhandelsbank recorded a total of 3.1 million trades in shares, which is a 31 percent increase on last year, and the volume traded of over 16 billion Euros represents a 62 percent increase compared with 2009.

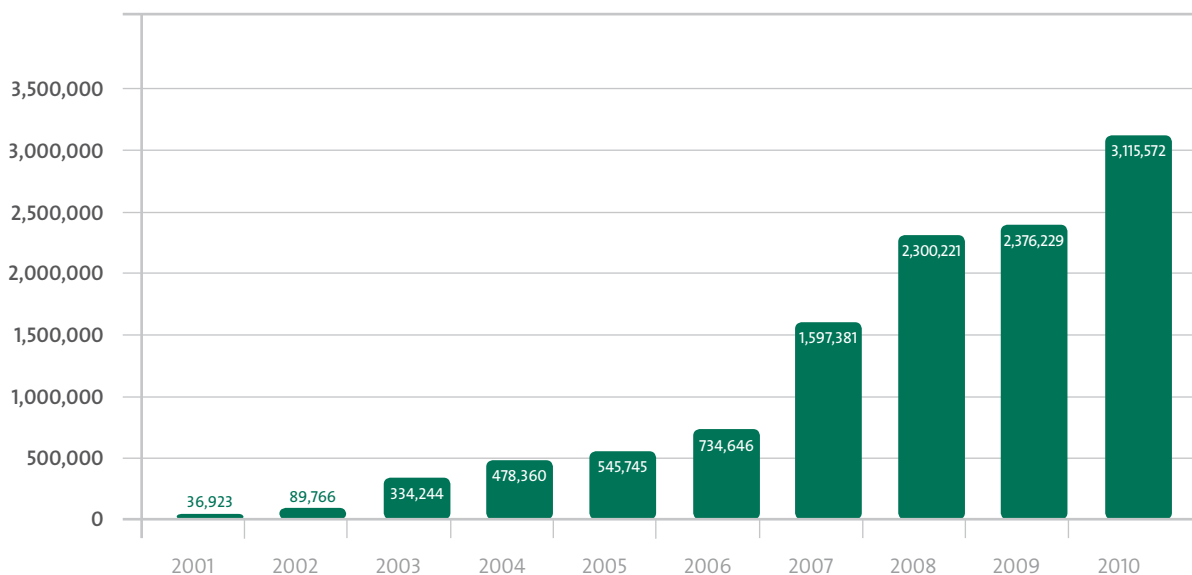
Once again our commitment to the Tradegate Exchange has proved to be the right decision: accompanied by the positive market environment we were able to increase the number of contract notes in the shares we manage on the Frankfurt and Berlin stock exchanges by over 25 percent to 443,000 (last year -61.8 percent) and the number of transactions in the securities we look after on the Tradegate

Exchange rose by 31 percent (3.3 percent last year). This helped the Tradegate Exchange to a gain market share in equity transactions of over 34 percent compared with other German floor exchanges.

Together with our new shareholder, the Deutsche Börse AG, we have continued to add to the number of institutions connected to the Tradegate Exchange. One such customer is the Deutsche WertpapierService Bank AG through which numerous savings banks and agricultural credit cooperative banks now have access to the attractive conditions of the Tradegate Exchange. The ensuing effect of additional market share gain became clear as early as the first quarter of 2011. In March 2011 the Tradegate Exchange became the number one in equity trading among the German stock exchanges for private investors, superseding the Frankfurt Stock Exchange for the first time.

One of the effects which directly reduced our earnings but simultaneously increased the value of our company came from the regulations of the German Law of Modernisation of Accounting. In compliance with this law our company put 1.8 million Euros into the fund for general banking risks. This amount reduced our profit for the

NUMBER OF SECURITIES TRANSACTIONS (EQUITIES) ON TRADEGATE EXCHANGE
Comparison 2001 – 2010





year to 1.1 million Euros. Our equity capital and the fund for general banking risks together now amount to 82 percent of the total assets, which is unusual in our industry and emphasises our company's excellent capital resources.

Our company identified and encouraged the trend towards electronic trading at an early stage and this development continues in the industry today. Apart from the above-mentioned success of the Tradegate Exchange, the announced change in technology at the Frankfurt Stock Exchange is a further indication of the increasing prevalence of exchanges with automatic price determination. As a keen supporter of this move, the Tradegate AG Wertpapierhandelsbank already has admission as a Specialist on XETRA to the new market model "continuous trading with specialist".

In 2010 the Tradegate AG Wertpapierhandelsbank has once again proved itself to be a reliable and effective partner for stock exchanges. Together with our strategic partners, customers and service

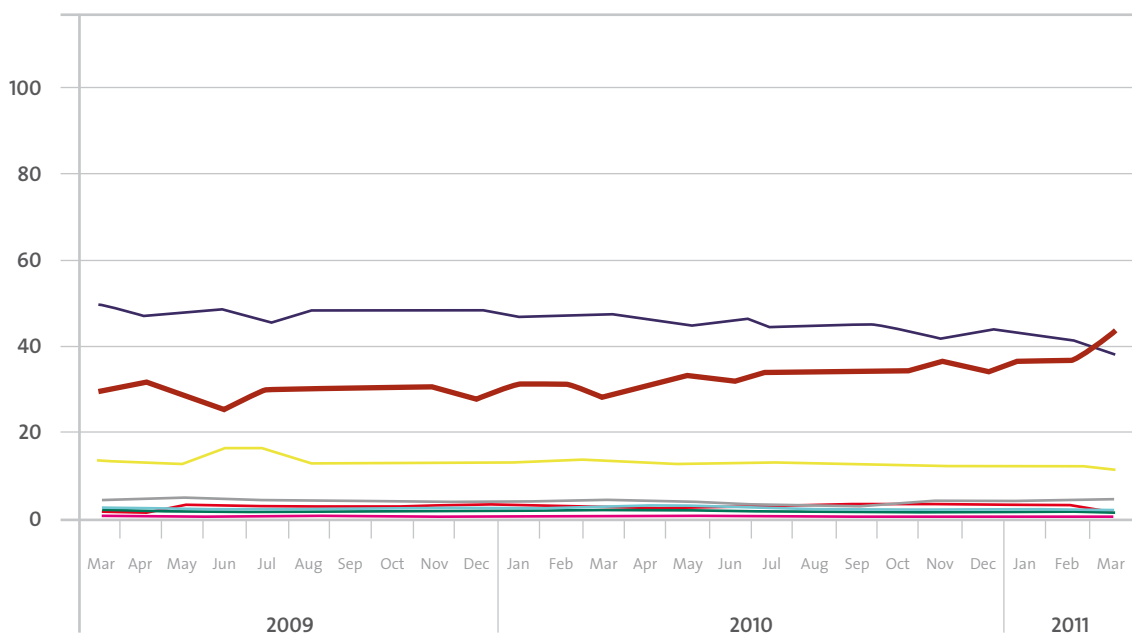
providers, our team will continue to contribute to the growth of the financial markets in Berlin and Frankfurt, thus helping to secure and strengthen Germany's leading position against competition in Continental Europe.

The Tradegate AG Wertpapierhandelsbank has clearly showed that the timely planning and implementation of its strategy to focus on high quality services for private investors is not only of benefit for its customers but can also be profitable. We are therefore pleased to announce that the payment of a dividend of 0.07 Euros will be put forward at the annual shareholders' meeting – despite the reduction in earnings we have suffered as a result of the modernisation of German accounting law.

We thank all our shareholders, old and new, for the confidence you have shown in us in the past. Your company has set the course for a long-lasting, profitable future and will continue to concentrate on providing high quality, reliable services.

MARKET SHARE IN EQUITIES
German Regional Stock Exchanges and TRADEGATE EXCHANGE

Tradegate % // BLN % // DÜS % // FFM % // HBG % // HAN % // MÜN % // STG %



Fktindikatoren

OSX



+1,06% | 1 374,04

USX



+0,86% | 1 405,73

FRX



+0,99% | 1 434,55

GLX



+0,91% | 1 424,71

ANNUAL FINANCIAL STATEMENTS OF THE TRADEGATE AG WERTPAPIERHANDELSBANK	14
Assets	14
Liabilities and equity	15
Income statement	16
Notes to the financial statements 2010	18
Mangement report	30
Auditors' report	43
REPORT OF THE SUPERVISORY BOARD	44
CONTACT IMPRESSUM	48



BALANCE SHEET AS AT 31 DECEMBER 2010

BALANCE SHEET: ASSETS

Tradegate AG Wertpapierhandelsbank as at 31 December 2010

	in € 2010	in € 2010	in € 2009
1) Cash reserves			
a) cash balance	227.03		307.26
b) balance at Deutsche Bank	648,090.26	648,317.29	976.25
2) Receivables from banks			
a) due daily	23,479,476.40		24,717,417.15
b) other receivables	10,075,654.38	33,555,130.78	5,072,012.55
3) Receivables from customers		188,995.71	497,040.99
of which:			
financial services institutions	163,007.01		-
4) Securities held for trading		3,112,803.88	1,835,137.62
5) Investments		385,711.00	260,712.00
6) Shares in affiliated companies		-	500,000.00
7) Intangible assets			
a) internally produced industrial property rights and similar rights and values		-	-
b) rights acquired for valuable consideration, licences for such rights and values		300,496.00	107,195.00
8) Tangible fixed assets		134,486.00	271,380.00
9) Other current assets		380,032.15	576,240.55
10) Prepaid and deferred expenses		89,812.72	62,871.64
11) Deferred tax assets		36,884.09	-
Total assets		38,832,669.62	33,901,291.01



BALANCE SHEET: LIABILITIES AND EQUITY

Tradegate AG Wertpapierhandelsbank as at 31 December 2010

	in € 2010	in € 2010	in € 2010	in € 2009
1) Liabilities to banks				
a) due daily		1,358,162.67	1,358,162.67	659,489.60
2) Liabilities to customers				
a) due daily		688,937.34		80,566.19
b) with agreed maturity or notice period		-	688,937.34	-
of which:				
financial services institutions		126,317.47		80,566.19
3) Securities held for trading			1,952,258.64	567,360.33
4) Other liabilities			1,101,398.33	779,477.97
5) Prepaid and deferred expenses			10,000.00	35,000.00
6) Deferred tax liabilities			11,317.83	-
7) Provisions and accruals				
a) tax provisions		506,731.26		444,000.61
b) other provisions		1,262,592.56	1,769,323.82	1,292,696.31
8) Fund for general banking risks			1,805,127.77	-
of which: according to § 34e para. IV HGB	1,805,127.77			-
9) Equity capital				
a) subscribed stock	24,282,354.00			24,181,450.00
own shares	- 30,082.00	24,252,272.00		- 29,583.00
b) capital reserves		2,509,171.04		2,071,318.28
c) revenue reserves				
ca) statutory reserves		1,516,343.22		1,516,343.22
cb) reserves for shares in a controlling company		878.64		-
cc) other revenue reserves		65,268.32		238,043.52
d) net profit		1,792,210.00	30,136,143.22	2,065,127.98
Total liabilities and equity			38,832,669.62	33,901,291.01



INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2010

INCOME STATEMENT

Tradegate AG Wertpapierhandelsbank from 1 January to 31 December 2010

	in € 2010	in € 2010	in € 2010	in € 2009
1. Interest earned from				
a) credit and financial market business	171,884.57			222,801.11
b) fixed-interest securities and government ledger bonds	-	171,884.57		-
2. Interest paid		- 214.95	171,669.62	- 5,617.84
3. Current earnings from				
a) equities and other non fixed-interest securities			-	589.89
4. Commissions received		3,330,023.20		2,183,621.30
5. Commissions paid		- 1,862,278.40	1,467,744.80	- 873,470.70
6. Net earnings from securities held for trading			18,051,277.69	13,773,416.42
7. Other operating profits			856,499.70	1,125,019.26
8. General administration expenses				
a) personnel expenses				
aa) wages and salaries	- 5,564,445.17			- 4,571,216.22
ab) social security payments and expenses for retirement provisions	- 799,774.79	- 6,364,219.96		- 730,106.28
of which: 42,443.62 € for retirement provisions				44,633.53
b) other administration expenses		- 9,660,262.88	- 16,024,482.84	- 8,403,725.94



INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2010

	in € 2010	in € 2010	in € 2010	in € 2009
9. Write-offs and value adjustments on intangible assets and tangible fixed assets			- 267,058.56	- 351,224.36
10. Other operating expenses			- 27,854.42	- 20,254.07
11. Write-offs and value adjustments on receivables and certain securities and on allocations to provisions and accruals in the credit business		- 10,000.00	- 10,000.00	- 53,181.97
12. Result from ordinary activities			4,217,795.99	2,296,650.60
13. Allocation to fund for general banking risks			- 1,805,127.77	-
14. Taxes on income and profit		- 1,274,564.00	- 1,274,564.00	- 90,904.87
of which: deferred tax expenses	- 331,886.30			-
15. Net income for the year			1,138,104.22	2,205,745.73
16. Profit brought forward			125,665.26	-
17. Withdrawals from revenue reserves				
a) from other revenue reserves		529,319.16	529,319.16	-
18. Allocations to the revenue reserves				
a) to reserves for own shares		-		- 140,617.75
b) to reserves for shares in a controlling company		- 878.64	- 878.64	-
19. Net profit			1,792,210.00	2,065,127.98



A. GENERAL INFORMATION ON THE CLASSIFICATION OF THE FINANCIAL STATEMENTS AND ON ACCOUNTING AND VALUATION METHODS

Preparation of the financial statements

The financial statements of the Tradegate AG Wertpapierhandelsbank for the year ended 31 December 2010 were prepared in accordance with the provisions of the German Commercial Code (HGB), taking into consideration the regulations for banks and the Bank Accounting Directive (Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute [RechKredV]) as last amended on 18 December 2009. The provisions of the Accounting Law Modernisation Act were also observed. As far as under the new law assets and liabilities had to be disclosed under a different balance sheet item from the one according to the law valid until 31 December 2009, then the previous years' figures were adjusted accordingly.

The classification of the financial statements is made in accordance with the RechKredV; the step-down report was chosen for the profit and loss statement.

The financial statements were prepared in €.

In accordance with the principles of the German Commercial Code, Tradegate AG Wertpapierhandelsbank is included in the group consolidated financial statements of its parent company, the Berliner Effektingesellschaft AG. The group financial statements are published in the Electronic Federal Gazette.

Accounting and valuation principles

Receivables from banks and customers are shown at their nominal value. Securities are shown in the balance sheet under the items "fixed-interest securities and government ledger bonds", "equities and other non fixed-interest securities" and "securities held for trading". When stating profits/expenses, in the case of securities we distinguish between stocks for trading, stocks of the liquidity reserve (securities which are treated neither as fixed assets nor as part of the trading stock), and securities that are treated as fixed assets.

Securities held for trading are valued at the fair value minus a deduction for risk. The fair value is equivalent to the market price. If there is no active market by which a market price can be identified then the fair value is determined using generally accepted valuation methods. If the fair value cannot be determined either on an active market or by accepted valuation methods then the acquisition or production costs are used. The company has valued the securities with the help of market prices. In some categories market prices from active markets are not available. This is usually accompanied on the reporting date by a fair value of nil so they can be written off completely. Accepted valuation methods were not applied. The deduction for risk is calculated to the amount of unrealised reserves at the balance sheet date. Thus the deduction made for risk allows for the probability of default in realisable profits.

Securities that are treated as fixed assets are not included in the balance sheet.

With the coming into effect of the Accounting Law Modernisation Act own shares are no longer shown under assets in the balance sheet but must be deducted from the equity capital. The acquisition costs are deducted from the subscribed capital to the amount of the invoicing value. The difference between the invoicing value and the acquisition costs of own shares must be deducted from the free reserves available. The proceeds from the sale are added to the subscribed capital up to the amount of the invoicing value. Any amount exceeding the invoicing value is added to the free reserves up to the amount of the sum charged at the time of purchase. Any proceeds in excess of this are allocated to capital reserves.

Recognisable risks have been accounted for with value adjustments, provisions and accruals.

We have valued intangible assets and tangible fixed assets at acquisition or production costs and, where possible, allowed for book depreciation on a straight-line basis. Up until the end of 2007, low-value fixed assets were written off in full in the year of acquisition and booked out. The low-value assets acquired in 2008 and 2009 were written off over five years according to tax rules, starting in the year of acquisition.

Deferred tax assets and liabilities result from different valuations of a balance sheet asset or liability and its respective taxable value. This results in probable income tax reliefs or expenses (temporary differences) in the future. These were valued at the income tax rate expected to apply for the period in which they are realised and which is valid at the reporting date. The average income tax rate for the Tradegate AG Wertpapierhandelsbank is 30.39%.

Liabilities, as far as they are interest bearing, are stated at their repayment amount. Amounts payable from uncovered short sales of securities are shown under the new item "securities held for trading" at fair value plus a risk premium. The risk premium is generated along the same lines as the deduction for risk for trading assets.



We have formed provisions and accruals for taxes, contingent liabilities and impending losses from pending transactions on the basis of reasonable commercial judgement to the amount of their probable utilisation. Provisions were also made for pending name-to-follow transactions. Provisions with a maturity of more than one year are discounted at the average market rate of the last seven years corresponding to the remaining term.

Proportionate interest determined at the balance sheet date is shown under the underlying receivables or liabilities.

Currency exchange

The valuation of assets and debts denominated in foreign currency has been made in accordance with the provisions of article 340h in conjunction with article 256a HGB. A variance occurs for those stocks quoted on a stock exchange in € and whose nominal value or computed nominal value (for example individual shares) is denominated in a foreign currency. These might be stocks of US-American companies whose capital is denominated in US-\$. We have recorded these securities at their closing price in € on a German stock exchange as at 31 December 2010. In the case of securities held in the liquidity reserve the principle of lower of cost or market was applied.

All other assets and debts denominated in foreign currencies were converted at reference rates of the European Central Bank or, in cases where no reference rates were available, at the average rates on the foreign exchange market at the balance sheet date.

B. NOTES TO THE BALANCE SHEET

Classification of remaining terms

The classification of remaining terms is as follows:

	in € 2010	in € 2009
Other receivables from banks		
a) up to three months	10,075,654.38	5,072,012.55
	10,075,654.38	5,072,012.55
Receivables from customers		
a) indefinite time period	188,995.71	497,040.99
	188,995.71	497,040.99
Liabilities to customers		
a) due daily	688,937.34	80,566.19
	688,937.34	80,566.19



Receivables from and liabilities to affiliated companies

	in '000 € 2010	in '000 € 2009
Classification according to balance sheet item		
Receivables:		
other current assets	-	1
Total	-	1
Liabilities:		
other liabilities	99	139
Total	99	139

Total amount of all assets and debts denominated in foreign currency

The amounts represent the sums of the equivalents in € of the most variable currencies. The difference does not indicate any exposed foreign currency positions.

	in '000 € 2010	in '000 € 2009
Assets	1,732	1,223
Debts	634	453

Securities marketable on the stock exchange

	in '000 € 2010	in '000 € 2010
Listed on a stock exchange		
Securities held for trading	3,027	1,619
Not listed on a stock exchange		
Securities held for trading	8	0
Investments	261	261

With the exception of shares to the book value of € 78,000 (last year € 244,000), all securities held are marketable on the stock exchange.

Securities held for trading (assets 5a)

On the assets side of the balance sheet at the reporting date, the item securities held for trading contains only shares and other non fixed-interest securities. The deduction for risk for the securities held for trading shown under assets was made to the amount of € 102,000.



Development of capital assets

	Acquisition costs	Additions in the business year	Disposals in the business year	Rebookings	Write-offs in total	Write-offs in the business year	Residual book value at 31.12.2010	Residual book value last year
in €								
Financial assets								
Investments	1,010,710.00	-	375,001.00	-	249,998.00	-	385,711.00	760,712.00
Total financial assets	1,010,710.00	-	375,001.00	-	249,998.00	-	385,711.00	760,712.00
Intangible assets								
Software	1,567,131.30	275,620.66	741.37	-	1,541,514.59	82,319.66	300,496.00	107,195.00
Payments on intangible assets	-	-	-	-	-	-	-	-
Total intangible assets	1,567,131.30	275,620.66	741.37	-	1,541,514.59	82,319.66	300,496.00	107,195.00
Tangible fixed assets								
Business and office equipment	3,916,260.62	49,706.48	90,918.78	-	3,740,562.32	184,738.90	134,486.00	271,380.00
Total tangible fixed assets	3,916,260.62	49,706.48	90,918.78	-	3,740,562.32	184,738.90	134,486.00	271,380.00
Total assets	6,494,101.92	325,327.14	466,661.15	-	5,532,074.91	267,058.56	820,693.00	1,139,287.00

Other current assets

Other current assets contain those items which cannot be subsumed under other balance sheet items on the assets side. They relate mainly to receivables of € 230,000 (last year € 557,000) from the tax authorities for corporate tax credits. The amount of € 17,000 (last year € 10,000) is also included for receivables from invoices submitted plus a further € 133,000 (last year € 9,000) in deferred income from services performed but not yet charged.

Deferred tax assets

The deferred tax assets were formed on the difference between the higher valuations of fixed assets in the tax statement and the balance sheet.

Liabilities to banks

This balance sheet item primarily contains liabilities from amounts payable for the use of settlement services of a bank for € 1,048,000 (last year € 628,000). The liabilities arising from short selling of securities which were reported here in last year's financial statement are, according to the Accounting Law Modernisation Act, now shown under securities held for trading on the liabilities side as far as the transactions are attributable to that item. In its role as order book manager and Specialist the Tradegate AG Wertpapierhandelsbank did short sell securities, so they must be added to the item securities held for trading.

Securities held for trading (liabilities 3a)

On the liabilities side of the balance sheet at the reporting date, the item securities held for trading contains only liabilities arising from short selling of securities and other non fixed-interest securities. The deduction for risk for the securities held for trading under liabilities amounts to € 32,000.

Other liabilities

Other liabilities contain those items which cannot be subsumed under other balance sheet items on the liabilities side. Of the € 1,101,000 (last year € 779,000), € 917,000 (last year € 600,000) relate to liabilities and accruals and deferrals based on deliveries and services, € 85,000 (last year € 76,000) to income tax not yet paid and € 99,000 (last year € 103,000) to sales tax to be paid to the parent company.



Deferred tax liabilities

The deferred tax liabilities were formed on the difference between the higher valuations of provisions in the balance sheet and the tax statement.

Provisions and accruals

Items under provisions and accruals which do not yet have a fixed amount or date of maturity belong in the income statement for the business year or earlier. The classification of the other provisions and accruals can be seen in the following table:

	in '000 € 31.12.2010	in '000 € 31.12.2009
Provisions and accruals for		
Personnel costs	615	430
Cost allocation of bank supervision	190	300
Rebuilding costs	123	201
Cost of annual financial statements	101	117
Securities settlement services	51	42
Impending losses from settlement agreement	37	37
Advisory and auditing services	23	9
Additional rental expenses, electricity	18	75
Contributions to associations	18	46
Other expenses	87	36
Total	1,263	1,293

Fund for general banking risks

According to article 340e para. 4 HGB, the company is obliged to put ten percent of the net earnings from the securities held for trading into the fund for general banking risks. The position may be closed in order to balance net losses of the securities held for trading, or if it exceeds fifty percent of the average net earnings of the last five years.

In line with this regulation, on 31 December 2010 an amount equal to the size of the balance sheet disclosure of € 1,805,127.77 was allocated to the fund.

Capital stock / subscribed stock

As at 31 December 2010, the subscribed stock amounted to a total of € 24,282,354 before deduction of own shares. The capital stock of the corporation is thus divided into 24,282,354 nominal shares. The largest shareholder and parent company in terms of article 290 HGB is the Berliner Effektengesellschaft AG, which is also the highest-level parent company in the group.

During the year 100,904 shares were issued for the purpose of subscription to shares in the stock option programme. At the reporting date the Tradegate AG Wertpapierhandelsbank holds 30,082 own shares with an accounting value of € 30,082.

Approved capital

On the basis of the resolution of the shareholders' meeting on 31 March 2006, the managing board, with the consent of the supervisory board, was authorised until 30 March 2011 to increase the subscribed capital of the company, once or more than once, by issuing individual stocks against cash or non-cash contribution up to the amount of € 11,500,000.00, thereby setting an alternative date for the beginning of profit sharing from that set down by law. This authorisation was not used during the business year.



Contingent capital

The contingent capital is intended for the issue of option rights, warrants without bonds, convertible bonds or subscription rights without bonds.

Following the resolution of the shareholders' meeting on 31 March 2006, the managing board, with the consent of the supervisory board, was authorised until 30 June 2008 to issue or grant, once or more than once, interest-bearing convertible bonds and/or option rights issued to the bondholder or bearer with a maximum duration of five years and a conversion privilege or option on up to 2,300,000 new bearer shares of the company. At the shareholders' meeting on 20 June 2008 the existing authorisation was cancelled insofar as it exceeds the amount of € 991,000. Claims resulting from option rights issued to employees in 2007 and 2008 can be expected until March 2013.

Following the resolution of the shareholders' meeting on 20 June 2008, the managing board, with the consent of the supervisory board, is authorised until 19 June 2013 to issue or grant, once or more than once, interest-bearing convertible bonds issued to the bondholder or bearer and/or subscription rights without issue of bonds (hereafter, "employee stock options") with a maximum duration of five years and a conversion privilege or option right on up to 1,424,000 new bearer shares of the company according to the requirements of the bond terms or terms of subscription. The legal subscription right of the shareholders is excluded. The employee stock options shall be offered to the beneficiaries for the realisation of the company's employee share plan.

	Contingent capital 1 · 1 · 2010	Additions	Expiry / use	Contingent capital 31 · 12 · 2010	of which used	of which unused
Option rights	991	0	- 102	889	889	0
Convertible bonds / subscription rights	1,424	0	0	1,424	980	444
Total	2,415	0	- 102	2,313	1,869	444

From 2007 through to 2010 the Tradegate AG Wertpapierhandelsbank issued stock options for the employees of Tradegate AG Wertpapierhandelsbank and the Berliner Effektengesellschaft AG. In 2010 the employees were offered 483,000 option rights, of which 1,000 have been forfeited due to employees leaving. For each option, the bearer is entitled to buy one individual share of the company which corresponds to one share of the nominal capital with a value of € 1.00.

	in € 2007	in € 2008	in € 2009	in € 2010
Year of assignment				
Exercise period	15.2.09 - 14.2.12	1.3.10 - 31.3.13	4.3.11 - 4.3.14	19.3.12 - 19.3.15
Strike price	5.20€	4.70€	4.58€	6.00€
Exercise hurdle	5.19€	4.69€	4.60€	6.00€
Options offered	496,500	500,000	500,000	483,000
Options accepted	496,500	500,000	497,000	483,000
Value of option right upon issue	0.77€	0.11€	0.12€	0.33€
Stock at 1 · 1 · 2010	448,550	485,500	487,500	-
newly issued options	-	-	-	483,000
forfeited options	-	-	-	1,000
exercised options	9,500	91,404	-	-
expired options	-	-	-	-
Stock at 31 · 12 · 2010	439,050	394,096	487,500	482,000
of which exercisable	-	394,096	-	-

The strike price of the options increases by 6 % per year of the validity period.



Capital reserves

An amount of € 435,173.04 from the purchase of shares from the stock option programme was put into the capital reserve. Thus the capital reserve increased from € 2,071,318.28 to € 2,506,491.32. Furthermore, the proceeds from the sale of own shares exceeded the acquisition costs by € 2,679.72, which also went into the capital reserve. At the reporting date the capital reserves totalled € 2,509,171.04.

Reserve for shares in a controlling or majority holding company

In the balance sheet reserves of € 878.64 for shares in a controlling or majority holding company were formed for the book value of the shares of the parent company, the Berliner Effektengesellschaft AG. On 31 December 2010 an amount of € 878.64 from the annual surplus was allocated to the reserves.

Revenue reserves

The amounts from deferred taxes were allocated to the revenue reserves for the first time with the utilisation of the Accounting Law Modernisation Act. Moreover the company is no longer obliged to build reserves for own shares as these are deducted from the capital equity. The reserves for own shares were therefore reclassified as other reserves to the comparative value of 2009. The other revenue reserves were also reduced by the acquisition costs of own shares, as far as they were not allotted to the accounting value. As a result, the utilisation of the Accounting Law Modernisation Act led to an increase in other revenue reserves of € 360,959.01.

Trading in own shares resulted last year in a reduction of other revenue reserves of € 1,199.27.

The capital reserves and the statutory reserves make up more than 10 % of the stock capital in line with the requirements of article 150 para. 2 Companies Act. Therefore an allocation to statutory reserves is not necessary.

Providing the managing board and the supervisory board approve the annual financial statements, an amount exceeding half of the year's profit can be allocated to the other revenue reserves until half the amount of capital stock is reached.

On 31 December 2010 an amount of € 529,319.16 was taken from the other revenue reserves.

Own shares

In accordance with article 71 para. 1 no. 7 of the Companies Act, the company was authorised by resolution of the shareholders' meeting on 26 August 2009 to purchase company shares for the purpose of trading in own shares.

The authorisation was limited to the purchase of own shares up to a percentage of the share capital totalling five in one hundred and is valid until 25 February 2011. Trading can take place at prices that do not fall more than 20 % above or below the preceding day's closing price of the Tradegate AG Wertpapierhandelsbank share in floor trading at the Frankfurter Stock Exchange. At the shareholders' meeting on 17 June 2010 a new authorisation was granted with the same conditions and a limitation to 16 June 2015.

In 2010, the authorisation to purchase own shares for the purpose of trading was utilised. The number of traded shares for each calendar month is shown in the table below. The shares were bought on the Tradegate Exchange. In 2010, 49,835 shares of Tradegate AG Wertpapierhandelsbank were purchased for the sum of € 293,822.90. 49,336 shares were sold resulting in revenue of € 294,804.35. Following the amendments in commercial law, the number of own shares held is no longer reported as assets but deducted from the capital equity.



Month		Shares purchased	Shares sold	Percentage of share capital
Opening stock		29,583		0.12
January	2010	3,695	3,354	0.02
February	2010	2,381	1,805	0.01
March	2010	5,860	12,110	0.02
April	2010	22,550	14,606	0.09
May	2010	3,046	600	0.01
June	2010	1,420	3,470	0.01
July	2010	300	5,293	0.00
August	2010	1,061	420	0.00
September	2010	426	680	0.00
October	2010	2,300	1,386	0.01
November	2010	2,345	2,512	0.01
December	2010	4,451	3,100	0.02
Total		49,835	49,336	0.21

C. EXPLANATIONS TO THE INCOME STATEMENT

Commission earnings and expenses

The commission earnings and expenses contain earnings and expenses that are invoiced during business operations for the use of financial services. The largest entries are for broker's fees and costs from the exchange brokerage business (net € 1,833,000, last year € 1,083,000). Broker's fees and costs are booked pre-tax each trading day. According to the new regulations of the Accounting Law Modernisation Act, the commission expenses for the settlement of securities transactions are now shown under the item net result of securities held for trading.

Net profit from securities held for trading

The profits and expenses from securities held for trading are earnings or losses which arise from the purchase and sale of financial instruments, especially securities, as a result of market price fluctuations. Write-offs on trading stocks are dealt with separately. Differences on name-to-follow transactions are also shown here. In the past business year there were no profits or expenses from futures or options. The results from foreign exchange positions arising in connection with trading stocks in securities are also included.

	in '000 € 2010	in '000 € 2009
Net result from securities trading	21,152	16,217
Net difference from name-to-follow transactions	2,870	2,602
Other net results	- 260	- 117
Profits from securities held for trading	166	129
Commission expenses from securities trading	- 5,877	- 5,058
Total	18,051	13,773



Other operating profits

The position other operating profits contains items which are not related directly to actual business. The most important positions are shown in the following table.

	in '000 € 2010	in '000 € 2009
Item		
Cost allocation other companies	437	345
Cost allocation affiliated companies	182	504
Release of provisions	139	76
Proceeds from transfer of rights	52	0
Accrued interest on corporate tax credit	12	7
Refund of contributions	0	172
Damages	0	10
Other	34	11
Total	856	1,125

€ 139,000 of the other operating profits belong to other accounting periods (last year € 173,000).

Expenses in other accounting periods

The position other administration expenses contains € 174,000 from other accounting periods for contributions made towards banking supervision (last year € 0).

Taxes

The income and profit taxes pertain to taxes for previous years arising from normal business activities, plus estimated taxes and provisions for 2010. As of 2010, allocations to and reversal of deferred taxes are included here, too. The additions to provisions for anticipated tax pre-payments amount to € 507,000 (last year € 444,000) for the reporting period 2010. A tax refund of € 305,000 is expected for other reporting periods.

D. OTHER INFORMATION

Shareholdings

Unless otherwise stated, the following information refers to 31 December 2010 and the business year 2010.

	in %	in €
Tradegate Exchange GmbH, Berlin		
Nominal capital		500,000.00
Shareholding	25.0	124,999.00
Equity capital		572,677.42
Profit for the year		72,400.23



Other financial obligations

Obligations of € 2,341,000 (last year € 2,298,000) exist for rental, leasing and servicing contracts. They relate mainly to rental contracts for office premises valid until 31 December 2012.

The Tradegate AG Wertpapierhandelsbank has taken guaranteed credits with the quirin bank AG and the Delbrück Bethmann Maffei AG. The total amount stands at € 2,946,000 (last year € 4,806,000). The guaranteed credits serve mainly as security required by the Stock Exchange Act for risks from the settlement of name-to-follow transactions and foreign exchange differences. Assets and securities have been mortgaged for the amount corresponding to the guaranteed credits.

Employees

The number of employees developed as follows:

	Female	Male	Total	Total last year
Average of the year				
Board members	1.0	4.0	5.0	5.0
Traders	6.8	35.8	42.6	40.3
Other employees	12.4	17.0	29.4	28.3
Maternity/parental leave	1.3	-	1.3	2.3
Trainees	0.5	-	0.5	2.0
Student trainees	-	1.5	1.5	1.0
Total	22.0	58.3	80.3	78.8
of which part-time employees (headcount)	5.0	3.8	8.8	7.3
of which part-time employees (in terms of full-time positions)	4.1	2.1	6.2	4.9
As at 31 December 2010				
Board members	1	4	5	5
Traders	7	36	43	42
Other employees	12	19	31	25
Maternity/parental leave	2	-	2	2
Trainees	-	-	-	2
Student trainees	-	3	3	1
Total	22	62	84	77
of which part-time employees (headcount)	6	5	11	7
of which part-time employees (in terms of full-time positions)	4.8	2.5	7.3	4.4



Corporate bodies of the Tradegate AG Wertpapierhandelsbank

Listed below, in accordance with article 285 para. 10 HGB, are the members of the managing board and the supervisory board as at 31 December 2010.

Members of the Managing Board

Thorsten Commichau, Berlin
Jörg Hartmann, Berlin
Klaus-Gerd Kleversaat, Berlin
Holger Timm, Berlin
Kerstin Timm, Berlin

Members of the Supervisory Board

Prof. Dr. Jörg Franke, Frankfurt am Main / Chairman
Dr. Andor Koritz, Berlin / Deputy Chairman, Lawyer
Pamela Schmidt-Fischbach, Nürnberg / Director Legal Department, Cortal Consors S.A., German branch, Nürnberg
Karsten Haesen, Berlin / Member of the Board, Ventegis Capital AG, Berlin
Wolfgang Hermann, Berlin
Rainer Riess, Frankfurt am Main / since 15 January 2010, Managing Director Market Development, Deutsche Börse AG, Frankfurt am Main

Remuneration of board members

The members of the managing board received remuneration of € 984,000 from Tradegate AG Wertpapierhandelsbank of which € 400 was for benefits from group accident insurance. The supervisory board received remuneration of € 54,000 including value-added tax.

Fees paid to Dohm Schmidt Janka Revision und Treuhand AG Wirtschaftsprüfungsgesellschaft (accounting firm) according to article 285 para. 17 HGB

In 2010 Tradegate AG Wertpapierhandelsbank made the following payments to Dohm Schmidt Janka Revision und Treuhand AG Wirtschaftsprüfungsgesellschaft, Berlin, and recorded the following expenses:

	in '000 € Payments	in '000 € Expenses
For the annual audit	71	68
For other accounting and evaluation services	19	19
Total	90	87

Last year's payments and expenses were as follows:

	in '000 € Payments	in '000 € Expenses
For the annual audit	70	53
For other accounting and evaluation services	18	18
Total	88	71



Proposed appropriation of profit

At the Annual General Meeting in 2011, the managing board will suggest using the accumulated profit of the year 2010 for a dividend of € 0.07 per share to be paid on the day of the shareholders' meeting. The remaining amount of the accumulated profits shall be carried forward to new account.

Berlin, 22 February 2011

Tradegate AG Wertpapierhandelsbank

Thorsten Commichau

Jörg Hartmann

Klaus-Gerd Kleversaat

Kerstin Timm

Holger Timm



MANAGEMENT REPORT OF THE TRADEGATE AG WERTPAPIERHANDELSBANK FOR THE YEAR ENDED 31 DECEMBER 2010

1. FOREWORD

The structure of the management report follows primarily the rules adopted by the German Accounting Standards Committee e.V. which are recorded in the German Accounting Standard 15.

2. BUSINESS AND STRATEGY

2.1 Organisation and business areas

The company is authorised by the Federal Financial Supervisory Authority (BaFin) to practise banking and financial services businesses. The full extent of the licence can be seen on the Federal Financial Supervisory Authority's website. From the company's point of view the important elements of the licence are:

deposit banking (article 1 section 1 clause 2 No. 2 KWG [German Banking Act])
lending business (article 1 section 1 clause 2 No. 1 KWG)
financial commission business (article 1 section 1 clause 2 No. 4 KWG)
custody business (article 1 section 1 clause 2 No. 5 KWG)

investment banking (article 1 section 1 clause 2 No. 10 KWG)
investment brokerage (article 1 section 1a clause 2 No. 1 KWG)
investment advice (article 1 section 2a clause 2 No. 1a KWG)
own-account trading (article 1 section 1a clause 3 KWG)
own-account trading for others (article 1 section 1a clause 2 No. 4 KWG)

In the course of its business the company acts as an order book manager on the Frankfurt and Berlin stock exchanges. It has further admissions to listing on the stock exchanges in Munich, Stuttgart, Hamburg, Hannover and Düsseldorf and is a designated sponsor on XETRA®. For several years the focus of trading activity has been on looking after financial instruments (shares and ETFs) as a so called liquidity provider on the TRADEGATE EXCHANGE. TRADEGATE EXCHANGE is operated by Tradegate Exchange GmbH, Berlin, of which at the balance sheet date the company holds just under 25% of the shares, and is run as a "joint venture" together with the majority shareholder, Deutsche Börse AG.

The company provides continuous bid and ask prices on several exchanges for around 10,000 categories of security, mainly in shares. Insofar as the company carries out its function as order book manager on the Frankfurt and Berlin stock exchanges it accrues a fee for turnover, known as the broker's commission. A significant source of earnings is, however, the financial result which arises from the calculated spread between the purchase and selling of a position. On electronic exchanges or markets such as XETRA® or TRADEGATE EXCHANGE no broker's commission is charged and earnings are determined by the financial result arising from purchases and sales. Since the business is driven by volume, the company tries to reach as many customers as possible with its prices. Mid or long term risk positions in proprietary trading are not intended and are not part of the business concept. Long-term own holdings are, therefore, always and exclusively part of the liquidity management of the company and reserved for the managing board.

The management, all administrative areas and the main operative areas are based at the headquarters of the company in Berlin. In Frankfurt am Main the company maintains a technically and personnel equipped branch office to serve the locally based order book management at the Frankfurt Stock Exchange.

Because of the continually increasing importance of computer supported trading, a focal point of the company lies in the departments IT-Operations and IT-Development. The company is largely self-sufficient and attaches particular importance to the development of its own programmes for the areas of trading, trading settlement and risk control.

The management of the company comprises five board members, two of whom are responsible for the operative business areas including the management of the branch in Frankfurt. Another board member takes care of the areas IT-Development and IT-Operations and is the director of the Tradegate Exchange GmbH. The new business area, banking, is the responsibility of a further board member. The speaker of the board is chiefly responsible for strategic planning and coordination as well as the administrative areas such as organisation, personnel, compliance and law, operative credit, auditing and prevention of money laundering, and accounting including controlling and regulatory reporting.

2.2 Competitive position, goals and strategy

In 2010 the TRADEGATE EXCHANGE, developed and operated as a trading platform since 2000, was launched in Germany and Europe as a new stock exchange. The TRADEGATE EXCHANGE now stands in direct competition with comparable exchanges, in particular the seven German floor exchanges. TRADEGATE EXCHANGE'S continued success is important for the company because ca. 95% of all transactions and 86% of earnings result from trading as a Specialist for shares and ETFs on the TRADEGATE EXCHANGE. In 2010, in order to secure and improve the lasting success and future growth of the TRADEGATE EXCHANGE, the operator of the new exchange, Tradegate Exchange GmbH, was run as a joint venture together with the new majority shareholder, the Deutsche Börse AG. The 31% increase in 2010 in the number of share



trades on the TRADEGATE EXCHANGE was positive but not outstanding, since other relevant competitors reported similar growth. Compared with the other seven German exchanges the market share of the TRADEGATE EXCHANGE could be increased from 30% to 36% at the year end, closing in on the current market leader the Frankfurt Stock Exchange, which has a share of 42%. In December 2010, compared with the seven German floor exchanges, TRADEGATE EXCHANGE reached top position in selected high-turnover securities, e.g. HDAX stocks.

In 2010 several new customers could be gained which should bring a significant increase in turnover and market share for the TRADEGATE EXCHANGE as of March 2011. In the acquisition of new customers the technical link-up and legal integration into the Best Execution Policies of different market participants requires an increasingly longer lead-time.

Besides its activity as a Specialist on the TRADEGATE EXCHANGE the company will continue to act as order book manager on the Berlin and Frankfurt stock exchanges. However, on the Frankfurt Stock Exchange this function is to go through a big change in 2011 due to the transfer to another trading system (XETRA 2) whereby the trading model and the activity as Specialist will be very similar to the role already practised for years on the TRADEGATE EXCHANGE.

Although the company has expanded its scope of business by beginning operations as a universal bank, it will continue to concentrate its core competence on securities trading in shares and ETFs. The expected increase in turnover on the TRADEGATE EXCHANGE and the continued activity as a Specialist and order book manager on the Frankfurt and Berlin stock exchanges should enable the company to secure the required number of transactions for a profitable business in the years to come.

2.3 Business development and general conditions

After several years of significant loss in turnover the general conditions for securities trading firms improved in 2010 for the first time, especially with regard to private investors. The number of shareholders in Germany is still low but at least share trading of private investors has increased considerably to the benefit of all business areas of the company.

For the first time since the year 2000 when the company began developing and running TRADEGATE the critical amount of turnover for profitable trading could be reached in all twelve months of the year and even in the traditionally quiet summer months a small profit was recorded. The weakest turnover was in August and the highest in November. The withholding tax introduced on 1 January 2009 ceased to have any noticeable negative effect on business in 2010, if anything it now possibly accounts for a more frequent restructuring of share portfolios since there are no longer any tax exemptions for longer holding periods. The introduction of a so called transaction tax which would certainly lead to a serious decline in revenue has fortunately not yet been implemented unilaterally by Germany but is still being demanded by several politicians.

Following the dramatic reduction in the number of contract notes resulting from order book management on the Frankfurt and Berlin stock exchanges in the last two years (in both years a reduction of over 60%) in 2010 the number could be increased by ca. 25.4% (443,959 contract notes compared with 354,063 last year). Nevertheless, traditional exchanges have lost further market share to electronic exchanges or trading systems such as XETRA or TRADEGATE EXCHANGE.

In 2010 the number of transactions on the TRADEGATE EXCHANGE could once again be increased for the ninth year running to 3,115,526 share transactions. Following the very modest increase in 2009 this year's growth of just over 31% was a significant improvement. The average trading volume of individual share trades also rose more sharply in 2010 to 5,443.00 € (average 2009: 4,395.00 €). At the height of the financial crisis with its correspondingly low turnover of shares (October 2008 to March 2009), the average trading volume of private investors fell to below 3,400.00 €. Overall the 2010 trading volume for shares and ETFs in the role as Specialist on the TRADEGATE EXCHANGE increased above average by about 60% from 10.45 billion € in 2009 to around 16.96 billion €.

If one takes into account that one ordinary trade made by a single customer on the stock exchange usually generates three contract notes, then strictly only about 147,986 order book trades in Frankfurt and Berlin should be compared with the 3,115,572 individually counted trades made on the TRADEGATE EXCHANGE. This means that in 2010 the TRADEGATE EXCHANGE generated 95.47 % of all trades of the company, the tendency becoming more noticeable towards the end of the year.

The company therefore stopped dealing in several unprofitable order books resulting in a reduction in the total number of order books from 10,503 to 9,796 categories of securities as at 31 December 2010. In contrast, the number of securities traded in the role as Specialist on the TRADEGATE EXCHANGE (shares and ETFs) was increased in 2010 from 4,070 to 5,635.

The number of employees remained relatively constant. There were eight new-comers (four of which in other companies of the group) and two leavers (also in other group companies). At the end of the year there were 84 employees in the Tradegate Wertpapierhandelsbank AG. This corresponds with the number of employees at the beginning of the year including the former subsidiary, the Tradegate Exchange GmbH. The age structure changed slightly p.r.t. and in line with the almost unchanged number of employees. The average age is about 38.6 (last year 37.9) with the emphasis on the age group from 31 to 40. The average job tenure is 8.6 years (last year 7.9 years). The company attaches great importance to retaining well-trained and qualified employees even during less profitable times. The flexible increase or reduction of personnel according to the amount of business, e.g. using temporary employees, is difficult in the industry and not desired by the company. Through flexible remuneration models the company prefers to ensure that on the one hand no unacceptably high



fixed salaries endanger the company in difficult economic situations, and on the other that during successful periods the employees have a suitable share in the company's success. Apart from their fixed monthly salary, the employees and board members of the company receive variable remuneration. The total volume of the variable remuneration depends on the company's profit reported under commercial law and is determined on a quarterly basis. The amount received by each employee or board member is calculated by means of several criteria, for example position in the company, length of service, special tasks etc.

In the past business year no large new investments were made; only the usual extension or renewal of existing IT-systems was carried out. Software is usually developed and maintained by company employees. The personnel costs involved are not such that they can be capitalised. Occasionally individual contracts for work are outsourced and, depending on size, can be capitalised. In the areas of networks, data banks, word processing, etc. standard software from large providers is used.

The portion of costs incurred for administration and maintenance just to comply with all stock market and legal regulations is very high. These costs rose even further with the start of operations as a universal bank in 2009. This becomes particularly clear when one looks at the sharp increase in the fees paid to the Federal Financial Supervisory Authority (BaFin) for the supervision of securities trading. Apart from its considerable fees, which have increased largely due to the financial crisis (2008: 82 million €, 2011 estimated 141 million €), the Supervisory Authority has in our opinion inappropriately transferred the company to a different fee schedule due to the extension of our licence to include the universal bank business and this has led to an extreme cost burden. As a securities trading bank the yearly costs for the supervision of securities trading lay between 30,000 € and 50,000 €. These costs have now developed as follows: 2008: 312,000 €, 2009: 473,500 €, estimate for 2010: 627,000 €, notice of advance payment due for 2011: 712,000 €.

3. DEVELOPMENT OF ASSETS, FINANCIAL POSITION AND RESULTS

As of 1 January 2010 the Accounting Law Modernisation Act was introduced. This led to several changes, for example securities held for trading are now disclosed as a separate item. In the past they were shown as assets under "bonds and other fixed-interest securities" and under "shares and other non fixed-interest securities". Short sales previously reported under liabilities to banks are now shown separately as securities held for trading on the liabilities side of the balance sheet.

The net assets position of the Tradegate AG Wertpapierhandelsbank is marked by relatively high liquidity and good equity base. Alongside securities held for trading the receivables from banks represent the largest position on the assets side. The part sale of our share in Tradegate Exchange GmbH was completed in January 2010. The company now holds 25% minus one share of the Tradegate Exchange GmbH.

In the credit business which is operated solely on the basis of Lombard loans, there have not yet been any loan agreements or use of loans. However, private customers have begun to make first deposits with the company so at the balance sheet date the liabilities to customers, which include account deposits from private banking and receivables from order book management, rose to € 689,000. Customer deposits from private banking account for € 583,000 thereof. These deposits are invested as deposits of an equivalent term at domestic banks or the German Federal Bank.

The development of assets during the last three years is shown in the following table.



MANAGEMENT REPORT OF THE TRADEGATE AG WERTPAPIERHANDELSBANK

	in '000 € 31.12.2008	in '000 € 31.12.2009	in '000 € 31.12.2010
Assets			
Cash reserve	-	1	648
Receivables from banks	30,353	29,790	33,555
Receivables from customers	159	497	189
Bonds and other fixed-interest securities	300	-	-
Shares and other non fixed-interest securities	9,062	-	-
Securities held for trading	3,242	1,835	3,113
Investments	261	261	386
Shares in affiliated companies	50	500	-
Own shares	148	107	301
Intangible assets	476	271	134
Tangible fixed assets	393	576	380
Other current assets	69	63	90
Prepaid and deferred expenses	-	-	37
Total assets	44,513	33,901	38,833

The liabilities of the company continue to be relatively low. The liabilities to banks include € 1,047,000 (last year € 629,000) for the utilisation of settlement services. Compared with last year, the liabilities to customers have risen sharply on account of first customer deposits made in private banking. These deposits amounted to € 563,000 at the balance sheet date. The securities held for trading shown on the liabilities side come from short sales made within our roles as Specialist and order book manager. They have increased compared with last year mainly in the course of the growth of TRADEGATE EXCHANGE. The other liabilities contain liabilities in the form of deliveries and services from the area of business operations and liabilities for banking supervision. The increase in other liabilities is attributed to the additional demand made by banking supervision. The largest position in provisions and accruals is the provision of € 507,000 (last year € 444,000). With the coming into effect of new regulations in the German Commercial Code the company is now obliged to build reserves for contingencies in securities held for trading. The information is shown under the item "fund for general banking risks". In line with banking supervision, this fund is added to the core capital and as at 31 December 2010 amounts to € 1,805,000. The drop in the equity ratio from 89% to 78% is due mainly to the increase in securities held for trading and the fund for general banking risks which in terms of commercial law is not attributed to net assets. The net assets together with the fund for general banking risks make for 82% of the balance sheet total.

	in '000 € 31.12.2008	in '000 € 31.12.2009	in '000 € 31.12.2010
Liabilities			
Liabilities to banks	843	660	1,358
Liabilities to customers	72	80	689
Securities held for trading	2,045	567	1,952
Other liabilities	630	779	1,103
Prepaid and deferred expenses	54	35	10
Deferred tax	-	-	11
Provisions and accruals	2,193	1,737	1,769
Fund for general banking risks	-	-	1,805
Equity capital	38,676	30,043	30,136
Total liabilities	44,513	33,901	38,833



The liquidity position of the company is marked by high equity and its liquid investment. All liabilities due within one month stand against much higher amounts, also due in one month, deposited with banks. Customer deposits from private banking are due daily. Corresponding amounts of funds are held at domestic banks or the German Federal Bank. Customer receivables from bank activities as defined under German banking law did not exist at the balance sheet date. The Tradegate AG can call on additional liquid funds from Lombard loans at the banks that clear securities transactions.

The important positions in the financial statement are the commission income and the result from securities held for trading. The development of these components is the main deciding factor for the development of results. The commission income no longer includes the commissions paid for the clearing and settlement of transactions. According to the new legal situation these are now shown in the position "securities held for trading". For a better comparison, last year's figures have been adjusted accordingly. Last year the commission income rose from € 1,310,000 to € 1,468,000. The net brokerage fee, which accounts for a significant part of the commission income, increased from € 1,083,000 to € 1,833,000. In the income statement net earnings from securities held for trading is reported instead of net earnings from financial transactions. This new item includes commissions and current earnings that belong in the securities held for trading. The most important factors influencing the net earnings of the securities held for trading are the results from the activity as Specialist, the net balance from name-to-follow transactions from order book management and costs for the settlement of transactions. Of lesser importance are the valuation result and the current earnings (dividends, interest) from those securities. The year 2010 began with a good first quarter followed by an even better second quarter. The third quarter was weaker, as expected, because due to the summer months turnover on the markets is usually low. At the end of the year, business in the fourth quarter picked up once again with correspondingly good earnings. It may be assumed that the change in TRADEGATE EXCHANGE's status at the beginning of the year to a regulated stock exchange has played a part in this positive development.

In detail the most important factors in the net earnings from securities held for trading developed as follows. Following a drop of 31.1% in 2009, this year the net balance from name-to-follow transactions rose by 10%. The reason for this was partly due to the new allocation of order books on the Frankfurt Stock Exchange. The net earnings from securities trading and the balance from realised gains and losses were increased significantly by € 4,902,000 (last year + € 2,186,000, 15.4%). The higher volume of transactions resulted in correspondingly higher costs for the clearing and settlement of trades. These costs climbed to € 5,058,000 for the previous business year and rose once again in 2010 to € 5,877,000.

Last year's slight change in general administration expenses could not be maintained. As the operating results improved, bonuses were paid to employees so personnel costs rose by € 1,063,000. Other administration expenses were mainly affected by two things. Firstly, trading activity on the TRADEGATE EXCHANGE increased dramatically resulting in an increase of € 487,000 for participation and transaction fees. Secondly, the company now has to pay much higher contributions towards the supervision of securities trading. The fees paid to the Federal Financial Supervisory Authority for the years 2009 and 2010 were € 478,000 higher than in last year's financial statement. In 2008 the expenditure by the supervisory authority for the supervision of securities trading counted for ca. 12% of costs. In 2009, with the increased monitoring of securities trading and the advisory services of banks in this area, 18% of the supervisory authority's costs allocated to banks were for the supervision of securities trading. According to the notice of advance payment for 2011 this share is set to rise to as much as 20%. In addition it is expected that overall costs incurred by the supervisory authority will increase by 16% to 20% compared with 2008. These changes will result in a considerable rise in expenditure for securities trading supervision without any increase in the number of registered securities transactions. Under taxable possible utilisation of the losses brought forward, provisions for taxation were made in 2010 to the amount of € 507,000. Balanced out, the tax expenses which include deferred taxes from utilisation of loss carryforwards come to € 1,275,000.



MANAGEMENT REPORT OF THE TRADEGATE AG WERTPAPIERHANDELSBANK

	in '000 € 2008	in '000 € 2009	in '000 € 2010
Income Statement			
Interest profits	1,017	223	172
Interest expenses	- 4	- 6	-
Current profits	-	1	-
Commissions received	3,573	2,183	3,330
Commissions paid	- 1,646	- 873	- 1,862
Net earnings of securities held for trading	13,915	13,773	18,051
Other operating profits	885	1,125	856
General administrative expenses	- 13,318	- 13,705	- 16,024
Write-offs and value adjustments on intangible assets and tangible fixed assets	- 383	- 351	- 267
Other operating expenses	- 10	- 20	- 28
Write-offs and value adjustments on receivables and certain securities	- 1,060	- 53	- 10
Profits from write-ups on receivables and certain securities	-	-	-
Write-offs and value adjustments on participatory investments, stocks in affiliated companies and securities treated as fixed assets	-	-	-
Result from ordinary activities	2,969	2,297	4,218
Allocation to fund for general banking risks	-	-	- 1,805
Income and profit taxes	- 832	- 91	- 1,275
Other taxes, unless recorded under other operating expenses	-	-	-
Net profit/loss	2,137	2,206	1,138



From the development of results the following operating figures can be derived:

- > Cost income ratio (CIR), expressed as a percentage: the sum of general administrative expenses and write-offs on intangible and tangible assets divided by gross earnings
- > Return on equity (ROE), expressed as a percentage: net profit for the year plus the amount allocated to the fund for general banking risks divided by equity capital
- > Earnings per share (EpS), expressed as a percentage: net profit for the year plus amount allocated to the fund for general banking risks and the number of shares at the balance sheet dated divided by the number of shares

	2008	2009	2010
CIR	81.3%	91.9%	82.7%
ROE	5.30%	6.42%	9.77%
EpS	0.088€	0.091€	0.121€

To summarise, it can be said that the development in the last business year was positive and the company finds itself in a satisfactory position.

4. SUPPLEMENTARY REPORT

No significant events were reported after the balance sheet date.

5. RISK REPORT

5.1 Institutional supervision

Due to the permit which allows the company to provide banking and financial services, the Tradegate AG Wertpapierhandelsbank is subject to supervision by the Federal Financial Supervisory Authority. Accordingly, every month an interim return, a profit and loss statement, calculations for the Solvency Regulation and Liquidity Regulation and quarterly reports on any large loans and loans in millions must be submitted. If any unusual events occur, they are to be reported separately. By virtue of its authorisation to carry out certain types of banking business, the company is duty bound to support an internal audit according to the minimum requirements for risk management.

In accordance with part 5 of the Solvency Regulation certain information on the risk management system and the Solvency Regulation must be disclosed. The Tradegate AG Wertpapierhandelsbank fulfils this disclosure requirement in a separate report.

The financial holding group Berliner Effektengesellschaft AG must adhere to the group-level regulations of the Solvency Regulation which govern consolidated monthly reports and large loans from institutional groups. The Tradegate AG Wertpapierhandelsbank is by law the highest-level company in the financial holding group. The regulatory group basically comprises all companies that are included in the group financial statements according to commercial law. In accordance with the German Banking Act, only group companies that fall under the category "other companies" and separate assets should not be incorporated into the summary. The companies Ex-tra Sportwetten AG, Vienna and BEG Fund 1 in Berlin, which are included in the group accounts within the scope of a full consolidation, are not contained in the summary for the financial holding group Berliner Effektengesellschaft AG. No regulatory deduction of the book value is made in the summary. The quirin bank AG and its subsidiaries are, according to commercial law, included in the IFRS group accounts at equity. For the purpose of regulatory reporting it only represents a shareholding of the Berliner Effektengesellschaft AG. The quirin bank AG is an independent group and itself subject to reporting rules.

With regard to the Solvency and Liquidity Regulations the reference figures for the company always fulfilled minimum requirements without any problem. The total key reference figures of the Solvency Regulation lay between 56.92 and 61.04. For current business activities the Solvency Regulation reference figure is not the decisive element for the provision of own capital. Here, the requirements of the stock markets play a more important role, so, in relation to the underlying risk assets, the company is well equipped with capital resources. In accordance with the business plan, part of the resources is to be reserved for the future operation of the lendings business. The company uses the standard financial risk approach, the standard approach for market risk positions and the basic indicator approach for operational risks.



The capital resources of the financial holding group are made up of the subscribed stock of the Berliner Effektengesellschaft AG, its capital reserves and other reserves, insofar as they are not reduced within the scope of a capital consolidation. Own shares, debit differences from the capital consolidation and intangible assets are deducted from this. The item intangible assets includes software and acquired assets. The group's capital resources consist exclusively of core capital. As at 31 December 2010 the capital resources were as follows:

	in '000 € Amount
Description	
Paid-in capital	13,788
Own shares	- 323
Capital reserves	31,530
Other reserves	16,832
Minority interests	8,759
Debit difference	- 8,002
Intangible assets	- 396
Core capital	62,188

The report for the financial holding group Berliner Effektengesellschaft AG is made according to the Solvency Regulation. Between January and December 2010 the total key reference figures of the Solvency Regulation at group level lay between 86.55 % and 99.72 %.

5.2 Risk management policy and strategy

Tradegate AG Wertpapierhandelsbank is active in a field that is subject both to dramatic fluctuations regarding the amount of business and to changes in general conditions. In this environment it is necessary to continuously develop the means to manage, monitor and control the relevant risks. With the minimum requirements for risk management (MaRisk) a strict legal framework for monitoring and control mechanisms and their documentation is in place. In principle, risk is understood to be the negative difference between actual incidents and expected incidents. Damage is then the occurrence of a risk with negative consequences. As the company sees itself as a liquidity provider or, as the case may be, a market maker it is not company strategy to build up and assume securities positions in anticipation of a positive market price development. Rather the business activity is geared towards enabling as many dealings in securities as possible. In doing so, during the course of a day the company assumes an interim position as buyer or seller with the aim largely of continuing to trade these positions up to the close of trading. The number of positions that are held until the start of trading on the next day is small compared with the trading volume. If any one position worthy of note is held open, then this happens strictly within the scope of investments in liquid assets. The development on the German and European stock exchange scene is an important influencing factor for business activity and the connected technical development and surrounding conditions. Trends are monitored at an early stage for any possible impact on the company's field of business and for technical necessities. Above all, wrong decisions can lead to high costs, loss of earnings and delays. As regards further activity in exchange trading, an eye must be kept on the continued shift towards electronic trading systems and its effects. Particular strategic importance must be attached to the future form of the stock exchange floor in Germany, to the trading system XETRA® and the European development following the coming into effect of MiFID (Markets in Financial Instruments Directive).

The basis of the risk management system is the classification of risks into market price risk, operational risk, counterparty default risk and liquidity risk. The risk management system differentiates between the areas most exposed to risk, risk management in the narrower sense and risk control which monitors the risk situation and supports risk management, in particular with information on assumed risks. The controlling department is also largely responsible for the further development of the risk management system. The basis of the limit system is the anticipated result of the business year, taking into account the current total amount of capital and reserves and the effective result of the business year. An upper loss limit was decided for 2010 and was not adjusted during the course of the year.



5.3 Market price risks

Market price risks are understood to be the negative differences of the expected market price development. Market prices are interest rates, stock prices and foreign exchange rates. Any change brings about changes in the value of the financial instruments within the portfolio, such as stocks, bonds or bank balances in foreign currency which in turn can lead to write-offs affecting results. Since one focal point of business activities lies in the trading and relaying of transactions of shares in foreign companies, especially US-American stocks, an indirect foreign currency risk also has an effect. For example, in an ideal market, changes in the US- $\text{\$}$ exchange rate bring about corresponding changes in the stock price in $\text{\text{€}}$. In the context of the risk management system of securities trading, the risk arising from securities transactions is considered to be implicit in the share price risk.

Last year the controlling limits were monitored successfully. On the basis of the expected results for 2010 and the capital resources, an absolute upper loss limit for all transactions was set by the company's management board. One part of this upper loss limit was divided as a control limit between the trading areas overseas, domestic and Frankfurt am Main. Using these control limits, pending losses from open positions were limited. The pending losses are calculated from the value of the open position and the current value on the basis of a reference price. This reference price is determined on an ongoing basis and entered into the control system. In 2010 the limit was mostly only marginally used and exceeded occasionally for a short period of time. In nearly all cases, the reason for exceeding the limit was that the monitoring system was provided with incorrect reference prices. If risk control notifies a limit exceedance, the cause is investigated and the board member responsible for controlling is informed accordingly. The board member responsible for controlling discusses the steps to be taken with the board member responsible for trading, and informs risk control of the result. If losses are actually incurred which exceed a certain threshold value, the limit concerned is lowered automatically. In a subsequent comparison of the actual and planned result of the company, a decision is made on the retention or change of the limit alignment. In 2010 no adjustments were made to the control limits for securities trading.

In addition, a limit is set especially for the risks coming from assets in the liquidity reserve. The assessment of the amount of risk is handled analogue to the observation of trade securities. If the limit is exceeded, the board is informed immediately and then decides on the further handling of the securities in the liquidity reserve.

A further controlling limit exists for receivables and liabilities not in $\text{\text{€}}$ against banks, customers and suppliers. The risks at domestic banks from deposits in South African rand and US dollars are to be noted in particular. No limits were exceeded here. Currency swaps for the management of currency risk were not used last year. If limits are exceeded, the board members responsible for controlling and trading are informed and they then decide on a course of action.

5.4 Operational risks

Operational risks are understood to be such risks arising out of inappropriate or faulty company operations or those caused by employees, systems or external occurrences, legal risks included.

The existing risk matrix was reassessed for risks, early warning indicators and possible counter measures. If there were any new values the early warning indicators in the risk matrix were renewed or adjusted. In order to create an overview of any damages occurring, employees were required to report to risk control the cases of damages that exceeded a defined minimum limit. The damages arising were due to an increased amount of work and rated as minimal. Additionally, in the area of IT-operations a list of system changes, faults and failures is kept. Last year there were no significant faults which caused definable or noteworthy damages.

The management of operational risks is the responsibility of each department head. They monitor the work processes and, if necessary, make interventions or adjustments. Part of the upper loss limit was reserved for operational risks based on the capital requirements according to the Solvency Regulation.



5.5 Other risks

The other risks include counterparty default risks and liquidity risks. The counterparty default risk is the danger that liabilities are fulfilled too late, incompletely or not at all. The Tradegate AG Wertpapierhandelsbank has predominantly receivables from banks. The most important bank connection, where a large part of the investments in liquidity funds are made, is with the quirin bank AG. Since, within the scope of its associated relation to the group, the quirin bank AG is still integrated into the monthly reports, and because Mr. Timm is a member of the supervisory board of the bank, sufficient realtime information on the economic situation is always available. Further accounts exist at other domestic banks and at one foreign bank. Apart from these bank accounts, which are used for payment transactions and cash deposits, the company has receivables from tax repayments and receivables from other brokers for securities transactions. The risks here are considered to be low as they are regulated by the stock exchange systems and the market participants are subject to supervision by the stock exchanges and the Federal Financial Supervisory Authority.

The risk that a counterparty of an off-exchange securities trading transaction does not fulfil his duties of payment or delivery is considered to be a peculiarity of counterparty default. Damages from the risk of settlement of securities trading transactions did not arise.

In order to minimise counterparty default, all transactions with addresses which do not have admission to a German, west European or American stock exchange are subject to separate supervision directly by the board of management. This applies mostly to East European trading addresses.

Liquidity risk is understood to be the danger that payment obligations might be made not at all, too late or incompletely, or that due to illiquid markets assets cannot be sold, or sold at the expected price. Control of solvency occurs within a plan of payments received and payments outgoing over the following twelve months. The first quarter is reported on a monthly basis, thereafter reports are made on a quarterly basis. If there are any shortfalls, reports are made more often than usual. In the last year there were no shortfalls of these self-imposed limits. Additionally, the Tradegate AG Wertpapierhandelsbank is subject to the terms of the Liquidity Regulation, which sets certain minimum requirements with relation to capital and financial liabilities. Last year's reference numbers moved between 3.89 and 8.09, the minimum figure being 1. The market liquidity risk is controlled and monitored through the choice of where to trade, consideration of the current market situation when completing transactions and the limitation of open positions.

5.6 Reporting

The whole board of management receives a daily risk report which contains the realised results of the last day of trading, the current month and the current year, as well as information on limit adjustments and special issues, such as significant exceedance of limits and unusual transactions as regards business partners, volume or conditions. Information on other significant risks to the company is also included in the report. Data on cases of damage from operational risks, specific incidents and steps undertaken is recorded in particular. This risk report complements the economic development report supplied to the managing board each month. Apart from the balance sheet and profit and loss statement, the latter contains employee statistics, the development of securities transactions and some key business figures. At the moment the board of management receives a detailed quarterly summary of the company's payment reserves. In order to increase the transparency of general administration expenses the managing board and department heads are provided with a report on the costs allocated to each area. Any questions and necessary measures are discussed in meetings. Besides increased transparency, the aim is to encourage the awareness of those responsible.

6. Declaration according to § 312 of the Companies Act

According to § 312 of the Companies Act the board of management of the Tradegate AG Wertpapierhandelsbank must deliver a report on the relations with affiliated companies for the business year 2010. The closing statement of this report reads:

"Beyond the aforementioned legal transactions and measures, no other legal transactions were made in the reporting period and no measures are known of for which a report must be submitted.

According to § 312 of the Companies Act the board of management of the Tradegate AG Wertpapierhandelsbank, Berlin, declares that for all transactions with the prevailing corporation and its affiliated businesses the company has received appropriate service in return."



7. Outlook

The company expects 2011 to be a solid business year in securities trading with private investors. At least an acute financial crisis with a corresponding downturn in revenues is not evident at the moment. It is possible that the share markets important for our company might even benefit from unattractive interest rates and the uncertainties surrounding government bonds of various debtor countries.

Independent of the general economic conditions the TRADEGATE EXCHANGE can expect a further gain in market share and therefore a significant increase in turnover thanks to new connections to the platform completed in 2010 and agreements with several new market participants.

With regard to costs, in 2011 the company has for the first time in many years managed to achieve a considerable reduction in general administration costs thanks to its increased market share in several areas (e.g. data purchase, trade settlement). However, in other cost centres (e.g. share in the costs of the Financial Supervisory Authority) an increase is to be expected.

In the financial services industry the market shakeout will continue and only those few securities trading banks will remain that have reached the necessary critical mass with regard to equity capital and timely diversification of their business activities. The chance of new competitors entering into the company's business field is considered to be unlikely because the build up of comparable structures requires many years of prior investment and does not promise financial investors quick profits.

Berlin, 22 February 2011

Tradegate AG Wertpapierhandelsbank

Thorsten Commichau

Jörg Hartmann

Klaus-Gerd Kleversaat

Kerstin Timm

Holger Timm



In the German version of the annual report the auditors' report is printed here. This report confirms the unreserved validation by the Dohm Schmidt Janka Revision und Treuhand AG Wirtschaftsprüfungsgesellschaft, Berlin, of the annual financial statements of the Tradegate AG Wertpapierhandelsbank.



LADIES AND GENTLEMEN,

In 2010 the supervisory board dutifully performed the tasks incumbent upon it by the law and the company's statutes. It acted as advisor to the managing board of the company in directing the business and supervised the execution of its business dealings. To this purpose the managing board verbally informed the supervisory board promptly and in detail on all questions pertaining to business plans, business development, strategic orientation and risk position including risk management. Moreover, besides attending the supervisory board meetings, the chairman of the supervisory board was in regular contact with the managing board.

All matters requiring authorisation were examined in detail by the supervisory board and then approved. The supervisory board, comprising six members, did not form any other supervisory board committees.

Supervisory board tasks / meetings

In order to fulfil its tasks the supervisory board convened in 2010 for a total of four supervisory board meetings. One circular resolution was passed.

The main subjects of the meetings among others were:

- > the trading volume and development of earnings
- > the current risk situation of the company
- > the organisational and strategic development of the business
- > possible cost savings and reductions
- > the business and risk strategy of the company
- > the current and expected changes in the stock exchange environment
- > the increased financial burden on the business from fees to be paid to the Federal Financial Supervisory Authority for the supervision of securities trading. Both the supervisory board and the managing board consider the sharply increased fees of the supervisory authorities to be unjustified for several reasons. A lawsuit has been filed before the administrative court in Frankfurt.

The managing board submitted conditions for an employee stock option scheme and the supervisory board gave its approval for the allocation of a total of 400,000 employee stock options. The options due to the managing board were allocated by the supervisory board.

Particular attention was paid in 2010 to the appliance of the stringent requirements for the Minimum Requirements for Risk Management (MaRisk); this was discussed in every supervisory board meeting.



The members of the supervisory board made sure that the managing board of the company took suitable measures and maintained a monitoring system whereby any developments endangering the continuity of the company could be recognised at an early stage (article 91, section 2 of the Companies Act). The company has an efficient controlling system at its disposal and produces conclusive monthly development reports.

The monitoring of risks, in particular the day-to-day supervision of risks arising from the change in share prices was further improved. The supervisory board was informed by the managing board of the results of the internal audit report. According to this report no particular risks or complaints arose. In the opinion of the supervisory board the existing risk control system fulfils legal requirements and is qualified to enable the real-time monitoring of the company.

The audit for 2010 according to article 36 section 1 of the Securities Trade Act was carried out by Dohm Schmidt Janka Revision und Treuhand AG Wirtschaftsprüfungsgesellschaft, Berlin. The audit report was given to the members of the supervisory board.

In accordance with article 312 of the Companies Act the managing board composed an additional report on business relations with affiliated companies. This report was submitted to the supervisory board together with the audit report compiled by the auditor. The auditor examined the report and awarded it the following auditor's certificate:

"We have received from the managing board the report on business relations with affiliated companies (dependant company report) compiled in accordance with article 312 of the Companies Act. We have examined this report according to article 313 para. 3 of the Companies Act and recorded our results in writing in a separate report.

As there were no objections to the report of the managing board we have, in accordance with article 313, issued the following certificate dated 22 February 2011:

Having conducted a proper audit we hereby confirm that

- 1. the facts set out in the report are correct,*
- 2. payments made by the company in connection with legal transactions referred to in the report were not inappropriately high in accordance with the conditions known at the time."*

In the course of its own examination of the report on business relations with affiliated companies, the supervisory board found that no objections were to be made and concurred with the auditor's conclusion.



Annual financial statements 2010

The annual financial statements compiled by the managing board for the business year 2010, including the accounting and management reports, were examined by the auditors Dohm Schmidt Janka Revision und Treuhand AG Wirtschaftsprüfungsgesellschaft, Berlin, and were certified without reservation.

The supervisory board received a copy of the audit report and the annual financial statements and discussed them at length with the responsible auditors in the meeting on 8 March 2011. The supervisory board examined the financial statements, the report of the managing board and its proposal for profit distribution. Based on its own examination the supervisory board concurred with the auditor's conclusion and thus approved the financial statements.

The supervisory board agreed with the managing board's proposal for the use of the net profit for the year of € 1,792,210.

Personnel matters

During the business year there were no changes in the members of either the managing board or the supervisory board. The election of Mr. Rainer Riess, Managing Director of the Deutsche Börse AG, Frankfurt am Main, who had been appointed as a further member of the supervisory board by the district court of Berlin-Charlottenburg on 15 January 2010, was carried out at the shareholders' meeting on 17 June 2010.

The supervisory board would like to thank the managing board and all employees for their great personal commitment and hard work during the year 2010.

Berlin, 8 March 2011

Professor Dr. Jörg Franke
Chairman of the Supervisory Board

Top-Titel

DAX ex Antelle

Bid: 66,491 | Ask: 66,509

20 Trades

Deutsche Börse Commodities Gmb Xetra-Gold

Bid: 32,391 | Ask: 32,419

17 Trades

ETFs Metal Securities Ltd. DT.ZT07/Und_Silber

Bid: 27,311 | Ask: 27,399

12 Trades



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