TRANSLATION – AUDITOR'S REPORT

Financial Statements for the period ended 31 December 2015 and management report

EUREX Clearing Aktiengesellschaft
Frankfurt am Main

KPMG AG Wirtschaftsprüfungsgesellschaft

Balance Statement as at 31 December 2015
of Eurex Clearing AG, Frankfurt/Main

Assets	12/31/2015		12/31/2014	
	€	€	T€	T€
Liquid funds				
Balances with				
central banks	14,380,343,089.68	14,380,343,089.68	459,295	459,295
of which with the Bundesbank				
14,380,343,089.68 €				
(previous year:				
459,295 T€)				
Receivables from credit institutions				
Payable on demand	12,416,076,769.37		17,663,164	
other receivables	0.00	12,416,076,769.37	4,242,860	21,906,024
Receivables from customers		1,338,717.69		9,785
Bonds and other fixed-interest securities		5,029,050.00		0
Investments in subsidiaries		75,000.00		75
Assets held in trust		75,327,368.35		71,209
Property, plant and equipment		24,063.00		31
Other assets		22,040,289.48		22,899
Deferred expenses		1,446,004.85		1,241
Total assets		26,901,700,352.42		22,470,559

Shareholders' equity and liabilities	12/31/2015			12/31/2014		
	€	€	€	T€	T€	T€
Liabilities to						
credit institutions						
Payable on demand		24,178,986,088.33	24,178,986,088.33		19,505,824	19,505,824
Liabilities to customers						
Other liabilities						
Payable on demand		2,287,424,831.20	2,287,424,831.20		2,568,471	2,568,471
thereof: to affiliated companies 29,600,000.00 €						
(previous year: 27,200 T€)						
Liabilities held in trust			75,327,368.35			71,210
Other liabilities			14,908,615.24			12,004
Provisions						
Provisions for pensions						
and similar obligations		1,687,636.80			639	
Other provisions		28,552,388.81	30,240,025.61		22,598	23,237
Shareholders' equity						
Subscribed capital		25,000,000.00			25,000	
Capital reserves		280,312,845.52			255,313	
Retained earnings						
Legal reserves	2,500,000.00			2,500		
Other retained earnings	7,000,578.17	9,500,578.17		7,000	9,500	
Unappropriated surplus		0.00	314,813,423.69		0	289,813
Total shareholders' equity and liabilities			26,901,700,352.42			22,470,559
Other obligations						
Irrevocable credit commitments			4,000,000.00			4,000

Income Statement
of Eurex Clearing AG, Frankfurt/Main
for the period from 1 January to 31 December 2015

	2015				2014			
	€	€	€	€	T€	T€	T€	T€
Interest income from								
loan and money market business								
Loan and money market business with positive interest rates	705,139.69				6,531			
Loan and money market business with negative interest rates	163,005,876.98	163,711,016.67			3,047	9,578		
fixed-interest securities and debt register claims								
Fixed-interest securities and debt register claims with positive interest rates		680.28	163,711,696.95			0	9,578	
Interest expense								
Interest expense from business with positive interest rates	-3,548,343.95				-1,217			
Interest expense from business with negative interest rates	-141,684,780.97	-145,233,124.92			-3,497	-4,714		
Clearing item in accordance with section 246 (2) HGB		-1,992,358.68	-147,225,483.60	16,486,213.35		-652	-5,366	4,212
Commission expense				-3,224,083.57				-2,471
Other operating income				87,304,913.28				94,460
thereof from currency translation 1,496,484.28 € (previous year 2,149 T€)								
General administrative expenses								
Personnel expenses								
Wages and salaries		-22,811,700.76				-18,084		
Social security and expenses								
for pensions and other employee benefits		-4,440,757.31	-27,252,458.07			-2,758	-20,842	
thereof for pensions -2,302,407.61 €								
(previous year -876 T€)								
Other administrative expenses			-71,769,368.70	-99,021,826.77			-73,711	-94,553
Depreciation and amortization of fixed and intangible assets				-6,667.00				-28
Other operating expenses				-438,274.23				-165
thereof from currency translation 0 € (previous year -146 T€)								
thereof from accumulation -74,977.70 € (previous year 1,037 T€)								
Income from write-ups to claims and certain securities								
and reversal of provisions for lending business				-3,450.00				0
Net operating income				**1,096,825.06**				**1,455**
Profit transferred under profit transfer agreement				-1,096,825.06				-1,455
Net income for the year				**0.00**				**0**
Allocations to retained earnings								
to legal reserves			0.00				0	
to other retained earnings			0.00	0.00			0	0
Unappropriated surplus				**0.00**				**0**

Notes to the financial statements for financial year 2015

Accounting policies

The annual report of Eurex Clearing Aktiengesellschaft, Frankfurt/Main (hereinafter referred to as "Eurex Clearing") for financial year 2015 was prepared in accordance with the provisions of the Handelsgesetzbuch (HGB, German Commercial Code), the Aktiengesetz (AktG, German Stock Corporation Act) and the Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute (RechKredV, German Ordinance Regulating the Accounting Requirements for Financial Institutions and Financial Service Providers).

Receivables and liabilities denominated in foreign currency have been translated using the ECB reference rate or the Bloomberg rates applicable at the balance sheet date. If the assets and liabilities denominated in foreign currency have a maturity of one year or less, then sections 253 (1) clause 1 and 252 (1) no. 4 sub-clause 2 of the HGB were not applied.

Income and expenses were translated on the posting date at the ECB reference rate or the Bloomberg rates.

Where the amounts of assets and liabilities in the same currency correspond, these items are regarded as duly covered in accordance with section 340h of the HGB.

Purchased intangible assets are carried at cost and amortised using the straight-line method or valued at the lower fair value. Property, plant and equipment is carried at cost. Depreciable property, plant and equipment is depreciated using the straight-line method over its useful life or valued at its lower fair value. For movable assets, the tax simplification rules regarding the depreciation start date are applied in their valid form on the respective date of acquisition. Low-value fixed assets with acquisition costs up to €410 were written off directly in accordance with section 6 (2) of the Einkommensteuergesetz (EStG, German Income Tax Act). In this respect, no use was made of the option granted by section 6 (2a) of the EStG to create a compound item.

Receivables and other assets are always carried at their nominal amount. All discernible risks are impaired on an item-by-item basis, while latent risks are considered on a portfolio basis.

Provisions for pensions and other employee benefits have been stated along with the projected benefit obligation on the basis of actuarial tables using the modified "2005 G" mortality tables (generation tables) developed by Prof Klaus Heubeck and fully adjusted in 2011.

Actuarial assumptions		
	31.12.2015	31.12.2014
	%	%
Discount rate	3.89	4.55
Salary growth	3.50	3.50
Pension growth	2.00	2.00
Staff turnover rate (up to age 50, thereafter 0.00%)	2.00	2.00

Calculations for the projected benefit obligations arising from the employee-financed deferred compensation plan were made on the basis of the interest rate issued by Deutsche Bundesbank (the German central bank) of 3.89 per cent (previous year: 4.55 per cent) along with actuarial tables using modified “2005 G” mortality tables developed by Prof Klaus Heubeck and fully adjusted in 2011.

As per section 246 (2) of the HGB, the amount of pension benefits to be paid as at the balance sheet date was offset against the fair value of the asset, which is protected from any creditor claims and is intended exclusively to meet the liabilities arising from pension obligations or other similar long-term obligations to employees (plan assets). The accumulated acquisition costs of these assets are €10,438 thousand (previous year: €8,673 thousand).

The total assets that were offset, which correspond to a 4.5 per cent share in a special fund as defined by section 1 (10) of the Kapitalanlagegesetzbuch (KAGB, German Capital Investment Code), had a fair value at the balance sheet date of €10,655 thousand (previous year: €9,171 thousand), which is equivalent to the market value as defined by section 278 in conjunction with section 168 of the KAGB. In addition, a total amount of €1,765 thousand (previous year: €1,403 thousand) was added to the special fund during the reporting period. These assets are protected from all creditor claims and are not repayable on demand.

The other provisions take into account all recognisable risks and uncertain liabilities as at the balance sheet date and were recognised at the amount required to settle the obligation based on a reasonable commercial assessment. The basis for determining provisions for the Stock Bonus Plan is the Deutsche Börse AG, Frankfurt/Main (hereinafter referred to as “Deutsche Börse”) share price at the reporting date.
The provisions for anniversary payments and early retirement were measured at the amount to be paid in accordance with actuarial principles, and for early retirees measured at present value. The projected unit credit method was applied as the basis of this assessment. During the year under review, the interest rate of 3.89 per cent (previous year: 4.55 per cent) published by Deutsche Bundesbank was applied. The modified “2005 G” mortality tables developed by Prof Klaus Heubeck and fully adjusted in 2011 were used as the basis of these projections.

The interest-related financial instruments of the banking book are examined annually for excess liability. Eurex Clearing only engages in maturity transformation to a limited extent, which means that interest rate risk is in turn low. Due to the surplus in assets as at the balance sheet date, there was no excess liability resulting from the on-balance-sheet and off-balance-sheet transactions of the banking book, meaning that no provision was required in accordance with section 340a in conjunction with section 249 (1) of the HGB.

Deferred taxes are calculated in accordance with section 274 of the HGB on temporary differences between the carrying amounts according to commercial law and their taxable values. Deferred tax liabilities are only reported insofar as they exceed deferred tax assets. In view of the existing single-entity relationship for tax purposes with Eurex Frankfurt Aktiengesellschaft, Frankfurt/Main (hereinafter "Eurex Frankfurt"), temporary differences between the carrying amounts according to commercial law and the taxable values were accounted for at the level of the controlling company, Eurex Frankfurt. From 1 January 2016 a uniform corporation tax rate of 15 per cent plus a solidarity surcharge of 5.5 per cent apply. Taking trade tax into account, this results in an aggregate tax rate for the purposes of deferred taxes of 27.5 per cent. The calculation of deferred taxes is based on the combined income tax rate of all the companies comprising the single-entity for tax purposes with Eurex Frankfurt.

In accordance with section 253 (1) clause 2 of the HGB, liabilities are recognised with their respective settlement amounts.

If the margin that clearing members are required to deposit with Eurex Clearing as collateral or a contribution to the default fund is paid in cash, Eurex Clearing recognises them as liabilities (under member cash deposits). The margins to be paid are calculated at time "t" and are due at "t+1". Margin payments are only calculated after the post-trading period. In accordance with standard sector practice, the margin payments to be deposited as collateral are only recognised after the margins have been collected.

With respect to transactions settled via the central counterparty (CCP), the position of Eurex Clearing from an economic point of view is comparable to that of a financial broker as defined in section 1 (1) no. 4 of the Kreditwesengesetz (KWG, German Banking Act). Similar to the accounting treatment of transactions executed via a financial broker, transactions by Eurex Clearing are not recognised on the balance sheet.
The open positions from the CCP business are shown as assets and liabilities on the balance sheet on the basis of the member position.

For structured financial instruments, an investigation is performed at the time of acquisition to determine whether an embedded derivative should be recognised separately from the underlying instrument. If the prerequisites for separate accounting treatment are in place, the components of the structured financial instruments are each recognised as individual assets and liabilities.

Interest income and interest expense are assigned to business from positive interest rates and business from negative interest rates. The items are disclosed as subheadings of the interest result in accordance with the preceding classification.

Interest rate effects from pensions and plan assets are shown as a clearing item in accordance with section 246 (2) HGB as a sub-item under interest expenses. The other operating costs include interest rate effects from other provisions.

Notes to the balance sheet

Assets in foreign currency

As at the balance sheet date, assets in foreign currencies amounted to €12,318,943 thousand (previous year: €13,279,995 thousand).

Shares in affiliated companies

As at 31 December 2015, Eurex Clearing had shares in affiliated companies as follows:

Company	Domicile	Equity € (thousand)	2015 net profit/loss € (thousand)	Equity interest direct (indirect)
Eurex Clearing Security Trustee GmbH	Frankfurt/Main	75	1	100.00 %

Receivables from banks

Receivables from banks break down as follows:

	31.12.2015	31.12.2014
	€ (thousand)	€ (thousand)
Payable on demand		
Balances at foreign central banks	11,489,708	13,229,645
Bank balances and receivables from the clearing business	903,486	491,084
Interest receivables from the clearing business	16,236	1,045
Fixed deposits	6,638	8,690
Reverse repo investments	0	3,932,689
Other receivables from banks	9	11
	12,416,077	**17,663,164**
Term up to 1 month		

Reverse repo investments	0	4,242,860
	0	**4,242,860**
	12,416,077	**21,906,024**

Receivables from customers

Receivables from customers are payable on demand and consist primarily of charging negative interest rates to clearing participants in the financial year in the amount of €1,337 thousand (previous year: €54 thousand). In the previous year the receivables from customers consisted primarily of reverse repo investments amounting to €9,708 thousand.

Bonds and other fixed-interest securities

The bonds held as at the balance sheet date were exchange listed securities in the amount of €5,029 thousand (previous year: €0 thousand).

Assets held in trust

This item concerns receivables from clearing members arising from turnover related to remuneration that is ultimately collected for Deutsche Börse and Eurex Global Derivatives AG, Zurich, Switzerland, on a fiduciary basis. As at the balance sheet date, these receivables amounted to €75,327 thousand (previous year: €71,209 thousand), of which €55,288 thousand (previous year: €50,589 thousand) were from banks and €20,039 thousand (previous year: €20,620 thousand) were from customers.

Fixed assets

Asset performance is described in the statement of changes in fixed assets.

Other assets

At the balance sheet date, receivables from affiliated companies arising from management services accounted for the majority of other assets. In addition to these receivables, Eurex Clearing grants incentives to certain customers, the repayment of which is associated with specified criteria. The incentives were issued in two tranches and amount to €6,950 thousand. The embedded derivative financial instruments are stated separately from the host contract and are recognised under “other provisions”.

	31.12.2015	31.12.2014
	€ (thousand)	€ (thousand)
Receivables from Eurex Frankfurt	11,384	12,633
Receivables from incentive programme	6,950	6,950
Receivables from Eurex Zürich AG, Zurich, Switzerland	3,371	2,186
Receivables from Deutsche Börse	181	981
Receivables from Clearstream Services S.A., Luxembourg, Luxembourg	22	0
Miscellaneous other assets	132	149
	22,040	22,899

Liabilities in foreign currency

As at the balance sheet date, liabilities in foreign currency amounted to €12,287,296 thousand (previous year: €13,259,538 thousand).

Liabilities towards banks

Liabilities towards banks amounting to €24,178,986 thousand (previous year: €19,505,824 thousand) are payable on demand and mainly comprise margins paid by clearing members amounting to €23,282,419 thousand (previous year: €19,052,801 thousand) and balances from current accounts of €795,982 thousand (previous year: €299 thousand) and liabilities from the clearing business in the amount of €86,226 thousand (previous year: €452,712 thousand). The liabilities from current accounts include a technical overdraft from the GC Pooling business of US$869.5 million.

Liabilities towards customers

Liabilities towards customers amounting to €2,287,425 thousand (previous year: €2,568,471 thousand) are payable on demand and comprise margins paid by clearing members amounting to €2,257,825 thousand (previous year: €2,541,271 thousand), as well as liabilities towards affiliated companies from cash pooling amounting to €29,600 thousand (previous year: €27,200 thousand).

Liabilities held in trust

This item concerns liabilities associated with the collection of remuneration on a fiduciary basis that has not yet been transferred to Eurex Frankfurt and Eurex Zürich AG and then ultimately to Deutsche Börse and Eurex Global Derivatives AG. Therefore, this item consists entirely of liabilities towards customers.

Other liabilities

	31.12.2015	31.12.2014
	€ (thousand)	€ (thousand)
Liabilities towards Deutsche Börse	8,094	1,454
Trade payables	3,264	4,661
Liabilities towards Eurex Frankfurt	1,515	2,428
Liabilities towards Clearstream Banking AG, Frankfurt/Main	771	1,241
Liabilities towards Eurex Repo GmbH, Frankfurt/Main	696	915
Liabilities from taxes	426	1,009
Liabilities towards Clearstream Services S.A., Luxembourg, Luxembourg	69	83
Liabilities towards Eurex Clearing Security Trustee GmbH, Frankfurt/Main	40	0
Liabilities towards Eurex Bonds GmbH, Frankfurt/Main	13	89
Miscellaneous other liabilities	20	124
	14,908	12,004

Provisions for pensions and other employee benefits

Pension liabilities on the basis of section 246 (2) clause 2 of the HGB	
	€ (thousand)
Pension obligations payable	12,343
Fair value of plan assets	(10,655)
Provisions for pensions and other employee benefits	**1,688**
Netting profit and loss	
	€ (thousand)
Expenses arising from pension obligations	344
Net expense stated under personnel expenses	**344**
Interest expense arising from pension obligations	1,779
Reversals of impairments to cover assets	281
Income from cover assets	(68)
Net expenses stated under net interest income	**1,992**

Other provisions

Other provisions, amounting to €28,552 thousand, comprise the following:

	€ (thousand)
Incentives	10,139
Provisions for anticipated losses	6,167
Provisions recognised as part of the restructuring programme	3,803
Variable remuneration	3,091
Other personnel provisions	2,506
Outstanding invoices	1,848
Flexible working time credit balance	706
Provisions for Supervisory Board remuneration	265
Miscellaneous provisions	27
	28,552

The derivatives embedded in incentives to customers are reported under "provisions for anticipated losses". These derivative financial instruments cover miscellaneous risks. The nominal volume of the derivatives per tranche amounts to €3,475 thousand. The residual maturity is estimated to be one year for the first tranche and two years for the second tranche.
These incentives are repayable depending on specified criteria. Taking these criteria into account, the derivative financial instruments were recognised separately from the underlying instrument at fair value in profit and loss on the basis of an internal model. The negative market values of the embedded derivatives amount to €3,475 thousand for the first tranche and €2,692 thousand for the second tranche.

Equity

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

Equity changed as follows:

	€ (thousand)	€ (thousand)	€ (thousand)	€ (thousand)
	Subscribed Capital	Capital reserves	Retained earnings	
			Legal reserves	Other retained earnings
Brought forward as at 1 January 2015	25,000	255,313	2,500	7,000
Allocation	0	25,000	-	-
Addition	-	-	0	-
Addition from 2015 net income	-	-	-	0
Balance as at 31 December 2015	25,000	280,313	2,500	7,000
Total shareholder's equity				314,813

As the fair value of the plan assets is higher than their acquisition cost when deferred tax liabilities are taken into account, there is a block on distributions in accordance with section 268 (8) of the HGB in conjunction with section 301 of the AktG in the amount of €157 thousand (previous year: €369 thousand).

Income statement disclosures

Interest income and other operating income are primarily generated in Germany; a breakdown by geographical markets in accordance with section 34 (2) no. 1 of the RechKredV has therefore not been carried out.

Interest expense

The clearing item shown under interest expense in accordance with section 246 (2) of the HGB comprises interest rate effects from pensions and plan assets. In the previous year this was shown under other operating expenses. This did not have an impact on earnings.

Other operating income

Other operating income amounting to €87,305 thousand (previous year: €94,460 thousand) consists of:

	31.12.2015	31.12.2014
	€ (thousand)	€ (thousand)
Management services for Eurex Frankfurt	72,650	75,214
Management services for Eurex Zürich AG	10,950	14,066
Income from currency valuation	1,496	2,149
Agency agreement services for Deutsche Börse	1,459	1,674
Income from the reversal of provisions	519	1,124
Miscellaneous other operating income	231	233
	87,305	94,460

General administration expenses

The decrease in other administration expenses is largely attributable to a reduction in external consulting services.

	31.12.2015	31.12.2014
	€ (thousand)	€ (thousand)
Agency agreement services provided by Deutsche Börse	24,167	21,054
External consultancy costs	24,091	28,639
Non-deductible input tax	10,205	9,713
Commission expenses with Eurex Repo GmbH	3,208	3,642
Marketing costs	1,631	2,036
Other IT costs	1,476	1,421
Cooperation costs with Nasdaq OMX	1,053	1,346
Agency agreement services provided by Clearstream Banking AG	845	1,215
Commission expenses with Eurex Bonds GmbH	270	309
Other administration expenses	4,823	4,335
	71,769	73,710

Other operating expenses

Other operating expenses amounting to €438 thousand (previous year: €165 thousand) are mainly a result of expenses for Deutsche Bundesbank audits and the compensation scheme for German banks amounting to €210 thousand. In the previous year the expenses resulted primarily from currency valuation in the amount of €146 thousand.

Other operating expenses include interest rate effects from the addition of discounted interest for other provisions in the amount of €75 thousand. In the previous year also interest rate effects from pensions and plan assets were shown under this item. This did not have an impact on earnings.

Transfer of profit

Based on the profit transfer agreement with Eurex Frankfurt, an amount of €1,097 thousand (previous year: €1,454 thousand) was transferred.

Auditor's fee

In accordance with section 285 no. 17 of the HGB, disclosures on the auditor's fee are contained in the notes to the consolidated financial statements of Deutsche Börse.

Other information about the clearing business

As at 31 December 2015, market participants had netting-eligible gross payment obligations from open positions due to transactions traded via the central counterparty with a total value of €133.5 billion (previous year: €176.1 billion). From the point of view of Eurex Clearing, the receivables and liabilities from these open positions always fully offset each other. The total value of €133.5 billion takes into account gross payment obligations, i.e. the risk-oriented net view would lead to a significantly lower value.

To hedge Eurex Clearing's risk in the event of the default of a clearing member, the clearing conditions require clearing members to deposit margins in the form of cash or securities on a daily or intraday basis in the amount stipulated by Eurex Clearing.

The aggregate margin calls based on the executed transactions and clearing fund requirements amounted to €48,171.2 million (after haircuts) at the reporting date (previous year: €40,749.2 million). The actual collateral deposited was as follows:

Composition of Eurex Clearing's collateral		
	Collateral value as at 31.12.2015	**Collateral value as at 31.12.2014**
	€m	€m
Cash collateral (cash deposits) [1)]	22,621.2	21,594.1
Securities and book-entry securities collateral [1)]	33,929.2	32,459.1
Total	**56,550.4**	**54,053.2**

[1)] Including clearing fund

As at 31 December 2015, the volume of Eurex Clearing's clearing fund stood at €4,361.8 million (previous year: €3,512.9 million).

Other financial obligations

Other financial obligations relate to lease, maintenance and other agreements arising from internal obligations. In financial year 2016, approximately €19.0 million (previous year: €24.4 million) will be required. This includes obligations to Deutsche Börse for agency agreement services amounting to €18.9 million (previous year: €17.9 million).

The agreements may be terminated annually.

Other disclosures

Supervisory Board

The members of the Supervisory Board are:

Dr Hugo Bänziger *Chairman*	Managing Partner, Lombard Odier Group, Geneva
Gregor Pottmeyer *Deputy Chairman*	Member of the Executive Board, Deutsche Börse AG, Frankfurt/Main
Peter Barrowcliff	Former Managing Director, Société Général Newedge UK Financial Limited, London
Charles Bristow	Co-Head of Global Rates Trading, JP Morgan Securities PLC, London (since 8 December 2015)
Dr Susanne Clemenz	Co-Partner, T/S/C Fachanwälte für Arbeitsrecht, Gütersloh (since 22 April 2015)
Shane Ó Cuinn	Managing Director, Fixed Income Department, Credit Suisse, LLC, London London
Wim den Hartog	Managing Director, Deep Blue Capital N.V., Amsterdam
Andrea French	Chief Operating Officer, The Rokos Family Office, London

Martin Klaus	Member of the Board of Trustees, Pension Fund Credit Suisse Group
Prof Hans-Helmut Kotz	Senior Fellow, Center for Financial Studies, Goethe University (Chair of Research Advisory Council), Frankfurt/Main
Clifford M. Lewis	Lead Independent Director, Eris Exchange, Chicago
Roselyne Renel	Group Chief Credit Officer, Standard Chartered Bank UK, London

Members of the Supervisory Board who departed in 2015:

Serge Demolière (until 30 June 2015)	Member of the Board of Management, Landesbank Berlin AG, Berlin

In the year under review, the members of the Supervisory Board received remuneration of €287 thousand.

Executive Board

The members of the Executive Board are:

Thomas Book *Chairman*	Chief Executive Officer (CEO)
Heike Eckert	Chief Operating Officer
Matthias Graulich	Chief Client Officer
Thomas Laux	Chief Risk Officer
Erik Tim Müller	Treasury

In 2015, the total remuneration of members of the Executive Board amounted to €2,996 thousand (previous year: €2,462 thousand). Total compensation includes share-based remuneration of €687 thousand (previous year: €419 thousand). The corresponding shares were valued at the market price on the balance sheet date. The estimated number of shares (6,376) is based on the share price of Deutsche Börse on the balance sheet date.

Appointments to supervisory boards and other supervisory committees

In accordance with section 340a (4) no. 1 of the HGB, a list of appointments to supervisory boards and other supervisory committees is presented below:

Thomas Book

- Eurex Clearing Asia Pte. Ltd., Chairman of the Board of Directors (since 1 September 2015)

Heike Eckert

- European Energy Exchange AG, Member of the Supervisory Board (since 1 January 2015)

Erik Tim Müller

- European Energy Exchange AG, Member of the Supervisory Board (since 1 August 2015)

Employees

As at 31 December 2015, the number of employees at Eurex Clearing AG (excluding the Executive Board) was 178 (previous year: 176). During financial year 2015, the average number of employees was 174.8 (previous year: 158.3). Of these 174.8 employees, ten employees worked part-time and three employees were on maternity leave or received the German parental allowance. There was an average of 165.6 full-time equivalent (FTE) employees during the year (previous year: 151).

Intercompany agreements

As part of the profit transfer agreement concluded between Eurex Clearing and Eurex Frankfurt, Eurex Clearing is obliged to transfer its net income for the year to Eurex Frankfurt, less any losses carried forward from the previous year and the amount to be added to the reserves, as required by section 300 of the AktG. At the same time, during the term of the agreement, Eurex Frankfurt is required to make up any annual deficit incurred at Eurex Clearing through loss absorption, provided such losses have not already been offset through transfers from other retained earnings added during the term of the agreement.

Group structure

Eurex Clearing is a wholly owned subsidiary of Eurex Frankfurt.

Eurex Clearing is incorporated into the consolidated accounts of Deutsche Börse, Frankfurt/Main, which may be viewed at the business premises of our Company. These consolidated financial statements exempt the Company from the requirement to produce accounts in accordance with the HGB. The consolidated financial statements of Deutsche Börse are prepared on the basis of International Financial Reporting Standards (IFRS) and published in the electronic German Federal Gazette.

In accordance with section 20 (4) of the AktG, Deutsche Börse and Eurex Frankfurt have notified us that they hold a majority interest in our Company.

Disclosure requirements in accordance with Part 8 of Directive (EU) no. 575/2013

Eurex Clearing AG meets the disclosure requirements in accordance with Part 8 of Directive (EU) no. 575/2013 (CRR) by publishing

1. a remuneration report for the fulfilment of the disclosure requirements in accordance with Article 450 of the CRR and
2. a disclosure report for all other matters requiring disclosure in accordance with Part 8 of the CRR and regarding details for governance arrangements in accordance with section 26a (1) clause 1 of the KWG

Both reports are published on the Eurex Clearing website (www.eurexclearing.com). The remuneration report is accessible by year on the following website: http://www.eurexclearing.com/clearing-en/about-us/corporate-overview/remuneration. The disclosure report is available on the website http://www.eurexclearing.com/clearing-de/ueber-uns/corporate-governance/pillar-iii-offenlegungsbericht by year. The reports for financial year 2015 are not yet available online as at the publication date of the 2015 annual report.

Frankfurt/Main, 17 February 2016

Eurex Clearing Aktiengesellschaft

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Statement of changes in non-current assets as at December 31, 2015

	Costs					Depreciation and amortization						Carrying amounts	
	Balance as at 01/01/2015	Additions 2015	Disposals 2015	Reclassification 2015	Balance as at 12/31/2015	Balance as at 01/01/2015	Depreciation 2015	Write-Ups 2015	Disposals 2015	Reclassification 2015	Balance as at 12/31/2015	12/31/2015	12/31/2014
	€	€	€	€	€	€	€	€	€	€	€	€	T€
Investments in subsidiaries	75,000.00	0.00	0.00	0.00	75,000.00	0.00	0.00	0.00	0.00	0.00	0.00	75,000.00	0
	75,000.00	0.00	0.00	0.00	75,000.00	0.00	0.00	0.00	0.00	0.00	0.00	75,000.00	0
Intangible assets													
Software	2,185,674.99	0.00	39,441.51	0.00	2,146,233.48	2,185,674.99	0.00	0.00	39,441.51	0.00	2,146,233.48	0.00	0
	2,185,674.99	0.00	39,441.51	0.00	2,146,233.48	2,185,674.99	0.00	0.00	39,441.51	0.00	2,146,233.48	0.00	0
Property, plant and equipment													
Operating and business equipment	71,802.21	0.00	21,559.52	0.00	50,242.69	41,072.21	6,667.00	0.00	21,559.52	0.00	26,179.69	24,063.00	31
	71,802.21	0.00	21,559.52	0.00	50,242.69	41,072.21	6,667.00	0.00	21,559.52	0.00	26,179.69	24,063.00	31
	2,332,477.20	0.00	61,001.03	0.00	2,271,476.17	2,226,747.20	6,667.00	0.00	61,001.03	0.00	2,172,413.17	99,063.00	31

Appendix to the Financial Statement 2015

Country-by-country reporting according § 26a s. 2 KWG

Country/ Information*	Entity and its nature of activities	Turnover [TEUR]	Number of employees	Profit or loss before tax [TEUR]	Tax on profit or loss [TEUR]
Germany	- Eurex Clearing AG: CRR-institute, central counterparty; - Eurex Clearing Security Trustee GmbH: trust company	100,607	166	1,099	0.5

Eurex Clearing AG and its subsidiary Eurex Clearing Security Trustee GmbH did not receive any public subsidies in the financial year.

Management report for financial year 2015

1. Basic principles and business model

Eurex Clearing Aktiengesellschaft, Frankfurt/Main (hereinafter “Eurex Clearing”) is a credit institution licensed through the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin, the German Federal Financial Supervisory Authority), which is authorised to act as a central counterparty (CCP) for financial market transactions under the Kreditwesengesetz (KWG, German Banking Act). Since 10 April 2014 Eurex Clearing has also been authorised as a clearing house in accordance with the European Market Infrastructure Regulation (EMIR). Furthermore, from 1 August 2013 Eurex Clearing has had limited authorisation to operate a deposit business and a lending business and started to do so, taking into account the restrictions contained in the authorisation, on 1 October 2013. In connection with this authorisation, it grants loans and extends credit lines for certain affiliated companies and accepts deposits from these companies in connection with cash pooling.

Eurex Clearing performs the duties of a clearing house, including the operation of a clearing system for cash and unit settlement of transactions on domestic and international securities or derivatives exchanges, multi-lateral trading platforms and of OTC transactions in various financial instruments such as derivatives, equities and bonds. Eurex Clearing ensures the performance of delivery and payment obligations after transactions are concluded on Eurex Frankfurt AG, Frankfurt/Main, and Eurex Zürich AG, Zurich, Switzerland (Eurex exchanges); the Frankfurter Wertpapierbörse (FWB®, the Frankfurt Stock Exchange), Frankfurt/Main; the Irish Stock Exchange, Dublin, Ireland; Eurex Repo GmbH, Frankfurt/Main; and Eurex Bonds GmbH, Frankfurt/Main.

New regulatory conditions which were announced or adopted in recent years were key factors in the development of Eurex Clearing’s business strategy. Of particular note were EMIR, the Markets in Financial Instruments Directive/Regulation (MiFID II/MiFIR) and Basel III and its adoption into European Law by the Capital Requirements Regulation/Directive (CRR/CRD IV). These are new centralised regulations which have been developed in recent years and gradually made mandatory or introduced from 2015. EMIR represents a critical aspect of this development for Eurex Clearing, since Eurex Clearing now finds itself in the process of reapplying as a central counterparty under EMIR. Furthermore, a clearing obligation for standardised OTC derivatives is also being introduced by EMIR. In future, such derivatives must be cleared with central counterparties. The foundations for the definitive introduction of the regulatory obligation to centrally clear OTC derivatives pursuant to EMIR were laid by the responsible EU authorities and the clearing obligation enters into force on 21 June 2016.

One area of focus for Eurex Clearing in 2015 was therefore the connectivity business and the further development of the EurexOTC Clear offering, which enables clearing members and their customers to settle a significant number of their interest rate swaps, such as zero coupon swaps and negative par-swap rates, through Eurex Clearing.

As a service provider, Eurex Clearing does not engage in research and development activities comparable with those of manufacturing companies. Therefore, this report does not include a section detailing research activities. However, Eurex Clearing does develop system solutions for the implementation of its structural growth objectives. Against this background, the Company is constantly working to maintain and further increase the technology leadership and stability of its electronic systems – in the interests of its customers and the systemic stability of financial markets.

A core task in 2015 was making functional enhancements following on previously implemented infrastructure updates to the system landscape used by Eurex Clearing AG. In the risk management area, this comprises Eurex Clearing Prisma, the new portfolio-based risk-management method; in the transaction management area it involves the C7 clearing system; and in the settlement interface area it involves the connection to the Target2 Securities System (T2S) of the European Central Bank (ECB).

- With Eurex Clearing Prisma, Eurex Clearing has created an innovative option for achieving considerable capital efficiency. To ease the migration from the current risk-based margining (RBM) method to Eurex Clearing Prisma (hereinafter “Prisma”), Eurex Clearing is gradually introducing the new margin method in multiple releases. With each Prisma release, Eurex Clearing will move specific asset classes to the new calculation method. Currently more than 90 per cent of the Eurex exchanges’ clearing volume is processed using Prisma.

- In addition, the cross-margin functionality was introduced with the EurexOTC Clear product range. This service allows Eurex Clearing customers to reduce the risk positions from their exchange-traded interest rate derivatives with OTC swaps.

- With the introduction of the C7 clearing system the existing Eurex Clearing Classic System will gradually be replaced over the next several years.

- The ECB will introduce its new European securities processing system in central bank money (T2S) in four waves from mid-2015 to mid-2017. In preparation, Eurex Clearing has already adapted to the new ECB system together with Clearstream Banking AG, Frankfurt/Main.

In financial year 2015, the expenses for continuing to develop these systems amounted to €24.7 million (previous year: €26.6 million). They were not capitalised. The decline can be primarily attributed to lower expenses in relation to the OTC clear initiatives, which amounted to €9.6 million in 2015 (previous year: €13.7 million). The decrease was partially offset by expenses for securities lending software in the amount of €3.8 million (previous year: €1.8 million). In addition, there were costs of €8.7 million for Prisma in 2015 (previous year: €8.4 million). A total of €16.2 million (previous year: €19.2 million) was spent on third-party services.

Another success factor in 2015 was strong development in the CCP service for securities lending. This offering gives a significant market segment, which was previously largely processed bilaterally, the ability to take advantage of the benefits of central clearing. The product range currently includes equities from Belgium, France, Germany, the Netherlands and Switzerland along with a wide range of international fixed-rate securities and exchange-traded funds (ETFs).

2. Report on economic position

2.1. Macroeconomic and sector-specific environment

The economic development in the industrialised nations was robust in the year under review and largely met expectations. The economic development of various up-and-coming economies and a few emerging markets continued to lag behind their prospects for growth, hampered by structural problems as well as macroeconomic and financial imbalances. In addition, several emerging countries which export raw materials suffered due to the low commodities prices. The recovery in the global economy thus remained uneven, with global economic indicators and the available country data pointing to sustained moderate global economic growth.
In most of the leading industrialised nations outside the euro zone, in particular in the US and UK, the economy stabilised as a whole during the course of the year. The US Federal Reserve Bank (Fed) enacted a significant monetary measure on 16 December 2015 by raising benchmark rates by 25 basis points to the new target range of 0.25 per cent to 0.50 per cent. This marked the end of a seven-year period in which interest rates had remained unchanged. The Fed had lowered the benchmark rate to the previously applicable rate of 0 to 25 basis points on 16 December 2008.
The economy held its ground in Asia’s emerging markets, including China and India, and in the Central and Eastern European countries. Russia saw its economic power slump due to low oil prices, existing limitations on external financing and weak business confidence. Latin American growth also went into negative territory during 2015.

The economic recovery in the euro zone continued slowly over the course of the year. GDP rose overall and was only slightly below the level it had reached before the start of the global financial crisis at the beginning of 2008. Growth in the domestic economy was carried along by private consumption and slight increases in exports. The unemployment rate in the euro zone continued to decline. With a relaxed monetary policy, the weak euro and favourable commodity prices in place, impulses for growth continued to emerge.
As part of its European interest rate policy, the European Central Bank (ECB) lowered its deposit facility rate by another 10 basis points to –0.3%. In addition, it is planning to extend its bond purchase programme which was launched in March 2015 by six months, i.e. until March 2017, and to expand the range of securities to be acquired to include municipal and regional debt instruments. Repayments of maturing bonds are to be reinvested. The ECB also promised to provide banks with unlimited liquidity in relation to their refinancing business until at least the end of 2017.

The key business purpose of Eurex Clearing includes effectively protecting customer positions and the deposited collateral by reducing counterparty risk and ensuring cost-effective risk and trade management for clearing members and their customers as participants in the financial and capital markets. The environment on the financial and capital markets was considerably

impacted by the low interest rate policy of the central banks as well as increased share prices and index levels in the area of cash markets, along with increased market volatility.
Market capitalisation in the global equity markets was 5 per cent higher than in the previous year based on daily averages, with increased market volatility over the course of the year and average listings on volatility indices such as the VIX (+18 per cent), VSTOXX (+32 per cent) and VDAX (+35 per cent) up year-on-year. The economic and political uncertainties translated into investments in derivatives to hedge the risks related to the real economy. The implementation of the required regulatory changes on the part of institutional customers was one of the core issues during the period under review. Trading and the number of transactions to be settled on the derivatives markets in the euro zone in financial market derivatives such as index, interest rate and equity products rose compared with the relatively low levels of the previous year.

2.2. Business development

Regarding the business development of Eurex Clearing, we must take into consideration the fact that, due to contractual agreements with Eurex Frankfurt AG, the company conducts its business activities primarily in its own name, but for the account of another company. Eurex Clearing does not generate commission income; the fees it receives are transferred to Eurex Frankfurt AG and Eurex Zürich AG or to Deutsche Börse AG in the case of transactions on the Frankfurt Stock Exchange cleared via Eurex Clearing. Eurex Frankfurt AG and Eurex Zürich AG assume the expenses incurred in connection with the operation of the clearing house, plus a profit surcharge, meaning that this profit surcharge ultimately constitutes an essential component of the result before profit transfer. The result in the financial year was also driven by net interest and currency effects.

Administrative costs rose year-on-year as non-recurring factors related to efficiency programmes came into effect. The resulting negative effect on earnings was more than offset by a better interest result.

In financial year 2015 Eurex Clearing generated a profit of €1,097 thousand (previous year: €1,454 thousand) before profit transfer to Eurex Frankfurt AG and achieved the previous year's forecast.

Eurex Clearing's clearing volumes rose in financial year 2015 compared with 2014 levels with respect to the number of cleared transactions due to an increase in the number of transactions concluded; as a result, they surpassed the previous year's forecast. The development of Eurex Clearing's clearing volume will now be discussed in detail. On the basis of existing agreements, this has no direct influence on the Company's net assets, financial position and results of operations.

The clearing and trading volume was 1,672.6 million contracts for futures and options, up 12 per cent on the previous year (previous year: 1,490.5 million).

Clearing in equity index derivatives increased by 17 per cent year-on-year to 837.7 million contracts (previous year: 715.0 million). By far the most commonly traded and settled products were contracts on the EURO STOXX 50® index with 341.8 million futures (previous year: 293.8

million) and 314.5 million options (previous year: 241.3 million). The volume of equity derivatives contracts (single-stock options and futures) cleared in the year under review increased 3 per cent to 311.8 million (previous year: 303.5 million).

The volume of interest rate derivatives cleared in the year under review increased by 10 per cent to 509.1 million (previous year: 461.3 million). Included in this are derivatives on French, Italian and – from the fourth quarter of the year under review – Spanish government bonds. Eurex has gradually introduced these products since 2009 to expand its range of long-term European interest rate derivatives. These increased by 37 per cent to 52.7 million (previous year: 38.6 million).
Over-the-counter interest rate swaps settled via EurexOTC Clear achieved a clearing volume of €303.9 billion (previous year: €117.6 billion).

At Eurex Repo, the marketplace for the collateralised money market and for the General Collateral Pooling (GC Pooling) range, the average outstanding volume dropped in the year under review by 20 per cent to €172.8 billion (previous year: €214.6 billion, single-counted for both periods). As a result of the low interest rate environment and the ECB's bond purchase programme, many bonds which could act as collateral for repo transactions are being taken off the market. In addition, high surplus liquidity means that participants have less need for refinancing. For GC Pooling the average outstanding volume decreased by 11 per cent to €140.9 billion (previous year: €158.5 billion). The average outstanding volume in the euro market amounted to €31.9 billion (previous year: €41.0 billion). As the Swiss National Bank (SNB) has not taken any monetary policy measures in repo and money market instruments since August 2011 and there ceased to be any outstanding volume on Eurex Repo, there will be no special product range in cooperation with the SNB for the foreseeable future. Consequently, the volume in the Swiss franc repo market is no longer explicitly reported. Within the GC Pooling range, investors have been able to conduct transactions in Swiss francs as well as in euros and US dollars since December 2014.

In cash markets, the clearing volume for transactions involving equities was 26 per cent above the previous year's level, at 118.1 million transactions (previous year: 94.0 million transactions). The clearing volume for the lending business fell by 9 per cent year-on-year to 14.9 thousand transactions (previous year: 16.4 thousand transactions).

In the securities lending business, the volume rose in the period under review to €5.0 billion (previous year: €0.5 billion).

2.3. Results of operations, financial position and net assets

2.3.1. Results of operations

Net interest income amounted to €16,486 thousand in 2015 (previous year: €4,212 thousand). Included in this are interest income in the amount of €163,712 thousand (previous year: €9,578 thousand) as well as an interest expense of €147,225 thousand (previous year: €5,366 thousand). The increase in net interest income year-on-year is primarily due to the practice introduced in May 2015 of charging the interest expense for negative interest rates to participants. The Company did not generate any commission income. The commission expense of €3,224 thousand (previous year: €2,471 thousand) is primarily related to bank fees.

In 2015 other operating income at Eurex Clearing amounted to €87,305 thousand (previous year: €94,460 thousand) and largely comprises income from management services for Eurex Frankfurt AG and Eurex Zürich AG amounting to €83,600 thousand (previous year: €89,280 thousand). This item also includes income from foreign currency valuation in the amount of €1,496 thousand (previous year: €2,149 thousand).

Administrative expenses amounted to €99,022 thousand (previous year: €94,553 thousand) and in the main relate to costs for external consultants of €24,091 thousand (previous year: €28,639 thousand) and expenses for agency agreement services provided by Deutsche Börse AG amounting to €24,167 thousand (previous year: €21,054 thousand), personnel expenses in the amount of €27,253 thousand (previous year: €20,842 thousand), non-deductible input tax in the amount of €10,448 thousand (previous year: €9,713 thousand) and marketing costs of €1,631 thousand (previous year: €2,036 thousand). Personnel expenses include costs for efficiency programmes amounting to €3,173 thousand (previous year: €15 thousand).

The Company's net profit (before profit transfer to the parent company) was €1,097 thousand (previous year: €1,454 thousand). As part of the existing profit transfer agreement, €1,097 thousand (previous year: €1,454 thousand) was transferred to Eurex Frankfurt AG.

In regard to the average capital employed *(monthly calculation)* the return on capital (based on the net income before transfer of profit) in the financial year was 0.2% (previous year: 0.3%).

2.3.2. Financial position

Primarily as a result of a payment of €25,000 thousand into capital reserves on 22 January 2015, Eurex Clearing's equity increased from €289,813 thousand to €314,813 thousand as at 31 December 2015.

Funds paid in as collateral by clearing participants of €25,540,243 thousand (previous year: €21,594,072 thousand) are payable on demand. They are secured in the form of repurchase agreements deposited with credit institutions and financial service providers, with the terms of the repurchase agreements ranging from on demand to up to a month. Despite an investment of €5,029 thousand in bonds issued by the German federal state of Berlin, Eurex Clearing only engages in maturity transformation to a very limited extent. Furthermore, Eurex Clearing has uncollateralised balances at central banks that are payable on demand. As at 31 December 2015, these amounted to €25,870,051 thousand (previous year: €13,688,940 thousand).

Expenses associated with the operation of the clearing house are reimbursed to the Company regularly during the financial year on the basis of the contractual agreements with Eurex Frankfurt AG and Eurex Zürich AG. In addition, Eurex Frankfurt AG would compensate a loss incurred by Eurex Clearing due to the profit transfer agreement.

Approved credit lines amounting to €1,170 million and CHF 200 million, granted by various credit institutions, are available for refinancing purposes. The approved euro credit lines were drawn on regularly during financial year 2015. As at 31 December 2015, these lines had not been drawn down.

Additionally, since the expansion of its authorisation in August 2013, Eurex Clearing has had the option of short-term refinancing with Deutsche Bundesbank (the German central bank) using intraday or overnight credit lines. In financial year 2015 Eurex Clearing exclusively used intraday loans for secured borrowing. As at 31 December 2015 there was no collateral deposited in the collateral account with Deutsche Bundesbank and, consequently, no credit line was granted or used.

As at 31 December 2015 a technical overdraft facility with Clearstream Banking AG was being used to offset the delayed receipt of a customer's payment in the GC Pooling business. The overdraft was paid back on 4 January 2016 after the transaction was settled with the customer.

With the implementation of the Capital Requirements Regulation (EU) no. 575/2013 of the European Parliament and Council, a new liquidity coverage ratio (LCR) was introduced in 2014. This liquidity coverage ratio was only required to be 60 per cent implemented from 1 October 2015; previously, the ratio only had to be reported.. From 1 January 2016, 70 per cent implementation will be required and this will gradually increase to 100 per cent implementation by 2018. As at 31 December 2015 Eurex Clearing AG had a liquidity coverage ratio of 100 per cent.

The regulatory figure in accordance with the Liquiditätsverordnung (LiqV, German Liquidity Regulation) remains stable and fluctuates between 1.98 and 2.70 based on month-end values. This measurement helps document the Company's liquidity situation.

In view of this, the Company had a good liquidity position which allowed it to meet its payment obligations at all times during financial year 2015.

2.3.3. Net assets

The cash reserve in the amount of €14,380,343 thousand (previous year: €459,295 thousand) and receivables from credit institutions in the amount of €12,416,077 thousand (previous year: €21,906,024 thousand) mainly comprise the investment of the cash collateral deposited by clearing participants in the amount of €25,540,243 thousand (previous year: €21,594,072 thousand).

On 22 January 2015, €25.0 million was deposited in the capital reserves.

Total assets after the deduction of margins and liabilities held in trust amounted to €1,286,112 thousand (previous year: €805,277 thousand), resulting in an equity ratio of 24.5 per cent (previous year: 36.0 per cent). The total assets in the current year, include the technical overdraft from the GC Pooling business of US$869.5 million.

Overall, the Company's results of operations, financial position and net asset situation are in good order. Eurex Clearing was always able to meet its payment obligations in financial year 2015.

2.4. Financial and non-financial performance indicators

2.4.1. Financial performance indicators

In light of the fact that Eurex Clearing primarily operates its clearing business in its own name but for the account of Eurex Frankfurt AG and Eurex Zürich AG, the net profit of the Company (before profit transfer to the parent company) is considered to be a key management parameter. The net profit is largely dependent on the size of the profit surcharge; since this is determined on the basis of a percentage of the costs to be reimbursed, an increase in the costs for operating the clearing house has a positive effect on the net profit. The changes in operating costs in accordance with IFRS and the administrative costs in accordance with the Handelsgesetzbuch (HGB, German Commercial Code) are managed as part of quarterly target/actual and actual/actual comparisons.

2.4.2. Non-financial performance indicators

Although Eurex Clearing does not generate commission income from its activity as a clearing house, the development of its clearing and trading volumes – particularly on the Eurex exchanges – are nevertheless seen as a key factor in the clearing house's performance.

3. Report on post-balance sheet date events

No significant events occurred after the balance sheet date.

4. Report on expected developments, opportunities and risks

4.1. Report on expected developments

This report describes how Eurex Clearing is expected to perform in financial year 2016 and beyond. It contains statements and information on events in the future. These forward-looking statements and information are based on the Company's expectations and assumptions at the time of publication of this report on expected developments.

Eurex Clearing identified various factors in 2015 business trends that significantly impacted investments in the financial markets and which could persist in the coming financial year.

- For the first time since the financial crisis of 2008 and the uncertainties that affected the euro zone regarding the economic viability and creditworthiness of individual member states starting in 2011, Eurex Clearing registered a general normalisation of trading activity in the market among trading institutions.

- The trend towards deteriorating credit ratings for the government bonds of various European countries led to decreased demand for derivatives market products on German government bonds, as these could no longer serve as a benchmark for European government bonds due to emerging interest rate divergences.
- The expectation that key interest rates would remain low in 2015 and the central banks' more relaxed monetary policy had the overall effect of lower investments in government bonds as well as in repo transactions and government bond derivatives, as measured by the demand for hedging in the real economy.
- Since 2014, the implementation of the Capital Requirements Regulation/Directive (CRR/CRD IV) in the European Union's area of application has gradually forced clients to tie up liquidity as equity.
- Further legislative measures in Europe and the US on mandatory notification (reporting obligation) and the collateralisation of over-the-counter (OTC) transactions increased operating expenses and required trading participants to implement changes (EMIR, Dodd-Frank Act).
- From 2012 to 2014, the volatility measured with respect to the price trends in the underlyings for clearing was very low. As a result, it became less necessary for trading participants to hedge future market/price risks on the financial markets or transactions in derivatives market contracts and their clearing. As market volatility rose significantly during the past financial year compared to the previous year, Eurex Clearing sees a return to usual market volatility.

In summary: provided that the economic situation in the euro zone continues to recover and organic growth initiatives have positive effects, Eurex Clearing expects clearing volumes to increase slightly in 2016 as compared to financial year 2015. Eurex Clearing also sees the commission income trend before transfers as being slightly positive with single-digit growth. For 2016 the general administrative costs before transfers are projected to be slightly higher than the costs for 2015. Based on the sustained low interest rate level, Eurex Clearing expects comparable interest income in the course of the year and, as a result, a neutral effect on the operating result. In general, the Company expects a positive structural development in the clearing market despite the anticipated increase in competition. Eurex Clearing aims to actively participate in this development as part of its own business model and to have this reflected in its own business trend.

Based on the operational management agreement, Eurex also anticipates a stable net profit for the Company for 2016 (before profit transfer to the parent company) at the previous year's level. With regard to subsequent business performance beyond 2016, ongoing developments in the general regulatory conditions and the continued stabilisation of the macroeconomic environment will be crucial.

4.2. Report on opportunities

Key challenges in 2016 will be the introduction and effects of regulatory measures along with expected changes in the competitive environment, e.g. through the announced market entry of the London Stock Exchange Group Ltd. with the LCH.Clearnet Group Ltd. as a clearing house in the core business of Eurex Clearing in interest rate derivatives on long-term government bonds.

With these influencing factors in place, Eurex Clearing still believes, based in particular on economic development worldwide, economic stabilisation in the euro zone and an emerging tendency of the central banks to turn away from low interest rate policies, above all on the part of the Fed, that the structural growth drivers in the financial market business are intact and are having a positive impact in the long term. Eurex Clearing plans to use the measures listed below to participate in these developments:

- In 2016 one expectation is for stronger interest in EurexOTC Clear Service as the new clearing obligations will enter into force on 21 June 2016. Due to regulatory requirements, more and more OTC transactions are also shifting to Eurex Clearing for settlement in order to eliminate counterparty risk and achieve capital-efficient risk management through centralised clearing. EurexOTC is planning on expanding customer ties, introducing new products and broadening the existing range of services.

- Further enhancements to Eurex Clearing Prisma in 2016 will continue the final phase-out of the risk-based margining system. The plan is to have migrated all participants to Prisma, the new risk calculation method, by the end of 2016.

- C7, Eurex Clearing’s new clearing architecture for transaction management, should replace the existing clearing infrastructure for derivatives in 2016.

- Since 2015 the first central securities depository has been migrating its securities settlement to TARGET2-Securities (T2S), the new ECB securities settlement system in central bank money. In 2016 and 2017 two additional waves will serve to connect all participating central securities depositories. Eurex Clearing will also introduce changes here to make the migration as simple as possible for customers.

In addition, Eurex Clearing expects there to be fundamentally positive stimuli on operating activities during the 2016 forecast period as a result of other measures to expand the clearing network, strengthen the client base in terms of quantity and geographical reach, and increase the number of tradeable products and product classes.

As a whole, the measures are part of a comprehensive expansion of Eurex Clearing’s services in the context of regulatory reforms that aim to have central counterparties play a greater role in the clearing and risk management of exchange-based and over-the-counter trading. Furthermore, the continual expansion of services in the area of risk management also enables the integrated business model of Deutsche Börse Group to be used to achieve economies of scale across business areas, for example by linking up to securities collateral deposited at Clearstream. These aspects are anticipated to have a slightly positive effect on Eurex Clearing's commission income (before transfers).

4.3. Risk report

Risk management system and methods

Eurex Clearing is integrated into the Group-wide risk management system of Deutsche Börse AG. Deutsche Börse Group has established a Group-wide risk management system that defines functions, processes and responsibilities and which is binding for all Group employees. The Executive Board of Eurex Clearing is responsible for the risk management system.

The risk management system ensures that all management committees (the Executive Board of Eurex Clearing and committees of the Supervisory Board) of Eurex Clearing are able to promptly monitor the risk profile of the entire Company as well as specific material risks. The aim is to ensure the timely identification of developments that could threaten Eurex Clearing's interests and to then take appropriate countermeasures.

Eurex Clearing takes great care to mitigate risk and ensures that appropriate measures are taken to avoid, reduce and transfer – or intentionally take on – risk. The aim is to make use of suitable safeguards and control measures such as guidelines and procedures, the segregation of functions, the principle of dual control, limit restrictions and also business continuity management to reduce the probability, frequency and level of potential losses from the corresponding risk cases for Eurex Clearing. In addition, potential operational losses are limited further via an insurance portfolio.

The Executive Board of Eurex Clearing is responsible for the Company's risk management system. The decentralised departments identify risks and report them in a timely manner to the Chief Risk Officer or to the Enterprise Risk Management department.
Eurex Clearing uses a standardised approach – value at risk (VaR) – for measuring and reporting all risks. The aim of this concept is to create a comprehensive overview of general risk tolerance and to facilitate the prioritisation of risk measures.
Eurex Clearing calculates risk-bearing capacity as its main risk management tool. The Group determines the economic capital that it requires for this (required economic capital, EC) with the help of VaR. It calculates its EC at a confidence level of 99.98 per cent in order to be able to have sufficient financial cover for even extreme events in the next twelve months. Eurex Clearing uses the equity on its balance sheet as the risk-bearing capacity for its economic capital. For control purposes, Eurex Clearing regularly calculates the ratio of EC to risk-bearing capacity, or "utilisation of risk-bearing capacity", as an indicator.

Independent audits by Internal Auditing ensure that the risk control and risk management functions are appropriate. The results of these audits also feed into the risk management system.

The results of the VaR calculation are entered into a reporting system which enables the management of risks. Reporting includes not only the quantification of risks but also qualitative information. Topics relevant to risk are comprehensively elucidated, and their influence on the risk profile of Eurex Clearing and possible countermeasures are described. The reporting of risks to the Executive Board of Eurex Clearing is carried out quarterly and on an ad hoc basis as required. The Supervisory Board of Eurex Clearing receives quarterly reports. In addition reports are made to the Risk Committee of Eurex Clearing.

Risk profile

Because of the contractual situation with Eurex Frankfurt AG, business risks originating in the clearing business are not incorporated in the risk-bearing capacity concept.

Operational risks

Operational risks constitute material risks for Eurex Clearing. Operational risks contribute approximately 60 per cent to the overall risk and comprise potential losses from inadequate or faulty systems and internal processes, from human or technical failure as well as from legal and business practice risks. Personnel risks are not quantified directly, but influence the quantification process indirectly via the operational risk categories.

Availability

For Eurex Clearing, operational risks specifically comprise a threat to the availability of the system infrastructure deployed and processing errors in manual processing operations. This availability risk is specifically addressed by means of comprehensive activities in the field of business continuity management (BCM). The BCM system encompasses all of the processes which ensure that business continues as normal if a crisis occurs and therefore substantially reduces availability risk. These include precautions in relation to all key resources (systems, premises, employees, suppliers/service providers), such as the redundant design of critical IT systems and the technical infrastructure, as well as emergency workspaces for employees in core functions at all important operational centres. These precautionary BCM measures are regularly reviewed.
However, if system failures or other operational errors do occur, this may result in loss of income, claims for damages and additional costs for rectifying the problem.

Service deficiencies

Risks may also arise if a service for customers is performed inadequately and this leads to complaints or litigation.

Legal risks and business practice

Losses can also result from ongoing legal proceedings. These may occur if Eurex Clearing breaches laws or requirements, enters into inadequate contractual agreements, or fails to observe case law to a sufficient degree. Legal risks also include losses due to fraud and labour law issues. They further include losses as a result of insufficient controls to prevent money laundering, breaches of competition law regulations or of banking secrecy. Violations of regulatory provisions also present operational risks.

Stress tests

In the course of validating the risk analysis, Eurex Clearing performs stress test calculations for operational risk. These stress tests simulate the occurrence of extreme operational losses or an accumulation of major operational losses in one year. Since Eurex Clearing has not incurred any major operational losses to date, potential risk scenarios are defined for this purpose. These risk scenarios describe possible operational loss events and their probability as well as the potential amount of loss, which is estimated by internal experts. For the purposes of the stress test, extreme loss situations are simulated on the basis of these risk scenarios and compared with the risk-bearing capacity for operational risk.

In addition to these stress tests, which analyse the impact of predefined stress scenarios on risk-bearing capacities, Eurex Clearing has been performing what are known as
inverse stress tests. An inverse stress test is a tool used to determine operational loss scenarios that would have to occur in order to exceed the risk-bearing capacities.

No notable operational losses were incurred during the year under review and there are no indications of events from 2015 that would point towards significant operational losses in the future.

Financial risks

Eurex Clearing divides financial risks into credit, market and liquidity risks. Financial risk represents around 40 per cent of the overall risk.

Credit risk

The credit risk faced by Eurex Clearing is broken down into credit risks from the clearing business and credit risks that may arise from cash investments. Credit risk describes the risk that a counterparty might may fail to meet its contractual obligations in full or in part. Eurex Clearing often has short-term claims against contract partners totalling several billion euros overall as part of its clearing business, but these are usually secured by collateral deposited by the market participants.

Credit risks from the clearing business

In accordance with its general terms and conditions of business, Eurex Clearing only conducts transactions with its clearing members. Clearing mainly relates to defined securities, rights, derivatives and emission allowances that are traded on specific stock exchanges. Eurex Clearing AG also offers this service for certain over-the-counter (OTC) products such as interest rate swaps and forward rate agreements. It serves as an intermediary between the parties to the transaction (central counterparty) in order to reduce its customers' credit risk by offsetting receivables. Clearing members deposit collateral with Eurex Clearing, thus reducing their mutual credit risk.

In its calculations of economic capital, the Company already analyses the impact of extreme scenarios on risk-bearing capacity. In addition, Eurex Clearing calculates credit risk stress tests in

order to analyse the impact of further extreme scenarios, such as default by the largest counterparty group. The values determined in the stress tests are compared with limits defined as part of the risk-bearing capacities. In addition to traditional stress tests, which analyse the impact of predefined stress scenarios on risk-bearing capacity, the Company performs inverse stress tests. This tool can be used to calculate how many clearing members would have to default for the losses to no longer be able to be absorbed by the lines of defence available.
The results of the stress tests and inverse stress tests may lead to further analyses and to the implementation of measures to reduce risk. The credit risk stress test calculations did not identify any material risks in the financial year.

In addition, Eurex Clearing determines credit risk concentrations by performing VaR analyses to detect any risk clusters relating to individual counterparties. Due to its business model, Eurex Clearing focuses almost exclusively on financial sector customers. However, no significant credit risk concentrations were found for individual counterparties.

Given the size and volatility of its customers' liabilities, Eurex Clearing has developed a collateral management system that meets the highest standards, which is described in detail in the following section.

Safety for both participants and the clearing house

Each clearing member must prove that it has liable capital equal at least to the amount stipulated by Eurex Clearing for the various markets. The amount of capital for which evidence must be provided depends on the risk. In order to protect Eurex Clearing against the risk of default by a clearing member before it has settled its outstanding transactions, clearing members are required to post daily collateral in the form of cash or securities (margin), plus intra-day margins if required.

Eurex Clearing only permits securities with a high credit rating to be used as collateral. Eurex Clearing continually reviews which collateral it permits and uses appropriate margins to hedge against market risk with a 99.9 per cent confidence level. It applies a further haircut to securities from issuers in high-risk countries or excludes them from being furnished as collateral altogether. The risk inputs are checked regularly, and the safety margins are calculated daily for each security. In addition, a minimum safety margin applies to all securities.

The margins are calculated separately for clearing member accounts and client accounts. Gains and losses which result from intraday changes to the value of financial instruments are either settled in cash by the counterparties (variation margin) or deposited with Eurex Clearing as collateral by the seller due to the change in the equivalent value of the item (premium margin). In the case of bond, repo or equity transactions, the margin is collected either from the buyer or the seller (current liquidating margin), depending on the relationship between the purchase price and the current value of the financial instruments. The purpose of these margins is to offset gains and losses.

In addition, Eurex Clearing protects itself against a payment default by a clearing member by obtaining additional collateral against the risk that the value of the positions contained in the account will develop negatively until the account is closed out. This additional collateral is called additional margin in risk-based margining and initial margin in the Prisma method (portfolio-based risk management). The target confidence level here is at least 99.0 per cent. Eurex Clearing AG regularly checks whether the margins match the requested confidence level and currently calculates the margins using both methods – risk-based margining and the Prisma method. The new Prisma methodology is already available for the most important product groups: for equity derivatives, equity index derivatives and fixed-interest-rate products. The plan is for the Prisma method to gradually replace risk-based margining completely. It takes into account the clearing member's entire portfolio and takes historical and stress scenarios into account when calculating the margin requirements. The objective is to cover market fluctuations for the entire liquidation period until the account is settled.

In addition to the margins for current transactions, each clearing member contributes to a clearing fund depending on its individual risk profile. This fund is jointly liable for the financial consequences of a default by a clearing member to the extent that this cannot be covered by the member's individual margin, its own contributions to the clearing fund and Eurex Clearing's contribution to the clearing fund. Eurex Clearing uses regular stress tests to check whether its clearing funds match the risks. This involves subjecting all current transactions and their collateral to market price fluctuations at a confidence level of at least 99.9 per cent. In order to be able to determine potential losses in excess of a clearing member's individual margins, the impact of a potential default on the clearing fund is simulated. Eurex Clearing has defined limits which, when exceeded, trigger an immediate adjustment to the scope of the clearing fund if necessary. If a clearing member does not meet its obligations to Eurex Clearing due to delinquency or default, the latter has the following lines of defence:

1. First, the outstanding positions and transactions of the clearing member concerned can be netted and/or closed from a risk perspective by entering into appropriate back-to-back transactions, or they can be settled in cash.
2. Any potential shortfall that might be incurred in connection with such a closing or cash settlement, as well as associated costs, would be covered in the first instance by the collateral provided by the clearing member concerned. As at 31 December 2015, collateral amounting to €56,550.4 million had been provided for the benefit of Eurex Clearing.
3. After this, the relevant clearing member's contribution to the clearing fund would be used to cover the open amount. The contributions made range from €1 million to €429 million.
4. Any remaining shortfall would initially be covered by Eurex Clearing's own contribution to the clearing fund. As at 31 December 2015, this amounted to €50.0 million.
5. Only after this would the other clearing members' contributions to the clearing fund be used proportionately. The clearing fund of Eurex Clearing amounted to €4,361.8 million as at 31 December 2015. After the contributions have been used in full, Eurex Clearing can request additional contributions from each clearing member, which can be up to twice as high as their original clearing fund contributions.
6. Ultimately, a letter of comfort has been issued by Deutsche Börse AG in which Deutsche Börse AG declares that it would provide Eurex Clearing with up to €700 million to cover any remaining shortfall. The letter of comfort may only be used for losses from on-exchange transactions.

7. Finally, in the case of a shortfall, the remaining equity of Eurex Clearing (€265 million) would be used.

In the event of a counterparty default the Default Management Process (DMP) is triggered. Its purpose is to liquidate the positions of the defaulting participant. The member's positions are divided into liquidation groups based on criteria such as joint saleability or their joint pricing, in order to treat similar positions in a similar manner. In the case of payment default, each of these recovery groups is transferred to other participants via an auction. When the DMP is initiated, the clearing fund is also segmented according to the recovery groups based on the margin requirements. When positions are liquidated because a clearing member has defaulted, initially only that specific segment of the clearing fund is used to bear the losses. If the specific segments of the clearing fund in which that client is active are depleted, the contribution of Eurex Clearing to the clearing fund is used. At the same time, a committee of market experts (Default Management Committee) meets to advise and support Eurex Clearing.

Credit risks arising from cash investments

Credit risk can also arise from cash investments. The Treasury department of Deutsche Börse AG is responsible here, and has Group-wide authority. Treasury largely makes collateralised investments with the Company's money and the funds of Eurex Clearing's customers. To date, a payment default on the part of a counterparty has not occurred.

Eurex Clearing reduces its risk when investing its own and customers' funds by distributing investments across multiple counterparties, all with a high credit quality, by defining investment limits for each counterparty as well as by investing funds primarily in the short term and in collateralised form if possible. Investment limits are established for each counterparty on the basis of regular credit checks and using ad hoc analyses, as necessary.

Market price risks

Market risks can arise in relation to cash investments through interest rate and currency fluctuations. Due to the short maturities of the cash investments and liabilities, the interest rate risk is low.

Open currency positions only exist on a small scale, so that currency risks are likewise not significant. Share price risks arise upon investment in a special fund that serves to cover pensions and other employee benefits.

As part of an incentive programme, Eurex Clearing paid a contribution to customers for which repayment is connected to the fulfilment of specific conditions, e.g. the number of connected customers and the achievement of defined volumes. The derivative embedded in this contract is recognised separately from the underlying instrument under other provisions, with a fair value of €6.2 million. The fair value is limited to €–7.7 million; this amount is reached if customers fulfil all of the conditions such that the incentive does not have to be repaid.

Liquidity risk

A liquidity risk arises if daily payment obligations cannot be fulfilled or can be fulfilled only at increased refinancing costs. Eurex Clearing has to meet stringent liquidity requirements due to its status as a central counterparty. Its investment policy is correspondingly conservative. Regular analyses ensure the appropriateness of the liquidity guidelines. Since extending its licence as an investment and credit institution under the German Banking Act, Eurex Clearing can use Deutsche Bundesbank's permanent facilities.

To strengthen the risk management function regarding this central risk, Eurex Clearing conducts "fire drill" exercises every year in cooperation with the clearing members. As part of these exercises customer defaults are simulated. The objective of this exercise is to test management behaviour, the flow of information and decision-making processes in the event of a crisis situation and improve them accordingly.

Stress test calculations are carried out for liquidity risk. To this end, Eurex Clearing has implemented scenarios that are calculated quarterly. In these scenarios, both the sources and the uses of liquidity are subjected to a stress test, using historical as well as hypothetical scenarios. In addition, Eurex Clearing has implemented inverse stress tests on liquidity risk. The inverse stress tests analyse which scenarios would also have to occur to bring about a situation of insufficient liquidity.
Based on the stress tests, Eurex Clearing has sufficient liquidity.

Extreme events such as the failure of Eurex Clearing's clearing system for up to one week during a period of very high market volatility could threaten the survival of Eurex Clearing. Such extreme risks are referred to as tail risks and their probability of occurrence is estimated to be significantly less than 1 per cent.

Summary

In the year under review, Eurex Clearing's risks were covered by a sufficient amount of capital at all times, and the allocated limits for risk appetite were observed.

As at 31 December 2015 the EC of Eurex Clearing was €195 million, having increased from the previous year (31 December 2014: €166 million), due in particular to higher operational risks. The stricter legal and regulatory requirements which Eurex Clearing must comply with, along with availability risks, led to a rise in operational risks. The available capital for covering risk rose over the same period to €315 million (31 December 2014: €290 million).

The Executive Board of Eurex Clearing is confident that the risk management system is effective.

Frankfurt/Main, 17 February 2016

Eurex Clearing Aktiengesellschaft

Dr Thomas Book	Heike Eckert	Matthias Graulich
Thomas Laux	Erik Tim Müller	

Auditor's Report

We have audited the financial statements, comprising the balance sheet, the profit and loss account and the notes to the financial statements, together with the bookkeeping system and the management report, of Eurex Clearing Aktiengesellschaft, Frankfurt am Main, for the financial year from 1 January to 31 December 2015. The maintenance of the books and records and the preparation of the financial statements and management report in accordance with German commercial law are the responsibility of the company's executive board. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the management report based on our audit.

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

Our audit has not led to any reservations.

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

Frankfurt am Main, 4 March 2016

KPMG AG
Wirtschaftsprüfungsgesellschaft
[The Original Germain Version is signed by:]

Dielehner	Shiffa
Wirtschaftsprüfer	Wirtschaftsprüferin
[German Public Auditor]	[German Public Auditor]