

ANNUAL

2009

REPORT

FUTURE =
MARKET +
CONFIDENCE

ANNUAL REPORT 2009

IMPORTANT PARAMETERS

IMPORTANT PARAMETERS OF EUROPEAN ENERGY EXCHANGE AG

		2008	2009	Change 2009 as against 2008
Profit and Loss Account				
Sales revenue ¹	K€	34,955	34,604	-1 %
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	K€	28,339	25,758	-9 %
Earnings before interest and taxes (EBIT)	K€	27,739	12,803	-54 %
Balance sheet (as of 31 December)				
Long-term assets	K€	40,834	49,219	21 %
Equity	K€	81,597	93,439	15 %
Balance sheet total	K€	533,163	355,346	-33 %
Core Business Parameters				
Spot Market				
Volume of the Spot Market for Power	TWh	154	203	32 %
Volume of the Spot Market for Emissions	1,000 t	654	9,709	1,385 %
Volume of the Spot Market for Gas	GWh	1,170	3,516	201 %
Value of the products traded on the Spot Market	€ million	12,173	9,586	-21 %
EEX Power Spot (2008)/EPEX Spot (2009) trading participants		160	185	16 %
EEX Spot Markets trading participants		149	103	-31 %
Derivatives Market				
Volume of the Derivatives Market for Power	TWh	1,165	1,025	-12 %
Volume of the Derivatives Market for Emissions	1,000 t	80,084	23,642	-70 %
Volume of the Derivatives Market for Gas	GWh	16,341	11,361	-30 %
Volume of the Derivatives Market for Coal	1,000 t	246	117	-52 %
Value of the products traded on the Derivatives Market	€ million	83,148	51,446	-38 %
EEX Power Derivatives trading participants		118	146	24 %
EEX Derivatives Market trading participants		134	152	13 %
Corporate Parameters				
Employees (annual average)		61	80	31 %
Sales revenue per employee	K€	573	433	-24 %
Return on equity	%	27	8	
Equity ratio	%	15	26	

¹ 2008 sales revenue adjusted for sales revenue of EPEX Spot (DE/AT/CH)

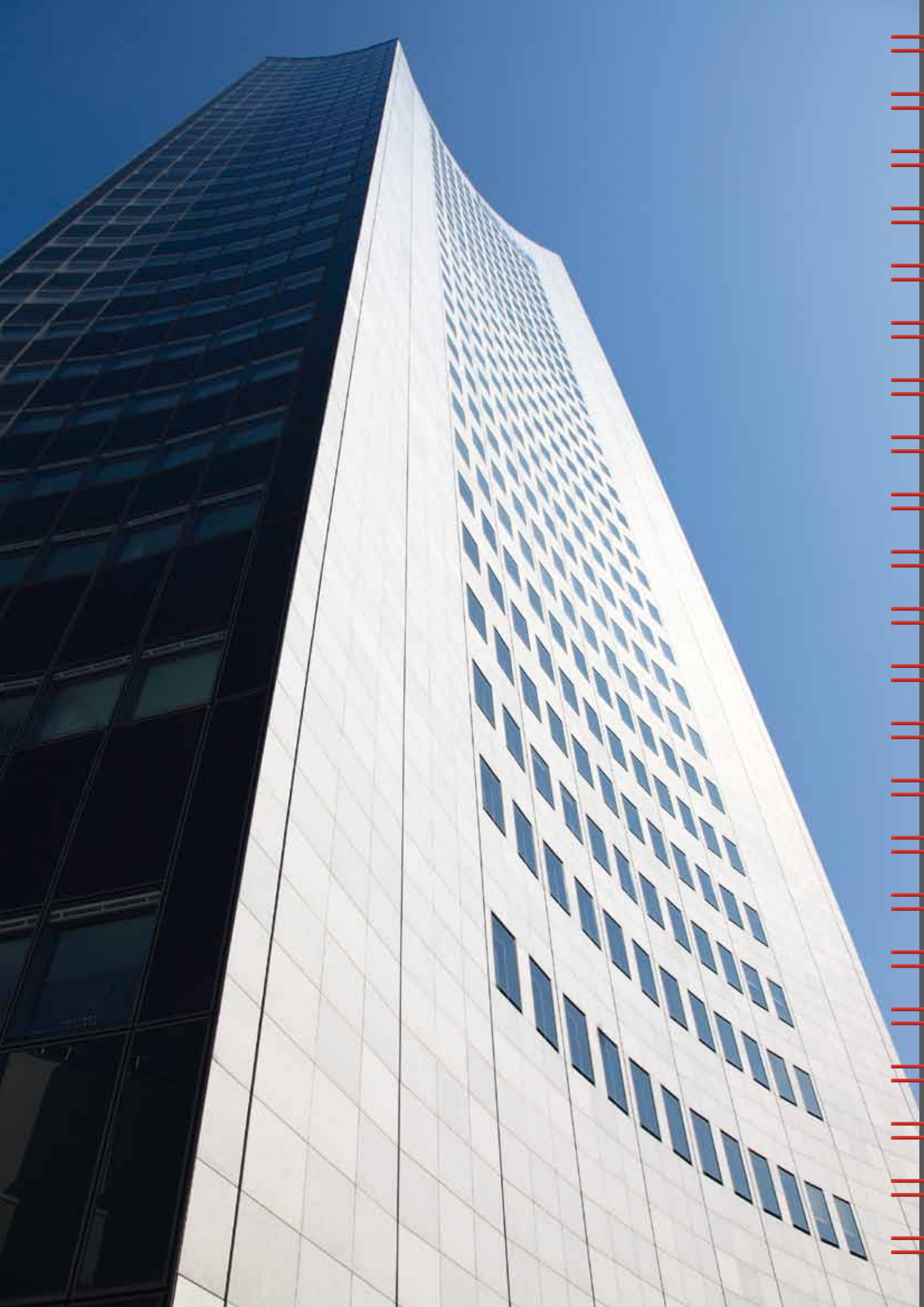
SHAREHOLDERS (in %)

Eurex Zürich AG	35.23
Landesbank Baden-Württemberg	22.96
LVV Leipziger Versorgungs- und Verkehrsgesellschaft mbH	7.38
Free State of Saxony	4.51
RWE Energy Beteiligungsgesellschaft mbH	3.85
E.ON Energy Trading SE	3.48
ATEL Aare-Tessin AG für Elektrizität	2.69
BHF-BANK AG	2.02
EnBW Trading GmbH	1.52
Vattenfall Deutschland GmbH	1.25
Nordostschweizerische Kraftwerke AG	1.01
Enovos International S.A.	1.00
MVV Energie AG	0.99
Avenis SA	0.76
Edison S.p.A	0.76
EDF Électricité de France	0.67
EnAlpin AG	0.51
Electrabel N.V.	0.51
RheinEnergie AG	0.51
BKW FMB Energie AG	0.50
DB Energie GmbH	0.50
e&t Energie Handelsgesellschaft m.b.H.	0.50
Elektrizitätswerk der Stadt Zürich	0.50
Essent Energy Trading B.V.	0.50
Iberdrola S.A.	0.50
Morgan Stanley Capital Group Inc.	0.50
Vattenfall Europe AG	0.50
VERBUND-Austrian Power Trading AG	0.50
Deutsche Bank AG	0.32
Mainova AG	0.31
B. Metzler seel. Sohn & Co.	0.25
Bayerische Landesbank	0.25
citiworks AG	0.25
Commerzbank AG	0.25
InfraServ GmbH & Co. Höchst KG	0.25
Stadtwerke Bielefeld GmbH	0.25
Stadtwerke Düsseldorf AG	0.25
Stadtwerke Hannover AG	0.25
SWU Energie GmbH	0.25
Thüga AG	0.25
Trianel GmbH	0.25
UBS AG	0.25
ZEAG Energie AG	0.25
City of Leipzig	0.01



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Future = Market + Confidence

The European Energy Exchange (EEX) is one of the leading trading platforms in Europe for energy and related products. This position constitutes both a responsibility and an obligation at the same time: EEX sees itself as an important market authority and, in line with this, as a driving force in European energy trading. This includes setting consistently high standards in the fields of transparency and monitoring of exchange trading and ensuring compliance with these in order to sustainably build confidence in the market platform. These initiatives are accompanied and supported by innovative product ideas, a constant dialogue with trading participants and by strong partnerships.

This business report shows how these measures furthered by EEX and how EEX's philosophy were perceived by stakeholders in the European energy landscape. Renowned business partners, economic experts and trading participants were asked to provide their own view of EEX and to outline their experiences in the field of cooperation with the energy exchange.

TOWARDS

an integrated European

ENERGY MARKET



Andris Piebalgs
Member of the European Commission,
Former EU Energy Commissioner

The European Union pursues the declared aim of a single secure European energy market. In this process, energy trading on exchanges is of particular significance. Energy exchanges bundle liquidity, establish prices based on supply and demand and are thus a cornerstone of a liberalised and integrated European energy market.

— EEX has evolved into a European energy exchange on the basis of its own resources and has become an important centre of European energy trading. In this respect, the integration of the power spot markets for Germany, Austria, France and Switzerland into EPEX Spot is a great achievement.

The Florence forum held on 10 and 11 December 2009 made important recommendations regarding the European electricity market. A strong coupling between markets through implicit auctions following the price-coupling model was set as the target model for the whole of Europe. I truly welcome this as I have personally followed some of the market coupling initiatives. Market coupling between France, Belgium and the Netherlands was the pioneering work. The Pentilateral Energy Forum, including also Luxembourg and Germany, will extend this project to two more countries and involve a large number of additional customers.

As the Florence forum outcome shows, the idea of market coupling seems to gain in interest throughout the whole of Europe. Market coupling is now the model for future market integration. That is why we need to develop Europe-wide solutions which, in the longer term, could cover almost every corner of the European Union.

It is understandable that the whole of Europe cannot move to market coupling in one big bang. Those who are more advanced should move first. But the solution should be an open one so that other countries can join on equal terms when they are ready. All of this of course needs to happen under the close supervision of the regulators and the new regulatory agency created as a result of the third legislative package on the EU internal market.

For this purpose, the Florence forum in December 2009 endorsed a project which will propose a governance structure for this European wide solution for market coupling. One needs to find the right balance between the power exchanges and the transmission system operators (TSOs) so that all relevant parties have an equitable possibility to influence decisions. Also, as power exchanges will be an integral part of cross-border trading of electricity, they need to be properly regulated regarding the functions they perform for the cross-border trade.

The standards and processes of trading and clearing which have been established in Leipzig have contributed to harmonising the trading platforms in Europe that are needed for true market integration. I am convinced that EPEX Spot and EEX will continue playing their important role in this integration, in a responsible way.

TRUST and TRANSPARENCY are good, control is (sometimes) better



Prof. Dr. Justus Haucap

Chairman of the German Monopolies Commission, Director of the
Düsseldorf Institute for Competition Economics (DICE) at
Heinrich-Heine-University, Düsseldorf

As a unique player in the market, the Leipzig-based energy exchange EEX operates within a highly concentrated area, in particular, in the electricity sector. As a trading platform, it has to cope with criticism and effects over which it has little or no control at times. EEX meets this challenge with a high degree of transparency and control – however, some modifications are conceivable.

— Many consumers in Germany eye power price tariff levels with suspicion and many observers view the power producers' behaviour with distrust. That is probably also why the Monopolies Commission has the statutory obligation to report to the Federal Government on the competitive situation on the power and gas market every two years. In its last report in 2009, the Monopolies Commission once again came to the conclusion that a functioning competition has not yet been established in all parts of the energy market. As in the past, E.ON, RWE, Vattenfall and EnBW still produce the largest proportion of power consumed in Germany. One thing is certain though: Some years ago their dominance was much more distinct – and there has been a trend towards a certain degree of deconcentration on account of the entry of new providers. However, if we apply the usual standards which are prescribed by the European Union's Merger Control Directives, we still have to regard the market as a concentrated one. And the fact that a high degree of market concentration does not exactly promote intense price competition is an economic commonplace. However, EEX has also felt these effects.

For years, the electricity companies and every individual public utility have liked to cite the point that the prices "on the exchange" had increased as justification for price increases. Please note at this point: The exchange's only task is to balance supply and demand. Nonetheless, on account of the very concentrated market and the small number of big players on it, EEX has also been held liable implicitly as well as explicitly as a next step: Allegedly, the big corporations just "tossed coins" to establish their prices on the Leipzig-based power exchange. And, ultimately, the consumers would have to foot the bill.

Even if this chain of argumentation appears to be rather crude at first glance, there are some signs that point towards a behaviour of the big corporations which at least tends to restrict competition. For this reason, the Federal Cartel Office is currently also examining the development of the exchange and wholesale prices for power in force in the years 2006 and 2007 in the framework of a large-scale sector inquiry. There are suspicions that the large producers artificially kept power prices high through the strategic use of power plant capacities – not only on the exchange but also in OTC trading. After all, producers with market power have an interest in, and, at the same time, the possibility of withholding generating capacity from the wholesale market.

The method is a very simple one: During peak load times it might be worthwhile for operators of power plant fleets to bide their time since the higher demand will lead to an increase in prices and profits from the supply originating from base load power plants. If peak load power plants are switched on at this point, this will actively lower the market price and curtail the operator's own profit margin – which certainly forms a big incentive to be a little

hesitant and to wait and see as to whether the colleagues from the other companies might push the start button a little earlier. Because of the inelastic demand and the technological particularities of the power supply system, the Monopolies Commission assumes that companies really did make use of this subterfuge, without any penalty for such behaviour being suggested by other market participants or consumers – in particular, during peak load times.

For this reason, the Federal Cartel Office has launched a very extensive ex-post investigation: For the years 2006 and 2007 the prices on the market, the power plants which generated power and the offers which were on the market are collected methodically at 15-minute intervals. Of course, there can really be good reasons for not switching on a power plant even though the market price might have made this economically sensible – such as in the event of an incident or during maintenance activities. However, the Monopolies Commission is concerned that generation capacities were also withheld for the tactical considerations described above. But: The thoroughness of the investigation also entails one decisive disadvantage. If it turns out after the conclusion of the investigation – which might be next year – that there have been irregularities, further precious time will have been lost. And finding out that there was an excessively high price on day X four years after the incident is certainly unsatisfactory for everyone involved.

For this reason, the Monopolies Commission considers the introduction of systematic market monitoring to be a better solution for the improved and prompt discovery of anti-competitive behaviour – ideally in the form of an independent market surveillance office. It could also be established at the Federal Cartel Office and should be equipped adequately for its task – both in terms of finance and human resources. To put it in a nutshell, such a market surveillance office should record the information relevant for electricity wholesale both on and off the exchange promptly – i. e. directly on every exchange trading day and check the trading participants' bidding strategies for trading in line with the market and suspected cases of attempted manipulation. The market surveillance office's competences have to extend to the full chain of power wholesale on and off the exchange as well as to the adjacent market for balancing energy. From the perspective of the Monopolies Commission, the companies' obligation to furnish information needs to be stipulated by law and has to exceed the level of the non-exchange information currently submitted to EEX voluntarily by the trading participants. By the way, this market or competition surveillance office will only be necessary for as long as the high market concentration persists and for as long as the existence of a common European single market cannot yet be assumed.

It should be noted here that the Monopolies Commission's request does not in any way reduce its appreciation for the transparency endeavours and the results of these which EEX has initiated since its establishment – and taken to a high standard. The current level of these – i. e. the transparency.eex.com transparency platform, which went live on the Internet on 30 October – publishes generation and consumption data which is relevant for the market at a central and neutral site close to the market and, hence, does not only fulfil statutory publication requirements but also supplements these with the voluntary information supplied

by the industry (referred to above) on the basis of a voluntary commitment. There is no package of a similarly comprehensive nature anywhere else in Europe.

However, quantity is not yet a valid quality characteristic. EEX likes to point out – quite rightly – that it is among the trading platforms with the highest level of supervision – also on a European scale. And indeed supervision by the Exchange Supervisory Authority of the Free State of Saxony on the one hand, as well as supervision by BaFin and the Federal Cartel Office according to the German Securities Trading Act on the other hand, ensure monitoring which is relatively free from any loopholes nominally. However, this decentralised organisation entails considerable potential for frictional losses in the highly complex market within which EEX operates – after all, each supervisory institution essentially considers those aspects to be important of which it is in charge itself. Furthermore, the fact that the mutual communication has to be coordinated in such a manner that not a single important aspect bypasses the “collective attention” also constitutes a major challenge and implies a high degree of responsibility, which could better be met with a centralised office.

In this direction, there cannot be too much transparency – market surveillance, regardless of who is in charge of it, needs to be given as much available information as possible. In the opposite direction, i. e. in the direction towards the market, the issue of transparency constitutes a double-edged sword at least when seen from the perspective of competition economics. The question of which information should be made available to the trading participants on EEX in addition to the increase in transparency needs to be well considered, at least from the perspective of the Monopolies Commission.

After all, even if we disregard the fact that every trade on an exchange is also concluded on the basis of an information advantage (attained legally), too much transparency can quickly result in serious problems from the perspective of competition economics. In this context, we can cite the example of power plant capacities: If an energy supplier knows right from the outset that a competitor will switch on its peak load power plant – or that it will not do so, this will considerably facilitate the strategic approach described. And incidentally: Too much transparency supports, in particular, the possible creation and successful functioning of cartels. Usually, they have an office which collects and closely monitors all the information regarding what the participants are doing – whether or not they comply with agreements made. And it is quite obvious that it would create an extremely difficult situation if this information were supplied free and directly by the trading platform.

The confidence which the market and the trading participants place in EEX, the integrity, openness and transparency with which EEX moves on the market and in the contacts with its trading participants constitute an advantage which the Leipzig trading platform and, not least, the Paris trading platform through the cooperation with Powernext, can and should use to the full extent. The modifications proposed by the Monopolies Commission are first and foremost a reflection and a result of the highly concentrated market. And a company which has established a solid foundation for itself on this basis should also be prepared for the European Single Market of the future.

being strong

TOGETHER



Jean-François Conil-Lacoste
Chief Executive Officer of
Powernext SA and EPEX Spot SE

The close cooperation between EEX and Powernext has every chance of shaping the future of the integrated European energy market. The common entrepreneurial spirit and the confidence gained through sound work and persistence – both internally and externally – constitute the key to this.

— Without doubt, the year 2009 was a year of major importance both for EEX and for Powernext. This is not only the case because we managed to formally conclude our comprehensive cooperation project in the autumn of the year. With the integration of the Power Spot and Derivatives Markets and the first year of regular trading operations on the joint market platforms EPEX Spot and EEX Power Derivatives we have also made a contribution to the further progress of the integration of the power market for Germany, Austria, Switzerland and France, which accounts for more than one third of the power consumed in Europe.

It is obvious that we have had a vital interest in this right from the outset and will continue to pursue this interest. What EEX and Powernext shared (even before the first joint steps were taken) was the pronounced “entrepreneurial spirit” which prevailed on both sides. This aspect alone resulted in an almost compelling logic of taking a closer look at the corresponding other side: Two major players with highly developed markets right in the heart of Europe, which, together, can generate sufficient momentum to promote the integration of the markets in order to assume a leading role in this process. Of course, we are not motivated by altruism alone in this respect: The cooperation also aims at ensuring sustainable growth and profitability.

Nonetheless, it is our customers who primarily reap the benefits: The joint market structure leads to improved liquidity and, hence, makes the market more attractive for the participants. The cooperation between EEX and Powernext safeguards a transparent and reliable pricing mechanism for the wholesale price as well as the future standardisation and harmonisation of the trading and clearing processes. Moreover, the joint settlement of all Spot and Derivatives Market transactions via the EEX subsidiary, European Commodity Clearing (ECC) as well as the alignment of the admission procedures, trading fees and systems and the establishment of transparency and monitoring standards at a uniformly high level, also constitute central steps in this respect. Moreover, we are convinced – and are intensively working to make sure – that our cooperation can decisively facilitate and accelerate the market coupling process which was cautiously started in 2008 in order to improve network congestion management in the Central Western Europe region (Benelux, Germany and France).

The central concept, the generic term, which is behind all these processes and behind this development is “trust”. Trust which is needed at all levels. Whenever two market platforms of such importance, two players of such significance as EEX and Powernext slowly grow together, the differences are noticed first. The fact that such differences – in the processes, the formal and informal rules in both companies, the approach to business transactions and the approaches to solutions for problems – exist is quite natural. If, however, in addition to this, there is also a certain time pressure, which both partners have accepted

(albeit not further reinforced) through their demanding schedule for the cooperation, collaboration and, first and foremost, permanent communication among all parties involved becomes a key factor.

However, in this context differences can be a productive element: The closer you look into these differences and the more you try to find the reasons and explanations for the existence of these differences in the dialogue between the parties, the better you will be able to understand the other side and comprehend the other side's outlook on things. Mutual respect evolves on the basis of such an understanding and this facilitates the alignment of many steps. On this basis, in turn, trust – and, not least, aspects like pleasure in working together can develop. Of course, a cooperation, an integration of this magnitude is not a mundane process quite simply on account of the fact that it also means that all those involved have to give up a good share of their sovereignty. Nonetheless, I am convinced that, overall, we have overcome this challenge well together.

This was not only promoted by the fact that, in addition to having a good personal relationship, Dr. Hans-Bernd Menzel and I have always had a clear joint vision of where the route which we had taken should lead us – right from the outset. The process was also essentially reinforced by the fact that all of the employees entrusted with the cooperation – from the project teams of the initial stage through to the management level and the individual departments – continuously got to know their direct counterparts and became more familiar with them.

However, the trust with which EEX and Powernext meet externally will be almost more decisive than the internal trust in the future. We are operating in a European market which will doubtless be further shaped by a consolidation process. At the same time – and this is not only shown by the slow progress of market coupling efforts – there are still regional and national reservations against this development. Sometimes, these are reflected in regulatory particularities and obstacles which, (at least from our perspective and according to our experience), are hard to overcome with market-economic arguments alone.

This was one of the reasons why we decided not to pursue an aggressive expansion strategy with our cooperation right from the outset but opted for an offer of partnership which other players can also join. This is also the spirit which exists as to the cooperation which EPEX Spot entered into at the end of 2009 with the Hungarian power exchange HUPX (currently under development). Once HUPX launches active operations – with July 2010 as a target date for this step – the new exchange and its trading participants will be able to benefit from the facilities and experience, competence and high standards of EPEX Spot in the field of the development of power spot markets regarding trading systems and services as well as clearing. The aim of this cooperation is almost a matter of course: Creating a solution for trading safeguarding liquidity, operational reliability as well as reliable and transparent pricing for the market participants. At the same time, we are also demonstrating that we are willing and ready to assume the role of a key player in the integration of the power spot markets in Europe.

The creation of a truly integrated European power market can, of course, only work in close cooperation with other power exchanges and all stakeholders as well as all the other parties involved in the process – regardless of whether these are privately or publicly organised. In that sense, we see our primary role – in addition to the cooperation offers – in making proposals. EPEX Spot already has the function of promoting – i. e. speeding up the process – for an initiative which we refer to as “Price Coupling of Regions”, which might cover the region from Finland to Portugal in an ideal situation. This is based on the precondition of overcoming network congestion on the borders of the market areas while retaining the principle of implicit auctions for grid capacities at the same time. For this reason, the concept of a central European unit which would match capacity demand and supply which was proposed to the European Commission by some national regulators to us, not only appears to be ineffective for the aim pursued but in its consequence it even appears to be counterproductive for an integrated European power market with strong market platforms – whose task and obligation specifically is the establishment of prices for energy and generating capacities.

Therefore, it will not come as a surprise that with our distinct entrepreneurial spirit we want to continue to rely on the mechanisms of the market in the future. We are convinced that the price is, and continues to be, the decisive indicator signalling whether and how far the integration of the European energy market has made progress. In this respect, the fact that the prices established on EEX and EPEX Spot are obviously also used as references in regions in which there are also other exchange platforms, confirms our view and makes us optimistic for the future.

There is no doubt: We are currently in a fascinating and yet sometimes turbulent stage in the integration process. Our aim in this process is to promote and expand the pan-European market – and, at the same time, to increase our share in the overall market which has evolved. There definitely is potential for this: The power market in Germany comprises a volume of approx. 5000 terawatt-hours, one quarter of which is traded through the exchange. The market in France comprises approx. 600 terawatt-hours, one sixth of which has been traded through the exchange so far. In this respect, the good figures generated by EPEX Spot for 2009 give cause for optimism in that we clearly meet the demand with our offer – as against the previous year the trading volume in French intra-day trading has increased by as much as 40 percent. We are convinced that this is not least also a proof of the confidence which the market places in us. The fact that OTC trading has also increased strongly in parallel with this trend on the one hand confirms the great potential which the market has, but, on the other hand, it also poses a challenge for the future.

A WIN-WIN CONSTELLATION



Peter Heydecker
Alpiq Holding AG,
Head of Trading & Services,
Executive Board Member

The development of EEX into the leading energy exchange in Continental Europe is closely connected with the key words transparency, liquidity and security. Metaphorically speaking, the Exchange Council put these key terms on its banner. And all the parties involved benefit from the constant feedback between the exchange and the market participants which is institutionalised in this body.

— In the late summer of 2006 there was a very animated discussion within the Swiss energy industry: Would it be appropriate – or even worthwhile – to establish an energy exchange of our own in our country? The views on this question were inconsistent – in particular, since two strong trading platforms had already been established in Germany and France. And, incidentally, this very point was an argument which worked both as an incentive and as a disincentive for the plans for an exchange, depending on the respective position taken. After all, with its activities EEX was already considered the most important energy exchange on the Continent at the time. Today, I can say that I take pride in the fact that we were involved with substance and conviction right from the outset when EEX launched its hub in Switzerland at the end of the year and safeguarded credible as well as reliable pricing for the Swiss Power Spot Market from that time onwards.

This resolved the issue regarding our decision with the force of facts: If we consider further developments, the solution of dispensing with an energy exchange of our own was the right one. EEX has continued to further expand its position as the leading energy exchange in Continental Europe, and today holds a central role regarding liquidity and pricing in the markets. These two aspects continue to be of central importance for Alpiq – after all, we operate in power trading and distribution in approximately 30 countries throughout Europe as the biggest Swiss utility company. In this respect, the Trading & Services Division accounts for a good quarter of our cumulated annual sales of 16 billion CHF.

In keeping with this, we monitor and follow developments with a corresponding commitment. With a share of 11.6 percent in the pool and of 3.45 percent of the shares in EEX directly we are now not only the third-biggest shareholder (after RWE and E.ON), but we also place high value on our active participation in the various boards of the exchange, such as the Supervisory Board and the Exchange Council. I have been a member of this board since 2006 – and I clearly see my role as that of an active participant making a contribution to the development of EEX. In my view, it is, in particular, EEX's proximity to the trading participants which is embedded in the organisation of EEX through the Exchange Council as an institution which has proven to be one of the fundamental elements for the EEX's development as well as the success met with over the last few years. The constant feedback is of decisive importance for both the trading platform and the players on the market. Because, even if business is going well, one should not forget that the situation can change quickly in view of the volatility of the markets. At this point, the decline in the volumes on the French Derivatives Market comes to mind. For this reason, it continues to be in the interest of the exchange and of the Exchange Council to involve the market players in the design of the product portfolio and the daily operations, as in the past. This is true not least because one of the first and most important rules

which every businessman learns at the beginning of his training still applies as a universal rule: Once the customers – i. e. the trading participants – have taken their business elsewhere, it is a lot more difficult and entails a much higher degree of effort to bring that business back again than was entailed in obtaining the customer in the first place.

The key word is “trust” – and, for this reason, it is just as important to make sure that communications and the exercising of influence also work in the other direction: By EEX actively approaching the trading participants and promoting subjects like transparency or a code of conduct. Because, ultimately, a transparent, fair and efficient market platform on which mutual trust can and does prevail lies within the interest of everyone involved – both the trading participants and the exchange.

This applies all the more since energy trading does not only have a high degree of interest in promoting effective market standards valid throughout Europe but can also almost be said to depend on these as a precondition for market liquidity. On account of the number of trading participants and its trade volume, EEX is not only in a good starting position with regard to this, but, in my view, also has the obligation to help to shape these European standards. And, in a manner of speaking, the trading platform was given this task as early as upon its inception when its name was selected with foresight: the European Energy Exchange.

Since then progress has been made constantly – standard by standard as it were: The first steps and indications were already taken within the framework of market coupling. Moreover, from Alpiq’s perspective as an energy trading company, the basic feature of exchanges – i. e. professionally covering the counterparty risk through margining processes – is decisive for stable and sustainable energy markets and, hence, our business. In this respect, the efficient clearing and settlement processes provided by the subsidiary European Commodity Clearing (ECC) within EEX Group set a high standard and constitute a significant advantage.

Hence, it is only logical that EPEX Spot SE also relies on these principles. What is even more: The cooperation is also an example of how rules and procedures which have been tried and tested on the market can be established throughout Europe. In our capacity as the Exchange Council we have made an active contribution to the migration and harmonisation of the two legal systems according to the “best-of-both” principle during the development of EPEX, so that the joint Franco-German subsidiary now also has its own Exchange Council, a Market Surveillance Office and a Code of Conduct. Even if, unlike the German legislation, the French legislation does not explicitly prescribe an exchange council as a board of the exchange (and we have devised a solution under private law for this reason), I am firmly convinced that all these three elements do not only constitute an important but also an indispensable basis for the successful functioning of the market.

After all, the aspect of security is a decisive factor in addition to that of trust: Compromises regarding ethics and compliance as well as equal treatment of all trading participants are simply not possible. And that is why there was no doubt that the intensive security network established by the supervisory authorities would be supplemented with voluntary security standards. This is due to the fact that the risk of market manipulations or the possibility of a market-dominating position of individual trading participants leading to abuse, should not be underestimated – also

in the market platform's own interest. The bodies of a corporation, such as the exchange council, continuously have to ensure that the rules are complied with, that security is safeguarded at all times and that, finally, the credibility of the exchange is guaranteed on this basis.

In this respect the Franco-German cooperation was still a "first" and a test case in which both sides were willing to accept bigger compromises. And it is precisely this point which would probably pose even more of a challenge in further cooperations – for which the alliance is open on principle. In this context, legal initiatives, which would have to take sufficient account of the different initial situations of the exchanges in the individual countries, could indeed be helpful. However, the test case has also shown that, together, the partners are eminently capable of coping with the challenge on their own.

Against this backdrop I consider it one of the main tasks of the Exchange Council – of both EEX and EPEX – to keep the rules and regulations of the trading platforms in line with the current developments on the European energy market and its different, (as yet) national statutory guidelines. And just how dynamic this development is can be seen from the example of the Third European Energy Market Package and the networks of regulators and TSOs established therein. After all, the EU has created instruments enabling it to define Europe-wide standards and to ensure their implementation for the first time. This concerns, in particular, the required close co-operation among energy exchanges and TSOs with regard to the question of border-crossing intra-day and day-ahead energy trading which is strongly gaining in importance. In this respect, there is potential for development as it is for the exchanges – also for EEX – and for this reason alone, this subject is pressing and has been placed on the agenda because of the requirements of the market.

The question of the direction into which this route will take us in the future is an obvious one from my perspective: The European markets will continue to develop at an ambitious pace and will be considerably more integrated in the future. The harmonisation of national rules to the benefit of supraregional models will continue – whether driven by the market platforms or, ultimately, from Brussels. Moreover, market coupling will sustainably change the markets. Similarly to the observations made in the case of the financial exchanges, the trend in the energy industry will also be towards large, supra-regional market platforms. And, at the same time, the trading participants will probably also develop: The trend – and I am not only saying this from Alpiq's perspective – will be towards larger companies operating on a supraregional level. In this process, the Exchange Council sees EEX and EEX sees itself as a pacesetter within Europe and as an active member of a European network of energy exchanges. This network takes account of Europe's federal concept and is based on the use of regional competences. Because of its position in Europe, EEX has a special responsibility for further promoting competition and the integration of the European energy markets.

With a view to this driving force and in view of the commitment shown so far, I am convinced that market coupling – from Norway to Spain – can become a reality in the not too distant future. And, furthermore, I firmly believe that EEX will play a central role not only in this process but also as a leading participant in the results thereof.

A professional and persistent

MOTOR



Jens Michael Otte
Deutsche Bank AG, Global
Banking, Head Public Sector
Germany

For Deutsche Bank, EEX is an important pillar of its energy trading activities. The exchange was not only a motor and initiator for the implementation of functioning trading but, to this day, it has been an important partner for the further professionalisation and expansion of the internal European energy market.

— Over the last ten to fifteen years the situation on the internal European energy market – and, in particular, in the power sector – has changed decisively. Strictly speaking, we could not speak of a “market place” a little more than ten years ago. What existed at the time, was a type of “closed shop”: with few players, predetermined roles, without pricing taking place on a transparent market. The fact that the situation is fundamentally different today is also due to EEX’s fundamental contribution. In spite of starting conditions which were not entirely easy, EEX has not only made a contribution to the establishment of a transparent and fair market but has also been one of the motors and initiators for its professional development.

And it is quite obvious that, we have actively accompanied this process right from the outset: We find our “natural” field of operation wherever there are market platforms for the exchange of products and product flows. After all, these product flows cannot only be defined in terms of money, shares or securities but also in terms of commodities and energy. Their growing importance – as well as the scale of developments over the last ten years – are also reflected in the activities of Deutsche Bank in this field: We have expanded our resources and the team in Europe considerably, particularly over the past two to three years. At the moment, we rank in the sixth place worldwide in the strongly growing commodities sector, which includes the power segment. The next stages are defined clearly: In the short run, we want to achieve a position among the top five and in the medium run we want to be among the top three in this field.

In that sense, it was quite logical in our view to establish a position for ourselves which should be as broadly based as possible. Our understanding of an active role in the market also means that we reflect the value chain in as far as possible. This means: Our positions in commodity trading are not only financial in nature, as one might expect, but also extend to physical trading in commodities such as coal and gas – and power as well. That is also why we have been active on EEX in the double capacity of a trading participant and a clearing bank since 2001. And with considerably more than 50 trading participants, we have also proved to be one of the biggest trading participants in the latter role.

Even though EEX’s importance is growing in Europe, for our customers it frequently is just one of several trading platforms on the European Continent on which they operate. This diversification is important – and that is why it was clear to us from the outset that we would organise our activities in this segment – i. e. energy trading, energy clearing, cash clearing and, last not least, collateral management – across different sites. This enables us as a service provider to facilitate cash management for our customers by giving them the possibility of offsetting accounts receivable and accounts payable incurred at various power trading platforms on a daily basis. In this respect, EEX and its subsidiary, European Commodity Clearing AG (ECC), assume a leading role: Our customers appreciate the uniform technical settlement of energy

trading activities through one clearing house. By means of this, EEX pursues the aim of keeping the administrative effort and the risk for its customers as low as possible. For this reason, the cooperation between EEX and Powernext and the bundling of the clearing activities in Germany, France, Austria and Switzerland resulting from this constitute a further step which meets the customers' needs but which will probably also further strengthen the role of the entire EEX Group. This is also important in as far as, in my view, the integration of the European energy market will proceed much faster than many of those involved currently assume. The time is right for a uniform single market for energy. After all, as seen from the perspective of the market, it goes without saying that the current obstacles – network congestion, capacity problems at the interconnection points in the case of power, and trading areas which are too small in the case of gas – should be removed today rather than tomorrow. And we are currently observing that corresponding efforts by the market participants as well as by the decision makers within the EU in this respect are increasing further. We are optimistic that the individual member states of the European Union and their governments will perceive the need to act and will place this common interest above individual national interests.

In our view, it would, at least, not do any harm if there is a reinforced commitment from Brussels with regard to this, in addition to the pressure exercised by the market. This is certainly a task which the new EU Energy Commissioner Günther Oettinger will take on. As Deutsche Bank we are pleased to support this route and intend to contribute to making sure that it leads to the right destination for all those involved.

The fact that EEX defines its vision of being the number one trading platform in this universal single European market is certainly praiseworthy. And it definitely has the potential for assuming this role – in particular since the exchange already has an important position on the market. But indeed whether, and exactly how this vision can ultimately be implemented can only be foretold by crystal gazing at the moment. Moreover: In theory, only one big trading platform, which might also have regional subsidiaries, would be necessary for a common European internal market. In this respect, EEX and Powernext are certainly doing the right thing by keeping their co-operation model open for additional partners on principle – metaphorically speaking in order to extend the chain of pearls, pearl by pearl.

The trust in a transparent system on the power market was reinforced by the fact that EEX has successfully handled the crisis that occurred in the wake of the Lehman Brothers' bankruptcy. The energy markets were not directly affected by the feeling of insecurity and the confidence crisis which prevailed on the business and financial markets. Indirectly, however, these turbulences also touch on the issue of the security of supply which is a matter of prime interest to the general public. In this respect, not only EEX but all other market participants are of necessity required to explain clearly and comprehensively the entire trading system and their operations in it again and again.

As a transparent and fair market platform EEX stands a good chance of consistently continuing on its path, which has been successful so far. Together with our customers, we as Deutsche Bank are pleased to accompany EEX's future development.

ANNUAL REPORT 2009

Report of the Management Board

Dear Readers,
Dear Shareholders,

The year 2009 was definitely an eventful year. However, this was not so much due to the fact that the effects of the financial crisis were also felt by EEX: The reductions in sales and revenue were much more moderate than had been initially feared because of the general economic situation during the first half of the year. In spite of all the turbulences, EEX is still clearly in the black. This, in turn, also confirms the route we have selected – of building and constantly reinforcing a solid foundation for the day-to-day business operations, which is based on trust with the highest possible degree of transparency and strong partnerships. This stable basis has paid off for all those involved – in the truest sense of the word.

The last year was also eventful because we have further promoted our development into a group operating both within Europe and internationally through an improved group structure and culture. The project with our French partner Powernext, which was begun in 2008, was formally concluded with the transfer of EEX Power Spot to EPEX Spot in September 2009. As a result of this, we have now established a common and unique model with uniform rules, settlement processes as well as transparency and security standards for spot trading in power in Germany, France, Austria and Switzerland. Regardless of the markets on which they operate, the trading participants receive products and services as a one-stop solution. The Leipzig-based subsidiary EEX Power Derivatives, which bundles German and French derivatives trading in power, fulfils the same requirements. We are proud that the cooperation has now become part of our routine day-to-day work – and is proving its mettle every day.

In parallel with this project, EEX also expanded its co-operation with APX-ENDEX in 2009 – British power futures can now be cleared on the EEX subsidiary European Commodity Clearing AG (EEC) for the first time. Moreover, a co-operation with the Vienna Stock Exchange was established in 2009, in the framework of which ECC has assumed clearing for the new natural gas trading platform at the Central European Gas Hub. In addition, the know-how of the Group is also in high demand for the development of a Hungarian power exchange.

EEX's approach of expanding geographically through partnerships and cooperations, and generating entrepreneurial growth at the same time, has proven successful. Because of our open partnership model, local rules and cultural traditions, provisions and competences can be respected more easily in terms of commercial aspects as well as in terms of the relationships among the employees – without any substantial frictional losses. With this strategy EEX sees itself as being in a very good position with regard to the increasing consolidation of the exchange landscape in the European single market – a market which is increasingly combining and consolidating.



Iris Weidinger, Dr. Hans-Bernd Menzel, Dr. Christoph Mura (from the left)

After a stage of high speed growth and rapid changes, the year 2009 was primarily characterised by the term “consolidation of internal processes and procedures”. The international structure of the Group entailed considerable organisational changes. As a result of these, EEX is now on a very sound footing for further advances as regards the processes, the staff and IT systems. The focus of our activities was on further safeguarding the IT strategy for trading, clearing and settlement as well as the expansion of connectivity. The consolidation process and provision for the future also included the step of establishing a subsidiary of ECC AG in Luxembourg. This step resolves the problem of the input tax surplus in the context of which EEX was regularly obliged to make input tax prepayments of up to a three-digit million range and which, hence, constituted a latent and yet significant financial risk before this step was taken.

During the year under review EEX made a decisive contribution to the establishment of a new, central transparency platform for generation and consumption data. In cooperation with the four German transmission system operators and numerous power plant operators, publication requirements on the basis of the “Congestion Management Guidelines” have been implemented for the first time in this form in Continental Europe (since the end of October 2009) and, at the same time, these are integrated with the existing practice of voluntary publication.

In this way, the new platform improves the comprehensibility of market pricing and strengthens the confidence which the public and the trading participants place in the markets. EEX expressly sees its persistent commitment for the highest possible degree of transparency as a contribution to fostering the development and integration of the European markets.

As regards the market, concentrated work on our product portfolio took centre stage during the year under review. The know-how acquired, which has greatly increased on account of the broad range of products and trading participants we are involved with, has contributed to the decision by the Federal Environment Ministry to award the contract for the execution of the primary market auction for CO₂ emission allowances to EEX for the years 2010 and 2011: This was implemented from January 2010. We see this as yet another confirmation of the validity of the route which we have selected.

It is first and foremost thanks to our trading participants, partners and members of staff that after the many diverse events of the year 2009, we can still say that we achieved satisfactory results. Moreover, the tried and tested down-to-earth cooperation with the national as well as European supervisory and regulatory authorities also contributed to this.

The Management Board would like to thank all the parties involved for their trust, commitment and support – also on behalf of the entire management team – and is looking forward to the new business year of 2010 together with you.

The Management Board



Dr. Hans-Bernd Menzel
Chief Executive Officer (CEO)



Dr. Christoph Mura
Chief Operating Officer (COO)



Iris Weidinger
Chief Financial Officer (CFO)



Report of the Supervisory Board

During the entire reporting period, the Supervisory Board of European Energy Exchange AG (EEX AG) dutifully carried out the tasks with which it was entrusted, according to the applicable legislation and the statutes of the Company, it accompanied the Management Board in the management of the Company in an advisory capacity and monitored the conduct of the business of the Company carefully. The Supervisory Board was directly involved in all decisions and measures which were of essential importance for the Company.

The Management Board of EEX reported to the Supervisory Board on the intended business policy, corporate planning, including financial, investment and human resources planning, the profitability of the Company, the course of the business as well as the current situation of EEX AG and of the Group (including the risk situation and risk management). This was based on the detailed reports by the Management Board rendered both in writing and verbally. The chairman of the Supervisory Board as well as the other

members of the Supervisory Board were also in regular contact with the Management Board of EEX AG other than at the meetings of the Supervisory Board and informed themselves of the current development of the business situation and the essential business transactions.

In total four ordinary meetings were held. In so far as required, the Supervisory Board adopted resolutions by way of circulation.

Work in the Committees

In order to efficiently discharge its tasks the Supervisory Board has established in total two committees. These prepare resolutions to be taken by the Supervisory Board on strategy and human resources matters.

During the period under review the strategy committee held four ordinary meetings and one extraordinary meeting. This committee covered the status of strategic projects in detail and, in this process, discussed possible initiatives for boosting growth. Furthermore, the strategy pursued by EEX Group with regard to trading in natural gas and the IT strategy for the Company were discussed. In addition, current strategic topics were discussed in the ordinary

meetings of the overall Supervisory Board. In the meeting of the Supervisory Board of 3 April 2009 the decision was taken to increase the number of the members of the Strategy Committee from eight to nine members.

The human resources committee consists of three members. It submits the prepared proposals regarding the conclusion or amendments of employment contracts for members of the Management Board comprising remuneration-relevant decisions to the Supervisory Board for adoption. On the occasion of the adoption of the annual report the Supervisory Board discusses and decides on the Management Board's share in profits. The human resources committee prepares these decisions for the Supervisory Board.

Focus of the Work of the Supervisory Board in the Business Year 2009

During the year under review the Supervisory Board convened at a total of four meetings. Moreover, the chairman of the Supervisory Board also discussed subjects which were of special importance for the Group with the members of the Board between the meetings.

During the year under review special emphasis was placed on the financial crisis and its impacts on EEX Group. The Management Board informed the Supervisory Board comprehensively with regard to this.

In the meeting on 3 April 2009, which focused on the annual report, the plenum intensively discussed the annual and consolidated financial statement for 2008 as well as the corresponding management reports, in the presence of the auditor of the annual accounts. The annual and consolidated financial statement for 2008 was approved.

Moreover, the resolution regarding the establishment of a new subsidiary of European Commodity Clearing AG based in Luxembourg for the purpose of the settlement of all physical deliveries in power, natural gas and emission allowances was also adopted during the meeting in April. The newly established European Commodity Clearing Luxembourg S.à.r.l. commenced operations as of the delivery day of 1 October 2009, as had been planned.

The discussion and adoption of resolutions regarding further possible cooperations constituted an essential focus of the work of the Supervisory Board and of the Strategy Committee which prepared its resolutions. An important milestone in the power trading cooperation between EEX AG and Powernext S.A. was reached with the transfer of the Powernext Power Futures to EEX Power Derivatives GmbH as of 1 April 2009. In line with the cooperation agreements, EEX Power Derivatives now continues derivatives trading for power in France. In the field of spot trading, EEX Power Spot GmbH was merged into EPEX Spot SE with effect from 1 September 2009.

The product cooperation with Eurex Frankfurt AG regarding trading in emission allowances, which was launched as early as in 2007, was expanded with trading in power futures and options in November 2009. Furthermore, in November 2009 EEX AG was also awarded a contract by the Federal Environment Ministry regarding the execution of the regular primary

market auction for European emission allowances (EUA) in Germany commencing in January 2010.

In the meeting in December, the adoption of resolutions regarding the budget for 2010 and the medium-term planning from 2010 to 2015 constituted important items on the agenda. In addition, the adjustment of the system for management board remuneration to the new statutory requirements was explained and the rules of procedure of the Supervisory Board were amended accordingly.

In all meetings, the Board intensively dealt with the risk report, which comprises the risk management system as well as operational, strategic and legal risks. On account of the increased complexity of the group structure and of the growing size of the company the Management Board regularly reported on the reorganisation and optimisation of the internal and external processes.

Annual and consolidated financial statement 2009

The Management has prepared the annual financial statement and the management report as well as the consolidated financial statement and the consolidated management report of EEX AG and submitted these to the Supervisory Board at the due time.

PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, Berlin subsidiary, which was appointed as the auditor of the annual accounts and group auditor for the business year 2009 by the general meeting, has audited the annual financial statement as of 31 December 2009 prepared according to the rules of the German Commercial Code (HGB) and the appertaining management report as well as the consolidated financial statement as of 31 December 2009 prepared according to IFRS in the version in which these have to be applied within the EU and the appertaining management report and has certified each of these without qualification.

The reports on the type and extent as well as the result of the audit prepared by the auditor of the annual accounts (audit reports) were submitted to the Supervisory Board. The documents regarding the financial statements referred to as well as the audit reports provided by the annual auditors were submitted to all members of the Supervisory Board at the due time.

The auditor of the annual accounts took part in the meeting of the Supervisory Board on 1 April 2010 and comprehensively reported on the essential findings of the audit.

The Supervisory Board has examined the annual financial statement, the management report as well as the consolidated financial statement and the consolidated management report. As there were no objections, the result of the audit by the auditor of the annual accounts was approved. The Supervisory Board approves the annual financial statement prepared by the Management Board as well as the consolidated financial statement for the financial year 2009. The annual financial statement of EEX AG is, therefore, adopted. The Supervisory Board has approved the Management Board's proposal regarding the appropriation of the balance sheet profit.

Personnel matters of the Management Board

Dr. Christoph Mura commenced his work as Chief Operating Officer on the Management Board of EEX AG on 1 January 2009. He had already been appointed during the meeting of the Supervisory Board on 11 December 2008.

Personnel matters of the Supervisory Board

At the annual general meeting on 25 June 2009 a resolution regarding the reduction of the number of members of the Supervisory Board by three to in total 18 members was adopted. Furthermore, the resolution to fill the seat on the Supervisory Board (which was vacant at the time) with Steffen Köhler, Executive Director in the field of Market Development of Eurex AG, was also taken in that meeting.

Dr. Hartmut Mangold resigned from his office as a member of the Supervisory Board with effect from 30 September 2009. The Supervisory Board thanks Dr. Mangold for his constructive and dependable cooperation both on this Board and on the Strategy Committee.

On behalf of all members of the Supervisory Board I would like to thank the Management Board and all members of staff of European Energy Exchange AG for the work which they have done during the year under review as well as for their contribution to the successful development of the business.

Leipzig, in April 2010

On behalf of the Supervisory Board



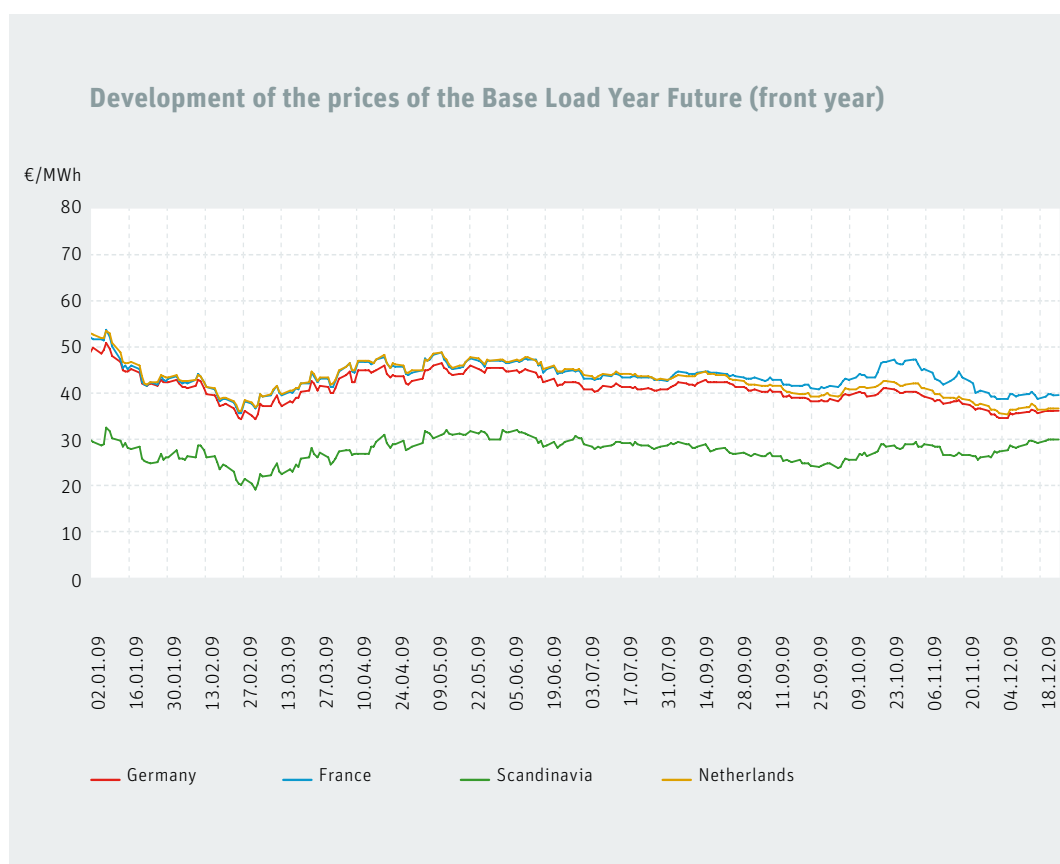
Dr. Jürgen Kroneberg
Chairman of the Supervisory Board

Situation in the Energy Industry

Light at the End of the Tunnel in the Economic Crisis

The year 2009 will be remembered in history as the year with the most severe recession since the Second World War – according to the International Monetary Fund, the global economic output fell by a little more than 1 percent. World trade even suffered a slump of more than 21 percent from the record trading level in April 2008 to the low in May 2009. During approximately the same period the German economy shrank by 9.3 percent – and by almost 5 percent during the entire year 2009.

Nonetheless, a change in trend appeared to emerge as early as in the spring: While in February and March talk of an “economic freefall” of the global economy was still common, the governments of most of the countries affected by the crisis had already intervened to an extent never seen before. They launched economic stimulus packages – which had been frowned upon until that time, they increased capital expenditure, introduced consumption incentives, such as e.g. the scrapping premium for old cars in Germany and other countries, and lowered taxes. In parallel with this, the central banks lowered interest rates to all-time lows. The consequence: The economic situation – and in Germany, in particular, the export industry – rallied again.



The future will tell how sustainable this development is. At least the oil price, as an important indicator of the economic situation, has recovered considerably in the course of the year. Starting from the lowest value for the year at roughly USD 40 per barrel of OPEC oil in January there was a constant upward movement – sometimes with considerable fluctuations in March, July and September. At the end of October the level of USD 80 was reached again and until the end of the year the price ranged around this value. Power and gas prices, on the other hand, displayed a contrary development: Both the power and the gas price reached the highest values for the year in January and then fell to one half (power) of this value or even to one third (gas) of this value on average in the course of the year.

Energy policy relies on a uniform Europe

In terms of the energy policy the year 2009 began just like the year 2008 had ended: The Russian-Ukrainian gas crisis did not only lead to freezing temperatures in numerous eastern and central European households but also spurred the discussion regarding the security of supply in Europe – and the dependency on the supplier countries. According to surveys by the statistical office of the European Union (Eurostat), the European Union already has a degree of dependency on Russian natural gas supplies of 40 percent – and this trend is increasing.

In April, the European Parliament finally adopted the Third Energy Market Package. This package primarily provides for unbundling – even though its original intention of complete unbundling of the energy companies was not achieved. The establishment of the Agency for the Cooperation of European Energy Regulators (ACER), which will commence operations in the Slovenian capital Ljubljana in 2011 and be in charge of the coordination of the national regulatory authorities, constitutes another element of the package.

Finally, the EU climate and energy package took effect in June. In this package, the EU adopted a resolution regarding the increase of the share of renewable energies in the total energy generation to 20 percent. Moreover, energy efficiency is to be improved by at least 20 percent and CO₂ emissions are to be reduced by 20 percent. Europe-wide trading in CO₂ emission allowances constitutes the main tool of this so called “20/20/20” package. At the end of the year, EEX was awarded the contract regarding the execution of EUA auctioning for 2010 and 2011 by the Federal Environment Ministry – and, hence, established a good starting position for itself with regard to auctioning even beyond the second commitment period.

An economic but not a structural problem

At the national level, the revised version of the German Renewable Energies Act (EEG); from which primarily wind and solar energy but also biomass energy and geothermal systems benefit through higher rates of funding, took effect at the beginning of the year. At the same time,

the EEG revision also entailed an amendment of the federal power equalisation mechanism. The transmission system operators are now obliged to market power from renewable energies through the spot market of an exchange. To that end, the German transmission system operators have been licensed as trading participants on EPEX Spot. Exchange trading in EEG power is a political task undertaken in order to integrate renewable energies more strongly into the market structures. The prices, which have been established – partly also as negative prices – make the situation on the market and, thus, the relation between generation and consumption transparent. This means they directly show which effects political decisions have and can constitute the basis for the further development of the framework conditions.

In March the Federal Cartel Office launched a sector inquiry regarding the German power market. To this end, the office sent questionnaires to the 60 biggest companies from the power industry, including large-scale industrial consumers which have their own power generation facilities. The aim of this inquiry: an unbiased analysis of the market in order to develop a better understanding of pricing.

In September CDU/CSU and FDP won the majority of the seats in the elections for the 17th German Bundestag and, thus, replaced the CDU/CSU and SPD grand coalition which had been in power since 2005. Apart from the discussion regarding the pros and cons of the withdrawal from the nuclear energy programme adopted in 2000, which has been quite intense since then, the further details of the energy policy concepts are largely uncertain so far. The government coalition announced an energy policy master plan to be published in October 2010. In December, the European Union obtained a new fundamental treaty with the Lisbon Treaty. Only a few days prior to that, in November, Federal Chancellor Angela Merkel appointed Günther Oettinger the new German Commissioner in Brussels. Günther Oettinger, who previously served as Prime Minister of Baden-Württemberg, will head the Energy Department of the European Commission.

Overall, the economic and financial crisis has also left its mark on EEX. In the course of the year, declines in both trade volumes and sales as well as profits were recorded. In this context, the reluctance which financial institutions displayed in derivatives trading could not be fully offset by the reinforced activity of energy companies. Nonetheless, the growth strategy should be continued without any changes – from the perspective of EEX, the current development is only a reflection of cyclical problems of the economy but by no means a reflection of a structural problem. For this reason, the further expansion of natural gas trading on the exchange also constitutes an important item on the agenda. In addition to the exchange's own activities, this also includes the latest initiatives by the Federal Network Agency aimed at creating a uniform market for natural gas trading in Germany by reducing the number of market areas. In October, NetConnect Germany GmbH & Co. KG (NCG) became the first gas transmission system operator to be admitted to trading on EEX and, hence, the precondition for exchange trading in control energy was created.

Responsibility of the market leader

Despite the difficulties, EEX managed to expand its position as the energy exchange in Europe with the highest sales and the biggest number of trading participants. In the course of the harmonisation of the European energy markets (which will gain in speed over the coming years) this also leads to a special responsibility. We have seen – not least in times of crisis – that confidence and transparency constitute the key to well-functioning markets and market platforms. EEX accepts and fulfils this responsibility with its new transparency platform for power generation data – www.transparency.eex.com and, thus, makes a further contribution to the development and integration of the European markets.

The proposals by the European energy and financial market regulators (ERGEG and CESR) aimed at improving the transparency and market integrity of the wholesale power and natural gas market are also in line with the platform's aim of strengthening the confidence which the public and the trading participants place in the market. On the basis of the recognition that the current degree of financial market regulation is insufficient for covering the conditions on the energy market, the institutions commissioned by the European Commission propose a fundamental and tailor-made legal framework against market abuse in the energy sector. The proposal for a harmonised transparency model constitutes the core concept in this context: All European trading platforms – whether exchanges or other platforms (OTC) – are to publish information on the trading transactions concluded. In EEX's view, the influence and role model function of the transparency model which it has developed and expanded for many years is clearly discernible. And this, in turn, also constitutes a confirmation of EEX's vision of setting benchmarks on a European level.

The year at a glance

1 January	Dr. Christoph Mura becomes new Chief Operating Officer (COO) of EEX.
6 January	EPEX Spot website goes on-line.
8 January	ECC announces extension of the clearing contract with Deutsche Börse Systems.
16 January	60 th participant admitted to trading in natural gas on EEX.
12 March	EEX Exchange Council establishes Sanctions Committee.
1 April	The integration of the Powernext power futures into EEX Power Derivatives GmbH is concluded.
25 May	New EEX Exchange Council elected for three-year term of office.
15 June	Dr. Günther Rabensteiner is re-elected as chairman of the Exchange Council.
23 June	ECC announces establishment of a Luxembourg-based subsidiary.
15 July	EEX launches 1 MW day-ahead auction on the Spot Market for Natural Gas.
1 September	The merger of the EEX and Powernext Power Spot Markets into EPEX Spot is formally concluded.
2 October	ECC takes over clearing and settlement of UK Power Futures which are offered by APX-ENDEX.
6 October	EEX welcomes NetConnect Germany as a new trading participant on the Spot Market for Natural Gas.
30 October	New “Transparency in Energy Markets” transparency platform goes live.
9 November	EEX receives the Energy Business Award 2009 as the “Energy Exchange of the Year”.
18 November	EEX is awarded the contract by the Federal Environment Ministry regarding auctioning of the European emission allowances (EUA) for Germany.
25 November	EEX and Eurex expand their cooperation to power derivatives – Phelix products can also be traded by Eurex customers from now on.
11 December	ECC launches clearing and settlement of natural gas transactions on the new CEGH Gas Exchange of the Vienna Stock Exchange.

1st quarter

— At the beginning of the year ECC announced the early extension of the clearing contract concluded with Deutsche Börse Systems for another five years and, hence, creates long-term planning security for its participants and partners. In January, the 60th trading participant was admitted for natural gas trading on EEX. At the E-world energy & water in February, EPEX Spot, the joint spot trading company of Powernext and EEX, was present for the first time on the EEX stand.

2nd quarter

— With the transfer of the Powernext power futures to EEX Power Derivatives GmbH as of 1 April, a fundamental milestone in the cooperation between EEX and Powernext is reached. As scheduled, the trading participants elected a new Exchange Council: Dr. Günther Rabensteiner is re-elected and assumes the function of the Chairman of the Exchange Council for another three-year term of office. At a press conference in June ECC announces the establishment of its Luxembourg-based subsidiary.

3rd quarter

— In July EEX launches the day-ahead auction on a 1 MW basis on the Natural Gas Spot Market, specifically to enable companies with a low consumption or a small customer portfolio to take part in trading. The merger of the EEX and Powernext Power Spot Markets into the joint EPEX Spot is concluded formally as of 1 September. In September, the Exchange Council of EPEX Spot convenes for its first meeting in Paris.

4th quarter

— The new transparency platform on which voluntary generation data is reported in addition to the information required according to statutory rules goes on-line, following a period of intense preparation. EEX is awarded the “Energy Exchange of the Year 2009” prize. Moreover, the exchange is awarded a contract by the Federal Environment Ministry regarding primary market auctioning of the European emission allowances in Germany for the years 2010 and 2011. In December, ECC launches clearing and settlement for the new gas exchange in Austria.

Transparency Balance Sheet

Report by the Exchange Council

— In the year 2009 the further evolution of EEX from being solely the German power exchange into becoming the European energy exchange once again characterised the activity of its Exchange Council (as a supervisory body under public law).

In compliance with the new legal framework conditions, the Exchange Council elected Prof. Dr. Ulrich Ehricke of the University of Cologne and Prof. Dr. Jürgen Kühling of the University of Regensburg as co-chairmen of the newly established Sanctions Committee at its first meeting of the year.

The Sanctions Committee's task is to investigate and, if required, punish violations of statutory rules and the rules of the exchange – in particular of the provisions of the Code of Conduct – by trading participants. It can issue reprimands, impose fines of up to EUR 250,000 or suspend participants from the exchange for up to 30 trading days.



On the basis of the amended Saxon Ordinance regarding Exchange Council Elections, the trading participants elected a new Exchange Council in May 2009, thus complying with the schedule detailed in the ordinance.

In my capacity as the previous and re-elected chairman of this body I would like to use this opportunity to thank my colleagues who have left the Exchange Council very much for their commitment and also to invite the new members to actively participate in the work on the Exchange Council – also with regard to the commitment they have entered into.

The Exchange Council now comprises 24 members, thus, adequately representing the various interest groups and relevant sections of the business community: In addition to the trading participants with 19 elected members from various groups (national and international energy trading companies, municipal utilities and regional suppliers, brokers and financial service providers as well as commercial consumers), four representatives of associations and one investors' representative are members of the Exchange Council. The Exchange Council primarily adopts the rules and regulations of the exchange and

developments thereof. Furthermore, it appoints and monitors the Management Board of the Exchange and appoints the head of Market Surveillance.

In order to promote liquidity in gas trading, the Exchange Council made an amendment to the rules and regulations so as to introduce day-ahead auctions on the Natural Gas Spot Market with reduced minimum lot sizes in the NCG and GUD market areas. Furthermore, the contract specifications required in order to facilitate exchange trading for the entire GASPOOL market area, (as of the new gas business year 2009/2010), were approved.

Moreover, we would like to highlight the success which EEX attained in the autumn when it was awarded the order for regular primary auctioning of EUA emission allowances (from January 2010 onwards) by the Federal Environment Ministry. The Exchange Council approved the amendments of the rules and regulations proposed by the Management Board of the Exchange.

In keeping with the Exchange Council's request for further transparency initiatives by EEX, the new transparency platform for generation and consumption data was inaugurated in the autumn of 2009, as an important milestone and also as a role model for all other regions in Europe.

The integration of the Power Spot Markets of EEX and Powernext constituted a special focus in the deliberations of the EEX Exchange Council during the past year. The successful merger into EPEX Spot SE in the autumn of the year testifies to the success of the approach of the cooperation of the bodies of the exchanges on the basis of the EEX rules and regulations as devised by EEX. The establishment of an Exchange Council at EPEX Spot in Paris will support the development of the EEX initiative in line with the market in the best possible way.

In choosing the direction to be taken in 2010, the Exchange Council adopted a roadmap for the further development of existing products and the launch of new products in its last meeting during the challenging, yet successful year 2009.



Dr. Günther Rabensteiner
Chairman of the Exchange Council

Members of the Exchange Council		
NAME	COMPANY/ASSOCIATION	FUNCTION
Phil Atkinson	ICAP Energy AS	Managing Director
Sven Becker	Trianel GmbH	Member of the Management Board
Pierre Chevalier	DB Energie GmbH	Head of Energy Trading/Portfolio/ Risk Management
Paul Dawson	RWE Supply & Trading GmbH	Head of Market Design & Regulatory Affairs from 10 June 2009
Marc Ehry	PCC Energie GmbH	Chief Executive Officer
Felix Ernst	Deutsche Bank AG	Director, European Power & Gas Origination from 10 June 2009
Paul Goodhew	UBS Limited	Director, Head of European Energy ETD from 10 June 2009
Ralf Henze	Stadtwerke Hannover AG	Head of Energy Trading
Peter Heydecker	Alpiq Holding AG	Executive Board Member
Dipl.-Ing. Wilfried Köplin*	BDI – Bundesverband der Deutschen Industrie e. V.	Head Corporate Energy Policy & Reporting; Bayer MaterialScience AG
Prof. Dr.-Ing. Albert Moser	Institute of Power Systems and Power Economics at RWTH Aachen	Head of Institute from 10 June 2009
Dr. Günther Rabensteiner	VERBUND – Austrian Power Trading AG	Chairman of the Management Board
Charles Rankin	Morgan Stanley	Managing Director from 3 December 2009
Dr. Michael Redanz	24/7 Trading GmbH	Managing Director from 10 June 2009
Edgar Röck	TIWAG – Tiroler Wasserkraft AG	Head of Energy Trading
Kai Seela	Vattenfall Trading Services GmbH	Head of Power & Emissions Trading from 10 June 2009
Dr. Peter Sentker*	VIK – Verband der Industriellen Energie- und Kraftwirtschaft e. V.	Director Procurement, Hanson UK
Andrea Vittorio Siri	Edison Trading S.p.A.	International Power Trading Manager
Vincent van Lith	BHF-BANK Aktiengesellschaft	Managing Director
Dr. Bernhard Walter	EnBW Trading GmbH	Senior Manager Lobbying & Regulatory Affairs
Lars Wlecke	E.ON Energy Trading AG	Head of Trading Western Europe
Leonardo Zannella	Enel Trade S.p.A.	Head of Trading from 10 June 2009
Dr. Hans-Joachim Ziesing*	Verbraucherzentrale Bundesverband e. V.	Managing Director, Working Group Energy balances, registered association
Dr. Andreas Zuber*	BDEW – Bundesverband der Energie- und Wasserwirtschaft e. V.	Head of Energy Trading Division from 11 May 2009

* Representatives of associations

As of 31 December 2009

Exchange Supervisory Authority		
NAME	COMPETENT AUTHORITY	TITLE
Raimund Huber	Saxon State Ministry for Economic Affairs, Labour and Transport	Head of the Exchange Supervisory Authority
Volker Zuleger	Saxon State Ministry for Economic Affairs, Labour and Transport	Senior Consultant (Deputy)
Juliane Schwanz	Saxon State Ministry for Economic Affairs, Labour and Transport	Senior Consultant
Julia Braun	Saxon State Ministry for Economic Affairs, Labour and Transport	Consultant

Transparency concept continuously established on the market

— In 2009 the European Energy Exchange (EEX) made a decisive contribution to increased transparency on the European power market: Following two years of preparations, a new Internet platform for power plant, wind and consumer data was made available on 30 October at the following URL: www.transparency.eex.com. This platform replaced the publication of power plant data on EEX's website, which had been the practice until that time. The new platform, which is based on a joint initiative of EEX, the four German transmission system operators (TSOs) – Amprion GmbH, EnBW Transportnetze AG, transpower stromübertragungs gmbh and 50Hertz Transmission GmbH, ensures a considerable increase in the comprehensibility of market pricing. Legal and technical issues in connection with the new transparency platform were intensively discussed and resolved by an expert group established at the German Association of the Energy and Water Industries (BDEW) together with individual power plant operators, the German Association of the Energy and Power Industry (VIK) and the German Association of Local Utilities (VKU). The confidence which the public and the trading participants place in the markets is further strengthened by this joint project – which is, at the same time, a further milestone in the development and integration of the European markets.

Right from the outset, a modular structure was consciously chosen for the platform system. This guarantees that further data from the energy industry can be added and included in the information offering without any problems in the future. Moreover, expansion to include further trading participants and countries – such as, for example Austria – is both possible and desirable.

Further improvement in the overview through www.transparency.eex.com

Compared with the rather fragmented publication practice pursued by individual companies, www.transparency.eex.com provides a centralised transparent presentation of the data and an improved overview of the overall situation on the market. The broad range of the platform's portfolio covers a large part of the information which is directly or indirectly relevant with regard to prices. For example, power plant operators report their data regarding installed generation capacity, scheduled and unscheduled outages as well as on the shut-down of systems and the planned and actual power generation. Unfortunately, no consumer has used the possibility of submitting information on consumption so far. In addition, the transmission system operators provide the market with the forecast prepared by them with regard to the expected power generation as well as with information on the actual power generated from wind energy. They, thus, also fulfil their transparency requirements in the framework of marketing of quantities of EEG power. The corresponding information regarding the forecast

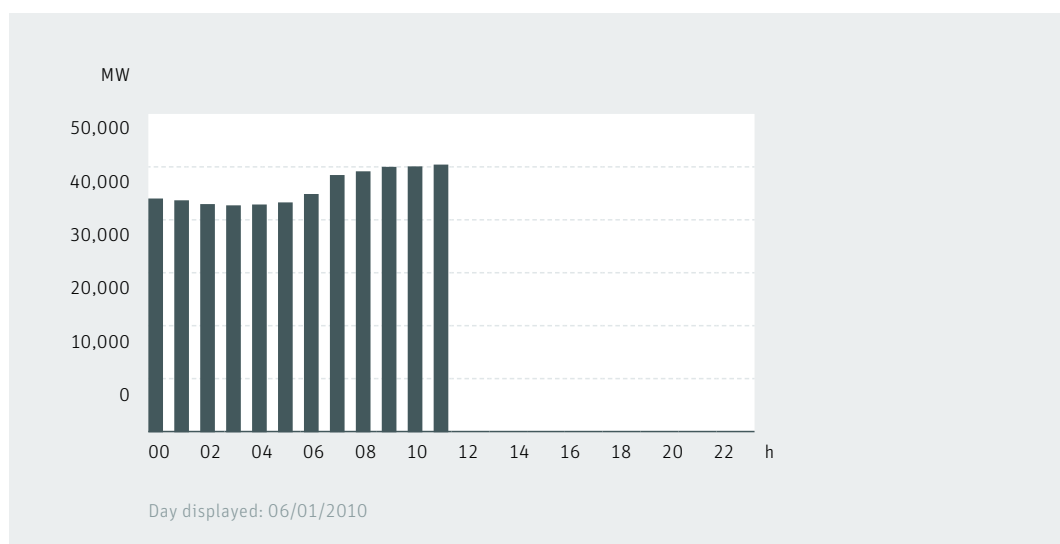
and the actual generation of solar power will also be published once the corresponding thresholds have been reached (this is expected to be in the near future).

With this comprehensive information offer all the parties involved do not only fulfil the European as well as national statutory and regulatory requirements – they even go considerably beyond these on a voluntary basis. For example the power plant operators have decided to continue their tried and tested voluntary publications which they have published on the current transparency pages of EEX so far. The category “Voluntary Commitment of the Market Participants” provides information on the actual power generation which is broken down according to the primary energy carrier of the generation facilities in addition as well as the status of the generation capacity available for the next 365 days, which is constantly updated on a daily basis.

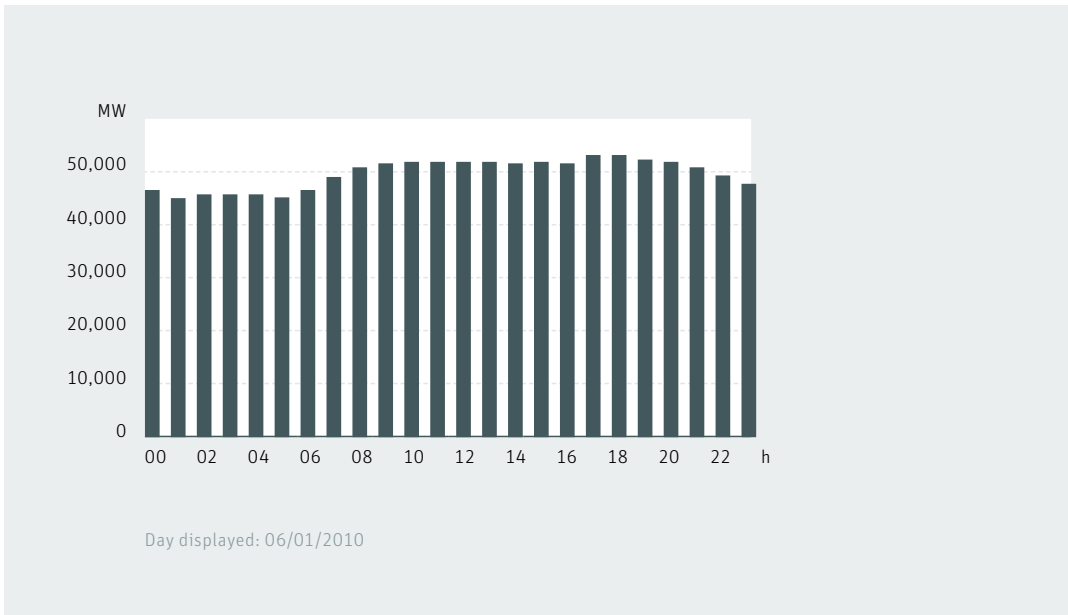
After half a year of operation the platform has already reached a degree of coverage of 75.21 percent for Germany with in total twelve reporting companies. Those companies which are not yet reporting are called upon to take part in the platform and to increase the degree of coverage even more.

In addition to the resolution of technical questions, the topic of security constituted a special challenge in developing the platform. The fully automated platform ensures that the reporting companies are identified and that the communications are valid and accurate and, moreover, it also safeguards the required confidentiality and data security via an individual public key infrastructure. As a result of this, the security architecture is exactly at the current and high level which both EEX and the four transmission system operators had placed high value on from the start of the project stage, because of the sensitivity of the data and the complex framework conditions.

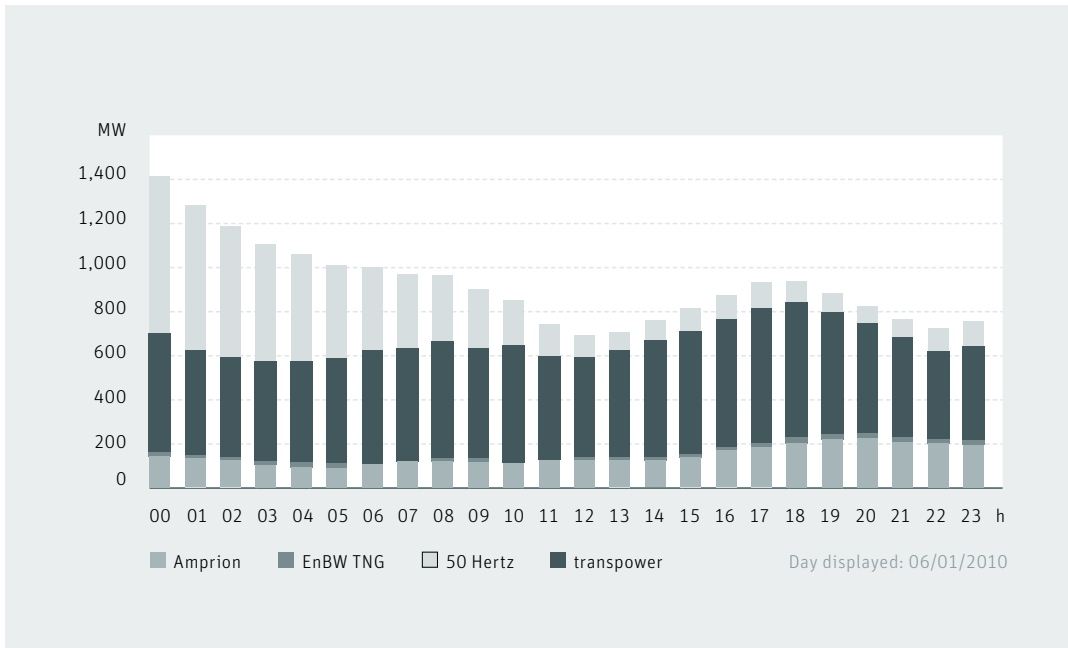
The platform www.transparency.eex.com is jointly supported by EEX and the transmission system operators, with the exchange assuming operational control and financing of the platform.



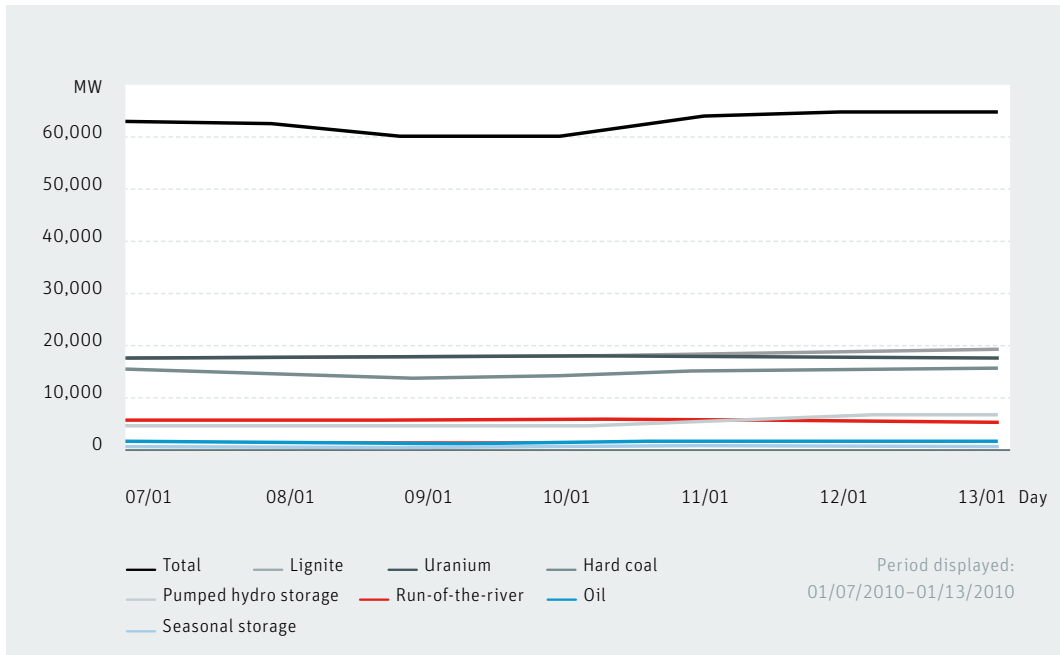
Aggregated ex-post information on actual generation \geq 100 MW



Aggregated ex-ante information on planned generation ≥ 100 MW



Aggregated ex-ante information on the expected generation from wind energy



Ex-ante information on availability – including generation facilities with a net output of ≥ 100 MW



Reporting companies

Code of Conduct expanded

The expansion of the Code of Conduct adopted in 2008, both regionally and in terms of contents, constituted the second focus of the year 2009. In addition to the general rules of conduct for the trading participants towards the public and their customers, the Code of Conduct, in particular, specifies requirements and prohibitions banning any form of manipulation of exchange trading and the exchange prices as well as the unfair use of the exchange and its facilities. As a result, EEX has now closed loopholes, which the legislature has not itself so far covered sufficiently for the energy market, in the framework of EEX's right of self-administration. As described in the preamble, it was EEX's declared aim at the time to position this best-practice standard as a stimulating example and role model in the framework of the development of the legislation for Europe in the medium to long term. EEX and Powernext have now taken an important step in this direction in the framework of their cooperation. For example, the Paris-based EPEX Spot SE adopted the Code of Conduct previously adopted and fully validated by EEX as a fundamental element of its rules and regulations. This considerably reinforces EEX's reputation of having a pioneering role in disseminating the requirements of joint responsibility of the exchange and its trading participants for a fair and transparent energy market as an element of the rules and regulations of exchanges – particularly in a European context.

In the context of an ordinance promulgated by the Exchange Supervisory Authority in charge of EEX – the Saxon State Ministry for Economic Affairs, Labour and Transport, EEX established a Sanctions Committee as an additional independent body of the exchange in March 2009. The Sanctions Committee has the task of punishing violations of statutory provisions or rules of the exchange – and in particular of the Code of Conduct – by trading participants following a request to that end by the Management Board of the Exchange or the Exchange Supervisory Authority. The Sanctions Committee can reprimand a trading participant or impose a fine of up to EUR 250,000 or even suspend a trading participant from trading on the exchange for up to 30 trading days, in the case where the trading participant has violated provisions under exchange legislation intended to safeguard the proper execution of trading on the exchange or the proper settlement of exchange transactions negligently or with intent to defraud.

The fact that EPEX Spot and EEX each have their own Exchange Council and their own, independent Market Surveillance bodies once again underlines the fact that they have a pioneering role in Europe. These independent bodies ensure that the latest “state of the art” over the rules regarding corporate governance is developed and complied with. The Exchange Council is a board that represents the trading participants with regard to the corporate management of EPEX Spot particularly concerning decisions which are of essential importance for the market. Furthermore, it fully adopts the fundamental principles of the market rules and, hence, strives to ensure the quality of these rules. The Market Surveillance is in charge both of monitoring compliance with these rules and the statutory provisions regarding exchange trading. Neither of these bodies are required under French legislation; however, they were consciously implemented in the framework of the cooperation agreement under private law.

With their application for admission to the market platform, the trading participants on EPEX Spot accept this design based on civil law – which constitutes a model which could probably also be transferred to the other 25 legal systems in Europe in a similar form without any great degree of alteration.

Independent Market Surveillance at EEX

The Market Surveillance with its staff of four is an independent and autonomous body of the exchange within the meaning of the German Exchange Act – in addition to the Exchange Council, the Sanctions Committee and the Management Board of the Exchange. It is only subject to the instructions by the Exchange Supervisory Authority – in the case of EEX, the Saxon State Ministry for Economic Affairs, Labour and Transport (SMWA) in Dresden. This safeguards the objectivity and neutrality of the Market Surveillance as well as its independence from other bodies of the exchange and, from a legal perspective, of the company operating the exchange.

The Market Surveillance (HÜSt) has the task of monitoring that trading and pricing are effected on a fair and manipulation-free basis and that the trading participants comply with the rules of the exchange – and, in particular, the Code of Conduct. To that end, HÜSt records all the data regarding exchange trading and the settlement of exchange trades – if possible without any gaps – on a daily basis. The data is analysed and any suspicious facts and circumstances found are investigated. The consistency of pricing and the question whether there are indications for collusion among the trading participants constitute the focus of these daily investigations. If that is suspected to be the case – or if there are other unusual patterns in the trading process – HÜSt independently launches its own investigations. At the instance of the Management Board of the Exchange or the Exchange Supervisory Authority, the results can then lead to proceedings before the newly established Sanctions Committee.

Moreover, HÜSt carries out special investigations in response to specific situations, in addition to those seen in the daily trading activities. In these investigations, it analyses the market behaviour, market structures and market strategies of individual participants or certain groups of participants. On the one hand, suspicious facts and circumstances which emerge in the course of daily monitoring of trading or an instruction by the Exchange Supervisory Authority constitute the cause and legal precondition for these special investigations. On the other hand, HÜSt also responds to external events and information – this expressly also includes reports in the media.

In order to fulfil these tasks, HÜSt has far-reaching investigative powers. It has access to all the data regarding trading and settlement. This data is analysed with the help of automated processes and also by manual inquiries. Moreover, the German Exchange Act grants HÜSt very extensive information rights. For example, the Market Surveillance can request certain information and the submission of documents from the trading participants without a specific reason being given for this. Moreover, it is also entitled to enter the trading participants' prop-

erties and business premises during normal business hours. These rights that HÜSt has apply to everyone – regardless of whether or not the party concerned is a trading participant. Of course, this is based on the precondition of suspicious facts indicating that rules and orders under exchange law might have been violated which, in turn, might have an adverse effect on exchange trading or the settlement of exchange transactions.

HÜSt reports to the Exchange Supervisory Authority or the Management Board of the Exchange regarding its activities and findings on a regular basis or in response to specific incidents. In addition, HÜSt also has to inform the Federal Financial Supervisory Authority (BaFin) of incidents, such as violations of the ban on insider trading or attempted cases of market manipulation. Moreover, it regularly communicates with national, European and international authorities – in particular in the fields of exchange and financial market supervision, energy regulation and competition authorities. In this context, the members of staff of HÜSt are, as just one example, increasingly needed as experts who can present and explain the entire monitoring model of EEX at a European and international level.

The catalogue of the rights of HÜSt was confirmed and expanded by an amendment to Art. 7 of the German Exchange Act. HÜSt is now authorised to look into the commercial background to an OTC transaction registered on the exchange and to carry out investigations with regard to this.

Finally, the Market Surveillance Offices of EEX and EPEX Spot concluded a cooperation agreement safeguarding permanent comprehensive collaboration and mutual support for both of these bodies in the year 2009.

Comprehensive supervision at a national and international level

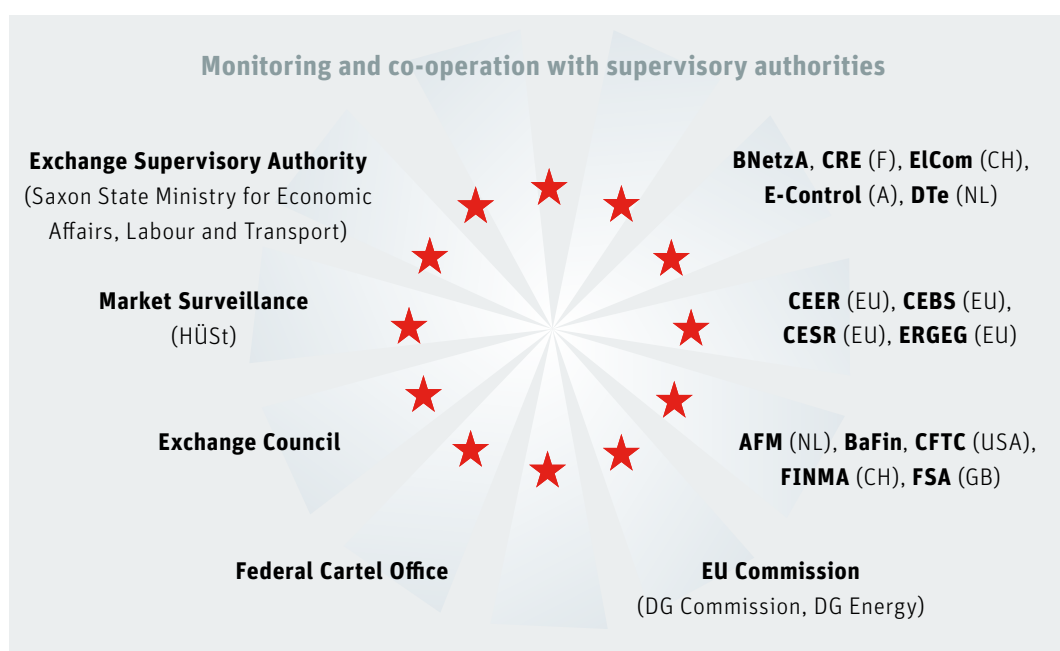
EEX is one of the trading platforms subject to the most comprehensive supervision both at a national and international level. At the national level, the supervision mechanisms are based



on a structure which is unique in Europe: While the company operating the exchange is a public limited company under private law, the exchange as such is an institution under public law which is subject to the German Exchange Act (see figure on page 47). This means the same strict quality and supervision criteria which apply to any other conventional stock exchange in Germany also apply to EEX – and have done so since the establishment of EEX.

On account of the fact that 195 participants from 19 countries are licensed as trading participants today, EEX is involved in an equally intensive dialogue with the political sector and the supervisory authorities both at the level of the EU and beyond. In this context, the license given by the American Commodity Futures Trading Commission (CFTC), permitting EEX to license trading participants based in the USA for trading on EEX, in particular, needs to be mentioned.

At the EU level, the work primarily takes place in forums – such as the Florence Forum or the Madrid Forum. The declared aim of these forums is to foster the liberalisation of the European wholesale energy markets through a transnational regional approach.



Transparency in pricing – far beyond statutory requirements

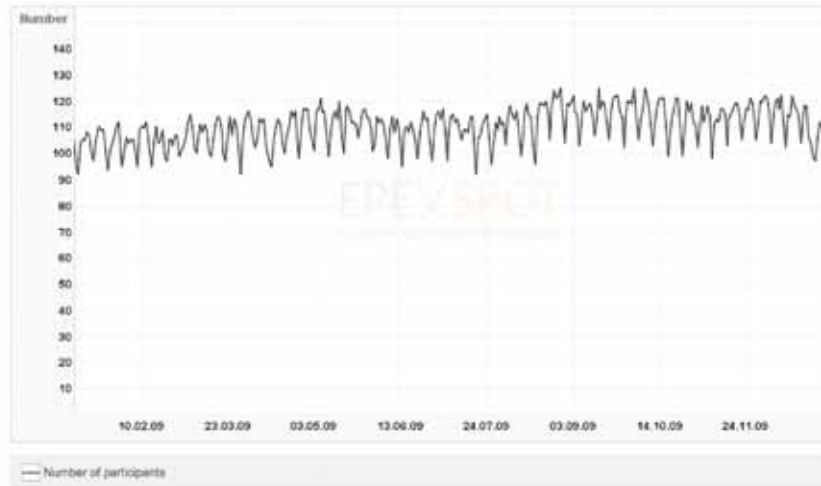
EEX endeavours to make pricing on its Spot and Derivatives Markets as transparent as possible. To that end, the data regarding exchange trading are made available on the website www.eex.com and in the download area of the website promptly. This enables the market to better recognise liquidity, pricing and bidder behaviour and to draw conclusions from this with regard to the further development of prices. At the same time, the EEX website provides additional information – which considerably exceeds the level of information required by the

Transparency Information

Spot Market (power) | Buyers | 2009/01/01 - 2010/01/01

Number of buyers per delivery day across all TSO zones of EEX for the market area Germany/Austria.

Spot Market | Derivatives Market | Market Maker



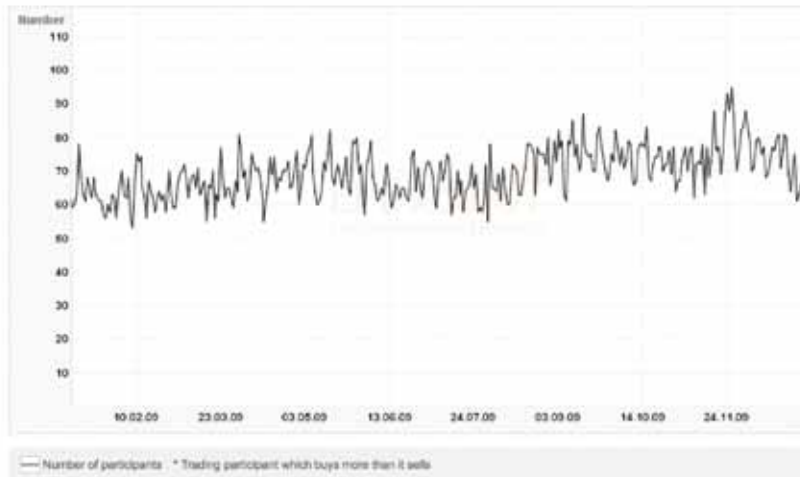
Number of buyers per delivery day across all EPEX TSO zones for the German/Austrian market area.

Transparency Information

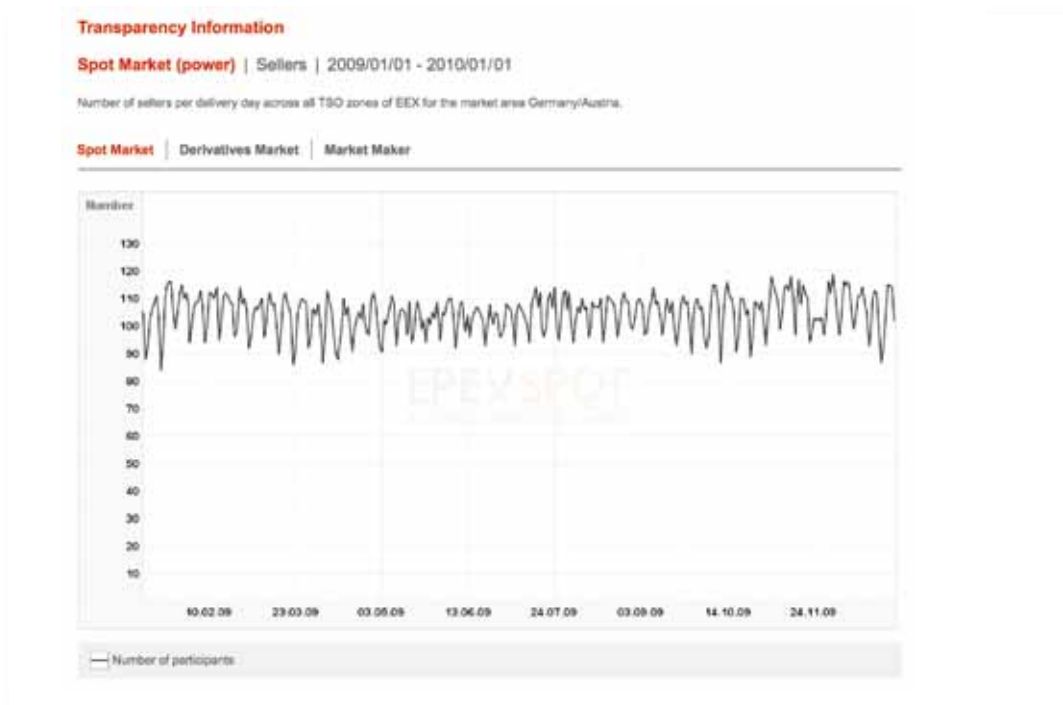
Spot Market (power) | Net buyers | 2009/01/01 - 2010/01/01

Number of net buyers* per delivery day across all TSO zones of EEX for the market area Germany/Austria.

Spot Market | Derivatives Market | Market Maker



Number of net buyers per delivery day across all EPEX TSO zones for the German/Austrian market area.



Number of sellers per delivery day across all EPEX TSO zones for the German/Austrian market area.



Number of net sellers per delivery day across all EPEX TSO zones for the German/Austrian market area.



Presentation of the market makers' share in the total sales on the Power Derivatives Market.

legislator – of course, without violating the Exchange Act in doing so – under the heading “Transparency”. For example, the net sellers on the Power Spot Market – i. e. those trading participants selling more than they buy – as well as the trading participants with the highest sales and the sales levels generated by the market makers can be determined with just one mouse click.

The publication of details regarding market making on the EEX website is another element leading to greater transparency. Market makers are defined as those trading participants which comply with obligations to quote in power trading on the Derivatives Market established in separate agreements, which are available as trading partners on every exchange trading day and, hence, safeguard basic liquidity by means of this. On the one hand, the information refers to the products with regard to which the market makers have entered into obligations to quote; on the other hand, the information also refers to the obligations to quote as such. These are defined as the conditions regarding time, quantity and price at which the market makers have to place binding buy and sell orders.

The share of the market makers in the total turnover on the Power Derivatives Market is published on the EEX website; it amounts to less than ten percent today.

In addition to the market makers, so-called fast-market situations are also reported on the EEX ticker. Such a situation exists if prices change very quickly and with high upward or downward fluctuations within a short period of time. During a fast market situation the market makers can quote with twice the spread in order to fulfil their obligations.

Derivatives Market: Exchange owned data		
INFORMATION	TIME FRAME	PUBLICATION
Open order book	During the trading hours	Up-to-date (t + 15 min.) on the EEX website, immediately in the trading system
Prices and volumes of products on the Derivatives Market (current trading data) and OTC prices and volumes	During the trading hours	Up-to-date (t + 15 min.) on the EEX website, immediately in the trading system
Data on a daily basis, for all contracts (volume traded, number of contracts traded, price upon opening of the market, highest price, lowest price, last price, settlement price, open interest)	For the day	After the end of the trading day
Number of active trading participants (EEX and OTC) on the basis of the trades per day across all Phelix Futures contracts	View on a weekly, monthly, quarterly and yearly basis	Publication on the website of EEX at 9:00 am on the following delivery day
Average share of the five trading participants with the highest sales in trading (buy and sell side) per trading participant across all trades in Phelix Futures contracts (EEX)	View on a weekly, monthly, quarterly and yearly basis	Publication on the website of EEX at 9:00 am on the first exchange trading day for the past month
Average share of the five trading participants with the highest sales in trading (buy and sell side) per trading participant across all trades in Phelix Futures contracts on a monthly basis (EEX/OTC)	View on a weekly, monthly, quarterly and yearly basis	Publication on the website of EEX at 9:00 am on the first exchange trading day for the past month
Presentation of the market makers' share in total sales on the Power Derivatives Market	View on a weekly, monthly, quarterly and yearly basis	Publication on the website of EEX at 9:00 am on the first exchange trading day for the past month
EUA Primary Auction Derivatives	On Wednesday (delivery upon expiry of the future)	Up-to-date publication on the website of EEX; additional publication in the download centre after the end of trading

Spot Market: Exchange owned data

INFORMATION	TIME FRAME	PUBLICATION
Intra-day Power Trading prices and volumes per hour	For the same delivery day	Publication after the end of trading in the download centre
Phelix Base/Peak incl. prices and volumes per hour	For the next delivery day	Accessible via the trading system right away; additional publication on the EEX website and in the download centre 50 minutes after the auction
Phelix Base/Peak prices	For the next delivery day	Approx. two minutes after the determination of the price on the website of EEX in the EEX Ticker
Swissix Base/Peak incl. prices and volumes per hour	For the next delivery day	Accessible via the trading system right away; additional publication on the EEX website and in the download centre 50 minutes after the auction
Swissix Base/Peak prices	For the next delivery day	Approx. two minutes after the determination of the price on the website of EEX in the EEX Ticker
Aggregated bid curves of the hourly auctions on power (FTP server, information product clients only)	For the next delivery day	Publication at 9:00 am of every exchange trading day for the previous trading day
Carbon Index (Carbix) – auction price established for CO ₂	For the same trading day (delivery t + 1)	Publication on the website of EEX immediately after pricing
CO ₂ continuous trading – prices and volumes, settlement price	For the same trading day (delivery t + 1)	Up-to-date publication on the website of EEX; additional publication in the download centre after the end of trading
Cogeneration index	For the preceding quarter	Publication on the website of EEX, immediately after the end of the quarter
Gas prices for the GASPOOL (formerly GuD) and NCG market areas including volumes	For the next and the next-but-one delivery day	Up-to-date (t + 15 min) publication on the website of EEX and in the download centre after the end of trading
Number of active trading participants per delivery day across all TSO zones of EEX/EPEX for the German/Austrian market area	View on a weekly, monthly, quarterly and yearly basis	Publication on the website of EEX at 9:00 am on the following delivery day
Number of sellers per delivery day across all TSO zones of EEX/EPEX for the German/Austrian market area	View on a weekly, monthly, quarterly and yearly basis	Publication on the website of EEX at 9:00 am on the following delivery day
Number of buyers per delivery day across all TSO zones of EEX/EPEX for the German/Austrian market area	View on a weekly, monthly, quarterly and yearly basis	Publication on the website of EEX at 9:00 am on the following delivery day
Number of net sellers per delivery day across all TSO zones of EEX/EPEX for the German/Austrian market area	View on a weekly, monthly, quarterly and yearly basis	Publication on the website of EEX at 9:00 am on the following delivery day

Number of net buyers per delivery day across all TSO zones of EEX/EPEX for the German/Austrian market area	View on a weekly, monthly, quarterly and yearly basis	Publication on the website of EEX at 9:00 am on the following delivery day
Average share of the five trading participants with the highest sales in trading (buy and sell side) per trading participant	View on a weekly, monthly, quarterly and yearly basis	Publication on the website of EEX at 9:00 am on the following delivery day
EUA Primary Auction Spot	On Tuesday (delivery t + 1)	Up-to-date publication on the website of EEX; additional publication in the download centre after the end of trading

Dedicated commitment to confidence building and fair competition

Since its establishment EEX has seen confidence building as a requisite and hence an ongoing process. For this reason, it has countered the discussion regarding intransparent market structures which, by now, tends to come up somewhat less frequently with more and more information. With its overall package for the publication of prices and volumes at www.eex.com as well as the provision of further market-specific and price-relevant information on the www.transparency.eex.com platform, EEX provides a comprehensive set of data which facilitates conclusions regarding the situation on the market and regarding pricing. In this way the exchange creates – and at the same time is – a precondition for fair competition.

Continuous trust building also includes a committed dialogue with the public right from the outset. In this process, EEX has the very important task of explaining the function and the business model of an energy exchange. Moreover, it is increasingly called upon to supply information as a trusted source of information and a knowledgeable authority for the markets for which it stands. This professional communication ability is reflected in many contexts: at events for representatives of the political sector, business and the interested public – who all can obtain information on the workings of the exchange on site in Leipzig. EEX also participates in conventions, international forums, conferences, trade fairs and workshops. At the same time, the dialogue with the media also has very great importance: In 2009 a large number of research requests and requests for interviews were dealt with. This was all in addition to the comprehensive and up-to-date provision of information on the latest developments (and of continuous information regarding trade volumes) in approximately 60 press releases issued to the German and international media.

Report of the Market Surveillance

— The year 2009 was a year of co-operation and development. The completion of the take-over of the French Power Derivatives Market by EEX in April and the integration of the EEX Power Spot Markets into the Paris-based joint-venture company EPEX Spot SE in September created new and challenging tasks for the EEX Market Surveillance (HÜSt).

On the one hand, it had to familiarise itself with the special characteristics of the French power market, while, on the other hand, the cooperation with the newly established EPEX Spot Market Surveillance had to be implemented and the communication with the competent supervisory authorities on the German and the French sides had to be coordinated. At the national level, the co-operation with the Exchange Supervisory Authority, the Saxon State Ministry for Economic Affairs, Labour and Transport, was intensified further in the framework of reporting and in various workshops on specific subjects as well as through regular meetings.

Resulting from the development of the concept and following on from the specification, programming and comprehensive test runs during the preceding year, the new Market Surveillance Monitoring System (MSMS) has now been used since the beginning of 2009. This system

creates a sustainable and open solution and essentially simplifies the analysis of the data volume (which is increasing continuously on account of the growth of EEX). Compared with its predecessor system, the MSMS has access to an even broader database and permits more comprehensive and complex data analyses in the context of both daily monitoring and special investigations. In the further course of the year the system was modified to comply with new technical and operational requirements and developed further in the context of various releases.

With the adoption of the Ordinance by the Saxon State Ministry for Economic Affairs, Labour and Transport regarding the Establishment, Composition and Procedure for Sanctions Committees under Exchange Law (SächsSanktionsVO) in January 2009 and the appointment of the members of the Sanctions Committee by the Exchange Council of EEX, the possibility was created to counter misconduct by trading participants detected by HÜSt using improved tools. HÜSt will act as one of the parties involved and submit comments of a legal or factual nature in the framework of sanction procedures. In order to be prepared



for sanction procedures at any time HÜSt has resolved both organisational and procedural questions and defined case groups of possible violations in collaboration with the Exchange Supervisory Authority, the chairman of the Sanctions Committee and the Management Board of the Exchange.

In mid-2009 it became known that market platforms for emission allowances in other European countries had been used for the purposes of sales tax fraud to a considerable extent. The damage caused was so great that the French government had to exempt the delivery of emission allowances from sales tax using a statutory instrument. EEX promptly responded to this and established a task force, which has adopted a package of measures for the prevention of sales tax carousels on EEX.

These measures focus on an even further intensification of the examination during licensing of new trading participants and a strengthening of the analysis of trading participants – now especially from the perspective of possible sales tax fraud. In addition to monitoring, prevention, communication and information are of the essence in order to protect the EEX market platforms against misuse. For this reason, EEX regularly exchanges information with EPEX Spot. Furthermore, HÜSt provided a detailed report on sales tax carousels in the Q3/2009 Market Monitor and, as a result of an exchange of experience and information with the tax authorities, it has prepared a list of criteria which is designed to help the trading participants tell the difference between reliable business partners and potential sales tax defrauders (not only in the context of exchange trading).

In preparation for the introduction of the Ordinance on the Further Development of the Federal Equalisation Mechanism (AusglMechV), which obliges the transmission system operators to market, in particular, wind power through the exchange from 2010, HÜSt contacted the German transmission system operators in order to jointly develop measures to prevent disruptions of the integrity of the market as early as in mid-2009. On account of the TSOs' knowledge of the physical flow of power and of schedule reports as well as of their new role as trading participants care had to be taken to ensure that information advantages cannot be used in the framework of their participation in trading. In every case, HÜSt obtained information on the processes in the field of transmission system operation on site.

Following that, organisational measures and company rules were developed together with the transmission system operators, on the basis of which so-called "Chinese walls" were established between the trading departments and the operation of the transmission system (and which can, moreover, be looked into by HÜSt at any time)

In the fourth quarter of the year, EEX managed to win the Europe-wide tender issued by the Federal Environment Ministry regarding a contract for primary auctioning of emission allowances against competitors from Germany and other European countries. In addition to financial and operational aspects, it was, in particular, the existence of a high standard of monitoring, as provided by HÜSt on EEX, which constituted a decisive criterion for the awarding of the contract. For HÜSt, this single-sided auction, during which the trading participants only act as buyers, has created new monitoring tasks. In the context of its tasks, HÜSt will

assume responsibility for the entire reporting function to the German Federal Environment Office.

In keeping with HÜSt's own aim of continuously improving monitoring of trading on EEX, HÜSt again included new products, partners, companies and trading participants in its daily monitoring activities and further improved its monitoring routines in 2009. Moreover, the powers of the EEX Market Surveillance were expanded so that it can now also include the registered OTC transactions in its monitoring activities and information rights following an amendment of the Exchange Act in March 2009 upon an initiative by the Free State of Saxony.

In the context of its daily monitoring activities, HÜSt recorded and analysed all trading activities with regard to suspicious facts and circumstances, both in the short and long term, in order to detect possible violations of the Exchange Act as well as the rules and regulations of EEX. In case of suspected violations, the trading participants concerned were contacted and given an opportunity to respond to questions related to the respective suspicious facts. Because of the close contact between HÜSt and the trading participants, the trading participants' awareness of the requirements under the applicable legislation and the rules and regulations of the exchange as well as of market transparency was further increased. This applies in particular with regard to trading participants using order routing systems.

All of the suspicious facts and circumstances which emerged involving trading participants in the course of the year 2009 were satisfactorily cleared up in the context of the requests for information by HÜSt.

Furthermore, HÜSt carried out a total of twelve special investigations during the year under review. In addition to investigations which resulted from suspicious facts and circumstances in trading behaviour or from unusual price developments, three investigations were carried out with regard to the French Power Derivatives Market. These investigations primarily aimed at developing experience regarding the factors determining the French power market, such as active trading participants, the development of prices and volumes as well as the importance of market making for this segment in order to be able to establish criteria regarding the execution of the daily monitoring activities. On the German and Swiss power markets current price developments, the development of the open interest and the establishment of the settlement prices upon the expiry of options constituted the subject of special investigations, as required by the circumstances.

Moreover, the relatively young gas market, (whose price development and fundamental data was examined closely in a long-term analysis), also received special attention. Furthermore, a comprehensive statement was issued on behalf of the Saxon Ministry for Economic Affairs, Labour and Transport (SMWA) for the Federal Financial Supervisory Authority and an investigation regarding a trading participant on suspicion of sales tax fraud, (which was found to be unfounded), need to be mentioned.

Moreover, progress was made as regards public perceptions in the year 2009: We are proud of the increasing attention that is being paid to the HÜSt Market Monitor. This quarterly

report covers current subjects; this section is then followed by a report on the activities of HÜSt as well as a description of the activities on the markets.

Overall, the Market Surveillance looks back on an eventful year. The year 2010 will bring new challenges and further tasks: In addition to the objective of improving upon what has already been achieved, the further development of the co-operation with the EPEX Spot Market Surveillance, the successful implementation of auctioning of EU emission allowances as well as the analysis of the impacts of CWE market coupling and marketing of wind energy through the exchange on pricing on the Spot and Derivatives Market will constitute new focuses for HÜSt's work. Moreover, various new products, such as Off-Peak and Power Week Futures, Short-Dated Options and Within-Day Gas will need to be included in the monitoring activities.

A handwritten signature in grey ink, reading "Wolfgang von Rintelen". The signature is written in a cursive style with a large, sweeping flourish at the end.

Dr. Wolfgang von Rintelen
Head of Market Surveillance



CONSOLIDATED MANAGEMENT REPORT

ANNUAL REPORT 2009

Consolidated Management Report 2009

— European Energy Exchange AG (EEX) has established a position as a leading trading platform for itself in European energy trading. In this context, EEX relies on an open business model which generates increased flexibility, higher market coverage and higher volumes through targeted spin-offs and partnerships. Through these consistently expanded co-operations, EEX is making a decisive contribution to the integration of the European energy markets. As of the balance sheet date, the Group had the following structure:

Name	Location	Consolidation	Shareholdings as of 31 December 2009
1. Shares in affiliated companies			%
ECC AG	Leipzig	Full	99.9998
ECC Lux	Strassen, Luxembourg	Full	99.9998
EPD GmbH	Leipzig	Full	80.00
Lilie 28. VV GmbH	Leipzig	Full	100.00
2. Shareholdings			
EPEX Spot SE	Paris, France	At equity	50.00
EMCC	Hamburg	At equity	20.00

EEX is in charge of the operation of spot and derivatives trading for natural gas and CO₂ emission allowances as well as of derivatives trading in coal futures. It provides training services and offers information products regarding the products traded.

With European Commodity Clearing AG (ECC), EEX Group has a clearing house which operates throughout Europe and whose range of services comprises clearing and settlement of exchange transactions concluded on EEX and other partner exchanges, as well as for transactions concluded off the exchange. Since October 2009, deliveries of commodities have been settled through a subsidiary of ECC – European Commodity Clearing Luxembourg S.à.r.l. (ECC Lux).

German and French derivatives trading in power is concentrated within EEX Power Derivatives GmbH (EPD), a Leipzig-based majority-owned subsidiary of EEX. Furthermore, EEX holds 50 percent of the shares of EPEX Spot SE (EPEX), which operates short-term power trading – the so-called Spot Market – for Germany, France, Austria and Switzerland. European Market Coupling Company GmbH (EMCC), in which EEX holds 20 percent of the equity, offers market coupling between the market areas of Germany and Denmark.

Overview of the financial year 2009

In 2009, the macroeconomic environment of EEX Group was dominated by the international crisis on the financial markets. Following years of continuous growth, the development of business in 2009 was characterised by a dip in growth. Nonetheless, in the past business year important milestones were reached in the implementation of the strategy towards Europeanisation and in business development. For example, the co-operation agreement with Powernext SA (Powernext) was implemented successfully: As of 1 April 2009 Powernext integrated its French Derivatives Market for Power into EPD. And on 1 September 2009, EEX Power Spot GmbH (EPS) was merged into EPEX Spot with retroactive effect from 1 January 2009.

EEX – In the framework of their commitment for transparency in European energy trading, EEX and the German transmission system operators implemented the central “Transparency in Energy Markets” (www.transparency.eex.com) transparency platform for generation and consumption data in the financial year 2009. This platform is in line with the current statutory and regulatory transparency requirements and is the result of intensive co-operation between transmission system operators, EEX, individual power plant operators and the following associations: BDEW – the German Association of the Energy and Water Industry, VIK – the German Association of the Energy and Power Industry and VKU – the German Association of Local Utilities in coordination with the Federal Network Agency and the Federal Ministry of Economics and Technology. As a result, the comprehensibility of market pricing and, hence, the confidence which the public and the trading participants place in the markets have been reinforced and the development and integration of the European markets is promoted further.

In November 2009, EEX was awarded a contract by the Federal Environment Ministry regarding the execution of the primary market auction for European emission allowances in Germany. As a result, an annual amount of 10 percent of the German emission allowances, which corresponds to a volume of more than 40 million certificates per year, will be auctioned off on EEX in 2010 and 2011. This means EEX is now in a good starting position for further tenders, since the official auctioning ordinance contains an express provision regarding opening of the auctions according to which other EU member states can also auction their emission allowances on the EEX trading platform.

The product co-operation with Eurex Frankfurt AG (Eurex), one of the leading derivatives exchanges worldwide, in the field of the derivatives market for EU emission allowances forms an important element of the EEX co-operation strategy. In the financial year 2009, the product portfolio was supplemented with products with different expiry and delivery dates, which were tailored even more closely to the trading participants’ requirements, in the framework of this co-operation.

ECC – The clearing house within EEX Group has developed positively during the financial year 2009. Declining sales – in particular from EPD trading transactions – were compensated for with sales from co-operations.

EEX Power Derivatives – The impact of the international financial market crisis was felt in the Power Derivatives Market. The considerable decline in trading activities by participants from the financial sector reduced the business results of the Group. Increased trade volumes by the participants from the energy sector were not able to offset this decline in volume.

The co-operation with Eurex was extended to the Power Derivatives Market. Since 25 November 2009 Eurex customers have had the possibility of trading in EEX Power Derivatives through their existing Eurex access.

The French Power Derivatives Market was integrated into EPD. However, this market fell well short of expectations as regards business volumes.

EPEX Spot – The Power Spot Markets for Germany, Austria, Switzerland and France, which are now concentrated within EPEX, displayed a stable rate of development.

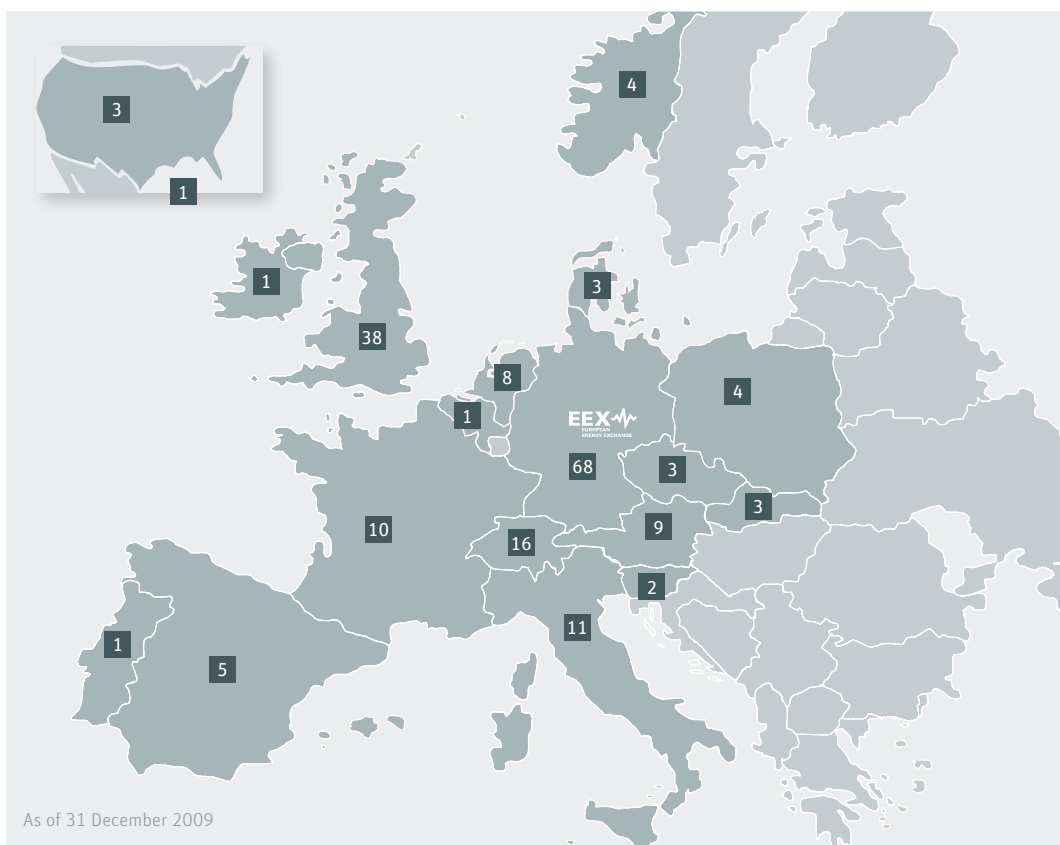
According to its business motto “Connecting Markets”, EEX Group committed itself once again to the integration of the European energy markets and made a contribution to two important market coupling initiatives in order to reinforce the coordinated harmonisation of the European power markets via implicit auctions of transmission capacities in the financial year 2009.

Via its affiliated company EPEX, EEX is also making a contribution to the introduction of market coupling in the Central Western Europe (CWE) Region, which comprises Germany, France and the Benelux countries. In the financial year 2009, the work on a viable market coupling system was continued in the framework of a joint initiative with other power exchanges and transmission system operators from this region. Operations are scheduled to be launched in the second quarter of 2010.

EMCC – EEX holds an interest in European Market Coupling Company GmbH, Hamburg, which undertakes operative management of market coupling on the Danish-German border, together with the Scandinavian power exchange Nord Pool Spot AS and the transmission system operators transpower stromübertragungs gmbh (formerly: E.ON Netz GmbH), Energinet.dk and 50Hertz Transmission GmbH (formerly: Vattenfall Europe Transmission GmbH).

Despite this system having to be suspended after only a few days of operation in 2008, as a result of insufficient harmonisation, the partners in the project made comprehensive efforts to improve the market coupling system in the financial year 2009.

Following positive results in comprehensive tests, operations were successfully restarted in November 2009.



Trading participants on EEX (excluding EPEX Spot SE)

Number of trading participants

As of the cut-off date of 31 December 2009, there were a total of 191 trading participants on the different markets of EEX as against 217 trading participants as of 31 December 2008. However, in order to compare these figures, it should be taken into account that the figure for the previous year has to be adjusted by the 44 trading participants that were exclusively licensed on the Power Spot Market at the time, since this market and its trading participants were transferred to EPEX Spot SE in the context of the integration of the German and French Power Spot Markets in September 2009. As a result, the adjusted and, hence, comparable figure for the previous year is 173 trading participants, which means that growth of 10 per cent in participant numbers was achieved on the EEX markets in the financial year 2009.

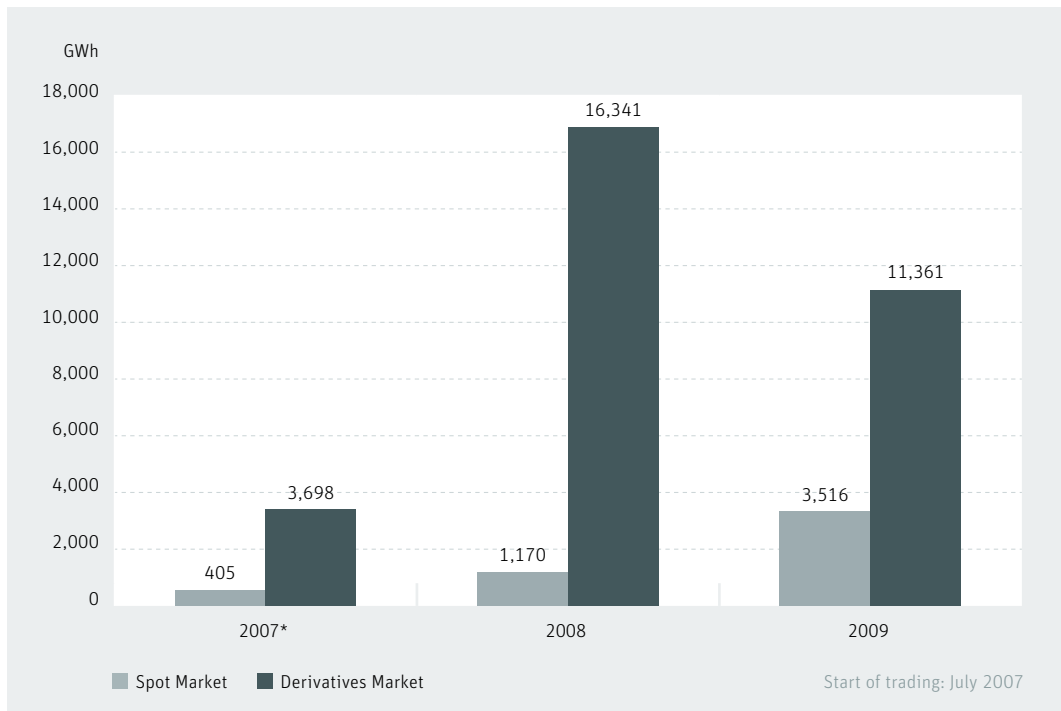
So far, this rate of increase has continued in 2010. The unabatedly high interest in training for trading on the Spot and Derivatives Market leads to the expectation of further increases in the number of trading participants in the future.

Development of sales

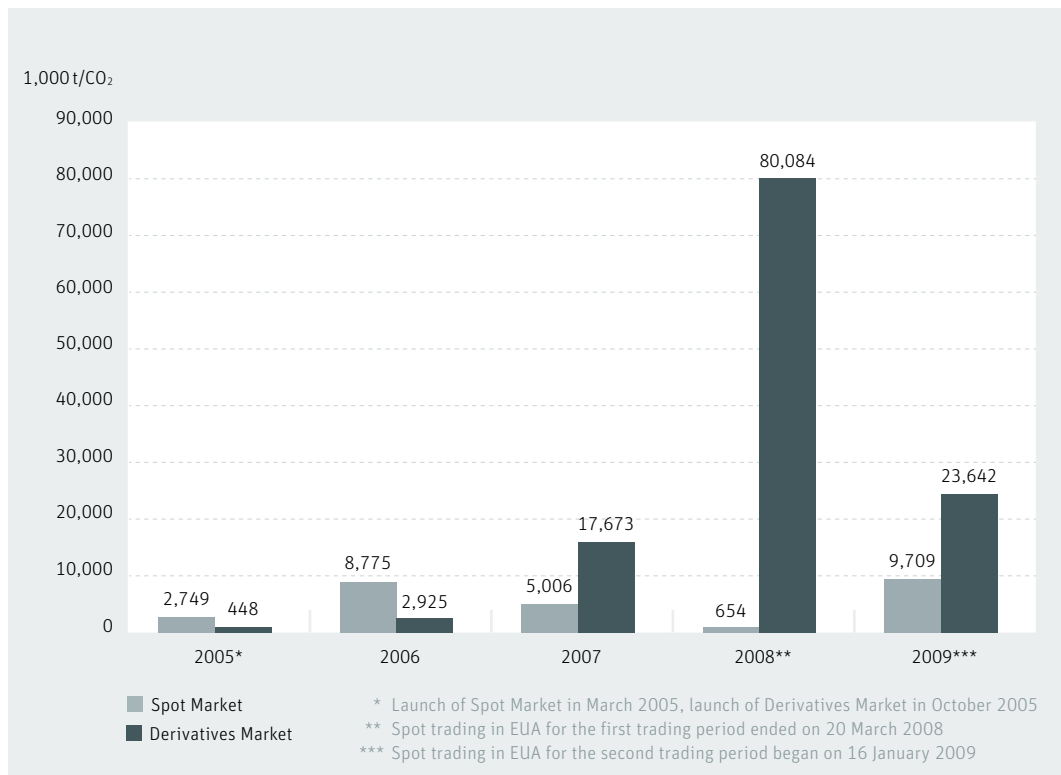
The business divisions account for the sales within EEX Group as follows:

in K€	2009	2008
EEX		
Gas Spot Market	35	13
Gas Derivatives Market	56	81
EUA Spot Market	192	9
EUA / CER Derivatives Market	97	151
Coal Derivatives Market	4	2
Training / Examinations	1,257	1,023
ECC – clearing fees	17,014	16,899
EPD – Power Derivatives Market	13,217	14,285
EPEX – Power Spot Market	0	6,901
Annual fees	2,198	3,410
Other	534	380
Total sales revenue	34,603	43,154

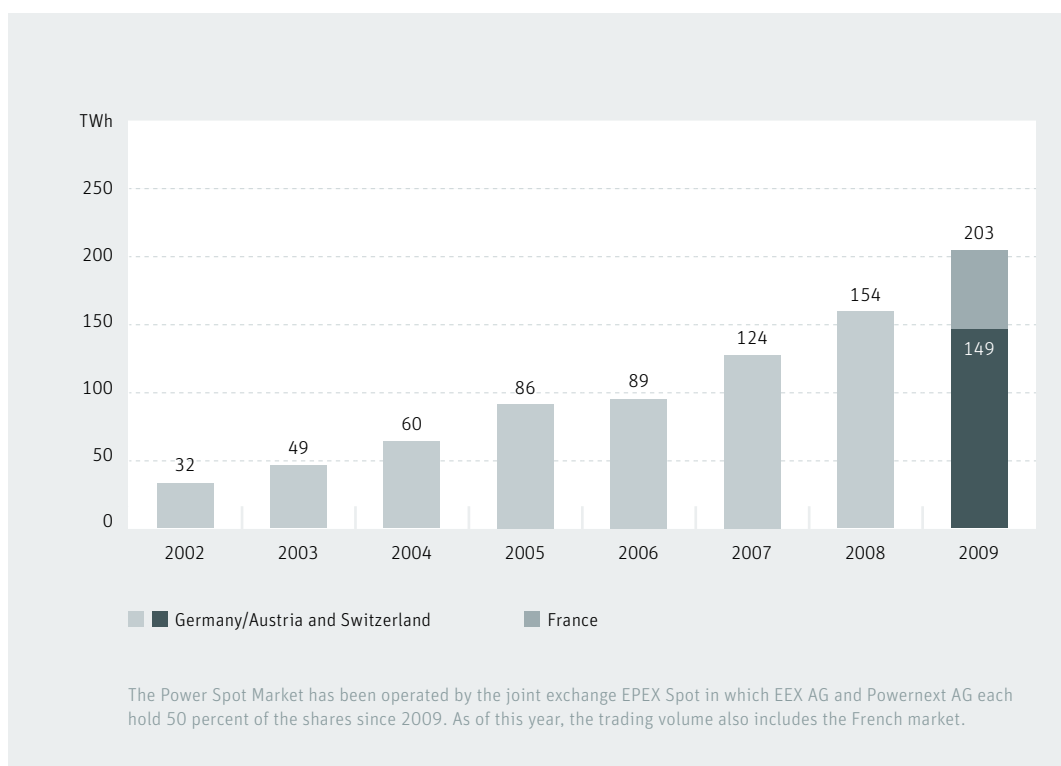
EEX – In 2009 the trade volume on the Gas Spot Market almost tripled (2009: 3.5 TWh; 2008: 1.2 TWh). As a result, the trade fees in this segment increased from KEUR 13 in 2008 to KEUR 35 in 2009. In contrast to this, only 11.4 TWh were traded on the Gas Derivatives Market in 2009, which corresponds to a decline of 30 percent (2008: 16.3 TWh) as against the previous year. The trade fees from the Gas Derivatives Market amounted to KEUR 56 during the year under review (2008: KEUR 81). The decline on the Derivatives Market was due to a high risk aversion of the trading participants which was reflected in a pronounced restraint with regard to entering into long-term positions. On the EEX Gas Market the trading participants operated more on the short-term market – also on account of lower prices on the Spot Market and the number of trading participants which has increased considerably – which is confirmed by the enormous growth rate on the Spot Market. Moreover, the quantities of control energy by the gas transmission system operators, which were traded for the first time starting in the fourth quarter of 2009, also made a decisive contribution to the revitalisation of the Spot Market.



Development of the trading volume on the Natural Gas Spot and Derivatives Market



Development of the trading volume on the Spot and Derivatives Market for Emissions

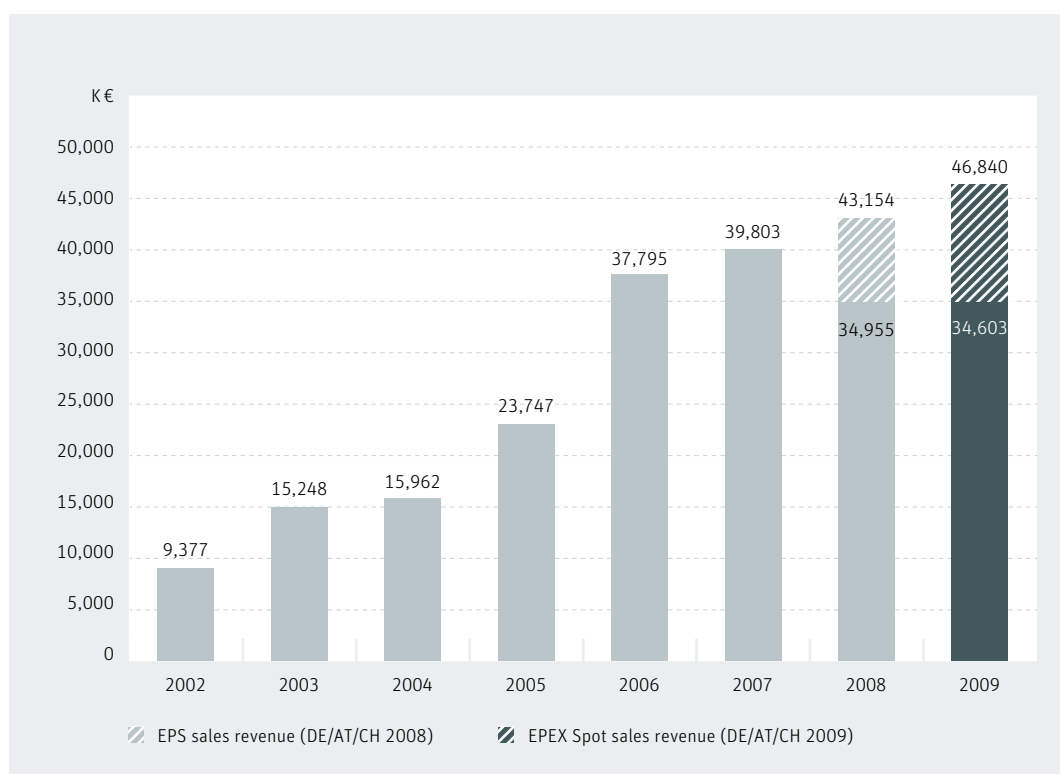


Development of the trading volume on the Power Spot Market

Trading for the second commitment period on the Spot Market for Emission Products was launched on 16 January 2009 and considerably exceeded expectations. During the year under review a total of 9.7 million tonnes (2008: 0.65 million tonnes) was traded and trade fees of KEUR 192 (2008: KEUR 9) were generated. A comparison with the previous year is not possible because in 2008 trading for the first commitment period expired as early as on 20 March 2008.

The Derivatives Market for Emission Products recorded an unexpected decline. On this market, the trade volume amounted to in total 23.6 million tonnes in the financial year 2009, which corresponds to a decline of more than 70 percent as against the previous year (2008: 80.1 million tonnes). EUA futures accounted for 23.0 million tonnes and CER futures accounted for 0.6 million tonnes of this. During the year under review, the trading participants of the co-operation partner Eurex accounted for a share in this volume of 14 percent. At KEUR 97 (previous year: KEUR 151) the financial contribution of the Emission Products is a very modest one – not least because of the trade fees – which are very low because of the high level of competition.

In the financial year 2009 the Derivatives Market for Coal once again proved weak. Only 117,000 tonnes were traded (2008: 246,000 tonnes; -52 percent).

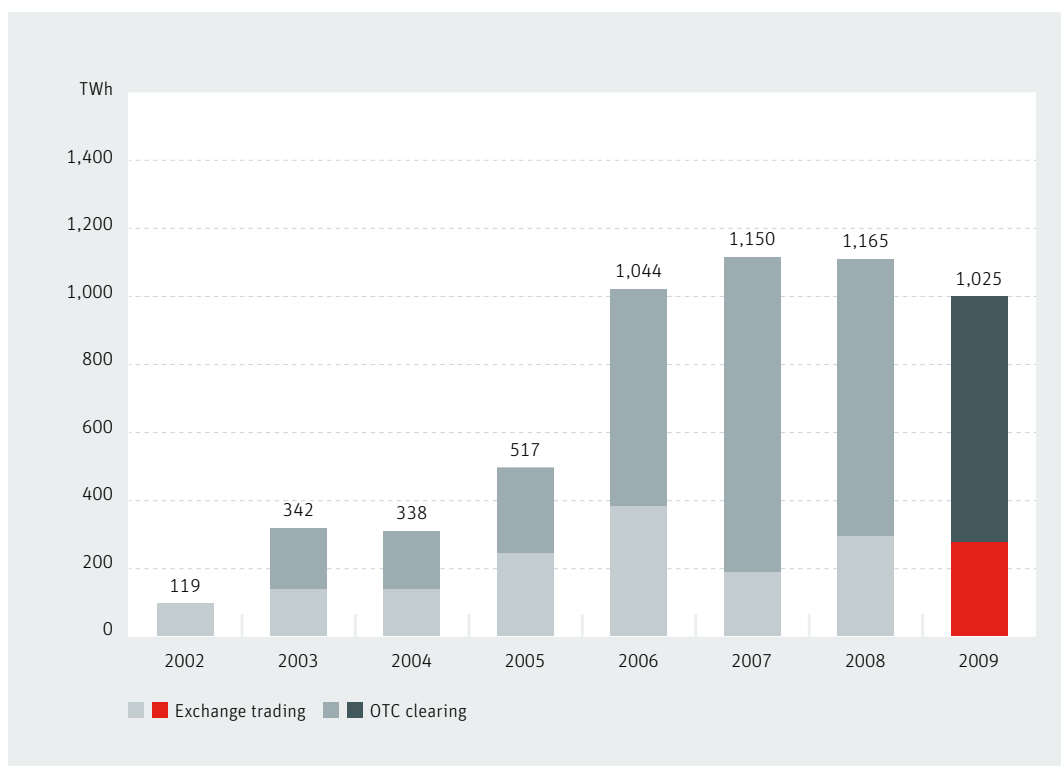


Sales revenue

ECC – Clearing and settlement for all trade volumes of the Spot and Derivatives Markets of EEX is provided by the Group’s own clearing house – ECC. In addition to that, ECC generates revenue from clearing services for the Dutch ENDEX N.V., which was taken over by the Anglo-Dutch energy exchange APX in 2009. In the past financial year, 111.2 TWh of Dutch Power Futures (2008: 119.3 TWh), 9.3 TWh Belgian Power Futures (2008: 3.3 TWh), 0.1 TWh UK Power Futures (launched on 2 October 2009) and 89.5 TWh TTF Gas Futures (2008: 48.2 TWh) were settled for the newly created APX-ENDEX Group. Overall, sales revenue to the amount of EUR 2.2 million was generated from the co-operation with APX-ENDEX, which corresponds to an increase of approximately 13 percent (2008: EUR 2.0 million) compared with the previous year.

Moreover, ECC settled transactions from spot and derivatives trading for French gas of 18.6 TWh for the co-operation partner Powernext in the financial year 2009 (since 26 November 2008: 3.5 TWh) and generated sales revenue to the amount of KEUR 257. In April 2009 ECC took over the settlement of all transactions on the French Power Spot Market of EPEX Spot. Until the end of the year, this amounted to a volume of 38.8 TWh. In the financial year 2009 a total of 141.3 TWh (2008: 148.2 TWh) were settled for the German/Austrian market area and 8.0 TWh (2008: 6.2 TWh) were settled for the Swiss market area. During the financial year 2009 the sales revenue from the co-operation with EPEX Spot amounted to in total EUR 3.8 million.

Furthermore, ECC’s strategic position as a service provider for third-party exchanges was further reinforced during the financial year 2009 with the commencement of clearing services

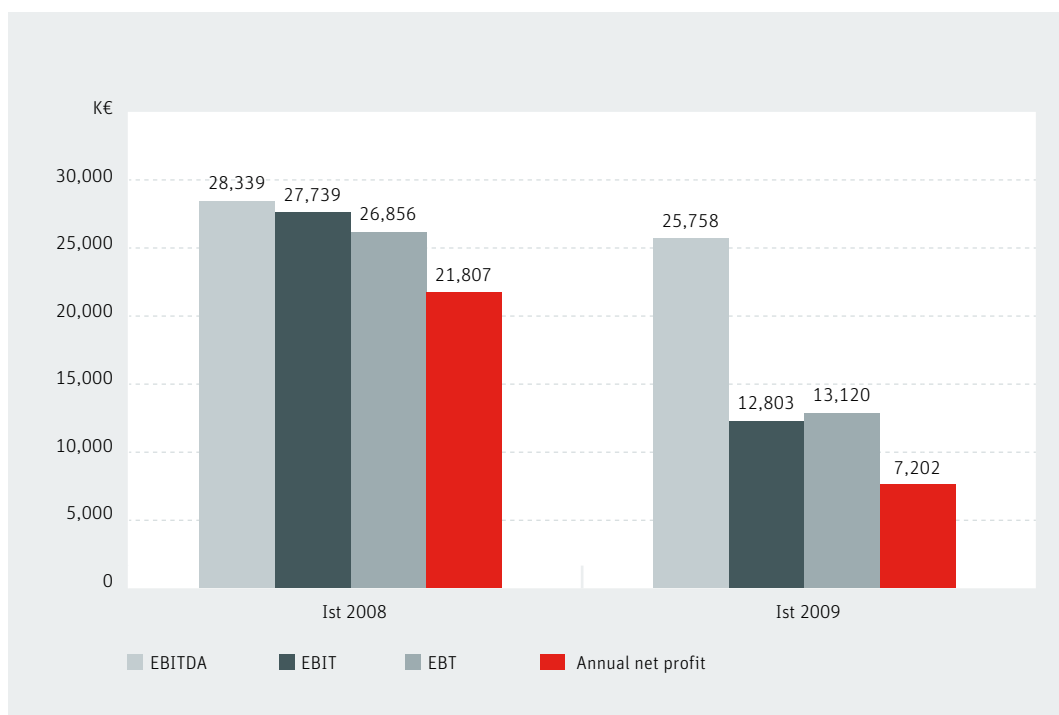


Development of the trading volume on the Power Derivatives Market

for the CEGH Gas Exchange of the Vienna Stock Exchange, which was launched on 11 December 2009.

EEX Power Derivatives – In the financial year 2009 the trade volume on the Power Derivatives Market declined to 1,025 TWh, down from 1,165 TWh in the year 2008 (–12 percent). The volume traded on the exchange in the Phelix Futures product declined by approximately 8 percent as against the previous year (257 TWh, 2008: 278 TWh). However, this effect was compensated by the volumes in the French Power Futures product generated since the inclusion of the Powernext Power Futures (28 TWh, 2008: 0 TWh). As a result of this, the volume traded on the Power Derivatives Market of the exchange remained stable as against the previous year (285 TWh, 2008: 278 TWh). On the other hand, a significant slump was recorded in OTC clearing; during the financial year 2009 the total volume in this segment fell by approx. 17 percent to 740 TWh (2008: 887 TWh). This was due to the steep decline in the trade volumes associated with trading participants from the financial sector which could not be compensated for by the increasing sales generated by the trading participants from the energy sector. In the financial year 2009, the trade fees on the Power Derivatives Market amounted to EUR 13.2 million as against revenue of EUR 14.3 million for the previous year.

The Power Derivatives Market once again proved to be the mainstay of revenue for EEX Group in both trading and clearing in the financial year 2009.



Results generated by EEX

Financial and profit situation

As explained in the section above, the sales revenue in the financial year 2009 amounted to EUR 34.6 million, which corresponds to a decline of approximately 20 percent (2008: EUR 43.2 million) as against the previous year. However, with regard to the basis for this comparison, it has to be noted that the values for the previous year comprise trade and other fees for EPS to the amount of EUR 8.2 million and that this company is no longer included in the scope of consolidation of EEX Group in the financial year 2009 on account of its transfer to EPEX as of 31 December 2008. After adjustment for this effect, it is obvious that the sales revenue was kept almost stable in the financial year 2009. The decline in sales revenue on the Power Derivatives Market was almost completely compensated for by additional clearing revenue from new co-operation partners as well as increased revenue from annual fees and training courses.

Earnings before taxes of EUR 13.1 million (which is approximately 50 percent below the result of EUR 26.9 million generated in the previous year) are reported for the year under review. However, the result for the previous year also contains the one-off effect from the transfer of EPS to EPEX Spot amounting to EUR 12.9 million.

The result for the year under review also contains a positive one-off effect of in total approximately EUR 1.9 million. In the framework of granting a shareholding to the amount of 20 percent of the nominal capital of the subsidiary EPD to the minority shareholder Power-

next, hidden reserves of EPD of EUR 13.9 million were disclosed. In return for the shareholding granted, Powernext transferred the French Power Derivatives Market (FEF) to EPD and a purchase price allocation was carried out. In this process, in particular, the customer base and company value were capitalised from the transferred net assets of the French Derivatives Market.

Because of the development of the French Power Derivatives Market after the time of the acquisition, the capitalised acquired French customer base and the company value were subject to an extraordinary depreciation of in total EUR 12 million.

The consolidated result comprises investment income from EPEX Spot totalling EUR 3.2 million minus EUR 0.3 million in depreciations on the capitalised customer base.

The return on sales across all products and markets amounted to 38 percent during the year under review (earnings before taxes: EUR 13.1 million, sales revenue: EUR 34.6 million). It, hence, declined slightly compared with the previous year when adjusted for one-off effects (2008: pre-tax profit: EUR 13.9 million, sales revenue: EUR 35 million, return on sales: 40 percent).

Equity increased from EUR 81.6 million in 2008 to EUR 93.4 million in the financial year 2009. The balance sheet total amounted to EUR 355.3 million. This included ECC bank deposits of cash deposited as collateral to the amount of EUR 203.9 million, which were balanced by liabilities to an identical amount towards the clearing participants for the Spot and Derivatives Market, derivative financial instruments of EUR 3.7 million and payments on account made and received to the amount of EUR 19.5 million each. After deduction of these items, the adjusted balance sheet total as of the cut-off date of 31 December 2009 amounted to EUR 128.2 million and the equity ratio amounted to 73 percent (2008 – adjusted balance sheet total: EUR 133.5 million, equity ratio: 61 percent). The increase in the adjusted balance sheet total is essentially due to the increase in equity which was generated by the result for the year (EUR 7 million), the sale of own shares (EUR 2.6 million) and the EPD minority transaction (EUR 2 million).

The positive financial and profit situation is also reflected in the development of cash and cash items. The Group always managed to cover all expenses from its revenue and has generated considerable surplus funds. Since October 2009, deliveries of commodities have been settled by an ECC subsidiary in Luxembourg so that interim financing of the input tax surpluses incurred by ECC until then were no longer required at the end of the year. As a result, the credit lines from external lenders (which had been used for this interim financing) were reduced in the course of the financial year 2009.

Growth in human resources

The business year 2009 was once again characterised by strong growth in staff numbers. As of the balance sheet date, there were 87 employees, compared with 67 employees as of 31 December 2008.

As of 31 December 2009 the age structure of the employees was as follows:

Age group	Number	Share
< 30	28	32 %
30 to 39	42	48 %
40 to 49	14	16 %
> 50	3	4 %
	87	100 %

82 percent of the staff are university graduates. This is established on the basis of the number of employees with a degree from a university, university of applied sciences or institute of higher education. As of the balance sheet date, women accounted for 47 percent of the staff.

Risk management

In accordance with the requirements contained in Art. 91 Paragraph 2 AktG [German Stock Corporation Act], the Group has a risk early warning system comprising all business areas. Potential risks are evaluated with regard to the likelihood of their occurrence and the possible extent of damage resulting and are divided into risk classes. On the basis of the current status of the early warning indicators the Management Board of the Group prepares a monthly risk report and informs the Supervisory Board of the risk situation every quarter. The risks on the exchange and also in the clearing house resulting from the fluctuating energy markets are evaluated by the risk managers of EEX several times in the course of a day and changed risk situations are reported directly to the Management Board if this is deemed to be necessary.

The counterparty risk, the market price risk, the interest risk, the liquidity risk, the operational risk and the strategic risk constitute the potential risk categories.

The counterparty risk is defined as the risk that business partners might not fulfil their payment obligations under the relevant contract or that they might not fulfil these obligations in due time and that this might lead to a loss for the Group. The counterparty risk arising from all exchange transactions concluded on the markets of EEX Group or from registered OTC transactions is assumed by ECC. ECC, in turn, is a financial institution and is permitted to

operate as a central counterparty. For this reason, ECC has a system designed to ensure protection against counterparty risks (margin system) and is subject to supervision by the German Federal Bank as well as by the German Federal Financial Supervisory Authority. Further risks of default arise on account of the fact that a trading participant might not pay transaction fees or clearing fees which have fallen due. The trading participants' credit rating is constantly monitored with the help of financial parameters and rating information, provided this is available. In this context, the question whether the payment of the transaction fees is concentrated on individual trading participants (cluster or concentration risk) is analysed. As of the balance sheet date the maximum risk of default amounts to KEUR 4,783 (previous year: KEUR 4,003).

Market price risks are defined as adverse changes in the value of assets on account of a change in valuation-relevant market parameters, such as, for example, exchange prices. The operation of the markets within EEX Group does not result in any open positions which entail market price risks on principle. In its capacity as the central counterparty, ECC only enters into closed positions on principle, i. e. the market price risks of the commodity positions and/or derivatives on the delivery of commodities offset each other. However, there are market price risks with regard to the securities accepted as collateral. These risks are controlled by means of a daily market assessment and by applying safety margins.

Within EEX Group there is only a limited degree of interest risk since essentially interest-bearing asset and liability items are not held.

The liquidity risk is defined as the risk that the Group might not be able to fulfil its payment obligations at a point in time agreed on under a contract. The liquidity risk which existed for ECC in the previous year related to the input tax surplus resulting from the delivery of commodities to parties classified as non-residents for tax purposes, had to be financed – this has reduced with the establishment of ECC Lux and no longer forms a fundamental risk. The structural liquidity risk is monitored in the framework of the medium-term plan, which is prepared every year, and of monthly financial reporting. In this context, the aim is to determine the liquidity reserves and credit lines in planning so as to safeguard that sufficient sources of liquidity are available in every case.

Operational risks are defined as all potential cases of damage arising from malfunctions of the IT systems used, due to inadequate design of internal processes, errors by members of staff, errors by or the default of external service providers and project risks. Because of the high degree of automation in processing business transactions combined with a large number of transactions, malfunctions of the IT systems used constitute essential operational risks for EEX Group. Since essential components of the IT systems are operated by external service providers, errors or the default of external service providers also constitute a significant source of risk.

This risk is controlled by means of the redundant design of all critical IT components and applications as well as the provision of back-up capacities and processes. In addition to a backup data processing centre, EEX also has a backup office. There is a contingency plan

regarding a possible failure of the office premises which is regularly checked in emergency tests. Before areas which are of fundamental importance are outsourced to external service providers, EEX checks these potential service providers' capabilities. There are process descriptions and control activities for all fundamental processes. These are documented in check lists in order to reduce the likelihood of human errors. A damage incident database is maintained for the ongoing monitoring and for reporting of cases of malfunctioning in operations. All untoward incidents which occur in the course of the operations – even if they have not led to any direct financial damage – are recorded and analysed in this database.

Strategic risks are defined as the effects brought about by the entry of new competitors, regulatory or other amendments, technical modifications or changes in the product landscape which can have a negative impact on the earnings situation in the medium to long run.

These risks are monitored by means of the structured collection and analysis of information regarding competitors, customers, products/markets and processes/procedures. Furthermore, effects which certain changes in price and volume can have on earnings are taken regard of in the framework of scenario examination and planning.

The equity and the annual profit are available as capital for risk coverage. The allocation of risk capital is effected for ECC. During the financial year under review ECC had a risk limit of EUR 4.15 million, 10 percent of which was used as of 31 December. Overall, risks which cannot be covered by the capital available for risk coverage are not discernible at the moment.

Indications regarding essential opportunities and risks regarding future development

EEX Group has established a good position for itself in a dynamic competitive environment. Due to its consistent alignment to further growth through co-operations and the establishment of the required position under company law along the value chain, essential preconditions for the further active development of the European energy exchange and clearing landscape have been created. The successful implementation of the co-operation with the French Powernext S.A. and the inclusion of the new clearing partners for ECC first and foremost testify to this. All existing and future co-operations are based on the fundamental concept of being open to receive further partners and the central role of ECC – which is the established supplier for all clearing and settlement services in the co-operations.

The effects of the global financial and economic crisis were also felt painfully by EEX in the financial year 2009. For the first time since the beginning of market liberalisation declining trade volumes had to be recorded in almost all business divisions of EEX. EEX assumes that, depending on the respective market segment, a full recovery of the entire market environment and, hence, a return to the trade volumes achieved before the beginning of the crisis will only occur in the years 2010 to 2013.

As regards its systems, EEX made considerable efforts for the consolidation and harmonisation of the IT systems landscape within the Group in the financial year 2009. This measure

is aimed at safeguarding operations in the long run through the use of efficient, effective and flexible trading and clearing systems as well as the use of synergetic effects and, thus, cost reductions have been made due to the concentration on a strong partner. In this respect, the negotiations with Deutsche Börse Systems AG, the system supplier for the most important trading and clearing systems of EEX, were concluded successfully.

In spite of the considerably lower expectations for growth for the coming years, EEX still sees the need to further increase the staff within the Group in order to safeguard process and system security. This measure aims at compensating for the disproportionately small number of employees in the past in whom expertise was concentrated against the backdrop of the increased complexity of the required internal structures and of the growth necessitated by new products, markets and co-operations.

In view of these premises, a steady, even if somewhat slower rate of growth is planned for the period covered by the medium term plan, as a result of which the results of EEX Group could approximately reach the level achieved before the beginning of the financial and economic crisis in the year 2014.

At the same time, a failure of the Europeanisation and growth strategy constitutes the biggest risk to the commercial development and continued existence of EEX. A failure of the planned co-operation projects to a significant extent would deprive EEX of the possibility of influencing the future developments in the long run and have correspondingly negative impacts on the commercial success and development of EEX.

The high degree of regulation of the EEX energy exchange, which is the result of statutory regulation and voluntary commitments, constitutes a guarantee of quality and forms the basis for the design and further development of both market surveillance and market transparency in all co-operation projects.

Further external factors, such as for example, the exercising of political influence on the energy sector, can also have a considerable impact on the commercial future of EEX. Additionally, international accounting rules and taxation legislation might also impair the development of the market. For this reason, these aspects are permanently monitored and analysed.

The business results of EEX show that the Group and the companies which form part of it are commercially sound and operate successfully. As regards the products, there are plans to further reduce the pronounced dependency on power as a product. In this respect, natural gas, in particular, is to be established as a further strategic pillar.

EEX – EEX is planning to become more actively involved in the development of gas trading in Germany than has been the case so far and to assume the role of an integrator for the different interests of the players on the gas market. The markets for emission products are to be developed further together with strategic partners – first and foremost with Eurex.

ECC – ECC will retain its focus on energy markets and markets for energy-related products and will aim at establishing co-operations with other energy exchanges. In this way it sus-

tainably safeguards its business model and strengthens synergetic effects for the trading participants by means of cross-margining.

EEX Power Derivatives – The FEF Development Committee supports the EPD Management Board in an advisory capacity in the strategic development of the French Derivatives Market. In addition to an improvement of the technical and functional connection of customers to the EPD trading systems, there are plans for the conversion of the French Futures from physical to financial settlement.

EPEX Spot – A stable development of business is expected for EPEX. On account of the German Equalisation Mechanism Ordinance, which took effect on 1 January 2010, marketing of all the power generated from renewable energies according to EEG (German Renewable Energies Act) by the German transmission system operators on the German Power Spot Market is provided for.

As a result of this, the trade volumes on the German Power Spot Market will increase significantly. Moreover, positive effects are expected from the market coupling initiatives.

Group perspective

Taking into account the opportunities and risks outlined above, the Group expects an at least stable level of development in a generally difficult overall environment. Against this background, pre-tax results for the financial years 2010 and 2011 are expected to be similar to those for the financial year 2009, after adjustment for one-off effects.

Leipzig, 9 March 2010



Dr. Hans-Bernd Menzel
Chief Executive Officer (CEO)



Dr. Christoph Mura
Chief Operating Officer (COO)



Iris Weidinger
Chief Financial Officer (CFO)



**CONSOLIDATED
FINANCIAL
STATEMENT**

ANNUAL REPORT 2009

Consolidated Profit and Loss Account

in K€	NOTES	2009	2008
Sales revenue	6	34,604	43,154
Other operating income	7	7,942	5,096
Staff expenditure	8	-7,719	-5,719
Depreciations	9	-12,955	-599
Other operating expenses	10	-25,843	-27,094
Operating result		-3,971	14,838
Interest and similar revenue	11	1,236	3,979
Interest and similar expenses	11	-920	-4,862
Financial result		316	-883
Cost/revenue – equity method	12	2,812	-20
Cost/revenue from the sale of assets	13	13,963	12,922
Result from ordinary activities		13,120	26,856
Taxes on income and profit	14	-5,918	-5,049
Consolidated profit for the financial year		7,202	21,807
Of which consolidated profit to be allocated to			
Shareholders of EEX AG		6,418	21,800
Minority shareholders	29	784	7
RECONCILIATION TO TOTAL CONSOLIDATED PROFIT			
Consolidated profit for the financial year		7,202	21,807
Change in income items directly recorded in equity		0	0
Total consolidated profit		7,202	21,807
Of which total consolidated profit to be allocated to			
Shareholders of EEX AG		6,418	21,800
Minority shareholders	29	784	7

Consolidated Balance Sheet

ASSETS in K€	NOTES	2009	2008
Long-term assets		49,219	40,834
Company value	16	12,217	12,210
Intangible assets	16	8,369	953
Property, plant and equipment	17	1,356	1,362
Shares in associated companies and joint ventures	18	23,243	20,131
Remaining financial investments	18	537	537
Other financial assets	50	250	0
Derivative financial instruments	19	2,366	0
Deferred tax assets	14	881	5,641
Current assets		306,127	492,329
Derivative financial instruments	19	1,374	38,275
Other accounts receivable	20	1,383	1,861
Accounts receivable for sales and services	21	7,885	3,120
Other assets	22	44,755	68,409
Tax assets	22	3,847	2,337
Accounts receivable from associated companies	50	11	798
Cash at bank with restrictions on disposal	23	203,909	350,391
Cash and cash equivalents	24	42,963	27,138
Total assets		355,346	533,163
LIABILITIES in K€	NOTES	2009	2008
Equity		93,439	81,597
Subscribed capital	26	40,050	40,050
Capital reserves	26	10,000	10,000
Retained income	27	4,351	4,351
Results generated	28	36,274	27,188
Minority share	29	2,764	8
Non-current liabilities		5,553	83
Non-current provisions	30	641	29
Leasing liabilities	31	108	54
Derivative financial instruments	19	2,366	0
Deferred tax liabilities	14	2,438	0
Current liabilities		256,354	451,483
Current provisions	32	1,786	1,064
Financial liabilities	33	0	43,949
Derivative financial instruments	19	1,374	38,275
Trade accounts payable	34	4,804	4,558
Cash deposits by the trading participants	35	203,909	350,391
Other liabilities	36.50	44,481	13,077
Tax liabilities	36	0	169
Total liabilities		355,346	533,163

Consolidated Cash Flow Statement

in K€	NOTES	2009	2008
Annual net profit		7,202	21,807
Depreciation on intangible assets and property, plant and equipment	9	12,955	599
Release of other accounts receivable	10	1,007	1,154
Expenses/income from deferred taxes	14	3,609	1,124
Expenses/income from minority transactions	29	-13,963	8
Result from at-equity investments	12	-2,812	20
Expenses which cannot be allocated to the field of operations		21	17
Reduction in the accounts receivable for sales and services and other assets	21,22	21,006	18,561
Reduction in liabilities and provisions	30,31,32	-1,720	-41,527
Increase in the account receivable from input tax surplus	22	32,312	-11,143
Cash flow from operating activities	39	59,617	-9,380
Payments made for investments in property, plant and equipment	17	-411	-1,433
Payments made for investments in software	16	-1,446	-1,460
Payments made for investments in financial assets and lendings	16,18	-569	-617
Cash flow from investing activities	40	-2,426	-3,510
Payments from financial leasing agreements		-86	-20
Payments received from the sale of own shares		2,668	9,153
Payments made concerning the purchase of own shares		0	-2,498
Cash flow from financing activities	41	2,582	6,635
Net change in cash and cash equivalents		59,773	-6,255
Cash and cash equivalents at the beginning of the accounting period		-16,811	-10,556
Cash and cash equivalents at the end of the accounting period	42	42,963	-16,811
In the financial year 2009			
Interest received and similar income		1,237	3,979
Interest paid and similar expenses		920	4,862
Income tax payments		2,309	5,354

Consolidated Statement of Changes in Shareholders' Equity

in K€	SUBSCRIBED CAPITAL	RESERVES			
		Capital reserve	Clearing fund & retained income	Allocation to reserve Own Shares as per HGB	Deduction from reserve Own shares as per IAS 32.33
Balance as of 1 January 2008	40,050	10,000	2,000	2,414	-2,414
Total result	0	0	0	0	0
Allocation to clearing fund	0	0	1,000	0	0
Allocation to retained income	0	0	1,351	0	0
Sale of own shares	0	0	0	-2,414	2,414
Purchase of own shares	0	0	0	2,498	-2,498
Minority transaction	0	0	0	0	0
Balance as of 31 December 2008	40,050	10,000	4,351	2,498	-2,498
Total result	0	0	0	0	0
Sale of own shares	0	0	0	-2,498	2,498
Minority transaction	0	0	0	0	0
Balance as of 31 December 2009	40,050	10,000	4,351	0	0

in K€	RESULT GENERATED				SHARE	EQUITY
	Total consolidated result	Total consolidated result, of which share of EEX shareholders	Total consolidated result, of which share of minority shareholders	Result from transactions with own shares		
Balance as of 1 January 2008	1,084	1,084	0	0	0	53,134
Total result	21,807	21,800	7	0	0	21,807
Allocation to clearing fund	-1,000	0	0	0	0	0
Allocation to retained income	-1,351	0	0	0	0	0
Sale of own shares	0	0	0	9,153	0	9,153
Purchase of own shares	0	0	0	-2,498	0	-2,498
Minority transaction	-7	0	0	0	8	2
Balance as of 31 December 2008	20,533	21,800	7	6,655	8	81,597
Total result	7,202	6,418	784	0	0	7,202
Sale of own shares	0	0	0	2,669	0	2,668
Minority transaction	-784	0	0	0	2,756	1,972
Balance as of 31 December 2009	26,951	28,218	791	9,323	2,764	93,439

Notes

PRINCIPLES AND METHODS

1. General Principles

European Energy Exchange AG (“the Company”) and its subsidiaries (jointly referred to as EEX Group) operate and support an electronic exchange for energy and other products in accordance with the statutory provisions pursuant to Art. 2 of the Articles of Association. This comprises in particular the following: planning, development and execution of electronic data processing within the sphere of the exchange business; discharging the tasks of a clearing house including the operation of clearing systems for the settlement of transactions; collection, processing and distribution of information regarding power and other products; provision of supporting services for the companies dealing with the products described above, as well as other products. In this respect, the Company is authorised to carry out all transactions and measures which appear to be necessary and relevant for achieving the objectives of the Company.

European Energy Exchange AG (EEX) is a public limited company registered in the Federal Republic of Germany.

EEX was established through the merger of LPX Leipzig Power Exchange GmbH, Leipzig and European Energy Exchange AG, Frankfurt into PVG Vierzehnte Vermögensverwaltung AG, Leipzig as of 1 January 2002. It has its registered offices in Augustusplatz 9, 04109 Leipzig, Germany and is registered in the commercial register of the Leipzig Local Court under HR B no. 18409.

This consolidated financial statement was submitted to the Supervisory Board for the meeting of the Supervisory Board on 1 April 2010.

2. Standards, revisions of standards and interpretations the application of which is mandatory for the first time for reporting periods from 1 January 2009

During the year under review all new and revised standards and interpretations, (the application of which is mandatory for the first time from 1 January 2009), were taken into account in the consolidated financial statement of EEX. The amendments of the standards were taken into account in accordance with the transitional regulations. This affects the following:

IAS 1: Presentation of financial statements

This results in formal changes regarding designations and contents of individual elements of the financial statement of EEX Group.

IFRS 7: Financial Instruments: Disclosures:

This amendment requires the provision of more information regarding the valuation at the fair value (three-tier hierarchy) as well as information regarding the liquidity risk and as to financial guarantees.

At the present time, the following amendments to the standards and interpretations do not have any impact on the consolidated financial statement of EEX:

- IAS 23: Mandatory capitalisation of borrowing costs
- IAS 32/IAS 1: Reporting of puttable financial instruments as obligations arising on liquidation, reporting of a financial instrument by the issuer
- IFRS 1/IAS 27: Assessment of the costs of acquisition of shares in subsidiaries, jointly controlled companies and associated companies
- IFRS 2: Definition of exercise conditions in the framework of share-based remuneration agreements
- IFRS 8: Reporting on business segments
- Improvements to IFRS: Removal of inconsistencies within the standards
- IFRIC 9/IAS 39: Estimate and assessment of embedded derivatives
- IFRIC 13: Accounting and assessment of customer loyalty programmes
- IFRIC 14: IAS 19 – The Limit on a Defined Benefit Asset

3. Standards and revisions of standards and interpretations, which were adopted at the reporting date but the application of which is not mandatory and which are not applied prematurely

IAS 24: Amendment of the definition of a related company or person:

The standard has effects on the information regarding relations with related companies and persons in the financial statement of EEX Group (to be applied for reporting periods beginning from 1 January 2011).

IAS 27: Treatment of the acquisition or sale of shares after attaining the possibility of control and by retaining the possibility of control

In the future, losses in minority interests which exceed their balance-sheet value have to be reported as negative book values in the Group equity. This will result in adjustments for future transactions (revised in November 2009; to be applied for reporting periods beginning from 1 July 2009).

IFRS 3: Purchase price components

Treatment of minority shares and company value as well as the extent of the assets, debts and contingent liabilities to be assessed. This will result in adjustments for future transactions (revised in January 2008; to be applied for corporate mergers with dates of acquisition from 1 July 2009).

IFRS 9: Classification and assessment of financial assets:

The four current assessment categories are replaced by only two assessment categories (continued costs of acquisition and fair value). This will have consequences for accounting of financial assets within EEX Group (published in November 2009; to be applied for reporting periods beginning from 1 January 2013).

“Improvements to IFRS 2009”

This standard comprises 15 different amendments to twelve existing IFRS. These mainly comprise amendments which are considered as being of marginal importance, such as the removal of inconsistencies within the standards and the clarification of ambiguous wordings. The effects on EEX Group are currently being examined (published in April 2009; to be applied for reporting periods beginning from 1 January 2010).

According to the current level of expertise, the following amendments will not be relevant for the consolidated financial statement of EEX:

- IAS 32:** Classification of subscription rights (revised in October 2009; to be applied for reporting periods beginning from 1 February 2010)
- IAS 39:** Estimate and assessment of suitable underlying transactions (revised in July 2008; to be applied for reporting periods beginning from 1 July 2009)
- IFRS 1:** First-time adoption of International Financial Reporting Standards (revised in November 2008 and July 2009; to be applied for reporting periods beginning from 1 July 2009 and 1 January 2010)
- IFRS 2:** Group Cash-settled Share-based Payment Transactions (revised in June 2009; to be applied for reporting periods beginning from 1 January 2010)
- IFRIC 12:** Service Concession Arrangements (published in November 2006; to be applied within the EU for reporting periods beginning from 1 January 2010)
- IFRIC 14:** Prepayments of a Minimum Funding Requirement (published in November 2009; to be applied for reporting periods from 1 January 2011)
- IFRIC 15:** Agreements for the Construction of Real Estate (published in July 2008; to be applied for reporting periods beginning from 1 January 2010)
- IFRIC 16:** Hedges of a Net Investment in a Foreign Operation (published in July 2008; to be applied for reporting periods beginning from 30 June 2009)
- IFRIC 17:** Distribution of Non-Cash Assets to Owners (published in November 2008; to be applied for reporting periods beginning from 1 November 2009)
- IFRIC 18:** Agreements regarding grid accesses (published in January 2009; to be applied from reporting periods beginning from 1 November 2009)
- IFRIC 19:** Extinguishing Financial Liabilities with Equity Instruments (published in November 2009; to be applied for reporting periods beginning from 1 July 2010)

4. Fundamental Accounting and Valuation Methods

The fundamental accounting and valuation methods which are used in the preparation of this consolidated financial statement are described below. The methods described are used consistently for the accounting periods detailed, unless otherwise specified.

Principles for the Preparation of the Financial Statement

The consolidated financial statement as of 31 December 2009 was prepared according to the International Financial Reporting Standards (IFRS) adopted and published by the International Accounting Standards Board (IASB) and as adopted for application in the European Union. The consolidated financial statement was prepared by applying the regulations contained in (EC) Regulation no. 1606/2002 of the European Parliament and Council of 19 July 2002 regarding the application of international accounting standards in conjunction with Art. 315a Paragraph 3 HGB [German Commercial Code] under consideration of the supplementary provisions under commercial law.

The requirements of IFRS are fully fulfilled and ensure that an impression of the asset, financial and earnings situation of the Group is conveyed which is in line with the actual situation.

The consolidated financial statement was prepared on the basis of the historical costs of acquisition/production.

The consolidated financial statement is prepared in EUR. Unless otherwise specified, all amounts are specified in thousand Euros (KEUR).

Principles of Consolidation

SUBSIDIARIES

All those companies in which the Group controls financial and business policy are defined as subsidiaries; as a rule, such control is accompanied by a share of more than 50 percent of the voting rights. In assessing the question of whether such control is ensured, the existence and effect of potential voting rights, which can be currently exercised or converted, is taken into account.

Subsidiaries are included in the consolidated financial statement (full consolidation) as of the time at which control was transferred to the Group. They are submitted to final consolidation at the time at which such control ceases.

Reporting regarding subsidiaries acquired in the financial statement is effected according to the purchase method. The costs of acquisition of the purchase correspond to the time value of the assets given, the equity instruments issued and the debts created and/or assumed at

the date of exchange plus the costs which can be directly allocated to the acquisition. Assets, debts and contingent liabilities which can be identified in the framework of a corporate merger are assessed at their respective time values on the date of acquisition, regardless of the extent of the minority shares. The surplus of the costs of acquisition for the purchase over and above the Group's share in the net assets assessed at the fair value is shown as goodwill. If the costs of acquisition are lower than the net assets of the acquired subsidiary assessed at the fair value, the amount of such difference is directly recorded in the profit and loss account.

Intra-group transactions, balances as well as unrealised profits and losses from transactions between affiliated companies are eliminated. If there are unrealised losses, however, this is seen as an indicator of the need to carry out an impairment test for the asset transferred. In so far as necessary, the accounting and valuation methods for subsidiaries were changed in order to ensure uniform accounting throughout the Group.

Assets held in the framework of a fiduciary relationship are not considered assets of the Group and are not reported in the consolidated financial statement.

TRANSACTIONS WITH MINORITIES

Transactions with minorities are treated like transactions with parties external to the Group. Sales of shares in minorities are recognised directly as equity in the consolidated financial statement. Conversely, acquisitions of shares in minorities are also recognised directly as equity.

ASSOCIATED COMPANIES

Associated companies are those companies on which the Group exercises decisive influence but which it does not control; as a rule, this is accompanied by a share of between 20 and 50 percent of the voting rights. Shareholdings in associated companies are reported in the balance sheet by using the equity method and, initially, they are assessed at their costs of acquisition. The share of the Group in associated companies includes the goodwill created upon the acquisition (after consideration of cumulated decreases in value).

The Group's share in the profits and losses of associated companies is recorded in the profit and loss account as of the date of acquisition, whereas the share in changes in reserves is recorded in the group reserves. The cumulated changes after acquisition are set off against the book value of the shareholding. If the Group's share in the loss in an associated company corresponds to the share of the Group in this company, including other unsecured accounts receivable, or exceeds said value, the Group does not record any further losses unless it has entered into obligations for the associated company or has made payments for the associated company.

Unrealised profits from transactions between affiliated companies and associated companies are eliminated according to the Group's share in the associated company. Unrealised losses are also eliminated unless the transaction indicates a reduction in the value of the asset transferred. If required, the accounting and valuation methods of associated companies were changed in order to ensure uniform accounting throughout the Group.

JOINT VENTURES

Joint ventures are shown in the balance sheet according to the equity method as per IAS 31.38.

SCOPE OF CONSOLIDATION

	SUBSIDIARIES				ASSOCIATED COMPANIES AND JOINT VENTURES	
	ECC	ECC Lux	EPD ¹	Lilie 28. VV	EPEX Spot SE ²	EMCC
Registered offices	Germany Leipzig	Luxembourg Strassen	Germany Leipzig	Germany Leipzig	France Paris	Germany Hamburg
First consolidation	2006	2009	2008	2007	2008	2008
Share in capital direct (indirect) 31/12/2008	% 99.9998	0	99.9	100	50	20
Share in capital direct (indirect) 31/12/2009	% 99.9998	(99.9998)	80	100	50	20
Nominal capital	K€ 1,000	13	125	25	4,973	100
Equity 2008	K€ 20,170	11	7,870	25	N.p.	-539
Equity 2009	K€ 24,712	18	9,798	25	15,193	365
Balance sheet total 2008	K€ 468,279	11	17,495	25	N.p.	1,368
Balance sheet total 2009	K€ 234,850	24,013	15,719	25	21,552	14,806
Sales 2008	K€ 17,089	0	15,627	0	N.p.	109
Sales 2009	K€ 17,190	1,566	14,389	0	23,988	121
Profit for the financial year 2008	K€ 2,538	-1	1	0	N.p.	-339
Profit for the financial year 2009	K€ 4,542	7	1,260	0	7,250	-896
Consolidation	Full consolidation				At equity	

¹ A profit and loss transfer agreement has been concluded with EPD.

² The financial year of EPEX Spot SE began on 1 October 2008 and ended on 31 December 2009. For this reason, information regarding the reporting year 2008 was not provided (n.p.).

In the financial year 2009 ECC Lux was fully consolidated within EEX Group for the first time. Since October 2009, it steps into the delivery processes as an additional contractual partner in respect to settlement of deliveries of commodities from transactions in power, natural gas and emission allowances which are settled through ECC. Explanations on changes regarding EPD and EMCC are provided in sections 15 and 12 respectively.

Property, plant and equipment

Property, plant and equipment assets are capitalised at the costs of acquisition and/or production and depreciated linearly as scheduled in accordance with the probable commercially useful life.

Subsequent costs of acquisition/production, e. g. on account of investments for expansion or replacement investments, are only recorded as a part of the costs of acquisition/production of the asset or – if appropriate – as a separate asset, provided it is likely that a commercial benefit will accrue to the company from it in the future and that the costs of the asset can be established reliably.

Expenses for repair and maintenance activities which do not constitute essential replacement investments (day-to-day services) are recognised as expenses in the profit and loss account for the financial year during which such were incurred.

Properties are not depreciated. All other assets are depreciated linearly with the costs of acquisition being depreciated to the residual book value as follows over the expected service life of the asset:

In years	SERVICE LIFE	In years	SERVICE LIFE
Furniture and fixtures		Office equipment	
Servers	3	Folding machine	8
Hardware	5	Steel cabinet	20
Printers	8	Video conferencing system	4
		Other office furniture	13

The residual book values and commercially useful life are reviewed as of every balance sheet date and adjusted if required. If the book value of an asset exceeds its estimated achievable value, it is immediately depreciated to the latter.

Profits and losses from the disposal of property, plant and equipment are established as the amount of the difference between the sales proceeds and the book value of the property, plant and equipment and recognised in income.

Intangible assets

GOODWILL

Goodwill is defined as the difference between the costs of acquisition of a company over and above the fair value of the shares of the Group in the net assets of the company acquired at the time of acquisition. Any goodwill created by the acquisition of the company is reported in the

balance sheet under intangible assets. Any goodwill resulting from the acquisition of an associated company is contained in the book value of the shareholding in this associated company. The goodwill shown in the balance sheet is submitted to an annual impairment test and assessed at its original costs of acquisition minus cumulated impairments. Reversals of impairment losses are not permissible.

The goodwill is divided into cash-generating units for the purpose of the impairment test.

This division is effected into those cash-generating units which are expected to benefit from the merger during which the goodwill was created.

OTHER INTANGIBLE ASSETS

Software licenses acquired are capitalised at their costs of acquisition/production plus the costs for establishing a state ready for going into operation minus any possible grants. The total costs of acquisition are depreciated over the estimated commercially useful life.

An intangible asset which is created by the company itself and results from development activity (or the development phase of an internal project) is shown, if and only if, all of the following proofs can be furnished:

- Technical feasibility of completion of the intangible asset is ensured so that it will be available for use or for sale.
- The completion of the intangible asset as well as its use or sale are intended.
- There is the capacity to use or sell the intangible asset.
- It has been established how the intangible asset will generate its probable future commercial benefit.
- The availability of adequate technical, financial and other resources for the completion of the development and the use or sale of the intangible asset is ensured.
- There is the capacity to reliably determine the expenses allocable to the intangible asset in the framework of the development.

The value at which an intangible asset created by the company itself is capitalised for the first time corresponds to the total of the expenses incurred as of the day on which said intangible asset fulfils the conditions specified above. In case an intangible asset created by the company cannot be capitalised, the development costs are recognised in income during the accounting period during which such are incurred.

The directly allocable costs for example, comprise the staff expenditure for the employees involved in software development as well as further costs directly allocable to the software development.

Capitalised costs of acquisition and production for software are depreciated over its expected useful life:

Licenses	SERVICE LIFE IN YEARS
Licenses	3
Admission database	4
Accounting software	5
Special software	5

Impairment of non-monetary assets

Assets which have an indefinite useful life are not depreciated according to schedule; they are rather submitted to an impairment test at least once per year as well as upon the emergence of corresponding indicators (events and/or changes in circumstances) as a supplement. Assets which are subject to scheduled depreciations are tested for an impairment in case there are corresponding indications (events and/or changes in circumstances) signalling that the book value might perhaps not be achieved any more. An impairment loss is recorded as the amount by which the book value exceeds the achievable amount. The achievable amount is the higher of the fair value of the asset (minus selling costs) or its value in use.

For the purpose of the impairment test, assets are combined on the lowest level for which the cash flows can be identified separately (so-called cash-generating units). With the exception of the value of the business and of the goodwill, non-monetary assets for which an impairment has been recorded in the past are reviewed as to whether a reversal of impairment losses has to be effected as of every balance sheet date.

Leasing relationships

EEX only has contractual relationships in which it is the lessee.

The allocation of beneficial ownership has to be evaluated for every leasing relationship. Leasing relationships in which an essential share of the risks and opportunities associated with the ownership of the object of the lease remains with the lessor are classified as operating lease relationships. Otherwise, the relationship constitutes a financial leasing relationship.

Rented or leased assets whose beneficial owner is EEX according to IAS 17 (financing leasing relationship), are shown in the assets at the present value of the rent or leasing instalments or at the time value of the rental or leasing object, if such is lower, and depreciated linearly according to schedule.

In case ownership is transferred to EEX as of the end of the leasing term, the period of depreciation corresponds to the commercially useful life; otherwise, it corresponds to the leasing term of the object of the lease. The present value of the payment obligations from the future rental and leasing instalments is reported as a liability and subsequently reduced by the repayment share contained in the rental and leasing payments.

Rental and leasing relationships in which EEX cannot be allocated beneficial ownership are classified as operating lease relationships. The expenses resulting from these agreements are recorded fairly at the time of the use of the corresponding rental and leasing objects; i. e. they are recorded linearly in the profit and loss account throughout the term of the leasing relationship (net after consideration of incentive payments made by the lessor).

Financial assets

A financial instrument is defined as a contract which simultaneously leads to a financial asset for one company and to a financial liability or equity instrument for the respective other company.

Financial assets comprise the following:

- a) available funds;
- b) an equity instrument of another company held as an asset;
- c) a contractual right:
 - to obtain available funds or other financial assets from another company or
 - to exchange financial assets or financial liabilities with another company at potentially advantageous conditions or
- d) a contract which will or can be fulfilled in own equity instruments of the company and which constitutes the following:
 - a non-derivative financial instrument which comprises or can comprise a contractual obligation of the company to receive a variable number of equity instruments of the company or
 - a derivative financial instrument which will or can be fulfilled in another manner than through the exchange of a fixed amount of available funds or other financial assets in return for a fixed number of equity instruments of the company. In that sense the equity instruments of a company do not comprise any instruments which themselves constitute contracts regarding the future receipt or the future sale of equity instruments of the company.

Assessment and de-recognition of financial investments are effected as per the trading day (trade day accounting). Said day is the day of the purchase or sale of a financial asset on which the terms of contract provide for the delivery of the financial asset within the time

frame common for the market concerned. The first assessment is effected at the fair value plus the transaction costs. Financial assets categorised as “recognised in income at the fair value” are exempt from this. In this case, the initial assessment is effected at the fair value without consideration of transaction costs.

Financial assets are allocated according to the following categories:

- Assets at fair value through profit or loss
- Financial assets held until final maturity
- Financial assets available for sale
- Loans and accounts receivable

The allocation to a category depends on the type and intended purpose of the financial assets and is effected upon addition of the asset. The allocation to a category needs to be reviewed as of every balance sheet date.

In EEX, financial assets are divided into three categories.

ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

This category has two sub-categories: Financial assets classified as “held for trading” right from the beginning and financial assets classified as “assets assessed at fair value through profit or loss” right from the beginning. A financial asset is assigned to this category if it was acquired with the intention of selling it in the short term on principle or in case the financial asset was designated accordingly by the management. Derivatives are also part of this category unless they are qualified as financial instruments in a hedge relationship (hedges). Assets of this category are reported as current assets if they are either held for trading or will probably be realised within a period of 12 months after the balance sheet date.

LOANS AND RECEIVABLES

Loans and receivables are non-derivative financial assets with fixed and/or definable payments which are not quoted on an active market. They are part of the current assets if their term does not exceed a period of 12 months after the balance sheet date. If this is not the case, they are reported as non-current assets.

Loans and receivables are reported under accounts receivable for sales and services and other accounts receivable in the balance sheet.

FINANCIAL ASSETS AVAILABLE FOR SALE

According to IAS 39, financial assets are also allocated to the category of “financial assets available for sale”. Financial assets available for sale are shown in the balance sheet at their time value as of the balance sheet date or, in as far as such cannot be determined or in as far

as such cannot be determined reliably, at the amortised acquisition costs. Since the time values of the shareholdings held by EEX Group cannot be determined by means of suitable valuation methods, they are reported in the balance sheet at acquisition costs.

Financial instruments of European Commodity Clearing AG

ECC AG is the clearing house of EEX Group and has the function of a central counterparty.

UNCONDITIONAL FUTURES TRANSACTIONS

In the case of certain futures the physical delivery of the subject of the contract is intended and mandatory. However, the parties to the contract can close out their obligations through a matching transaction. This form of contract is possible for all commodities except coal. In terms of the balance sheet futures which were already traded before the balance sheet date but whose last trading day occurs later – i. e. futures in the open interest – in particular are relevant at this point.

Variation margins cover daily profits and losses. They are directly passed on to the corresponding party to the contract and, hence, do not lead to any asset or liability on the part of ECC.

Futures with mandatory cash settlement are treated as being equivalent to unconditional forward contracts and for this reason, they are not shown either as assets or liabilities in the balance sheet.

CONDITIONAL FUTURES TRANSACTIONS

In the case of options, the buyer of an option has to pay an option premium upon the conclusion of the contract. In the event of price fluctuations which have a negative impact on the seller of the option and lead to losses in case the option is exercised, margins have to be furnished by the seller. The buyer of an option, on the other hand, cannot sustain any further losses beyond the option premium already paid since it is not obliged to exercise the option. In other words, the value of an option depends on the possible losses which the seller might sustain.

The fair value has to be shown in the balance sheet for options. Since a market price for the options can be established with the help of the EEX data, said market price has to be used for the assessment. In this context, the option premiums for the open positions are used. Assets and liabilities positions of the same amount are created since ECC, in its capacity as the

central counterparty, has both an account receivable towards the seller of the option and an account receivable towards the buyer of the option.

Option premiums are directly credited to the seller of the option. As a result, they do not constitute any future outflow/inflow of funds and do not have to be shown in the balance sheet.

Accounts receivable for sales and services

Initially, accounts receivable for sales and services are assessed at the fair value. Afterwards, they are valued at amortised acquisition costs and, in as far as they have a remaining term of more than 6 months, by using the effective interest rate method as well as by deducting impairments. An impairment of accounts receivable for sales and services is recorded if there are objective indications pointing to the fact that the amounts of the accounts receivable which have fallen due cannot be collected in their entirety. Considerable financial difficulties of a debtor, an increased likelihood of the debtor becoming insolvent or entering into some other reorganisation measure as well as a breach of contract, such as a default or a delay in interest or redemption payments, are considered indicators of the presence of an impairment. The amount of such impairment is categorised as other operating expenses in the profit and loss account.

Cash and cash equivalents

Cash and cash equivalents comprise cash assets, sight deposits and other highly liquid short-term financial assets with an original term of, at maximum three months, as well as overdraft facilities. These are financial assets available for sale.

Bank deposits with a restriction on disposal comprise cash deposits by the trading participants which are essentially invested with banks overnight.

Overdraft facilities used are essentially shown as liabilities to banks under the short-term financial debts in the balance sheet.

Securities

According to the clearing conditions of ECC AG, every trading participant needs to furnish a certain amount in securities. This form of collateral can be furnished in the form of cash funds in the Federal Bank account of ECC AG, in securities or bank guarantees (only for the clearing fund).

Liabilities from cash securities are reported under the item “Cash deposits by the trading participants” in the consolidated balance sheet. The corresponding amounts are reported under “Bank deposits with a restriction on disposal”.

Collateral furnished in the form of securities is pledged by the clearing members. This cannot be shown in the balance sheet.

Financial debts

Upon their first assessment, financial debts are assessed at their fair value and after the deduction of transaction costs. In subsequent accounting periods they are valued at amortised acquisition costs; every difference between the payout amount (after the deduction of transaction costs) and the repayment amount is recorded in the profit and loss account by using the effective interest method throughout the term of lending. With regard to the accounting principles for “trade day accounting” reference is made to the explanation regarding financial assets.

Loan liabilities are classified as current liabilities unless the group has the unconditional right to postpone the repayment of the liability to a time at least 12 months after the balance sheet date.

Deferred taxes

Deferred taxes are assessed for all temporary differences between the tax balance sheet value of the assets/liabilities (tax base) and their book values in the annual financial statement according to IFRS (so-called liabilities method). If, however, deferred taxes, which do not have an impact on the balance sheet or taxable profit or loss at the time of the transaction, arise from the first assessment of an asset or a liability in the framework of a transaction which does not constitute a merger, tax accrual and deferral are dispensed with both at the time of the initial assessment and afterwards. Deferred taxes are assessed by using the tax rates (and taxation provisions) which are applicable on the balance sheet date or have essentially been adopted legally on the balance sheet date and which are expected to be valid at the time of the realisation of the deferred tax asset and/or of the settlement of the deferred tax liability.

Deferred tax liabilities which are caused by temporary differences in connection with the shareholdings in subsidiaries and associated companies are stated unless the time of the reversal of the temporary differences can be determined by the Group and it is likely that the temporary differences will not be reversed in the foreseeable future on account of this influence.

Deferred tax assets on losses carried forward are assessed to the degree to which it is likely that such can be used. The use of deferred tax assets on losses carried forward depends on whether sufficient taxable income is generated in the future. The earnings situation in the past as well as planning calculations are used to evaluate the likelihood of such a situation.

Employee benefits

Within the Group there are both defined benefit pension plans and defined contribution pension plans.

A defined contribution pension plan is a pension plan under which the Group pays fixed contributions to a company (fund) which is not part of the Group. The Group is not subject to any legal or de facto obligation to provide additional contributions in case the fund does not have sufficient assets in order to settle the pension claims of all employees from the current and previous business years. In contrast to this, defined benefit pension plans typically specify an amount for the pension benefit which an employee will receive upon retirement and which usually depends on one or more factors, such as age, length of service and salary.

The reserve for defined benefit plans assessed in the balance sheet corresponds to the present value of the defined benefit obligation (DBO) on the balance sheet date after adjustment for actuarial profits and losses which have not been recognised in income so far, and the current service costs which are not recognised in income accordingly and are to be settled subsequently. The DBO is calculated annually by an independent actuarial expert by using the projected unit credit method. The present value of the DBO is calculated by discounting the expected future outflow of funds at the interest rate for industrial bonds with the highest credit rating. The industrial bonds are specified in the currency of the payment amounts and have terms corresponding to those of the pension obligations.

Actuarial profits and losses which are based on adjustments and modifications of actuarial assumptions on account of experience are recognised in income throughout the expected remaining period of service of the employees.

Current service costs to be settled subsequently are immediately recognised in income unless the modifications of the pension plan depend on the continuance of the employee in the company for a fixed term (term until the beginning of non-forfeitability). In this case, the current service costs to be settled subsequently are recognised in income linearly throughout the period until the beginning of non-forfeitability.

Since the amount of the reserve regarding the obligation in Germany is negligible at the moment, obtaining of an IFRS expert opinion has been dispensed with. During the period under review the amount of the reserve was established according to the fiscal entry age normal method by using a discount rate of 6 percent. Trends in the development of wages and pensions were not considered.

The pension obligations in France were calculated according to the principles of IAS 19. A discount rate of 4.25 percent was applied.

Actuarial profits and losses are immediately recognised in income. In so far as there are plan assets, these are deducted from the pension reserve.

Reserves

Reserves are carried as liabilities in case the Group has a current legal or de facto obligation resulting from an event in the past, in case it is more likely than not that the settlement of the obligation will lead to an encumbrance and the amount of the reserve can be determined reliably. Reserves for future operating losses are not recorded.

If there is a large number of similar liabilities, the likelihood of an encumbrance on the basis of the group of these liabilities is established. A reserve is also carried as a liability if the likelihood of an encumbrance is low with reference to a single obligation contained in this group.

Reserves are assessed at the present value of the expected expenses; in this process, a pre-tax interest rate is used which takes the current market expectations regarding the interest effect and the risks specific to the obligation into account. Increases in the reserve resulting from mere compounding are recognised in income as interest expenses in the profit and loss account.

Profit realisation

The trading and clearing fees are immediately recognised as sales revenue on the trading day and settled on a monthly basis. Trading, clearing and settlement fees are recorded as of the delivery day; fees regarding the Derivatives Market are recorded on the last day before the beginning of the delivery period. Annual fees and technical fees are recorded in advance with annual fees recorded one year in advance and technical fees recorded one quarter in advance. Training fees are recorded after receipt of the accounting transaction and fees for information products are recorded after the receipt of invoices by the service provider.

Interest revenue and expenses are recorded considering the effective interest rate method.

Interest revenue is recorded if it appears sufficiently likely that the commercial benefit from the transaction will accrue to the company and the amount of the revenue can be determined reliably.

Interest expenses are recorded in the accounting period during which they were incurred.

Transactions in foreign currencies

Transactions in foreign currencies are converted into the functional currency (EUR) at the exchange rates valid at the time of the transaction. Profits and losses resulting from the fulfilment of such transactions as well as from the conversion of monetary assets and debts recorded in foreign currencies at the exchange rate valid on the balance sheet date are recorded in the profit and loss account.

Establishment of the fair value

The fair values of the financial instruments are determined on the basis of corresponding market values or valuation methods. The fair values for cash funds and other short-term original financial instruments (in particular accounts receivable for sales and services and trade accounts payable) roughly correspond to the book values shown in the balance sheet as of the respective balance sheet dates.

The fair value of derivatives traded in an active market is based on the exchange price on the balance sheet date. Since ECC acts as the buyer and the seller at the same time, the relevant exchange price of financial assets corresponds to their current bid price.

The fair value of financial liabilities specified in the Notes is established by discounting the future payments agreed on by contract at the currently valid market interest rate which would be granted to the Group for comparable financial instruments.

5. Estimates, valuation uncertainties and discretionary decisions

All estimates and assessments are constantly re-evaluated and are based on experience gained from the past and further factors, including expectations with regard to future events, which appear reasonable under the prevailing circumstances.

The Group makes assessments and assumptions regarding the future. The estimates derived from these will obviously only correspond exactly to the actual circumstances arising later in very rare cases.

The corporate planning of EEX AG and its subsidiaries constitutes the basis for the annual impairment test regarding the respective goodwill. This planning processes assumptions regarding the future development of the expense and income items of the cash-generating units concerned. With regard to this reference is made to Note 16.

Further estimates and assessments have been made, especially, with regard to the evaluation of the likelihood of demands on certain reserves as well as the realisability of deferred tax assets.

The determination of the deferred tax assets on losses carried forward is based on the medium-term plan for the years 2010 to 2015. If it is not likely that the losses brought forward will be fully used over the next five years, the amount of the deferred tax assets will be reduced to the amount which can be achieved. The sensitivity analysis examines which changes of the plan would lead to a further adjustment in the event of a decline in sales at EPD. A change in sales by 5 percent in both directions leads to a further adjustment or reversal of impairment of approximately KEUR 1,380.

NOTES TO THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

The income and expenses for the financial years 2008 and 2009 can only be compared to a limited degree. While income and expenses of EEX Power Spot GmbH were fully consolidated in the financial year 2008, these were included in the value of the shareholding in EPEX Spot SE which was accounted for at equity in 2009.

Furthermore, ECC Lux was fully consolidated for the first time in the year under review. The effect on the consolidated balance sheet and profit and loss account resulting from this, however, is insignificant.

6. Sales revenue

The sales revenue consists of four components: transaction fees, annual fees, training fees and other sales revenue.

The revenue generated by EPD mainly results from the transaction fees for trading in power, which are invoiced as fees per order executed depending on the number of kWh traded. ECC generated clearing turnover, the amount of which also depends on the value of the transaction registered for clearing.

ECC and ECC Lux provide clearing of products traded on EEX, EPEX, EPD and the co-operation partners ENDEX European Energy Derivatives Exchange N.V. and Powernext. This co-operation is reflected in a clear correlation between the ECC clearing fees and the transaction fees of the companies contained in the scope of consolidation of EEX.

The annual fees are charged annually by the companies operating the exchange in return for the right to use the respective market concerned.

The training services for exchange traders are exclusively provided by EEX.

A fee is charged for participation in the exchange trader examination.

The sales revenue of the Group is structured as follows:

in K€	2009	2008
Power Spot Market	3,773	10,175
Gas Spot Market	170	57
EUA Spot Market	386	22
Total Spot Market	4,328	10,254
Power Derivatives Market	25,012	27,043
Gas Derivatives Market	1,130	744
EUA/CER Derivatives Market	138	279
Coal Derivatives Market	6	21
Total Derivatives Market	26,286	28,087
Annual fees	2,198	3,410
Training courses/examinations	1,257	1,023
Others	534	380
Total revenue	34,603	43,154

The decline in sales revenues is essentially due to the de-consolidation of EPS GmbH. The transaction fees for the Spot Market now only comprise the clearing fees.

7. Other operating income

The other operating income is structured as follows:

in K€	2009	2008
XETRA line charges	2,622	1,947
EUREX line charges	2,845	2,391
Other revenue	2,475	758
Total	7,942	5,096

The trading participants are invoiced for line charges depending on the type of line used on a quarterly basis. While revenues are generated on the one hand, there are also expenses from systems costs, which are reported under the item "Other operating expenses".

The other income essentially concerns the provision of services for non-affiliated companies (KEUR 1,322).

8. Personnel expenditure

Personnel expenditure has the following structure:

in K€	2009	2008
Salaries and wages	6,335	4,757
Social insurance contributions	1,360	964
Allocation to pension reserve	24	-2
Total	7,719	5,719

As of 31 December 2009, 87 members of staff were employed in EEX Group (2008: 67). On an annual average for 2009, the number of staff totals 80 (2008: 61). There are no apprentices or trainees.

9. Depreciations

Depreciation is structured as follows:

in K€	2009	2008
Intangible assets	4,051	185
Impairment of goodwill	8,433	0
Property, plant and equipment	402	390
Leasing assets	70	24
Total	12,955	599

Deviating from the practice of the previous year, the release of the other accounts receivable is included in other operating expenses.

The depreciations which are higher in 2009 than in the previous year result from the impairment on the goodwill (KEUR 8,433) and the capitalised customer base (KEUR 3,247) of the French Power Derivatives Market of in total KEUR 11,680 (see Note 16).

10. Other operating expenses

The other operating expenses are structured as follows:

in K€	2009	2008
Systems costs	10,888	11,766
Business, IT and tax consultancy, legal advice	3,601	3,573
Market maker expenses	2,241	2,201
Advertising/travelling expenses and events	1,424	1,332
Non-deductible input tax	1,077	1,212
Broker expenses	1,127	674
Other accounts receivable	1,007	1,154
Rental expense	395	651
Balancing area costs	-88	475
Insurances, contributions	598	410
Audit costs	495	394
Gas transport	266	196
Other expenses	2,812	3,055
Total	25,843	27,094

Market makers promote continuous trading and improve liquidity on the respective market by publishing binding buying and selling quotes. They are obliged to buy and/or sell at the rates published.

The systems costs comprise costs which depend on volumes, costs which depend on the trading participant and the operating flat rate for the trading and settlement system of EEX Group.

Systems expenses increase with rising volumes.

Furthermore, the systems costs comprise line charges regarding the trading participants' technical connections. These are charged to the customers (see Note 6).

11. Financial result

The financial result has the following structure:

in K€	2009	2008
Interest income margins	973	3,504
Interest expenditure margins	-665	-3,247
Net interest income margins	308	257
Interest income	189	471
Other interest and similar income	74	4
Interest expenditure from short-term liabilities	-231	-1,532
Other interest and similar expenses	-24	-84
Other net interest income	9	-1,140
Total interest income	1,236	3,979
Total interest expenses	-920	-4,862
Total	316	-883

The reduced interest income and expenses from interest on margins are due to the decline in interest levels and fewer cash securities.

The interest expenditure from short-term liabilities was reduced considerably since the input tax surplus was reduced considerably upon the inclusion of EEC Lux in clearing of the deliveries.

12. Expenses/income from equity accounting

The result from equity accounting concerns the continuation of the costs of acquisition for the shareholdings accounted for at equity.

in K€	2009	2008
Proportionate share in the result of EMCC in 2008 and 2009	-227	-20
EMCC	-227	-20
Proportionate share in the result of EPEX in 2009	3,246	0
Depreciation on EPEX customer base	-314	0
Income from deferred taxes on depreciation	108	0
EPEX	3,039	0
Total	2,812	-20

In the financial year 2009, EMCC increased the capital reserve by KEUR 1,500, KEUR 300 of which were provided as a proportionate share by EEX. The proportionate share in the result of KEUR -227 consists of losses to the amount of KEUR -179 from 2009 and KEUR -48 as a supplement from 2008, since the proportionate share in the loss of KEUR -68 exceeded the book value of the shareholding by KEUR 48 in the previous year.

13. Expenses/income from the sale of assets

In return for its transfer of the French Power Derivatives Market business by Powernext, it was granted a 20 percent share in the equity of EPD. The difference between the sales price of KEUR 15,937 and the transferred net assets of KEUR 1,983 results in a yield of KEUR 13,954. At this point, reference is made to Note 15.

Furthermore, this item comprises deficits which concern the sale of one share in ECC to the minority shareholder Powernext and the sale of leasing goods.

14. Taxes on income and profit

The taxes on income and profit paid or owed currently and deferred taxes are recorded as income tax. In this context, the taxes on income and profit consist of business tax, corporation tax and solidarity surcharge.

Current taxes on income and profit are recognised in income at the time at which such are incurred.

Taxes on income and profit have the following structure:

in K€	2009	2008
Current income taxes	2,441	3,694
Income taxes unrelated to the accounting period	-132	231
Deferred taxes on income	3,609	1,484
Deferred taxes on income unrelated to the accounting period	0	-361
Total	5,918	5,049

For the purpose of the calculation of deferred taxes in Germany, a tax rate of 31.925 percent is used for the year 2009 (2008: 31.925 percent). This tax rate includes the business tax with an assessment rate of 460 percent (2008: 460 percent), the basic rate of tax of 3.5 percent (2008: 3.5 percent), the corporation tax rate of 15 percent (2008: 15 percent) and the solidarity surcharge of 5.5 percent (2008: 5.5 percent) on corporation tax. A tax rate of 34.43 percent is in force for France.

The expected expenses for taxes on income and profit, which would have resulted from the application of the tax rate of the holding to the amount of EUR 31.925 percent (2008: 31.925 percent) on the consolidated pretax profit as per IFRS, can be transferred to the taxes on income and profit according to the profit and loss account as follows:

in K€	2009	2008
Earnings before taxes	13,120	26,856
Tax rate	31.925%	31.925%
Expected tax expenditure	4,188	8,574
Deviating valuation	-4,735	-4,128
Reduction in value of losses brought forward	4,855	0
Impairment of goodwill	2,692	0
Tax-free income	-1,068	0
Non-deductible expenses	50	143
Deviation from the assessment basis for business tax	94	92
Tax expenses/ income not attributable to the accounting period	-132	231
Deferred taxes not attributable to the accounting period	0	-361
Others	-26	498
Effective tax expenditure	5,918	5,049

The following deferred tax assets and tax liabilities arise from the temporary differences between the tax balance sheet and the IFRS balance sheet and from tax loss carryforwards:

in K€	DEFERRED TAX ASSETS		DEFERRED TAX LIABILITIES	
	2009	2008	2009	2008
Intangible assets	23	2	-2,351	0
Property, plant and equipment	8	0	-41	-14
Financial instruments	1,194	12,219	-1,194	-12,219
Other accounts receivable	0	0	-284	-455
Other assets	0	0	0	-2
Loss carry-forward	1,387	6,743	0	0
Long-term reserves	17	0	0	0
Leasing liabilities	35	7	0	-10
Outside basis differences	0	0	-352	-631
Gross value	2,664	18,971	-4,222	-13,330
Balancing	-1,784	-13,330	1,784	13,330
Total	881	5,641	-2,438	0

Deferred tax assets are assessed with regard to temporary differences and tax loss carryforwards provided their realisation appears sufficiently secure in the near future. An impairment test of the losses brought forward led to the result that a utilisation of these to an amount of only KEUR 4,345 is likely during the next 5 years. As a result of this, the value of the deferred tax assets was reduced by KEUR 4,855 to KEUR 1,387 following a utilisation of KEUR 500 in 2009.

The increase in the deferred tax liabilities on intangible assets essentially results from the customer base capitalised in the framework of the purchase price allocation of the French Power Derivatives Market.

Taxable temporary outside basis differences to the amount of KEUR 851 were not shown as liabilities in accordance with IAS 12.39.

The deferred taxes are structured as follows depending on the term until realisation:

in K€	2009	2008
Deferred tax assets		
which will be realised after more than 12 months	2,664	18,971
which will be realised within a period of 12 months	0	0
Total	2,664	18,971
Deferred tax liabilities		
which will be realised after more than 12 months	-3,910	-12,874
which will be realised within a period of 12 months	-312	-456
Total	-4,222	-13,330

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

The explanations regarding the transfer of the French Power Derivatives Market are provided before the information regarding the balance sheet items since these concern several subsequent balance sheet items.

15. Transfer of the French Power Derivatives Market

Powernext transferred the French Power Derivatives Market business to EPD in return for a 20-percent share in the equity of the company with effect of 1 April 2009.

The net assets transferred, including the adjustments of the assets and liabilities according to IFRS 3, are shown below:

in K€	BOOK VALUE	ADJUSTMENT	FAIR VALUE
Company value	0	8,433	8,433
Intangible assets	2	10,426	10,428
Property, plant and equipment	5	0	5
Accounts receivable for sales and services	582	0	582
Cash and cash equivalents	591	0	591
Long-term reserves	-3	0	-3
Deferred tax liabilities	0	-3,590	-3,590
Accounts payable for goods and services	-349	0	-349
Other liabilities	-160	0	-160
Net assets	668	15,269	15,937
Purchase price paid in cash	0	0	0
Cash and cash equivalent in net assets	591	0	591
Inflow of cash because of the transactions	591	0	591

The purchase price allocation resulted in the following adjustments of assets and liabilities:

in K€	1 APRIL 2009
Company value	8,433
Customer base	10,426
Deferred tax liability	-3,590
Total	15,269

The capitalised customer base will be depreciated over 20 years as planned.

The result from the minority transaction is established as follows:

in K€	1 APRIL 2009
Value of the EPD share sold	15,937
Outflow of 20% of the equity of EPD	1,974
Profit from sale of shares	13,963

As regards the development of the French Power Derivatives Market after its transfer reference is made to the explanations regarding Note 16.

16. Goodwill and intangible assets

The goodwill and the intangible assets have developed as follows:

in K€	OTHER INTANGIBLE ASSETS	GOODWILL	TOTAL
Costs of acquisition as of 1 January 2008	511	27,593	28,104
Additions	933	0	933
Disposals	-169	-6	-176
Costs of acquisition as of 31 December 2008	1,275	27,587	28,862
De-consolidation of EPS	-4	-6,014	-6,019
Costs of acquisition as of 31 December 2008	1,270	21,572	22,843
Additions	11,872	8,440	20,312
Disposal of grant	-407	0	-407
Disposals	-59	0	-59
Costs of acquisition as of 31 December 2009	12,677	30,012	42,689
Depreciation/impairment as of 1 January 2008	306	12,803	13,109
Scheduled depreciation	185	0	185
Disposals	-169	0	-169
Depreciation/impairment as of 31 December 2008	322	12,803	13,125
De-consolidation of EPS	-4	-3,441	-3,445
Depreciation/impairment as of 31 December 2008	317	9,362	9,680
Scheduled depreciation	802	0	802
Impairment	3,247	8,433	11,680
Disposals	-59	0	-59
Depreciation/impairment as of 31 December 2009	4,308	17,795	22,103
Book value as of 1 January 2008	205	14,790	14,995
Book value as of 31 December 2008	953	14,784	15,737
EPS de-consolidation	0	-2,573	-2,573
Book value as of 31 December 2008	953	12,210	13,163
Book value as of 31 December 2009	8,369	12,217	20,586

The additions in the financial year essentially concern the goodwill (KEUR 8,433) and customer base (KEUR 10,426) capitalised in the framework of the transfer of the French Power Derivatives Market. Furthermore, the additions concern enhancements of the clearing system for the Spot Market (KEUR 127), commissioning of the risk monitoring system SAS (KEUR 408) and the development of the transparency platform (after the deduction of grants by projects partners: KEUR 119).

The goodwill is defined as the exclusive intangible assets within EEX Group with an indefinite useful life. They have the following structure:

in K€	EEX	ECC	EPD	ECC LUX	SUMME
Balance at 1 January 2008	6,301	5,916	0		12,217
Changes to the scope of consolidation	-6,301	0	6,301		0
Minority transaction	0	0	-6		-6
Balance at 31 December 2008	0	5,916	6,294	0	12,210
Changes to the scope of consolidation	0	0	0	7	7
Transfer of French Power Derivatives Market	0	0	8,433	0	0
Impairment of goodwill	0	0	-8,433	0	0
Balance at 31 December 2009	0	5,916	6,294	7	12,217

The goodwill is allocated to the cash-generating units (CGUs) of the Group which have been identified in accordance with the expected utilisation of synergetic effects as per the corporate concept and the corporate plan at the time of the acquisition.

The amount which can be achieved by a CGU is determined on the basis of the calculation of its value in use. These calculations are based on forecast cash flows, which are derived from the planning adopted by the management.

Annual impairment test as of 30 September 2009

The impairment test is based on the medium-term planning for the cash generating units. These cash flows, which are forecast on an annual basis, are discounted.

In so far as cash flow forecasts are required in addition beyond the five-year planning horizon, a sustainable cash flow is derived from the plan and continued on the basis of a growth rate related to the specific development of the market. A growth rate of one percent was used for the planning for 2009.

The rate of the weighted average cost of capital (WACC), which reflects the capital market's required rate of return for the provision of borrowed capital and equity for EEX, is used for the purpose of discounting the cash flow.

At EEX, the rate of the weighted average costs of capital amounts to 9.61 percent for the market in Germany and to 9.64 percent for the French market area.

With one exception, a fair value (minus selling costs) which was considerably above the book values of the CGUs was established in all cases.

The French Power Derivatives Market, which was transferred to EEX Group as of 1 April 2009 (see section on minority shares with regard to this), fell far short of expectations. On the basis of the corrected business plan and by using a discount rate of 9 percent the contribution which this segment can provide was established at KEUR 7,125.

The difference from the book value of the Power Derivatives Market in the Group of KEUR 11,680 was recorded in the result under the depreciations as an impairment on goodwill (KEUR 8,433) and the capitalised customer base (KEUR 3,247).

Sensitivity of the planning assumptions

In the case of the cash-generating unit of the "French Power Derivatives Market business" the estimated achievable amount corresponds to the book value. As a result, a negative adjustment to the underlying plans would lead to a further impairment requirement.

The turnover from transaction fees is the central factor driving the results of the unit considered. The plan for this parameter was adjusted to the values for the previous months. Moreover, an action plan was designed and implemented in order to strengthen the market.

If the planned turnover is not reached, in spite of these measures, for example if the planned figure is permanently reduced by 10 percent, this will immediately lead to a further impairment requirement, for example by a further KEUR 1,431.

With regard to all other cash-generating units having a goodwill component, a reduction of the planned turnover from transaction fees by 10 percent will not lead to an impairment requirement.

17. Property, plant and equipment

In 2009, property, plant and equipment related costs and transactions were as follows:

in K€	FURNITURE AND FIXTURES	OFFICE EQUIP- MENT	LOW- VALUE ITEMS	LEASEHOLD IMPROVE- MENTS	TOTAL
Costs of acquisition as of 1 January 2008	1,888	160	0	247	2,295
Additions	428	66	92	726	1,311
Disposals	-972	0	0	-247	-1,220
Costs of acquisition as of 31 December 2008	1,344	225	92	726	2,387
EPS de-consolidation	-1	-5	0	0	-6
Costs of acquisition as of 31 December 2008	1,343	221	92	726	2,381
Additions	285	24	158	86	553
Disposals	-49	-1	-1	0	-50
Costs of acquisition as of 31 December 2009	1,579	243	249	812	2,883
Depreciation/ impairment as of 1 January 2008	1,509	78	0	197	1,784
Scheduled depreciation	307	21	5	82	414
Disposals	-969	0	0	-205	-1,174
Depreciation/impairment as of 31 December 2008	847	98	5	74	1,024
EPS de-consolidation	-1	-4	0	0	-5
Depreciation/impairment as of 31 December 2008	846	94	5	74	1,019
Scheduled depreciation	336	22	84	98	541
Disposals	-30	-1	-1	0	-32
Depreciation/impairment as of 31 December 2009	1,152	115	88	172	1,527
Book value as of 1 January 2008	379	82	0	50	511
Book value as of 31 December 2008	497	127	87	652	1,363
EPS de-consolidation	0	0	0	0	0
Book value as of 31 December 2008	497	127	87	652	1,362
Correction	-1	0	0	0	-1
Book value as of 31 December 2009	426	129	160	640	1,355

The item “Fixtures and Fittings” comprises assets which have to be allocated to the equitable property of the Group according to IAS 17.

Transactions and values of assets from financial leasing contracts are detailed below:

in K€	2009	2008
Costs of acquisition as of 1 January	86	46
Additions	142	40
Disposals	-31	0
Costs of acquisition as of 31 December	198	86
Depreciation/impairment as of 1 January	39	15
Scheduled depreciation	70	24
Disposals	-12	0
Depreciation/impairment as of 31 December	97	39
Book value as of 1 January	47	31
Book value as of 31 December	101	47

18. Shares in associated companies and other financial assets

	ASSOCIATED COMPANIES AND JOINT VENTURES		SHAREHOLDINGS	
	EPEX SPOT SE	EMCC	TRAC-X	STORE-X
Registered offices	France Paris	Germany Hamburg	Germany Leipzig	Germany Leipzig
First inclusion in balance sheet	2008	2008	2008	2008
Share in capital direct (indirect) 31 December 2008	% 50	20	19	12
Share in capital direct (indirect) 31 December 2009	% 50	20	19	12
Nominal capital	K€ 4,973	100	200	200
Inclusion	At Equity		Costs of acquisition	

The development of the book values is explained under item 12 “Expenses/income from equity accounting”.

19. Derivative financial instruments

This position comprises the fair value of the options which is established on the basis of the current exchange price of the open positions.

On account of ECC's function as the central counterparty, the accounts receivable and accounts payable are recorded on the asset side and liabilities side to the same amount of KEUR 3,740 (2008: KEUR 38,275). Options with a total value of KEUR 1,374 included in this will mature within one year. Further options totalling KEUR 2,366 will reach maturity in 2011.

20. Other accounts receivable

The trading and clearing system which is used by EEX Group is made available by an external service provider (Deutsche Börse Systems AG). The licence agreement is classified as an operating lease.

One-off payments for modifications of the trading and clearing system have to be capitalised according to IAS 17.33 and linearised over the term of the underlying leasing agreement (up until 2010 and 2015). The capitalised payments are recorded under the balance sheet item "Other accounts receivable". As of 31 December 2009 the other accounts receivable amounted to KEUR 1,383 (31 December 2008: KEUR 1,861).

21. Accounts receivable for sales and services

The trade accounts receivable for sales and services have the following composition and the specific individual allowance which is deducted on the asset side as detailed below:

in K€	31/12/09	31/12/08
Accounts receivable	7,885	3,187
Net of lump-sum specific individual allowance	0	68
Accounts receivable for sales and services	7,885	3,120

in K€	2009	2008
Initial amount of the lump-sum specific allowance as of 1 January	68	0
Transfer to allowance	0	68
Utilisation of allowance	-23	0
Writing back	-45	0
Final amount of the lump-sum specific allowance as of 31 December	0	68

Accounts receivable for sales and services essentially result from accounts receivable from transaction fees as well as from sales on the Power Spot Market, which are only settled financially after delivery in accordance with the clearing conditions.

As of 31 December 2009 and 31 December 2008 there were no accounts receivable for sales and services with a remaining term of more than one year.

EEX Group has debit orders for debiting trading turnover, transaction fees, the annual fees as well as the technical fees. Valuation adjustments were made for individual accounts receivable regarding training fees in the previous year. No accounts receivable were submitted to a value adjustment as of the balance sheet date.

22. Other assets and tax refund claims

The other assets and tax refund claims are structured as follows:

in K€	31/12/09	31/12/08
Accounts receivable from tax authorities regarding sales tax	25,024	57,336
Payments on account	19,561	10,972
Accruals	125	101
Other accounts receivable	45	0
Tax assets	3,847	2,337
Total	48,602	70,746

As of the balance sheet date, the accounts receivable from the tax authorities essentially concern accounts receivable from refunding of sales tax in Germany, Luxembourg, Austria and Slovenia.

The accounts receivable from payments made on account are increased as of the balance sheet date and included on the liabilities side of the balance sheet to the same amount.

All other assets are short-term assets.

23. Cash at bank with restrictions on disposal

The cash at bank with restrictions on disposal to the amount of KEUR 203,909 (2008: KEUR 350,391) especially concerns securities which have been furnished by the clearing members for the Spot and Derivatives Market and which are paid in in the form of cash collateral. These are shown as a liability towards the trading participants to the same amount.

24. Cash and cash equivalents

As of the balance sheet date the Group had cash and cash equivalents of KEUR 42,963 (2008: KEUR 27,138).

25. Equity

The changes in equity are shown in the statement of changes in shareholders' equity.

26. Subscribed capital and capital reserves

The subscribed capital of EEX still amounts to KEUR 40,050 without any changes. The capital reserves amount to KEUR 10,000.

27. Reserves

The reserves are structured as follows:

in K€	31/12/2009	31/12/2008
Clearing fund	3,000	3,000
Retained income	1,351	1,351
Total	4,351	4,351

28. Results generated

The results generated are structured as follows:

in K€	31/12/2009	31/12/2008
	27,188	1,084
Changes recognised directly in equity	1,884	4,297
Total result	7,202	21,807
Total	36,274	27,188

The Group's equity generated comprises the results of the companies included in the consolidated financial statement during the past as well as the current accounting period as far as such were not distributed.

With regard to further explanations, reference should be made to the Group's statement of changes in shareholders' equity.

29. Minority share

The minority share comprises the shares in the equity of subsidiaries of EEX AG to be allocated to the minority shareholders.

As of 31 December 2009 ENDEX N.V., Amsterdam, the Netherlands, and Powernext S.A., Paris, France each held an interest of one share in ECC AG.

Powernext transferred its Power Derivatives Market (FEF) to EPD with effect as of 1 April 2009. In return, it received a new share of KEUR 25 in EPD by means of a capital increase. As a result, Powernext held an interest of 20 percent of the share capital of EPD GmbH as of 31 December 2009.

30. Non-current provisions

The reserves for pension obligations comprise KEUR 2 (2008: KEUR 0) for three employees in France. An interest rate of 4.25 percent was used for discounting.

We have not obtained an IFRS expert opinion regarding the pension obligations in Germany due to the immaterial nature of the underlying items. The reserves for pension obligations are based on values as per the provisions of the German Income Tax Act (EStG) and Income Tax Regulation (EStR).

The following amounts were established in the calculations as per the provisions of Art. 6a EStG in conjunction with R 6a EStR 2005: An interest rate for the calculation amounting to 6 percent was used for determining these values.

The pension obligations in France were calculated according to the principles of IAS 19. A discount rate of 4.25 percent was used.

in K€	HGB [GERMAN COMMERCIAL CODE]	IFRS
Capital stock as of 31/12/2030	215	0
Capital stock as of 31/12/2008	60	0
Capital stock as of 31/12/2009	63	0
Target reserve as of 01/01/2008	25	27
Allocation to target reserve	41	40
Target reserve as of 31/12/2008	67	67
Allocation to target reserve	73	73
Target reserve as of 31/12/2009	139	139
Minus plan assets as of 31/12/2009	103	103
Target reserve as of 31/12/2009	36	36

All expenses from additions to pension reserves are included in the profit and loss account.

A further total of KEUR 605 concerns a discounted reserve resulting from contractual obligations for the period from 2011 to 2015.

31. Leasing liabilities

The leasing liabilities comprise the leasing and rental agreements regarding furniture and fixtures, which are classified as financial leases.

in K€	31/12/09	31/12/08
Minimum leasing payments within one year	91	38
Of which redemption expenses	78	24
Of which interest expenses	13	14
Cash value of the minimum lease payments	79	32
Minimum lease payments longer than one year	38	36
Of which redemption expenses	36	29
Of which interest expenses	2	6
Cash value of the minimum lease payments	29	22
Total minimum lease payments	130	74
Cash value of the minimum lease payments	108	54

32. Current provisions

The current provisions have developed as follows during 2009 and 2008:

in K€	2009	2008
Balance as of 01/01/	1,064	2,000
Utilisation	1,030	1,749
Re-transfer	155	251
Allocation to provisions	1,907	1,090
Balance as of 31/12/	1,786	1,090
EPS de-consolidation	0	-26
Balance as of 31/12/	1,786	1,064

33. Financial liabilities

As of 31 December 2009 there were no liabilities to banks (2008: KEUR 43,949). Because of the reduction in the financing requirement for the input tax surplus, the overdraft facility did not have to be used during the financial year 2009.

34. Trade accounts payable

As of the balance sheet date there were trade accounts payable to the amount of KEUR 4,804 (2008: KEUR 4,558).

There were no trade accounts payable with a remaining term of more than one year both as of 31 December 2009 and as of 31 December 2008.

35. Cash deposits by the trading participants

The amount of the cash deposits by the trading participants correspond to the cash at bank with restrictions on disposal. As of the balance sheet date, these amounted to KEUR 203,909 (2008: KEUR 350,391).

36. Other liabilities and tax liabilities

The other liabilities comprise the following items:

in K€	31/12/09	31/12/08
Sales tax	22,619	0
Payments received on account	19,558	10,972
Outstanding invoices	1,028	1,203
Human resources liabilities	607	192
Other liabilities	577	464
Liabilities for the preparation of financial statements/audits	92	246
Tax liabilities	0	169
Total	44,481	13,246

The liabilities from sales tax comprise liabilities to the tax authorities in Luxembourg and Germany.

The payments received on account were increased with regard to the balance sheet date and are included under the other assets to the same amount.

All other liabilities are short-term.

37. Additional information on the financial instruments

Financial instruments of ECC

Profits and losses from futures are settled between the parties to the contracts on every exchange trading day. There are no payment obligations or demands for payment whatsoever on the part of ECC. As a result, futures do not have to be shown in the balance sheet according to IAS 39.17(a) and IAS 39.39.

Options which expire after the balance sheet date (options in the open interest) have to be reported in the balance sheet to the amount of their market value (IAS 39). In this context, the option premium established on the exchange is used as the market value. In its capacity as the central counterparty, ECC settles both the buy and the sell transaction so that the options have to be reported on the assets and liabilities side of the balance sheet as the same amount (KEUR 3,740).

The options are allocated to the category of “financial assets and liabilities recognised in income at fair value”.

Cash and cash equivalents and accounts receivable for sales and services

Cash and cash equivalents and accounts receivable for sales and services are short-term. For this reason, their book values as of the balance sheet date correspond approximately to the fair value.

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

38. Information regarding the consolidated cash flow statement

The cash flow statement indicates the balance and the development of the cash and cash equivalents of the Group. The cash flow statement differentiates cash flows from operating activities, investing and financing activities.

Cash and cash equivalents comprise the cash assets and bank deposits reduced by the short-term liabilities to banks from overdraft facilities.

The cash at bank with restrictions on disposal – the cash deposits by the trading participants – is not part of cash and cash equivalents.

39. Cash flow from current operations

The cash flow from operating activities is determined according to the indirect method.

Depreciations and deferred taxes are non-cash expenses which have to be allocated in the establishment of the cash flow. Expenses which do not have to be allocated to operating expenses comprise interest expenses from financial leasing relationships.

Profits and losses from minority transactions are shown in the cash flow from current operations.

After adjustment of the annual result by non-cash components, a cash flow from current operations of KEUR 59,287 (2008: KEUR –9,379) was ascertained for 2009.

40. Cash flow from investing activities

The cash flow from investing activities shows payments made for investments in assets. In the financial year 2009 it amounted to KEUR –2,095 (2008: KEUR –3,510).

41. Cash flow from financing activities

The cash flow from financing activities comprised payments in connection with the purchase and sale of own shares as well as financing leasing payments. In 2009, it amounted to KEUR 2,582 (2008: KEUR 6,635).

42. Cash and cash equivalents at the end of the accounting period

in K€	31/12/09	31/12/08
Cash and cash equivalents	42,963	27,138
Financial liabilities	0	-43,949
Stock of cash and cash equivalents	42,963	-16,811

OTHER NOTES

43. Classification of the financial instruments as per IFRS 7

ASSETS AS OF 31/12/2008	AMORTISED ACQUISITION COSTS		FAIR VALUE				TOTAL	
Valuation category	Other accounts receivable		FVTPL – Financial assets recognised at the fair value through profit and loss					
			Trading (HFT)		Fair value options			
Class of financial instruments	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
Financial assets			537	537			537	537
Other financial assets	0	0						
Derivative financial instruments			38,275	38,275			38,275	38,275
Accounts receivable for sales and services	3,120	3,120					3,120	3,120
Other assets	68,409	68,409					68,409	68,409
Tax refund claims	2,337	2,337					2,337	2,337
Accounts receivable from associated companies	798	798					798	798
Cash at bank with restrictions on disposal	350,391	350,391					350,391	350,391
Cash and cash equivalents	27,138	27,138					27,138	27,138
Total	452,194	452,193	38,812	38,812	0	0	491,006	491,005

ASSETS AS OF 31/12/2009	AMORTISED ACQUISITION COSTS		FAIR VALUE				TOTAL	
Valuation category	Other accounts receivable		FVTPL – Financial assets recognised at the fair value through profit and loss					
			Trading (HFT)		Fair value options			
Class of financial instruments	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
Financial assets			537	537			537	537
Other financial assets	250	250					250	250
Derivative financial instruments			3,740	3,740			3,740	3,740
Accounts receivable for sales and services	7,885	7,885					7,885	7,885
Other assets	44,755	44,755					44,755	44,755
Tax refund claims	3,847	3,847					3,847	3,847
Accounts receivable from associated companies	11	11					11	11
Cash at bank with restrictions on disposal	203,909	203,909					203,909	203,909
Cash and cash equivalents	42,963	42,963					42,963	42,963
Total	303,620	303,620	4,277	4,277	0	0	307,897	307,897

LIABILITIES AS OF 31/12/2008	AMORTISED ACQUISITION COSTS		FAIR VALUE				TOTAL	
Valuation category	Other liabilities		FVTPL – Financial liabilities recognised at the fair value through profit and loss					
			Trading (HFT)		Fair value options			
Class of financial instruments	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
Financial liabilities	43,949	43,949					43,949	43,949
Derivative financial instruments			38,275	38,275			38,275	38,275
Accounts receivable for sales and services	4,558	4,558					4,558	4,558
Cash deposits by the trading participants	350,391	350,391					350,391	350,391
Other liabilities	13,077	13,077					13,077	13,077
Tax liabilities	169	169					169	169
Total	412,144	412,144	38,275	38,275	0	0	450,419	450,419

LIABILITIES AS OF 31/12/2009	AMORTISED ACQUISITION COSTS		FAIR VALUE				TOTAL	
Valuation category	Other liabilities		FVTPL – Financial liabilities recognised at the fair value through profit and loss					
			Trading (HFT)		Fair value options			
Class of financial instruments	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
Financial liabilities	0	0					0	0
Derivative financial instruments			3,740	3,740			3,740	3,740
Accounts receivable for sales and services	4,804	4,804					4,804	4,804
Cash deposits by the trading participants	203,909	203,909					203,909	203,909
Other liabilities	44,481	44,481					44,481	44,481
Tax liabilities	0	0					0	0
Total	253,194	253,194	3,740	3,740	0	0	256,934	256,934

The balance sheet value of the derivative financial instruments is established at the prices on the balance sheet date and, hence, has to be allocated to level 1 of the fair value hierarchy.

The following table shows the effects which the valuation categories have on the consolidated result:

ASSETS AS PER 31/12/2008	From interest	From follow-up assessments:			From disposal	From other result com- ponents	Net result
		At fair value	Value ad- justment	Reversal of impair- ment			
Loans & liabilities	-883	0	-68	0	0	0	-951
FVTPL trading (HFT)	0	0	0	0	0	0	0
Total	-883	0	-68	0	0	0	-951

ASSETS AS PER 31/12/2009	From interest	From follow-up assessments:			From disposal	From other result com- ponents	Net result
		At fair value	Value ad- justment	Reversal of impair- ment			
Loans & liabilities	316	0	0	45	0	0	361
FVTPL trading (HFT)	0	0	0	0	0	0	0
Total	316	0	0	45	0	0	361

44. Financial risk and capital management

Main features of risk management

Because of its business activities EEX Group is exposed to various financial risks. The potential risk categories comprise the counterparty risk, market price risk, interest risk, liquidity risk, operational risk and strategic risk.

The design of risk management within EEX Group is based on the four-eyes-principle and the principle of the separation of functions. The different operating departments are in charge of ongoing controlling of risks within the framework specified by the Management Board. Furthermore, the operating departments are supervised by the risk control department, which is not responsible for operative business.

In the context of regular risk reports the Management Board is permanently informed of the risk situation of EEX Group.

Counterparty risk

The counterparty risk is the risk that business partners might not be able to fulfil their payment obligations under contracts or that they might not be able to fulfil these obligations in due time (e.g. on account of an insolvency) and that this might lead to a loss for the Group.

This risk arises with regard to the accounts receivable from business partners as well as with regard to all classes of financial instruments.

The counterparty risk from exchange transactions concluded on the markets of EEX Group or from registered OTC transactions is assumed centrally by ECC. ECC is a financial institution and has permission to act as a central counterparty. In its capacity as the central counterparty ECC has a system for covering counterparty risks (margin system) and it is monitored by the German Federal Bank and by the German Federal Financial Supervisory Authority. The margin system at ECC AG comprises the following basic rules:

- ECC only concludes transactions with its clearing members. Moreover, the clearing members guarantee the fulfilment of the delivery obligations which exist between ECC Lux and the trading participants on account of Spot Market transactions and/or the fulfilment of physical futures. As a result of this, the default of the clearing members constitutes the essential risk for ECC. Only financial institutions with registered offices in the EU and Switzerland which have a minimum amount of liable equity funds specified by ECC AG are licensed as clearing members. Moreover, ECC AG continuously monitors the clearing members' credit rating.
- Profit and losses from open positions of the clearing members are settled on a daily basis.
- ECC AG establishes the counterparty risk for the existing open positions of every clearing member on every exchange trading day; this risk then has to be securitised by means of furnishing of individual securities by the clearing members. The extent of the counterparty risk and of the securities furnished is monitored continuously by ECC AG. In the case that the securities furnished do not cover the counterparty risk, the value of the securities provided has to be increased forthwith.
- In addition to the individual securities, ECC AG also administers a clearing fund. This fund is established through the provision of securities by all clearing members; the amount of the contribution by each clearing member depends on the development of its risk position over the last 12 months. The clearing fund can be used to cover losses in the event of the default of a clearing member. The contribution to the clearing fund needs to be made within a period of ten business days.
- ECC AG accepts cash or stocks and shares which are perfect in terms of their credit rating as security. The stocks and shares are re-evaluated every day and a safety margin is applied to these. Moreover, the portfolio of stocks and shares is monitored regularly in terms of its intrinsic value and potential to be made liquid rapidly.

Own funds are exclusively invested as sight deposits or as overnight investments with banks whose credit status is of an AA or AAA or equivalent rating.

Further counterparty risks arise on account of the fact that a trading participant might not pay the transaction fees which have fallen due. The credit status of the trading participants is monitored continuously on the basis of financial parameters and – if available – of rating information. In this framework the question of whether the payment of the transaction fees is concentrated on individual trading participants (cluster or concentration risk) is also analysed.

The table below shows the highest possible default risk from accounts receivable as of the balance sheet date.

in K€	2009	2008
Accounts receivable from sales and services	4,614	2,390
Other assets	170	1,614
Total	4,783	4,003

The list does not comprise payments on account and accounts receivable from the delivery of commodities as well as derivative financial instruments since these are securitised through the margin system. Moreover, accounts receivable from the tax authorities are not included in the list.

Market price risk

Market price risks are defined as unfavourable changes in the value of assets on account of a change in market parameters (exchange prices, interest rates, etc.) which are relevant for the evaluation.

On principle, the operation of the markets within EEX Group does not result in any open positions entailing market price risks.

As a central counterparty, ECC AG only concludes closed positions on principle, i. e. the market price risks of the commodities positions and/or derivatives on deliveries of commodities cancel each other out. Market price risks arise with regard to the stocks and shares used as securities. These risks are controlled by means of a daily market evaluation and the use of safety margins.

Interest risk

Within EEX Group interest risks only arise to a restricted degree since no major interest-bearing asset or liability position is held. The external credit lines which existed in the previous year and were used by ECC to finance the input tax surplus were no longer needed following the establishment of ECC Lux and were, thus, not renewed at the end of the year.

Liquidity risk

The liquidity risk is defined as the risk that the Group might not be able to fulfil its payment obligations at a point in time agreed on in the corresponding contract.

Liquidity risks comprise the short-term liquidity risk (i. e. liquid funds do not cover the current financial outflows) as well as the structural liquidity risks (i. e. the medium- and long-term revenue does not cover the medium- and long-term expenses).

The short-term liquidity risk which existed at ECC during the previous year with regard to financing of the input tax surplus resulting from the delivery of commodities to non-residents for tax purposes has decreased following the establishment of ECC Lux and no longer forms an essential risk. The existing external credit lines were, thus, not renewed at the end of the financial year.

The structural liquidity risk is monitored in the context of annual medium-term planning as well as of monthly financial reporting. In this context the aim is to establish the liquidity reserves and credit lines in such a manner in the course of planning that liquidity is ensured in any case.

Liquidity risks from financial leasing agreements are of secondary importance. The total minimum leasing payments as of 31 December 2009 amounted to KEUR 130 and the total minimum leasing payments as of 31 December 2008 amounted to KEUR 74.

Operational risk

Operational risks are defined as comprising all potential cases of damage arising from:

- Malfunctions of the IT systems used,
- Inadequate design of internal processes,
- Errors by members of staff,
- Errors and/or default of external service providers.

The operational risks also include legal risks as well as risks arising from insufficient project management (project risks). The high degree of automation in processing business transactions in conjunction with a large number of transactions results in essential operational risks for EEX Group caused by the possibility of malfunctions of the IT systems used. Since major components of the IT systems are operated by external service providers, errors by external service providers or the default of such also constitutes an essential risk.

This risk is controlled with the help of the redundant design of all critical IT components and applications as well as by means of the provision of back-up capacities and processes. In addition to a back-up computer centre, EEX also has a back-up office. In the event of a breakdown of the office site, there is an emergency plan, which is reviewed regularly in the context of emergency tests.

Before essential fields are outsourced to external service providers, EEX evaluates the capability and capacity of these potential service providers.

There are detailed descriptions extant of the procedures and control activities regarding all essential processes. These are documented in the form of check lists in order to reduce the likelihood of human errors.

Legal risks are minimised through the far-reaching use of standard rules and regulations in combination with the use of standardised contract forms.

A damage database is kept for continuous monitoring and for reporting of cases of operational malfunctions. All untoward incidents during operations are recorded and analysed in this database – even if these incidents do not result in any direct financial damage.

Strategic risk

Strategic risks are defined as comprising the adverse medium- to long-term impacts on the profit situation caused by the entry of new competitors, regulatory or other legal amendments, technical modifications or changes in the product landscape.

Monitoring of these risks is ensured by means of the structured collection and evaluation of information regarding:

- Competitors,
- Customers,
- Products/markets,
- Processes/procedures.

Furthermore, the impact of certain price and volume changes on the profit situation is calculated in the framework of scenario calculations.

Risk situation

The equity and the annual profit are available as capital for risk coverage. The allocation of risk capital is effected for ECC. During the financial year under review ECC had a risk limit of KEUR 4.150, 10 percent of which was used as of the cut-off date.

From an aggregated perspective, no risks which cannot be covered by the capital available for risk coverage are discernible at the present time.

Capital management

The primary aim of capital management by the Group is to ensure that it maintains a high credit rating and a good equity ratio in order to support its business activities and consequently to maximise shareholder value.

The Group controls its capital structure and makes adjustments taking account of changes in the economic framework conditions. The Group can adjust the dividend payments to the shareholders or effect a repayment of capital to the shareholders in order to maintain or adjust the capital structure.

Amendments of the aims, guidelines and procedures were not made as of 31 December 2009 and 31 December 2008. Moreover, external capital was not called upon during the year under review. As regards monitoring of the capital structure, reference should be made to the explanations given in earlier sections of this document.

46. Own shares

During the financial year 2009 404,264 items of the own shares were sold at a price of KEUR 2,668. This corresponds to a share in the nominal capital of EUR 404,264 and/or 1.01 percent. The gain on disposal to the amount of KEUR 170 was recorded directly in equity in accordance with IFRS.

As of 31 December 2009, there were no own shares in the possession of the Group.

47. Trust assets

In accordance with the clearing conditions, ECC keeps the emission allowances surrendered by the trading participants in exchange trading in EU emission allowances in trust in its account at the German Emissions Trading Authority. As of 31 December 2009, these comprised 3,239,010 certificates (2008: 2,634,000 certificates) with a market value of KEUR 40,034 (2008: KEUR 40,547). As a result, there are trust liabilities to the corresponding amount in the form of rights to recovery on the part of the beneficial owner.

48. Other financial liabilities and contingent liabilities

The other financial liabilities of the Group comprise future payment obligations under operating leasing relationships.

These are structured as follows:

LEASING OBJECT in K€	UP TO 1 YEAR	1 TO 5 YEARS	MORE THAN 5 YEARS
Contract with Deutsche Börse Systems AG (fixed components)	1,530	6,120	1,530
Software maintenance	261	900	175
Hardware	32	12	0
Motor vehicles	58	41	0
Other equipment	46	18	0
Rental agreement Augustusplatz 9, Leipzig	319	1,335	261
Rental agreement Innere Wiener Straße	18	21	0
Total	2,263	8,447	1,966

As of the balance sheet date there is a letter of comfort towards transpower stromübertragungs gmbh for a maximum amount of KEUR 986 regarding the obligations of ECC Lux.

49. Fee for the auditor of the annual accounts according to Art. 314 Fig. 9 HGB

[German Commercial Code]

The total fee charged to the parent company and the fully consolidated subsidiaries by the auditor for the financial year is structured as follows:

in K€	2009	2008
Auditing services for the financial statement	168	261
Of which for previous years	-14	21
Other audit services	0	0
Tax consultancy services	602	415
Of which for previous years	1	0
Other services	195	183
Total	965	859

50. Relations with related parties and companies

According to IAS 24, those persons and companies, which dominate the Group or exercise decisive influence over it or which are dominated by the Group or over which the Group exercised decisive influence are considered related parties and companies.

Accordingly, the members of the Management Board and of the Supervisory Board, shareholders holding an interest of more than 20 percent as well as the subsidiaries and joint ventures are defined as related parties and companies.

Business transactions with related companies and parties are concluded at conditions which are common among unrelated third parties.

Relations with related persons

Management Board

Dr. Hans-Bernd Menzel, Leipzig, Chairman

Dr. Christoph Mura, Norderstedt

Iris Weidinger, Leipzig

In 2009 the total remuneration of the Management Board amounted to KEUR 1,520 (2008: KEUR 986). Fixed components account for KEUR 920 (2008: KEUR 761) of this total and variable components account for KEUR 600 (2008: KEUR 225) of this total. In 2009, benefits on account of the termination of employment relationships, other benefits which fall due in the long term or benefits after the termination of an employment contract were not granted.

Emoluments for the Supervisory Board

The members of the Supervisory Board receive emoluments of KEUR 202 for their work. These emoluments will be paid in 2010.

Supervisory Board

Dr. Jürgen Kroneberg (Chairman)

Lawyer, Cologne

Peter Reitz (Vice-Chairman)

Member of Executive Board, Eurex Zürich AG, Frankfurt am Main

Harald R. Pfab (Vice-Chairman)

Chairman of the Management Board, Sachsen Bank, Leipzig

Edward Backes

Director, Head of Department Market Supervision, Trading & Clearing, Deutsche Börse AG,
Frankfurt am Main

Andreas Fohrmann

Member of the Management Board, Sachsen Bank, Leipzig

Marcel Hayoz

Head of Trading Division, AXPO AG, Baden/Switzerland

Dr. Christoph Helle

Chief Representative, MVV Energie AG, Mannheim

Burkhard Jung

Mayor of the City of Leipzig, Leipzig

Ulrich Kastner

UKC GmbH, München

Dr. Hans-Joachim Klein

Industrial Engineer, Mühlthal

Steffen Köhler (from 25 June 2009)

Head of Product Development, Eurex Frankfurt AG, Frankfurt am Main

Dr. Egbert Laege

Director Dispatch & Prompt Trading, E.ON Energy Trading AG, Düsseldorf

Dr. Stefan Mai

Executive Director, Head of Market Policy & European Public Affairs, Deutsche Börse AG,
Frankfurt am Main

Dr. Hartmut Mangold (until 30 September 2009)

State Secretary, Saxon State Ministry for Economic Affairs and Labour, Dresden

Dr. Dirk Mausbeck

Managing Director, EnBW Trading GmbH, Karlsruhe

Hans E. Schweickardt

Chairman of the Board of Directors, Alpiq Holding Ltd., Neuchâtel/Switzerland

Hans-Joachim Strüder

Member of the Management Board, State Bank of Baden-Württemberg (LBBW), Stuttgart

Dr. Hans-Jürgen Witschke

Chairman of the Managing Board, DB Energie GmbH, Frankfurt am Main

Relations with related companies

As of 31 December 2009, the essential shareholdings were distributed as follows:

in %		PERCENTAGE OF SHARES	
SHAREHOLDER	REGISTERED OFFICE	2009	2008
Eurex Zürich AG	Zurich, Switzerland	35.23	34.73
State Bank Baden-Württemberg (LB BW)	Stuttgart	22.69	22.64

The expenses and revenues for the financial year and/or the accounts receivable and payable for the financial year are shown in the table below:

in K€	31/12/09	31/12/08
Deutsche Börse Group		
EEX Group as the recipient of services		
Provision of the trading system, including adjustment thereof	11,015	9,905
Financial services	13	222
Sharing of costs and revenue from Eurex co-operation	0	208
Interest yield	973	3,504
EEX Group as the provider of services		
Provision of trading data	129	98
Transaction fees from Eurex co-operation	16	26
Sharing of costs and revenue from Eurex co-operation	6	0
Account receivable as of 31 December	0	43
Liabilities as of 31 December	1,533	2,822
Financial claim as of 31 December	86	102
Financial liability as of 31 December		
State Bank of Baden-Württemberg (formerly: State Bank of Saxony)		
EEX Group as the payer of interest	40	220
EEX Group as the recipient of interest	155	299
Financial claim as of 31 December	36,584	18,423
Financial liability as of 31 December	0	10,034

Relations with unconsolidated companies, associated companies and joint ventures

in K€	31/12/09	31/12/08
EPEX Spot SE		
EEX Group as the recipient of services		
Physical settlement of Derivatives Market transactions	4	0
EEX Group as the provider of services		
Provision of services for the commercial unit in Leipzig	1,334	0
Accounts receivable as of 31 December	0	0
Liabilities as of 31 December	4	0
EMCC		
EEX Group as the recipient of supplies and services		
Power delivery	16,578	0
Transaction fees	12	0
Interest earnings	8	0
Training income	1	0
Income from on-debiting of costs	0	798
EEX Group as provider of supplies and services		
Power delivery	30,057	0
Account receivable as of 31 December	11	798
Liability as of 31 December	0	0
Account receivable from loan (residual term > 1 year)	250	0

51. Overview of investments as of the balance sheet date according to Art. 313

Paragraph 2 Figure 1 to 4 HGB [German Commercial Code]

NAME	REGISTERED OFFICE	SUBSCRIBED CAPITAL	SHARE	EQUITY	ANNUAL PROFIT
		T€	%	T€	T€
1. Shares in Affiliated companies					
ECC AG	Leipzig	1000	99.9998	21	3,569
EPD GmbH ¹	Leipzig	125	80.0000	6,018	0
Lilie 28. VV GmbH	Leipzig	25	100.0000	25	0
ECC Lux ³	Luxembourg	13	99.9998	18	0
2. Equity investments					
EPEX Spot SE ³	Paris	4,973	50.0000	15,193	7,250
EMCC	Hamburg	100	20.0000	365	-896
trac-x GmbH ²	Leipzig	200	19.0000	1,816	190
store-x GmbH ²	Leipzig	200	12.0000	1,064	282

¹ A profit and loss transfer agreement has been concluded with EPD.

² Values as of 31 December 2008 are shown.

³ Values as per the valid laws of the country are specified.

52. Essential events after the balance sheet date

No essential events have occurred after the balance sheet date.

Leipzig, 9 March 2010



Dr. Hans-Bernd Menzel
Chief Executive Officer (CEO)



Dr. Christoph Mura
Chief Operating Officer (COO)



Iris Weidinger
Chief Financial Officer (CFO)

AUDIT REPORT BY THE AUDITOR OF THE ANNUAL ACCOUNTS

We have audited the consolidated financial statement – consisting of the balance sheet, the profit and loss account, the statement of changes in shareholders' equity, the cash flow statement and the notes – as well as the consolidated annual report prepared by European Energy Exchange AG, Leipzig for the business year from 1 January 2009 until 31 December 2009. The preparation of the consolidated financial statement as well as of the consolidated annual report in accordance with the provisions of IFRS, in the form in which these have to be applied within the EU, and the commercial law provisions which have to be applied as a supplement to these according to Art. 315a Paragraph 1 HGB [German Commercial Code] lies within the sphere of responsibility of the Management Board of the Company. It is our task to give an opinion on the consolidated annual financial statement and the consolidated annual report on the basis of the audit which we have carried out.

We have carried out our annual audit according to Art. 317 HGB in compliance with the German principles of proper final audits established by the Institute of Auditors (Institut der Wirtschaftsprüfer (IDW)). According to these, the audit has to be planned and carried out in such a way that inaccuracies and violations having an essential impact on the presentation of the image of the assets, financial and earnings situation conveyed by the consolidated annual financial statement in compliance with the principles of adequate and orderly accounting are recognised with sufficient certainty. In establishing the auditing activities the knowledge regarding the business activity and regarding the business and legal environment of the Group as well as expectations with regard to possible errors are taken into account. In the framework of the audit the effectiveness of the internal controlling system with regard to financial reporting as well as records for the information in the consolidated annual accounts and the consolidated annual report were primarily evaluated on the basis of random samples. The audit comprises the evaluation of the annual financial statements of the companies included in the consolidated financial statement, the definition of the scope of consolidation, the assessment of the accounting and consolidation principles applied and of the essential judgements of the Management Board as well as the evaluation of the overall presentation of the consolidated financial statement and of the consolidated annual report. We are convinced that our audit forms a sufficiently safe basis for our evaluation.

Our audit has not led to any objections.

According to our evaluation on the basis of the findings obtained during the audit the consolidated financial statement corresponds to the IFRS in the form in which these have to be applied within the EU and the commercial law provisions which have to be applied as a

supplement to these according to Art. 315a Paragraph 1 HGB [German Commercial Code] and conveys an image of the assets, financial and earnings situation of the Group which corresponds to the actual situation in compliance with the principles of adequate and orderly accounting. The consolidated annual report corresponds to the consolidated financial statement; all in all, it conveys a correct image of the situation of the Group and outlines the opportunities and risks contingent on the future development of the Group in an accurate and appropriate manner.

Berlin, 9 March 2010

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Wirtschaftsprüfungsgesellschaft



Harald Herrmann
Auditor



ppa. Jörg Beckert
Auditor

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