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Annual financial statements and management report

31 December 2015

Balance sheet as at 31 December 2015 of Deutsche Börse Commodities GmbH, Frankfurt/Main

Assets	31/12/2015 31/12/2014		Shareholders' Equity and Liabilities	31/12/2015	31/12/2014
	€	€ thousand	, ,	€	€ thousand
NON-CURRENT ASSETS			SHAREHOLDERS' EQUITY		
Property, plant and equipment			Subsribed capital	1.000.000,00	1.000
Operating and business equipment	1.060,00	2	Unappropriated surplus	2.626.163,48	2.053
Total non-current assets	1.060,00	2	Total shareholders' equity	3.626.163,48	3.053
CURRENT ASSETS			RROVISIONS		
Stocks			Provisions for taxes	168.385,96	25
Raw materials and consumables	29.487,11	49	Other provisions	95.640,00	114
			Total provisions	264.025,96	139
Receivables and other assets					
Trade accounts receivable	450.946,81	380	Liabilities		
Accounts receivable from affiliated comanies	53.298.718,82	42.350	Bonds	1.863.299.342,90	1.559.930
Other assets	1.810.045.288,20	1.517.580	Trade accounts payable	132.575,72	109
	1.863.794.953,83	1.560.310	Accounts payable to affiliated companies	149.814,77	103
			Other liabilities	20.875,33	41
Bank balances	3.625.976,80	2.973	thereof for taxes € 20,875.33 (previous year: € 41 thousand)		
Total current assets	1.867.450.417,74	1.563.332	Total liabilities	1.863.602.608,72	1.560.183
DEFERRED EXPENSES	41.320,42	41			
Total assets	1.867.492.798,16	1.563.375	Total shareholders' equity and liabilities	1.867.492.798,16	1.563.375

Income statement of Deutsche Börse Commodities GmbH, Frankfurt/Main for the period from 1 January to 31 December 2015

	2015	2014	
	€	€ thousand	
Sales revenues	4.665.865,95	3.630	
Other operating income	318.247.723,42	151.139	
thereof from currency translation € 133,05 (previous year: € 0 thousand)			
Personnel expenses			
Wages and salaries	-160.119,49	-123	
Social security and expenses for pensions and other employee benefits	-12.288,50	-6	
Depreciation of property, plant and equipment	-702,00	-1	
Other operating expenses	-321.240.664,79	-153.614	
Results from ordinary operations	1.499.814,59	1.025	
Taxes on income	-426.815,84	-299	
Net income for the year	1.072.998,75	726	
Profit carried forward from the previous year	1.553.164,73	1.327	
Unappropriated surplus	2.626.163,48	2.053	

Cash flow statement of Deutsche Börse Commodities GmbH, Frankfurt/Main for the period from 1 January to 31 December 2015

	2015	2014	
	€	€ thousand	
Net income for the period	1,072,998.75	726	
+ Depreciation and amortization of non-current assets	702.00	1	
- Decrease in provisions	124,995.43	-65	
+/- Increase/decrease of trade accounts receivable and of other assets not allocated to investing or financing activities	-303,464,686.17	-282,184	
+/- Increase/dercrease of trade accounts payable and of other liabilities not allocated to investing or financing activities	303,419,379.41	282,507	
= Cash flow from operating activities	1,153,389.42	985	
- Cash payments for investment in property, plant and equipment	0.00	0	
= Cash flow from investing activities	0.00	0	
- Dividends paid to shareholders	-500,000.00	-500	
= Cash flow from financing activities	-500,000.00	-500	
= Change in cash funds from cash relevant transactions	653,389.42	485	
+ Cash funds at the beginning of period	2,972,587.38	2,488	
= Cash funds at the end of period	3,625,976.80	2,973	

Statement of shareholders' equity of Deutsche Börse Commodities GmbH, Frankfurt/Main for the period from 1 January to 31 December 2015

Subscribed capital	2015	2014		
	€	€ thousand		
Balance as at 1 January	1,000,000.00	1,000		
Balance as at 31 December	1,000,000.00	1,000		
Unappropriated surplus/deficit	2015	2014		
	€	€ thousand		
Balance as at 1 January	2,053,164.73	1,827		
Net income	1,072,998.75	726		
Distributions to shareholders	-500,000.00	-500		
Balance as at 31 December	2,626,163.48	2,053		
Equity as at 31 December	3,626,163.48	3,053		

Notes to the financial statements for financial year 2015

Accounting policies

General

The financial statements of Deutsche Börse Commodities GmbH, Frankfurt/Main, were prepared in accordance with the provisions of the Handelsgesetzbuch (HGB, German Commercial Code) and the Gesetz betreffend die Gesellschaften mit beschränkter Haftung (GmbHG, German Act on Limited Liability Companies).

The total cost accounting method was chosen for the income statement.

The Company is deemed to be a large corporation as defined by section 267 (3) of the HGB.

Property, plant and equipment is carried at cost. Depreciable property, plant and equipment is depreciated using the straight-line method over its useful life. For movable assets, the tax simplification rules regarding the depreciation start date are applied in their valid form on the respective date of acquisition.

Expenses denominated in foreign currency were translated on the posting date at the ECB reference rate or the Bloomberg rates.

The advertising materials for trade fair appearances reported under inventories are carried at cost.

Receivables and bank balances are carried at their nominal value.

The other provisions have been estimated in consideration of all known risks and uncertain liabilities as at the balance sheet date and were estimated at the amount which is required to be paid according to a reasonable commercial assessment.

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

Formation of a valuation unit

In view of the cover for bearer bonds issued in the form of physical gold stocks and rights to take delivery of gold (Xetra book gold), a valuation unit was formed between these balance sheet items.

The physical gold stocks, the rights to take delivery of gold and the bearer bonds have to be valued together as an underlying and hedging transaction as defined in section 254 of the HGB to the extent that the bearer bonds are actually covered by stocks or rights to take delivery of gold. The accounting is prepared in accordance with the gross hedge presentation method; the bearer bonds, the stocks of physical gold and the rights to take delivery of gold are accordingly valued at the price of Xetra Gold prevailing on the reporting date. The valuation unit was effective at all times during the year and on the balance sheet date.

Notes to the balance sheet

Fixed assets

The changes in fixed assets are described in the statement of changes in fixed assets.

Receivables

All receivables have a residual maturity of less than one year.

Receivables from companies in which the Company has a participating interest

Receivables relate to the right to take delivery of physical gold (1,694.7 kg; previous year: 1,352.6 kg); upon asserting the right to take delivery, the physical gold must be delivered within ten bank working days. These receivables are due from a shareholder.

Other assets

This item primarily includes the physical stocks of gold held in custody at Clearstream Banking AG (57,551.7 kg; previous year: 48,469.5 kg) in the amount of €1,810,000.6 thousand (previous year: €1,517,579.3 thousand).

Equity

The share capital in the amount of $\[mathcal{\in}\]1,000.0$ thousand (previous year: $\[mathcal{\in}\]1,000.0$ thousand) is fully paid in. The profit carried forward from the previous year and included in the unappropriated surplus amounts to $\[mathcal{\in}\]1,553.2$ thousand (previous year: $\[mathcal{\in}\]1,327.2$ thousand).

Other provisions

Other provisions, amounting to €95.6 thousand, comprise the following:

	31 Dec. 2015	31 Dec. 2014
	€ thous.	€ thous.
Personnel	60.0	0.0
Provisions for auditing costs	22.0	20.0
Outstanding invoices	13.6	94.5
	95.6	114.5

Liabilities

Liabilities are divided into the categories below.

Hedging the bearer bonds issued with physical gold and rights to take delivery of gold is a fair value hedge, which hedges miscellaneous price risk. As at the reporting date, a nominal amount of 59,246.4 kg (previous year: 49,822.1 kg) with a fair value of €1,863,299.3 thousand (previous year: €1,559,929.7 thousand) was hedged with rights to take delivery of gold in the amount of €53,298.7 thousand (previous year: €42,350.4 thousand) and with physical gold in the amount of €1,810,000.6 thousand (previous year: €1,517,579.3 thousand).

Deutsche Börse Commodities GmbH is entitled to terminate all bearer bonds at the end of any year if on 31 December in any year less than ten million bearer bonds have been issued by the issuer; payment is made in the following year under the terms and conditions of issue.

Trade payables in the amount of \in 132.6 thousand (previous year: \in 108.6 thousand) have a residual maturity of up to one year.

Liabilities towards companies in which the Company has a participating interest in the amount of €149.8 thousand (previous year: €103.4 thousand) have a residual maturity of up to one year. They are due to shareholders.

Other liabilities comprise the wage and church tax in the amount of $\[\in \] 2.9$ thousand (previous year: $\[\in \] 21.2$ thousand) and the VAT liabilities in the amount of $\[\in \] 18.0$ thousand (previous year: $\[\in \] 20.3$ thousand) with a residual maturity of up to one year.

Notes to the income statement

Sales revenue

Sales revenue amounts to €4,665.9 thousand (previous year: €3,630.1 thousand) and includes the fees earned based on the custodian and service agreement with Clearstream Banking AG.

Other operating income

Other operating expenses

Other operating expenses amounted to $\le 321,240.7$ thousand (previous year: $\le 153,614.0$ thousand) and in particular consist of:

- Write-up of bearer bonds of €318,199.2 thousand (previous year: €151,109.6 thousand).
- Distribution fees to the shareholders of €882.2 thousand (previous year: €669.4 thousand).
- Cost of storing gold in safekeeping at Clearstream Banking AG of €959.4 thousand (previous year: €733.8 thousand).
- Advertising and marketing costs of €364.0 thousand (previous year: €294.5 thousand).
- Remuneration for designated sponsoring activities of €287.8 thousand (previous year: €220.1 thousand).
- Costs of the agency agreement with Deutsche Börse AG of €151.4 thousand (previous year: €130.0 thousand).
- Advisory fees of €100.1 thousand (previous year: €119.7 thousand).

Auditor's fee

The total fee charged by the auditor for financial year 2015 amounts to $\[\in \]$ 40.1 thousand (previous year: $\[\in \]$ 48.8 thousand). Of this amount, $\[\in \]$ 22.0 thousand (previous year: $\[\in \]$ 20.0 thousand) relates to year-end auditing services, $\[\in \]$ 13.2 thousand (previous year: $\[\in \]$ 22.4 thousand) to other confirmation services and $\[\in \]$ 4.9 thousand (previous year: $\[\in \]$ 6.4 thousand) to other services.

Other financial obligations

Other financial obligations relate to obligations to Deutsche Börse AG in the amount of €132.0 thousand for 2016 owing to an agency agreement. The agreement runs for an indefinite period and may be terminated by written notice of three months to the end of a calendar month by either Deutsche Börse AG or Deutsche Börse Commodities GmbH.

There is also the custodian and service agreement with Clearstream Banking AG, which was entered into in order to ensure the secure administration and safekeeping of the physical gold and bearer bonds. An expense of €766.0 thousand is expected for the year 2016. The agreement had an initial term of five years and is automatically extended by a further two years provided it is not terminated six months before the end of the term of the agreement.

The master distribution agreements with the shareholders primarily govern the distribution of the bearer bonds. An expense of $\[\in \]$ 651.0 thousand is expected for the year 2016. The parties to the agreement may terminate it in writing at any time by giving notice of 30 days to the respective other party.

There is also a designated sponsor agreement for Xetra trading with Deutsche Bank AG, which regulates the management of bearer bonds. An expense of €230.0 thousand is expected for the next 12 months up to December 2016. The agreement runs for an indefinite period and may be terminated by either party by giving six months' notice to the end of a calendar year.

There is a service agreement for the operating business of the marketing area. An expense of €60.0 thousand is expected for the year 2016. The agreement for these activities is restricted to 12 months and may be terminated by either party by giving four weeks' notice to the end of a month during this period.

There is also an agreement for business support. An expense of €60.0 thousand is expected for the year 2016. This agreement was concluded for an indefinite period and may be terminated by either party by giving three months' notice to the 15th of a month.

Other disclosures

Board of Directors

The members of the Board of Directors include:

Martina Gruber Member of the Executive Board of Clearstream Banking AG,

(Chair) Frankfurt/Main

(from 12 February 2015)

Peter Thoma Head of Foreign Exchange Spot Trading at Deutsche Bank

(Deputy Chairman) AG, Frankfurt/Main

Ingo Ramming Managing Director, Co-Head of Commodity Solutions, EMC

Commodities, Corporate & Markets at Commerzbank AG,

Frankfurt/Main

Jürgen Scharnowske Director/Department Head for Capital Market Trading,

Deputy Area Head for Capital Market Trading at DZ BANK AG Deutsche Zentral Genossenschaftsbank, Frankfurt/Main

Mario Mattera Director/Head of Fixed Income/Foreign Exchange at B.

Metzler seel. Sohn & Co. KGaA, Frankfurt/Main

Dr Bernhard Fuchs Senior Vice President, Precious Metals Management and

Umicore Marketing Services at Umicore AG & Co. KG, Ha-

nau

Christoph Naef Managing Director, Head of Business & Distribution Man-

agement at Bank Vontobel AG Investment Banking, Zurich,

Switzerland

Sandra Vogt-Sasse Tax Consultant and Wirtschaftsprüferin (Public Auditor),

Managing Director at SAVOSA GmbH Steuerberatungsge-

sellschaft, Karben

The costs incurred by the members of the Board of Directors in performing their rights and responsibilities are borne in each case by the shareholder entitled to appoint the member. In the case of Ms Vogt-Sasse, whose management responsibilities deal in particular with the monitoring of the accounting and year-end auditing, costs of &11.2 thousand (previous year: &8.0 thousand) were incurred in financial year 2015.

Managing Directors

Deutsche Börse Commodities GmbH has the following Managing Directors:

Steffen Orben Director of Global Foreign Exchange at Deutsche Bank

AG

Michael König Head of Unit Client Relations Germany at Clearstream

(from 1 January 2015) Banking AG

Management was granted a total amount of €160.0 thousand (previous year: €120.0 thousand) as remuneration for their work in financial year 2015. This includes salaries amounting to €100.0 thousand (previous year: €75.0 thousand) and bonuses in the amount of €60.0 thousand (previous year: €45.0 thousand).

Employees

Deutsche Börse Commodities GmbH did not have any employees in the year under review.

Frankfurt/Main, 21 March 2016

Deutsche Börse Commodities GmbH

The Managing Directors

Steffen Orben Michael König

Approval of the financial statements

The financial statements were approved on 14th of April 2016 by the shareholders' general assembly.

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

	Costs				Depreciation and amortization					Carrying amounts		
_	Balance as at 01/01/2015	Additions 2015	Disposals 2015	Reclassification 2015	Balance as at 31/12/2015	Balance as at 01/01/2015	Depreciation 2015	Write-ups 2015	Reclassification 2015	Balance as at 31/12/2015	31/12/2015	31/12/2014
	€	€	€	€	€	€	€	€	€	€	€	€
Property, plant and equipment												
Operating and business equipment	5.617,53	0,00	0,00	0,00	5.617,53	3.855,53	702,00	0,00	0,00	4.557,53	1.060,00	1.762,00
	5.617,53	0,00	0,00	0,00	5.617,53	3.855,53	702,00	0,00	0,00	4.557,53	1.060,00	1.762,00
-	5.617,53	0,00	0,00	0,00	5.617,53	3.855,53	702,00	0,00	0,00	4.557,53	1.060,00	1.762,00

Management report for financial year 2015

Basic principles

i) Business model

Deutsche Börse Commodities GmbH, Frankfurt/Main (hereinafter also referred to as the "Company") is a joint venture of four banks, a stock exchange operator, an industrial partner and a banking-related holding company. These investors are as follows:

- · Commerzbank AG, Frankfurt/Main
- · Deutsche Bank AG, Frankfurt/Main
- Deutsche Börse AG, Frankfurt/Main
- DZ BANK AG Deutsche Zentral-Genossenschaftsbank Frankfurt, Frankfurt/Main
- B. Metzler seel. Sohn & Co. KGaA, Frankfurt/Main
- · Umicore AG & Co. KG, Hanau
- · Vontobel Beteiligungen AG, Zurich, Switzerland.

The purpose of Deutsche Börse Commodities GmbH is to issue innovative forms of securitisation for commodities in the Frankfurt financial centre, to transform commodities into marketable investments and to ensure cost-effective trading with commodities in euros.

The "Xetra Gold" product was registered for trading starting on 28 November 2007. Xetra Gold is a zero coupon bond broken down into units which have an indefinite term, are denominated in one gram of gold, are 100 per cent physically backed and securitise a right to delivery. Using this product, the bond holder's economic position is intended to correspond to physical ownership of the corresponding amount of gold. Xetra Gold is traded on the Xetra electronic trading platform and on various regional exchanges. This enables purchases and sales of the bond at all times during every trading day. The smallest tradeable unit of Xetra Gold is one unit, which corresponds to one gram of gold.

The target group for the acquisition of Xetra Gold are equally private and institutional investors, including UCITS-compliant funds (Undertakings for Collective Investment in Transferable Securities).

The partners of Deutsche Börse Commodities GmbH provide their long-standing experience in the financial and commodities market:

• The banking partners organise the distribution of the securities.

- Deutsche Bank AG is the underwriter and market maker. In the latter function, it guarantees a low spread between the purchase and sale price of the bond.
- Deutsche B\u00f6rse AG operates the Xetra trading platform, on which the Xetra Gold bond is traded.
- Clearstream Banking AG, Frankfurt/Main, which belongs to the Deutsche Börse Group, provides custodial services for the securities and ensures that they are backed by gold at all times. The gold backing exists in two ways: first, through the deposit of physical gold in the vaults of Clearstream Banking AG and second, in the form of book gold (rights to take delivery of gold).
- · Umicore AG & Co. KG is the provider of the gold.

Deutsche Börse Commodities GmbH has concluded master agreements with Deutsche Bank AG and Deutsche Börse AG, whereby they provide central functions and infrastructure services. These agreements govern the main performance obligations of the partners.

ii) Research and development costs

As a service provider, Deutsche Börse Commodities GmbH does not engage in research and development activities comparable with those of manufacturing companies.

iii) Branches

Deutsche Börse Commodities GmbH did not have any branches during the period under review.

Report on economic position

i) Issued bonds

Xetra Gold was issued as a zero coupon bond broken down into units with an indefinite term. It is a bearer bond that is 100 per cent backed by gold, which securitises a right to take delivery of gold (if a UCITS-compliant fund is involved, a cash payment is made) and is quoted in € per gram. Two global certificates each consisting of up to 5 billion units (corresponds to a total volume of two times 5 thousand tonnes of gold) were deposited with Clearstream Banking AG.

Deutsche Börse Commodities GmbH, as the issuer of the bond, is entitled to redeem the bond early if on 31 December of any year less than ten million bonds have been issued.

As of 31 December 2015, bonds with a notional value of 59,246.4 kg had been issued. The gold backing consisted of 57,551.7 kg of stored bars under custody in the vault of Clearstream Banking AG and delivery rights of 1,694.7 kg vis-à-vis Umicore AG & Co. KG.

ii) Business development

In 2015 the result of Deutsche Börse Commodities GmbH remained positive compared with the previous year and was further increased. Operating profit (EBIT): €1,500 thousand (previous year:

€1,025 thousand), result from ordinary business activity (EBT): €1,500 thousand (previous year: €1,025 thousand), net profit: €1,073 thousand (previous year: €726 thousand). As stated in the report on expected developments for 2015, the Company anticipated that the issuance volume would decline moderately; therefore, the result from ordinary business activity and the net profit were considerably higher than expected due to the increased volume of gold sold in 2015. The volume of gold sold rose as a result of the European Central Bank's persistently expansionary monetary policy and the related stabilisation in the gold price in euros. The main activities during the reporting period were the focus of marketing campaigns on institutional investors and the continuous presence at trade fairs for private investors.

iii) Results of operations

The Executive Board of Deutsche Börse Commodities GmbH assesses the position of the Company to be good. Although the price of gold in euros remained unchanged over the course of the year, it increased in the first quarter before declining consistently over the following three quarters. However, gold investments were seen in a positive light by investors in 2015 overall, due to the European Central Bank's ongoing expansionary monetary policy. At around 9,424 kg, the inflows in 2015 were far more than had originally been expected by the Company, which had planned for a decline in the total portfolio. The total portfolio as at 31 December 2015 stood at 59,246.4 kg. As a result, the Company generated positive earnings for 2015.

During the period from 1 January until 31 December 2015, Deutsche Börse Commodities GmbH generated revenue totalling \in 4,666 thousand (previous year: \in 3,630 thousand). The Company receives a share of the proceeds from the custodian of the bearer bond and the physical gold holdings. Other operating income primarily includes the revaluation of physical gold holdings in the amount of \in 318,199 thousand (previous year: \in 151,110 thousand). This income was offset by other operating expenses amounting to \in 321,241 thousand (previous year: \in 153,614 thousand), which mainly comprises the revaluation of the bearer bond totalling \in 318,199 thousand (previous year: \in 151,110 thousand).

Deutsche Börse Commodities GmbH closed financial year 2015 with a net profit of €1,073 thousand (previous year: €726 thousand).

Revenue in connection with custodial fees is the main source of income for Deutsche Börse Commodities GmbH. These fees are primarily determined by the volume of the issued units of Xetra Gold and the gold price. They rose during the year and therefore exceeded the planned figures by about 68 per cent in total. Issue volume rose by 9,519.6 kg during the first half of 2015 and then remained above 59,000 kg.

Controllable expenses, in particular consulting, advertising and marketing costs, were around 24 per cent below the 2015 budget. Uncontrollable costs exceeded the budget by about 77 per cent. This budget overrun is mainly the result of the sales commissions paid to distribution partners (€882 thousand actual expense versus €389 thousand budgeted expense) due to the increased issue volume.

iv) Financial position

As at 31 December 2015, Deutsche Börse Commodities GmbH had cash and cash equivalents totalling €3,626 thousand (previous year: €2,973 thousand), which were held in demand deposits at banks.

In 2015, cash flow from operating activities amounted to $\[\in \]$ 1,153 thousand (previous year: $\[\in \]$ 985 thousand), while cash flow from investment activities totalled $\[\in \]$ 0 thousand (previous year: $\[\in \]$ 0 thousand) and cash flow from financing activities was $\[\in \]$ -500 thousand) due to the dividend distribution for financial year 2014.

v) Net assets

Besides the gold holdings acquired through the issuance of the bond, the Company has no other material assets as of the reporting date.

i) Equity

The equity of Deutsche Börse Commodities GmbH stands at $\[\in \]$ 3,626 thousand (previous year: $\[\in \]$ 3,053 thousand) and comprises subscribed capital of $\[\in \]$ 1,000 thousand (previous year: $\[\in \]$ 1,000 thousand) and an unappropriated surplus in the amount of $\[\in \]$ 2,626 thousand (previous year: $\[\in \]$ 2,053 thousand).

Financial and non-financial performance indicators

i) Net profit/loss

The Company is satisfied with the net profit it achieved in 2015. A positive operating result was attained in a favourable market environment.

ii) Gold

2015 was characterised by strong demand for gold and a sharp devaluation of the euro in the first quarter, which is reflected in the positive performance of Xetra Gold in the period under review. As demand for gold rose and its price increased, sales quantities were higher as well for 2015 as a whole.

Report on post-balance sheet date events

No events have occurred that require disclosure.

Report on expected developments

The report on expected developments describes how Deutsche Börse Commodities GmbH is expected to perform in financial year 2016. It contains statements and information on events in the future. These forward-looking statements and information are based on the Company's expectations and assumptions at the time of publication of this report on expected developments. These assumptions and expectations are in turn subject to known and unknown risks and uncertainties. Numerous factors influence the success, business strategy and financial results of the Company. Many of these factors are outside the Company's control. Should one of these risks occur or an uncertainty materialise, or if one of the underlying assumptions made turn out to be incorrect, the actual development of the Company could deviate either positively or negatively from the expectations and assumptions contained in the forward-looking statements and information contained in this report on expected developments.

The Company anticipates that the price of gold in 2016 could stabilise at its current level due to a less expansionary monetary policy by central banks and a controlled rate of inflation. Despite positive growth in the large economies (China, the US and the EU) and the associated positive global equity markets, demand for gold could nevertheless decline. This would also impact the Xetra Gold product. As in the previous financial year 2015, the Company will continue during the forecast period to focus on promoting the product and especially increasing awareness of it among institutional investors. To do this, events are to be held in larger German cities as well as in Zurich and Amsterdam, for example, in order to directly point out the benefits of the product in personal discussions with institutional investors, investment advisors and other influencers. In addition, further advertising campaigns are planned. The sales activities of our joint venture banking partners have an important influence on sales, too. Deutsche Börse Commodities GmbH will also continue to be represented at various investors' fairs and conferences. We anticipate that the press will continue to report positively on the product during the coming years.

The Company expects that issuance volumes will decline moderately in 2016. Based on this conservative planning, and taking into account a nearly unchanged cost base, the Company also expects that monthly cash flow will be consistently positive. There is a risk that revenue could be sharply lower due to redemptions of the bond or a stronger-than-expected decline in the price of gold, causing negative operating cash flow.

The Company and the Xetra Gold product have established themselves on the market. During the reporting period, the product was the most extensively traded exchange-traded commodity product in Germany and the Company was one of the largest issuers in the commodities segment. To ensure that this market penetration continues to prevail, marketing expenses will remain one of the largest cost items of Deutsche Börse Commodities GmbH in the coming years. In 2016, the costs for the necessary central and infrastructure services will likely remain unchanged relative to prior-

year levels. Deutsche Börse Commodities GmbH will actively manage its costs at all times and therefore forecasts a positive result of approximately €545 thousand for financial year 2016.

Besides Germany, Xetra Gold is also registered for public distribution in Luxembourg and Austria. The Company's advertising and marketing measures will therefore focus on these sales markets.

Depending on its business success, the Company will also decide jointly with its shareholders during the forecast period whether further products should be developed and launched.

Risk report

The main risks are divided into:

- Business risks
- Operational risks
- Financial risks

Deutsche Börse Commodities GmbH is integrated into the risk management system of Deutsche Börse Group. Its risk system distinguishes between business risks, operational risks and financial risks. The Executive Board monitors the risks of the Company.

i) Business risks

The Company is exposed to potential fluctuations in the price of gold in euros. A sustained decline in the price of gold can have an adverse effect on the sales of the bond and the realisable custodian fees and thus negatively impact the performance of the Company.

The recent past has shown that the development of the gold price is closely correlated with the general state of the global economy, the financial markets and the monetary policy of central banks. The efforts of various central banks to devalue their respective currencies in relation to other currencies have had a particularly strong influence. While the price of gold in US dollars fell by around 12 per cent compared with the previous year, and the gold price in yen also declined by about 9 per cent, the price of gold in euros remained virtually unchanged. At nearly the same price (previous year: price increase of 12 per cent) and a total portfolio of 59,246.4 kg (previous year: 49,822.1 kg) in gold, the issue volume of Xetra Gold rose to €1,863,299 thousand (previous year: €1,559,930 thousand).

If central banks return to a more restrictive monetary policy, this could lead to disproportionately large sales by investors and force the Company to sell gold. The associated delivery and transport costs in the case of a gold sell-off could cause unplanned adverse financial effects.

The Executive Board receives a daily e-mail from the Controls Frankfurt Safekeeping department of Clearstream Banking AG containing data on the current XETRA closing price of gold from the previous trading day and the open exercises.

The number of physical gold deliveries to end customers was relatively constant throughout the year and totalled about three exercises per month with an average exercise volume of roughly 4.5 kg per exercise. An increase in delivery volumes would reduce the realisable custodian fees of the Company. However, the Executive Board does not currently anticipate that deliveries in 2016 will be sharply higher than in 2015.

With the assistance of an established controlling report (a monthly actual-to-plan analysis), which the Executive Board receives every month, the performance and trends in the business as well as significant variances versus the budget can be monitored in a timely manner and countermeasures can be taken if needed.

ii) Operational risks

Operational risks primarily exist in all processes involved with the transport of the physical gold, the delivery to the vault and the shipment to the end customer. In 2009, a change was made in the control process associated with the delivery of standard gold bars to the vault. These bars weigh about 12.5 kilograms. The tolerance level for the variance between the bar weight as per the delivery note and the measurement in the vault was increased from 0.3 grams to 3 grams. This allows for a more efficient process in the vault. The issuer was able to process the shipment applications submitted from the banks on schedule within the delivery period of 10 working days as defined in the prospectus. As of 31 December 2015, 879 shipments to end customers (previous year: 844) had been performed or initiated since the product was launched.

The actual portfolio of gold in the vault, together with information on the XETRA closing price, is reported in a daily e-mail from the Controls Frankfurt Safekeeping department of Clearstream Banking AG to the Executive Board. Annual inventories of physical gold holdings are performed by Internal Audit (timing is random) and the Controls Frankfurt Safekeeping department (in September/October) and the results are reported to the Executive Board.

The Xetra Gold bond is traded on the Xetra electronic trading platform. System and network redundancies ensured a very high level of service availability for the trading infrastructure in 2015 of nearly 100 per cent of the total trading period. However, disruptions in the availability of the information technology in use could in future result in lost income, claims for damage compensation and reputational losses in extreme cases.

iii) Financial risks

The Company divides financial risks into credit, market and liquidity risks. Credit risk describes the risk that a counterparty might may fail to meet its contractual obligations in full or in part. Credit risk can also arise from cash investments. Market risks can arise in relation to cash investments through interest rate and currency fluctuations. A liquidity risk arises if daily payment obligations cannot be fulfilled or can be fulfilled only at increased refinancing costs.

Cash and cash equivalents are held at a domestic bank with a good credit rating. Credit risks are mostly limited to the small number of shareholder companies; interest rate and currency fluctuations do not arise because the Company does not make any investments. Potential liquidity risks can be immediately identified based on the monthly controlling report.

There are no meaningful financial risks for the Company. Due to its business model, Deutsche Börse Commodities GmbH does not have a significant funding need because gold purchases do not have to be paid for in advance and the gold placed into custody for investors is directly connected with revenue. There is only a very limited degree of credit and market risks.

We assess the risks as follows:

Business risks: Probability of occurrence is low,

risk can be borne

Operational risks: Probability of occurrence is low,

risk can be borne

Financial risks: Probability of occurrence is low,

risk can be borne

We see no risks in these risk categories that could in principal threaten the survival of the Company in 2016.

Report on opportunities

Opportunities to increase the issuance volume result from higher sales of Xetra Gold and a rising gold price versus the euro. If an economic or sovereign debt crisis were to occur again or if geopolitical crises were to break out, it is likely that central banks would revert to their expansionary monetary policy and that the price of gold would increase from the current level. The recent past has shown that a rise in the price of gold in connection with geopolitical or economic crises also involves higher demand for gold. The Company would benefit from such a development.

Internal control system

The Executive Board has established an internal control system for Deutsche Börse Commodities GmbH that is intended to safeguard the effective and efficient business activities of the Company, prevent or detect the misappropriation of assets and thus protect the Company's overall business assets. The internal control system is an integral component of the risk management system aimed

at controlling risks. It is continuously enhanced and adapted whenever conditions change. The internal control system of Deutsche Börse Commodities GmbH comprises both process-integrated and process-independent controls and safeguards.

With regard to the accounting process of Deutsche Börse Commodities GmbH, the internal control system is primarily intended to ensure proper accounting and financial reporting in order to present the net assets, financial position and results of operations in the annual financial statements in a complete and accurate manner. Deutsche Börse Commodities GmbH uses the Group-wide internal control system (ICS) of Deutsche Börse AG to this end. The internal control system consists of regulations to control the Company's activities and monitor compliance with these regulations. It also comprises process-integrated (organisational safeguards, controls) and process-independent monitoring activities. All business units are responsible for ensuring that Group-wide requirements of the ICS are met in their respective areas of responsibility.

The accounting-related ICS aims to ensure proper accounting.

The Financial Accounting and Controlling (FA&C) department and other decentralised units are responsible for the accounting of Deutsche Börse Commodities GmbH based on the requirements of FA&C. The head of the FA&C department is responsible for the process, including effective safeguards and controls. The aim is to ensure that risks in the accounting process are identified early on so that remedial action can be taken in good time.

Regularly updated accounting manuals as well as guidelines and instructions for key accountingrelated processes are provided centrally for the preparation of the annual financial statements in order to ensure a consistent and continuous accounting process. All FA&C department employees have access to the documentation as well as the accounting manuals and account allocation guidelines and can thus get information on the management judgement and accounting options exercised by Deutsche Börse Group.

Moreover, Deutsche Börse Group continuously monitors and analyses changes in the accounting environment and adjusts its process accordingly. This applies in particular to the national and international accounting standards.

Another important feature of the ICS is the principle of functional separation: tasks and responsibilities are clearly defined and allocated within the organisation. Incompatible tasks, such as modifying master data, on the one hand, and issuing payment instructions, on the other, are strictly segregated at a functional level. An independent control unit grants accounting system access rights to each employee and monitors them continuously using an incompatibility matrix. Transactions are initially recorded in the general ledger or corresponding sub-ledgers based on the chart of accounts and the account allocation guidelines. Closing entries are made and the annual financial statements are prepared in all cases in line with the principle of dual control.

The ledgers of Deutsche Börse Commodities GmbH are maintained and consolidated in the same system. Liabilities, expenses and income for individual transactions are recorded in separate accounts.

The processes, systems and controls described above aim to provide reasonable assurance that the accounting system complies with the applicable principles and laws. Serving as further lines of defence for Deutsche Börse Group, Compliance and Internal Auditing carry out risk-based, process-independent checks to test whether the ICS is appropriate and effective. The Executive Board receives regular reports on the effectiveness of the ICS for the financial reporting process.

Responsibility Statement by the Executive Board

To the best of our knowledge, we confirm that in accordance with the applicable accounting principles for the preparation of annual reports, the annual financial statements give a true and fair view of the net assets, financial position and results of operations of the Company, and the management report includes a true and fair view of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company.

Frankfurt/Main, 21 March 2016

Deutsche Börse Commodities GmbH

The Managing Directors

Steffen Orben Michael König

Auditor's Report

We have audited the annual financial statements, comprising the balance sheet, the income statement, the cash flow statement, statement of shareholders' equity and the notes to the financial statements, together with the bookkeeping system, and the management report of the Deutsche Börse Commodities GmbH, Frankfurt/Main, for the business year from January 1 to December 31, 2015. The maintenance of the books and records and the preparation of the annual financial statements and management report in accordance with German commercial law (and supplementary provisions of the shareholder agreement/articles of incorporation) are the responsibility of the Company's management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the management report based on our audit.

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

Our audit has not led to any reservations.

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

Frankfurt/Main, 21 March 2016

KPMG AG Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Dielehner Hommel

Wirtschaftsprüfer Wirtschaftsprüfer

[German Public Auditor] [German Public Auditor]