

MAPLE BANK



ANNUAL REPORT 2008/2009

SELECTED FINANCIAL DATA

IN EUR MILLIONS	09-30-2009	09-30-2008	09-30-2007	09-30-2006	09-30-2005
TOTAL ASSETS AND LIABILITIES	5,742	46,938	26,124	15,280	11,051
RECEIVABLES FROM CUSTOMERS	1,207	15,226	5,298	2,466	3,549
BONDS AND OTHER FIXED-INCOME SECURITIES	1,336	2,615	3,551	2,055	1,399
LIABILITIES TO CUSTOMERS	3,763	16,640	13,851	8,965	8,081
REGULATORY CAPITAL AFTER ADOPTION OF THE FINANCIAL STATEMENTS	312	345	505	392	372
NET INCOME FOR THE YEAR*	266	241	113	26	24
COST-INCOME-RATIO	27.5%	31.2%	40.1%	60.4%	52.1%
RETURN ON SHAREHOLDERS' EQUITY	66.9%	61.0%	40.2%	10.1%	10.4%

** for the fiscal year 2008/2009 profit transfer net of income taxes*

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1. EXECUTIVE BODIES

1.1 SUPERVISORY BOARD

Thomas Higgins (Chairman)	Toronto
William K. H. Fung	New Jersey

1.2 BOARD OF MANAGING DIRECTORS

Wolfgang Schuck (Chief Executive Officer)	Bad Soden
Michael Bernhard	Butzbach
Paul Hiob	Bad Soden
Martin Mönninger	Bruchköbel
Hagen Wirth	Gelnhausen

2. EXECUTIVE EMPLOYEES

2.1 EXECUTIVE VICE PRESIDENTS

Peter Ertel	Ludwigshafen
Andreas Henckell	Frankfurt am Main
Hans-Jürgen Weimer	Niedernhausen

2.2 SENIOR VICE PRESIDENTS

Eric Blumhoff	Frankfurt am Main
Christoph Busch	Waldsolms
Michael Emmerich	Bad Vilbel
Frank Leber	Frankfurt am Main
Abraam Peço	Mannheim
Roland Schempp	Bad Nauheim

2.3 VICE PRESIDENTS

Jürgen Daume	Rodgau
Barbara Fuchs	Oberwesel
Ute Kavulakian	Kelkheim
Katrin Keßler	Hanau
Oliver Lenauer	Friedberg
Martina Nielsen	Rödermark
Thomas Romanski	Frankfurt am Main
Michael Schaper	Mörfelden-Walldorf
Rainer Schröder	Frankfurt am Main
Andrey Shevchuk	Bad Soden
Markus Werner	Breidenbach

2.4 BRANCH MANAGERS

Angelo Blancato	Milan Branch
Paul Lishman	Toronto Branch

3. REPORT OF THE MANAGEMENT BOARD

3.1 MAPLE FINANCIAL GROUP INC. FINANCIAL HIGHLIGHTS AS OF SEPTEMBER 30, 2009

	2009	2008	2007
OPERATING RESULTS (CAD MILLIONS)			
Net income	365.1	295.3	239.2
Comprehensive Income	356.5	308.3	238.6
FINANCIAL POSITION (CAD MILLIONS)			
Total assets	14,691	63,262	34,936
Deposits	4,325	3,988	4,219
Subordinated debentures and Shareholders' equity	896	784	708
RETURN ON COMMON SHAREHOLDERS' EQUITY			
Before cumulative translation adjustment	55.6%	70.5%	61.5%
After cumulative translation adjustment	54.3%	73.7%	61.4%
PER COMMON SHARE (CAD)			
Net income	3.9711	3.1284	2.5389
Comprehensive Income	3.8780	3.2665	2.5326
Book value	9.14	7.71	6.67
Number of common shares (thousands)	91,938	94,376	94,206

3.2 MAPLE FINANCIAL GROUP INC., TORONTO CONSOLIDATED MANAGEMENT REPORT OCTOBER 1, 2008 TO SEPTEMBER 30, 2009

Introduction

Maple Financial Group Inc (“Maple”) is a privately owned Canadian company that operates through subsidiaries primarily in Germany, the United States, Canada and the United Kingdom. These subsidiaries are financial companies in those countries and Maple is, therefore, subject to regulation by the relevant local regulators. The principal subsidiary, Maple Bank GmbH (“Maple Bank”) (located in Frankfurt, Germany) is subject to supervision by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and is a member of the Bundesverband deutscher Banken e.V. (German Bankers Association). It has branches in Milan and Toronto, where it is subject to German and local banking regulation and operates regulated broker-dealer subsidiaries in London, Jersey City and Toronto. Maple voluntarily complies with the BaFin capital adequacy requirements on a consolidated basis.

Maple is subject to the requirements of Basel 2 and underwent several regulatory audits during the year, all of which were concluded satisfactorily.

Maple is active in the equity, fixed income and associated derivatives trading markets in these locations, focused on providing structured solutions for the needs of its customers and market-neutral trading for its own account. The proprietary trading business is based on statistical models of the behaviour of the relative value of securities, or the mispricing of related securities.

Maple also has a secured lending business to support its structured customer business and a receivables financing business in Canada.

In order to meet the needs of these business lines, Maple has a very active global securities finance business and a sophisticated treasury operation.

Economic Environment

Our financial year began in October 2008 with financial markets in a state of crisis. The failure of Lehman Brothers and near collapse of AIG in September 2008 led governments and central banks to fear an implosion of the entire global banking system. The Icelandic banking sector did collapse, as did a number of other European banks.

The impact of the financial crisis spilled over into the real economy with annualized GDP falls of approximately 10% in Europe and 6% in the US during the first quarter of 2009. Unemployment rose to an average of 9% in the eurozone countries and over 10% in the US (the highest rate since 1983). Many governments feared that a collapse in bank lending and consumer consumption would lead to a depression of a magnitude not seen since the 1930's.

It was only after unprecedented intervention by governments and central banking authorities that financial markets began to stabilize. The financial system was supported through direct capital injections into financial institutions, guarantees on bank liabilities, financial asset repurchase programs and almost unlimited short term finance.

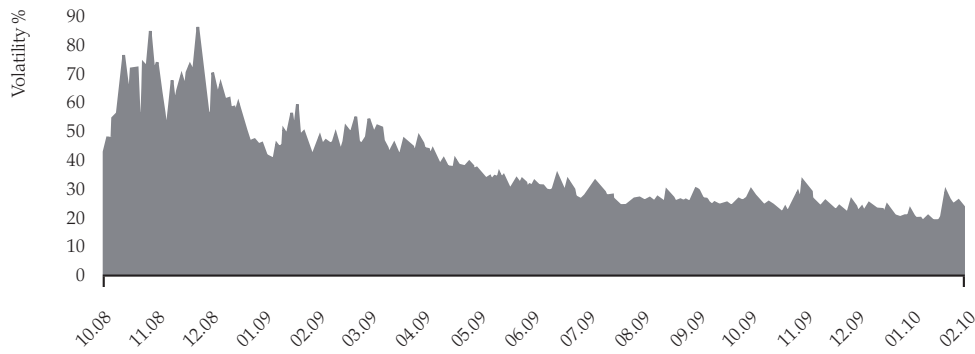


Chart 1: Volatility Index (VIX Futures on 30 day S&P500)

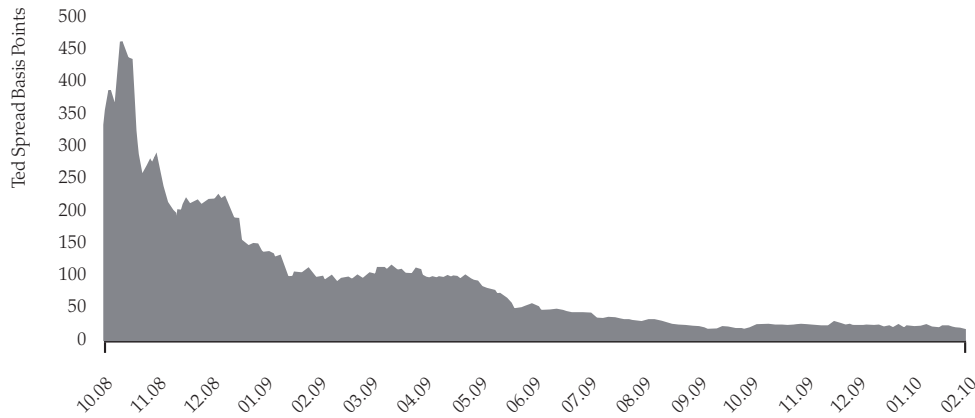


Chart 2: 3mth Eurodollar TED Spread

The short term effects have been to reduce volatility and encourage the re-emergence of interbank lending. During the second half of the year confidence in financial stability appears, at least temporarily, to have been restored. This has led to a significant reduction in the cost of borrowing for many corporations:

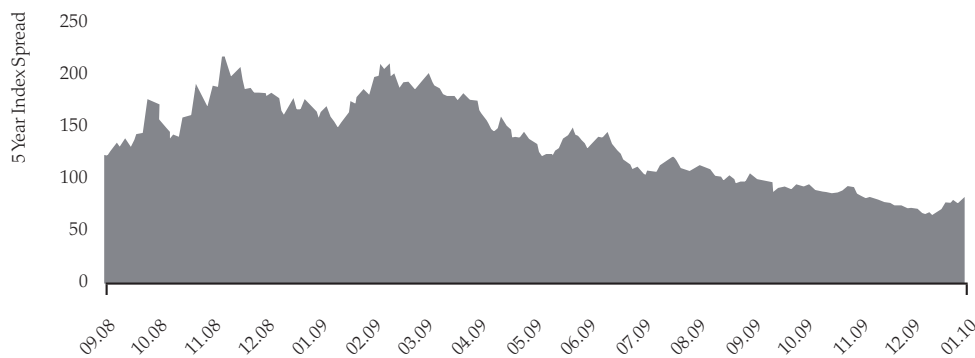


Chart 3: European 5 Year Investment Grade Spread Index (ITRAXX Series 10)

The longer term stability of financial markets still depends on how governments deal with the budgetary and regulatory changes that are needed to restore long term investor confidence. It has become increasingly evident that lower tax revenues combined with increased spending on social security and welfare has led to a sharp deterioration in government finances for many developed countries. This has led investors to question how governments are going to

bring their budgets back into balance, with many countries facing a major dilemma as to how quickly they should rein in spending. The UK faces a particularly difficult choice, while stresses within the eurozone have become increasingly apparent. As an example credit default spreads on Greek government bonds have widened to over 400 basis points.

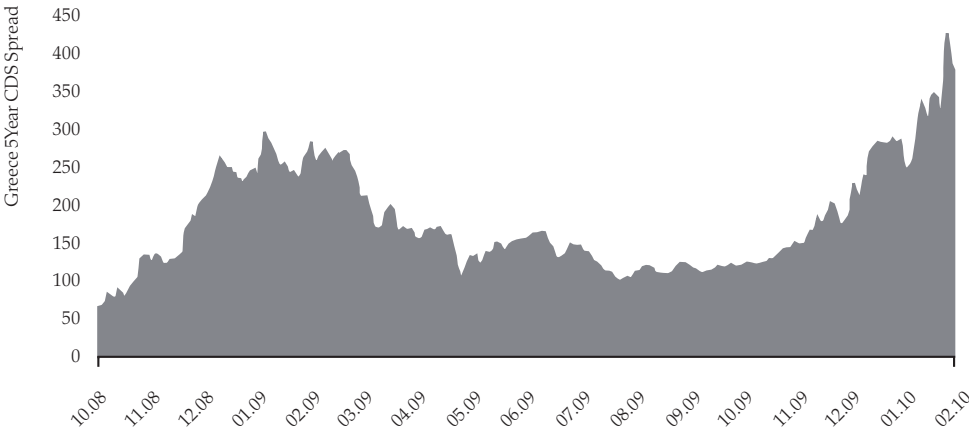


Chart 4: Greece 5Year Credit Default Swap Spread

During the second half of the year there has been much debate as to how the financial sector should be restructured in order to minimize the risk of systemic failure. Commentators and officials have pointed to a wide range of factors which contributed to the financial meltdown. Some believe that very large financial institutions carry an implicit government guarantee since their failure could lead to a systemic collapse. It is argued that such government guarantees encourage banks and their counterparties to take excessive risks.

Proposals have been announced in some countries (notably the US) to limit the size of banks and to reduce risk taking in areas such as proprietary trading, private equity and hedge fund investments. Other governments (predominantly in Europe) argue that increased control of risk within the banking system is best achieved by tightening capital requirements. It is unclear whether all countries will adopt a single regulatory solution or whether countries will adopt a range of new rules.

Results

Net Income from continuing operations increased 23% to C\$365 million. Net Investment Income increased by 2% to \$935 million, while expenses fell by 18% to C\$321 million. The Investment Income continued to benefit from a high level of customer activity in the structured products business, but as this declined during the last quarter, the Balance Sheet assets fell to C\$15 billion. The fall in expenses was caused by the acceleration of a deferred compensation plan during 2008. The expense level experienced in 2009 was more consistent with the level of profitability.

The proprietary trading results benefitted from the recovery in the world financial and credit markets. A number of positions, which are being held to maturity, gained as the underlying spreads on the instruments narrowed. After a withdrawal from many parts of the proprietary trading market in 2008, the Company cautiously re-entered some of the markets in 2009, while continuing to avoid the sectors that showed the most volatility.

The Milan branch of Maple Bank reached a final settlement with the Italian tax authorities. This resulted in almost no adjustment to Investment Income, as the reserve taken in 2008 proved to be accurate.

The Company sold its Italian commercial finance business to an Italian bank and now is only active in this sector through the operation in Halifax, Canada. There was slow progress in working out the non-performing legacy loans from the commercial finance business in New Jersey. These have been substantially reserved.

The continuing strength of the Structured Products customer business is a reflection of the recognition that the Company handles these types of transactions in an efficient and controlled manner. This allows the customers the maximum flexibility to achieve their hedging goals. However, with the substantial reduction in the current customers' needs during the second half of 2009, this source of revenue will be significantly reduced for 2010.

While not really returning to historic levels, the world liquidity markets improved in 2009. Through its treasury and securities finance division, the Company was able to keep a large supply of liquidity available for its businesses and to source the securities it needed for its trading and hedging activities. With pressure on the banking industry continuing, the need to have a special focus on liquidity is likely to continue for some time.

Management comment

Management is pleased with the continuing development of its product areas, delivery systems and infrastructure, and believes that these advances create the opportunity for continuing success. However, Management does not expect that the extraordinary profit levels achieved in 2008 and 2009 will continue, and the current year is already reflecting this.

Management would like to thank customers, depositors and counterparties for having confidence in Maple during these difficult times and looks forward to increasing business levels with them.

Management would also like to thank the shareholders for their continuing support and all the dedicated employees, whose continuing efforts made all this happen.

Executive Committee



Thomas Higgins
Chief Executive Officer
Maple Financial Group



Wolfgang Schuck
Chief Executive Officer
Maple Bank



Roger Prichard
Chief Financial Officer
Maple Financial Group

3.3 REPORT OF THE MANAGEMENT BOARD FOR THE FISCAL YEAR 2008/2009

3.3.1 BUSINESS DEVELOPMENT

Macroeconomic Conditions

The global financial crisis and the resulting global economic crisis were the dominant themes of the year under review. The increasing number of bank insolvencies in the USA and the massive problems experienced by many banks in Europe and Asia led to major distortions in the money, credit and capital markets. Around the world, real economies slid into a deep recession. To combat the largest economic crisis in more than 70 years, governments implemented various stimulus packages worldwide. In particular, the European and the American automotive industries were hit hard by the crisis and given massive support through special government programs. Towards the end of the year under review, there were signs of an economic recovery, however. Overall, GDP fell by 4.8% for the year in Germany. In the euro area, economic activity shrunk by 4.1% and fell in the USA by 2.3%.

To stabilize financial systems, there were numerous interventions by central banks and national governments. For example, in a concerted action, the central banks of all western industrialized nations cut their prime rates by 50 basis points at the beginning of October 2008. For the euro area, the European Central Bank (ECB) cut the main refinancing rate from 4.25% to 1% in a series of seven steps between October 2008 and May 2009. Moreover, additional liquidity was made available to the banks through special measures such as long term tenders and a program to purchase up to EUR 60 billion of collateralized debentures. The ECB justified this extremely expansive monetary policy with the lasting disruptions of the monetary and credit markets, slackening economic activity and the resulting negative inflation rates. The Fed resorted to similarly drastic measures. The Fed Fund Target Rate was cut by 2% to a target corridor of 0% to 0.25%. In addition, refinancing measures for banks were expanded in the USA as well.

The financial crisis also had an impact on the stock markets. At the beginning of the year under review, the first strong slide in equity prices occurred, causing the DAX, the German stock-exchange index, to fall below 4,300 points. After a short recovery phase, the low for the year of 3,666 points was reached in early March. However, increasing signs of a rapid end to the crisis led to a noticeable rise in share prices later in the year. On September 30, 2009, the DAX, at 5,675 points, was only 2.7% lower than the previous year. A similar course could be observed for the Dow Jones Index. With major price fluctuations, the low for the year was recorded at 6,547 points in early March. In the following months, the index climbed back to 9,712 points. As a result, the Dow Jones dropped by 10.5% over the course of the year. Other important indexes, such as the Euro Stoxx 50 or the Nikkei, recorded large losses in the first six months of the fiscal year, which were partly recovered in the latter half of the year. The Euro Stoxx 50 lost 5.5% for the year, while the Nikkei lost 10%.

In the year under review, the US dollar fell slightly against the euro after major fluctuations. The level of 1.25 US dollars per euro was repeatedly tested during the fiscal year. During the summer, the US dollar noticeably lost value and finished the year at a weaker level of 1.46 US dollars per euro. The euro was also able to gain against the British pound. With an exchange rate of more than 0.98 GBP per euro, a record high was reached. However, the exchange rate fell back to 0.91 GBP per euro in late September.

Commodities markets offered an uneven picture in the year under review. In the first quarter, the price for a barrel of WTI crude oil plummeted from just below USD 100 to USD 31.41. Later in the year, the price rose again to a level of about USD 70. Gold was the winner of the turbulence on the financial markets. In the first month of the year under review, fears about a collapse of the global financial systems repeatedly drove the price of gold to new record highs. In the latter half of the year, the fear of inflation gained the upper hand as a consequence of strongly rising national deficits caused by stimulus packages. In late September, more than 1,000 USD was paid for a troy ounce of gold.

Developments at Maple Bank GmbH

Despite these extremely difficult general economic conditions, the Bank once again achieved outstanding results with a profit of EUR 385.6 million; this is the second-best result in the Bank's fifteen-year history. The individual lines of business developed as follows:

Securities Trading

After closing all trading strategies last year that might have been exposed to losses as a result of the unusually difficult market environment, we continued to act cautiously during the reporting year. The remaining conservative trading strategies in which we were active during the year delivered positive results.

Structured Trading / Structured Products

The Structured Trading / Structured Products businesses continued to mainly deal with the structuring of and the trading in fully hedged securities and derivative trading strategies. The focus was on hedging transactions for proprietary trading as well as for institutional clients and counterparties. The risk in these transactions is minimal since, as a rule, all market risks are hedged in the trading strategies.

Our exceptional performance in these areas is based on our state-of-the-art trading systems, fast response times to customer and counterparty wishes combined with the highest degree of discretion and prudence in handling, as well as very good refinancing and structuring capabilities. Another important factor of our success is close cooperation with our subsidiaries, especially in the areas of securities lending and refinancing.

In the latest fiscal year we once again generated very satisfactory earnings with these trading strategies. However, we expect a considerably lower contribution to income for the coming fiscal year after several large trading strategies either matured at year-end or were significantly reduced.

Lending Operations

We consider classic lending businesses to only be complementary to our other core business activities. When granting a loan, we insist on fungible collateral, first-class insurance, or guarantees from impeccable names.

The deterioration of the general economic environment has also had an impact on the creditworthiness of our borrowers. In close collaboration with our customers, refinancing and restructuring solutions have been implemented.

Customer demand for special financing transactions continues to be high. Due to our conservative lending criteria, no new major loans were recorded.

The volume of business in commercial finance was systematically reduced. We recorded some initial successes in the liquidation of collateral, despite a tedious execution process in legal systems outside the European Union.

Adequate provisions were made.

Treasury

The strong competition for customer deposits observed in the previous year has intensified during the year under review. As a direct consequence of bank insolvencies, partial nationalizations of banks and other massive interventions by the governments of the leading economies, investors caution has reached new dimensions. Deposits were only placed with those institutions deemed to be absolutely safe. The trend which began last year of shifting deposits to savings banks and the Landesbanks, and now includes the cooperative banks, intensified, especially during the first nine months of the year under review. An easing of this trend was only noticeable in the last quarter of the fiscal year; however we remain far removed from a normalization.

In this market environment, which can only be described as extreme, our customers have placed their trust in us at all times. The fact that we have been able to maintain our volume of deposits at a stable level, gives evidence to what is now many years of trustworthy cooperation.

In the markets for securities lending and repo transactions a further consolidation was observed, both with regard to the number of active participants – which was primarily caused by mergers of banks and financial service providers – as well as with regard to the volumes traded. Moreover, it was noted that there was a clear trend in favor of first-class collateral in the area of repo transactions.

Through their trustworthy cooperation, our counterparties in this business again contributed to this year's success.

3.3.2 EARNINGS

As in previous years, the Bank's core business segments of equity and bond trading, repo and securities lending operations, customer deposits, and structured products transactions were the key factors contributing to investment income. Investment income represents the aggregate of net interest income, income from commissions, current income from equities and financial investments, and net income from financial transactions, which, if viewed as individual categories, would not be very meaningful due to the structure of the trading business.

After reaching EUR 649.1 million last year, investment income again reached a high level of EUR 592.0 million for the year under review. Of this total, earnings in the amount of EUR 558.5 million were generated by the Frankfurt head office and EUR 34.4 million by the Toronto branch, while losses of EUR 0.9 million were generated by our branch in Milan. In addition, the Bank earned EUR 24.7 million on financial investments in affiliated companies.

Operating expenditures were reduced by EUR 9.0 million to EUR 167.4 million compared to last year, due to a reduction in performance based bonuses, and despite an increase in other operating expenditures. The cost-income ratio fell further from 31.2% last year to 27.5% as of September 30, 2009. Reserves for general bank risks were reduced by EUR 29.0 million. Earnings from ordinary operations amounted to EUR 446.2 million compared to EUR 392.2 million last year.

With effect from October 1, 2008, the Bank concluded a profit-and-loss transfer agreement with Maple Financial Europe SE. As of this date, Maple Bank GmbH and Maple Financial Europe SE formed a fiscal unity for German corporate income tax and German trade tax purposes. Recorded tax expenditures in the amount of EUR 60.2 million primarily apply to the branches in Milan and Toronto. On the basis of the profit and loss transfer agreement, liabilities of EUR 385.6 million from the transfer of profits were reflected. This amount includes the assumption of losses from the Milan Branch of EUR 84.9 million and a transfer of profits from the Toronto Branch of EUR 27.1 million.

The Bank's risk provisions were reduced by EUR 35.6 million in the year under review. In particular, this amount contains a reversal of the provision formed in the previous year for tax refund claims by the Milan Branch of EUR 80.6 million. In addition, specific provisions totaling EUR 20.0 million were formed for the commercial finance transactions of the Milan Branch, and EUR 26.2 million for losses resulting from a failure to return securities as part of a securities lending transaction.

With regard to shares in affiliated companies, from the provision for the shares in Maple Holdings Canada Ltd., Toronto an amount of EUR 7.6 million (CAD 12.0 million) was reversed in the annual financial statements.

Chart 1 shows the development in net income (in millions of Euros). For the fiscal year 2008/2009, the profit transfer of EUR 385.6 million less the income tax due from the controlling company in the amount of EUR 119.9 million has been reported.

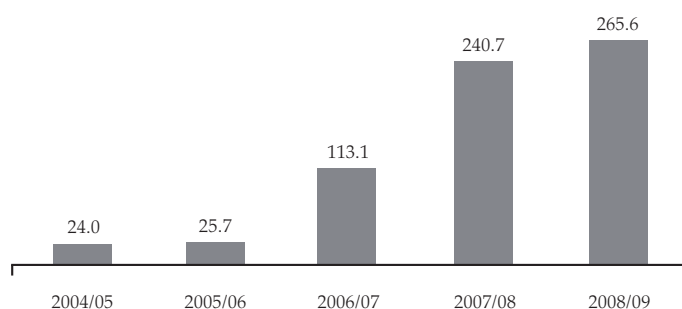


Chart 1: Net income in millions of Euros (for the fiscal year 2008/2009 – transfer of profit less income taxes)

3.3.3 BALANCE SHEET

Owing to the decrease in trading activities at the Milan Branch and the reduction of positions in Structured Trading/ Structured Products, the Bank's balance sheet was significantly reduced from EUR 46.9 billion last year to EUR 5.7 billion in the year under review. The volume of business, which includes contingent liabilities, also amounted to EUR 5.7 billion.

There was an especially strong decline in the item "Receivables from customers", which went from EUR 15.2 billion to EUR 1.2 billion. The item "Equities and other non-fixed-income securities" decreased from EUR 15.8 billion to EUR 1.0 billion. On the liabilities side of the balance sheet a noticeable decline was recorded for the item "Other liabilities", namely from EUR 20.0 billion to EUR 0.8 billion. Liabilities to banks decreased by EUR 8.8 billion to EUR 0.5 billion, whereas liabilities to customers fell by EUR 12.9 billion to EUR 3.8 billion. In addition to the reduced need for hedges relating to options and swap transactions, decreased repo and securities lending transactions contributed to this decline.

The development of the balance sheet (in billions of Euros) is shown in Chart 2.

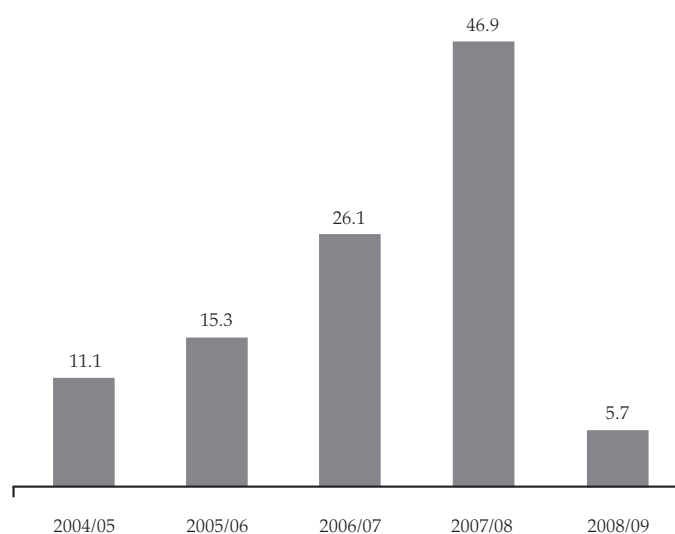


Chart 2: Balance sheet (in billions of Euros)

The Bank secures financing through short-, middle- and long-term deposits made by institutional customers, inter-bank borrowing, as well as our activities in the domestic and international securities lending and repo markets. During fiscal year 2008/2009, the volume of long-term customer deposits with a residual maturity of more than one year declined slightly from EUR 686 million to EUR 669 million. Due to the maturity of subordinated debt during the year under review, this item fell from EUR 49.1 million to EUR 35.2 million. A new subordinated loan of EUR 2.5 million was raised during the year under review.

To ensure liquidity, the volume of securities eligible as collateral for borrowing from the Deutsche Bundesbank was maintained at a high level throughout the entire year under review. At year-end, securities with a loan value of EUR 918 million were available for this purpose.

3.3.4 RISK MANAGEMENT

The financial and economic crisis, which deepened during the year just ended, illustrated once again the need for a comprehensive and effective risk management system. Both situational decisions and the Bank's strategic orientation are based on this system.

Risk management is an ongoing dynamic process. This process begins with the analysis and identification of business opportunities and risks. Risks are managed based on their assessment and documentation by the systems installed for this purpose. The control and monitoring of risks by the independent Risk Control Department ensures neutral reporting to the Bank's management board and to the Group Executive Committee. Individual and aggregate risks are monitored both on an entity level and on a consolidated basis.

Demands with varying characteristics are made on the system not only by the management board and Group management, but also by shareholders, customers, counterparties, and last but not least, the regulatory authorities.

Global trading and credit risk reports are prepared daily. The close links between Group management and individual locations are evidenced not only by regular conference calls, several times a day during critical situations, but also by the organizational integration into the respective management bodies of the individual companies. Thus, global steering of all activities by Group management is ensured.

The Bank's risk management system falls under the general responsibility of the management board. The fundamental guidelines for risk management are documented in the overall banking strategy, the risk manual and in the "credit policy". These are reviewed regularly. The limit systems implemented monitor the risk-bearing capacity and limit the various risk factors.

The various types of risks to which Maple Group is exposed through its activities are described below.

Risk-bearing capacity and capital management

The overall banking strategy was revised in July 2009 and again in November 2009 and includes the concept of risk-bearing capacity, the definition of risk capital as well as the limits for the risk factors. Limits are imposed for a standard scenario and a stressed scenario. The Bank's risk-bearing capacity and that of its subsidiaries is based on the "going-concern principle", under which unexpected losses do not lead to a restriction in the business or lead to additional capital measures.

The risk capital defined is allocated to the risk factors across business lines. For the standard scenario, this leads to the following allocation to the business lines (in millions of Euros). The utilization of risk capital as at September 30, 2009 is shown in italics.

BUSINESS LINE	BANK	UTILIZATION	SUBGROUP	UTILIZATION
Market risk	34	2	48	14
Counterparty default risk	28	8	44	14
Investment portfolio risk	11	11	0	0
Operational and other risks	25	9	30	10
Unallocated reserve	2		3	
Total	100	30	125	38

The following limits and utilization as of September 30, 2009 apply to the stressed scenario (in millions of Euros):

BUSINESS LINE	BANK	UTILIZATION	SUBGROUP	UTILIZATION
Market risk	83	5	130	34
Counterparty default risk	69	17	88	31
Investment portfolio risk	22	22	0	0
Operational and other risks	40	18	50	22
Unallocated reserve	1		2	
Total	215	62	270	87

The same mathematical processes are applied to calculate the utilization of the individual limits that are used for daily risk monitoring. An estimate for operational and other risks is made on the basis of all entries in the incident database.

The following table provides an overview of quarterly figures for the equity solvency ratio under the German Solvency Regulation (SolvV):

	SEP. 08	DEC. 08	MAR. 09	JUNE 09	SEP. 09
Maple Bank GmbH (unconsolidated)	15.16	11.20	14.50	13.97	23.30
Maple Financial Europe SE (subgroup)	13.87	12.16	14.50	14.65	20.60
Maple Financial Group (group)	11.39	10.29	12.23	11.83	16.24

Over and above the statutory requirements, the solvency ratio for the global Maple Group is ascertained in accordance with the same logic as for the subgroup. The ratios are reported to the Bundesanstalt für Finanzdienstleistungsaufsicht and to the Deutsche Bundesbank in Germany, and to the Financial Services Authority in Great Britain.

At the end of October 2008, there was a shortfall in the solvency ratio of the bank for one day and in the subgroup for two days, due to larger market distortions. The shortfall was orally reported to the regulatory authorities on the same day. The regulatory authorities did not impose any sanctions.

The following chart shows the Solvency Ratios per risk category for the subgroup as of September 30, 2008 and September 30, 2009.

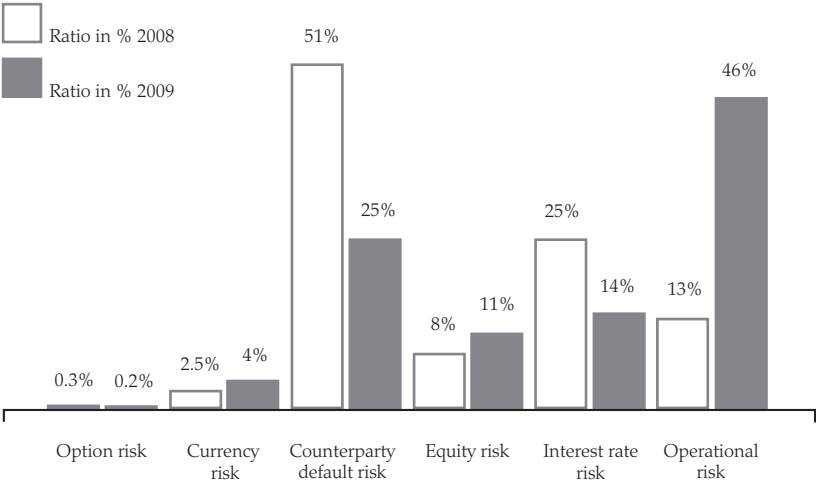


Chart 3: Solvency ratios per risk category in %, subgroup

Risk Category: Market Risk

Market risk is the risk that market values or future cash flows from financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates, equity prices and commodity prices. The Group manages market risk on a daily basis by consolidating all trading and banking book positions and associated risks. The results of this analysis are then reported separately and in aggregate to provide a complete picture of market risk exposures. There are no commodity risks.

Stress tests and sensitivity analyses show the effect of changes in risk factors on the Bank’s positions. Weekly stress tests are conducted for all trading positions and collateral. The results enable the management to assess the positions based on the simulated results.

Every transaction made by the Bank must be allocated to a previously tested and approved strategy through the trade entry systems. As a rule, these strategies contain hedging transactions in the form of index futures, options or swaps and are subject to trading, volume, position, loss, sensitivity and Value-at-Risk limits depending on the type of risk. The Risk Control Department monitors compliance with all limits and provides the requisite reports to management on a daily basis.

Equity price risk

Equity price risk arises from the possibility that changes in equity prices or index components will affect the value of financial instruments. In the Group, the equity price risk is calculated using a Value-at-Risk model (“VAR model”) on the basis of a historic simulation and a confidence level of 99% as well as a holding period of one day. The “clean method” was

used for back testing and showed that for the Bank results would have exceeded VAR nine times during the year due to the highly volatile markets. This results in a back testing confidence level of 96.6%. All limit violations were subjected to a detailed analysis which did not lead to any modifications of the VAR model.

For the Bank, the risk factor for equity price risk was EUR 0.2 million at year-end. VAR fluctuated between EUR 0.2 million and EUR 19.8 million during the year under review.

The stress test for equity and equity derivative positions is conducted across all of the Bank's trading portfolios. The analysis simulates a shift of the confidence level in the VAR model as well as an extension of the holding period or changes in individual risk factors such as equity prices and volatilities. The level at the end of the year under review was EUR 0.2 million for equity price risk (previous year EUR 2.0 million).

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the value of financial instruments. The Bank incurs interest rate risk on its cash balances, securities trading positions, cash paid or received as collateral for securities lending and borrowing transactions, in its collateralized lending business and on its short-, medium- and long-term customer deposits. Interest rate risk is managed through a continuous interest rate gap analysis. Hedging strategies using derivatives are employed to mitigate interest rate risk. They are monitored with the aid of a Treasury software package.

Stress tests of interest rate risk are based on shifts in yield curves. In addition to a parallel shift of up to 190 basis points, twists in the individual yield curves are also simulated in order to calculate the sensitivity per maturity range. Stress tests are performed on both a portfolio and bank level and are conducted separately per currency. The highest result for a shift in the yield curve of 100 basis points amounted to EUR 1.0 million (previous year EUR 5.1 million) at the end of the year under review. During the year, this number fluctuated between EUR 1.0 million and EUR 15.5 million.

Currency risk

Currency risk (foreign exchange risk) is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk is not viewed as significant since it is not traded actively.

Foreign-exchange positions are hedged directly. Risk monitoring is performed daily for each currency in the form of individual currency limits and a VAR calculation for all positions.

The stress test calculates the sensitivity per currency position for pre-defined changes in exchange rates.

Risk Category: Counterparty Default Risk / Credit Risk

Counterparty default risk encompasses credit risk from the lending business, counterparty risk, issuer risk, country risk and investment risk (shareholder's risk). Credit risk considers the risk that counterparties will default on their contractual obligations to the Bank. Counterparties may be prevented from meeting their payment obligations due to bankruptcy, lack of liquidity, operational failure or other reasons.

Exposure to credit risk is limited for exchange-traded products and transactions with a central counterparty (CCP), as these transactions are based on standardized contracts, executed on established exchanges, and are subject to daily settlement of variation margins. Written options have limited credit risk, as the counterparty has already performed in accordance with the terms of the contract through an up-front payment of the premium.

The Bank limits credit risk by dealing only with counterparties that are deemed creditworthy. The quality of collateral received contributes to the evaluation. Whenever possible, netting agreements are used that allow positive and negative exposures from different contracts with the same counterparty to be offset. A credit committee allocates limits for individual counterparties as well as for credit groups on the basis of a detailed credit analysis. Default risks related to individual counterparties and credit groups are monitored daily. All counterparty default risks in the trading and banking book are monitored by class of product based on net exposure adjusted by haircuts. An annual review of the financial

condition of all counterparties is performed. Ad-hoc analyses during the year monitor the counterparties' credit-worthiness, enabling the Bank to take appropriate measures if necessary.

During the year there was an increase of intra-day calculations of default risk using real-time prices.

Default Risk in the Lending Business

Commercial finance transactions in Europe were conducted solely by the Milan Branch and covered the Italian market. This line of business was sold at book value in October, 2008.

The business area "Special Secured Finance", which is located in Frankfurt and the Toronto Branch, saw an increase in demand during the year under review. It provides customers bespoke structured financing where the collateral is customer specific.

In the lottery business, winnings from selected US lottery vehicles were purchased at a discount, whereby the payment of the lottery winnings is guaranteed by the corresponding (US) state governments. No expansion of this business is planned.

Specific charges are taken for all exposures if certain defined criteria are met, under consideration of available collateral.

Default Risks from Counterparties and Issuers

All credit exposures are calculated daily or when requested ad hoc, on the basis of actual mark to markets for both individual counterparties and credit groups. This includes collateral valued at mark to market plus any haircuts for future price changes (VAR, add-ons). Limits are monitored automatically using in-house systems. Credit risks are classified and monitored by transaction type or product class.

The Bank automatically reports all credit risks to the group-wide credit monitoring system. On the group level monitoring is done by the Credit Departments in Frankfurt and Toronto.

As of the balance-sheet date, Maple Bank holds three collateralized debt obligations (CDOs) in its portfolio. One CDO matured during the year and was repaid in full. The total nominal value of EUR 47.3 million was recorded at a fair value of EUR 37.5 million at year end. This strategy is not going to be expanded.

During the year ended September 30, 2009, the Company was not engaged in any sub-prime mortgage-related businesses and did not have any liquidity commitments outstanding to such businesses.

Country Risk

The Group defines direct country risk as the risk of default on government securities positions and loans to states, countries and the public sector.

The Bank only has direct country risk to G7 countries and the member states of the European Union (EU).

Indirect country risk arises if counterparties are domiciled outside of Germany; therefore this risk also includes so-called transfer risk.

The following chart illustrates the Bank’s indirect country risk of year end 2008 and 2009. All amounts are in millions of Euros and are based on the net balances per counterparty.

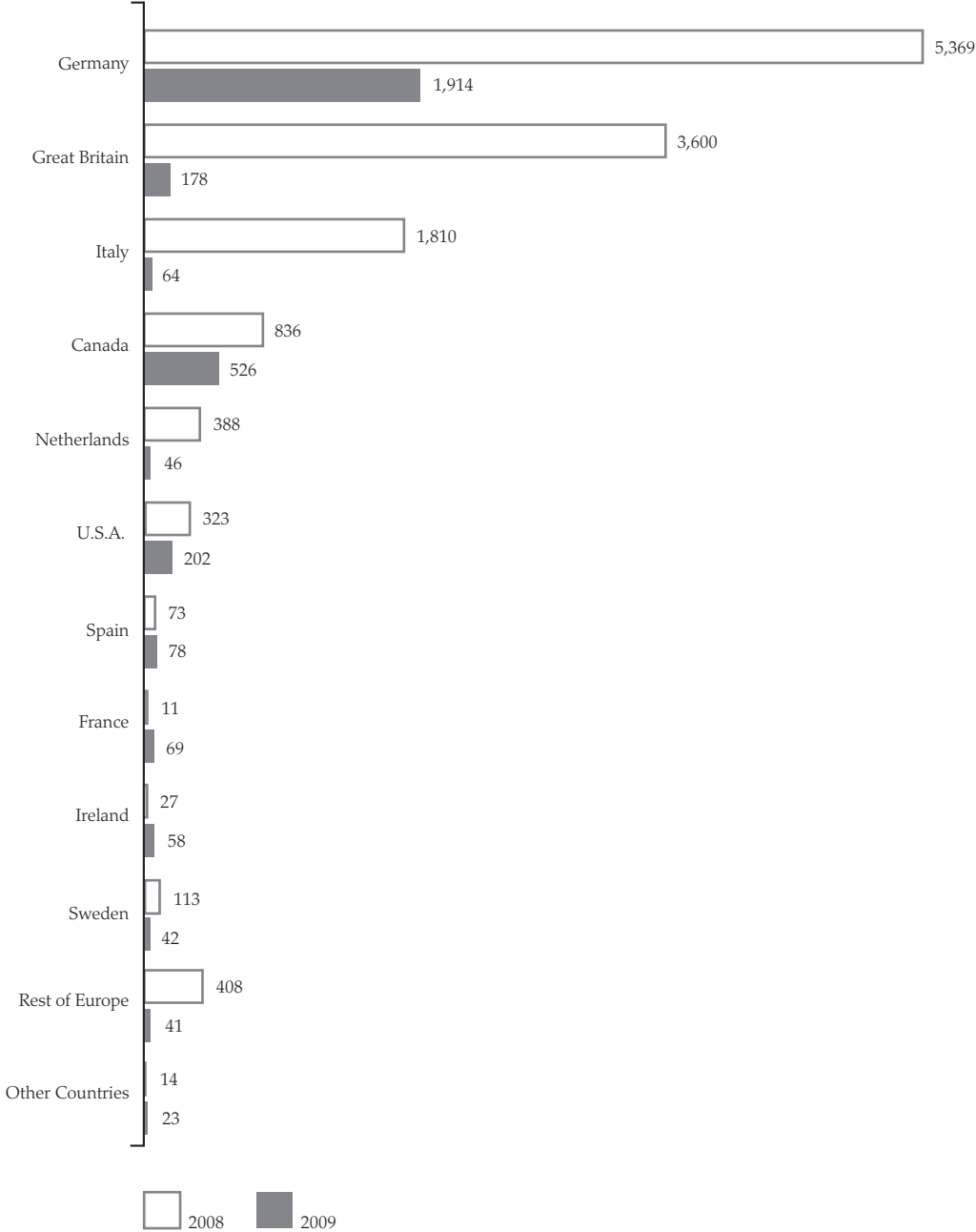


Chart 4: Market value of counterparty risk (in EUR Mio)

Provisions for country risk are made on the basis of the economic situation of the respective country. No provisions due to increased country risk were required as of September 30, 2009.

Investment Risk

The Bank primarily has investment risk from investments in affiliated companies. Like the Bank, operating subsidiaries are mainly engaged in the businesses of structured trading/structured products as well as securities lending and repo transactions.

The Bank is represented by members of the management board in the Group's various executive bodies and is thus able to recognize and assess the business risks of its subsidiaries.

The operating subsidiaries in the USA, Great Britain and Canada are subject to supervision by the regulatory authorities of their respective countries. In addition, all subsidiaries are incorporated into the Bank's consolidated regulatory reports.

In addition to the daily reporting system, all of the Bank's outstanding credit risks are reported to the management board in the "Monthly Credit Report". This report also includes Credit-Capital-at-Risk factors according to the Gordy model. The standard scenario calls for a confidence level of 99.0% using historical one year probabilities of default; the stress scenario uses a confidence level of 99.9%, rating deteriorations as well as reduced recovery rates. The results from the Credit-Capital-at-Risk model are also used to calculate the utilization of risk-bearing capacity.

As of September 30, 2009, concentration and credit quality ranked by credit rating were as follows:

AAA bis AA-	63 %
A+ to BBB-	27 %
BB+ and below	<u>10 %</u>
	<u>100 %</u>

The above ratings are assigned by the Credit Committee on the basis of an internal rating system. The internal rating system uses rating modules from S&P. The presentation refers to the borrower rating. When calculating the transaction rating the collateral provided is also taken into account

Liquidity Risk

Liquidity risk is the risk of having insufficient cash resources to meet financial obligations in a timely and cost-effective manner as they come due. The Company's liquidity could be impaired by an inability to access secured and/or unsecured debt markets, an inability to access funds from subsidiaries, an inability to sell assets or unforeseen outflows of cash. Further, the ability to sell assets may be impaired if other market participants are seeking to sell similar assets at the same time. The Company seeks to maintain sufficient liquidity under normal market conditions, throughout market cycles and during periods of financial stress. The processes established by the Company to manage liquidity and refinancing are intended to ensure sufficient liquidity in each region and at all times. This includes compliance with regulatory requirements.

The Bank has a broad base of deposits from institutional customers which supports the provision of sufficient liquidity. In order to minimize liquidity risk from short-term payment obligations, the Bank holds securities eligible as collateral for borrowing from the Deutsche Bundesbank. Debt maturity reports provide the Treasury Department with continuous information on liquidity levels. A close link between Money market settlements and the Treasury Department is needed in order to also be able to initiate necessary steps intra-day. In the year just ended, there was an increased focus on liquidity risk.

Intensive contacts with customers, commercial and investment banks, as well as financial services providers, enable the Bank to maintain – not only during the financial markets crisis – adequate credit and trading lines. During the financial crisis, personal discussions became an important element in liquidity management.

Market liquidity risk is restricted by volume limits for individual securities positions relative to actual trading volumes. The weekly Liquidity Risk Report compares the Bank's stock positions with the exchange turnover. In addition, the liquidity of trading positions and collateral received in conjunction with securities lending and repo transactions is analyzed with respect to market depth.

As of September 30, 2009, the solvency ratio in accordance with the Solvency Regulation was 1.63 (last year: 1.74). During the course of the year, it fluctuated between 1.45 and 1.92 (last year: 1.28 and 1.74) and was in compliance throughout the entire year under review.

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, personnel or systems, as well as from external events. Examples of operational risks are human error, disruptions of operations and processes, technology risks and external catastrophes. Operational risk is encountered in all activities, including the practices and controls used to manage other risks. Failure to manage operational risk can lead to failure in the management of other risks such as credit, market or regulatory risk. The Company has introduced processes and procedures which are regularly reviewed to ensure that they are current and effective in the prevention of operational failures. The Company maintains a database to record actual and potential operational risk-related incidents. Results from the analysis of all incidents that have occurred are reported to the management board on a quarterly basis.

Key risk indicators make forward-looking statements about potential operational risks. Periodic self-assessments from all departments of the Bank complete the system for identifying risks.

Information processing plays a key role in the performance of tasks within the Bank. In the interests of the customers and employees of the Bank, data and IT processes are consistently and effectively protected against abuse and the loss of their integrity, confidentiality and availability. For this reason, suitable security processes have been introduced and technical measures have been implemented to protect information. These measures are based on the international standards ISO/IEC 27001 and ISO/IEC 27002 and are regularly reviewed with regard to their efficacy.

A consistent concept regarding information security, in particular with respect to the maintenance of business operations and the outsourcing of IT services, has been integrated into the Bank's risk management framework. The emergency office, which is solely at the Bank's disposal, is subjected to annual functional tests. Due to constant data mirroring, the Bank's risk positions can also be monitored and managed during emergencies.

The Bank's operational organization is regulated by general guidelines, workflow descriptions, job descriptions and organizational charts. These documents are regularly revised and subject to an annual control process at least. All processes, including the corresponding organizational guidelines, are documented.

Regulatory Risk

The Group is subject to extensive regulatory supervision in Germany, Italy, Canada, Great Britain, and the USA. In the event of non-compliance, regulators may institute administrative or judicial proceedings that may result in censure, fines, civil penalties, suspension or disqualification of officers.

Risk Assessment

With its existing control functions, the Bank sees itself as being properly equipped to handle both existing business and any upcoming challenges.

The Bank assumes that there are no risks beyond those taken in the ordinary course of business.

3.3.5 EMPLOYEES

We take this opportunity to sincerely thank all of our employees.

Without the dedication, professionalism and social competence of our employees, the Bank's success could not be achieved.

In return we offer, in addition to performance-oriented remuneration with variable components, many additional benefits. In particular this includes a comprehensive package of social benefits, including, among other items, a direct pension commitment, group accident insurance, as well as various programs for converting income to pension payments.

With flexible time models we help our employees find a proper balance between work and private life.

We prepare for future challenges by providing individual support and regular training opportunities for our employees.

Together with flat hierarchies, a pleasant working atmosphere, and participation in decision-making processes, we have created a positive work environment for our employees. This has resulted in a high level of satisfaction and motivation, which is also expressed in attrition rates that are much lower than the average for the banking industry.

Subsequent Events

There have been no events with a significant impact on the Bank's assets, earnings capability or financial situation since the end of the year under review.

3.3.6 OUTLOOK

Macroeconomic Situation

As the diverse measures taken by central banks and governments around the world slowly have an impact, economies are currently starting to climb out of the deep recession of the past few quarters.

Growth of barely one percent is expected in the euro area for 2010. In North America, a rise in GDP on this scale is expected as well.

Expectations for inflation in Europe and in the USA tend to be subdued, due to both existing overcapacities and high unemployment. The European Central Bank is expecting price increases of up to 1.7% and the Fed also assumes slightly rising rates of inflation.

The lavish supply of liquidity provided to the banks by the central banks will be reduced during the coming year through changes to refinancing operations in the form of shorter maturities and stricter collateral requirements.

In the opinion of many observers, interest rate increases will only be placed on the agenda in Europe towards the end of 2010 at the earliest. With regard to the United States, it is expected that the Fed will slightly raise interest rates in the summer of 2010.

The challenge for the central banks will be not to choke off the expected, but delicate, upswing by increasing interest rates too soon.

Anticipated prospects for the Bank

In addition to securing our customer relationships in the deposit-taking and securities lending and repo transactions businesses, the focus for the fiscal year 2009/2010 will be on growing our newest line of business, namely agency trading. Furthermore, we will expand our global expertise in equity arbitrage activities to trading in fixed-income securities.

We assume that in the coming year we will once again be able to secure a stable financial situation and ample liquidity for the Bank.

We expect a slight decline in other operating expenses. We also expect a further decline of costs for risk provisioning.

Overall, we expect a satisfactory level of earnings for FY 2009/2010. From today's perspective, the earnings level of the past two fiscal years is no longer attainable.

4. FINANCIAL STATEMENTS 2008/2009

4.1 MAPLE BANK GMBH, FRANKFURT AM MAIN, BALANCE SHEET AS OF SEPTEMBER 30, 2009

ASSETS	EUR	EUR	EUR	PRIOR YEAR KEUR
1. LIQUID FUNDS				
Cash		29,834.36		24
Balances with central banks thereof: at the Deutsche Bundesbank EUR 225,050,703.11		225,052,195.05	225,082,029.41	441,528
2. PUBLIC DEPT ISSUES AND BILLS OF EXCHANGE ELIGIBLE FOR REFINANCING WITH CENTRAL BANKS				
Treasury bills and treasury discount notes and similar debt certificates issued by public sector thereof: refinancable with the Deutsche Bundesbank EUR 499,229,305.71			499,229,305.71	0
3. RECEIVABLES FROM BANKS				
due on demand		119,340,081.04		4,606,244
other receivables		349,159,322.13	468,499,403.17	2,657,478
4. RECEIVABLES FROM CUSTOMERS			1,206,602,247.90	15,225,552
5. BONDS AND OTHER FIXED-INCOME SECURITIES				
Money market funds:				
issued by public sector: thereof eligible as collateral at the Deutsche Bundesbank EUR 0.00		32,764,570.36		447,229
Bonds and debt securities:				
issued by public sector: thereof eligible as collateral at the Deutsche Bundesbank EUR 433,831,815.45	513,394,986.11			406,130
issued by others: thereof eligible as collateral at the Deutsche Bundesbank EUR 524,517,948.49	789,565,314.33	1,302,960,300.44	1,335,724,870.80	1,761,281
6. EQUITIES AND OTHER NON-FIXED-INCOME SECURITIES			1,038,312,948.87	15,835,245
7. PARTICIPATIONS thereof: in credit institutions EUR 0.00 in financial services institutions EUR 0.00			34,260.00	52
8. SHARES IN AFFILIATED COMPANIES thereof: in credit institutions EUR 0.00 in financial services institutions EUR 47,490,212.78			276,696,670.27	266,381
9. INTANGIBLE ASSETS			1,201,302.08	1,368
10. TANGIBLE ASSETS			2,840,520.66	2,788
11. OTHER ASSETS			682,487,882.84	5,283,985
12. PREPAID EXPENSES			2,020,449.42	1,448
13. TAX ASSETS ACCORDING TO SECTION 274 PARA. 2 HGB (GERMAN COMMERCIAL CODE) B			3,176,622.95	1,712
TOTAL ASSETS			5,741,908,514.08	46,938,445

4.2 MAPLE BANK GMBH, FRANKFURT AM MAIN,
INCOME STATEMENT FOR THE PERIOD
FROM OCTOBER 1, 2008 TO SEPTEMBER 30, 2009

	EUR	EUR	EUR	PRIOR YEAR KEUR
1. INTEREST INCOME FROM				
loans and money market transactions	307,136,438.37			519,215
fixed-income securities and debt securities	83,632,317.53	390,768,755.90		33,270
2. INTEREST EXPENSE		370,081,856.82	20,686,899.08	779,732
3. INCOME FROM				
stocks and other non-fixed-income securities		227,473,045.18		1,731,609
participations		870,306.50		381
shares in affiliated companies		24,681,344.38	253,024,696.06	0
4. COMMISSION INCOME		57,031,519.55		11,678
5. COMMISSION EXPENSE		20,868,621.49	36,162,898.06	21,110
6. NET INCOME FROM TRADING ACTIVITIES			306,809,092.75	(846,190)
7. OTHER OPERATING INCOME			9,250,184.47	6,294
8. GENERAL ADMINISTRATIVE EXPENSES				
Personnel expenditure:				
wages and salaries	133,343,019.21			159,886
social security contributions, pensions and welfare expenses thereof: for pensions EUR 3,682,366.00	4,869,398.69	138,212,417.90		2,404
other administrative expenses		29,191,323.30	167,403,741.20	14,108
9. AMORTIZATION AND DEPRECIATION OF INTANGIBLE AND TANGIBLE ASSETS			1,565,295.85	1,397
10. OTHER OPERATING EXPENSES			83,035,314.58	59
11. WRITE-OFFS AND VALUATION ALLOWANCES ON LOANS AND CERTAIN SECURITIES AS WELL AS ALLOCATIONS TO LOAN LOSS PROVISION			0.00	86,608
12. REVERSAL OF WRITE-OFFS AND VALUATION ALLOWANCES ON LOANS AND CERTAIN SECURITIES AS WELL AS RELEASE OF LOAN LOSS PROVISION			35,638,650.32	0
13. INCOME FROM THE RELEASE OF THE FUND FOR GENERAL BANKING RISKS			29,000,000.00	26,000
14. WRITE-OFFS AND VALUATION ALLOWANCES ON PARTICI- PATIONS, INVESTMENTS IN AFFILIATED COMPANIES AND SECURITIES TREATED AS INVESTMENT SECURITIES			0.00	24,731
15. INCOME FROM WRITE-UPS ON PARTICIPATIONS, INVESTMENTS IN AFFILIATED COMPANIES AND SECURITIES TREATED AS INVESTMENT SECURITIES			7,638,933.10	0
16. RESULTS FROM NORMAL OPERATIONS			446,207,002.21	392,222
17. TAXES ON INCOME		60,156,564.79		150,935
18. OTHER TAXES, IF NOT INCLUDED UNDER CAPTION 10		479,218.09	60,635,782.88	625
19. PROFITS TRANSFERRED DUE TO PROFIT POOLING, PARTIAL PROFIT TRANSFER AGREEMENT OR PROFIT TRANSFER AGREEMENT			385,571,219.33	0
20. NET INCOME FOR THE YEAR			0.00	240,662
21. UNAPPROPRIATED EARNINGS			0.00	240,662

4.3 NOTES TO THE FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2009

4.3.1 GENERAL INFORMATION

The sole shareholder of Maple Bank GmbH, Frankfurt am Main, is Maple Financial Europe SE, Frankfurt am Main. The sole shareholder of Maple Financial Europe SE is Maple Financial Group Inc., Toronto. With effect from October 1, 2008, a profit-and-loss transfer agreement was concluded between Maple Bank GmbH and Maple Financial Europe SE and a fiscal unity was formed between Maple Bank GmbH and Maple Financial Europe SE, with the latter as the controlling company.

The financial statements as at September 30, 2009 include the accounts of the head office in Frankfurt am Main and of the branches in Milan and Toronto.

In the year under review, the Bank conducted business with affiliated companies; all transactions were executed on terms that are consistent with third-party transactions.

The Bank is a member of the Bundesverband deutscher Banken e.V. (Association of German Banks), the Bankenverband Hessen e.V. (Hessian Bankers' Association), the Verband der Auslandsbanken in Deutschland e.V. (Association of Foreign Banks in Germany) and the Prüfungsverband deutscher Banken e.V. (Audit Association of German Banks). Moreover, the Bank and its branches participate in the Einlagensicherungsfonds des Bundesverbandes deutscher Banken e.V. (Deposit Protection Fund of the Association of German Banks). Furthermore, the Bank is a member of the International Swaps and Derivatives Association Inc. (ISDA) and the International Capital Market Association (ICMA). Maple Bank GmbH and its branches are subject to supervision by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and ongoing monitoring by the Deutsche Bundesbank in Germany. The branch office in Toronto is supervised by the Office of the Superintendent of Financial Institutions (OSFI) and the branch office in Milan is supervised by the Banca d'Italia.

4.3.2 ACCOUNTING AND VALUATION POLICIES

The financial statements of Maple Bank GmbH were prepared in accordance with the general accounting principles of the German Commercial Code (HGB), taking into consideration the special rules and regulations for the accounting of financial institutions as laid down in the German Bank Accounting Regulation (RechKredV).

Bonds and debt securities held as investment securities as well as other non-fixed-income securities were reported at acquisition cost. The difference between acquisition cost and nominal value was accrued over time based on the residual maturity of the security.

Treasury bills, money market securities, bonds and debt securities, as well as equities and other non-fixed-income securities held in the trading account were valued using the strict lower-of-cost-or-market principle, except for trading strategies in which derivative instruments, delivery commitments under securities lending transactions or liabilities resulted in the limitation of risk and the designation of a hedging relationship. The valuation of bonds and debt securities, which is dependent on the value of a credit derivative, was derived from available market data including indicative prices using a valuation model.

Net unrealized losses in a hedging relationship were deducted from income. Unrealized net profits were not taken into account. Within defined hedging relationships, unrealized gains have been set off against realized losses. A balance-sheet position was formed for the offset amount and reported under Other Assets.

Certain equity positions and related hedging transactions in the trading portfolio were valued using the risk-adjusted marked-to-market method. In doing so, the corresponding financial instruments were reported using their market value. In order to comply with the principle of prudence in commercial law, the valuation result ascertained for the hedge was reduced by the theoretical potential loss. Based on the Bank's risk-management methods, this Value-at-Risk discount is measured so that the maximum loss to be expected from the trading position with a holding period of ten days will not exceed the calculated discount with a probability of 99%.

Receivables resulting from securities lending transactions were reported under Receivables from Banks or Receivables from Customers. Redelivery obligations resulting from securities borrowing transactions were reported under Liabilities to Banks or Liabilities to Customers. Securities lending transactions were recorded at their historical cost. Redelivery obligations resulting from securities borrowing transactions were valued at the higher of cost or market under consideration of hedging transactions and reported as Liabilities to Banks or Liabilities to Customers.

Liquid funds, receivables and other assets were stated at their nominal values plus accrued interest. The items Receivables from Customers and Receivables from Banks were reduced by specific allowances for credit losses. In addition a general allowance calculated according to the tax rules was deducted from Receivables from Customers.

Tangible fixed assets and intangible assets were valued at their amortized cost.

Due to timing differences between taxable income and accounting income, tax accruals were formed according to Sec. 274 of the German Commercial Code. Domestic tax accruals according to Sec. 274 of the German Commercial Code, and tax provisions were recorded at the controlling company level, resulting in expenses for income taxes in the amount of EUR 119.9 million.

Liabilities were recorded as the amounts due at maturity plus accrued interest.

Pension accruals were stated based on actuarial calculations using the reference table 2005G. Valuations were made according to the Canadian generally accepted accounting principles used in the Group, under consideration of future increases in income and pensions as well as the current level of interest rates. In the year under review, the method for amortizing profits and losses from the adjustment of the assumptions of the actuarial valuations was changed. These valuation effects will now be recognized in income immediately, whereas the corridor method was used in the past. This change led to an increase in personnel expenditures of EUR 2.5 million for the year.

Other accruals include all discernible risks and uncertain liabilities, as well as contingent losses for open contracts.

Foreign currency receivables and liabilities were translated according to Sec. 340 h of the German Commercial Code. Premiums or discounts on foreign exchange forward transactions used to specifically hedge positions in the same currency were deferred as interest expense or interest income proportionate to the term of the forward contract if they could be treated as interest. Other foreign exchange forward transactions were valued based on the imparity principle at the actual forward rate on the balance sheet date

Hedged investments in affiliated companies denominated in foreign currencies were translated according to the reference price published by the European Central Bank on the balance sheet date.

Unrealized losses from financial futures were taken into consideration as write downs on the variation margin in accordance with a BFA opinion dated 2/1993.

4.3.3 FORWARD AND DERIVATIVE TRANSACTIONS

As of the balance sheet date, the Bank had entered into forward and derivative transactions in addition to the transactions included in the balance sheet. These can be classified according to underlying risks as follows:

	NOMINAL VALUE IN EUR MIO			FAIR VALUE IN EUR MIO		
	RESIDUAL MATURITY			TOTAL	POSITIVE	NEGATIVE
	UP TO ONE YEAR	ONE TO FIVE YEARS	MORE THAN FIVE YEARS			
CURRENCY-RELATED TRANSACTIONS						
Foreign exchange transactions	1,106	–	–	1,106	8	5
INTEREST-RELATED TRANSACTIONS						
Interest-rate swaps	3,020	3,811	974	7,805	66	60
Swaptions	–	45	–	45	–	1
Total Return Swaps	2	–	–	2	–	–
Interest equity futures	712	24	–	736	–	–
EQUITY /INDEX-RELATED TRANSACTIONS						
Equity options:						
Long	1,141	–	–	1,141	423	–
Short	1,135	–	–	1,135	–	385
Equity/Index swaps	33	–	–	33	1	–
Equity/Index futures	303	–	–	303	–	–
CREDIT DERIVATIVES						
Credit swaps	–	4	–	4	–	–

Foreign exchange transactions were primarily used to hedge assets or liabilities. Interest rate derivatives were used to hedge short, medium and long term interest rate risks, primarily with standardized products denominated in EUR, USD and CAD. As of the balance sheet date, the Bank carried interest rate swaps and interest rate futures, as well options on interest rate swaps (swaptions), and total return swaps on bonds in its portfolio. Interest rate swaps, swaptions and total return swaps were primarily used to hedge portfolio interest rate risk in authorized trading strategies. The interest rate futures are exchange traded products. Profits and losses resulting from these products are settled with the exchange on a daily basis, thus reducing credit risk. Interest rate futures were used solely to manage and control the Bank's overall interest rate risk.

As of the balance sheet date, the bank held open derivative transactions with other underlying price risks in the form of options, futures, equities/index swaps as well as credit default swaps; these were primarily used to hedge existing securities positions.

Derivatives are valued on the basis of exchange prices where available. OTC traded derivatives are valued using established valuation models. These models use factors that can be directly observed in the market, are derived from market prices or from other derivatives, or are derived from the historical prices.

The book value of derivative financial instruments is recorded under Other Assets, Other Liabilities and Other Provisions.

4.3.4 NOTES TO THE BALANCE SHEET AND THE INCOME STATEMENT

Receivables from banks and customers which are not payable on demand can be categorized in terms of residual maturity as follows:

	RECEIVABLES IN EUR MIO	
	BANKS	CUSTOMERS
a) Less than three months	309	319
b) Three months to one year	20	5
c) One year to five years	20	25
d) More than five years	-	18
e) Indefinite term	-	31

Receivables from customers include receivables from shareholders of EUR 22 million and from other affiliated companies totaling EUR 1,007 million, of which EUR 475 million result from securities lending transactions, EUR 183 million from securities repurchase agreements and EUR 5 million from subordinate debt.

The table below shows the value of exchange eligible securities that are listed on an exchange:

	SECURITIES IN EUR MIO	
	EXCHANGE ELIGIBLE	EXCHANGE LISTED
Bonds and other fixed-income securities	1,336	1,088
Equities and other non-fixed-income securities	1,009	1,008

Bonds and other fixed-income securities with a book value of EUR 323 million will mature in the fiscal year 2009/10.

As of the balance sheet date, investments in affiliated companies were as follows:

NAME	HOLDING %	CAPITAL (MILLIONS)	BOOK VALUE (EUR MIO)	NET INCOME (MILLIONS)
Maple Partners America Inc., Jersey City, USA	58.3	USD 173.1	43.3	USD 15.2 ¹
Maple Arbitrage Inc., Jersey City, USA	100.0	USD 18.8	12.8	USD 0,0 ¹
Maple Securities (U.K.) Ltd., London, Great Britain	100.0	GBP 51.8	47.5	GBP 8.6 ¹
Maple Holdings Canada Ltd., Toronto, Canada	100.0	CAD 264.7	171.9	CAD (19.7) ¹

¹ Preliminary result for the period from October 1, 2008 to September 30, 2009

The previous years' impairment on the investment in Maple Holdings Canada Ltd., Toronto, was reduced by CAD 12 million.

The changes in value of investments, holdings in affiliated companies, securities in the investment account, intangible assets and tangible fixed assets are detailed below:

Financial Assets

	INVESTMENT SECURITIES (IN EUR MIO)	PARTICIPATIONS AND INVEST- MENTS IN AFFILIATED COMPANIES (IN EUR MIO)
Historical acquisition costs as of October 1, 2008	175.0	339.9
Additions 2008/2009	90.4	16.9
Disposals 2008/2009	72.8	0.1
Foreign exchange rate adjustments	(7.2)	(17.6)
Historical acquisition costs as of September 30, 2009	185.4	339.1
Accumulated write-offs as of October 1, 2008	3.7	73.5
Additions 2008/2009	2.0	-
Disposals 2008/2009	3.5	7.6
Foreign exchange rate adjustments	(0.2)	(3.5)
Accumulated write-offs as of September 30, 2009	2.0	62.4
Book value as of September 30, 2009	183.4	276.7

Book values reflect the historical acquisition costs and accumulated write-offs in foreign currencies translated at the reference rate published by the European Central Bank for the balance sheet date.

Bonds and debt securities held in the investment account with a value of EUR 153.8 million are hedged with interest rate swaps. Other securities in the investment account in the amount of EUR 29.6 million cover reserves of the same amount established for an employee early retirement plan.

Intangible assets and tangible fixed assets

	INTANGIBLE ASSETS KEUR	OFFICE FURNITURE AND EQUIPMENT KEUR	LEASEHOLD IMPROVEMENTS KEUR	TOTAL KEUR
Historical acquisition costs as of October 1, 2008	6,401	6,320	1,067	13,788
Additions 2008/2009	461	789	217	1,467
Disposals 2008/2009	1,508	513	1	2,022
Historical acquisition costs as of September 30, 2009	5,354	6,596	1,283	13,233
Accumulated write-offs as of October 1, 2008	5,033	3,595	1,004	9,632
Additions 2008/2009	623	913	29	1,565
Disposals 2008/2009	1,503	502	1	2,006
Accumulated depreciation as of September 30, 2009	4,153	4,006	1,032	9,191
Book value as of September 30, 2009	1,201	2,590	251	4,042

Other Assets include option premiums of EUR 476 million, tax refund claims of EUR 179 million, as well as accruals on interest rate and foreign exchange swaps in the amount of EUR 21 million.

Prepaid expenses reflect discounts of 21,000 euros. The deferred tax asset includes accruals for the branch in Toronto.

Liabilities to banks payable on demand include EUR 159 million in delivery obligations arising from securities borrowing transactions.

Liabilities to customers payable on demand include EUR 180 million as cash collateral received for securities lending and derivative transactions and EUR 438 million in delivery obligations for rehypothecated or borrowed securities to affiliated companies.

The residual maturity of liabilities to banks and other liabilities to customers that are not payable on demand were as follows:

	LIABILITIES IN EUR MIO	
	BANKS	CUSTOMERS
a) Less than three months	305	1,773
b) Three months to one year	50	320
c) One year to five years	–	349
d) More than five years	–	320

Liabilities to customers include liabilities to affiliated companies in the amount of EUR 570 million.

The book value of collateral transferred to cover balance sheet liabilities is detailed below:

	TOTAL VALUE OF COLLATERAL BOOK VALUE IN EUR MIO
Liabilities to banks	528
Liabilities to customers	209
Other liabilities	88

Assets with a book value of EUR 322 million were sold under genuine repurchase agreements.

Other Liabilities include option premiums of EUR 364 million and liabilities under the profit-and-loss transfer agreement of EUR 386 million.

The subordinated liabilities with a nominal value of EUR 34.0 million meet the requirements of Sec. 10 Par. 5a of the German Banking Act (KWG) for recognition as regulatory capital. The subordinated liabilities mature between 2016 and 2019. There are no early repayment obligations for the Bank. Interest of EUR 2.4 million was due during the fiscal year.

There is a subordinated liability to one domestic customer amounting to EUR 11.0 million which has a fixed interest rate of 6% per annum. This subordinated liability matures on December 4, 2017.

Assets denominated in foreign currencies totaled EUR 1.4 billion. Foreign-currency liabilities amounted to EUR 0.7 billion.

Income broken down by geographical markets is as follows:

	INCOME IN EUR MIO		
	GERMANY	ITALY	CANADA
Interest income	317	7	67
Current income from equities and other non-fixed income securities and financial investments	134	119	0
Income from commissions	55	0	2
Net expense from trading activities	312	16	15
Other operating income	3	3	3

Other administrative expenses include expenses of EUR 83.0 million in connection with a tax audit of the Milan branch. Other operating income includes income of EUR 2.7 million in connection with this tax audit, income from the reversal of provisions of EUR 2.4 million, as well as fees for services provided to affiliated companies in the amount of EUR 3.3 million.

4.3.5 OTHER INFORMATION

Irrevocable loan commitments include loan commitments to foreign customers in the amount of EUR 34.1 million and to shareholders in the amount of EUR 30.0 million. In connection with lease and service agreements, there are long-term payment obligations totaling EUR 7.6 million.

As of September 30, 2009, the Management Board consisted of the following members.

Wolfgang Schuck, Chief Executive Officer

Credit and Lending
Structured Products
Compliance
Internal Audits

Michael Bernhard, Managing Director

Accounting / Controlling
Risk Controlling
Credit Administration
Personnel Administration

Paul Hiob, Managing Director

Securities and Derivatives Trading

Martin Mönninger, Managing Director

Securities and Derivatives Settlement
Money Market and Foreign-Exchange Settlement
IT and Communications Systems

Hagen Wirth, Managing Director

Securities Lending Transactions and Repurchase Agreements
Money Market and Foreign-Exchange Trading
Refinancing and Customer Deposits
Credit and Lending

Their remuneration according to Sec. 285 (9a) of the German Commercial Code amounted to EUR 51.2 million.

In the year under review, the Supervisory Board consisted of the following members:

Thomas Higgins, Chairman

President & Chief Executive Officer, Maple Financial Group Inc.

Neil Petroff, bis 8. Mai 2009

Vice-President, Ontario Teachers' Pension Plan Board

William K. H. Fung

Visiting Research Professor of Finance, London Business School

Simon B. Ruddick, until November 7, 2008

Investment Consultant

Jean Turmel, until May 8, 2009

Business Consultant

Members of the Supervisory Board were not compensated.

As of the balance sheet date, the Bank had a staff of 117, of which 11 were employed at the Milan Branch and 11 at the Toronto Branch. Including part-time employees and trainees, the Bank had 111 employees on average during fiscal year 2008/2009, consisting of 5 managing directors, 33 holders of procuration, and 73 other employees.

4.3.6 CONSOLIDATED FINANCIAL STATEMENTS

The Bank is included in the consolidated financial statements of Maple Financial Group Inc., Toronto, on September 30, 2009. On the basis of the exemption provision of Sec. 292 of the German Commercial Code (HGB) in conjunction with Sec. 2 of the Group Exemption Regulation (KonBefrV), the Bank has dispensed with the preparation of subgroup consolidated financial statements. The consolidated financial statements of Maple Financial Group Inc. may be obtained from the Bank.

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles and are expressed in Canadian dollars. They were lodged with the Commercial Register of Frankfurt am Main and published in German in the electronic Bundesanzeiger (German Federal Gazette).

In contrast to German GAAP, securities transactions were reported on a trade date basis.

Securities borrowing and lending transactions are not reported in the balance sheet in the consolidated financial statements. Short sales of securities are recorded as a separate liability item in the balance sheet.

Securities and derivatives are valued at their market prices as of the balance sheet date as a matter of principle. All realized and unrealized profits and losses are taken into consideration in the income statement.

Deferred tax receivables and deferred tax liabilities in the consolidated financial statements are calculated according to the liability tax allocation method.

There are no fundamental differences with respect to consolidation methods.

Frankfurt am Main, December 18, 2009

Maple Bank GmbH

Wolfgang Schuck

Michael Bernhard

Paul Hiob

Martin Mönninger

Hagen Wirth

4.4 REPORT OF THE AUDITORS

We have audited the financial statements – consisting of the balance sheet, the income statement and the notes to the financial statement - together with the bookkeeping system, and the management report of Maple Bank GmbH, Frankfurt am Main, for the fiscal year from 1 October 2008 to 30 September 2009. The maintenance of the books and records and the preparation of the financial statements and management report in accordance with German commercial law are the responsibility of the Company's legal representatives. Our responsibility is to express an opinion on the annual financial statements, 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 and the generally accepted German standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (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 evaluations of possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by the Company's legal representatives, 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.

According to our appraisal and because of the insights we were able to gain during our audit, the annual financial statements is in accordance with the legal rules and give - in accordance with German principles of proper accounting - a true and fair view of the net assets, financial position and results of operations of the Company. The management report is in line with the annual financial statements and provides on the whole, a suitable understanding of the Company's position and suitably presents the chances and risks of future development.

Eschborn/Frankfurt am Main, December 18, 2009

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Wirtschaftsprüfungsgesellschaft

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