MAPLE BANK

ANNUAL REPORT 2009/2010

SELECTED FINANCIAL DATA

IN EUR MILLIONS	09-30-2010	09-30-2009	09-30-2008	09-30-2007	09-30-2006
TOTAL ASSETS AND LIABILITIES	**3,503**	5,742	46,938	26,124	15,280
RECEIVABLES FROM CUSTOMERS	**910**	1,207	15,226	5,298	2,466
BONDS AND OTHER FIXED-INCOME SECURITIES	**1,224**	1,336	2,615	3,551	2,055
LIABILITIES TO CUSTOMERS	**2,569**	3,763	16,640	13,851	8,965
REGULATORY CAPITAL AFTER ADOPTION OF THE FINANCIAL STATEMENTS	**312**	312	345	505	392
NET INCOME FOR THE YEAR*	**53**	266	241	113	26
COST-INCOME-RATIO	**47.2%**	27.5%	31.2%	40.1%	60.4%
RETURN ON SHAREHOLDERS' EQUITY	**16.1%**	66.9%	61.0%	40.2%	10.1%

** for fiscal years 2008/2009 onwards, profit transfer less income taxes*

CONTENTS

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 (until December 31, 2010)	Butzbach
Paul Hiob	Bad Soden
Martin Mönninger	Bruchköbel
Hagen Wirth	Gelnhausen

2. EXECUTIVE EMPLOYEES

2.1 EXECUTIVE VICE PRESIDENTS

Thomas Bruns (since January 1, 2011)	Schwalbach
Peter Ertel	Ludwigshafen
Andreas Henckell	Frankfurt am Main
Walter Kraushaar (since October 1, 2010)	Frankfurt am Main
Jochen Mann (since October 1, 2010)	Frankfurt am Main
Hans-Jürgen Weimer	Niedernhausen
Florian Wirsching (since November 1, 2010)	Frankfurt am Main

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	Frankfurt am Main
Daniel Gutschka	Frankfurt am Main
Ute Kavulakian	Kelkheim
Katrin Keßler	Hanau
Stefan Lehmann	Frankfurt am Main
Oliver Lenauer	Friedberg
Birgit Moritz	Rödermark
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

3.1 MAPLE FINANCIAL GROUP INC. FINANCIAL HIGHLIGHTS AS OF SEPTEMBER 30, 2010

	2010	2009	2008
OPERATING RESULTS (CAD MILLIONS)			
Income before comprehensive income transfer	**78.4**	365.1	295.3
Comprehensive income for the year	**17.3**	356.5	308.3
FINANCIAL POSITION (CAD MILLIONS)			
Total assets	**10,792**	14,691	63,262
Deposits	**2,458**	4,325	3,988
Subordinated debentures and Shareholders' equity	**739**	900	784
RETURN ON COMMON SHAREHOLDERS' EQUITY			
Before other comprehensive income	**9.2 %**	55.6 %	70.5 %
After other comprehensive income	**2.0 %**	54.3 %	73.7 %
PER COMMON SHARE (CAD)			
Income before comprehensive income transfer	**0.8443**	3.9711	3.1284
Comprehensive income for the year	**0.1862**	3.8780	3.2665
Book value (diluted)	**7.08**	9.14	7.7
Number of common shares (thousands)	**92,892**	91,938	94,376

3.2 MAPLE FINANCIAL GROUP INC., TORONTO CONSOLIDATED MANAGEMENT REPORT OCTOBER 1, 2009 TO SEPTEMBER 30, 2010

Introduction

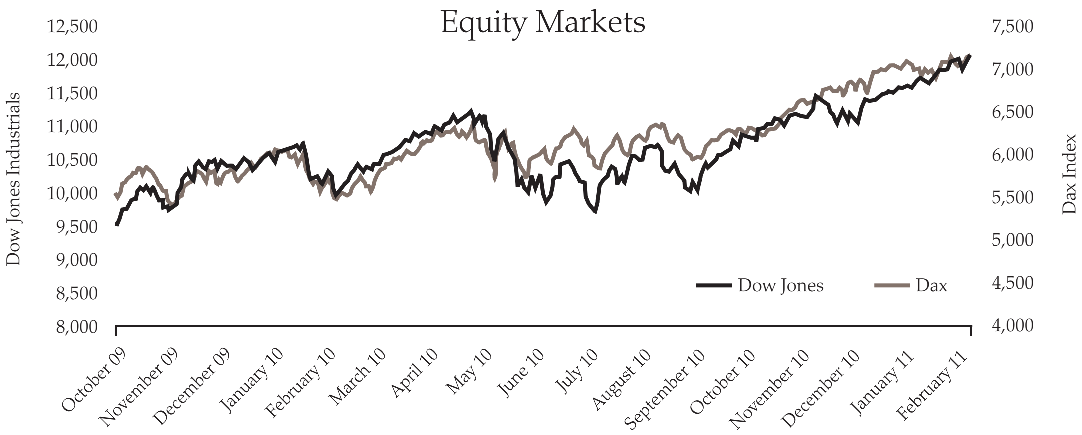
Maple Financial Group Inc. ("Maple") is a privately owned Canadian company that operates through subsidiaries primarily in Germany, the United States, Canada and the United Kingdom. These subsidiaries are financial companies in those countries and are, therefore, subject to regulation by the relevant 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, which are subject to German and local banking regulation and operates regulated broker-dealer subsidiaries in Jersey City, London and Toronto. The Maple group of companies voluntarily complies with the BaFin's capital adequacy requirements on a global basis.

Maple is subject to the requirements of Basel 2 and has been compliant with those requirements. Maple has recently enhanced its Risk Bearing Capacity framework by adding a Net Asset Value approach to its existing Going Concern approach in order to incorporate a stressed scenario. During its review of the Risk Map, in which Maple documents its risk universe, a special focus was placed on liquidity, for which a new Liquidity Policy has been developed.

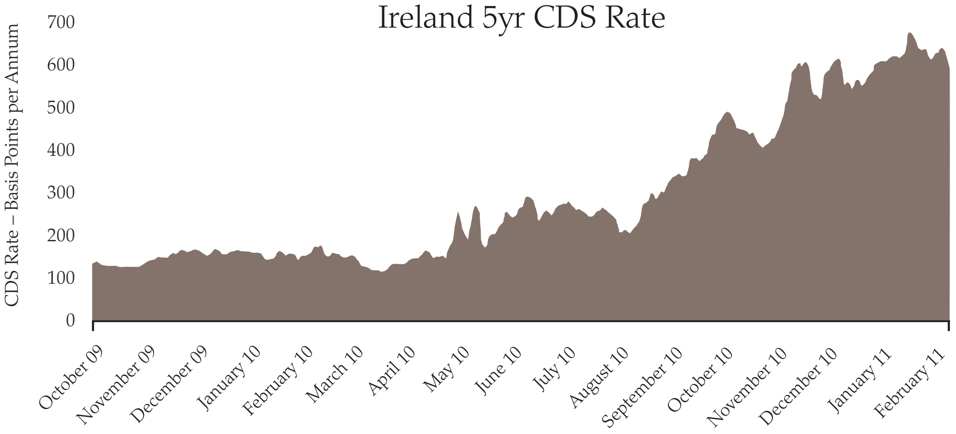
Maple is active in the equity, fixed income and associated derivatives trading markets in its primary locations, focused on providing bespoke structured solutions for its customers and market-neutral trading for its own account. The proprietary trading business is based on statistical models of the behavior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

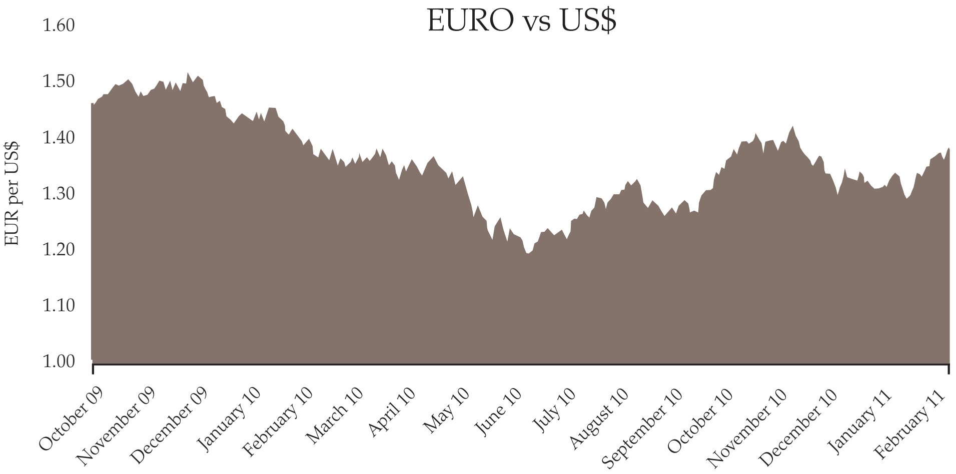
The past financial year has for the most part shown gradual improvement in the equity and credit markets. Stock markets in North America and Europe rose between 10 % to 15 % and credit spreads continued to narrow.



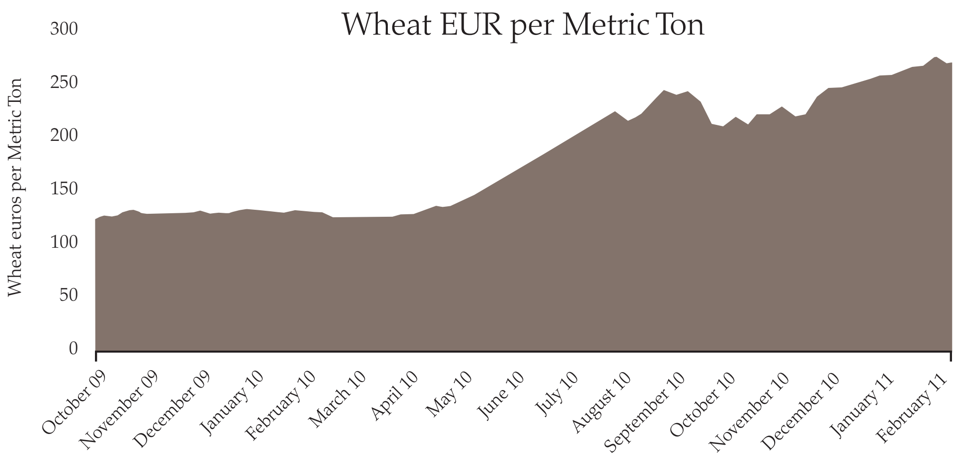
Government deficits within euro zone countries continued to be a focal point for the markets. In May 2010 Greece agreed a €110 billion rescue package with Eurozone members and the IMF. Subsequently Ireland's banks and debt markets came under heavy selling pressure from international investors. In November 2010 the Irish state was forced to accept a combined Eurozone and IMF bailout package of €85 billion. Credit default swap rates continued to widen throughout the rest of the year and into current year as investors remain concerned about the creditworthiness of the Irish state and banking system:

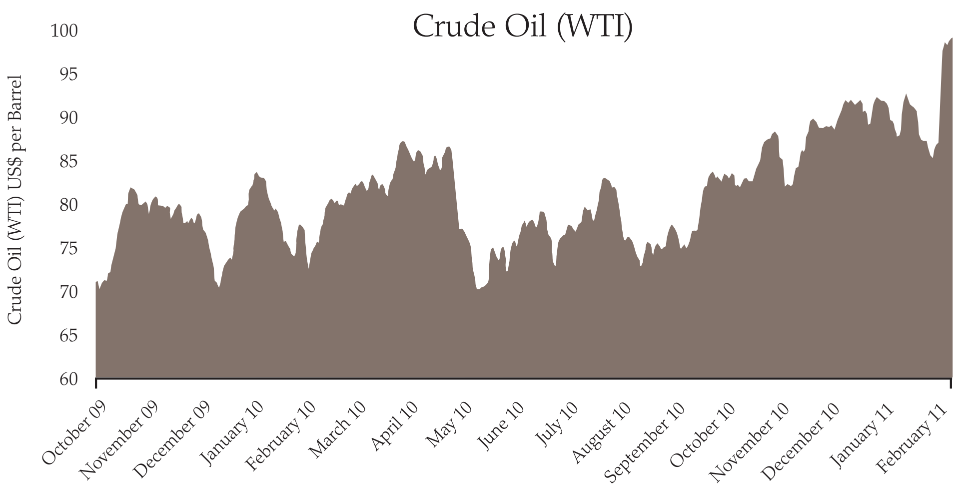


The impact of the Irish bailout and continuing uncertainty as to how structural imbalances can be reversed within the euro zone has lead to a weakening of the currency during the course of the year:



A significant macro-economic trend during the year has been the persistent upwards pressure on commodity prices. Many commentators attribute this to the continuing rapid growth rates in China and other developing nations:





Results

Net Income before Other Comprehensive Income decreased 79% to CAD 78 million. Net Investment Income decreased by 72% to CAD 264 million, while expenses fell by 55% to CAD 146 million. The decline in Investment Income arose almost exclusively in the structured products area, while the proprietary trading results continued strongly with both statistical and structured trading producing excellent results. A number of positions, which are being held to maturity, gained as the underlying spreads on the instruments narrowed.

The decline in expenses resulted from a reduction in variable compensation and other direct results of the management of discretionary spending.

The Balance Sheet assets fell to CAD 11 billion.

In these results, assets are reflected at fair value where appropriate, and otherwise at accrued value with reserves for potential losses, or write-downs. Management believes that these reserves are conservative.

The Company's only activity in the commercial finance sector is through its operation in Halifax, Canada. While there was success in working out one of the non-performing legacy loans from the commercial finance business in New Jersey, resulting in a recovery of over CAD 1 million, progress on the others continues slowly. These have been substantially reserved.

As expected, structured products revenues declined in 2010 as Maple successfully completed hedging transactions for large customers. The knowledge and skills acquired hereby remain available to Maple, and we anticipate new business in this area. The Company handles these types of transactions in an efficient and controlled manner. This allows the customer the maximum flexibility for achieving their hedging objectives.

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 and many governments continuing, the need to have a special focus on liquidity is likely to remain for some time.

Management Comment

Much of the latter part of the year was spent in conforming Maple's risk reporting systems to the new regulatory requirements, and management believes that this work also helped to strengthen the basic risk controls themselves. Management is also pleased with the continuing development of its product areas, delivery systems and infrastructure, and believes that these advances create the opportunity for continuing success in a world of changing regulatory and financial environments.

While considerably lower than the previous two years, the results for 2010 were in line with Management's expectations. Management is confident in Maple's ability to continue to adapt to change and produce a good return for its shareholders, while maintaining a strong capital base and excellent control over its risks.

Management once again would like to thank customers, depositors and counterparties for having confidence in Maple during the last several years and looks forward to maintaining and enhancing these relationships.

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

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 MANAGEMENT REPORT FOR THE FISCAL YEAR 2009/2010

3.3.1 BUSINESS DEVELOPMENT

Macroeconomic Conditions

Fiscal year 2009/2010 was heavily influenced by the unfolding currency crisis in the eurozone as well as by the impact of the financial crisis. In the spring of 2010, the increased levels of government debt caused by the financial crisis led to a currency crisis in the euro area. There were increasing signs that countries such as Portugal, Ireland, Greece or Spain (the so-called PIGS countries) might no longer be able to raise money on the capital markets to cover their financial needs in the short to medium term. In just a few weeks, the risk premiums on government bonds issued by the PIGS countries soared massively compared to German government bonds. This threatened to create upheavals that could have even lead to the dissolution of the eurozone. In order to avoid this, the EU provided a rescue package for the affected countries totaling EUR 750 billion. To provide further support, the European Central Bank extended its government bond purchase program, which was originally scheduled to end in the middle of the year.

There was a marked increase in economic activity in the euro area during the period under review. In the eurozone as a whole, the real economy grew by 1.9%, while Germany even managed to post a growth rate of 3.9%. Despite rising economic growth and low interest rates, the inflation rate of 1.8% in the euro area remained within the acceptable range set by the ECB. The U.S. economy once again posted positive growth rates and the annual inflation rate remained moderate, at 1.1%. However, the U.S. labor market recovered only slightly after the unemployment rate reached the highest level seen in decades. The budget deficit also remained high, at 8.9%, or USD 1.3 trillion.

The central banks in the eurozone and the U.S. held their prime rates constant during the period under review. Both the ECB's main refinancing rate of 1% and the U.S. Federal Reserve's Fed Funds Target Rate of 0% to 0.25% remained at historically low levels. However, the Fed took a first step toward normalizing U.S. monetary policy by raising the discount rate 25 basis points to 0.75% in February of 2010.

Stock market trends were uneven during the fiscal year. Both the Dow Jones Index and the DAX, the German stock market index, were up. The DAX increased 9.8% to 6,229 points, while the Dow Jones rose 11.1% to 10,788 points. German companies benefited both from a recovery in exports and from stronger domestic consumption. Hopes for a quick end to the recession also drove share prices higher in the U.S. By contrast, the Euro Stoxx 50 Index dropped 4.3% and the Nikkei Index fell 7.5%.

The U.S. dollar's weakness against the euro continued at the beginning of the year. At the end of November 2009, the exchange rate reached its highest point for the year of USD 1.51 per euro. However, over the following months, the U.S. dollar slowly and steadily gained in value. Then during the course of the euro crisis in the spring, it rose rapidly from USD 1.35 per euro to less than USD 1.20 per euro in just a few weeks. Following the implementation of the rescue package for euro countries facing insolvency, the dollar once again retreated to USD 1.36 per euro. The Swiss franc-euro exchange rate was also affected by the euro crisis. In the spring of 2010 the Swiss franc jumped dramatically, trading at the highest levels seen in years. This trend reflects the Swiss franc's role as a safe haven in the face of growing uncertainty about the future of the eurozone and inflationary trends in the euro area.

In the commodity markets, the picture was likewise mixed. Following the sharp fluctuations of recent years, the price of a barrel of WTI crude oil was relatively stable, hovering between USD 73 and USD 93. At the end of September, the price stood at USD 81, approximately in the middle of this price range. In contrast, the price per troy ounce of gold again climbed to record highs. This was attributable to fears of inflation stemming from the sharp increases in government debt in many countries, due to economic rescue packages and the purchase of government bonds by central banks. The fear of a possible collapse of the eurozone also helped to drive up the price of gold to more than USD 1,300 by the end of the fiscal year. After a sideways trend until the summer of 2010, the price for a troy ounce of silver also soared to record levels of more than USD 21 during the period under review.

Developments at Maple Bank

As expected, the Bank was not able to achieve the extraordinarily strong earnings of the previous two years. However, considering the continued unfavorable market conditions, we are quite satisfied with our pre-tax income of EUR 66.9 million. The individual business segments saw the following developments:

Securities Trading

In equities and derivatives trading, we cautiously restarted many trading strategies, which we had drastically reduced during the financial crisis. Towards the end of the year we implemented a new statistical arbitrage sector.

We built up positions in various fixed income trading strategies. These trading strategies are focused exclusively on highly liquid securities with very high credit ratings.

Overall, the different trading strategies have delivered a positive contribution to earnings.

Structured Trading/Structured Products

As in prior years, the structured trading/structured products businesses were engaged in structuring and trading in fully hedged securities and derivatives trading strategies. As always, the focus was on hedging transactions for institutional clients.

Our exceptional performance in these areas is based on our state-of-the-art trading systems, which we continued to expand with major investments during the year under review. We also benefit from a short decision-making chain and, as a result, are able to respond quickly to the needs of our customers. The international networks that we have built up over many years in the area of securities lending and asset-backed refinancing also play an important role and we view these as an important success factor.

We have generated satisfactory earnings in this area during the fiscal year.

Lending Business

Customer demand for special financing transactions continues to be high. However, due to our conservative lending criteria, no major deals were recorded.

In the commercial finance segment, business volume was systematically reduced. We have made some progress in liquidating collateral, although the enforcement process is tedious in legal systems outside of the European Union (EU). Adequate provisions have been made.

Treasury

The slight easing in competition for customer deposits that we experienced at the end of the previous fiscal year continued during the year under review, but investors are clearly still proceeding with caution.

It was also clear that investors were receiving very attractive interest rates for short-term deposits from their primary banking partners – rates with which we did not want or have to compete, thanks to the liquidity cushion we established at the beginning of the banking crisis. This approach was apparent at all banking groups, and was attributable to the huge upheavals to which the financial markets were exposed during the past year. The interest rate spread between EONIA or short-term EURIBOR reference rates and the ECB's main refinancing rate was so great that our competitors were able to refinance with deposits more cheaply than through the ECB facility, despite occasionally high premiums. However, there are also signs of normalization here, following the maturity of the ECB's last 12-month refinancing facility at the beginning of July 2010 and the associated absorption of excess liquidity.

The increase in staff and expansion of our product range in the treasury area, which now also includes the placement of capital market products from third-party issuers, was very well received by our customer base. We were very successful at providing registered bonds and promissory notes – some with very long maturities – within the parameters set by our clients.

We did not experience any difficulties managing the volume and liquidity profile of our deposit base.

The wave of consolidation amongst our domestic and international clients in the market for securities lending and repo transactions has come to a preliminary halt. Overall, the market has been repositioned, and the trading volumes in various asset classes have to some extent been adjusted. The trend in recent years towards top quality collateral continued during the year under review. Through their trustworthy cooperation, our clients in this business contributed to our success during the past year.

3.3.2 EARNINGS

As in previous years, the Bank's business segments of equity and bond trading, equity and interest rate derivatives, repo and securities lending operations, customer deposits, agency trading and structured products transactions were the key factors contributing to investment income. Investment income represents the aggregate of net interest income, commission income, current income from equities 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.

The reduction in trading strategies in the structured trading/structured products segment caused investment income to drop from EUR 592.0 million in the previous year to EUR 115.2 million, of which EUR 101.2 million was generated by the Frankfurt head office, EUR 2.5 million by the Milan branch and EUR 11.5 million by the Toronto branch. In addition, the Bank received EUR 12.6 million of dividends from shares in affiliated companies.

Administrative expenses were reduced by EUR 106.1 million to EUR 61.3 million compared to last year, due to a reduction in performance-based bonuses and other administrative expenses. The cost-income ratio increased from 27.5% last year to 47.2%. Earnings from ordinary operations totaled EUR 70.2 million, compared with EUR 446.2 million in the previous year.

Effective October 1, 2008, the Bank concluded a profit transfer agreement with Maple Financial Europe SE that governs the transfer of all of the Bank's profits and provides for the parent company to cover any losses incurred. As of that date, Maple Bank GmbH and Maple Financial Europe SE constitute a taxable entity for German corporate income tax and German trade tax purposes. A profit transfer of EUR 66.9 million was recognized in the Income Statement for the period ending on September 30, 2010. This amount includes EUR 6.1 million for the Milan branch and EUR 5.2 million for the Toronto branch.

The Bank increased its risk provisions by EUR 13.7 million during the year under review. This amount includes specific loss provisions of EUR 10.9 million for the commercial finance business of the Milan branch.

The current annual report contains provisions for losses on the shares in Maple Holdings Canada Ltd., Toronto totaling EUR 9.8 million (CAD 13.8 million).

Chart 1 illustrates changes in net income (in millions of euros). For the fiscal years 2008/2009 onwards, the profit transfer figure reported is net of accrued income taxes owed by the controlling company.

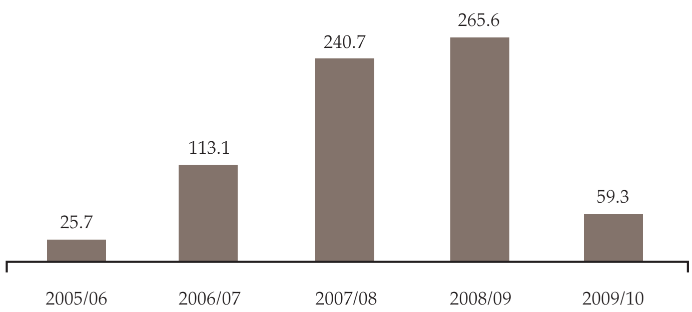


Chart 1: Net income in millions of euros (for fiscal years 2008/2009 onwards, profit transfer less income taxes)

3.3.3 BALANCE SHEET

The Bank reduced its balance sheet during the year under review from EUR 5.7 billion to EUR 3.5 billion. The business volume, including contingent liabilities, also totaled EUR 3.5 billion.

This decrease was caused by the reduction of positions in the structured trading/structured products business segment.

Assets were reduced especially in equities and other non-fixed income securities, which declined by EUR 0.6 billion, public debt issues declined by EUR 0.5 billion and receivables from banks, receivables from customers, and other assets, each of which decreased by EUR 0.3 billion. On the liabilities side of the balance sheet, there was a significant decrease of EUR 1.2 billion in liabilities to customers, a decrease of EUR 0.6 billion in other liabilities and a decrease of EUR 0.2 billion in liabilities to banks.

Chart 2 shows the changes in the balance sheet (in billions of euros).

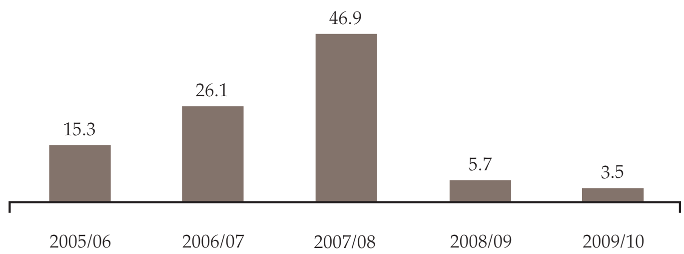


Chart 2: Balance sheet (in billions of euros)

The Bank secures financing through short-, medium- and long-term deposits from institutional customers, through interbank borrowing and through our activities in the domestic and international securities lending and repo markets. During fiscal year 2009/2010, the volume of outstanding customer deposits with a residual maturity of more than one year declined from EUR 669 million to EUR 549 million. No new subordinated loans were issued during the year under review.

The Bank paid a dividend of EUR 125.0 million from its revenue reserves during the fiscal year. The changes to specific categories of shareholders' equity during the year are shown below:

	IN EUR MIO			
	EQUITY SHARE CAPITAL	CAPITAL RESERVE	REVENUE RESERVE	UNAPPROPRIATED EARNINGS
Opening balance as of 1 October 2009	97.6	8.7	288.1	0.0
Annual result before profit transfer				66.9
Profit transfer for 2009/2010				(66.9)
Payments during the business year			(125.0)	
Closing balance as of 30 September 2010	97.6	8.7	163.1	0.0

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 the fiscal year end, securities with a loan value of EUR 549 million were available for this purpose.

3.3.4 RISK MANAGEMENT

The Maple Group sees risks and opportunities as an integral part of its development and the diversification of its business activities. The goal of an appropriate risk management system is to ensure that risks deliberately assumed by the Bank do not exceed acceptable limits and that the assumption of risks contributes towards creating value for the shareholders.

Comprehensive and complex risk management systems – in terms of effective control – are required in order to be in a position to deliberately assume risks. Strategic or ad-hoc decisions must be based on current data from the risk management system.

Risk management itself is an ongoing, dynamic process. This process is founded on the analysis and identification of business risks and opportunities. Because business structures and processes are continually evolving, the entire risk management system must be regularly updated. Risks are managed based on the assessments and documentation provided by the systems installed for this purpose. The independent Risk Control Department applies standardized methods of measurement to control and monitor risks throughout the Group. This department reports all Bank and Group risks to the Bank's Management Board and to the Group Executive Committee.

Diverse demands are made on the system, not only by the Management Board and Group management, but also by shareholders, customers, our clients, and of course, the regulatory authorities. During the past year, the Bank revised its policy on risk-bearing capacity. In the process, a comprehensive risk inventory was performed. Particular attention was paid to the redesigned liquidity policy. The risk-bearing capacity was refined based on the results of the risk inventory. The going-concern approach was retained for the standard scenario. In addition, the policy was broadened to include a net-asset-value approach, which is used to model a stressed scenario. The concepts underlying both approaches are systematically evaluated and monitored on a daily basis for both the Bank and the Maple Group. Information on risk-bearing capacity utilization, together with detailed reports on trading and credit risks, is provided daily to the Bank's Management Board and the Group Executive Committee.

Global management of all business activities by Group management is ensured through close links with the individual locations in form of regular conference calls and by the organizational integration into the respective management bodies of the individual companies.

The Bank's risk management system falls under the general responsibility of the Management Board and is laid down in writing in various documents and policies. These include the risk-bearing capacity policy, the risk manual, the liquidity policy, the credit policy and the approved limits. The policies are reviewed regularly. The various risk factors are contained by the limit systems that have been put in place.

Risk-bearing Capacity and Capital Management

The policy on risk-bearing capacity includes defining risk capital (risk-taking potential), risk factors and limits on these risk factors at the bank or Group level. Limits are applied in a standard scenario and a stress scenario.

In both scenarios, the defined risk capital is allocated to the risk factors across all business segments. As of September 30, 2010, risk capital and utilization of risk capital in the standard scenario, are allocated as follows (in millions of euros):

	BANK		CONSOLIDATED	
RISK FACTORS	RISK CAPITAL	UTILIZATION	RISK CAPITAL	UTILIZATION
Market risk	20.0	10.9	60.0	37.3
Currency risk	1.0	0.1	2.0	0.6
Counterparty default risk	55.0	21.1	40.0	13.3
Operational & other risks	6.5	6.5	14.0	14.0
Liquidity risk	1.0	0.0	2.0	0.0
Income risk	17.0	17.0	39.0	39.0
Total	**100.5**	**55.6**	**157.0**	**104.2**

The stress scenario resulted in the following allocation (in millions of euros):

	BANK		CONSOLIDATED	
RISK FACTORS	RISK CAPITAL	UTILIZATION	RISK CAPITAL	UTILIZATION
Market risk	75.0	34.1	170.0	122.8
Currency risk	1.0	0.1	3.0	2.7
Counterparty default risk	160.0	80.5	155.0	75.5
Operational & other risks	15.0	15.0	33.0	33.0
Liquidity risk	3.0	0.0	5.0	0.0
Total	**254.0**	**129.7**	**366.0**	**234.0**

The same mathematical processes that are used for real time risk monitoring are applied to calculate the utilization of individual limits. These are Value at Risk (VaR) based methods for measuring market risk and counterparty default risk. Based on expert appraisals, a fixed amount of risk capital is allocated to cover operational and other risks, as well as earnings risks.

The following table gives an overview of the equity capital ratios under the German Solvency Act, based on quarterly figures:

	SEP 09	DEC 09	MAR 10	JUN 10	SEP 10
Maple Bank GmbH (stand alone)	23.3	23.9	24.2	24.4	18.6
Maple Financial Europe SE (subgroup)	20.6	20.6	15.7	16.1	18.2
Maple Financial Group (consolidated)	15.9	13.9	16.7	17.8	21.9

The capital ratios shown for the Maple Group are provided in addition to the ratios required by law for the Bank and the subgroup. The ratios are reported to the Deutsche Bundesbank, the Bundesanstalt für Finanzdienstleistungsaufsicht (German Financial Services Supervisory Authority) and the Financial Services Authority in Great Britain.

The following chart shows the solvency ratios per risk category for the subgroup as of September 30, 2010 in accordance with the German Solvency Act.

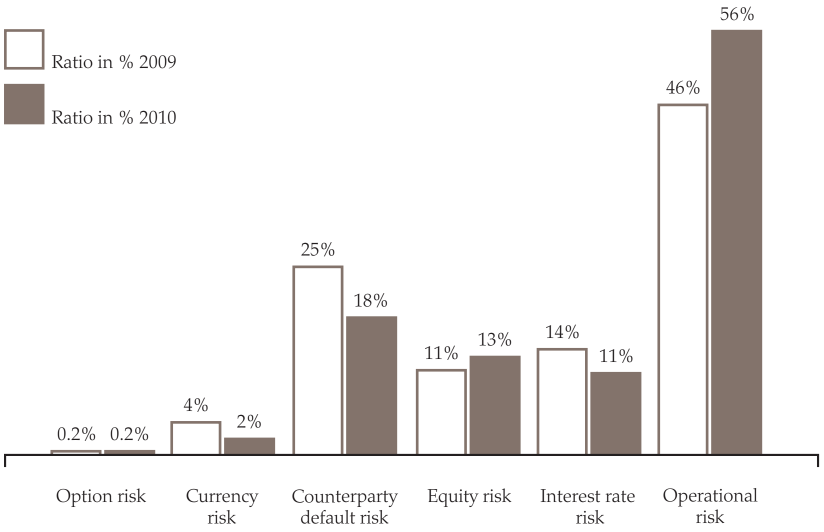


Chart 3: Solvency ratios per risk category for the subgroup as of September 30, 2010, in %

Operational risks in the subgroup are measured using the basic indicator approach. This is calculated as 15% of the average positive annual gross income over the previous three years. Due to our high earnings in 2008 and 2009, this risk category accounts for a large portion of the solvency ratio for the subgroup.

Market Risk

Market risk is the risk that the fair value of, or future cash flows from, financial instruments will fluctuate due to changes in market variables such as interest rates, exchange rates, bond prices, equity prices and commodity prices. The Bank and the Group manage market risk on a daily basis by summarizing all trading and banking book positions and associated risks. The results of this analysis are then reported separately and in various aggregated forms to allow a full analysis of market risk exposure.

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

In addition, the liquidity of trading positions and collateral received in conjunction with securities lending and repo transactions is analyzed with respect to trading volumes of individual securities.

Every Bank transaction must be assigned to a previously tested and approved strategy through the trade entry systems. The authorized strategies often include 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 is responsible for monitoring compliance with all limits and reporting to the Management Board 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 measured and monitored using a Value at Risk model based on a historical simulation, a 99% confidence level and a one-day holding period. The “clean method” was used for back testing and did not reveal anything of concern for this fiscal year. There was one limit violation during the year under review.

For the Bank, the VaR for the equity price risk was EUR 0.3 million at year-end (previous year: EUR 0.2 million) and it fluctuated between EUR 0.1 million and EUR 1.0 million during the year under review (previous year: between EUR 0.2 million and EUR 19.8 million).

The stress test for equity and equity derivative positions is conducted across all of the Bank’s trading portfolios. In addition to shifting the confidence level in the VaR model, extending the holding period and changing individual risk factors such as equity prices and volatilities, the analysis also includes a VaR calculation for a very volatile time period. For equity price risk, the highest utilization under these various stress tests was EUR 3.6 million at the end of the fiscal year (previous year: EUR 0.2 million). Over the course of the year, this figure fluctuated between EUR 0.2 million and EUR 5.9 million (previous year: EUR 0.2 million and EUR 13.8 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 is exposed to interest rate risk on its cash balances, securities trading positions, cash paid or received as collateral for securities borrowing and lending transactions, its collateralized lending portfolio and 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. In addition, VaR is measured and risk exposure from interest-rate sensitive positions is monitored on a daily basis.

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 at the portfolio level and for the bank as a whole, and are conducted separately for each currency. The highest utilization for a shift in the yield curve of 100 basis points amounted to EUR 0.6 million at the end of the fiscal year (previous year: EUR 1.0 million). Over the course of the year, this figure fluctuated between EUR 0.2 million and EUR 2.5 million (previous year: EUR 1.0 million and EUR 15.5 million).

A VaR analysis for equity price and interest rate risk is calculated using an historical simulation. As of September 30, 2010, the one-day VaR, with a 99% confidence interval, was EUR 1.1 million (previous year: EUR 3.0 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. Within the Maple Group, currency risk is not viewed as material since foreign exchange is not actively traded and foreign currency positions are hedged directly. The Bank monitors risk for each currency daily by reviewing individual currency limits and performing a VAR calculation for the overall position.

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 includes the risk that one or more parties will default on their contractual obligations to the Bank. Contracting parties may be prevented from meeting their payment obligations due to bankruptcy, lack of liquidity, processing problems 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, are executed on established exchanges and are subject to daily settlement of variation margins. Option writing involves limited credit risk, as the counterparty has already met the terms of the contract through the premium payment.

The Bank limits credit risk by dealing only with counterparties that are deemed creditworthy. Thus, the quality of collateral received is taken into account and contributes to the evaluation. Whenever possible, netting agreements are used that allow positive and negative contracts with the same counterparty to be offset against one another. A credit committee sets limits for individual counterparties and counterparty groups on the basis of a detailed credit analysis. These limits are managed on a global basis and, to the extent necessary, are allocated to the individual companies. Default risks related to individual counterparties and counterparty groups are monitored daily. At the same time, all counterparty default risks in the trading and banking book are reported by product class based on net exposure and adjusted by haircuts for changes in individual risk factors. Each counterparty is subjected to a credit review at least once a year. Ad-hoc analyses during the year monitor the counterparties' creditworthiness, enabling the Bank to take appropriate measures if necessary.

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 in accordance with the Gordy model. This model is also used to measure risk-bearing capacity. The standard scenario has a confidence level of 95.0% and is based on the historical one-year probability of default. The stress scenario has been expanded to eight different stress scenarios simulating rating deteriorations, reduced recovery rates and increased exposure, as well as combinations thereof. The confidence level for all stress scenarios is raised to 99%.

As of September 30, 2010, the Bank's credit quality ranked by credit rating as a percentage of the lending volume before specific loss provisions was as follows:

Credit Rating	Percentage of lending volume
AAA to AA-	46 %
A+ to BBB-	36 %
BB+ and below	18 %
Total	100 %

The above ratings are determined on the basis of an internal rating system that uses the assessment module developed by Standard & Poor's Risk Solutions. The presentation refers to the borrower rating. In the banking book, a business-specific transaction rating is given that specifically takes into account the collateral provided.

Counterparty Default Risk in the Lending Business

The commercial finance business is still being wound up. Scheduled repayments will reduce the risk in this segment. Distressed loans are being liquidated.

There continues to be strong demand for special financing. Both the Frankfurt office and the Toronto branch offer clients customized structured finance products with customer-specific collateral requirements.

In the lottery business, winnings from selected US lottery companies were purchased at a discount, with the payment of the lottery winnings guaranteed by the corresponding (US) states. There are no plans to expand this business.

Specific loss provisions are made for all exposures where certain defined criteria are met, taking into account available collateral.

Default Risks from Clients and Issuers

Credit exposures from trading transactions are valued at the daily settlement price for both individual borrowers and for borrower groups. This includes collateral valued at mark-to-market plus any haircuts for possible future changes in market price (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. At the group level, monitoring is carried out by the Credit Departments in Frankfurt and Toronto.

Collateralized debt obligations (CDOs) are being reduced according to schedule and without losses. As of the balance sheet date, the Bank still has one CDO in its portfolio. The CDO, with a nominal value of EUR 10.0 million, matures in March 2011 and was recorded at a fair value of EUR 9.4 million at the fiscal year end.

During the year under review, the Company did not have any sub-prime mortgage exposure and did not have any liquidity commitments relating to such transactions.

Country Risk

The Group defines direct country risk as position risk arising from holding government securities and from loans to states, countries and the public sector.

The Bank's only direct country risk exposure is to G7 and EU member countries. The following table shows direct country risk as of September 30, 2010:

Country	**Market value** (in millions of euros)
Germany	329.2
Canada	176.8
USA	93.8
France	37.0

Indirect country risk arises if clients are domiciled outside of Germany; this risk also includes so-called transfer risk. The following chart illustrates the Bank's indirect country risk at fiscal year-ends 2009 and 2010. All amounts are in millions of euros and are based on the net balances per counterparty.

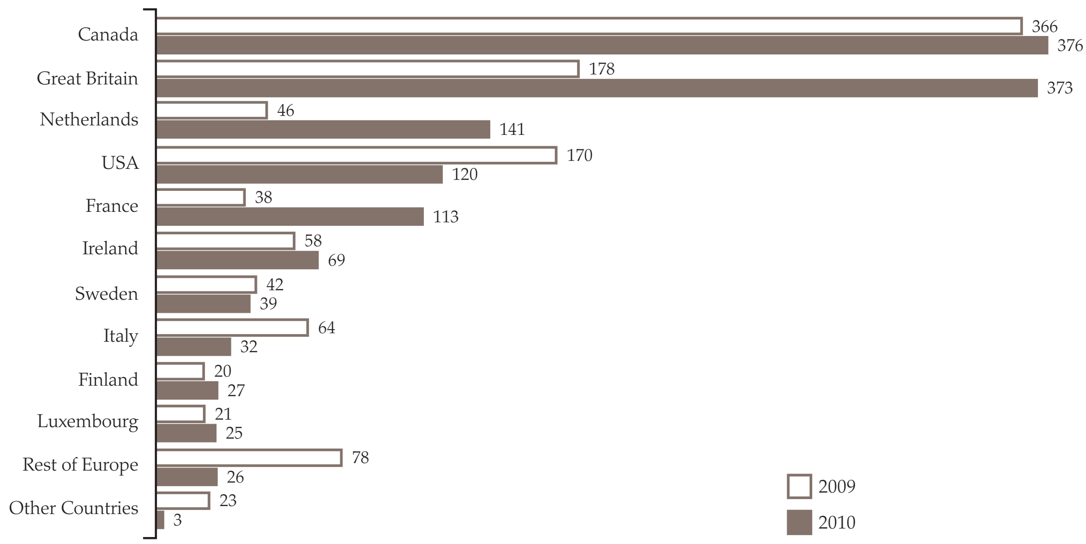


Chart 4: Market value of counterparty default risk by country, excluding Germany (in millions of euros)

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, 2010.

Investment Risk

The Bank's main investment risk exposure is from investments in affiliated companies. Similar to the Bank, operating subsidiaries are mainly engaged in the businesses of structured trading/structured products together with securities lending and repo transactions.

The Bank is represented by members of the Management Board in various executive bodies of the subsidiaries and the Group, and is thus able to recognize, measure and control the business risks of its subsidiaries.

The operating subsidiaries in Great Britain, the USA and Canada are subject to supervision by the regulatory authorities of their respective countries. In addition, all subsidiaries are included in the Bank's consolidated group for the purposes of bank regulatory reporting.

Liquidity Risk

Liquidity risk is the risk of having insufficient cash resources to meet financial obligations as they come due. The Group's liquidity could be impaired by limited access to secured or unsecured debt markets, an inability to obtain financing from affiliated companies, an inability to sell assets or by unforeseen outflows of cash. Furthermore, the ability to sell assets may be impaired if other market participants are seeking to sell similar assets at the same time. The Group seeks to maintain sufficient liquidity not only under normal market conditions, but also throughout market cycles and during periods of financial stress. The processes established by the Group to manage liquidity and refinancing are intended to ensure sufficient liquidity in all regions and at all times. This includes compliance with regulatory requirements.

In 2009, the Bank and the Group implemented a Liquidity Policy. In addition to daily liquidity limits and monitoring, this guideline also includes three stress scenarios and an emergency plan.

The Risk Control Department issues a daily Asset Liability Management Report that includes all deterministic cash flows as well as marketable securities. The Bank has very few non-deterministic cash flows and these are shown as overnight positions.

The stress scenarios for the Asset Liability Management Report are modeled every two weeks. They simulate unexpected cash outflows or lower mark-to-market values of the positions held.

The Bank has a broad base of deposits from institutional customers which is crucial to provide sufficient liquidity for the entire Group. In order to minimize liquidity risk from short-term payment obligations, the Bank holds securities eligible as collateral for borrowing from the ECB. Debt maturity reports provide the Treasury Department with continuous information on liquidity levels. A close communication relationship between the Money Market Settlements Department and the Treasury Department ensure that the Bank is able to initiate any necessary intra-day actions directly and at any time. Close contact with customers, commercial as well as investment banks and financial services providers enables the Bank to maintain the availability of adequate credit and trading lines.

Market liquidity risk is restricted by volume limits for individual securities positions relative to actual trading volumes. The weekly Liquidity Risk Report shows the ratio of trading positions to exchange turnover for all equity portfolios.

The liquidity ratio that as reported under the German Liquidity Regulation (Liquiditätsverordnung) was 1.50 as of September 30, 2010 (previous year: 1.63). During the year, it fluctuated between 1.22 and 1.63 (previous year: 1.45 and 1.92) 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 disasters. Operational risk is encountered in all activities, including the methods and controls used to manage other risks. A professional operational risk management system reduces errors that arise when managing other risks, such as credit, market or regulatory risk. The Group regularly reviews its processes and procedures. This ensures that these processes are effective in preventing operational failures. The Group maintains a database to record all actual and potential damages arising from operational risk. Results from the analysis of all such incidents are reported to the Management Board on a quarterly basis.

Key risk indicators assist in predicting potential operational risks. Periodic self-assessments from all departments of the Bank complement the risk-identification process.

Data processing plays a key role in the performance of tasks within the Bank. In the interests of the customers and employees of the Bank, suitable security processes have been introduced and technical measures have been implemented to continuously and effectively protect data and IT processes against abuse and to safeguard their integrity, confidentiality and availability. These measures are based on the international standards ISO/IEC 27001 and ISO/IEC 27002 and are regularly checked for their effectiveness.

A consistent policy regarding data security, in particular with respect to the maintenance of business operations (emergency planning) and the outsourcing of IT services, has been integrated into the Bank’s risk management framework. The Bank’s dedicated Emergency Center is subject to an annual functional audit. Due to constant data mirroring, the Bank’s risk positions can also be monitored and managed at the Emergency Center.

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

Legal Risk

As part of its business activities, the Bank is exposed to legal risks arising from agreements it has entered into. To reduce such risks, standard master agreements are used whenever possible. The Bank’s attorneys are always enlisted to document and review customized contractual arrangements.

The process for launching new products/new strategies includes a review of tax treatment. External tax consultants review the Bank’s transactions in advance to ensure their compliance with the applicable regulations. The Bank must receive a positive confirmation before trading activity can begin. Nevertheless, the tax authorities may disagree with this evaluation and may assess the Bank's tax position differently. This could lead to an overestimation of tax refund claims or to insufficient tax provisions.

The Group is subject to extensive regulation in Canada, the USA, Great Britain, Germany and Italy. Non-compliance with these regulatory requirements may prompt the respective supervision authority to take administrative or legal steps which may result in a reprimand, fine, criminal penalty or even the suspension or dismissal of managers. As of September 30, 2010, the Group had no unresolved regulatory issues.

Risk Assessment

The Bank believes that with its existing monitoring systems it is well equipped to handle both its existing business and any upcoming challenges.

3.3.5 EMPLOYEES

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

Without the dedication, motivation, professionalism and social competence of our employees, the Bank cannot achieve success. In return, we offer many extra benefits, in addition to performance-related remuneration with variable components. In particular, we offer a comprehensive package of company benefits, including a direct pension commitment, group accident insurance, as well as various options for salary conversion.

By offering flexible time models for arranging working hours, we help our employees find a proper balance between work and private life.

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

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

Post Balance Sheet Events

No events have occurred since the end of the fiscal year that could have a material impact on the Bank's earnings, assets or financial position.

3.3.6 OUTLOOK

Macroeconomic Situation

With the exception of Germany, the economies of Western Europe and the USA, are still suffering from the widespread repercussions of the financial and economic crisis. The markets will continue to experience upheavals so long as market players remain extremely nervous about economic uncertainties, particularly those regarding the creditworthiness of the so-called PIGS countries. All the affected countries will be forced to adopt austerity measures to begin reducing debt.

In all likelihood, growth in the Eurozone will be rather uneven in 2011. While Germany's expected growth of a little over 2% means it is by far the top performer among euro countries, the hardest-hit countries may even see their economies contract further as their respective governments move to cut spending.

In the USA, GDP is expected to grow by up to 2.5%, assuming that unemployment – which in 2010 reached the highest level seen in years – begins to decline.

As in the year under review, inflation is expected to remain under control in 2011 in both Europe and the USA. The ECB expects price increases of a little over 2% and the Fed is also assuming a maximum inflation rate of 2%. However, many observers expect inflation to climb significantly higher in the mid-term due to excessive government debts in Europe and abroad and the Fed's policy of "quantitative easing".

The central banks will probably further reduce liquidity support for banks, with the ECB expected to tighten the reins somewhat sooner than the Fed.

It is unlikely that the markets will face increases in interest rates before the end of 2011 at the earliest. In Europe, higher interest rates would, in fact, be counterproductive to efforts to strengthen government finances. The same applies in the USA, where there is additionally an even greater risk than in Europe that an increase in interest rates would have a very negative impact on consumer spending, which in any case is still very weak. Central bankers on both sides of the Atlantic will certainly be keeping a close watch on macroeconomic trends.

Anticipated Prospects for the Bank

In fiscal year 2010/2011 we plan to significantly expand our securities finance business (securities lending/repo transactions) by investing both in additional human resources and in the necessary infrastructure, including new IT systems. We continue to see good potential for development in the agency trading business. In addition, we intend to cautiously expand our equity arbitrage trading operations. In the aggregate, we expect earnings to be slightly below the level of the last fiscal year.

Once again, we assume that in the coming year the Bank will at all times maintain a stable financial position and hold ample liquidity.

We expect other administrative expenses to increase as a result of our aforementioned expansion plans. We anticipate a further decline in costs for risk provisioning.

Overall, we expect a satisfactory level of earnings for the fiscal year 2010/2011.

4.1 MAPLE BANK GMBH, FRANKFURT AM MAIN, BALANCE SHEET AS OF SEPTEMBER 30, 2010

ASSETS	EUR	EUR	EUR	PRIOR YEAR KEUR
1. LIQUID FUNDS				
Cash		15,900.94		30
Balances with central banks thereof: at the Deutsche Bundesbank EUR 141,353,602.65		141,358,907.79	141.374,808.73	225,052
2. PUBLIC DEBT ISSUANCE AND BILLS OF EXCHANGE ELIGIBLE FOR REFINANCING WITH CENTRAL BANKS				
Treasury bills and treasury discount notes and similar debt certificates issued by the public sector			0,00	499,229
3. RECEIVABLES FROM BANKS				
due on demand		98,718,087.39		119,340
other receivables		30,241,694.33	128,959,781.72	349,159
4. RECEIVABLES FROM CUSTOMERS			910,137,591.21	1,206,602
5. BONDS AND OTHER FIXED-INCOME SECURITIES				
Money market funds:				
issued by the public sector	93,756,615.74			32,765
issued by others	0,00	93,756,615.74		0
Bonds and debt securities:				
issued by the public sector: thereof eligible as collateral at the Deutsche Bundesbank EUR 75,724,580.52	161,975,458.39			513,395
issued by others: thereof eligible as collateral at the Deutsche Bundesbank EUR 766,482,505.67	968,717,094.87	1,130,692,553.26	1,224,449,169.00	789,565
6. EQUITIES AND OTHER NON-FIXED-INCOME SECURITIES			432,229,382.96	1,038,313
7. PARTICIPATIONS			34,260.00	34
8. INVESTMENTS IN AFFILIATED COMPANIES thereof: in financial services institutions EUR 50,215,536.35			292,487,072.78	276,697
9. INTANGIBLE ASSETS			1,521,683.46	1,201
10. TANGIBLE ASSETS			2,346,986.58	2,841
11. OTHER ASSETS			365,934,129.55	682,488
12. PREPAID EXPENSES			1,591,074.94	2,021
13. TAX ASSETS ACCORDING TO SECTION 274 PARA. 2 HGB (GERMAN COMMERCIAL CODE)			1,789,952.40	3,177
TOTAL ASSETS			3,502,855,893.33	5,741,909

LIABILITIES	EUR	EUR	EUR	PRIOR YEAR KEUR
1. LIABILITIES TO BANKS				
payable on demand		95,117,788.21		184,479
with an agreed term or period of notice		204,802,222.18	299,920,010.39	354,835
2. LIABILITIES TO CUSTOMERS				
other liabilities:				
payable on demand		742,479,388.25		1,001,885
with an agreed term or period of notice		1,826,830,890.38	2,569,310,278.63	2,761,553
3. OTHER LIABILITIES			191,995,725.51	783,192
4. PROVISIONS				
provisions for pensions and similar obligations		15,249,746.00		10,973
tax provisions		1,193,897.82		3,624
other provisions		110,573,560.60	127,017,204.42	201,755
5. SUBORDINATED LIABILITIES			35,200,304.66	35,200
6. FUND FOR GENERAL BANKING RISKS			10,000,000.00	10,000
7. SHAREHOLDERS' EQUITY				
equity share capital		97,617,850.00		97,618
capital reserve		8,691,981.98		8,692
revenue reserve:				
other revenue reserves		163,102,537.74		288,103
net income		0.00	269,412,369.72	0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			3,502,855,893.33	5,741,909
1. CONTINGENT LIABILITIES				
contingent liabilities from guarantees			3,298,446.21	3,122
2. OTHER OBLIGATIONS				
irrevocable credit commitments			100,000,000.00	64,146

4.2 MAPLE BANK GMBH, FRANKFURT AM MAIN, INCOME STATEMENT FOR THE PERIOD FROM OCTOBER 1, 2009 TO SEPTEMBER 30, 2010

	EUR	EUR	EUR	PRIOR YEAR KEUR
1. INTEREST INCOME FROM				
loans and money market transactions	63,030,847.22			307,136
fixed-income securities and debt securities	56,530,264.19	119,561,111.41		83,632
2. INTEREST EXPENSE		109,685,481.93	9,875,629.48	370,081
3. INCOME FROM				
stocks and other non-fixed-income securities		416,477,556.85		227,473
participations		0.00		870
shares in affiliated companies		12,604,086.30	429,081,643.15	24,681
4. COMMISSION INCOME		4,731,830.53		57,031
5. COMMISSION EXPENSE		10,274,641.58	-5,542,811.05	20,868
6. NET INCOME FROM TRADING ACTIVITIES			-305,562,403.55	306,809
7. OTHER OPERATING INCOME			28,751,767.37	9,250
8. GENERAL ADMINISTRATIVE EXPENSES				
Personnel expenditure:				
wages and salaries	39,751,691.11			133,343
social security contributions, pensions and welfare expenses thereof: for pensions EUR 4,277,141.00	5,545,974.61	45,297,665.72		4,869
other administrative expenses		15,956,716.48	61,254,382.20	29,191
9. DEPRECIATION AND AMORTIZATION OF INTANGIBLE AND TANGIBLE ASSETS			1,549,608.42	1,565
10. OTHER OPERATING EXPENSES			23,731.79	83,035
11. WRITE-OFFS AND PROVISIONS ON LOANS AND CERTAIN SECURITIES AS WELL AS ADDITIONS TO LOAN LOSS PROVISIONS		13,740,192.94		0
12. REVERSAL OF WRITE-OFFS AND PROVISIONS ON LOANS AND CERTAIN SECURITIES AS WELL AS REVERSAL OF LOAN LOSS PROVISIONS		0.00	-13,740,192.94	35,639
13. INCOME FROM THE REVERSAL FROM THE FUND FOR GENERAL BANKING RISKS			0.00	29,000
14. WRITE-OFFS AND PROVISIONS ON PARTICIPATIONS, INVESTMENTS IN AFFILIATED COMPANIES AND SECURITIES TREATED AS INVESTMENT SECURITIES		9,806,011.51		0
15. INCOME FROM WRITE-UPS ON PARTICIPATIONS, INVESTMENTS IN AFFILIATED COMPANIES AND SECURITIES TREATED AS INVESTMENT SECURITIES		0.00	-9,806,011.51	7,638
16. RESULTS FROM NORMAL OPERATIONS			70,229,898.54	446,207
17. TAXES ON INCOME		3,146,251.01		60,157
18. OTHER TAXES, IF NOT INCLUDED UNDER CAPTION 10		229,360.01	3,375,611.02	479
19. PROFITS TRANSFERRED DUE TO PROFIT POOLING, PARTIAL PROFIT TRANSFER AGREEMENT OR PROFIT TRANSFER AGREEMENT			66,854,287.52	385,571
20. NET INCOME			0.00	0

4.3 NOTES TO THE FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2010

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, 2009, a profit-and-loss transfer agreement was concluded between Maple Bank GmbH and Maple Financial Europe SE and a consolidated tax group was formed between Maple Bank GmbH and Maple Financial Europe SE, with the latter as the controlling company.

The financial statements as of September 30, 2010 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. Hedge accounting was applied to non-fixed-income securities held as investment securities and the corresponding liabilities.

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 mark-to-market method. In doing so, the relevant financial instruments were recorded at their market value. In order to comply with the principle of prudence under commercial law, the result ascertained for each valuation unit was reduced by the theoretical potential loss. This Value-at-Risk (VaR) discount is based on the bank's risk management process and is defined as the maximum loss expected on a position in the trading book with a holding period of ten days and 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, Receivables from Banks and Other assets 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 assets and Intangible assets were valued at their amortized cost.

Due to timing differences between taxable income and accounting income, tax accruals and deferrals were formed according to Sec. 274 of the German Commercial Code. Domestic tax accruals and deferrals according to Sec. 274 of the German Commercial Code were recorded at the controlling company level.

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. Profits and losses from the change in assumptions of the actuarial valuation were immediately recognized in income.

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 where applicable. Other foreign exchange forward transactions were valued based on the imparity principle using the forward rate of the balance sheet date.

Hedged investments in affiliated companies denominated in foreign currencies were translated according to the respective reference price ascertained by the European Central Bank and published by the Deutsche Bundesbank 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					
	UP TO ONE YEAR	ONE TO FIVE YEARS	MORE THAN FIVE YEARS	TOTAL	POSITIVE	NEGATIVE
CURRENCY-RELATED TRANSACTIONS						
Foreign exchange transactions	1,439	27	–	1,466	26	1
INTEREST-RELATED TRANSACTIONS						
Interest-rate swaps	4,903	3,637	423	8,963	96	68
Swaptions	–	45	–	45	–	–
Interest-rate futures	847	135	–	982	–	–
EQUITY/INDEX-RELATED TRANSACTIONS						
Equity options:						
Long	309	1	–	310	83	–
Short	309	–	–	309	–	107
Equity/Index swaps	95	–	–	95	3	–
Equity/Index futures	20	–	–	20	–	–

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 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), in its portfolio. Interest rate swaps and swaptions 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 mainly 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 and equity index swaps, which 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 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	–	96
b) Three months to one year	–	6
c) One year to five years	–	20
d) More than five years	–	8
e) Indefinite term	30	35

Receivables from customers include receivables from affiliated companies totaling EUR 727 million, of which EUR 411 million result from securities lending transactions, EUR 169 million from securities repurchase agreements and EUR 6 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	1,224	842
Equities and other non-fixed-income securities	402	401

Bonds and other fixed-income securities with a book value of EUR 466 million will mature in the fiscal year 2010/11.

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 178.9	46.5	USD 5.8 [1]
Maple Arbitrage Inc., Jersey City, USA	100.0	USD 18.7	13.7	USD 0.0 [1]
Maple Securities (U.K.) Ltd., London, Great Britain	100.0	GBP 58.5	50.2	GBP 16.1 [1]
Maple Holdings Canada Ltd., Toronto, Canada	100.0	CAD 257.6	182.1	CAD (4.0) [1]

[1] *Preliminary result for the period from October 1, 2009 to September 30, 2010*

For the investment in Maple Holdings Canada Ltd., Toronto, an impairment of EUR 9.8 million was recorded.

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

	SECURITIES IN THE INVESTMENT ACCOUNT (IN EUR MIO)	INVESTMENT AND HOLDINGS IN AFFILIATED COMPANIES (IN EUR MIO)
Historical acquisition costs as of October 1, 2009	185.4	339.1
Additions 2009/2010	26.6	0.0
Disposals 2009/2010	3.1	1.2
Foreign exchange rate adjustments	18.1	34.1
Historical acquisition costs as of September 30, 2010	227.0	372.0
Accumulated write-offs as of October 1, 2009	2.0	62.4
Additions 2009/2010	2.4	9.8
Disposals 2009/2010	0.0	–
Foreign exchange rate adjustments	0.3	7.3
Accumulated write-offs as of September 30, 2010	4.7	79.5
Book value as of September 30,2010	222.3	292.5

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 169.2 million are hedged with interest rate swaps. Other securities in the investment account in the amount of EUR 30.8 million (thereof EUR 0.6 million marketable) cover liabilities from 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, 2009	5,354	6,596	1,283	13,233
Additions 2009/2010	855	590	0	1,445
Disposals 2009/2010	0	550	0	550
Historical acquisition costs as of September 30, 2010	6,209	6,636	1,283	14,128
Accumulated write-offs as of October 1, 2009	4,153	4,006	1,032	9,191
Additions 2009/2010	534	974	42	1,550
Disposals 2009/2010	0	482	0	482
Accumulated depreciation as of September 30, 2010	4,687	4,498	1,074	10,259
Book value as of September 30, 2010	1,522	2,138	209	3,869

Other Assets include option premiums of EUR 112 million, receivables from the parent company of EUR 109 million, tax refund claims of EUR 92 million, as well as accruals on interest rate and foreign exchange swaps in the amount of EUR 45 million.

Prepaid expenses reflect discounts of 15,000 euros. The deferred tax asset includes only accruals for the branch in Toronto.

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	205	925
b) Three months to one year	–	353
c) One year to five years	–	241
d) More than five years	–	308

Liabilities to customers include EUR 69 million from repurchase transactions with the parent company and liabilities to other affiliated companies of EUR 648 million, of which EUR 473 millions are delivery obligations for re-hypothecated or borrowed securities.

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	72
Liabilities to customers	221
Other liabilities	64

Assets with a book value of EUR 293 million were sold under genuine repurchase agreements.

Other Liabilities include option premiums of EUR 102 million and liabilities under the profit-and-loss transfer agreement of EUR 67 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 maturity of the subordinated liabilities is between 2016 and 2019. There are no early repayment obligations for the Bank. Interest expense of EUR 2.0 million was recorded 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 6.0% 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 countries is as follows:

	INCOME IN EUR MIO		
	GERMANY	ITALY	CANADA
Interest income	73	2	45
Current income from equities and other non-fixed income securities and financial investments	428	1	0
Income from commissions	3	0	2
Net profit (expense) from trading activities	(305)	1	(2)
Other operating income	8	18	3

Other operating income includes income from the reversal of provisions of EUR 22.8 million, as well as fees for services provided to affiliated companies in the amount of EUR 3.0 million.

4.3.5 OTHER INFORMATION

The irrevocable credit commitments include a revolving credit facility for a foreign subsidiary of EUR 100.0 million, which serves to secure the liquidity of this subsidiary to the local regulatory authority. Contingent liabilities mainly result from the commercial finance business. In connection with lease and service agreements, there are long-term payment obligations totaling EUR 7.6 million.

The total fee of EUR 413,000 charged by the auditor of the Financial Statements is composed of the following amounts by service provided:

	Fee (in KEUR)
a) year-end audit	297
b) other assurance services	53
c) tax advisory services	56
d) other services	7

As of September 30, 2010, 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 (until 31 December 2010)
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 10.6 million. This remuneration includes the release of provisions of EUR 1.0 million.

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

Thomas Higgins, Chairman
President & Chief Executive Officer, Maple Financial Group Inc.

William K. H. Fung
Visiting Research Professor of Finance, London Business School

Members of the Supervisory Board were not compensated.

As of the balance sheet date, the Bank had a staff of 116, of which 10 were employed at the Milan Branch and 12 at the Toronto Branch. Including part-time employees and trainees, the Bank had 111 employees on average during fiscal year 2009/2010, comprising of 5 managing directors, 44 holders of procuration, and 65 other employees.

4.3.6 CONSOLIDATED FINANCIAL STATEMENTS

The Bank is included in the consolidated financial statements of Maple Financial Group Inc., Toronto, as of September 30, 2010. 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, February 15, 2011

Maple Bank GmbH

Wolfgang Schuck 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 2009 to 30 September 2010. 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, February 15, 2011

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Wirtschaftsprüfungsgesellschaft

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