vwdgroup:

excellence in financial solutions

Annual Report 2010

Business Segments

The product and solution portfolio of vwd group is divided into three business segments. All services focus on providing single-source assistance throughout the securities-investment process to end investors, no matter whether they are private or institutional clients. In taking this approach, the vwd group is gaining a unique position as a strategic partner for retail, private banking and wealth management.

Market Data Solutions

In the business segment "Market Data Solutions," the vwd group provides a multifaceted range of high-performance market-data systems, browser-based applications and portfolio-management and content solutions for more than 50,000 users. The business segment focuses on standardized solutions that accelerate and facilitate the use of data streams in global financial markets. Added to this are special services for more than 12,500 private customers.

TARGET GROUPS

- Banks
- Money managers and family offices
- Financial-service providers
- Investors
- Companies
- Private customers

ADDED VALUE FOR THE CUSTOMER

The services offered in the business segment "Market Data Solutions" create the foundation for sound investment decisions and more transparency and efficiency in the investment process.

Technology Solutions

The business segment "Technology Solutions" offers information, technology and transaction solutions as well as consulting and outsourcing services for customer-specific requirements of the financial community. This includes the creation and hosting of professional websites for banks, online brokerages and media companies as well as the conception and provision of print-ready stock listings for about 70 publishing companies.

TARGET GROUPS

- Banks
- Brokers
- Financial-service providers
- Media companies

ADDED VALUE FOR THE CUSTOMER

The business segment "Technology Solutions" places a strong focus on individualized solutions that are tailored to customer needs.

Specialised Market Solutions

Thanks to the services offered by the vwd group's business segment „Specialised Market Solutions", you can reach several million people who actively keep up with events on financial markets daily. In a targeted manner, information is disseminated to investors, advisers, sales organizations and anyone who is involved in the financial sector on a professional or personal basis. Experienced employees trained in the financial industry supply ideas and concepts for efficient product placement and marketing.

TARGET GROUPS

- Issuers
- Media companies
- Other businesses

ADDED VALUE FOR THE CUSTOMER

The model of the business segment "Specialised Market Solutions" facilitates the widest possible dissemination by combining heavy media coverage with minimum expense and waste coverage.

Mission Statement

The vwd group specializes in the retail and private banking areas of the securities business as well as in wealth and asset management. With tailored information, communication and technology solutions, we do our part to increase transparency and sustainability in customer support. As a result, good decisions can be made to safeguard and increase assets.

By offering innovative solutions to financial-service providers, companies, the media and private consumers, we intend to continuously increase our company's value and create long-term value for our customers, employees and shareholders. And we keep our promises. Professionalism and integrity are the heart of our corporate culture.

Table of Contents

To our Stockholders

Foreword by the Management Board

SPENCER BOSSE
Member of the Management Board

EDMUND J. KEFERSTEIN
Chairman of the Management Board

DR. ANDREAS DAHMEN
Member of the Management Board

DEAR SHAREHOLDERS,
VALUED CUSTOMERS, BUSINESS PARTNERS AND COLLEAGUES,

This past fiscal year forced us to face a number of new challenges. While we were able to produce rising sales and consistent earnings during the global financial crisis, the vwd group was unable to continue this performance in 2010 due to its late-cyclical business. The market for financial information and services contracted in 2010, a development that forced leading providers to accept lower sales and reduced profit margins. Two key reasons for this decline were the job cuts carried out in the financial industry at the height of the financial crisis and the industry's unwillingness to refill these positions, a development that, in the end, resulted in a general drop in demand for terminal products.

During this past fiscal year, the continuing pressure to cut costs also had an impact on the solution and project business. Overall, there were considerably fewer calls to bid on new projects in 2010 than in 2009. Furthermore, the growing depth of information and the rising amount of data volume of global stock exchanges required increased investments in the existing IT infrastructure and, thus, negatively affected the company.

At the same time, however, we slightly exceeded our lowered expectations in terms of sales and earnings for 2010. We were very positively surprised by our excellent fourth quarter and the noticeable improvement of our business. These gains had a positive impact on our results for the entire year. During the reporting year, our sales totaled € 76,123.6 thousand compared with € 79,232.5 thousand in the previous year, or minus 3.9 % or € 3,108.9 thousand. Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to € 7,454.6 thousand compared with € 9,642.7 thousand, or minus 22.6 %, in the previous year. The IFRS accounting standards applied by the company resulted in balance-sheet effects that had a material negative impact on earnings below EBITDA. Adjusted for the special IFRS effects arising from the purchase-price allocation and fictional interest expenses related to the put option to acquire the remaining shares in the EDG Group, earnings per share would total € 0.120. As a result of the negative effects, earnings per share of only € 0.024 could be reported compared with € 0.090.

While the wave of consolidations within the industry gained further momentum, the vwd group, an active buyer of companies in the past, acquired no new businesses in 2010. We used this past year to reduce our liabilities to credit institutions by 25 %. Thanks to increased operating cash flow, we strengthened our capital base and can now use it to finance acquisitions inside and outside Germany.

The structural changes in the financial industry, particularly in the markets we serve, create extensive opportunities for innovation arising from increased regulation and from the new business and legal framework for capital markets expected to result from this process. During the reporting year, we continued to invest heavily in development, as we have done since the company's founding, in order to maintain our customers' high level of satisfaction and strengthen our market share among those target groups that are critical to the vwd group. In this connection, we are particularly proud of the fact that we were able during the reporting year to successfully conclude our development work for the "vwd sales process solution," a project that took more than two years to complete. The "vwd sales process solution," an innovative advisory and sales solution, structures the advisory process for asset managers, banks and insurance companies as well as keeps a record of it. It ensures that all users can advise their clients in a completely legal manner and can meet advisory and documentation requirements. With Deutscher Ring Financial Services GmbH, we have gained our first highly respected reference customer who will rely on the cutting-edge, legally secure advisory process offered by the vwd group. Overall, we see enormous potential for our advisory and sales solutions. The call for increased consumer protection and liability risks in investor advisory services is stronger than ever. We focused on this area at an early stage in order to be among the market leaders in this area and to profitably exploit this position. In 2011, this trend will have a significant impact on the company's growth, and we see tremendous potential for the "vwd sales process solution."

During fiscal year 2010, we believe that nearly all of our business segments found their bottom. We used this time to point the company in a direction from which it can generate new growth. For 2011, we are ideally prepared and positioned. We intend to profit from our exceptionally interesting and unique competitive position.

The Management Board is proposing that our stockholders receive an appropriate share of the company's earnings from fiscal year 2010. Based on the commercial accounts of vwd AG, we are proposing to slightly increase the dividend payment for 2010, further enhancing the appeal of the vwd share in the process. With this increase, we are taking account of the fact that the year of 2009 was negatively impacted by the reduction of loss carry-forwards from the integration of the former b.i.s. informationssysteme AG. For this reason, the Management Board will propose a dividend of € 0.05 per share to the Annual General Meeting.

We have our customers and partners to thank for our business success. In the future, we will also work closely with our customers to ensure that they, too, can succeed in their own businesses.

We have the motivation and hard work of our employees to thank for our company's continued development. We would like to express our gratitude here for their contribution.

In 2011, I am certain that we will meet the challenges lying ahead and will fully exploit the opportunities awaiting us.

Best regards,

EDMUND J. KEFERSTEIN
Chairman of the Management Board

Report of the Supervisory Board

KLAUS NIEDING
Chairman of the Supervisory Board

DEAR STOCKHOLDERS,

The year of 2010 was a challenging one for our company. The global financial and economic crisis has had somewhat of a delayed impact on the vwd group. The turbulence in the marketplace had to be overcome and decreases in sales offset with product innovations. At the same time, the Management Board, working closely with the Supervisory Board, kept the vwd group on its strategic course during 2010. We would like to express our gratitude to Edmund J. Keferstein and Spencer Bosse for their hard work last year.

The business model with the three allied segments of Market Data Solutions, Technology Solutions and Specialised Market Solutions proved itself.

During the reporting year, as in years past, the Supervisory Board executed the duties laid down for it by law, the Articles of Association and business bylaws. As a result of its small size, the Supervisory Board has formed no committees. During fiscal year 2010, we advised the company's top managers, monitored their work and made decisions about business matters requiring our approval.

The Supervisory Board kept abreast of business and financial matters, company planning, the workforce and investment plans as well as the ongoing strategic development of vwd AG and the group in a continuous, timely and comprehensive manner during fiscal year 2010.

When the Supervisory Board was not in session, its Chairman remained in regular contact with the Chairman of the Management Board and was kept up to date about the latest business developments. Information was provided and discussions were held as part of a continuous dialogue conducted in personal conversations. These discussions also addressed the company's future direction.

As a result of the delayed impact of the financial and economic crisis, we paid close attention to the current earnings situation, including the risk position and the risk-management system. The Management Board discussed the company's significant business actions in detail with the Supervisory Board.

Supervisory Board meetings in fiscal year 2010
The Supervisory Board met seven times during fiscal year 2010. In addition to decisions reached during the meetings, one decision was made by means of circular memorandum. During its meetings, the Supervisory Board held discussions on the following issues and, as required, made decisions:

Accounts meeting
During a meeting held on March 11, 2010, the Supervisory Board focused primarily on the preparation of accounts and the group accounting of Vereinigte Wirtschaftsdienste AG (vwd AG) for fiscal year 2009, on the audit conducted by Stüttgen & Haeb Wirtschaftsprüfungsgesellschaft and on the Management Board's proposal for the distribution of the balance-sheet profit earned by vwd AG during fiscal year 2009. The auditor attended the accounts meeting and provided information about his audit and the results of the audit. The results of the audit were discussed with the Supervisory Board. After conducting its own review, the Supervisory Board concluded that it had no objections and approved the audits for fiscal year 2009. Other topics of this meeting included reports about the latest business developments and ongoing projects. We also intensely discussed strategy for the challenging fiscal year of 2010 that was presented earlier by the Management Board. We also passed our proposals concerning the agenda of the Annual General Meeting in May 2010. Furthermore, the Management Board presented the company's financing strategy. In this connection, the Supervisory Board authorized the Management Board to expand the company's financing framework.

May meeting
During the meeting held on May 11, 2010, the focal points of our work included a discussion of business developments in the first quarter of 2010, the outlook for the remainder of fiscal year 2010 and further planning. During this discussion, the Management Board informed us about the earnings position of the individual business segments and the general business situation. As part of this discussion, a close examination of changes in the financial industry and their possible impact on the vwd business model was conducted. In the final topic of the meeting, the Supervisory Board received a status report about ongoing projects.

August meeting
In its third meeting of the year held on August 10, 2010, the Supervisory Board discussed the preparation of accounts for the second quarter and the first half of 2010. The half-year financial report presented by the Management Board was reviewed by Stüttgen & Haeb Wirtschaftsprüfungsgesellschaft prior to its presentation to the Supervisory Board. The company's slowing business prompted the Supervisory Board to re-examine the sector's altered conditions and to discuss the risks as well as the opportunities arising from them for the company and the vwd group as a whole. In addition, the company's strategic development was discussed. Within this context, the Management Board informed the Supervisory Board about potential acquisitions.

November meeting
The topics considered at the Supervisory Board meeting held on November 3, 2010, were business performance in the third quarter of 2010, the outlook for the fourth quarter of 2010 and company planning for fiscal year 2011. In consideration of current business developments, the Management Board and the Supervisory Board jointly analyzed future opportunities and risks for vwd AG. In addition, discussions were held about consolidation options in the vwd group. The changes in the "German Corporate Governance Code" and their impact on vwd AG were also discussed. In connection with possible acquisitions, the Supervisory Board discussed potential capital measures. The Supervisory Board also considered adding a CFO to the Management Board.

Other meetings

The only topic discussed in the meetings of November 25, December 17 and December 22, 2010, was the appointment of a CFO and personnel questions. In this connection, the appointment of Dr. Andreas Dahmen to the Management Board of vwd AG effective January 1, 2011, was decided.

Changes in the Supervisory Board

On March 26, 2010, Dr. Marquart resigned from his Supervisory Board seat prematurely at his own request. He was replaced by court appointment by Mr. Ernesto A. M. Mancosu. We would like to express our gratitude to Dr. Marquart for the work he performed in his Supervisory Board position on behalf of the company.

Changes in the Management Board

As of January 31, 2010, the Management Board member responsible for sales, Mr. Joachim Lauterbach, left the company. Before taking this step, Mr. Lauterbach asked the Supervisory Board to terminate his contract prematurely. The Supervisory Board would also like to thank Mr. Lauterbach for his work on the company's behalf.

On December 22, 2010, the Supervisory Board appointed Dr. Andreas Dahmen to the position of CFO as of January 1, 2011. Dr. Dahmen is a highly qualified finance and controlling expert. As a specialist for process and organization development, he has excellent knowledge of the financial integration of companies, particularly in the IT industry. We wish Dr. Dahmen much success in his position.

Corporate Governance

During the past fiscal year, the Supervisory Board also studied the content and the latest revisions to the "German Corporate Governance Code." Both the Management Board and the Supervisory Board reported about corporate governance at vwd AG in the context of the declaration on company management pursuant to § 289a of the German Commercial Code and in accordance with code No. 3.10 of the "German Corporate Governance Code" on page 11 of this annual report.

In January 2011, the Management Board and Supervisory Board jointly issued a new declaration of compliance pursuant to § 161 of the German Stock Corporation Act, which is available on the company's Web site. Barring few exceptions, vwd AG complies with the code's recommendations and applies most of them.

The Chairman of the Supervisory Board, Klaus Nieding, is an attorney, Management Board member and stockholder at Nieding + Barth Rechtsanwaltsaktiengesellschaft in Frankfurt/Main. Nieding + Barth Rechtsanwaltsaktiengesellschaft acts as an external legal-affairs department for vwd AG and has represented the company for years. Furthermore, a contract covering consultation services involving M&A transactions has been concluded with Supervisory Board member Ernesto A.M. Mancosu. Pursuant to § 114 of the Stock Corporation Act, the Supervisory Board of vwd AG makes a determination about vwd AG's contract with Nieding + Barth Rechtsanwaltsgesellschaft and Mr. Mancosu as well as about the activities undertaken by them on behalf of vwd AG.

Annual financial statements, consolidated financial statements, audit

During its accounts meeting on March 16, 2011, the Supervisory Board focused primarily on the preparation of accounts and on the group accounting of vwd AG for fiscal year 2010, on the audit conducted by Stüttgen & Haeb AG Wirtschaftsprüfungsgesellschaft, Düsseldorf, and on the distribution of the balance-sheet profit earned by vwd AG during fiscal year 2010. The Supervisory Board issued the audit contract on the basis of a decision made by the Annual General Meeting on May 6, 2010. The auditing firm declared in advance to the chairman of the Supervisory Board that no conditions would inhibit its independence as auditor.

The auditor attended the accounts meeting and reported the findings of the audit. The outcome of the audit was that vwd AG is in compliance with the German Commercial Code and International Financial Reporting Standards. The annual financial statements, the consolidated financial statements, the management report and the Group Management Report received an unqualified audit opinion. The results of the audit were thoroughly discussed with the Supervisory Board, which also included the answering of questions by the auditor. After concluding its own review, the Supervisory Board raised no objections and approved the annual financial statement and consolidated financial statements for fiscal year 2010.

Stüttgen & Haeb AG Wirtschaftsprüfungsgesellschaft also reviewed the report prepared by the Management Board pursuant to § 312 of the Stock Corporation Act on relations with allied companies (Dependent Company Report) and issued the following audit opinion: "Based on the results of our statutory audit, we hereby confirm that 1. the factual information contained in the report is accurate and that 2. the company's compensation with respect to the legal transactions listed in the report was not inappropriately high." The Supervisory Board also reviewed the Dependent Company Report. It expressed its agreement with the findings of the auditor and raised no objections to the declaration by the Management Board pursuant to § 312 Paragraph 3 of the Stock Corporation Act.

The Supervisory Board did not endorse the Management Board's proposal for appropriation of the balance-sheet profit for fiscal year 2010. The Supervisory Board maintained that the complete balance-sheet profit should be carried forward in order to create additional financial leeway for future acquisitions.

The Supervisory Board continues to believe that vwd AG is well-positioned. At the same time, 2011 will be a year of challenges that can be overcome with the unwavering support of all employees. We would like to express our deep gratitude to them and the employee representatives of the vwd group for their personal dedication and hard work. This expression of gratitude also applies to the Management Board for its working relationship as well as its untiring, productive efforts. Finally, we would like to thank our customers, business partners and stockholders for the confidence they continue to place in us.

Frankfurt/Main, March 16, 2011

The Supervisory Board

KLAUS NIEDING
Chairman of the Supervisory Board

VWD MARKET MANAGER

Make sound, real-time decisions by using sophisticated research and analytical tools.

VWD PORTFOLIO MANAGER

Profit from the practical functions of a portfolio-management system that serves your individual needs.

VWD DOCUMENT MANAGER

Turn legal requirements into a success factor for your sales. For more transparency and legal certainty in consulting.

VWD FONDS SERVICE

Offer your products to more than 30 million potential customers in Germany, Austria and Switzerland with just one contract. Product placement, intelligent and simple.

FINANCIAL INSTITUTIONS, FINANCIAL SERVICE PROVIDERS AND ISSUERS gain efficient access to financial markets by using our products and services. As a user of our applications and solutions, you will profit from a range of complementary products: from analysis, advisory services and asset management to the marketing and distribution of financial products, you will receive everything from a single source. Generate more sales with less effort.

The products shown here are representative examples of the broad range of products and services offered by the vwd group. We will be happy to talk to you about our complete offering.

Corporate Governance Report

vwd group attaches great importance to sound, transparent corporate governance.

In the following statement pursuant to § 289a of the German Commercial Code and in accordance with code No. 3.10 of the German Corporate Governance Code (DCGK), the Management Board reports – also on behalf of the Supervisory Board – on the company's corporate governance:

vwd Vereinigte Wirtschaftsdienste AG (vwd AG) is one of the leading European providers of tailored information, communication and technology solutions for the strategic securities business. As a listed company, vwd AG is committed to complying with the recommendations contained in the German Corporate Governance Code. At vwd Vereinigte Wirtschaftsdienste AG, corporate governance creates the necessary organizational framework for ensuring that the management and control of the company are conducted in a responsible manner and geared toward creating long-term value. We believe that sound, transparent corporate governance is a key factor in securing business success. That is why we view corporate governance as an objective that encompasses all company segments. Our business is based on the trust that our shareholders, customers, business partners and employees place in us. We would like to reaffirm this trust by continuously refining corporate governance.

MANAGEMENT AND SUPERVISORY STRUCTURE

Management Board – the executive body of vwd Vereinigte Wirtschaftsdienste AG

Under § 6 Paragraph 1 of the company's Articles of Association, the Management Board of vwd AG consists of one or more members who are appointed and dismissed by the Supervisory Board pursuant to the regulations of the German Stock Corporation Act. The Management Board has sole responsibility for running the company. During the year under review until January 31, 2010, it consisted of three members. Thereafter, it was made up of two members. The Management Board's work is governed by detailed business bylaws containing a variety of points subject to consent. Under the business bylaws and Management Board decisions, every member of the Management Board directs a specific area of responsibility assigned in an individual business allocation plan. The shared responsibility for the overall business management of the company is unaffected by the assignment of areas of responsibility.

Supervisory Board – the supervisory body of vwd Vereinigte Wirtschaftsdienste AG

Under § 8 Paragraph 1 of the company's Articles of Association, the Supervisory Board consists of three members who are elected by the Annual General Meeting. The board oversees the company's managerial leadership and serves the Management Board in an advisory capacity. Drawing on the findings of the auditor's report, the Supervisory Board approves the annual financial statements and the consolidated financial statements. Furthermore, the board appoints and dismisses the members of the Management Board. The work of the Supervisory Board is governed by its own business bylaws. The members of the Supervisory Board are required to disclose to the Supervisory Board any conflicts of interest, particularly those that could arise from consultation or executive responsibilities with customers, suppliers, lenders or miscellaneous business partners. In fiscal year 2010, no conflict of interest among members of the Supervisory Board of vwd AG occurred. Contracts covering consulting, services or employment that a member of the Supervisory Board concludes with the company require the consent of the Supervisory Board. At the moment, a consultant contract covering legal services is in force with Nieding + Barth Rechtsanwaltsaktiengesellschaft in Frankfurt / Main, Germany. The chairman of the Supervisory Board, Klaus Nieding, is an attorney, a member of the Management Board and shareholder at Nieding + Barth Rechtsanwaltsaktiengesellschaft. Furthermore, a contract covering consultation services involving M&A transactions has been concluded with Supervisory Board member Ernesto A. M. Mancosu.

Operating principles of the Management Board and Supervisory Board

The Management Board and the Supervisory Board work continuously and closely together in accordance with sound, responsible corporate governance for the collective good of the company. Their common goal is to secure the company's continuation as an ongoing concern and to create sustainable value. In its leadership of the company, the Management Board receives regular consultative support from the Supervisory Board. Both boards jointly determine the strategic direction of the vwd group. For critical company decisions, the Supervisory Board is consulted at an early stage. The Management Board and the Supervisory Board remain in close contact in a process that ensures a continuous flow of information and discussion. The Management Board regularly reports to the Supervisory Board about current business developments and key business events. The Management Board and the Supervisory Board jointly analyze any deviations from the company's fixed business targets. They also examine the company's risk position, including the need to make modifications to the company's risk management.

You can find additional information, in particular about the current members of the Supervisory Board and the activities of the Supervisory Board in the Report of the Supervisory Board in the 2010 Annual Report.

INFORMATION ON THE REMUNERATION SYSTEM

The remuneration report details the basis of compensation for the Management Board and Supervisory Board of vwd AG as well as its structure and size. The remuneration system of vwd AG contains various compensation components for members of the Management Board and Supervisory Board. The remuneration report is contained in the Group Management Report on pages 37 and 38 and is a component of the Corporate Governance Report.

The vwd AG Articles of Association include the possibility of providing stock options. Currently, there is no active stock-option program.

DIRECTORS' DEALINGS

The members of the Management Board and the Supervisory Board as well as persons closely associated with them are required under § 15a of the German Securities Trading Act (Wertpapierhandelsgesetz) to disclose significant acquisitions or sales of shares in vwd AG. During the reporting period, the company received no such notifications.

STOCK OWNERSHIP

As of December 31, 2010, the number of vwd AG shares in possession of all members of the Management Board and the Supervisory Board totaled more than 1 percent of the stock issued by the company. As a result, this ownership must be disclosed under No. 6.6 of the GCGC:

STOCK HOLDINGS OF VWD AG'S MANAGEMENT BOARD MEMBERS AS OF DECEMBER 31, 2010

Name	Function	Number of shares	Share in %
Edmund J. Keferstein*	Management Board	3,889,454	15.1
Spencer Bosse	Management Board	1,202,780	4.7
Joachim Lauterbach**	Management Board	0	0
Total		**5,092,234**	**19.8**

* Partly owned indirectly through EJK Investment und Beteiligungs GmbH & Co. KG, which he controls.
** until January 31, 2010

STOCK HOLDINGS OF VWD AG'S SUPERVISORY BOARD MEMBERS AS OF DECEMBER 31, 2010

Name	Function	Number of shares	Share in %
Klaus Nieding	Supervisory Board	0	0
Pieter van Halem	Supervisory Board	0	0
Ernesto A. M. Mancosu*	Supervisory Board	0	0
Dr. Rainer Marquart**	Supervisory Board	0	0
Total		**0**	**0**

* from May 6, 2010
** until March 26, 2010

STOCKHOLDERS AND THE ANNUAL GENERAL MEETING

The stockholders of vwd AG exercise their rights at the Annual General Meeting, including their voting rights. At the Annual General Meeting, they may cast their vote themselves, by proxy or by means of a designated representative of the company who is bound to vote as instructed. Items on the agenda at the meeting generally include the presentation of the annual financial statements approved by the Supervisory Board and the approved consolidated financial statements, the election of stockholder representatives to the Supervisory Board, the resolution on the distribution of profit, the formal approval of the actions of members of the Management Board and Supervisory Board, the appointment of the auditor and amendments to the Articles of Association. On May 6, 2010, the Annual General Meeting of vwd AG was held in Frankfurt. This meeting gives us the opportunity to communicate directly with our stockholders. For this reason, we are very interested in having a large number of shareholders present at the Annual General Meeting. In the weeks leading up to the meeting, all stockholders receive in-depth information about the past fiscal year from the annual report and an invitation to the Annual General Meeting. All documents and materials related to the Annual General Meeting are available on the company's home page.

TRANSPARENCY FOR THE BENEFIT OF OUR STAKEHOLDERS

To ensure the greatest possible transparency and trust of our shareholders, customers, employees and the public in the operations of the group as well as its management and supervisory structure, the financial communications of vwd AG are designed to provide timely, equitable information to all target groups. All stakeholders of vwd AG can use the company's home page to gain detailed, up-to-date information about our company as well as current and past company data. On this Web site, vwd AG publishes its entire financial reporting. In a financial calendar on its home page, the company announces the dates of important recurring events, including the date of the Annual General Meeting and the publication of financial reports. Reporting about the condition of the company is carried out in regular interim statements, the half-year financial report and the annual report. As part of the company's release of its financial results, vwd AG conducts meetings with investors, financial analysts and journalists. The company also makes presentations about itself at important investor and analyst conferences. Information that could have an impact on the price of the vwd share is always communicated in ad hoc releases. Furthermore, voting-rights announcements, securities transactions carried out by persons with managerial responsibilities that are subject to disclosure and other disclosure requirements laid down by the German Securities Trading Law are disseminated through far-reaching means of communication. vwd AG compiles all company-relevant publications from the previous year in an annual document to provide a quick overview of critical company announcements.

ACCOUNTING AND AUDITING

We regularly inform our shareholders and the public about the earning, financial and asset position of vwd AG in financial reports.

The consolidated financial statements of vwd AG are published in an annual report that is distributed following the end of the fiscal year (December 31). The Supervisory Board is consulted at an early stage about the preparation of the annual financial statements and the consolidated financial statements, and approves them. The business results of the first half of the year (June 30) are published in a half-year report. Interim results are jointly discussed by the Management Board and the Supervisory Board before publication in the half-year financial report or interim statements.

The preparation of accounts at the vwd Group is done in accordance with International Financial Reporting Standards (IFRS). The financial statements of vwd AG are prepared in accordance with the German Commercial Code (Handelsgesetzbuch). The selection of the auditor of the annual financial statements, the auditor of the consolidated annual financial statements as well as for the person to review the half-year financial statements is done by the Annual General Meeting on the basis of recommendations of the Supervisory Board. In response to this vote, the Supervisory Board issues the contract to the auditor. The auditor for fiscal year 2010 was Stüttgen & Haeb Wirtschaftsprüfungsgesellschaft, Düsseldorf.

INSTRUMENTS OF CORPORATE GOVERNANCE

Controlling, risk management and compliance are integral components of corporate governance.

Controlling

The Management Board has extensive control processes at its disposal to conduct its value-oriented management processes. In these processes, all business segments of the company are included in a uniform, value-focused management system. Both earnings and risks parameters are simultaneously considered in the overall control system of the company. In the process, the goal is to separate positive and negative options. At the heart of this process is the transparent and consistent formulation of targets, alternatives and financial forecasts. Regular analyses are conducted within the framework of a systematic planning, management and control cycle to review the financial projections. In addition to detailed one-year plans and rolling multi-year plans, the standardized control processes include calculating regular financial forecasts of the annual result throughout the year.

Risk management

In addition to appropriate regulations of stock-corporation and trade law, good corporate governance requires a responsible approach to risks. The Management Board has made certain that a suitable risk-management and risk-monitoring system is in place at the company. As part of our value-focused company management, risk management assures that risks are identified and analyzed at an early stage and that they are promptly counteracted. The effectiveness of our internal monitoring mechanisms is reviewed on a regular basis. Additional information about risk management is contained in the risk report on pages 38 to 42, which also contains the report about the internal risk-management system and about the internal control system in relation to the accounting processes as required by the German Accounting Law Modernization Act (Bilanzrechtsmodernisierungsgesetz).

Compliance

For vwd AG, pursuing economic, environmental and social activities in a sustainable manner is an essential component of its corporate culture. This also includes integrity in dealing with employees, business partners, shareholders and the public. As a service-provider company, vwd AG relies on impeccable conduct to gain and maintain the trust of customers and business partners. We aim to conduct business in an honest, credible and dependable manner and act accordingly. vwd AG therefore understands compliance as the adherence to laws, statues and the Articles of Association as well as the adherence to internal rules.

RECOMMENDATIONS OF THE GERMAN CORPORATE GOVERNANCE CODE

During the past fiscal year, the Management Board and the Supervisory Board focused intensely on complying with the recommendations and suggestions contained in the code. One particular focal point of this work was the new requirements contained in the version of the code in the version dated May 26, 2010. For fiscal year 2010, the Management Board and the Supervisory Board jointly issued in January 2011 a declaration of compliance pursuant to § 161 of the German Stock Corporation Act (Aktiengesetz). In this statement, vwd AG declared that it was in compliance with most of the recommendations contained in the code and that it was voluntarily following a large number of the suggestions. The Management and Supervisory Boards explain which recommendations were not followed in this declaration.

DECLARATION OF COMPLIANCE PURSUANT TO § 161 OF THE GERMAN STOCK CORPORATION ACT FOR FISCAL YEAR 2010

The Management Board and the Supervisory Board of vwd Vereinigte Wirtschaftsdienste AG declare that as of January 1, 2011, they were in compliance with the recommendations of the Government Commission of the German Corporate Governance Code in the version dated May 26, 2010, with the following exceptions:

1. The company's shareholders do not have the option of exercising their personal rights at the Annual General Meeting by absentee ballot (code No. 2.3). The company's Articles of Association make no provision for absentee ballots. In order to keep the costs associated with organizing and conducting the Annual General Meeting as low as possible, no consideration is being given by the Annual General Meeting at this time to the possibility of proposing an amendment to the Articles of Association that would permit the use of absentee ballots.

2. The current D&O insurance policy for the Supervisory Board will continue to contain no deductible (code No. 3.8). In the company's opinion, a deductible is not conducive to improving responsible action by the Supervisory Board.

3. The Supervisory Board forms no committees (code No. 5.3). As a result of the company's clear organization and the three-member structure of the Supervisory Board, it is not necessary to form committees. The members of the Supervisory Board remain in close contact with one another and with the Management Board. This enables them to respond promptly and flexibly to business-related issues. The Supervisory Board will be consulted at an early stage about the audit of the annual financial statements – as far as possible. This means that the formation of an audit committee is also not necessary.

4. The Supervisory Board has no concrete objectives regarding its composition (code No. 5.4.1). With a Supervisory Board consisting of only three members, there is little leeway for diversified composition. In the future, the Supervisory Board will consider the diversity aspect in its composition to the greatest extent possible.

5. The members of the Supervisory Board receive only a base salary (code No. 5.4.6). In the company's opinion, participation by the Supervisory Board in the company's success is not a suitable way to promote responsible actions. The remuneration paid to members of the Supervisory Board or the provided benefits for personally rendered services, particularly consultative and mediation services, are not reported in the corporate governance report (code No. 5.4.6). Rather, this information appears in the notes to the consolidated financial statements pursuant to IAS 24.

The Management Board and the Supervisory Board declare that vwd Vereinigte Wirtschaftsdienste AG has complied with the recommendations of the Government Commission of the German Corporate Governance Code in the version dated May 26, 2010, since the issuance of the last declaration of compliance (January 2010) through December 31, 2010, with the following exceptions:

1. The company's shareholders do not have the option of exercising their personal rights at the Annual General Meeting by absentee ballot (code No. 2.3). The company's Articles of Association make no provision for absentee ballots. In order to keep the costs associated with organizing and conducting the Annual General Meeting as low as possible, no consideration is being given by the Annual General Meeting at the this time to the possibility of proposing an amendment to the Articles of Association that would permit the use of absentee ballots.

2. As of July 1, 2010, the company modified the D&O insurance policy for the Management Board and added a deductible to it (code No. 3.8). The current D&O insurance policy for the Supervisory Board contains no deductible (code No. 3.8). In the company's opinion, a deductible is not conducive to improving responsible action by the Supervisory Board.

3. The Supervisory Board forms no committees (code No. 5.3). As a result of the company's clear organization and the three-member structure of the Supervisory Board, it is not necessary to form committees.

4. A Supervisory Board of only three members provides very little leeway for diversified composition. For this reason, the Supervisory Board has no concrete objectives regarding its composition (code No. 5.4.1).

5. The members of the Supervisory Board receive only a base salary (code No. 5.4.6). In the company's opinion, participation by the Supervisory Board in the company's success is not a suitable way to promote responsible actions. The remuneration paid to members of the Supervisory Board or the provided benefits for personally rendered services, particularly consultative and mediation services, were not reported in the corporate governance report (code No. 5.4.6). Rather, this information appears in the notes to the consolidated financial statements pursuant to IAS 24.

Frankfurt/Main, January 2011

For the Supervisory Board of
vwd Vereinigte Wirtschaftsdienste AG

KLAUS NIEDING
Chairman of the Supervisory Board

For the Management Board of
vwd Vereinigte Wirtschaftsdienste AG

EDMUND J. KEFERSTEIN
Chairman of the Management Board

Interview with the Management Board

Above all, we need more transparency

In the following interview, Edmund J. Keferstein, Chairman of the Management Board of vwd AG, discusses his views about the future direction of financial markets as well as the instruments that can be used to improve risk assessment and increase the transparency of investment products.

Has the global financial crisis now faded into the past or do problems like those experienced by Ireland show that additional government-sponsored rescue packages will be needed to reinforce stability?
Edmund J. Keferstein: The financial crisis is definitely not over. With the government rescue programs, a certain approach has been taken to solve this problem, and it is no longer easy to reverse this approach. On the other hand, these types of rescue programs cannot be a permanent solution. Experience has shown that such things as a cross-border bankruptcy process for banks are not in place. A bank that has been poorly managed should be allowed to liquidate – just like any industrial company. Of course, the customers and investors must be protected in the process. But we need functioning markets in this sector, too.

The G-20 summit in Seoul has approved a reform plan for financial markets known as "Basel III." Is this sufficient? Or is there a danger of overregulation?
Generally speaking, the new regulations are welcome. The problem involves their application. You accomplish nothing when you create regulations in a global world for individual countries or business sectors that do not apply elsewhere. I do not think that the financial and capital market is really so heavily regulated. A number of regulations do indeed apply to banks today. But there are not any for market activities. You cannot simply hop into a car and take off on a city street. You first have to register the vehicle. There is no comparable and detailed review for financial products. There is a pent-up need here in terms of risk management. For this reason, I think the regulation lacks some balance.

What must be considered in creating more transparency in the investment market?
The key points are more clarity and comparability in terms of prices, product quality and the risks related to them. The problem is this: Over the term of an investment product, risks can massively increase or decrease. For this reason, you need dynamic risk classification like the type that the vwd group offers for certificates through its subsidiary EDG. Many major issuers voluntarily use this process and consider it to be a competitive edge that continually monitors the quality of their products and makes them transparent.

Should this process be extended to other areas?
Improved investor protection offered by uniform, easily understood information is an issue that is being discussed not only on the German level, but also on the European level. Within the framework of packaged retail investment products (PRIP), a uniform presentation standard is to be developed in the EU for all financial investments that expose an investor to market-price or other investment risks. The PRIP regulation is expected to be approved at the beginning of 2011 and make similar financial instruments comparable to one another. For this reason, we have already done some advance work and will offer dynamic risk classification for such things as precious metals; various stock indexes like the DAX, Eurostoxx or Nikkei; and all stocks listed on the DAX. Our portal finanztreff.de already offers such dynamic risk indicators for stocks or bonds.

EDMUND J. KEFERSTEIN
Chairman of the Management Board

What are the strengths of such a standardized investment process?
Thanks to our dynamic system, an investment adviser can conduct a risk assessment at any time for the investment products that he or she is recommending. After all, if you want to win back confidence in the market, more transparency and reviewability of individual offerings is needed. With the vwd group's product range, we deliver the right information to the advising process and open new business opportunities for banks in the process. As surveys have found, people in Germany want to invest more in securities if they have a better feel for the actual risks and more transparency is created.

Will all sources of risk be eliminated as a result?
It is an illusion to believe that there will be no more market swings or crises. In recent years, an enormous acceleration has taken place in markets. Any one who takes on high risks in anticipation of making big profits is well advised to closely track developments and to react very quickly. We supply the tools for this – both to professional market players like banks, asset managers, mutual funds and issuers as well as to private investors on our online platforms finanztreff.de and money-special.de along with special systems for private investors like Tai-Pan.

Financial Communications

The vwd Share

CONTINUED RECOVERY OF STOCK MARKETS

It was an astonishing year for stocks, which confirmed the expectations of major financial institutions' research departments that the rally experienced by leading stock indexes would continue in 2010. Prices continued to rise, a fact that many market players viewed as a sign that the global economic crisis was finally over. The economic data were good overall, particularly gross domestic product, which, at 3.6 %, rose to its highest level since German reunification. Exports climbed by an impressive 14.2 %, and the falling unemployment rate instilled confidence in consumers. In turn, this confidence helped retailers generate their highest level of Christmas sales in five years.

Germany's blue-chip index, the DAX, broke the 7,000 barrier for a short period of time during the reporting year. It closed fiscal year 2010 at 6,914.19 compared with 5,957.43 in the previous year. While the strength of the German economy represented a positive sign for Europe's economy and Germany is even being called the "economic locomotive" of the continent, Europe's leading stock index, the EuroStoxx 50, could not keep pace with the DAX. It finished the year at 2,792.82, compared with 2,968.49 in 2009. The situation was much different in the United States, where the Dow Jones Industrial Average (DJIA) rose by 11.02 % in the reporting year and concluded 2010 at 11,577.51.

PAYMENT OF FIRST DIVIDEND

Even though the vwd share profited to a lesser extent from the rise in global stock prices than other small- and mid-cap stocks did, the drop in the stock price was much less pronounced in 2010 than in 2009. The vwd share ended 2010 at € 2.94 (Xetra) compared with a closing price of € 3.01 (Xetra) in 2009. The company's capital share remains € 25,754,577 and is divided into 25,754,577 no-par value bearer shares. At the end of the year, its market capitalization totaled € 75.7 million. Analysts generally rate the share as a "buy," and one recommends it as a "hold."

To live up even more to the vwd group's commitment to be a value-oriented company, the Management Board decided to propose to the Annual General Meeting that a dividend should be paid for 2009 and that this payment should be used as a foundation for a regular dividend policy. On May 6, 2010, the Annual General Meeting approved the proposed dividend of € 0.04 per share for fiscal year 2009. A total of 15,692,802 shares was entitled to a dividend. The dividend for shares entitled to a payment totaled € 1,030,143.08. Despite the company's challenging business climate, the dividend policy is to be maintained for 2010.

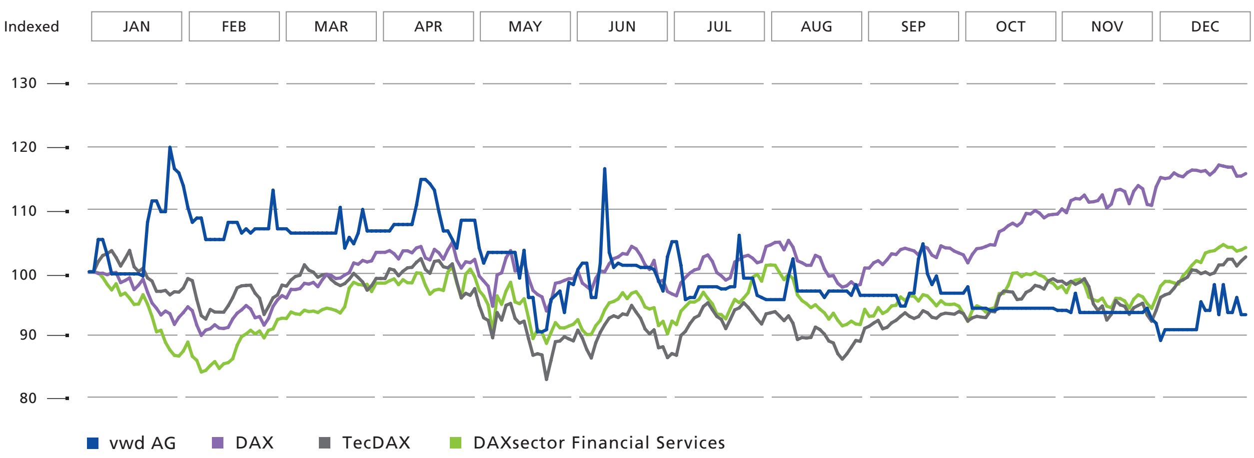
During the reporting year, 10,060,775 shares were subject to a loss of rights pursuant to § 59 of the German Securities Acquisition and Takeover Act (Wertpapiererwerbs- und Übernahmegesetz). As a result of non-payment of the dividend for these shares, the company retained a payment totaling € 402,431.00. As a result of this loss of rights, a shift in the majority ownership of vwd AG has occurred. CornerstoneCapital Beteiligungen GmbH now holds 60.2 % of the voting rights. An additional 24.8 % of voting rights is held by the Chairman of the Management Board, Edmund J. Keferstein, or indirectly through EJK Investment und Beteiligungs GmbH & Co. KG, which is controlled by him. A 7.7 % stake is held by the Management Board member Spencer Bosse. The free float totals 7.3 %. The rights of the 10,060,775 shares could be reinstated at any time under certain conditions and result in a new change of the majority stockholder.

CONTINUED DIALOGUE WITH THE CAPITAL MARKETS

During the past fiscal year, we adapted our work with the company's shareholders to the changes occurring in international capital markets and optimized our dialogue with these markets. We expanded our personal relationships with the capital-market players by holding conferences for analysts and investors. We also consider our contact with private shareholders to be a critical element of our investor-relations work. We continued to intensely cultivate this relationship last year. On May 6, 2010, we held our regularly scheduled Annual General Meeting in Frankfurt/Main as the central event for our shareholders. A total of 93.9 % of capital entitled to voting rights was represented. All proposals submitted by administrative officials were approved by large majorities. Two of last year's most important issues related to the capital markets were the business situation of the vwd group and the company's first dividend payment.

In the investor-relations section on the company's home page, you will find additional information about the vwd share. This includes financial reports, interim statements, the financial calendar, presentations made at investor conferences, statements on the Corporate Governance Code, annual documents and up-to-date information on the stock price. If you would like to contact us, we look forward to receiving your e-mail at investorrelations@vwd.com

PERFORMANCE OF THE VWD SHARE 2010 (INDEX 100 = CLOSING PRICE ON DECEMBER 31, 2009)



VWD DATA MANAGER

Integrate both exchange and non-exchange data into your software solutions and applications and provide real-time prices, indexes and rates to the places you need them in your company.

VWD DATA ANALYTICS XL

Put together a package of real-time financial market information based on your very own needs. Calculate and display your results using Microsoft Excel.

COMPANIES receive targeted information from us and can individually process it in their own systems. Our solutions are designed for the easy integration of the information supplied into your IT infrastructure and processes. Both the modular composition of the data packages and the array of interfaces and data formats ensure fast, tailored integration. You receive only the information that you really need.

The products shown here are representative examples of the broad range of products and services offered by the vwd group. We will be happy to talk to you about our complete offering.

Group Management Report

Business Development and Parameters

OVERVIEW

BUSINESS ACTIVITIES

The vwd group, based in Frankfurt am Main, Germany, is one of the leading European providers of tailored information, communication and technology solutions for the strategic securities business. The company is a full-service provider in asset management, retail banking, private banking and wealth management. It specializes in serving the individual needs of customers in these areas. Through its technologically cutting-edge financial-information systems, its portfolio-management systems, its outsourcing and its marketing services, the company provides comprehensive assistance to customer processes in this segment.

In providing these services, the vwd group is in a position from which it can support its clients' complete securities-sales and management process, extending from the public offering, distribution, analysis and investment to consulting and administration. In the area of investor consulting services, the company plays a key role by creating transparency and sustainability as well as provides leading players in international financial markets with financial-market data and customized, innovative software solutions.

The company's product and solution portfolio is divided into three business segments, all of which reflect the group's expertise: standardized products ("Market Data Solutions" – MDS), individual and innovative customer solutions and services ("Technology Solutions" – TS) and, finally, target-group-specific publication, marketing and classification concepts ("Specialised Market Solutions" – SMS).

1. The "Market Data Solutions" segment provides standardized solutions based on a comprehensive range of available financial-market data and develops them to serve customers' individual needs. These solutions facilitate the consolidation of more than 4 million securities with customer data and their administration. This includes market-data systems, browser-based applications and comprehensive portfolio-management solutions for banks, savings banks, asset managers and companies.

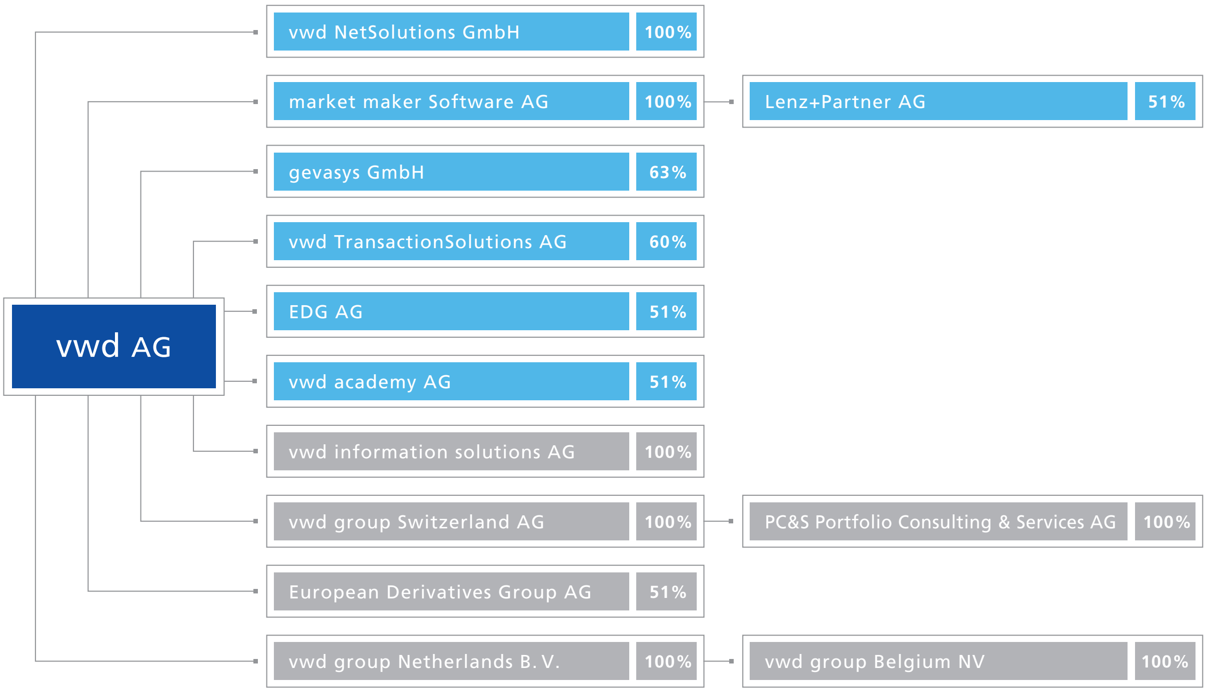
2. The "Technology Solutions" segment processes customer-specific financial-market information across various media and offers it as a technology-based outsourcing process, among other things. As the European market leader in this area, the vwd group provides a range of market data to about 350 daily newspapers, financial publications and television stations. Other products in this area include financial-analysis tools, mathematical finance libraries for calculating financial products as well as the conception and implementation of professional Websites for banks, online brokers and media. The vwd group also hosts such complex applications as real-time trading systems in its own computing center.

3. The "Specialised Market Solutions" segment provides issuers of securities with tailored, cross-media publication and marketing concepts tailored to corresponding target groups. These services include special advertising formats for the products of issuers and the advertising industry as well as the dissemination of important financial and price information of financial service providers and issuing houses through the print media and multi-media options. As part of a new business pillar in the segment, comprehensive, transparency-promoting risk indicators and product-quality characteristics are continuously calculated and provided to professional and private market players through various platforms.

GROUP STRUCTURE

The operational business of the vwd group is carried out by the listed vwd Vereinigte Wirtschaftsdienste AG ("vwd AG") with offices throughout Germany and its subsidiaries. Outside Germany, the group is represented by one company each in Belgium and the Netherlands as well as four companies in Switzerland. In recent years, the Group's structure has been constantly expanded through acquisitions. In fiscal year 2010, no acquisitions were made. As a result, the vwd group could increasingly focus on integrating companies it acquired in the past.

GROUP STRUCTURE OF THE VWD GROUP



■ Companies outside Germany

GROUP MANAGEMENT

All key decisions affecting the Group are made by vwd AG, which is run by its Management Board. Until January 31 of fiscal year 2010, the Management Board of vwd AG consisted of three members: Messrs. Edmund J. Keferstein, who is also Chairman of the Management Board, Spencer Bosse and Joachim Lauterbach. On January 29, 2010, Mr. Joachim Lauterbach resigned from the Management Board effective January 31, 2010. On December 22, 2010, the Supervisory Board appointed Dr. Andreas Dahmen to the Management Board effective January 1, 2011. On the board, Dr. Dahmen has assumed responsibility for finance.

The Management Board's work is monitored and assisted by the Supervisory Board. The Supervisory Board consists of Chairman Klaus Nieding and Vice Chairman Pieter van Halem. Effective May 6, 2010, Mr. Ernesto A. M. Mancosu (a financial expert) was named to the Supervisory Board through court appointment. He replaced Dr. Rainer Marquart, who resigned from the Supervisory Board on March 26, 2010.

OBJECTIVES

As the largest provider of financial information in Germany, the vwd group plays a major role in the functional capability of capital markets. The company makes it possible for the information generated by capital markets to be processed and disseminated to customer advisers in savings banks and cooperative banks, asset managers in banks, company treasurers and private investors. One declared objective of the vwd group is to continue to increase the depth of its information and the networking of its services in order to provide even more transparency to capital markets. After all, if true transparency about the risks and opportunities of financial products is available, then investors can make the right individual decisions about their actions. The vwd group is living up to this commitment by offering new innovative product solutions and, as a result, can do much to restore and strengthen confidence in financial markets. The interests of stockholders, employees, customers and business partners of the vwd group are given just as high priority as the sustainable enhancement of company value is.

GROWTH STRATEGY

The vwd group is well positioned in the submarkets where it does business and will continue to expand its position. The market in which we compete has undergone extensive change. Calls for increased consumer protection and liability risks in investment counseling have not faded. In response, the company acted at an early stage to ensure that it becomes one of the market leaders in the area and can profitably exploit this position. This development will play a significant role in the future growth of the vwd group. This includes the implementation of the vwd business model in newly tapped markets, the expansion of autonomy through increased direct links to international stock exchanges and the expansion of the product range to cover a standardized investment process. In this area, we have a very interesting and unique competitive position. One of our strengths is our ability to network the completely different internal interfaces of our bank customers. We have continued to terminate our relationships with vendors, and our data autonomy has been increased further. The vwd group is one of the few companies in the world that is capable of directly collecting and distributing data. As a result of its past acquisitions, the company can leverage high internal cost synergies. For our customers, we can offer new pioneering solutions. Regulation of financial markets has evolved into a critically important trend that the vwd group intends to exploit throughout Europe. Beginning in 2011, we expect to be able to generate considerable organic growth once again. At the same time, we are planning to achieve growth through acquisitions. The opportunities for this have never been better in Europe, where we already do business in the Netherlands, Belgium and Switzerland. The opportunities of expanding the scalable business model within Europe are very good, and discussions about introducing it to other markets are already being held.

COMPANY MANAGEMENT

To bolster the company's long-term capital appreciation, the vwd group employs an internal, value-oriented management system. The management is carried out with the help of operational key performance indicators that make the strategic goals assessable in terms of growth and profitability. These include the sales figures of the individual segments as well as company-related profitability figures. A key measure of profitability at the vwd group is earnings before interest, taxes and depreciation and amortization (EBITDA). In addition to individually set goals, EBITDA is also used as metric for performance-based remuneration of our managers and other employees who are not covered by collective-bargaining agreements. We also focus on earnings per share, which encompasses all operational and non-operational earnings components and reflects the company's overall performance. This indicator is based on the company's total earnings, which are then divided by the number of outstanding shares. In addition to the management steps described here, the vwd group uses planning and control processes to provide information to decision makers. The starting point of these processes is the company's strategic planning, which results in a multi-year plan. On a highly concentrated level, the company then determines future growth and profit drivers.

BUSINESS ENVIRONMENT

Following the worst economic crisis since the end of World War II, global gross domestic product (GDP) grew by an impressive 5 % in 2010 after contracting by 0.6 % during the recession year of 2009, according the International Monetary Fund. For this calendar year, the IWF is projecting that growth of global GDP will slow slightly and reach 4.4 %.

Of the major euro-zone countries, Germany generated the strongest recovery following the recession year of 2009. The strength of the German economy has now become a major driver of Europe's economic growth. On the other hand, the gap in economic growth separating Germany and the northern EU countries from southern European countries is widening. The only way out of this situation is seen as restoring confidence by taking economic consolidation steps in countries that have already been hit by problems or are susceptible to them and bolstering growth by introducing reforms. In May of this past fiscal year, EU financial ministers approved a huge € 750 billion rescue plan. The aid package was put together with the help of the International Monetary Fund. It is designed to prevent endangered countries, including Greece and Ireland, from becoming insolvent.

Fortunately, the strength of Germany's export-driven recovery is also spreading to domestic demand. In its forecast released last fall, the EU Commission projected that German GDP would rise by 3.7 % in 2010. For the entire euro zone, it forecast growth of 1.8 % for 2010.

In response to economic developments, stock markets around the world rose sharply throughout 2010. Germany's blue-chip index, the DAX, finished the year of 2010 at 6,914, 16 % above its previous year's close of 5,957.

MARKET

The macroeconomic upswing seen in 2010 has not yet reached the financial sector. Money and capital markets have indeed calmed. But they remain nervous and continue to react unpredictably to market events. The changes experienced by the entire finance industry have been simply too dramatic for it to be able to quickly return to business as normal in comparison to other industries. The market for financial information and services contracted in 2010. Leading providers had to accept lower sales and reduced profit margins during the reporting year. The key reasons for this were the layoffs made in the financial industry at the height of the financial crisis and the hesitancy to refill the positions. This resulted in an overall decrease in demand for terminal products. The continued pressure on banks and financial-market players to cut costs has also had a negative impact on the solution and project business. As a result, the number of calls to submit bids for new projects fell sharply in 2010. One other negative factor was that investments in existing IT infrastructures rose as a result of the increasing depth of information and growing data volume on world stock exchanges. At the same time, vwd AG was able to defend its position in this challenging market environment, even if it was unable to prevent decreases in sales and margins from occurring.

The consolidation process in the sector picked up considerable speed during the past fiscal year, including the announcement of company takeovers. While the vwd group has made a number of acquisitions in the past, it obtained no new companies in 2010. Against the backdrop of increasing regulation and the new business and legal conditions expected in capital markets, the structural changes in the financial industry, particularly in the markets where the vwd AG does business, also offer opportunities for innovations.

COMPETITON

The market for financial information is highly competitive on both a national and international level. High market-entry barriers created by the availability of technological know-how, system availability, company size and the necessary capital strength mean that the market in general is very closed and the overall number of competitors is limited. The work involved in setting up links to global stock markets and non-exchange data sources as well as their maintenance become worthwhile only once a critical size has been reached. And the vwd group has this size. The use of aggregated data in special applications requires extensive software-related application and integration know-how, expertise that vwd has built up over a number of years. In terms of competition in individual areas, the data, rights and technology base has become an important competitive factor. This competitive environment is dominated by the two global providers Thomson Reuters and Bloomberg, which generate the biggest share of sales in the business of market-data provision. Both providers primarily focus on the area of investment banking, where vwd has consciously decided to do only a limited amount of business. Several international providers whose sales volumes are much lower than that of the market leader also exist. But there is no comparable competitor in terms of the vwd group's size in Europe. One reason for this is that vwd has specialized in certain submarkets within the overall market. As the only full-service provider, vwd AG serves its relevant target markets with a clearly defined product range. Some of these markets have national companies with which vwd competes. But these companies are facing ever increasing cost pressure and are trying to ward off the ongoing market-consolidation process. The vwd group intends to exploit its opportunities in this market environment and to continue playing an active role in the consolidation process.

RESEARCH AND DEVELOPMENT

Maintaining our customers' high levels of satisfaction and strengthening the market share of target groups relevant to the vwd group are two critical elements in the company's success. For this reason, the group has been heavily investing in development research since it was established with the goal of always providing customers and interested parties with the most innovative, high-performance software products and services that meet customers' needs. Drawing on cutting-edge technology, the development work done by the vwd group focuses on both refining existing solutions and creating new innovative applications.

In fiscal year 2010, the 3.1 version of the "vwd market manager" was introduced. The "vwd market manager" enables the user of real-time financial information to make the best possible decisions involving financial transactions and financial investments. The "vwd market manager" is one of the most widely used premium products offered by the vwd group. The new version offers considerable improvements that provide even better support to users working to design and optimize their work processes. Users can employ the time they gain to optimize their decisions and expand their business relationships. The "vwd market manager" is now offered in two languages as well as in various country versions.

"vwd data analytics XL" is a self-contained add-in for Microsoft Excel that enables financial information to be compiled, calculated and visualized according to personal criteria. It provides access to real-time and delayed data of stock markets, banks and brokers. It also provides users with tick-by-tick time series. Other features include shortcuts, chain functions and the parallel retrieval of various instruments. The use of "vwd data analytics XL" enables presentations to be enhanced with comprehensive data and analyses.

During fiscal year 2010, the vwd group completed development work on the innovative "vwd sales process solution" begun in 2009 and then brought it to market maturity. The "vwd sales process solution" structures and keeps a record of the consulting process for banks and asset managers. At the same time, it ensures that all users are able to advise their clients in a legally compliant manner and to meet the consulting and documentation requirements pursuant to a legal change that took effect on January 1, 2010, the German Act Against Improper Counseling in the Securities Business (Gesetz gegen Falschberatung bei Wertpapiergeschäften). The "vwd sales process solution" provides clients with an understandable record that includes the main points of the meeting with the counselor, the investor's needs as well as the recommendations by the adviser along with the main reasons for them. On the basis of the "vwd sales process solution," vwd is currently developing a solution that manages the investments in popular, liquid products offered by the financial market. The process focuses on the investor's risk appetite and individual interests.

In response to changes in financial markets and new investor behavior patterns, we conducted an extensive survey last year about financial investments and risk. The survey posed questions about investors' understanding of various types of investments and their risk appetite. The survey determined that investors want extensive information about value and risk trends during the entire investment phase. A total of 3,741 people responded to the survey by using various online media in April/May last year. The survey results buttressed the vwd group's resolve to make risk determination the focal point of investors' interests. This will be the key factor in the continued developmental work done by the vwd group. Through its analysis of investor behavior patterns and the development of new solutions for the investment process, the vwd group has gained the know-how that will shape future business activities.

For the stock-market and finance portal finanztreff.de, the company developed a new feature designed to visualize risk. A risk matrix shows known base assets like stocks, indexes, interest-bearing products and raw materials that not only are automatically assigned to risk classes, but also enable users to draw conclusions about their own personal risk profile. Thanks to the interaction, it becomes much easier for investors to begin thinking about the subject of risk. Because the matrix is continuously updated, investors can monitor changes in the risk of certain base assets over a longer period of time. The display of the risk classes in the matrix is based on the risk classifications made by EDG, a member of the vwd group, and represents another step in the integration of EDG ratings into the vwd product world.

As of December 31, 2010, 102 people (previous year: 97) were employed in software development. The development work is decentrally organized and is generally done by the subsidiaries.

EMPLOYEES

As of December 31, 2010, the vwd group had a workforce of 440 people, compared with 428 at the end of the previous year (excluding apprentices in each case). The primary reason for the increase was the decision to give full-time jobs to freelance employees. In taking this step, the vwd group was able to secure important know-how and prevent employees from leaving the company. With this decision, the Group is pointing its personnel policies in the direction of growth in spite of the challenging business environment.

BUSINESS DEVELOPMENT

While the vwd group was able to generate increased sales and stable earnings during the height of the global financial crisis, the company was unable to continue this trend during the reporting year as a result of its late-cyclical business. Following a five-year phase of growth and a nearly doubling of sales, the group experienced its first drop in sales and earnings. Nonetheless, the vwd group is extremely profitable.

The pronounced reluctance in the financial industry to make capital expenditures and the terminations of contracts announced during the financial crisis that took effect last year had a negative impact on us. In spite of numerous new contracts, which lagged behind our expectations, we were unable to completely offset all lost jobs. Some of our customers put off the addition of new systems or spread out previously initiated projects in order to optimize cost structures. In addition to our project business, our business with the sale of software licenses decreased as well.

Budget cuts for marketing and communication services continued to be made in 2010. We were only partially able to offset drops in sales through sales generated with new partners. With the Süddeutsche Zeitung, we added another important partner for the “vwd fonds service.” As a result, all leading national daily newspapers in Germany now use the “vwd fonds service.”

The business relationship with Augsburger Aktienbank continued to flourish and was expanded once again during this past year. With the introduction of the “vwd portfolio manager,” with which more than 8,000 portfolios can now be serviced with the standardized asset-management system, one of the largest projects in the bank’s nearly 50-year history in terms of this segment was completed in 2010.

The financial institution Hauck & Aufhäuser Privatbankiers upgraded its market-data supply system during the reporting year by introducing the “vwd market manager financial.” With the new information services provided by the vwd group, the bank gained tailored solutions to address the widest variety of needs among different departments. The bank has been using the “vwd portfolio manager” in its private-customer business since 2007. With this project, the vwd group has proven once again that the “vwd market manager” is a high-quality, innovative and low-cost alternative to the bank’s previous market-data system.

The vwd group developed and implemented the application ProTrade for brokerjet, the online broker of Erste Group Bank, which, along with Austria’s savings banks, is one of the country’s largest banking groups and the leading financial services provider in central Europe. Thanks to brokerjet, vwd was able to further expand the product’s reach and introduce it into such markets as the Czech Republic and Slovenia. Given the underdeveloped state of the financial system in Eastern Europe, though, market expectations are very low.

VWD QUOTESERVICE MEDIA

Call on us: We compose and supply print-ready financial-market sections with an individual layout for the print media, conserving your internal resources in the process.

MONEYSPECIAL

Display your financial and stock-market information in a professional, user-friendly manner on your home page and expand the expertise of your business and financial areas.

VWD MAX VALUE

Profit from our attention-grabbing, target-group-focused special forms of advertising for the print media. We will take care of the implementation and marketing for you.

PRINT AND ONLINE MEDIA can increase their level of usefulness for their readers and users with our assistance. We compose high-quality content for you at a low cost. Our services extend from content delivery to the complete preparation and dissemination of the necessary information. As a result, you will strengthen reader loyalty to your medium as well as increase page impressions und session length on your home page. Our range of services is rounded out by attractive advertising and marketing concepts as well as the opportunity to generate additional sales.

The products shown here are representative examples of the broad range of products and services offered by the vwd group. We will be happy to talk to you about our complete offering.

The business relationship with Oldenburgische Landesbank AG (OLB) and its branch Allianz Bank was expanded. On behalf of Allianz Bank, we designed a professional stock-market section on the bank's home page. The vwd group also advised the bank about the design, the individual functions, content and applications. In 2009, we also made "vwd market manager financials [web]" available to 1,600 work stations at the OLB and its branch.

The vwd group was also very successful in its work with Deutscher Ring Financial Services GmbH by providing its solution for a structured fund-sales process, the "vwd sales process solution." With the "vwd sales process solution," the company received an innovative consulting and sales solution that supports the entire securities-advising process. We have gained an important reference customer in Deutscher Ring Financial Services GmbH, which is relying on the vwd group's state-of-the-art, legally compliant consulting process.

After the vwd group provided and supported the content of the price and stock-exchange sections of manager magazin ONLINE and SPIEGEL ONLINE in the past, the marketing of this area was also taken over. As part of the marketing of the financial portal operated and supported by vwd, a far-reaching partnership was set up with the Internet marketer Iq digital media. Overall, the vwd group was able in 2010 to further expand its position as an operator of online financial sites. A further expansion of the business relationship with the German business newspaper Handelsblatt should be mentioned in this regard, including a stronger partnership in the online area that will begin to have impact only in 2011. With the relaunch of the provision of price data for structured products, Handelsblatt, with the support of the vwd group, is setting new quality standards. As a result, Handelsblatt readers find product lists for certificates and warrants classified by risk and rating in their newspaper each day. Implementation of other media is already being prepared.

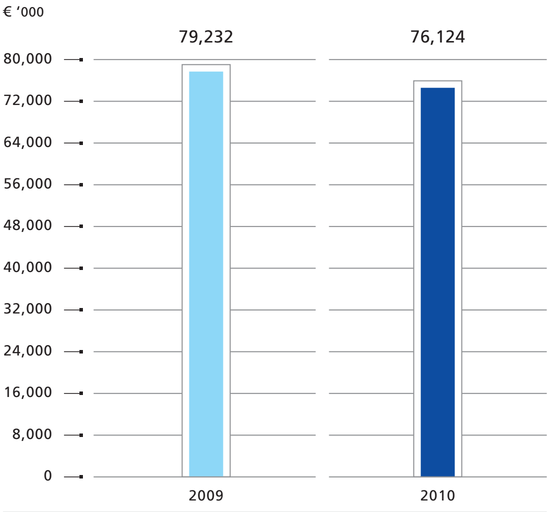
In the ongoing debate about responsible, long-range successful company management, the issue of sustainability has assumed a high priority. In fiscal year 2010, the business group also focused on the issue of sustainability and added it to the company's product world. In a first step, we and our partner facunda green AG created the online portal "green financials," which is devoted entirely to the topics of "green investment" and "sustainable financial investments," and was integrated into finanztreff.de. One reflection of our commitment to sustainability is our work with young people. With the technical support of the simulation game Börse (Stock Market) run by German savings banks, the vwd group once again did its part in 2010 to introduce secondary-school and college students at an early stage to the subjects of the economy and finance. Through the vwd financial portal finanztreff.de, the Börse game was supplied with all necessary securities' prices, news and, for the first time, videos. As a result the young players were able to manage their portfolios and make decisions just like real professionals. The important aspect was that the young, aspiring traders should learn how to properly deal with the risks and opportunities of the capital markets.

Within the Web business, the vwd group experienced both very positive and negative developments. On the one hand, a large online portal decided to stop operating its own financial portals in various European countries and to cancel its use of data supplied by the vwd group. On the other hand, the vwd group was able to offset the resulting drop in sales by expanding its online product range for print media. We also further expanded our business relationship with the German news channel n-tv.

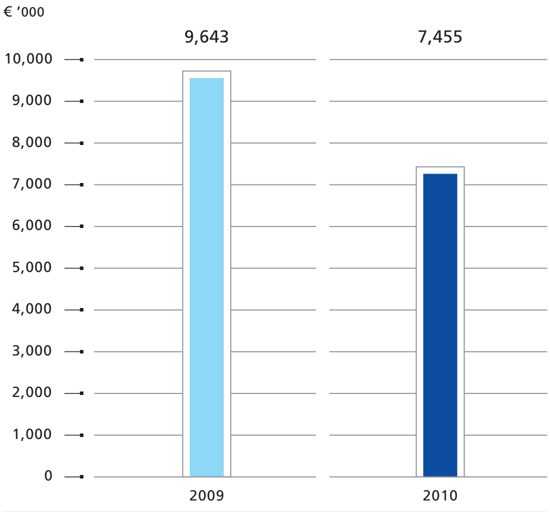
The customer relationship with DZ-BANK was also further strengthened. After the major project with the DZ-Bank announced in 2009 was successfully introduced and the new systems and solutions were fine-tuned to the point that they ran smoothly in daily operations, the vwd group was awarded other contracts in 2010. These contracts included the complete redesign of the certificate section on the WGZ-Bank's customer portal.

Demand for our cross-media publication and communication concepts remained weak overall. The chief cause here remains altered market conditions, particularly the continuing consolidation of the mutual-fund business through fund closures and combinations in 2010.

SALES



EBITDA



The company's transaction-related sales slipped slightly from the previous year's levels. The main reasons for this were lower trading volume on stock exchanges, which have not reached pre-crisis levels in spite of the rising prices. The business involving quantitative analysis of structured investment products that was acquired in 2009 remained almost constant compared with the previous year's result. By integrating ratings and the dynamic value-at-risk measures of about 300,000 securities into the vwd product world, the company laid the foundation for broader dissemination. The company continues to think the preparation of supplemental financial information will offer promising opportunities for expanding its business.

In Switzerland, the good position in the area of portfolio services was maintained. The area of market-data provision performed well in the process. After experiencing high start-up costs resulting from infrastructure replacement, vwd was able to achieve a slightly balanced result in this area for the first time. But the replacement of the outdated terminal solution with the "vwd market manager" caused a slight drop in sales.

In the Netherlands and Belgium, increasing numbers of vwd products and solutions were also sold. This work included the successful introduction of the "vwd market manager" at Wijs & van Oostveen and Comtessa Vermogensbeheer. Nonetheless, we were unable to fully offset the decreases in our regular business in these two markets.

In the first three quarters of this past fiscal year, the vwd group had to absorb setbacks. In the final quarter, though, it was able to do an extensive amount of catching-up. In the process, the company's performance in the fourth quarter was even stronger than the previous year, and the operational results of the company were better than could be expected in the summer. Nonetheless, this development was not enough to completely offset the decreases experienced in the first three quarters of the reporting year.

The lower expectations for the operational business in 2010 were fulfilled.

Report on the Earnings, Finance and Asset Situation

The figures presented in last year's Group Management Report were restated in accordance with IAS 8. For detailed information, we refer you to the consolidated financial statements.

ANALYSIS OF THE EARNINGS POSITION

As in previous years, a large share of sales in 2010 was produced on the basis of long-term contracts. In addition to long-range customer relationships, one-time sales were generated through licensing fees and individual developments. Overall, though, we were unable to achieve one-time sales equal to the previous year's level even though numerous projects were concluded.

During the previous fiscal year, sales fell by € 3,108.9 thousand (3.9 %) at € 76,123.6 thousand (previous year: € 79,232.5 thousand). As in previous years, software was internally produced. These internally produced items totaled € 202.4 thousand (previous year: € 315.2 thousand).

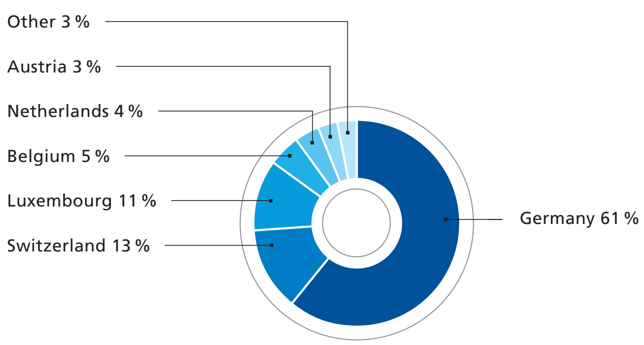
Overall, the vwd group generated total sales of € 76,326.0 thousand (previous year: € 79,547.7 thousand) with products and services related to the generation, processing, evaluation and use of financial information.

In addition to sales, other operating income of € 3,002.6 thousand (previous year: € 2,856.0 thousand) flowed into the total income of the vwd group. The other operating income consisted primarily of dissolution of provisions totaling € 595.6 thousand und the dissolution of liabilities totaling € 891.3 thousand. As a result of the loss of rights involving 10,060,775 shares, one-time income of € 402.0 thousand from retained dividends was produced. For the first time, all income and expenses of the group companies acquired in previous years throughout the entire reporting year were included. As a result of the fall in sales, material expenses fell as well. Expenses for transmission costs, information procurement, fees for downloading exchange data and other sales-related items amounted to € 26,842.0 thousand in 2010 (previous year: € 27,208.5 thousand). But the share of material expenses rose to 35.3 % (previous year: 34.3 %). The primary reason for this increase was the expansion of content offerings within the context of a cooperative bank project and reduced margins in the area of communication and publication services.

Despite the drop in sales, the vwd group increased its workforce in 2010. The group felt compelled to take this step because it is becoming increasingly difficult to attract highly qualified employees and it was determined to secure the company's future viability. As a result of the increased workforce, the full consolidation of EDG and provisioning, personnel expenses climbed by 2.3 % to € 32,845.6 thousand (previous year: € 32,096.0 thousand). The personnel-cost ratio rose from 40.5 % in 2009 to 42.2 % in 2010.

Other operating expenses decreased by 9.4 % to € 12,186.4 thousand (previous year: € 13,451.4 thousand). These expenses included rent and advertising as well as the costs

SALES BY REGION IN % (2010)



in € '000	2010	2009
Germany	46,362	47,186
Luxembourg	8,864	9,816
Switzerland	10,233	10,465
Belgium	3,629	3,930
Netherlands	2,874	3,114
Austria	1,969	1,544
Other:		
France	547	570
Ireland	513	739
Great Britain	497	922
Remainder of Europe	548	684
Remainder of the world	88	263
	76,124	**79,233**

of the stock-exchange listing, including expenses for the Annual General Meeting and investor relations, the auditor's fee along with expenses for market analysis and consulting services related to potential acquisitions. In addition, provisions for anticipated losses totaling € 459.1 thousand are included in other operating expenses.

Earnings before interest, taxes, depreciation and amortization (EBITDA) fell by 23.5 % to € 7,454.6 thousand (previous year: € 9,642.7 thousand). The EBITDA margin was 9.8 %, below the previous year's level of 12.1 %.

During the period under review, depreciation, amortization and impairment of intangible and tangible assets totaled € 4,316.4 thousand (previous year: € 3,943.4 thousand). Depreciation, amortization and impairment of intangible assets related to past acquisitions played a large role here. As a result, the purchase-price allocation for vwd group Netherlands B.V., vwd group Switzerland and the EDG business group resulted in write-downs totaling € 1,868.5 thousand (previous year: € 1,562.5 thousand). Write-downs on commercial rights and similar rights amounted to € 2,723.6 thousand (previous year: € 2,423.1 thousand), including write-downs on acquired customer bases of € 588.2 thousand (previous year: € 491.5 thousand). Write-downs on technical equipment amounted to € 1,129.2 thousand (previous year: € 1,061.2 thousand), write-downs on operating and office equipment totaled € 376.9 thousand (previous year: € 332.4 thousand) and write-downs on buildings on third-party land were € 130.7 thousand (previous year: 113.2 thousand).

KEY GROUP FIGURES

in € '000		2010	2009
Sales		76,123.6	79,232.5
EBITDA		7,454.6	9,642.7
EBITDA margin	in %	9.8	12.1
EBIT		3,138.1	5,699.3
Profit after tax (Group profit)		1,203.5	2,921.3
Earnings per share (undiluted)	in €	0.024	0.090

The goodwill impairment test led to the result that no write-downs for impairment had to be made.

For the reporting year, earnings before interest and taxes (EBIT) totaled € 3,138.1 thousand (previous year: € 5,699.3 thousand), a decrease of 63.4 %. The EBIT margin fell to 4.1 % (previous year: 7.3 %).

In fiscal year 2010, the financial result was € – 1,217 thousand (previous year: € – 1,014.3 thousand). This figure includes actual interest expenses totaling € 542.6 thousand (previous year: € 648.6 thousand). These expenses were significantly lower than the previous year's level due to improved internal financing and a decrease in liabilities. In connection with the existing put option to acquire the remaining shares in the EDG group of companies, interest expenses totaled € 695.7 thousand (previous year: € 400.5 thousand). As a result, overall expenses rose.

In 2010, the vwd group generated net income after taxes and before minority interests of € 1,203.6 thousand (previous year: € 2,921.3 thousand). The share allocable to other shareholders amounted to € 587.8 thousand compared with € 612.6 thousand the previous year. The share allocable to the vwd group totaled € 615.8 thousand (previous year: € 2,512.7 thousand).

Return on equity fell to 2.1 % during the past fiscal year compared with 8.4 % in the previous year. If the return on equity were adjusted for IFRS effects from the purchase-price allocation and the fictional interest expenses associated with the put option, return on equity would have been 10.4 %.

EARNINGS PER SHARE

Earnings per share were € 0.024 compared with € 0.090 in the previous year. The decrease results from the lower earnings after taxes compared with the previous year. Adjusted for the special IFRS effects from purchase-price allocation and the fictional interest expenses related to the put option, earnings per share would total € 0.120.

DIVIDENDS

As in the previous year, we will distribute an appropriate share of the company's earnings to our shareholders in fiscal year 2010. Based on the commercial accounts of vwd AG, we intend to increase the dividend for 2010. With this increase, we are taking account of the fact that the year of 2009 was negatively impacted by the reduction of loss carry-forwards from the integration of the former b.i.s. informationssysteme AG. For this reason, the Management Board will propose a dividend of € 0.05 per share (previous year: € 0.04) to the Annual General Meeting.

SEGMENT REPORTING

Market Data Solutions (MDS)

KEY FIGURES MDS

in € '000	2010	2009
Sales	35,410	36,337
EBITDA	3,824	4,505
EBIT	2,579	3,329

In the MDS Segment, sales with market-data systems, browser-based applications and portfolio-management solutions fell by 2.6 % to € 35,410.2 thousand (previous year: € 36,337.0 thousand). In this segment, recurring income remained at the previous year's level, while non-recurring income from the completion of major projects was not received during the reporting period. Furthermore, the business with private customers slowed. The segment's business in Belgium and the Netherland decreased slightly as well. Altogether, these effects resulted in a decrease in the segment's EBITDA of 15.1 % to € 3,824.1 thousand (previous year: € 4,505.0 thousand).

In this segment, amortization, depreciation and impairment of intangible assets totaled € 335 thousand (previous year: € 335 thousand) due to purchase-price allocation to be conducted. Overall, the segment's EBIT fell by 22.5 % to € 2,578.8 thousand (previous year: € 3,329.0 thousand). As a result, the MDS segment remains the group's segment with the biggest sales and highest profitability.

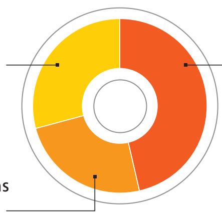
Technology Solutions (TS)

KEY FIGURES TS

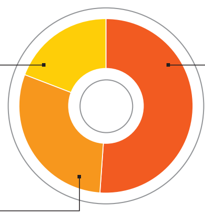
in € '000	2010	2009
Sales	18,515	19,888
EBITDA	2,211	2,458
EBIT	415	888

In the TS segment, where we offer technology and transaction solutions as well as consulting and outsourcing services, business slowed. The transaction business suffered from low sales volume, the result of the general situation on the capital market, and finished 2010 below the previous year's level. Our business with the provision of data for the market pages of print media, an area in which we remain the market leader in Germany, remained stable. While business with current customers performed normally in the TS segment, non-recurring income fell well below expectations as a result of a strong reluctance to make investments. In the previous year, two major projects helped generate sales gains. Furthermore, invoices could not be submitted for ongoing projects as expected, causing the segment's sales to fall by 6.9 % to € 18,514.9 thousand (previous year: € 19,888.0 thousand). EBITDA decreased by 10.0 % to € 2,211.5 thousand (previous year: € 2,458.0 thousand). Unlike past years, no major acquisitions were undertaken in the TS segment. While the market position in this segment should be seen in a very positive light, it is strongly impacted by

SALES BY SEGMENT IN THOUSAND €



EBITDA BY SEGMENT IN THOUSAND €



the amortization, depreciation and impairment of intangible assets due to the purchase price allocation to be conducted. The segment's EBIT decreased by 53.2 % to € 415.3 thousand compared with € 888.0 thousand in the year before. Adjusted for amortization, depreciation and impairment from purchase price allocation, EBIT totaled € 1,411.3 thousand (previous year: € 1.813,0 thousand).

Specialised Market Solutions (SMS)

KEY FIGURES SMS

in € '000	2010	2009
Sales	22,199	23,008
EBITDA	1,420	2,680
EBIT	144	1,483

With target-group-specific publication and communication concepts in daily newspapers and the business media as well as online marketing, the vwd group generated € 22,198.6 thousand in sales, 3.5 % less than the previous year's level (€ 23,008.0 thousand). We had only limited success in offsetting the strong drop in business with mutual-fund companies by gaining new partners. Furthermore, sales from online marketing stabilized only as the year progressed. The positive effects from the initial full consolidation of the EDG business group were unable to prevent the segment's EBITDA from falling by 47 % to € 1,420.0 thousand (previous year: € 2,680.0 thousand). Amortization, depreciation and impairment of intangible assets due to the purchase-price allocation to be conducted for the EDG business group resulted in a drop in segment EBIT of 90.3 % to € 144.0 thousand (previous year: € 1,483.0 thousand). Adjusted for the purchase-price allocation to be conducted, EBIT totaled € 583.2 thousand (previous year: € 1,771.0 thousand).

ANALYSIS OF THE FINANCIAL POSITION

FINANCIAL MANAGEMENT

Company financing has a high priority at the vwd group. The objective of financial management is to achieve a balance among the competing demands of profitability, liquidity, security and independence in terms of capital requirements and capital cover. Particular importance is attached to having a balanced relationship between equity and debt. Financing is designed in such a way that an optimal balance between equity providers and debt-capital providers is assured. The capital employed in the company must generate a competitive return over the long run and earn the costs of capital.

Of equal ranking with the aim to produce positive earnings results is the goal of having consistently positive cash flow. In addition to liquidity planning, the solvency of vwd is assured by sufficient access to contractually arranged lines of credit. The company's financing and liquidity are analyzed and adjusted on the basis of continuous reviews and multi-year plans. The group's financial policies are based on long-range, cooperative business relationships with credit institutions. This approach is designed to ensure that fresh capital can be quickly and efficiently obtained as a result of the good relationships with the banks.

FINANCING

The vwd group is solidly financed and further extended its good financial position in 2010 in spite of the weaker income situation. The vwd group covered a substantial part of its financing needs through a stable inflow of funds generated by ongoing business operations. Due to our continuing positive income situation, we achieved a positive cash flow from our operating business of € 7,264.5 thousand in fiscal year 2010 (previous year: € 4,505.4 thousand).

As a result of the continuous repayment of loans needed to make acquisitions, the company gained further financial freedom to acquire other companies in the future. In fiscal year 2010, no acquisitions requiring financing were made. The loan agreements concluded in the past contain covenants that require the vwd group to meet certain key financial metrics and to perform or desist from specific actions. The vwd group complied with all covenants during the past fiscal year. Overall, the gearing ratio of the vwd group fell significantly, decreasing from 44.1 % to 42.1 %.

As a result, long-term financial liabilities decreased by 20 %, from € 10,527.7 thousand to € 8,421.6 thousand.

As a result of a correction related to the pension obligations of two Swiss companies (IAS 8), provisions for pensions and other obligations rose from € 4,884.1 thousand to € 6,922.8 thousand. As a result of this accounting effect, non-current financial liabilities were nearly constant at € 18,631.6 thousand as of December 31, 2010, (previous year: € 18,521.1 thousand) in spite of the sharp drop in financial liabilities.

The vwd group can access operating lines of credit of € 14.9 million through its parent company, vwd AG. These lines of credit are partially used, subject to seasonal requirements, at the end of every fiscal year and are then cleared completely at the beginning of every fiscal

CURRENT AND NON-CURRENT LIABILITIES

in € '000	2010	2009
Financial liabilities	15,540.3	20,709.2
– thereof current	7,118.7	10,181.5
– thereof non-current	8,421.6	10,527.7
Trade payables	6,202.3	6,591.9
Advanced payments received	1,273.8	1,093.9
Tax liabilities	602.0	673.6
Other liabilities	12,453.8	12,015.6
Provisions (total)	9,806.8	7,109.5
Other	2,545.9	2,785.5
Total	**48,424.9**	**50,979.1**

year because of the very high liquidity flows. As of December 31, 2010, vwd AG had used lines of credit, subject to seasonal requirements, of € 5.0 million (previous year: € 8.1 million). As of January 31, 2011, the lines of credit had been completely repaid and a credit balance of € 6,241.0 thousand was posted (previous year: € 4,700 thousand). The decreased use of operating lines of credit resulted from both reduced investment activities and improved internal financing. As of December 31, 2010, liabilities toward credit institutions with a term of less than one year totaled € 7,118.7 thousand (previous year: € 10,181.5 thousand).

Liabilities toward suppliers decreased by 5.9 % to € 6,202.3 thousand (previous year: € 6,591.9 thousand). Advanced payments received climbed by 16.5 % to € 1,273.8 thousand (previous year: € 1,093.9 thousand). This increase is a positive sign, but is not a direct indicator for business that can be expected in 2011.

Other liabilities increased by 4.4 % to € 12,453.8 thousand (previous year: € 11,918.9 thousand). This figure includes € 5,944.5 thousand for possible purchase price payments arising from the put option to obtain the remaining 49 % of shares in the EDG Group as well as the corresponding minority interest in net income for 2010 in accordance with local generally accepted accounting standards (local gaap).

PROVISIONS

Other non-current provisions increased by 42.1 % to € 814.9 thousand (previous year: € 573.5 thousand). This resulted in particular from provisions for anticipated losses.

Current provisions climbed by 12.8 % to € 2,069.1 thousand (previous year: € 1,833.5 thousand). Current provisions were formed in anticipation of such actions as possible compensation payments to employees, expected license fees and other provisions made within the context of normal business activities.

As a result of the weakened income situation and prepayments of taxes, tax liabilities decreased by 10.6 % to € 602.0 thousand (previous year: € 673.6 thousand).

BALANCE-SHEET STRUCTURE

in € '000	2010	2009
Non-current assets	63,559.4	63,683.9
Current assets	14,372.3	17,268.7
Total assets	**77,931.7**	**80,952.6**
Equity and minority interests	29,506.8	29,791.9
Non-current liabilities	18,631.7	18,702.7
Current liabilities	29,793.2	32,458.0
Total liabilities	**77,931.7**	**80,952.6**

The good financial position of the vwd group resulted in an overall decrease in current liabilities of 8.2 % to € 29,793.2 thousand (previous year: € 32,458.0 thousand).

As a result of the decrease in liabilities, the equity ratio increased from 37.1 % to 37.9 %.

ANALYSIS OF THE ASSET POSITION

As a result of the slowdown in the operational business and the reduction in liabilities in 2010, the group's total assets decreased by 3.7 % to € 77,931.7 thousand (previous year: € 80,952.6 thousand).

Acquisitions and share increases made in the past are reported in the balance-sheet item "other intangible assets" and "goodwill." Goodwill rose slightly by 0.9 % to € 46,897.6 thousand (previous year: € 46,501.4 thousand). This change resulted largely from currency effects.

During fiscal year 2010, fewer investments were made in intangible assets than in the previous year. As a result, amortization, depreciation and impairment led to a decrease in other intangible assets of 9.9 % to € 9,707.4 thousand (previous year: € 10,777.2 thousand).

During the past fiscal year, investments made by the vwd group totaled € 2,157.4 thousand (previous year: 2,194.2 thousand). The investments were made to replace network technology, PCs and data-backup systems as well as office equipment and software solutions.

Non-current assets were nearly stable at € 63,559.4 thousand (previous year: € 63,683.9 thousand).

As of December 31, 2010, cash and cash equivalents decreased by 17.5 % to € 7,665.6 thousand (previous year: € 9,293.1 thousand). This decrease resulted from improved exploitation of internal financing options.

As a result of our good receivables management, we were able to lower our receivables further. As of December 31, 2010, trade receivables had fallen by 14.5 % to € 4,059.5 thousand (previous year: € 4,749.7 thousand).

Total current assets decreased by 16.8 % to € 14,372.2 thousand (previous year: € 17,268.7 thousand).

Additional information about the assets, liabilities and financial position of the vwd group is contained in the notes to this report.

STATEMENT ON THE GROUP'S CURRENT BUSINESS POSITION

At the beginning of 2010, we could not fully assess the changes in market conditions resulting from the financial crisis and their impact on our business. For this reason, we issued very vague statements about sales and earnings trends. As the year progressed, we clarified them.

In 2010, we dealt very well with the major challenges confronting our industry. Like our competitors, we were unable to profit from Germany's robust economic recovery. The decrease in earnings resulted largely from changed market conditions and the reduction of financial-investment products. The vwd group was unable to avoid the impact of these two trends. Overall, though, we were able to exceed our lowered expectations about sales and earnings. In particular, we were pleasantly surprised by our exceptional fourth quarter in 2010, during which we saw a measurable improvement in our business. We also used the year of 2010 to bolster our financial strength in preparation to finance new growth.

On the basis of information available as this report was being prepared in February 2011, the business position of vwd AG has improved slightly in comparison with 2010.

FINANZTREFF.DE

You will receive all important stock-market and financial information at finanztreff.de. Make use of the innovative analytical tools and the free watch-list and portfolio functions for your personal investment decisions.

TAI-PAN

Use our stock-exchange software for demanding private investors to gain powerful help with the professional analysis of securities.

EDG CERTIFIKATE-RATINGS

The ratings offered by EDG help you to systematically select high-quality products that suit your risk appetite and enable you to constantly monitor your investments by using simple key indicators.

PRIVATE INVESTORS gain autonomous access to financial markets by relying on us, the leading service provider in this segment. You can monitor nearly all products of all providers as well as make and evaluate your investment decisions on the basis of objective facts. We have a unique position regarding the evaluation and user-friendly presentation of risks during the investment process. As a provider of financial-market information and applications, we are committed solely to our quality standards and transparency in terms of the investor.

The products shown here are representative examples of the broad range of products and services offered by the vwd group. We will be happy to talk to you about our complete offering.

Remuneration Report for fiscal year 2010

The remuneration report details the basis of compensation for the Management Board and Supervisory Board of vwd AG as well as its structure and the amount of remuneration. The remuneration system of vwd AG contains various compensation components for members of the Management Board and Supervisory Board.

REMUNERATION OF THE MANAGEMENT BOARD

The remuneration of the Management Board at vwd AG is based on company size and business success. The current remuneration system ensures that members of the Management Board receive compensation that reflects their position and level of responsibility. The overall structure of Management Board remuneration is determined by the Supervisory Board. The Management Board receives performance-based compensation consisting of a fixed base salary unrelated to company success and a performance-based variable component. Members of the Management Board also receive remuneration in kind as well as other benefits.

The vwd AG Articles of Association include the possibility of providing stock options to serve as a long-term incentive. In the past, option rights were issued only occasionally. The current remuneration system no longer includes this form of compensation.

The criteria governing the appropriateness of remuneration for the Management Board are primarily each member's individual performance, the business and economic situation, and the company's future opportunities. A commitment to provide remuneration in the event of the premature end to service on the Management Board as a result of a change of control is not regulated in the employment contracts of Management Board members.

The variable remuneration is linked to the obtainment of EBITDA minus minority interests per share (EBITDA/share) at the vwd group under IFRS. The variable remuneration component is restricted by the setting of specific targets and upper limits. The use of this key figure ensures that the management bonus as a performance incentive remains in line with the management control figures used at the company.

The remuneration of Management Board members also includes a commitment to a one-time pension payment as well as allowances for private pension provisions. As remuneration in kind, each Management Board member receives a company car that reflects his or her standing in the company or compensation when the member's own personal vehicle is used. In addition, every member is covered by an accident-insurance policy obtained from the vwd employee group insurance program during his or her period of service with the company. The company has also taken out D&O insurance with a deductible for each member of the Management Board.

The members of the Management Board receive no compensation for the work they do at subsidiaries.

No loans have been issued to members of the Management Board by vwd AG and group subsidiaries.

Details of the Management Board remuneration in fiscal year 2010 are listed individually in the following table:

During fiscal year 2010, members of the Management Board received no bonuses. For his premature departure from the company, Mr. Joachim Lauterbach received a compensation payment of € 114.8 thousand for a covenant not to compete.

REMUNERATION OF THE MANAGEMENT BOARD OF VWD AG FOR FISCAL YEAR 2010

in € '000

	Base salary		Bonus		Fringe benefits		Total		Additions to pension provisions	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Edmund J. Keferstein	300.0	300.0	0.0	124.1	29.8	29.8	329.8	453.9	21.1	8.4
Spencer Bosse	250.0	250.0	0.0	93.1	29.4	29.4	279.4	372.5	21.9	11.4
Joachim Lauterbach	20.8	250.0	0.0	93.1	116.3*	18.1	137.1	361.2	– 12.0	5.5
Total	**570.8**	**800.0**	**0.0**	**310.3**	**175.6**	**77.3**	**746.3**	**1,187.6**	**31.0**	**25.3**

* includes compensation for a covenant not to compete

REMUNERATION OF THE SUPERVISORY BOARD

Remuneration of the Supervisory Board is determined by the Annual General Meeting of vwd AG and is governed by § 12 of the Articles of Association. In light of the neutral nature of their work and their lack of involvement in the operational business, the members of the Supervisory Board receive no performance-based compensation.

Every member of the Supervisory Board receives an annual salary of € 15,000.00. The chairman of the Supervisory Board receives twice this amount, and the vice chairman of the Supervisory Board receives 1.5 times this amount. In addition, each member of the Supervisory Board receives a payment of € 1,500 for each meeting that he or she attends. No loans have been issued to the members of the Supervisory Board. In addition, vwd AG compensates the members of the Supervisory Board for the sales tax that applies to their Supervisory Board remuneration and their expenses.

During 2010, the Supervisory Board decided to waive a portion of its remuneration. The remuneration received by the Supervisory Board of vwd AG for fiscal year 2010 is shown on the following table.

STOCK OPTIONS

The Articles of Association contain provisions for the creation of a stock-option program. Presently, no active stock-option program exists.

REMUNERATION OF THE SUPERVISORY BOARD OF VWD AG FOR FISCAL YEAR 2010

In € ' 000	Annual salary	Meeting compensation	Total 2010	Total 2009
Klaus Nieding, Chairman	24,709	10,500	35,209	39,000
Pieter van Halem, Vice Chairman	18,532	10,500	29,032	31,500
Ernesto A. M. Mancosu (as of May 6, 2010)	9,944	9,000	18,944	0
Dr. Rainer Marquardt (from May 7, 2009 to March 26, 2010)	1,792	1,500	3,292	15,708
Norbert Schwerber (through May 7, 2009)	0	0	0	8,292
Total	**54,977**	**31,500**	**86,477**	**94,500**

Risk Report

THE APPROACH TO RISKS

The implementation of the company's strategy is closely linked to its approach to risks. The risk policies of the vwd group are designed to secure the company's continuation as an ongoing concern and to increase the company's value. This requires the constant weighing of opportunities and risks. The vwd group works continuously and systematically to identify and seize opportunities at an early stage in an effort to sustainably maximize profits and to increase the company's value over the long term. In the process, we recognize that we must take certain risks in order to exploit opportunities in the best-possible manner. For this reason, the risks associated with opportunities must be identified and evaluated. To be able to optimally exploit these opportunities, business risks are consciously and actively managed. Clear, manageable risks are taken in those areas where the company possesses a core expertise and income can be expected to be generated from these risks. Risks in other areas are avoided to the greatest extent possible or are lowered through appropriate risk-management measures.

RISK MANAGEMENT SYSTEM

The risk management system of the vwd group facilitates the early recognition of unreasonable risks and their impact on the organization as well as the initiation of appropriate steps that make it possible to avoid the risks or reduce them to an acceptable level. In this work, the company employs various controls and control systems. A critical role is played by company-wide processes and key performance indicators of internal reporting systems.

ENVIRONMENTAL, POLITICAL AND REGULATORY RISKS

The global economic upswing in 2010 and the strong recovery in Germany that is related to it have not yet had a positive impact on the company's finance and earnings position. The primary reason for this is that the structural changes in the financial industry caused by the financial crisis were too dramatic. The company's late-cyclical business model also stood in the way of a quick return to normal business activities. The upheaval in the financial industry and new regulatory requirements will result in additional changes. The vwd group has a solid market position and has reached the size that is necessary to deal with these changes.

Market risk

Should our current customers decide to use fewer information, communication and technology solutions, this could have a negative impact on our finance and earnings position or on our cash flow. Given the increased competition in our business and the consolidation of the financial-information industry, the risk of a reduced market share cannot be ruled out. To counter this risk, we concentrate on customer satisfaction, a good range of services as well as a high level of reliability and performance of our systems. Our systems are constantly refined in order to keep them on the cutting edge of technology.

Risks related to the business strategy

Demand for our new solutions related to the advisory and sales process in the securities business may not develop as planned. Uncertainties could arise in particular because of the current changes within the financial industry, the lack of demand or the lack of acceptance on the part of our customers. Our strategy is based on the assumption that innovations in the advisory processes will be needed as a result of regulatory requirements. In future fiscal years, the vwd group intends to further extend its market position in Europe by making targeted acquisitions and to expand its business segments both horizontally and vertically. In the process, an effort will be made to identify and exploit new opportunities in the submarkets defined by us. As a matter of principle, a business risk arises when a company is acquired and then integrated into our business operation. This risk is minimized by a predefined process that companies acquired by the vwd group undergo. In this process, risks associated with the integration of the company into the group are closely examined. These risks could arise in connection with the integration of employees, processes and products. Furthermore, the vwd group, as a result of past acquisitions, has gained broad experience and know-how that it can use to better evaluate opportunities and further lower risks.

Legal risks

The vwd group is involved in litigation only to a limited extent in the course of its business operations. No lawsuits were filed against the company in 2010.

Personnel risks

Dedicated, skilled employees are critical to the success of the vwd group. Risks in this area include the loss of expert employees or the inability to fill the jobs of such leading employees. By taking a number of personnel-policy steps, we are countering these risks and are positioning the company as an attractive, reliable employer who strives to promote long-term employee loyalty. As a result of this approach, the vwd group recruited many new employees who have a wide range of expertise in 2010 even though the shortage of qualified experts available in the job market grew as a result of the economy. This goes hand in hand with increased flexibility that enables the company to react quickly to new requirements arising from both the continued consolidation of the market and the strategic direction of the company. As a matter of principle, the loss of know-how resulting from the possible departure of individual employees is very limited because the know-how resides in the company. A major problem could arise only as a result of the departure of entire teams.

Information technology risks

We continuously monitor our information technologies in order to carry out IT-supported business processes in the most-secure possible manner. When necessary, systems are upgraded and even more effectively protected. During the past fiscal year, we took extensive steps designed to further improve our information security management and to further expand systems for information and data security. As a result, the IT risks arising from business processes among subsidiaries as well as with customers, suppliers and other business partners were further reduced. Working with the company's data protection officer, we ensure that personal data used in information processing are handled in accordance with the regulations contained in the German Data Protection Act. All of these measures will enable us to protect the company's business information and the privacy of our business partners and employees as well as to appropriately react to new potential risks.

Liability risks

In instances where the vwd group is unable to contractually eliminate liability for defective software, customers could demand that the vwd group pay damages. In cases of malfunction, the vwd group could also be required to make improvements at its own expense to the software that it produced. In individual cases, this may involve considerable investments of time and financial resources. Moreover, in certain circumstances, third parties may file claims pertaining to the accuracy of the financial-market information supplied through the company's systems. Although the vwd group generally acquires financial market information from a third party and excludes liability for data procured from a third party, the company nonetheless cannot rule out the possibility that in individual cases claims may be filed against the company regarding the accuracy of the information provided without having recourse to the supplier of the information. In order to minimize these risks, the company has taken out appropriate insurance coverage.

FINANCIAL RISKS

In fiscal year 2010, the vwd group conducted no derivative finance businesses. The financial risks arising from financial instruments lie within the realm of the normal course of doing business.

Currency risks

Currency risks are created especially in those areas where receivables, debt, cash and cash equivalents and planned transactions are conducted or could be conducted in a different currency from the local one of the vwd group. The foreign-currency risk of the vwd group is limited to the Swiss franc. Business is conducted in U. S. dollars only in exceptional cases. The resulting risks are negligible.

Interest rate risks

The non-current liabilities have variable interest rates that remained virtually unchanged during the fiscal year. To reduce the risk associated with changes in interest rates, we regularly prepare interest-rate analyses. The results of this research flow into our risk-management system.

Liquidity risks

To ensure unlimited solvency, the company must have sufficient liquidity available at all times. The management and monitoring of liquidity developments are performed by treasury management, an area overseen by the CFO. The group's subsidiaries are monitored in this process as well. No liquidity risk can be determined at the vwd group. In 2010, existing loans were paid back to the planned extent. The lines of credit are generally utilized seasonally, with utilization limited to a middle percentage share of existing credit lines. Compared with the previous year, the use of lines of credit was significantly reduced. The company's liquidity situation was positively impacted by the resulting decrease in interest expenses.

Counterparty risks

Counterparty risks are those risks arising from a financial loss created by nonpayment or a reduced credit rating among customers. This risk is addressed through a meticulous credit check and prepayment agreements with customers. The company also conducts strict receivables management, which monitors the prompt payment of our customer receivables.

Country risks

Country risk describes the risk that receivables from cross-border business and/or business in foreign currencies cannot be collected or cannot be collected on time as a result of political- or economic-related sovereign actions. This also includes transfer and conversion risks. These risks do not exist in the region where the vwd group does business.

Procurement risks

The vwd group can obtain data on securities prices that are relevant to its customers from data suppliers or through a direct link to individual stock markets. The vwd group employs the direct-link strategy in order to gain increased autonomy and to reduce the risk associated with the procurement market.

Statements about the Internal Risk-Management System and about the Internal Controll System in relation to the Accounting Processs pursuant to § 315 paragraph 2 no. 5 of the German Commercial Code.
Under the German Accounting Law Modernization Act (Bilanzrechtsmodernisierungsgesetz), the internal control system involves the principles, procedures and measures needed to assure the effectiveness and efficiency of accounting, to ensure the correctness of accounting and to guarantee compliance with relevant legal regulations. This also includes the internal auditing system, insofar as it applies to accounting.

As part of the internal control system, the risk-management system related to accounting involves the control and monitoring processes of accounting that particularly concern items of the financial statements pursuant to German commercial law that relate to the company's risk hedging.

1. The fundamental features of the internal control and risk-management system in terms of the accounting process

The fundamental features of the internal-control and risk-management system used at the vwd group in terms of the (group) accounting process can be described in the following manner:

- The vwd group has a clear management and company structure.
- The functions of the affected areas in finance and accounting in terms of the accounting process as well as controlling are separated from one another. The areas of responsibility are clearly assigned.
- The finance systems in use are protected from unauthorized access through security measures applied in the data-processing area.
- Standard software is used to the greatest extent possible in the finance system.
- An adequate internal guideline oversight system (e.g., accounting regulations, travel-expense rules, etc.) has been established and is continuously modified.
- In terms of personnel, the departments and areas involved in the accounting process are well-staffed. The employees receive regular professional-development training.
- Bookkeeping data that are received or passed on are continuously checked to determine their completeness and accuracy. The four-eye principle is regularly employed in all accounting-relevant processes.

2. Statement on the fundamental characteristics of the internal control system and the risk management system in terms of the accounting process

The internal control and risk management system in terms of the accounting process, whose key features are described above, ensures that company information is always accurately reported, processed and recognized in connection with the company's balance sheet. The hiring of qualified personnel, the use of appropriate software and clear legal and company guidelines form the basis of a correct, uniform and continuous accounting process, in which mistakes are largely avoided and discovered if they do occur. The clear lines of responsibility and various control and checking mechanisms that were described above (particularly the plausibility checks and the four-eye principle) ensure accurate, responsible accounting. On an individual basis, this assures that business actions are reported, processed and documented in accordance with legal regulations, the principles of correct bookkeeping, international accounting standards as well as internal guidelines. Furthermore, this ensures that they are promptly and accurately recorded. At the same time, it can be assured that assets and debt in the financial statements and consolidated financial statements are uniformly and accurately recorded and evaluated throughout the group as well as that correct, reliable information is made available to interested parties.

GENERAL CONCLUSIONS

The recovery of the global economy will indeed continue in 2011. But, as a result of the expiration of numerous economic-rescue programs and pressure to consolidate government budgets, economic growth could slow considerably in some areas. The financial position of individual banks and governments could have a negative impact around the world. This could trigger a downward spiral of securities prices and credit ratings that could also create liquidity problems for the customers of the vwd group.

Should the economy move sideways for an extended period, individual customers in the financial market or publishing industry could be forced to rethink their business models. As a result, they could reduce or end their use of the vwd group's services.

Compared with previous years, the risks faced by companies in the financial industry have risen. The risks of all companies acting as suppliers for this sector have risen with them. As a result of its wide range of products and its business model, the vwd group is exposed to these risks only to a limited extent, making it possible to offset possible negative trends in an area if necessary. The vwd group sees no risks that could threaten its existence as an ongoing concern.

Takeover-related Disclosures Pursuant to § 315 Paragraph 4 of the German Commercial Code

As a group with a parent company that makes use of an organized market in terms of § 2 Paragraph 7 of the German Securities Acquisition and Takeover Act (Wertpapiererwerbs- und Übernahmegesetz) through its issuance of shares entitled to voting rights, we are required to make the following statements in the Group Management Report pursuant to § 315 Paragraph 4 of the German Commercial Code.

Composition of subscribed capital:
vwd AG has share capital of € 25,754,577. It is divided into 25,754,577 no-par value bearer shares, each representing a notional interest in the share capital of € 1.00. The share capital has been fully paid in. Shares with special privileges granting controlling powers do not exist. Each share grants the same rights and counts for one vote at the Annual General Meeting.

Shareholders with share packages containing more than 10 % voting rights:
There are two direct investments in the company that exceed 10 % of voting rights each, according to the latest voting-rights disclosure. CornerstoneCapital Beteiligungen GmbH and the Chairman of the Management Board, Mr. Edmund J. Keferstein, each hold more than 10 % of the voting rights. DAH Beteiligungs GmbH holds a 39.07 % stake in the share capital in vwd AG. On the basis of a loss of rights pursuant to § 59 in conjunction with § 35 Paragraphs 1 and 2 of the Securities Acquisition and Takeover Act, the company assumes that DAH Beteiligungs GmbH possesses no voting rights arising from these shares.

Loss of rights pursuant to § 59 in conjunction with § 35 Paragraphs 1 and 2 of the Securities Acquisition and Takeover Act:
On February 11, 2010, vwd AG received voting-rights disclosures from Hopp Beteiligungsgesellschaft mbH & Co. KG and Hopp Verwaltungs-GmbH pursuant to § 21 Paragraph 1 of the Securities Trading Act. These disclosures were made public by vwd AG pursuant to § 26 Paragraph 1 of the act on February 16, 2010.

It can be concluded from the voting-rights disclosures of Hopp Beteiligungsgesellschaft mbH & Co. KG and Hopp Verwaltungs-GmbH dated February 11, 2010, that both Hopp Beteiligungsgesellschaft mbH & Co. KG and Hopp Verwaltungs-GmbH have announced that they gained control of vwd AG in terms of § 29 Paragraph 2 of the Securities Acquisition and Takeover Act on April 7, 2006. Pursuant to § 35 Paragraph 1 of the Securities Acquisition and Takeover Act, persons who have gained control of a company must forthwith disclose this fact through a disclosure of the share of voting rights. Furthermore, they must submit a bidding document to the German Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht) and release it pursuant to § 35 Paragraph 2 of the Securities Acquisition and Takeover Act. In accordance with § 59 of the Securities Acquisition and Takeover Act, the rights arising from shares that belong to the bidder, persons aligned with him or their subsidiaries are put in abeyance during the period in which the requirements pursuant to § 35 Paragraphs 1 or 2 of the Securities Acquisition and Takeover Act are not fulfilled. To the knowledge of vwd AG, neither Hopp Beteiligungsgesellschaft mbH & Co. KG nor Hopp Verwaltungs-GmbH has fulfilled the requirements pursuant to § 35 Paragraphs 1 or 2 of the Securities Acquisition and Takeover Act and no exemption has been issued by the supervisory authority pursuant to § 37 Paragraph 1 of the Securities Acquisition and Takeover Act. As a result, it can be assumed that, pursuant to § 59 of the Securities Acquisition and Takeover Act, no rights from the shares of vwd AG held by DAH Beteiligungs GmbH exist. According to the information available to the company, the loss of rights applies to a total of 10,060,775 shares. This legal view has been confirmed by the shareholder through conduct implying an intent.

As a result of this loss of rights, a shift in the majority ownership of vwd AG has occurred. According to our calculations, CornerstoneCapital Beteiligungen GmbH now holds more than 60.2 % of voting rights. An additional 24.8 % of voting rights is held by the Chairman of the Management Board, Edmund J. Keferstein, or indirectly through EJK Investment und Beteiligungs GmbH & Co. KG controlled by him.

Dependent relationships pursuant to § 17 Paragraph 1 of the German Stock Corporation Act:
The new voting-rights distribution means that vwd AG is viewed as a dependent company under the provisions of § 17 Paragraph 1 of the German Stock Corporation Act (Aktiengesetz). vwd AG is controlled by Cornerstone-Capital Beteiligungen GmbH, which can exert its control both directly and indirectly. The dependent relationship can terminate at any time without the influence of the controlling company.

Own stock:
As of December 31, 2010, vwd AG held 1,000 shares of its own stock. In accordance with § 71b of the German Stock Corporation Act, vwd AG is entitled to no rights resulting from these shares.

Appointment and dismissal of Management Board members and amendments to the Articles of Association:
The appointment and dismissal of Management Board members are carried in accordance with §§ 84 and 85 of the Stock Corporation Act. Special rules governing the dismissal of the Management Board are not contained in the Articles of Association. The Articles of Association may be amended on the basis of legal regulations (§§ 133 and 179 of the Stock Corporation Act). The Supervisory Board is authorized to make amendments to the Articles of Association that apply only to formulation.

Management Board authorization to issue and buy back shares:
The Annual General Meeting of May 7, 2009, authorized the Management Board to raise the share capital, with the consent of the Supervisory Board, by up to € 3,026,021.00 until the end of the fifth year after May 15, 2009, against cash capital contributions and/or non-cash capital contributions in one or several tranches, whereby shareholders' subscription rights may be excluded (authorized capital I 2009).

A resolution approved by the extraordinary Annual General Meeting of September 12, 2007, authorized the Management Board of vwd AG to increase the company's share capital up to € 9,851,267.00 in one or more tranches on or before September 11, 2012, by issuing 9,851,267 new no-par value bearer shares in exchange for cash or non-cash contributions with the approval of the Supervisory Board. Subscription rights of existing stockholders can be excluded (authorized capital II).

Pursuant to § 4 Paragraph 5 of the Articles of Association, the company's share capital is raised by a contingent capital increase up to a nominal € 220,000.00 through the issue of up to 220,000 new no-par value bearer shares. The contingent capital increase serves the redemption of stock options that the Annual General Meeting of May 10, 1999, decided to issue. The contingent capital increase is executed only insofar as the holders of stock options exercise their option rights.

Through a decision made by the Annual General Meeting on May 6, 2010, the company was authorized to acquire stock in the company totaling up to 10 % of its capital stock. The authorization is subject to the approval of the Supervisory Board and can be exercised either partially or fully.

Significant conditional agreements entered into by the company:
If one or more legal entities together or one natural person acquires more than 50 % of vwd AG's capital stock, the existing permanent and seasonal operating lines of credit as well as buyer loans obtained from various banks may be terminated without notice. This provision also applies to the multi-year partnership agreement with DZ BANK.

Corporate Governance Report 2010 and statement on company management:
The statement of the Management Board and Supervisory Board pursuant to code number 3.10 of the German Corporate Governance Code as well as pursuant to § 289a of the Germany Commercial Code HGB about management of the company is available on the home page www.vwd.com under > Investor Relations > Corporate Governance > Compliance Statement.

Supplementary Report

On January 1, 2011, Dr. Andreas Dahmen was appointed to the Management Board and assumed the position of Chief Financial Officer.

The German Financial Reporting Enforcement Panel (Prüfstelle für Rechnungslegung) has reviewed the annual financial statements and the consolidated financial statements of vwd Vereinigte Wirtschaftsdienste AG dated December 31, 2009, and conducted a random examination of the management report and Group Management Report for fiscal year 2009. The review dated February 15, 2011, came to the conclusion that the management report and the Group Management Report did not contain an appropriate forecast for sales and earnings and did not include a breakdown of the forecast by company segment. This represents a violation of § 289 (1) Sentence 4 of the German Commercial Code and § 315 (1) Sentence 5 of the German Commercial Code as well as of German Accounting Standard 15.84–91. vwd AG will announce this determination of error in accordance with § 37q Paragraph 2 Sentence 1 of the German Securities Trading Act.

vwd Vereinigte Wirtschaftsdienste AG intends to reduce the complexity of its investment structure. For this reason, market maker Software AG is to be completely merged into die vwd Vereinigte Wirtschaftsdienste AG. A statement to this effect pursuant to § 63 Paragraph 3 of the Reorganization of Companies Act (Umwandlungsgesetz) appeared on March 3, 2011, in the electronic Federal Gazette (Bundesanzeiger).

Opportunities and Forecast Report

MACROECONOMIC TRENDS

Germany could emerge as a winner from the financial and economic crisis. While the currency union is facing a crucial test, the German economy is experiencing its strongest upswing since reunification. German business executives, economic researchers and consumers are all optimistic, a fact that should give further momentum to the growing economy. The German Institute for Economic Research says that private consumers will evolve into a bigger and bigger driver of economic growth. According to a recent survey by the Cologne Institute for Economic Research, 55 percent of German companies expect their production will continue to climb in 2011. The survey found particular optimism among manufacturers of capital goods, who can profit from both strengthening domestic demand and the world economy. Thanks to the high levels of consumer confidence in Germany, retailers are the most optimistic in years. The German job market will continue to profit from this positive trend. Over the next two years, the EU Commission projects that the jobless rate in Germany will fall steeply to 6.7 % and then to 6.3 %.

In its fall forecast, the EU Commission said it expected German GDP would rise 2.2 % in 2011 and 2.0 % in 2012. For the euro zone, it projects growth of 1.5 % in 2011 and 1.8 % in 2012. The outlook for the entire EU is growth of 1.7 % in 2011 and 2.0 % in the following year.

OPPORTUNITIES

We believe the structural changes being experienced by the financial industry are extremely far-reaching. While the general economy recovered in an unbelievably short time, the financial industry still lacks new growth-fueling momentum.

The product portfolio of the vwd group provides exceptional solutions to meet today's and tomorrow's needs of the financial-market information industry. Thanks to the vwd group's strong positioning in German-speaking regions and its continued expansion in Europe, the chances for gaining additional market share in years to come are considered good.

We have developed an array of growth indicators for our business. We view the increasing regulation of the financial markets as a good base for new business. This trend will increase the need for new IT systems in the securities business. We are certain that we will profit in an exceptional way from this change. In the TS segment, we introduced a new solution for the securities advisory process, the "vwd sales process solution," vwd sps, to the market at the end of 2010. This product supports the entire advisory process and automatically makes a record of it that takes all legal regulations into consideration. With Deutscher Ring, we have gained an initial well-known reference customer. We think the sps solution has huge potential, and we will exploit our opportunities to gain more new customers.

We intend to do more business with our existing customers as well. In this process, we will closely examine all business relationships and work to generate additional business with new solutions.

For our MDS segment, we see major opportunities arising from the continuing pressure faced by banks to optimize their cost structures. We see further substitution effects in the area of market-data provision as well. With our high-performance market-data solutions, we can replace our competitors' expensive solutions and generate new business in the process.

In the TS segment, we can also profit from the cost-cutting pressure in the financial industry. Thanks to its outsourcing services, the vwd group can help banks improve their efficiency.

We expect that we will be able to finally begin rolling out the entire range of vwd products in the markets we have recently entered. In the process, we will reach the economies of scale that are necessary for our long-range competitiveness. We are optimistic in light of the sales planning for Belgium and the Netherlands. Nonetheless, we must further strengthen our sales activities and fully tap our cross-selling potential.

By continuously expanding the business through our range of solutions in the area of securities management, the vwd group will not only offer data, but also promote integration into existing systems. This specifically means that we will not only offer just information, but also will be able to display individual processes in the securities business through networked products and thus evolve into a provider of solutions.

Because the market situation offers some interesting acquisition opportunities, the company will not only grow in organic terms, but will also work to further improve itself through other acquisitions. We are systematically searching for suitable opportunities and intend to increase our activities outside Germany.

By expanding our publication and communication services for other financial products, the company will bolster the SMS segment. This segment, however, continues to face a challenging business environment because unfavorable decisions made in 2010 about the subscription of communication and marketing activities will have an impact in 2011 and the business level remains far behind the pre-crisis total.

With our established market position as a European and regional provider of information, communication and technology solutions for the securities business, we will continue to exploit opportunities in the challenging business environment.

OUTLOOK – STATEMENT ON PROBABLE DEVELOPMENTS

All business segments are slowly recovering. In 2011, we will have to address the termination of customer contracts in the SMS segment that we received in 2010. For the new fiscal year, we generally expect that our business will rebound further and that we will resume growth. In the next two years, the vwd group will further bolster its ability to pay an appropriate dividend to its stockholders. For 2011, we project that sales will most likely total between € 76.1 million and € 82.0 million and that EBITDA will be between € 7.8 million and € 9.2 million. For our segments, we expect sales between € 34.9 million and € 37.4 million at MDS, between € 21.4 million and € 23.2 million at TS and between € 19.8 million and € 21.4 million at SMS. We expect EBITDA to total between € 4.1 million and € 4.5 million in MDS, between € 2.4 million and € 2.8 million at TS and between € 1.3 million and € 1.9 million at SMS.

For 2012, we see similarly good opportunities of generating further growth. The pre-condition for increased sales and earnings is that the ongoing economic recovery reaches the financial industry and willingness to invest increases once again. In 2012, we view sales between € 81.8 million and € 90.3 million and EBITDA between € 9.2 million and € 10.8 million as being within reach. For our segments, we expect sales to total between € 37.5 million and € 41.4 million at MDS, between € 23.0 million and € 25.4 million in TS and between € 21.3 million and € 23.5 million in SMS. In 2012, we expect EBITDA to total between € 4.5 million and € 5.2 million at MDS, between € 2.8 million and € 3.2 million at TS and between € 1.9 million and € 2.4 million at SMS.

RESERVATIONS REGARDING FORWARD-LOOKING STATEMENTS

The Group Management Report contains forward-looking statements about the company, its financial and earnings position and profit forecasts that reflect current opinions, expectations and assumptions, and are subject to risks and uncertainties. These statements may be identified by such words as “can,” “will,” “expect,” “anticipate,” “contemplate,” “intend,” “plan,” “believe,” “continue” and “estimate” and variations of such words or similar expressions. In this manner, business activities, success, company strategy and events are affected by many factors over which we have little control. Actual results and trends may differ materially from those reflected in our forward-looking statements as a result of these factors. These factors include the actual number of customer orders received by the vwd group, the extent of demand for information, communication and technology solutions for the securities business, the timing of the final acceptance of products by the customer, the financial-market climate, the financing options of vwd, general market conditions for financial services and macroeconomic conditions, cancellations, changes or delays of product deliveries, development-capacity constraints, extended sales and qualification cycles, difficulties with the development process, increased competition, the lack of acceptance of new products and services by customer target groups of vwd group, challenges involved with the integration of important acquisitions, exchange-rate fluctuations or changes in interest rates, delays in the development and marketing of new products, a deterioration of general economic conditions as well as various other factors without restriction to those that vwd has cited in public reports and statements. The future-oriented statements contained in this report are based on the current assumptions and forecasts of the Management Board, are based on information currently available to it and are made as of the date hereof. The vwd group undertakes no obligation to revise or update any forward-looking statements as a result of new information, future events or otherwise, unless expressly required to do so by law.

Dependency Report

CONCLUDING STATEMENT

The Management Board of vwd AG declares that no reportable transaction was concluded with the majority stockholder known to the company or with a company allied with him during the state of the dependency. Furthermore, no reportable measures were undertaken or eschewed at the insistence or in the interest of one of these companies during the state of dependency.

Frankfurt/Main, March 9, 2011

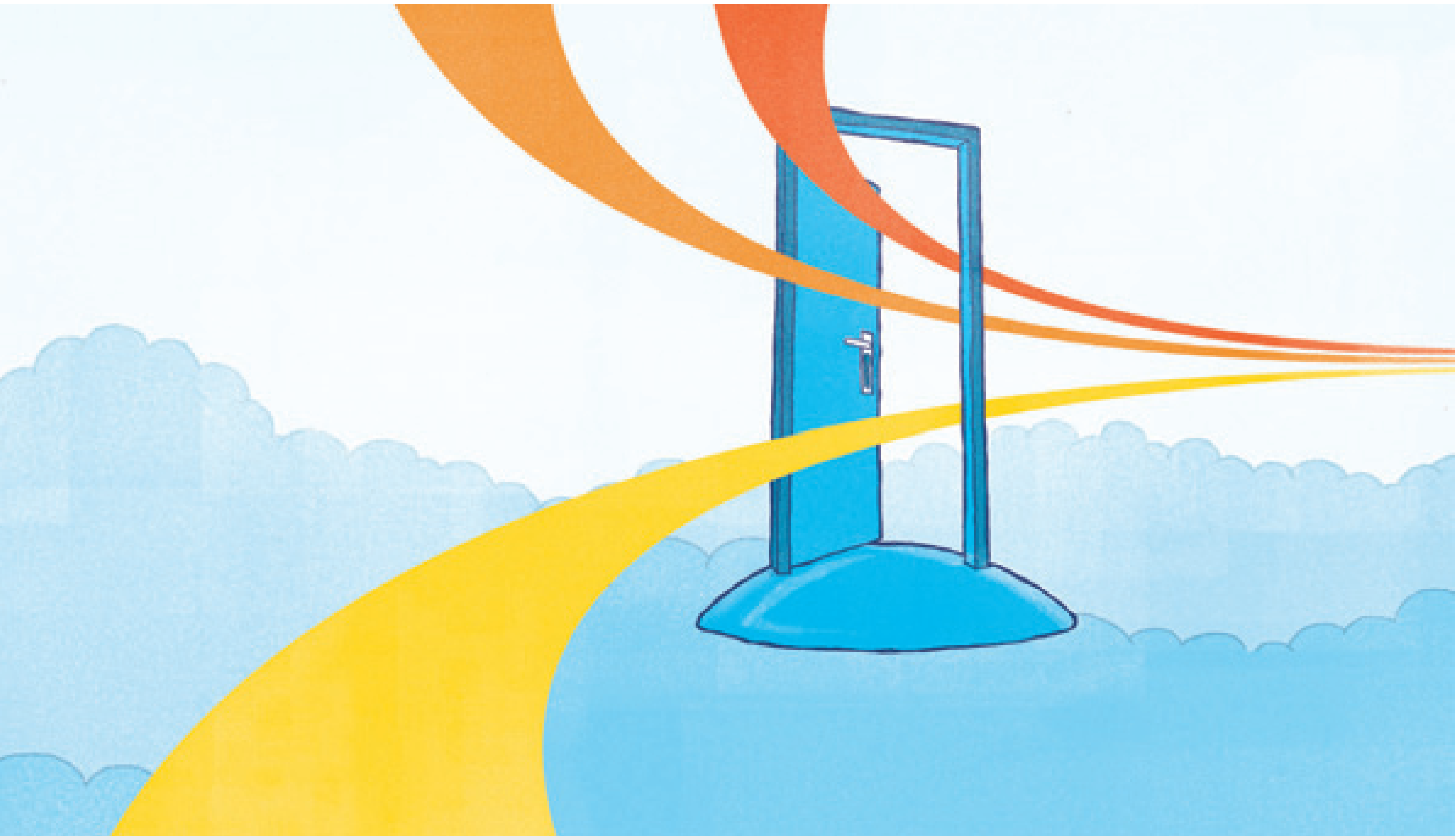
EDMUND J. KEFERSTEIN
Chairman of the Management Board

SPENCER BOSSE
Member of the Management Board

DR. ANDREAS DAHMEN
Member of the Management Board

Financial Statements 2010

CONTENTS



Consolidated Balance Sheet

AS OF DECEMBER 31, 2010

ASSETS

in € '000	notes		2010		2009
A. Noncurrent assets					
I. Intangible assets	5.				
1. Development costs		542.0		437.3	
2. Other intangible assets		9,615.4		10,777.2	
3. Goodwill		46,897.6		46,501.4	
			57,055.0		**57,715.9**
II. Tangible assets	6.				
1. Land and buildings on third-party land		480.5		385.7	
2. Technical equipment and machinery		2,991.6		3,289.5	
3. Other equipment, operating and office equipment		893.8		880.7	
			4,365.9		**4,555.9**
III. Other financial assets	7.		426.2		427.3
IV. Deferred tax assets	32.		1,712.2		984.8
			63,559.3		**63,683.9**
B. Current assets					
I. Inventories	8.		19.7		32.1
II. Trade receivables	9.		4,059.5		4,749.7
III. Orders with an asset-side balance	10.		45.1		239.8
IV. Tax receivables	11.		1,538.7		2,027.7
V. Other receivables	12.		1,043.7		926.3
VI. Cash and cash equivalents			7,665.6		9,293.1
			14,372.3		**17,268.7**
			77,931.6		**80,952.6**

LIABILITIES

in € '000	notes	2010	2009*	2009
A. Equity	13.			
I. Subscribed capital		25,754.6	25,754.6	25,754.6
II. Capital reserves		– 13,375.8	– 13,375.8	– 13,375.8
III. Profit carried forward including retained earnings		13,964.3	12,481.7	12,745.7
IV. Cumulative other result		637.0	524.1	538.4
V. Group net income		615.8	2,512.7	2,512.7
		27,595.9	**27,897.3**	**28,175.6**
VI. Minority interests		1,910.9	1,894.6	1,894.6
		29,506.8	**29,791.9**	**30,070.2**
B. Noncurrent liabilities				
1. Provisions for pensions and similar commitments	14.	6,922.8	4,884.1	4,702.5
2. Other long-term provisions	15.	814.9	573.5	573.5
3. Financial liabilities	16.	8,421.6	10,527.7	10,527.7
4. Deferred tax liabilities	32.	2,472.4	2,717.5	2,717.5
		18,631.6	**18,702.7**	**18,521.1**
C. Current liabilities				
I. Other current provisions	17.	2,069.1	1,833.5	1,833.5
II. Financial liabilities	16.	7,118.7	10,181.5	10,181.5
III. Trade payables	18.	6,202.3	6,591.9	6,591.9
IV. Obligations from production orders	10.	73.5	68.0	68.0
V. Advance payments received	19.	1,273.8	1,093.9	1,093.9
VI. Tax liabilities	20.	602.0	673.6	673.6
VII. Other liabilities	21.	12,453.8	12,015.6	11,918.9
		29,793.2	**32,458.0**	**32,361.3**
		77,931.6	**80,952.6**	**80,952.6**

* Previous year's figures restated (see Point 4.3 of the notes)

Consolidated Income Statement

FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 2010

in € '000	notes	2010	2009*	2009
1. Sales	24.	76,123.6	79,232.5	79,232.5
2. Change in inventory		0.0	– 5.0	– 5.0
3. Other internally produced and capitalized assets	25.	202.4	315.1	315.1
4. Other operating income	26.	3,002.6	2,856.0	2,856.0
5. Cost of materials	27.	26,842.0	27,208.5	27,208.5
6. Personnel expenses	28.	32,845.6	32,096.0	31,988.7
7. Other operating expenses	29.	12,186.4	13,451.3	13,451.3
EBITDA		**7,454.6**	**9,642.8**	**9,750.1**
8. Amortization, depreciation and impairment of intangible and tangible assets and investment property	30.	4,316.5	3,943.5	3,943.5
EBIT		**3,138.1**	**5,699.3**	**5,806.6**
9. Result of associated companies		0.0	0.0	0.0
10. Other interest and similar income		21.9	45.8	45.8
11. Depreciation of financial assets		0.5	11.0	11.0
12. Interest and similar expenses		542.6	648.6	648.6
13. Interest and similar expenses in context of the put option		695.8	400.5	303.8
Financial result	31.	**– 1,217.0**	**– 1,014.3**	**– 917.6**
14. Result from ordinary operations		**1,921.1**	**4,685.0**	**4,889.0**
15. Income taxes		1,411.0	2,045.4	2,045.4
16. Deferred taxes		– 769.7	– 324.5	– 324.5
17. Other taxes		76.2	42.8	42.8
Tax result	32.	**717.5**	**1,763.7**	**1,763.7**
18. Result		**1,203.6**	**2,921.3**	**3,125.3**
thereof allocable to other shareholders	33.	587.8	612.6	612.6
thereof allocable to the vwd group		615.8	2,308.7	2,512.7
19. Earnings per share in €				
undiluted	34.	0.024	0.090	0.098
diluted		0.024	0.090	0.098

* Previous year's figures restated (see Point 4.3 of the notes)

Consolidated Statement of Comprehensive Income

FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 2010

in € '000	2010	2009*	2009
Profit	**1,203.6**	**2,921.3**	**3,125.3**
– thereof allocable to other shareholders	587.8	612.6	612.6
– thereof allocable to vwd group shareholders	615.8	2,308.7	2,512.7
– Changes in actuarial gains (+) / losses (–) from defined-benefit obligations and similar commitments	– 1,613.6	1,257.4	1,271.7
– Income taxes	63.0	26.6	26.6
Changes in recognized profit or loss (actuarial gains [+] / losses [–])	**– 1,550.6**	**1,284.0**	**1,298.3**
– Changes in currency translation adjustment items of foreign subsidiaries	1,663.6	93.1	93.1
– recognized in profit or loss	0.0	0.0	0.0
Changes recognized outside profit or loss (currency translation)	**1,663.6**	**93.1**	**93.1**
Total direct changes recognized in equity	**113.0**	**1,377.1**	**1,391.4**
– thereof allocable to noncontrolling interest	0.0	0.0	0.0
– thereof allocable to vwd group shareholders	113.0	1,377.1	1,391.4
Total comprehensive income	**1,316.6**	**4,298.4**	**4,516.7**
– thereof allocable to noncontrolling interest	587.8	612.6	612.6
– thereof allocable to vwd group shareholders	728.8	3,685.8	3,904.1

* Previous year's figures restated (see Point 4.3 of the notes)

Consolidated Statement of Changes in Equity*

in € '000	Paid-up capital		Generated consolidated equity			
	Subscribed capital	Capital reserves	Earnings reserves including retained earnings	Treasury stock	Total earnings reserves	Consolidated net income
Balance as of January 1, 2009	**25,754.6**	**– 13,375.8**	**9,325.0**	**– 4.0**	**9,321.0**	**3,424.7**
Profit carried forward			3,424.7		3,424.7	– 3,424.7
Dividend payments						
Acquisition of minority interests/newly created minority interests						
Recognized income and earnings						**2,512.7**
Balance as of December 31, 2009	**25,754.6**	**– 13,375.8**	**12,749.7**	**– 4.0**	**12,745.7**	**2,512.7**
Retroactive adjustments			– 264.0		– 264.0	
Balance as of December 31, 2009*	**25,754.6**	**– 13,375.8**	**12,485.7**	**– 4.0**	**12,481.7**	**2,512.7**
Balance as of January 1, 2010	**25,754.6**	**– 13,375.8**	**12,485.7**	**– 4.0**	**12,481.7**	**2,512.7**
Profit carried forward			2,512.7		2,512.7	– 2,512.7
Dividend payments			– 1,030.1		– 1,030.1	
Acquisition of minority interests/newly created minority interests						
Recognized income and earnings				**0.0**		**615.8**
Balance as of December 31, 2010	**25,754.6**	**– 13,375.8**	**13,968.3**	**– 4.0**	**13,964.3**	**615.8**

* Previous year's figures restated (see Point 4.3 of the notes)

Cumulative other net income				Total		
Currency translation of foreign subsidiaries	Actuarial gains/losses	Deferred taxes	Total cumulative other net income	Equity allocable to shareholders of vwd group	Minority interests	**Total consolidated equity**
21.9	**– 607.5**	**– 267.3**	**– 852.9**	**24,271.6**	**6,371.7**	**30,643.3**
				0.0	0.0	0.0
				0.0	– 1,000.7	– 1,000.7
				0.0	– 4,089.0	– 4,089.0
93.1	**1,271.7**	**26.6**	**1,391.4**	**3,904.1**	**612.6**	**4,516.7**
115.0	**664.2**	**– 240.7**	**538.4**	**28,175.7**	**1,894.6**	**30,070.2**
– 14.3			– 14.3	– 278.3	0.0	– 278.3
100.7	**664.2**	**– 240.7**	**524.1**	**27,897.3**	**1,894.6**	**29,791.9**
100.7	**664.2**	**– 240.7**	**524.1**	**27,897.3**	**1,894.6**	**29,791.9**
				0.0		0.0
				– 1,030.1	– 571.6	– 1,601.7
				0.0	0.0	0.0
1,663.6	**– 1,613.6**	**63.0**	**113.0**	**728.8**	**587.8**	**1,316.6**
1,764.3	**– 949.4**	**– 177.7**	**637.0**	**27,595.9**	**1,910.9**	**29,506.8**

Consolidated Cash Flow Statement

FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 2010

in € '000	2010	2009*	2009
Net income	1,203.5	2,921.3	3,125.4
Depreciation, amortization and impairment of tangible and intangible assets (+)**	4,438.6	3,967.5	3,967.5
Depreciation, amortization and impairment of other financial assets	0.5	11.0	11.0
Change in pension provisions (increase + / decrease –)	2,038.7	– 797.3	– 978.9
Gains (–) / losses (+) from the disposal of assets	17.8	134.9	134.9
Gross cash flow	**7,699.1**	**6,237.4**	**6,259.9**
Increase (–) / decrease (+) in inventories	12.4	7.3	7.3
Increase (–) / decrease (+) in trade receivables	690.2	1,509.7	1,509.7
Increase (–) / decrease (+) in trade payables	– 389.6	1,152.0	1,152.0
Change in other net assets / Other noncash items (– / +)	– 747.6	– 4,401.0	– 4,423.5
Net cash generated from operating activities (net cash flow)	**7,264.5**	**4,505.4**	**4,505.4**
Payments for tangible and intangible assets (–)	– 1,967.2	– 2,153.5	– 2,153.5
Payments for development costs (–)	– 202.4	– 315.2	– 315.2
Payments for financial assets (–)	– 9.7	– 10.8	– 10.8
Change in assets from currency translation	0.0	– 5.2	– 5.2
Proceeds from the disposal of tangible and other assets (+)	57.9	2,646.7	2,646.7
Payments for changes in consolidation group (–)	0.0	– 5,341.3	– 5,341.3
Net cash generated from investing activities (total)	**– 2,121.4**	**– 5,179.3**	**– 5,179.3**
Payments for the repayment of liabilities to minority shareholders (–)	0.0	– 5,404.6	– 5,404.6
Payments to minority shareholders (–)	– 571.6	– 1,000.7	– 1,000.7
Payments to shareholders of vwd GmbH (–) (dividend payments)	– 1,030.1	0.0	0.0
Payments to service debt (+)	0.0	4,000.0	4,000.0
Payments for servicing financial liabilities (–)	– 2,106.1	– 2,736.4	– 2,736.4
Net cash generated from financing activities (total)	**– 3,707.8**	**– 5,141.7**	**– 5,141.7**
Net change in cash and cash equivalents (total)	**1,435.3**	**– 5,815.6**	**– 5,815.6**
Cash and cash equivalents on January 1	1,217.7	6,578.3	6,578.3
Changes in consolidation group	0.0	455.0	455.0
Cash and cash equivalents on December 31	**2,653.0**	**1,217.7**	**1,217.7**

* Cash and cash equivalents on December 31

** Depreciation, amortization and impairment refer to the development of intangible and tangible assets (see Point 5 and 6 of the notes)

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2010

vwd Vereinigte Wirtschaftsdienste AG ("vwd" or the "company") is a stock corporation under German law. It is the parent group of the vwd group (the "group") and is listed in the Regulated Market (Regulierter Markt) of the Frankfurt Stock Exchange.

The company is headquartered in Frankfurt/Main, Tilsiter Straße 1. It is entered into the Commercial Register Frankfurt/Main under HRB 81011.

The company offers customized information, communication and technology solutions for the securities business. vwd specializes in fulfilling customer-specific requirements in the areas of asset management, retail banking, private banking and wealth management, and has established itself as one of the leading providers in Europe. vwd focuses on innovative solutions for financial services providers, investors and the media. The company's most well-known brands are "finanztreff.de," "vwd fonds service," "vwd market manager," "vwd portfolio manager," "PortfolioNet," "TradeLink" and "Tai-Pan."

The Board of Management is scheduled to approve the release of the consolidated financial statements for fiscal year 2010 on March 24, 2011. The Supervisory Board is scheduled to approve the consolidated financial statements in its meeting on March 16, 2011.

The consolidated financial statements and group management report prepared as of December 31, 2010, will be published in the electronic Federal Gazette in accordance with § 325 of the German Commercial Code (HGB).

1. GENERAL INFORMATION

vwd's consolidated financial statements were prepared in accordance with § 315a of the German Commercial Code (HGB) and the regulations of the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), London, Great Britain, valid as of the reporting date and accepted by the European Union, as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC).

vwd's consolidated financial statements are based on the historical cost principle except for certain items such as financial assets available for sale, which are reported at fair value. The annual financial statements of the companies included in the consolidated financial statements are prepared in accordance with uniform accounting and measurement principles. Carrying amounts based on tax regulations are not included in the consolidated financial statements. The reporting date of the individual financial statements for all companies included in the consolidated financial statements is the same as the reporting date for the consolidated financial statements (December 31, 2010).

The consolidated financial statements were prepared in euros. All amounts are stated in thousands of euros (€ '000) unless otherwise indicated.

The presentation in the financial statements and management report includes rounding differences resulting from the presentation in € thousand.

The income statement has been prepared in accordance with the total cost method.

Certain items in the income statement and the balance sheet have been combined to improve clarity of presentation. These items are explained separately in the notes.

The balance sheet is structured according to maturity. Assets and liabilities are classified as current assets or liabilities when they are due within one year. Accordingly, assets and liabilities with a remaining term to maturity of more than one year are classified as non-current assets or liabilities. Trade receivables and trade payables as well as inventories are generally shown as current assets or liabilities. Deferred tax assets and liabilities are generally classified as non-current items.

Minority interests are reported as a component of equity.

The preparation of the consolidated financial statements in line with IFRS was based on a number of as-sumptions and estimates that had an effect on the value and presentation of the reported assets, liabilities, contingent receivables and liabilities as of the respective closing dates as well as on the value of income and expenses during the reporting period. Although the company's management has made these assumptions and estimates to the best of its knowledge based on current events and measures, the actual results may deviate from the assumptions and estimates.

2. EFFECTS OF NEW ACCOUNTING PRINCIPLES

Accounting principles applied for the first time in 2010:

IFRS 3 had no impact on the presentation of the earnings, financial and asset position of the vwd group because no acquisitions were made during the reporting year.

IAS 27 had no impact on the presentation of the earnings, financial and asset position of the vwd group because no investments or divestments were made during the reporting year.

Amendments to IAS 39 had no impact on the presentation of the earnings, financial and asset position of the vwd group.

Accounting principles that were not adopted early:

The vwd group has not opted for early adoption of the following interpretations and amendments to existing standards which are of potential relevance to the vwd group and have been adopted into EU law (endorsement).

In November 2009, the IASB published a revised version of IAS 24 "Related Party Disclosures." The amendments to this standard clarify the definition of related parties and simplify the disclosure requirements that apply to companies with close relations to state-controlled entities. The amendments must be adopted in fiscal years starting after December 31, 2010. Early adoption is permissible.

International Financial Reporting Interpretations Committee (IFRIC) 14 "IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction" clarifies the measurement and recognition of voluntary prepayments for minimum funding contributions. The amendment permits companies to recognize voluntary prepayments as an asset. The interpretation must be adopted in fiscal years starting after December 31, 2010. Early adoption is permissible.

IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments" clarifies, in particular, that equity instruments issued to redeem a financial liability to a creditor are "consideration paid" in the meaning of IAS 39.41. In principle, the issued equity capital instruments must be measured at fair value. The difference between the book value of the financial liability to be derecognized and the first-time recognition of the issued equity capital instruments must be recorded in the income statement. The interpretation must be adopted in fiscal years starting after June 30, 2010. Early adoption is permissible.

The vwd group will adopt all listed standards and interpretations as of fiscal year 2011 or later. We do not expect the future adoption of the revisions of IAS 24 and IFRIC 14 and 19 to have a material impact on the presentation of the financial statements.

3. CONSOLIDATION GROUP

The consolidated financial statements comprise the financial statements of vwd Vereinigte Wirtschaftsdienste AG and all associated companies in which vwd directly or indirectly holds a majority of voting rights (subsidi-aries). Subsidiaries are fully consolidated from the date of acquisition, that is, the date at which the group assumes control of the subsidiary.

Aside from vwd, the consolidated financial statements cover 13 fully consolidated domestic and foreign subsidiaries.

The number of fully consolidated group companies changed as follows between December 31, 2009, and December 31, 2010:

in € '000	2010	2009
As of January 1	13	10
Newly acquired/consolidated companies	0	3
As of December 31	13	13

A list of direct equity interests of vwd is shown below. A complete list of stockholdings pursuant to § 285 No. 11 and § 313 Section 2 and Section 3 of the German Commercial Code (HGB) is published in the electronic Federal Gazette.

Company	2010 in %	2009 in %
vwd information solutions AG, Zurich/Switzerland	100.00	100.00
vwd NetSolutions GmbH, Berlin	100.00	100.00
GeVaSyS Gesellschaft für verteilte Anwendungssysteme mbH, Herzogenrath	63.25	63.25
market maker Software AG, Kaiserslautern	100.00	100.00
vwd TransactionSolutions AG, Frankfurt/Main	60.00	60.00
vwd group Netherlands B.V., Amsterdam/Netherlands	100.00	100.00
vwd group Switzerland AG (formerly PortfolioNet AG), Zurich/Switzerland	100.00	40.00
European Derivatives Group AG, Schäftlarn	51.00	0.00
vwd academy AG, Frankfurt/Main	51.00	0.00
European Derivatives Group AG, St. Gallen/Switzerland	51.00	0.00

Stakes in additional companies are held via subsidiaries. market maker Software AG, Kaiserslautern, holds interests amounting to 51.29 % in Lenz + Partner AG, Dortmund. 100 % of the shares in vwd group Belgium NV, Brussels/Belgium, are held via vwd group Netherlands B. V., Amsterdam/ Netherlands. vwd group Switzerland AG, Zurich/Switzerland, holds 100 % in PC&S Portfolio Consulting & Services AG, Zurich/Switzerland.

No acquisitions were made in fiscal year 2010.

4. BASIC PRINCIPLES OF THE CONSOLIDATED FINANCIAL STATEMENTS

4.1. CONSOLIDATION METHODS

Capital consolidation is carried out in accordance with IAS 27 "Consolidated and Separate Financial Statements pursuant to IFRS" in conjunction with IFRS 3 "Business Combinations" by offsetting the carrying amounts of the investment against the revalued equity of the subsidiary as of their acquisition date. Assets, liabilities and contingent liabilities are shown at fair value. Any remaining differences are shown as goodwill. Any identified hidden reserves and liabilities are subsequently adjusted in accordance with the treatment applicable to the corresponding assets and liabilities.

Intra-group profits and losses, sales, expenses and income as well as receivables and payables existing between consolidated companies are eliminated.

Intra-group deliveries of goods and services are effected on the basis of both market prices and transfer prices.

The effects of income taxes are taken into account in the consolidation entries, and deferred taxes are rec-ognized accordingly.

4.2. CURRENCY TRANSLATION

In the group companies' separate financial statements, all receivables and liabilities in foreign currency are translated at the exchange rate prevailing at the reporting date (closing rate), regardless of whether they are subject to currency hedges or not.

The financial statements of foreign group companies are translated into euros using the functional currency concept in accordance with IAS 21 "The Effects of Changes in Foreign Exchange Rates." The functional currency of vwd information services AG, Zurich, and the subgroup vwd group Switzerland, Zurich, as well as European Derivatives Group AG, St. Gallen, is their national currency (CHF) since the companies conduct their business activities mainly in the local currency.

Assets and liabilities of the foreign companies existing at the beginning and end of the fiscal year are translated at the relevant closing rate. Any changes during the year, as well as expenses and income, are translated into euros at annual average exchange rates. Equity components are translated at historical rates applicable at the time of addition from the group's perspective.

Any differences resulting from the currency translation at closing rates are shown separately in the statement of changes in equity as "currency translation differences." Goodwill resulting from the acquisition of the Swiss companies was translated at the exchange rate that prevailed on the reporting date, December 31, 2010.

The €/CHF closing rate changed as follows:

in €/CHF	Reporting date rate		Average rate	
	2010	2009	2010	2009
Switzerland	1.2504	1.4836	1.38225	1.50988

4.3. SIGNIFICANT ACCOUNTING AND MEASUREMENT PRINCIPLES

Adjustment of accounting and measurement methods

In the consolidated financial statements for 2009, the acquisition of the EDG Group was recognized on a preliminary basis according to IFRS 3. The final purchase price allocation was carried out as of December 31, 2009. In fiscal year 2009, the earnings share of the EDG Group legally attributable to minority interests had a negative effect of € 169.3 thousand on the interest result. The proportionate share of earnings was calculated on the basis of the earnings contribution of the EDG Group under IFRS. Since the amortized cost of this obligation is based on the amounts calculated for the commercial balance sheet, a retroactive adjustment was carried out pursuant to IAS 8 as of December 31, 2009. As of December 31, 2009, the correction in the amount of € 96.7 thousand resulted in an adjustment of the balance sheet items equity and current liabilities, reserves retained from earnings and other liabilities, and can be presented as follows:

To date, vwd group has not recognized the pension obligations of PC&S Portfolio Consulting & Services AG, Zurich, and EDG AG, St. Gallen, pursuant to IAS 19. The treatment of so-called “fully insured” occupational pension plans (BVG plans) pursuant to IAS 19 was subjected to an in-depth analysis by the Swiss Auditing Commission. As a result of these deliberations, the Auditing Commission and its Accounting sub-commission have resolved that “fully insured” BVG plans also qualify as defined benefits in the meaning of IAS 19.

As a result of this assessment, the obligations of PC&S Portfolio Consulting & Services AG, Zurich, and EDG AG, St. Gallen, were adjusted retroactively as of December 31, 2009.

The reversal of the pension obligations of vwd group Netherlands B. V., Amsterdam, had an opposite retroactive effect of € 110.0 thousand as of December 31, 2009. The pension plan of vwd group Netherlands B. V., Amsterdam, is a so-called M(ulti) E(mployer) P(lan) because the insurance firm has bundled several participants (employers) in one general pension fund. In the absence of sufficient information from the insurer, the company carried out a preliminary recognition of a defined-benefit plan. With retroactive effect from January 1, 2010, the plan is treated as a defined-benefit plan according to IAS 19.30 a).

These corrections result in the following changes in balance sheet items as of January 1, 2010:

in € ‘000	Adjustment	2009 adjusted	2009 as reported
Equity			
Reserves retained from earnings incl. earnings carried forward	– 264.0	12,481.7	12,745.7
Cumulative other earnings	– 14.3	524.1	538.4
Provisions for pensions and similar commitments	+ 181.6	4,884.1	4,702.5
Other liabilities	+ 96.7	12,015.6	11,918.9

Following the adjustment, earnings per share are as follows:

Earnings per share in €	Adjustment	2009 adjusted	2009 as reported
Undiluted	0.008	0.090	0.098
Diluted	0.008	0.090	0.098

vwd added an “adjusted” balance sheet as of December 31, 2010, to its balance sheet presentation and corrected the statement of changes in equity accordingly as of December 31, 2009/January 1, 2010. These changes have no effect on deferred taxes.

Other changes are shown in the income statement, the statement of comprehensive income and the cash flow statement. Please also see notes no. 24 et seq. and no. 37.

We would like to point out that we carried out a transfer of tax receivables from other receivables to tax receivables in fiscal year 2010. The previous year’s figures have been adjusted accordingly.

Intangible assets
Intangible assets mainly consist of goodwill, acquired customer bases and acquired software. Acquired intangible assets are recognized at cost of purchase.

In accordance with IFRS, intangible assets with finite useful lives are amortized to reflect the asset’s estimated residual value. In addition, the assets are tested for impairment in special circumstances within the meaning of IAS 36, and, if necessary, are written down for impairment.

The acquired software has a useful life of three to five years.

Pursuant to IAS 38, internally produced software must also be capitalized. Internally produced software may be intended for distribution to third parties or intragroup usage. If the conditions for capitalization are not met, the expenses are recognized in the income statement in the period in which they are incurred. Capitalized development costs are written down over a useful life of several years in accordance with group specifications on a scheduled basis starting on the date of production launch.

Intangible assets that were acquired within the scope of business combinations and do not meet the criteria of separate recognition are reported as goodwill and are tested for impairment once a year and, if impaired, written down by means of a non-scheduled write-down.

Within the group, impairment tests of goodwill and intangible assets with an indefinite useful life principally apply the value in use based on current management plans. The planning premises are adjusted to reflect currently available information. In the process, appropriate assumptions on macroeconomic trends and historic developments are considered. The determination of cash flows is principally based on the anticipated growth rates in the relevant markets.

Tangible assets
Tangible assets are carried at cost less scheduled depreciation and, if applicable, non-scheduled write-downs for impairment. Investment grants are generally offset against purchase or production costs. Tangible assets are depreciated pro-rata temporis over the expected useful life using the straight-line method.

Scheduled depreciation is based largely on the following useful lives:

	Useful life
Fixtures/buildings	10 years
Technical equipment	5 years
Other equipment, operating and business equipment	3 to 10 years

Non-scheduled write-downs for impairment on tangible assets are recognized in accordance with IAS 36 if the carrying amount exceeds the value in use or the recoverable amount of the respective asset. The assets are written back if the reasons for an impairment loss recognized in prior years no longer apply.

If tangible assets are sold, shut down or scrapped, the income or loss from the difference between the net sale proceeds and the remaining carrying amount is recorded under other operating income and expenses.

In case of operating leases, the lease payments are directly recognized as an expense in the income statement.

Financial assets / financial liabilities
A financial instrument is a contract that simultaneously leads to the generation of a financial asset at one company and a financial liability or equity instrument at another company. Financial assets comprise, in particular, cash and cash equivalents, trade receivables as well as other loans and receivables, financial investments held to maturity and primary as well as derivative financial assets held for trading. Financial liabilities regularly result in a restitution entitlement in cash or another financial asset. This includes, in particular, bonds and other securitized liabilities, trade liabilities, liabilities to banks, liabilities from finance leases, note loans and derivative financial liabilities.

Financial instruments are principally recognized when vwd becomes the contractual party of the financial instrument's regulations. In standard market purchases or sales (purchases and sales under a contract whose conditions require the provisions of the asset within a period that is usually determined by the regulations or conventions of the respective market), the settlement date, i. e., the day on which the asset is provided to or by vwd, is relevant for the first-time recognition in the balance sheet.

Financial assets and financial liabilities are not offset against each other.

Financial assets are recognized at fair value for the first recognition period. Direct purchase costs are considered for all financial assets that are subsequently recognized at fair value without an effect on income. The fair values reported in the balance sheet generally correspond to the market prices of financial assets.

Cash and cash equivalents, which include cash accounts and short-term bank balances, have a remaining term of up to three months upon addition and are recognized at amortized cost.

Trade receivables and other current receivables are – if applicable, by means of the effective interest method – recognized at their initial carrying amount less impairment. The impairment, which is carried out as bad-debt allowances and lump-sum bad-debt allowances, sufficiently reflects the anticipated default risk. Concrete defaults entail the derecognition of the relevant receivables. In the context of bad-debt allowances, financial assets subject to potential impairment are grouped by corresponding default risk characteristics and jointly tested for impairment and, if applicable, depreciated. Impairments of trade receivables are partially effected on the basis of impairment accounts. The decision whether a default risk is to be considered by means of an impairment account or a direct depreciation of the receivable depends on the extent to which the risk situation can be assessed reliably. To date, vwd has not made use of the option to qualify financial assets as financial assets recognized at fair value through profit or loss in the first recognition period.

Financial liabilities are recognized at fair value in the first recognition period (cost of purchase pursuant to IAS 39.43). The transaction costs directly attributable to the purchase are also recognized for all liabilities that are subsequently not recognized at fair value through profit or loss.

Trade payables and other primary financial liabilities are principally recognized at amortized cost using the effective interest method.

Long-term commissioned production

Long-term production orders are recognized based on the percentage-of-completion method (PoC method). In the process, the recognizable degree of completion per order depends on the ratio of incurred costs and estimated total costs (cost-to-cost method). If the result of a production order cannot be reliably estimated, revenues will be recognized only to the amount of incurred order costs (zero-profit method). The disclosure of orders is effected under receivables or liabilities from percentage-of-completion. To the extent that the cumulative work performed (incurred order costs and recognized income) exceeds the advance payments in individual cases, the production orders are capitalized under receivables from percentage of completion. If a negative balance remains after deduction of advance payments, recognition is effected under liabilities from percentage of completion. Anticipated order losses are covered by provisions. They are determined in consideration of identifiable risks.

Treasury shares

Treasury shares are carried at cost and shown openly in the statement of changes in equity as a deduction from reserves retained from earnings. In accordance with the option provided by IAS 32.34, the group opted against disclosure in the balance sheet.

Taxes

Deferred taxes are determined in accordance with IAS 12, according to which future tax assets and liabilities are recognized for temporary differences between the carrying amounts in the tax accounts and the carrying amounts in the IFRS consolidated financial statements (temporary concept). Anticipated tax savings from the use of tax loss carry-forwards expected to be recoverable in future periods are capitalized. The calculation is based on the respective national tax rates anticipated at the realization date. These are principally based on the legal regulations that apply or have been adopted at the reporting date.

Income taxes include taxes on taxable income levied in individual countries as well as changes in deferred taxes. Income taxes shown are recognized in the anticipated amounts due based on the legal regulations that apply or have been adopted at the reporting date.

Other taxes, such as asset-based taxes or electricity and energy taxes, are included in the respective functional costs.

In accordance with IAS 12 (Income Taxes), deferred taxes are determined for temporary differences between the recognition amounts of assets and liabilities in the IFRS financial statements and the tax accounts, from consolidation processes and on loss carry-forwards expected to be recoverable.

Deferred tax assets on deductible temporary differences, tax credits and tax loss carry-forwards are capitalized insofar as a relevant taxable event is likely to occur in the future and the loss carry-forwards are expected to be recoverable. Deferred tax liabilities are created for temporary differences to be taxed in the future. The calculation is based on the tax rates expected to apply in the different countries at the time of realization. These are generally based on the legal regulations that apply or have been adopted at the reporting date. Deferred tax receivables and liabilities are netted insofar as they concern same tax authority. The effects of changes in tax rates or tax laws on deferred tax assets and liabilities are generally considered in the period in which the material legislative process is concluded and are generally effected through profit or loss. Deferred taxes that were previously shown in other comprehensive income are recognized in equity.

Where gains and losses are recognized in equity, this also applies to the associated deferred tax assets or liabilities.

Assessments of the recoverability of deferred tax assets resulting from temporary differences and loss carry-forwards are subject to company-specific forecasts, including forecasts regarding the future development of the respective group company.

Tax provisions based on appropriate estimates are created for commitments to national tax authorities whose size and likelihood of occurrence cannot safely be anticipated. In the process, such factors as the experience of previous corporate audits and different interpretations of the applicable legal regulations between the taxpayer and the tax authority will be considered.

Inventories
In accordance with IAS 2 “Inventories,” inventories include assets that are held for sale in the ordinary course of business (finished goods and merchandise). Inventories are measured at the lower of cost and net realizable value, i.e., the estimated selling price to be realized in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale. Purchase costs include all costs that contribute to bringing inventories to their present location and condition.

Pensions and similar commitments
Provisions for pensions and similar commitments include the group’s provisioning commitments for defined-benefit plans. The provision is calculated using the projected unit credit method in accordance with IAS 19. The company does not recognize actuarial gains or losses from defined-benefit plans as income or expense in accordance with the corridor method pursuant to IAS 19.92. Instead, actuarial gains and losses are recognized outside the net income or loss for the period in which they arise in accordance with IAS 19.93.

For the first time in fiscal year 2010, a pension provision was treated as a defined-contribution pension provision. In line with applicable legal regulations, the company in this case pays contributions into a plan, which are then recognized as current expenses of the period.

Other provisions
In accordance with IAS 37, provisions are formed for the extent that current commitments from past events exist toward third parties that are likely to lead to a future outflow of resources and whose size can be reliably estimated. Provisions that do not entail an outflow of resources in the following year are carried at the settlement amount, which is discounted to the reporting date using market rates of interest. The settlement amount also takes into account anticipated future cost increases. Provisions are not offset against claims to recourse. If a change in estimates results in a reduction of the amount of the obligation, the provision is reversed proportionately and the income recognized in other operating income.

Sales
Sales – after taxes and revenue reductions – are realized at the time of risk transfer or service provision and upon sufficient likelihood that the economic benefit resulting from the transaction will be realized.

Sales and expenses from production orders are recognized using the percentage-of-completion method, whereby sales are shown in accordance with their degree of completion. The degree of completion results from the ratio of order costs incurred by the reporting date and total estimated order costs by the reporting date.

Sales are realized partly in the business areas "Market Data Solutions," "Technology Solutions" and "Specialised Market Services" within the scope of monthly recurring revenues in accordance with IAS 18. In return for a monthly fee, either the financial market data or a complete solution of financial market data and associated software are provided. The same pricing model is used for the provision of data for market pages, for which the media concerned pay a monthly fee to vwd. One-time revenues from project work relate to integration and customization services as well as advertising orders. Also against payment of a monthly fee, important price and financial data from issuers of derivative products and fund management firms are distributed as well. These are calculated in-house for the ratings of certificates.

Sales of vwd Transaction Solutions AG are also included in non-recurring sales.

In accordance with IAS 18, maintenance revenues are recognized pro-rata temporis over the contract term. Consulting and coaching service revenues are realized upon rendering of the service.

In accordance with IAS 18, fees for granted software licenses with a limited term are recognized pro-rata temporis over the contract term.

If the sale largely depends on the successful implementation of a software license at the customer's site, revenue is recognized on the basis of the progress of implementation in accordance with the percentage-of-completion method.

Sales are reported net of trade discounts, customer bonuses and rebates.

Research and development costs
vwd invests part of its financial resources in the development of software solutions. This is necessary to maintain the company's future competitiveness in the technology-intensive markets in which it operates.

For accounting purposes, development expenses are defined as costs incurred in connection with the application of research findings or expertise in production, production procedures, services or products before the start of commercial production or use. In accordance with IAS 38 "Intangible Assets," research costs may not be capitalized, while development costs may be capitalized only if certain clearly defined requirements are fulfilled. Accordingly, development costs must be capitalized when the development activities are reasonably expected to result in a future inflow of cash, the amount of which will cover not just the normal costs but also the corresponding development costs. Since the requirements for a capitalization of development costs applied to three projects during fiscal year 2010, these development costs were capitalized. The other development costs were recognized as expenses.

Key discretionary judgments, estimates and changes in estimates
The preparation of the financial statements included in the IFRS consolidated financial statements partly requires the use of estimates that affect the reported amounts of assets and liabilities, contingent liabilities and receivables, income and expenses during the reporting period as well as other items included in the consolidated financial statements. Actual amounts may deviate from these estimates.

Key discretionary judgments and estimates concern the following circumstances:

In the measurement of pension commitments, vwd uses actuarial calculations to assess the impact of future developments on the expenses and gains as well as the obligations and entitlements associated with these plans. These calculations are based on assumptions regarding the discounting rate and future salary and pension increases. With respect to the actuarial interest rate used to discount the benefits due after the termination of the employment relationship, vwd uses the interest rates of AA-rated corporate bonds as guidance. As of December 31, the present value of defined-benefit pension obligations and similar commitments amounted to € 6,922.8 thousand (previous year: € 4,702.5 thousand, adjusted: € 4,884.1 thousand). The pension obligations are explained in more detail in note no. 14.

Impairments are formed for trade receivables. Impairments are based on fixed percentage rates of the respective receivables, which can be broken down as follows:

- 30 % of the net receivable for customers who have received three dunning letters,
- 50 % of the net receivable upon transfer to a debt collection service,
- 100 % of the net receivable upon the start of insolvency proceedings.

As of December 31, 2010, vwd adjusted its estimate regarding the variable purchase price component of the put option of the EDG Group. The effect is shown under interest and similar expenses in connection with the put option.

Since the material risks and opportunities from the shares that have not yet been legally transferred rest with vwd, no minority interests in the EDG Group are shown. Profit distributions to the owners of the shares that have not yet been legally transferred are recognized as interest and similar expenses in connection with the put option. During the reporting year, such distributions resulted in expenses of € 446.9 thousand (previous year adjusted: € 266.0 thousand).

The calculation of the value in use of the cash-generating units in connection with the goodwill impairment tests in accordance with IAS 36 is based on the planning of the vwd group for the years 2011 to 2013. The planning calculations were based on the following key assumptions:

Despite intensified competition, we aim for continuous growth in the “Market Data Solutions” segment, which should essentially result from product developments and above-average growth of our international business. For 2011, we project sales of between € 34.9 million and € 37.4 million, with EBITDA expected to reach € 4.1 million to € 4.5 million. We project sales of € 37.5 million to € 41.4 million and EBITDA of € 4.5 million to € 5.2 million for 2012.

In the “Technology Solutions” segment, we see growth opportunities in the area of business process outsourcing for portfolio management as well as through the continued development of our consultancy solutions. For 2011, we project sales of between € 21.4 million and € 23.2 million and EBITDA between € 2.4 million and € 2.8 million. In 2012, sales are expected to reach € 23.0 million to € 25.4 million, with EBITDA at € 2.8 million to € 3.2 million.

In the “Specialised Market Solutions” segment, we expect to generate growth as a result of tightened regulatory requirements, the expansion of Web activities and the establishment of the vwd Equity Service, in particular. Our sales forecast for 2011 ranges between € 19.8 million and € 21.4 million, EBITDA is projected to reach € 1.3 million to € 1.9 million. For 2012, we anticipate sales of € 21.3 million to € 23.5 million and EBITDA of € 1.9 million to € 2.4 million.

All in all, we project preliminary sales of € 76.1 million to € 82.0 million in 2011, with EBITDA expected to reach € 7.8 million to € 9.2 million. Our plans for 2012 foresee sales of between € 81.8 million and € 90.3 million and EBITDA of € 9.2 million to € 10.8 million.

Intangible assets with a limited useful life require estimates regarding write-down methods. The determination of the useful life is based on experience. The choice of method may have to be adjusted due to changed economic parameters. This can have a significant impact on the size of write-downs. At vwd, this essentially concerns customer relationships and software.

Uncertainties concern the interpretation of complex tax law regulations as well as the size and timing of taxable events. vwd forms provisions for possible effects of periodic tax examinations based on reasonable estimates.

4.4. CASH FLOW STATEMENT

The cash flow statement shows the changes that have occurred in the cash and cash equivalents of the vwd group during the reporting year in the form of cash inflows and outflows. The effects of acquisitions, divestments and other changes in the consolidation group are eliminated. In accordance with IAS 7 "Cash Flow Statements," the consolidated cash flow statement distinguishes between changes in cash levels from operating, investing and financing activities. The cash and cash equivalents reported in the cash flow statement comprise cash on hand and bank deposits less short-term bank liabilities.

The cash flow statement presents the changes of cash and cash equivalents between two reporting dates. As of December 31, 2010, cash and cash equivalents included inflows from operating activities. Principally, the cash flow statement must therefore include any cash inflows and outflows. The items corresponding to the cash flow from operating activities (net cash flow) are reported in detail in the balance sheet and the income statement for continuing operations. Net income for the year, which is the basis for the cash flow statement, is reported in the income statement for continuing operations.

4.5. PURCHASE PRICE ALLOCATION AND IMPAIRMENT TESTS

Goodwill, including from capital consolidation, is tested for impairment once a year or more frequently if changes in circumstances indicate a possible impairment (IAS 36).

For the purpose of the impairment test, vwd has allocated the acquired goodwill with a cumulative carrying amount of € 46,897.6 thousand (previous year: € 46,501.4 thousand) to cash-generating units. With the exception of the EDG Group, the fully consolidated subsidiaries including their subsidiaries and the group's parent company were defined as cash-generating units. The companies of the EDG Group were subsumed into one cash-generating unit. The carrying amount of the goodwill allocated to the parent company amounted to € 21,144.9 thousand (previous year: € 21,144.9 thousand). Goodwill between € 485.7 thousand and € 9,259.7 thousand was allocated to the other cash-generating units.

In the context of the annual goodwill impairment test, the carrying amounts of the cash-generating units including allocable goodwill were netted against the recoverable amount as of December 31, 2010. In cases where the cash-generating unit's carrying amount is higher than its recoverable amount, a depreciation loss corresponding to the size of the difference applies. No grounds for impairment existed in fiscal year 2010.

The recoverable amount is determined on the basis of value in use. The determination of value in use is based on the present value of future payments anticipated as a result of continued usage by the business unit. Payment forecasts are based on current planning of the vwd group for the years 2011 to 2013. Cash flows beyond the detailed planning phase have been extrapolated on the basis of a steady growth rate of 1.0 % p.a.

Thanks mostly to the group's long-term data supplier contracts, deviations between planned and actual figures have been small in the past, in particular when adjusted for unforeseeable or plannable special effects.

Capital costs are calculated as the weighted average of equity and debt costs, whereby the respective shares in total capital are decisive. The applied debt capital costs represent the company's long-term financing conditions. Both components are derived from capital-market information. To take account of the divergent risk-return profiles of the group companies, individual capital costs after income taxes are calculated for the individual cash-generating units. In the determination of the parent company's value in use, the anticipated cash flows were discounted at interest rates before corporate taxes of between 7.73 % (cash flows from 2011 to 2013) and 6.73 % (cash flows from 2014).

4.6. SEGMENT REPORTING

Application of IFRS 8 "Reporting Segments" is mandatory as of fiscal year 2010. As a result, individual financial statement data must be presented separately by segments and regions (segment reporting). A division based on internal reporting structures is supposed to provide for a reliable assessment of the group's risks and earnings. The segmentation is supposed to render the earnings strength and business prospects of the group's individual activities transparent.

NOTES TO THE BALANCE SHEET

5. INTANGIBLE ASSETS

Intangible assets can be broken down as follows:

in € '000

	Development costs	Other intangible assets	Goodwill	Total intangible assets
Cost of purchase and production				
Balance as of January 1, 2010	**464.6**	**16,648.7**	**46,501.4**	**63,614.7**
Currency translation differences	0.0	1,096.1	681.2	1,777.3
Additions	202.4	621.5	0.0	823.9
Disposals	19.5	1.0	285.0	305.5
Transfers	0.0	0.0	0.0	0.0
Balance as of December 31, 2010	**647.5**	**18,365.3**	**46,897.6**	**65,910.4**
Depreciation / amortization				
Balance as of January 1, 2010	**27.3**	**5,871.5**	**0.0**	**5,898.8**
Additions	78.2	2,723.6	0.0	2,801.8
Currency translation differences	**0.0**	155.8	0.0	155.8
Disposals	0.0	1.0	0.0	1.0
Transfers	0.0	0.0	0.0	0.0
Balance as of December 31, 2010	**105.5**	**8,749.9**	**0.0**	**8,855.4**
Carrying amounts as of December 31, 2010	**542.0**	**9,615.4**	**46,897.6**	**57,055.0**
Carrying amounts as of January 1, 2010	**437.3**	**10,777.2**	**46,501.4**	**57,715.9**

As of December 31, 2010, net differences from currency translation totaled € 1,621.5 thousand (previous year: € 95.9 thousand).

As of December 31, 2010, purchase obligations for intangible assets amounted to € 330.0 thousand.

The impairment tests for fiscal years 2010 and 2009 did not require any impairment of recognized goodwill. The useful life of other intangible assets is limited.

As in the previous year, there are no restrictions to title or right of use with respect to intangible assets.

6. TANGIBLE ASSETS

Tangible assets can be broken down as follows:

in € '000	Land and buildings on third-party ground	Technical equipment and machinery	Other equipment, operating and office equipment	Total tangible assets
Cost of purchase and production				
Balance as of January 1, 2010	**537.2**	**6,441.5**	**2,311.0**	**9,289.7**
Currency translation differences	59.3	78.6	25.7	163.6
Additions	178.4	786.9	380.4	1,345.7
Disposals	0.0	72.6	65.6	138.2
Changes in consolidation group	0.0	0.0	0.0	0.0
Transfers	53.2	0.0	0.0	53.2
Balance as of December 31, 2010	**774.9**	**7,234.4**	**2,651.5**	**10,660.8**
Depreciation / amortization				
Balance as of January 1, 2010	**151.5**	**3,151.9**	**1,430.3**	**4,733.7**
Additions	130.7	1,129.2	376.9	1,636.8
Currency translation differences	12.2	29.6	5.0	46.9
Disposals	0.0	68.0	54.5	122.5
Transfers	0.0	0.0	0.0	0.0
Balance as of December 31, 2010	**294.4**	**4,242.8**	**1,757.7**	**6,294.9**
Carrying amounts as of December 31, 2010	**480.5**	**2,991.6**	**893.8**	**4,365.9**
Carrying amounts as of January 1, 2010	**385.7**	**3,289.5**	**880.7**	**4,555.9**

Technical equipment mainly relates to central production systems used for the distribution of data.

Other equipment, operating and office equipment include IT equipment at the company's data center, trade fair booths as well as furniture and hardware for the company's administrative offices.

Leasehold improvements are depreciated over a contractual term of 10 years or over the remaining term of the rental contract. Low-value assets are written down over a useful life of five years starting in the year of purchase, retroactively from January 1.

As in the previous year, no non-scheduled write-downs were effected during the reporting year.

As of December 31, 2010, net differences from currency translation amounted to € 116.7 thousand (previous year: € 0.4 thousand).

Tangible assets are not subject to limitations to the disposal of assets in the form of mortgages.

Purchase obligations for tangible assets in the amount of € 99.5 thousand (previous year: € 88.4 thousand) were made as of December 31, 2010.

The group has no finance lease obligations within the meaning of IAS 17. Rather, the existing lease agreements can be classified as operating leases in accordance with IAS 17.33.

The minimum lease payments have the following terms to maturity:

in € '000	
Up to one year	488.0
Between one and five years	569.3
More than five years	0.0

These lease contracts primarily involve car-leasing contracts.

7. OTHER FINANCIAL ASSETS

The other financial assets item includes pension plan reinsurance for the financing of pension benefits that do not fulfill the criteria of IAS 19.7 and are therefore classified as a separately measured asset.

Pension plan reinsurance developed as follows:

in € '000	2010	2009
Balance as of January 1	393.1	383.1
Additions	33.1	10.0
Balance as of December 31	426.2	393.1

The measurement was carried out at amortized cost corresponding to the fair value. Gains of € 23.4 thousand (previous year: € 4.3 thousand) were realized during the reporting year.

Securities assets were fully divested during the fiscal year (previous year: € 34.2 thousand).

in € '000	2010	2009
Financial instruments held to maturity	0.0	34.2
Available-for-sale financial instruments	0.0	0.0
Cash balance in the securities deposit	0.0	0.0

Securities assets changed as follows:

in € '000	2010	2009
Balance as of January 1	**34.2**	**517.6**
Currency translation differences	6.4	0.5
Additions	0.0	0.0
Disposals	40.5	438.9
Balance as of December 31	**0.0**	**34.2**
Depreciation / amortization		
Balance as of January 1	**0.0**	**0.0**
Additions	0.5	11.0
Disposals	0.5	11.0
Balance as of December 31	**0.0**	**0.0**
Carrying amounts as of December 31	**0.0**	**34.2**

8. INVENTORIES

Finished goods totaling € 19.7 thousand (previous year: € 32.1 thousand) primarily concern database licenses (clients) and other equipment. Measurement was carried at cost.

9. TRADE RECEIVABLES

All trade receivables of € 4,059.5 thousand (previous year: € 4,749.7 thousand) are due within one year.

in € '000			thereof not impaired as of the closing date and due within the following periods					
	Carrying amount 12/31/2010	thereof neither impaired nor overdue as of the closing date	less than 30 days	between 31 and 60 days	between 61 and 90 days	between 91 and 180 days	between 181 and 360 days	more than 360 days
Trade receivables	4,059.5	752.0	1,879.9	286.5	121.7	98.6	42.8	74.7
	Carrying amount 12/31/2009							
Trade receivables	4,749.7	1,535.6	1,450.2	206.6	129.4	166.0	126.3	268.4

The column of numbers for trade receivables that were neither impaired nor overdue as of the reporting date and for the trade receivables due during the listed time bands is not additive to carrying amount. The difference concerns the carrying amount of the receivables that were written down.

With respect to the stock of trade receivables that were neither impaired nor in default, there were no indications as of the reporting date that the debtors will not service their payment obligations.

Bad-debt allowances on trade receivables changed as follows:

in € '000	2010	2009
Status of bad-debt allowances as of December 31 of previous year	466.0	403.4
Price differences	9.9	0.0
Status of bad-debt allowances as of January 1	475.9	403.4
Additions (expenses on bad-debt allowances)	260.8	299.1
Utilization	– 14.6	– 8.9
Dissolution	– 339.0	– 227.6
Status of bad-debt allowances as of December 31	383.1	466.0

The following table shows the expenses for the full derecognition of trade receivables and income from incoming payments on derecognized trade receivables:

in € '000	2010	2009
Expenses for the full derecognition of receivables	47.7	116.3
Income from incoming payments on derecognized receivables	6.9	33.1

All expenses and income from bad-debt allowances and the recognition of trade receivables are shown under administrative expenses.

10. PRODUCTION ORDERS WITH AN ASSET-SIDE BALANCE / OBLIGATIONS FROM PRODUCTION ORDERS

A project that was started in 2009 was completed during the first half of 2010. Sales of € 46.4 thousand realized pursuant to IFRS at order costs of € 34.8 thousand were reported in current sales. Not yet completed projects from 2009 were completed during the second half of the year. Sales of € 125.2 thousand resulted from these projects at order costs of € 98.8 thousand. In the half-year financial statements 2010, sales of € 94.6 thousand were reported for these projects based on the PoC method. In addition, a project from 2009 was completed, with sales of € 70.0 thousand being realized in the previous period.

As of December 31, 2010, production orders existed that were reported under assets in the amount of € 45.1 thousand (previous year: € 239.8 thousand) and under liabilities. The production orders of € 73.5 thousand (previous year: € 68.0 thousand) that were reported under liabilities concern advance payments received from customers. The following break-up shows the proportionate sales amounts and associated costs:

in € '000	2010	2009
Sales from PoC	599.2	439.1
Order costs incurred	378.3	197.6
Income from PoC	220.9	241.5

Revenues were determined using the cost-to-cost method. The percentage of completion of the projects capitalized as of December 31, 2010, was determined using the "labor hours method."

11. TAX RECEIVABLES

Tax receivables amount to € 1,538.7 thousand (previous year: € 2,027.7 thousand).

12. OTHER RECEIVABLES

Other receivables totaling € 1,043.87 thousand (previous year: € 2,954.0 thousand) include deferred income of € 729.0 thousand (previous year: € 608.1 thousand) as well as creditors on the debt side. They are all due within one year. As of the reporting date, there were no indications that the debtors would not service their payment obligations.

13. EQUITY

13.1. SUBSCRIBED CAPITAL

As of December 31, 2010, the company's subscribed capital totaled € 25,754.6 thousand (previous year: € 25,754.6 thousand). The share capital is divided into 25,754,577 no-par-value common bearer shares with a calculatory share of share capital of € 1.00 each.

13.2. AUTHORIZED CAPITAL AND CONTINGENT CAPITAL

The following authorized capital existed as of December 31, 2010:

Authorized capital I – 2009

The annual general meeting of May 7, 2009, authorized the Management Board of vwd AG to raise the share capital, with the consent of the Supervisory Board, by up to € 3,026,021.00 by issuing up to 3,026,021 new bearer shares until the end of the fifth year after registration of the amendments to the articles of association in the commercial register (May 15, 2009) against cash capital contributions and/or non-cash capital contributions in one or several tranches, whereby shareholders' subscription rights may be excluded ("authorized capital 2009").

In addition, the Management Board was authorized, with the consent of the Supervisory Board, to determine the further details of capital increases from authorized capital 2009 and their implementation.

Authorized capital II – 2007

By resolution of the extraordinary general shareholders' meeting on September 12, 2007, the Management Board of vwd AG was authorized, with the consent of the Supervisory Board, to increase the company's share capital on or before September 11, 2012, by issuing up to 9,851,267 new no-par-value common bearer shares in exchange for cash and/or non-cash contributions in one or several tranches for a maximum of € 9,851,267.00. The statutory subscription rights of shareholders may be excluded ("authorized capital II").

The Management Board is authorized, with the consent of the Supervisory Board, to determine the further details of the capital increase and its implementation, in particular the rights attached to shares and the conditions of issuing shares.

Contingent capital II – 1999

In accordance with § 4 Section 5 of the articles of association, the company's share capital is raised by a contingent capital increase up to a nominal € 220,000.00 through the issue of up to 220,000 new no-par-value bearer shares. The contingent capital increase serves for the redemption of stock options that the annual general meeting held on May 10, 1999, decided to issue. The contingent capital increase is executed only insofar as the holders of stock options exercise their option rights.

13.3. CAPITAL RESERVE

As of December 31, 2010, the capital reserve amounted to € – 13,375.8 thousand (previous year: € – 13,375.8 thousand). The negative capital reserve is connected to the corporate action carried out in fiscal year 2007.

13.4. RESERVES RETAINED FROM EARNINGS

in € '000	2010	2009 adjusted	2009 as reported
Profit carried forward	13,964.3	12,481.7	12,745.7

13.5. CUMULATIVE OTHER EARNINGS

in € '000	2010	2009 adjusted	2009 as reported
Cumulative other earnings	637.0	524.1	538.4

13.6 CONSOLIDATED NET INCOME FOR THE YEAR

in € '000	2010	2009 adjusted	2009 as reported
Consolidated net income	1,203.5	2,512.7	2,512.7

13.7. DIVIDEND

On May 6, 2010, the annual general meeting approved the dividend of € 0.04 per share for fiscal year 2009 as proposed by management. A total of 15,692,802 shares were entitled to dividends. A total of 10,060,775 shares were subject to a loss of rights.

PROPOSAL FOR EARNINGS APPROPRIATION

vwd AG will propose to the annual general meeting to pay a dividend of € 0.05 per share from vwd AG's balance-sheet profit under German commercial law of € 2,780,673.39. This corresponds to a disbursement of € 1,287,678.85 in consideration of treasury stock. Furthermore, the Management Board is proposing to carry forward the remaining balance-sheet profit of € 1,492,994.54 to the new account.

13.8. TREASURY STOCK

As of December 31, 2010, the group's treasury stock pursuant to § 160 Section 1 No. 2 of the German Stock Corporation Act (AktG) totaled 1,000 shares (previous year: 1,000 shares). The shares were repurchased in the context of a stock repurchase program that ran until October 28, 2006.

The annual general meeting on May 6, 2010, authorized the company to acquire treasury stock up to 10 % of the company's share capital by June 30, 2012. The authorization may be exercised in one or several tranches by the Management Board with the consent of the Supervisory Board in consideration of a number of limitations. In the process, the stocks may be acquired by the company itself or by a third party on behalf of the company. The stocks acquired on the basis of the new authorization together with treasury stock already acquired and still held by the company may not exceed 10 % of the share capital.

The company did not purchase any treasury stock in fiscal year 2010.

No stock repurchase program currently applies.

The share of treasury stock in share capital amounts to € 1,000.00. As of the reporting date, the treasury stock was netted against the group's equity in the amount of € 4,050.00.

13.9. MINORITY INTERESTS

The individual components of equity and their development in fiscal years 2010 and 2009 are as follows:

in € '000	2010	2009
Balance as of January 1	**1,894.6**	**6,371.7**
Disposals from purchases of additional shares within the group	0.0	– 4,089.0
Result	587.8	612.6
Dividend	– 571.6	– 1,000.7
Balance as of December 31	**1,910.9**	**1,894.6**

13.10. CAPITAL MANAGEMENT

The key goals of group capital management include the protection of the company as a going concern, the maximization of shareholder value and maintenance of an optimal capital structure.

The capital structure is monitored and, if necessary, adapted in consideration of changes in economic parameters. A balanced dividend policy, the issuance of new shares, the take-up of new liabilities and debt redemptions through asset disposals may be used to maintain or adjust the capital structure.

The capital structure is monitored based on the degree of indebtedness (gearing). Gearing is calculated from the ratio of net debt to total capital. Net financial debt comprises all financial liabilities (liabilities to banks, trade payables, other liabilities) less cash and cash equivalents. Total capital consists of equity plus net financial debt.

The group pursues a strategy of minimizing its gearing in order to ensure its continued access to debt capital at a reasonable cost by protecting its solid credit rating.

in € '000	12/31/2010	12/31/2009 adjusted	12/31/2009 as reported
Financial liabilities	36,072.2	41,084.2	41,055.4
÷ cash and cash equivalents	14,352.5	17,236.6	17,236.6
= net financial debt	21,719.7	23,847.6	23,818.8
+ equity	29,506.8	29,791.9	30,070.2
= total capital	51,226.5	53,639.5	53,889.0
Gearing	42.4 %	44.5 %	44.2 %

The decline in the gearing ratio is attributable to the reduction in financial liabilities.

14. PROVISIONS FOR PENSIONS AND SIMILAR COMMITMENTS

The group pays into a company pension plan. The benefits are granted in accordance with legal, financial and economic parameters. New employees in Germany are no longer eligible for the company pension plan.

Provisions for pensions and similar commitments can be broken down as follows:

in € '000	12/31/2010	12/31/2009 adjusted	12/31/2009 as reported
Defined-benefit plans	5,968.3	4,168.3	3,986.8
Similar commitments	954.5	715.8	715.8
Total	**6,922.8**	**4,884.1**	**4,702.5**

The group has implemented a defined-benefit company pension plan pursuant to IAS 19.7 and IAS 24 – 28. The measurement method used is the projected unit credit method. The defined-benefit obligation (DBO) is regularly calculated by an independent external expert.

At the vwd group, the company pension plan is structured as follows:

A one-time capital allowance for old-age provisioning is granted at age 65 or upon retirement from the company under the flexible retirement threshold. The capital allowance depends on the employee's tenure and monthly salary. This regulation does not apply to employees who joined the group after January 1, 2006. This pension plan is not covered by pension plan reinsurance.

As a result of the mergers in fiscal year 2007, pension commitments of the former b.i.s. AG and Fides Information Services GmbH are still integrated at vwd AG. The company pension plans of these companies are structured as follows:

On September 29, 1998, a former Management Board member of b.i.s. AG obtained four identical fixed-benefit commitments. The commitments include retirement capital due at age 65, and surviving dependants' capital, which is due in the event of death before reaching age 65. The commitments are immediately contractually non-lapsable in the amount of the benefits acquired until retirement. The commitments are covered by reinsurance.

The employees of former Fides Information Services GmbH hold entitlements to a retirement pension starting at the age of 65, a disability pension in the case of invalidity and a surviving dependants' pension in the event of death of the holder of the pension commitments. The commitments are based on salary level and tenure, and are not covered by plan assets.

market maker Software AG granted a benefit pledge to a Management Board member that will provide retirement capital due at the age of 65 and a disability pension for the duration of the disability. The commitment is covered by pension reinsurance.

The employees of vwd information solutions AG, Zurich, participate in two legally independent personnel pension foundations that provide a retirement pension upon retirement age, in some cases a disability pension in the event of disability and a surviving dependants' benefit in the event of death. The benefits depend on the salary level. The employer and the employee contribute to the foundation's savings deposit. The employer assumes the risk contributions. The same applies to European Derivatives Group AG, St. Gallen, and PC&S Portfolio Consulting & Services AG, Zurich.

The personnel pension foundation is a legal entity whose financial position may be assessed exclusively through an actuarial balance sheet. The calculation of the commitments from company pension plans pursuant to IAS 19 is carried out for the purpose of consolidation accounting and thus only concerns the company and not the personnel pension foundation.

The employees of vwd group Belgium NV, Brussels, hold entitlements to a retirement pension upon the age of 65 and surviving dependants' capital in the event of death before retirement from the company. The commitments are based on the salary level and tenure, and are covered by reinsurance.

The pension plan of vwd group Netherlands B.V. is recognized as a defined-contribution plan in accordance with IAS 19.30 a) because of insufficient information available for the defined-benefit plan on the part of the insurer.

Actuarial assumptions:

in %	Germany		International	
	12/31/2010	12/31/2009	12/31/2010	12/31/2009
Discount rate	4.5	5.5	2.75 / 4.5	3.5 / 5.5
Salary increases	1.8	1.8	2.0	2.0 / 3.5
Pension increases	1.5	1.5	1.5	1.0
Fluctuation	2.5	2.5	1.0 – 2.0	1.0 – 2.0
Expected return			4.35 / 2.75 / 2.5	4.35

The basic interest rate used to determine the actuarial present value of pension commitments is the closing day market rate of interest of investment-grade bonds with a maturity corresponding to the term of the pension commitments.

The group immediately records all actuarial gains or losses from defined-benefit plans outside the income statement in the statement of comprehensive income. Gains recorded in the group's statement of comprehensive income for 2010 amounted to € 1,550.6 thousand (previous year: € 1,298.3 thousand; adjusted: € 1,284.0 thousand) after deduction of deferred taxes.

Actuarial reviews of defined-benefit plans are compiled for each reporting period. Actuarial assumptions with regard to employee turnover and mortality are based on empirical data, with the latter being based on the mortality tables of Klaus Heubeck in the version from 2005 ("Richttafeln 2005 G" – license Heubeck-Richttafeln-GmbH).

The defined-benefit plans developed as follows:

in € '000	2010	2009 adjusted	2009 as reported
Defined-benefit plans			
Balance as of January 1	**9,029.2**	**11,678.0**	**9,265.4**
IAS 8	3,354.5	0.0	0.0
Interest expenses	459.5	457.7	377.3
Service costs	102.1	475.6	387.4
Contribution from plan participants	693.4	208.2	104.2
Pension payments	– 128.4	– 198.8	– 337.9
Currency translation	1,007.6	536.0	5.8
	14,518.0	13,156.6	9,802.2
Actuarial gains and losses	1,596.1	– 773.0	– 773.0
Balance as of December 31	**16,114.1**	**12,383.7**	**9,029.2**
Changes in plan assets			
Plan assets as of January 1	**5,042.5**	**6,454.5**	**4,225.3**
IAS 8	3,172.9	0.0	0.0
Plan reductions	53.3	– 18.6	– 157.7
Asset ceiling	0.0	– 19.4	19.4
Expected income / expenses on plan assets	342.0	250.1	188.8
Actuarial gains and losses (–)	– 17.5	487.5	498.7
Fund endowments / contributions	– 23.2	351.0	198.4
Contributions from plan participants	693.4	208.2	104.2
Currency translation	882.3	502.2	4.2
Balance as of December 31	**10,145.8**	**8,215.5**	**5,042.5**
Liability for defined-benefit plans	16,114.1	12,383.7	9,029.3
less plan assets	– 10,145.8	– 8,215.5	– 5,042.6
Balance as of December 31	**5,968.3**	**4,168.3**	**3,986.8**

Plan assets concern, in particular, the funding of commitments in Switzerland via two collective foundations. Expected income from plan assets amounted to € 342.0 thousand (previous year: € 188.8 thousand; adjusted: € 250.1 thousand). vwd does not anticipate future economic benefits from plan assets. For a commitment to a retired employee of vwd, the asset of € 56.2 thousand was capped to the upper limit of the commitment totaling € 18.4 thousand. The expected return on plan assets is between 2.5 % and 4.35 % (previous year: 4.35 %).

It can be broken down as follows:

in € '000	2010	2009
Stocks	20.0	20.0
Debt capital instruments	55.0	45.0
Real estate	15.0	15.0
Cash	3.0	3.0
Other	7.0	17.0

The present value of pension commitments not covered by plan assets amounted to € 5,968.3 thousand (previous year: € 3,986.8 thousand; adjusted: € 4,168.3 thousand). In the context of the recognition of defined-benefit pension plans, interest and service costs are recognized in operating income under personnel expenses.

Expenses for defined-benefit plans can be broken down as follows:

in € '000	2010	2009 adjusted	2009 as reported
Current service costs	102.1	475.6	387.4
Interest expenses	459.5	457.7	377.3
Anticipated expenses on plan assets	– 342.0	– 250.1	– 188.8
	219.7	**683.2**	**575.9**

Pension expenses relate to employees in Germany and Switzerland as well as Belgium. They are recognized under personnel expenses.

The financing status for fiscal years 2005 to 2010 (DBO less plan assets) is as follows:

- 2005 € 3,352.3 thousand
- 2006 € 3,622.9 thousand
- 2007 € 3,835.3 thousand
- 2008 € 5,059.4 thousand
- 2009 € 3,986.8 thousand (adjusted: € 4,168.3 thousand)
- 2010 € 5,968.3 thousand

Experience-based adjustments (commitment (–)/entitlement (+)) amount to:

- 2006 € – 140.3 thousand
- 2007 € 796.5 thousand
- 2008 € – 121.7 thousand
- 2009 € – 199.6 thousand
- 2010 € – 610.2 thousand

Similar commitments include anniversary benefits as well as provisions for partial retirement obligations, which were calculated based on an interest rate of 3.5 % and 4.5 %, respectively.

15. OTHER LONG-TERM PROVISIONS

The other long-term provisions can be broken down as follows:

in € '000	As of 01/01/2010	Utilization	Foreign currency	Dissolution	Addition	Accrual	As of 12/31/2010
Cost of production	502.0	0.0	16.1	322.5	0.0	58.8	254.4
Reinstatement obligations	71.4	0.0	13.3	0.0	0.0	15.7	100.4
Onerous contract provisions	0.0	0.0	0.0	0.0	460.0	0.0	460.0
	573.5	**0.0**	**29.4**	**322.5**	**460.0**	**74.5**	**814.9**

Accruals were effected at an interest rate of 4.5 % and 4.65 % (previous year: 5.25 % and 4.65 %). Expenses on accruals totaling € 74.5 thousand include both the change from the discounting over time of € 72.0 thousand as well as the changed interest rate, at € 2.5 thousand.

Cost of production relates to fees for the provision of master data in the area of real-time products.

An onerous contract provision was formed for vacant office space.

Thanks to an advantageous agreement with the supplier, a production cost provision of € 102.4 thousand was reversed with an effect on income. Entitlements for another production cost provision in the amount of € 220.1 thousand were also reversed. This corresponds to the partial amount that became time-barred in 2010.

The other long-term provisions are likely to be utilized in the fiscal years 2011 to 2015.

16. FINANCIAL LIABILITIES

Financial liabilities to banks have the following terms:

in € '000	12/31/2010	12/31/2009
Up to one year	7,118.7	10,181.5
Up to five years	8,421.6	8,424.6
More than five years	0.0	2,103.1
Total more than one year	8,421.6	10,527.7
Total	**15,540.3**	**20,709.2**

As of December 31, 2010, non-current financial liabilities comprised liabilities to banks.

Financial liabilities are recorded in currencies in which the company operates. As of December 31, 2010, the financial liabilities are denominated in €.

As of December 31, 2010, loan liabilities to banks amounted to € 15,540.3 thousand.

To guarantee the vwd group's solvency and financial flexibility at all times, a liquidity reserve in the form of a credit line is held. To this end, vwd has concluded operating lines of credit with two banks including

- a permanent operating line of credit of € 6.0 million,
- a permanent operating line of credit of € 2.0 million,
- a permanent operating line of credit of € 0.9 million and
- seasonal operating lines of credit of € 6.0 million, which can be drawn once a year between August 1 and January 31 of the following year.

At the moment, the company pays a provision fee on unused lines of credit. The interest rate for drawn credit lines is based on EONIA and Euribor plus a premium and on a variable interest rate. As of December 31, 2010, utilization of this short-term credit line amounted to € 5,012.6 thousand (previous year: € 8,075.4 thousand).

Under a blank assignment as of August 8/28, 2006, and its extension as of November 9, 2009, vwd AG transferred all trade receivables to DZ Bank as collateral for loans taken out from DZ Bank.

Liabilities to banks of fiscal years 2010 and 2011 with a remaining term of up to one year are shown under short-term financial liabilities.

The following tables show the contractually agreed (undiscounted) interest and redemption payments of primary financial liabilities of vwd:

in € '000	Carrying amount 12/31/2010	Fixed interest	Variable interest	Redemption
Cash flows 2011				
Primary financial liabilities				
– Liabilities to banks	15,540.3	0.0	385.1	7,118.7
– Other interest-bearing liabilities	0.0	0.0	0.0	0.0
– Other non-interest-bearing liabilities	20,605.4	–	–	20,605.4
Cash flows 2012				
Primary financial liabilities				
– Liabilities to banks	8,421.6	0.0	322.2	2,106.1
Cash flows 2013				
Primary financial liabilities				
– Liabilities to banks	6,315.4	0.0	233.3	2,106.1
Cash flows 2014				
Primary financial liabilities				
– Liabilities to banks	4,209.3	0.0	144.3	2,106.1
Cash flows 2015				
Primary financial liabilities				
– Liabilities to banks	2,103.1	0.0	50.1	2,103.1

All instruments held on December 31, 2010, and for which payments had already been agreed on contractually are included. No planning figures for future new liabilities are included. The variable interest payments from financial liabilities were determined based on the interest rates last fixed before December 31, 2010.

Financial liabilities that are redeemable at any time are always assigned to the earliest time band.

No group assets were pledged as collateral for financial liabilities.

17. OTHER SHORT-TERM PROVISIONS

The other short-term provisions can be broken down as follows:

in € '000	As of 01/01/2010	Utilization	Foreign currency	Dissolution	Addition	Transfer	As of 12/31/2010
Cost of production	550.0	0.0	0.0	270.0	35.2	0.0	315.2
Personnel	723.8	387.9	0.0	6.2	1,007.8	0.0	1,337.5
Other	559.7	274.8	6.6	7.1	291.0	– 159.0	416.4
	1,833.5	**662.7**	**6.6**	**283.3**	**1,334.0**	**– 159.0**	**2,069.1**

Personnel provisions relate mainly to severance payments.

We expect these amounts to be due within one year.

18. TRADE PAYABLES

Trade payables toward third parties amounted to € 6,202.3 thousand (previous year: € 6,591.9 thousand) and are all due within one year.

19. ADVANCE PAYMENTS RECEIVED

This item includes cash funds received in advance that total € 1,273.8 thousand (previous year: € 1,093.9 thousand). Invoices relating to services for various products refer to the period beginning after December 31, 2010, with a term of up to one year.

20. TAX LIABILITIES

Tax liabilities of € 602.0 thousand in fiscal year 2010 and of € 673.6 thousand in fiscal year 2009 relate to group companies' expenses for income taxes due in the following year.

21. OTHER LIABILITIES

Other liabilities are carried at their nominal value or the lower repayable amount, and are due within one year. They can be broken down as follows:

in € '000	12/31/2010	12/31/2009 adjusted	12/31/2009 as reported
Tax liabilities (sales tax, income tax)	620.7	709.3	709.3
Deferred income	1,866.3	1,681.0	1,681.0
Social security liabilities	0.0	1.0	1.0
Liabilities from put option	5,944.5	5,695.6	5,695.6
Miscellaneous	4,022.3	3,928.7	3,832.0
	12,453.8	**12,015.6**	**11,918.9**

Other liabilities include for the most part liabilities to employees (2010: € 3,157.0 thousand, 2009: € 3,076.5 thousand), such as annual bonuses, outstanding vacation entitlements, compensation charges for non-employment of the severely disabled ("Schwerbehindertenabgabe"), contributions to occupational cooperatives as well as overtime and commissions. In addition, this item comprises the pro-rata net income of minority shareholders of the EDG Group totaling € 446.8 thousand (previous year: € 169.3 thousand; € 266.0 thousand adjusted). It is shown in the income statement in no. 31 (interest and similar expenses) in connection with the put option.

22. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS

Carrying amounts, reported amounts and fair values by measurement categories

FISCAL YEAR 2010

in € '000

	Measurement category pursuant to IAS 39	Carrying amount 12/31/2010	Reported amount pursuant to IAS 39		
			Amortized cost	Held to maturity	Available for sale
ASSETS					
Cash and cash equivalents	LaR	7,665.6	7,665.6		
Trade receivables	LaR	4,059.5	4,059.5		
Tax receivables	LaR / na.	1,538.7	1,538.7		
Other receivables	LaR / na.	1,043.7	1,043.7		
Other financial assets	HtM	0.0			
Other financial assets	na.	426.2	426.2		
LIABILITIES					
Trade payables	FLAC	6,202.3	6,202.3		
Liabilities to banks	FLAC	15,540.3	15,540.3		
Other interest-bearing liabilities	FLAC	0.0	0.0		
Other non-interest-bearing liabilities	FLAC	14,329.6	14,329.6		

FISCAL YEAR 2009

in € '000

	Measurement category pursuant to IAS 39	Carrying amount 12/31/2009	Reported amount pursuant to IAS 39		
			Amortized cost	Held to maturity	Available for sale
ASSETS					
Cash and cash equivalents	LaR	9,293.1	9,293.1		
Trade receivables	LaR	4,749.7	4,749.7		
Tax receivables	LaR / na.	2,027.7	2,027.7		
Other receivables	LaR / na.	926.3	926.3		
Other financial assets	HtM	34.2		34.2	
Other financial assets	na.	393.1	393.1		
LIABILITIES					
Trade payables	FLAC	6,591.9	6,591.9		
Liabilities to banks	FLAC	20,709.2	20,709.2		
Other interest-bearing liabilities	FLAC	0.0	0.0		
Other non-interest-bearing liabilities	FLAC	13,686.4	13,686.4		

Thereof aggregated by measurement categories pursuant to IAS 39:

- Loans and Receivables (LaR)
- Financial Liabilities Measured at Amortised Cost (FLAC)
- Held to Maturity (HtM)

Cash and cash equivalents, trade receivables and other receivables have mostly short remaining terms. As a result, their carrying amounts approximately correspond to their fair values as of the reporting date.

The pension plan reinsurance reported under other financial assets was also measured at amortized cost, which corresponds to the fair value of the plan assets.

Trade liabilities and other liabilities regularly have short remaining terms. The recognized amounts approximate the fair value.

Net results by measurement categories

in € '000	From subsequent measurement		Net result	
	from interest	from disposal	2010	2009
Financial Liabilities Measured at Amortised Cost	385.1	– 891.3	– 506.2	116.2

The net result is shown both under other operating income, other operating expenses and interest expenses and income. In the previous year, the item included interest expenses as well as income from other financial assets.

23. CONTINGENCIES AND OTHER FINANCIAL OBLIGATIONS

No contingencies were recorded as of December 31, 2010.

Other financial obligations exist in addition to reserves and liabilities. These result mostly from leasing agreements and long-term rental contracts.

The minimum amount of undiscounted future lease payments (operating leases) amounted to € 1,057.3 thousand (previous year: € 849.0 thousand). The respective payment obligations have the following maturities:

Maturity in year / in € '000	12/31/2010
2011	488.0
2012 to 2015	569.3
2016 and later	0.0
	1,057.3

Maturity in year / in € '000	12/31/2009
2010	431.3
2011 to 2014	417.7
2015 and later	0.0
	849.0

Car-leasing agreements were concluded for the most part. Options for rental-contract extensions or purchase options do not apply. The leasing agreements for office equipment, e.g., copying machines, include an annual extension option.

Rental payments of € 569.4 thousand (previous year: € 415.8 thousand) arose from operating-lease obligations in fiscal year 2010.

In addition, there are other financial liabilities from rental contracts whose maturity structure can be broken down as follows in comparison to the previous year:

Maturity in year / in € '000	12/31/2010
2011	1,920.9
2012 to 2015	5,263.4
2016 and later	825.0
	8,009.3

Maturity in year / in € '000	12/31/2009
2010	2,196.8
2011 to 2014	7,323.2
2015 and later	1,739.4
	11,259.4

No income from subleases was generated during the reporting year. No income is anticipated for 2011 either.

Obligations from already concluded contracts for initiated or planned investment plans (sourcing commitments) amounted to € 429.5 thousand (previous year: € 88.4 thousand).

NOTES TO THE CONSOLIDATED INCOME STATEMENT

Expenses are recorded in the consolidated income statement using the total cost method.

24. SALES

Sales are generated primarily from listing services, data sales, terminal products and advertising. Sales decreased by € 3,108.9 thousand, or 3.9 %, to € 76,123.6 thousand compared to 2009. The segment report shows the breakdown of sales by business areas.

25. OTHER CAPITALIZED, INTERNALLY GENERATED ASSETS

The criteria for the capitalization of internally generated software were fulfilled. A total € 202.4 thousand was capitalized (previous year: € 315.1 thousand).

26. OTHER OPERATING INCOME

Other operating income includes € 891.3 thousand from the derecognition of liabilities (previous year: € 415.6 thousand) and € 595.6 thousand in income from the reversal of provisions (previous year: € 1,259.9 thousand). Deviations from the amounts shown under provisions result from currency translation differences.

27. COST OF MATERIALS

The cost of services purchased includes primarily license costs and fees for downloading exchange data (revenue-based items).

28. PERSONNEL EXPENSES

Personnel expenses can be broken down as follows:

in € '000	2010	2009 adjusted	2009 as reported
Wages and salaries	28,154.3	27,447.9	27,447.9
Social security, post-employment and other employee benefit costs	4,691.3	4,648.1	4,540.8
	32,845.6	**32,096.0**	**31,988.7**

Expenses for pensions amounted to € 219.7 thousand (previous year: € 575.9 thousand; adjusted: € 683.2 thousand).

In addition, this item also includes income from reimbursement of € 23.4 thousand.

Social security, post-employment and other employee benefit costs also include expenses of € 64.0 thousand (previous year: € 54.4 thousand) for a defined-benefit plan that is treated like a defined-contribution plan.

29. OTHER OPERATING EXPENSES

Other operating expenses can be broken down as follows:

in € '000	2010	2009
Rental expenses	3,539.4	3,215.1
Services	1,161.1	2,040.1
Advertising / marketing	1,052.8	1,217.8
Miscellaneous	6,433.1	6,978.3
	12,186.4	**13,451.3**

The "miscellaneous" expense item also comprises travel costs as well as other costs such as maintenance or repair costs.

30. DEPRECIATION ON INTANGIBLE AND TANGIBLE ASSETS AND INVESTMENT PROPERTIES

Depreciation, amortization and impairment can be broken down as follows:

in € '000	2010	2009
Intangible assets	2,703.8	2,429.8
Tangible assets	1,612.7	1,503.3
Investment properties	0.0	10.3
	4,316.5	**3,943.4**

As in the previous year, no write-downs for impairment were carried out in fiscal year 2010.

The deviation from the development of fixed assets under no. 5 and no. 6 is due to the use of closing date or average rates.

31. FINANCIAL RESULT

In fiscal year 2010, the financial result amounted to € – 1,217.0 thousand (previous year: € – 917.6 thousand; adjusted: € – 1,014.3 thousand) and includes € 542.6 thousand in interest and similar expenses (previous year: € 648.6 thousand) and € 21.9 thousand in financial income (previous year: € 45.8 thousand). Details on the individual components of the financial result are shown as follows.

in € '000	2010	2009 adjusted	2009 as reported
Interest and similar income	21.9	45.8	45.8
Interest and similar expenses	– 542.6	– 648.6	– 648.6
Write-downs of non-current financial assets and current securities	– 0.5	– 11.0	– 11.0
Interest and similar expenses related to the put option	– 695.7	– 400.5	– 303.8
	– 1,217.0	**– 1,014.3**	**– 917.6**

Thereof from financial instruments of the measurement category pursuant to IAS 39:

in € '000	2010	2009
Loans and receivables	0.0	0.0
Financial liabilities measured at amortized cost	385.1	531.8

Interest expenses result, among other things, from the use of loans at vwd AG to finance the acquisition of shares in associated companies.

32. TAX RESULT

The average trade tax rate for the companies included in the vwd group amounted to 15.925 % (previous year: 15.925 %). As in the previous year, the solidarity surcharge amounted to 5.5 %. As of December 31, 2010, deferred taxes of domestic companies were measured at an aggregate tax rate including the solidarity surcharge of 31.75 % (previous year: 31.75 %).

Tax expenses in the income statement can be broken down as follows:

in € '000	2010	2009
Current taxes	1,411.0	2,045.4
Deferred tax income	– 1,167.1	– 604.7
Deferred tax liabilities	397.4	280.2
	641.3	1,720.9
Other taxes	76.2	42.8
Total	**717.5**	**1,763.7**

As in the previous year, the country-specific income tax rates that applied to foreign subsidiaries ranged from 16.53 % to 34.0 %.

In fiscal year 2010, actual income tax relating to other periods amounted to € 175.9 thousand (previous year: € 42.8 thousand).

Actual income tax expenses declined by € 83.9 thousand as a result of corporate tax loss carry-backs to fiscal year 2009. In addition, in accordance with IAS 12.34, tax loss carry-forwards for two domestic companies and a foreign company were capitalized for the first time during the reporting year. In accordance with IAS 12.68a, the loss carry-forward of the foreign company was netted against goodwill because it concerned a retroactive capitalization of loss carry-forwards that already existed at the time of acquisition. Actual income tax expenses were reduced by previously not considered tax losses of € 128.6 thousand in 2010.

The deviation from the change in the respective balance-sheet items is due to the use of average or closing date rates.

in € '000	2010	2009
Income for the year before tax	**1,844.9**	**4,846.2**
Expected tax expenses (+) / income (–)	585.8	1,538.7
Tax effects resulting from differences in the tax base		
– Non-deductible expenses	378.5	– 21.4
– Other tax-exempt income	– 273.0	105.4
Tax rate differences		
– Differences in foreign tax rates	– 34.5	0.5
– Different trade tax assessment rates	– 74.2	36.5
Tax effects from recognition and measurement of deferred taxes		
– Effects of losses	– 59.2	18.4
– Retroactive recognition of deferred taxes	– 23.2	0.0
Effects attributable to other reporting periods		
Expenses (+) / reimbursements (–) due to audit / tax assessment	175.9	42.8
Miscellaneous	– 34.8	0.0
Actual tax expenses (+) / income (–)	**641.3**	**1,720.9**

As of December 31, 2010, unutilized tax loss carry-forwards for which no deferred tax assets were recognized in the balance sheet amounted to € 9,823.6 thousand.

The company's deferred taxes related to the following items:

in € '000	12/31/2010		12/31/2009	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Non-current assets	636.9	2,128.9	769.8	2,328.3
Current assets	17.2	16.1	0.0	139.4
Equity	6.9	184.7	9.0	249.7
Loss carry-forward	610.7	0.0	0.0	0.0
Pension provisions	277.8	0.0	194.2	0.0
Other provisions	162.7	0.0	11.8	0.0
Liabilities	0.0	142.7	0.0	0.0
	1,712.2	**2,472,4**	**984.8**	**2,717.4**

Deferred tax assets are recognized only to the extent that a realization of the respective benefit is likely. No bad-debt allowances were formed because utilization is considered likely based on short-term business expectations.

Deferred tax assets and liabilities result from temporary differences and are not offset even if they concern the same tax authority.

33. PROFITS/LOSSES ALLOCABLE TO MINORITIES

Profits amounted to € 587.8 thousand (previous year: € 612.6 thousand).

34. EARNINGS PER SHARE

In accordance with IAS 33 "Earnings per Share," earnings per share are calculated by dividing the net income by the weighted average number of shares.

Stock options were not factored into the calculation because the common stock's average price for 2010 is below the exercise price for the option so that undiluted earnings per share correspond to diluted earnings per share. All business areas represent continuing operations in the reporting year.

Additional explanations on the stock options can be found in note 43.

in € '000	2010	2009 adjusted	2009 as reported
Net income (€ '000)	1,203.6	2,921.3	3,125.3
Net income allocable to minorities (€ '000)	587.8	612.6	612.6
Net income allocable to shareholders of vwd (€ '000)	615.8	2,308.7	2,512.7
Weighted average number of issued common shares (shares)	25,754,577	25,754,577	25,754,577
Undiluted earnings per share (€)	**0.024**	**0.090**	**0.098**

No dilution effects occurred during the reporting period. Authorized capital also represented no dilutive effect for the fiscal year.

35. REPORTING ON FINANCIAL INSTRUMENTS

Notes on the types and size of risks from financial instruments pursuant to IFRS 7 are included in the risk report in the group management report. The information provided there is part of the consolidated financial statements and is referred to here.

36. SEGMENT REPORTING

Our internal reporting provides for a differentiated presentation of business activities. The group's reporting structure is based on the three market-oriented business areas whose task is to offer vwd customers optimal subject-matter- and target-group-specific solutions drawing from vwd's full product and service offering.

They are:

- **Market Data Solutions (MDS)**
  In its MDS segment, vwd provides a multi-faceted range of market-data systems, browser-based applications, portfolio management solutions and content solutions. The focus is on standardized software solutions with individual configurations that are integrated into customers' infrastructures.

- **Technology Solutions (TS)**
  The TS segment provides technology and transaction solutions as well as consulting and outsourcing services. In addition, vwd handles the design and realization as well as the hosting of professional Internet platforms. The provision of market data listings for print media and financial portals is also done by this segment. Customer-specific solutions that are largely developed individually and integrated into customers' existing infrastructure are a key feature of this segment.

- **Specialised Market Solutions (SMS)**
  The SMS segment offers customized cross-media publication and communication concepts. The focus here is on special advertising formats for products of issuers of derivative products and fund management firms as well as the distribution of key financial and price data from financial services providers and securities underwriters. vwd's own online portal "finanztreff.de" is also operated by the SMS segment.

Segment information by business areas

FISCAL YEAR 2010

in € '000

	MDS	TS	SMS	Total	Reconciliation	vwd group
External sales	35,410	18,515	22,199	76,124	0	76,124
Inter-segment sales	120	1,560	0	1,680	1,680	0
Segment sales (gross)	35,530	20,075	22,199	77,804	1,680	76,124
Change in inventory	0	0	0	0	0	0
Other capitalized internally generated assets	28	174	0	202	0	202
Other operating income	1,396	854	753	3,003	0	3,003
Total segment sales	36,954	21,103	22,952	81,009	1,680	79,329
Cost of materials	15,880	3,891	8,751	28,522	1,680	26,842
Personnel expenses	12,922	11,357	8,567	32,846	0	32,846
Other operating expenses	4,328	3,644	4,214	12,186	0	12,186
EBITDA	**3,824**	**2,211**	**1,420**	**7,455**	**0**	**7,455**
Depreciation/amortization	1,245	1,796	1,276	4,317	0	4,317
– thereof depreciation from ppa	335	996	440	1,771	0	1,771
EBIT	**2,579**	**415**	**144**	**3,138**	**0**	**3,138**
Other interest and similar income	6	7	9	22	0	22
Depreciation of financial assets and securities	0	1	0	1	0	1
Interest and similar expenses	158	94	290	542	0	542
Interest and similar expenses related to the put option	0	0	696	696	0	696
EBT	**2,427**	**327**	**– 833**	**1,921**	**0**	**1,921**
Goodwill	19,441	8,493	18,964	46,898	0	46,898

FISCAL YEAR 2009*

in € '000

	MDS	TS	SMS	Total	Reconciliation	vwd group
External sales	36,337	19,888	23,008	79,233	0	79,233
Inter-segment sales	192	1,176	0	1,368	1,368	0
Segment sales (gross)	36,529	21,064	23,008	80,601	1,368	79,233
Change in inventory	0	0	– 5	– 5	0	– 5
Other capitalized internally generated assets	69	246	0	315	0	315
Other operating income	1,498	973	385	2,856	0	2,856
Total segment sales	38,096	22,283	23,388	83,767	1,368	82,399
Cost of materials	15,796	4,105	8,676	28,577	1,368	27,209
Personnel expenses	12,188	11,879	8,029	32,096	0	32,096
Other operating expenses	5,608	3,841	4,003	13,451	0	13,451
EBITDA	**4,505**	**2,458**	**2,680**	**9,643**	**0**	**9,643**
Depreciation/amortization	1,176	1,570	1,197	3,943	0	3,943
– thereof depreciation from ppa	335	925	288	1,548	0	1,548
EBIT	**3,329**	**888**	**1,483**	**5,700**	**0**	**5,700**
Other interest and similar income	14	13	19	46	0	46
Depreciation on financial assets and securities	0	11	0	11	0	11
Interest and similar expenses	217	92	340	649	0	649
Interest and similar expenses related to the put option	0	0	401	401	0	401
EBT	**3,126**	**798**	**761**	**4,685**	**0**	**4,685**
Goodwill	19,379	8,321	18,801	0	0	46,501

* The segment figures for the previous year shown in the table have been adjusted in accordance with IAS 8.

Information on products and services

We would like to point out that the breakdown of sales from external customers for each group of comparable products and services can be derived from the above segment reporting.

SALES BY LOCATION OF CUSTOMERS (IN ALPHABETICAL ORDER):

in € '000	2010	2009
Austria	3,629	3,930
Belgium	46,362	47,186
France	547	570
Germany	497	922
Ireland	513	739
Luxembourg	8,864	9,816
Netherlands	2,874	3,114
Switzerland	1,969	1,544
UK	10,233	10,465
Rest of Europe	548	684
Rest of World	88	263
	76,124	**79,233**

Sales with third parties are shown for the region in which the sales are realized.

Inter-segment sales concerned Germany, Switzerland, Belgium and the Netherlands.

Transactions between segments are based on an intragroup cost rate of € 650.00 per man day. If costs are recharged to external customers, the primary segment receives 80 % of the sales. In case of licensing, the primary segment receives up to 15 % of the sales.

NON-CURRENT ASSETS BY REGION

in € '000	2010	2009
Germany	45,368	46,255
– thereof goodwill	38,486	38,486
Switzerland	9,852	9,318
– thereof goodwill	4,333	3,652
Netherlands / Belgium	6,201	6,699
– thereof goodwill	4,078	4,363
	61,421	**62,272**

37. NOTES TO THE CASH FLOW STATEMENT

In accordance with IAS 7, the cash flow statement presents changes in cash flows resulting from cash inflows and outflows from current operating, investing and financing activities for fiscal years 2009 and 2010 in accordance with IAS 7. The cash flows were determined based on the vwd group accounts using the indirect method. Cash in the cash flow statement includes all liquid assets shown in the balance sheet, i.e., cash on hand, checks and bank deposits that can be withdrawn within three months. The cash and cash equivalents are not subject to any restrictions.

The amounts corresponding to cash flow from operating activities (net cash flow) are shown in detail both in the balance sheet and in the income statement. This concerns reported amounts for inventories, receivables and liabilities in the balance sheet. The cash flow statement is based on consolidated net income for the period.

Cash flow from operating activities is derived indirectly from the operating result. This indirect calculation involves adjusting the changes in balance-sheet items related to operating activities to reflect effects from currency translation and changes in the consolidation group.

Net cash generated from operating activities:

In the reporting year, cash inflows from operating activities amounted to € 7,264.5 thousand (previous year: € 4,504.4 thousand). The change from the positive result plus the non-cash write-downs and the change in pension provisions (= positive gross cash flow) are offset by cash outflows from changes in other net assets/other non-cash transactions.

Gross cash flow includes interest received in the amount of € 21.9 thousand (previous year: € 45.8 thousand). Income tax payments amounted to € 1,729.3 thousand (previous year: € 2,332.8 thousand).

Net cash used in investing activities:

Cash outflows from investing activities amounted to € 2,121.4 thousand (previous year: € 5,179.3 thousand) and were attributable to the acquisition of intangible and tangible assets.

Net cash used in financing activities:

Cash inflows from financing activities of € – 3,707.8 thousand (previous year: € – 5,141.7 thousand) resulted mainly from the redemption of loans and an earnings distribution to shareholders of vwd AG.

As of December 31, 2010, cash and cash equivalents consist of cash on hand, bank deposits and liabilities to banks that were repaid in the first quarter of 2010, and could be broken down as follows as of December 31, 2010:

in € '000	2010	2009
Cash on hand, bank deposits	7,665.6	9,293.1
Current liabilities to banks	– 5,012.6	– 8,075.4
	2,653.0	**1,217.7**

vwd has unutilized credit lines totaling € 9,887.4 thousand.

OTHER NOTES

38. RELATED-PARTY TRANSACTIONS

Related parties within the meaning of IAS 24 generally include members of the Management and Supervisory Boards, shareholders and associated and affiliated companies. Business transactions between the company and its subsidiaries, which classify as related parties, have been eliminated by the consolidation and will not be explained in these notes.

By contractual agreement of October 15, 2004, a legal consulting contract was concluded with Nieding + Barth Rechtsanwaltsaktiengesellschaft, Frankfurt/Main. Supervisory Board Chairman Klaus Nieding is both a shareholder and Management Board member of the law firm Nieding + Barth Rechtsanwaltsaktiengesellschaft. In 2010, compensation from legal consulting work amounted to € 234.7 thousand. As of December 31, 2010, unpaid invoices totaling € 28.1 thousand were considered in short-term trade liabilities.

In addition, a contractual agreement regarding consulting services for M&A transactions exists with the Supervisory Board member Ernesto A.M. Mancosu. As of December 31, 2010, unpaid invoices totaling € 1.5 thousand were considered in other provisions.

The compensation of key group executives that must be disclosed pursuant to IAS 24 comprises the compensation of the Management and Supervisory Boards. They were compensated as follows:

in € '000	2010	2009
Management Board	746.3	1,187.6
Supervisory Board	86.5	94.5
	832.8	**1,282.1**

Management Board member remuneration included € 0 thousand (previous year: € 310.3 thousand) in variable remuneration components. In addition, the Management Board members Keferstein and Bosse are entitled to company pensions consisting of a lump-sum payment upon reaching the retirement age.

As of December 31, 2010, commitments from these entitlements amounted to € 217.1 thousand (previous year: € 185.9 thousand).

As in the previous year, no loans or advance payments had been granted to Management or Supervisory Board members as of December 31, 2010. Also as in the previous year, no contingencies were entered in favor of the Management and Supervisory Boards.

Among the Management Board members, Mr. Keferstein and Mr. Bosse held the following number of shares in vwd AG as of December 31, 2010:

in € '000	Number of shares	in % of subscribed capital
Mr. Keferstein	3,889,454	15.10
Mr. Bosse	1,202,780	4.67

Mr. Keferstein holds a portion of his shares indirectly via EJK Investment und Beteiligungs GmbH & Co. KG, which he controls.

The Management Board members receive no compensation for the fulfillment of their duties at subsidiaries.

Additional information on individual compensation and other details regarding the remuneration of members of the Management and Supervisory Boards can be found in the remuneration report in the group management report.

39. NOTES PURSUANT TO § 26 SECTION 1 AND § 26A OF THE GERMAN SECURITIES TRADING ACT (WPHG)

As of December 31, 2010, the following notifications had been published pursuant to § 26 Section 1 and § 26a of the German Securities Trading Act (WpHG):

On February 16, 2010, a notification pursuant to § 26 Section 1 of the German Securities Trading Act (WpHG) was issued for Hopp Verwaltungs-GmbH, Mannheim, Germany. The notification included the following statement regarding the status of voting rights on April 7, 2006, October 1, 2007, October 26, 2007, and March 12, 2008:

1. Status of voting rights on April 7, 2006

Hopp Verwaltungs-GmbH, Mannheim, Germany, has informed us in accordance with § 21 Section 1 of the German Securities Trading Act (WpHG) that its share of voting rights in vwd Vereinigte Wirtschaftsdienste AG (then still b.i.s. börsen-informations-systeme AG, Rimpar) exceeded the thresholds of 3 %, 5 %, 10 %, 15 %, 20 %, 25 %, 30 %, 50 % and 75 % on April 7, 2006, and amounted to 75.04 % (1,874,736 voting rights) as of this date.

In accordance with § 22 Section 2 Sentence 1 of the German Securities Trading Act (WpHG), all of these voting rights were allocated to Hopp Verwaltungs-GmbH on grounds of coordination of actions by a subsidiary.

In accordance with § 22 Section 2 Sentence 1 of the German Securities Trading Act (WpHG), 1,874,736 voting rights (75.04 % of the voting rights) in vwd Vereinigte Wirtschaftsdienste GmbH, Frankfurt/Main, were allocable to the entity obliged to report. vwd Vereinigte Wirtschaftsdienste GmbH's share in the voting rights of vwd Vereinigte Wirtschaftsdienste AG (then still b.i.s. börsen-informations-systeme AG, Rimpar) amounted to 3 % or more.

2. Status of voting rights as of October 1, 2007

In accordance with § 21 Section 1 of the German Securities Trading Act (WpHG), Hopp Verwaltungs-GmbH, Mannheim, Germany, has informed us that its share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG dropped below the thresholds of 75 % and 50 % on October 1, 2007, and amounted to 38.17 % (9,398,196 voting rights) as of this date.

All of these voting rights were allocable to Hopp Verwaltungs-GmbH in accordance with § 22 Section 1 Sentence 1 No. 1 of the German Securities Trading Act (WpHG).

The voting rights allocable to Hopp Verwaltungs-GmbH were held by the following companies, which it controls and whose share in the voting rights of vwd Vereinigte Wirtschaftsdienste AG amounted to 3 % or more:

- DAH Beteiligungs GmbH, Mannheim;
- Hopp Beteiligungsgesellschaft mbH & Co. KG, Mannheim.

3. Status of voting rights as of October 26, 2007

Hopp Verwaltungs-GmbH, Mannheim, Germany, has informed us in accordance with § 21 Section 1 of the German Securities Trading Act (WpHG) that its share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG exceeded the thresholds of 50 % and 75 % on October 26, 2007, and amounted to 76.33 % (18,796,391 voting rights) as of this date.

Of these voting rights, 38.17 % (9,398,196 voting rights) were allocable to Hopp Verwaltungs-GmbH pursuant to § 22 Section 1 Sentence 1 No. 1 of the German Securities Trading Act (WpHG) and another 38.17 % (9,398,195 voting rights) pursuant to § 22 Section 2 Sentence 1 of the German Securities Trading Act (WpHG) (coordination of actions by a subsidiary).

The voting rights allocated to Hopp Verwaltungs-GmbH in accordance with § 22 Section 1 Sentence 1 No. 1 of the German Securities Trading Act (WpHG) were held via the following companies, which it controls and whose share of voting rights in vwd Vereinigte Wirtschaftsdienste AG amounted to 3 % or more:

- DAH Beteiligungs GmbH, Mannheim;
- Hopp Beteiligungsgesellschaft mbH & Co. KG, Mannheim.

In accordance with § 22 Section 2 Sentence 1 of the German Securities Trading Act (WpHG), 38.17 % (9,398,195 voting rights) were allocable to Hopp Verwaltungs-GmbH via CornerstoneCapital Beteiligungen GmbH, Frankfurt/Main, whose share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG amounted to 3 % or more.

4. Status of voting rights on March 12, 2008

In accordance with § 21 Section 1 of the German Securities Trading Act (WpHG), Hopp Verwaltungs-GmbH, Mannheim, Germany, has informed us that its share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG fell below the thresholds of 75 % and 50 % on March 12, 2008, and amounted to 38.17 % (9,398,196 voting rights) as of this date.

All of these voting rights are allocable to Hopp Verwaltungs-GmbH in accordance with § 22 Section 1 Sentence 1 No. 1 of the German Securities Trading Act (WpHG).

The voting rights allocated to Hopp Verwaltungs-GmbH were held via the following companies, which it controls and whose share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG amounted to 3 % or more:

- DAH Beteiligungs GmbH, Mannheim;
- Hopp Beteiligungsgesellschaft mbH & Co. KG, Mannheim.

On February 16, 2010, a notification was issued in accordance with § 26 Section 1 of the German Securities Trading Act (WpHG) for Hopp Beteiligungsgesellschaft mbH & Co. KG, Mannheim, Germany. In the notification, the status of voting rights as of April 7, 2006, October 1, 2007, October 26, 2007, and March 12, 2008, was stated as follows:

1. Status of voting rights as of April 7, 2006

Hopp Beteiligungsgesellschaft mbH & Co. KG, Mannheim, Germany, has informed us in accordance with § 21 Section 1 of the German Securities Trading Act (WpHG) that its share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG (then still b.i.s. börsen-informations-systeme AG, Rimpar) exceeded the thresholds of 3 %, 5 %, 10 %, 15 %, 20 %, 25 %, 30 %, 50 % and 75 % on April 7, 2006, and amounted to 75.04 %, (1,874,736 voting rights) as of this date.

All of these voting rights were allocated to Hopp Beteiligungsgesellschaft mbH & Co. KG on grounds of coordination of actions by a subsidiary in accordance with § 22 Section 2 Sentence 1 of the German Securities Trading Act (WpHG).

In accordance with § 22 Section 2 Sentence 1 of the German Securities Trading Act (WpHG), 1,874,736 voting rights (75.04 % of the voting rights) of vwd Vereinigte Wirtschaftsdienste GmbH, Frankfurt/Main, were allocable to the entity obliged to report. vwd Vereinigte Wirtschaftsdienste GmbH's share in the voting rights of vwd Vereinigte Wirtschaftsdienste AG (then still b.i.s. börsen-informations-systeme AG, Rimpar) amounted to 3 % or more.

2. Status of voting rights as of October 1, 2007

Hopp Beteiligungsgesellschaft mbH & Co. KG, Mannheim, Germany, has informed us in accordance with § 21 Section 1 of the German Securities Trading Act (WpHG) that its share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG fell below the thresholds of 75 % and 50 % on October 1, 2007, and amounted to 38.17 % (9,398,196 voting rights) as of this date.

All of these voting rights were allocable to Hopp Beteiligungsgesellschaft mbH & Co. KG in accordance with § 22 Section 1 Sentence 1 No. 1 of the German Securities Trading Act (WpHG).

The voting rights allocated to Hopp Beteiligungsgesellschaft mbH & Co. KG were held via the following companies, which it controls and whose share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG amounted to 3 % or more:

- DAH Beteiligungs GmbH, Mannheim.

3. Status of voting rights as of October 26, 2007

Hopp Beteiligungsgesellschaft mbH & Co. KG, Mannheim, Germany, has informed us in accordance with § 21 Section 1 of the German Securities Trading Act (WpHG) that its share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG exceeded the thresholds of 50 % and 75 % on October 26, 2007, and amounted to 76.33 % (18,796,391 voting rights) as of this date.

Of these voting rights, 38.17 % (9,398,196 voting rights) were allocable to Hopp Verwaltungs-GmbH pursuant to § 22 Section 1 Sentence 1 No. 1 of the German Securities Trading Act (WpHG) and another 38.17 % (9,398,195 voting rights) pursuant to § 22 Section 2 Sentence 1 of the German Securities Trading Act (WpHG) (coordination of actions by a subsidiary).

The voting rights allocable to Hopp Beteiligungsgesellschaft mbH & Co. KG in accordance with § 22 Section 1 Sentence 1 No. 1 of the German Securities Trading Act (WpHG) were held via the following companies, which it controls and whose share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG amounted to 3 % or more:

- DAH Beteiligungs GmbH, Mannheim.

In accordance with § 22 Section 2 Sentence 1 of the German Securities Trading Act (WpHG), 38.17 % (9,398,195 voting rights) were allocable to Hopp Verwaltungs-GmbH via CornerstoneCapital Beteiligungen GmbH, Frankfurt/Main, whose share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG amounted to 3 % or more.

4. Status of voting rights on March 12, 2008

Hopp Beteiligungsgesellschaft mbH & Co. KG, Mannheim, Germany, has informed us in accordance with § 21 Section 1 of the German Securities Trading Act (WpHG) that its share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG fell below the thresholds of 75 % and 50 % on March 12, 2008, and amounted to 38.17 % (9,398,196 voting rights) as of this date.

All of these voting rights are allocable to Hopp Beteiligungsgesellschaft mbH & Co. KG in accordance with § 22 Section 1 Sentence 1 No. 1 of the German Securities Trading Act (WpHG).

The voting rights allocable to Hopp Beteiligungsgesellschaft mbH & Co. KG are held via the following companies, which it controls and whose share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG amounts to 3 % or more:

- DAH Beteiligungs GmbH, Mannheim.

Due to erroneous notifications issued by Mr. Daniel Hopp, Germany, the following correction of the notifications made in accordance with § 26 Section 1 of the German Securities Trading Act (WpHG) on April 14, 2006, October 4, 2007, October 30, 2007, and March 14, 2008, was issued on March 4, 2010:

1. Correction of the notification of April 14, 2006

In accordance with § 21 Section 1 of the German Securities Trading Act (WpHG), Mr. Daniel Hopp, Germany, informed us on March 3, 2010, in a correction of his notification of April 10, 2006, that his share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG (then still b.i.s. börsen-informations-systeme AG, Rimpar) exceeded the thresholds of 3 %, 5 %, 10 %, 15 %, 20 %, 25 %, 30 %, 50 % and 75 % on April 7, 2006, and amounted to 75.04 %, (1,874,736 voting rights) as of this date.

All of these voting rights were allocated to Mr. Daniel Hopp in accordance with § 22 Section 2 Sentence 1 of the German Securities Trading Act (WpHG) due to cooperative actions by a subsidiary.

In accordance with § 22 Section 2 Sentence 1 of the German Securities Trading Act (WpHG), 1,874,736 voting rights (75.04 % of the voting rights) in vwd Vereinigte Wirtschaftsdienste GmbH, Frankfurt/Main, were allocable to the entity obliged to report. vwd Vereinigte Wirtschaftsdienste GmbH's share in the voting rights of vwd Vereinigte Wirtschaftsdienste AG (then still b.i.s. börsen-informations-systeme AG, Rimpar) amounted to 3 % or more.

2. Correction of the notification of October 4, 2007

In accordance with § 21 Section 1 of the German Securities Trading Act (WpHG), Mr. Daniel Hopp, Germany, informed us on March 3, 2010, in a correction of his notification of October 4, 2007, that his share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG fell below the thresholds of 75 % and 50 % on October 1, 2007, and amounted to 38.17 % (9,398,196 voting rights) as of this date.

All of these voting rights were allocable to Mr. Daniel Hopp in accordance with § 22 Section 1 Sentence 1 No. 1 of the German Securities Trading Act (WpHG).

The voting rights allocated to Mr. Daniel Hopp were held via the following companies, which he controls and whose share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG amounted to 3 % or more:

- DAH Beteiligungs GmbH, Mannheim;
- Hopp Beteiligungsgesellschaft mbH & Co. KG, Mannheim;
- Hopp Verwaltungs-GmbH, Mannheim.

3. Correction of the notification of October 30, 2007

In accordance with § 21 Section 1 of the German Securities Trading Act (WpHG), Mr. Daniel Hopp, Germany, informed us on March 3, 2010, in a correction of his notification of October 29, 2007, that his share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG exceeded the thresholds of 50 % and 75 % on October 26, 2007, and amounted to 76.33 % (18,796,391 voting rights) as of this date.

Of these voting rights, 38.17 % (9,398,196 voting rights) were allocable to Hopp Verwaltungs-GmbH pursuant to § 22 Section 1 Sentence 1 No. 1 of the German Securities Trading Act (WpHG) and another 38.17 % (9,398,195 voting rights) pursuant to § 22 Section 2 Sentence 1 of the German Securities Trading Act (WpHG) (coordination of actions by a subsidiary).

The voting rights allocated to Mr. Daniel Hopp in accordance with § 22 Section 1 Sentence 1 No. 1 of the German Securities Trading Act (WpHG) were held via the following companies, which he controls and whose share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG amounted to 3 % or more:

- DAH Beteiligungs GmbH, Mannheim;
- Hopp Beteiligungsgesellschaft mbH & Co. KG, Mannheim;
- Hopp Verwaltungs-GmbH, Mannheim.

In accordance with § 22 Section 2 Sentence 1 of the German Securities Trading Act (WpHG), 38.17 % (9,398,195 voting rights) were allocable to Hopp Verwaltungs-GmbH via CornerstoneCapital Beteiligungen GmbH, Frankfurt/Main, whose share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG amounted to 3 % or more.

4. Correction of the notification of March 14, 2008

In accordance with § 21 Section 1 of the German Securities Trading Act (WpHG), Mr. Daniel Hopp, Germany, informed us on March 3, 2010, in a correction of his notification of March 14, 2008, that his share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG fell below the thresholds of 75 % and 50 % on March 12, 2008, and amounted to 38.17 % (9,398,196 voting rights) as of this date.

All of these voting rights are allocable to Mr. Daniel Hopp in accordance with § 22 Section 1 Sentence 1 No. 1 of the German Securities Trading Act (WpHG).

The voting rights allocated to Mr. Daniel Hopp are held via the following companies which he controls and whose share of the voting rights in vwd Vereinigte Wirtschaftsdienste AG amount to 3% or more:

- DAH Beteiligungs GmbH, Mannheim;
- Hopp Beteiligungsgesellschaft mbH & Co. KG, Mannheim;
- Hopp Verwaltungs-GmbH, Mannheim.

40. NOTES ON THRESHOLD VALUES PURSUANT TO § 160 SECTION 1 NO. 8 OF THE GERMAN STOCK CORPORATION ACT (AKTG)

As of the closing date, the company had been notified of the following stakeholdings pursuant to §§ 21 Section 1, 22 Section 1 of the German Securities Trading Act (WpHG):

Person / entity obliged to report	Registered office	Share of voting rights in %*	Type of investment	Date when threshold was reached
Reductions below threshold values				
Mr. Edmund J. Keferstein	Germany	16.57	a.)	July 23, 2007
Mr. Spencer Bosse	Germany	4.87	a.)	July 23, 2007
CornerstoneCapital Beteiligungen GmbH	Frankfurt, Germany	38.40	a.)	March 12, 2008
CornerstoneCapital AG	Frankfurt, Germany	38.40	b.)	March 12, 2008
Deutsche Balaton AG	Heidelberg, Germany	38.40	b.)	March 12, 2008
VV Beteiligungen AG	Heidelberg, Germany	38.40	b.)	March 12, 2008
DELPHI Unternehmensberatung GmbH	Heidelberg, Germany	38.40	b.)	March 12, 2008
Mr. Wilhelm Konrad Thomas Zours	Germany	38.40	b.)	March 12, 2008
DAH Beteiligungs GmbH	Mannheim, Germany	38.17	a.)	March 12, 2008
Mr. Daniel Hopp	Germany	38.17	b.)	March 12, 2008
Hopp Verwaltungs-GmbH	Mannheim, Germany	38.17	b.)	March 12, 2008
Hopp Beteiligungsgesellschaft mbH & Co. KG	Mannheim, Germany	38.17	b.)	March 12, 2008

a.) directly held share of voting rights
b.) allocated share of voting rights, not additive
* at the time the threshold value was reached

41. AUDITOR'S FEES

For the services rendered by the auditor of vwd AG, Stüttgen & Haeb AG Wirtschaftsprüfungsgesellschaft, Düsseldorf, on behalf of vwd AG and its domestic subsidiaries audit fees of € 245.6 thousand (previous year: € 213.0 thousand) and other auditing service fees of € 150.4 thousand (previous year: € 129.8 thousand) were recognized.

The company's foreign subsidiaries are audited by different auditors.

Expenses for the audit of subsidiaries:

in € '000

Subsidiary	Auditor	2010	2009
vwd information solutions AG			
vwd group Switzerland AG			
PC&S Portfolio Consulting & Services AG			
European Derivates Group AG, St.Gallen	REFIDAR MOORE STEPHENS, Zurich	61.1	34.7
vwd group Belgium NV	Moore Stephens Verschelden, Antwerp	3.0	0.0
vwd group Netherlands B. V. vwd group Belgium NV	Meeuwsen Ten Hoopen Accountants B.V., Lelystad	24.3	48.2

Expenses for other auditing services provided to subsdiaries:

in € '000

Subsidiary	Auditor	2010	2009
vwd information solutions AG vwd group Switzerland AG PC&S Portfolio Consulting&Services AG European Derivates Group AG, St.Gallen	REFIDAR MOORE STEPHENS, Zurich	7.4	5.8
vwd group Netherlands B.V. und vwd group Belgium NV	Meeuwsen Ten Hoopen Accountants B.V., Lelystad	12.9	6.6

In addition, the following tax-consulting expenses were incurred by subsidiaries of the vwd group:

in € '000

Subsidiary	Auditor	2010	2009
vwd information solutions AG vwd group Switzerland AG PC&S Portfolio Consulting & Services AG European Derivates Group AG, St.Gallen	REFIDAR MOORE STEPHENS, Zurich	19.5	5.4
vwd group Netherlands B. V. vwd group Belgium NV	Meeuwsen Ten Hoopen Accountants B.V., Lelystad	11.2	27.6

42. EMPLOYEES

In fiscal year 2010, the group employed an average of 435 (previous year: 430) employees.

43. STOCK OPTION PROGRAM

The stock option plan adopted by resolution of the extraordinary general meeting of b.i.s. AG on May 10, 1999, expired in 2010. No stock options were exercised.

44. EXECUTIVE BODIES

SUPERVISORY BOARD

Klaus Nieding (Chairman)
attorney, Meddersheim

Pieter van Halem (Deputy Chairman
business manager, Kronberg

Mr. Ernesto A. M. Mancosu (from May 6, 2010)
business manager, La Croix/Switzerland, financial expert

Dr. Rainer Marquart (until March 26, 2010)
chemist, Mannheim

OTHER SUPERVISORY BOARD MANDATES OF SUPERVISORY BOARD MEMBERS:

Klaus Nieding
- none

Pieter van Halem
- Datamars S. A., Bedano-Lugano/Switzerland (member of the Advisory Board)
- Integrata AG, Stuttgart

Herr Ernesto A. M. Mancosu
- none

Dr. Rainer Marquart (until March 26, 2010)
- Augusta Technologie AG, Munich
- Ice Age Ice AG, Maintal
- 3-pod AG, Mannheim
- Silicon Sensor International AG, Berlin

MANAGEMENT BOARD

Edmund J. Keferstein (Chairman)
business manager, Kronberg

Spencer Bosse
industrial manager, Dietzenbach

Dr. Andreas Dahmen (from January 1, 2011)
business manager, Friedrichsdorf

Joachim Lauterbach (until January 31, 2010)
business manager, Eschborn

SUPERVISORY BOARD MANDATES OF MANAGEMENT BOARD MEMBERS

Edmund J. Keferstein
- vwd informations solutions AG (President of the Advisory Board), Zurich
- market maker Software AG (Chairman), Kaiserslautern
- vwd TransactionSolutions AG (Chairman), Frankfurt/Main
- vwd group Switzerland AG (President of the Advisory Board), Zurich
- PC&S Portfolio Consulting & Services AG (President of the Advisory Board), Zürich
- EDG AG (Chairman), Schäftlarn
- vwd academy AG (EDA) (Chairman), Frankfurt/Main
- European Derivatives Group AG (President of the Advisory Board), St. Gallen

Spencer Bosse
- market maker Software AG, Kaiserslautern
- vwd TransactionSolutions AG, Frankfurt/Main
- vwd group Switzerland AG, Zurich

Dr. Andreas Dahmen (from January 1, 2011)
- none

Joachim Lauterbach (until January 31, 2010)
- none

45. EVENTS AFTER THE REPORTING DATE

Dr. Andreas Dahmen was appointed to the Management Board, effective January 1, 2011. He has assumed the position of Chief Financial Officer.

The German Financial Reporting Enforcement Panel (FREP) has subjected the annual and consolidated financial statements of vwd Vereinigte Wirtschaftsdienste AG as of December 31, 2009, and the management and group management reports for fiscal year 2009 to a random enforcement examination. As of the assessment date of February 15, 2011, the panel concluded that the management and group management reports include neither an appropriate earnings and sales forecast nor a differentiated forecast by segments. This represents an infringement of § 289 (1) S. 4 of the German Commercial Code (HGB) and § 315 (1) S. 5 of the German Commercial Code (HGB) as well as the German Accounting Standards (GAS) 15.84–91. vwd will publish the error report in accordance with § 37q Section 2 Sentence 1 of the German Securities Trading Act (WpHG).

vwd Vereinigte Wirtschaftsdienste AG plans to reduce the complexity of its ownership structure. For this reason, the company plans to fully merge market maker Software AG with vwd Vereinigte Wirtschaftsdienste AG. A notification pursuant to § 63 Section 3 of the German Law Regulating the Transformation of Companies (UmwG) was published in the electronic Federal Gazette on March 3, 2011.

46. DECLARATION OF COMPLIANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE PURSUANT TO § 161 OF THE GERMAN STOCK CORPORATION ACT (AKTG) BY THE MANAGEMENT AND SUPERVISORY BOARDS OF VWD VEREINIGTE WIRTSCHAFTSDIENSTE AG

In January 2011, the Management and Supervisory Boards issued the following statement on the declaration of compliance pursuant to § 161 of the German Stock Corporation Act (AktG): "The Management and Supervisory Boards declare that vwd Vereinigte Wirtschaftsdienste AG complied only conditionally with the recommendations of the Government Commission German Corporate Governance Code in its version of May 26, 2010, since issuance of the last declaration (January 2010) until December 31, 2010, and will comply only conditionally from January 1, 2011."

Deviations are and were presented and explained in the declaration.

The declaration was made permanently available to shareholders on the company's Internet site at http://www.vwd.com in the section > Investor Relations > Corporate Governance > Compliance Statement.

Frankfurt/Main, March 9, 2011

EDMUND J. KEFERSTEIN
Chairman of the Management Board

SPENCER BOSSE
Member of the Management Board

DR. ANDREAS DAHMEN
Member of the Management Board

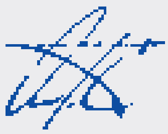
Responsibility Statement

RESPONSIBILITY STATEMENT ON THE CONSOLIDATED FINANCIAL STATEMENTS AND GROUP MANAGEMENT REPORT FOR FISCAL YEAR 2010

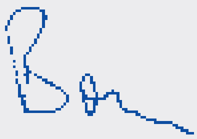
To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group Management Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the ex-pected development of the Group.

Frankfurt/Main, March 9, 2011

vwd Vereinigte Wirtschaftsdienste AG



EDMUND J. KEFERSTEIN
Chairman of the Management Board



SPENCER BOSSE
Member of the Management Board

DR. ANDREAS DAHMEN
Member of the Management Board

Auditor's Report

We have audited the consolidated financial statements prepared by vwd Vereinigte Wirtschaftsdienste AG, Frankfurt/Main, comprising the balance sheet, the income statement, the statement of comprehensive income, the statement of changes in equity, the cash flow statement and the notes to the consolidated financial statements, together with the group management report for the fiscal year from January 1 to December 31, 2010. The preparation of the consolidated financial statements and the group management report in accordance with IFRS as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315a Section 1 of the German Commercial Code (HGB) and supplementary provisions of the articles of incorporation are the responsibility of the company's Board of Management. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with § 317 of the German Commercial Code (HGB) and 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 in a way that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the group management report can be detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by the company's Board of Management, as well as an evaluation of the overall presentation of the consolidated financial statements and the group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRS as adopted by the EU and the additional requirements of German commercial law pursuant to § 315a Section 1 of the German Commercial Code (HGB) and supplementary provisions of the articles of incorporation and give a true and fair view of the net assets, financial position and results of operations of the group in accordance with these requirements. The group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the group's position and suitably presents the opportunities and risks of future development.

Düsseldorf, March 10, 2011

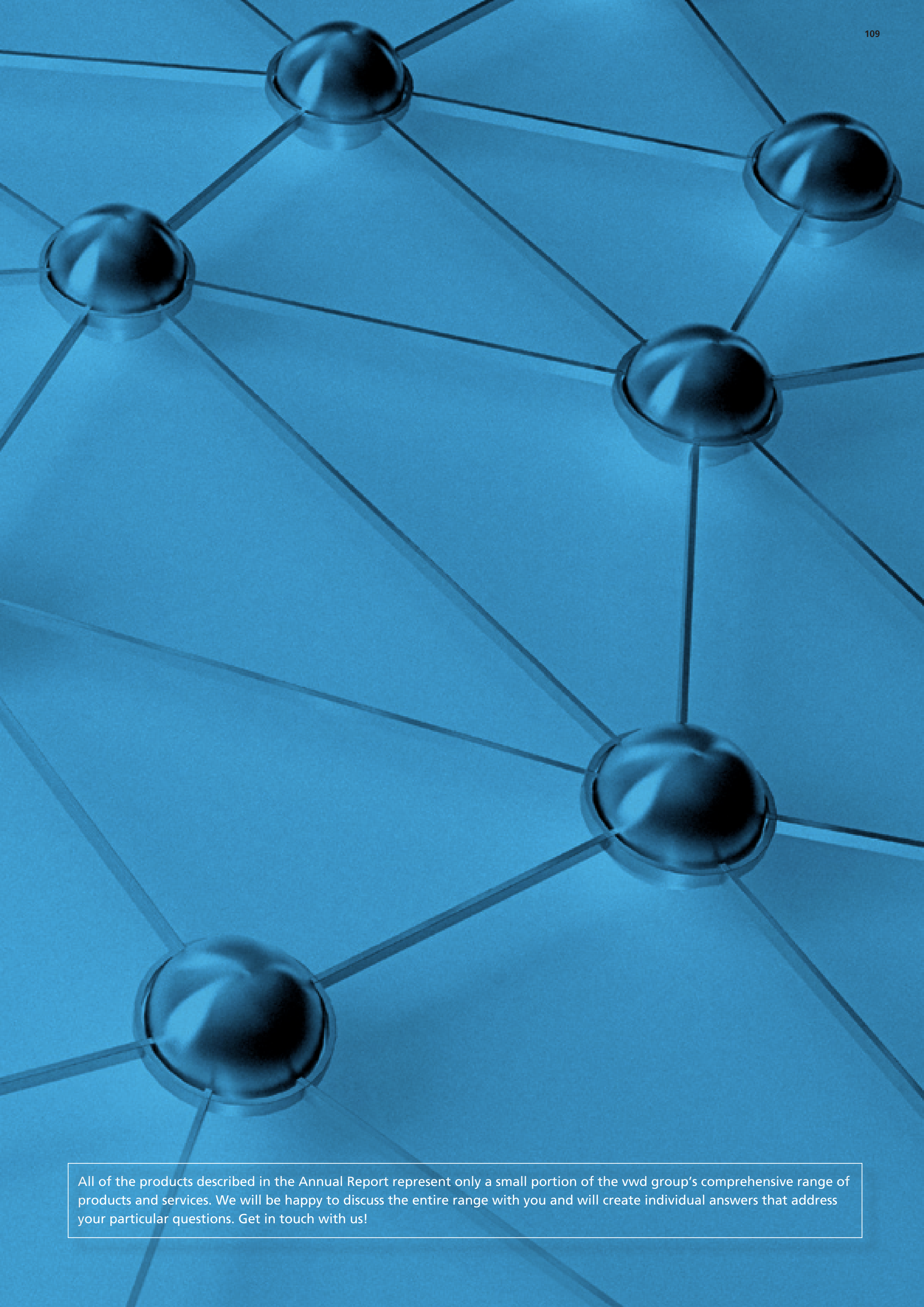
STÜTTGEN & HAEB AG
WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT

WOLFGANG ALFTER
Auditor

BERND LENZEN
Auditor

The use of the above auditor's opinion other than in this audit report requires our prior approval. The publication or distribution of the financial statements and/or group management report in a version which deviates from the certified one (including the translation into other languages) requires our opinion as well, to the extent that our auditor's opinion is quoted or reference is made to our audit. In this regard we make reference to § 328 of the German Commercial Code (HGB).

Index



All of the products described in the Annual Report represent only a small portion of the vwd group's comprehensive range of products and services. We will be happy to discuss the entire range with you and will create individual answers that address your particular questions. Get in touch with us!

IMPRINT

vwd Vereinigte Wirtschaftsdienste AG
Tilsiter Str. 1
60487 Frankfurt/Main
Telephone: +49 69 50 701-0
Fax: +49 69 50 701-114
info@vwd.com
www.vwd.com

Investor Relations
Telephone: +49 69 50 701-270
Fax: +49 69 50 701-114
investorrelations@vwd.com

Conception and Design
3st kommunikation, Mainz

Typesetting
Brückner & Neuner GmbH,
Obertshausen

Printing
h. reuffurth gmbh,
Mühlheim/Main

Financial Calendar

March 24, 2011	Publication of Annual Report 2010
May 2–4, 2011	Entry & General Standard Conference 2011, Frankfurt
May 5, 2011	Regularly scheduled Annual General Meeting 2011
May 12, 2011	Publication of Interim financial statement QI 2011
August 11, 2011	Publication of half-year financial report 2011
November 10, 2011	Publication of Interim financial statement QIII 2011
November 21–23, 2011	German Equity Forum Fall 2011, Frankfurt

vwd Vereinigte Wirtschaftsdienste AG
Tilsiter Straße 1
60487 Frankfurt / Main
Germany
www.vwd.com