

Audit Opinion

Annual Financial Statements for the
period ended 31 December 2007
and Management Report

Deutsche Börse Aktiengesellschaft
Frankfurt am Main



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This is an English translation of the German text,
which is the sole authoritative version.

Deutsche Börse AG, Frankfurt am Main
Balance Sheet as at 31th December 2007

Assets	31.12.2007 €	31.12.2006 T€	Shareholders' Equity and Liabilities	31.12.2007 €	31.12.2006 T€
NONCURRENT ASSETS			SHAREHOLDERS' EQUITY		
Intangible Assets			Subscribed Capital	191,888,548.00	97,799
Software	2,455,595.00	2,704	Subscribed capital before retirement		
Preparments	0.00	114	Per value of shares acquired for retirement	-8,111,452.00	
	2,454,595.00	2,618	Capital Reserve	1,279,328,955.19	1,377,329
Tangible Assets			Retained Earnings		
Fixtures on third party land	6,751,622.00	4,734	Other provisions	20,070,240.78	21,630
Other assets, furniture and office equipment	15,054,503.00	13,029			
Preparments	375,531.45	4,031	Unappropriated Surplus	425,000,000.00	350,000
	22,182,256.45	21,794	Total Shareholder's Equity	1,916,287,713.23	1,846,753
Financial Assets			PROVISIONS		
Shares in affiliated companies	1,789,714,431.16	1,775,655	Provisions for pensions and similar obligations	53,636,955.00	49,245
Loans to affiliated companies	1,574,653,525.48	350,000	Provisions for deferred taxes	157,559,716.19	154,025
Investments	52,180,523.65	17,463	Other provisions	164,308,457.11	131,545
Long-Term securities	53,609,407.21	51,149	Total provisions	375,505,128.30	335,016
Other loans	31,611.04	39	LIABILITIES		
	3,869,851,497.54	2,194,312	Liabilities from bank loans and overdraft	1,368,644,563.60	0
Total Noncurrent Assets	3,894,490,849.99	2,218,924	Trade accounts payables	10,894,835.07	14,733
CURRENT ASSETS			Amounts owed to group undertakings	860,824,677.18	620,047
Accounts Receivable and Other Assets			Amounts owed to companies in which the company has a participating interest	1,037,280.27	1,512
Trade accounts receivable	115,104,557.13	101,673	Other liabilities	38,595,583.74	19,914
Accounts receivable group	179,693,644.48	142,583			
Receivables from companies in which the company has a participating interest	69,539.03	163	Total Liabilities	2,279,996,735.83	656,206
Other current assets	48,894,152,669.99	32,176			
	<i>Percent receivable with residual term over 1 year: 17,900,613.07 €; previous year: 18,971 T€</i>		DEFERRED INCOME AND ACCRUED EXPENSES	41,751.26	0
	344,964,493,340.3	277,210			
Cash and Bank Balances	323,424,812.40	332,693			
Total Current Assets	668,389,305.74	609,903	Total Shareholders' Equity and Liabilities	4,571,831,359.36	2,837,980
DEFERRED TAX ASSETS & 274 (2)-HGB	7,506,000.00	7,495			
DEFERRED EXPENSES AND ACCRUED INCOME	1,446,203.63	1,658			
Total Assets	4,571,831,359.36	2,837,980			

Deutsche Börse AG, Frankfurt/Main
Profit and Loss Account
for the period 1 January to 31 December 2007

	2007		2006	
	€	€	T€	T€
Sales Revenue		1,261,372,730.75		1,043,334
Other Operating Income		191,187,097.03		142,385
Personnel Expenses				
Wages and Salaries	-140,455,438.98		-102,471	
Social securities, pensions and other benefits	-12,753,011.35	-153,208,450.33	-28,418	-130,889
<i>thereof pensions 6,715,042.78 € (previous year 22,427 T€)</i>				
Depreciation				
of intangible and tangible assets	-7,656,163.29	-7,656,163.29	-10,717	-10,717
Other Operating expenses		-542,627,367.99		-435,981
Income from Participating interests		272,301,152.09		180,564
<i>thereof from affiliated companies 262,748,949.00 € (i. Vj. 175,365 T€)</i>				
Income from Profit and Loss Agreements		91,942,898.58		81,610
Income from Financial Assets: Other Securities and Loans		493,326.82		372
Interest and similar Charges		76,466,730.78		138,611
<i>thereof from affiliated companies 23,864,064.19 € (previous year 22,157 T€)</i>				
Depreciation of Current Assets: Financial Assets and Securities		-339,000.00		-5,322
Interest and similar charges		-67,563,196.79		-133,084
<i>thereof affiliated companies 27,478,575.72 € (previous year 24,805 T€)</i>				
Profit before tax from ordinary activities		1,122,369,757.65		870,833
Tax on Profit		-348,752,187.65		-259,685
Other Taxes		-570.00		4,827
Net Profit for the Financial Year		773,617,000.00		616,025
Expenses for the retirement of treasury shares		-372,539,462.81		-380,822
Allocations to the capital reserve § 237 (5) AktG		-2,000,000.00		-3,919
Withdrawal from other profit reserves		372,539,462.81		380,822
Income from capital decrease		2,000,000.00		3,919
Allocations to profit reserve		-348,617,000.00		-266,025
Unappropriated Surplus		425,000,000.00		350,000

Notes to the Annual Financial Statements 2007

Accounting Policies

The annual financial statements for 2007 of Deutsche Börse AG were prepared on the basis of the accounting provisions of the *Handelsgesetzbuch* (German Commercial Trading Code – HGB) relating to large corporations and the provisions governing accounting for stock corporations (“Aktiengesellschaften”).

The total cost (type of expenditure) format was chosen for the income statement.

The company is a large corporation as defined by § 267 (3) of the HGB.

Non-current assets in foreign currency are converted into euro by using the historical rate of exchange at the time of acquisition; in the case of a permanent decline in value, a conversion at the period-end exchange rate will be made. Foreign currency receivables and liabilities are measured either at the ECB reference rate at the day of booking, or at a lower (receivables) or at a higher (liabilities) ECB reference rate at the date of the balance sheet. Expenses and income are measured at the ECB reference date at the day of booking.

Intangible assets are stated at initial value and reduced by the linear depreciation value.

Property plant and equipment are carried at cost and reduced by depreciation for wear and tear according to the tax maximum. Concerning the start date of depreciation for moveable assets the company applies the tax simplification rules valid at the date of acquisition. Low-value assets are written off in the year of the acquisition.

Equity investments as well as loans to the equity investments disclosed under non-current financial assets are generally carried at cost or at lower fair value; other noncurrent loans are reported at their principle amounts. Contribution of tangible assets is carried out to the book value. The disclosure is effected in the statement of changes in noncurrent assets under the position “Reclassification”. Securities are measured at cost or at the lower quoted market price at the date of the balance sheet.

Receivables and other assets are generally stated at their principal amount. Specific valuation allowances take account of all identifiable risks. General adjustments are made to reflect potential risks.

Provisions for pensions and other commitments are measured on the basis of actuarial principles with the partial value in accordance with section 6a of the *EStG* (German Income Tax Act) applying Prof. Dr. Klaus Heubeck`s “Richttafeln 2005 G”. The calculations are based on a discount rate of 5.25 percent, which deviates from previous years’ discount rate of 4.5 percent. Due to tax regulations, the provisions for the deferred compensation program were partly measured on the basis of the actual cash value.

Other provisions take all identifiable risks and open liabilities as of 31 December 2007 into account and were made to the amount expected to be required for settlement. Provisions for the phantom stock option program and the stock bonus plan program are based on the intrinsic value. The provisions for anniversaries and early retirement are measured at the partial value (for pensions at the cash value). The calculations are consistently based on a discount rate of 5.25 percent applying Prof. Dr. Klaus Heubeck's "Richttafeln 2005 G", which deviates from previous years' discount rate of 4.5 percent.

Based on the difference between the commercial and tax balance sheet approaches of the provisions, deferred taxes were calculated. According to §274 (2) HGB, a corresponding provision in the other profit reserves is not available for distribution.

The other methods of valuation are equal to methods used in previous years.

Liabilities are stated at their redemption amount.

Balance Sheet Disclosures

Non-current Assets

The details and changes in noncurrent assets are shown in the statement of changes in noncurrent assets.

Equity Investments

Deutsche Börse AG holds the following investments in affiliated companies as of 31 December 2007:

<u>Name of company</u>	<u>Location</u>	<u>Equity in T€</u>	<u>Net profit/loss 2007 in T€</u>	<u>Share of capital direct (indirect)</u>
AVOX Ltd.	United Kingdom	GBP (307) ¹⁾	GBP (432) ¹⁾	76.82%
Clearstream International S.A.	Luxembourg	1,033,408	362,727	100%
Clearstream Banking S.A.	Luxembourg	295,144	198,047	(100%)
Clearstream Banking AG	Germany	203,837	63,273	(100%)
Clearstream Services S.A.	Luxembourg	53,267	11,637	(100%)
Clearstream Services (UK) Ltd.	United Kingdom	GBP 0 ¹⁾	GBP (-3) ¹⁾	(100%)
Deutsche Börse Finance S.A.	Luxembourg	6,639	310	100%

Deutsche Börse IT Holding GmbH i.L.	Germany	19	(6)	100%
Deutsche Börse Service s.r.o.	Czech Republic	CZK 11,376 ¹⁾	CZK (16,737) ¹⁾	(100%)
Deutsche Börse Systems AG	Germany	2,415	91,939 ²⁾	100%
Deutsche Börse Systems Inc.	USA	USD 2,547 ¹⁾	USD 363 ¹⁾	(100%)
Deutsche Börse Dienstleistungs AG	Germany	50	0	100%
Deutsche Gesellschaft für Wertpapierabwicklung mbH	Germany	54	(12)	100%
Eurex Zürich AG	Switzerland	CHF 161,593 ¹⁾	CHF 114 ¹⁾	49.96% ³⁾
Eurex Frankfurt AG	Germany	1,882,555	1,829	(49.96%) ³⁾
Eurex Bonds GmbH	Germany	3,336	262	(39.69%) ⁴⁾
Eurex Clearing AG	Germany	50,802	743	(49.96%) ³⁾
Eurex Repo GmbH	Germany	550	(1,022) ²⁾	(49.96%) ³⁾
Eurex Services GmbH	Germany	1,182,469	0	(49.96%) ³⁾
U.S. Exchange Holdings Inc.	USA	USD 932,125 ¹⁾	USD 10,889 ¹⁾	(49.96%) ³⁾
International Securities Exchange Holdings Inc.	USA	USD 467,856 ¹⁾	USD 56,957 ¹⁾	(49.96%) ³⁾
ETC Acquisition Corp.	USA	USD 0 ¹⁾	USD 0 ¹⁾	(49.96%) ³⁾
International Securities Exchange L.L.C	USA	USD 223,122 ¹⁾	USD 117,046 ¹⁾	(49.96%) ³⁾
ISE Stock Exchange L.L.C	USA	USD 32,643 ¹⁾	USD (4,680) ¹⁾	(25.48%) ³⁾
ISE Ventures L.L.C	USA	USD 462 ¹⁾	USD (277) ¹⁾	(49.96%) ³⁾
Longitude	USA	USD 1,084 ¹⁾	USD (3,472) ¹⁾	(49.96%) ³⁾
Finnovation Financial Services GmbH	Germany	24	(1)	100%
Infobolsa S.A.	Spain	11,014	415	50%
Difubolsa, Serviços de Difusão e In- formação de Bolsa, S.A.	Portugal	(12)	(22)	(50%)

Infobolsa Deutschland GmbH	Germany	581	(591)	(50%)
Risk Transfer Re S.A.	Luxembourg	5,392	1,644	100%
Scoach Holding S.A.	Luxembourg	7,598	(102)	50.01%
Scoach Europe AG	Germany	7,550	1,246	(50.01%)
Scoach Schweiz AG	Switzerland	CHF 11,195 ¹⁾	CHF 11,095 ¹⁾	(50.01%)
Xlaunch GmbH	Germany	750	(12)	100%

¹⁾ In thousand.

²⁾ Before profit transfer or loss absorption.

³⁾ Beneficial interest in profit or loss: 85 %.

⁴⁾ Beneficial interest in profit or loss: 67.52 %.

⁵⁾ Beneficial interest in profit or loss: 43.35 %.

On the basis of existing profit and loss transfer agreements, mainly the Deutsche Börse Systems AG (€91,9 mn) transferred profits to Deutsche Börse AG.

During the reporting year, Deutsche Börse AG established Deutsche Börse Dienstleistungs AG (former DB Verwaltungs AG) and Finnovation Financial Services GmbH as subsidiaries. In the reporting year, Eurex Frankfurt AG established Eurex Services GmbH as subsidiary. In addition, the liquidation of the subsidiaries DGW Abwicklungs AG i.L. and Xlaunch Abwicklungs AG i.L. was completed. In case of DGW Abwicklungs AG i.L. this resulted in a profit from liquidation of €2.6 mn.

Furthermore, on 20 December 2007 Clearstream International S.A. sold the companies Clearstream Properties S.A., Immobilière Espace Kirchberg A S.A., Immobilière Espace Kirchberg C S.A. and Immobilière Espace Kirchberg D S.A.

On 25 October 2006, Deutsche Börse AG and SWX Group signed a contract for the foundation and operation of a joint exchange organisation for cash trading in structured products. Scoach Holding S.A. as well as their subsidiaries Scoach Europe AG and Scoach Switzerland AG which were founded in that context have been fully consolidated within the financial statements of the Group Deutsche Börse since 1 January 2007.

In the third quarter of financial year 2007, Deutsche Börse AG exercised its purchase option and acquired a further 40 shares of Avox Ltd. Thus the interest of Deutsche Börse AG in Avox Ltd. increased to 76.82 percent.

On 19 December 2007, Eurex Frankfurt AG completed the acquisition of International Securities Exchange Holdings Inc. (ISE). The U.S. Exchange Holdings Inc., a wholly owned subsidiary of Eurex Frankfurt AG, retains 100 percent of the voting shares in ISE. Deutsche Börse AG therefore has an indirect interest in ISE and their subsidiaries.

Deutsche Börse AG's direct equity interest in Eurex Zürich AG, including the 0.03 percent interest held by members of its Executive Board, equals 49.96 percent. On the basis of the profit participation rights granted to Deutsche Börse AG, its actual beneficial interest in Eurex Zürich AG's profit or loss is 85 percent. Capital consolidation is based on this figure. After allowance for voting trust and pooling arrangements, the share of voting rights equals 50 percent.

Other Equity Investments

Deutsche Börse AG holds the following direct or indirect investments of more than 20 percent as of 31 December 2007:

<u>Name of company</u>	<u>Location</u>	<u>Equity in T€¹⁾</u>	<u>Net profit/loss 2007 in T€¹⁾</u>	<u>Share of capital direct (indirect)</u>
BrainTrade Gesellschaft für Börsensysteme mbH	Germany	2.854	1.454	28,57% ²⁾
CEDEX, Inc.	Canada	25,430	(570)	(23.98%)
Operations Clearing Corporation ³⁾	USA	n.a.	n.a.	(20%)
FDS Finanz-Daten-Systeme GmbH & Co. KG ⁴⁾	Germany	2,561	101	50%
FDS Finanz-Daten-Systeme Verwaltungs GmbH	Germany	35	0	50%
STOXX Ltd.	Switzerland	CHF 54,003 ⁵⁾	CHF 49.536 ⁵⁾	33.33%

¹⁾ Preliminary figures.

²⁾ Indirect interest in profit or loss: 14.28 %.

³⁾ As of the balance sheet date no figures available.

⁴⁾ General partner: FDS Finanz-Daten-Systeme Verwaltungs GmbH.

⁵⁾ In thousand.

Due to the acquisition of Scoach Europa AG, the interest in BrainTrade Gesellschaft für Börsensysteme mbH increased to 28.57 percent.

As a result of the 48 percent share of ISE Ventures L.L.C. in CEDEX Inc., the indirect interest of Deutsche Börse AG in CEDEX Inc. amounts to 23.98 percent.

As of 31 December 2007, Deutsche Börse AG holds more than 5 percent of the voting rights in the following companies:

<u>Name of company</u>	<u>Location</u>	<u>Equity in T€¹⁾</u>	<u>Net profit/loss 2007 in T€¹⁾</u>	<u>Share of capital direct (indirect)</u>
Deutsche Börse Commodities GmbH	Germany	844	(156)	16,20%
European Energy Exchange AG	Germany	43.231 ²⁾	8.828 ²⁾	(11.60%)
The Clearing Corporation Inc.	USA	USD 35,000 ³⁾	USD (11,816) ³⁾	(6.30%) ⁴⁾
U.S. Futures Exchange L.L.C.	USA	USD 16,920 ³⁾	USD (17,626) ³⁾	(13.84%) ⁵⁾

¹⁾ Preliminary figures.

²⁾ Subgroup figures.

³⁾ In thousand.

⁴⁾ Indirect interest in profit or loss: 10.73%.

⁵⁾ Indirect interest in profit or loss: 23.53%.

In the fourth quarter, the share in International Index Company Ltd. was sold resulting in a capital gain of €15.3 mn.

Furthermore, in November 2007 Deutsche Börse AG acquired an interest of 16.2 percent in Deutsche Börse Commodities GmbH (voting rights: 25.1 percent)

Receivables from Affiliate Companies

In addition to the receivables due to existing profit and loss transfer agreements, the receivables from affiliate companies mainly include trade account receivables from Eurex Frankfurt AG to the amount of €28.3 mn.

Other Information

Deutsche Börse AG completed two offsetting interest rate swaps, which are included in the other current assets and in the long-term provisions with the market value of €0.7 mn.

Furthermore, in the fiscal year the company concluded four interest rate swaps (market value: €4.9 mn) and three swap options (market value: €3.0 mn) in EUR as well as two interest rate swaps (market value: €-3.4 mn) and two swap options (market value: €0.2 mn) in USD. The swap options are included in other assets with an amount of €3.2 mn that corresponds with the paid option premiums.

Deferred tax asset according to § 274 (2) HGB

Due to the adjustment in the discount rate calculation of the provisions for pensions, IHK, retirements, surviving dependants, anniversaries and deferred compensation, the provisions are valued differently in the commercial and tax balances. In addition, provisions for restructuring costs were made in the commercial balance sheet for the first time. As a result of this difference between commercial and tax balance sheet, a deferred tax asset amounting to €7.5 mn was set up.

Compared to the previous year there is no difference in the balance sheet approach. The decrease of the fiscal difference due to the raised discount rate as well as the reduced tax rate is compensated by the provisions for restructuring, which were not to be taken into account in the previous year.

Deferred Expenses and Accrued Income

The deferred expenses and accrued income amounts to €1.4 mn and consists mainly of advance payments for maintenance and licence fees (€0.6 mn) and rent (€0.3 mn). Furthermore advance payments for marketing activities (€0.1 mn) were deferred.

Shareholders' Equity

Within the scope of the capital management program launched in mid-April 2005, Deutsche Börse AG repurchased 3,709,374 (2006: 3,479,692) own shares in the reporting year and 2,000,000 (2006: 3,918,789) own shares were retired. On the basis of the resolution of the Annual General Meeting as of 11 May 2007 a capital increase amounting to €100.0 mn was exercised on 1 June 2007. Consequently the subscribed capital increased to €200.0 mn (2006: €102.0 mn). It is divided into 200,000,000 no-par value shares. At the end of the year, Deutsche Börse AG holds 8,111,452 shares (2006: 4,201,039) foreseen for retirement. In the reporting year 2007 €2.0 mn were added to the capital reserve as a result of the retirement of own shares and an amount of €100.0 mn was withdrawn for the exercised capital increase. As a result of this, the amount at the end of the year was reduced to €1,279.3 mn (2006: €1,377.3 mn).

Subject to the approval of the Supervisory Board, the Executive Board is authorised to increase the subscribed capital by the following amounts:

	<u>Amount in €</u>	<u>Date of authorisation by the shareholders</u>	<u>Expiry date</u>	<u>Existing shareholders' subscription rights may be suspended for fractional amounts and/or may be suspended if the share issue is:</u>
Authorised capital I	5,200,000	24 May 2006	23 May 2011	- against non-cash contributions for the purpose of acquiring companies, parts of companies or stakes in companies or other assets.

Authorised capital II	14,797,440	14 May 2003	13 May 2008	<ul style="list-style-type: none"> - for cash at an issue price not significantly lower than the stock exchange price up to a maximum amount of 10 percent of the nominal capital. - to issue new shares to employees or subsidiaries' employees under a group share plan up to a maximum of 3,000,000 shares. - against non-cash contributions for the purpose of acquiring companies, parts of companies or stakes in companies. - to grant subscriptions rights on new shares to owners of warrants and convertible bonds issued by Deutsche Börse AG and their subsidiaries.
Authorised capital IV	6,000,000	11 May 2007	10 May 2012	<ul style="list-style-type: none"> - to issue new shares to employees or subsidiaries' employees under a group share plan up to a maximum of 900,000 shares.

In addition to the authorised capital I, II and IV the Executive Board is allowed, subject to the agreement of the Supervisory Board, to issue up to 60,000,000 new shares (conditional capital), solely in connection with the issue and satisfaction of convertible bonds and up to 6,000,000 shares in connection with the fulfilment of subscription rights to employees under the Group Share Plan.

The Annual General Meeting on 11 May 2007 resolved to transfer €20.2 mn from the unappropriated surplus to other retained earnings and €329.8 mn was distributed to the shareholders. €348.6 mn of the net income for the year 2007 were transferred to the retained earnings. The unappropriated surplus of the year totals €425.0 mn, of which €22.0 mn will be probably transferred to the retained earnings too.

Other Provisions

Other provisions to the amount of €164.3 mn mainly comprise the following items:

	mn €
Phantom stock option program and stock bonus program	88.0
Provisions for other personnel costs	16.9
Provisions in connection with the restructuring program	12.2
Anticipated losses from rental expenses	9.9
Outstanding invoices	8.1
Obligation to refund current and future pension payments to the IHK on the basis of the transition agreement	7.8
Provisions for the extraordinary termination of contracts	4.8
Obligation for compensation payment to Scoach Holding S.A. within the scope of the cooperation agreement with SWX	4.1
Anticipated losses for rent and additional property expenses	3.9
Other provisions	<u>8.6</u>
	164.3

Deutsche Börse AG has established a phantom stock option program for Executive Board and senior executives of Deutsche Börse and its subsidiaries. As of 2007 this has been replaced by the newly introduced stock bonus plan (SBP) program. On the basis of the intrinsic value of the allocated phantom stock options and SBP stocks respectively, provisions of €77.5 mn and €6.7 mn for personnel expenses were made.

In addition, Deutsche Börse AG set up a Group Share Plan (GSP) for non-executive employees of Deutsche Börse AG and its subsidiaries that comprises a component for the acquisition of employee shares, plus until the fiscal year 2006 a stock option component. The stock option component was replaced in the fiscal year 2007 by a component for bonus shares. The intrinsic value of the issued and outstanding stock options is €3.8 mn at the closing date, and a provision for personnel expenses was set up for this amount.

Current Liabilities

The current liabilities are divided as follows. Liens or similar rights have not been acquired.

Amount in mn €	Total amount	Payable within 1 year	Payable within 1 to 5 years
Liabilities from bank loans and overdrafts (prev. year)	1,368.6 (0.0)	1.368,6 (0.0)	0 (0)
Trade accounts payable (prev. year)	10.9 (14.7)	10.9 (14.7)	0 (0)
Amounts owed to group undertakings (prev. year)	860.9 (620.1)	860.9 (122.6)	0 (497.5)

Amounts owed to undertakings in which the company has a participating interest (prev. year)	1.0 (1.5)	1.0 (1.5)	0 (0)
Other liabilities (prev. year)	38.6 (19.9)	38.4 (19.3)	0.2 (0.6)
thereof tax (prev. year)	15.2 (8.1)	15.2 (8.1)	0 (0)
thereof social security (prev. year)	0.1 (0.1)	0.1 (0.1)	0 (0)
Total Current Liabilities (prev. year)	2,280.0 (656.2)	2.279.8 (158.1)	0.2 (498.1)

Income Statement Disclosures

Sales Revenue

Sales revenue of €1,261.4 mn relates to the segments Eurex (€698.4 mn), Xetra (€397.3 mn) and Market Data & Analytics (€165.7 mn).

Other Operating Income

Other operating income amounting to €191.2 mn principally includes income from group agency agreements (€150.4 mn), foreign currency gains (€ 11.4 mn and) rental income (€2.7 mn) as well as prior-period income from the sale and liquidation of equity investments (€17.9 mn), from the reversal of provisions (€3.7 mn) and from individual accounts receivables, for which a valuation allowance for losses was made in the previous years (€1.2 mn).

Other Operating Expenses

Other operating expenses amount to €542.6 mn and are mainly comprised of the cost of agency agreements with affiliated companies (€219.7 mn), IT operating costs (€145.2 mn), legal and consulting costs (€47.2 mn), premises expenses (€39.4 mn), expenses for data purchasing (€20.9 mn), Xontro handling costs (€11.1 mn), advertising and marketing costs (€9.0 mn), Central Counterparty handling costs (€8.5 mn), non-deductible VAT (€6.4 mn), Travel, entertainment and representation expenses (€5.1.mn), contributions, dues and membership fees (€4.4 mn) and insurance premiums (€3.5 mn). This item also includes prior-period expenses of €0.9 mn resulting from losses from the disposal of non-current assets.

Auditor's fee

In the reporting year, the auditor's fee amounted to €3.2 mn. Included are costs for the audit of financial statements (€1.3 mn), tax consultancy (€0.9 mn) and other services (€1.0 mn).

Financial Obligations

Other financial obligations are composed of obligations from rental agreements, leases and maintenance costs, obligations from insurance policies and obligations from other agreements. The total anticipated payments for 2008 amount to €411.7 mn.

Within the obligations for rental agreements, leases and maintenance costs (€41.3 mn) obligations relating to long-term contracts for the rental of office space (€25.1 mn) comprises the main position. Other obligations to the amount of €16.2 mn mainly relate to maintenance contracts for the operation of the building (€11.3 mn) and for the User Helpdesk (€3.0 mn).

The obligations from insurance policies (€2.6 mn) relate to the annual payment commitment of €0.8 mn resulting from the consequential loss/personal liability insurance policy.

The obligations from other agreements (€367.8 mn) result from agency agreements with Deutsche Börse Systems AG (€138.3 mn), Eurex Frankfurt AG (€174.2 mn) and Eurex Clearing AG (€55.3 mn). In relation to Deutsche Börse Systems AG, €67.2 mn are attributable to application development, €55.2 mn to data centre services and €15.9 mn to other agency services. The obligations towards Deutsche Börse Systems AG, Eurex Frankfurt AG and Eurex Clearing AG are obligations towards affiliated companies.

The company has issued an internal letter of comfort towards Eurex Clearing AG. Under this agreement, the Deutsche Börse AG agrees to provide Eurex Clearing AG with 85 percent of the funds it needs to meet its obligations as the central counterparty for the settlement of securities traded on the FWB, derivatives traded on Eurex Deutschland and Eurex Schweiz as well as the transactions made on the Eurex Bonds platform and the pensions transactions made on the Eurex Repo platform. The obligation of Deutsche Börse AG according to this letter of comfort is limited to €595.0 mn.

Furthermore, an unlimited letter of comfort has been issued in favour of Clearstream Banking AG in accordance with § 5 (10) of the statutes of the *Einlagensicherungsfonds* (deposit insurance fund), under which Deutsche Börse AG has agreed to indemnify Bundesverband Deutscher Banken e.V. (German Banking Association) against all losses. A guarantee and negative covenant has also been signed by Deutsche Börse AG and Deutsche Börse Finance S.A. in which Deutsche Börse AG guarantees to pay capital and interest as well as any other amounts to be paid by Deutsche Börse Finance S.A. for the bonds issued as part of the debt issuance program.

Deutsche Börse AG completed an investment protection agreement with SWX Group. If SWX Group reduces its indirect share in the profit of Eurex companies, the agreement obligates Deutsche Börse AG to make a compensatory payment to SWX Group for the reduction of the indirect share in International Securities Exchange Holdings Inc.

In connection with the cooperation agreement between SWX and Deutsche Börse AG with regard to both parties' participation in Scoach Holding S.A., Deutsche Börse AG has the right, at the end of the cooperation after expiration of the term or termination of the agreement, to maintain the holding as sole shareholder under certain circumstances. This right results in a potential obligation

on Deutsche Börse AG to make a compensatory payment to SWX if the fair value of Scoach Europa develops better than that of Scoach Schweiz.

The provisions set up for the deferred compensation were recognised on an employee basis at the individual subsidiaries. However, since Deutsche Börse AG is the debtor to the employees participating in the program, a contingency obligation exists in the provisions of €10.7 mn established at the individual subsidiaries.

Other Information

Supervisory Board

Members of the Supervisory:

Kurt F. Viermetz Chairman of the Supervisory Board Hypo Real Estate Holding AG
Chairman Munich

Appointment to
supervisory boards: Hypo Real Estate Holding AG (Chairman)

David Andrews Chief Executive Officer Xchanging Ltd.
(until 03/06/2007) London

Appointment to
supervisory boards: Xchanging Transaction bank GmbH (Chairman)

Herbert Bayer Trade Union Secretary ver.di
Frankfurt/Main

Appointments to
supervisory boards: dwpbank / Deutsche WertpapierService Bank AG
Eurohypo AG (until 29/08/2007)

Udo Behrenwaldt Business consultant
Frankfurt/Main

Appointments to
supervisory boards: Arcandor AG (former Karstadt Quelle AG)
Deutsche Asset Management Investmentgesellschaft mbH
(Deputy Chairman)
Deutsche Bank Privat- und Geschäftskunden AG
Deutsche Vermögensbildungsgesellschaft mbH (Chairman)
Feri Finance AG
Feri Research & Ratings AG (since 20/12/2007) (Deputy Chairman)

Other appointments: BioCentive Ltd. (since 30/03/2007)
(Member of the Board of Directors)
DWS Investment S.A. (Member of the Board of Directors)
DWS Polska TFI S.A. (until 31/12/2007)
(Member of the Board of Directors)
InCentive Investment Ltd. (since 15/05/2007)
(Member of the Board of Directors)

Richard Berliand	Managing Director JP Morgan Securities Ltd., London JP Morgan Futures Inc., New York
Other appointments:	JP Morgan Cazenove Ltd. (Non-Executive Director)
Birgit Bokel	Staff member Facility Management Section Deutsche Börse AG Frankfurt/Main
Hans-Peter Gabe	Staff member Recruitment, Development & Training Section Deutsche Börse AG Frankfurt/Main
Dr. Manfred Gentz	Chairman of the Board of Directors Zurich Financial Services Zurich President of the International Chamber of Commerce (ICC) Germany Berlin
Appointments to supervisory boards:	adidas AG DWS Investment GmbH
Other appointment:	Zurich Financial Services AG (Chairman of the Board of Directors)
Richard M. Hayden	Vice Chairman GSC Group Ltd. London
Other appointment:	Cofra Holding AG (until 30.06.2007) (Non-Executive Director) GSC Investment Corp. (since 21.03.2007) (Chairman of the Board of Directors)
Craig Heimark	Managing Partner Hawthorne Group L.L.C. Palo Alto
Other appointment:	Avistar Communications Corporation (Member of the Board of Directors)

Dr. Konrad Hummler
(since 11/09/2007)

Managing Partner Wegelin & Co. Privatbankiers
St. Gallen

Other appointment:

AG für die Neue Zürcher Zeitung (Member of the Board of Directors)
BrainsToVenture AG (Chairman of the Board of Directors)
Christian Fischbacher Co. AG (Member of the Board of Directors)
Christian Fischbacher Holding AG (Member of the Board of Directors)
Credit Europe Bank S.A. (Vice Chairman of the Board of Directors)
Freie Presse Holding AG (Member of the Board of Directors)
Habib Bank AG Zürich (Member of the Board of Directors)
Neue Zürcher Zeitung AG (Member of the Board of Directors)
Private Client Bank AG (Member of the Board of Directors)
SNB Schweizerische Nationalbank (Member of the Bank Council)
Telsonic AG (Chairman of the Board of Directors)

David Krell
(since 01/01/2008)

Chairman of the Board of Directors, International Securities Exchange
LLC

**Hermann-Josef
Lamberti**

Member of the Executive Board Deutsche Bank AG
Frankfurt/Main

Appointments to
supervisory boards:

BVV Versicherungsverein des Bankgewerbes a.G.(since 22/06/2007)
Carl Zeiss AG
Deutsche Bank Privat- und Geschäftskunden AG (Chairman)

Other appointment:

BVV Versorgungskasse des Bankgewerbes e.V. (since 22/06/2007)
(Member of the Supervisory Board)
European Aeronautic Defence and Space Company EADS N.V.
(since 22/10/2007) (Member of the Board of Directors)
Fiat S.p.A. (until 24/07/2007) (Member of the Board of Directors)

Friedrich Merz

Member of the German Bundestag (national parliament)
Lawyer at Mayer, Brown, Rowe & Maw LLP
Berlin

Appointments to
supervisory boards:

AXA Group AG (since 24/07/2007)
AXA Versicherung AG (until 19/04/2007)
DBV-Winterthur Holding AG (since 01/06/2007)
Interseroh AG
IVG Immobilien AG

Other appointment: BASF Antwerpen NV (Member of the Administrative Board)
Stadler Rail AG (Member of the Board of Directors)

Friedrich von Metzler Personally liable partner B. Metzler seel. Sohn & Co. KGaA
Frankfurt/Main

Appointment to
supervisory boards: DWS Investment GmbH

Roland Prantl Staff member in the Configuration Management and Quality Assurance Section Deutsche Börse Systems AG
Frankfurt/Main

Alessandro Profumo Chief Executive Officer UniCredito Italiano S.p.A.
(until 17/10/2007) Milan

Appointment to
supervisory boards: Bayerische Hypo- und Vereinsbank AG (Chairman)

Other appointments: Bank Austria Creditanstalt AG
(Chairman of the Supervisory Board)
Mediobanca S.p.A. (until 27/06/2007)
(Member of the Board of Directors)
UniCredit Banca Mobiliare (UBM) S.p.A.
(Chairman of the Board of Directors)
UniCredit Banca S.p.A. (until 01/10/2007)
(Member of the Board of Directors)
UniCredit Banca d'Impresa S.p.A. (until 01/10/2007)
(Member of the Board of Directors)
UniCredit Private Banking S.p.A.
(Member of the Board of Directors)

Sadegh Rismanchi Staff member Configuration Management and Quality Assurance Section Deutsche Börse Systems AG
Frankfurt/Main

Appointment to
supervisory boards: Deutsche Börse Systems AG

Gerhard Roggemann	Vice Chairman Hawkpoint Partners Ltd. London
Appointment to supervisory boards:	Euro-Product-Services AG GP Günter Papenburg AG (Chairman)
Other appointments:	Friends Provident plc. (since 20/06/2007) (Non-Executive Director) F&C Asset Management plc. (since 19/06/2007) (Non-Executive Director) VHV Holding AG (Member of the Administrative Board)
Dr. Erhard Schipporeit	Business Consultant Hannover
Appointments to supervisory boards:	CareerConcept AG (since 07/12/2007) Commerzbank AG (until 31/01/2007) Hannover Rückversicherung AG (since 03/05/2007) HDI Haftpflichtverband der Deutschen Industrie V.a.G (Member of the Supervisory Board) SAP AG Talanx AG
Other appointment:	TUI Travel plc. (since 21/10/2007) (Member of the Board of Directors, non-executive)
Dr. Herbert Walter	Chairman of the Executive Board Dresdner Bank AG Frankfurt/Main
Appointment to supervisory boards:	Allianz Beratungs- und Vertriebs-AG E.ON Ruhrgas AG
Other appointments:	Banco BPI S.A. (Member of the Board of Directors) Banco Popular Español S.A. (Member of the Consejo de Administración)
Otto Wierczimok	Staff member Vaults Section Clearstream Banking AG Frankfurt/Main
Appointment to supervisory boards:	Clearstream Banking AG

Johannes Witt

Staff member Central Billing Section Deutsche Börse AG
Frankfurt/Main

The remuneration of the members of the Supervisory Board totalled €2.2 mn.

The Supervisory Board has established the following committees:

Audit Committee

Dr. Manfred Gentz (Chairman)
Udo Behrenwaldt
Dr. Erhard Schipporeit
Johannes Witt

Committee for Personnel Issues

Kurt F. Viermetz (Chairman)
Richard M. Hayden
Friedrich von Metzler
Otto Wierczimok

Supervisory Committee for Strategic Issues

Kurt F. Viermetz (Chairman)
Herbert Bayer
Birgit Bokel
Richard M. Hayden
Friedrich Merz
Gerhard Roggemann

Supervisory Committee for Technological Issues

David Andrews (until 03/06/2007) (Chairman)
Craig Heimark (since 18/06/2007) (Chairman)
Sadegh Rismanchi
Gerhard Roggemann (since 18/06/2007)
Dr. Herbert Walter

Supervisory Committee for Clearing and Settlement Issues

Hermann-Josef Lamberti (Chairman)
David Andrews (until 03/06/2007)
Richard Berliand
Hans-Peter Gabe
Dr. Konrad Hummler (since 24/09/2007)

Nomination Committee

Kurt F. Viermetz (Chairman)
Richard M. Hayden
Friedrich von Metzler

Executive Board

Members of the Executive Board:

Dr. Reto Francioni Chief Executive Officer
(Chairman)

Appointments within the Group

Supervisory Boards: Deutsche Börse Dienstleistungs AG (since 21/06/2007) (Chairman)
Deutsche Börse Systems AG (Chairman)
Eurex Clearing AG (Deputy Chairman)
Eurex Frankfurt AG (Deputy Chairman)

Other appointments: Clearstream International S.A.
(Vice Chairman of the Board of Directors)
Eurex Zürich AG (Vice Chairman of the Supervisory Board)

Thomas Eichelmann Chief Financial Officer
(since 01/07/2007)

Member of the Group Executive Management Clearstream Banking S.A. (since 05/10/2007)
Member of the Group Executive Management Clearstream International S.A. (since 05/10/2007)
Member of the Group Executive Management Clearstream Services S.A. (since 10/07/2007)
Member of the Executive Board Deutsche Börse Dienstleistungs AG (since 01/07/2007)
Member of the Executive Board Deutsche Börse Systems AG (since 20/08/2007)

Appointment to
Supervisory Board: HW-invest AG

Appointments within the Group

Supervisory Boards: Eurex Clearing AG (since 27/09/2007)
Eurex Frankfurt AG (since 27/09/2007)

Other appointments: Clearstream Banking S.A. (since 05/10/2007)
(Member of the Board of Directors)
Clearstream International S.A. (since 05/10/2007)
(Member of the Board of Directors)
Clearstream Services S.A. (Member of the Board of Directors)
Deutsche Börse Finance S.A. (since 23/07/2007)
(Chairman of the Board of Directors)
Eurex Zürich AG (since 27/09/2007)
(Member of the Supervisory Board)

Dr. Matthias Ganz until 07/03/2007 responsible for Operations (Group Functionality; Trading/Clearing/Info Operations; Settlement/Custody Operations)

Frank Gerstenschläger responsible for Cash Division
(since 01/04/2007)

Member of the Executive Board Deutsche Börse Dienstleistungs AG
(since 21/06/2007)

Member of the Management Board Frankfurter Wertpapierbörse
(since 14/06/2007) (Chairman of the Management Board) (since
17/07/2007)

General Manager Deutsche Börse IT Holding GmbH
(until 31/03/2007)

Director Finnovation Ltd.

Appointments within the Group

Supervisory Boards: Clearstream Banking AG (since 01/09/2007)
Deutsche Börse Systems AG (since 28/03/2007)

Other appointment: Clearstream International S.A. (since 29/05/2007)
(Member of the Board of Directors)
Scoach Holding S.A. (since 08/11/2007)
(Member of the Administrative Board)

Mathias Hlubek until 07/03/2007 responsible for Group Coordination/Corporate Center, Customers/Markets (Group Corporate Center, Customers/Markets; Market Data & Analytics; Corporate Development)

Dr.-Ing. Michael Kuhn responsible for Information Technology

Chairman of the Group Executive Management Clearstream Services S.A. (since 01/08/2007)

Chief Executive Officer Deutsche Börse Systems AG
General Manager Deutsche Börse IT Holding GmbH
(until 31/03/2007)

Appointments within the Group

Supervisory Boards: Clearstream Banking AG (from 10/03/2007 to 30/08/2007)
Deutsche Börse Dienstleistungs AG (since 21/06/2007)
(Deputy Chairman)
Eurex Clearing AG
Eurex Frankfurt AG

Other appointments: Clearstream Services S.A. (Member of the Board of Directors)
Deutsche Boerse Systems Inc. (Member of the Board of Directors)
Eurex Zürich AG (Member of the Executive Board)

Andreas Preuß

responsible for Derivatives & Market Data Division

Chief Executive Officer, Deutsche Börse Dienstleistungs AG
(since 21/06/2007)

Chief Executive Officer, Eurex Clearing AG

Chief Executive Officer, Eurex Frankfurt AG

Chief Executive Officer, Eurex Zürich AG

Member of the Management Board, Eurex Deutschland

Member of the Management Board, Eurex Services GmbH
(since 31/10/2007)

Chairman of the Management Board Frankfurter Wertpapierbörse (until 14/06/2007)

Appointments within the Group

Supervisory Board Deutsche Börse Systems AG (since 28/03/2007)

Other appointment: International Securities Exchange L.L.C. (since 19/12/2007)
(Member of the Board of Directors)
International Securities Holdings Inc. (since 19/12/2007)
(Member of the Board of Directors)
U.S. Futures Exchange, L.L.C. (Member of the Board of Directors)

Jeffrey Tessler

responsible for Clearstream Division

Chief Executive Officer, Clearstream International S.A.

Chief Executive Officer, Clearstream Banking S.A.

Appointments within the Group

Supervisory Boards: Clearstream Banking AG (Chairman)
Deutsche Börse Dienstleistungs AG (since 21/06/2007)
Deutsche Börse Systems AG (Deputy Chairman)

Other appointments: Clearstream Banking S.A. (Chairman of the Board of Directors)
Clearstream International S.A. (Member of the Board of Directors)

The fixed and performance-related remuneration of the active members of the Executive Board totalled €10.9 mn in 2007. This includes a share based payment of €1.9 mn. As the grant date is in 2008, the shares were measured at fair value at the 2007 balance sheet date. The estimated number of 14,581 shares is based on the Deutsche Börse AG share price as of 31 December 2007. Pension benefits for the former Executive Board members and their survivors amounted to

€0.9 mn in the reporting year. Provisions of €24.3 mn were set up for the pension entitlements of former Executive Board members and their survivors.

The individual remuneration of the members of the Executive and Supervisory Boards is disclosed in the remuneration report. The remuneration report is included in the audited management report.

Employees

An average of 543 employees (2006: 532) was employed by Deutsche Börse AG in 2007. As of the 31 December 2007, the company had 545 employees (2006: 542) (board members excluded).

Included in this number, 11 employees hold temporary contracts and 83 employees hold part-time positions.

22 employees were on maternity leave or were exempted as subscribers from parenting benefit. In consideration of part-time employees the average number of full-time equivalents in 2007 was 485 (2006: 479).

Group Affiliation

Deutsche Börse AG prepares consolidated financial statements. These consolidated financial statements are published in the *Bundesanzeiger* (Federal Gazette) and filed in the offices of the company.

The Children's Investment Fund Management (UK) L.L.P., London, UK, has informed Deutsche Börse AG in accordance with section 21 (1) of the WpHG (Wertpapierhandelsgesetz – German Securities Trading Act) that its share of Deutsche Börse AG's voting rights has been higher than 10 percent since 10 April 2006, and that these voting rights are attributable to it in accordance with section 22 (1) sentence 1 no. 6 of the WpHG.

The Children's Investment Master Fund, George Town, Cayman Islands, a fund managed by The Children's Investment Fund Management (UK) L.L.P., has informed Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of Deutsche Börse AG's voting rights has been higher than 10 percent since 10 April 2006. This share is included in the above-mentioned share held indirectly by The Children's Investment Fund Management (UK) L.L.P.

Mr Timothy Barakett, New York, USA, has informed Deutsche Börse AG in accordance with section 21 (1) of the WpHG that his share of Deutsche Börse AG's voting rights has been higher than 5 percent since 11 May 2005, and that these voting rights are attributable to him in accordance with section 22 (1) sentence 1 no. 6, sentences 2 and 3 of the WpHG.

Atticus Management LLC (formerly Atticus Capital, L.L.C.), New York, USA, has informed Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of Deutsche Börse AG's voting rights has been higher than 5 percent since 11 May 2005, and that these voting rights are attributable to it in accordance with section 22 (1) sentence 1 no. 6 of the WpHG, and

as of 1 January 2006 in accordance with section 22 (1) sentence 1 no. 6 sentence 2 of the WpHG. This share is included in the above-mentioned share held indirectly by Mr Timothy Barakett.

Atticus Holdings LP (formerly Atticus Capital LP), New York, USA, has informed Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of Deutsche Börse AG's voting rights has been higher than 5 percent since 1 January 2006, and that these voting rights are attributable to it in accordance with section 22 (1) sentence 1 no. 6, and since 1 January 2008 in accordance with section 22 (1) sentence 1 no. 6, sentences 2 and 3 of the WpHG. This share is included in the above-mentioned share held indirectly by Mr Timothy Barakett.

Atticus LP Incorporated, St. Peter Port, Guernsey, has informed Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of Deutsche Börse AG's voting rights has been higher than 5 percent since 1 January 2008, and that these voting rights are attributable to it in accordance with section 22 (1) sentence 1 no. 6, sentences 2 and 3 of the WpHG. This share is included in the above-mentioned share held indirectly by Mr Timothy Barakett.

Atticus Capital Holdings LLC, New York, USA, has informed Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of Deutsche Börse AG's voting rights has been higher than 5 percent since 1 January 2008, and that these voting rights are attributable to it in accordance with section 22 (1) sentence 1 no. 6, sentences 2 and 3 of the WpHG. This share is included in the above-mentioned share held indirectly by Mr Timothy Barakett.

Atticus Capital LP (formerly ACM US LP), New York, USA, has informed Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of Deutsche Börse AG's voting rights has been higher than 5 percent since 1 January 2008, and that these voting rights are attributable to it in accordance with section 22 (1) sentence 1 no. 6 of the WpHG. This share is included in the above-mentioned share held indirectly by Mr Timothy Barakett.

Atticus Management Limited, St. Peter Port, Guernsey, has informed Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of Deutsche Börse AG's voting rights has been higher than 5 percent since 1 January 2008, and that these voting rights are attributable to it in accordance with section 22 (1) sentence 1 no. 6 of the WpHG. This share is included in the above-mentioned share held indirectly by Mr Timothy Barakett.

Atticus European Fund, Ltd., and Atticus Global Advisors, Ltd., hold at least 3 percent of Deutsche Börse AG's voting right shares which are attributable to Atticus Capital LP, New York, USA, Atticus Management Limited, St. Peter Port, Guernsey, Atticus LP Incorporated, St. Peter Port, Guernsey, Atticus Capital Holdings L.L.C., New York, USA, Atticus Holdings LP, New York, USA, and Mr Timothy Barakett in accordance with section 22 (1) sentence 1 no. 6 of the WpHG (in conjunction with section 22 (1) sentences 2 and 3).

FMR LLC (Fidelity Management & Research), Boston, USA, has informed Deutsche Börse AG in accordance with section 21 (1) of the WpHG that its share of Deutsche Börse AG's voting rights has been higher than 3 percent since 9 October 2007, and that these voting rights are attributable to it in accordance with section 22 (1) sentence 1 no. 6 and sentence 2 of the WpHG.

Corporate Governance Code

On 6 December 2007, the Executive Board and the Supervisory Board renewed their declaration of conformity under section 161 AktG (German Companies Act) and made it available to shareholders on a permanent basis.

Frankfurt/Main, 22 February 2008

Deutsche Börse AG

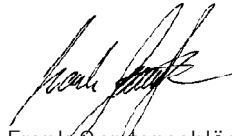
Executive Board



Reto Francioni



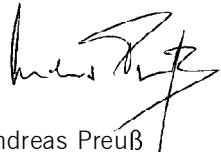
Thomas Eichelmann



Frank Gerstenschläger



Michael Kuhn



Andreas Preuß



Jeffrey Tessler

Deutsche Börse AG, Frankfurt/Main

Statement of Changes in Noncurrent Assets as at 31 December 2007

	Acquisition and Production Costs				Depreciation and Amortization				Book Value	
	Balance as at 1 Jan. 2007	Additions 2007	Disposals 2007	Reclassification 2007	Balance as at 1 Jan. 2007	Additions 2007	Write-Offs 2007	Disposals 2007	Balance as at 31 Dec. 2007	as at 31 Dec. 2006
	€	€	€	€	€	€	€	€	€	€
Intangible Assets										
Software	192,563,649.16	1,387,506.51	63,471.29	11,460.00	193,165,045.16	1,753,173.51	0.00	63,471.29	2,455,095.00	2,703,604.00
Preparments	114,600.00	0.00	0.00	11,460.00	0.00	0.00	0.00	0.00	0.00	114,600.00
	192,983,249.16	1,389,506.51	63,471.29	0.00	193,165,045.16	1,753,173.51	0.00	63,471.29	2,455,095.00	2,818,204.00
Tangible Assets										
Fixtures on third party and Other assets, furniture and office equipment	14,613,322.53	1,591,864.59	0.00	2,649,544.72	10,679,303.83	1,723,895.31	0.00	0.00	11,503,199.84	4,731,009.00
Preparments	43,203,151.36	4,505,679.30	2,107,743.02	1,901,944.17	30,263,403.36	4,481,553.47	0.00	2,127,155.02	32,624,631.81	3,025,710.00
	4,031,489.89	275,531.45	0.00	-4,031,489.89	0.00	0.00	0.00	0.00	375,531.45	4,031,489.89
	62,133,962.78	6,354,175.34	2,187,743.02	0.00	40,339,736.89	5,905,449.78	0.00	2,127,155.02	22,182,355.45	21,794,215.89
Financial Assets										
Shares in affiliated companies	1,531,081,850.05	15,883,097.01	1,531,001.46	0.00	56,325,424.34	0.00	0.00	0.00	1,783,714,413.16	1,775,653,436.61
Loans to affiliated companies	352,270,760.73	1,624,055,325.48	0.00	0.00	2,270,769.73	0.00	0.00	0.00	1,974,055,325.48	350,000,000.00
Investments	25,501,083.73	36,481,316.10	1,500,783.00	0.00	8,333,063.18	333,000.00	0.00	0.00	52,183,622.66	-7,467,994.55
Long-term securities	51,143,789.38	2,722,839.83	2,422.00	0.00	0.00	0.00	0.00	0.00	53,869,407.21	51,143,789.38
Other loans	38,804.48	82,202.47	89,595.91	0.00	66,923,259.25	339,000.00	0.00	0.00	31,811.04	38,804.48
	2,261,841,283.27	1,679,200,780.89	3,222,207.37	0.00	66,923,259.25	339,000.00	0.00	0.00	3,663,651,497.84	2,194,312,024.02
	2,516,355,485.21	1,686,644,461.74	5,673,519.68	0.00	297,434,041.30	7,995,163.29	0.00	2,190,625.31	3,694,490,643.99	2,218,924,443.91

Management Report for the Financial Year 2007

Business and operating environment

General position of the Company

The macroeconomic environment continued to develop positively in the past financial year. According to current estimates, real GDP in the OECD countries rose by an average of 2.7 percent (2006: 3.2 percent). At the same time, 2007 was dominated by substantial volatility on the financial markets, the so-called subprime crisis, increased commodity prices and the continuing weak dollar. According to figures published by the World Bank, the global economy grew by 3.6 percent, falling slightly short of market expectations.

In the context of macroeconomic development, Deutsche Börse AG's business is mainly influenced by cyclical trends in Germany, the rest of Europe and the United States.

The German economy continued its strong growth in the year under review, though the pace of growth in the first half of 2007 was somewhat slower than in the previous year. Domestic demand, which had risen in 2006, remained at a lower level in the first six months of 2007 due to the VAT increase that took effect on 1 January 2007, among other things. However, thanks to a buoyant export market and the economic upswing in the second half of the year, the German economy performed better overall in 2007 than the Company had expected. Over the year as a whole, real GDP was up by 2.5 percent year-on-year.

At the European level as well, brisk investment activity and greater demand from export markets provided momentum to the economy. In 2007, according to current estimates, real GDP increased by 2.6 percent in the euro zone. As a result of this growth and the associated inflation risks, the European Central Bank raised its key interest rate by a total of 0.5 percentage points over the course of the year to 4.0 percent.

From summer 2007 onwards, it became increasingly evident on the capital markets that a crisis was emerging in the United States, triggered by mortgages being granted to borrowers with a poor credit rating ("subprime crisis"). This led to a general reassessment of all credit risks. Nevertheless, the economy grew faster than expected in the year under review, even in the US. Real GDP is expected to have grown by 2.2 percent in 2007 overall (2006: 2.9 percent). This decrease against the previous years is primarily attributable to the decline in private consumption and residential construction. To counter the risk of an economic downturn and a possible recession, the Federal Reserve cut the federal funds rate over the course of the year to 4.25 percent (end of 2006: 5.25 percent).

In spite of the turmoil caused by the subprime crisis, the financial markets performed well over the year in view of the economic growth, though they did experience much greater volatility.

While equity markets recorded gains in the first half of the year on the back of a positive economic outlook, they stagnated in the second half of 2007 under the weight of the subprime crisis and rising commodity prices. For example, Germany's blue-chip index DAX reached an all-time high of 8,106 points on 16 July and gained 22 percent during the year to reach 8,067 points, in spite of a dip in the second half. In general, the equity markets were affected by structural growth, a significantly greater volatility and much higher trading volumes than in previous years.

Trading activity on selected cash markets	2007 billions	Change 2007 vs. 2006 %
Gruppe Deutsche Börse – Xetra ¹⁾	€ 2,443	+53
London Stock Exchange ^{1), 2)}	£ 2,150	+42
Bolsas y Mercados Espanoles ¹⁾	€ 1,666	+45
Euronext ^{1), 3)}	€ 3,305	+39
Borsa Italiana ^{1), 2)}	€ 1,575	+37
OMX	€ 1,043	+34

Source: World Federation of Stock Exchanges, own calculations

1) Trading volume in electronic trading (single-counted)

2) Part of the London Stock Exchange Group

3) Part of NYSE Euronext

On the derivatives markets, the turmoil in the international financial markets that unleashed considerable volatility on the Asian exchanges right at the start of 2007 led to a sharp rise in the volumes of equity and equity index derivatives traded. Trading in these products increased further as the year progressed, initially due to the higher valuation of the equity markets and, from August onwards, as a result of the uncertainty generated by the subprime crisis. The trading volume of interest rate derivatives remained consistently high in 2007. Short-term interest rate products benefited most from the tense situation on the money market as a consequence of the subprime crisis.

Trading activity on selected derivatives markets	Traded contracts 2007 millions	Change 2007 vs. 2006 %
CME Group	2,805	+27
Gruppe Deutsche Börse – Eurex	1,900	+24
Euronext Liffe	949	+30
CBOE	944	+40
Gruppe Deutsche Börse - ISE	805	+36

Source: the exchanges listed

Overview of business development

In 2007, Deutsche Börse AG achieved by far the best results in its history. The financial market environment, which was dominated by uncertainty, growing volatility and therefore increased trading activity during the year, contributed to this positive outcome.

Sales revenue in the year under review went up by 21 percent to €1,261.4 million (2006: €1,043.3 million). In spite of the 22 percent rise in total costs in the year under review to €703.5 million (2006: €577.6 million), earnings increased significantly. The rise in costs is attributable primarily to higher expenses for services provided under agency agreements by Eurex Frankfurt AG and to higher expenses for application development and data center services provided by Deutsche Börse Systems AG. EBITA (earnings before interest, taxes and goodwill impairment) rose by 28 percent to reach a new record level of €1,113.8 million (2006: €870.7 million).

Deutsche Börse AG's key performance figures	2007	2006	Change 2007 vs. 2006 %
Sales revenue (€mn)	1,261.4	1,043.3	+ 21
EBT (€mn)	1,122.9	870.9	+ 29
Net income (€mn)	773.6	616.0	+ 26
Earnings per share (€) ¹	3.99 ¹	3.10 ²	+ 29

1) Calculation based on weighted average of outstanding shares

2) Reported – before share split – in 2006 €6.20 per share.

Description of the Group's internal management control system

Deutsche Börse Group's internal management control system is primarily based on the management performance indicators EBITA, costs, return on equity and interest cover ratio (the ratio of consolidated EBITDA (earnings before interest, taxes, depreciation, amortization and impairment expense) to interest expense).

Deutsche Börse Group manages its EBITA via sales revenue and costs. Total revenue is composed of sales revenue with external customers, own expenses capitalized and other operating income. Sales revenue with external customers is generally dependent on three growth factors: developments in the financial markets, structural changes and the Company's innovation strength. Own expenses capitalized comprise development costs for internally generated computer software. Other operating income results mainly from agency business with Group companies.

With regard to costs, the Company distinguishes between staff costs, depreciation, amortization and impairment expense (excluding goodwill impairment) and other operating expenses. Staff costs comprise wages and salaries as well as social security contributions and the cost of retirement benefits. They are firstly subject to an element of inflation and secondly depend on the development of Deutsche Börse AG's stock price, since they also include changes in the provisions and payments in respect of the stock option plan that has now ended and the stock bonus plan for members of the Executive Board and senior executives that was launched in 2007. Depreciation, amortization and impairment expense does not include goodwill impairment and is dependent on the amount of investments capitalized. Other operating expenses principally comprise the costs of

developing and operating the Group's technological infrastructure, office infrastructure costs and marketing costs.

Since a large proportion of Deutsche Börse AG's total costs are fixed costs, the Company can handle higher volumes of business without a significant increase in costs. Its variable costs include the operation of the floor trading system and various licence fees, among other items.

In November 2006, Deutsche Börse Group announced its cost target for the year under review: to close financial year 2007 with a moderate, to a large extent inflation-driven increase in costs of 3 to 5 percent. However, costs in financial year 2007 were negatively impacted by extraordinary expenses, particularly as a result of higher-than-expected provisions for the stock option program, severance payments and provisions for restructuring costs. These extraordinary expenses and the above-mentioned rise in agency fees increased total costs by 22 percent in the year under review compared with 2006. Total costs in 2007 amounted to €703.5 million (2006: €577.6 million).

In September 2007, Deutsche Börse Group announced a restructuring and efficiency program aimed at further optimizing operating costs. In the 2008-2010 planning period, the program is expected to generate successive cost savings in the amount of €225 million, while investments in future growth will remain the same. In the year under review, provisions of €12.2 million were recognized at Deutsche Börse AG for the restructuring costs required to achieve the savings.

The consolidated return on shareholders' equity after taxes is another key performance indicator underlying Deutsche Börse Group's strategy. It represents the ratio of after-tax earnings to the average equity available to the Company in 2007. Last year, this ratio increased to 39.4 percent (2006: 30.1 percent), due to the significant growth in earnings.

In September 2007, Deutsche Börse Group resolved a revised financing concept for the acquisition of ISE with the aim of further improving the capital structure and resuming its share buy-back program. The financing concept provides for the issue of debt securities and hybrid instruments by Deutsche Börse AG totalling around €1.5 billion. The aim in targeting an interest cover ratio (ratio of consolidated EBITDA to interest expense) of at least 16 is to maintain Clearstream's current 'AA' rating.

Business development in the segments

Deutsche Börse AG has a function-driven organizational structure. It is composed of the Xetra (cash market: electronic trading platform, floor trading and clearing services), Eurex (derivatives market: electronic trading platform and clearing services, OTC trading platforms) and Market Data & Analytics (sale of price information and information distribution) segments.

Xetra segment

Business activities in the Xetra cash market segment continued to develop extremely positively in 2007. Trading volumes both on the Xetra electronic trading system and in floor trading again rose significantly as against the already strong performance in the previous year. The main growth drivers were the increased volatility in the market and structural changes, in particular the growth of algorithmic trading.

The number of transactions on the Xetra electronic trading system rose by 64 percent year-on-year to 176.3 million. The trading volume (single-counted) was 53 percent higher at €2,443.0 billion. Business development on Xetra is largely dependent on the trading activities of institutional investors and banks' own-account trading. A number of factors had a positive effect on the Xetra trading volume: temporary uncertainty in the financial markets – due among other things to volatility in the Asian stock markets in the first quarter and the US subprime crisis that erupted in the third quarter –, rising company profits and the increase in the levels of the leading indices over the year. Structural changes in trading also played a major role in addition to these general economic factors. The increasing use of fully computerized trading strategies is particularly noteworthy here. The proportion of algorithmic trading rose again in the year under review, accounting on average for around 39 percent of the total Xetra trading volume (2006: 34 percent). The largest 10 trading participants accounted for 52 percent, showing no significant change compared with 2006. Measured in terms of the order book volume, the largest market participant had a market share of 7 percent (2006: 8 percent).

In floor trading, the trading volume (single-counted) increased by 7 percent to €109 billion. Trading volumes on the floor of Frankfurter Wertpapierbörse (the Frankfurt Stock Exchange) are mostly dependent on orders from private investors. Trading volumes on the stock exchange floor fell slightly during the first half of 2007, but then recovered at the end of the period. Due to the general economic uncertainty and increased volatility of the DAX benchmark index and other indices, trading activity picked up considerably during the normally relatively quiet third quarter, rising by 41 percent year-on-year. In the fourth quarter, trading activity settled again at the previous year's level.

Transactions on Xetra and the Frankfurt Stock Exchange floor (in million)				
	Xetra		Floor trading	
	2007	2006	2007	2006
Q1	39.8	26.8	29.9	31.6
Q2	40.5	28.8	26.9	26.5
Q3	48.7	24.6	24.2	17.5
Q4	47.3	27.6	22.1	22.5
Total	176.3	107.7	103.1	98.1

The XTF segment for exchange-traded index funds increased its trading volume by 63 percent in the year under review to €109 billion (2006: €67 billion). With the largest offering of all European exchanges, the segment was able to maintain its position as leading market place in Europe for trading ETFs.

All in all, the Xetra segment increased its sales revenue by 26 percent to €397.3 million (2006: €314.1 million). In addition to income from trading, the central counterparty for equities (CCP) operated by Eurex Clearing AG, income from cooperation agreements and listing fees also contributed to this growth. The sales revenue generated by the central counterparty is primarily dependent on the activity level on the Xetra trading system. To stimulate growth in highly price-sensitive trading volumes, Eurex Clearing AG reduced its fixed fees for equity trades in Xetra and

on the floor of the Frankfurt Stock Exchange in summer 2007. Income from cooperation agreements mainly stems from systems operation for the Irish Stock Exchange and the Vienna Stock Exchange. As of mid 2008, Xetra will take over systems operation for the Bulgarian Stock Exchange, from which it will generate additional income. Listing fees are generated on the basis of the number of companies newly admitted to listing and of the total number of companies quoted.

Eurex segment

The joint venture between Deutsche Börse AG and SWX Swiss Exchange AG can look back on an extremely successful financial year in which sales revenue grew by 20 percent to €698.4 million (2006: €583.0 million).

Contract volumes in Eurex's product groups	2007 mn contracts	2006 mn contracts	Change %
Equity index derivatives	754	487	+55
Equity derivatives	375	308	+22
Interest rate derivatives	772	731	+6

As in 2006, the main revenue drivers were equity index derivatives with a 52 percent share and interest rate derivatives with a 35 percent share of total sales revenue.

Trading activity in the segment increased by 24 percent year-on-year to reach 1,900 million contracts traded (2006: 1,527 million), a new record level. Equity index derivatives made the largest contribution to this growth with an increase of 55 percent in contract volumes in the year under review.

The structural growth drivers mentioned in the 2006 report continued to have a significant effect on the segment's growth in 2007:

- Thanks to the new European legal and administrative framework (UCITS III), investment funds may also increasingly use derivatives.
- Market players are now making more use of derivatives to hedge financial market risks.
- Issuers of structured cash market products use derivatives to create and manage products, and as hedging instruments.
- Banks and investors are increasingly applying fully automated trading strategies (similar to algorithmic trading on Xetra).
- Assets managed by hedge funds with very high levels of trading activity have grown.

The uncertainty that dominated capital markets worldwide and the high and at the same time volatile index levels also had a positive impact on trading volumes. In addition, the raise of the key interest rate by the European Central Bank in June 2007 and traders' expectations regarding future interest rate movements resulted in a strong increase in interest rate derivatives, in particular in the period from June to August 2007 (38 percent increase compared with the same period in 2006).

In addition to these external factors, new products and services provided by the segment help boost trading by market participants. A series of futures on individual equities, equity options and equity index options were introduced in the year under review.

On 1 February 2007, Eurex launched a program to increase own-account trading. This provides for volume rebates for on-exchange transactions involving Eurex's major product groups. As expected, the price reductions resulted in a decline in sales revenue per contract. However, Eurex was able to offset this effect through the dynamic growth in volumes.

1 August 2007 saw the start of the "Trader Development Program", a two-year initiative that aims to attract new traders in promising regions. Participants in this program do not pay any fees for transactions up to a limit of 2 or 3 million contracts.

Market Data & Analytics segment

Sales revenue in the Market Data & Analytics segment continued to develop positively in 2007, rising by 13 percent to €165.7 million (2006: €146.2 million).

The segment generated 62 percent and therefore the majority of its sales revenue from the distribution of real-time data from the cash and derivatives markets operated by Deutsche Börse Group (2006: 69 percent). In addition to growth in established markets and with existing customers, the initiatives to attract customers in new markets also had an impact.

The growth was helped further by increases in sales of data packages, particularly higher-value products, and newly launched products and services.

With its offerings in the context of the EU Markets in Financial Instruments Directive (MiFID), Market Data & Analytics also contributes to the Group's sales revenue growth. 60 customers have already been connected to the MiFID OTC post-trade transparency service and have published their post-trade data via Deutsche Börse Group.

Research and development activities

As a service provider, Deutsche Börse AG does not engage in research and development activities comparable with those of manufacturing companies. This section of the report is therefore not required. The company's product development activities are described in more detail in the report on expected developments.

Employees

The number of employees of Deutsche Börse AG rose slightly in the year under review, amounting to 545 as at 31 December 2007. The average number of employees of Deutsche Börse AG in 2007 was 543.

27 employees left Deutsche Börse AG in the course of 2007, producing a staff turnover rate of 5.0 percent.

As at 31 December 2007, Deutsche Börse AG had employees at five locations worldwide. The key locations and regions are:

Employees per region	
	31 December 2007
Germany	518
United Kingdom	21
Rest of Europe	6
Total	545

The age structure of Deutsche Börse AG's employees as at 31 December 2007 was as follows:

Employee age structure	Number of employees	Percent
Less than 30	41	7.5%
30 to 39	242	44.4%
40 to 49	217	39.8%
Over 50	45	8.3%
Total	545	

An analysis of the length of service of the Group's employees as at 31 December 2006 showed the following result:

Length of service of employees	31 December 2007	Percent
Less than 5 years	160	29.4%
5 to 15 years	302	55.4%
More than 15 years	83	15.2%
Total	545	

As at 31 December 2007, graduates accounted for 66.8 percent of Deutsche Börse AG's employees. This figure is calculated on the basis of the number of employees holding a degree from a university, university of applied technology, or a professional academy, as well as employees who have completed studies abroad.

In total, the Company invested an average of 3.66 days per employee in staff training.

Environmental protection

Caring for the environment and natural resources has always been a core component of Deutsche Börse AG's activities. Its business operations – building, operating and loading IT systems – do not entail any direct environmental risk. All environmental protection measures therefore relate to the

infrastructure of its office buildings in Frankfurt and Luxembourg, the selection and monitoring of suppliers and to motivating employees to act in an environmentally responsible manner in the workplace.

The Frankfurt headquarters to which Deutsche Börse AG moved in 2000 was designed to take advantage of state-of-the-art energy-saving concepts.

Deutsche Börse shares

Deutsche Börse's share price rose by 95 percent in the course of 2007 and closed the year at €135.75 (2006: €69.71) on the last trading day. The low for the year was €68.91 in the course of 5 January 2007 and the intraday high for the year was €136.32 on 6 December 2007.

Following the resolution adopted by the Annual General Meeting on 11 May 2007, Deutsche Börse AG implemented a capital increase from retained earnings. It increased the capital by €100 million to €200 million on 8 June 2007 by issuing one new share ("bonus share") for each existing share. The quotation of the shares was changed as of the start of trading on 11 June 2007.

The excellent performance, the prospect of continuous capital market growth and market expectations that stock exchange consolidation will continue all contributed to the sustained and widespread interest in Deutsche Börse AG shares among national and in particular international investors. As at 31 December 2007, the proportion of non-German shareholders remained high at 82 percent. The proportion of institutional investors also remained high: as in 2006, they accounted for 98 percent of the Company's shares at the end of the year under review.

Disclosures in accordance with section 289 (4) of the German Commercial Code (HGB)

In accordance with section 289 (4) of the Handelsgesetzbuch (HGB – German Commercial Code), Deutsche Börse AG makes the following disclosures as at 31 December 2007:

The share capital of Deutsche Börse AG amounts to €200,000,000 and is composed of 200,000,000 no-par value registered shares. There are no other classes of shares besides these ordinary shares.

The Executive Board of Deutsche Börse AG is not aware of any restrictions affecting the voting rights or transfer of shares.

In 2006, the Children's Investment Fund Management (UK) L.L.P., London, United Kingdom, notified Deutsche Börse AG that it exceeded the threshold of 10 percent of the voting rights in the Company on 10 April 2006. The Children's Investment Fund Management indirectly held 10.06 percent of the voting rights or 10,264,953 votes at that date.

In the same year 2006, the Children's Investment Master Fund, George Town, Cayman Islands, a fund managed by The Children's Investment Fund Management (UK) L.L.P., notified Deutsche Börse AG that it exceeded the threshold of 10 percent of the voting rights in the Company on 10 April 2006. The fund directly held 10.06 percent of the voting rights or 10,264,953 votes at that date. This share is included in the above-mentioned share held indirectly by The Children's Investment Fund Management (UK) L.L.P.

There are no holders of shares with special rights granting the holder power of control.

Employees holding shares in Deutsche Börse AG may exercise their rights of control directly.

Members of the Executive Board are appointed and dismissed in accordance with sections 84 and 85 of the AktG. In accordance with Article 6 (3) of the Articles of Association, membership of the Executive Board generally terminates when the members attain the age of 60.

Changes in the Articles of Association are resolved by the Annual General Meeting in accordance with section 119 (1) no. 5 of the AktG. In accordance with Article 12 (4) of the Articles of Association, the Supervisory Board has the power to resolve changes to the Articles of Association which relate only to their wording. In accordance with Article 18 (1) of the Articles of Association, resolutions are passed by a simple majority of votes cast, unless otherwise stipulated by explicit requirements of the AktG. Insofar as the AktG prescribes a majority of share capital to be represented at the Annual General Meeting for resolutions, a simple majority of the share capital shall suffice to the extent that this is legally permissible.

The Executive Board is authorized until 23 May 2011 to increase the share capital, subject to the approval of the Supervisory Board, by issuing new no-par value registered shares against cash and/or non-cash contributions on one or more occasions by up to a total of €5,200,000 (authorized share capital I). Full authorization, particularly the conditions for suspending the shareholders' pre-emptive rights, derives from Article 4 (3) of the Articles of Association.

The Executive Board is furthermore authorized until 13 May 2008 to increase the share capital, subject to the approval of the Supervisory Board, by issuing new no-par value registered shares against cash and/or non-cash contributions on one or more occasions by up to a total of €14,797,440 (authorized share capital II). Full authorization, particularly the conditions for suspending the shareholders' pre-emptive rights, derives from Article 4 (4) of the Articles of Association.

In addition, the Executive Board is authorized until 10 May 2012 to increase the share capital, subject to the approval of the Supervisory Board, by issuing new no-par value registered shares against cash and/or non-cash contributions on one or more occasions by up to a total of €6,000,000 (authorized share capital IV). In the process, shareholders must be granted pre-emptive rights unless the Executive Board makes use of the authorization granted to it to disapply the shareholders' pre-emptive rights with the approval of the Supervisory Board. The Executive Board is authorized, with the approval of the Supervisory Board, to eliminate fractions from the shareholders' pre-emptive rights. The Executive Board is additionally authorized, subject to the approval of the Supervisory Board, to disapply shareholders' pre-emptive rights in order to issue up to 900,000 new shares per financial year to members of the Executive Board and employees of

the Company as well as to members of the executive boards or management and employees of its affiliated companies within the meaning of sections 15 et seqq. of the AktG. Full authorization derives from Article 4 (7) of the Articles of Association.

The Company's share capital has been contingently increased in accordance with Article 4 (5) of the Articles of Association by up to €6,000,000 by issuing up to 6,000,000 no-par value registered contingent shares (contingent share capital I). The contingent capital increase is used exclusively to service stock options, granted up to 13 May 2008 as a result of the authorization under item 7 of the agenda of the Annual General Meeting of 14 May 2003. The contingent capital increase is only implemented insofar as the holders of issued stock options exercise these and the Company does not service these stock options by transferring treasury shares or by way of a cash payment. The new shares participate in profit starting at the beginning of the financial year in which they are issued through the exercise of stock options.

The Company's share capital has been contingently increased in accordance with Article 4 (6) of the Articles of Association by up to an additional €60,000,000 by issuing up to 60,000,000 no-par value registered contingent shares (contingent share capital II). The contingent capital increase is only implemented insofar as the holders of options or conversion rights or those required to exercise their options or conversion rights exercise their options or conversion rights or, insofar as they are required to exercise their options or conversion rights, fulfill their obligation to do so using options or convertible bonds issued or guaranteed up to 13 May 2008 by the Company or a wholly owned subsidiary of the Company held directly or indirectly pursuant to the authorization resolution by the Annual General Meeting on 14 May 2003. The new shares will be issued at an option or conversion price to be determined in accordance with the aforementioned authorization resolution. They participate in profits starting at the beginning of the financial year in which they are issued through the exercise of options or conversion rights or the fulfillment of conversion or option obligations. The Executive Board is authorized, with the approval of the Supervisory Board, to define the further details of the implementation of the capital increase.

The Executive Board is authorized to acquire up to 10 percent of the share capital as at the date of the Annual General Meeting on 11 May 2007 as treasury shares. However, the shares acquired, together with any shares acquired for other reasons that are held by or allocated to the Company in accordance with sections 71a et seqq. of the AktG, may at no time exceed 10 percent of the Company's share capital. The authorization to acquire treasury shares is valid until 31 October 2008 and may be exercised in full or in part on one or more occasions by the Company. However, it may also be exercised by dependent companies, by companies in which the Company holds a majority interest, or by third parties on its or their behalf. The Executive Board may elect to acquire the shares 1) on the stock exchange, 2) via a public tender offer addressed to all shareholders or via a public request for offers of sale addressed to the Company's shareholders, 3) by issuing tender rights to shareholders, or 4) through the use of derivatives (put or call options or a combination of both). The full and exact wording of the authorization to acquire treasury shares, and particularly the permissible uses to which they may be put, can be found in item 8 of the agenda of the Annual General Meeting of 11 May 2007.

In the event of a change of control following a takeover bid, the following material agreements apply:

- On 31 August 1998, Deutsche Börse AG and SWX Swiss Exchange AG agreed, under the terms of a shareholders' agreement relating to their joint investment in Eurex Zürich AG and its subsidiary companies, an extraordinary right of termination for a period of 60 days following registered notification. This applies in the event that a third exchange organization obtains a controlling influence over the other party whether by means of a takeover or a merger. Termination would have the effect of ending the joint venture.
- On 25 October 2006, Deutsche Börse AG and SWX Group agreed in a cooperation agreement to combine their business operations in the area of structured products in a European exchange organization under a joint name and trademark. The cooperation agreement provides for a right of termination for both parties with a notice period of six months to the end of the month, which has the effect of ending the joint venture if a change of control occurs at Deutsche Börse AG or SWX Group. The right of termination expires if it is not exercised within three months of the date of the change of control. According to the cooperation agreement, a change of control has taken place if a person, corporation, or partnership directly or indirectly acquires control over a company, either alone or together with Group companies or in consultation with other persons or companies. A company has control if it directly or indirectly holds more than 50 percent of the voting rights or the capital of another corporation or partnership, if it must fully consolidate another corporation or partnership under IFRSs, or if it is able to control a company through voting trusts or by making appointments to executive bodies.
- On 10 May 2005, Deutsche Börse AG and its subsidiary Clearstream Banking S.A. concluded a facility agreement with a consortium of 37 banks for a working capital credit line with a total amount of up to US\$1,000,000,000. In the event of a change of control, the lead manager of the consortium must terminate the agreement within a period of 30 days and declare all amounts due to the lenders immediately repayable, if required to do so by a majority of the consortium banks who together have provided two-thirds of the amount of the facility granted at the date of the change of control. In the terms of this facility agreement, a person or group of persons have control if they coordinate their actions and/or if they have the opportunity to govern the business of the Company or to determine the composition of the majority of the Executive Board.
- On 22 October 2007, Deutsche Börse AG concluded a facility agreement with a consortium of 15 banks for a bridge loan of US\$700,000,000 and €1,000,000,000 for the purposes of financing part of the acquisition of ISE Holdings. In the event of a change of control, the lead manager of the consortium must terminate the agreement within a period of 30 days and declare all amounts due to the lenders immediately repayable, if required to do so by a majority of the consortium banks who together have provided two-thirds of the amount of the facility granted at the date of the change of control. In the terms of this facility agreement, a person or group of persons have control if they coordinate their actions and/or have the opportunity to govern the business of Deutsche Börse AG or Eurex Frankfurt AG or to determine the composition of the majority of the Executive Board.
- As part of the acquisition of ISE, it was agreed that no person or group may directly or indirectly acquire more than 40 percent of the shares in ISE or control over the voting rights attached to more than 20 percent of the shares in ISE without the prior approval of

the US Securities and Exchange Commission (SEC). Otherwise, the requisite number of ISE shares must be transferred to a trust so as to comply with the limits.

- Members of Deutsche Börse AG's Executive Board have a special right of termination in the event of a change of control. According to the agreements with all Executive Board members, a change of control has occurred if 1) a shareholder or third party discloses in accordance with sections 21, 22 of the WpHG (Wertpapierhandelsgesetz, the German Securities Trading Act) its ownership of more than 50 percent of the voting rights in Deutsche Börse AG, 2) an intercompany agreement in accordance with section 291 AktG is entered into with Deutsche Börse AG as a dependent company, or 3) Deutsche Börse AG is absorbed in accordance with section 319 AktG or merged in accordance with section 2 of the UmwG (Umwandlungsgesetz, the German Reorganization and Transformation Act).

In addition to the above-mentioned agreements, Deutsche Börse AG and its subsidiaries are party to further agreements that are subject to a change of control in the event of a takeover offer. However, in the opinion of Deutsche Börse AG, they are not material within the meaning of section 289 (4) HGB.

The compensation agreements entered into with the members of the Executive Board in the event of a takeover offer can be found in the remuneration report.

Remuneration Report

The guideline for the appropriate remuneration of Executive Board members is their individual performance and that of the Executive Board as a whole, together with the performance, financial position and prospects of Deutsche Börse AG. Members of the Executive Board of Deutsche Börse AG are paid annual remuneration comprising a fixed and a variable component. The fixed, non-performance-related component consists of a fixed monthly salary and other taxable salary components, such as taxable contributions towards private pensions, taxable lump-sum telephone allowances and/or the use of company cars, while the variable component consists of performance-related remuneration and long-term incentive elements (Stock Bonus Plan, SBP). The SBP enables the Company to grant Company shares as part of variable, performance-related remuneration in addition to cash, thus giving beneficiaries a greater share in the Company's success and strengthening their ties with the Company. The SBP replaces the previous phantom stock option plan. Members of the Executive Board have also received pension commitments. The Personnel Committee of the Supervisory Board sets the level of the fixed basic remuneration. It is reviewed on a regular basis, at least once every two years. The performance-related variable remuneration component is determined annually by the Personnel Committee. Its amount depends, among other things, on Company-specific goals being achieved such as the implementation of Company-wide projects or specific targets being reached (e. g. specific cost targets, the overall situation of the Company) as well as on the Executive Board members meeting their individual goals. In addition, the achievements of the Executive Board members in various categories such as analytical skills, social skills, productivity, or leadership quality are taken into account. Two-thirds of the performance-related remuneration is paid in cash and one-third is transferred to the Stock Bonus Plan.

The table presented below shows the amount of expenses for the fixed and variable remuneration, and entitlements under share-based payment arrangements granted in the year under review. Prior-year figures are given in brackets. The figures relating to long-term incentive components in 2007 relate to shares from the SBP, while the figures for 2006 relate to phantom stock options from the stock option plan in place until then.

Executive Board remuneration for 2007 (prior-year figures in brackets)

	Non-performance-related remuneration ¹⁾	Performance-related remuneration ²⁾	Long-term incentive components ²⁾	Total	
	€ thousands	€ thousands	2007: No. of SBP shares (2006: Phantom stock options) Number	Value on grant date € thousands	€ thousands
Reto Francioni	717.1 (703.7)	1,683.1 (1,171.0)	6,753 (29,070)	883.5 (1,002.3)	3,283.7 (2,877.0)
Thomas Eichelmann ⁴⁾	3,043.5 ⁵⁾ -	- -	- -	- -	3,043.5 -
Frank Gerstenschläger ⁶⁾	389.5 (-)	625.0 (-)	2,303 (-)	301.3 (-)	1,315.8 (-)
Michael Kuhn ⁷⁾	- -	- -	- -	- -	- -
Andreas Preuß ⁸⁾	571.9 (419.6)	1,675.0 (825.0)	5,525 (16,570)	722.9 (571.3)	2,969.8 (1,815.9)
Jeffrey Tessler ⁹⁾	- -	- -	- -	- -	- -
Total	4,722.0 (1,123.3)	3,983.1 (1,996.0)	14,581 (45,640)	1,907.7 (1,573.6)	10,612.8 (4,692.9)

Remuneration of Executive Board members who left the Board on 7 March 2007

	€ thousands	€ thousands	Number	€ thousands	€ thousands
Matthias Ganz	128.6 (481.3)	- ¹⁰⁾ (900.0)	- ¹⁰⁾ (20,930)	- ¹⁰⁾ (721.7)	128.6 (2,103.0)
Mathias Hlubek	148.2 (624.8)	- ¹⁰⁾ (1,150.0)	- ¹⁰⁾ (23,256)	- ¹⁰⁾ (801.9)	148.2 (2,576.7)
Total	276.8 (1,106.1)	-¹⁰⁾ (2,050.0)	-¹⁰⁾ (44,186)	-¹⁰⁾ (1,523.6)	276.8 (4,679.7)

1) The non-performance-related remuneration comprises the fixed salary and other taxable salary components such as taxable contributions towards private pensions, taxable lump-sum telephone allowances/living expenses and company car arrangements.

2) Differences between the amounts included in the total remuneration for 2006 and the amounts actually pledged are included in the total remuneration for 2007.

3) In accordance with section 285 no. 9a sentence 4 of the HGB (German Commercial Code), the number of pre-emptive rights and other forms of share-based payment and their fair value must be disclosed at the grant date. The prior-period figures have been restated accordingly. As the grant date for the 2007 tranche is in the first two months of 2008, the SBP shares were calculated at their fair value on the balance sheet date. See the explanations under "Stock Bonus Plan".

4) Appointed to the Executive Board on 1 July 2007.

5) This includes a one-time non-performance-related special bonus of €2,725.0 thousand as compensation for lost bonus payments, among others.

6) Appointed to the Executive Board on 1 April 2007.

7) Remuneration paid by Deutsche Börse Systems AG.

8) Appointed to the Executive Board on 1 April 2006.

9) Remuneration paid by Clearstream International S.A.

10) The Executive Board members who left the Board during the reporting year, Matthias Ganz and Mathias Hlubek, received severance payments of €7,500.0 thousand and €9,100.0 thousand respectively in line with their severance commitments. These payments also covered, in particular, bonus entitlements and long-term incentive components.

Deutsche Börse AG has also taken out a D&O (directors' and officers' liability insurance) policy for its Executive and Supervisory Board members.

There is a temporary severance commitment for the Chief Executive Officer until 2008 in the event that his appointment is revoked without good cause. The amount of the severance payment depends on the remuneration for the remainder of the agreed period of service until 31 October 2008 and amounts to at least 1.5 times the total annual remuneration

(comprising fixed salary, bonus and part of the phantom stock options or shares) received in the last full calendar year.

Retirement benefit agreements (“direct commitments”) have been entered into individually with all members of the Executive Board of Deutsche Börse AG. These commitments are primarily based on the following arrangements:

Feature	Arrangement
Pension	Executive Board members receive a pension after reaching the age of 60 ¹ or 63 and leaving the Company, or if they are compulsorily retired, or after being appointed to the Executive Board for at least three years with (at least) one prolongation of their contract of service. Payment of the pension commences on the day following the date of their last salary payment. ² Pensions are paid to newly appointed Executive Board members from the age of 55 onwards at the earliest. ³
Occupational incapacity or total disability pension	In the event of temporary occupational incapacity, Executive Board members are entitled to continued payment of their remuneration, but in any event for no longer than the date of termination of their contract of service. In the event of permanent occupational incapacity, Deutsche Börse AG is entitled to compulsorily retire the Executive Board member after six months.
Invalidity pension	Deutsche Börse AG has taken out accident insurance that pays out three times the annual fixed salary in a single sum in the event of death and four times the annual fixed salary in a single sum in the event of total invalidity.
Upper limit	In the event that the Executive Board member leaves the Company prior to the regular retirement date, the pension is reduced by the amount of the excess of the new employment income plus pension over the current remuneration of the old contract of service, or all income as defined by the Einkommensteuergesetz (German Income Tax Act) resulting from regular commercial, advisory, or professional activity relating to non-independent employment is offset in the full amount against the pension to be granted. Remuneration is not offset if the Executive Board member is over 60 or 63.
Pension measurement basis	The pension amounts to 30 percent of the most recent fixed salary paid and rises by 5 percentage points per reappointment period to a maximum of 50 percent.
Form of payment	As a rule, the benefit is granted in the form of a pension. The Executive Board member in question may notify Deutsche Börse AG in writing no later than six months before commencement of the insured event whether he or she wishes to draw the benefits under the retirement benefit agreement in the form of a monthly pension, a one-off capital payment, or five part-payments. In such cases, Deutsche Börse AG decides on the form of payment to the Executive Board member, taking the Board member's notification into account.
Surviving dependents' pensions	In the event of death during the period of active service or following entitlement to receive a pension (see above), the spouse is entitled to a life-long pension of 60 percent of the retirement pension; dependent children receive a (half-)orphan's pension of 10 and 25 percent respectively of the retirement pension.
Transitional payment	Executive Board members who leave the Company after reaching pensionable age or being compulsorily retired receive a transitional payment in the first twelve months after retirement amounting to a total of two-thirds of the most recent bonus and, in the twelve months thereafter, of a total of one-third of the most recent bonus. In the event that the beneficiary dies within 24 months of retirement, the surviving spouse is entitled to the full amount of the transitional payments described above for three months, and 60 percent of such payments for the remaining period.

1) This rule applies to Executive Board members Reto Francioni and Jeffrey Tessler.

2) In accordance with this agreement, this applies to Mathias Hlubek as from 2011 and to Matthias Ganz as from 2008.

3) This new rule applies to Executive Board members Andreas Preuß and Thomas Eichelmann.

Change-of-control arrangements

On the basis of their contracts of service, the members of the Executive Board are entitled to severance payments if in the event of a change of control the contract of service is terminated and no incident has been caused by the board member justifying the termination.

The payments in the event of a change of control for the Executive Board members active at the end of the year are calculated on the basis of the capitalized remuneration (fixed salary and bonuses) for the remainder of the agreed contract term and a severance payment of up to two times the annual remuneration in the amount of the remuneration for the most recent calendar year (fixed salary and bonuses). The resulting total may not exceed five times the

annual remuneration. The phantom stock options are settled on the date the member leaves the Executive Board. If a member of the Executive Board resigns, only 50 percent of the phantom stock options are paid out. The entitlement to shares from the Stock Bonus Plan remains in force and is settled in accordance with the provisions of the Stock Bonus Plan after the end of the waiting period.

Stock Bonus Plan

The Stock Bonus Plan (SBP) replaces the phantom stock option plan of recent years.

For the year under review, for the first time, the members of the Executive Board will receive one-third of their variable remuneration converted into shares of Deutsche Börse AG as a long-term incentive component ("number of SBP shares"). The number of SBP shares is calculated by dividing the amount of the individual and performance-based bonus (1/3 of the variable remuneration) of each Executive Board member by the market price of the Company (closing auction price of Deutsche Börse shares in electronic trading on the Frankfurt Stock Exchange) on the date the bonus is calculated. Neither the converted bonus nor the number of shares will be paid at the time the bonus is determined but the beneficiaries receive shares or a cash settlement after a two-year waiting period. On expiry of the waiting period, the original number of SBP shares is first converted into a payment claim. This is done by multiplying the current market price on that day (closing auction price of Deutsche Börse shares in electronic trading on the Frankfurt Stock Exchange) by the number of SBP shares. The Company then has the option to settle the payment claim for the Executive Board member in cash or shares.

For the year under review it is assumed that all Executive Board members active at the balance sheet date with the exception of Thomas Eichelmann will receive SBP shares. The total number of SBP shares is measured at fair value on the grant date. As the grant date is in 2008, the number of SBP shares was measured at fair value at the 2007 balance sheet date and it was assumed that all Executive Board members had received 100 percent of their bonus as variable remuneration. A modified Black-Scholes option pricing model (Merton model) was used to measure the number of SBP shares from the 2007 tranche. The model does not take exercise hurdles into account. It is based on the following valuation parameters:

		Tranche 2007 ¹⁾
Term until		31 Dec. 2010
Risk-free interest rate	%	4.15
Volatility	%	28.1
Deutsche Börse AG share price	€	135.75
Dividend yield	%	1.8
Exercise price	€	0
Fair value	€	130.83

1) Valuation parameters and fair value at the balance sheet date 31 December 2007

Remuneration of the Supervisory Board

Supervisory Board members received a ratable fixed remuneration for their services in 2007, depending on their length of service in the year under review. As in the previous year, the fixed remuneration for membership was €96 thousand per annum for the Chairman, €72 thousand for a Deputy Chairman and €48 thousand for each other member. In addition, membership of the Supervisory Board's Strategy, Technology, Personnel, Nomination, Clearing and Settlement, and Audit and Finance Committees is remunerated: the additional remuneration is €30 thousand per annum for the Chairman of each Committee (€40 thousand per annum for the Chairman of the Audit and Finance Committee) and €20 thousand per annum for each other member of each Committee.

The members of the Nomination Committee have waived their entitlement to half of their remuneration for their work on the Nomination Committee in 2007.

Members of the Supervisory Board also receive annual variable remuneration on the basis of two different, clearly defined targets relating to the Company's performance. Target 1: In the year in which remuneration is paid, the consolidated return on equity after taxes of Deutsche Börse Group must exceed by at least five percentage points the average of the monthly average current yields to maturity of domestic bearer bonds and public-sector bonds with a remaining maturity of more than nine to ten years as calculated by the Deutsche Bundesbank (Germany's central bank). Target 2: Consolidated earnings per share for the previous two full financial years must exceed consolidated earnings per share for the previous year in each case by 8 percent or more. For each target met, the members of the Supervisory Board each receive annual variable remuneration in the amount of €16 thousand.

This concept has been in place since 1 January 2005. It superseded the variable remuneration concept which had previously been effective since 2003, under which the members of the Supervisory Board had received stock options from the phantom stock option plan with a term of five years and a target value of €40 thousand, free of charge, on 1 February each year. The phantom stock options granted under the phantom stock option plan up to financial year 2004 could be exercised for the first time in 2006.

The members of the Supervisory Board received remuneration of €2,212.2 thousand in 2007.

Results of operations, financial position and net assets

Results of operations

In 2007, Deutsche Börse AG's sales revenue increased by 21 percent to €1,261.4 million (2006: €1,043.3 million), due in particular to the increase in trading activity in the cash and derivatives markets. In absolute terms, this increase was driven in particular by the Eurex segment.

Sales revenue by segment	2007 €mn	2006 €mn
Xetra	397.3	314.1
Eurex	698,4	583.0
Market Data & Analytics	165.7	146.2
Total	1,261.4	1,043.3

Deutsche Börse AG's pre-tax profit increased by 29 percent year-on-year to €1,122.4 million (2006: €870.9 million). The pre-tax profit margin increased to 89 percent (2006: 83 percent).

Costs rose by 22 percent year-on-year in 2007 to €703.5 million.

Cost overview	2007 €mn	2006 €mn	Change %
Staff costs	153.2	130.9	+17
Depreciation and amortization expense (other than goodwill)	7.7	10.7	-28
Other operating expenses	542.6	436.0	+24
Total	703.5	577.6	+22

The higher level of staff costs is attributable primarily to higher stock option plan costs for the Executive Board and senior executives. The total expense rose in the year under review after the Company's share price significantly outperformed the benchmark index, the Dow Jones STOXX 600 Technology. This item also includes extraordinary factors relating to the resignation of two Executive Board members.

The sharp rise in other operating expenses is primarily due to higher expenses for services provided by Eurex Frankfurt AG under agency agreements and also for application development and data center services provided by Deutsche Börse Systems AG.

Development of profitability

Deutsche Börse AG's return on equity – the ratio of after-tax earnings to the average equity available to the Company in 2007 – rose from 34.5 percent in 2006 to 42.3 percent in 2007, mainly due to the Company's higher earnings.

Financial position

Cash and cash equivalents amounted to €323.4 million at the end of 2007 (2006: €332.7 million) and were composed of cash, current accounts at banks and term deposits.

On the basis of an existing profit transfer agreement, Deutsche Börse Systems AG transferred profits of €91.9 million to Deutsche Börse AG. In addition, the Company received dividends of €262.8 million from Clearstream.

As in the previous year, Deutsche Börse AG has credit lines for working capital of €435 million. In addition, the Company obtained a syndicated credit line of €1,000 million and US\$700 million to finance the acquisition of ISE.

Deutsche Börse AG generated strong cash flows from operating activities of €971.5 million in 2007 (2006: €703.0 million). This increase is due on the one hand to the higher net profit for the year and, on the other, to the increase in liabilities to affiliated companies and other investors.

The change in the cash flow positions from investing and financing activities compared to 2006 is associated with the acquisition of the ISE.

Cash and cash equivalents amounted to €212.9 million at the end of 2007 (2006: €247.8 million). Strong cash flows from operating activities thus ensure the Company's liquidity.

Cash flow statement (condensed)	2007	2006
	€mn	€mn
Cash flows from operating activities	971.5	703.0
Cash flows from investing activities	-1,665.9	-9.5
Cash flows from financing activities	659.5	-594.2
Cash and cash equivalents as at 31 December	212.9	247.8

Capital management program

Under its capital management program, Deutsche Börse AG distributes funds not required for the Group's operating business to its shareholders. Deutsche Börse Group aims to achieve a dividend distribution ratio of 40 to 60 percent of its net income for the year and to make further distributions in the form of share buy-backs. These measures are subject to special investment needs and capitalization requirements. The program is the result of an intensive review of capital requirements, which considers the Group's capital needs from legal, regulatory, credit rating and economic capital perspectives. To ensure the continued success of the Clearstream segment, which is active in securities custody and settlement, the Company aims to maintain Clearstream Banking S.A.'s strong "AA" credit rating. Furthermore, Deutsche Börse AG needs to maintain a strong credit profile for the benefit of its subsidiary Eurex Clearing AG. Customers of these business areas require a service provider with a conservative interest cover and debt/equity ratio and the ability to secure a strong credit rating. Deutsche Börse Group's primary objective is therefore to ensure that the interest cover ratio (ratio of EBITDA to interest cost) does not fall below 16 at Group level and 25 in the Clearstream subgroup.

Following the announcement of the acquisition of ISE by Eurex Frankfurt AG on 30 April 2007, Deutsche Börse AG temporarily suspended its share buy-back program. On 17 September 2007, Deutsche Börse AG resolved a revised financing concept for the transaction. It is no longer

necessary to use a significant amount of the profits earned in the year under review to finance the transaction due to the higher proportion of hybrid capital that will now be used for this purpose.

The amended financing concept and the strong business performance in financial year 2007 enabled Deutsche Börse AG to resume the share buy-back program as of 20 September 2007. After returning around €1.4 billion to its shareholders in the form of share buy-backs and dividends in 2005 and 2006, Deutsche Börse AG paid a dividend for financial year 2006 amounting to €329.8 million and repurchased a further 4.1 million shares at a total price of €395.0 million in 2007. As at the balance sheet date of 31 December 2007, a total of €2.1 billion had been distributed to shareholders since the capital management program was launched.

Of the 32.5 million shares repurchased between 2005 and 2007, the Company retired 23.6 million shares in total. A further 0.8 million shares were acquired by employees under the terms of the Group Share Plan. As at 31 December 2007, the remaining 8.1 million shares were held by the Company as treasury shares.

Deutsche Börse AG analyzes its plans to continue holding and perform significant investments both on an individual basis and as part of its regular planning process. It also reviews its capital requirements on an ongoing basis as part of the planning process.

Financing of the acquisition of ISE Holdings

As described above in the "Capital management program" section, the acquisition of ISE by Eurex Frankfurt AG was financed on the one hand using profits earned. On the other, Deutsche Börse AG raised debt capital in the form of a syndicated credit facility amounting to €1.0 billion and US\$0.7 billion. The credit facility was arranged for a term of one year and with the option to extend it for a further year. The interest rate is based on reference interest rates for the interbank business, the Euribor and the US\$ LIBOR, plus an agreed margin. The Company plans to refinance the credit facility in 2008 by issuing bonds and hybrid capital. However, the Company expects to refinance the credit facility in 2008 by issuing long-term debt securities and hybrid capital.

Dividend

For financial year 2007, Deutsche Börse AG plans to continue its progressive dividend policy and will propose to the Annual General Meeting that a dividend of €2.10 per share be paid for the last financial year (with payment to be made in May 2008) – this represents an increase of 24 percent over the previous year (2006: €1.70¹). Based on this proposal, the distribution ratio is 52 percent of net income. With 191,888,548 shares in issue carrying dividend rights for financial year 2007, this would therefore result in a total distribution of €403.0 million (2006: €329.8 million).

Credit ratings

Deutsche Börse AG regularly has its creditworthiness reviewed by the rating agency Standard & Poor's. In April 2007, Deutsche Börse terminated its cooperation with Moody's rating agency to reduce the number of ratings and the associated costs. Moody's had given Deutsche Börse an "Aa1" long-term credit rating.

¹ Reported – before stock split – in 2006: €3.40.

In May 2007, the rating agency Standard & Poor's put Deutsche Börse's "AA" rating on creditwatch with "developing implications". Following the publication of the new financing plan for the acquisition of ISE and of the amended capital management program, Standard & Poor's removed the rating from this watch list at the end of September 2007 and confirmed the ratings "AA" and "A-1+" for Deutsche Börse AG. There were no other changes.

Ratings of Deutsche Börse AG	Long-term	Short-term
Standard & Poor's	AA	A-1+

Other

As in the previous year, Deutsche Börse AG received no government grants or other assistance in 2007.

Net assets

Deutsche Börse AG's noncurrent assets amounted to €3,894.5 million as at 31 December 2007 (2006: €2,218.9 million). Shares in affiliated companies amounting to €1,789.7 million (2006: €1,775.7 million) – mainly the 100 percent interest in Clearstream International S.A. – and loans to affiliated companies of €1,974.1 million (2006: €350.0 million) represented the largest part of these noncurrent assets.

Loans to affiliated companies rose by €1,624.0 million year-on-year on account of the participation certificates in Eurex Frankfurt AG acquired in connection with the acquisition of ISE.

Equity amounted to €1,916.3 million (2006: €1,846.8 million). The 33.1 percent equity ratio was lower than the previous year's 53.4 percent. This decrease is mainly due to the debt, in the form of a syndicated credit line, taken out to finance the acquisition of ISE Holdings. Repayments of this loan in December 2007 reduced the loan principal to €1.0 billion and US\$0.53 billion as at 31 December 2007.

Depreciation and amortization expense amounted to €8.0 million (2006: €16.0 million), while investments were higher on account of the ISE acquisition. Overall, Deutsche Börse AG invested €1,687.0 million in the year under review (2006: €77.0 million).

Receivables from and liabilities to affiliated companies relate to settlements for intra-Group deliveries and services and the amounts invested by Deutsche Börse AG under cash pooling arrangements. In addition, Deutsche Börse Finance S.A. took out an interest-only loan of €500 million on the market which it passed on to Deutsche Börse AG as an intercompany loan. This loan matures in 2008.

As Deutsche Börse AG debits fees for most of its services directly after the end of the month, the trade receivables of €116.1 million as at 31 December 2007 (2006: €101.7 million) were relatively low when compared with the sales revenue.

At €2,283.6 million, working capital is negative (2006: €-596.2 million). The change is due primarily to the increase in current liabilities relating to the financing of ISE.

Risk report

Risk management is an elementary component of the management and control of Deutsche Börse AG. Effective and efficient risk management is fundamental to protecting the Company's interests: it enables the company to achieve its corporate goals and safeguards its continued existence. The Company has therefore established a Group-wide risk management concept comprising roles, processes and responsibilities applicable to all staff and organizational entities of Deutsche Börse AG. This concept is designed to ensure that emerging risks can be identified and dealt with appropriately at an early stage.

Organization and methodology

The Executive Board is responsible for the management of all risks. Deutsche Börse AG's risk management organization is decentralized. The market areas are responsible for identifying risks and report these promptly to Group Risk Management, a central function unit with Group-wide responsibilities. Group Risk Management assesses all new and existing risks. It also reports on a monthly and, if necessary, on an ad hoc basis to the Executive Board. Risk control is performed in the market areas, i.e. in the areas where the risks occur.

The risk management system of Deutsche Börse AG, as stated in the Group Risk Management Policy, aims at ensuring that all threats, causes of loss and potential disruptions are properly identified in good time, centrally recorded, assessed (i.e. quantified in financial terms to the greatest possible extent), reported to the Executive Board together with suitable recommendations and controlled.

Deutsche Börse AG has developed its own corporate risk structure and distinguishes between operational, financial, business and project risks.

Internal Auditing ensures through independent audits the adequacy of the risk control and risk management functions. The results of these audits are also fed into the risk management system.

Group-wide risk management instruments

Deutsche Börse AG gives considerable attention to its risk mitigation process and ensures that appropriate measures are taken to avoid, reduce and transfer or intentionally accept risk.

Deutsche Börse AG has installed a standardized approach for measuring and reporting all operational, financial and business risks across its organization: the concept of "value at risk" (VaR). The purpose is to allow the overall risk appetite to be expressed in a comprehensive and easily understood way, and to facilitate the prioritization of risk management actions.

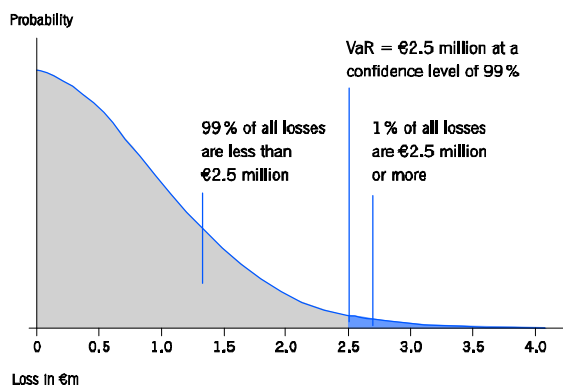
The VaR quantifies existing and potential risks. It denotes the maximum cumulative loss Deutsche Börse AG could face if certain independent loss events materialized over a specific time horizon for

a given probability. Deutsche Börse AG's models are based on a one-year time horizon, 99 percent confidence level and assumption of uncorrelated events.

This means that there is a 99 percent probability that the cumulative loss within the next year will be below €2.5 million and, conversely, that there is consequently a 1 percent probability of a loss incurred through one or more incidents within the next year which, in total, will be equal to or greater than the VaR calculated.

The following chart illustrates the risk distribution for a confidence level of 99 percent:

Example illustrating the risk distribution relating to a confidence level of 99 percent



The calculation of the VaR is a three-step process:

1. Determination of the loss distributions for every single risk:

This is performed for every single risk on the basis of historical data (such as market data, default, claim, or outage history) or risk scenarios. This distribution may be a lognormal distribution (often used for operational risk on account of processing errors) or a Bernoulli distribution (used e.g. for credit risk, where a counterparty either defaults or fulfills).

2. Simulation of losses using the Monte Carlo method:

A Monte Carlo simulation is used to run multiple trials of all random loss distributions at the same time in order to achieve a stable VaR calculation. This produces a spread of possible total losses.

3. Calculation of VaR on the basis of the Monte Carlo simulations:

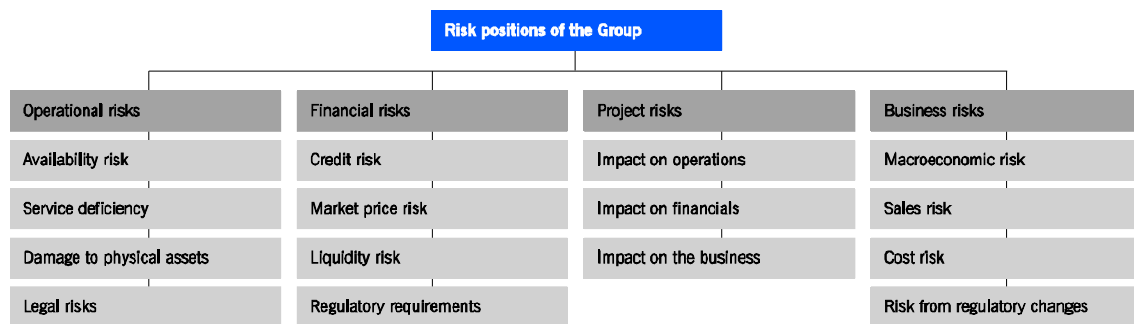
To do this, the results of the Monte Carlo simulation are arranged in descending order by size. If there are e.g. 100 simulations and a 99 percent confidence level is required, the second biggest loss corresponds to the VaR estimate.

In order to determine whether Deutsche Börse Group can bear the risk of a possible loss, the VaR calculated is compared against the then current EBITA forecasts. As at 31 December 2007, the total VaR of the Group represented less than half of its 2007 EBITA. The VaR is further reduced

when the risk mitigation provided by Deutsche Börse Group's customized insurance program is also considered.

Risk structuring and assessment

Risk system of Deutsche Börse Group



The following sections describe the relevant individual risks in more detail.

Operational risks

Operational risk encompasses all existing and newly arising risks in the context of the ongoing provision of services by Deutsche Börse AG. In terms of content, operational risk is defined as the risk of loss resulting from inadequate or defective systems and internal processes, from human or technical failure, from inadequate or defective external processes, from damage to physical assets as well as from legal risks. For Deutsche Börse AG, the main operational risks lie in the disruption to the uninterrupted and smooth delivery of its core products. In particular, these include the Xetra and Eurex cash and derivatives market trading systems, as well as the clearing and settlement system CCP.

Operational risks that Deutsche Börse AG does not wish to retain and that can be insured at a reasonable price are transferred by taking out insurance policies. All insurance policies are coordinated centrally, thereby ensuring that uniform risk/cost benefit insurance cover is in place for the entire Group. The policies of the insurance program that are relevant from a risk perspective are individually reviewed and approved by the Executive Board of Deutsche Börse AG.

(a) Availability risk

Availability risk results from the fact that resources essential to Deutsche Börse AG's service offering could fail, thereby making it impossible to deliver services on time or at all. This risk constitutes the greatest operational risk for Deutsche Börse AG. Possible triggers include hardware and software failures, operator and security errors, and physical damage to the data centers.

For instance, it cannot be ruled out that, in the unlikely case of a lengthy outage of the Eurex trading system while the market is very volatile, market participants might try to make claims against Deutsche Börse Group.

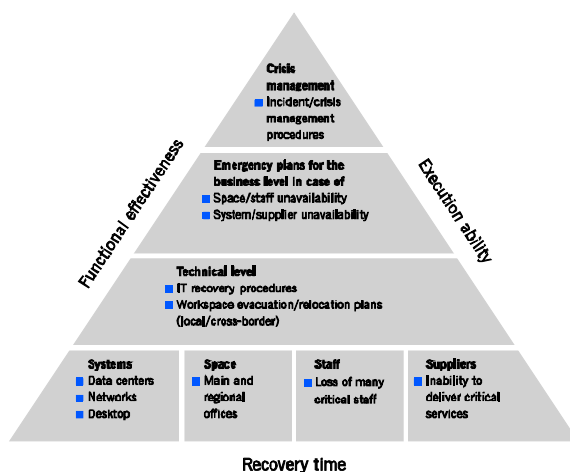
In particular, Deutsche Börse AG manages availability risk through intensive activities in the field of business continuity management (BCM). BCM encompasses all the processes that ensure

business continues as normal, even if a crisis occurs, and therefore substantially reduces availability risk. It relates to arrangements for all the key resources (systems, space, staff, suppliers/service providers), including the redundant design of all critical IT systems and technical infrastructure, as well as back-up workspaces located in each of the main operational centers available for employees in critical functions. These BCM arrangements are regularly tested according to the three following dimensions (see also the chart below):

- Functional effectiveness: validate that the arrangements are technically functioning
- Execution ability: ensure that staff are familiar with and knowledgeable in the execution of the plans and procedures
- Recovery time: confirm that the plans and procedures can be executed within the defined recovery time objective

This is illustrated in the graphic below:

Three dimensions of business continuity management



Service availability of Deutsche Börse Group's main products was again over 99.9 percent in 2007 and thus complied with the high standards specified for their reliability. No significant losses were incurred in the year under review.

(b) Risk of service deficiency

In contrast to availability risk, the occurrence of processing errors does not prevent Deutsche Börse AG from providing services to its customers. However, errors or omissions may occur that relate mainly to manual input. Despite all the automated systems and efforts aimed at delivering straight-through processing (STP), there is still a requirement for manual work. As a result, Deutsche Börse Group remains exposed in certain business segments, e.g. in the custody area, to the risk of inadequate handling of customer instructions. In addition, manual intervention in market and system management is necessary in special cases.

In the year under review, sustained improvements were again made to reduce the potential risk of processing errors – either through a reduction in the amount of manual intervention necessary or through better protection. Losses occurring as a result of processing errors are

more frequent than losses resulting from the non-availability of resources. No significant losses occurred as a result of processing errors in 2007.

(c) Damage to physical assets

This category includes the risks due to accidents and natural hazards, as well as terrorism and sabotage. No significant losses occurred as a result of damage to physical assets in 2007.

(d) Legal risks

Legal risks include losses that could arise as a result of non- or inappropriate compliance with new or existing laws, losses from inadequate contract terms or from court decisions not adequately observed in customary business practice, as well as risks from fraud. Risks associated with business practices include losses resulting from money laundering, violations of competition regulations, or a breach of banking secrecy. Deutsche Börse Group has established a Group Compliance function that seeks to protect the Group from any prejudice that may result from failures to comply with applicable laws, regulations and standards of good practice, with a particular focus on the following topics:

- Prevention of money laundering and terrorist financing
- Compliance with professional and banking secrecy
- Prevention of insider dealing
- Prevention of market manipulation
- Prevention of fraud
- Prevention of conflicts of interest and corruption
- Data protection

No material losses occurred as a result of legal risks or risks associated with business practices in the year under review.

Financial risks

Deutsche Börse AG is exposed to financial risks mainly in the form of credit risk within the Eurex Clearing AG and the treasury business. In addition, Group receivables are subject to credit risk. On a very small scale, there are also market price risks from cash investments and liquidity risks. The exposure to the above risks is mitigated through the existence of effective control measures.

(a) Credit risks

Credit risk consists of the risk that a counterparty will default and cannot meet its liabilities against Deutsche Börse AG in full or at all.

Eurex Clearing AG clears transactions only with its clearing members, in accordance with its clearing conditions. Its clearing activities cover securities, rights and derivatives traded on Eurex Deutschland and Eurex Zürich AG ("Eurex exchanges"), Eurex Bonds GmbH, Eurex

Repo GmbH, the Frankfurt Stock Exchange and the Irish Stock Exchange, for which Eurex Clearing AG acts as the central counterparty.

In order to safeguard Eurex Clearing AG against the risk of the default of a clearing member, clearing members are required under the terms of the clearing conditions in the version dated 26 November 2007 to provide daily – and in addition, where necessary, intraday – collateral in the form of cash or securities (margins) in an amount stipulated by Eurex Clearing AG. The intraday profit or loss arising as a result of price movements is either settled between the counterparties in cash (variation margin) or deposited by the seller with Eurex Clearing AG as collateral due to the change in value of the position (premium margin). In the case of bonds, repo, or equities transactions, the margin is collected either from the buyer or from the seller (current liquidating margin) – depending on the relationship between the purchase price and the current market price. In addition to settling profits and losses, these measures are intended to protect against the risk of the maximum possible cost of closing out an account on the next business day, assuming the most unfavorable price movement possible (worst-case loss) for the positions held in the account (additional margin). Margin calculations are performed separately for customer accounts and the Company's own accounts.

The method of calculating the additional margin is known as risk-based margining and is essentially a VaR approach. First of all, the maximum cost of closure is calculated for each trading participant, each position account and each product individually. Opposite positions with the same risk profile are then offset against each other provided that they have been highly correlated over significant periods of time. The target confidence level for the additional margin is at least 99 percent.

In addition to providing margins, each clearing member must contribute to a clearing fund dependently of its individual risk. The fund provides collective protection against the financial consequences of the default of a clearing member. Moreover, each clearing member must prove that it has liable capital of an amount stipulated by Eurex Clearing AG depending on the risk of the clearing member. Regular stress tests ensure that the amounts of the margins and of the lines of defence are sufficient to cover the risk exposure.

If a clearing member does not fulfill its obligations to Eurex Clearing AG, its outstanding positions and transactions can be closed out or settled in cash. The shortfall and costs incurred in such a closure or cash settlement would be covered in the first instance by the collateral provided by the relevant clearing member or by its contribution to the clearing fund. Any remaining shortfall would initially be covered by the retained earnings of Eurex Clearing AG and then by a proportionate claim on the contributions made by all other clearing members to the clearing fund. Finally, any deficit arising from the default of a clearing member would be covered by comfort letters issued by Deutsche Börse AG and SWX Swiss Exchange AG. In these letters, Deutsche Börse AG and SWX Swiss Exchange AG have given an undertaking to Eurex Clearing AG to provide the latter with the funds required to cover the deficit arising. Deutsche Börse AG and SWX Exchange AG bear the obligation from the undertaking in the proportions of 85 percent and 15 percent respectively, and the obligation is limited to a maximum amount of €700 million.

Additional credit risks are associated with the Treasury section's cash investments. Deutsche Börse AG reduces this risk by spreading it across a number of counterparties with exclusively

good credit ratings, by defining investment limits for each counterparty and by largely making short-term, collateralized investments. Deutsche Börse AG establishes maximum investment limits on the basis of regular assessments of creditworthiness and ad hoc analyses as required.

(b) Market price risk

Market price risks can arise in connection with cash investments or borrowing as a result of fluctuations in interest rates and foreign exchange rates as well as through corporate transactions. In 2007, these market price risks were largely hedged using swap transactions. The latter involve exchanging future payment flows which are uncertain as a result of market price risks for payment flows whose amount is guaranteed. Regular reviews ensure the effectiveness of these hedges. The Company is exposed to share price risks solely to a very small extent resulting from investment in an index-based exchange-traded fund and also from contractual trust arrangements (insolvency-proof fund assets covering Deutsche Börse AG's existing pension plans).

Corporate acquisitions where payment of the purchase price results in currency risk are generally hedged. In this context, the acquisition of ISE, among other things, was hedged by forward currency transactions in 2007.

In connection with the acquisition of the ISE US\$530 million were financed in US dollars. In contrast to this amount the company acquired participation certificates in Eurex Frankfurt AG. The remainder to the total amount of the acquisition represents a currency risk. This position is continuously monitored to ensure that hedging measures can be implemented if necessary.

Moreover, the debt financing of the ISE acquisition results in interest rate risk. Short-term loans amounting to around €1.5 billion were taken out to acquire 100 percent of the ISE shares. These are intended to be replaced in the medium term by long-term financing. Two-thirds of the resulting interest expense was hedged using interest rate swaps and swaptions.

(c) Liquidity risk

Deutsche Börse AG is exposed to liquidity risk in that it may lack sufficient liquidity to meet its daily payment obligations or incur increased refinancing costs in the event of liquidity bottlenecks. Daily and intraday liquidity is monitored by the Treasury section and managed with the help of a limit system. Extensive credit lines are available to provide cover in extreme situations. In the reporting year, Deutsche Börse Group had excess liquidity as a result of which no liquidity bottlenecks occurred.

Project risk

Project risks can arise as a result of project implementation (launch of new products, processes or systems), which may have a significant impact on one of the three other risk categories (operational, financial and business risk). These risks are assessed by Group Risk Management as described in the above sections and are addressed in the early stages of major projects. None of the projects planned and implemented in 2007 triggered a change in

the overall risk profile of Deutsche Börse AG. Risks connected with the delivery of projects, such as budget risk, quality/scope risk or deadline risk, are separately monitored by the Corporate Project Coordination unit and are reported on a monthly basis to the Executive Board.

Business risks

The business risk reflects the relative sensitivity of the Company to the macroeconomic developments and its vulnerability to event risk arising from external threats. It is translated in EBITA terms, reflecting both some volatility in topline earnings and a potential increase in the structural cost base.

(a) Macroeconomic risk

Financial performance of Deutsche Börse AG is directly or indirectly subject to the evolution of a number of macroeconomic factors (e.g. interest rates, GDP growth, index value, index volatility). The resulting overall downside potential is limited thanks to the effective diversification of Deutsche Börse AG's business model, which currently spans operating systems for cash and derivatives markets as well as settlement services for both nationally and internationally traded equities and bonds. A regular review of macroeconomic assumptions is performed.

(b) Revenue and cost risk and risk from regulatory evolution

Deutsche Börse AG's earnings position may also be adversely affected by external threats – either changes in the competitive and business environment or changes such as the evolution of the regulatory environment. For the segments Xetra and Eurex scenarios are established around the most significant risk events and quantitatively assessed. The respective departments of Deutsche Börse AG closely monitor the developments in order to take early mitigation actions.

One of the key aspects of the Group's core business is institutional liquidity, which generates the particular advantage of low transaction costs for the institutional trading of standardized investment instruments. In addition, the price discovery process is also transparent for investors: orders are placed in an open order book, meaning that it is visible to all parties, and automatically executed. Because of the crucial unique selling proposition from the market perspective, the business risk of losing substantial institutional liquidity is very low. Deutsche Börse AG guarantees neutrality, i.e. independence from individual intermediaries, and efficient, transparent price discovery in its trading systems.

A commonality in the industry is the dependence on key accounts. In the Xetra and Eurex segments, a substantial proportion of trading volumes is accounted for by a few key accounts. However, as the key accounts for the trading systems are not identical, this leads to diversification and thus partly offsets the dependencies on specific key accounts at Company level.

Effects of the US mortgage crisis (subprime crisis)

Deutsche Börse AG is not directly affected by the subprime crisis, e.g. through investments in subprime securities. The indirect effects to which the Company or one of its subsidiaries might be exposed in the future are offset by the following measures:

(a) Customers of Deutsche Börse AG or its subsidiaries might default on their payments. The Company only permits cash investments with prime-rated counterparties that have an excellent credit standing; there are no unsecured investments at other counterparties or customers. As the central counterparty, Eurex Clearing AG is exposed to the credit risk of its clearing participants. High-risk clearing participants are monitored on an ongoing basis.

(b) Securities pledged in favour of Deutsche Börse AG or its subsidiaries could suffer a fall in prices surpassing the safety margins. This could result in a loan being unsecured. The Group's cash investments are collateralized in a large majority of cases by paper issued by state issuers or agencies. Eurex Clearing AG's collateralization regulations only permit corporate bonds dominated in euros or Swiss francs. Issues by conduits were not accepted or pledged at any time. Safety margins on bonds from high-risk issuers have been increased.

(c) The liquidity of Deutsche Börse AG or its subsidiaries could decrease if banks withdraw credit lines granted to Deutsche Börse AG or its subsidiaries. Daily and intraday liquidity is monitored continually by the Treasury and Credit sections. No effect on the liquidity of Deutsche Börse AG or its subsidiaries has been observed.

Regulatory environment

The EU Markets in Financial Instruments Directive (MiFID) introduces new requirements for Europe's entire financial sector. Its goal is to stimulate competition between investment companies and exchanges within the European Economic Area (EEA) by creating a homogeneous legal framework. Deutsche Börse AG has implemented the regulations affecting it. In order to position itself successfully in the intensified competitive environment, the Company offers market participants a wide range of new services so that these can tap new areas of business in the future and at the same time comply with their MiFID requirements without significant investment.

Summary

In 2007, Deutsche Börse AG identified all new risks that arose at an early stage and took appropriate measures to counter these risks. These measures did not change the risk profile of Deutsche Börse AG and its subsidiaries.

Based on the market environment – including the ongoing US mortgage crisis – and Deutsche Börse AG's business model, the Executive Board considers the risks for the Group to be limited and manageable. There is no reason to believe that the Company's risk situation will undergo significant change.

Branches

The Company has had branches in London and Paris since 2004 and in Moscow since 2007.

Report on post-balance sheet date events

On 11 January 2008, the Company announced that it was planning to move its employees currently stationed in Frankfurt-Hausen to neighboring Eschborn. A new, modern building is scheduled to be completed by summer 2010 that Deutsche Börse will then rent. During the second quarter of 2008, around half of the Group's employees working in Frankfurt/Main will be transferred temporarily to an existing building in Eschborn. The move will significantly reduce Deutsche Börse's trade tax burden and lower its building occupancy expenses. The tax savings the move is expected to generate are described in more detail in the report on expected developments. The Company's headquarters will continue to be in Frankfurt/Main and floor trading will remain in the old stock exchange situated in the center of Frankfurt.

In the context of the announcement of the preliminary annual results on 19 February 2008, the company published the plan to cancel 5 million treasury shares by the Annual General Meeting in May 2008. The number of treasury shares is thus reduced from 200 million to 195 million.

Report on expected developments

The report on expected developments describes the expected development of Deutsche Börse AG in 2008 and 2009. It contains statements and information on events in the future. These forward-looking statements and information are based on the Company's expectations and assumptions at the time of publication of this report on expected developments. These expectations and assumptions are in turn subject to known and unknown risks and uncertainties. Numerous factors influence the success, the business strategy and the financial results of the Company. Many of these factors are outside the Company's control. Should one of the risks or uncertainties arise or one of the assumptions made turn out to be incorrect, the actual development of the Company could deviate in both a positive or a negative way from the forward-looking statements and information in this report.

Development of operating environment

Deutsche Börse AG expects economic growth to slow down slightly in both 2008 and 2009 in the regions relevant to the Company's business. Given the fall in property prices, the deteriorating situation in the labor market and the decline in investment, economic growth in the US is expected to decrease sharply to less than 2 percent. The US Federal Reserve has already lowered the federal fund rate from 4.25 percent to 3.00 percent in two separate

moves in January 2008, in an effort to counter this slowdown. Should US economic growth stagnate, the federal fund rate is expected to be cut further.

A slowdown in US economic growth is likely to impact negatively on growth in the euro zone as well. In addition, the strong euro could lead to a decline in exports and private consumption could stagnate. In light of this combination of factors, the Company expects growth in Europe to fall to around 2 percent.

Given the deterioration in economic fundamentals, Deutsche Börse AG anticipates high volatility in the financial markets, i.e. sharp fluctuations in equity prices or index levels. However, as corporate profits remain high and equity market valuations are attractive from a long-term perspective, a protracted downturn in the markets is not expected. Coupled with temporary uncertainty in the financial markets, the business environment for Deutsche Börse AG appears to be positive overall. This was already in evidence at the beginning of 2008: in January, the number of transactions on the electronic Xetra trading system doubled compared with the prior-year month (+106 percent), when trading had already been very brisk. In the same period, Eurex increased the number of contracts traded in the derivatives market by 57 percent to around 207 million, a new monthly record. However, trading volumes are expected to normalize in the course of financial year 2008.

The risks to the financial market developments outlined above include a long-term recession and a slump in corporate profits. The Company currently considers the likelihood of these risks occurring either individually or together and negatively impacting the development of the financial markets during the forecast period to be low.

The Company is not expecting any significant change in its business policy in the forecast period. On the basis of its successful business model that covers the entire process chain for securities transactions and the most prominent investment classes, Deutsche Börse AG will continue to observe trends in the financial markets worldwide and leverage them in order to continue developing its products and services. The Group's key strategic goal is to provide all customers with outstanding services.

Development of results of operations

Based on the assumptions outlined above regarding the development of the financial markets and on its successful business model, Deutsche Börse AG is forecasting further growth in sales revenue for both 2008 and 2009. The structural changes on the financial markets and new products and services will contribute to this. In connection with the restructuring and efficiency program announced in September 2007, which envisages savings for Deutsche Börse Group of €50 million in 2008, €75 million in 2009 and €100 million in 2010, the Company expects EBITA to increase at a faster rate than sales revenue.

In addition, the plan announced in January 2008 to relocate some of the employees currently stationed in Frankfurt to neighboring Eschborn will significantly reduce the tax rate and thus improve after-tax earnings. Following the move, the acquisition of ISE and the effects of the business tax reform in Germany, Deutsche Börse Group expects a tax rate of

less than 30 percent for 2008. It anticipates a rate of 27 percent for 2009 and a rate of 25 to 27 percent for 2010.

Should the financial markets not develop as expected, the Company is confident that it can compensate wholly or partially for variances, based on its diversified business model.

Xetra segment

Sales revenue in the Xetra cash market segment will continue to depend on equity market trends, equity market volatility and structural changes relating to trading activity. On average, equity market volatility increased slightly in 2007 due to temporary spikes. At the beginning of 2008, volatility was at a very high level over a longer period. Continued high volatility may provide the Xetra segment with additional momentum for growth in the forecast period, as trading is particularly brisk during such market phases. Structural changes in the equity market stem primarily from the increasing use of fully computerized trading strategies, known as algorithmic trading. For the forecast period, the Company anticipates an increase in algorithmic trading as a proportion of Xetra's trading volume. An extended range of products and services will provide further momentum for growth in the cash market. For example, Xetra Release 9.0 will migrate trading in warrants and certificates to the Xetra platform. These products will then be available to trading participants throughout Europe. As part of the release, Xetra's processing and data distribution times will also be further shortened so as to offer customers a best-in-class trading system.

Eurex segment

In contrast to the cash market, the general trend on the financial markets will play a subordinated role in the Eurex derivatives market segment. Here, the Company still expects structural growth factors to be more significant. These factors were explained in more detail in the "Results of operations" section. In addition to the existing portfolio of products and services, ISE will be a further growth driver. Through this acquisition completed on 19 December 2007, Eurex is significantly expanding its liquidity network in the US and trading in US dollar products. Eurex and ISE participants gain access to a larger number of highly liquid products in various asset classes and currencies. The merger also provides the potential for growth through the cross-selling of existing products and the joint development of innovative new products. In their first joint initiative, the partners are developing a new electronic options trading system for ISE, which is scheduled to start operations at the beginning of 2011. In the context of the ISE acquisition Deutsche Börse AG acquired participation rights in Eurex Frankfurt AG amounting to €1.6 million. This position is subject to an impairment risk. Due to the positive competitive position and growth perspectives of ISE, the company estimates that this risk is extremely marginal in the forecast period.

Market Data & Analytics segment

Based on the forecasted financial market developments, the Company anticipates that it will be possible to further increase demand for financial market data of the Market Data & Analytics segment. Additional growth is expected to come from the continuous expansion of the product range in all areas of the segment.

Regulatory framework

Regulatory changes of relevance to Deutsche Börse AG stem from the European Markets in Financial Instruments Directive (MiFID) on the one hand and the European Code of Conduct for clearing and settlement of shares on the cash market on the other.

MiFID is designed to foster transparent and fair competitive conditions for all participants and improve investor protection. To achieve this, MiFID defined strict pre-trading and post-trading transparency rules for on-exchange and OTC equity trading, which have been in force since 1 November 2007. In addition, investment service companies are now obliged to offer their customers best execution of orders, i.e. execution at the best possible price.

Deutsche Börse AG sees the new directive as an opportunity to expand its service range and tap new areas of business: the Company has introduced a host of new services in the cash market and market data areas, which are expected to generate additional sales revenue in the forecast period. Deutsche Börse AG considers itself to be excellently positioned with its transparent and deep liquidity pool – even against the backdrop of the new best execution obligations. The Company does not anticipate the potential market entry of banks or other exchange organizations to significantly impact its results of operations in its cash market business during the forecast period.

The Code of Conduct is a market initiative aimed at creating a standard and cost-effective European framework for cross-border equity trading, clearing and settlement. Deutsche Börse AG contributed to the development of the Code, which was introduced in its entirety in 2007. It covers the following areas: price transparency, access and interoperability, as well as the organization of services and separate accounting. Deutsche Börse AG already met many of the requirements in the Code of Conduct before it was introduced and therefore does not now expect it to materially affect the Company's business model, revenue or cost structure.

Cost management

In September 2007, the Company announced an extensive restructuring and efficiency program that aims to generate savings of €100 million per year from 2010 onwards. The focus will be on the optimization of operating costs. In 2008, operating costs are already expected to be € 50 million lower than in financial year 2007. However, it will not limit planned investments in future growth in any way. Deutsche Börse intends to continue expanding through new products and markets. In combination with structural growth trends in all business areas, this offers shareholders the prospect of continued earnings growth.

Development of financial position

The Company expects its ongoing business activities to continue to generate positive operating cash flow. As part of its cash flow from investing activities, Deutsche Börse Group plans to invest around €80 million per year in intangible assets and property, plant and equipment in the forecast period (2007: €79.7 million). These investments will serve primarily to develop new and enhance existing products and services in the Xetra, Eurex and Clearstream segments.

Under the capital management program, Deutsche Börse Group aims to distribute the full amount of its profit to shareholders in the forecast period – subject to investment plans. For financial years 2008 and 2009, it intends to continue its dividend policy and distribute 40 to 60 percent of net income for the year to shareholders. The remaining funds are earmarked for the continued repurchase of own shares.

Frankfurt/Main, 22 February 2008

Deutsche Börse Aktiengesellschaft

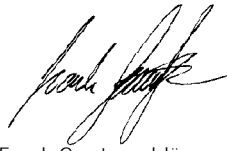
The Executive Board



Reto Francioni



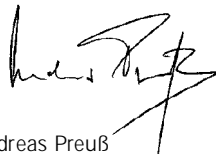
Thomas Eichelmann



Frank Gerstenschläger



Michael Kuhn



Andreas Preuß



Jeffrey Tessler



Audit Opinion

We have audited the annual financial statements, comprising the balance sheet, the income statement and the notes to the financial statements, together with the bookkeeping system, and the management report of Deutsche Börse AG, Frankfurt/Main, for the business year from 1 January to 31 December 2007. The maintenance of the books and records and the preparation of the annual financial statements and management report in accordance with German commercial law are the responsibility of the Company's management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the management report based on our audit.

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

Our audit has not led to any reservations.



Deutsche Börse AG
Audit Opinion
Annual Financial Statements as at 31 December 2007
an management report
Translation

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

Frankfurt/Main, 25 February 2008

KPMG Deutsche Treuhand-Gesellschaft
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Becker Bors
Wirtschaftsprüfer Wirtschaftsprüfer

Responsibility Statement by the Executive Board

To the best of our knowledge, and in accordance with the applicable reporting principles, the financial statements of Deutsche Börse AG give a true and fair view of the assets, liabilities, financial position and profit and loss of the company, and the management report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal opportunities and risks associated with the expected development of the company.

Frankfurt/Main, 22 February 2008

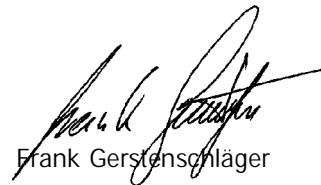
Deutsche Börse AG



Dr. Reto Francioni



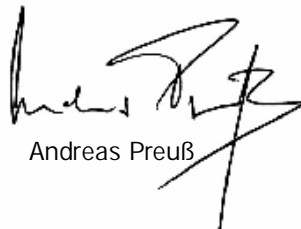
Thomas Eichelmann



Frank Gerstenschläger



Dr.-Ing Michael Kuhn



Andreas Preuß



Jeffrey Tessler