



DEUTSCHE BÖRSE
GROUP

Interim Report

Quarter 1/2003



DEUTSCHE BÖRSE GROUP: FINANCIAL HIGHLIGHTS

		31 Mar. 2003	Quarter ended 31 Mar. 2002	
Consolidated income statement				
Sales revenue	€m	350.5	204.9	
Net interest income from banking business	€m	26.7	–	
Earnings before interest and taxes (EBIT)	€m	126.1	87.4	
DVFA/SG earnings	€m	69.8	64.6	
Consolidated cash flow statement				
Cash flow from operating activities	€m	83.6	72.4	
Cash flow from investing activities	€m	184.6	–55.1	
Consolidated balance sheet (at 31 March)				
Shareholders' equity	€m	2,221.9	1,621.9	
Total assets	€m	8,736.2	2,126.4	
Performance indicators				
DVFA/SG earnings per share	€	0.62	0.63	
DVFA/SG cash flow per share	€	1.20	0.74	
Market indicators				
Xetra				
Number of transactions	thousands	17,431	13,033	
Order book turnover	€m	187,915	241,677	
Participants (at 31 March)		329	408	
Floor trading				
Number of transactions	thousands	15,388	25,006	
Order book turnover	€m	33,586	44,407	
Eurex				
Number of traded contracts	thousands	265,013	185,208	
Participants (at 31 March)		414	427	
Clearstream				
Number of transactions	national	m	16.6	16.0
	international	m	4.1	4.2
Securities deposits (at 31 March)	national	€bn	4,048	4,633
	international	€bn	2,798	2,799
Deutsche Börse share price¹⁾				
Opening price ²⁾	€	38.16	42.55	
High	€	38.55	51.51	
Low	€	31.61	40.45	
Closing price	€	35.33	47.15	

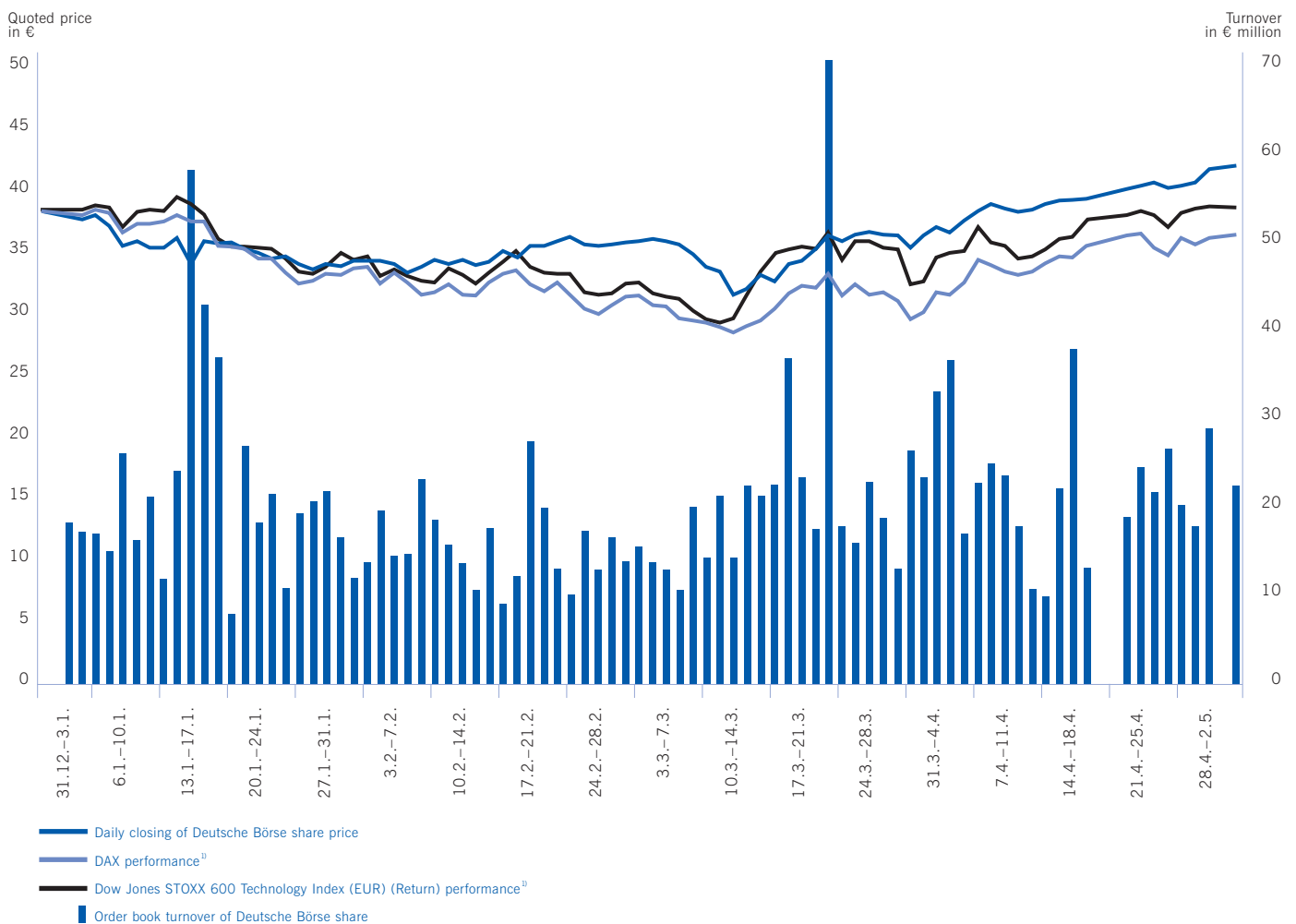
¹⁾ Xetra intraday data

²⁾ Closing price on preceding trading day

Business development shows strong increase in sales revenue and EBIT

- Following the first-time consolidation of Clearstream International S.A., Deutsche Börse Group's sales revenue and net interest income from banking business increased by 84 percent to €377.2 million year-on-year (Q1/2002: €204.9 million).
- Earnings before interest and taxes (EBIT) amounted to €126.1 million, a 44 percent year-on-year increase (Q1/2002: €87.4 million).
- DVFA/SG interim earnings per share amounted to €0.62 for 111.8 million shares on average (Q1/2002: €0.63 for 102.8 million shares).
- DVFA/SG cash flow per share increased by 62 percent year-on-year to €1.20 (Q1/2002: €0.74).
- Daily order book turnover of the Deutsche Börse share rose on average to €19.6 million (Q1/2002: €5.8 million).

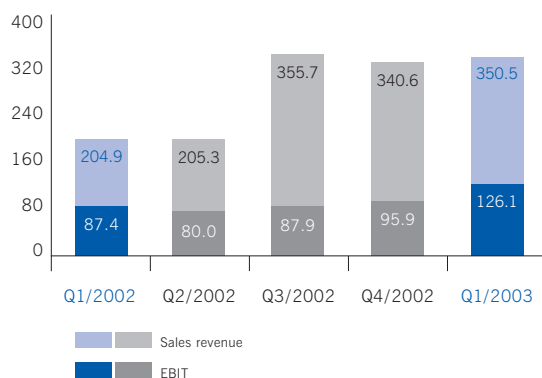
Deutsche Börse AG's shares continued to outperform their benchmark indices DAX and Dow Jones STOXX 600 Technology in Q1/2003.



¹⁾ Index-linked, closing price on 31 December 2002

Sales revenue and EBIT by quarter

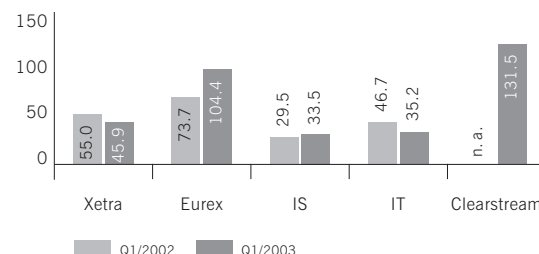
- Following the full consolidation of Clearstream International's results, Deutsche Börse Group's sales revenue increased by 71 percent to €350.5 million (Q1/2002: €204.9 million). Excluding Clearstream International's sales revenue of €131.5 million, the Group's sales revenue totalled €219.0 million, a 7 percent year-on-year increase.
- Deutsche Börse Group recorded EBIT of €126.1 million, a 44 percent increase year-on-year to Q1/2002 with its 50 percent "at equity" interest at Clearstream (Q1/2002: €87.4 million).



Sales revenue by segment

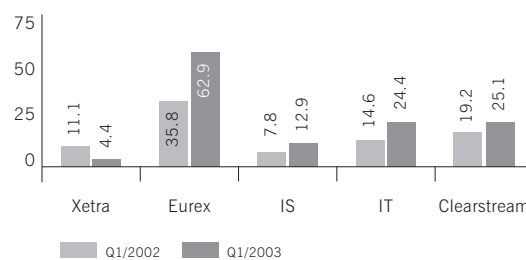
- The Xetra segment's sales revenue decreased by 17 percent to €45.9 million (Q1/2002: €55.0 million). Revenue from the operation of the Xetra trading system remained reasonably stable; the increased number of trades and the lower average volume per trade were roughly balanced. However, the decline of revenue from floor trading could not be compensated.
- The Eurex segment generated the strongest sales revenue growth within Deutsche Börse Group; the segment's revenue underwent another substantial year-on-year increase (of 42 percent) to €104.4 million (Q1/2002: €73.7 million).
- Sales revenue in the Information Services segment (formerly Information Products) increased by 14 percent year-on-year to €33.5 million (Q1/2002: €29.5 million).
- Sales revenue in the Information Technology segment (IT) decreased by 25 percent. Due in part to consolidation effects following the takeover of Clearstream (external sales revenue of €4.4 million is now being booked as inter-company sales revenue), external sales revenue dropped by €11.5 million.

- Gross commission income of €131.5 million from Clearstream is reported in Deutsche Börse Group's interim report for the first time. It contributed around 38 percent of the Group's external sales revenue in Q1/2003.



EBIT by segment

- EBIT in the Xetra segment fell to €4.4 million (Q1/2002: €11.1 million). This was due to both lower sales revenue and investments related to the introduction of the equity central counterparty (CCP). Rigorous cost management of positions that can be directly influenced produced savings of €6.9 million.
- The Eurex segment's EBIT increased by 76 percent to €62.9 million (Q1/2002: €35.8 million). Economies of scale paid off; the rise in sales revenue directly boosted EBIT.
- Due to economies of scale in unit costs and lower project costs, the segment Information Services (IS) also transferred its rise in sales revenue to EBIT. EBIT increased by 65 percent to €12.9 million (Q1/2002: €7.8 million).
- Strict cost management in the IT segment led to an increase in EBIT despite lower sales revenue. EBIT rose by 79 percent to €24.4 million (Q1/2002: €13.6 million including Xlaunch).
- EBIT in the Clearstream segment amounted to €25.1 million, after goodwill amortization of €15.2 million (Q1/2002: €19.2 million from the 50 percent "at equity" interest).



Xetra: Cost management yields major savings

- Sales revenue in the Xetra segment fell by €9.1 million to €45.9 million in Q1/2003 (Q1/2002: €55.0 million).
- Cost management produced savings of €6.9 million.
- EBIT down €6.7 million to €4.4 million (Q1/2002: €11.1 million).

Activity in the Xetra electronic order book increased further: at 17.4 million trades, the number of transactions was 34 percent higher than in the previous year (Q1/2002: 13.0 million). In March, the number of trades was particularly higher, partly as a result of a number of corporate actions by various issuers, but also in reaction to the global political situation. On the other hand, the average order volume declined due to low index levels. As a result of the fee model, which is partly volume-based, the average revenue that Deutsche Börse generated per order also fell. However, the increased number of trades was almost able to compensate for the drop in volumes. At €31.0 million, the Xetra trading system accounted for 68 percent of segment revenue (Q1/2002: €32.1 million).

At the same time, the number of Xontro contract notes in Frankfurt floor trading declined by 38 percent to 5.7 million (Q1/2002: 9.2 million). Sales revenue was down accordingly: at €10.7 million, Xontro accounted for 23 percent of segment revenue (Q1/2002: €17.6 million).

Order book turnover in the XTF segment amounted to €9.3 billion in Q1/2003, down 11 percent year-on-year (Q1/2002: €10.3 billion). However, with a market share of 50 percent, the XTF segment was able to win back its European market leadership. This was largely due to the fact that Xetra and Eurex jointly targeted institutional investors, who can use exchange-traded funds as efficient cash management instruments, for the first time. The main revenue drivers remain products on the DAX® (€4.0 billion) and the Dow Jones EURO STOXX 50SM (€4.5 billion).

Internationalization of Xetra continued: participants on the Budapest Stock Exchange (BSE) will be able to access Xetra directly in the future. The BSE acts as a multi-member front end provider that can provide its trading participants with the required technical infrastructure as well as the existing network. The first Hungarian market participants are expected to start operations at the end of Q2.

Trading on Xetra and the Frankfurt floor

in thousands

	Xetra transactions		Xontro contract notes in Frankfurt floor trading	
	2003	2002	2003	2002
January	5,884	4,577	2,061	3,356
February	4,867	4,152	1,648	2,838
March	6,680	4,304	2,032	3,040
Total Q1	17,431	13,033	5,741	9,234

Eurex: Record volumes on derivatives market once again

- Eurex continues double-digit growth course: sales revenue up 42 percent to €104.4 million (Q1/2002: €73.7 million).
- EBIT up 76 percent year-on-year to €62.9 million (Q1/2002: €35.8 million).
- EBIT margin increases to 60 percent due to economies of scale (Q1/2002: 49 percent).

The Eurex derivatives exchange achieved a new volume record in the first quarter of 2003: 265.0 million traded contracts are an increase of 43 percent year-on-year (Q1/2002: 185.2 million). Open interest contracts amounted to a total of 148.7 million, up 40 percent (Q1/2002: 106.2 million). In the first quarter of 2003, Eurex traded more contracts than in the whole of 1998, when 248 million contracts were traded. With a volume of 106.3 million contracts, March was the strongest month in the history of Eurex in terms of trading volume – up by 22 percent on October 2002, previously the strongest month to date with 86.6 million contracts. On 19 March, Eurex reached a new daily trading record of 8.2 million contracts (previous year's record on 24 July 2002: 6.1 million contracts). This demonstrates that Eurex's market model, as well as its unrivalled price-performance ratio, continue to become more attractive on the market.

Eurex recorded the strongest growth in the area of index products (up 86 percent); capital market products grew by 38 percent, and equity products by 12 percent. In the case of index products, contracts on the DAX and Dow Jones EURO STOXX 50 were the most successful, whereas Bund Futures were the most successful capital market products. Experience, product knowledge and trust are the main reasons for investors' interest in these well-established products.

Eurex Bonds, the fully electronic platform for OTC bond trading, also developed extremely dynamically: trading volumes increased by 81 percent to €44.4 billion (Q1/2002: €24.5 billion). This is due to the systematic expansion of the product offering, and the intensive advisory services and marketing activities in the segment, as well as the growth of the fixed-income market in general. In Q1/2003, the trading volume of Eurex Repo, the European marketplace for repo trading (sale and repurchase agreements), grew by 400 percent year-on-year to total €7.2 billion (Q1/2002: €1.4 billion).

Michael McErlean, previously Global Co-Head Futures Services at Goldman Sachs, will join Eurex's US management team and help establish an exchange in the US. The new exchange will be subject to US regulations; trading in interest rate, index and equity product derivatives is expected to commence in 2004.

Growing contract volume on Eurex

in thousand contracts

	31 Mar. 2003	Quarter ended 31 Mar. 2002	Change in %
Equity products	41,921	37,336	12.3
Index products	73,697	39,514	86.5
Capital market products	149,395	108,358	37.9
Total	265,013	185,208	43.1

Information Services: Stable sales revenue in a recessionary environment

Since the beginning of 2003, this segment has been known as Information Services (IS). The segment's offering remains unchanged: information and services relating to financial market data.

- Sales revenue in the segment grew by 14 percent to €33.5 million (Q1/2002: €29.5 million). €2.4 million of this was attributable to the Infobolsa joint venture, in which Deutsche Börse has a 50 percent holding and which was fully consolidated for the first time.
- EBIT increased by 65 percent to €12.9 million (Q1/2002: €7.8 million) as a result of the positive development of unit costs and lower project costs.
- The EBIT margin totalled 39 percent (Q1/2002: 26 percent).

With regard to the sale of price information, the Information Services segment managed to buck the general trend by keeping its sales revenue stable (not including Infobolsa). This is due to

the broad-based product range with revenue from cash, derivatives, indices and fixed income products. For example, revenue from the business from index licenses rose by 30 percent in Q1/2003 due to the high degree of volatility on the market.

Although the volume of data distributed is constantly on the increase, costs remained stable. Information Services benefited from the scalability of the systems, which were especially designed to deal with increasing data volumes – this applies in particular to the Consolidated Exchange Feed (CEF) central distribution system. In addition, the Q1/2003 project costs for CEF system releases were relatively low following its release 1.8 in January.

Information Technology: Radical cost management improves EBIT margin

Since Q1/2003, the Information Technology (IT) segment has comprised the activities of Deutsche Börse Systems, entory, Clearstream TEC and Xlaunch.

- The external sales revenue generated by the IT segment fell by 25 percent to €35.2 million (Q1/2002: €46.7 million).
- Cost reductions meant that EBIT rose by 79 percent to €24.4 million (Q1/2002: €13.6 million).
- The EBIT margin rose to 28 percent (Q1/2002: 14 percent).

Due to the consolidation of the Clearstream subgroup, revenue previously classified as external revenue in the amount of €4.4 million now falls under intercompany revenue, which rose quarter-on-quarter by €0.7 million to €48.8 million (Q1/2002: €48.1 million). In addition, the sharp decline in floor trading contributed to a €1.9 million drop in income from Xontro system operations. Strong cost pressure and a reluctance to invest in the market for IT services in the financial industry continued to impact business at entory. However, entory managed to hold its ground among its competitors and will be able to capitalize on its strong market position when the market starts to recover.

Costs in the IT segment were reduced radically, in particular in the area of external service providers. The integration of Clearstream allowed many tasks to be performed internally, which led to substantial synergy effects. Development and IT operating costs were also reduced further. This led to a significant increase in both bottom-line EBIT and the EBIT margin.

Clearstream: Efficiency program and synergies of integration successful against weak market conditions

- Commission income fell by 16 percent to €131.5 million (Q1/2002: €156.5 million, excluding sales to Xetra now consolidated out), due to lower equity values and internalization of revenue formerly accounted for as external revenue.
- Net interest income from banking business fell by 21 percent to €26.7 million (Q1/2002: €33.6 million), mainly due to lower overnight interest rates in the Euro zone and the US dollar area.
- Costs fell by €20.1 million or 13 percent to €134.9 million (Q1/2002: €155.0 million).
- EBIT amounted to €25.1 million net of €15.2 million goodwill charge (Q1/2002: 50 percent "at equity" interest amounted to €19.2 million).

The total number of settlement transactions rose by 2 percent year-on-year. However, due to the increase in the value of the euro vis-à-vis the US dollar by 25 percent year-on-year, sales revenue from the settlement of trades declined. The full consolidation of Clearstream's results also meant that the share of external sales revenue from the settlement of Xetra trades is no longer included in the Q1/2003 results.

The value of the securities deposited, which is the main factor for sales revenue in the custody business, fell by 8 percent year-on-year to €6.8 trillion. The decline in asset values was most notable in the domestic German market: the low market price of DAX companies lead to a decrease in custody value of German equities deposited and thus in sales revenue.

Average cash funds decreased from €3.7 billion to €3.2 billion, due to the decline in general market conditions combined with a steady decline of interest rates in euros and US dollars. Average interest rates on cash balances have gone down from 3.4 percent in Q1/2002 to 2.7 percent in Q1/2003.

Clearstream's operation efficiency program continued to deliver: Costs for external service providers and administration fell significantly. Together with cost synergies of the integration this led to a 13 percent, or €20.1 million decline.

Average cash funds and value of securities deposited

in € billions

	Q1 2003	Q1 2002
Average cash funds	3,190	3,714
Values of securities deposited	6,846	7,433
Clearstream Banking S.A., international	2,548	2,565
Clearstream Banking AG, international	250	235
Clearstream Banking AG, domestic	4,048	4,633

Transactions

in millions

	Q1 2003	Q1 2002
Clearstream Banking S.A., international	3.3	3.0
Clearstream Banking AG, international	0.8	1.2
Clearstream Banking AG, domestic	16.6	16.0

CONSOLIDATED BALANCE SHEET as at 31 March 2003

	31 Mar. 2003 €m	31 Dec. 2002 €m	31 Mar. 2002 €m
ASSETS			
Noncurrent assets			
Intangible assets	1,663.2	1,696.4	298.1
Property, plant and equipment	333.2	320.9	53.1
Financial assets	412.1	639.1	433.3
Miscellaneous and deferred tax assets	23.6	22.0	13.1
	2,432.1	2,678.4	797.6
Current assets			
Receivables and securities from banking business	5,627.8	3,085.0	0
Other receivables and other assets	272.3	229.0	171.0
Financial instruments	0	0	307.5
Restricted bank balances	85.2	303.7	178.5
Other cash and bank balances	318.8	248.1	671.8
	6,304.1	3,865.8	1,328.8
Total assets	8,736.2	6,544.2	2,126.4
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Subscribed capital	111.8	111.8	102.8
Share premium	1,330.2	1,330.2	945.5
Legal reserve and other retained earnings	631.2	631.2	444.6
Revaluation surplus	8.9	9.0	4.4
Unappropriated surplus	139.8	70.0	124.6
	2,221.9	2,152.2	1,621.9
Minority interests	13.5	23.1	6.3
Provisions and liabilities			
Noncurrent provisions			
Provision for pensions and other employee benefits	65.4	64.5	32.5
Deferred tax liabilities	99.6	99.3	51.8
Other noncurrent provisions	38.5	37.9	26.3
	203.5	201.7	110.6
Current provisions			
Tax provisions	151.0	124.1	54.6
Other current provisions	27.0	28.6	25.2
	178.0	152.7	79.8
Noncurrent liabilities			
Interest-bearing liabilities	7.7	9.2	0
Other noncurrent liabilities	7.4	8.3	17.7
	15.1	17.5	17.7
Current liabilities			
Liabilities from banking business	5,537.8	3,257.9	0
Other bank loans and overdrafts	1.1	0	5.4
Other commercial paper	312.5	288.1	0
Trade payables	108.1	122.9	39.2
Payables to other investors	10.8	6.2	15.3
Cash deposits by Eurex participants	52.5	217.2	178.5
Other current liabilities	81.4	104.7	51.7
	6,104.2	3,997.0	290.1
Total provisions and liabilities	6,500.8	4,368.9	498.2
Total shareholders' equity and liabilities	8,736.2	6,544.2	2,126.4

CONSOLIDATED INCOME STATEMENT
for the period 1 January to 31 March 2003

	31 Mar. 2003	Quarter ended 31 Mar. 2002
	€m	€m
Sales revenue	350.5	204.9
Net interest income from banking business	26.7	–
Own expenses capitalized	14.5	14.0
Other operating income	14.0	16.5
	405.7	235.4
Commission expense from banking business	–29.5	–
Staff costs	–77.2	–39.3
Depreciation expense	–45.0	–22.1
Goodwill amortization	–16.0	–1.0
Other operating expenses	–111.5	–104.7
Income from equity investments	0	19.9
Write-downs of noncurrent financial assets	–0.4	–0.8
Earnings before interest and taxes (EBIT)	126.1	87.4
Net financial income	0.7	7.6
Profit before tax from ordinary activities (EBT)	126.8	95.0
Income tax expense	–57.0	–30.5
Minority interests	0	0.1
Net profit for the period and DVFA/SG earnings	69.8	64.6
DVFA/SG earnings per share (€)	0.62	0.63

CONSOLIDATED CASH FLOW STATEMENT for the period 1 January to 31 March 2003

	31 Mar. 2003 €m	Quarter ended 31 Mar. 2002 €m
Net profit for the period excluding minority interests	69.8	64.5
Depreciation and amortization expense	61.4	23.9
Increase/(decrease) in noncurrent provisions	1.5	1.3
Deferred taxes income and expense	0.3	3.5
Other non-cash income and expense	1.2	-17.1
DVFA/SG cash flow	134.2	76.1
Change in working capital, net of non-cash items	-51.9	-3.7
Net loss on disposal of property, plant and equipment	1.3	0
Cash flow from operating activities	83.6	72.4
Payments to acquire noncurrent assets	-41.5	-16.7
Payments to acquire subsidiaries	0	-38.4
Payments to acquire noncurrent financial instruments	-34.0	0
Proceeds from disposal of noncurrent assets	260.1	0
Cash flow from investing activities	184.6	-55.1
Net cash (paid to) / received from other shareholders	-9.7	0
Proceeds from short-term financing	23.2	0
Repayment of long-term borrowings	-1.5	-90.0
Cash flow from financing activities	12.0	-90.0
Net change in cash and cash equivalents	280.2	-72.7
Cash and cash equivalents at beginning of period ¹⁾	104.8	1,062.0
Cash and cash equivalents at end of period¹⁾	385.0	989.3
DVFA/SG cash flow per share (€)	1.20	0.74
Interest and income received from other noncurrent financial investments and long-term loans	0.9	17.0
Interest paid	-9.3	-9.4
Income tax paid	-29.8	0.7

¹⁾ Excluding Eurex participants' cash deposits

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
for the period 1 January to 31 March 2003

	31 Mar. 2003 €m	Quarter ended 31 Mar. 2002 €m
Subscribed capital		
Balance as at 1 January	111.8	102.8
Balance as at 31 March	111.8	102.8
Share premium		
Balance as at 1 January	1,330.2	945.5
Balance as at 31 March	1,330.2	945.5
Retained earnings		
Balance as at 1 January	631.2	446.3
Adjustments from deferred taxes	0	-1.0
Measurement of interest rate swaps	0	3.8
Increase in carrying amount of equity-accounted investments taken directly to equity	0	-4.5
Balance as at 31 March	631.2	444.6
Revaluation surplus		
Balance as at 1 January	9.0	5.7
Remeasurement of noncurrent financial assets	-0.1	-1.3
Balance as at 31 March	8.9	4.4
Unappropriated surplus		
Balance as at 1 January	70.0	60.0
Net profit for the period	69.8	64.5
Minority interests	0	0.1
Balance as at 31 March	139.8	124.6
Shareholders' equity as at 31 March	2,221.9	1,621.9

Notes to the interim financial statements

1. Accounting policies

These interim financial statements were prepared in accordance with the International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) issued by the International Accounting Standards Board (IASB), and comply with the significant accounting policies of the company as presented in these Notes. The same accounting policies and valuation methods were used as in the consolidated financial statements for the year ended 31 December 2002.

2. Group structure

There have been no changes in the group structure in the first quarter 2003.

3. Seasonal influences

The Group's revenues are influenced more by the volatility and the level of transactions in the capital markets than by seasonal factors. Owing to a concentration of costs for projects coming to completion in the fourth quarter, net income in the fourth quarter tends to be lower than in the first three quarters of the year.

4. Commercial paper liabilities

On 31 March 2003, Deutsche Börse had €312.5 million of commercial paper outstanding, all of which had a time to maturity of less than nine months.

5. Dividends

No dividends were paid in the first quarter of either 2003 or 2002.

The Executive Board and Supervisory Board have recommended to the AGM to be held on 14 May 2003 that a dividend of €0.44 per share (2002: €0.36 per share) be paid to shareholders registered in the Company's share register on 15 May 2003.

6. Segment results

In the following segmental analysis the Information Technology segment contains amounts formerly allocated to the Information Technology and Xlaunch segments. The Clearstream TEC activities are also combined in this segment. The IT segment harmonized its pricing for the Xetra and IS segments. This reduced the cost base of Xetra and IS by €6.1 million in total. The Integriertes Aktienbuch (IAB) activities were removed from Information Technology and contributed to Deutsche Börse Computershare GmbH (DBCS). On the basis of the new extended business model, DBCS is allocated to the Xetra segment. The Corporate Services segment was enhanced by the correspondent activities in the acquired Clearstream subgroup. As for the Clearstream segmental amounts, comparative 2002 figures have not been given as Clearstream was not consolidated until July 2002. The Information Services segment was reported as Information Products before.

Sales revenue

	31 Mar. 2003 €m	Quarter ended 31 Mar. 2002 €m
Xetra	45.9	55.0
Eurex	104.4	73.7
Information Services	33.5	29.5
Clearstream	131.5	–
Information Technology	35.2	46.7
Total sales revenue	350.5	204.9
Internal revenue Information Technology	48.8	48.1
Analysis of Clearstream sales revenue (Gross commission income)		
Custody	84.8	–
Settlement	34.0	–
Other	21.2	–
Consolidation adjustment	–8.5	–
Total	131.5	–

Net interest income from banking business

	31 Mar. 2003 €m	Quarter ended 31 Mar. 2002 €m
Gross interest income	45.2	–
Interest expense	–18.5	–
Net interest income from banking business	26.7	–

Earnings before interest and taxes (EBIT)

	31 Mar. 2003 €m	Quarter ended 31 Mar. 2002 €m
Xetra	4.4	11.1
Eurex	62.9	35.8
Information Services	12.9	7.8
Clearstream	25.1	–
Information Technology	24.4	13.6
Settlement ¹⁾	–	19.2
Corporate Services	–3.6	–0.1
Total EBIT	126.1	87.4

¹⁾ Including earnings from the 50 percent investment in Clearstream International S.A. and the dividend on the investment in Cedel International S.A.

Profit before tax from ordinary activities (EBT)

	31 Mar. 2003 €m	Quarter ended 31 Mar. 2002 €m
Xetra	5.1	11.1
Eurex	64.3	36.9
Information Services	12.9	7.8
Clearstream	25.2	–
Information Technology	24.6	13.7
Settlement ¹⁾	–	19.2
Corporate Services	–5.3	6.3
Total EBT	126.8	95.0

¹⁾ Including earnings from the 50 percent investment in Clearstream International S.A. and the dividend on the investment in Cedel International S.A.

Investments (excluding financial investments)

	31 Mar. 2003 €m	Quarter ended 31 Mar. 2002 €m
Xetra	1.2	5.4
Eurex	4.7	5.9
Information Services	0.1	2.6
Clearstream	5.8	–
Information Technology	6.8	2.2
Corporate Services	22.9	0.6
Total investments	41.5	16.7

Depreciation

	31 Mar. 2003 €m	Quarter ended 31 Mar. 2002 €m
Xetra	8.5	8.4
Eurex	4.8	3.3
Information Services	2.7	2.0
Clearstream	13.1	–
Information Technology	11.0	6.8
Corporate Services	4.9	1.6
Total depreciation	45.0	22.1

Goodwill amortization

	31 Mar. 2003 €m	Quarter ended 31 Mar. 2002 €m
Xetra	0	0
Eurex	0	0
Information Services	0.2	0
Clearstream	15.2	–
Information Technology	0.6	1.0
Corporate Services	0	0
Total goodwill amortization	16.0	1.0

7. Earnings per share

In accordance with IAS 33, earnings per share are calculated by dividing the result for the period by the weighted average number of shares outstanding. As at 31 March 2003, there were no outstanding options or rights to purchase shares that potentially could have diluted the earnings per share.

	31 Mar. 2003	Quarter ended 31 Mar. 2002
Number of shares outstanding at beginning of period	111,802,880	102,760,000
Number of shares outstanding at end of period	111,802,880	102,760,000
Weighted average number of shares outstanding	111,802,880	102,760,000
DVFA/SG earnings (€m)	69.8	64.6
DVFA/SG earnings per share (€)	0.62	0.63
Dividends paid (€m)	0	0
Dividend per share (€)	0	0

Subject to the agreement of the Supervisory Board, the Executive Board is authorized to increase the subscribed share capital by the following amounts:

	Amount in €	Date of authorization by shareholders	Expiry date of authorization	Existing shareholders' subscription rights may be suspended for fractional amounts and/or if the share issue is:
Authorized share capital I	41,104,000	3 May 2001	31 Dec. 2005	Against non-cash contributions for the purpose of acquiring companies, parts of companies or stakes in companies.
Authorized share capital II	1,233,120	3 May 2001	31 Dec. 2005	For cash at an issue price not significantly lower than the stock exchange price. Against non-cash contributions for the purpose of acquiring companies, parts of companies or stakes in companies.

At the Company's Annual General Meeting to be held on 14 May 2003, the shareholders will be asked to approve the following authorized and conditional share capital. In each case, the Executive Board would be approved to act only with the consent of the Supervisory Board.

	Amount in €	Expiry date of authorization	
Authorized share capital II (replaces the existing authorized share capital II)	14,797,440	13 May 2008	Existing shareholders' subscription rights may be suspended for fractional amounts and/or if the share issue is: <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% 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.
Conditional share capital I	3,000,000	13 May 2008	To be used exclusively to the extent that employees granted share options under a group share plan exercise their rights.
Conditional share capital II	30,000,000	13 May 2008	To cover subscription rights arising from the issue of convertible bonds. Shareholders' subscription rights to convertible bonds may be suspended relating to shares representing a proportional amount of the nominal capital which must not exceed 10% of the nominal capital.

8. Shareholdings of members of the Executive and Supervisory Boards

The Company has been notified of the following holdings of Deutsche Börse AG shares as at 31 March 2003.

Shareholding as at 31 Mar. 2003		Shareholding as at 31 Mar. 2003	
Executive Board		Uwe E. Flach	0
Werner G. Seifert	0	Hans-Peter Gabe	410
André Roelants	0	Harold Hörauf	0
Rudolf Ferscha	18,290	Sandra S. Jaffee	0
Matthias Ganz	0	Dr. Stefan Jentzsch	0
Mathias Hlubek	5,000	Hessel Lindenbergh	0
Michael Kuhn	0	Friedrich von Metzler	0
Supervisory Board		Fritz Nols	0
Dr. Rolf-E. Breuer	0	Klaus M. Patig	0
Manfred Zaß	0	Roland Prantl	0
Ralf Arnemann	0	Sadegh Rismanchi	0
Herbert Bayer	0	Gerhard B. Roggemann	0
Dr. Peter Coym	0	Rainer Roubal	0
Leonhard H. Fischer	0	Johannes Witt	100
		Silke Zilles	0

Under the Group's stock option plan implemented in February 2001, management receives "virtual" options each year. The value of the options is calculated based on the change in the value of the Company's shares compared with the Dow Jones STOXXSM 600 Technology Index (EUR) (Return). The options are exercisable after between three and five years and the options' value is only payable in cash. No other shares or share options have been granted to management.

9. Transactions with related parties

	31 Mar. 2003 €m	Quarter ended 31 Mar. 2002 €m
Operation of the floor trading system by Braintrade GmbH for Deutsche Börse AG	3.6	5.5
Operation of the Xetra trading system by Deutsche Börse AG for European Energy Exchange AG	0.5	0.4
Services provided by Deutsche Börse Systems AG:		
Operation and development of Xontro software for Braintrade GmbH	5.4	7.2
Development of Eurex software for Swiss Exchange (SWX)	2.7	2.3
Operation of Xetra software for European Energy Exchange AG	0.1	0
Specific agency agreements for the provision of office and administrative services:		
by Eurex Zürich AG to Swiss Exchange (SWX)	6.0	6.3
by Eurex Frankfurt AG to European Energy Exchange AG	0.8	1.4
by Swiss Exchange (SWX) to Eurex Zürich AG	1.2	-0.1
by Deutsche Börse AG to European Energy Exchange AG	0	0.3

¹⁾ Recognized as intra-group transactions from July 2002 onwards.

10. Employees

	31 Mar. 2003	Quarter ended 31 Mar. 2002
Average number of employees during the period	3,282	1,528
Employed at the balance sheet date:		
Deutsche Börse Group excluding Clearstream subgroup and Infobolsa S.A.	1,486	1,532
Clearstream subgroup	1,707	–
Infobolsa S.A.	77	–
Total Deutsche Börse Group	3,270	1,532

There was an average of 3,133 full-time equivalent employees during the first quarter of 2003 (Q1/2002: 1,438).

11. Contingent liabilities

On 31 March 2003 Clearstream Banking AG, Frankfurt, received a “Statement of Objections” from the DG Competition of the European Commission. The Commission’s objections, which relate to past periods, concern Euroclear’s access to Clearstream’s settlement system for registered shares in Germany, and alleged pricing discrimination between Central Securities Depositories and International Central Securities Depositories for cross border transactions prior to January 2002. The Commission has stated that its objections do not prejudice the outcome of the enquiry.

Clearstream is reviewing the Commission’s statement closely. Clearstream believes that the Commission’s objections are unwarranted and intends to defend its position. At this stage, no amount has been provided in the Group accounts for this financial liability.

12. Events after the balance sheet date

Deutsche Börse Finance S.A., Luxembourg, (“Finance”) a subsidiary of Deutsche Börse AG, was established in April 2003 with the purpose of financing the Group’s mid- to long-term borrowing needs. Finance and Deutsche Börse AG are able to issue bonds under a debt issuance program signed on 29 April 2003. Finance’s liabilities benefit from a parental guarantee.

The Executive Board
Deutsche Börse AG
Frankfurt/Main, 8 May 2003



Werner G. Seifert



André Roelants



Rudolf Ferscha



Matthias Ganz



Matthias Hlubek



Michael Kuhn

Q1/2003

Contact

Investor Relations
E-mail: ir@deutsche-boerse.com
Fax: +49-(0)69-21 01-43 21

Additional copies of this interim report and the Annual Report 2002 may be obtained from the Publications Hotline.

Phone: +49-69-21 01-15 10
Fax: +49-69-21 01-15 11

or may be downloaded from the internet at www.deutsche-boerse.com

Published by

Deutsche Börse Group
60485 Frankfurt/Main
Germany

www.deutsche-boerse.com

Reproductions – in total or in part – only with the written permission of the publisher.

May 2003
Order number: 1010-1545

Company Register: Frankfurt/Main HRB 32 23 2

DAX® is a registered trademark of Deutsche Börse AG.
Dow Jones STOXXSM and Dow Jones EURO STOXX 50SM
are registered trademarks of STOXX Ltd.