

Q2/2014 Results

Analyst and Investor Conference Call

25 July 2014



Highlights Q2/2014 Results Presentation

- Low equity volatility and interest rates weighed on derivatives/ cash activity in Q2/2014, but could partly be compensated by record custody volumes in Clearstream and positive MD+S development
- Net revenue in Q2 amounted to €488.4 million, a year-over-year decline of 2 percent; adjusted operating costs increased mainly due to consolidation effects to €249.3 million
- Adjusted EBIT amounted to €240.6 million, down 10 percent against Q2/2013; adjusted earnings per share benefited from lower financing costs and stood at €0.90, a decline of 7 percent
- Due to the stronger first quarter, net revenue in the first half 2014 were up 2 percent to €1,002.6 million and adjusted earnings per share increased 1 percent to €1.90
- To address the continuing cyclical weaknesses, Deutsche Börse continues to develop new growth areas and expands in higher growth regions like Asia
- Significant progress has been made with regards to infrastructure (e.g. derivatives trading and clearing) and structural growth initiatives (e.g. OTC clearing, collateral management, Asia)

H1/2014 – Development Of Group And Segmental Financials

Group

Net revenue

€1,002.6 million (+2%)

Net interest income

€18.8 million (-3%)

Operating costs¹

€492.7 million (+6%)

EBIT^{1,2}

€512.2 million (-2%)

Tax rate^{1,2}

26% (stable)

Net income^{1,2}

€349.9 million (+1%)

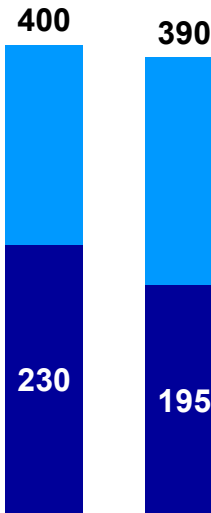
Earnings per share^{1,2}

€1.90 (+1%)

Segments

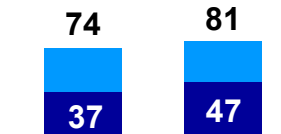
Eurex

Net rev. -2%



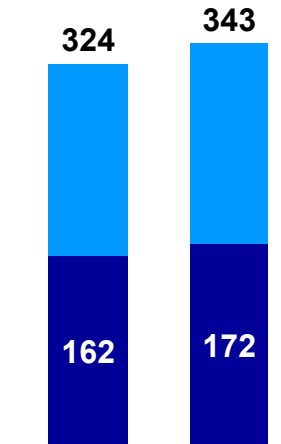
Xetra

Net rev. +9%



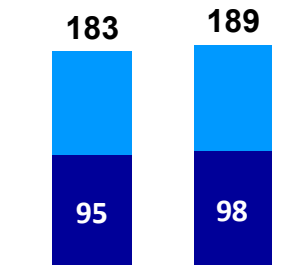
Clearstream

Net rev. +6%



MD+S

Net rev. +3%



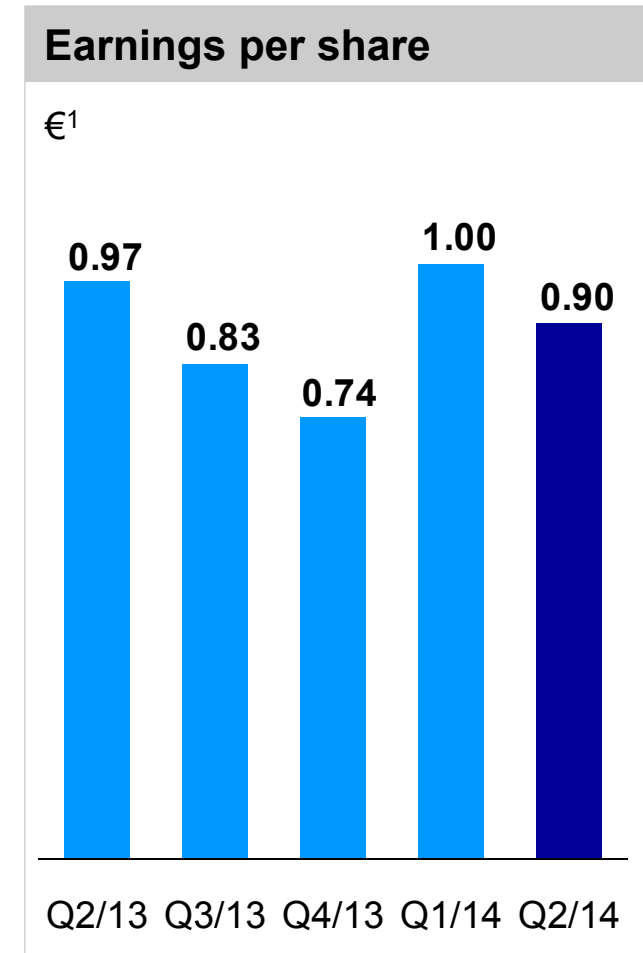
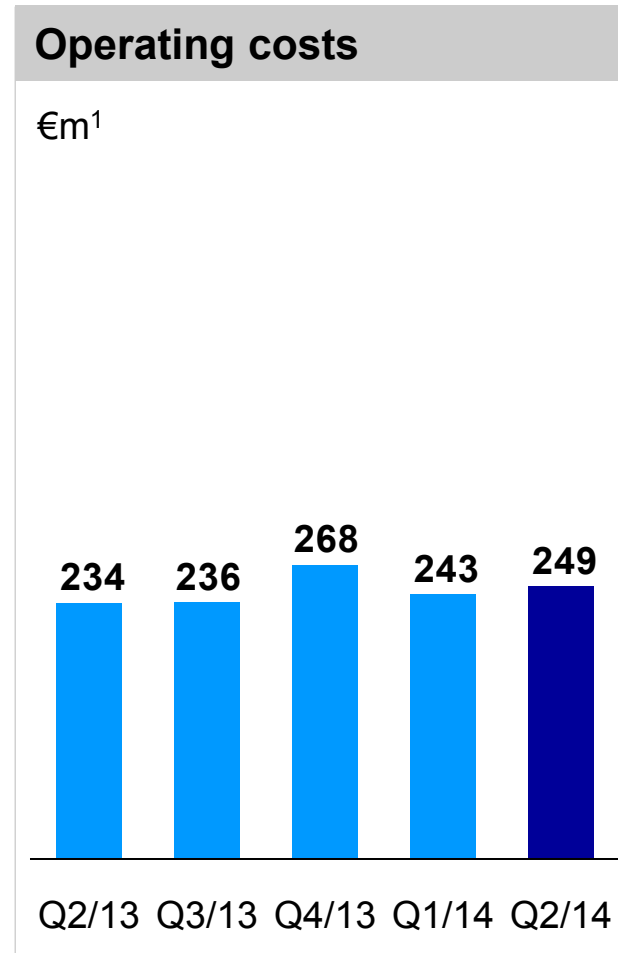
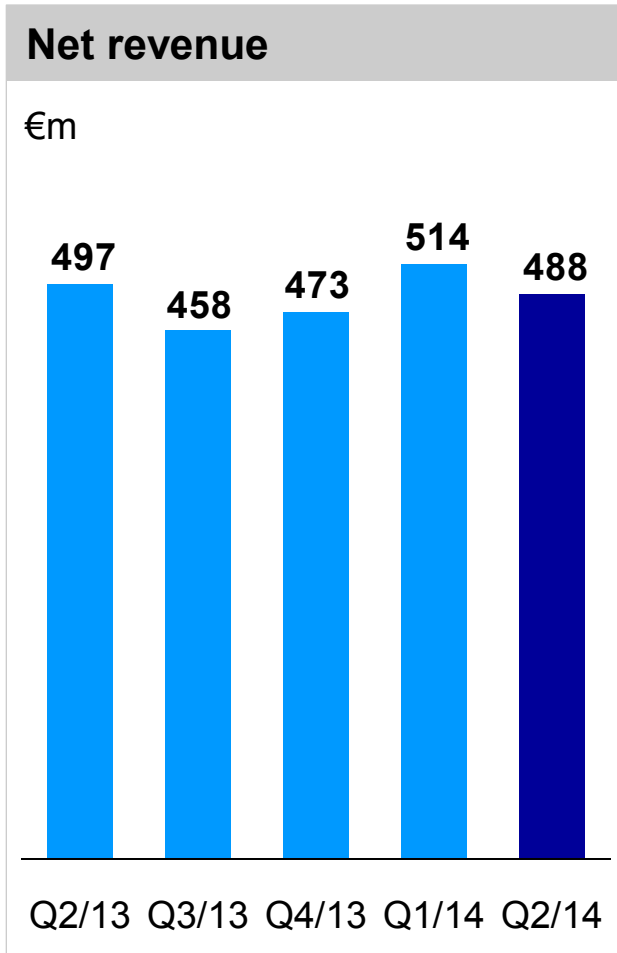
H1/13 H1/14 H1/13 H1/14 H1/13 H1/14 H1/13 H1/14

€m Net revenue EBIT^{1,2}

1) Adjusted for costs for efficiency programs and merger related costs (H1/2013: €75.5m; H1/2014: €9.5m)

2) H1/2014 adjusted for one-off gain of €63.0m relating to Direct Edge and BATS merger

Q2/2014 – Development Of Group Financials



1) Adjusted for costs for efficiency programs and merger related costs (Q2/2013: €9.7m, Q2/2014: €5.1m)

Q2/2014 – Eurex

Business activity Q2/2014 y-o-y

Financial derivatives (traded contracts in m)

US Options	142.0	-18%	■
Equity	111.7	-27%	■
Fixed income	113.6	-20%	■
Index	146.7	-16%	■
Total¹	516.6	-20%	■

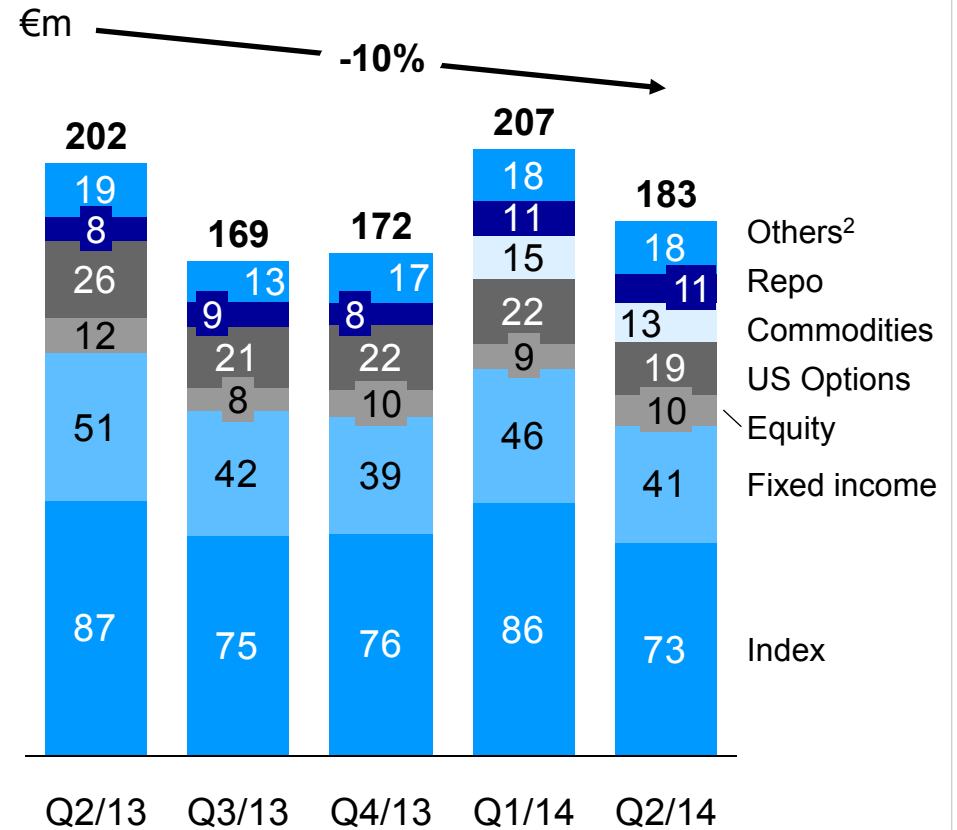
Commodities (volume in TWh/ tCO2)

Power	281.8	13%	■
Gas	127.1	177%	■
Emissions	101.2	-47%	■

Repo (outstandings in € bn)

Total volume	225.5	-4%	■
--------------	-------	-----	---

Net revenue



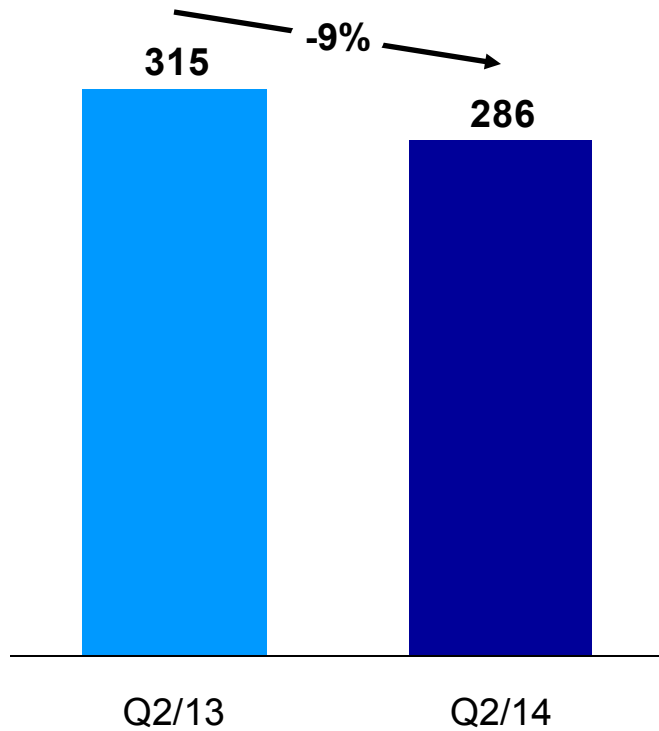
1) The total shown does not equal the sum of the individual figures as it includes other traded derivatives such as ETF, agricultural, precious metals and emission derivatives

2) Including revenue from ISE market data, member and other fees

Q2/2014 – Xetra

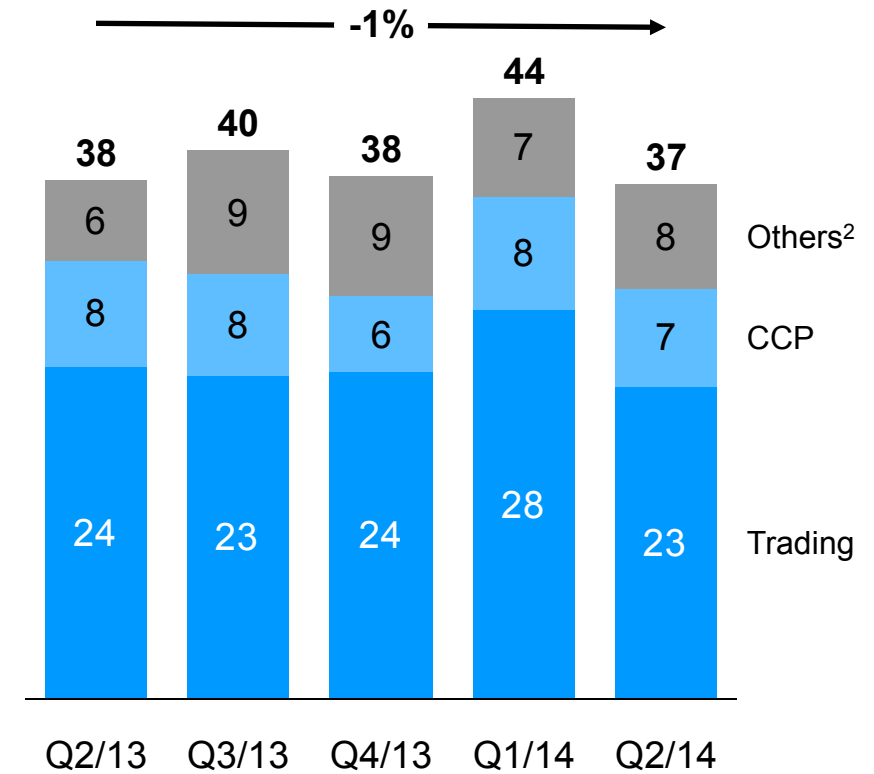
Business activity Q2/2014 y-o-y

Order book volume in €bn¹



Net revenue

€m



1) Xetra, Börse Frankfurt and Tradegate

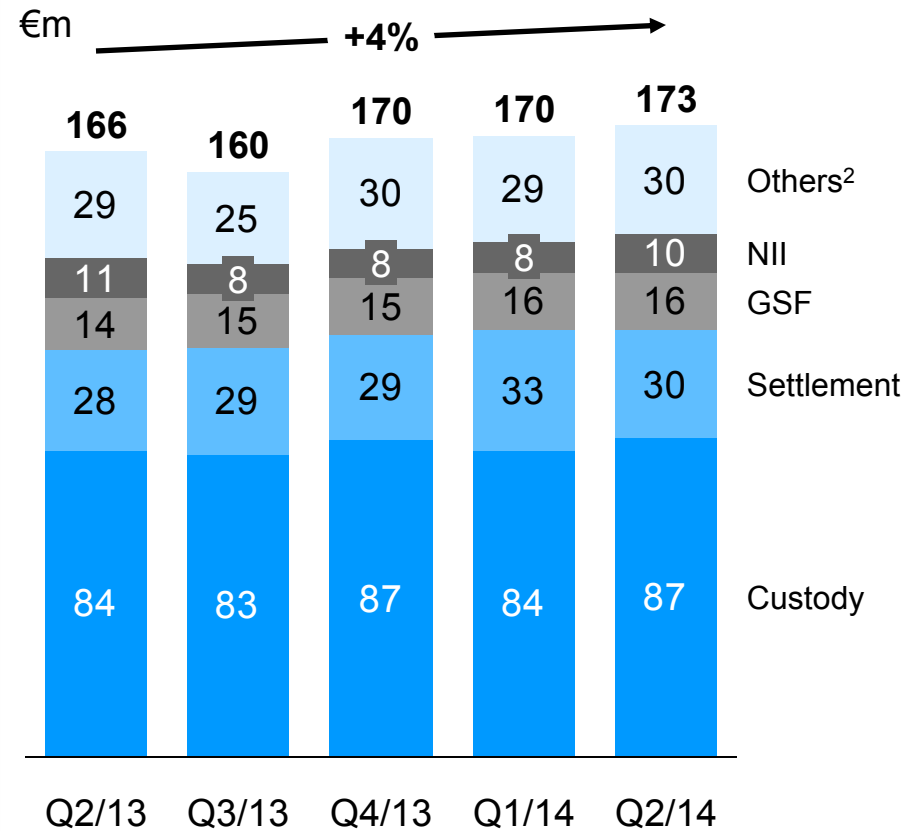
2) Including revenue from listing, member admission and Eurex Bonds

Q2/2014 – Clearstream

Business activity Q2/2014 y-o-y

Assets under custody	€12.2tr	5%
Settlement transactions	30.3m	-4%
GSF outstandings	€603.5bn	4%
Cash balances ¹	€11.0bn	5%

Net revenue



1) Adjusted for balances restricted by relevant EU and US sanction programs

2) Including revenue from connectivity and reporting

Q2/2014 – Market Data + Services

Business activity Q2/2014 y-o-y

Information

- Derivatives/ cash market data, indicators, news

Data subscriptions 411,055 | 1%

Index

- Calculation/ distribution of indices through STOXX:

ETF AuM on DAX and STOXX €78bn █ 11%

Tools

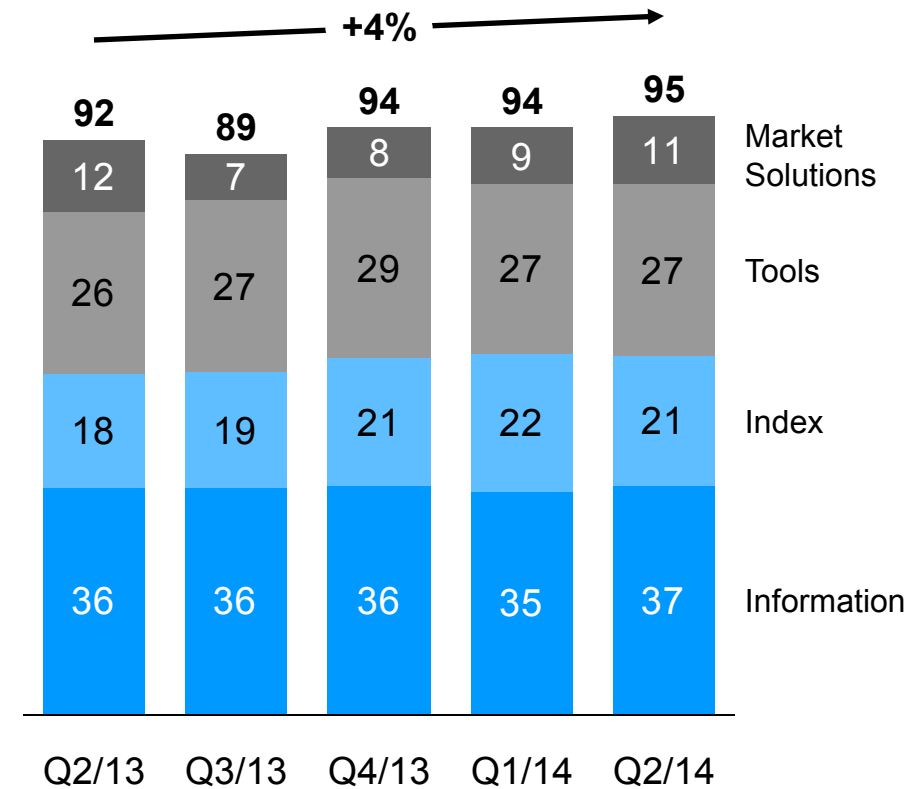
- Market connectivity, regulatory reporting, others

Market Solutions

- Business process and infrastructure outsourcing

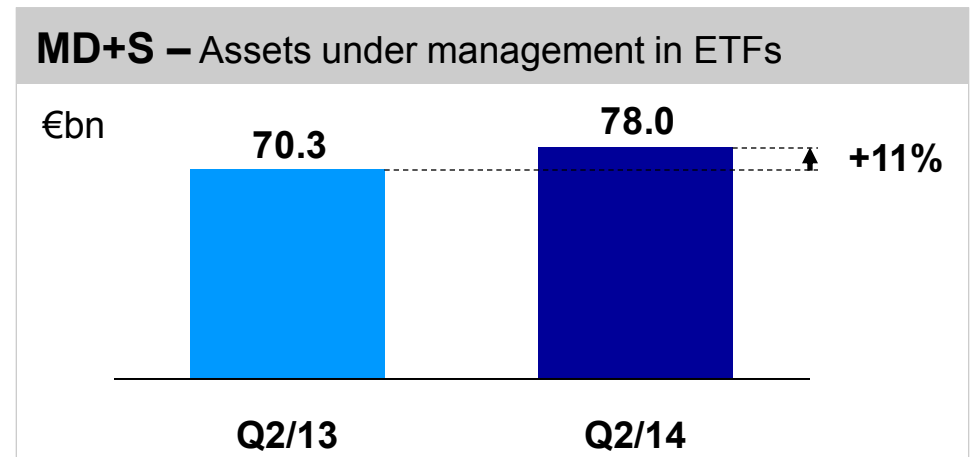
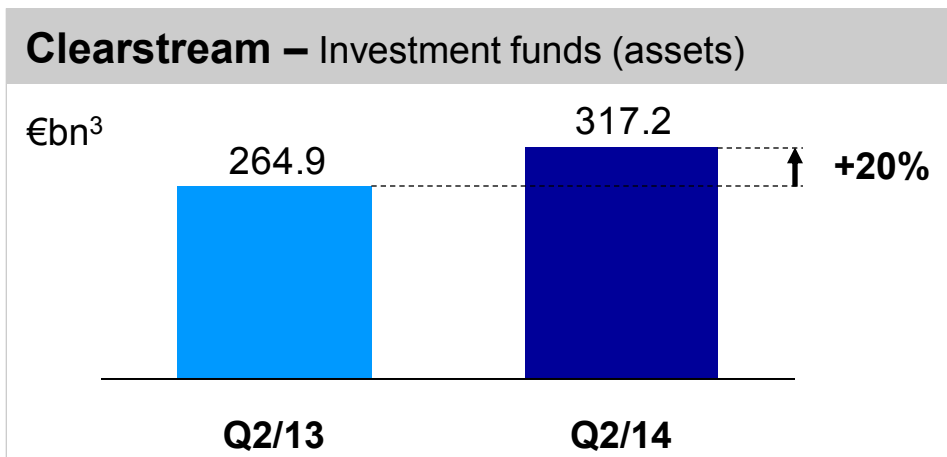
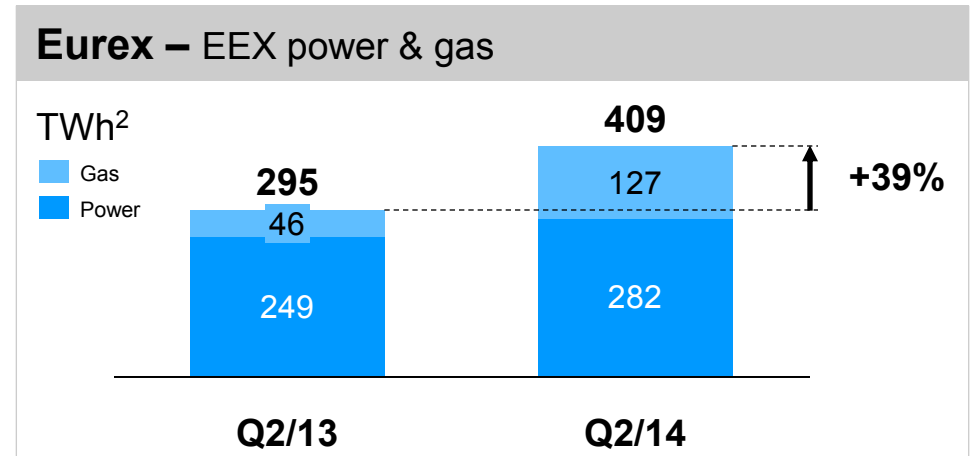
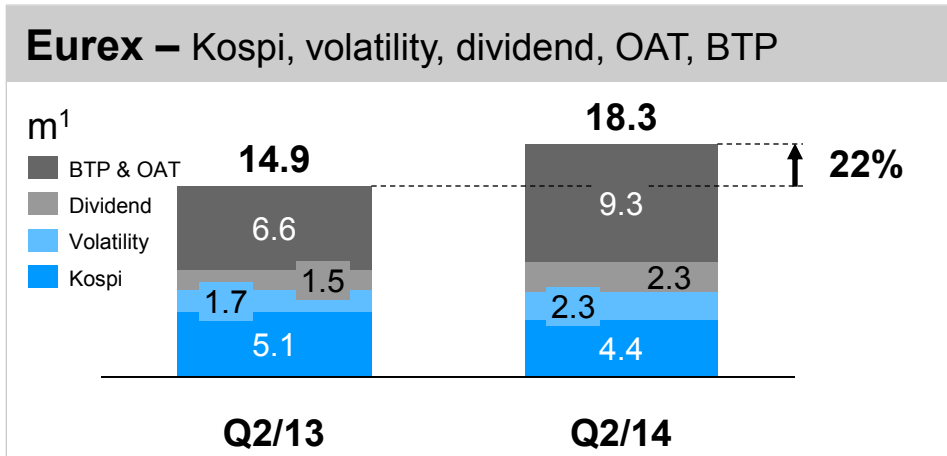
Net revenue

€m



1) Not adjusted for consolidation effects; adjusted net revenue increased 7 percent

Q2/2014 – Selected Areas Of The Group Continue To Show Significant Growth



1) Traded contracts

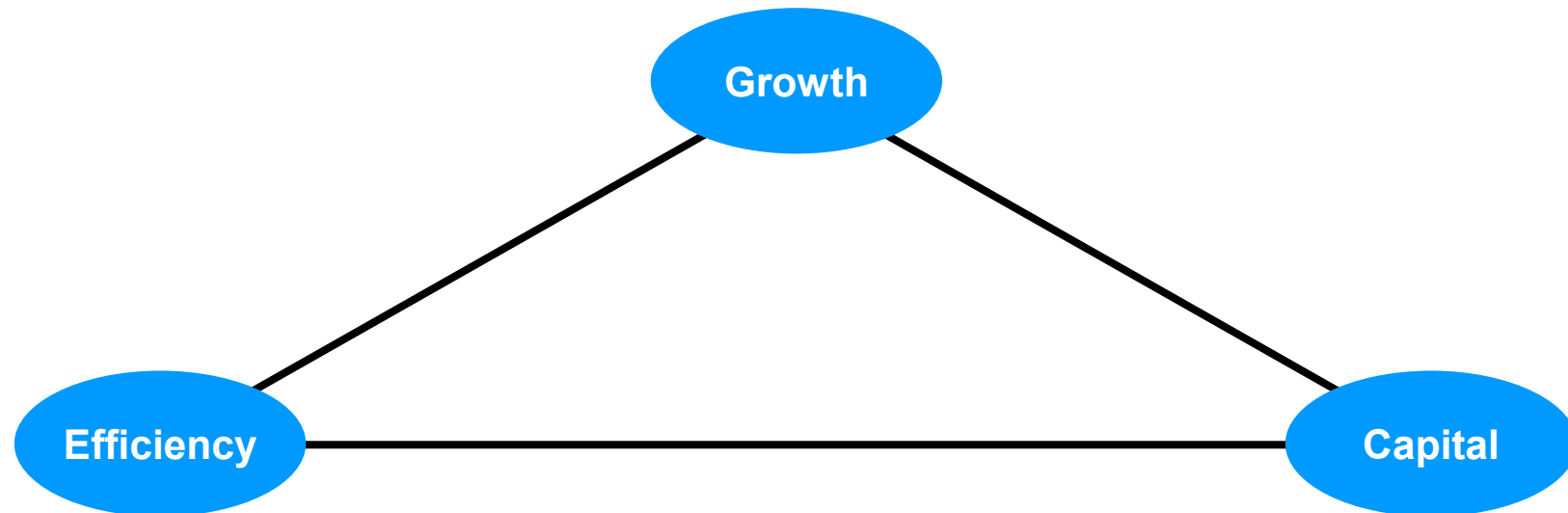
2) Power derivatives traded on European Energy Exchange (EEX), gas traded on PEGAS (joint venture of EEX and Powernext)

3) Assets under custody in investment funds (part of total reported assets)

Management Is Firmly Focused On Growing The Business, Effective Cost Management, And Attractive Capital Management

Ambitious growth targets

- 20-40% net revenue growth target 2013-2017
- Primarily organic growth, but also partnerships and complementary M&A



Effective cost management

- Cost discipline remains key priority
- Further efficiency gains as part of ongoing program

Attractive capital management

- Maintain strong credit rating profile
- Continue attractive capital management policy

Growth – EurexOTC Clear Service Offering Addresses Client Needs In New Regulatory Environment

Value proposition

1
Integrated full asset class offering

Only **fully integrated cross-asset class** clearing house in Europe: **market leadership** in listed derivatives (equity & fixed income), attractive OTC offering and unique products like Euro GC Pooling under a single legal framework

2
Best-in-class risk management

Proven risk management based on **leading risk model** and **real-time capabilities** increase safety for clients

3
Portfolio risk management

Unparalleled capital efficiencies through portfolio risk management, allowing cross-margining between listed and OTC products (netting efficiency of up to 70-80%)

4
Collateral management

Accepting a **broad range of collateral** allows for flexibility to manage and re-use collateral including access to central bank accounts and liquidity

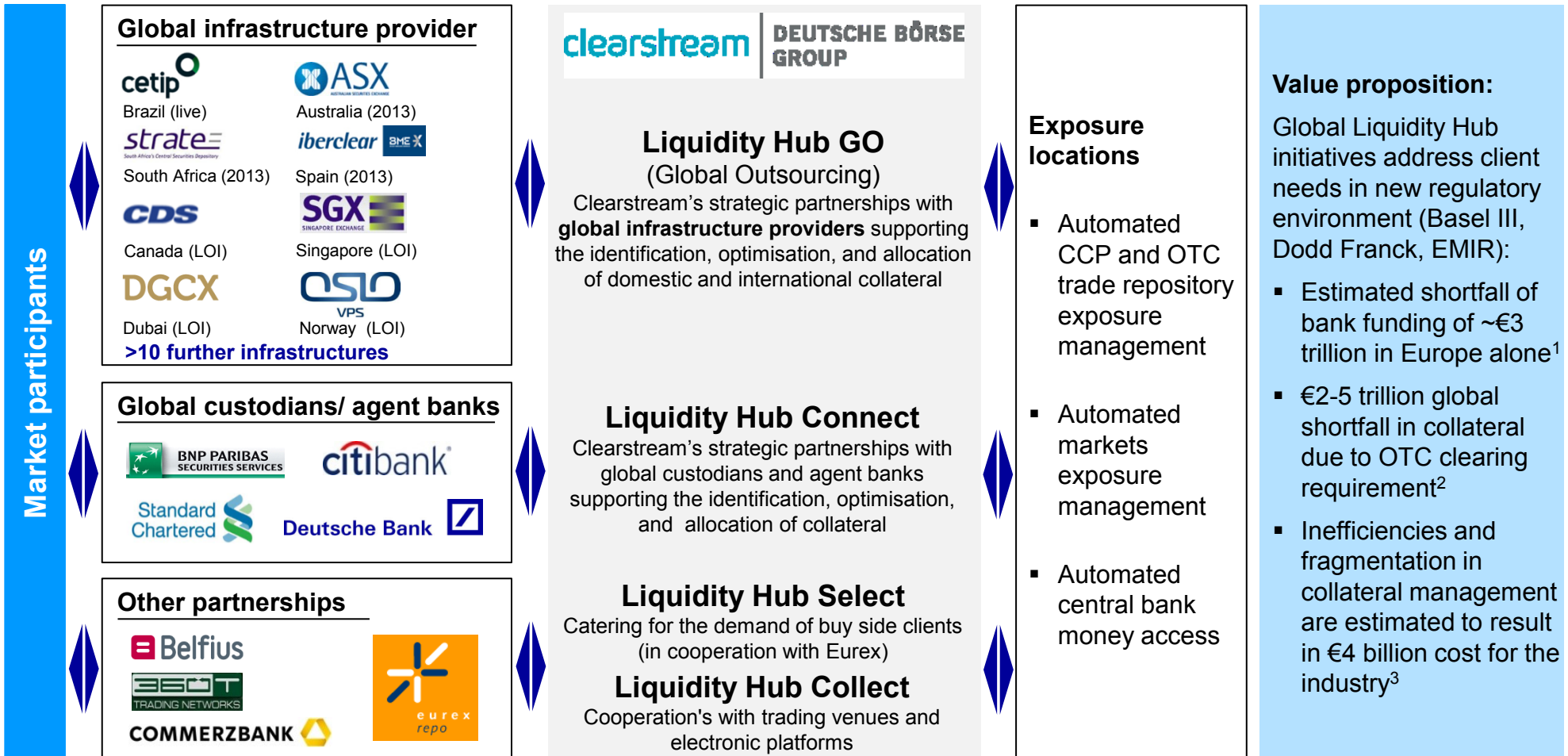
5
Client asset protection

Unique individual clearing model addresses buy-side requirements and provides for **segregation, asset protection and portability** of client positions and collateral

Unique position to be successful in OTC clearing confirmed by strong support of sell- and buy-side firms:

- 33 clearing members including all major global sell-side banks connected
- ~140 buy-side firms signed up for onboarding
- Open interest is starting to build
- EMIR authorization received in April 2014

Growth – Expansion Of Successful Collateral Management Services Under Global Liquidity Hub Initiatives



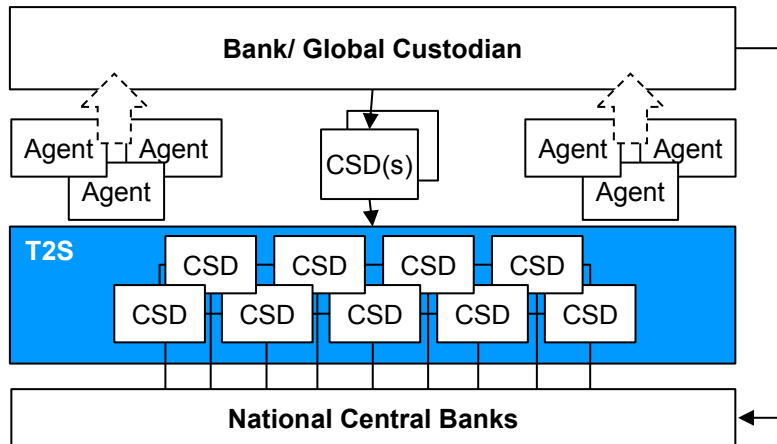
1) Quantitative impact study of Basel Committee on Banking Supervision (December 2010)

2) Celent study "Cracking the Trillion Dollar Collateral Optimization Question" (August 2012)

3) Accenture and Clearstream study "Collateral Management" (2011)

Growth – TARGET2-Securities, A Unique Opportunity For Clearstream

T2S will change the post-trade landscape ...



- T2S is a central technical platform for securities settlement in Euro and foreign currency in central bank money that will replace existing models and redesign the post-trade landscape
- T2S is an ECB initiative – built and operated by national central banks (Germany, France, Italy, Spain)
- The objective is to harmonise domestic and cross-border settlement processes and to reduce related settlement cost
- T2S benefits outweigh its initial central bank money settlement focus
- Promoting these benefits has been Clearstream's mission

1) Average charged by agent banks and ICSDs

2) Average cost calculated by ECB

... bringing benefits to customers

- **Cash pooling**: central funding account for all T2S settlement enables settlement netting and reduces funding needs
- **Securities pooling**: centralized safekeeping of CSD and ICSD assets eliminates friction cost associated with today's fragmented pools
- **Central collateral management** from the Liquidity Hub will create financing efficiencies and drastically reduce the need for securities realignments
- **Auto-collateralization** (on flow) will reduce collateral consumption to support settlement credit
- National Central Banks will provide **intraday settlement credit** facilities for free while commercial banks are expected to start charging
- Cash deposits at National Central Banks attract no regulatory charge
- Lower **settlement costs** per trade (today €2-5¹, with T2S €0.25²)

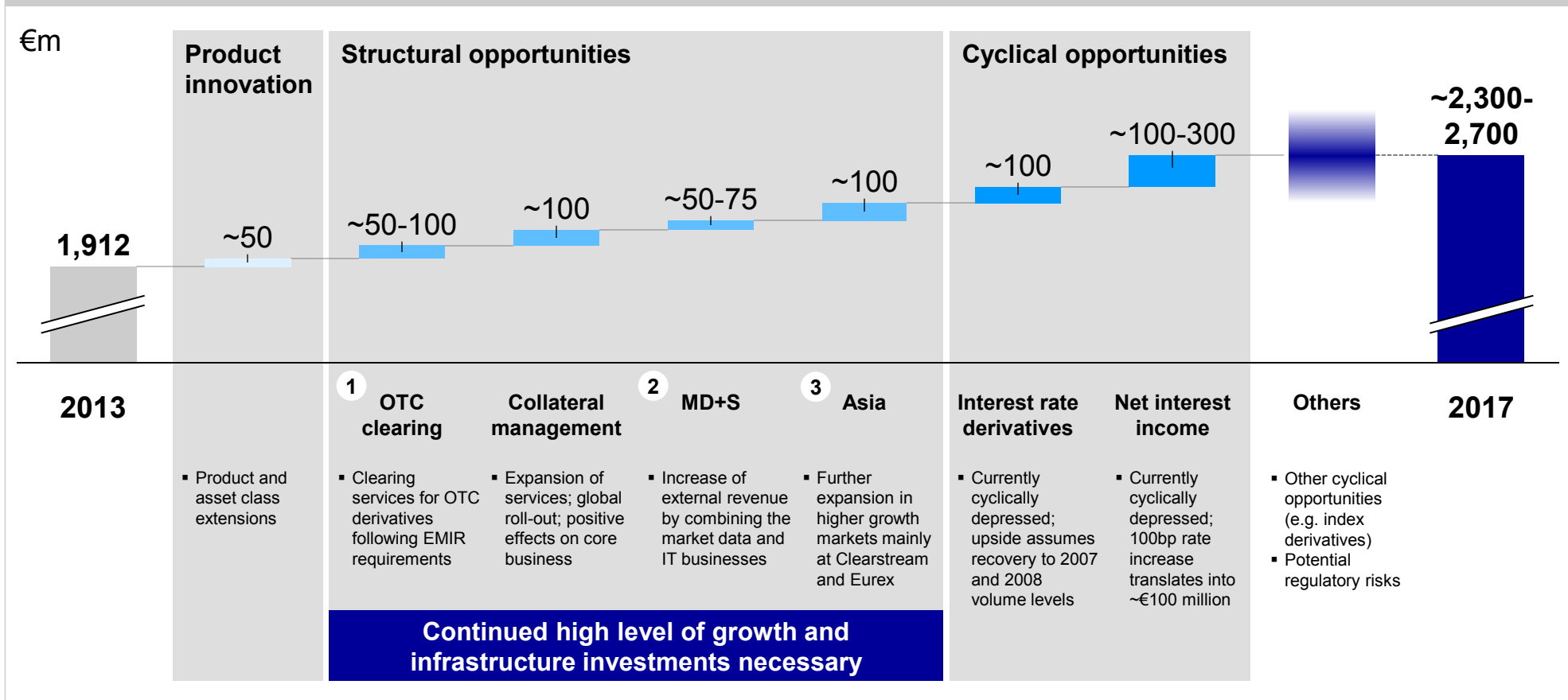
Growth – Deutsche Börse Group's Asian Growth Initiatives Are Based On Successful Expansion Of Business

	2007	2013	Current initiatives
Sales revenue	<€50 million	>€100 million	<ul style="list-style-type: none"> ▪ Build-up of clearing house for derivatives in Singapore ▪ Strategic cooperation with Bank of China to develop RMB market ▪ Cooperation with TAIFEX in derivatives strengthened by acquisition of 5% stake ▪ Progress in Clearstream's Liquidity Hub; ASX connected, SGX in pipeline for 2014 ▪ Technology alliance with BSE now covers cash and derivatives ▪ Acquisition of majority stake in Singapore based Cleartrade to complement commodity offering ▪ MoU with SET to facilitate development of markets between Thailand and Germany ▪ Partnership with Shanghai Stock Exchange to distribute market data products in China
Staff	<30	>110	
Representative offices	Hong Kong, Singapore, Tokyo	Beijing, Hong Kong, Singapore, Tokyo	
Operations hub	-	Singapore	
Regulatory registrations	-	Banking license in Singapore	
Partners	-	ASX, BOC, BSE, Hong Kong Monetary Authority, Korea Exchange, SGX, Standard Chartered, TAIFEX	

Target: increase revenue with Asian clients and products by €100 million by 2017

Growth – Substantial Incremental Revenue From Structural And Cyclical Drivers Expected

Illustration of mid- to long-term net revenue opportunities



Capital Management – Strong Cash Flow Generation Allows For Strong Rating Profile And Attractive Distribution Policy

Strong cash flow, balance sheet and rating



Strong balance sheet

- Due to favorable refinancing interest coverage ratio has improved to 27.0 in H1/14 (2013: 20.1)
- Gross debt to EBITDA ratio stood at 1.5 in H1/14 (2013: 1.5)
- Solvency ratios in 2013 for Clearstream 25 (2012: 23) and Eurex Clearing 26 (2012: 15)



Strong rating profile

- Clearstream: AA (stable)
- Deutsche Börse AG: AA (negative outlook)

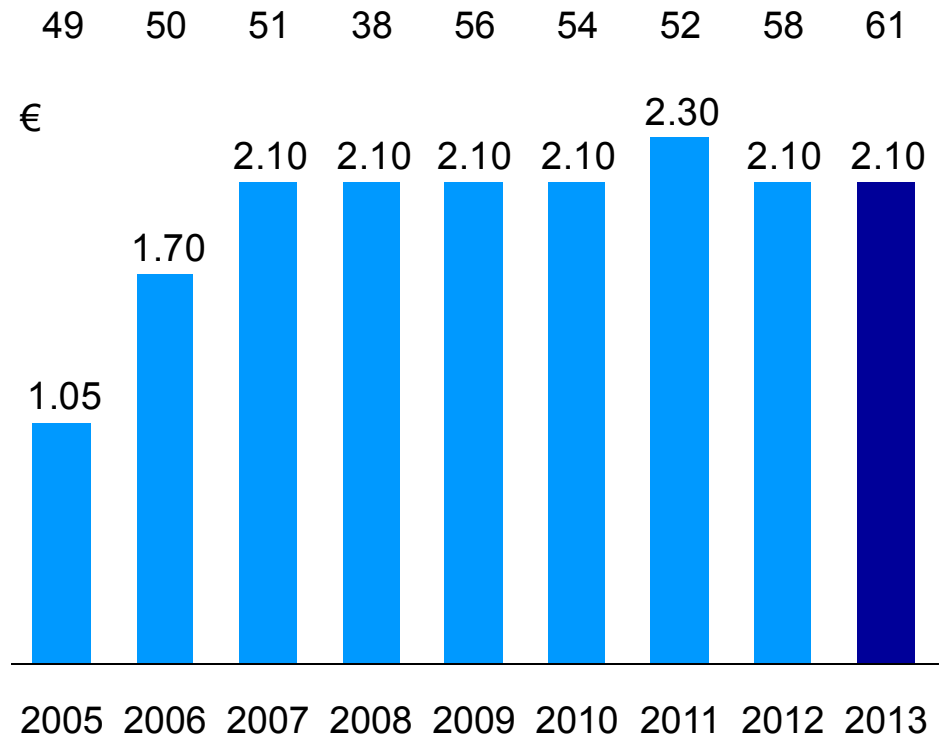


Strong operating cash flow¹

- €797 million in 2013 (2012: €726 million)

Attractive dividend distribution

Pay-out ratio (%)²



1) Adjusted for CCP positions

2) Adjusted for extraordinary items

Appendix

Income Statement – Group Level Adjusted

	Quarter ended 30 June 2014	Quarter ended 30 June 2013
Sales revenue	560.4	561.8
Net interest income from banking business	10.4	11.2
Other operating income	2.8	1.7
Total revenue	573.6	574.7
Volume-related costs	-85.2	-77.6
Net revenue (total revenue less volume-related costs)	488.4	497.1
Staff costs	-111.5	-105.5
Depreciation, amortization and impairment losses	-29.1	-27.6
Other operating expenses	-108.7	-101.0
Operating costs¹	-249.3	-234.1
Result from equity investments	1.5	3.0
Earnings before interest and tax (EBIT)	240.6	266.0
Financial income	3.8	0.3
Financial expense	-14.2	-20.4
Earnings before tax (EBT)	230.2	245.9
Income tax expense	-59.9	-63.9
Net profit for the period	170.3	182.0
thereof shareholders of parent company (net income for the period)	165.2	178.2
thereof non-controlling interests	5.1	3.8
Earnings per share (basic) (€)	0.90	0.97

1) Adjusted for costs for efficiency programs and merger related costs (Q2/2013: €9.7m, Q2/2014: €5.1m)

Income Statement – Segmental Level Adjusted

	Eurex		Xetra		Clearstream		Market Data + Services	
	Q1/2014	Q1/2013	Q1/2014	Q1/2013	Q1/2014	Q1/2013	Q1/2014	Q1/2013
Sales revenue ¹	215.7	232.8	42.5	42.8	206.4	195.1	104.6	99.6
Net interest income from banking business	0.0	0.0	0.0	0.0	10.4	11.2	0.0	0.0
Other operating income ¹	3.0	2.6	1.8	0.8	0.5	0.9	0.8	0.4
Total revenue¹	218.7	235.4	44.3	43.6	217.3	207.2	105.4	100.0
Volume-related costs ¹	-35.8	-33.1	-7.0	-6.1	-44.5	-41.5	-10.0	-8.4
Net revenue¹	182.9	202.3	37.3	37.5	172.8	165.7	95.4	91.6
Operating costs²	-96.9	-89.9	-17.8	-19.5	-86.7	-81.5	-47.9	-43.2
adjusted for exceptional items	-1.1	0.5	-0.2	-2.1	-1.6	-6.1	-2.2	-2.0
Result from equity investments	1.5	2.0	0.0	1.0	0.0	0.0	0.0	0.0
Earnings before interest and tax (EBIT)	87.5	114.4	19.5	19.0	86.1	84.2	47.5	48.4

1) Includes internal items

2) Adjusted for costs for efficiency programs and merger related costs

Financial Calendar And Contact Details

Financial calendar

- | | |
|--------------------|-------------------------|
| 27 Oct 2014 | Interim report Q3/2014 |
| 28 Oct 2014 | Conference call Q3/2014 |

Contact details

Deutsche Börse AG

Investor Relations

Mergenthalerallee 61

65760 Eschborn

Germany

Phone: +49-(0) 69-2 11-1 24 33

Fax: +49-(0) 69-2 11-1 46 08

E-Mail: ir@deutsche-boerse.com

www.deutsche-boerse.com/ir_e

Disclaimer

Cautionary note with regard to forward-looking statements: This document contains forward-looking statements and statements of future expectations that reflect management's current views and assumptions with respect to future events. Such statements are subject to known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied and that are beyond Deutsche Börse AG's ability to control or estimate precisely. In addition to statements which are forward-looking by reason of context, the words 'may, will, should, expects, plans, intends, anticipates, believes, estimates, predicts, potential, or continue' and similar expressions identify forward-looking statements. Actual results, performance or events may differ materially from those statements due to, without limitation, (i) general economic conditions, (ii) future performance of financial markets, (iii) interest rate levels (iv) currency exchange rates (v) the behaviour of other market participants (vi) general competitive factors (vii) changes in laws and regulations (viii) changes in the policies of central banks, governmental regulators and/or (foreign) governments (ix) the ability to successfully integrate acquired and merged businesses and achieve anticipated synergies (x) reorganization measures, in each case on a local, national, regional and/or global basis. Deutsche Börse AG does not assume any obligation and does not intend to update any forward-looking statements to reflect events or circumstances after the date of these materials.

No obligation to update information: Deutsche Börse AG does not assume any obligation and does not intend to update any information contained herein.

No investment advice: This presentation is for information only and shall not constitute investment advice. It is not intended for solicitation purposes but only for use as general information.

All descriptions, examples and calculations contained in this presentation are for illustrative purposes only.

© Deutsche Börse AG 2014. All rights reserved.