

## Q2/2016 Results

### Analyst and Investor Conference Call

28 July 2016

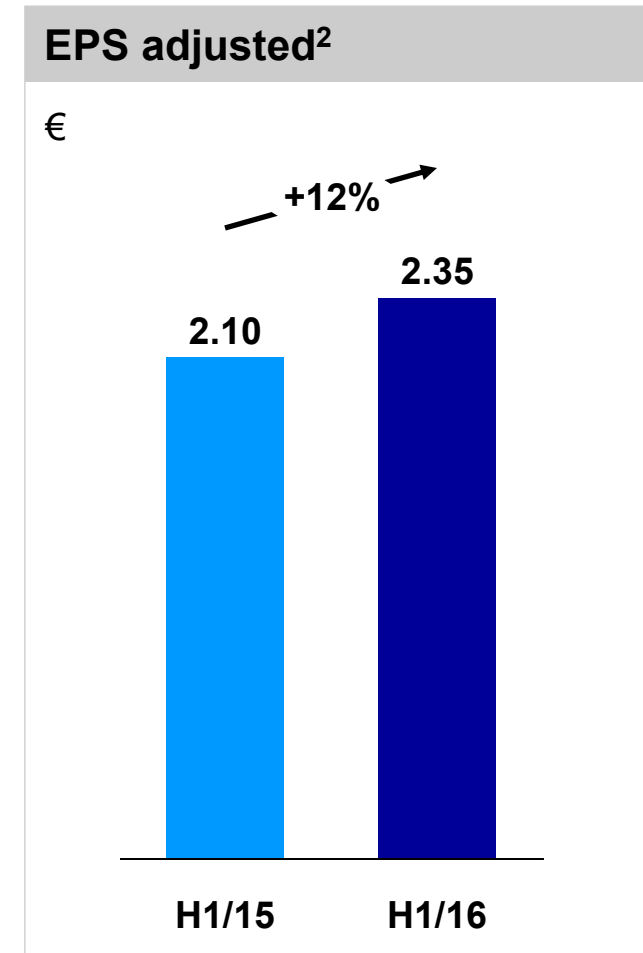
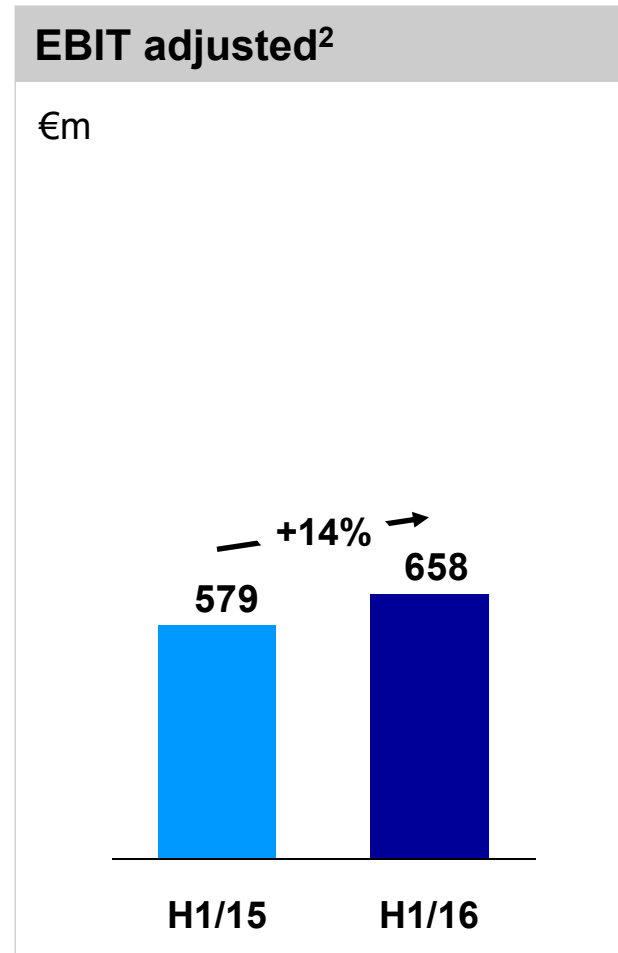
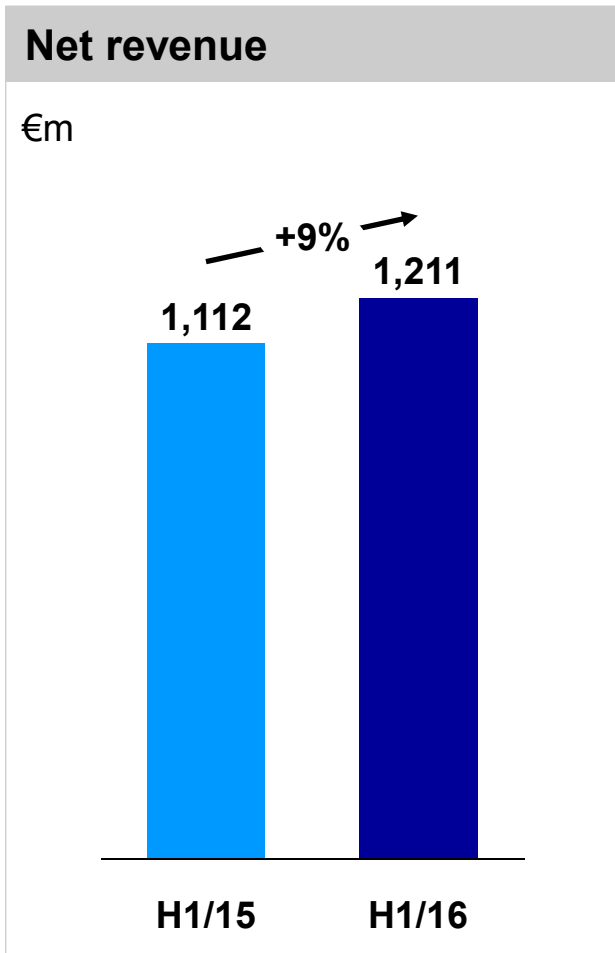


## Highlights Q2/2016 Results Presentation

- During Q2 ISE was sold to NASDAQ for US\$1.1 billion; as a result ISE is classified as discontinued operations and eliminated from the income statement (included post-tax book gain of €565 million)
- Q2/2016 results were driven by strong net revenue performance in index derivatives (+23%), commodities (+33%) at Eurex, as well as the index business at MD+S (+26%)
- Net revenue amounted to €600.7 million, up 10 per cent; adjusted operating costs increased only slightly to €275.8 million (Q2/2015: €273.4 million) despite consolidation of APX and 360T
- Adjusted EBIT amounted to €325.6 million (+19%) and adjusted net profit to €218.5 million (+21%)
- Earnings are well on-track to achieve double-digit earnings growth target in 2016
- Cash inflow of around €1 billion from the ISE sale will partly be used to redeem the outstanding US\$290 million private placement until end of July<sup>1</sup>; no decision on use of remaining proceeds
- Gross debt to EBITDA in H1/16 stood at 1.6x (assuming debt redemption: 1.4x)
- Shareholders have approved merger of equals between Deutsche Börse Group and London Stock Exchange Group; process to obtain regulatory approvals on track

1) Redemption of private placements will result in additional financial expenses of around €26 million in Q3/16; from Q4/16 onwards there will be a benefit in the financial expenses of around €4 million per quarter until mid-2018; total savings amount to around €9 million

# H1/2016 – Group Financials (Continued Operations<sup>1</sup>)



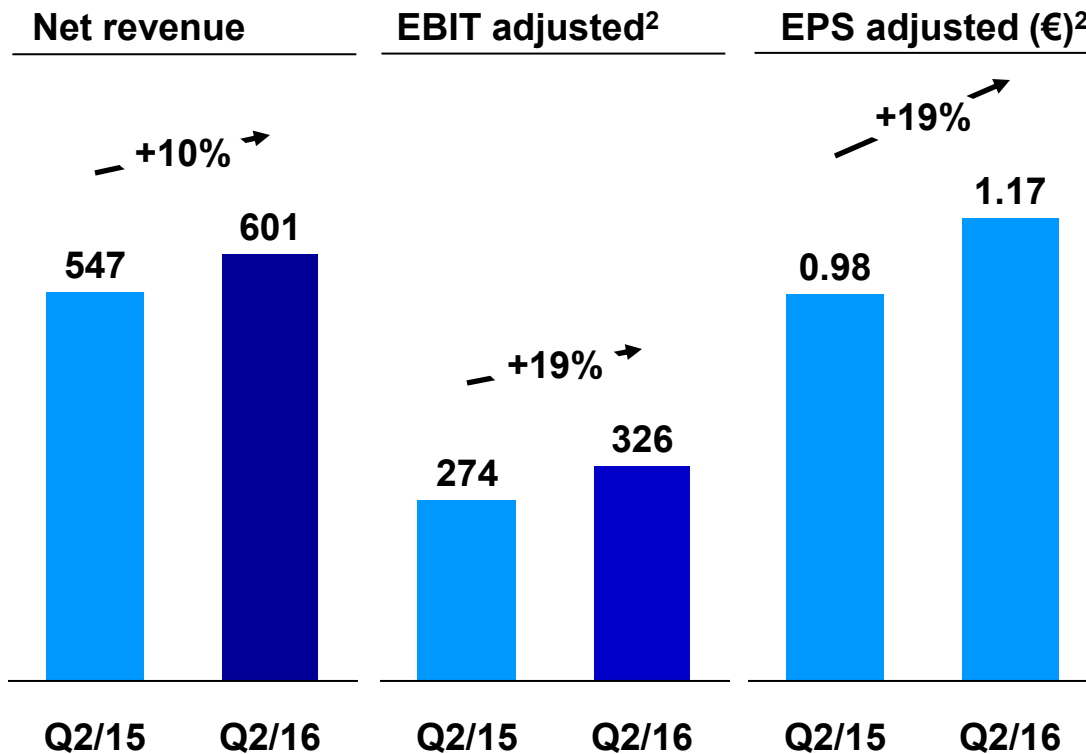
1) As a result of the sale ISE financials are eliminated entirely from current and preceding periods; ISE's contribution in H1/16: net revenue €71.9m, operating cost adjusted €39.3m, net income €24.4m; in addition there was a post-tax book gain of €565m

2) Adjusted for exceptional items

# Q2/2016 – Group Financials (Continued Operations<sup>1</sup>)

## Net revenue, EBIT and EPS development

€m



### Revenue

- Net revenue: €600.7m (+10% y-o-y)
  - Net interest income: €21.1m (+50% y-o-y); includes Eurex NII from cash collaterals since 1 May 2015

### Costs

- Operating costs<sup>1</sup>: €275.8m (+1% y-o-y)
  - Adjusted for €40.5m exceptional items, which includes LSE merger, restructuring, and litigations

### Earnings

- EBIT<sup>2</sup>: €325.6m (+19% y-o-y)
- Tax rate<sup>2</sup>: 27.0%
  - Increase from 26% in 2015 in-line with guidance
- Net income<sup>2</sup>: €218.5m (+21% y-o-y)
- EPS<sup>2</sup>: €1.17 (+19% y-o-y)

Exchange rate EUR/USD: Q2/15: 1.1119, Q2/16: 1.1207

1) As a result of the sale ISE financials are eliminated entirely from current and preceding periods; ISE's contribution in Q2/16: net revenue €33.9m, operating cost adjusted €17.9m, net income €11.9m; in addition there was a post-tax book gain of €565m

2) Adjusted for exceptional items

# Q2/2016 – Eurex

## Business activity Q2/2016 y-o-y

### Financial derivatives (traded contracts in m)

Equity	91.9	-13%	■
Fixed income	128.4	-13%	■
Index	238.9	22%	■
<b>Total<sup>1</sup></b>	<b>605.9</b>	<b>0%</b>	

### Commodities (EEX) (volume in TWh/ tCO2)

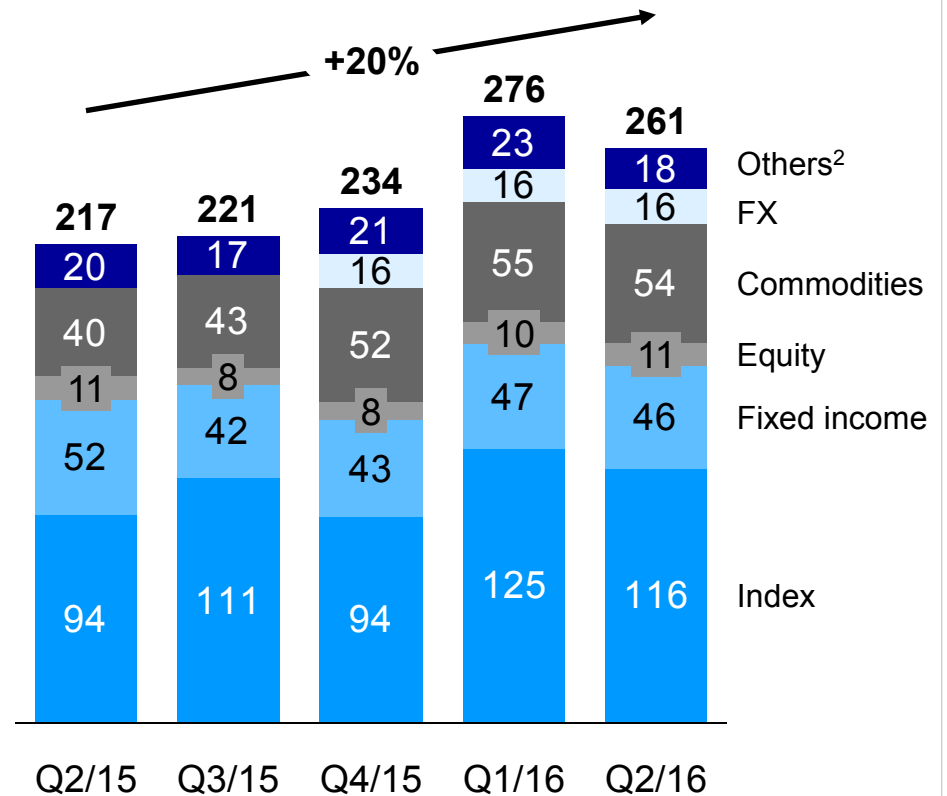
Power	1,214.0	91%	■
Gas	409.0	113%	■

### Foreign exchange (360T) (ADV in € bn)

FX ADV	60.4	5%	■
--------	------	----	---

## Net revenue

€m



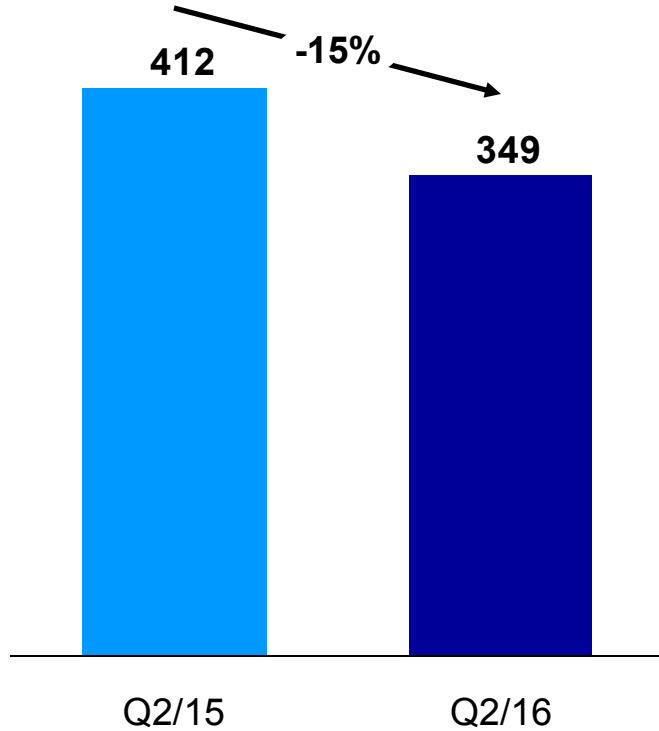
1) The total shown does not equal the sum of the individual figures as it includes other traded derivatives such as ETF, agricultural, precious metals and emission derivatives

2) Including revenue from NII, Eurex Repo and member fees

# Q2/2016 – Xetra

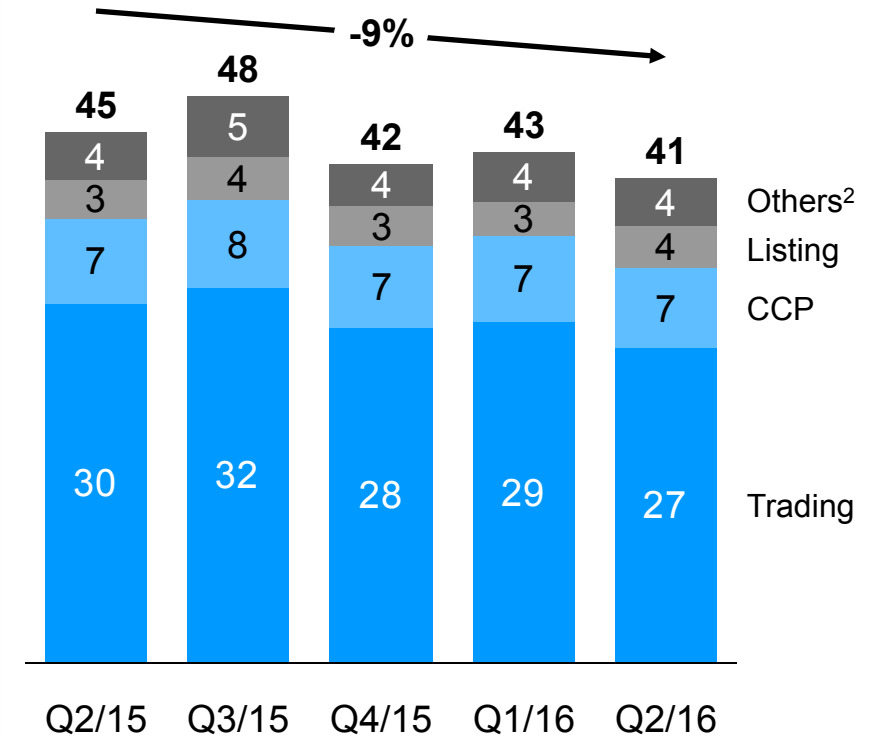
## Business activity Q2/2016 y-o-y

Order book volume in €bn<sup>1</sup>



## Net revenue

€m

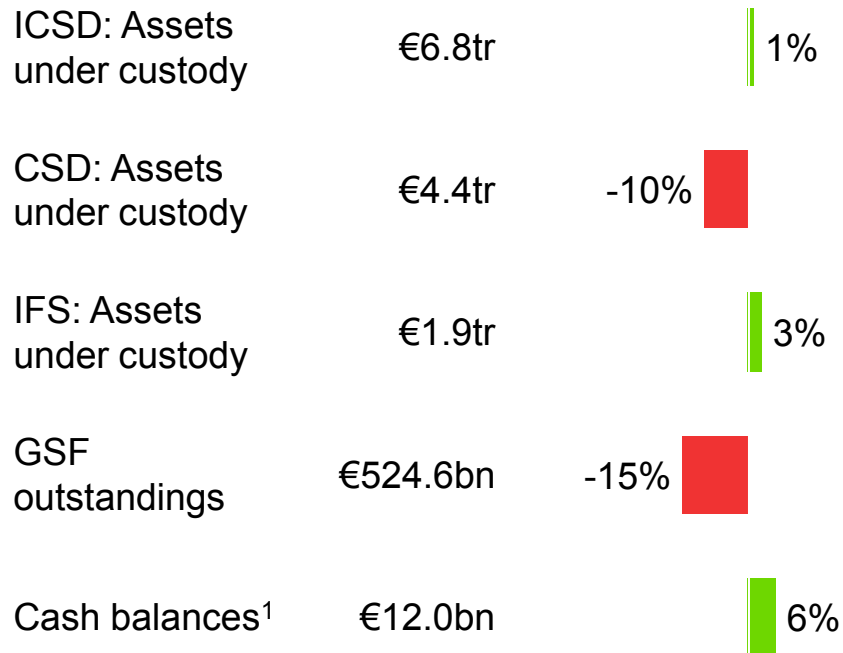


1) Xetra, Börse Frankfurt and Tradegate

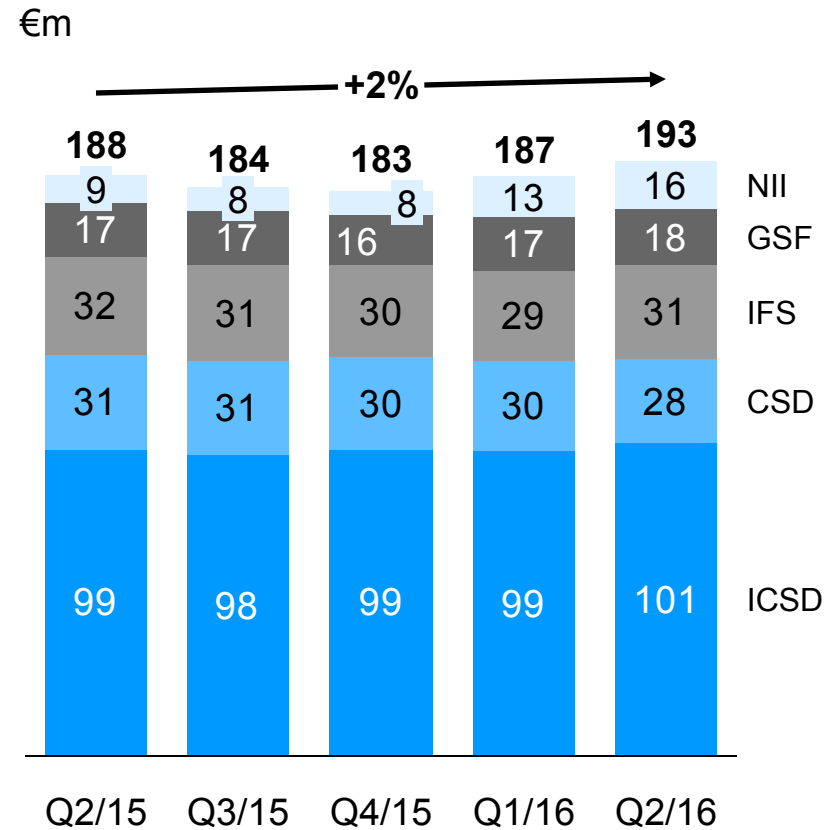
2) Including revenue from Eurex Bonds and member fees

# Q2/2016 – Clearstream

## Business activity Q2/2016 y-o-y



## Net revenue



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

# Q2/2016 – Market Data + Services

## Business activity Q2/2016 y-o-y

### Index

- Calculation/ distribution of indices through STOXX:

<i>ETF AuM STOXX</i>	€60bn	-7%	<span style="color: red;">■</span>
<i>ETF AuM DAX</i>	€24bn	4%	<span style="color: green;">■</span>

### Data

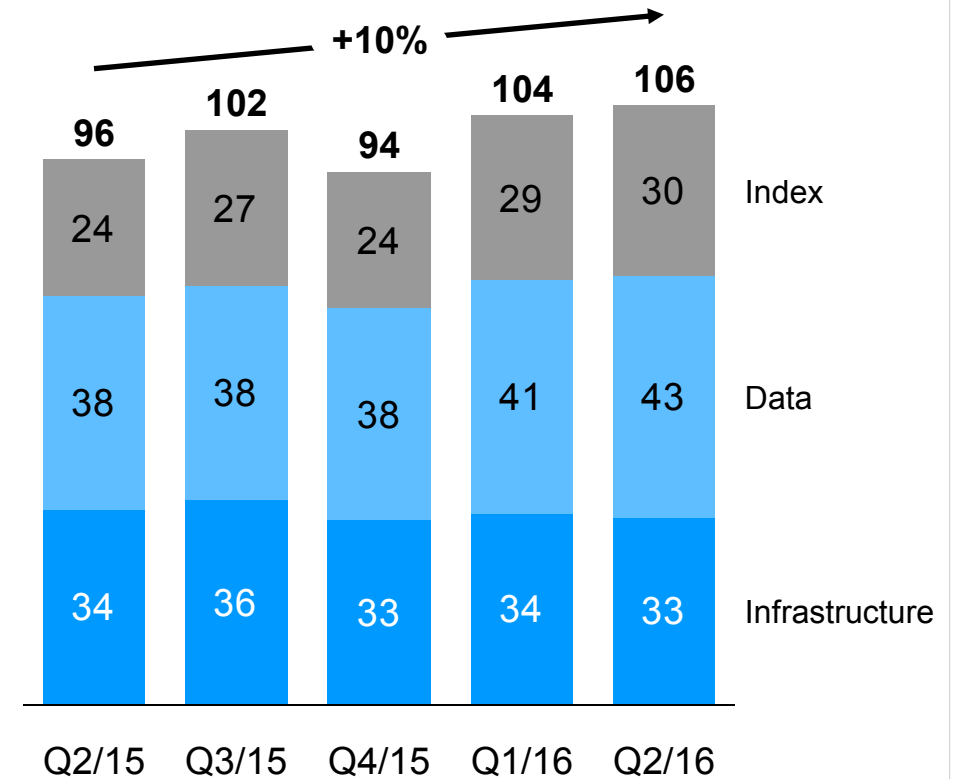
- Derivatives / cash market data, indicators

### Infrastructure

- Market connectivity, regulatory reporting, others
- Business process and infrastructure outsourcing

## Net revenue

€m





# Organic Earnings Growth In H1/16 Well Within Guidance Range; Full Year Earnings Growth Guidance Confirmed

## Guidance 2016

### Net revenue

2015 pro-forma: €2,264m<sup>1</sup> **5-10%**

### Operating costs

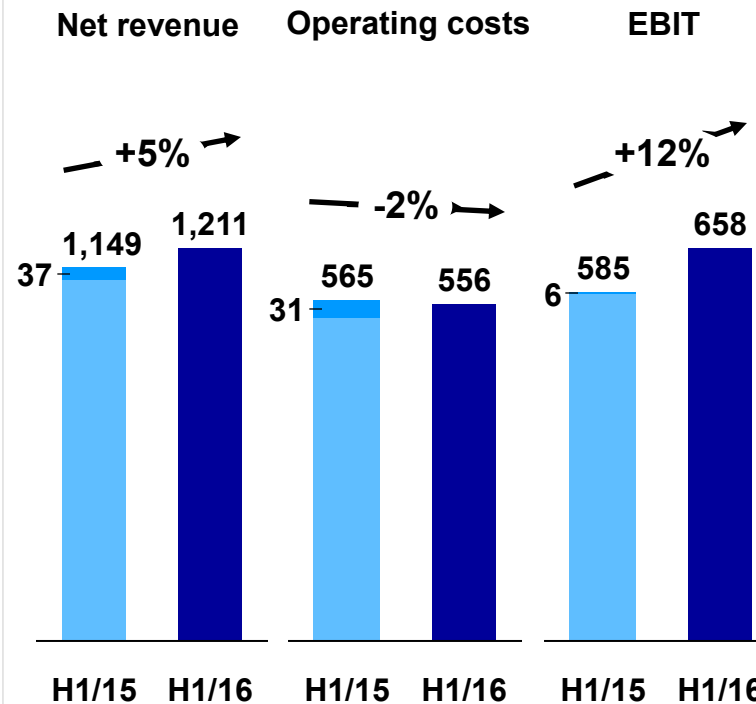
2015 pro-forma: €1,188m<sup>1</sup> **0-5%<sup>2</sup>**

### Earnings

2015 pro-forma: EBIT €1,078m<sup>1</sup> **10-15%**

## Development in H1/2016

### Organic growth (adjusted for consolidation<sup>3</sup>)



- Organic net revenue development in H1/16 (+5%) at lower end of full year guidance range of 5-10%
- Due to targeted cost containment measures, operating costs declined in H1/16 (-2%); resulting in over proportional organic EBIT growth (+12%)
- Full-year 2016 earnings growth guidance confirmed; lower than anticipated net revenue growth could be off-set by further short term cost measures

1) Includes full year impact of APX and 360T consolidation and deconsolidation of ISE, Infobolsa and MNI

2) Excluding exceptional items (e.g. restructuring, litigation, M&A integration, and LSE merger costs)

3) Pro-forma H1/15 numbers include APX and 360T and exclude ISE, Infobolsa and MNI

# Appendix

# Income Statement – Group Level Adjusted

	Quarter ended 30 June 2016	Quarter ended 30 June 2015
Sales revenue	644.8	596.1
Net interest income from banking business	21.1	14.1
Other operating income	5.8	4.6
<b>Total revenue</b>	<b>671.7</b>	<b>614.8</b>
Volume-related costs	-71.0	-67.7
<b>Net revenue (total revenue less volume-related costs)</b>	<b>600.7</b>	<b>547.1</b>
Staff costs	-141.1	-127.1
Depreciation, amortization and impairment losses	-30.7	-26.4
Other operating expenses	-104.0	-119.9
<b>Operating costs</b>	<b>-275.8</b>	<b>-273.4</b>
Result from equity investments	0.7	-0.2
<b>Earnings before interest and tax (EBIT)</b>	<b>325.6</b>	<b>273.5</b>
Financial income	1.0	-2.9
Financial expense	-18.8	-11.0
<b>Earnings before tax (EBT)</b>	<b>307.8</b>	<b>259.6</b>
Income tax expense	-83.0	-67.2
<b>Net profit for the period</b>	<b>224.8</b>	<b>192.4</b>
thereof shareholders of parent company (net income for the period)	218.5	180.8
thereof non-controlling interests	6.3	11.6
<b>Earnings per share (basic) (€)</b>	<b>1.17</b>	<b>0.98</b>

## Income Statement – Segmental Level

	Eurex		Xetra		Clearstream		Market Data + Services	
	Q2/2016	Q2/2015	Q2/2016	Q2/2015	Q2/2016	Q2/2015	Q2/2016	Q2/2015
Sales revenue <sup>1</sup>	269.4	221.5	46.5	51.3	229.0	226.8	112.0	107.6
Net interest income from banking business	5.3	4.8	0.0	0.0	15.8	9.3	0.0	0.0
Other operating income <sup>1</sup>	2.3	4.2	1.6	1.8	0.8	0.9	4.6	0.7
<b>Total revenue<sup>1</sup></b>	<b>277.1</b>	<b>230.4</b>	<b>48.0</b>	<b>53.1</b>	<b>245.7</b>	<b>237.1</b>	<b>116.5</b>	<b>108.3</b>
Volume-related costs <sup>1</sup>	-16.1	-13.2	-7.0	-8.0	-52.8	-48.6	-10.7	-12.0
<b>Net revenue<sup>1</sup></b>	<b>260.9</b>	<b>217.3</b>	<b>41.1</b>	<b>45.1</b>	<b>192.8</b>	<b>188.4</b>	<b>105.9</b>	<b>96.3</b>
Staff costs	-51.4	-42.5	-12.0	-9.2	-54.6	-55.6	-22.9	-21.6
Depreciation, amortization and impairment losses	-17.2	-12.8	-1.3	-1.2	-10.3	-9.7	-3.0	-3.3
Other operating expenses	-56.4	-52.4	-10.3	-7.8	-47.0	-40.7	-29.9	-28.4
<b>Operating costs</b>	<b>-125.0</b>	<b>-107.7</b>	<b>-23.6</b>	<b>-18.2</b>	<b>-111.9</b>	<b>-106.0</b>	<b>-55.8</b>	<b>-53.3</b>
Thereof exceptional items	-13.1	-3.3	-2.1	-0.3	-16.3	-7.4	-9.0	-0.8
Result from equity investments	-6.1	-2.0	0.8	-2.1	-0.1	0.0	0.0	0.0
Thereof exceptional items	-6.1	0.0	0.0	-3.9	0.0	0.0	0.0	0.0
<b>Earnings before interest and tax (EBIT)</b>	<b>129.8</b>	<b>107.6</b>	<b>18.3</b>	<b>24.8</b>	<b>80.8</b>	<b>82.4</b>	<b>50.1</b>	<b>43.0</b>

1) Includes internal items

## Financial Calendar And Contact Details

### Financial calendar

- |                    |                         |
|--------------------|-------------------------|
| <b>27 Oct 2016</b> | Interim report Q3/2016  |
| <b>28 Oct 2016</b> | Conference call Q3/2016 |

### 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](mailto:ir@deutsche-boerse.com)

[www.deutsche-boerse.com/ir\\_e](http://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 2016. All rights reserved.