



Q3/2022

Financial results

Analyst and Investor Conference Call
20 October 2022



DEUTSCHE BÖRSE
GROUP

Strong organic growth performance in 9M/2022 due to secular growth and continued cyclical tailwinds

9M/2022
Net revenue

↗ €3,170m
+23%

EBITDA

↗ €1,915m
+24%

Organic net revenue growth

+20%
+8% secular **+12% cyclical**

- Continued strong secular net revenue growth, above expectations
- Key contributors were: product innovation in financial derivatives, ESG products in Data & Analytics and market share in commodities
- Strong cyclical tailwinds continued in the third quarter
- Main drivers were higher volatility and increased client hedging needs in almost all asset classes because of high inflation and rising interest rates

M&A contribution

+3% net revenue growth from M&A

- M&A contribution mainly from ISS (Jan-Feb 2022)
- Further contribution from Discovery Data, Crypto Finance (both Dec 21) and Kneip (Mar 22)

Operating costs

Organic operating costs in line with expectations

- Constant currency organic operating cost increase of 8% in 9M/22
- Rise mainly driven by inflationary effects and provisions for variable/share-based compensation

Outlook
FY/2022

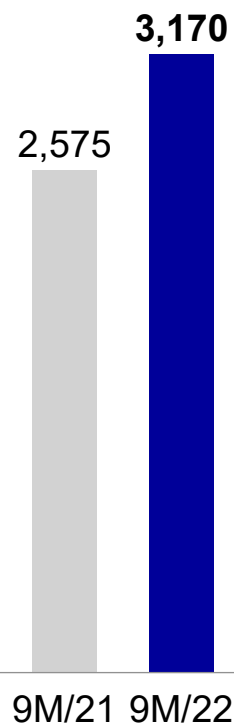
- Further increase of guidance for 2022 because of ongoing cyclical tailwinds
- We now expect net revenue of >€4.1 billion and EBITDA of >€2.3 billion

Group financials

9M/2022

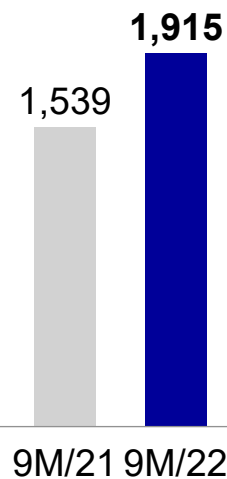
Net revenue | €m

↗ +23%
↗ +20% (organic)



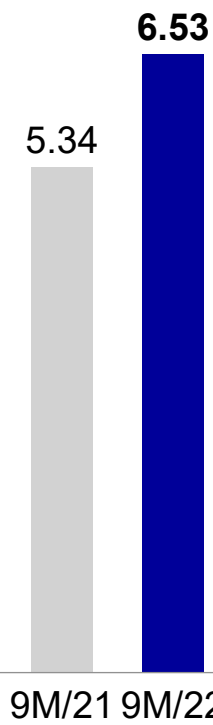
EBITDA | €m

↗ +24%
↗ +24% (organic)



Cash EPS¹ | €

↗ +22%
↗ +21% (organic)

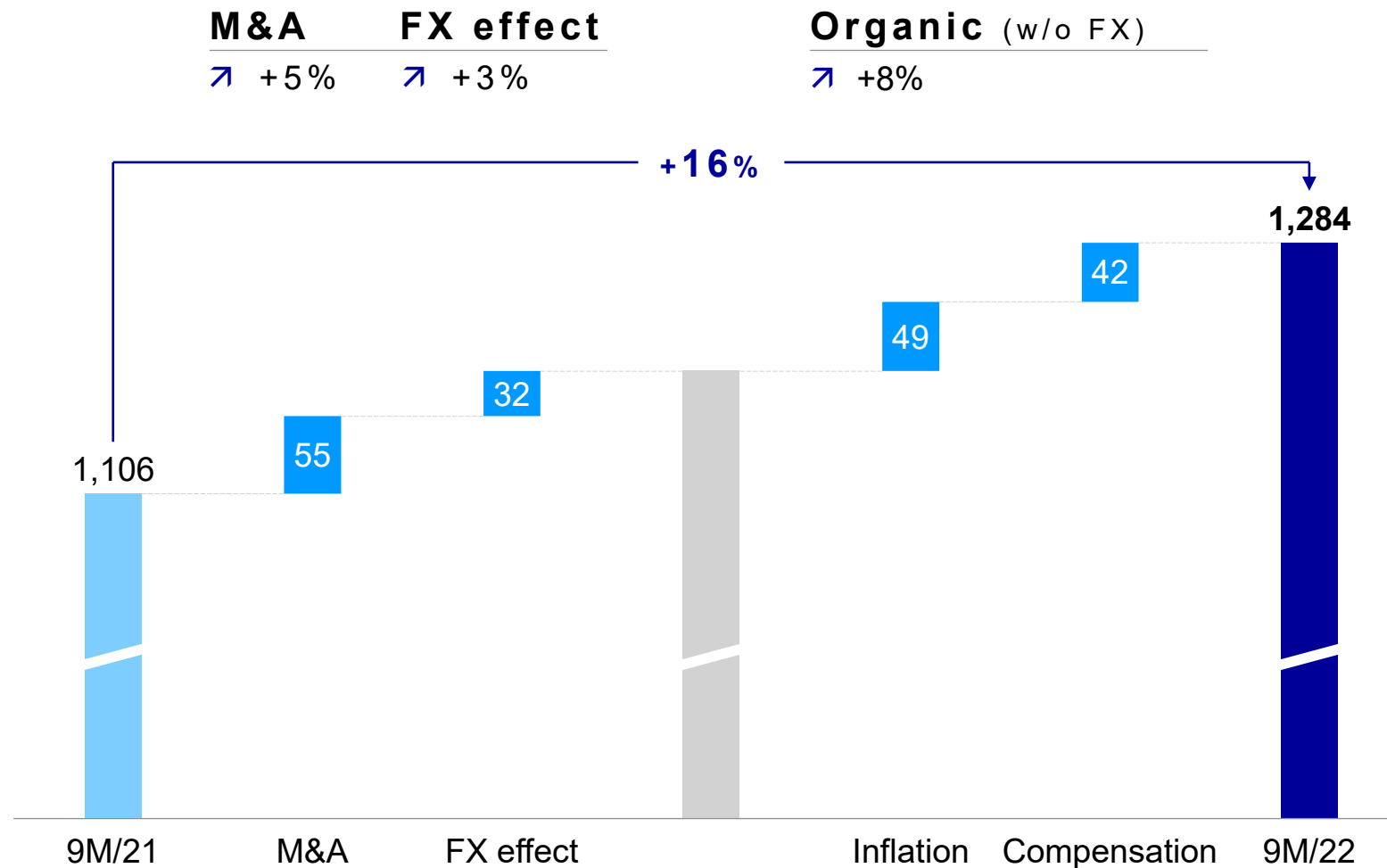


Note

Net interest income	€298m +199%
Operating cost	€1,284m +16% +8% (organic w/o FX)
Financial investments	€29m
Depreciation ²	€259m
Financial result	€-56m
Net profit	€1,135m +22%
EPS	€6.18

Operating cost development

9M/2022 | €m



Note

- M&A effects (+5%) mainly driven by ISS as well as Discovery Data, Crypto Finance and Kneip
- Stronger US-Dollar resulted in 3% operating cost increase (but more beneficial to revenue development)
- Unprecedented environment resulted in higher inflationary effects: building operations, general purchasing and higher staff costs
- Favourable financial development and relative share price performance resulted in higher provisions for variable and share-based compensation

Note: Numbers may not add up due to rounding

Group financials

Q3/2022

Net revenue | €m

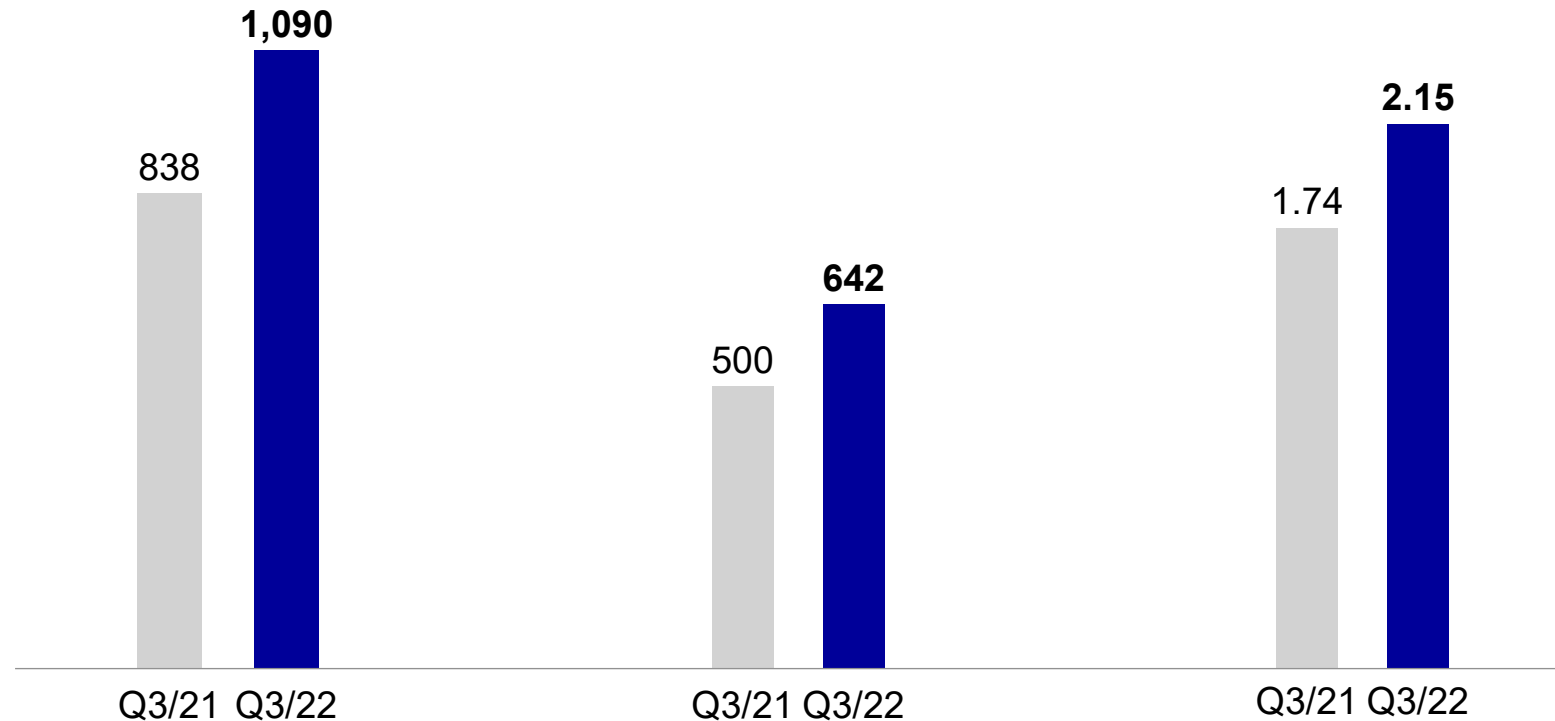
↗ +30%

EBITDA | €m

↗ +29%

Cash EPS¹ | €

↗ +24%



Note

- Continued strong net revenue growth: 8% secular + 20% cyclical + 2% M&A
- Constant currency organic operating cost increased by 12% (mainly driven by inflationary effects, variable/share-based compensation and IT investments)
- EBITDA in Q3/21 included a positive valuation effect of ~€32 million from the minority investment in Clarity AI
- Depreciation includes some one-off software impairments
- Financial result includes higher interest on bonds and some FX effects

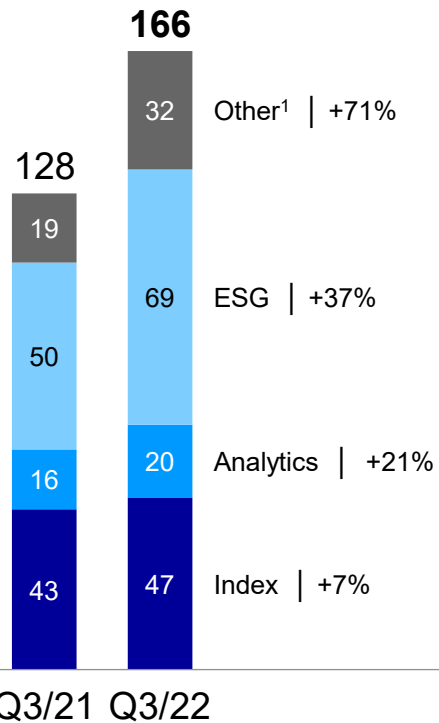
1) EPS before purchase price allocation (ppa)

Data & Analytics

Q3/2022 | €m

Net revenue

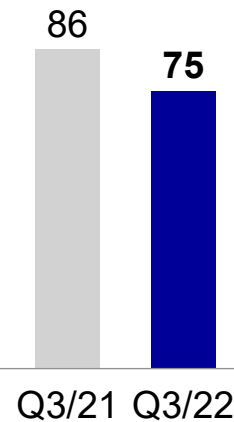
↗ +30%



EBITDA

↘ -13%

↗ +33% (excl. Clarity AI effect)



Business development

- The Data & Analytics business continued to benefit from the strong trend towards ESG in the asset management industry, a solid new client pipeline and higher market activity
- Most of the US-Dollar exposure of the Group is in the Data & Analytics segment (constant currency net revenue growth 19%)
- EBITDA in Q3/21 included a positive valuation effect of ~€32 million from the minority investment in Clarity AI

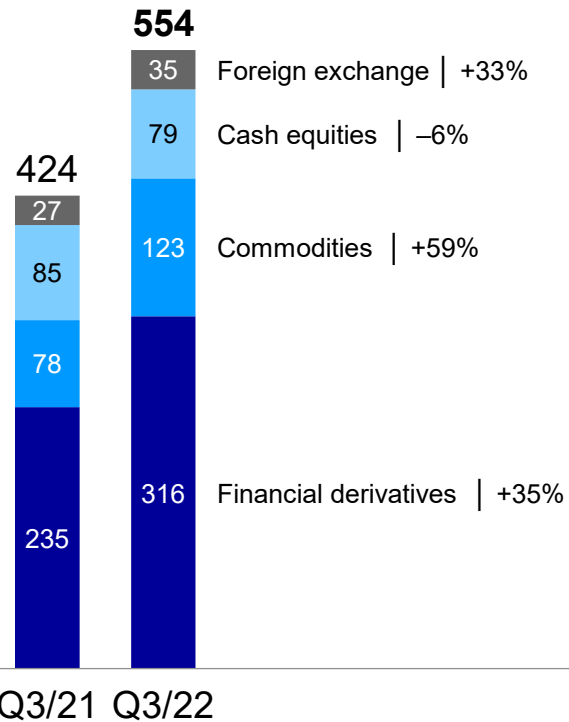
1) Incl. Market Intelligence, Media, FWW, Liquid Metrix and Discovery Data

Trading & Clearing

Q3/2022 | €m

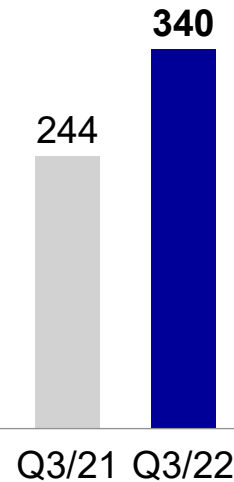
Net revenue

↗ +31%



EBITDA

↗ +39%



Business development

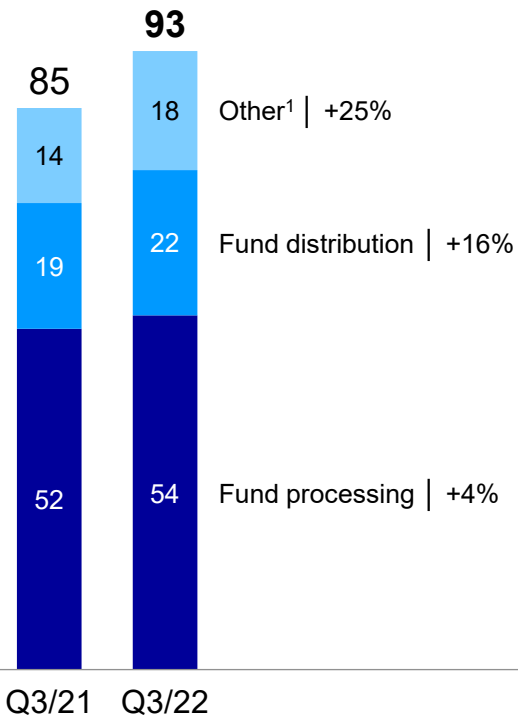
- The Trading & Clearing segment benefitted from higher volatility and increased client hedging needs
- Financial derivatives were driven by index derivatives, interest rate derivatives, OTC clearing and higher margin fees
- Commodities with strong growth due to volatile gas prices and higher margin fees, but this increasingly resulted in pressure on the power business in Europe
- Cash equities with headwinds from stronger retail business in 2021

Fund Services

Q3/2022 | €m

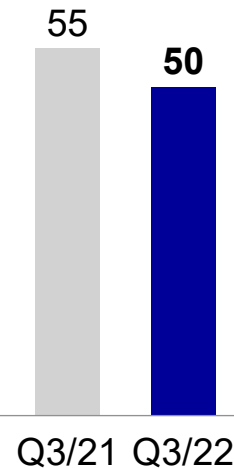
Net revenue

↗ +10%



EBITDA

↘ -10%



Business development

- Continued onboarding of new clients and funds more than offset cyclical headwinds from markets
- Consolidation of Kneip (end of Q1/22) resulted in additional net revenue and operating costs
- Some one-off operating costs in Q3/22 due to Kneip integration and carve out of Fund Services business from Clearstream
- In October 2022, [HSBC chose Deutsche Börse](#) as its global partner for fund order routing, safekeeping, settlement and distribution services

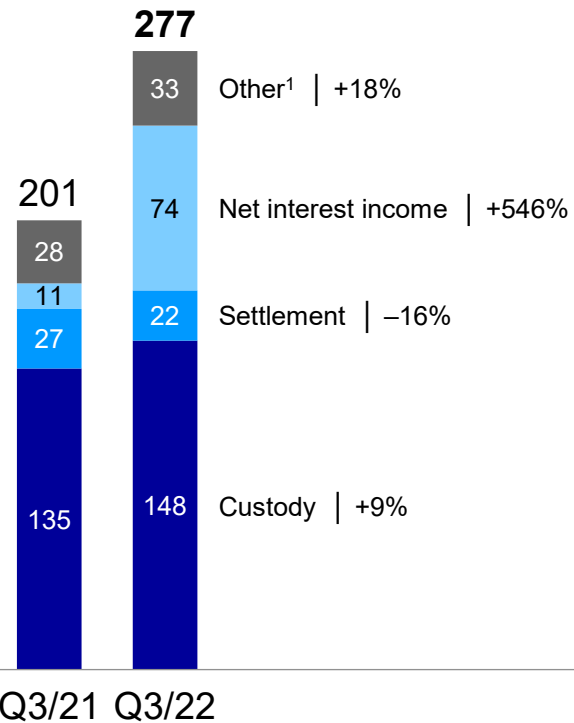
1) Incl. net revenue from connectivity

Securities Services

Q3/2022 | €m

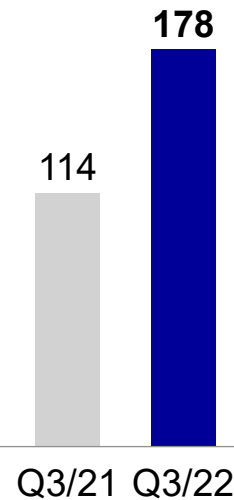
Net revenue

↗ +38%



EBITDA

↗ +56%



Business development

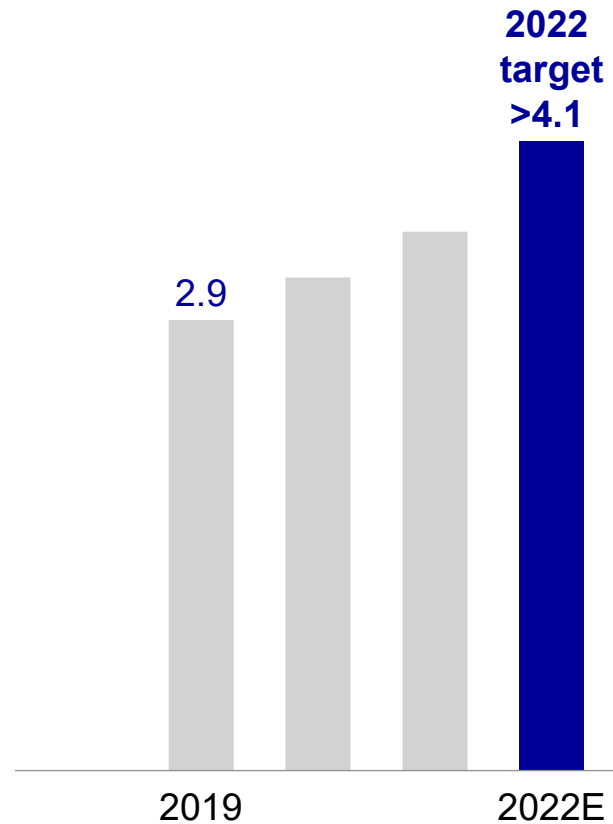
- Headwinds from equity market performance and lower retail participation were over-compensated by solid levels of fixed income issuance activity and FX effects on US-Dollar assets under custody
- Very positive NII development because of increasing cash balances (€17.5 billion; ~50% US-Dollar) and higher US-Dollar and Euro interest rates

1) Incl. net revenue from connectivity, account services and reporting

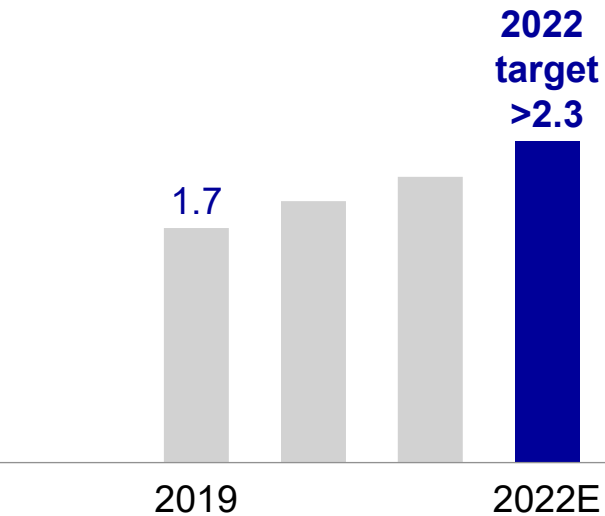
Outlook

FY/2022 | €bn

Net revenue



EBITDA



Note

- Initial guidance for 2022 was for net revenue of ~€3.8 billion and EBITDA of ~€2.2 billion
- With strong secular growth and ongoing cyclical tailwinds, we now expect:
 - Net revenue: >€4.1 billion
 - EBITDA: >€2.3 billion

Appendix





Income statement – group level

	Q3/22 €m	Q3/21 €m	Change %
Sales revenue	1,166.7	1,039.0	12
Treasury result from banking business	159.9	32.5	392
Other operating income	8.8	6.3	40
Total revenue	1,335.4	1,077.8	24
Volume-related costs	-245.2	-239.9	2
Net revenue	1,090.2	837.9	30
Staff costs	-307.2	-249.3	23
Other operating expenses	-138.4	-126.5	9
Operating costs	-445.6	-375.8	19
Result from financial investments	-2.3	37.4	-106
Earnings before interest, tax, depreciation and amortisation (EBITDA)	642.3	499.5	29
Depreciation, amortisation and impairment losses	-92.6	-73.0	27
Earnings before interest and tax (EBIT)	549.7	426.5	29
Financial result	-21.1	-3.7	470
Earnings before tax (EBT)	528.6	422.8	25
Income tax expense and other tax	-137.4	-109.9	25
Net profit for the period	391.2	312.9	25
thereof attributable to Deutsche Börse shareholders	373.3	300.3	24
thereof attributable to non-controlling interests	17.9	12.6	42
Earnings per share (basic) (€)	2.03	1.64	24
Earnings per share before purchase price allocations (Cash EPS) (€)	2.15	1.74	24

Detailed income statement – Data & Analytics

Income statement – Data & Analytics				Volumes			Revenue per volume		
	Q3/22 €m	Q3/21 €m	Change %	Unit	Volume	Change %	Unit	RPV	Change %
Net revenue	166.4	128.2	30						
Index ¹	46.6	43.4	7	AuM (€bn)	96	-17			
				Contracts (m)	206	20			
Analytics	19.5	16.1	21						
ESG	68.5	50.1	37						
Other ²	31.8	18.6	71						
Operating costs	-93.8	-73.9	27						
Result from financial investments	2.2	31.7	-93						
EBITDA	74.8	86.0	-13						

1) Incl. ETF, exchange licences and other licences

2) ISS non-ESG business

Detailed income statement – Trading & Clearing

	Income statement – Trading & Clearing			Volumes			Revenue per volume		
	Q3/22 €m	Q3/21 €m	Change %	Unit	Volume	Change %	Unit	RPV	Change %
Net revenue	553.6	423.7	31						
Financial derivatives	315.8	234.7	35						
Equities ¹	126.8	99.8	27	Contracts (m)	282	13	€/contract	0.450	13
Interest rates ²	95.4	67.5	41	Contracts (m)	184	30	€/contract	0.520	8
Margin fees	34.2	16.0	114						
Other ³	59.4	51.4	16						
Commodities	123.2	77.7	59						
Power ⁴	40.1	43.8	-8	TWh	1,243	-28	€/TWh	0.032	28
Gas	23.0	11.7	97	TWh	1,780	183	€/TWh	0.013	-31
Other	60.1	22.2	171						
Cash equities	79.4	84.8	-6						
Trading	34.0	43.1	-21	Order book (€bn)	317	-13	bps	0.107	-9
Other ⁵	45.4	41.7	9						
Foreign exchange ⁶	35.2	26.5	33	ADV (€bn)	125	40	bps	0.282	-5
Operating costs	-209.6	-185.3	13						
Result from financial investments	-3.9	6.0	-165						
EBITDA	340.1	244.4	39						

1) Incl. index and equity derivatives
2) Incl. interest rate derivatives and OTC clearing
3) Incl. Eurex data and Eurex other

4) Incl. power spot and power derivatives
5) Incl. Xetra data, listing and Xetra other
6) Incl. trading and 360T other

Detailed income statement – Fund Services

Income statement – Fund Services				Volumes			Revenue per volume		
	Q3/22 €m	Q3/21 €m	Change %	Unit	Volume	Change %	Unit	RPV	Change %
Net revenue	93.3	84.7	10						
Fund processing ¹	53.5	51.5	4	AuC (€bn)	3,228	-3	bps p.a.	0.663	7
Fund distribution	21.9	18.9	16						
Other	17.9	14.3	25						
Operating costs	-43.8	-29.2	50						
Result from financial investments	0.1	-0.1	-200						
EBITDA	49.6	55.4	-10						

1) Incl. custody and settlement

Detailed income statement – Securities Services

Income statement – Securities Services				Volumes			Revenue per volume		
	Q3/22 €m	Q3/21 €m	Change %	Unit	Volume	Change %	Unit	RPV	Change %
Net revenue	276.9	201.3	38						
Custody ¹	147.6	135.1	9	AuC (€bn)	13,405	2	bps p.a.	0.440	7
Settlement	22.4	26.6	-16	Transactions (m)	17.0	-1	€	1.321	-15
Net interest income from banking business	73.6	11.4	546	Cash balances (€m)	17,526	31	% p.a.	1.680	393
Other ²	33.3	28.2	18						
Operating costs	-98.4	-87.4	13						
Result from financial investments	-0.7	-0.2	250						
EBITDA	177.8	113.7	56						

1) Incl. custody and collateral management

2) Incl. third party services and Clearstream other

Financial calendar and contact details

Financial calendar

08 Nov. 2022	UBS European Conference (London)
21 Nov. 2022	DZ Bank Equity Conference (Frankfurt)
28 Nov. 2022	Deutsches Eigenkapitalforum (Frankfurt)
30 Nov. 2022	Redburn CEO Conference (virtual)
06 Dez. 2022	Berenberg European Conference (London)

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