

Q3/2018 Results

Analyst and Investor Conference Call

30 October 2018

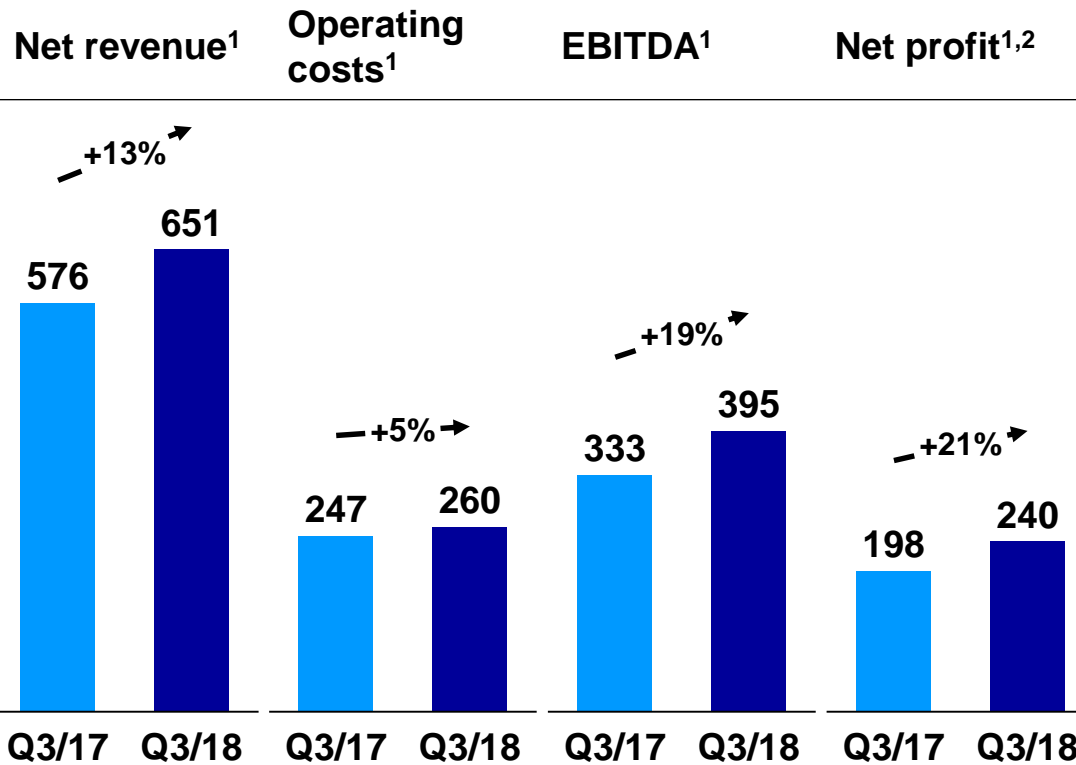
Highlights Q3/2018 results

- Adjusted net revenue in Q3 increased to €651 million (+13%), adjusted operating costs stood at €260 million (+5%), adjusted EBITDA amounted to €395 million (+19%), and adjusted net profit increased to €240 million (+21%).
- Adjusted net revenue in Q1-3 amounted to €2,030 million (+11%); adjusted operating costs increased as planned to €778 million (+5%), mainly as a result of inflation and higher variable/ share-based compensation.
- Adjusted EBITDA in Q1-3 amounted to €1,259 million (+15%) and adjusted net profit to €772 million (+16%); combined with a strong start to Q4, the company is confirming its full year guidance.
- Very good progress on the different “Roadmap 2020” targets and initiatives in 2018:
 - Secular net revenue increased by ~7%, above the guidance of at least 5%; cyclical net revenue benefitted from volatility and higher US rates (~+4%); operating costs managed to ensure scalability.
 - M&A opportunity screening resulted in attractive add-ons in 2018: GTX ECN in the FX business (closed 30 June) and Swisscanto Funds Centre in the IFS business (closed 1 Oct); further potential opportunities in the pipe-line.
 - Implementation of €100 million efficiency measures on track: non-staff cost measures decided; management delayering completed; staff measures agreed and implementation has started.
 - Further progress: set-up of dedicated teams to drive technology opportunities, new Executive Board members for Trading & Clearing (Thomas Book) and Post-trading, Data and Index (Stephan Leithner) since July, as well as Christoph Böhm as CIO and COO from 1 November.

Q3/2018 – Group financials

Revenue, costs and earnings development

€m



Revenue

- Net revenue: €651.4m (+13% y-o-y)
 - Adjusted for €9.3m insurance payment
 - Net interest income: €48.6m (+51% y-o-y)

Operating Costs

- Operating costs¹: €260.1m (+5% y-o-y)
 - Adjusted for €29.0m exceptional items, which includes mainly restructuring and litigation costs

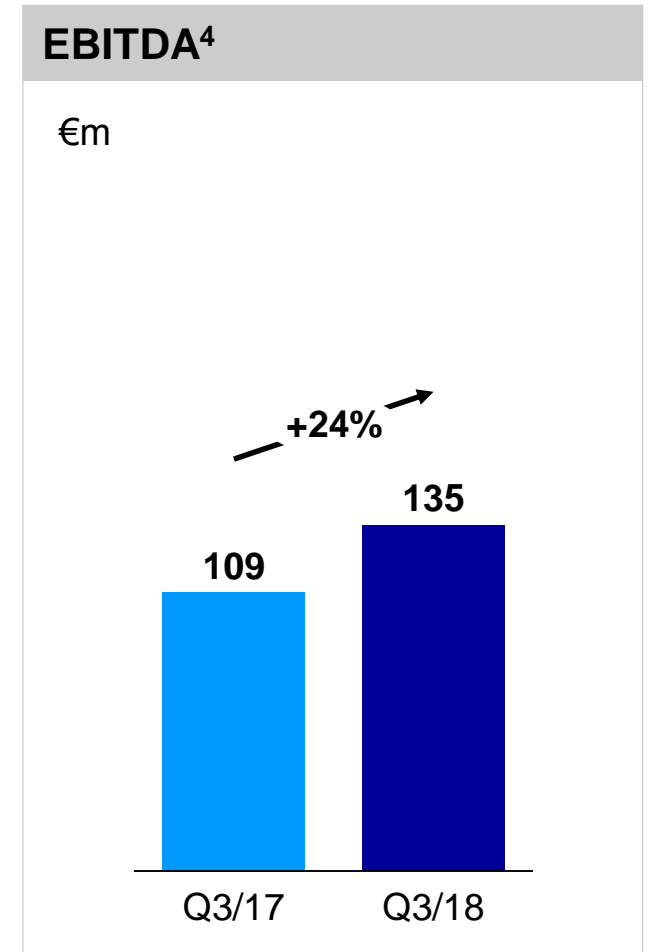
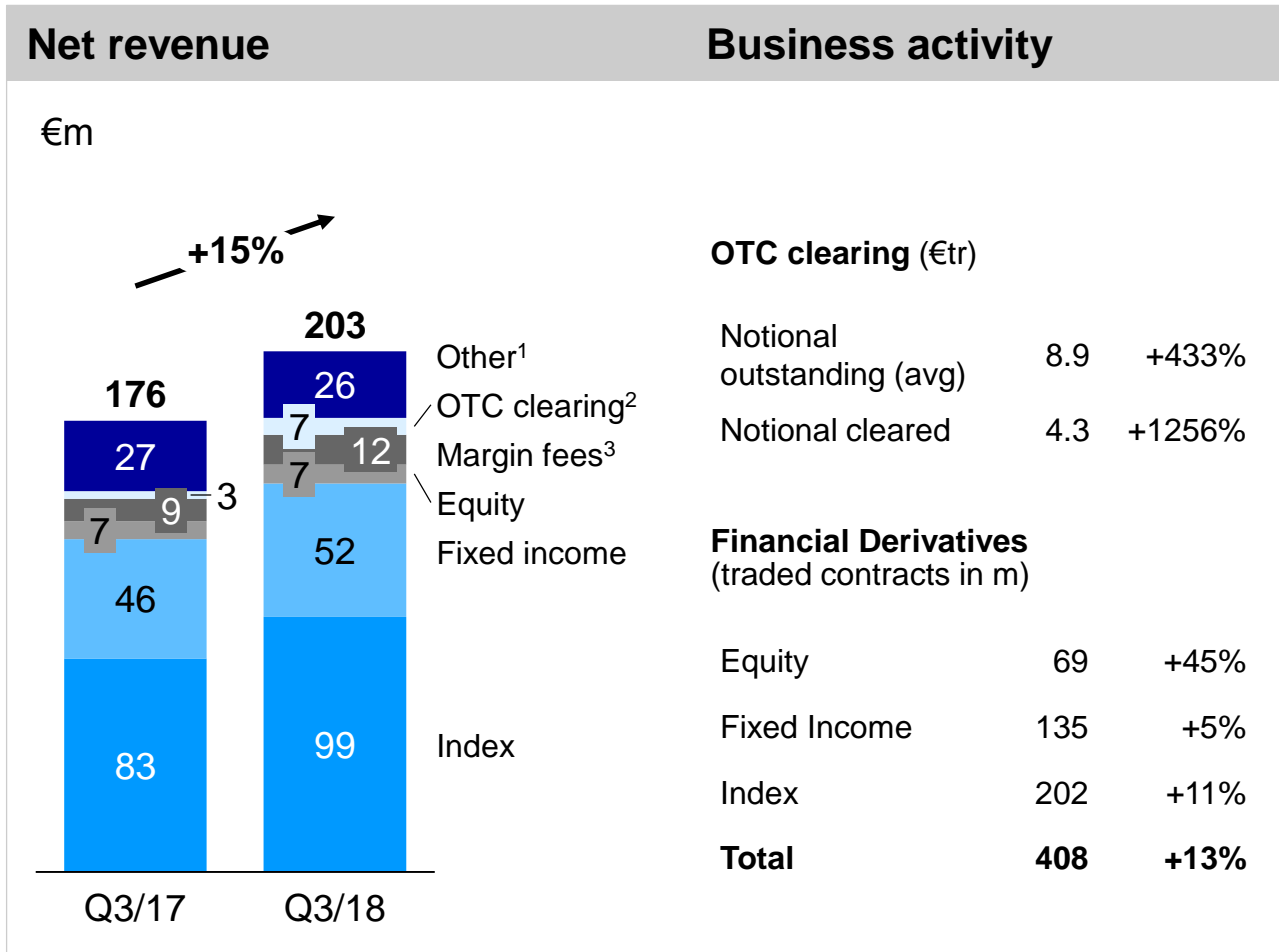
Earnings

- EBITDA¹: €395.1m (+19% y-o-y)
- Net profit^{1,2}: €239.6m (+21% y-o-y)
- EPS¹: €1.30 (+23% y-o-y)

1) Adjusted for exceptional items

2) Attributable to Deutsche Börse AG shareholders

Eurex (financial derivatives)



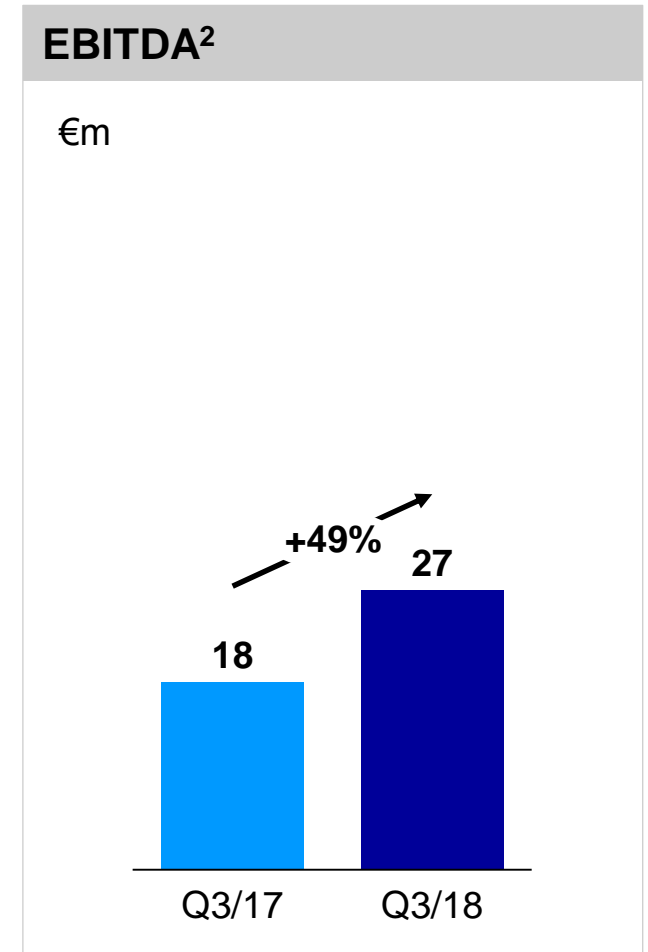
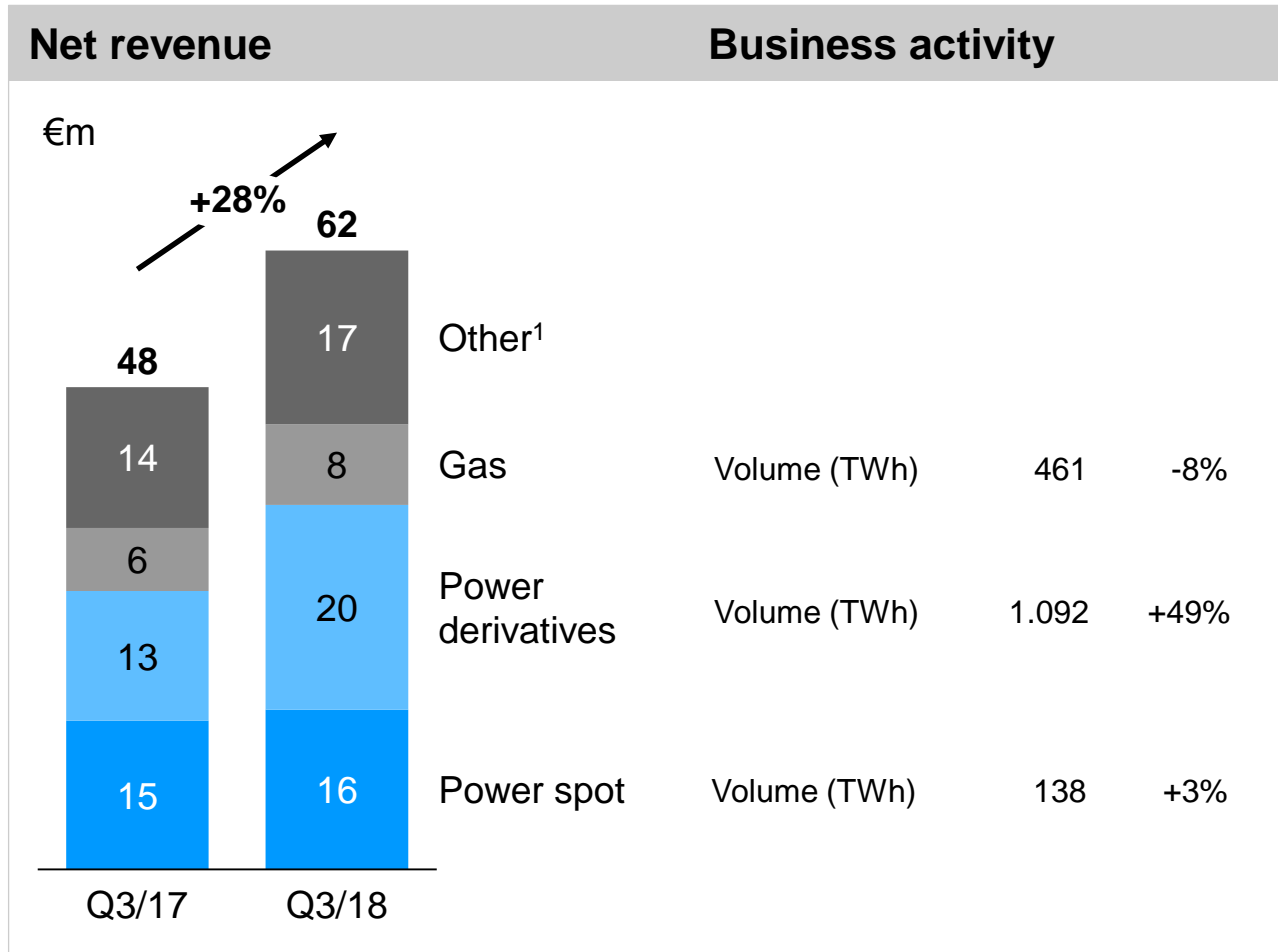
1) Including net revenue from connectivity and member fees

2) Including margin fees on OTC clearing related collateral

3) Including NII and securities collateral fee

4) Adjusted for exceptional items

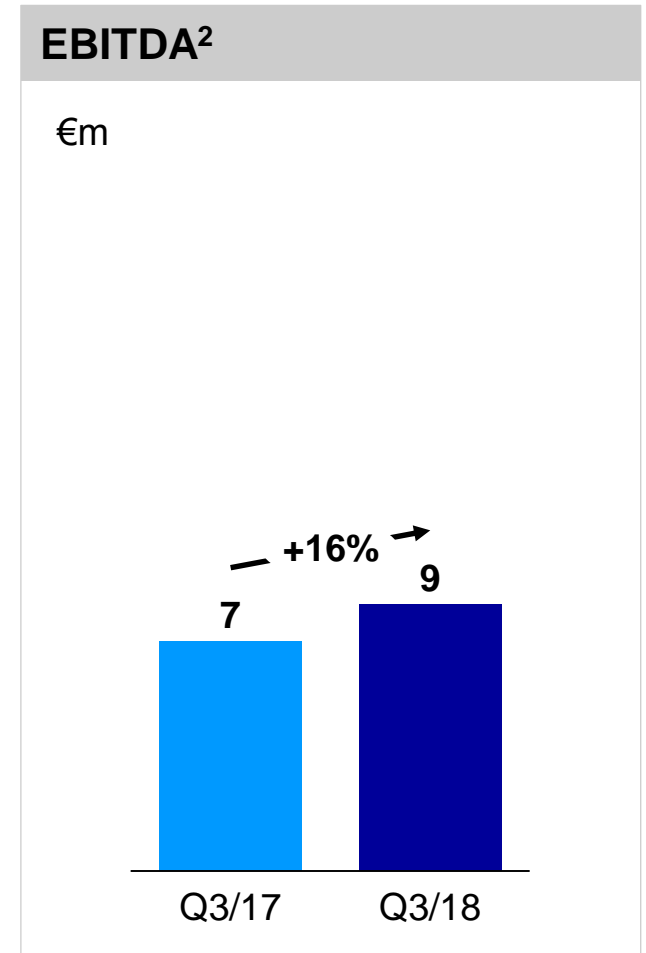
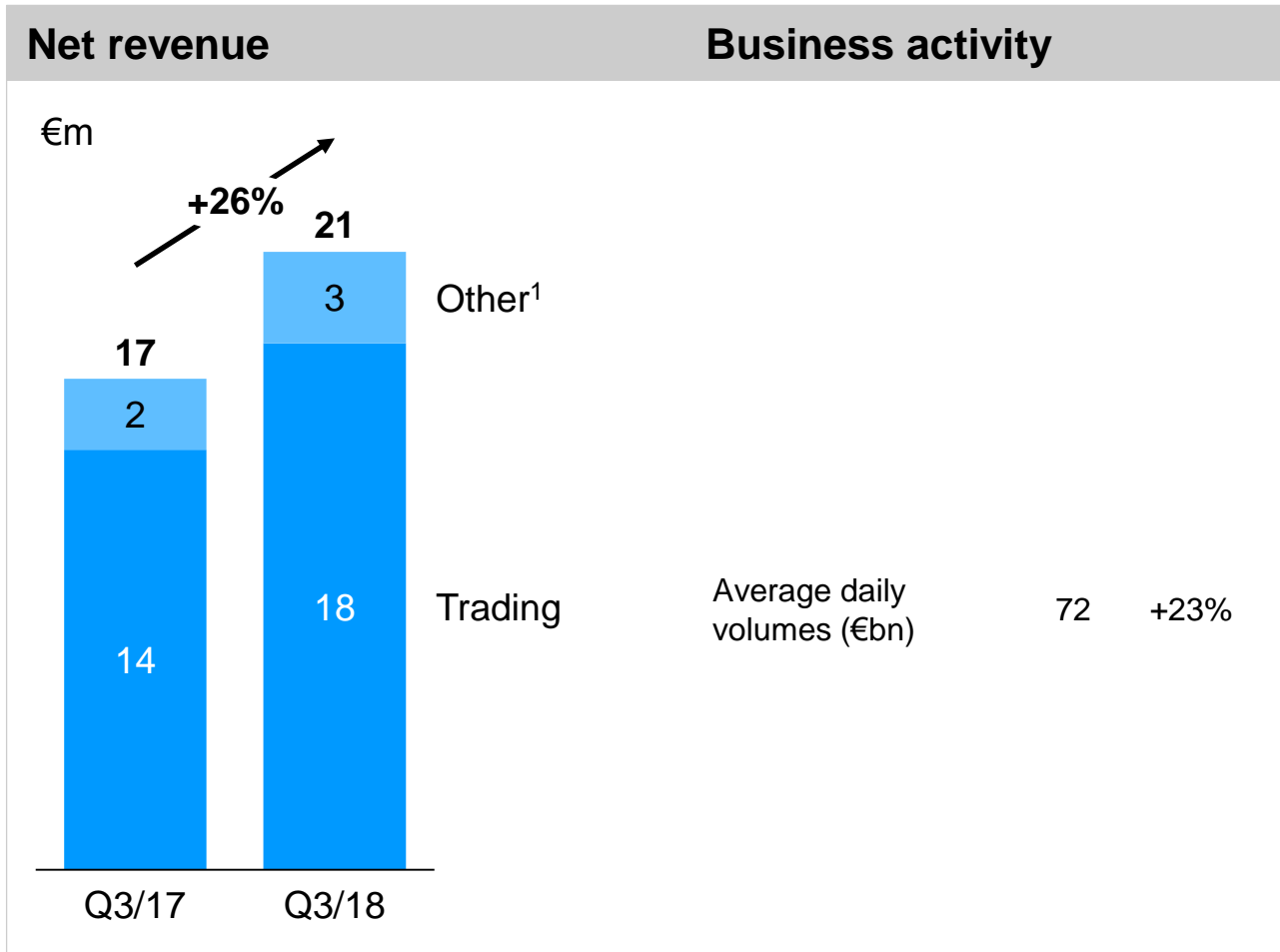
EEX (commodities)



1) Including net revenue from connectivity, member fees and emission allowances

2) Adjusted for exceptional items

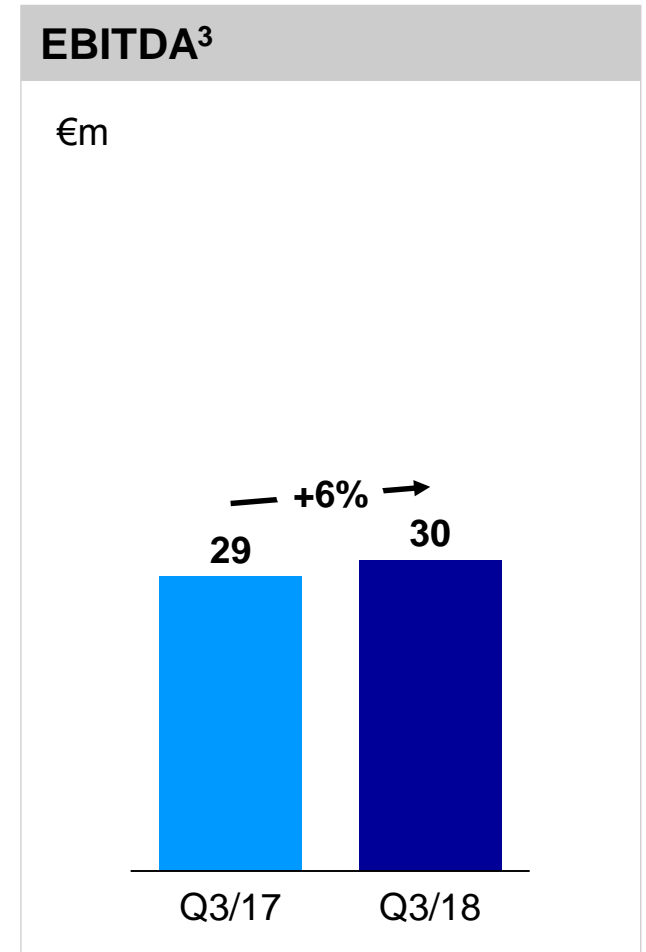
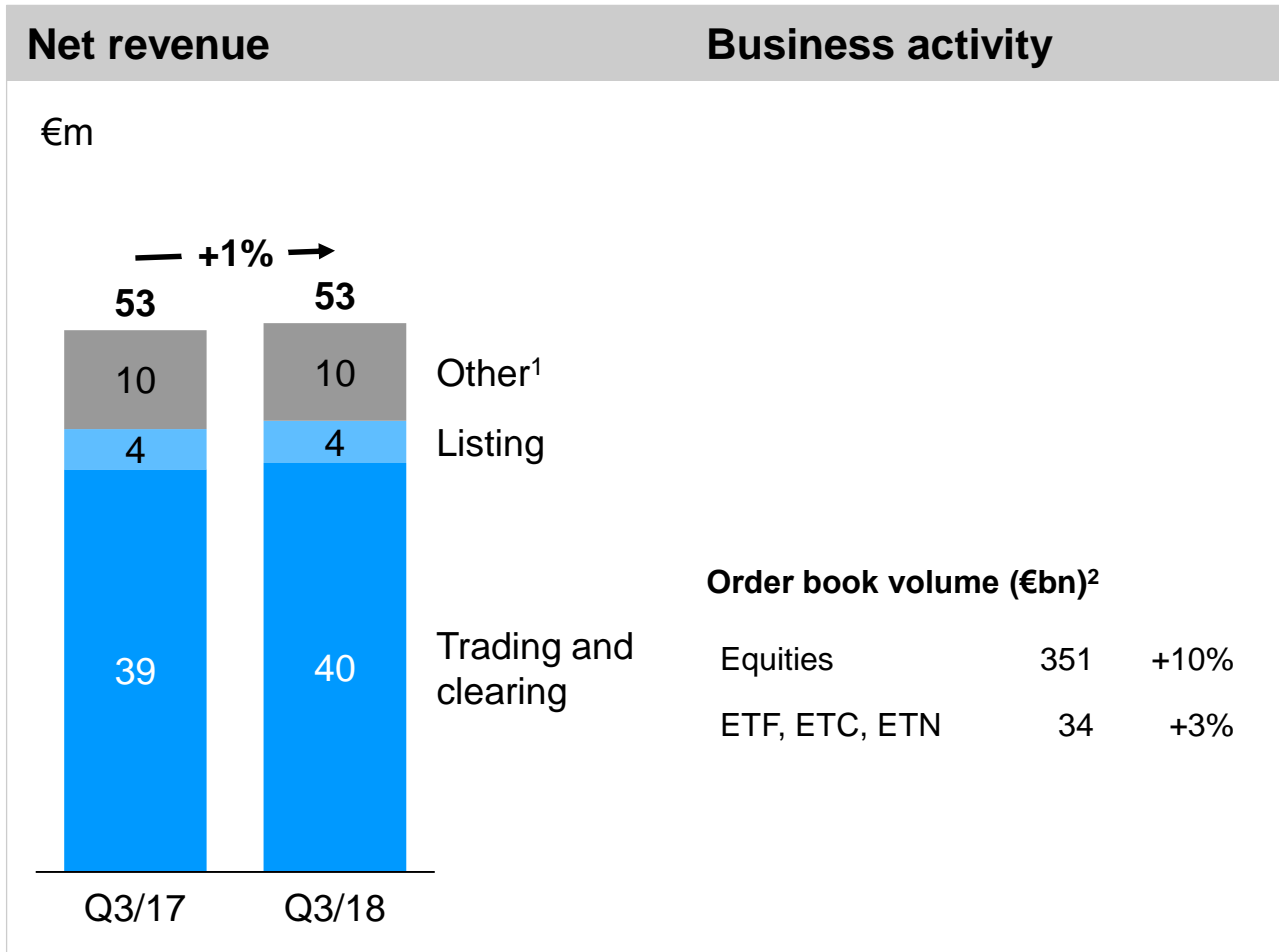
360T (foreign exchange)



1) Including net revenue from connectivity and member fees

2) Adjusted for exceptional items

Xetra (cash equities)

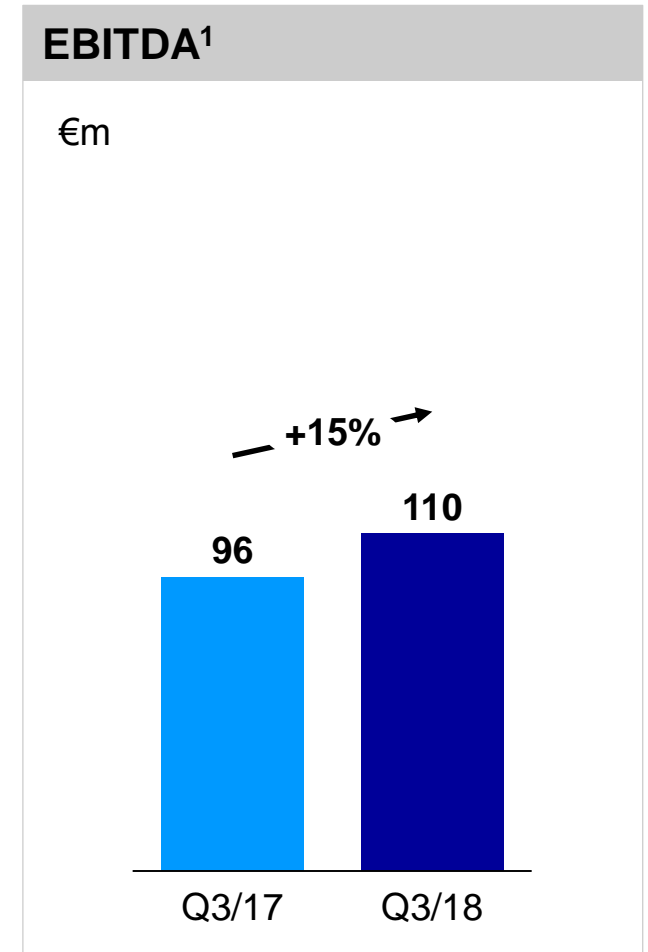
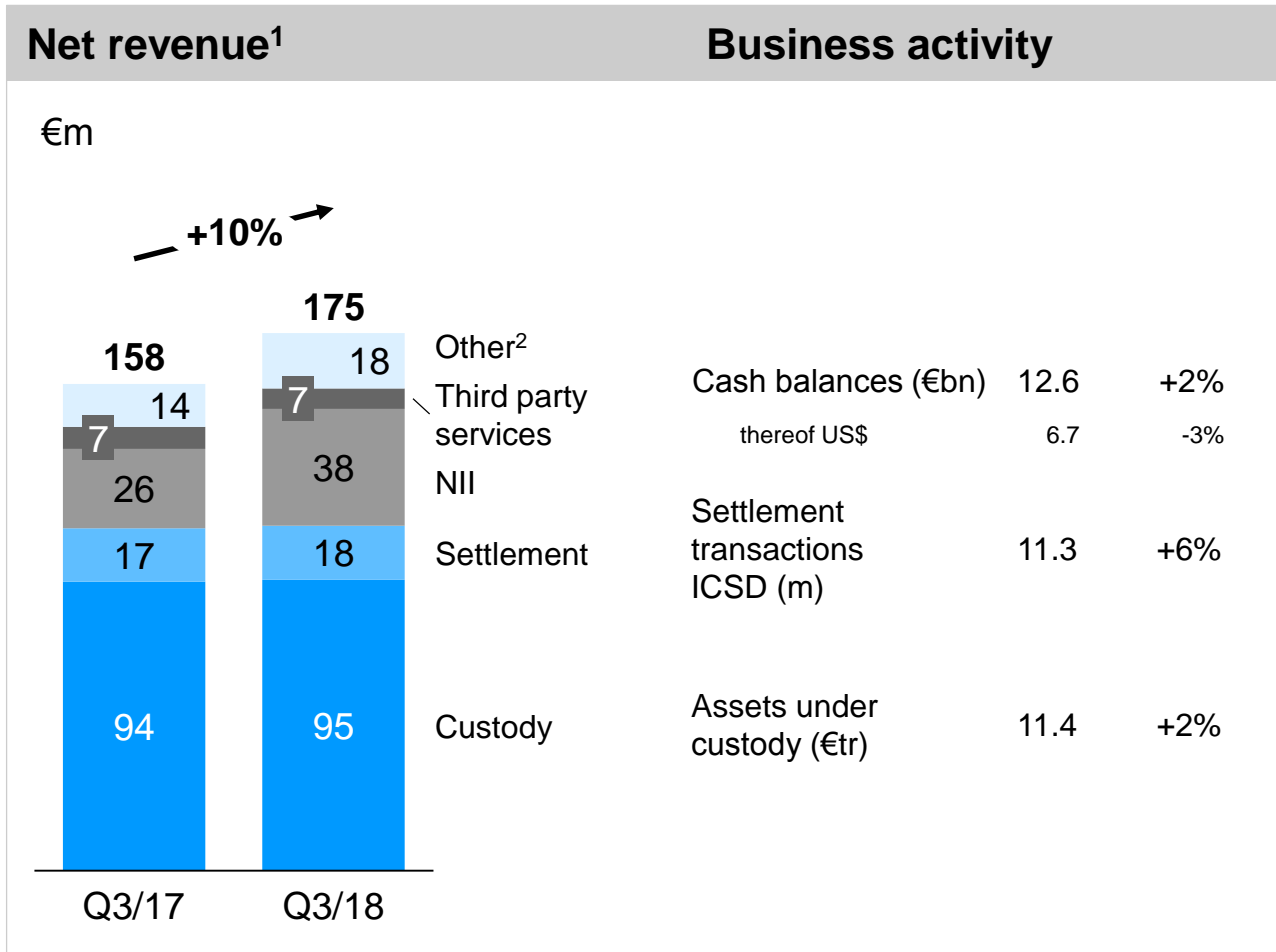


1) Including net revenue from connectivity and partner markets

2) Xetra, Börse Frankfurt and Tradegate

3) Adjusted for exceptional items

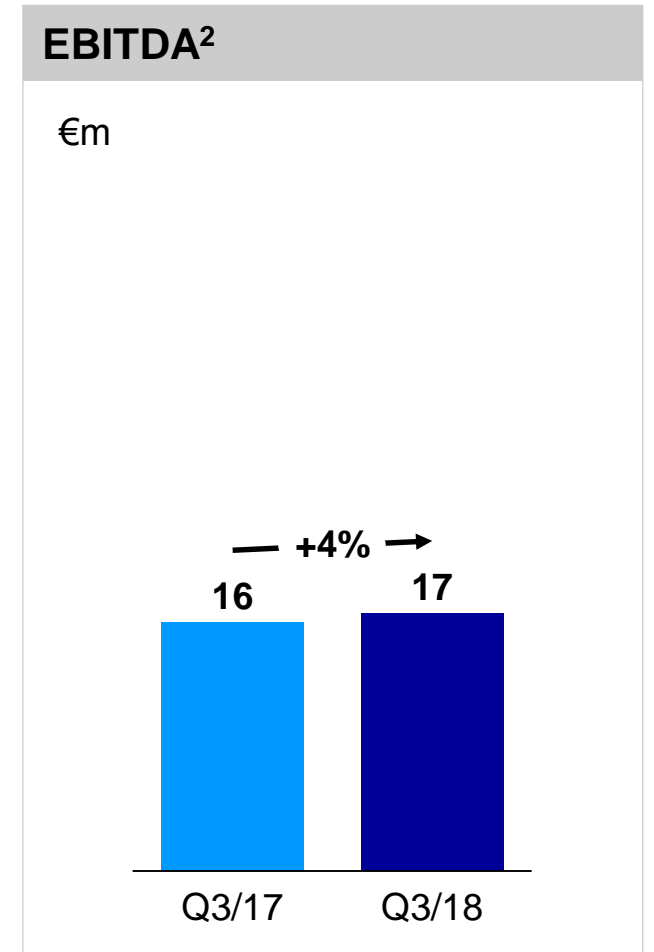
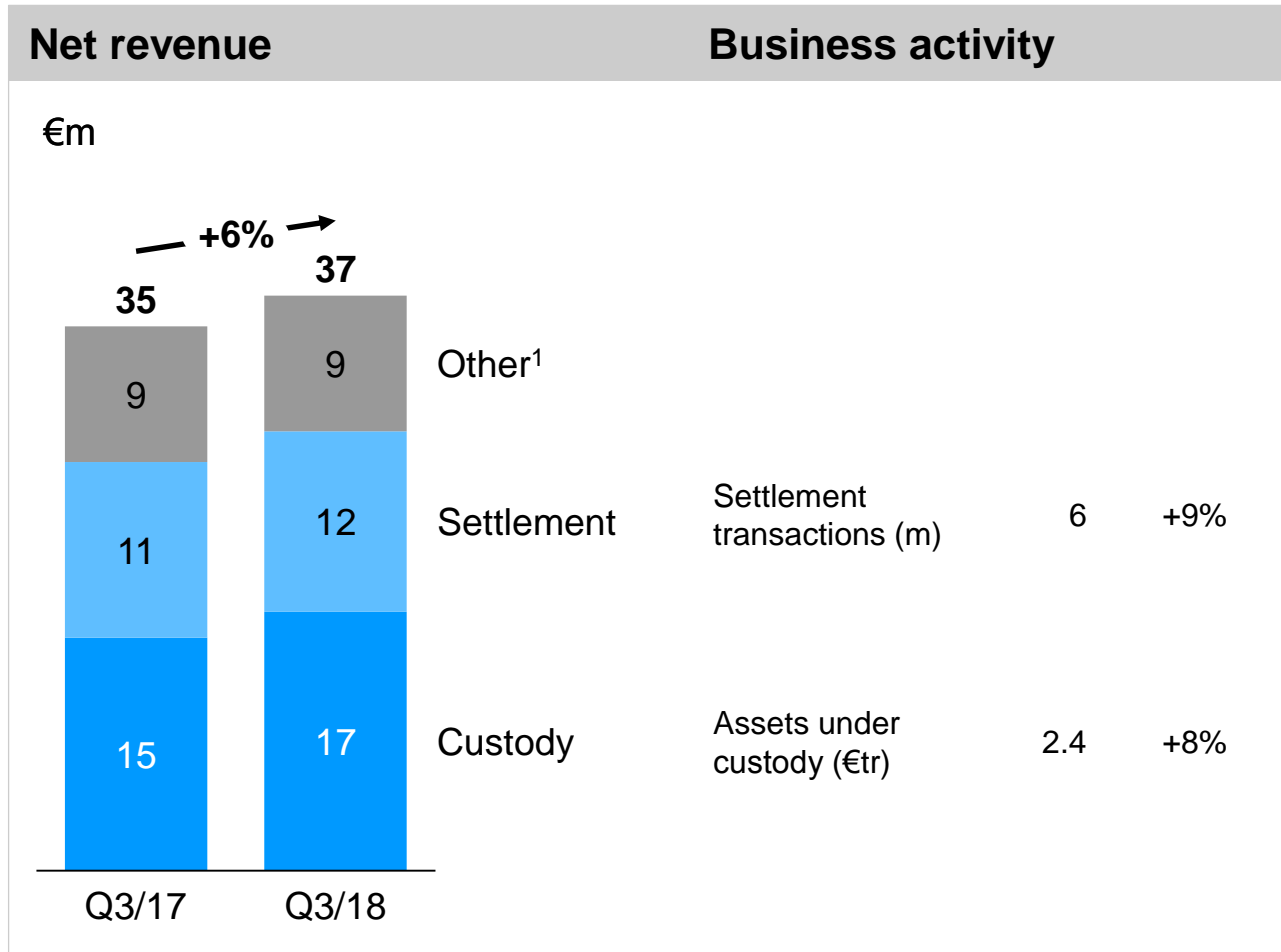
Clearstream (post-trading)



1) Adjusted for exceptional items

2) Including net revenue from connectivity, account services and reporting

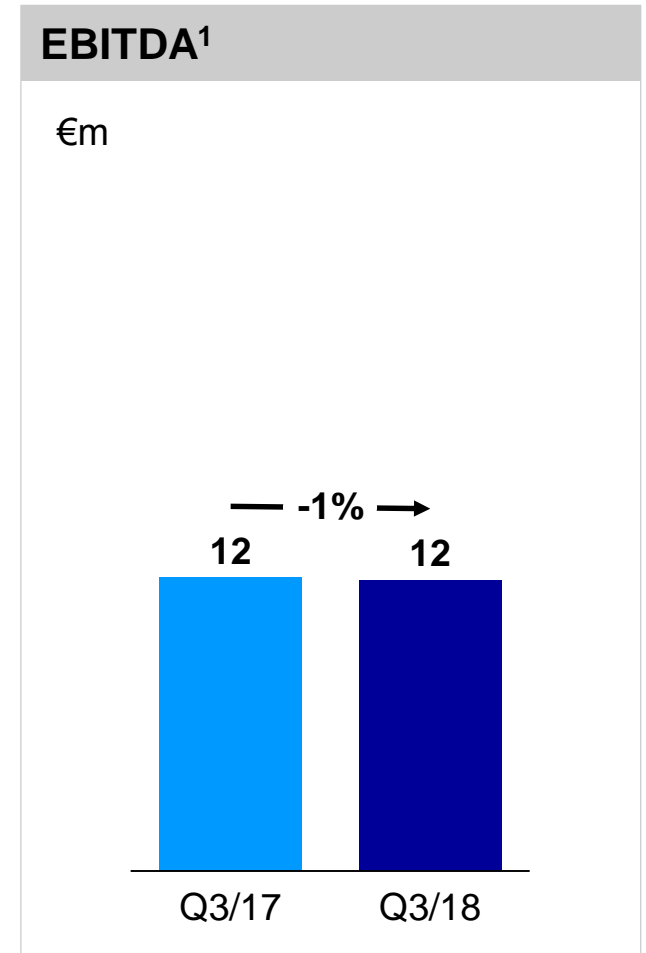
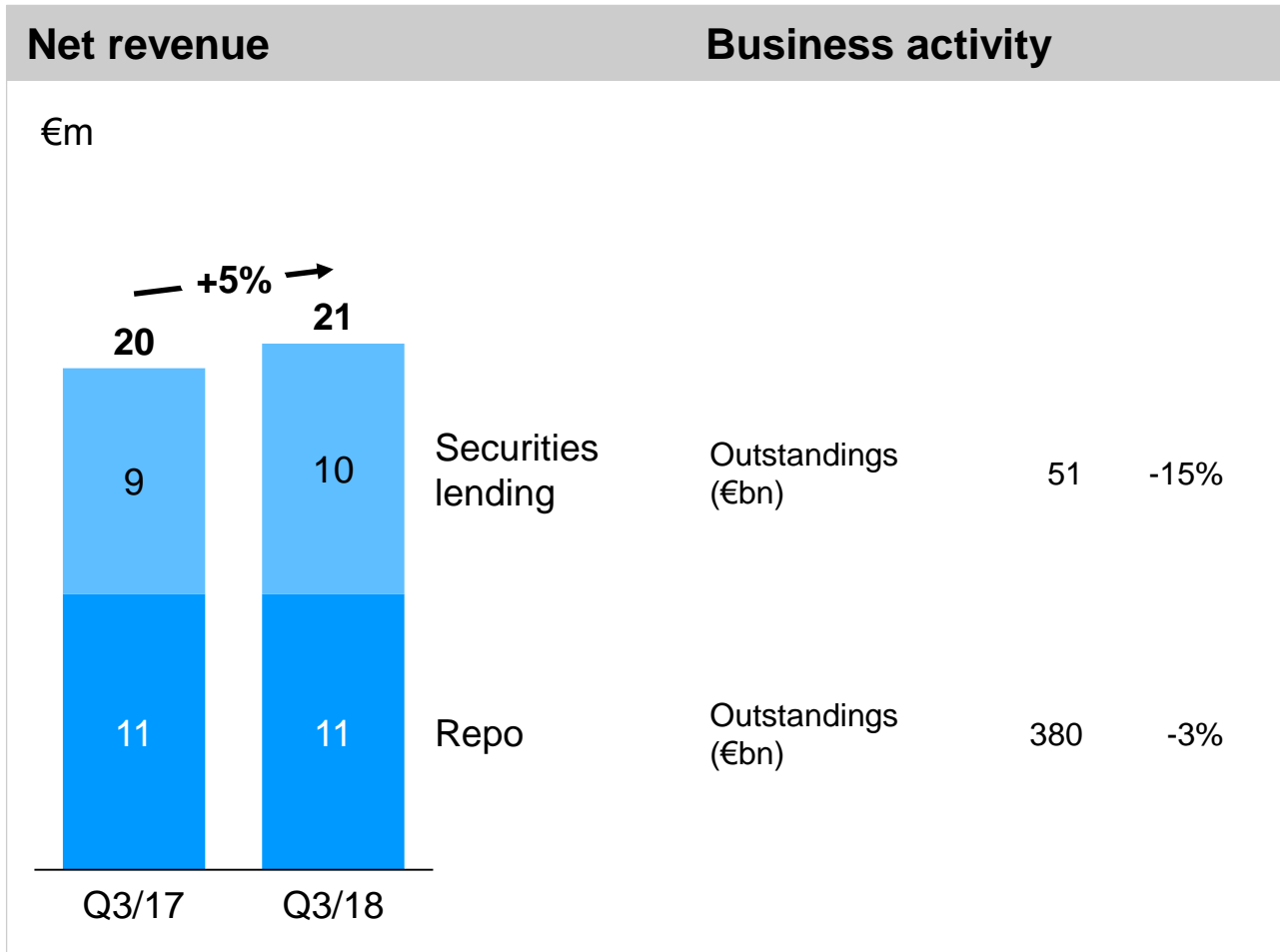
IFS (investment fund services)



1) Including net revenue from connectivity and order routing

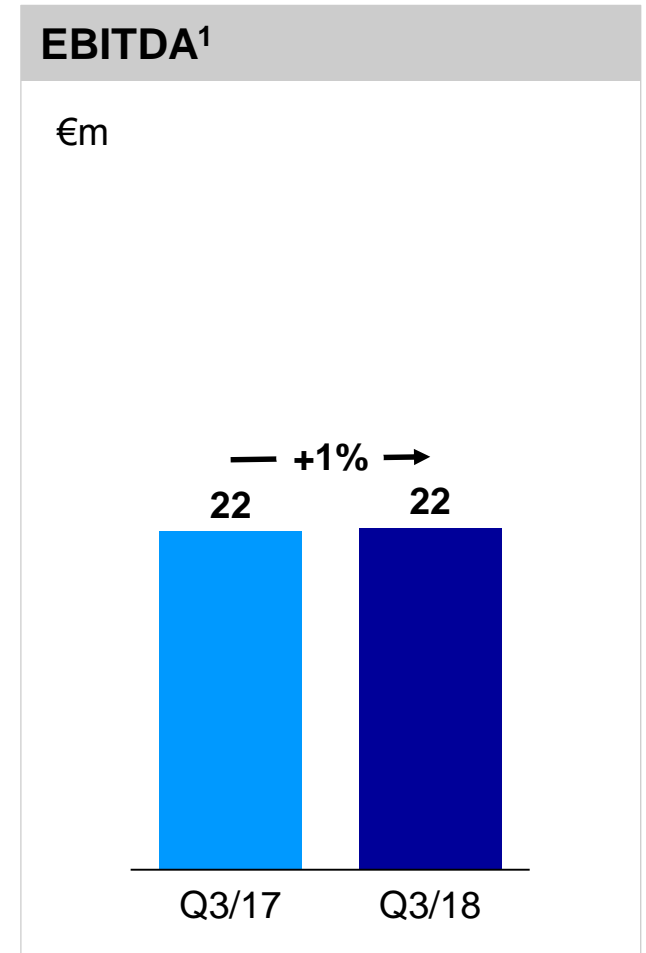
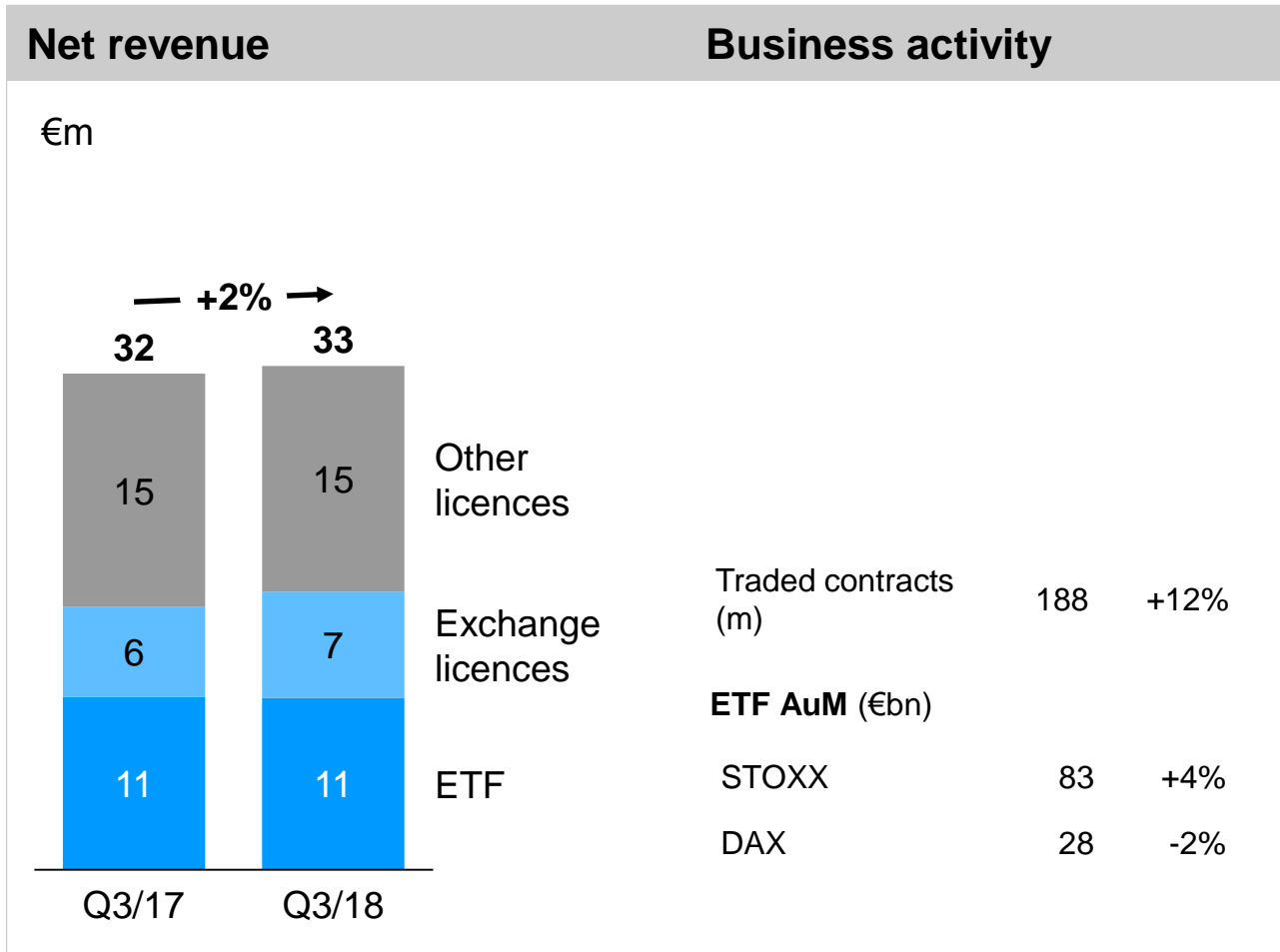
2) Adjusted for exceptional items

GSF (collateral management)



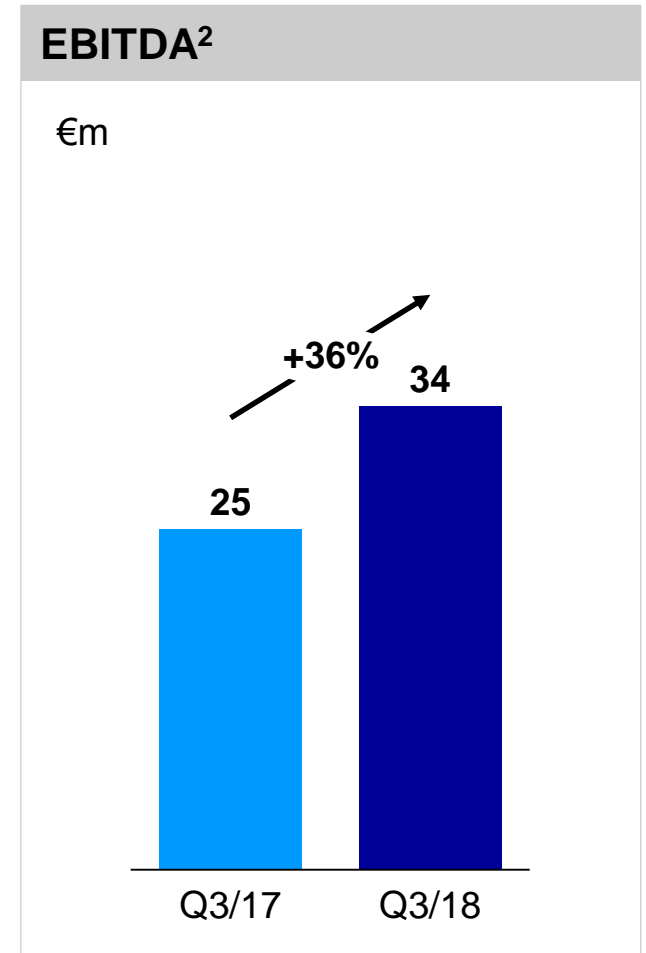
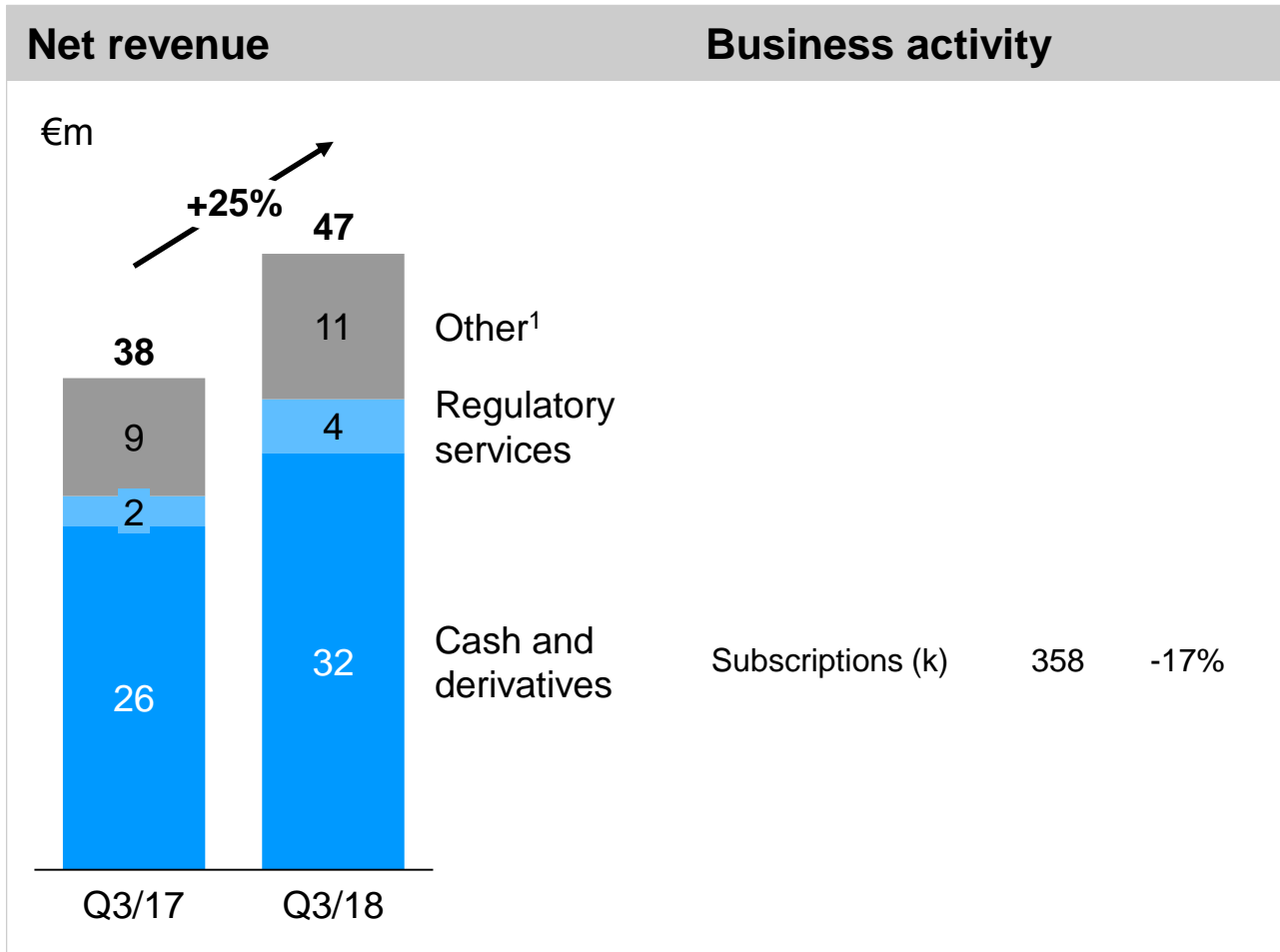
1) Adjusted for exceptional items

STOXX (index business)



1) Adjusted for exceptional items

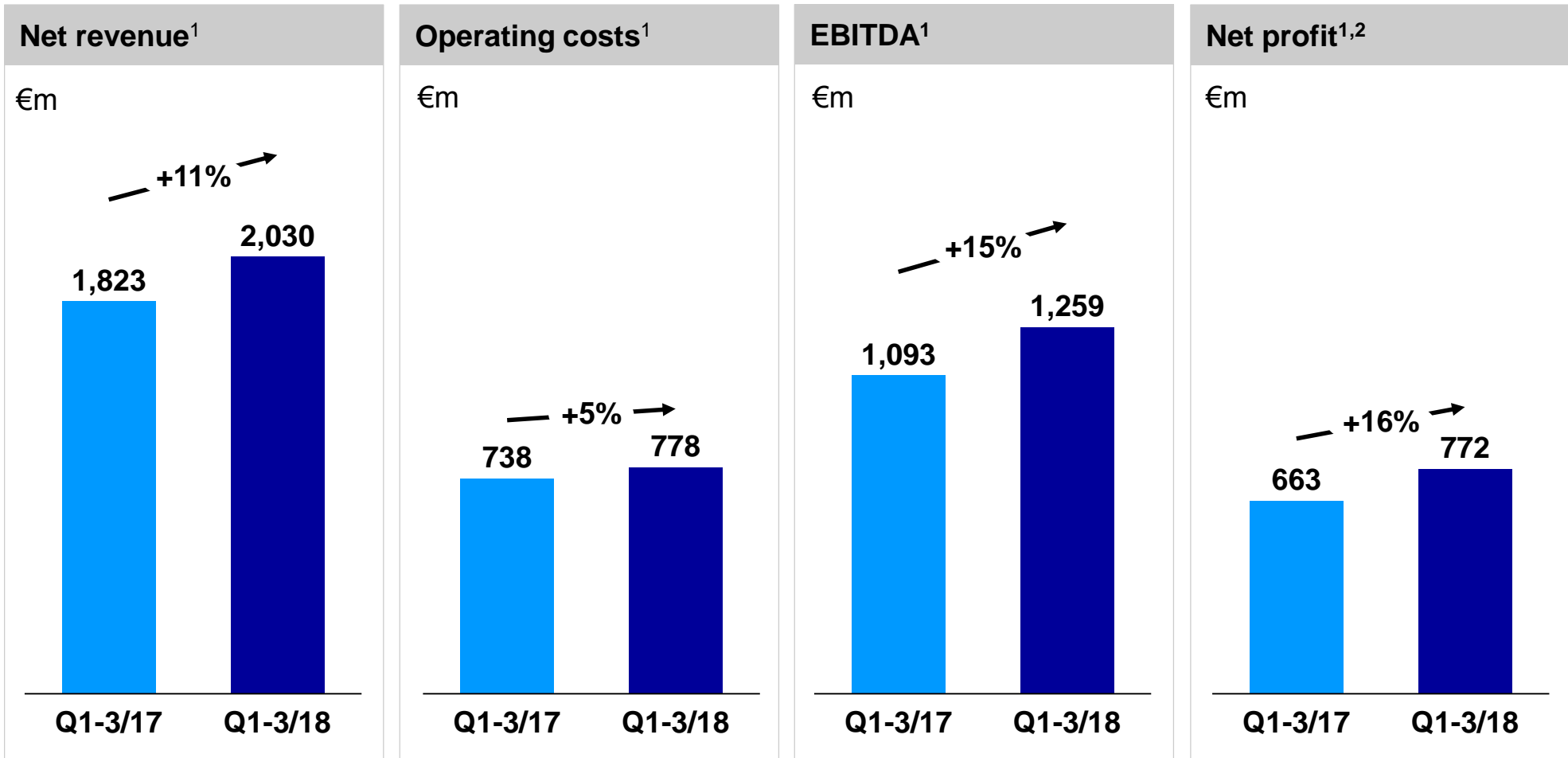
Data



1) Including net revenue from internal and external cooperation and CEF data services

2) Adjusted for exceptional items

Q1-3/2018 – Group financials

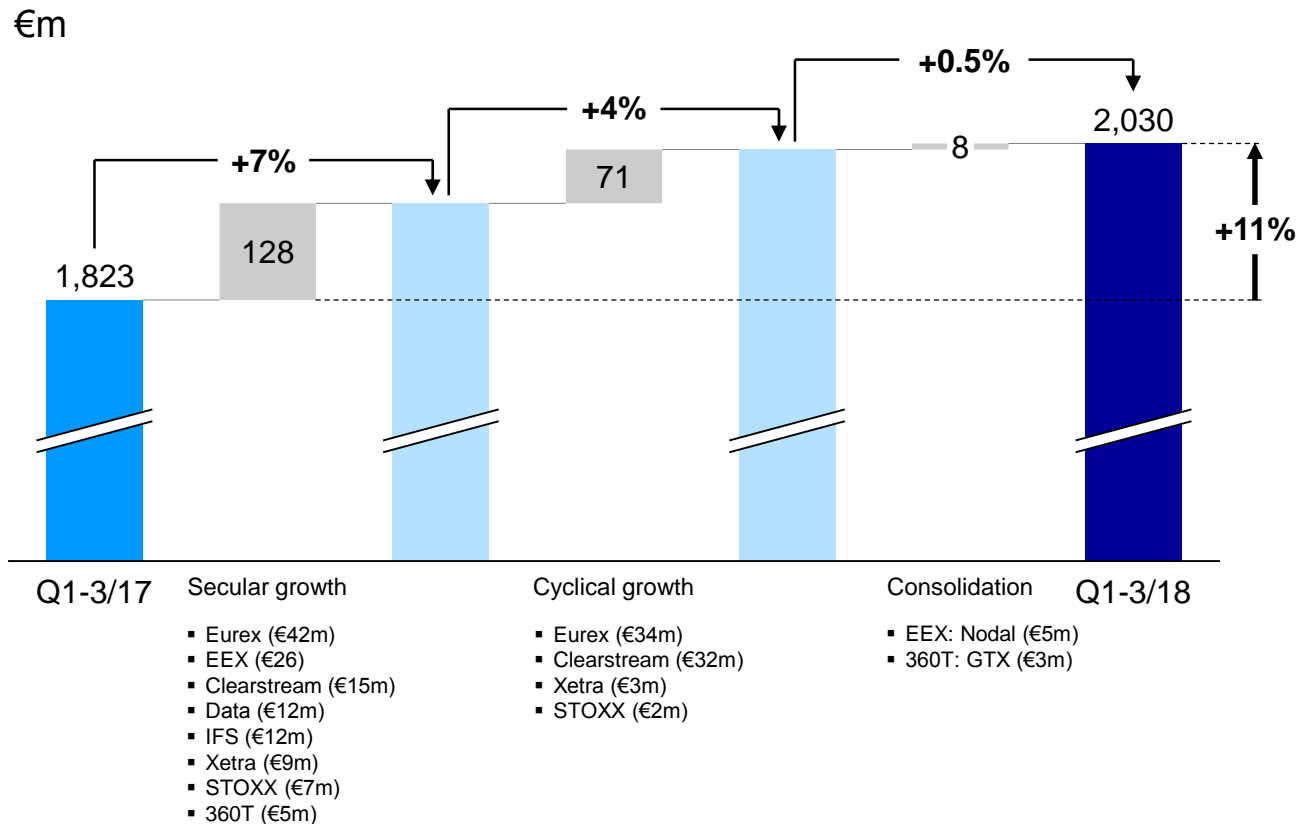


1) Adjusted for exceptional items

2) Attributable to Deutsche Börse AG shareholders

Q1-3/2018 – Acceleration of secular growth and improvement in cyclical environment drove double-digit net revenue growth

Net revenue growth drivers in Q1-3/2018¹

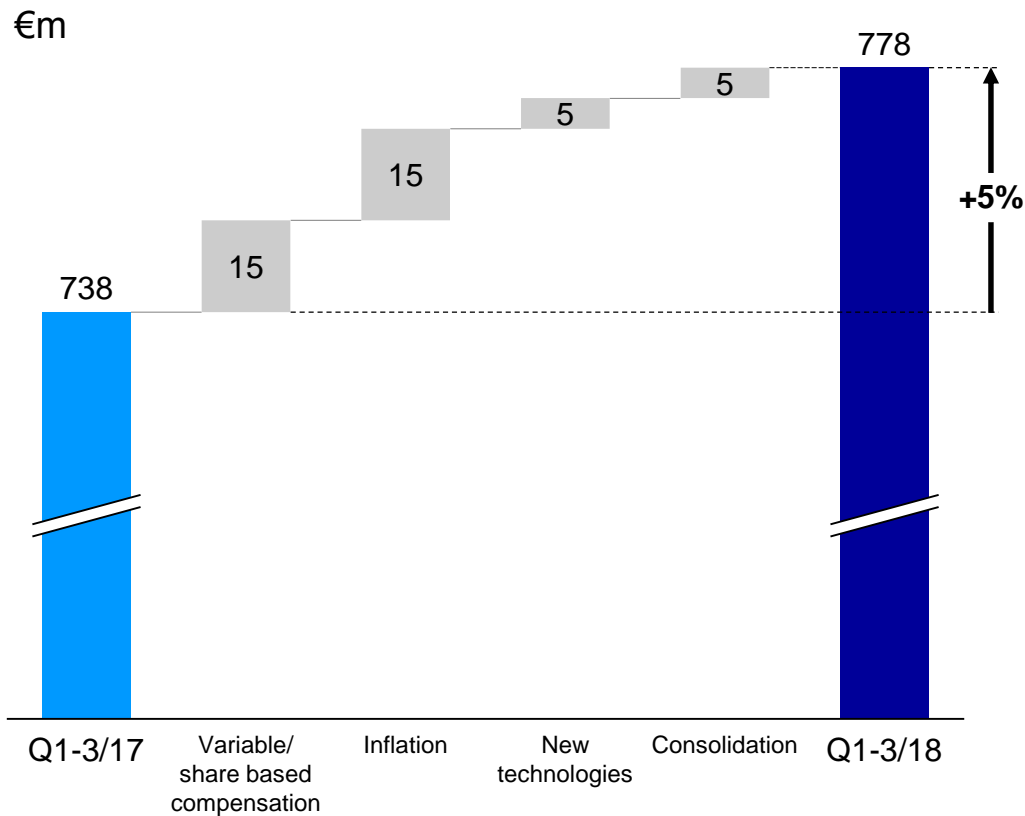


- Acceleration of secular net revenue growth in Q1-3/2018 with ~7%, which is above the company's plan of at least 5% secular growth.
- In addition a more favourable cyclical environment, especially in interest rate markets, is main driver for ~4% cyclical net revenue growth.
- Consolidation effects in the EEX segment (Nodal) and 360T segment (GTX) result in additional net revenue growth of ~0.5%.

1) Adjusted for exceptional items

Q1-3/2018 – Efficient cost management ensured scalability of the business model

Operating cost growth drivers in Q1-3/2018¹



- In total, operating costs in the first half 2018 increased as planned by ~5%.
- Variable- and share based compensation increased due to the business performance and share price increase by around €15 million.
- Inflationary pressures of around €15 million.
- Increased investments in new technologies (~€5 million).
- Consolidation effects in the EEX segment (Nodal) and 360T segment (GTX) resulted in higher costs (~€5 million).

1) Adjusted for exceptional items

Appendix

Income statement – Group level adjusted

	Quarter ended 30 September 2018	Quarter ended 30 September 2017
Sales revenue	678.0	629.4
Net interest income from banking business	48.6	32.1
Other operating income	9.2	5.1
Total revenue	735.8	666.6
Volume-related costs	-84.4	-90.3
Net revenue (total revenue less volume-related costs)	651.4	576.3
Staff costs	-163.8	-150.5
Other operating expenses	-96.3	-96.9
Operating costs	-260.1	-247.4
Result from equity investments	3.8	4.2
Earnings before interest, tax, depreciation and amortization (EBITDA)	395.1	333.1
Depreciation, amortization and impairment losses	-43.8	-40.3
Earnings before interest and tax (EBIT)	351.3	292.8
Financial result	-15.1	-15.6
Earnings before tax (EBT)	336.2	277.2
Income tax expense	-90.7	-74.8
Net profit for the period	245.5	202.4
thereof shareholders of parent company	239.6	198.1
thereof non-controlling interests	5.9	4.3
Earnings per share (basic) (€)	1.30	1.06

Income statement – Segmental level I/II

	Eurex (financial derivatives)		EEX (commodities)		360T (foreign exchange)		Xetra (cash equities)	
	Q3/2018	Q3/2017	Q3/2018	Q3/2017	Q3/2018	Q3/2017	Q3/2018	Q3/2017
Net revenue	202.6	175.6	61.6	48.0	20.9	16.6	53.3	52.6
Staff costs	-43.1	-38.6	-18.2	-16.0	-5.6	-8.8	-16.3	-15.3
Other operating expenses	-35.9	-38.2	-17.6	-14.1	-3.6	-1.9	-9.0	-10.8
Operating costs	-79.0	-76.8	-35.8	-30.1	-9.2	-10.7	-25.3	-26.1
<i>Thereof exceptional items</i>	-8.2	-6.5	-1.3	-0.3	3.1	-1.5	-0.8	-1.1
Result from equity investments	3.0	3.3	-	-	-	-	1.4	1.0
<i>Thereof exceptional items</i>	-	0.1	-	-	-	-	-	-
EBITDA	126.6	102.1	25.8	17.9	11.7	5.9	29.4	27.5

Income statement – Segmental level II/II

	Clearstream (post-trading)		IFS (investment fund services)		GSF (collateral management)		STOXX (index)		Data	
	Q3/2018	Q3/2017	Q3/2018	Q3/2017	Q3/2018	Q3/2017	Q3/2018	Q3/2017	Q3/2018	Q3/2017
Net revenue	174.7¹	158.2	37.3	35.3	21.4	20.4	32.6	32.1	47.0	37.5
Staff costs	-50.2	-42.4	-15.9	-13.5	-7.7	-6.0	-6.4	-5.5	-9.7	-7.8
Other operating expenses	-28.2	-23.5	-6.2	-6.2	-2.4	-2.9	-5.3	-5.8	-7.8	-6.0
Operating costs	-78.4	-65.9	-22.1	-19.7	-10.1	-8.9	-11.7	-11.3	-17.5	-13.8
<i>Thereof exceptional items</i>	-13.9	-3.3	-1.5	-0.5	-0.5	-0.4	-1.2	-1.1	-4.7	-1.2
Result from equity investments	-0.3	-	-	-	-	-	-	-0.1	-0.3	-
<i>Thereof exceptional items</i>	-	-	-	-	-	-	-	-0.1	-	-
EBITDA	96.0	92.3	15.2	15.6	11.3	11.5	20.9	20.7	29.2	23.7

1) Adjusted for €9.3m exceptional items

Financial calendar and contact details

Financial calendar

14 Nov 2018	UBS (London)
15 Nov 2018	HSBC (Luxembourg)
19 Nov 2018	DZ Bank (Frankfurt)
27 Nov 2018	EK Forum (Frankfurt)
4 Dec 2018	Berenberg (Pennyhill)
15 Jan 2019	Commerzbank (New York)
23 Jan 2019	UniCredit Kepler Cheuvreux (Frankfurt)
13 Feb 2019	Preliminary results Q4 and FY 2018 (~7pm CET)
14 Feb 2019	Conference call Q4 and FY 2018 (2pm CET)

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