



Q2/2019 Results

Analyst and Investor Conference Call

25 July 2019

Summary Q2/2019 results presentation

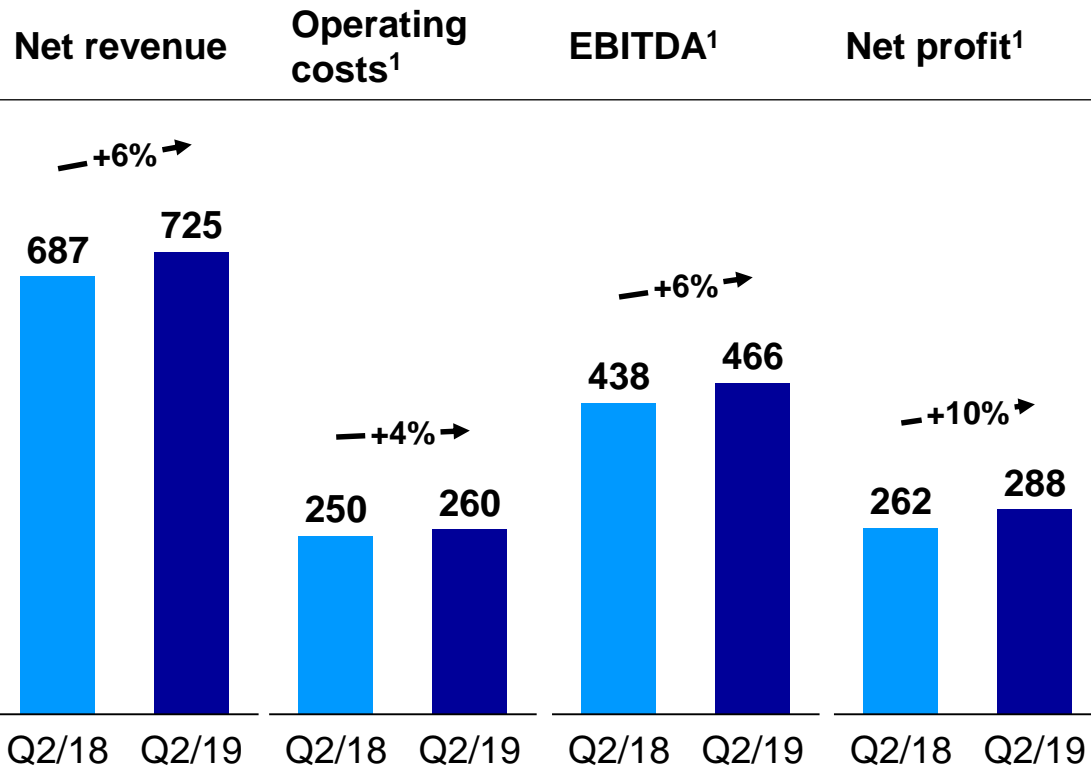
Q2/2019 results

- **Net revenue increased by 6%**, mainly driven by **secular growth** in-line with the company's plan.
- **Secular growth** was mainly driven by **Eurex** (OTC clearing and product innovation) and **EEX** (record market share levels)
- Adjusted **operating costs** increased as planned by 4% (non-GAAP) because of **investments in growth initiatives, new technology and regulations**.
- Adjusted **net profit** increased by **10%** and the adjusted **EPS** amounted to **€1.58** (+11%).
- H1/2019 results confirm the **sustained growth trajectory** of Deutsche Börse **in-line with the expectations for 2019** (at least 5% secular net revenue and ~10% net profit growth).
- All necessary approvals for **Axioma transaction** received (closing Q3); negotiations with Refinitiv and assessments of the potential purchase of certain FX business units ongoing.
- Deutsche Börse **well on track in implementing its “Roadmap 2020” strategy** with the pillars I) secular organic growth, II) M&A and III) technology.

Q2/2019 – group financials

Net revenue, operating costs and earnings development

€m



Revenue

Net revenue: €724.8m (+6%)

- Net interest income: €66.7m (+21%)

Costs¹

Operating costs: €260.0m (+4%¹)

- Adjusted for €31.5m exceptional items

Depreciation: €54.7m (+1%¹)

Earnings¹

EBITDA: €465.5m (+6%¹)

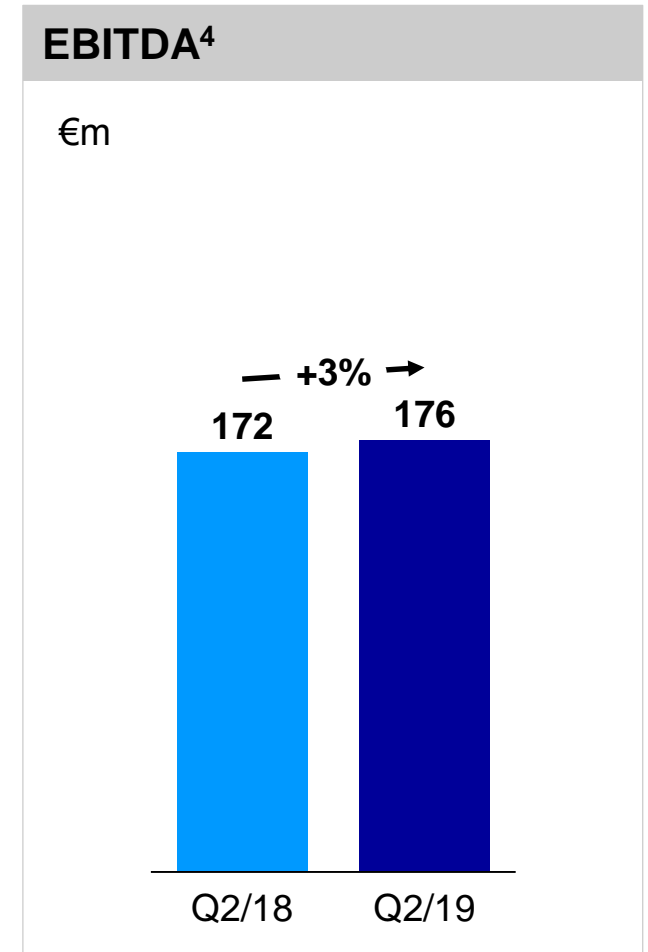
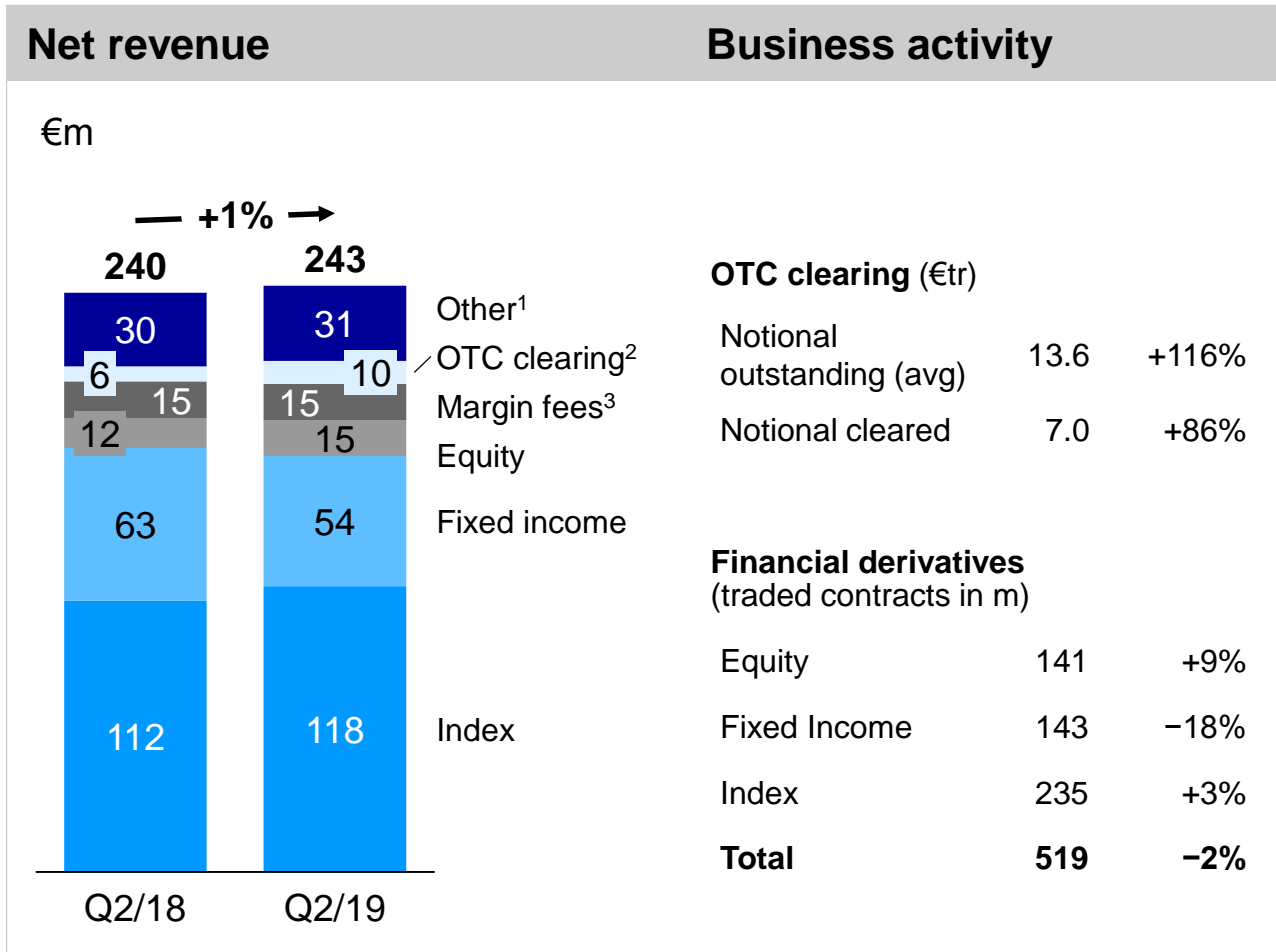
Net profit: €288.4m (+10%)

- Financial result includes a one-off decrease of interest rate provisions relating to taxes of ~€5m

EPS: €1.58 (+11%)

1) Adjusted for exceptional items; Q2/2018 non-GAAP indicative figures

Q2/2019 – Eurex (financial derivatives)



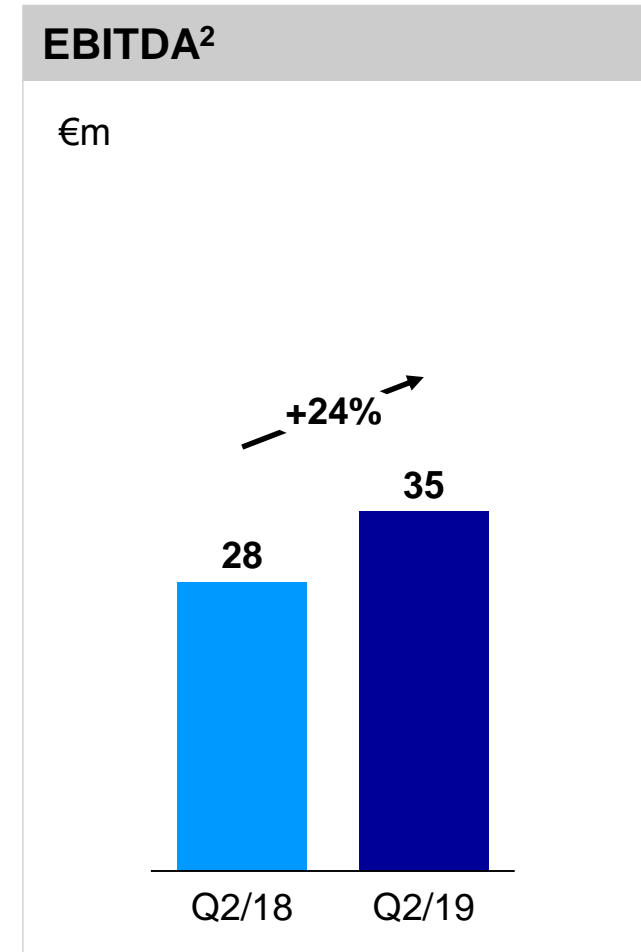
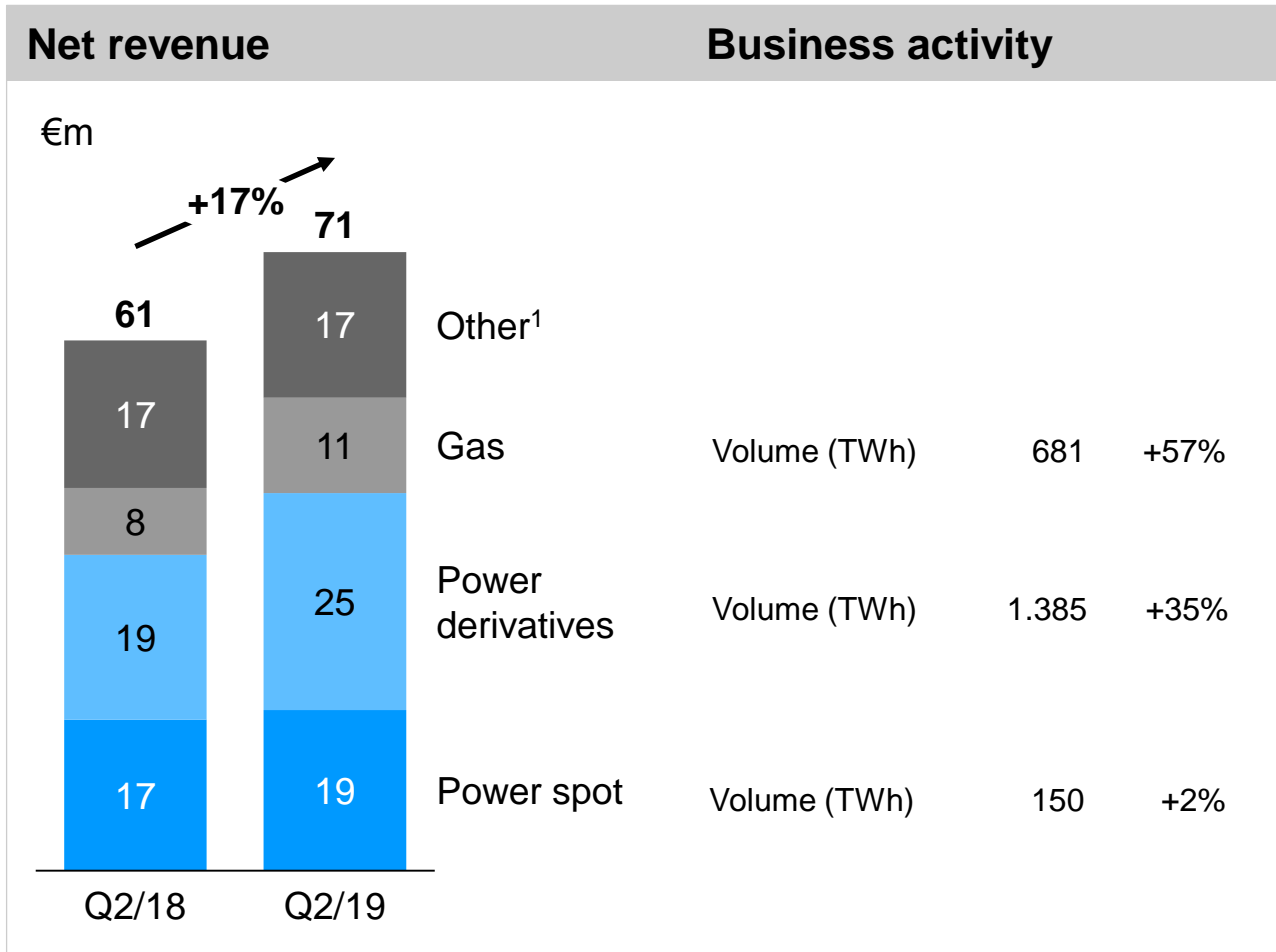
1) Including net revenue from connectivity and member fees

2) Including margin fees on OTC clearing related collateral

3) Including NII and securities collateral fee

4) Adjusted for exceptional items; Q2/2018 non-GAAP indicative figures

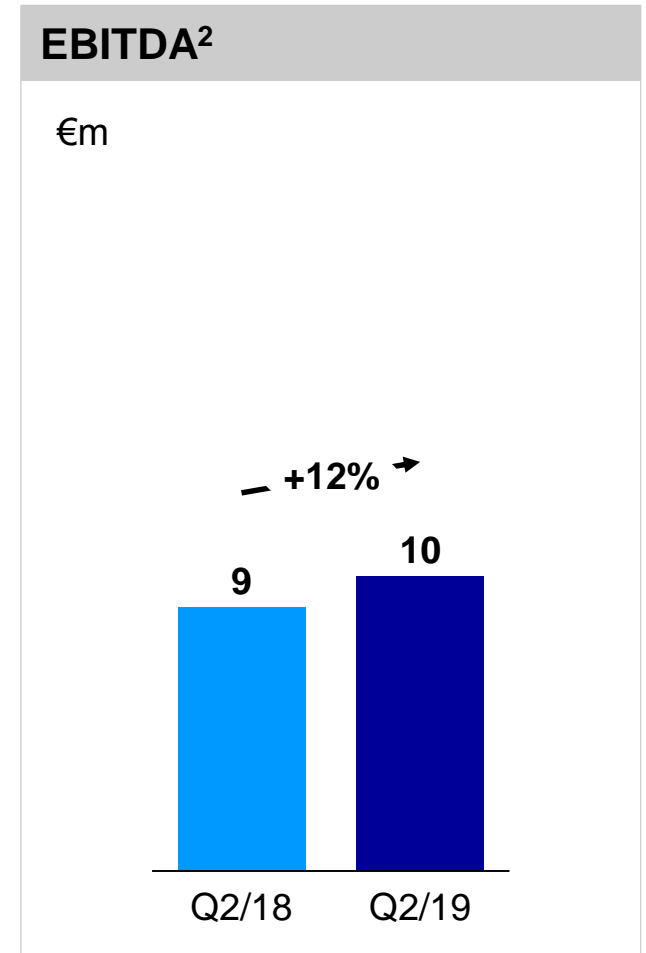
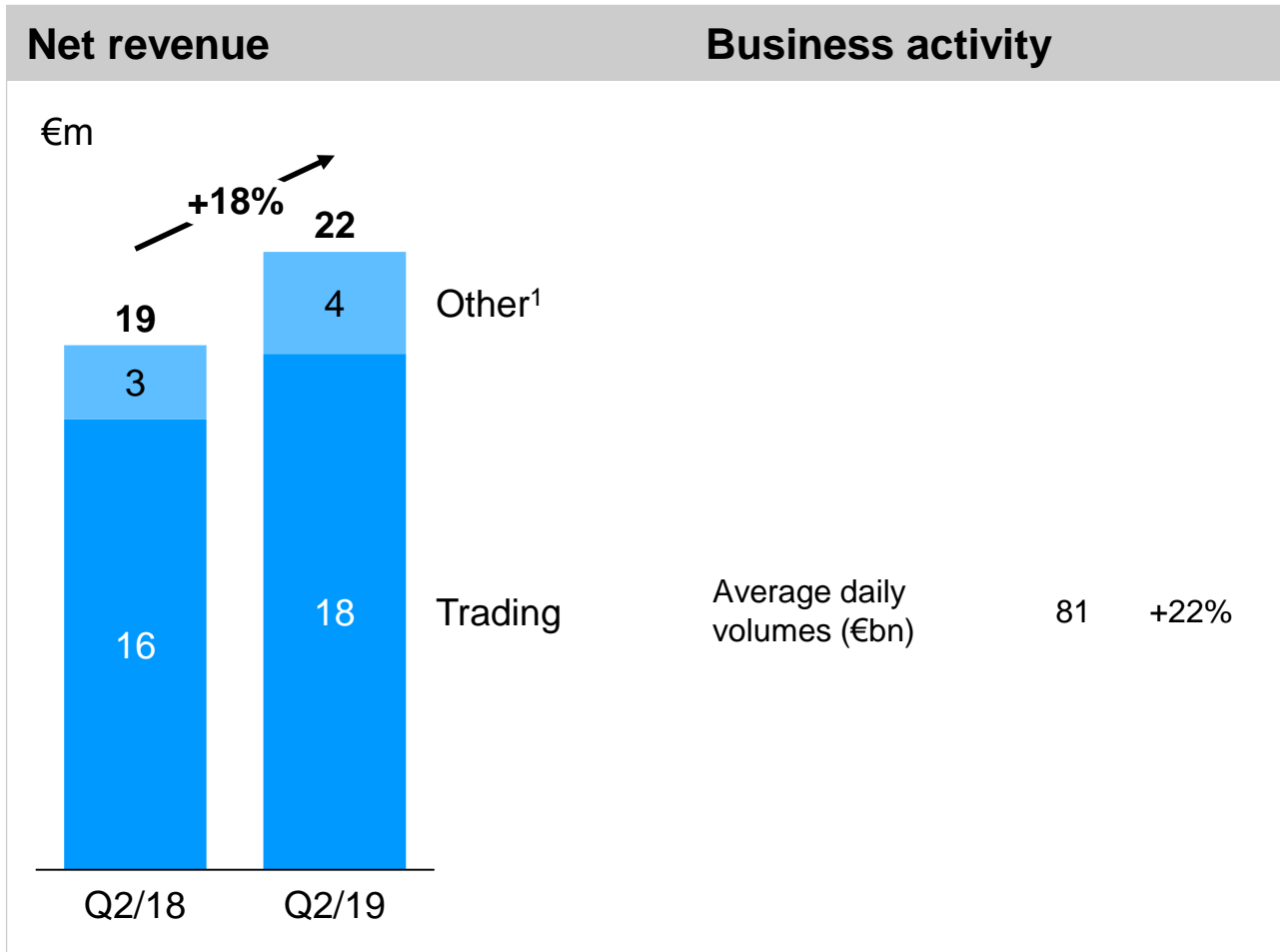
Q2/2019 – EEX (commodities)



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

2) Adjusted for exceptional items; Q2/2018 non-GAAP indicative figures

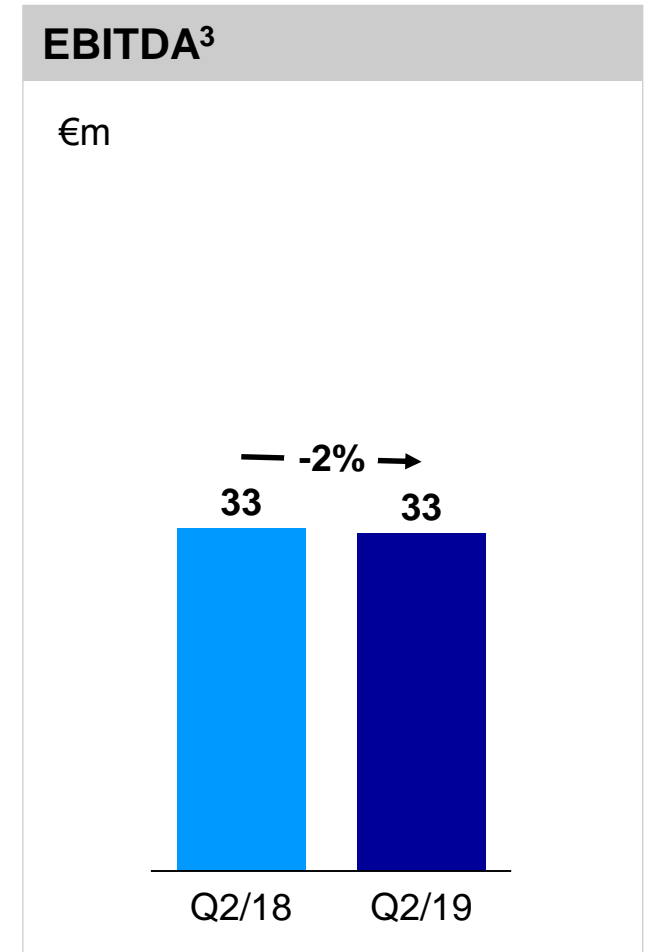
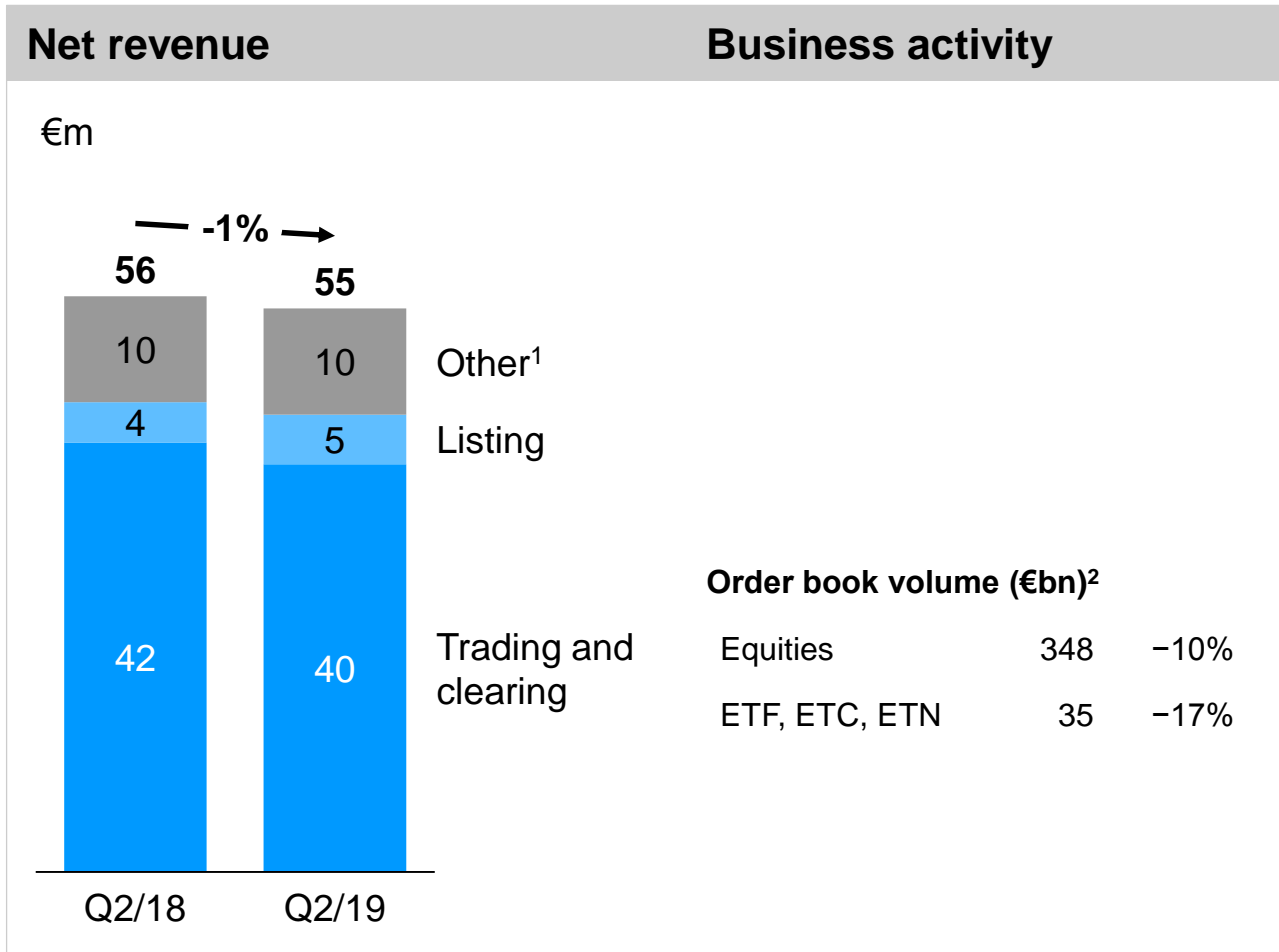
Q2/2019 – 360T (foreign exchange)



1) Including net revenue from connectivity and member fees

2) Adjusted for exceptional items; Q2/2018 non-GAAP indicative figures

Q2/2019 – Xetra (cash equities)

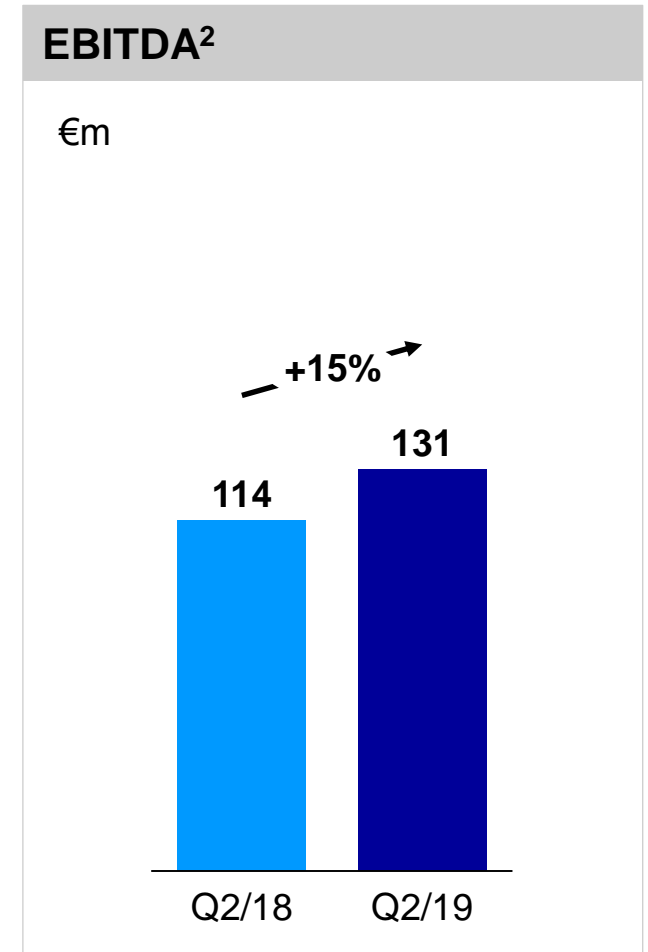
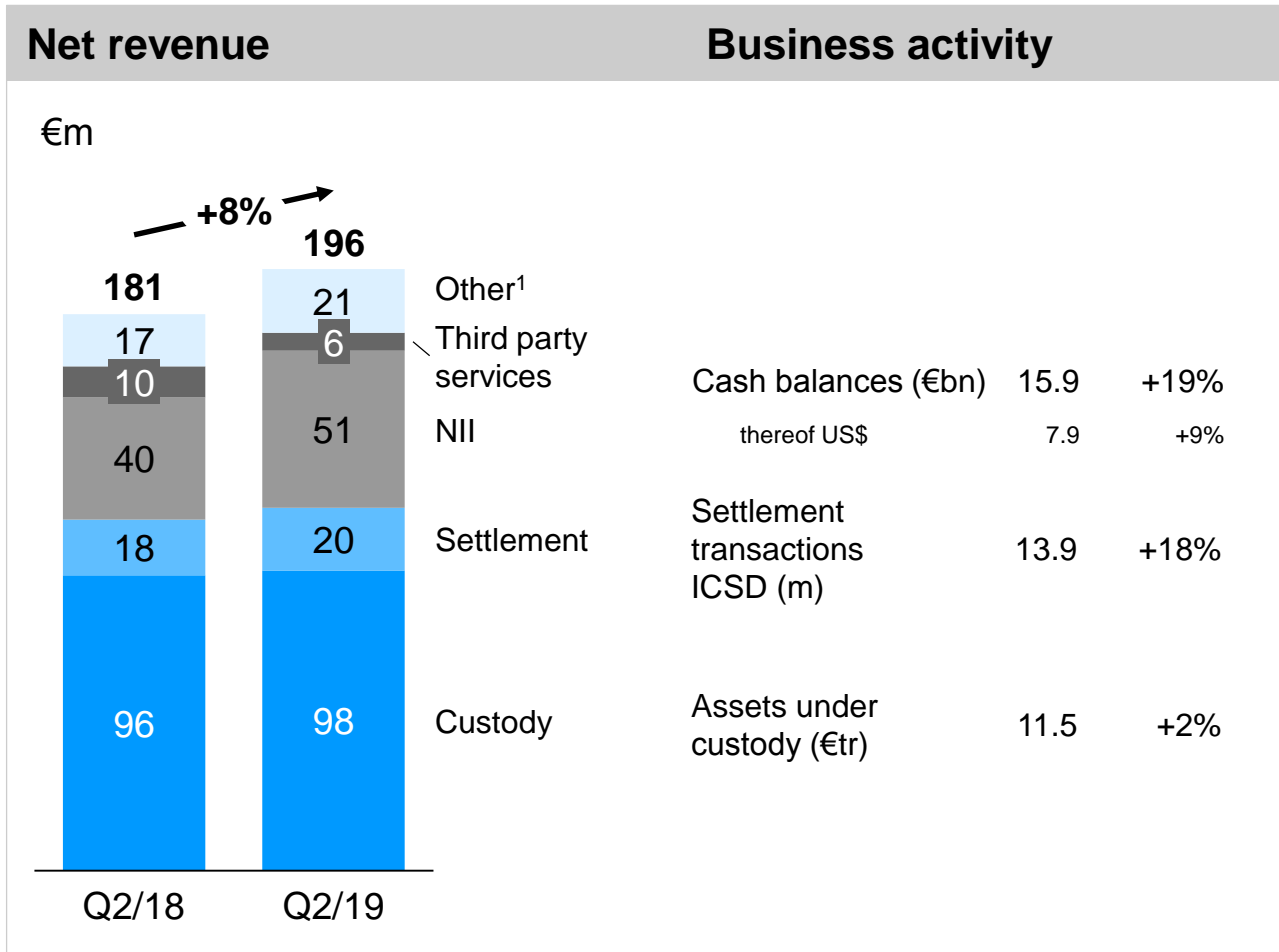


1) Including net revenue from connectivity

2) Xetra, Börse Frankfurt and Tradegate

3) Adjusted for exceptional items; Q2/2018 non-GAAP indicative figures

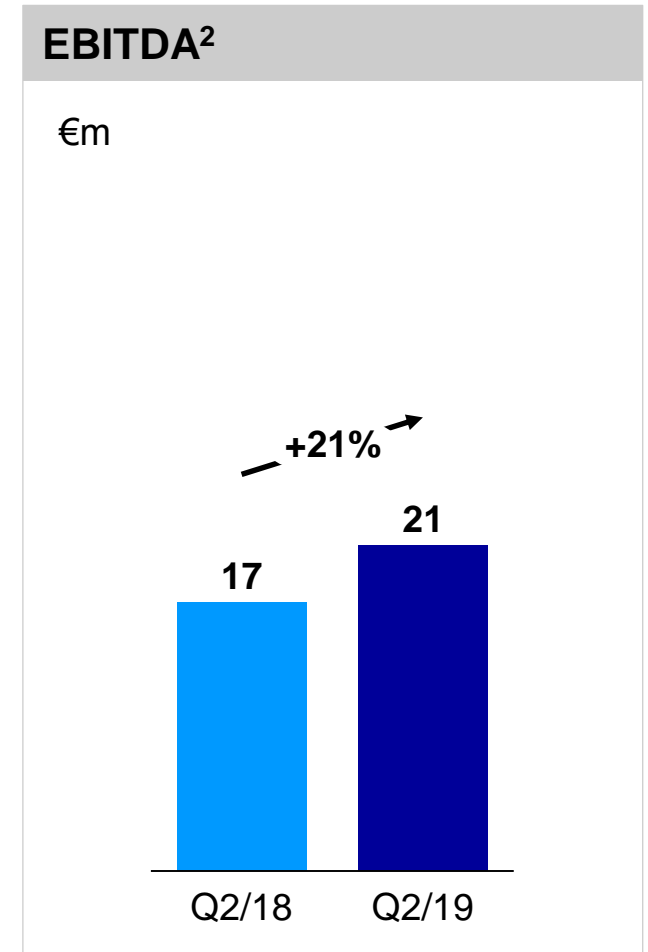
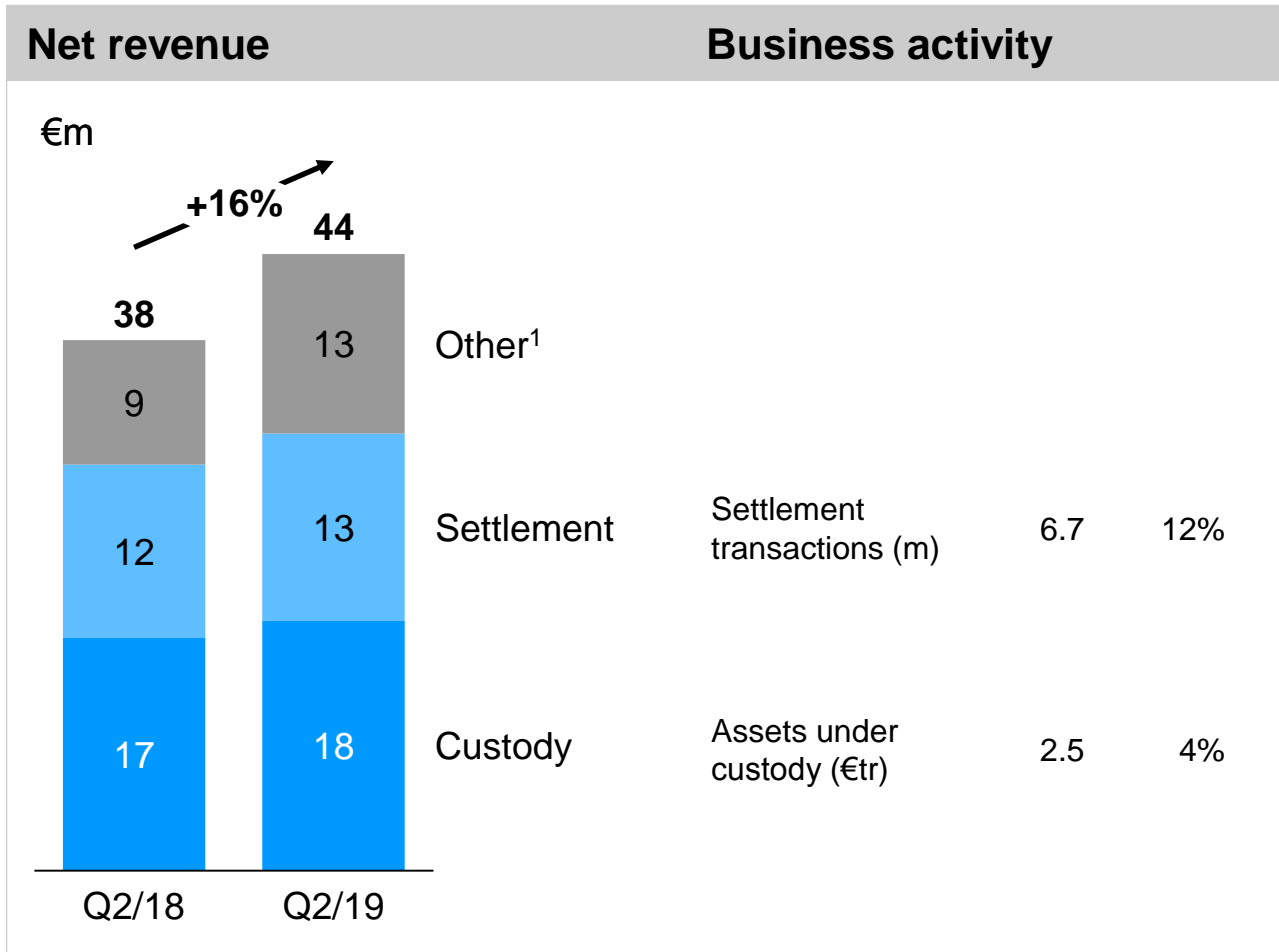
Q2/2019 – Clearstream (post-trading)



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

2) Adjusted for exceptional items; Q2/2018 non-GAAP indicative figures

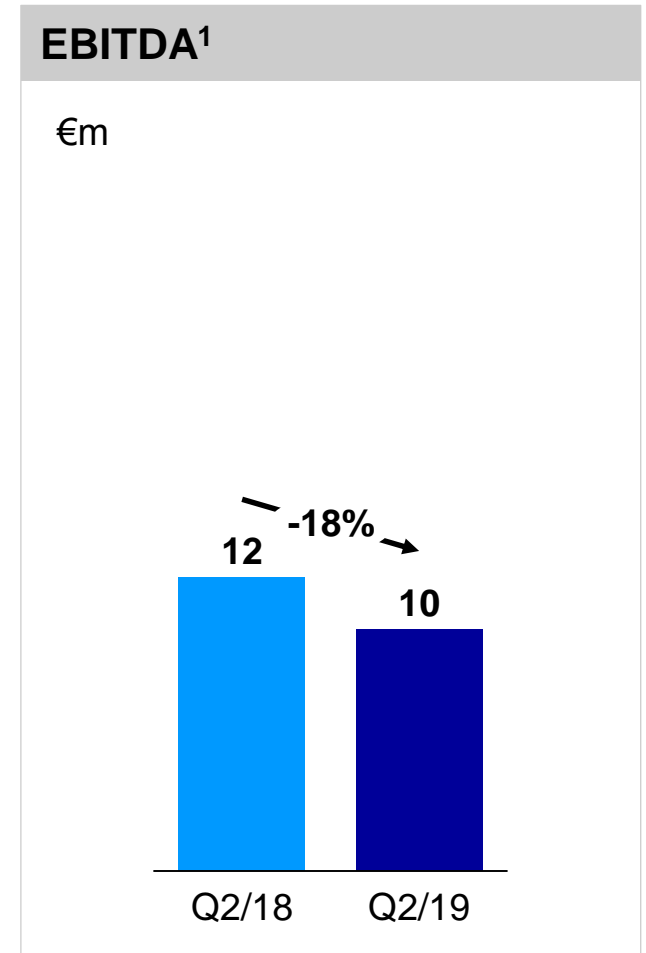
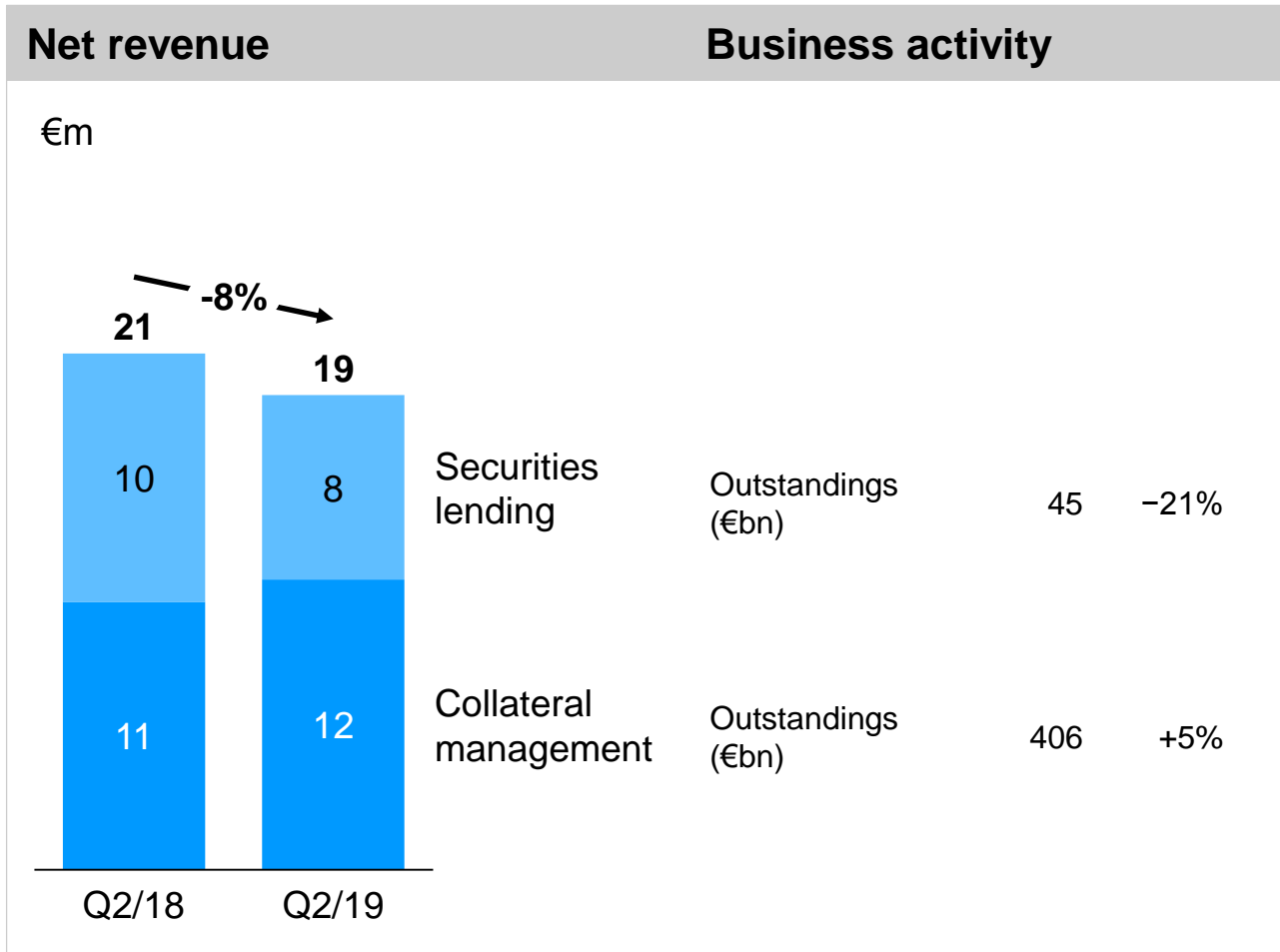
Q2/2019 – IFS (investment fund services)



1) Including net revenue from connectivity, order routing, and Swisscanto Funds Centre Ltd.

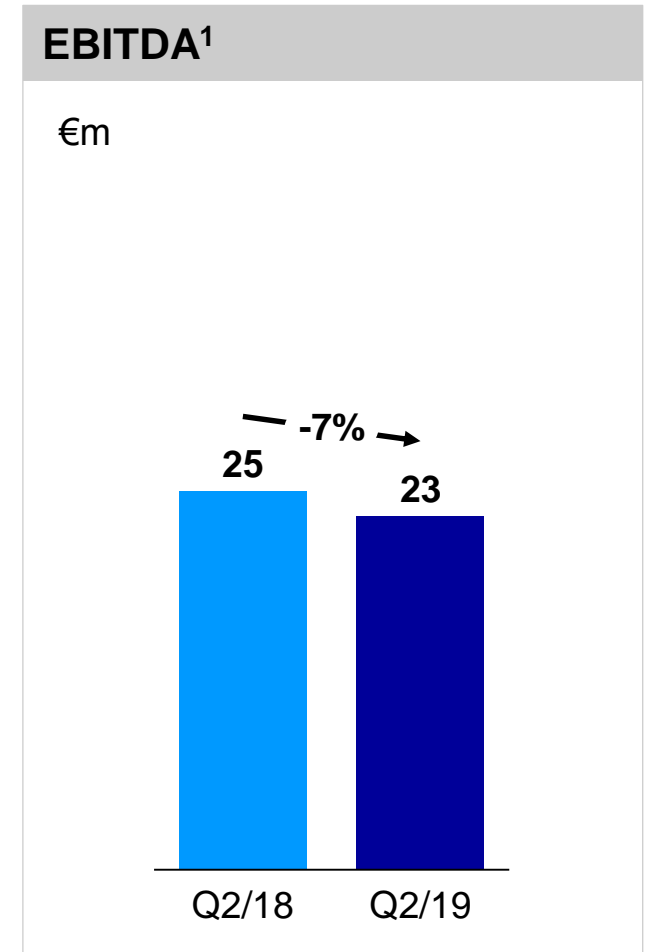
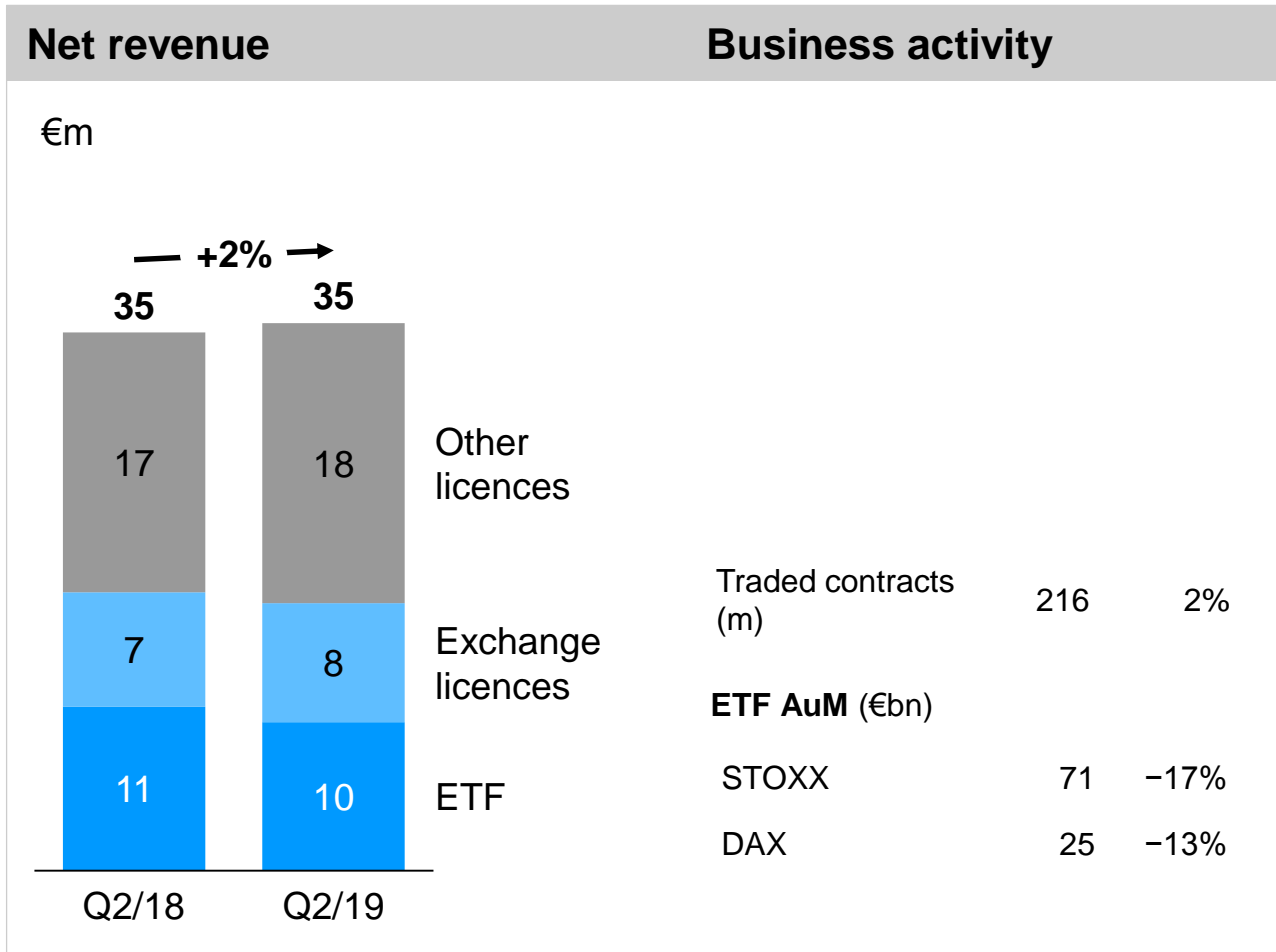
2) Adjusted for exceptional items; Q2/2018 non-GAAP indicative figures

Q2/2019 – GSF (collateral management)



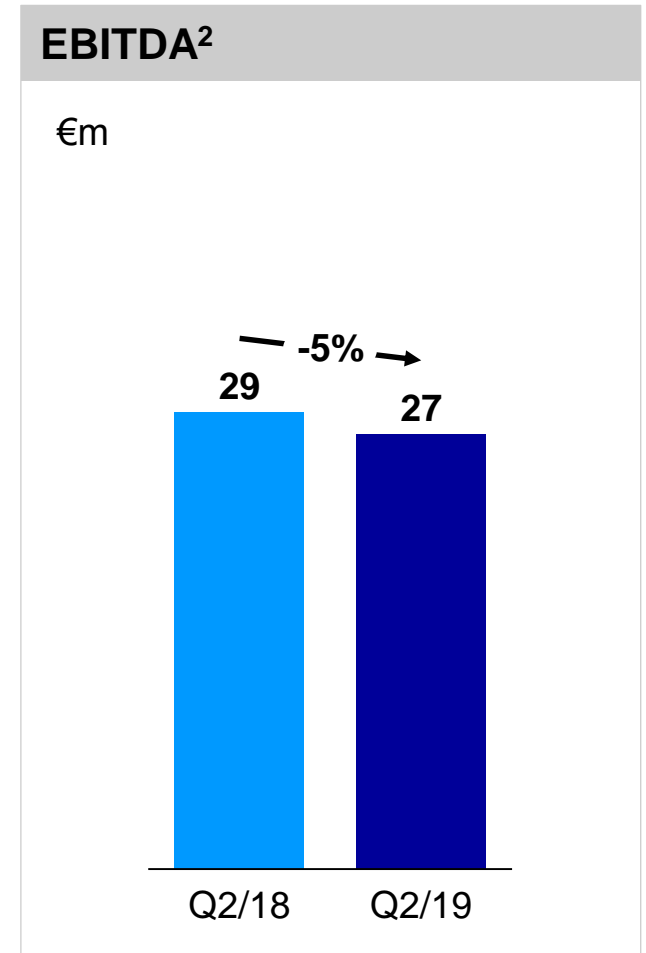
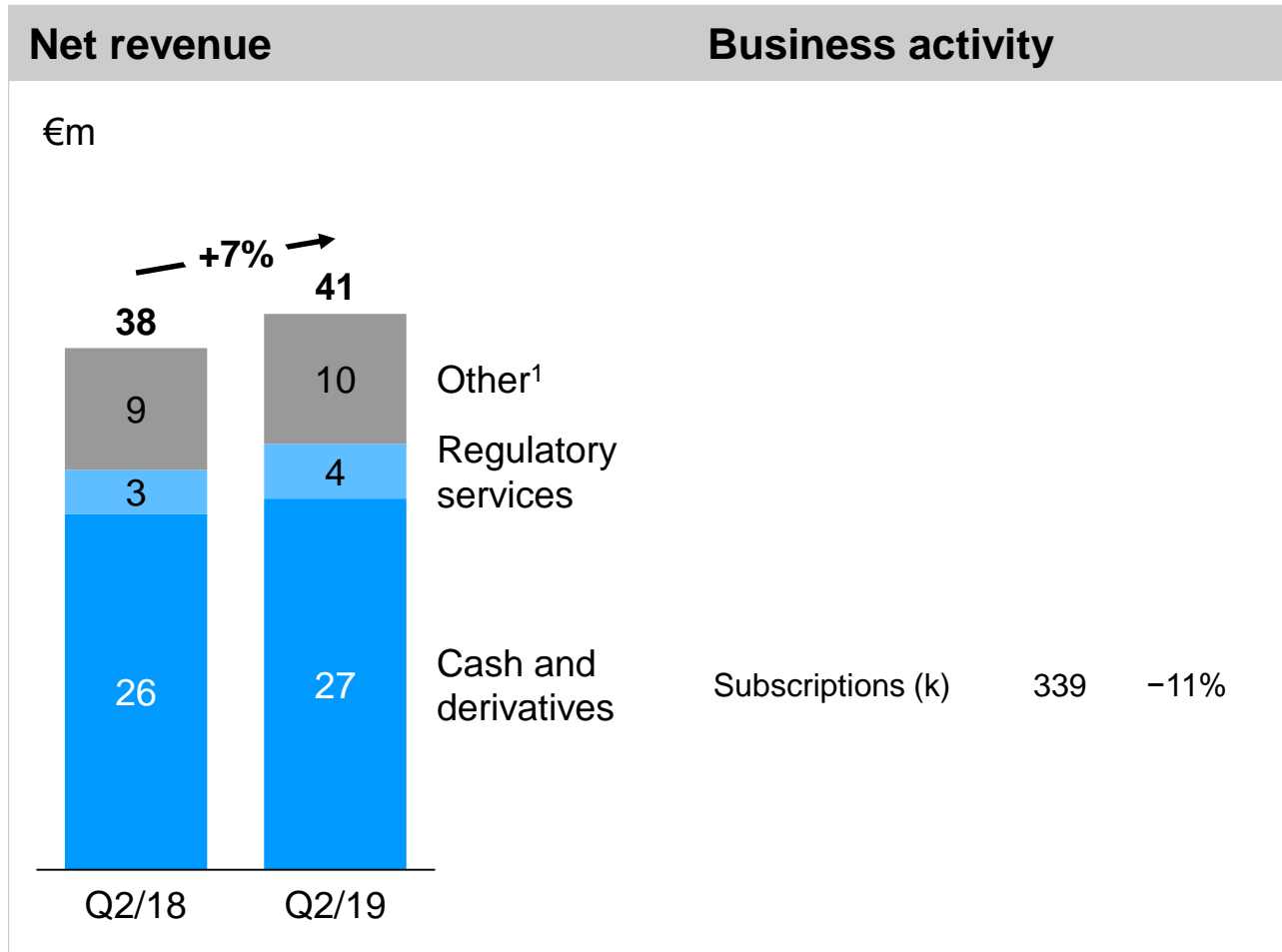
1) Adjusted for exceptional items; Q2/2018 non-GAAP indicative figures

Q2/2019 – STOXX (index business)



1) Adjusted for exceptional items; Q2/2018 non-GAAP indicative figures

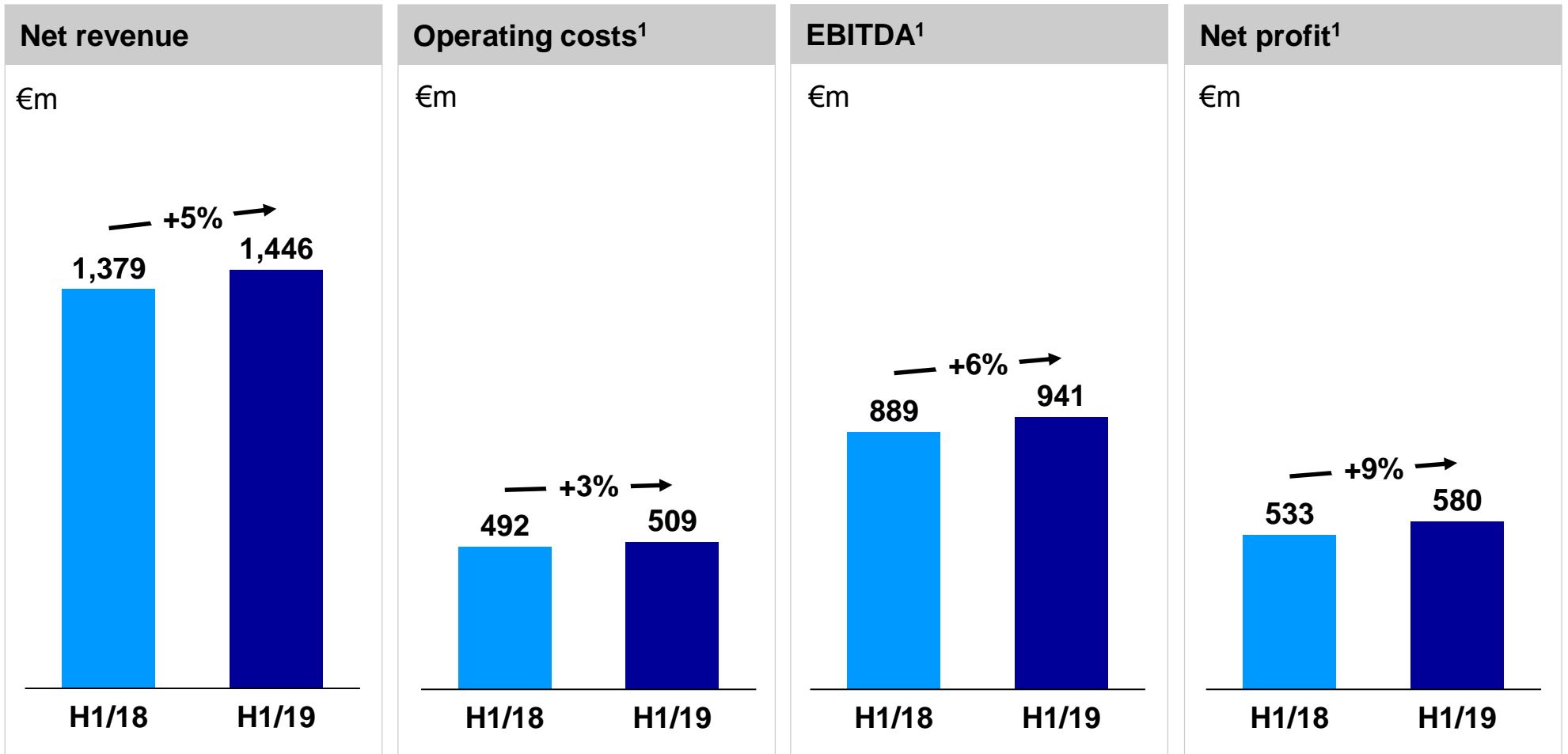
Q2/2019 – Data



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

2) Adjusted for exceptional items; Q2/2018 non-GAAP indicative figures

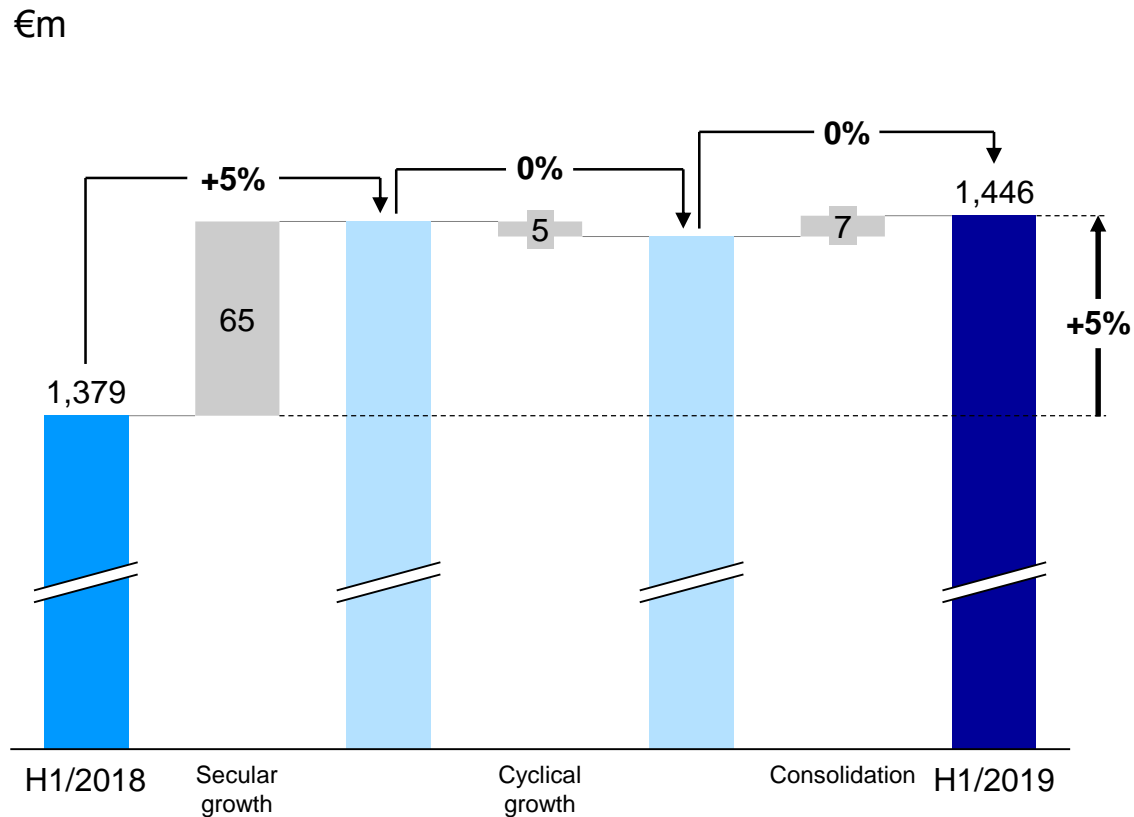
H1/2019 – group financials



1) Adjusted for exceptional items; H1/2018 non-GAAP indicative figures

H1/2019 – secular net revenue growth in line with the company's plan

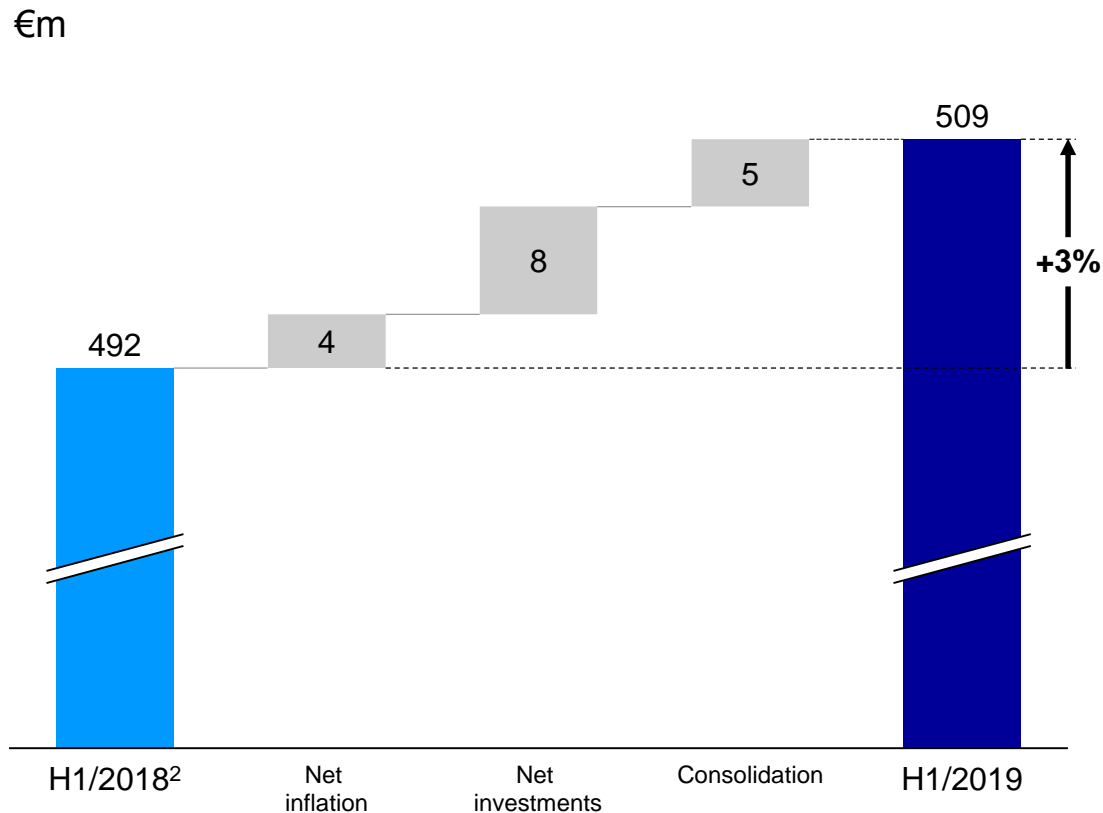
Net revenue growth drivers in H1/2019



- Secular net revenue growth of +5%, mainly driven by ~€29 million from Eurex (OTC Clearing, product innovation, margin fees) and ~€15 million from EEX (market share gains). Further contribution for example from STOXX, 360T, IFS.
- Cyclical net revenue development (~0%) was driven by lower market volatility, which was only partially compensated by higher net interest income at Clearstream.
- Consolidation effects in the IFS segment (Swisscanto, +€7m), 360T segment (GTX, +€5m) and EEX segment (Grexel, +€1m) were partially offset by discontinuation of third party services at Clearstream (-€6m).

H1/2019 – operating cost development

Operating cost growth drivers in H1/2019¹



- In total, operating costs in the first half 2019 increased as planned by ~3%¹.
- Inflationary pressures were largely off-set by lower provisions for variable- and share based compensation (+€4m).
- Investments in growth initiatives, new technology and regulations largely off-set by cost savings from the structural performance improvement programme (+€8m).
- Consolidation effects in the segments IFS (Swisscanto), 360T (GTX) and EEX (Grexel) were partially offset by discontinuation of third party services at Clearstream (+€5m).

1) Adjusted for exceptional items; H1/2018 non-GAAP indicative figures

Appendix

Income statement – group level adjusted

(in €m)	Quarter ended 30 June 2019	Quarter ended 30 June 2018
Sales revenue	747.7	719.5
Net interest income from banking business	66.7	55.0
Other operating income	3.0	3.3
Total revenue	817.4	777.8
Volume-related costs	-92.6	-90.8
Net revenue	724.8	687.0
Staff costs	-171.7	-162.8
Other operating expenses	-88.3	-100.1
Operating costs	-260.0	-262.9
Net income from strategic investments	0.7	1.4
Earnings before interest, tax, depreciation and amortization (EBITDA)	465.5	425.5
Depreciation, amortization and impairment losses	-54.7	-42.1
Earnings before interest and tax (EBIT)	410.8	383.4
Financial result	-11.6	-16.6
Earnings before tax (EBT)	399.2	366.8
Income tax expense and other tax	-103.7	-99.0
Net profit for the period	295.5	267.8
thereof attributable to Deutsche Börse shareholders	288.4	261.9
thereof attributable to non-controlling interests	7.1	5.9
Earnings per share (basic) (€)	1.58	1.42

Income statement – group level reported

(in €m)	Quarter ended 30 June 2019	Quarter ended 30 June 2018
Sales revenue	747.7	719.5
Net interest income from banking business	66.7	55.0
Other operating income	3.0	3.3
Total revenue	817.4	777.8
Volume-related costs	-92.6	-90.8
Net revenue	724.8	687.0
Staff costs	-186.1	-199.9
Other operating expenses	-105.4	-117.3
Operating costs	-291.5	-317.2
Net income from strategic investments	0.7	1.4
Earnings before interest, tax, depreciation and amortization (EBITDA)	434.0	371.2
Depreciation, amortization and impairment losses	-55.4	-58.4
Earnings before interest and tax (EBIT)	378.6	312.8
Financial result	-11.6	-16.6
Earnings before tax (EBT)	367.0	296.2
Income tax expense and other tax	-93.0	-80.0
Net profit for the period	274.0	216.2
thereof attributable to Deutsche Börse shareholders	266.9	210.3
thereof attributable to non-controlling interests	7.1	5.9
Earnings per share (basic) (€)	1.46	1.13

Income statement – segmental level I/II

(in €m)	Eurex (financial derivatives)		EEX (commodities)		360T (foreign exchange)		Xetra (cash equities)	
	Q2/2019	Q2/2018	Q2/2019	Q2/2018	Q2/2019	Q2/2018	Q2/2019	Q2/2018
Net revenue	242.6	239.6	71.3	61.1	21.8	18.5	54.7	55.5
Staff costs adj.	-40.8	-50.4	-20.9	-18.0	-8.6	-9.5	-15.2	-19.6
Other operating expenses adj.	-25.7	-34.1	-15.5	-17.2	-3.7	-4.5	-8.0	-9.3
Operating costs adj.	-66.5	-70.6	-36.4	-33.9	-12.3	-10.3	-23.2	-24.8
Operating costs reported	-69.9	-84.5	-39.0	-35.2	-16.9	-14.0	-24.0	-28.9
Result from equity investments	0.3	-0.2	-0.1	-	-	-	1.3	1.5
EBITDA adj.	176.4	168.8	34.8	27.2	9.5	8.2	32.8	32.2

Income statement – segmental level II/II

	Clearstream (post-trading)		IFS (investment fund services)		GSF (collateral management)		STOXX (index)		Data	
(in €m)	Q2/2019	Q2/2018	Q2/2019	Q2/2018	Q2/2019	Q2/2018	Q2/2019	Q2/2018	Q2/2019	Q2/2018
Net revenue	195.5	180.9	43.6	37.5	19.3	21.0	35.4	34.8	40.6	38.1
Staff costs adj.	-47.4	-57.1	-16.3	-17.9	-6.1	-8.7	-7.8	-8.7	-8.6	-10.0
Other operating expenses adj.	-17.2	-27.7	-6.2	-8.6	-2.6	-3.5	-4.7	-5.8	-4.7	-6.6
Operating costs adj.	-64.6	-71.7	-22.5	-21.3	-8.7	-9.7	-12.5	-10.7	-13.3	-9.9
Operating costs reported	-72.8	-84.8	-26.6	-26.5	-10.0	-12.2	-16.7	-14.5	-15.6	-16.6
Result from equity investments	-	0.1	-	-	-0.8	-	-	-	-	-
EBITDA adj.	130.9	109.3	21.1	16.2	9.8	11.3	22.9	24.1	27.3	28.2

IFRS 16 adjustments for 2018 (non-GAAP, indicative)

	2018 Q1 €m	Q2 €m	Q3 €m	Q4 €m	Full year €m
Group					
Reduction of operating costs	12.5	12.6	12.5	12.7	50.3
Increase of depreciation and amortisation	11.8	11.8	11.8	11.8	47.2
Reduction of the financial result	0.7	0.7	0.8	0.7	2.9
Reporting segments (reduction of operating costs)					
Eurex (financial derivatives)	2.9	2.9	2.9	2.9	11.6
EEX (commodities)	0.8	0.8	0.8	0.9	3.3
360T (foreign exchange)	0.2	0.3	0.3	0.3	1.1
Xetra (cash equities)	1.1	1.1	1.0	1.0	4.2
Clearstream (post-trading)	4.8	4.8	4.8	4.9	19.3
IFS (investment fund services)	1.1	1.2	1.1	1.2	4.6
GSF (collateral management)	0.6	0.6	0.7	0.5	2.4
STOXX (index business)	0.5	0.4	0.4	0.4	1.7
Data	0.5	0.5	0.5	0.6	2.1

Financial calendar and contact details

Financial calendar

- | | |
|--------------------|-----------------------------------------------------------------------|
| 09 Sep 2019 | Barclays Global Financial Services Conference (New York) |
| 23 Sep 2019 | Goldman & Berenberg German Corporate Conference (Munich) |
| 25 Sep 2019 | Bank of America Merrill Lynch Financials CEO Conference 2019 (London) |
| 26 Sep 2019 | Bernstein European Strategic Decisions Conference (London) |
| 28 Oct 2019 | Q3/2019 results (~7pm CET) |
| 29 Oct 2019 | Conference call Q3/2019 (2pm CET) |

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