

*Press embargo ends: 13 May 2015, beginning of Mr.  
Francioni's speech*

Annual General Meeting  
Deutsche Börse Aktiengesellschaft  
13 May 2015

Reto Francioni  
Chief Executive Officer  
Deutsche Börse Aktiengesellschaft, Frankfurt/Main

Ladies and gentlemen,

A warm welcome to our shareholders and the representatives of the media to this year's Annual General Meeting of Deutsche Börse AG.

Our company is in very good shape. In line with our strategic planning, we have benefited from the market recovery in recent months, not least because we laid the groundwork early enough. The growth initiatives we have pursued in recent years are paying off. We have expanded our presence in the key global markets.

Technologically, we are ahead of the competition. Our market capitalisation has risen dramatically to its current level of around €15 billion and we have achieved strong growth in our company's value. Our future prospects are bright. Last but not least, our key performance indicators are clearly positive. I will say more about this later.

I would like to begin with a few explanations about the agenda. After that, I will present the financial key figures for 2014 and the first quarter of 2015.

## **1. Agenda**

Aside from the regular re-election of the shareholder representatives, which Supervisory Board Chairman Mr Faber has just outlined, we would like to propose various capitalisation measures to you for resolution. These deal with renewing the expiring authorised capital tranches and renewing the authorisation to acquire treasury shares, which is also due to expire.

Let me start with the authorised capital and items six and seven on today's agenda.

Check against delivery.

Authorised capital II amounts to a maximum of €27.8 million and will expire on 26 May. Under agenda item six, the company proposes to renew the authorised capital by up to €19.3 million. This means that the amount of the new authorised capital tranche will be lower than the authorised capital II due to expire. As with the expiring authorised capital II, the proposed new authorised capital II will provide for the option of excluding subscription rights, in particular for cash capital increases, if the issue price of the new shares does not fall substantially short of the stock exchange price. A report on the exclusion of subscription rights can be found in the published agenda and elsewhere. There are currently no specific plans to use the authorised capital. The Executive Board will of course carefully review whether using authorised capital II is in the interests of the company and therefore of our shareholders.

Like authorised capital II, authorised capital III will also expire on 26 May. We aim to replace the existing authorised capital III of up to €19.5 million with new authorised capital III of up to €38.6 million. As with the expiring authorised capital III, shareholders will be granted subscription rights for the proposed authorised capital III. It will **only** provide for the option of excluding subscription rights for fractional amounts. The exclusion of subscription rights for fractional amounts is aimed at making it easier for the company to implement the technical details of any potential capital increase. Even if subscription rights are only excluded for fractional amounts, the Executive Board is still required by law to issue a report on the exclusion of subscription rights. This report can also be found in the published agenda and elsewhere. There are currently no specific plans to use authorised capital III.

Under agenda item eight, we are asking you to renew the authorisation to acquire treasury shares and, under agenda item nine, we also propose acquiring treasury shares through the use of derivatives. You, our shareholders, already issued the company with the corresponding authorisations at the Annual General Meeting in 2013. Both authorisations were valid for two years and as a result are up for renewal today. The renewed authorisations will also be valid for two years.

## **2. Financial year 2014 and the 2014 financial statements**

### **(Slide 1) FY/2014 – development of Deutsche Börse Group's financials (Group level)**

So much for the formalities of the agenda. Let me now move on to the Group's results. Our net revenue was up 7 per cent to €2,043 million.

After adjusting operating costs for special factors amounting to €1,069 million, our earnings before interest and tax, or EBIT, increased by 3 per cent to €982.8 million. This results in adjusted earnings per share of €3.63, up 5 per cent year-on-year.

We were able to achieve these positive results despite the extremely difficult environment. For example, the record low European Central Bank interest rates put pressure on our interest income. In addition, uncertainty about the future shape of capital market regulation have unsettled market participants: there are still plans for a financial transaction tax. And there has been a further delay in the political implementation of the European Market Infrastructure Regulation, or EMIR, for which we developed a derivatives clearing offering in good time.

On the other hand, trading activity on the markets has picked up in recent months. When market volatility increases, as it has done since September, the exchange proves to be a safe, reliable and well-regulated marketplace. In addition, this has a direct positive effect on our results of operations thanks to the scalability of our business model.

**(Slide 2) FY/2014 – development of Deutsche Börse Group’s financials (segment level)**

Ladies and Gentlemen, I certainly have good news to report about the individual segments. The Eurex derivatives market, including EEX, recorded an 8 per cent rise. This was due in particular to growth in index derivatives and in innovative products such as derivatives on volatility indices or on Italian and French government bonds, in addition to the revenue generated by EEX.

The Xetra cash market and Clearstream’s post-trade activities each recorded growth of 7 per cent, matching the strong growth in Group revenue. This is a remarkable performance in each case. While the cash market had previously suffered from depressed equities trading, the growth figures are now back in positive territory. And Clearstream was hit by a 9 per cent decrease in its net interest income in 2014 due to the continuing low interest rates. By contrast, Clearstream’s custody volume was up by 5 per cent on average in 2014 to reach a new record of €12.2 trillion. Since then, we have exceeded the €13 trillion mark.

Market Data + Services, which combines our IT and market data activities, recorded growth of 6 per cent, adjusted for consolidation effects. Growth was particularly strong at index provider STOXX.

**(Slide 3) Stable dividend of €2.10 per share proposed for 2014**

Given this positive performance, we are again proposing a dividend of €2.10 per share. By doing so, we are distributing 58 per cent of our consolidated net income to you. This is at the upper end of our announced dividend payout range of between 40 and 60 per cent. I would like to take this opportunity to note that defining an ambitious dividend payout range has always been important to me. It enables us to ensure that you, our shareholders, can adequately participate in the success of your company.

**3. Q1/2015****(Slide 4) Q1/2015 – development of Deutsche Börse Group's financials (Group level)**

Ladies and Gentlemen, we can look back on a very good first quarter. Our net revenue rose by 16 per cent year-on-year in the first quarter to €600 million. And, at €319 million, our adjusted EBIT was also up 16 per cent. Operating costs grew by 16 per cent due to factors including higher investments.

**(Slide 5) Q1/2015 – development of Deutsche Börse Group's financials (segment level)**

The Eurex segment saw an 18 per cent increase in net revenue. This is due in particular to the growth in index derivatives, which have benefited from the increasing demand for hedging among market participants. In addition, the power and gas business at our subsidiary EEX recorded outstanding growth.

The revival in equity trading had a positive effect on the Xetra segment. Net revenue was up 13 per cent there.

The Clearstream segment recorded net revenue growth of 12 per cent. The settlement business benefited from the recovery in equity trading. We also generated a record €13.2 trillion in custody revenue on the back of a further 9 per cent increase in the custody volume.

Market Data + Services saw net revenue grow by 19 per cent. Adjusted for a special factor in the Information business area, growth amounted to 10 per cent. This is due to the healthy development in the index business, among other things.

Ladies and Gentlemen, this solid performance makes us confident about the year as a whole. Allow me to explain several details about our company's strategy.

#### **4. Major successes of financial year 2014**

##### **(Slide 6) Management firmly focused on growing the business, effective cost management and attractive capital management**

In recent years we have established three priorities for the company's strategic development: firstly, sustainable capital management; secondly, effective cost management; and thirdly, the growth and development of our company as a global player that is more resilient to fluctuations in local or regional markets.

I have already mentioned our capital management in connection with this year's dividend proposal. In addition, it should be mentioned that we are one of only two companies among the 30 listed on the DAX to have a prime "double A" credit rating. As a result, we have of course long since taken advantage of the low interest rate environment to refinance our debt at very favourable conditions.

As planned, we proceeded with the efficiency measures last year as part of our cost management. We expect savings of €70 million a year starting in 2016. The aim is to maintain our financial flexibility to invest in growth.

Our investments in growth also focus on three key areas:

- Firstly: expansion of the product and service offering
- Secondly: extension of our leadership in data and technology
- And thirdly: geographic expansion and the acquisition of new markets and customer groups

We again made progress and achieved success in each of these areas in 2014, in some cases significantly.



I would like to mention our Asian business as an example. Since 2007, we have more than doubled the revenue share of this business to over €100 million today. Progress is being made in our strategic partnership with Bank of China, the country's most important bank, which we entered into at the end of 2013: in November, Bank of China was licensed as our trading and clearing participant. In addition, the Monetary Authority of Singapore gave its "in principle" approval at the beginning of 2015 for our planned clearing house in Singapore. Based on our successful cooperation with the Korea Exchange (KRX), we extended the model last year to TAIEX, the Taiwanese derivatives exchange. And we gained the Shanghai Stock Exchange as the exclusive distributor and licensor of Deutsche Börse market data in mainland China. We also agreed a strategic partnership with China Construction Bank (CCB) at the end of March. We can now justifiably claim to be more than just the most active non-Asian exchange organisation in Asia – we are also the most successful. In this respect we have outpaced our global competitors, who are themselves by no means unambitious.

Our strategic priorities include acquiring new customer groups in addition to expanding the business on a regional basis. The energy business at the Leipzig-based European Energy Exchange (EEX) is a particular growth driver. The EEX is emerging as Europe's leading energy exchange thanks to the acquisition of a majority interest in France's Powernext at the beginning of this year. In addition, we are integrating APX Group, an operator of energy markets in the Netherlands, Belgium and the UK, with an EEX subsidiary. This will then allow us to cover Europe's key markets. This move extends our value chain to include the ever expanding commodities business.

**(Slide 7) Financial guidance – net revenue on track to achieve mid-term growth target**

Our revenue and cost forecasts were again accurate in 2014. At €2.04 billion, net revenue was in the upper half of our forecast range of between €1.9 billion and €2.1 billion. The adjusted operating costs of around €1.07 billion were also in line with our projections. I would like to add that this means we have our costs under control, which has always been important to us and remains so.

We are increasing our net revenue forecast for 2015 to a range of between €2.2 billion and €2.4 billion. We expect growth to be driven both by structural changes and by favourable cyclical developments. Our solid performance in the first quarter reinforces our assessment. On top of this is the effect on our energy market that we are expecting from the integration of APX, which I mentioned earlier. We estimate adjusted operating costs at around €1,230 million. The primary factor here will be the effects of consolidating investments, in particular the acquisitions in the energy sector I have already mentioned. The US dollar's further appreciation against the euro will also increase costs.

As a result, our EBIT should again increase correspondingly to between €975 million and €1,175 million.

## **From a national exchange organisation to a global infrastructure provider for integrated risk, collateral and liquidity management**

Ladies and Gentlemen, allow me to finish by summing up the most important milestones of the last few years. From my viewpoint, our company and our employees have achieved three key successes:

- Firstly: our company has evolved from a predominantly European into a truly global service provider. We are now present in 24 locations worldwide – 14 in Europe, 4 in North America and 6 in Asia. Cork and Milan were added in 2014 alone, following our expansion to include Prague, Tokyo, Singapore, New York, Beijing and Hong Kong in recent years. At the same time, Deutsche Börse's trading technology has found increasingly widespread international use: in total, more than 30 markets around the world are now operated using Deutsche Börse Group technology.
- Secondly: we have implemented a targeted expansion of Deutsche Börse Group's products and services, and above all we have enhanced our innovative strength. Our innovative products and services have high growth rates.
- Thirdly: we also played a key role in stabilising the financial markets during the depths of the crisis. And we made use of the opportunity offered by the crisis, namely to prove our reliability at the most difficult time and to develop future advantages.

I would like to add this: none of these successes would have been possible without the commitment and expertise of Deutsche Börse Group's employees. I would like to thank our employees expressly for this, both on behalf of the Executive Board but also on a personal level.

Ladies and Gentlemen, allow me to conclude with a personal remark: as you know, after this Annual General Meeting and after roughly a decade at the helm of Deutsche Börse, I will be handing over to my successor, Carsten Kengeter. He has already been a member of the Executive Board of Deutsche Börse AG since April and is also here on the podium today. I would like to take this opportunity to wish you, dear Carsten Kengeter, every success and good fortune in the continued development of this company!

I would also like to offer my special and sincere thanks to you, our shareholders, for your confidence. Each year you have supported us with the highest approval ratings, and though your contribution to the company has not always been uncritical, it has always been knowledgeable and constructive. This is not something to be taken for granted these days, and I have always highly valued your confidence. My request to you: please stay with this company, and continue to look upon it with goodwill. It has been an honour! Thank you and “uf wiederluege” [Swiss German for “goodbye and see you again”].