

Q3/2023

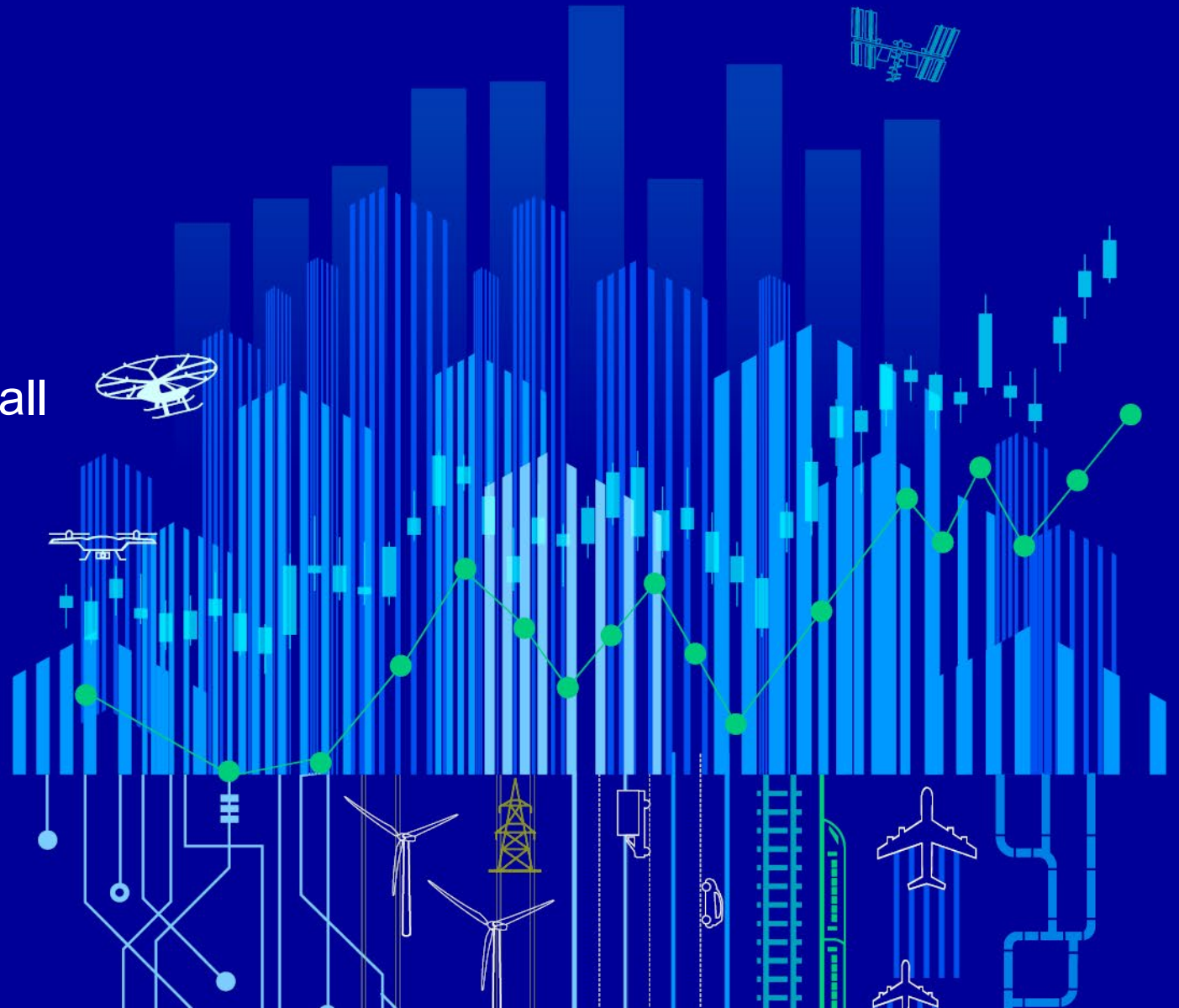
Financial results

Analyst and Investor Conference Call

19 October 2023



DEUTSCHE BÖRSE
GROUP



9M/2023 showed further double-digit growth against a record year – guidance for full year increased again

9M/2023

Net revenue

↗ €3,640m
+15%

EBITDA

↗ €2,190m
+14%

Organic net revenue growth

+15%	
+6% secular	+9% cyclical

- Continued strong secular net revenue growth, above expectations.
- Key contributors were: product innovation and OTC clearing in financial derivatives, ESG products in Data & Analytics and market share in commodities/FX.
- Cyclical tailwinds mainly driven by increased interest rates, which resulted in a substantial increase of the net interest income in Securities and Fund Services.
- In addition, temporary spikes in volatility in Q1 resulted in increased client hedging needs in financial derivatives.

Operating costs

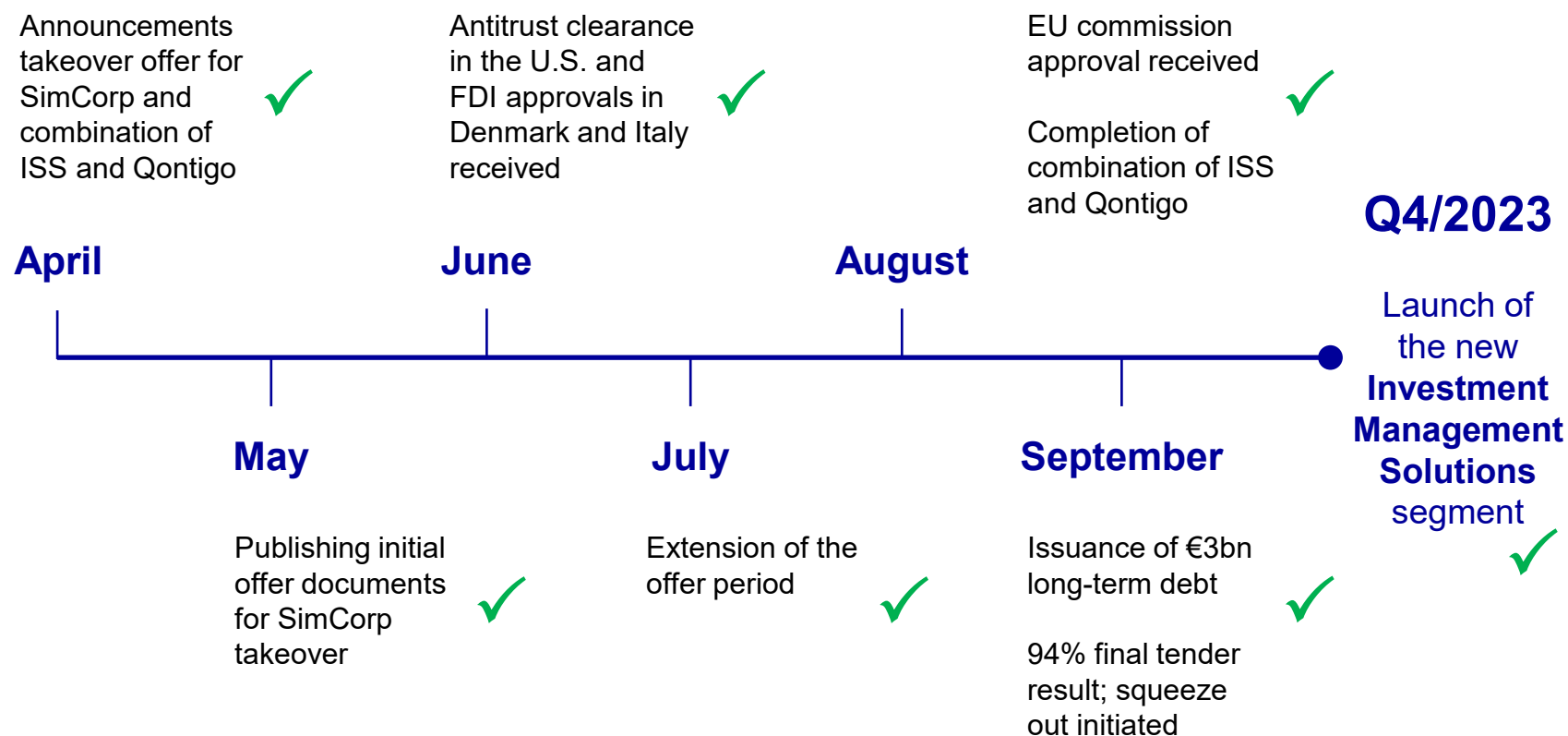
Development in-line with expectations

- Organic operating cost growth (+8%) mainly driven by inflationary effects, FTE increase and investments.
- Creation of new Investment Management Solutions segment resulted in some exceptional cost items.

 **Guidance FY/2023**

- Because of the **strong development** so far, the **outlook** for the rest of the year and the **consolidation of SimCorp** in Q4/23, we again **increase our guidance** for 2023.
- We now expect **net revenue of ~€5.0 billion** and a reported **EBITDA of ~€2.9 billion**.

Creating a powerful Investment Management Solutions segment – successful closing of the acquisition



New Investment Management Solutions segment

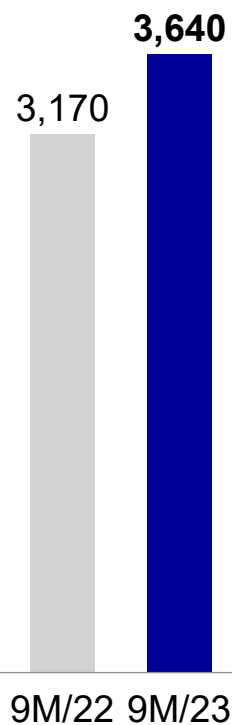
- SimCorp offers an industry-leading front-to-back SaaS investment management platform and has a strong fit with our strategy.
- Good financial performance of SimCorp in 9M/23: Net revenue growth of 7% and forward-looking annual run rate revenue (ARR) growth of 13%.
- Squeeze-out of SimCorp already initiated; delisting planned for 30 Oct.
- Combination of ISS and Qontigo creates a leading ESG, data and index provider.
- Deep dive into both businesses and growth guidance during Investor Day on 7 November.

Group financials

9M/2023

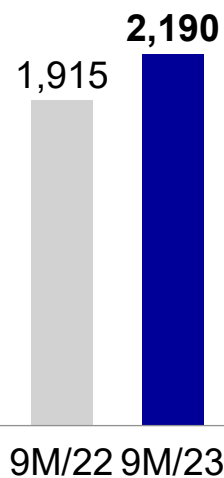
Net revenue | €m

↗ +15%



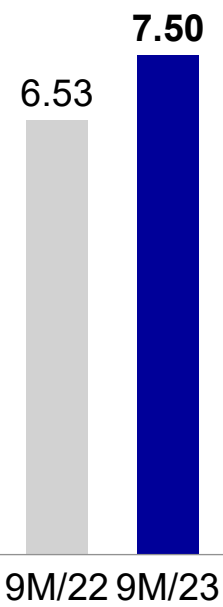
EBITDA | €m

↗ +14%



Cash EPS¹ | €

↗ +15%



Note

Treasury result	€733m +146%
Operating cost	€1,430m +11%
Financial investments	€-21m
Depreciation ²	€293m
Financial result	€-30m
Net profit	€1,317m +16%
EPS	€7.15

1) EPS before purchase price allocation (ppa)

2) Incl. ~€87m ppa effects

Group financials

Q3/2023

Net revenue | €m

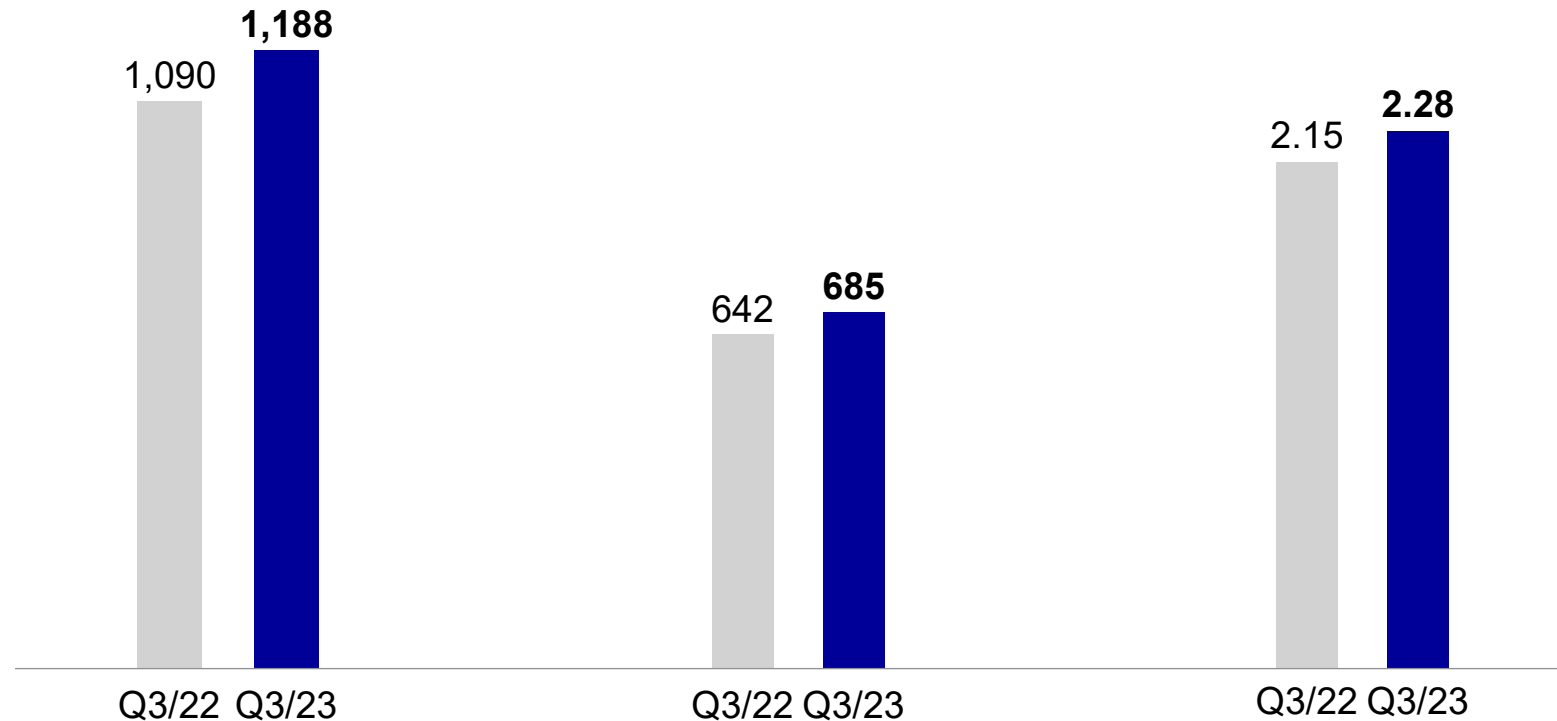
↗ +9%

EBITDA | €m

↗ +7%
↗ +13% (excl. exceptionals)

Cash EPS¹ | €

↗ +6%
↗ +18% (excl. exceptionals)



Note

- Continued secular net revenue growth complemented by cyclical tailwinds from increased interest rates, which offset lower volatility in Trading & Clearing.
- Organic operating cost increased by 5%, which was mainly driven by inflationary effects, FTE increases and investments.
- Exceptional effects in Q3/23:
 - Cost: €37 million (€18m SimCorp transaction costs and €19m costs to achieve).
 - D&A: €25 million from full impairment of Crypto Finance intangibles.

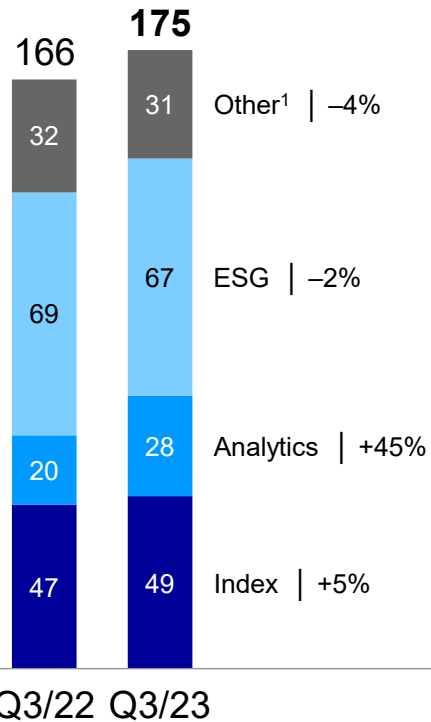
1) EPS before purchase price allocation (ppa)

Data & Analytics

Q3/2023 | €m

Net revenue

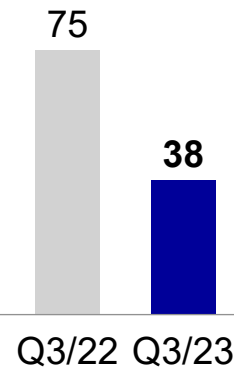
↗ +5%



EBITDA

↘ -49%

↗ +1% (excl. exceptionals)



Business development

- FX remained a headwind in Q3/23 (constant currency net revenue growth 11%).
- Analytics benefited from renewal of client contracts (point in time revenue).
- EBITDA impacted by one-off costs to create Investment Management Solutions segment (€37m).

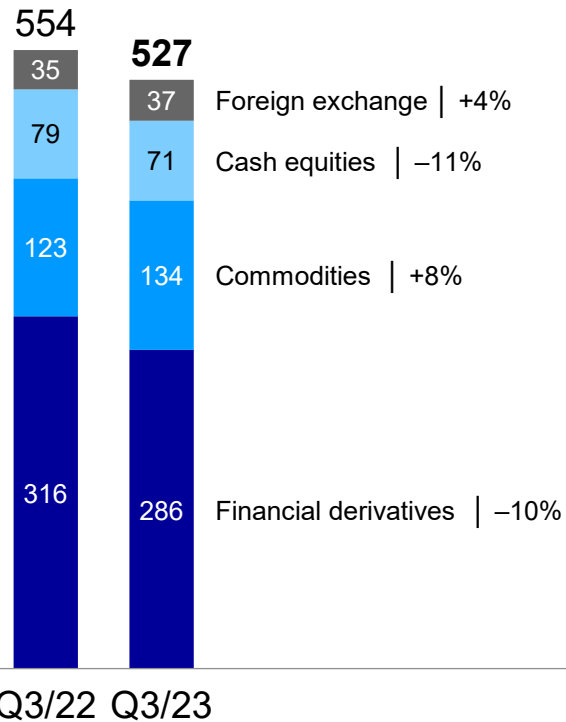
1) Incl. Market Intelligence, Media, FWW, Liquid Metrix, Discovery Data and Rainmaker

Trading & Clearing

Q3/2023 | €m

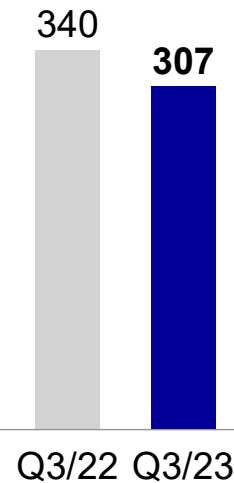
Net revenue

↘ -5%



EBITDA

↘ -10%



Business development

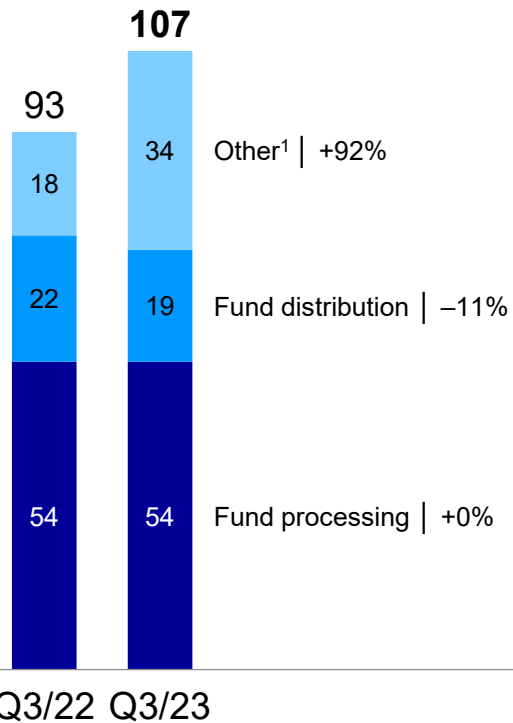
- In Financial Derivatives lower volatility resulted in a decline of margin fees and equity derivatives trading against a strong 2022. Fixed income related activities (futures, OTC clearing and repo) were broadly stable year-over-year.
- In Commodities, lower margin fees were overcompensated by strong power trading activity.

Fund Services

Q3/2023 | €m

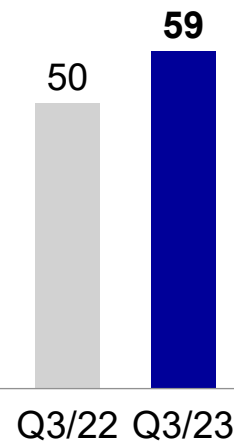
Net revenue

↗ +15%



EBITDA

↗ +18%



Business development

- In fund distribution and processing, outflows from active equity funds to passive and fixed income were compensated by new clients.
- Carve out of Fund Services resulted in small income statement shift effects from/to Securities Services:
 - To Fund Services: NII €15 million.
 - To Security Services: Net revenue from settlement, custody and other €4 million.
- Q3/23 still included some one-off costs due to carve out of Fund Services business from Clearstream.

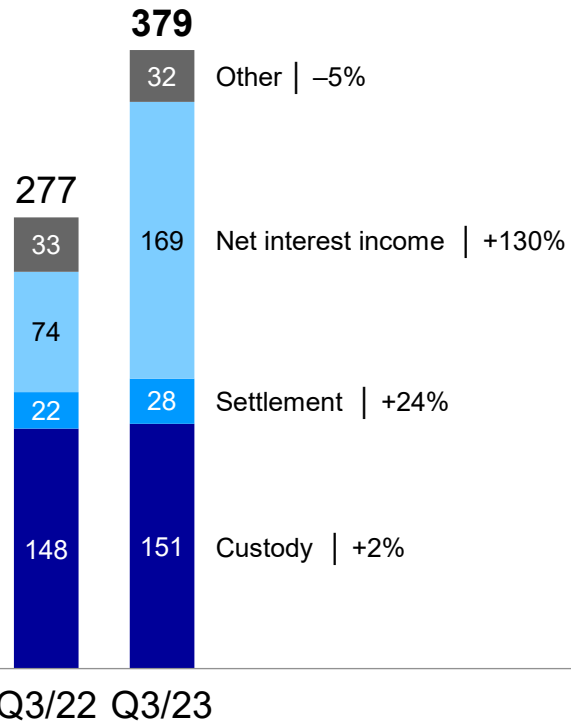
1) Incl. net revenue from connectivity and fund data.
Incl. NII of €15m.

Securities Services

Q3/2023 | €m

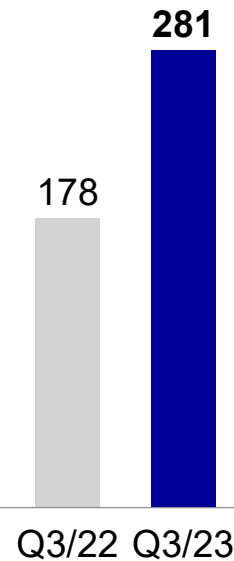
Net revenue

↗ +37%



EBITDA

↗ +58%



Business development

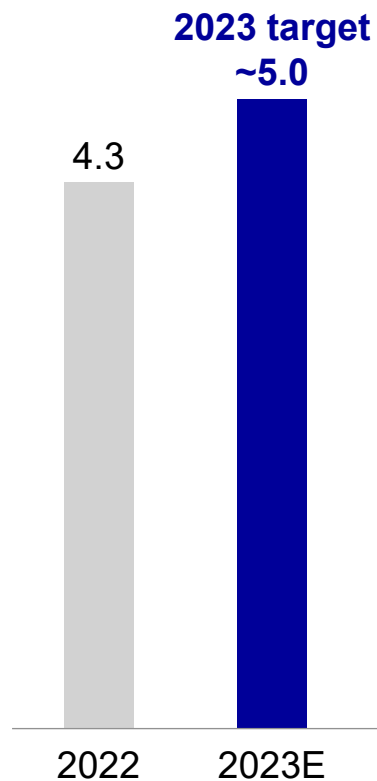
- Custody positively affected by ongoing high level of fixed income issuance activity and higher collateral management revenues in light of interest rate development.
- Very positive NII development with much higher interest rates despite a small decline of cash balances (€15 billion² t/o 51% US-Dollar).
- Carve out of Fund Services results in some P&L shift effects from/to Securities Services (see previous page).

1) Incl. net revenue from connectivity, account services and reporting.
 2) Incl. blocked accounts due to sanctions.

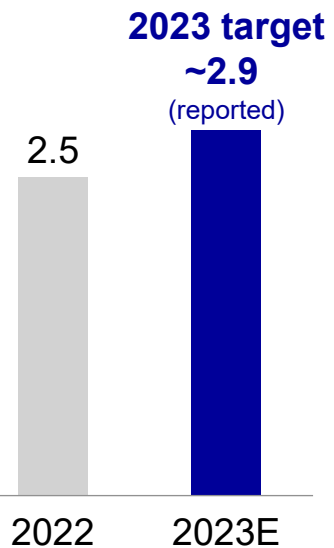
Outlook

FY/2023 | €bn

Net revenue



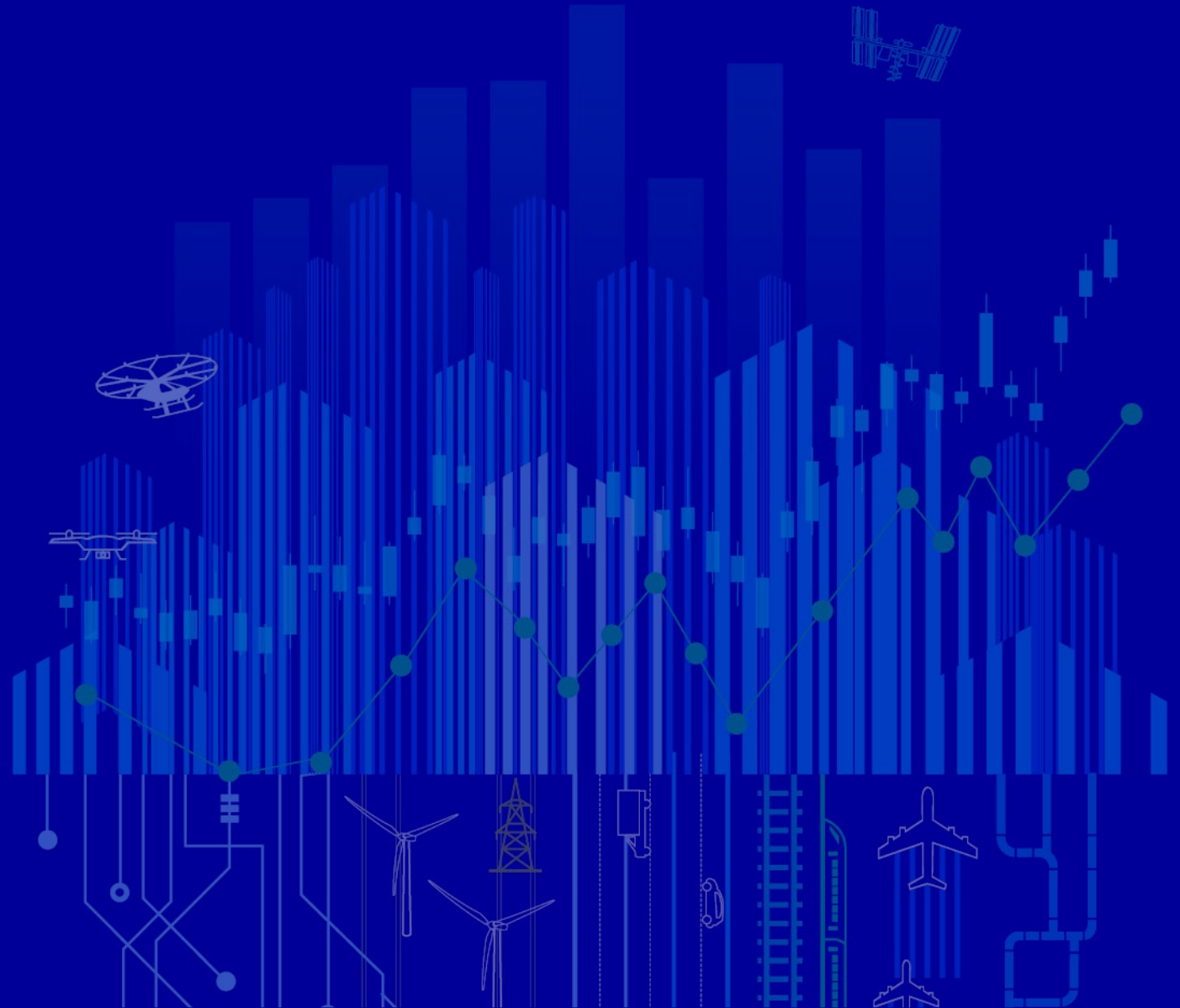
EBITDA



Implications of new IMS segment

- Data & Analytics segment renamed to Investment Management Solutions (IMS), which includes SimCorp and the combined ISS/Qontigo businesses.
- In Q4/23, SimCorp will be fully consolidated, and we expect net revenue of ~€185 million and EBITDA of ~€85 million (before exceptionals).
- We expect costs to achieve of ~€50 million in 2023 (9M/23: €21m) and ~€50 million in 2024; transaction-related costs amounted to ~€21 million in 9M/23.
- As a result of the SimCorp acquisition, depreciation and amortisation will increase to ~€125 million and the financial result to ~€50 million in Q4/23.
- For 2024 we continue to expect a net revenue contribution of ~€600 million and EBITDA of ~€200 million (before synergies) from the SimCorp acquisition.

Appendix





Income statement – group level

	Q3/23 €m	Q3/22 €m	Change %
Sales revenue	1,200.9	1,166.7	3
Treasury result from banking business	246.0	159.9	54
Other operating income	3.5	8.8	-60
Total revenue	1,450.4	1,335.4	9
Volume-related costs	-262.1	-245.2	7
Net revenue	1,188.3	1,090.2	9
Staff costs	-338.0	-307.2	10
Other operating expenses	-166.9	-138.4	21
Operating costs	-504.9	-445.6	13
Result from financial investments	1.4	-2.3	-161
Earnings before interest, tax, depreciation and amortisation (EBITDA)	684.8	642.3	7
Depreciation, amortisation and impairment losses	-114.8	-92.6	24
Earnings before interest and tax (EBIT)	570.0	549.7	4
Financial result	-11.0	-21.1	-48
Earnings before tax (EBT)	559.0	528.6	6
Income tax expense and other tax	-144.1	-137.4	5
Net profit for the period	414.9	391.2	6
thereof attributable to Deutsche Börse shareholders	400.3	373.3	7
thereof attributable to non-controlling interests	14.6	17.9	-18
Earnings per share (basic) (€)	2.16	2.03	6
Earnings per share before purchase price allocations (Cash EPS) (€)	2.28	2.15	6

Detailed income statement – Data & Analytics

Income statement – Data & Analytics				Volumes			Revenue per volume		
	Q3/23 €m	Q3/22 €m	Change %	Unit	Volume	Change %	Unit	RPV	Change %
Net revenue	174.7	166.4	5						
Index ¹	49.0	46.6	5	AuM (€bn)	107	11			
Analytics	28.2	19.5	45	Contracts (m)	175	-15			
ESG	66.9	68.5	-2						
Other ²	30.6	31.8	-4						
Operating costs	-135.3	-93.8	44						
Result from financial investments	-1.1	2.2	-150						
EBITDA	38.3	74.8	-49						

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		
	Q3/23 €m	Q3/22 €m	Change %	Unit	Volume	Change %	Unit	RPV	Change %
Net revenue	527.0	553.6	-5						
Financial derivatives	285.7	315.8	-10						
Equities	105.3	126.8	-17	Contracts (m)	253	-10	€/contract	0.416	-8
Interest rates	89.2	95.4	-6	Contracts (m)	175	-5	€/contract	0.511	-2
Margin fees	18.5	34.2	-46						
Other	72.7	59.4	22						
Commodities	133.6	123.2	8						
Power	56.4	40.1	41	TWh	1,986	60	€/TWh	0.028	-12
Gas	22.6	23.0	-2	TWh	1,721	-3	€/TWh	0.013	2
Other	54.6	60.1	-9						
Cash equities	71.0	79.4	-11						
Trading	29.7	34.0	-13	Order book (€bn)	276	-13	bps	0.107	0
Other	41.3	45.4	-9						
Foreign exchange	36.7	35.2	4	ADV (€bn)	125	0	bps	0.293	4
Operating costs	-220.1	-209.6	5						
Result from financial investments	0.3	-3.9	-108						
EBITDA	307.2	340.1	-10						

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		
	Q3/23 €m	Q3/22 €m	Change %	Unit	Volume	Change %	Unit	RPV	Change %
Net revenue	107.3	93.3	15						
Fund processing ¹	53.5	53.5	0	AuC (€bn)	3,281	2	bps p.a.	0.652	-2
Fund distribution	19.4	21.9	-11						
Other	34.4	17.9	92						
Operating costs	-50.1	-43.8	14						
Result from financial investments	1.4	0.1	1,300						
EBITDA	58.6	49.6	18						

1) Incl. custody and settlement

Detailed income statement – Securities Services

Income statement – Securities Services				Volumes			Revenue per volume		
	Q3/23 €m	Q3/22 €m	Change %	Unit	Volume	Change %	Unit	RPV	Change %
Net revenue	379.3	276.9	37						
Custody ¹	150.6	147.6	2	AuC (€bn)	14,354	7	bps p.a.	0.420	-5
Settlement	27.7	22.4	24	Transactions (m)	18.4	8	€	1.509	14
Net interest income from banking business	169.3	73.6	130	Cash balances (€m)	14,766	-16	% p.a.	4.586	173
Other ²	31.7	33.3	-5						
Operating costs	-99.4	-98.4	1						
Result from financial investments	0.8	-0.7	-214						
EBITDA	280.7	177.8	58						

1) Incl. custody and collateral management

2) Incl. third party services and Clearstream other

Financial calendar and contact details

Financial calendar

7 November 2023	<u>Investor Day (Frankfurt)</u>
14 November 2023	UBS European Conference (London)
21 November 2023	DZ Bank Equity Conference (Frankfurt)
27 November 2023	Deutsches Eigenkapitalforum (Frankfurt)
29 November 2023	Redburn CEO Conference (virtual)
4 December 2023	Berenberg European Conference (Surrey)
9 January 2024	Commerzbank & ODDO BHF German Investment Seminar (New York)
12 January 2024	ODDO BHF Forum (Lyon)
17 January 2024	Unicredit & Kepler Cheuvreux German Corporate Conference (Frankfurt)
7 February 2024	Publication preliminary results Q4 and FY 2023
8 February 2024	Analyst and investor conference call Q4 and FY 2023
21 February 2024	BofA US Financials Conference (Miami)
5 March 2024	RBC Global Financials Conference (New York)
14 March 2024	Morgan Stanley European Financials Conference (London)
23 April 2024	Publication quarterly statement Q1/2024
24 April 2024	Analyst and investor conference call Q1/2024
14 May 2024	Annual General Meeting

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