

Q1/2021

Financial results

Analyst and Investor Conference Call
22 April 2021



DEUTSCHE BÖRSE
GROUP

Summary Q1/2021 results presentation

-7%

Net revenue
growth Q1/21

As expected, net revenue declined against strong y-o-y comparables due to COVID-19.

+1%

Organic cost
growth Q1/21

Prudent management of organic operating costs because of cyclical headwinds.

€521m

EBITDA
in Q1/21

EBITDA level significantly above quarterly average in 2020.

ISS

Acquisition

Transaction successfully closed on 25 Feb; €1bn debt issued in Feb with 0% avg. yield.

**On
track**

FY/2021
Compass 2023

Company well on track to achieve its FY/2021 guidance and mid-term targets.

19 May

Annual general
meeting

AGM will take place virtually; increase of dividend per share to €3.00 proposed.

Group financials

Q1/2021

Net revenue | €m

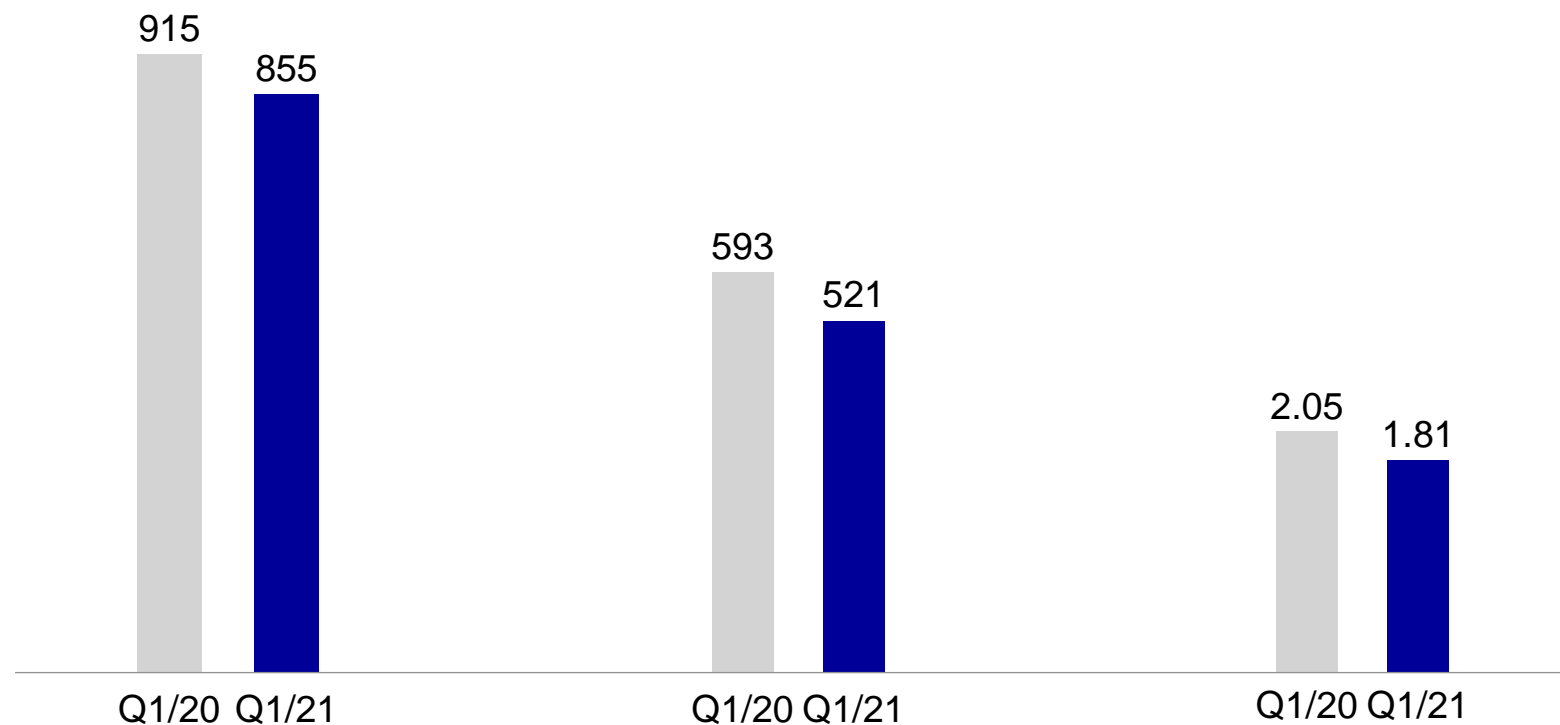
- ↘ -7%
- ↘ -10% (organic)

EBITDA | €m

- ↘ -12%
- ↘ -14% (organic)

Cash EPS¹ | €

- ↘ -12%
- ↘ -13% (organic)

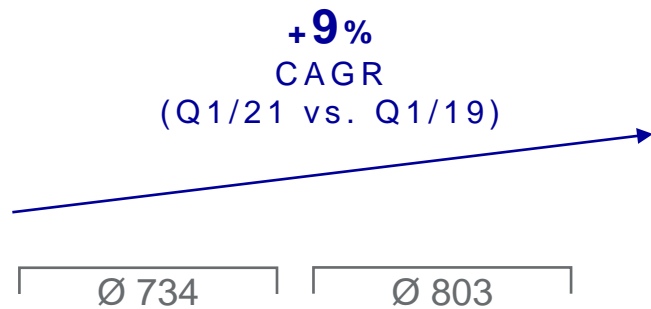


Note

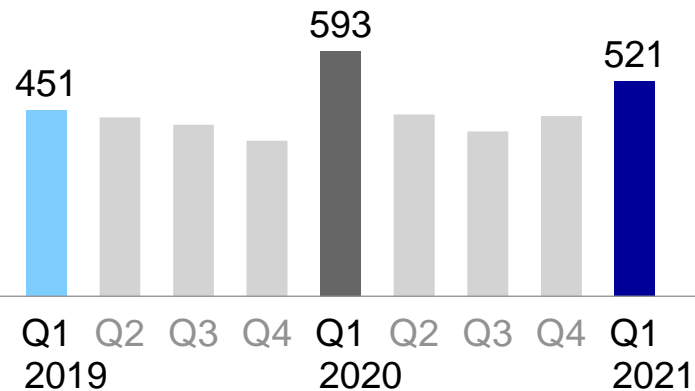
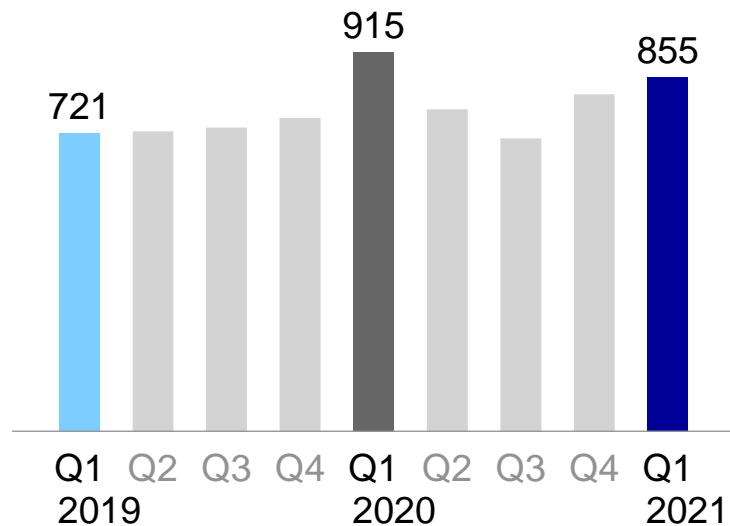
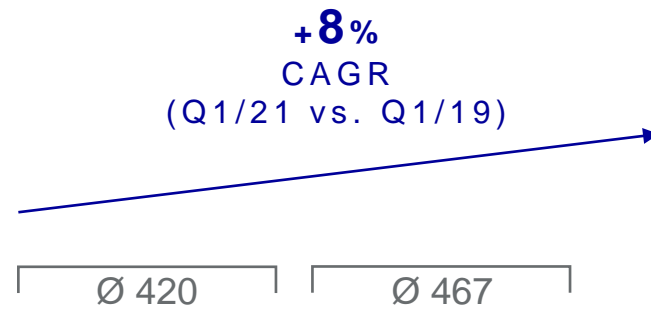
Net interest income	€35m -49%
Operating cost	€347m +9%
Depreciation ²	€62m
Financial result	€-14m
Net profit	€317m -14%
EPS	€1.73

Progress on Compass 2023 targets

Net revenue | €m



EBITDA | €m

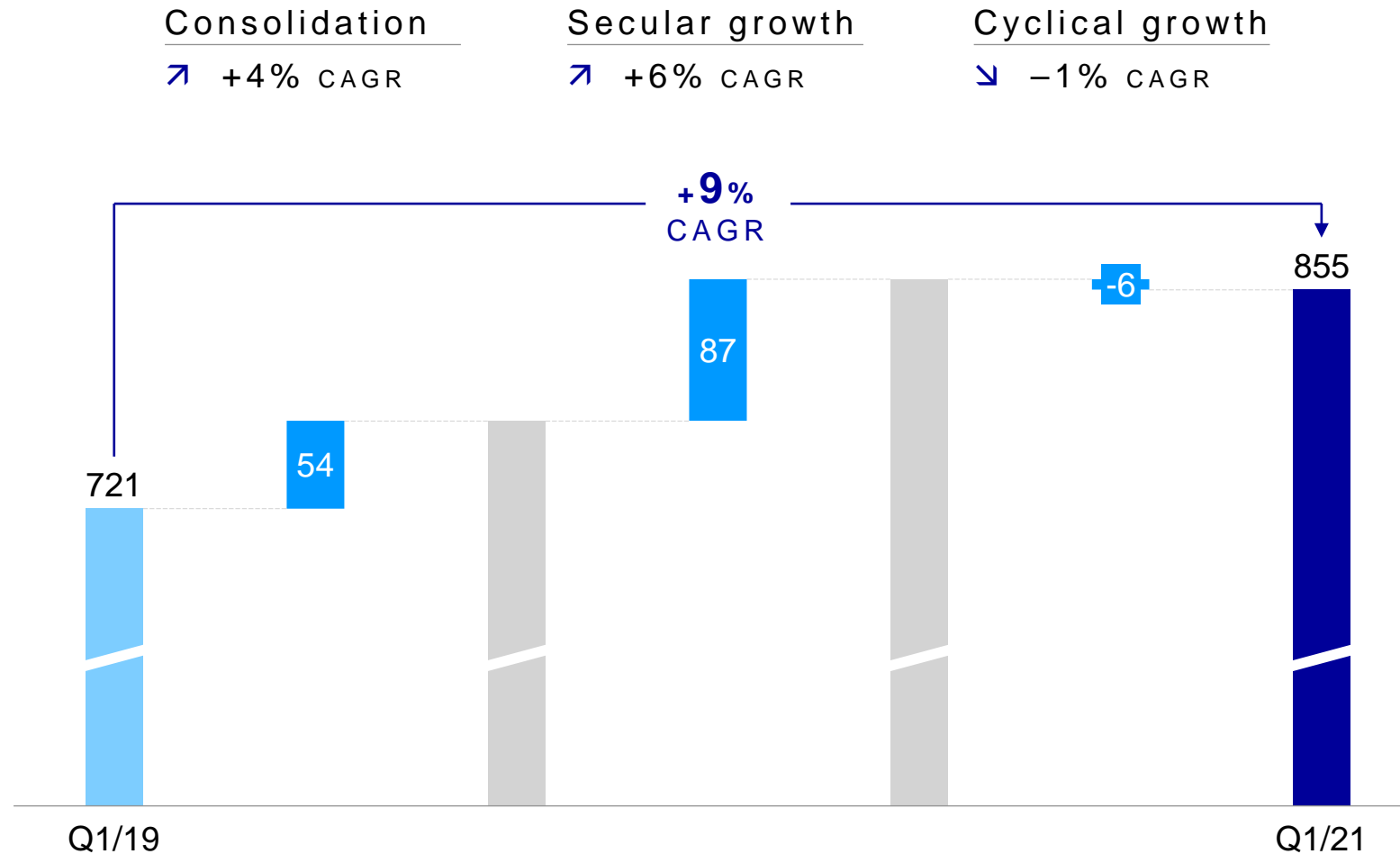


Note

- Compass 2023 mid-term plan targets 10% net revenue growth CAGR (5% secular + 5% M&A) and 10% EBITDA growth CAGR.
- Results in Q1/20 driven by exceptional COVID-19 situation.
- Q1/21 net revenue and EBITDA compared to 2019 (Compass 2023 base year) fully in-line with expected growth trajectory.

Compass 2023 net revenue development

Q1/2021 | €m



Note

- Q1/21 net revenue growth rate compared to 2019 (Compass 2023 base year) fully in-line with expected growth trajectory.
- Consolidation effects vs. Q1/19 mainly driven by ISS, Axioma (Qontigo) and Fondcenter (IFS).
- All segments with positive secular growth contribution.
- Cyclical decline mainly driven by Clearstream net interest income.

Note: Numbers may not add up due to rounding.

Operating cost development

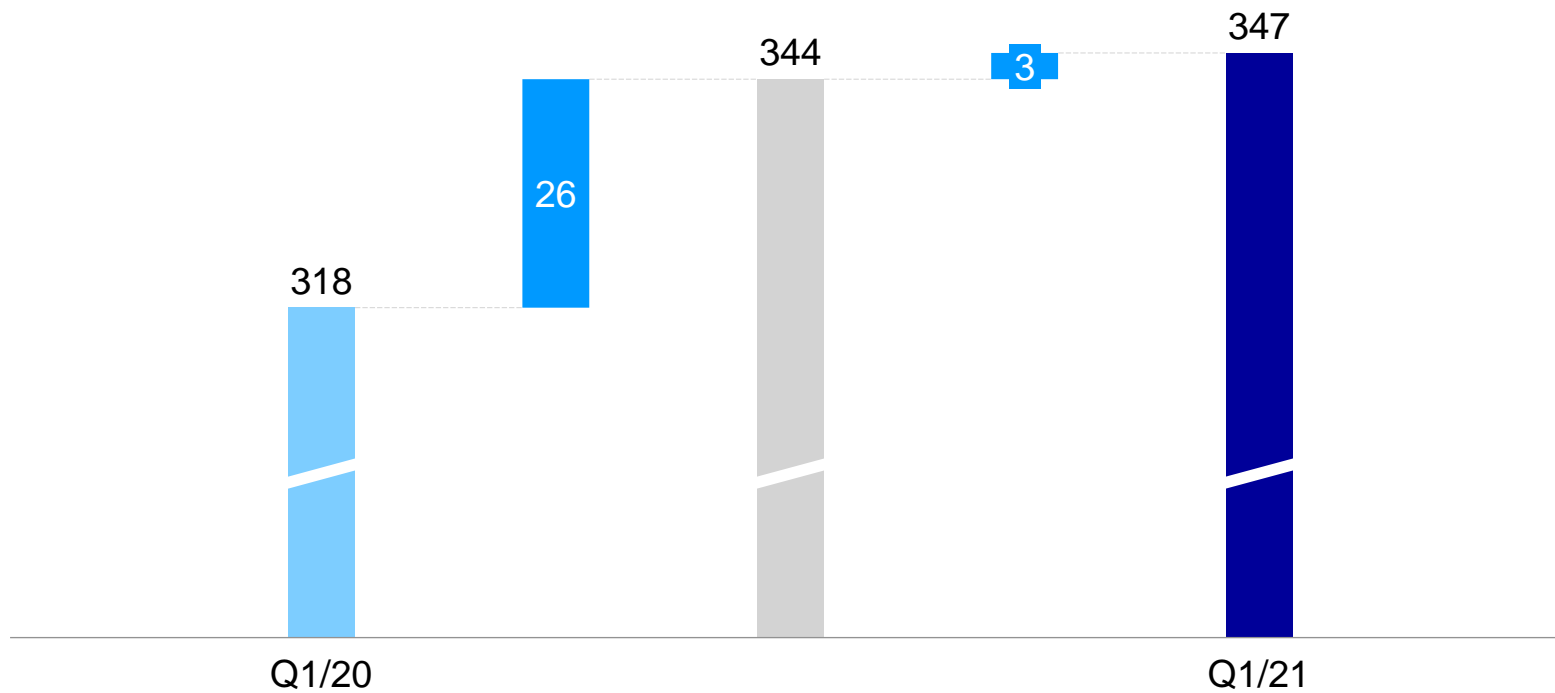
Q1/2021 | €m

Consolidation

↗ +8%

Organic

↗ +1%



Note

- Consolidation effects driven by ISS, Quantitative Brokers (Eurex) and Fondcenter (IFS).
- Generally, prudent management of operating costs due to cyclical headwinds.
- Slightly higher investments in growth and technology.
- Inflationary pressures offset by increase of operating efficiency.
- Variable-/ share based compensation broadly flat.

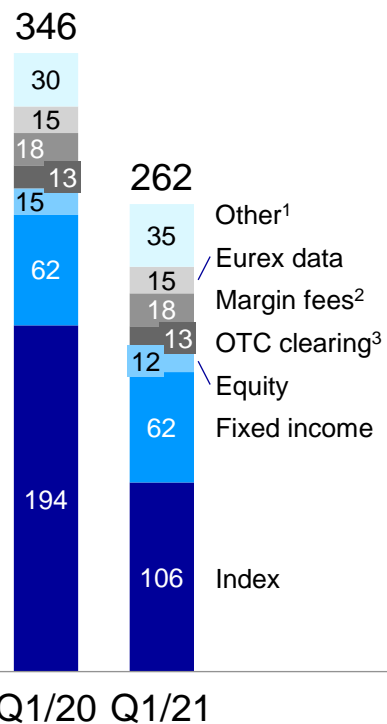
Note: Numbers may not add up due to rounding.

Eurex (financial derivatives)

Q1/2021

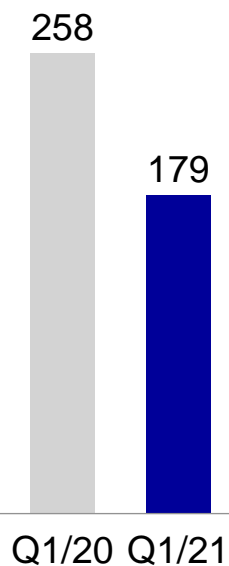
Net revenue | €m

- ↘ -24%
- ↘ -25% (organic)



EBITDA | €m

- ↘ -31%
- ↘ -31% (organic)



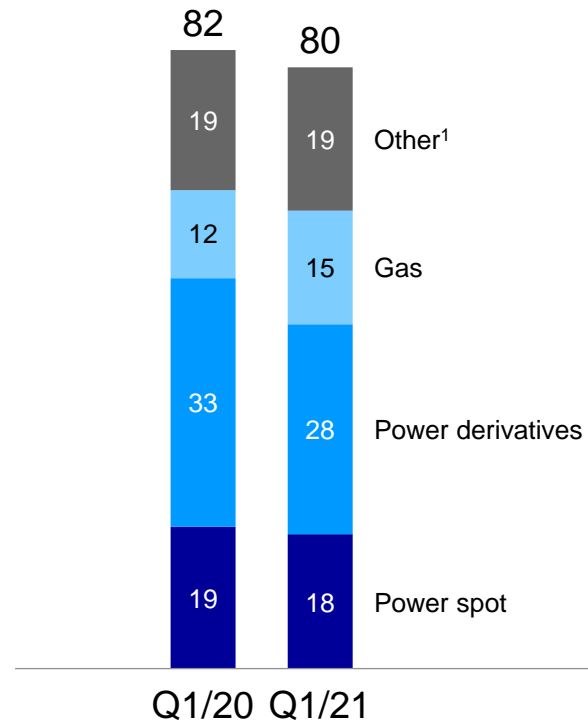
Business activity

Total derivatives	467m -26%
Index derivatives	217m -43%
Fixed income derivatives	165m +2%
Equity derivatives	83m -4%
OTC notional outstanding (avg.)	€20.5tr +17%
OTC notional cleared (incl. compr.)	€12.4tr +34%

EEX (commodities) Q1/2021

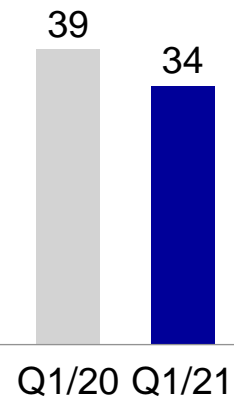
Net revenue | €m

↘ -3%



EBITDA | €m

↘ -12%



Business activity

Power spot	163 TWh +1%
Power derivatives	1,617 TWh -10%
Gas	703 TWh -8%

360T (foreign exchange) Q1/2021

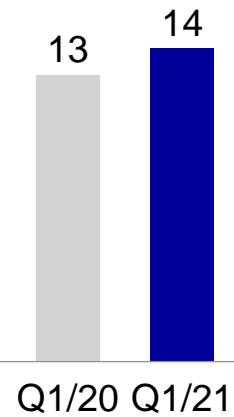
Net revenue | €m

↘ -4%



EBITDA | €m

↗ +9%



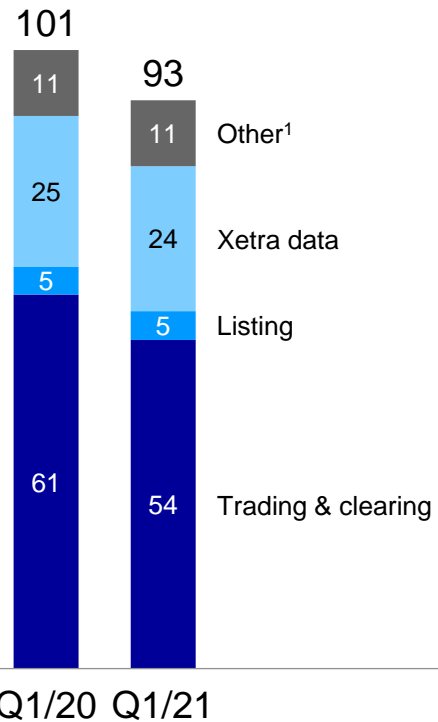
Business activity

Average daily volumes (ADV) | €92bn
-4%

Xetra (cash equities) Q1/2021

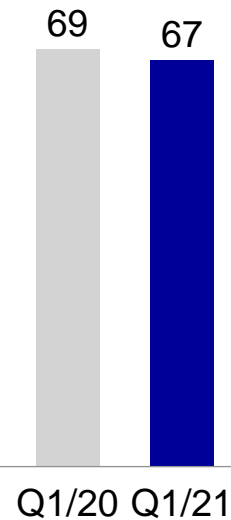
Net revenue | €m

↘ -8%



EBITDA | €m

↘ -3%



Business activity

Order book volume ² Equities	€483bn -12%
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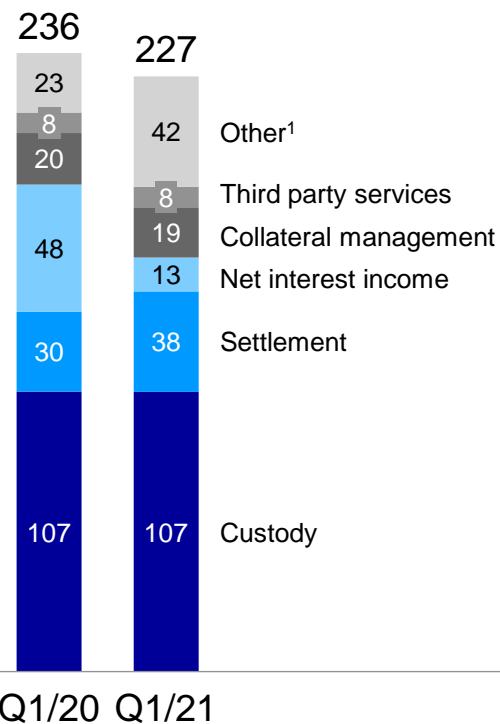
Order book volume ² ETF, ETC, ETN	€73bn -7%
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Clearstream (post-trading)

Q1/2021

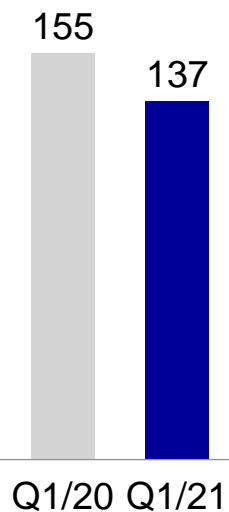
Net revenue | €m

↘ -4%



EBITDA | €m

↘ -12%



Business activity

Assets under custody	€12.6tr +6%
Settlement transactions (ICSD)	23m +26%
Cash balances total volume	€15.1bn -22%
t/o US-Dollar	€6.8bn -32%
Collateral outstandings	€519bn +3%

- Net revenue includes an exceptional item related to a reimbursement of legal fees of around €17 million.

IFS (investment fund services)

Q1/2021

Net revenue | €m

↗ +49%

↗ +23% (organic)

EBITDA | €m

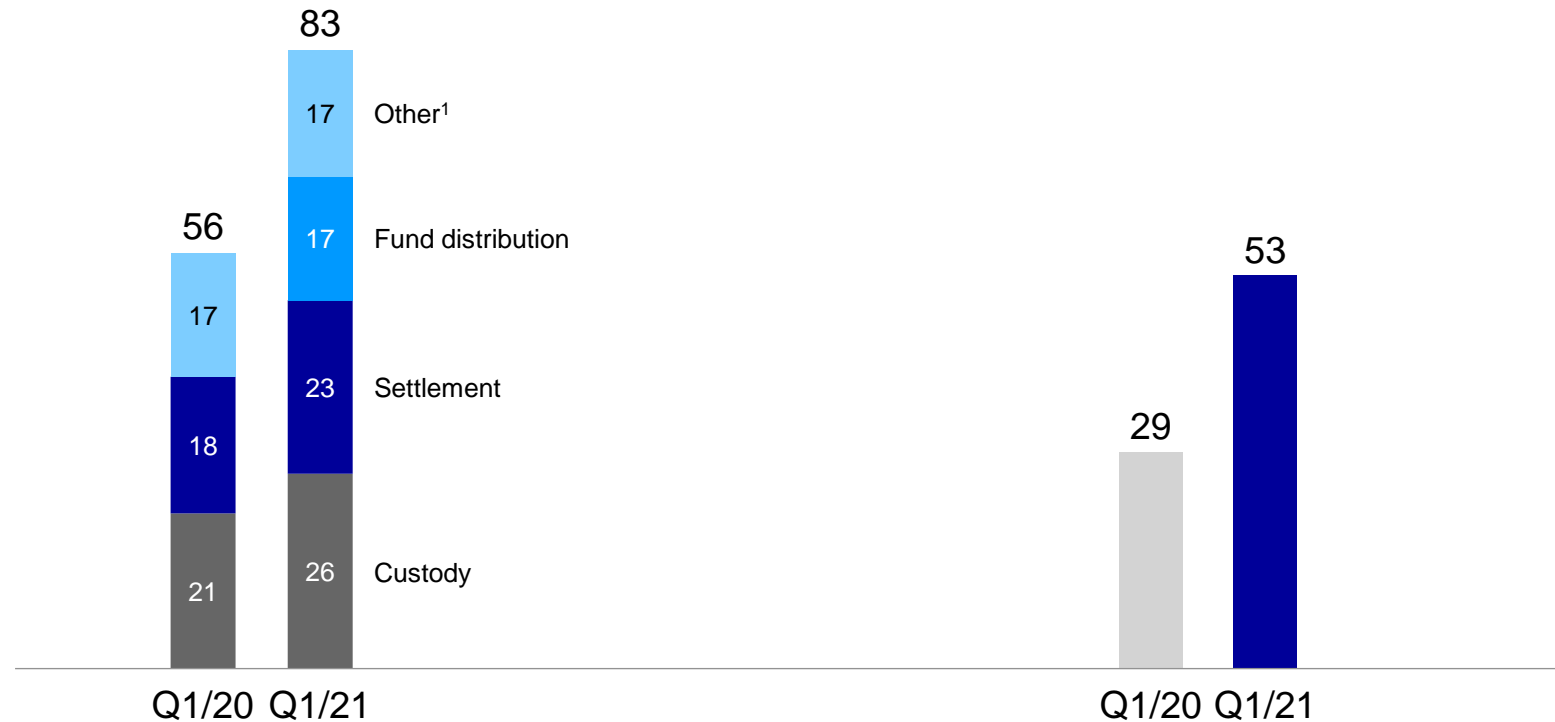
↗ +81%

↗ +46% (organic)

Business activity

Assets under custody | €3.1tr
+14%

Settlement transactions | 11.3m
+5%

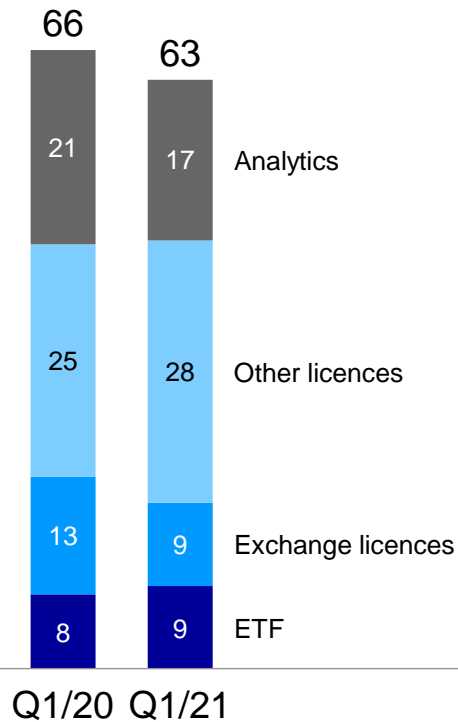


Qontigo (index and analytics business)

Q1/2021

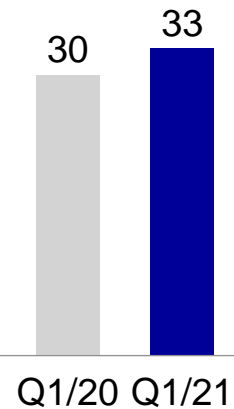
Net revenue | €m

↘ -5%



EBITDA | €m

↗ +9%



Business activity

ETF assets under management	€103bn +19%
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Exchange licences traded contracts	204m -42%
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ISS (Institutional Shareholder Services)

Q1/2021

Initial consolidation on 25 February 2021 | €m

	Q1/21
Net revenue	21
Operating costs	-16
EBITDA	5

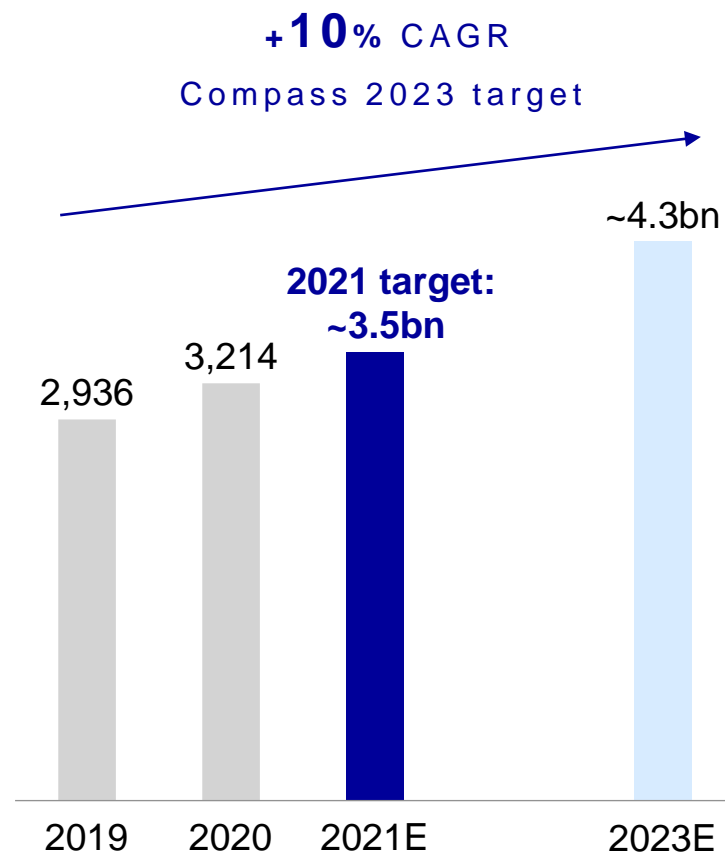
Note

- Financing of ISS completed on 15 February, by issuing two senior bonds:
 - 5 year at a yield of –19bp and a coupon of 0%.
 - 10 year at a yield of 19bp and a coupon of 0.125%.
- 25 February 2021 [closing of ISS transaction](#).
- 79% of ISS net revenue related to stewardship solutions and ESG analytics.
- Net revenue and operating costs include some transaction/integration related effects.

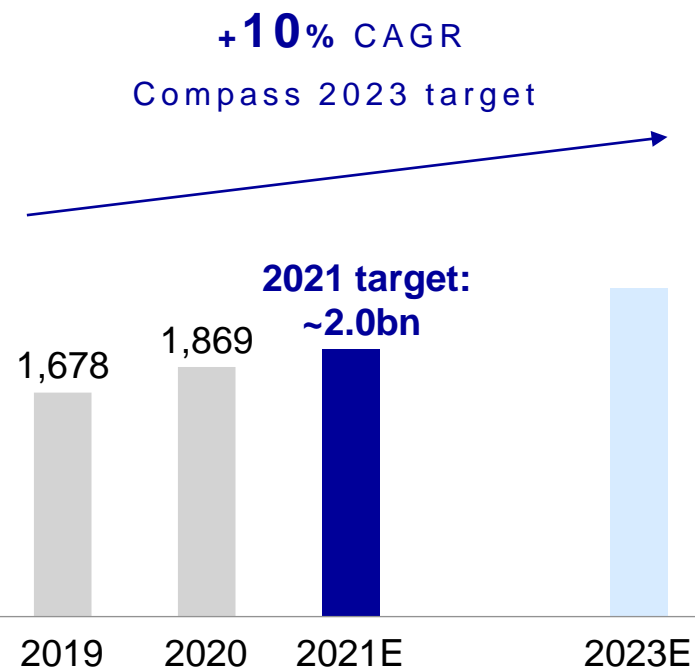
Outlook

FY/2021

Net revenue guidance | €m



EBITDA guidance | €m



Note

- Compass 2023 mid-term plan targets 10% net revenue growth CAGR (5% secular + 5% M&A) and 10% EBITDA growth CAGR.
- For 2021 Deutsche Börse expects:
 - Overall net revenue of around €3.5 billion (including continued 5% secular growth),
 - EBITDA of around €2.0 billion,
 - Guidance includes all closed M&A transactions to date (incl. ISS).
- Q1/21 fully in-line with 2021 guidance and expected Compass 2023 growth trajectory.

Appendix



Income statement – group level

(in €m)	Quarter ended 31 Mar 2021	Quarter ended 31 Mar 2020
Sales revenue	1,023.8	959.2
Treasury result from banking business	34.6	67.8
Other operating income	19.3	3.4
Total revenue	1,077.7	1,030.4
Volume-related costs	-222.6	-115.6
Net revenue	855.1	914.8
Staff costs	-228.5	-196.1
Other operating expenses	-118.0	-122.3
Operating costs	-346.5	-318.4
Result from financial investments	12.6	-3.9
Earnings before interest, tax, depreciation and amortization (EBITDA)	521.2	592.5
Depreciation, amortization and impairment losses	-61.7	-62.0
Earnings before interest and tax (EBIT)	459.5	530.5
Financial result	-13.9	-16.5
Earnings before tax (EBT)	445.6	514.0
Income tax expense and other tax	-115.8	-133.4
Net profit for the period	329.8	380.6
thereof attributable to Deutsche Börse shareholders	317.3	367.2
thereof attributable to non-controlling interests	12.5	13.4
Earnings per share (basic) (€)	1.73	2.00
Earnings per share before purchase price allocations (Cash EPS) (€)	1.81	2.05

Income statement – segmental level I/II

	Eurex (financial derivatives)		EEX (commodities)		360T (foreign exchange)		Xetra (cash equities)	
(in €m)	Q1/21	Q1/20	Q1/21	Q1/20	Q1/21	Q1/20	Q1/21	Q1/20
Net revenue	262.0	346.3	79.5	81.8	26.4	27.6	93.2	101.4
Staff costs	-54.5	-46.1	-26.1	-23.5	-9.1	-10.6	-22.9	-22.5
Other operating expenses	-34.6	-37.4	-19.1	-19.1	-3.3	-4.2	-11.2	-11.9
Operating costs	-89.1	-83.5	-45.2	-42.6	-12.4	-14.8	-34.1	-34.4
Result from financial investments	5.8	-4.8	0.0	-0.1	0.0	0.0	7.6	1.5
EBITDA	178.7	258.0	34.3	39.1	14.0	12.8	66.7	68.5

Income statement – segmental level II/II

	Clearstream (post-trading)		IFS (investment fund services)		Qontigo (index and analytics business)		ISS (Institutional Shareholder Services)	
(in €m)	Q1/21	Q1/20	Q1/21	Q1/20	Q1/21	Q1/20	Q1/21	Q1/20
Net revenue	226.8	235.7	82.7	55.6	63.2	66.4	21.3	
Staff costs	-59.7	-52.2	-20.3	-17.1	-22.1	-24.1	-13.8	
Other operating expenses	-30.0	-28.1	-9.7	-9.5	-8.1	-12.1	-2.0	
Operating costs	-89.7	-80.3	-30.0	-26.6	-30.2	-36.2	-15.8	
Result from financial investments	-0.4	-0.5	-0.1	0.0	0.0	0.0	-0.3	
EBITDA	136.7	154.9	52.6	29.0	33.0	30.2	5.2	

Financial calendar and contact details

Financial calendar

19 May 2021	Annual General Meeting
20 May 2021	Berenberg Conference USA 2021 (virtual/ New York)
26-27 May 2021	UBS Best of Europe Virtual 1on1 Conference (virtual/ New York)
01-02 Jun 2021	Deutsche Bank FinTech / Info Services Conference (virtual/ NewYork)
16-17 Jun 2021	Deutsche Bank dbAccess Berlin Conference (virtual)
27 Jul 2021	Publication half-yearly financial report 2021
28 Jul 2021	Analyst and investor conference call Q2/2021
19 Oct 2021	Publication quarterly statement Q3/2021
20 Oct 2021	Analyst and investor conference call Q3/2021
22-24 Nov 2021	Deutsches Eigenkapitalforum 2021 Online (virtual/ Frankfurt)

Deutsche Börse AG
Investor Relations
Mergenthalerallee 61
65760 Eschborn
Germany

Phone: +49 69 211 11670

Fax: +49 69 211 14608

E-Mail: ir@deutsche-boerse.com

www.deutsche-boerse.com/ir_e

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