

Explanatory report of the Executive Board of Deutsche Börse Aktiengesellschaft on the information pursuant to §§ 289 (4) and (5) of the German Commercial Code (*Handelsgesetzbuch*) (management report) and §§ 315 (2) no. 5 and (4) of the German Commercial Code (consolidated management report) per 31 December 2010

Under §§ 289 (4) and (5) and §§ 315 (2) no. 5 and (4) of the German Commercial Code (*Handelsgesetzbuch*, HGB), listed companies are required to provide in the management report and consolidated management report additional information specified in greater detail in the Code. The Executive Board must provide explanatory notes on the mandatory information in the management report and the consolidated management report as soon as possible following calling of the Annual General Meeting on the Company's website and present these notes to the Annual General Meeting. Accordingly, the Executive Board of Deutsche Börse Aktiengesellschaft hereby provides the following notes:

1. Structure of subscribed capital

At 31 December 2010, Deutsche Börse Aktiengesellschaft's share capital was EUR 195,000,000 and was divided into 195,000,000 no-par value registered shares. There are no share classes in addition to these ordinary shares.

2. Limitations relating to voting rights or the transfer of shares

The Executive Board is only aware of the voting rights limitations under the German Stock Corporation Act (*Aktiengesetz*, AktG). These involve, first, the limitation on voting rights under § 136 German Stock Corporation Act (*Aktiengesetz*, AktG) and, second, the limitations on own shares under the German Stock Corporation Act. In accordance with § 136 AktG, parties may not exercise voting rights for themselves or a third party if a resolution is being adopted as to whether the actions of that party are to be ratified or whether such party is to be released from an obligation or whether the Company is to assert a claim against said party. Therefore, in instances governed by § 136 AktG, the voting rights attaching to the relevant shares are excluded by operation of law. To the extent Deutsche Börse Aktiengesellschaft held own shares, no rights could be exercised on that basis pursuant to § 71b AktG.

3. Equity interests which exceed 10% of the voting rights

On the reporting date, Deutsche Börse Aktiengesellschaft was not aware of any indirect or direct equity interests in the Company's capital exceeding 10 percent of the voting rights. No other voting right announcements relevant for the information pursuant to §§ 289 (4) and § 315 (4) HGB were received by Deutsche Börse Aktiengesellschaft by the end of the reporting year or prior to issuance of this explanatory report, meaning that it may be assumed that there is no indirect or direct equity interest in the Company's capital that exceeds 10 percent of the voting rights.

4. Shares with special rights

There are no holders of shares bearing special rights that give rise to controlling powers. Employees who hold interests in Deutsche Börse Aktiengesellschaft's capital may exercise their controlling rights under the shares like other shareholders directly in accordance with the provisions of the AktG and the Articles of Incorporation.

5. Control of voting rights within the meaning of § 289 (4) no. 5 and § 315 (4) no. 5 HGB

Employees holding equity interests in the capital of Deutsche Börse Aktiengesellschaft may exercise their rights directly.

6. Provisions concerning the appointment and dismissal of members of the Executive Board and amendments to the Articles of Incorporation

Members of the Executive Board are appointed and dismissed in accordance with §§ 84, 85 AktG. Pursuant to § 6 (3) of the Articles of Incorporation of Deutsche Börse Aktiengesellschaft, membership on the Executive Board generally terminates upon reaching the age of 60.

Pursuant to § 119 (1) no. 5 AktG, the Annual General Meeting adopts resolutions to amend the Articles of Incorporation of Deutsche Börse Aktiengesellschaft. Pursuant to § 12 (4) of the Articles of Incorporation of Deutsche Börse Aktiengesellschaft, the Supervisory Board is authorized to amend the Articles of Incorporation if such amendments only concern the wording. Pursuant to § 18 (1) of the Articles of Incorporation of Deutsche Börse Aktiengesellschaft, resolutions of the Annual General Meeting are adopted by a simple majority of votes cast, unless mandatory provisions of the AktG provide otherwise. Should the Stock Corporation Act also require a majority of the share capital represented upon adoption of the relevant resolution in order to adopt the resolution, a simple majority of the represented share capital will suffice, to the extent permitted by law.

7. Authorizations of the Executive Board regarding the issue or buy-back of shares

The Executive Board has the following powers to issue or buy back shares:

- Subject to the Supervisory Board's consent, the Executive Board is authorized to increase the share capital on one or more occasions until 23 May 2011 by up to a total of EUR 5.2 million by issuing new no-par value registered shares against cash contributions and/or contributions in kind (Authorized Capital I). The full authorization, particularly the criteria for excluding the shareholders' pre-emptive subscription right, is set forth in § 4 (3) of the Articles of Incorporation of Deutsche Börse AG.
- Subject to the Supervisory Board's consent, the Executive Board is furthermore authorized to increase the share capital on one or several occasions until 26 May 2015 by up to a total of EUR 27.8 million by issuing new no-par value registered shares against cash contributions and/or contributions in kind (Authorized Capital II). In this respect, the shareholders must be granted a pre-emptive subscription right, which the Executive Board may exclude in certain cases, subject always to the Supervisory Board's consent. The Executive Board is authorized to exclude the shareholders' subscription right in the case of capital increases against cash contributions, provided the issue price of the new shares does not fall substantially short of the quoted price and the shares issued under exclusion of the subscription right do not in total exceed 10% of the Company's share capital. The Executive Board is also authorized to exclude shareholders' subscription rights to new shares representing a proportionate interest in the share capital of up to a total of EUR 3 million, in order to issue the new shares to employees of the Company or its affiliated companies, excluding members of the Executive Board and the management of affiliated companies. Furthermore, the Executive Board is authorized to exclude

subscription rights if the capital increase is implemented against contributions in kind for purposes of acquiring companies, parts of companies or equity interests in companies or other assets. Ultimately, the Executive Board is authorized to exclude fractional amounts from shareholders' pre-emptive subscription rights. The exact content of this authorization is set forth in § 4 (4) of the Articles of Incorporation of Deutsche Börse AG.

- Subject to the Supervisory Board's consent, the Executive Board is further authorized to increase the share capital on one or more occasions until 26 May 2015 by up to a total of EUR 19.5 million by issuing new registered no-par value shares against cash contributions (Authorized Capital III). In this respect, the shareholders must be granted a pre-emptive subscription right, which the Executive Board, subject to the Supervisory Board's consent, may exclude only for fractional amounts. The exact content of this authorization is set forth in § 4 (5) of the Articles of Incorporation of Deutsche Börse AG.
- Moreover, subject to the consent of the Supervisory Board, the Executive Board is authorized to increase the share capital on one or several occasions until 10 May 2012 by up to a total of EUR 6 million by issuing new no-par value registered shares against cash contributions and/or contributions in kind (Authorized Capital IV). The shareholders shall be granted pre-emptive subscription rights in this respect unless the Executive Board exercises the authorization granted to it and excludes shareholder subscription rights with the consent of the Supervisory Board. The Executive Board is authorized to exclude fractional amounts from shareholders' pre-emptive subscription rights with the consent of the Supervisory Board. Furthermore, the Executive Board is authorized to exclude shareholders' pre-emptive subscription rights with the consent of the Supervisory Board for purposes of issuing up to 900,000 new shares from Authorized Capital IV each financial year to members of the Executive Board and employees of the company, as well as to members of the Executive Boards/management and employees of affiliated companies within the meaning of §§ 15 *et seq.* AktG. The full authorization is set forth in § 4 (6) of the Articles of Incorporation of Deutsche Börse AG.
- Pursuant to § 4 (7) of the Articles of Incorporation of Deutsche Börse AG, the share capital is conditionally increased by up to EUR 6 million through the issue of up to 6,000,000 no-par value registered shares (Contingent Capital I). The contingent capital increase is intended solely to satisfy subscription rights that were granted until 13 May 2008 based on the Annual General Meeting's authorization dated 14 May 2003 under topic 7 of the agenda. The contingent capital increase is implemented only to the extent that holders of the subscription rights issued exercise their pre-emptive subscription rights and the Company does not satisfy the subscription rights by transferring own shares or by way of a cash payment. The new shares participate in profits from commencement of the financial year in which they are created as a result of the exercise of pre-emptive subscription rights.
- The Executive Board is authorized to purchase own shares constituting up to 10 percent of the share capital. However, together with any shares acquired for other reasons and held by the Company at the time or attributable to it pursuant to §§ 71a *et seq.* AktG, the acquired shares may at no time exceed 10 percent of the Company's share capital. The authorization to purchase own shares applies until 31 October 2011 and may be exercised by the Company in whole or in part, once or on more than one occasion. However, it may

also be exercised by controlled companies, by companies in which the Company has a majority holding or by third parties for its or their account. The Executive Board may elect to purchase the shares (1) via the stock exchange or (2) via a public purchase offer to all shareholders or a public invitation aimed at the Company's shareholders to submit sale offers or (3) by issuing tender rights to the shareholders or (4) by using derivatives (put or call options or a combination thereof). The full and exact text of the authorization to acquire own shares, in particular, the permissible purposes for their use, is set forth in topic 8 of the agenda of the Annual General Meeting on 27 May 2010.

8. Material agreements of the Company that are subject to change of control provisions as a result of a takeover bid

In the event of a change of control as a result of a takeover bid, the following material agreements are in place:

- On 31 August 1998, Deutsche Börse Aktiengesellschaft and SIX Swiss Exchange AG (formerly SWX Swiss Exchange AG) entered into a co-operation with Eurex Zürich AG and its subsidiaries concerning an extraordinary right of termination within a 60-day notice period by registered letter in a shareholders voting agreement. This applies in the event that a third party exchange organization acquires a controlling influence over the other party, be it by way of takeover or merger. Termination would result in the liquidation of Eurex in its current structure with the participation of SIX Swiss Exchange AG.
- On 25 October 2006, Deutsche Börse Aktiengesellschaft and SIX Group AG (formerly SWX Group) entered into a co-operation agreement to combine their business in the structured products segment in a European exchange organization under a common company name and brand (Scoach). This co-operation agreement was assumed on 24 March 2009 by SIX Swiss Exchange AG instead of SIX Group AG. The co-operation agreement provides both parties with a termination right subject to six months' notice to the end of a given month, which results in termination of the co-operation if a change of control occurs at Deutsche Börse Aktiengesellschaft or SIX Swiss Exchange AG. The termination right expires if it is not exercised within three months of the change of control. According to the co-operation agreement, there is a change of control if a person, corporation or partnership, alone or together with other affiliates or in co-ordination with other persons or companies, directly or indirectly acquires control over a company. A company has control if it directly or indirectly holds more than 50 percent of the voting rights or of the capital of another corporation or partnership, has to fully consolidate another corporation or partnership according to the International Financial Reporting Standards (IFRS) or can control it through voting agreements or the appointment of management bodies.
- On 6 May 2008, amended on 9 April 2009, Deutsche Börse Aktiengesellschaft and its subsidiary Clearstream Banking S.A. entered into an agreement with a banking syndicate (Multicurrency Revolving Facility Agreement) concerning a short-term operating loan totalling up to USD 1 billion. In the event of a change of control, the lead underwriter must terminate the agreement subject to a 30-day notice period and immediately call in all of the creditors' receivables if demanded by a majority of the syndicate banks jointly constituting two-thirds of the loan amount granted as at the date of the change of control. One or more persons will be deemed to have control within the meaning of this

agreement if they co-ordinate their conduct and/or if they are able to manage the company's businesses or determine the composition of the majority of the Executive Board.

- As part of the acquisition of ISE, it was agreed that, without the prior consent of the U.S. Securities and Exchange Commission (SEC), no person or group may directly or indirectly acquire more than 40% of the shares in ISE or voting control over more than 20% of the shares in ISE. Otherwise, as many ISE shares as necessary in order to meet the requirements will be transferred to a trust.
- The terms and conditions of the fixed-income debentures issued by Deutsche Börse Aktiengesellschaft from 2008/2013 for EUR 650.0 million and the terms and conditions of the subordinated fixed- or variable-income debentures issued by Deutsche Börse Aktiengesellschaft from 2008 for EUR 550.0 million stipulate termination rights in the event of a change of control. Should the debentures be terminated, they must be repaid at their nominal value plus any interest accrued. A change of control occurs if one or more persons acting in concert or third parties acting on behalf of such persons acquire or have acquired more than 50 percent of the shares in Deutsche Börse Aktiengesellschaft or such a number of shares in Deutsche Börse Aktiengesellschaft to which more than 50 percent of the voting rights exercisable at the Annual General Meetings of Deutsche Börse Aktiengesellschaft are attributable. In addition, according to the respective bond terms and conditions, the change of control must negatively affect the rating received from Moody's Investors Services, Inc., Standard & Poor's or Fitch Ratings Limited for one of Deutsche Börse Aktiengesellschaft's unsubordinated, unsecured liabilities. Further details can be found in the relevant bond terms and conditions.
- Furthermore, a change of control gives rise to a claim for redemption of various debentures issued by Deutsche Börse Aktiengesellschaft in 2008 through a private placement in the US. In addition, the change of control must negatively affect the rating received from Moody's Investors Services, Inc., Standard & Poor's or Fitch Ratings Limited for one of Deutsche Börse Aktiengesellschaft's unsubordinated, unsecured liabilities. The provisions set forth in the relevant terms and conditions correspond to the provisions set forth in the bond terms and conditions for the fixed-income debentures from 2008/2013. The debentures issued in the private placement are debentures for USD 170.0 million maturing as at 12 June 2015, for USD 220.0 million maturing as at 12 June 2018 and for USD 70.0 million maturing as at 12 June 2020.
- The Executive Board members of Deutsche Börse Aktiengesellschaft have a special right of termination in the event of a change of control. Pursuant to the agreements with all Executive Board members, there is a change of control if (1) a shareholder or third party advises pursuant to §§ 21, 22 WpHG that it holds more than 50 percent of the voting rights in Deutsche Börse Aktiengesellschaft, (2) an inter-company agreement is concluded with Deutsche Börse Aktiengesellschaft as dependent company pursuant to § 291 AktG or (3) Deutsche Börse Aktiengesellschaft is integrated pursuant to § 319 AktG or merged pursuant to § 2 of the German Reorganization Act (*Umwandlungsgesetz*, UmwG).
- In addition to these agreements, which are subject to the condition of a change of control as a result of a takeover bid, there are other agreements that, however, Deutsche Börse

Aktiengesellschaft does not consider to be material within the meaning of §§ 289 (4), 315 (4) HGB and are therefore not mentioned here.

9. Agreements on compensation

The agreements reached with the members of the Executive Board regarding compensation in the event of a takeover bid may be seen in the remuneration report contained in the Annual Report.

10. Key features of the internal control and risk management system with respect to the accounting process

The Group's internal control system (ICS) is another instrument of management. It primarily serves to ensure that Deutsche Börse Group's accounting process complies with sound bookkeeping and accounting practices so that the presentation of the Group's net assets, financial position and results of operations in the annual and consolidated financial statements of Deutsche Börse Group and its subsidiaries is correct and complete.

The Financial Accounting and Controlling (FA&C) Group function and the corresponding units in the individual foreign subsidiaries are mainly responsible for preparing the accounts of Deutsche Börse AG and its consolidated subsidiaries. The head of FA&C at Deutsche Börse AG is responsible for the accounting processes of the entire Group as well as for the effectiveness of the safety and control measures that are likewise part of the accounting process. This officer ensures that risks in the accounting process are identified at an early stage and that adequate safety and control measures are taken in good time. To this end, an internal monitoring system has been implemented that consists both of measures integrated into and independent of the processes. The consistent high quality of accounting is ensured by applying the following measures:

Work instructions and process descriptions for each individual accounting process, including the preparation of the consolidated financial statements are stored in an FA&C database created specifically for this purpose. Financial reporting manuals based on IFRS and HGB ensure a Group-wide uniform financial reporting process.

The work instructions and process descriptions are regularly checked and updated. Processes with a high-risk classification are subject to special control. The financial reporting manuals and account allocation guideline are also updated on a continuous basis. All employees within the department have access to the FA&C database as well as the financial reporting and account allocation guidelines so that they can obtain up-to-date information on the rules to be followed.

Another significant element of the internal control system within the FA&C department is the principle of function separation. Tasks and responsibilities are clearly allocated and distinguishable from another. Incompatible tasks, such as changing master data, on the one hand, and issuing payment instructions, on the other, are kept strictly apart. One way of ensuring this function separation is by having an independent control centre allocating accounting system access rights to employees and continuously monitoring them by means of a so-called incompatibility matrix. Transactions are initially recorded in the general ledger and in the respective sub-ledgers based on the table of accounts and account allocation

guideline. The dual control principle is applied as an additional control measure for the closing entries and the preparation of the consolidated financial statements.

All major subsidiaries of Deutsche Börse Group keep the same general ledger. The companies not included in this consolidation system are transferred to the system via upload files so as to enable preparation of the consolidated financial statements.

The Internal Audit department carries out risk-oriented and process-independent controls to assess the effectiveness and appropriateness of the internal control system relating to accounting.

The Executive Board and the Audit and Finance Committee established by the Supervisory Board receive regular reports on the effectiveness of the internal control system with respect to the accounting process. However, even an appropriate and functioning internal control system can only offer adequate but never total protection against failure to achieve the goals described at the beginning of this section.

Frankfurt/Main, in March 2011

Deutsche Börse Aktiengesellschaft
The Executive Board

(Dr. Reto Francioni)

(Andreas Preuß)

(Gregor Pottmeyer)

(Dr.-Ing. Michael Kuhn)

(Jeffrey Tessler)

(Frank Gerstenschläger)