

CONVENIENCE TRANSLATION

Report of the Executive Board on agenda item 7 of the Annual General Meeting of Deutsche Börse AG on 11 May 2007

The Executive Board gives a written report on the reasons for the authorizations relating to the exclusion of shareholder subscription rights with regard to agenda item 7 in accordance with section 203 (2) sentence 2 in conjunction with section 186 (4) sentence 2 AktG:

It is proposed that, in case of use of the Authorized Capital IV, the Executive Board is authorized, with the consent of the Supervisory Board, to exclude shareholders' subscription rights under certain circumstances:

The authorization to exclude subscription rights for fractional amounts is intended to facilitate a practicable subscription ratio as regards the amount of the relevant capital increase. If the subscription right for fractional amounts were not excluded, a capital increase by round amounts, in particular, would considerably aggravate the implementation of the capital increase in technical terms and the exercise of the subscription rights. The new shares excluded as fractions from the shareholders' subscription rights will either be sold via the stock exchange or otherwise disposed of in the best possible way for the benefit of the company.

The Executive Board and the Supervisory Board propose that the authorized capital is also to be used to issue new shares to members of the Executive Board and selected employees in managerial and key positions within the company and its related companies within the meaning of section 15 et seq. AktG within the framework of a stock bonus program (hereinafter referred to as the "SBP"). For this purpose, a maximum of 900,000 shares are to be made available every fiscal year using the authorized capital (corresponds to approx 0.45% of the share capital of the company after the capital increase using retained earnings).

1. Intention of the SBP

Section 4.2.3. of the German Corporate Governance Code suggests that the variable compensation elements of Executive Board members include long-term incentives and risk elements, among other things. This is designed not only to provide an incentive for long-term value creation, i.e. sustained positive share price development, but also to forge a closer link

between the employee and the company. Nevertheless, this applies not only to members of the Executive Board, but also to other employees in managerial and key positions within the company and its related companies within the meaning of section 15 et seq. AktG. Remuneration already contains a variable, performance-related component. This means that individual incomes are already tied to the company's earnings situation and share price development. In the future, the idea is that variable remuneration will be paid not only by means of cash payment, but also partly via a commitment to grant shares.

In order to remain successful in the future, it is important that employees in managerial and key positions, in particular, focus their activities on the success of the Group as a whole to an even greater extent than in the past. The Supervisory and Executive Boards want to achieve a situation in which the participating employees accumulate a shareholding, over the years, that aligns them closely with shareholder interests and allows them to see things from a shareholder's point of view. This will foster an entrepreneurial spirit and will also promote stronger ties between the employee and the company. The Supervisory Board and the Executive Board believe that the SBP model, which provides for "payment" in shares, is the most suitable instrument in this regard.

2. How the SBP works

The SBP allows the company to offer shares in the company, instead of merely cash, as part of variable, performance-related remuneration. As at present, the bonus budget shall be allocated on the basis of the targets met and the company results achieved and individual bonuses will be set by the Supervisory Board for the members of the Executive Board, and by the Executive Board for managerial employees. In the case of the company's Executive Board members, the bonus shall be partly converted into a specified number of shares as opposed to being paid out in cash. As far as the other beneficiaries are concerned, a target value will be set based on the bonus and performance of the beneficiary in question in the prior fiscal year. The number of shares shall result from the division of the bonus component/target value by the quoted price of the company's shares at the point in time at which the bonus/target value is set.

Neither the converted bonus nor the number of shares shall be granted at the point in time at which the bonus/target value is set. Instead, payment/award shall be made, subject to the further details of the

program, in general two years after the bonus/shares have been granted ("waiting period"). Payment/award by the company is, however, subject to the proviso that the respective contract of employment is terminated neither (i) by the member of the Executive Board or the employee nor (ii) by the related company or the Supervisory Board for reasons for which the member of the Executive Board/the employee is responsible. At the end of the waiting period, the original number of shares shall be converted, in the first instance, into a payment claim, by multiplying the original number of shares with the current quoted price of the company's shares at the end of the waiting period. The company then has the right to choose and to either deliver the originally agreed and calculated number of shares in the company to the participants of the SBP in return for the contribution of this payment claim or to settle the payment claim in cash. Exceptions can result from particular statutory and tax-related overall conditions in other jurisdictions.

3. Participants in the SBP and further details

At present, a group of employees in managerial and key positions within the company and its related companies within the meaning of section 15 et seq. AktG has been identified for participation in the SBP. This group accounts for around 10% of Deutsche Börse Group's employees and shall be reviewed on an annual basis. For these participants (excluding members of the company's Executive Board), the maximum share contingent that can be issued in any given fiscal year stands at 700,000 shares (corresponds to approx. 0.35% of the share capital in the company following the capital increase using retained earnings). The question as to which employees shall be made an offer to participate in the SBP shall be resolved by the responsible body of the respective related company within the meaning of section 15 et seq. AktG. Furthermore, the responsible body of the respective related company within the meaning of section 15 et seq. AktG shall also determine the amount of the target value.

The Supervisory Board of the company or the responsible committee of the Supervisory Board shall have sole responsibility, within the framework of its remuneration-related powers, for making decisions as to the Executive Board's participation in the SBP, the amount of the bonus and the delivery of shares. For the members of the company's Executive Board, the maximum share contingent that can be issued in any given fiscal year stands at 200,000 shares (corresponds to approx. 0.1% of the

share capital in the company following the capital increase using retained earnings).

The respective responsible body shall be responsible for setting out the further details of the overall conditions of the SBP, in particular with respect to special circumstances affecting the participants in the SBP (e.g. retirement, illness, death) or special events at Deutsche Börse Group (e.g. restructuring), as well as for setting out the concrete terms and conditions of the share issue. All of the terms and conditions of the SBP with respect to the participation of the company's Executive Board and the Executive Board members/managers of related companies within the meaning of section 15 et seq. AktG shall be subject to the sole decision-making authority of the respective responsible bodies.

4. Background to the structure of the SBP and considered alternatives

The Supervisory Board and the Executive Board closely examined other models for participation on the part of selected employees in managerial and key positions within the company and its related companies within the meaning of section 15 et seq. AktG and came to the conclusion, taking into account the interests of the company and its shareholders, that the proposed stock bonus program model is the preferable instrument.

When structuring the SBP, the company refrained from tying the issue of shares to the achievement of further performance objectives during the waiting period. The SBP already takes into account the achievement of performance targets for the respective prior year within the framework of the annual determination of the bonus amount/target value. The decision is made, as set out above, by the respective responsible body of the company in question and, as far as the Executive Board is concerned, solely by the company's Supervisory Board or the responsible committee of the Supervisory Board. On the whole, the Executive Board and Supervisory Board therefore wish to retain the proven system of variable, performance-related remuneration, because this is the best method for assessing the individual performance of the employee together with the overall performance and the result of the Group. The only new feature of this system is the type of payment, as the company is able to pay out the performance-related remuneration component in the form of shares in the company. The claims of the SBP participants shall always only fall due after the end of the waiting period. This means that, for the company, the

SBP shall serve to protect its liquidity not only in the case of share delivery, but also in the case of cash settlement. The SBP participants benefit not only from any increase in the price of the company's shares, but also bear an unlimited share price risk, at least for the duration of the waiting period.

Closely linked to the share price risk borne by the SBP participants is the SBP loyalty component. Subject to special cases, the details of which have yet to be defined, the participants' claims shall expire if they choose to leave the company during the waiting period. The vast majority of the employees of the company/its related companies within the meaning of section 15 et seq. AktG that shall be considered for participation rank among a small group of specialists for whom there is considerable market demand due to their high qualifications and experience. As a result, it is extremely important that the company can retain these employees. Furthermore, the Supervisory Board and the Executive Board believe that the performance-related remuneration component is also a payment for contribution to the sustained success of Deutsche Börse Group, which can only be achieved with a certain degree of continuity among the Group's employees.

The SBP, together with the targets set out above, can only be introduced if the company is given the option to award shares to members of the Executive Board and selected employees in managerial and key positions within the company and its related companies within the meaning of section 15 et seq. AktG. This means that shareholders' subscription rights must be excluded.

Frankfurt/Main, 19 March 2007

Deutsche Börse AG

The Executive Board

.....
Dr. Reto Francioni, Chief Executive Officer

.....
Dr. Michael Kuhn

.....
Andreas Preuß

.....
Jeffrey Tessler