

Q2/2022

Financial results

Analyst and Investor Conference Call
27 July 2022



DEUTSCHE BÖRSE
GROUP

Strong organic growth performance in H1/2022 due to continued secular growth and cyclical tailwinds

H1/2022

Net revenue


€2,079m
+20%

EBITDA


€1,272m
+22%

Organic net revenue growth

+16%

+8% secular

+8% cyclical

- Continued strong secular net revenue growth, above expectations
- Key contributors were: financial derivatives (OTC clearing, product innovation), ESG products in Data & Analytics and market share in commodities
- After a very strong first quarter, cyclical tailwinds continued in the second quarter
- Main drivers were higher volatility and increased client hedging needs in almost all asset classes because of inflation and higher interest rates

M&A contribution

+3% net revenue growth from M&A

- M&A contribution mainly from ISS (Jan-Feb 2022)
- Further contribution from Discovery Data, Crypto Finance and Kneip

Operating costs

Organic operating costs in-line with expectations

- Constant currency organic operating cost increase of 6% in H1/22
- Rise mainly driven by some inflationary effects and provisions for variable/share-based compensation
- Investments in growth and infrastructure on previous year's level

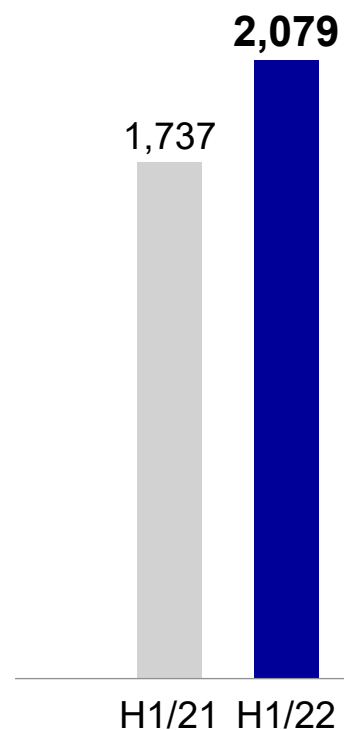
Note: Numbers may not add up due to rounding

Group financials

H1/2022

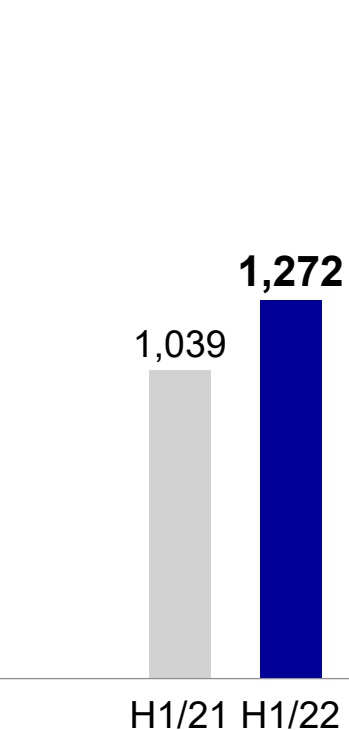
Net revenue | €m

↗ +20%
↗ +16% (organic)



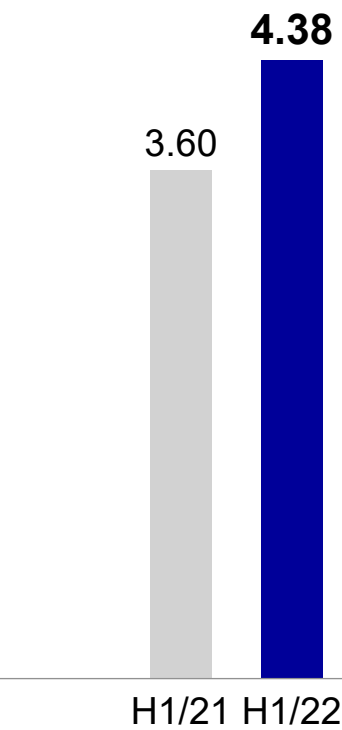
EBITDA | €m

↗ +22%
↗ +21% (organic)



Cash EPS¹ | €

↗ +22%
↗ +20% (organic)

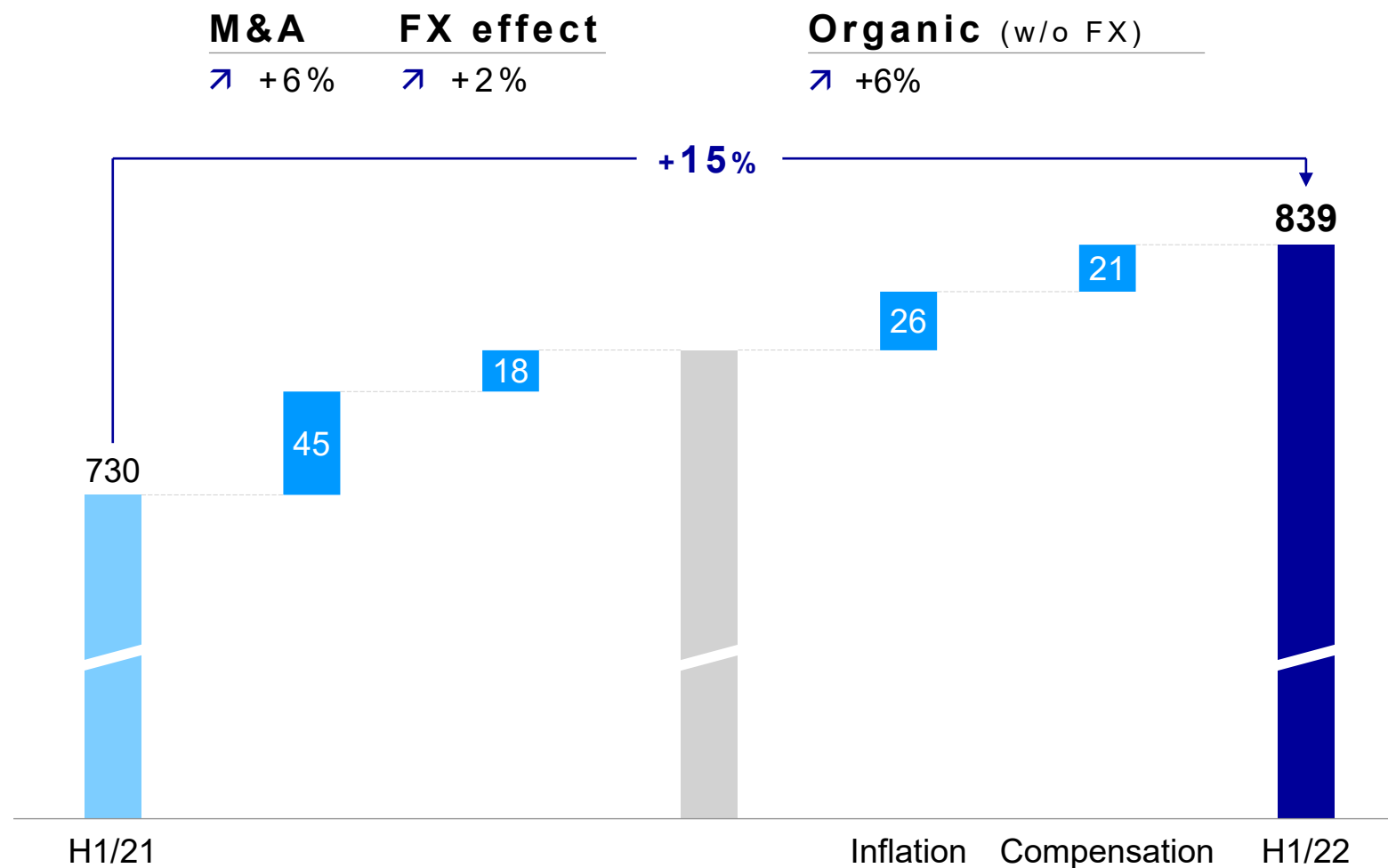


Note

Net interest income	€139m +106%
Operating cost	€839m +15% +6% (organic w/o FX)
Financial investments	€32m
Depreciation ²	€166m
Financial result	€-35m
Net profit	€762m +21%
EPS	€4.15

Operating cost development

H1/2022 | €m



Note

- M&A effects (+6%) mainly driven by ISS as well as Discovery Data, Crypto Finance and Kneip
- Stronger US-Dollar resulted in operating cost increase (but also beneficial to revenue development)
- Unprecedented environment resulted in slightly higher inflationary effects: building operations, general purchasing and higher staff costs
- Favourable financial development and share price performance resulted in higher provisions for variable/share-based compensation

Note: Numbers may not add up due to rounding

Group financials

Q2/2022

Net revenue | €m

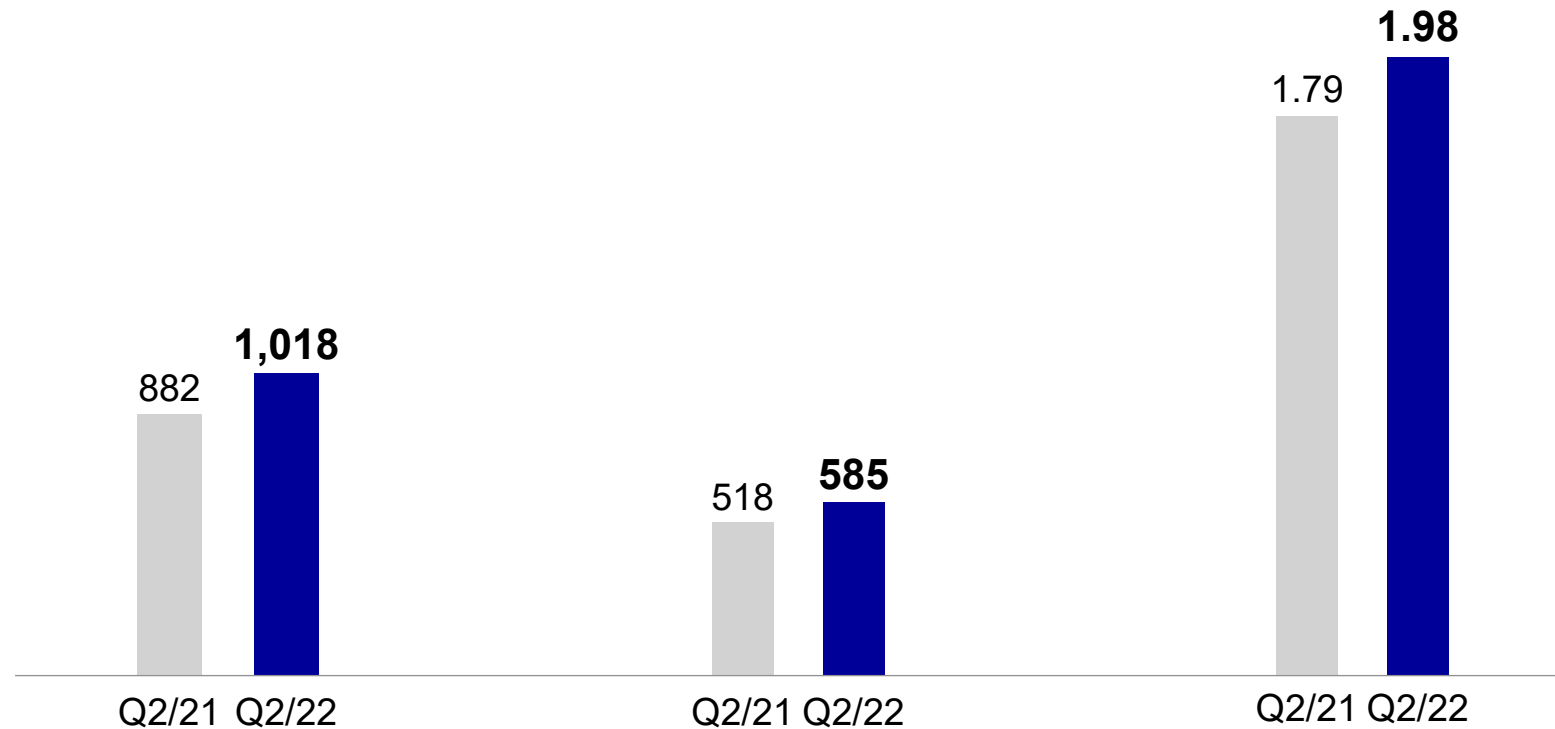
↗ +15%

EBITDA | €m

↗ +13%

Cash EPS¹ | €

↗ +11%



Note

- Continued strong net revenue growth: 8% secular + 6% cyclical + 1% M&A
- Q2/21 numbers included book gain of €40 million due to the full purchase of Fund Centre
- Constant currency organic operating cost increased 6%, mainly driven by some inflationary pressure and variable/share-based compensation
- Result from financial investments includes partial reversal of fair value gain on FairX disposal (€-6 million)
- Financial result includes €-6 million interest on tax provisions

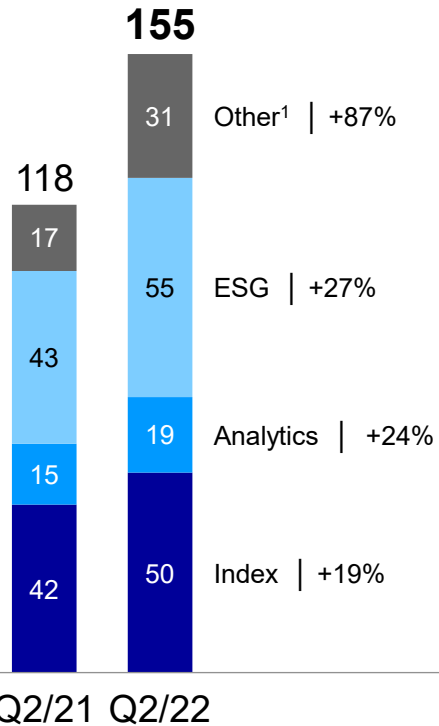
1) EPS before purchase price allocation (ppa)

Data & Analytics

Q2/2022 | €m

Net revenue

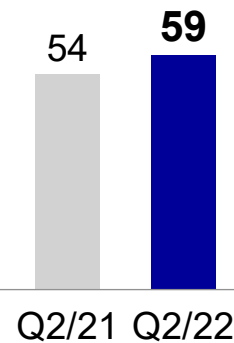
↗ +32%



EBITDA

↗ +9%

↗ +27% (excl. Clarity AI effect)



Business development

- Double digit organic net revenue growth across all business lines driven by trend towards ESG, solid new client pipeline and higher market activity
- EBITDA in Q2/21 included a gain of around €10 million from the valuation of the stake in Clarity AI

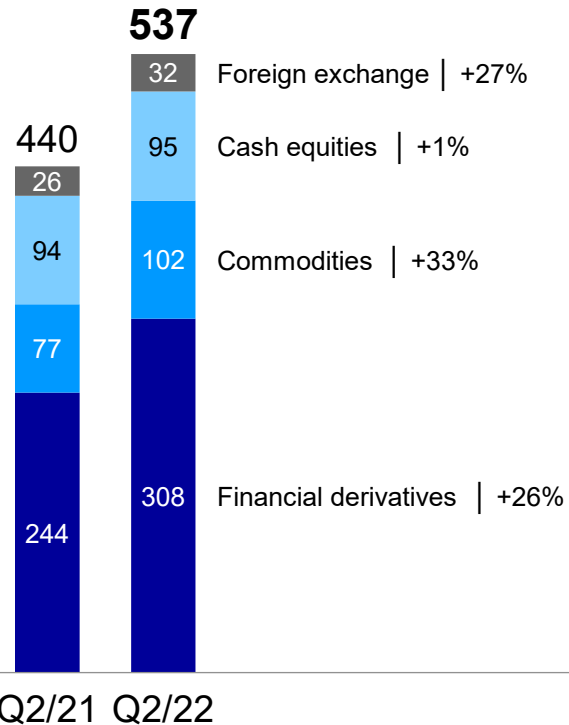
1) Incl. Market Intelligence, Media, FWW, Liquid Metrix and Discovery Data

Trading & Clearing

Q2/2022 | €m

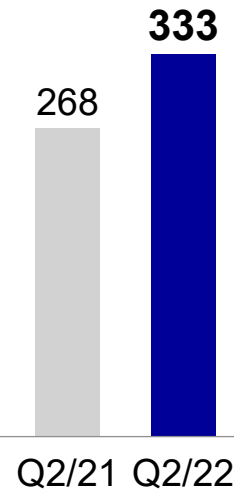
Net revenue

↗ +22%



EBITDA

↗ +24%



Business development

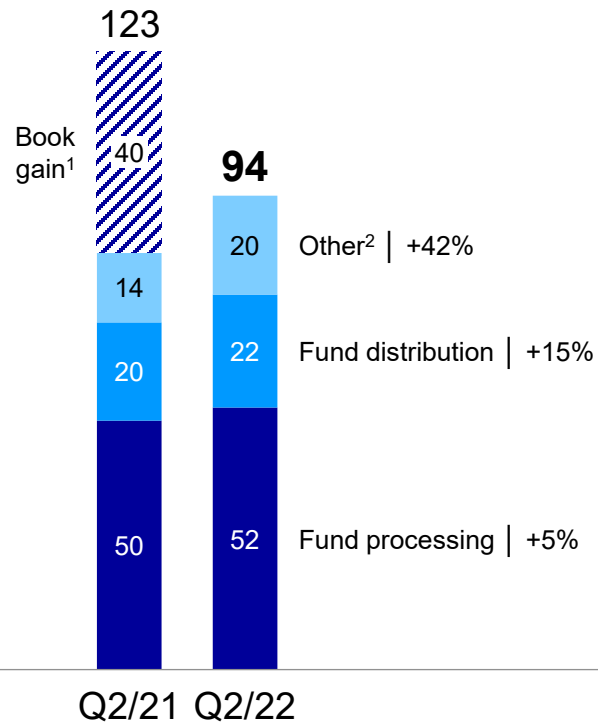
- The Trading & Clearing segment benefitted from higher volatility and increased client hedging needs
- Financial derivatives were driven by index derivatives, interest rate derivatives, OTC clearing and higher margin fees (€27 million)
- Commodities with strong growth due to volatile gas prices and higher margin fees (€18 million)
- Cash equities included a gain of €13 million relating to the deconsolidation of Tradegate Exchange (stake from 60% to 43%)

Fund Services

Q2/2022 | €m

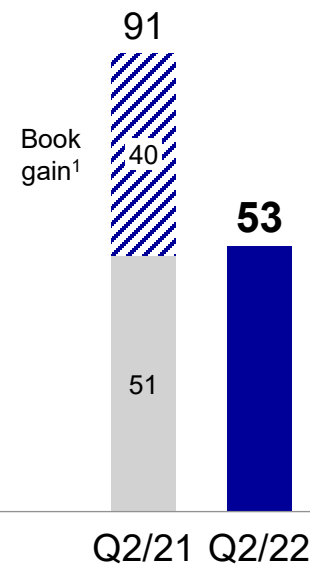
Net revenue

↗ +14%¹



EBITDA

↗ +4%¹



Business development

- Continued onboarding of new clients and funds more than offset cyclical headwinds from market performance
- [Agreement](#) with Italian online broker Directa to provide Italian retail investors access to Clearstream's global funds portfolio with CACEIS acting as local paying agent

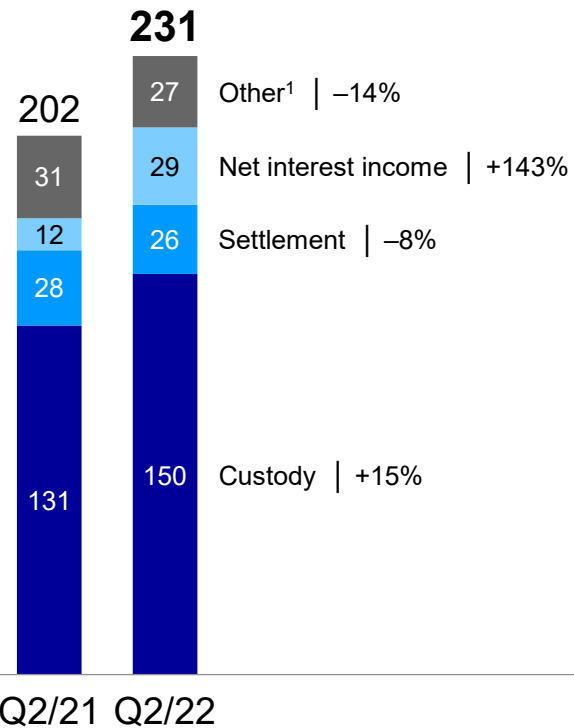
1) Q2/21 included book gain of ~€40m due to the full purchase of Fund Centre; growth rates adjusted for book gain
 2) Incl. net revenue from connectivity

Securities Services

Q2/2022 | €m

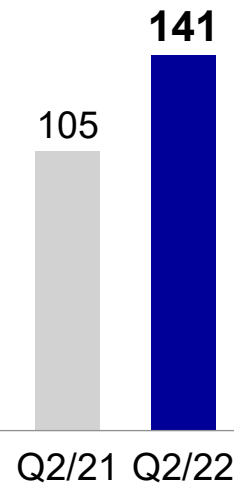
Net revenue

↗ +15%



EBITDA

↗ +34%



Business development

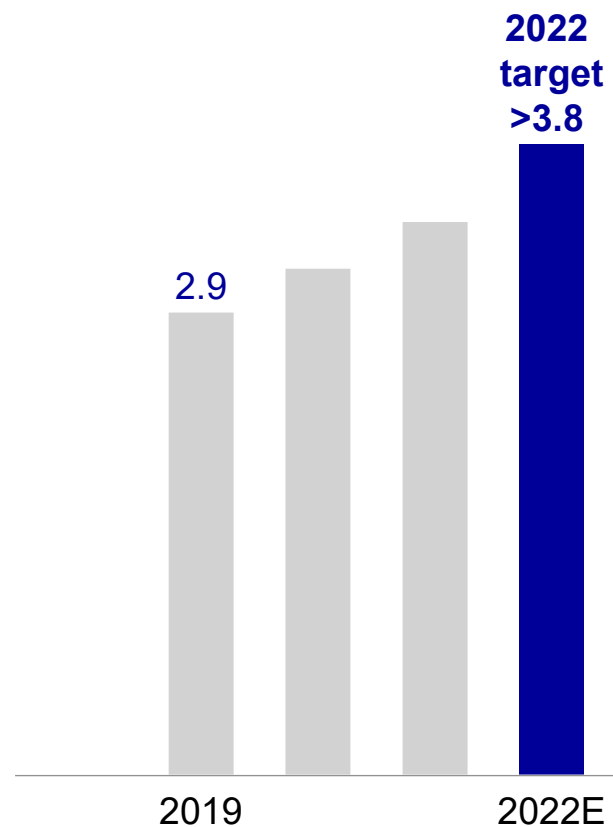
- Headwinds from equity market performance and lower retail participation was overcompensated by solid levels of fixed income issuance activity and FX effects on US-Dollar assets under custody
- Positive NII development because of increasing cash balances (€18 billion; ~50% US-Dollar) and higher US interest rates

1) Incl. net revenue from connectivity, account services and reporting

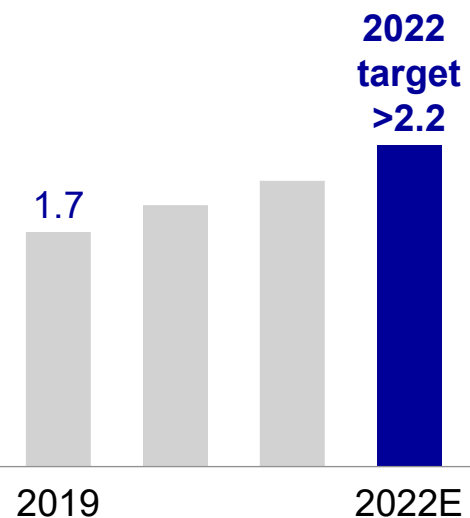
Outlook

FY/2022 | €bn

Net revenue



EBITDA



Note

- Initial guidance for 2022 was for net revenue of ~€3.8 billion and EBITDA of ~€2.2 billion
- Meanwhile, we expect net revenue to increase to significantly more than €3.8 billion and EBITDA to significantly more than €2.2 billion
- In H1/22, net revenue stood ~€150 million above the initial expectation

Appendix





Income statement – group level

	Q2/22 €m	Q2/21 €m	Change %
Sales revenue	1,151.7	1,031.0	12
Treasury result from banking business	78.2	32.6	140
Other operating income	23.6	49.3	-52
Total revenue	1,253.5	1,112.9	13
Volume-related costs	-235.7	-231.2	2
Net revenue	1,017.8	881.7	15
Staff costs	-299.1	-257.1	16
Other operating expenses	-133.0	-126.1	5
Operating costs	-432.1	-383.2	13
Result from financial investments	-0.8	19.5	-104
Earnings before interest, tax, depreciation and amortisation (EBITDA)	584.9	518.0	13
Depreciation, amortisation and impairment losses	-81.6	-70.8	15
Earnings before interest and tax (EBIT)	503.3	447.2	13
Financial result	-25.7	-11.3	127
Earnings before tax (EBT)	477.6	435.9	10
Income tax expense and other tax	-124.1	-113.4	9
Net profit for the period	353.5	322.5	10
thereof attributable to Deutsche Börse shareholders	341.1	310.9	10
thereof attributable to non-controlling interests	12.4	11.6	7
Earnings per share (basic) (€)	1.86	1.69	10
Earnings per share before purchase price allocations (Cash EPS) (€)	1.98	1.79	11

Detailed income statement – Data & Analytics

Income statement – Data & Analytics				Volumes			Revenue per volume		
	Q2/22 €m	Q2/21 €m	Change %	Unit	Volume	Change %	Unit	RPV	Change %
Net revenue	155.2	117.5	32						
Index ¹	50.4	42.4	19	AuM (€bn)	105	-7			
				Contracts (m)	208	17			
Analytics	18.9	15.2	24						
ESG	54.9	43.3	27						
Other ²	31.0	16.6	87						
Operating costs	-98.6	-72.9	35						
Result from financial investments	2.4	9.6	-75						
EBITDA	59.0	54.2	9						

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		
	Q2/22 €m	Q2/21 €m	Change %	Unit	Volume	Change %	Unit	RPV	Change %
Net revenue	537.1	439.8	22						
Financial derivatives	307.8	243.7	26						
Equities ¹	129.6	108.1	20	Contracts (m)	312	13	€/contract	0.415	6
Interest rates ²	93.2	68.1	37	Contracts (m)	191	29	€/contract	0.487	6
Margin fees	27.2	16.8	62						
Other ³	57.8	50.7	14						
Commodities	102.2	76.6	33						
Power ⁴	43.5	43.2	1	TWh	1,529	-11	€/TWh	0.028	14
Gas	20.9	12.0	74	TWh	1,577	153	€/TWh	0.013	-31
Other	37.8	21.4	77						
Cash equities	94.7	93.9	1						
Trading	55.0	44.4	24	Order book (€bn)	456	1	bps	0.121	23
Other ⁵	39.7	49.5	-20						
Foreign exchange ⁶	32.4	25.6	27	ADV (€bn)	119	31	bps	0.273	-4
Operating costs	-202.1	-181.8	11						
Result from financial investments	-2.5	9.9	-125						
EBITDA	332.5	267.9	24						

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		
	Q2/22 €m	Q2/21 €m	Change %	Unit	Volume	Change %	Unit	RPV	Change %
Net revenue	94.2	122.9	-23						
Fund processing ¹	52.2	49.6	5	AuC (€bn)	3,250	2	bps p.a.	0.642	3
Fund distribution	22.4	19.5	15						
Other	19.6	53.8	-64						
Operating costs	-40.9	-31.5	30						
Result from financial investments	-0.4	-0.3	33						
EBITDA	52.9	91.1	-42						

1) Incl. custody and settlement.

Detailed income statement – Securities Services

Income statement – Securities Services				Volumes			Revenue per volume		
	Q2/22 €m	Q2/21 €m	Change %	Unit	Volume	Change %	Unit	RPV	Change %
Net revenue	231.3	201.5	15						
Custody ¹	150.0	130.8	15	AuC (€bn)	13,337	4	bps p.a.	0.450	11
Settlement	25.8	28.0	-8	Transactions (m)	17.1	-6	€	1.505	-2
Net interest income from banking business	28.9	11.9	143	Cash balances (€m)	17,513	25	% p.a.	0.660	95
Other ²	26.6	30.8	-14						
Operating costs	-90.5	-97.0	-7						
Result from financial investments	-0.3	0.3	-200						
EBITDA	140.5	104.8	34						

1) Incl. custody and collateral management.

2) Incl. third party services and Clearstream other.

Financial calendar and contact details

Financial calendar

24 Aug. 2022	Berenberg Copenhagen Top Picks Seminar
07 Sep. 2022	Morningstar Management Behind The Moat Conference (virtual/ Chicago)
19 Sep. 2022	Goldman Sachs German Corporate Conference (Munich)
20 Sep. 2022	Baader Investment Conference (virtual/ Munich)
22 Sep. 2022	BofA Annual Financials CEO Conference (London)
19 Oct. 2022	Publication quarterly statement Q3/2022
20 Oct. 2022	Analyst and investor conference call Q3/2022
08 Nov. 2022	UBS European Conference (London)
21 Nov. 2022	DZ Bank Equity Conference (Frankfurt)
28 Nov. 2022	Deutsches Eigenkapitalforum (Frankfurt)

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