



# Q1/2017 Results

## Analyst and Investor Conference Call

27 April 2017

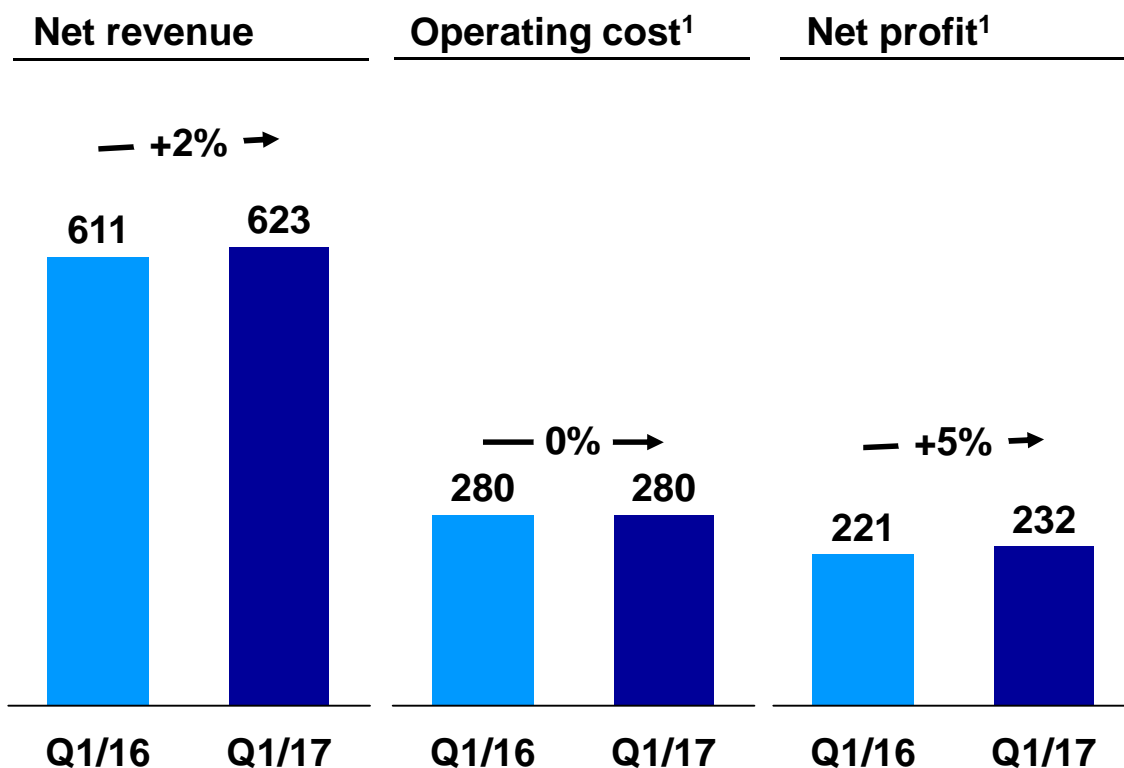
## Highlights Q1/2017 Results Presentation

- § Despite 3-year lows in equity volatility, Deutsche Börse achieved solid net revenue performance in Q1/2017; growth was driven by fixed income derivatives, the NII, the ICSD business, IFS and GSF
- § Net revenue amounted to €623.4 million (+2%); adjusted operating costs remained flat at €280.3 million; adjusted consolidated net profit increase by 5 per cent to €232.2 million
- § Results are adjusted for €29.2 million exceptional costs (incl. LSE merger) and a €116.6 million gain relating to the sale of the remaining 2/3 BATS stake; combined net income impact of €47.9 million
- § As part of the “Accelerate” growth strategy new P&L responsibilities were introduced in 2017 (50 different areas); this resulted in reallocation of some external reporting line items
- § Executive and Supervisory Boards propose increase of dividend for 2016 to €2.35 per share (54 per cent pay-out) to shareholders at the AGM on 17 May 2017
- § In addition, the company plans to implement a €200million share buyback programme in H2/17 to balance the use of the €1 billion proceeds from the sale of ISE in 2016
- § The Group is well positioned to benefit from structural growth opportunities, rising interest rates, and the post Brexit environment; net income growth target of 10-15 per cent in 2017/18 confirmed
- § The 2017 Investor Day to present existing and new growth opportunities for Deutsche Börse Group in more detail is scheduled to be held on Wednesday, 14 June 2017 in London

## Q1/2017 – Group Financials

### Net revenue, operating cost and net income development

€m



#### Revenue

§ Net revenue: €623.4m (+2% y-o-y)

§ Net interest income: €29.9m (+61% y-o-y)

#### Costs

§ Operating costs<sup>1</sup>: €280.3m (+/-0% y-o-y)

§ Adjusted for €29.2m exceptional items, which include LSE merger, M&A integration, restructuring, and litigations

#### Earnings

§ EBIT<sup>1</sup>: €345.0m (+4% y-o-y)

§ Adjusted for €116.6m at equity result from the sale of remaining 2/3 stake in BATS Global Markets

§ Net profit<sup>1</sup>: €232.2m (+5% y-o-y)

§ EPS<sup>1</sup>: €1.24 (+5% y-o-y)

1) Adjusted for exceptional items

# Q1/2017 – Eurex

## Business activity Q1/2017 y-o-y

### Financial derivatives (traded contracts in m)

Equity	68.4	-11%	■
Fixed income	167.0	27%	■
Index	210.8	-19%	■
<b>Total</b>	<b>446.2</b>	<b>-5%</b>	■

### Commodities (EEX) (volume in TWh/ tCO2)

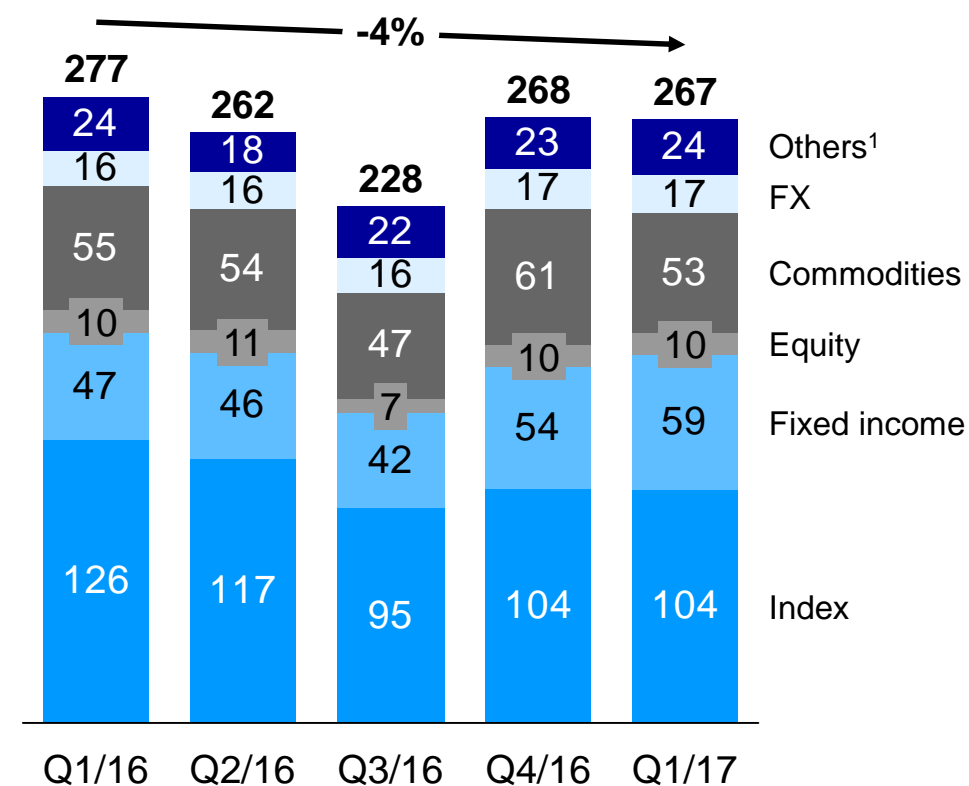
Power	941.6	-9%	■
Gas	496.9	-9%	■

### Foreign exchange (360T) (ADV in €bn)

FX ADV	59.3	3%	■
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## Net revenue

€m

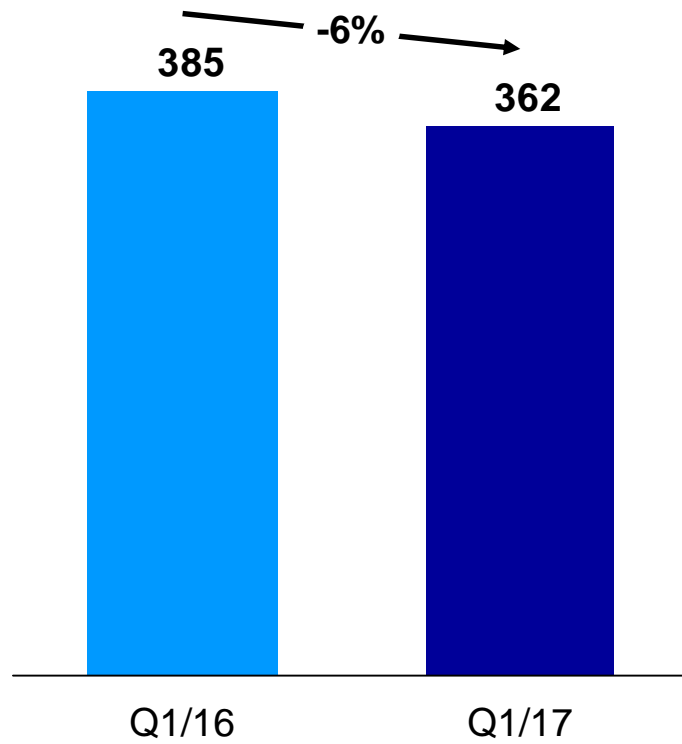


1) Including revenue from NII, Eurex Repo and member fees

# Q1/2017 – Xetra

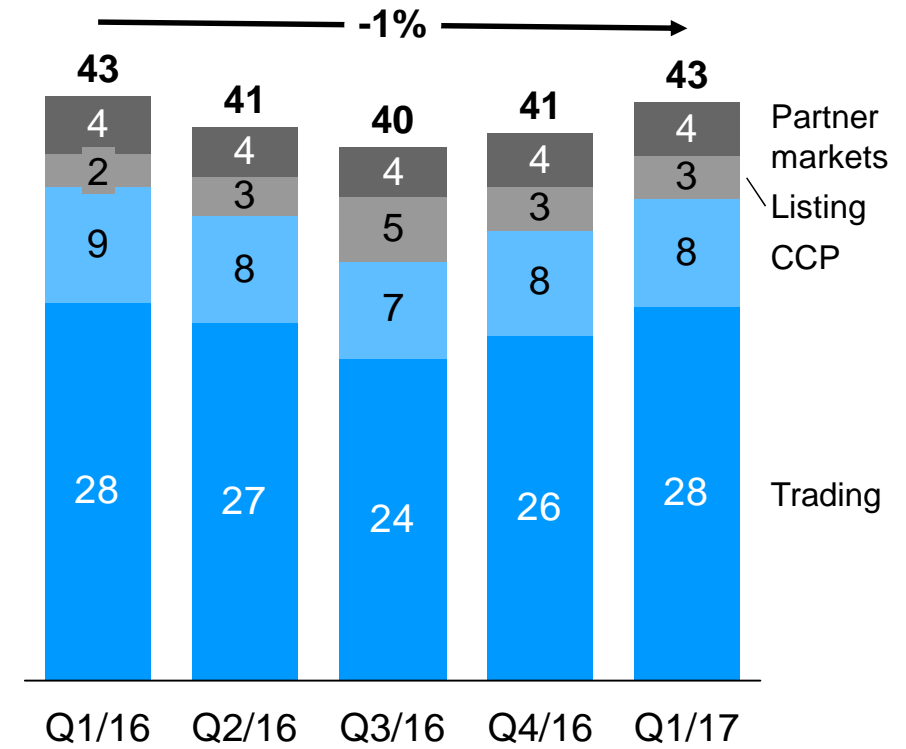
## Business activity Q1/2017 y-o-y

Order book volume in €bn<sup>1</sup>



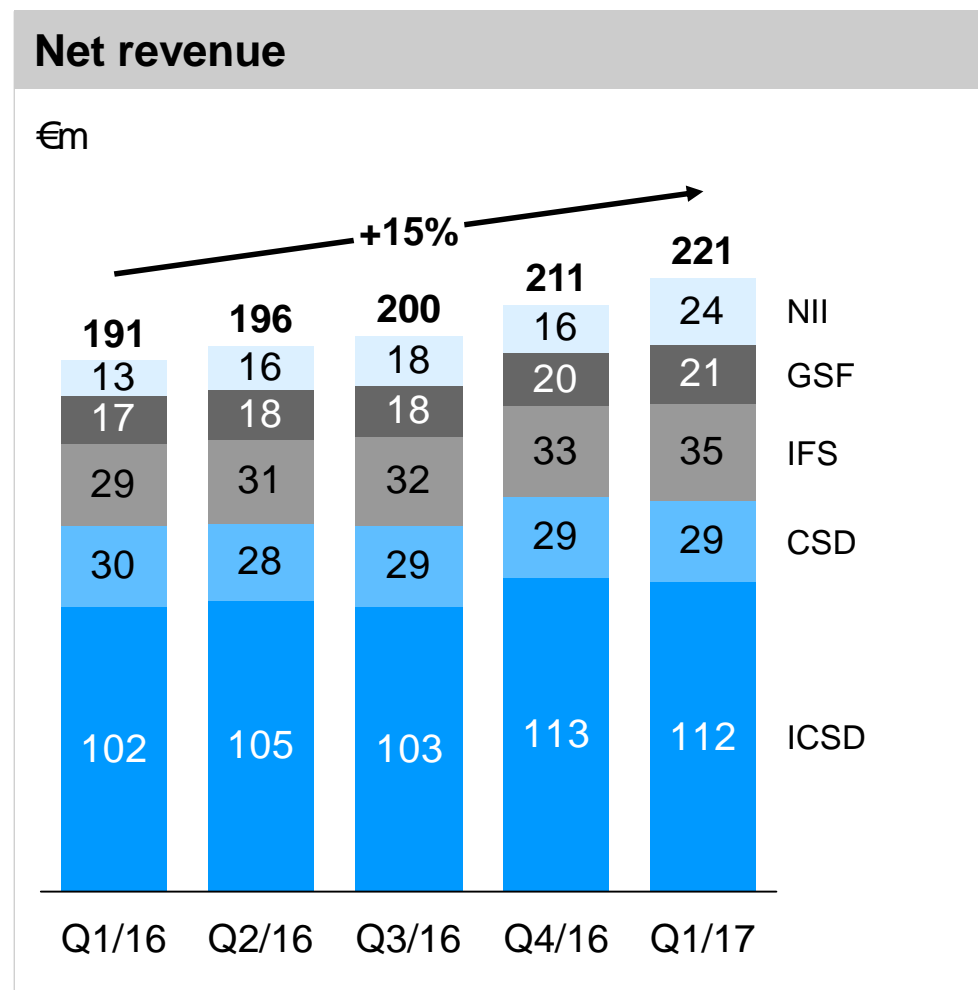
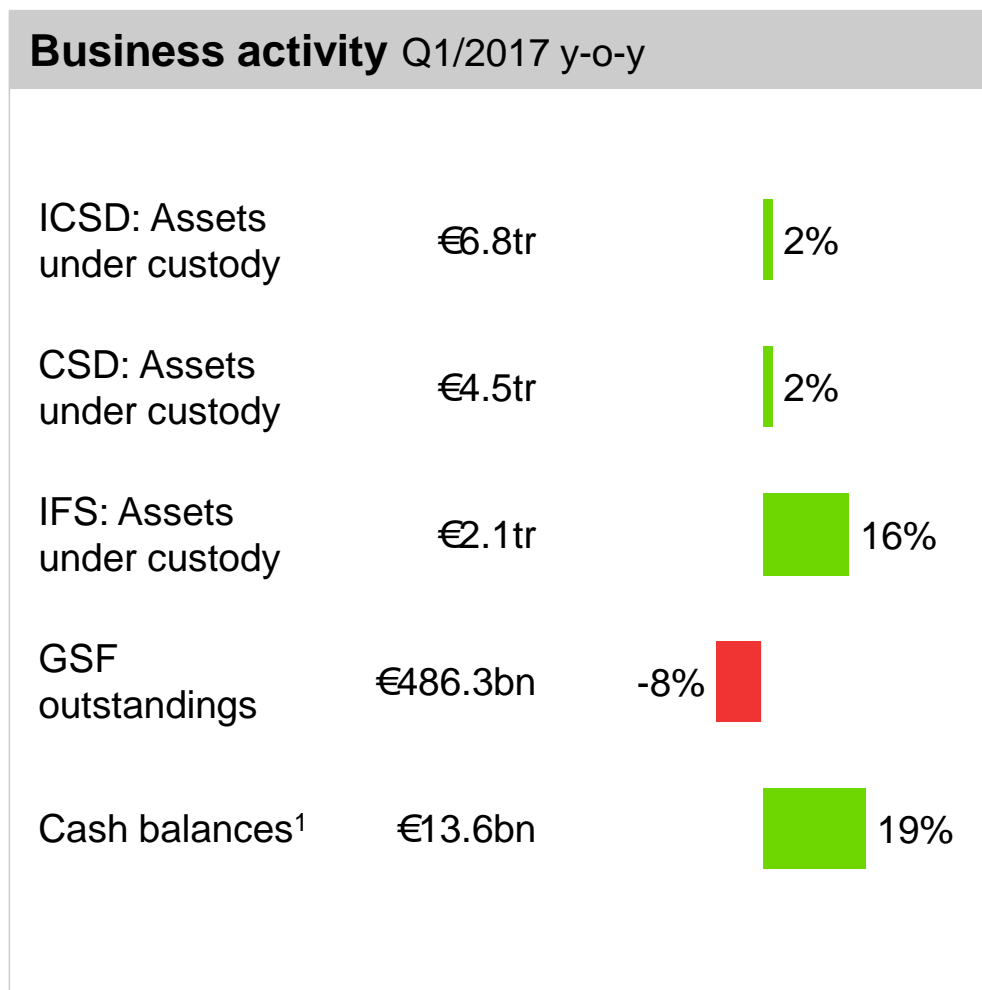
## Net revenue

€m



1) Xetra, Börse Frankfurt and Tradegate

# Q1/2017 – Clearstream



1) Adjusted for balances restricted by relevant EU and US sanction programs

# Q1/2017 – Market Data + Services

## Business activity Q1/2017 y-o-y

### Index

§ Calculation/ distribution of indices through STOXX:

<i>ETF AuM STOXX</i>	€65.9bn	5%
<i>ETF AuM DAX</i>	€26.1bn	4%
<i>Index derivatives</i>	186.0m	-18%

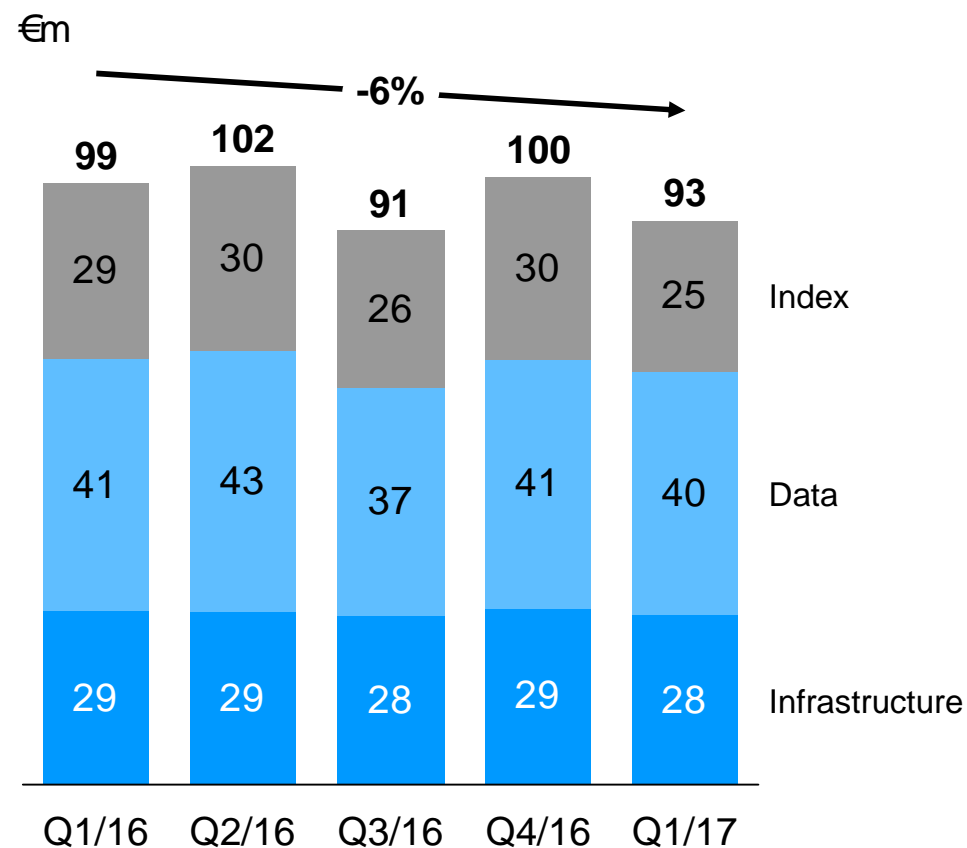
### Data

§ Derivatives/ cash market data, indicators

### Infrastructure

- § Market connectivity, regulatory reporting, others
- § Business process and infrastructure outsourcing

## Net revenue



## Double Digit Earnings Growth Guidance For 2017 And 2018 Confirmed

### Guidance for 2017 and 2018

	2016 (€m)	Expected growth (%)
<b>Net revenue</b>	2,389	<b>5-10</b>
<b>Operating costs</b>	-1,174	<b>0-5</b>
<b>Net income</b>	811	<b>10-15</b>

- § Net revenue is expected to benefit from structural opportunities (EEX, OTC Clearing, 360T, IFS, T2S, STOXX) and cyclical opportunities (market volatility and interest rate increases)
- § Weaker development in Q1/17 is expected to be compensated by improvements in business activity during the remainder of 2017
- § Costs will be managed in a dynamic way to ensure scalability of the business model and create further flexibility for investments



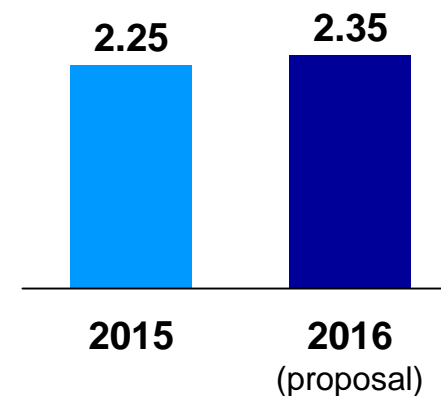
# Deutsche Börse AG Proposes Increase Of 2016 Dividend To €2.35

## Dividend policy

- § In general, Deutsche Börse Group aims to distribute 40 to 60 per cent of the adjusted annual net income to shareholders in form of the regular dividend
- § In years with depressed net income the pay-out ratio stood at the upper end of this range
- § Going forward the Group is expecting substantial earnings growth, therefore, it targets a pay-out ratio in the middle of the 40 to 60 per cent range

## Dividend per share

€



## Dividend pay-out ratio

55%<sup>1</sup>

54%

1) Based on the reported net income 2015 incl. ISE of €766m

# Annual General Meeting On 17 May 2017

## Agenda items

- 1 Presentation of the adopted annual financial statements, the approved consolidated annual financial statements and the combined management report of Deutsche Börse AG and the Group
- 2 Resolution on the appropriation of unappropriated surplus  $\Rightarrow$  dividend of €2.35 per share
- 3 Resolution to approve the acts of the members of the Executive Board
- 4 Resolution to approve the acts of the members of the Supervisory Board
- 5 Resolution on the authorisation to acquire and use treasury shares and to exclude subscription rights and rights of tender  $\Rightarrow$  prolongation of existing authorisation
- 6 Resolution on the authorisation to use derivatives to acquire treasury shares  $\Rightarrow$  prolongation of existing authorisation
- 7 Resolution on the creation of a new Authorised Capital IV with the option of excluding subscription rights  $\Rightarrow$  prolongation of existing authorisation with pre-emptive rights
- 8 Appointment of the auditor and Group auditor for financial year 2017

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