

Investor Presentation

June 2021




DEUTSCHE BÖRSE
GROUP

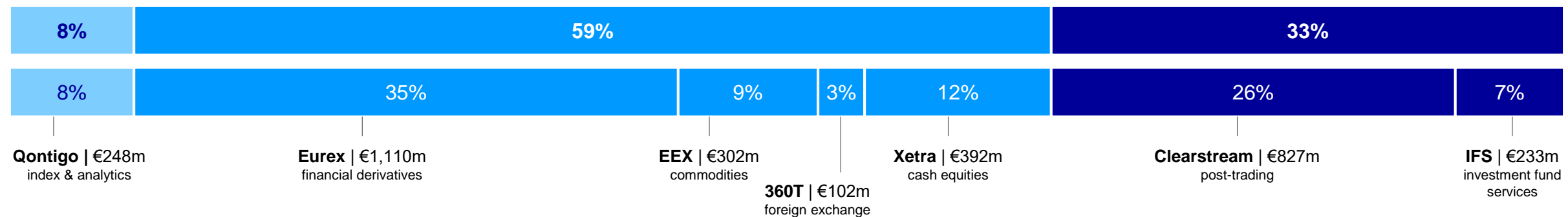
Diversified, scalable and resilient business portfolio serves as the basis for growth

FY/2020 | €3,214m net revenue

Pre-trading 
€248m

Trading & clearing 
€1,906m

Post-trading 
€1,060m



Geographically diversified



36% Rest of Europe
30% UK
22% Germany
7% Americas
5% Asia-Pacific

Multi-asset class offering



50% Equity/index
25% Fixed income
9% Commodities
7% Interest income
6% Funds
3% FX

High recurring revenues



52% Transactional
48% Recurring

We successfully achieved our Roadmap 2020 targets

Financial scorecard 2017 – 2020



Strategic scorecard



- Delivery on secular growth target of >5% p.a.
- Multiple M&A deals in focus areas closed
- Investments in new technologies like cloud & DLT
- Reduction of structural costs by ~€100 million
- Execution discipline strengthened



With Compass 2023 we target continued secular growth and an increased M&A contribution

Compass 2023

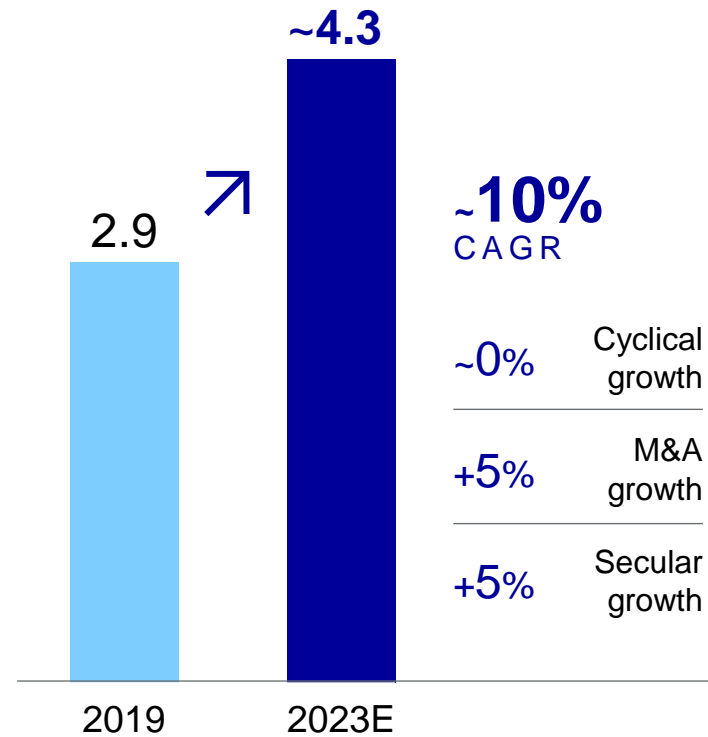
CONTINUED
SECULAR GROWTH



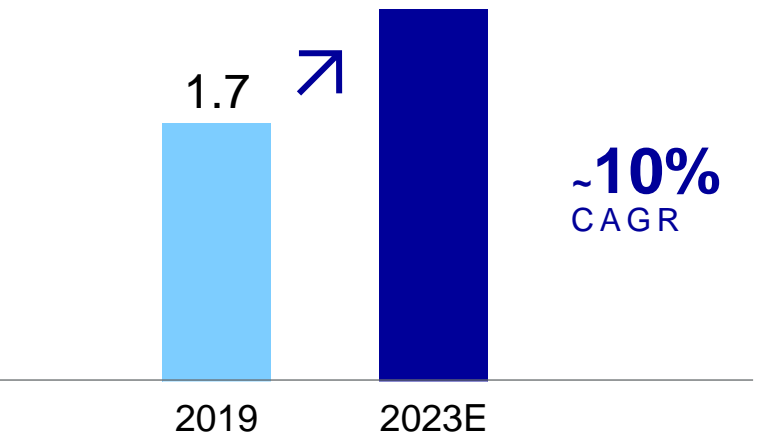
INCREASED
M&A CONTRIBUTION



Net revenue (€bn)



EBITDA reported (€bn)



Our key growth drivers are favorable capital market trends

Major trends

OTC TO ON-EXCHANGE

- Growing importance of futurization
- Standardization of OTC derivatives opportunity for central clearing



BREXIT

- Brexit creates momentum to shift margin and collateral pools



SELL-SIDE UNDER PRESSURE

- Sell-side has to adapt due to regulatory and cost pressure



IMPORTANCE OF BUY-SIDE

- Growing importance of buy-side and shift to passive products
- Increasing demand for analytics and ESG

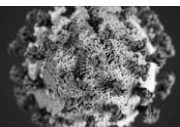


DIGITIZATION

- Technology and digitization are transforming the way the financial sector operates (e.g. cloud, DLT)



COVID-19



- Severe implications for economy and markets (digitization, efficiency, ESG)



Our credentials

Eurex, EEX and 360T very well positioned to win market share

Eurex OTC clearing is a winning proposition

IFS with **strong position** to benefit from outsourcing trend

Qontigo and ISS with **strong starting point** to support demand

Leading technology is at the core of our business model

Products and services across the Group to **support clients**

Our secular growth ambition is based on a broad set of initiatives

Pre-trading



Combine **index** and **analytics** to increase **buy-side** penetration and become a leader in the field of **investment intelligence**

Become a **global ESG leader** through the **highly complementary combination** of ISS and Deutsche Börse



Trading & clearing



Introduce **new derivatives products** and build the leading **OTC clearinghouse** in the Eurozone

Expand on the **leading position in European energy markets** and win a significant position in the **US energy** market

Further develop the **FX one-stop-shop exchange** and **OTC solutions** with a leading technology platform



Post-trading



Strengthen the European proposition to continuously onboard **new portfolios/clients** and grow **custody services** on a **global scale**

Leverage the **partnership model** and add **new clients/services** to strengthen the **leadership position** for the funds service business platform



We will continue to pursue our successful M&A agenda

M&A focus areas

Pre-trading

- Index and analytics
- ESG

Trading & clearing

- Commodities
- Foreign exchange
- Fixed income

Post-trading

- Investment fund services




Strategic guidelines

- **Strong fit** with strategic **growth areas**
- **Value creation** for shareholders
- **Successful integration** and **synergy** potential
- **Public M&A** only with high **closing certainty**
- **Avoidance of auctions** if possible
- **Partnerships** and **majority stakes** preferred
- **Larger deals** (€1 – 5bn++) explicitly **targeted**, but only if there is a **strong strategic fit** and **clear** post merger **integration plan**

Financial guidelines

- Cash earnings **accretive in year 1**, latest in year 3
- **ROI** in year 3 should be **higher than WACC** (~6%) across M&A portfolio
- **Margin dilution acceptable** for transactions with strong strategic fit

Mid-term secular net revenue growth opportunities fully intact

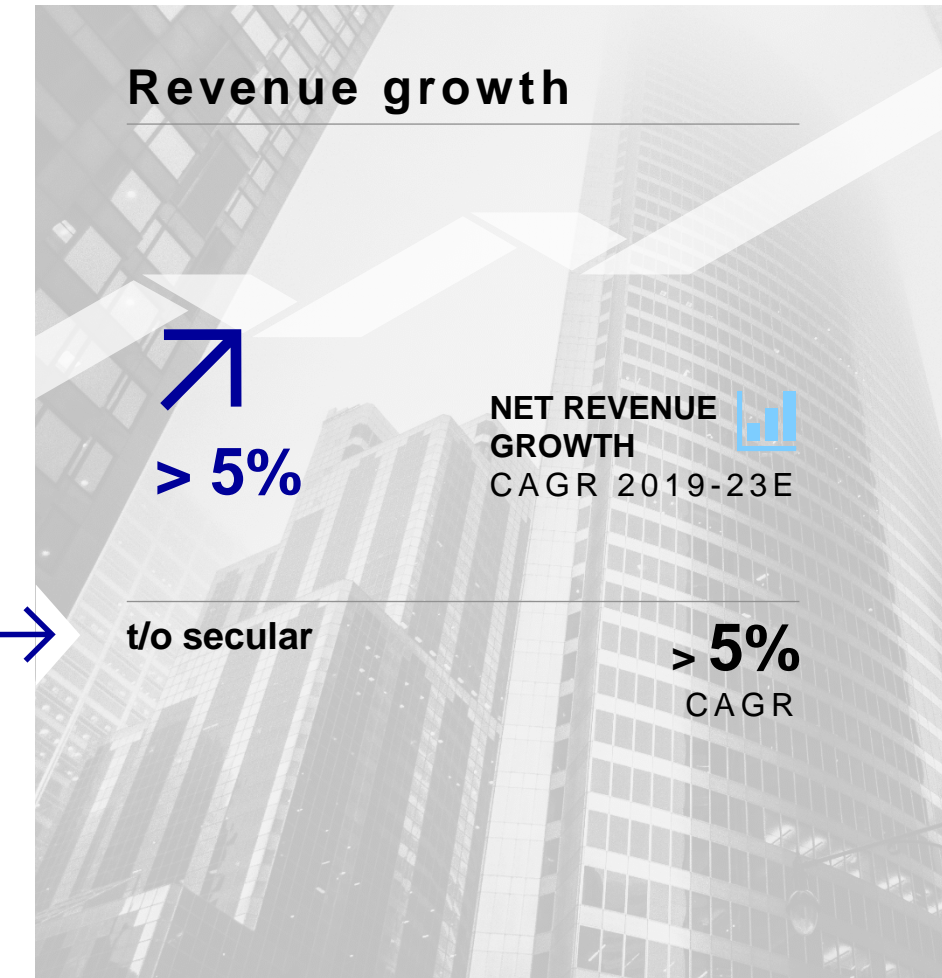
Segment		Net revenue 2019 (€m)	Growth CAGR 2023E	t/o secular	t/o M&A	
Trading & clearing	 Eurex	1,009	7 – 10%	>5%	~1%	Quantitative Brokers
	EEX	289	7 – 10%	>5%	–	
	360T	92	>10%	~10%	–	
	Xetra	329	0 – 3%	0%	–	
Post-trading	 Clearstream	843	0 – 3%	3 – 5%	–	
	IFS	183	>15%	~10%	~6%	Ausmaq, UBS Fondcenter
Pre-trading	 Qontigo	190	>15%	~10%	~5%	Axioma
	ISS				~2%	>5% secular growth expected for ISS
Future M&A					~2%	
TOTAL		2,936	~10%	~5%	~5%	

1| Exchange traded derivatives; 2| Global Funding & Financing; 3| Global Securities Financing

ISS – Innovative global leader in data, research and ESG

Key secular growth drivers

- The **global leader in corporate governance** for more than three decades with a **rapidly growing position in broader ESG and distribution services**
- ISS has **strong and deep experience** in operating emerging market **data and processing centers**, which can be leveraged by Deutsche Börse
- Well established **global business** with excellent **organic and inorganic growth track record**
- ISS' business will **transform Deutsche Börse Group into a global ESG leader**; Deutsche Börse's significant financial resources will accelerate ISS' product roadmap
- ISS with very **strong US franchise and brand**; leverage Deutsche Börse's strong European brand/network to **expand in EMEA**
- Highly **complementary product offering** already within ISS; strong linkages to Deutsche Börse that offer concrete **revenue synergies in/from pre- and post-trading**



Group financials

Q1/2021

Net revenue | €m

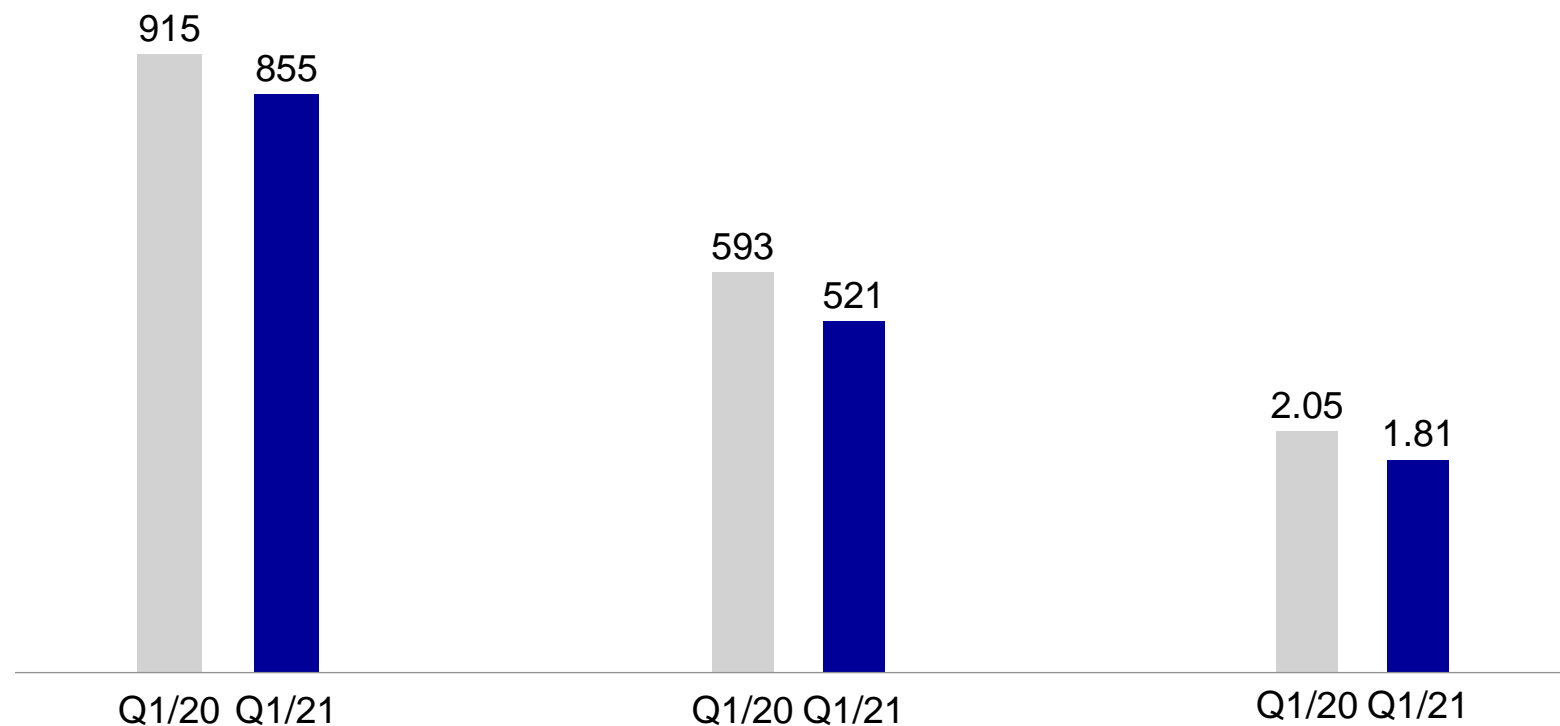
- ↘ -7%
- ↘ -10% (organic)

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

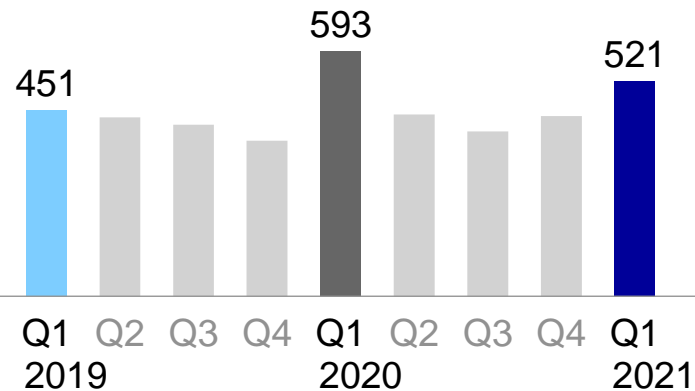
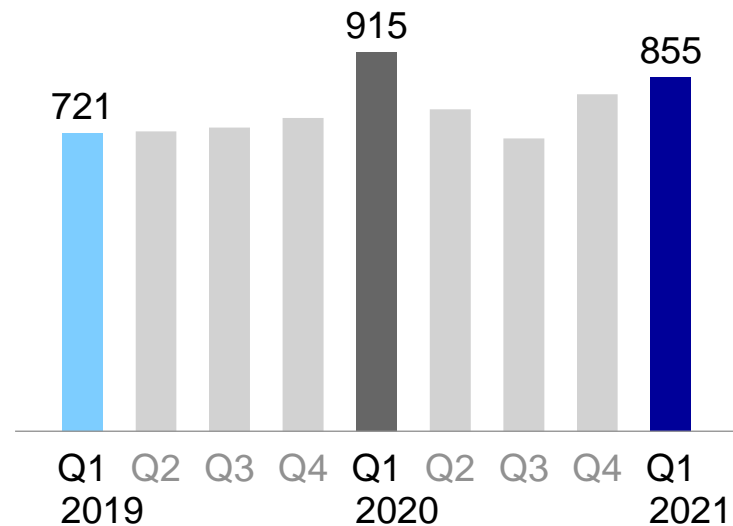
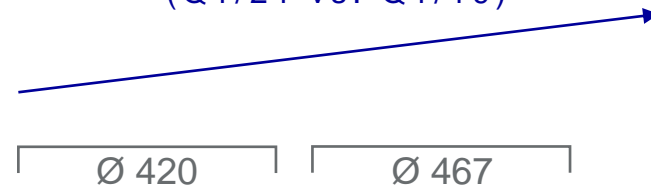
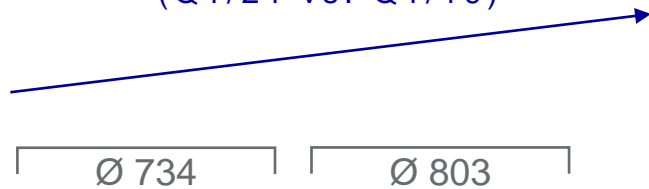
Progress on Compass 2023 targets

Net revenue | €m

EBITDA | €m

+9%
CAGR
(Q1/21 vs. Q1/19)

+8%
CAGR
(Q1/21 vs. Q1/19)

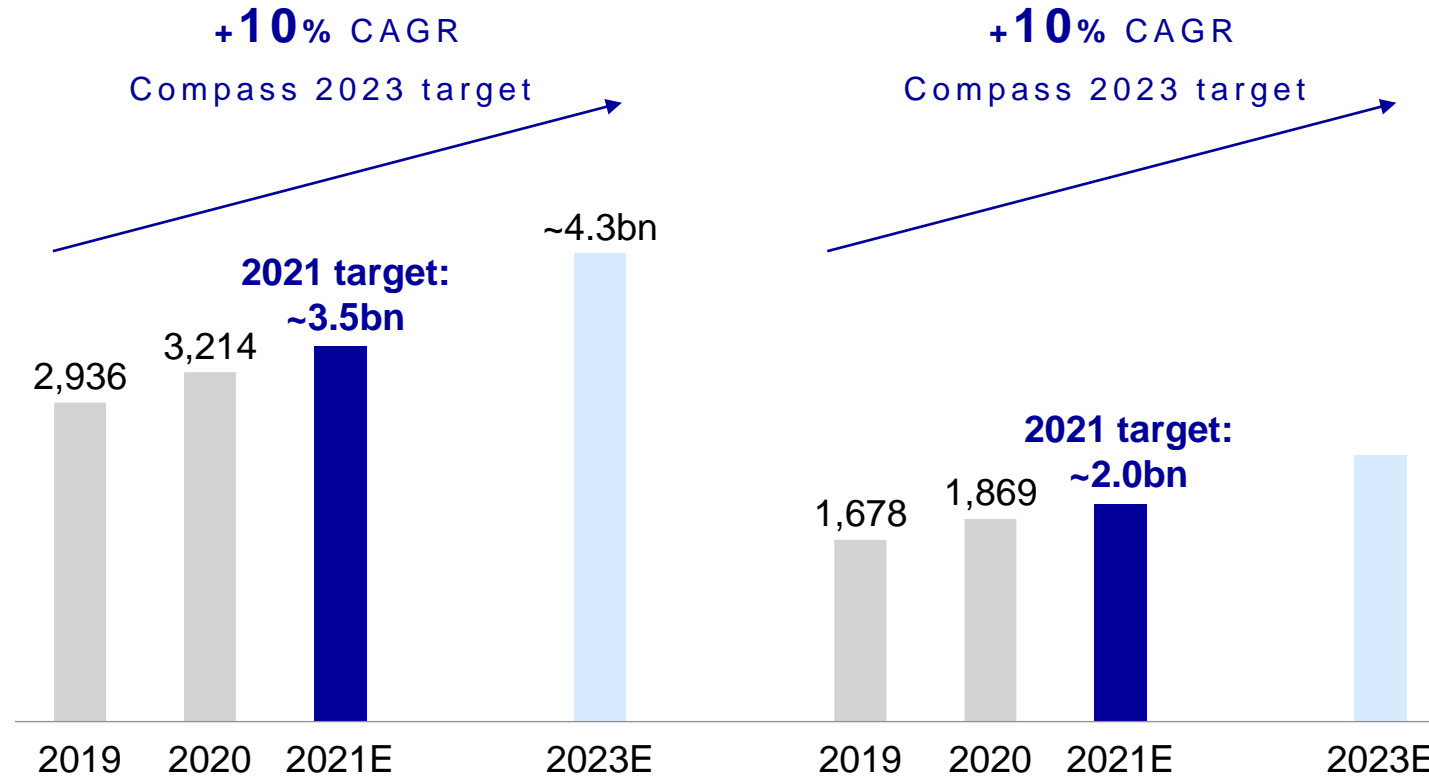


Note

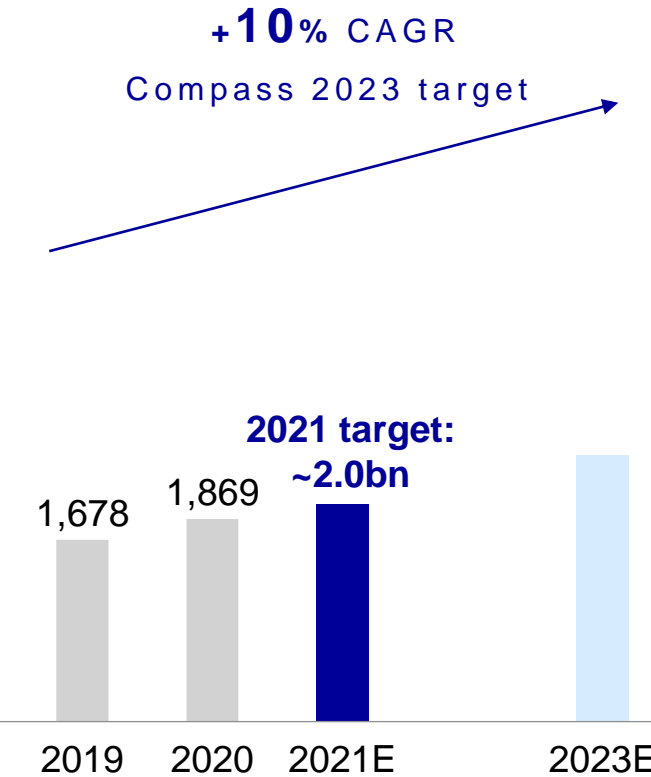
- Compass 2023 mid-term plan targets 10% net revenue growth CAGR (5% secular + 5% M&A) and 10% EBITDA growth CAGR.
- Results in Q1/20 driven by exceptional COVID-19 situation.
- Q1/21 net revenue and EBITDA compared to 2019 (Compass 2023 base year) fully in-line with expected growth trajectory.

Outlook FY/2021

Net revenue | €m



EBITDA | €m



Guidance 2019 – 23 (CAGR)

NET REVENUE ~10%

EBITDA ~10%

EPS ~10%

Long standing capital management policy is confirmed

Rating

- AA rating mainly because of post-trading business
- Net debt/EBITDA below 1.75x
- FFO/net debt above 50%

Dividend policy

- Payout between 40% to 60% of net profit (reported)
- With increased earnings, payout ratio expected to decrease

Use of excess cash

- Preferably reinvested into the business to support M&A strategy; otherwise buy-backs would be considered

Capital allocation

- Permanent review and monitoring of business portfolio
- Maintain sound balance sheet structure

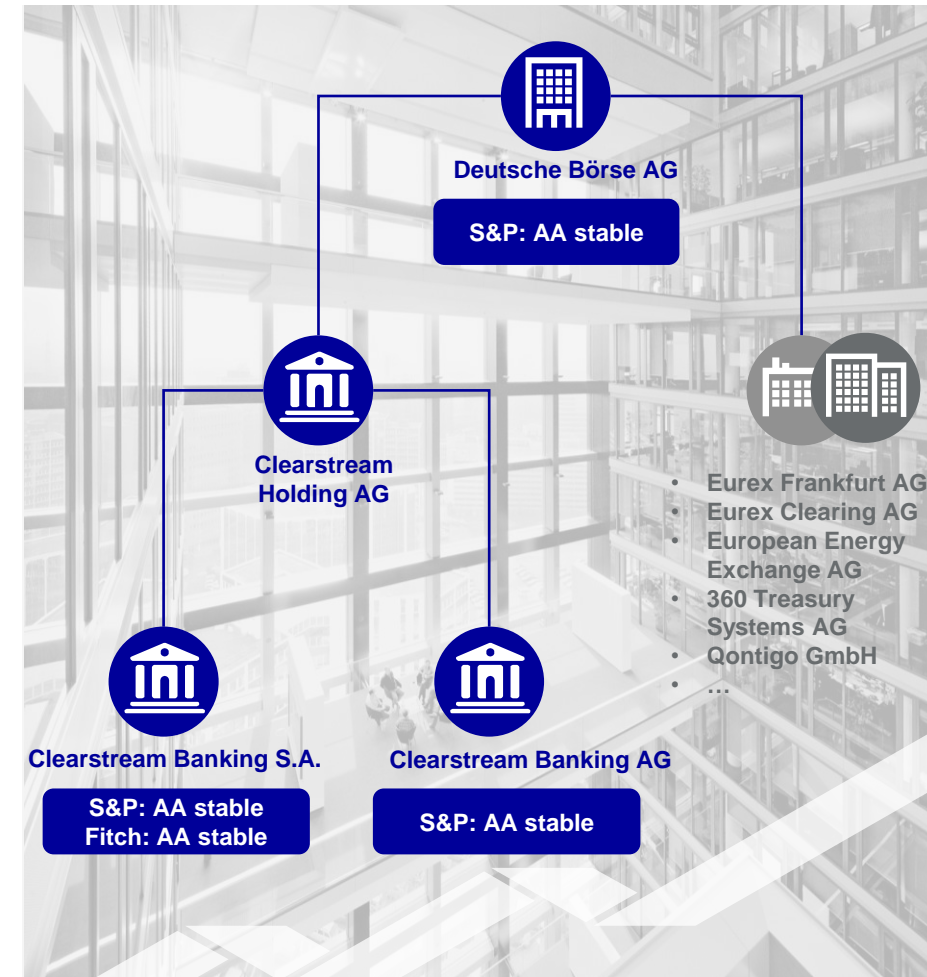
Resilient and stable risk profile

DB1 risk profile is very distinct from other FIs/ Banks

- Deutsche Börse's transaction-based business model is mainly characterised by operational risk
- Counterparty risk at Eurex Clearing is effectively managed through netting, collateralisation and the clearing fund
- Counterparty risk at Clearstream is assumed only to facilitate settlement; credit exposures are limited to highly rated customers and collateralised with highly rated collateral
- Deutsche Börse has experienced no/ very limited credit losses during a financial crisis

Strong financial profile

- Delivered attractive cash generation and profit margins throughout previous cycles
- Despite growth ambition, relatively low level of capital expenditures
- Excellent risk profile and "AA" (stable) credit rating paired with a robust cash flow generation, low leverage and strong balance sheet
- The Group is committed to achieving the minimum financial risk profile that is consistent with an AA rating in accordance with S&P Global Ratings methodology
- Conservative capital management policy with 40–60% dividend payout-ratio

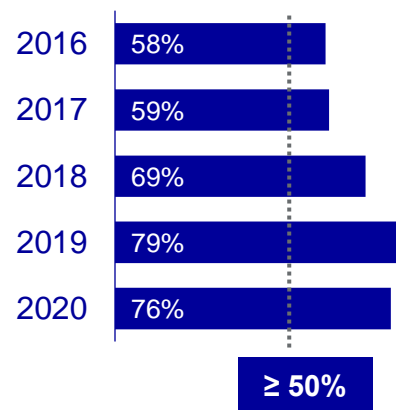


Key rating metrics

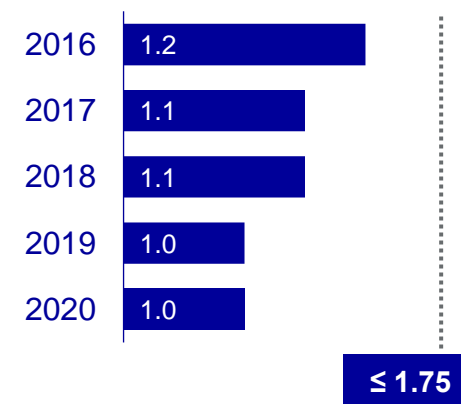


Deutsche Börse AG

FFO / net debt

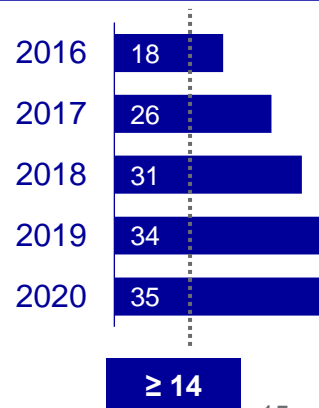


Net debt / EBITDA



Deutsche Börse AG

Interest cover

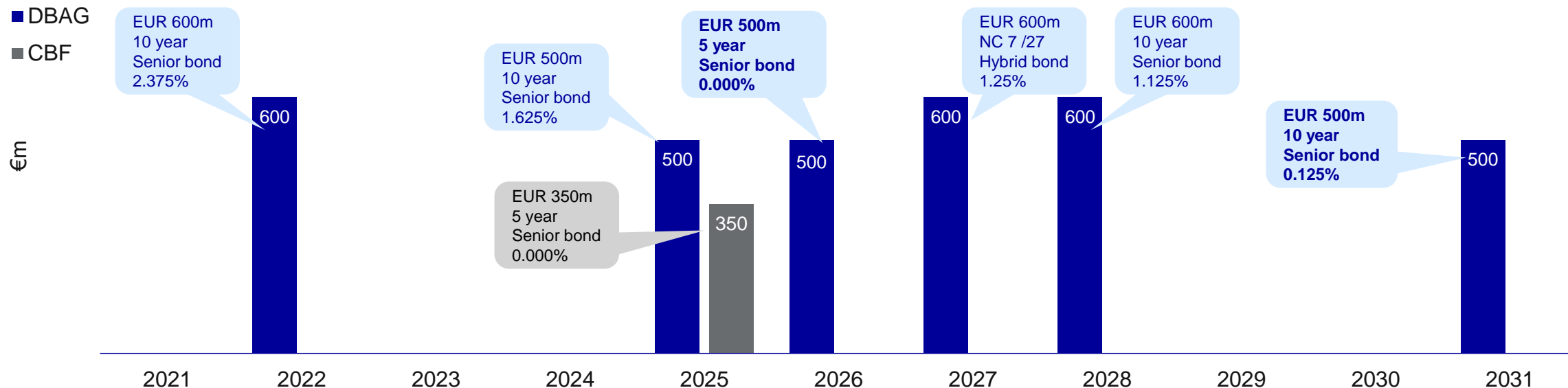


Clearstream Banking S.A.

Tangible equity (in €m)



Maturity profile of Deutsche Börse Group long term debt



DBAG: EUR 3.3bn of long term debt outstanding

Senior Bond	EUR 600m	2.375%	10 year	Oct 2022
Senior Bond	EUR 500m	1.625%	10 year	Oct 2025
Senior Bond	EUR 500m	0.000%	5 year	Feb 2026
Hybrid Bond	EUR 600m	1.250%	NC 7y / 27y	Mar 27 / Jun 47
Senior Bond	EUR 600m	1.125%	10 year	Mar 2028
Senior Bond	EUR 500m	0.125%	10 year	Feb 2031

CBF: EUR 0.35bn of long term debt outstanding

Senior Bond	EUR 350m	0.000%	5 year	Dec 2025
-------------	----------	--------	--------	----------

Our clear ESG commitment is also underpinned by our strong ESG ratings



Deutsche Börse Group with strong **B-score on a scale from A-F** while industry average is C



Deutsche Börse Group's **ESG rating is 4.6 on a 0-5 rating scale**

ESG rating Supersector
Relative score: 97
(scale 1-100)



C-Prime Rating for Deutsche Börse Group (Rating scale: A+–D–; A=best; Prime=“best in class”)



Deutsche Börse Group with **company score of 67** in 2020 (scale 1-100) while the industry average is at 30; Inclusion into Dow Jones Sustainability Europe and World index



Deutsche Börse Group with a **total score of 70** (rating scale 1-100)

Relative position:
Leader (15 of 240)

Deutsche Börse AG is a unique investment opportunity in a 'AA' rated corporate



Disclaimer

Cautionary note with regard to forward-looking statements: This document contains forward-looking statements and statements of future expectations that reflect management's current views and assumptions with respect to future events. Such statements are subject to known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied and that are beyond Deutsche Börse AG's ability to control or estimate precisely. In addition to statements which are forward-looking by reason of context, the words 'may, will, should, expects, plans, intends, anticipates, believes, estimates, predicts, potential, or continue' and similar expressions identify forward-looking statements. Actual results, performance or events may differ materially from those statements due to, without limitation, (i) general economic conditions, (ii) future performance of financial markets, (iii) interest rate levels (iv) currency exchange rates (v) the behaviour of other market participants (vi) general competitive factors (vii) changes in laws and regulations (viii) changes in the policies of central banks, governmental regulators and/or (foreign) governments (ix) the ability to successfully integrate acquired and merged businesses and achieve anticipated synergies (x) reorganization measures, in each case on a local, national, regional and/or global basis. Deutsche Börse AG does not assume any obligation and does not intend to update any forward-looking statements to reflect events or circumstances after the date of these materials.

No obligation to update information: Deutsche Börse AG does not assume any obligation and does not intend to update any information contained herein.

No investment advice: This presentation is for information only and shall not constitute investment advice. It is not intended for solicitation purposes but only for use as general information.

All descriptions, examples and calculations contained in this presentation are for illustrative purposes only.

© Deutsche Börse AG 2021. All rights reserved.