

Q3/2024: Deutsche Börse Group remains on growth path – guidance for 2024 raised again

Overview of quarterly results

- Our Group's net revenue rose by 18 per cent in the third quarter to €1,403.9 million (Q3/2023: €1,188.3 million).
- Earnings before interest, tax, depreciation and amortisation (EBITDA) rose to €801.8 million (Q3/2023: €684.8 million), an increase of 17 per cent.
- Net profit for the period attributable to Deutsche Börse AG shareholders was €444.9 million (Q3/2023: €400.3 million). Earnings per share before purchase price allocation effects rose by 10 per cent to €2.61 (Q3/2023: €2.37).
- In view of the strong organic growth in net revenue we are again raising our guidance for the full year 2024 and now expect net revenue of around €5.8 billion. We now expect EBITDA to be within a range of €3.3 to 3.4 billion.
- We are fully on track with the implementation of the Horizon 2026 strategy and confirm our financial targets for the year 2026.
- The share capital of Deutsche Börse AG was reduced by €188,300,000.00 on 17 September 2024 when treasury shares were cancelled in accordance with the share buy-back programme.

Overview of material events

The Chairman of the Supervisory Board of Deutsche Börse AG, Martin Jetter, has informed the company that he will resign from his position as Chairman of

the Supervisory Board and Member of the Supervisory Board at the end of the Annual General Meeting 2025. The Supervisory Board of Deutsche Börse AG has started the selection process for Martin Jetter's successor. The new Chair of the Supervisory Board is planned to take over from the close of the Annual General Meeting 2025.

Comparability of figures

Deutsche Börse Group modified the allocation of net revenue within its segment reporting slightly with effect from the first quarter of 2024.

- In the Trading & Clearing segment, "Financial Derivatives" unit, net revenue from interest rate derivatives, OTC clearing and the repo business, which was previously reported under "Other" are now reported collectively under the heading of "Fixed Income".
- In addition, in the "Financial Derivatives" unit, margin fees, which were previously reported separately, will henceforth be allocated to "Equities" and "Fixed Income" according to the economic affiliation.
- In the Fund Services segment, the net interest income is now presented separately and no longer under the heading "Other".
- Because the expertise in digital assets is pooled in the Trading & Clearing segment, the activities from Crypto Finance and Deutsche Börse Digital Exchange (DBDX), which were previously reported under "Cash Equities", is now shown in the "FX & Digital Assets" unit.

Results of operations

The Investment Management Solutions segment benefited from new customer wins in the Software Solutions unit in the third quarter of 2024. This included significant customer wins in the high-potential North American market for SimCorp's "one single platform" solution. Higher demand for ESG solutions in the ESG unit, particularly services for Governance Solutions, also resulted in higher net revenue.

The unexpected increase in interest rates in Japan in early August caused short-term volatility on international markets to rise significantly. Interest rate differentials between currency pairs narrowed as a result, reducing the profitability of currency carry trades. However, this increase in market volatility, as measured by the VSTOXX, only resulted in temporarily higher trading activity in equity index derivatives in the Trading & Clearing segment, Financial Derivatives. Interest rate derivatives continued to see high demand from market participants given the ongoing uncertainty about central banks' next interest rate steps. The Commodities unit reported several new records in trading volumes for various power derivative markets in the third quarter of 2024, again underlining the stable trend towards on-exchange-traded and cleared derivatives.

Financial markets participants continued to focus on developments in key economic indicators on both sides of the Atlantic in the reporting quarter. The European Central Bank (ECB) responded to improvements in inflation data with an initial cut in key interest rates in the second quarter, and followed up in September with a further reduction in the deposit rate to 3.5 per cent. The US central bank, FED, also reacted to weaker economic signals in the third quarter with a significant cut of 50 basis points in its target rate to a range of 4.75 to 5.00 per cent. This particularly affected the Securities Services segment. A lower interest rate environment was offset by a volume effect due to

higher cash balances on average, which compensated for the interest rate effect in net interest income. Net revenue in the core business of Securities Services –custody and settlement – also increased due to higher global debt issuance and higher trading activity in bonds.

Against this backdrop, our net revenue in the third quarter rose by 18 per cent to €1,403.9 million (Q3/2023: €1,188.3 million), whereby all segments contributed to the Group's growth. A total of 9 per cent of net revenue growth stems from the acquisition of SimCorp. Organic net revenue growth therefore also came to 9 per cent.

Our operating costs of €603.4 million (Q3/2023: €504.9 million) saw an increase of 20 per cent. This was largely determined by the effect of the SimCorp acquisition of 18 per cent. The organic cost increase of 2 per cent resulted mainly from an inflation-driven increase, investments in growth projects and higher allocations to provisions for share-based payments. Costs of around €10 million for realising synergies are also included.

Our earnings before interest, taxes, depreciation and amortisation (EBITDA) increased accordingly by 17 per cent to €801.8 million (Q3/2023: €684.8 million). The result from financial investments, which is included in EBITDA, came to €1.3 million (Q3/2023: €1.4 million).

Amortisation, depreciation and impairment losses came to €121.5 million (Q3/2023: €114.8 million). The increase is largely due to intangible assets from the SimCorp acquisition, which were amortised from the fourth quarter of 2023 onwards and were not yet included in the prior year period. In addition, the previous year period included an impairment of approximately €25 million on intangible assets at Crypto Finance AG within the Trading & Clearing segment.

Net profit for the period attributable to Deutsche Börse AG shareholders in the third quarter was €444.9 million (Q3/2023: €400.3 million). Earnings per share rose by 12 per cent to €2.42 (Q3/2023: €2.16) for an average of 183.7 million (Q3/2023: 185.1 million) shares. Earnings per share before purchase price allocations (Cash EPS) came to €2.61 (Q3/2023: €2.37).

Gregor Pottmeyer, CFO of Deutsche Börse AG, commented on the results as follows: “Our secular net revenue growth continued to develop positively in the third quarter, as expected. Even if the tailwinds from the phase of high interest rates are gradually slowing, we are looking at a very attractive core business with further significant growth potential. All the segments in our Group contributed to our success in the first nine months. Our expectations were exceeded,

especially in the Commodities unit and for net interest income. We now assume that we will again exceed the revised guidance for the full year 2024 and expect net revenue of around €5.8 billion, with EBITDA in a range of €3.3 to 3.4 billion.”

Concerning the strategic outlook, Stephan Leithner, Co-CEO of Deutsche Börse AG, said: “We are right on track with the implementation of our Horizon 2026 strategy. The very good secular growth of our business units, together with the successful integration of SimCorp are clear signs of progress. We are working with great motivation and focus on implementing our strategy and are very confident of reaching our financial targets for 2026.”

Risk report

[On pages 64 to 82 of its Annual Report 2023](#), Deutsche Börse Group comprehensively outlines the framework, strategy, principles, organisation, processes, methods and concepts behind its risk management, as well as measures it implements to manage or reduce risks. A detailed description of the status of current litigation can be found [in the Annual Report 2023 on pages 223 to 226](#) and in the [Half-yearly Financial Report 2024 on pages 13 and 14](#).

The scope and complexity of the sanctions imposed in response to Russia's attack against Ukraine in violation of international law are unparalleled, and increase the risk of control failures and breaches of applicable legislation or regulations.

The following material changes took place in terms of legal disputes and proceedings in the third quarter of 2024.

A buyer of an MBB Clean Energy AG (MBB) bond, which is held in custody by Clearstream Banking AG and was listed on the Frankfurt Stock Exchange, filed a lawsuit at a Dutch court concerning claims for damages of €33 million against Clearstream Banking AG, Deutsche Börse AG and other parties ([see Annual Report 2023, page 225](#)). The lawsuit was dismissed at first instance in October 2020 and on appeal in June 2024; the decision is final as to Clearstream Banking AG and Deutsche Börse AG.

The European Commission is investigating a possible violation of Art. 101 of the Treaty on the Functioning of the European Union (TFEU) and Art. 53 of the European Economic Area Agreement, among others by Deutsche Börse Group companies, in the area of financial derivatives. An inspection was

carried out on premise of Deutsche Börse Group in September 2024. Deutsche Börse Group is cooperating with the competent authority. Since the proceedings are still at an early stage it is currently not possible to predict their outcome, in particular in terms of timing, results and consequences.

Otherwise, the Executive Board has not identified any material change in the Group's risk position at the present time.

Report on expected developments

In view of the positive business performance in the first nine months of 2024 we expect to exceed our original guidance on [pages 88 to 90 of the Annual Report 2023](#) for the year 2024. After raising the guidance at the half-year point, we now expect net revenue to increase to around €5.8 billion. Drivers include a high interest rate environment for longer than expected and ongoing strong secular growth in our commodities business. We expect earnings before interest, tax, depreciation and amortisation (EBITDA) to be within a range of €3.3 to 3.4 billion.

Report on post-balance sheet date events

There have been no material events after the balance sheet date.

Consolidated income statement

in €m	Third Quarter			First nine Months		
	01 Jul - 30 Sep			01 Jan - 30 Sep		
	2024	2023	Change	2024	2023	Change
Sales revenue	1,452.0	1,200.9	21 %	4,378.4	3,641.9	20 %
Treasury result from banking and similar business	252.1	246.0	2 %	788.1	732.7	8 %
Other operating income	6.8	3.5	94 %	19.8	26.8	- 26 %
Total revenue	1,710.9	1,450.4	18 %	5,186.3	4,401.4	18 %
Volume-related costs	- 307.0	- 262.1	17 %	- 905.6	- 761.3	19 %
Net revenue (total revenue less volume-related costs)	1,403.9	1,188.3	18 %	4,280.7	3,640.1	18 %
Staff costs	- 424.7	- 338.0	26 %	- 1,230.0	- 970.4	27 %
Other operating expense	- 178.7	- 166.9	7 %	- 538.9	- 459.2	17 %
Operating costs	- 603.4	- 504.9	20 %	- 1,768.9	- 1,429.6	24 %
Result from financial investments	1.3	1.4	- 7 %	13.4	- 20.6	- 165 %
Earnings before interest, tax, depreciation and amortisation (EBITDA)	801.8	684.8	17 %	2,525.2	2,189.9	15 %
Depreciation, amortisation and impairment losses	- 121.5	- 114.8	6 %	- 367.2	- 293.1	25 %
Earnings before interest and tax (EBIT)	680.3	570.0	19 %	2,158.0	1,896.8	14 %
Financial result	- 43.4	- 11.0	295 %	- 123.1	- 30.4	305 %
Earnings before tax (EBT)	636.9	559.0	14 %	2,034.9	1,866.4	9 %
Income tax expense	- 168.2	- 144.1	17 %	- 522.2	- 497.0	5 %
Net profit for the period	468.7	414.9	13 %	1,512.7	1,369.4	10 %
thereof attributable to Deutsche Börse AG shareholders	444.9	400.3	11 %	1,441.1	1,316.8	9 %
thereof attributable to non-controlling interests	23.8	14.6	63 %	71.6	52.6	36 %
Earning per share (basic) (€)	2.42	2.16	12 %	7.84	7.15	10 %
Earning per share before purchase price allocations (Cash EPS) (€)	2.61	2.37 ¹	10 %	8.41	7.59 ¹	11 %

1) Previous year adjusted, as impairments of intangible assets of Crypto Finance AG in the amount of €25 million were taken into account.

Segment reporting

Key indicators Investment management solutions segment

in €m	Third quarter			First nine months		
	01 Jul - 30 Sep			01 Jan - 30 Sep		
	2024	2023	Change	2024	2023	Change
Net revenue	294.9	174.7	69 %	898.9	496.5	81 %
Software Solutions	143.3	28.3	406 %	458.4	74.4	516 %
On-premises	52.6	–	n.a.	170.4	–	n.a.
SaaS (incl. Analytics)	53.9	28.3	90 %	172.6	74.4	132 %
Other	36.8	–	n.a.	115.4	–	n.a.
ESG & Index	151.6	146.4	4 %	440.5	422.1	4 %
ESG	73.1	66.9	9 %	194.9	181.4	7 %
Index	51.0	48.9	4 %	153.4	151.0	2 %
Other	27.5	30.6	– 10 %	92.2	89.7	3 %
Operating costs	– 199.6	– 135.3	48 %	– 610.5	– 338.7	80 %
EBITDA	96.9	38.3	153 %	289.7	147.7	96 %

Key indicators Trading & Clearing segment

in €m	Third quarter			First nine months		
	01 Jul - 30 Sep			01 Jan - 30 Sep		
	2024	2023	Change	2024	2023	Change
Net revenue	581.4	527.0	10 %	1,792.1	1,680.4	7 %
Financial derivatives	316.5	285.7	11 %	986.8	952.3	4 %
Equities	125.6	118.4	6 %	396.8	406.6	- 2 %
Fixed Income	132.6	115.6	15 %	416.3	381.6	9 %
Other	58.3	51.7	13 %	173.7	164.1	6 %
Commodities	151.9	133.6	14 %	466.6	401.7	16 %
Power	74.8	56.4	33 %	229.6	170.9	34 %
Gas	22.3	22.6	- 1 %	71.4	72.5	- 2 %
Other	54.8	54.6	0 %	165.6	158.3	5 %
Cash equities	70.7	70.5	0 %	217.9	219.3	- 1 %
Trading	30.8	29.7	4 %	99.0	96.7	2 %
Other	39.9	40.8	- 2 %	118.9	122.6	- 3 %
FX & Digital Assets	42.3	37.2	14 %	120.8	107.1	13 %
Operating costs	- 239.5	- 220.1	9 %	- 695.6	- 645.7	8 %
EBITDA	342.4	307.2	11 %	1,110.2	1,028.0	8 %

Key indicators Fund Services segment

in €m	Third quarter			First nine months		
	01 Jul - 30 Sep			01 Jan - 30 Sep		
	2024	2023	Change	2024	2023	Change
Net revenue	123.4	107.3	15 %	362.3	324.0	12 %
Fund Processing	65.9	53.5	23 %	188.9	157.8	20 %
Fund Distribution	23.0	19.4	19 %	67.4	64.0	5 %
Net interest income from banking business	15.2	15.3	- 1 %	47.1	42.0	12 %
Other	19.3	19.1	1 %	58.9	60.2	- 2 %
Operating costs	- 56.5	- 50.1	13 %	- 158.2	- 150.8	5 %
EBITDA	66.9	58.6	14 %	204.1	169.8	20 %

Key indicators Securities Services segment

in €m	Third quarter			First nine months		
	01 Jul - 30 Sep			01 Jan - 30 Sep		
	2024	2023	Change	2024	2023	Change
Net revenue	404.2	379.3	7 %	1,227.4	1,139.2	8 %
Custody	161.4	150.6	7 %	490.7	462.5	6 %
Settlement	32.8	27.7	18 %	98.4	85.5	15 %
Net interest income from banking business	174.0	169.3	3 %	530.1	488.5	9 %
Other	36.0	31.7	14 %	108.2	102.7	5 %
Operating costs	- 107.8	- 99.4	8 %	- 304.6	- 294.4	3 %
EBITDA	295.6	280.7	5 %	921.2	844.4	9 %

Consolidated balance sheet

Consolidated balance sheet (condensed)

in €m	30 Sep 2024	31 Dec 2023
ASSETS	301,326.3	237,726.9
NON-CURRENT ASSETS	25,641.6	23,416.7
Intangible assets	12,407.2	12,478.6
Property, plant and equipment	579.8	605.6
Financial instruments held by central counterparties	10,636.0	7,667.6
Other non-current assets	2,018.7	2,664.9
CURRENT ASSETS	275,684.8	214,310.2
Restricted bank balances	54,607.8	53,669.4
Financial instruments held by central counterparties	189,666.2	137,904.9
Other current assets	31,410.7	22,735.9

Consolidated balance sheet (condensed)

in €m	30 Sep 2024	31 Dec 2023
EQUITY AND LIABILITIES	301,326.3	237,726.9
EQUITY	10,527.7	10,100.2
Shareholders' equity	10,061.7	9,661.5
Non-controlling interests	466.1	438.7
Total equity		
NON-CURRENT LIABILITIES	19,120.2	16,206.7
Financial instruments held by central counterparties	10,636.0	7,667.6
Other non-current liabilities	8,484.2	8,539.1
CURRENT LIABILITIES	271,678.5	211,420.1
Cash deposits by market participants	54,339.9	53,401.3
Financial instruments held by central counterparties	188,515.4	137,341.9
Other current liabilities	28,823.1	20,676.9

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