



DEUTSCHE BÖRSE  
GROUP

Quarter 3/2011  
Interim Report

## Deutsche Börse Group: financial highlights

		Quarter ended		Nine months ended	
		30 Sep. 2011	30 Sep. 2010	30 Sep. 2011	30 Sep. 2010
<b>Consolidated income statement</b>					
Sales revenue	€m	604.7	504.3	1,691.9	1,587.9
Net interest income from banking business	€m	21.2	15.8	55.8	42.5
Earnings before interest and tax (EBIT)	€m	330.9	244.1	923.7	747.1
Net income for the period	€m	315.3	161.3	706.9	479.0
<b>Consolidated cash flow statement</b>					
Cash flows from operating activities	€m	316.7	223.9	634.1	675.5
<b>Consolidated balance sheet (as at 30 September)</b>					
Equity	€m	3,124.0	3,476.9	3,124.0	3,476.9
Total assets	€m	261,503.7	178,398.2	261,503.7	178,398.2
<b>Performance indicators</b>					
Earnings per share (basic)	€	1.69	0.87	3.79	2.58
Earnings per share (diluted)	€	1.69	0.87	3.79	2.57
<b>Market indicators</b>					
<b>Xetra</b>					
Number of transactions	m	75.9	45.2	187.4	141.0
Trading volume (single-counted)	€bn	412.8	271.4	1,113.0	950.7
<b>Xetra Frankfurt specialist trading<sup>1)</sup></b>					
Trading volume (single-counted) <sup>2)</sup>	€bn	14.0	13.2	43.0	46.0
<b>Eurex</b>					
Number of contracts	m	783.9	563.6	2,204.7	2,049.1
<b>Clearstream</b>					
Value of securities deposited (average for the period)					
	international	€bn	5,878	5,845	5,904
	domestic	€bn	5,069	5,008	5,284
Number of transactions					
	international	m	9.5	8.3	29.2
	domestic	m	24.2	18.0	68.4
Global Securities Financing (average outstanding volume for the period)		€bn	619.4	534.1	571.9
<b>Deutsche Börse share price</b>					
Opening price <sup>3)</sup>	€	52.40	50.08	51.80	58.00
High <sup>4)</sup>	€	55.94	55.43	62.48	59.00
Low <sup>4)</sup>	€	37.03	47.36	37.03	45.45
Closing price (as at 30 September)	€	37.75	48.95	37.75	48.95

1) Before 23 May 2011: floor trading

2) Excluding certificates and warrants

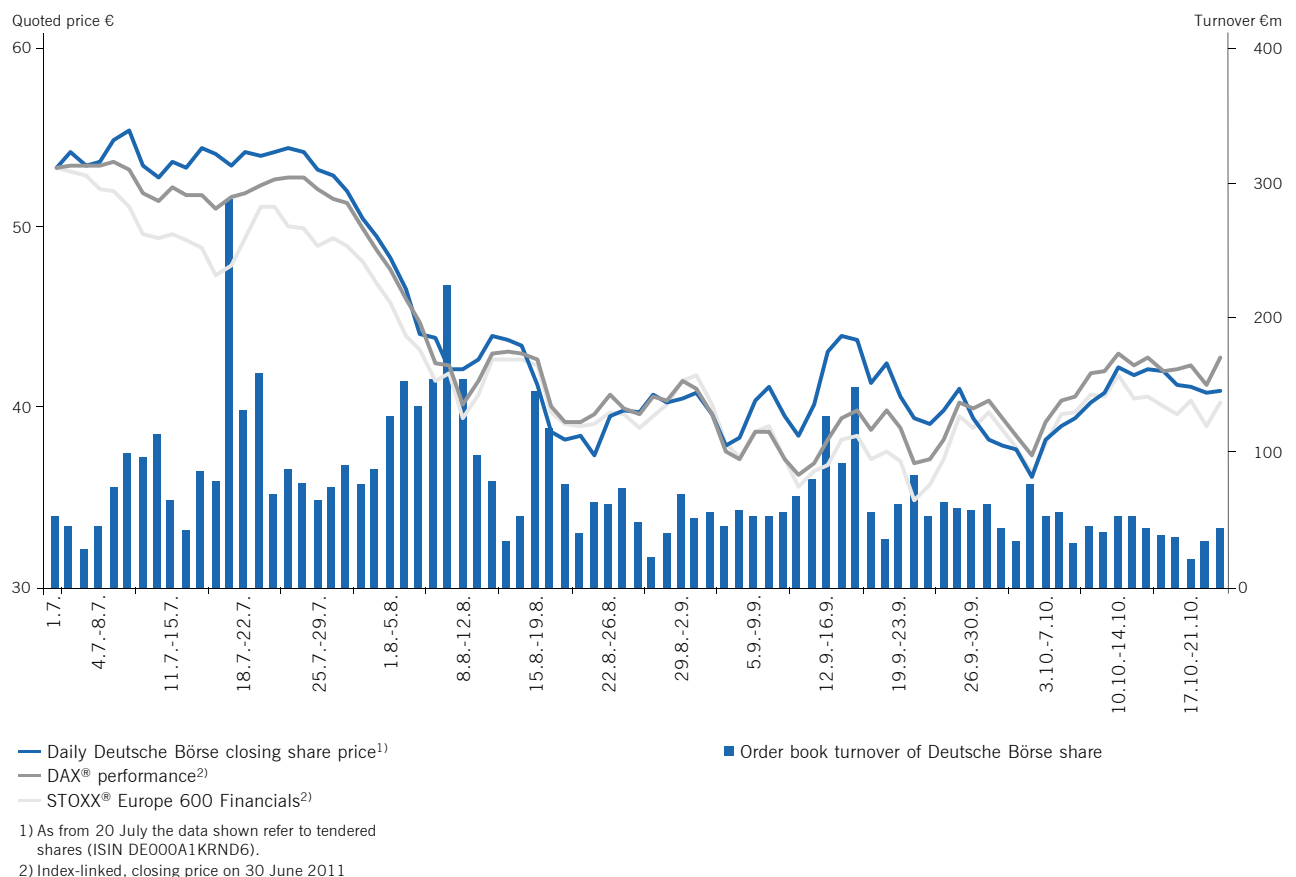
3) Closing price of preceding trading day

4) Intraday price

## Significant rise in Deutsche Börse's sales revenue and EBIT in the third quarter

- The market correction in combination with the uncertainty about future economic developments led to high activity by market participants and in turn to a significant rise in trading and contract volumes on the cash and derivatives markets in the third quarter of 2011.
- Sales revenue was up 20 percent year-on-year to €604.7 million in Q3/2011 (Q3/2010: €504.3 million).
- Larger deposits and higher short-term interest rates in Q3/2011 boosted net interest income from banking business to €21.2 million (Q3/2010: €15.8 million), a 34 percent increase.
- Total costs in the third quarter of 2011 rose by 11 percent to €317.8 million (Q3/2010: €287.0 million), of which around €25 million related to the planned business combination with NYSE Euronext.
- Earnings before interest and tax (EBIT) were up 36 percent to €330.9 million in the third quarter of 2011 (Q3/2010: €244.1 million).
- The financial result grew to €75.2 million in the third quarter of 2011 as a result of the remeasurement of the share component of the liabilities resulting from the announced acquisition of the SIX Group's shares in Eurex Zürich (Q3/2010: €-18.6 million).
- Basic earnings per share thus amounted to €1.69 for an average of 186.0 million shares (Q3/2010: €0.87 for 185.9 million shares).
- The Company is lowering its last announced cost guidance for 2011 from €1,145 million to around €1,130 million since it was able to accelerate the implementation of its efficiency measures in the first nine months of 2011 without restructuring costs and costs resulting from the planned business combination with NYSE Euronext.
- On 27 October 2011 Deutsche Börse AG resolved on a share buyback programme, that will last until the end of 2011, amounting to around €100 million.

### Development of Deutsche Börse AG shares since the beginning of Q3/2011



## Group interim management report

### Proposed business combination of Deutsche Börse Group und NYSE Euronext

On 15 February 2011, Deutsche Börse AG and NYSE Euronext announced that they have entered into a business combination agreement following approval from both companies' boards. Under the agreement, the companies will combine to create the world's premier global exchange group.

Following approval on 7 July 2011 of the planned combination by the shareholders of NYSE Euronext with a majority of 96.09 percent of the capital present, 82.43 percent of the shareholders of Deutsche Börse AG accepted the exchange offer made by the holding company Alpha Beta Netherlands Holding N.V. (Holding), which ended on 13 July 2011. A total of 95.42 percent of Deutsche Börse AG shares were tendered for exchange at the end of a further acceptance period on 1 August 2011. In accordance with the Wertpapiererwerbs- und Übernahmegesetz (WpÜG, German Securities Acquisition and Takeover Act), this has led to a further acceptance period of three months, ending at midnight (CET) on 4 November 2011. The conditions of the offer remain unchanged during this additional acceptance period.

An equity interest of more than 95 percent gives the shareholder of an Aktiengesellschaft (German stock corporation) the legal power to initiate proceedings to squeeze out the minority shareholders in accordance with the provisions of the Aktiengesetz (AktG, German Stock Corporation Act) or the WpÜG. Deutsche Börse AG announced on 8 September 2011 Holding would not exercise the option of initiating a squeeze-out under takeover law for those Deutsche Börse shares not tendered for exchange during the original exchange offer by Holding.

In addition, Deutsche Börse AG announced that Holding was not currently considering a squeeze-out under stock corporation law in accordance with section 327a ff. of the AktG and that Deutsche Börse would probably enter into a control agreement.

The planned combination has now been approved by different regulatory and supervisory authorities: the Committee on Foreign Investment in the United States in August 2011, the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin, the German Federal Financial Supervisory

Authority) in September and Luxembourg's Commission de Surveillance du Secteur Financier (CSSF) in October. As expected, the European Commission commenced its Phase II anti-trust review of the planned combination on 4 August 2011, which is expected to continue until the end of the year.

The transaction is still subject to a number of conditions precedent, including approval by the competent anti-trust, financial, securities and other supervisory authorities in the USA and Europe.

### Results of operations, financial position and net assets

#### Results of operations in the first nine months of 2011

Deutsche Börse's business activity saw positive growth in the first nine months of 2011. The natural disaster in Japan and political unrest in North Africa and the Middle East influenced volatility – and hence trading activity in securities and derivatives – in the first quarter, while turbulence in the euro zone at the end of the second quarter and continuing into the third quarter of 2011 led to an increase in trading activity. Temporarily, this in turn boosted sales revenue significantly in the Xetra and Eurex segments. The growth of post-trade services in the Clearstream segment continued the trend of the previous year, while the Market Data & Analytics segment further increased its sales of data and information products. Deutsche Börse Group's total sales revenue increased by 7 percent year-on-year to €1,691.9 million (Q1–Q3/2010: €1,587.9 million).

Net interest income from banking business generated in the Clearstream segment recovered significantly, growing by 31 percent to €55.8 million (Q1–Q3/2010: €42.5 million). In addition to higher average overnight customer cash deposits, this is due to the two 0.25 percentage point increases in the key interest rate by the European Central Bank (ECB) in April and July 2011.

Total costs in the first nine months of 2011 fell by 7 percent to €878.3 million (Q1–Q3/2010: €941.8 million). In particular higher sales revenue drove up volume-related

costs by 13 percent to €176.9 million (Q1–Q3/2010: €157.0 million), whereas operating costs fell by 11 percent to €701.4 million (Q1–Q3/2010: €784.8 million). The main factors behind the decline in costs that are within the Group's control were as follows:

- Non-recurring costs, mainly in connection with the planned business combination with NYSE Euronext and efficiency measures from the programme of 2010, fell year-on-year. In the first nine months of 2011, the project costs relating to the planned combination with NYSE Euronext reached €54.5 million (Q1–3/2010: €0 million) and net costs for efficiency measures amounted to €0.8 million (Q1–Q3/2010: €122.7 million).
- Depreciation and amortisation expenses decreased compared with the prior-year period, partly due to impairment losses on intangible assets necessary in 2010.

Adjusted for costs related to the planned business combination with NYSE Euronext and costs for efficiency measures, operative costs declined by 2 percent to €646.1 million in the first nine months of 2011.

This year, the accelerated implementation of the efficiency programme let to savings of €130 million instead of €115 million. In 2012, a further €20 million in savings is thus expected instead of the previous €35 million. The cost cutting programme totalling €150 million will consequently be realised much more rapidly than previously planned. Meanwhile, all personnel measures have been implemented. The Company was able to prevent forced redundancies due to the success of the voluntary leaver programme.

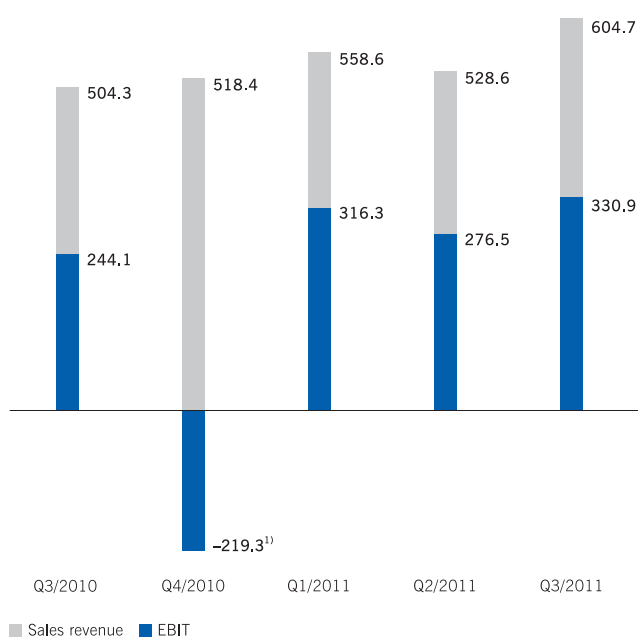
The result from equity investments increased to €13.8 million, up 42 percent on the prior-year period (Q1–Q3/2010: €9.7 million) mainly due to higher contributions by European Energy Exchange AG (EEX<sup>®</sup>) and Scoach Holding S.A.

Due to the significant increase in sales revenue and the decline in costs, EBIT rose sharply by 24 percent to €923.7 million (Q1–Q3/2010: €747.1 million).

The Group's financial result for the first nine months of 2011 was €38.2 million (Q1–Q3/2010: €–71.3 million). The increase is due to the agreement Deutsche Börse AG signed with SIX Group AG in the second quarter of 2011 to settle part of the purchase price for the acquisition of all shares in Eurex Zürich AG in shares of Holding or Deutsche

### Sales revenue and EBIT by quarter

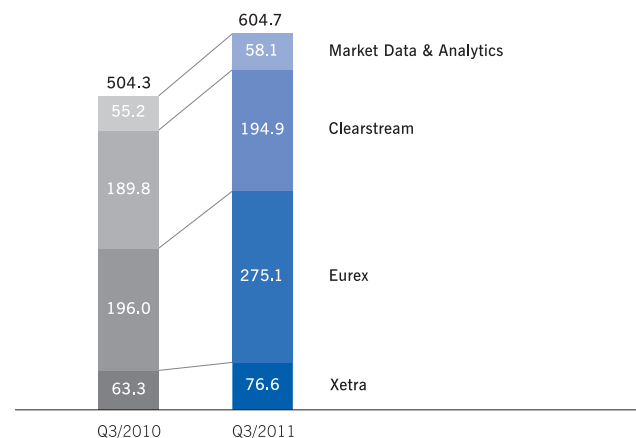
€ millions



1) Including the ISE impairment charge

### Sales revenue by segment

€ millions



Börse AG. Until then, the shares component of the purchase price liability will be measured at fair value through profit and loss. Since the price of Deutsche Börse AG shares has declined since the agreement was entered into, this resulted in non-cash and tax-neutral income amounting to €95.4 million as at 30 September 2011. This is partially offset by an interest expense of €1.5 million on the discounted cash component. The value of the liability will fluctuate with the share price of Deutsche Börse AG until settlement and will therefore continue to lead to earnings volatility.

The effective Group tax rate was 24.9 percent (Q1–Q3/2010: 27.0 percent). The reduction primarily results from the tax-exempt financial income mentioned above. After adjustment, the tax rate for the first nine months of 2011 amounted to 26.0 percent and is in accordance with the Company's expectations.

Net income for the first nine months of 2011 rose by 48 percent to €706.9 million (Q1–Q3/2010: €479.0 million). Basic earnings per share, based on a weighted average of 186.0 million shares outstanding, rose to €3.79 in the same period (Q1–Q3/2010: €2.58 for 185.9 million shares outstanding).

### Results of operations in the third quarter of 2011

Continuing turbulence in the euro zone, sovereign debt levels in certain European countries and doubts surrounding the euro rescue facility led to unusually high trading activity in the third quarter of 2011. Substantial uncertainty in the markets prompted many investors to restructure or hedge their portfolios. As a result, trading volumes in securities and derivatives increased significantly year-on-year in the third quarter of 2011.

Driven by this higher trading activity, Deutsche Börse Group's sales revenue rose 20 percent as against the prior-year quarter, to €604.7 million (Q3/2010: €504.3 million). The Market Data & Analytics segment, which is largely independent of trading activity on the markets, again showed stable growth in the third quarter of 2011. Net interest income from banking business generated in the Clearstream segment rose by 34 percent in the third

quarter of 2011 to €21.2 million (Q3/2010: €15.8 million) on the back of higher average overnight customer deposits and a further increase in the key interest rate by the ECB in July 2011. Other operating revenue climbed 65 percent to €19.3 million (Q3/2010: €11.7 million), mainly due to exchange rate effects and the sale of a minor shareholding in another exchange.

Deutsche Börse Group's total costs were up 11 percent year-on-year, at €317.8 million (Q3/2010: €287.0 million). Operating costs increased by 7 percent year-on-year, to €251.2 million (Q3/2010: €235.4 million). Volume-related costs rose by 29 percent to €66.6 million (Q3/2010: €51.6 million). The rise corresponds to an increase in sales revenue and is, in addition, due to changes in the fee models for trading US options on ISE and German/European shares in the specialist model on Xetra<sup>®</sup>. Taken together, the two effects do not impact earnings. Total costs in the third quarter of 2011 include costs of €25.5 million for the proposed combination with NYSE Euronext. The costs of efficiency programmes were offset by the reversal of provisions for efficiency measures.

The equity-accounted associates and joint ventures European Energy Exchange AG and Scoach Holding S.A. made a significant contribution to the total result from equity investments of €3.5 million (Q3/2010: €–0.7 million).

EBIT rose by 36 percent year-on-year to €330.9 million (Q3/2010: €244.1 million), driven by the positive sales revenue development.

The financial result for the third quarter of 2011 amounted to €75.2 million (Q3/2010: €–18.6 million). As described in the relevant paragraph commenting on the first nine months of 2011, the rise is due to the effect of the equity component of the liability resulting from the agreement with SIX Group on the acquisition of its shares in Eurex Zürich AG.

The effective Group tax rate in the third quarter of 2011 was 21.6 percent (Q3/2010: 27.0 percent). As with the full nine-month period, this decline is primarily due to the tax-free nature of the financial income described above. Adjusted, the Group tax rate in Q3/2011 was 26.0 percent.

Net income for the third quarter of 2011 rose to €315.3 million (Q3/2010: €161.3 million). Basic earnings per share, based on a weighted average of 186.0 million shares outstanding, rose in line with this in the third quarter of 2011 to €1.69 (Q3/2010: €0.87 for 185.9 million shares outstanding).

## Xetra segment

### First nine months of 2011

- Sales revenue in the first nine months of 2011 rose by 8 percent to €215.1 million (Q1–3/2010: €199.1 million).
- EBIT went up by 36 percent to reach €107.6 million (Q1–3/2010: €79.1 million).

### Third quarter of 2011

- Sales revenue grew by 21 percent to €76.6 million (Q3/2010: €63.3 million).
- EBIT increased by 51 percent to €38.9 million (Q3/2010: €25.7 million).

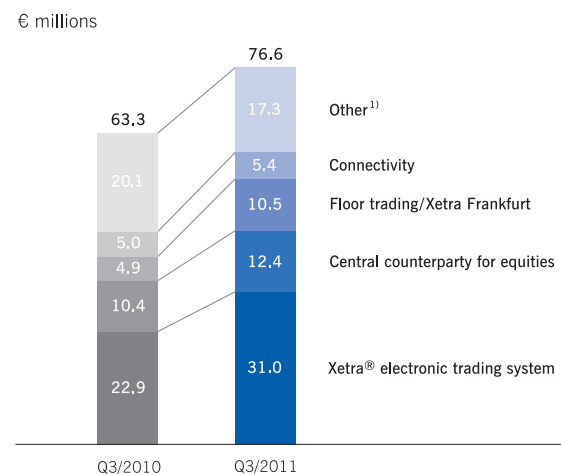
In the first nine months of 2011, demand from institutional and private investors for trading services provided by the Xetra segment increased significantly year-on-year. This growth stems mainly from the third quarter of 2011, when market participants restructured their portfolios in a secure, transparent market in light of the sharp rise in volatility.

Trading volumes on Xetra rose by 17 percent year-on-year in the first nine months of 2011, to €1,112.9 billion (Q1–Q3/2010: €950.7 billion). The number of transactions in Xetra electronic trading was up by 33 percent to 187.4 million in the first nine months of 2011 (Q1–Q3/2010: 141.0 million).

Xetra trading volumes were 52 percent up on the prior-year period in the third quarter of 2011, at €412.8 billion (Q3/2010: €271.4 billion), mainly because the levels of government debt in several eurozone countries and the doubts surrounding the euro rescue facility again sparked considerable market uncertainty, prompting investors to trade more. Liquid, orderly trading was ensured at all

times, including on trading days with particularly high volumes. The number of Xetra transactions increased by 68 percent year-on-year to 75.9 million (Q3/2010: 45.2 million), while the average value of a Xetra transaction declined by 9 percent to €10.9 thousand in the third quarter of 2011 (Q3/2010: €12.0 thousand).

### Breakdown of sales revenue in the Xetra segment



1) Including income from listing and cooperation agreements and IT sales revenue allocated to the segment

The Xetra Frankfurt Specialist Trading model introduced in May continued to prove its worth. Despite the considerable volatility in the third quarter of 2011, investors were able to trade continually with high liquidity and at low spreads. The earlier 8 a.m. start to trading has also been extremely well received. In the first nine months of 2011, the trading volume in Xetra Frankfurt Specialist Trading (or, before 23 May, floor trading at the Frankfurt Stock Exchange) declined by 7 percent to €43.0 billion (Q1–Q3/2010: €46.0 billion). In the third quarter of 2011, however, the same factors that impacted the Xetra main market resulted in a 6 percent rise year-on-year to €14.0 billion (Q3/2010: €13.2 billion). As in the second quarter, the sales revenue generated in Xetra Frankfurt Specialist Trading increased. In addition to increased trading volumes, this is mainly attributable to the introduction of a new pricing model for Xetra Frankfurt Specialist Trading. At the same time, the new pricing model led to an increase in volume-related costs, with the result that this effect was not reflected in earnings.

Tradegate Exchange, which is operated by a company in which Deutsche Börse has held a majority interest since the beginning of January 2010, generated a trading volume of €24.9 billion in the first nine months of 2011 (Q1–Q3/2010: €11.9 billion), an increase of 109 percent. Tradegate Exchange also achieved growth in the third quarter of 2011, lifting its trading volume by 171 percent to €10.3 billion, in particular as a result of its continued success in connecting new customers.

The Xetra segment's EBIT rose by 36 percent to €107.6 million in the first nine months of 2011 (Q1–Q3/2011: €79.1 million) and by 51 percent to €38.9 million in the third quarter of 2011 (Q3/2010: €25.7 million).

For over eleven years now, Deutsche Börse has operated Europe's leading marketplace for exchange-traded funds (ETFs). ETFs combine the flexibility of an equity with the risk diversification of a portfolio. They track the performance of entire markets or sectors in a single product, are traded via stock exchanges as efficiently and with the same liquidity as equities, and can be bought for low transaction costs without load fees. Since their launch in Europe, their number and assets under management have grown steadily. As at 30 September 2011, 874 ETFs were listed on Deutsche Börse (Q3/2010: 717 ETFs) and the assets under management held by ETF issuers amounted

to €151.6 billion (Q3/2010: €144.5 billion). In the first nine months of 2011, the XTF<sup>®</sup> segment's trading volume increased by 26 percent to €148.3 billion (Q1–Q3/2010: €118.5 billion). In the third quarter of 2011, it climbed by more than 90 percent to €63.9 billion (Q3/2010: €33.5 billion). The market share of Deutsche Börse in Europe remains stable at 37 percent (Q3/2010: 37 percent).

The most heavily traded ETFs are based on the European STOXX<sup>®</sup> equity indices and on the DAX<sup>®</sup> index. In some cases, they are more liquid than the highly liquid DAX shares. In the third quarter of 2011, the product range was extended to include the first ETFs on individual sectors, such as emerging-market industrial goods and utilities. It was also bolstered by further ETFs that focus on sustainability, taking into account economic and social aspects as well as the traditional criteria of profitability, liquidity and security when selecting companies.

Xetra-Gold<sup>®</sup>, a physically backed bearer bond issued by Deutsche Börse Commodities GmbH, showed stable business development. At the end of the third quarter of 2011, Deutsche Börse Group held 53.2 tonnes under custody (30 September 2010: 49.9 tonnes). Given a gold price of €38.79 per gram on 30 September 2011, the value of the gold was equivalent to over €2.1 billion. With a share of 35 percent, Xetra-Gold was the most heavily traded security in the Exchange Traded Commodities segment in the third quarter of 2011.

### Xetra segment: key indicators

	Q3/2011 €m	Q3/2010 €m	Change %	Q1–3/2011 €m	Q1–3/2010 €m	Change %
<b>Business: key indicators</b>						
Sales revenue	76.6	63.3	21	215.1	199.1	8
EBIT	38.9	25.7	51	107.6	79.1	36
<b>Markets: key indicators</b>						
Trading volume (order book turnover, single-counted)	€bn	€bn		€bn	€bn	
Xetra <sup>®</sup>	412.8	271.4	52	1,112.9	950.7	17
Xetra Frankfurt specialist model <sup>1)</sup>	14.0	13.2	6	43.0	46.0	–7
Tradegate Exchange <sup>2)</sup>	10.3	3.8	171	24.9	11.9	109
Transactions	m	m		m	m	
Xetra	75.9	45.2	68	187.4	141.0	33

1) Before 23 May 2011: floor trading; excluding certificates and warrants

2) Upon execution of customer orders against one another, the order book turnover is counted twice.



Deutsche Börse recorded 56 new admissions in the third quarter of 2011. Four companies were admitted to the Prime Standard, one to the Entry Standard and 51 to the First Quotation Board. The total placement volume amounted to €332.1 million, with the Prime Standard accounting for €303.4 million, the bulk of it. The largest issue was that by Prime Office REIT-AG (€213.9 million). Again, the highly international profile of Deutsche Börse's listing platforms was plain to see: two of the four issuers in the Prime Standard came from China and over 90 percent of the issuers on the First Quotation Board were from abroad. Deutsche Börse also continued its track record of success in bond issuance in the third quarter of 2011: four companies as issuers representing a total issue volume of around €130 million were admitted to the Entry Standard market segment for bonds.

Deutsche Börse Group continually makes investments in technology. At the end of August 2011, for example, it extended its portfolio for trading and market data connections to include, among other things, the 10 Gbps bandwidth for connectivity to Xetra (see also the section on the Eurex segment). This significantly reduced the transit time for co-location customers, who trade from a special server in Frankfurt. At the beginning of July 2011, the entire Xetra host infrastructure was migrated within Frankfurt to a new location. In the process, all host computer and gateway hardware was replaced with the latest hardware with even higher performance. For Xetra customers, this reduces system latency by up to 40 percent.

## Eurex segment

### First nine months of 2011

- Sales revenue in the first nine months of 2011 grew by 10 percent to €724.0 million (Q1-3/2010: €655.9 million).
- EBIT rose by 21 percent to €421.3 million (Q1-3/2010: €348.6 million).

### Third quarter of 2011

- Eurex sales revenue was up by 40 percent to €275.1 million (Q3/2010: €196.0 million).
- EBIT increased by 72 percent to €166.5 million (Q3/2010: €97.0 million).

Volumes in Eurex derivatives trading increased year-on-year in the first nine months of 2011. This growth was particularly pronounced in the third quarter of 2011 and resulted from the greater need among market participants to hedge positions due to the increased use of exchange-traded and centrally cleared derivatives in light of the European debt crisis and the higher market volatility that this triggered. Trading volumes for European futures and options increased by 8 percent in the first nine months of 2011 to 1,606.4 million contracts (Q1-Q3/2010: 1,484.3 million). Trading volumes on the International Securities Exchange (ISE) were up 6 percent on the prior-year period in the first nine months of 2011. Overall, 2,204.7 million contracts were traded on Eurex's derivatives exchanges in the first nine months of 2011 (Q1-Q3/2010: 2,049.1 million), an increase of 8 percent.

In the third quarter of 2011, the number of European futures and options contracts traded on Eurex rose by 39 percent to 562.9 million (Q3/2010: 404.4 million). Together with ISE, the trading volume increased by 39 percent to 783.9 million contracts (Q3/2010: 563.6 million).

European traded equity index derivatives remained the product group generating the most sales revenue on the Eurex derivatives exchange. These recorded a 16 percent increase to 723.7 million contracts in the first nine months of 2011 (Q1-Q3/2010: 622.9 million). This growth stems mainly from the third quarter of 2011, when the number of contracts rose by 70 percent to 310.4 million (Q3/2010: 182.1 million), and reflects the above-mentioned greater need among market participants to hedge positions.

The volume of equity derivatives contracts dropped by 12 percent in the first nine months of 2011 to 375.0 million (Q1–Q3/2010: 424.1 million). Volumes were also down slightly in the third quarter of 2011, falling by 4 percent to 82.1 million (Q3/2010: 85.4 million). The decline in equity options and equity futures is primarily attributable to the standardisation of contract sizes for several very liquid products in the first half of 2011, as a result of which Eurex participants require fewer contracts for the same number of underlying equities. If only the number of equities underlying the contracts is taken into account, trading volumes are up on the prior-year period.

Among the recently introduced asset classes, dividend derivatives continued to perform well. In the first nine months of 2011, the number of traded contracts rose by 28 percent year-on-year to 4.3 million (Q1–Q3/2010: 3.4 million contracts). In the same period, volatility index derivatives increased by an even sharper 184 percent to 1.8 million contracts (Q1–Q3/2010: 0.6 million contracts). Again, this reflects the growing need among market participants to hedge against increasing market volatility.

In the first nine months of 2011, interest rate markets were dominated by market uncertainty relating to the refinancing of government debt. As a result, the volumes of interest rate derivatives contracts traded on Eurex continued to grow: in the first nine months of 2011, Eurex recorded an increase of 16 percent to 505.6 million contracts (Q1–Q3/2010: 436.3 million). In the third quarter of 2011, the number rose by 24 percent year-on-year, leading to a trading volume of 169.5 million contracts (Q3/2010: 136.6 million).

The ISE trading volume in US options grew in what remained a highly competitive market environment: in the first nine months of 2011, the number of contracts traded by market participants rose by 6 percent compared with the prior-year period to 598.3 million (Q1–Q3/2010: 564.8 million). While sales revenue in US options increased in comparison to volumes at a disproportionately rapid pace of 22 percent in the first nine months of 2011, this is primarily due to a new pricing model whose maker-taker component includes payments to providers of liquidity that are not netted against sales revenue but are reported separately as volume-related costs. Overall, the effects of higher sales revenue and higher costs resulting from the new pricing model cancelled each other out in earnings.

## Eurex segment: key indicators

	Q3/2011 €m	Q3/2010 €m	Change %	Q1–3/2011 €m	Q1–3/2010 €m	Change %
<b>Business: key indicators</b>						
Sales revenue	275.1	196.0	40	724.0	655.9	10
EBIT	166.5	97.0	72	421.3	348.6	21
<b>Markets: key indicators</b>						
Contracts	m	m		m	m	
European equity index derivatives <sup>1)</sup>	310.4	182.1	70	723.7	622.9	16
European equity derivatives <sup>1)</sup>	82.1	85.4	–4	375.0	424.1	–12
European interest rate derivatives	169.5	136.6	24	505.6	436.3	16
<b>Total European derivatives<sup>2)</sup></b>	<b>562.9</b>	<b>404.4</b>	<b>39</b>	<b>1,606.4</b>	<b>1,484.3</b>	<b>8</b>
US options (ISE)	221.0	159.2	39	598.3	564.8	6
<b>Total Eurex and ISE</b>	<b>783.9</b>	<b>563.6</b>	<b>39</b>	<b>2,204.7</b>	<b>2,049.1</b>	<b>8</b>

1) The dividend derivatives have been allocated to the equity index derivatives and the equity derivatives.

2) The total shown does not equal the sum of the individual figures as it includes other traded derivatives such as ETFs, volatility, agricultural, precious metals and emission derivatives.

The number of US option contracts in the third quarter of 2011 was up by 39 percent year-on-year to 221.0 million (Q3/2010: 159.2 million). ISE's market share of US equity options was 18.5 percent in the third quarter of 2011 and thus slightly above the 17.9 percent of the second quarter 2011 (Q3/2010: 20 percent). The state-of-the-art trading system OptimISE newly introduced in the first half of the year has contributed to this positive development in volumes.

Demand for collateralised money market transactions resulting from continued uncertainty in relation to the assessment of counterparty risk in the unsecured money market led to further growth in Eurex Repo's euro market. As a result of the extraordinary measures taken by the Swiss National Bank to weaken the Swiss franc against the euro, average outstanding volumes in the Swiss franc market have been falling sharply since August 2011 and dropped 21 percent in the third quarter to €107.7 billion (Q3/2010: €136.6 billion). In the euro market, on the other hand, Eurex Repo increased the average outstanding volume by 35 percent in the third quarter of 2011 to a record high of €159.2 billion (Q3/2010: €118.1 billion).

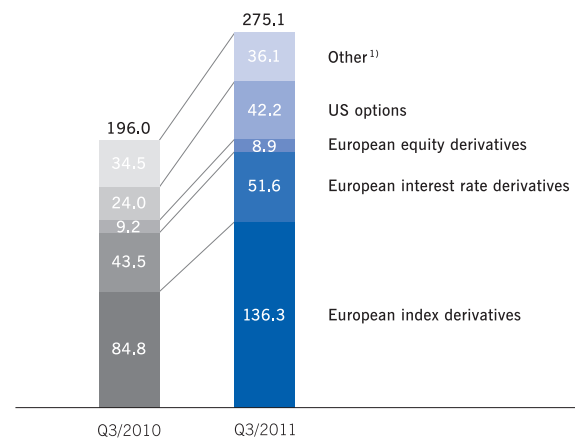
In the GC Pooling® (general collateral pooling) collateralised money market, average outstanding volumes reached a record €128.1 billion in the third quarter of 2011, an increase of 37 percent year-on-year (Q3/2010: €93.7 billion, single-counted for both periods). GC Pooling enables balance sheet-friendly and anonymous collateralised money market trading in which securities are traded and cleared via a central counterparty (Eurex Clearing). Eurex Repo operates the GC Pooling market together with Eurex Clearing and Clearstream and generates sales revenue from fees charged for trading and clearing the relevant repo transactions. In the third quarter of 2011, the GC Pooling market attracted seven new participants. In total, 74 participants are now admitted to trading compared with just 48 in the same period of 2010.

Together with leading banks, Eurex operates the Eurex Bonds® trading platform for interbank trading in European government bonds and treasury bills, basis instruments comprising a mix of government bonds and futures, covered bonds and agency debt, and bonds from the German federal states. In the first nine months of 2011, the volume traded increased by 11 percent to €86.6 billion (single-counted) compared with €78.4 billion in the first nine

months of 2010. In the third quarter of 2011, turnover was up by 27 percent to €26.0 billion (single-counted) (Q3/2010: €20.4 billion). The positive overall trend in the first nine months of 2011 is due to increased demand for investments in issues with top-notch ratings.

### Breakdown of sales revenue in the Eurex segment

€ millions



1) Including IT sales revenue allocated to the segment

In the first nine months of 2011, EBIT rose by a total of 21 percent to €421.3 million (Q1–Q3/2010: €348.6 million). In the third quarter 2011, it showed a particularly pronounced increase of 72 percent to €166.5 million (Q3/2010: €97.0 million).

The cooperation with the Korean exchange KRX in a product on Korea's benchmark KOSPI index continued to be successful; it has been available for trading on Eurex since 30 August 2010. In August and September 2011, the daily average number of traded contacts reached over 100,000 for the first time. In addition, price quoting by several market makers has reduced bid/offer spreads significantly in recent months.

In August 2011, Eurex Clearing AG announced the introduction of the "Individual Clearing Model", the first major element of its new industry-leading service to segregate the collateral of the clearing house's users. The new clearing model allows the collateral and positions of participating customers to be transferred immediately in the event that a clearing member defaults, meaning that customers' assets are better protected and that they are able to continue their trading activities without interruption. The new

model is part of a comprehensive expansion of Eurex Clearing AG's services in anticipation of regulatory reforms planned at EU level, which aim to have central counterparties play a greater role in clearing and risk management of on- and off-exchange derivatives trading.

Deutsche Börse made further investments in technology in the third quarter of 2011. At the end of August, for example, it extended its portfolio for trading and market data connections to include, among other things, the 10 Gbps bandwidth for connectivity to Eurex (see also the section on the Xetra segment).

### Clearstream segment

#### First nine months of 2011

- Sales revenue increased by 1 percent to €578.1 million in the first nine months of 2011 (Q1–3/2010: €569.6 million).
- Net interest income surged to €55.8 million, an increase of 31 percent (Q1–3/2010: €42.5 million).
- EBIT for the first nine months of 2011 stood at €285.4 million – a strong plus of 28 percent (Q1–3/2010: €222.5 million).

#### Third quarter of 2011

- Sales revenue was 3 percent higher than in the third quarter of 2010, at €194.9 million (Q3/2010: €189.8 million).
- Net interest income from banking business increased by 34 percent to €21.2 million (Q3/2010: €15.8 million).
- EBIT increased by 7 percent to €89.0 million in the third quarter of 2011 (Q3/2010: €83.2 million).

In the custody business the average value of assets under custody in the first nine months of 2011 increased by 3 percent year-on-year, reaching €11.2 trillion (Q1–3/2010: €10.8 trillion). The average value of assets under custody in the third quarter 2011 remained stable at €10.9 trillion (Q3/2010: €10.9 trillion). Clearstream recorded a slight increase in the average value of assets under custody on its international platform for the first nine months of 2011 to €5.9 trillion (Q1–3/2010: €5.8 trillion). For Q3/2011, international assets under custody were also at €5.9 trillion (Q3/2010: €5.8 trillion). Domestic assets increased by 5 percent to €5.3 trillion in the first nine months of 2011 (Q1–3/2010: €5.0 trillion). Q3/2011 with €5.1 trillion showed a slight increase in domestic assets under custody (Q3/2010: €5.0 trillion).

Sales revenue in the custody business fell by 1 percent to €332.4 million for the first nine months of 2011 (Q1–3/2010: €337.4 million) and by 2 percent to €111.3 million for Q3/2011 (Q3/2010: €113.7 million). The fact that sales revenue declined in spite of rising custody volumes is due to the product mix and to customer consolidation.

The total number of settlement transactions processed by Clearstream in the first nine months of 2011 went up by 15 percent to 97.6 million (Q1–3/2010: 84.9 million). Settlement of OTC transactions in the first nine months of 2011 totalled 43.8 million, 10 percent above last year's level (Q1–3/2010: 39.6 million) of which settlement of international OTC transactions increased by 10 percent to 22.1 million and OTC transactions on the domestic market increased by 11 percent to 21.7 million. In the stock exchange business, transactions increased by 19 percent to 53.8 million (Q1–3/2010: 45.3 million). Both domestic and international transactions in the first nine months of 2011 were mainly driven by German retail investors' increased trading activity.

In the third quarter 2011, Clearstream recorded an increase in settlement transactions by 28 percent to 33.7 million (Q3/2010: 26.3 million). Amounting to 14.7 million transactions (Q3/2010: 12.2 million), Clearstream's OTC settlement for the third quarter 2011 is above Q3/2010: settlement of international OTC transactions increased by 17 percent to 7.4 million and OTC transactions on the domestic market increased by 24 percent to 7.3 million. In the stock exchange business, transactions went up by 35 percent to 19.0 million for the third quarter 2011 (Q3/2010: 14.1 million), due to higher trading activity of German retail investors during the third quarter of 2011. Sales revenue rose by 5 percent to €91.4 million in the first nine months of 2011 (Q1–3/2010: €87.2 million) and by 13 percent in the third quarter of 2011, to €30.0 million (Q3/2010: €26.5 million), reflecting a higher settlement activity in Q3/2011. The difference between business development and the sales revenue generated is basically due to the lower proportion of higher-priced transactions settled on external links with domestic contracting partners and to the product mix.

The success of Investment Funds Services also contributed to the growth in the custody and settlement business. In the period under review, Clearstream processed 4.0 million transactions, a 9 percent increase over the previous-year period (Q1–3/2010: 3.7 million). The assets held under custody in Investment Funds Services reached an all-time high of €219.8 billion on average in the first nine months of 2011, a 20 percent increase year-on-year (Q1–3/2010: €182.6 billion). The average for the third quarter 2011 was €217.4 billion, 14 percent higher than last year (Q3/2010: €191.3 billion).

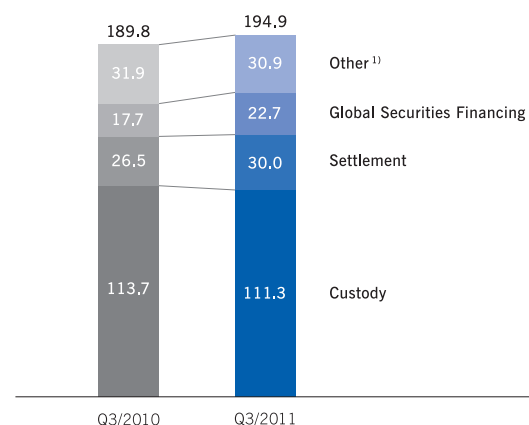
Within the Global Securities Financing (GSF) business, which includes triparty repo, securities lending and collateral management, average outstandings showed continuous growth, both on a nine-months and on a quarterly basis. In the first nine months of 2011 outstandings reached an average of €571.9 billion, an increase of 12 percent year-on-year (Q1–3/2010: €511.4 billion). In the third quarter of 2011 outstandings grew by 16 percent year-on-year to €619.4 billion (Q3/2010: €534.1 billion). The rise reflects the growing importance of secured financing and the continued move of collateral towards central international liquidity pools. In particular, collateral management services significantly contributed to the increase of volumes. The GC Pooling® service, offered in cooperation with Eurex, continued to show a strong growth in outstandings, reaching a daily average of €108.6 billion for the first nine months of 2011 and €128.1 billion for the third quarter of 2011 (Q1–3/2010: €88.3 billion, Q3/2010: €93.7 billion).

The rise in overall GSF volumes was also reflected in the sales revenue. The GSF income increased by 10 percent to €55.9 million for the first nine months of 2011 (Q1–3/2010: €50.8 million). The third quarter of 2011 showed a 28 percent increase in sales revenue to €22.7 million (Q3/2010: €17.7 million), due to a strong development in lending services, especially Automated Securities Lending (ASLplus), as well as in Triparty Collateral Management Services, which also recorded a significant volume expansion in the period under review.

Overnight customer cash deposits further increased in 2011 to reach an average of €10.0 billion in the first nine months (Q1–3/2010: €6.6 billion) and €11.8 billion in the third quarter (Q3/2010: €6.9 billion). The third quarter 2011 contains an amount of some €3.9 billion currently restricted by EU and US sanction programmes. Net interest income from banking business increased by 31 percent to €55.8 million in the first nine months of 2011 (Q1–3/2010: €42.5 million), and, at €21.2 million in Q3/2011, was 34 percent higher than in the same period last year (Q3/2010: €15.8 million). This is due to the substantial cash deposits increase as well as the fact that the European Central Bank twice raised its key interest rate by 25bp on 13 April and 13 July 2011 to 1.5 percent.

#### Breakdown of sales revenue in the Clearstream segment

€ millions



1) Including Connectivity and Reporting and IT sales revenue allocated to the segment

The significant rise in EBIT by 28 percent in the first nine months of 2011, respectively 7 percent in Q3/2011 is mainly attributable to lower costs and higher net interest income from banking business.

Clearstream has started to make its 20 years of collateral management expertise available to third parties: The company's new product "Liquidity Hub GO" – "GO" stands for "global outsourcing" – went live in Brazil on 18 July 2011. Since then, Brazil's central securities depository CETIP uses the Clearstream service to manage the domestic

collateral. Clearstream is currently also in exclusive talks with the Australian Securities Exchange (ASX) to implement a similar model for Australia. A letter of intent was signed at the end of August 2011. The joint Clearstream/ASX service could go live in the course of 2012. Clearstream and the US Depository Trust & Clearing Corporation (DTCC) agreed in September 2011 to establish a strategic partnership in order to further develop the bilateral and syndicated loan markets. Collateral management services form part of the agreement. DTCC is the major US clearing, settlement and custody service provider for, among others, equities, bonds and over-the-counter derivatives.

## Market Data & Analytics segment

### First nine months of 2011

- Sales revenue in the first nine months of 2011 rose by 7 percent to €174.7 million (Q1–3/2010: €163.3 million).
- Likewise, EBIT increased by 13 percent to €109.4 million (Q1–3/2010: €96.9 million).

### Third quarter of 2011

- Sales revenue grew by 5 percent to €58.1 million (Q3/2010: €55.2 million).
- EBIT decreased year-on-year by 4 percent to €36.5 million (Q3/2010: €38.2 million) due to the profit from the sale of the subsidiary Avox Ltd. contained in the EBIT for Q3/2010.

## Clearstream segment: key indicators

	Q3/2011 €m	Q3/2010 €m	Change %	Q1–3/2011 €m	Q1–3/2010 €m	Change %
<b>Business: key indicators</b>						
Sales revenue	194.9	189.8	3	578.1	569.6	1
EBIT	89.0	83.2	7	285.4	222.5	28
<b>Custody</b>						
	€bn	€bn		€bn	€bn	
Value of securities deposited (average value)	10,947	10,853	1	11,188	10,815	3
international	5,878	5,845	1	5,904	5,804	2
domestic	5,069	5,008	1	5,284	5,011	5
<b>Settlement</b>						
	m	m		m	m	
Securities transactions	33.7	26.3	28	97.6	84.9	15
international	9.5	8.3	14	29.2	27.0	8
domestic	24.2	18.0	34	68.4	57.9	18
<b>Global Securities Financing</b>						
	€bn	€bn		€bn	€bn	
Outstanding volume (average value)	619.4	534.1	16	571.9	511.4	12
<b>Average daily cash balances</b>						
	€m	€m		€m	€m	
Total <sup>1)</sup>	11,765	6,933	69	10,042	6,614	52
euros	4,246	2,101	102	3,378	2,283	48
US dollars	5,130	3,379	52	4,652	3,017	54
other currencies	2,389	1,453	64	2,012	1,314	53

1) Contains €3.9 billion currently restricted by relevant EU and US sanction programmes

The Market Data & Analytics segment continued the growth seen in the first two quarters of 2011 into the third quarter. In the first nine months of 2011, it thus achieved a significant increase in sales revenue compared with the same period of the previous year. One important contributing factor was the continuous expansion of its product range, particularly in the index business of its subsidiary STOXX, which has been fully consolidated since the end of December 2009. In addition, the heightened uncertainty surrounding general economic developments increased the demand for high-quality market information. This also applies to the demand for macroeconomic data and news of the kind provided by the subsidiary Market News International. EBIT rose significantly as Market Data & Analytics's strong business performance was accompanied by a decrease in costs.

The real-time trading data business is holding steady and showing slight growth. The area's strategic goal remains to become the leading provider of globally relevant trading signals. Generally, there is an increasing demand in the market for direct connections that ensure the provision of data, particularly during turbulent trading periods.

At the end of September 2011, Deutsche Börse AG's "AlphaFlash<sup>®</sup>" algorithmic news feed was expanded to include data from international government bond auctions. The new "Global Treasury Feed" data service transmits key auction data from twelve countries directly from the source in a machine-readable format. The ultra high-speed service was developed for algo traders, fund managers, hedge funds, analysts and professional investors whose trading decisions factor in developments on government bond markets.

In the index business, sales revenue held steady despite the falls in the indices and the associated pressure on the assets under management held by exchange-traded funds (ETFs) in the first nine months of 2011. In July 2011, the subsidiary STOXX launched two new indices: the iSTOXX World Select Index, which tracks the performance of the world's 150 largest and most liquid stocks, and the STOXX Global Rare Earth Index for companies worldwide which generate at least 30 percent of their revenue from the rare earths sector.

Demand for data for the back offices of financial service providers has also increased as a result of the higher trading volumes. This applies in particular to the demand for the TRICE<sup>®</sup> service, through which Deutsche Börse AG helps its customers to meet their obligations to report information to financial supervisory authorities. In addition, marketing successes have improved business with historical data.

## Financial position

### Cash flow

Deutsche Börse Group generated cash flow from operating activities of €634.1 million in the first nine months of 2011 (Q1–Q3/2010: €675.5 million). The basic operating cash flow per share amounted to €3.41 (Q1–Q3/2010: €3.63). In the third quarter of 2011, cash flows from operating activities totalling €316.7 million were particularly strong thanks to the good quarterly results (Q3/2010: €223.9 million). The changes in operating cash flow are due primarily to the following factors:

- The increase in net income for the period by €228.8 million to €722.0 million
- The decline in (non-cash) depreciation and amortisation from €100.5 million in the prior-year period to €67.1 million
- A cash outflow of €72.8 million (Q1–Q3/2010: cash inflow of €32.2 million) due to the increase in receivables and other assets, primarily in connection with an increase in receivables from CCP transactions and in trade receivables
- A cash outflow of €83.4 million (Q1–Q3/2010: cash inflow of €54.2 million) due to a decrease in current liabilities. This was mainly due to a decline in tax provisions because of tax payments and a decline in other current provisions in connection with share-based payments and the efficiency measures initiated in the previous year.

The cash inflow from investing activities amounted to €960.6 million in the first nine months of 2011 (Q1–Q3/2010: cash outflow of €620.9 million), primarily because securities with an original maturity of more than



one year matured or were sold and because of the decrease in current receivables and securities from banking business with an original maturity of more than three months, which significantly exceeded the investments in noncurrent financial instruments.

Cash outflows from financing activities amounted to €393.9 million (Q1–Q3/2010: cash outflow of €488.2 million). The dividend payment in May 2011 for financial year 2010 amounted to €390.7 million.

Cash and cash equivalents as at 30 September 2011 amounted to €752.0 million (30 September 2010: €–715.5 million). At €558.8 million, free cash flow, i.e. cash flow from operating activities less payments to acquire intangible assets and property, plant and equipment, was slightly below the previous year's level (Q1–Q3/2010: €585.8 million).

### Capital structure

Deutsche Börse Group's capital management principles remain unchanged: the Group aims at a dividend distribution ratio of 40 to 60 percent of consolidated net income for the year and executes share buy-backs in order to distribute funds not required for the Group's operating business and further development to its shareholders. The principles take into account capital requirements, which are derived from the Group's capital and liquidity needs from legal, regulatory, credit rating and economic capital perspectives. To ensure the continued success of the Clearstream segment, which is active in securities custody and settlement, the Company aims to retain Clearstream Banking S.A.'s strong "AA" credit rating. Deutsche Börse AG also needs to maintain a strong credit profile for the benefit of the activities at its subsidiary Eurex Clearing AG.

Customers expect their service providers to maintain conservative interest coverage and debt/equity ratios and thus maintain strong credit ratings. Deutsche Börse Group therefore is maintaining its target interest coverage ratio (ratio of EBITDA to interest expenses from financing activities) of at least 16 at the Group level. Deutsche Börse

Group achieved this objective in the first nine months of 2011 with an interest coverage ratio of 19.1. The interest coverage ratio is based on a relevant interest expense of €51.8 million and EBITDA of €990.8 million. The interest coverage ratio for the third quarter of 2011 is 20.5, based on a relevant interest expense of €17.3 million and EBITDA of €354.6 million.

### Net assets

Deutsche Börse Group's noncurrent assets amounted to €4,852.4 million as at 30 September 2011 (30 September 2010: €5,557.1 million). They consisted primarily of intangible assets and financial assets. Intangible assets primarily included goodwill of €2,051.9 million (30 September 2010: €2,037.9 million) and other intangible assets of €895.5 million (30 September 2010: €1,358.8 million). The ISE impairment charge recognised in the fourth quarter of 2010 reduced other intangible assets. Noncurrent receivables and securities from banking business of €1,290.8 million (30 September 2010: €1,676.5 million) accounted for the largest part of financial assets, which totalled €1,611.2 million as at the balance sheet date (30 September 2010: €1,919.5 million).

Non-current assets were matched by equity of €3,124.0 million (30 September 2010: €3,476.9 million). The decline in equity is due to the agreed acquisition of the 15 percent economic interest in Eurex Zürich AG. Although the transaction has not yet been completed, the signing of the agreement already gave rise to a liability in the amount of the present value of the agreed purchase price. As a result, the non-controlling interest in Eurex previously held by SIX Swiss Exchange AG is now regarded as acquired for accounting purposes. The difference between the carrying amount of the non-controlling interest and the purchase price reduces shareholders' equity. After the transaction has been completed, liabilities will be serviced with shares of Holding or Deutsche Börse AG; respectively, equity will increase by this amount on completion of the purchase of the 50 percent equity interest in



Eurex Zürich AG. Noncurrent liabilities totalling €1,858.7 million (30 September 2010: €2,076.1 million) mainly related to interest-bearing liabilities of €1,444.2 million (30 September 2010: €1,447.6 million) and deferred taxes of €282.4 million (30 September 2010: €463.4 million).

Changes in current liabilities were the result of, among other things, the increase in other current liabilities to €992.6 million (30 September 2010: €350.2 million) in connection with the planned acquisition of the 50 percent equity interest in Eurex Zürich AG. No commercial paper was outstanding as at the end of the third quarter of 2011 (30 September 2010: none).

Overall, Deutsche Börse Group invested €75.3 million in intangible assets and property, plant and equipment in the first nine months of 2011 (Q1–Q3/2010: €89.7 million). The investments were made in the Eurex and Clearstream segments in particular.

## Risk report

Deutsche Börse Group provides detailed information on its risk management strategy, organisation, processes and methods in its annual report.

Risk management is an integral component of management and control within Deutsche Börse Group. Effective and efficient risk management safeguards the Group's continued existence and enables it to achieve its corporate goals. To this end, the Group has established a Group-wide risk management system, which defines the roles, processes and responsibilities and is applicable to all staff and organisational entities within Deutsche Börse Group. The system ensures that emerging risks can be identified at an early stage and dealt with immediately and appropriately.

The Executive Board of Deutsche Börse AG is responsible for Group-wide risk management. The business areas identify risks and report these promptly to Group Risk Management (GRM), a central function with Group-wide responsibilities. The business areas also perform risk control, inform their respective management about developments in risk indicators and continuously improve the quality of the risk management processes.

GRM ensures that the comprehensive risk management system described above is applied and that it complies with the same standards in all companies belonging to Deutsche Börse Group. GRM assesses all new and existing risks and reports on a monthly and, if necessary, on an ad hoc basis to the Executive Board. In addition, GRM regularly reports to the Finance and Audit Committee of Deutsche Börse AG's Supervisory Board. The full Supervisory Board is informed in writing of the content of these reports.

Deutsche Börse Group calculates economic capital as its main risk management tool. This is used in addition to other performance indicators to determine the capital needed for business operations so that even extreme and unexpected losses can be covered. Economic capital is calculated using a VaR method for a period of one year and a confidence level of 99.98 percent. Deutsche Börse Group uses the shareholders' equity recognised under IFRSs as the risk bearing capacity for its economic capital, adjusted by an amount to reflect the risk that intangible assets cannot be liquidated at their carrying amounts in a stress situation. In addition, stress tests are performed for key risk drivers.

The most substantial operational risks Deutsche Börse Group faces relate to the non-availability of its trading, clearing and settlement systems (availability risk) and to the incorrect processing of customer instructions in the custody business (service deficiencies). The Group manages availability risk through intensive activities in the field of business continuity management. The risk of service deficiencies is mitigated through a reduction in the amount of manual intervention necessary or through better protection. There are also legal risks and risks associated with business practices. In addition, accidents or natural hazards as well as sabotage and terrorism could lead to financial losses due to damage to physical assets.

In its annual report, Deutsche Börse Group informed of enforcement proceedings by means of a class action which have resulted in certain customer positions in Clearstream Banking S.A.'s securities omnibus account with its US depository bank being restrained. In March 2011, another group of plaintiffs commenced enforcement proceedings in a US court with regard to those customer positions that have already been restrained. Should the lawsuit lead to turnover, Clearstream Banking S.A. will defend itself against the charges in accordance with its

obligations as a custodian. Clearstream is cooperating with the US Office of Foreign Assets Control (OFAC) as regards a current OFAC investigation under Iranian Transaction Regulations in relation to asset transfers in Clearstream's settlement system.

Deutsche Börse Group's financial performance also depends on its external environment. It could be impacted by external factors such as interest rates, GDP growth and equity market performance and volatility. A lack of investor confidence in the financial markets could also have a negative effect on the Group's financial performance. Regulatory measures represent an additional uncertainty. On the one hand, they could adversely affect Deutsche Börse Group's competitive position; on the other, they could also impact the business models of Deutsche Börse Group's customers and reduce their demand for the Group's products and services. Moreover, Deutsche Börse Group is exposed to the risk of changes in its competitive environment. For example, it cannot be ruled out that Deutsche Börse Group's financial performance will deteriorate due to fierce competition for market share in individual business areas. This could lead to intangible assets such as goodwill being partially or fully written down following an impairment test.

Deutsche Börse Group is exposed to financial risks mainly in the form of credit risk at the companies of Clearstream Holding Group and at Eurex Clearing AG. In addition, the Group's cash investments and receivables are subject to credit risk. There is also limited market risk from cash investments and liquidity risk. However, the majority of cash investments involve short-term transactions that are collateralised. This minimises liquidity risks from such investments.

The Group evaluates its risk situation on an ongoing basis. From today's perspective, the Executive Board sees no significant change in the risk situation and hence no threat to the continued existence of the Group.

This risk report was prepared for Deutsche Börse Group and does not take into account the proposed business combination of Deutsche Börse Group and NYSE Euronext announced on 15 February 2011.

## Report on post balance-sheet date events

On 27 October 2011, Deutsche Börse AG has resolved on a share buyback programme pursuant to the current authorization by its shareholders. The share buyback programme lasts up until the earlier of the completion of the Deutsche Börse and NYSE Euronext business combination or 31 December 2011. The overall purchase volume will amount to around €100 million. The share buyback programme is limited to a number of Deutsche Börse shares that – after execution of a corresponding share buyback program of NYSE Euronext in the amount of up to US\$100 million – will preserve the ratio of former shareholders of Deutsche Börse AG of 60 percent and former NYSE Euronext shareholders of 40 percent in Alpha Beta Netherlands Holding N.V. after completion of the business combination of Deutsche Börse and NYSE Euronext.

## Report on expected developments

The report on expected developments describes the expected development of Deutsche Börse Group in financial years 2011 and 2012. It contains statements and information on events in the future. These forward-looking statements and information are based on the Company's expectations and assumptions on expected developments at the time of publication of this report. These are in turn subject to known and unknown risks and uncertainties. Numerous factors influence the Group's success, its business strategy and financial results. Many of these factors are outside the Company's control. Should one of the risks or uncertainties materialise or one of the assumptions made turn out to be incorrect, the actual development of the Group could deviate in either a positive or a negative way from the expectations and assumptions contained in the forward-looking statements and information in this report on expected developments.

This report on expected developments has been prepared for Deutsche Börse Group. It does not take into account the proposed business combination of Deutsche Börse Group and NYSE Euronext announced on 15 February 2011.

### Development of results of operations

In spite of the current uncertainties on the financial markets, Deutsche Börse Group expects no significant deviations from the forecasts for its business development for the remainder of financial year 2011. However, leading economic research institutes expect a weakening of the economic development in the operating environment in 2012, resulting from the uncertainty caused by the debt crisis in the euro zone.

In view of the development in the first nine months of 2011, Deutsche Börse Group expects an increase in sales revenue over the forecast period 2011 to a level of around €2.2 billion.

Due to the implementation of efficiency measures ahead of schedule and to the rigorous cost discipline in the first nine months of 2011, Deutsche Börse is again reducing its total cost forecast for 2011. The Company now expects total costs of €1,130 million in 2011 compared to the guidance of €1,145 million issued in the first quarter.

Depending on sales revenue performance, the Company now expects EBIT in the range of around €1.2 billion before special factors such as costs arising in connection to the planned combination with NYSE Euronext. In addition to sales revenue and costs, EBIT depends on the development of net interest income from banking business. Based on the developments to date of average daily cash balances and interest rates, Deutsche Börse Group expects net interest income from banking business in the current financial year to be above last year's level.

### Development of the Group's financial position

The Company expects operating cash flow to remain positive. With respect to its cash flow from investing activities, Deutsche Börse Group plans to invest around €120 million per year in intangible assets and property, plant and equipment during the forecast period 2011. These investments will serve primarily to develop new products and services in the Eurex and Clearstream segments and enhance existing ones. The higher sum compared with previous years is primarily the result of increased investments in the trading infrastructure and risk management functionalities.

# Consolidated income statement

for the period 1 January to 30 September 2011

	30 Sep. 2011 €m	Quarter ended 30 Sep. 2010 €m	30 Sep. 2011 €m	Nine months ended 30 Sep. 2010 €m
Sales revenue	604.7	504.3	1,691.9	1,587.9
Net interest income from banking business	21.2	15.8	55.8	42.5
Other operating income	19.3	11.7	40.5	48.8
<b>Total revenue</b>	<b>645.2</b>	<b>531.8</b>	<b>1,788.2</b>	<b>1,679.2</b>
Volume-related costs	-66.6	-51.6	-176.9	-157.0
<b>Total revenue less volume-related costs</b>	<b>578.6</b>	<b>480.2</b>	<b>1,611.3</b>	<b>1,522.2</b>
Staff costs	-100.2	-105.8	-295.3	-411.3
Depreciation, amortisation and impairment losses	-23.7	-39.0	-67.1	-100.5
Other operating expenses	-127.3	-90.6	-339.0	-273.0
<b>Operating costs</b>	<b>-251.2</b>	<b>-235.4</b>	<b>-701.4</b>	<b>-784.8</b>
Result from equity investments	3.5	-0.7	13.8	9.7
<b>Earnings before interest and tax (EBIT)</b>	<b>330.9</b>	<b>244.1</b>	<b>923.7</b>	<b>747.1</b>
Financial income	110.5	6.5	134.7	15.3
Financial expense	-35.3	-25.1	-96.5	-86.6
<b>Earnings before tax (EBT)</b>	<b>406.1</b>	<b>225.5</b>	<b>961.9</b>	<b>675.8</b>
Income tax expense	-87.8	-61.0	-239.9	-182.6
<b>Net profit for the period</b>	<b>318.3</b>	<b>164.5</b>	<b>722.0</b>	<b>493.2</b>
thereof shareholders of parent company (net income for the period)	315.3	161.3	706.9	479.0
thereof non-controlling interests	3.0	3.2	15.1	14.2
<b>Earnings per share (basic) (€)</b>	<b>1.69</b>	<b>0.87</b>	<b>3.79</b>	<b>2.58</b>
<b>Earnings per share (diluted) (€)</b>	<b>1.69</b>	<b>0.87</b>	<b>3.79</b>	<b>2.57</b>

# Consolidated statement of comprehensive income

for the period 1 January to 30 September 2011

	30 Sep. 2011 €m	Quarter ended 30 Sep. 2010 €m	30 Sep. 2011 €m	Nine months ended 30 Sep. 2010 €m
<b>Net profit for the period reported in consolidated income statement</b>	<b>318.3</b>	<b>164.5</b>	<b>722.0</b>	<b>493.2</b>
Exchange rate differences <sup>1)</sup>	69.8	-152.9	-17.0	76.6
Remeasurement of cash flow hedges	-10.3	5.3	-11.4	0.8
Remeasurement of other financial instruments	-4.7	2.5	-7.3	-11.0
Deferred taxes	-32.9	49.6	4.9	-20.6
<b>Other comprehensive income/(expense)</b>	<b>21.9</b>	<b>-95.5</b>	<b>-30.8</b>	<b>45.8</b>
<b>Total comprehensive income</b>	<b>340.2</b>	<b>69.0</b>	<b>691.2</b>	<b>539.0</b>
thereof shareholders of parent company	337.2	93.8	692.8	510.5
thereof non-controlling interests	3.0	-24.8	-1.6	28.5

1) Exchange rate differences include the following amounts that were taken directly to accumulated profit as part of the result from equity investments: €5.7 million (30 September 2010: €-10.4 million) for the third quarter ended 30 September 2011 and €-1.4 million (30 September 2010: €3.7 million) for the nine months ended 30 September 2011.

# Consolidated balance sheet

as at 30 September 2011

	30 Sep. 2011 €m	31 Dec. 2010 €m	30 Sep. 2010 €m
<b>ASSETS</b>			
<b>Noncurrent assets</b>			
Intangible assets	3,087.5	3,089.9	3,501.1
Property, plant and equipment	126.7	138.2	125.4
Financial assets	1,611.2	1,806.0	1,919.5
Other noncurrent assets	27.0	35.4	11.1
	<b>4,852.4</b>	<b>5,069.5</b>	<b>5,557.1</b>
<b>Current assets</b>			
Financial instruments of Eurex Clearing AG	223,274.5	128,823.7	156,113.3
Current receivables and securities from banking business	14,434.2	7,585.3	10,120.5
Other receivables and other assets <sup>1)</sup>	462.5	389.1	417.7
Restricted bank balances	17,562.3	6,185.8	5,537.5
Other cash and bank balances	917.8	797.1	652.1
	<b>256,651.3</b>	<b>143,781.0</b>	<b>172,841.1</b>
<b>Total assets</b>	<b>261,503.7</b>	<b>148,850.5</b>	<b>178,398.2</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Shareholders' equity	2,918.9	2,951.4	2,990.8
Non-controlling interests	205.1	458.9	486.1
<b>Total equity</b>	<b>3,124.0</b>	<b>3,410.3</b>	<b>3,476.9</b>
<b>Noncurrent liabilities</b>			
Provisions for pensions and other employee benefits	36.5	21.3	40.2
Other noncurrent provisions	88.1	86.6	102.8
Deferred tax liabilities	282.4	297.7	463.4
Interest-bearing liabilities	1,444.2	1,455.2	1,447.6
Other noncurrent liabilities	7.5	9.6	22.1
	<b>1,858.7</b>	<b>1,870.4</b>	<b>2,076.1</b>
<b>Current liabilities</b>			
Tax provisions	280.4	345.0	347.3
Other current provisions	81.9	134.8	142.0
Financial instruments of Eurex Clearing AG	223,274.5	128,823.7	156,113.3
Liabilities from banking business	15,430.3	7,822.0	10,636.6
Cash deposits by market participants	16,461.3	6,064.2	5,255.8
Other current liabilities	992.6	380.1	350.2
	<b>256,521.0</b>	<b>143,569.8</b>	<b>172,845.2</b>
<b>Total liabilities</b>	<b>258,379.7</b>	<b>145,440.2</b>	<b>174,921.3</b>
<b>Total equity and liabilities</b>	<b>261,503.7</b>	<b>148,850.5</b>	<b>178,398.2</b>

1) Thereof €11.7 million (31 December 2010: €14.1 million and 30 September 2010: €12.4 million) with a remaining maturity of more than one year from corporation tax credits in accordance with section 37 (5) of the Körperschaftsteuergesetz (KStG, the German Corporation Tax Act)

# Consolidated cash flow statement

for the period 1 January to 30 September 2011

	30 Sep. 2011	Nine months ended 30 Sep. 2010
	€m	€m
Net profit for the period	722.0	493.2
Depreciation, amortisation and impairment losses	67.1	100.5
Increase in noncurrent provisions	16.6	32.2
Deferred tax income	-7.7	-18.6
Other non-cash (income)/expense	-5.0	5.9
Changes in working capital, net of non-cash items:		
(Increase)/decrease in receivables and other assets	-72.8	34.9
(Decrease)/increase in current liabilities	-83.4	54.2
Decrease in noncurrent liabilities	-2.3	-7.8
Net gain on disposal of noncurrent assets	-0.4	-19.0
<b>Cash flows from operating activities</b>	<b>634.1</b>	<b>675.5</b>
Payments to acquire intangible assets and property, plant and equipment	-75.3	-89.7
Payments to acquire noncurrent financial instruments	-143.5	-770.0
Payments to acquire investments in associates	-66.2	-2.5
Effects of the disposal of (shares in) subsidiaries, net of cash disposed	0	10.7
Payments to acquire subsidiaries, net of cash acquired	-2.8	-2.9
Decrease/(increase) in current receivables and securities from banking business with an original term greater than three months	771.0	-115.9
Proceeds from disposals of available-for-sale noncurrent financial instruments	477.0	349.4
Proceeds from the disposal of property, plant and equipment	0.7	0
<b>Cash flows from investing activities</b>	<b>960.9</b>	<b>-620.9</b>
Net cash received from non-controlling interests	9.7	0
Payments to non-controlling interests	-7.9	0
Repayment of long-term financing	-5.0	-97.2
Repayment of short-term financing	0	-100.0
Proceeds from short-term financing	0	99.9
Finance-lease payments	0	-0.4
Dividends paid	-390.7	-390.5
<b>Cash flows from financing activities</b>	<b>-393.9</b>	<b>-488.2</b>
Net change in cash and cash equivalents	1,201.1	-433.6
Effect of exchange rate differences <sup>1)</sup>	-3.6	3.5
Cash and cash equivalents as at beginning of period <sup>2)</sup>	-445.5	-285.4
<b>Cash and cash equivalents as at end of period<sup>2)</sup></b>	<b>752.0</b>	<b>-715.5</b>
Interest income and other similar income <sup>3)</sup>	37.9	14.3
Dividends received from investments in associates and other equity investments <sup>3)</sup>	6.3	7.1
Interest paid	-99.0	-91.3
Income tax paid	-307.7	-175.9

1) Primarily includes the exchange rate differences arising on translation of the ISE subgroup

2) Excluding cash deposits by market participants

3) Interest and dividend payments are allocated to cash flows from operating activities.

# Consolidated statement of changes in equity

for the period 1 January to 30 September 2011

	Nine months ended		thereof included in total comprehensive income	
	30 Sep. 2011 €m	30 Sep. 2010 €m	30 Sep. 2011 €m	30 Sep. 2010 €m
<b>Subscribed capital</b>				
Balance as at 1 January	195.0	195.0		
<b>Balance as at 30 September</b>	<b>195.0</b>	<b>195.0</b>		
<b>Share premium</b>				
Balance as at 1 January	1,247.0	1,247.0		
<b>Balance as at 30 September</b>	<b>1,247.0</b>	<b>1,247.0</b>		
<b>Treasury shares</b>				
Balance as at 1 January	-586.5	-587.8		
Sales within the Group Share Plan	6.5	1.3		
<b>Balance as at 30 September</b>	<b>-580.0</b>	<b>-586.5</b>		
<b>Revaluation surplus</b>				
Balance as at 1 January	124.9	125.2		
Remeasurement of other financial instruments	-7.3	-11.0	-7.3	-11.0
Remeasurement of cash flow hedges	-11.4	0.8	-11.4	0.8
Increase in share-based payments	-2.4	-1.9	0	0
Deferred taxes on remeasurement of financial instruments	2.3	3.3	2.3	3.3
<b>Balance as at 30 September</b>	<b>106.1</b>	<b>116.4</b>		
<b>Accumulated profit</b>				
Balance as at 1 January	1,971.0	1,886.8		
Dividends paid	-390.7	-390.5	0	0
Acquisition of the interest of non-controlling shareholders in Eurex Zürich AG	-332.9	0	0	0
Net income for the period	706.9	479.0	706.9	479.0
Exchange rate differences and other adjustments	-6.1	67.5	-0.3	62.3
Deferred taxes	2.6	-23.9	2.6	-23.9
<b>Balance as at 30 September</b>	<b>1,950.8</b>	<b>2,018.9</b>		
<b>Shareholders' equity as at 30 September</b>	<b>2,918.9</b>	<b>2,990.8</b>	<b>692.8</b>	<b>510.5</b>
<b>Non-controlling interests</b>				
Balance as at 1 January	458.9	472.6		
Acquisition of the interest of non-controlling shareholders in Eurex Zürich AG	-252.5	0	0	0
Changes due to capital increases/(decreases)	1.3	-15.3	0	0
Changes due to share in net income of subsidiaries for the period	15.1	14.2	15.1	14.2
Exchange rate differences and other adjustments	-17.7	14.6	-16.7	14.3
<b>Total non-controlling interests as at 30 September</b>	<b>205.1</b>	<b>486.1</b>	<b>-1.6</b>	<b>28.5</b>
<b>Total as at 30 September</b>	<b>3,124.0</b>	<b>3,476.9</b>	<b>691.2</b>	<b>539.0</b>



# Notes to the interim financial statements

## 1. Accounting policies

The interim financial statements have been prepared in compliance with the International Financial Reporting Standards (IFRSs) and the related interpretations issued by the International Accounting Standards Board (IASB), as adopted by the European Union in accordance with Regulation No. 1606/2002 of the European Parliament and of the Council on the application of International Accounting Standards. As at 30 September 2011, there were no effective standards or interpretations not yet adopted by the European Union impacting the interim financial statements. Accordingly, the financial statements also comply with the IFRSs as issued by the IASB. The significant accounting policies applied by the Company to the consolidated financial statements for the year ended 31 December 2010 were also applied to the interim financial statements. The interim financial statements comply with IAS 34 (“Interim Financial Reporting”).

In addition to the standards and interpretations applied as of 31 December 2010, the following standards and interpretations were applied for the first time:

- Revised IAS 24 “Related Party Disclosures”
- Amendments to IAS 32 “Classification of Rights Issues”
- Amendments to IFRIC 14 “Repayments of a Minimum Funding Requirement”
- Changes resulting from the “Annual Improvements Project”

The application of these standards and interpretations did not have any material or any impact on Deutsche Börse Group’s financial reporting.

In accordance with the provisions of Wertpapierhandelsgesetz (WpHG, German Securities Trading Act), these interim financial statements are supplemented by a Group interim management report.

In 2011, the IASB issued the following standards and interpretations by the date of publication of this interim report, although they have not yet been adopted by the EU:

### **IFRS 10 “Consolidated Financial Statements” and IAS 27 (2011) “Separate Financial Statements”**

IFRS 10 replaces the guidance on control and consolidation contained in IAS 27 (2009) “Consolidated and Separate Financial Statements” and SIC 12 “Consolidation – Special Purpose Entities” by uniform criteria that are applied to all companies to determine control. IAS 27 will only comprise requirements governing separate financial statements in future. The standards must be applied for financial years beginning on or after 1 January 2013.

### **IFRS 11 “Joint Arrangements”**

This standard introduces two types of joint arrangement – joint operations and joint ventures. The previous option to use proportionate consolidation for jointly controlled entities has been abolished. Venturers in a joint venture must use the equity method of accounting. This standard must be applied for financial years beginning on or after 1 January 2013.

**IFRS 12 “Disclosure of Interests in Other Entities”**

IFRS 12 defines the required disclosures for entities that apply IFRS 10 “Consolidated Financial Statements” and IFRS 11 “Joint Arrangements”: these entities must disclose information that enables users of their financial statements to evaluate the nature of, and the risks associated with, their interests in other entities and the effects of those interests on their financial position, financial performance and cash flows. This standard must be applied for financial years beginning on or after 1 January 2013.

**IFRS 13 “Fair Value Measurement”**

This standard describes how to determine fair value and extends the related disclosures. Fair value is defined in IFRS 13 as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This standard must be applied for financial years beginning on or after 1 January 2013.

**Amendment to IAS 28 “Investments in Associates and Joint Ventures”**

The main amendment here was to include accounting for joint ventures in the standard; the basic approach for assessing significant influence and the equity method have been retained. This standard must be applied for financial years beginning on or after 1 January 2013.

**Amendments to IAS 1 “Presentation of Financial Statements”**

Under this amendment, entities must classify the items presented in other comprehensive income in two categories depending on whether or not they will be recognised in the income statement (recycling) in the future. Items that will not be recycled to the income statement must be presented separately from items that will be recognised in profit or loss in the future. The amendment must be applied retrospectively for financial years beginning on or after 1 January 2012.

**Amendments to IAS 19 “Employee Benefits”**

This amendment to the standard relates to the recognition of actuarial gains and losses in other comprehensive income, among other things; the previously permitted corridor approach has been removed. Past service cost must be recognised in the period in which the plan amendment occurs; previously, it was allocated over the period until the claims vest. Net interest expense/income will also be calculated differently in the future: a uniform interest rate to be determined on the basis of the return on high-grade corporate bonds must be used to calculate the interest on net assets and net liabilities. The amendment must be applied retrospectively for financial years beginning on or after 1 January 2013.

## 2. Group structure

In the first quarter of 2011, Infobolsa S.A., Madrid, Spain, acquired an interest of 62 percent in Open Finance S.L., Valencia, Spain, for a purchase price of €3.5 million. The company has been fully included in the consolidated financial statements since then. Goodwill amounting to €3.1 million results from the transaction.

On 23 December 2010, Eurex Zürich AG and Landesbank Baden-Württemberg (LBBW) reached an agreement regarding the acquisition of the shares in European Energy Exchange AG (EEX) previously held by LBBW through Eurex Zürich AG. After the closing of the tender process set out in the consortium agreement, 31 out of 40 EEX shareholders had waived a pro rata acquisition. The purchase price paid

by Eurex Zürich AG on 12 April 2011 amounted to €64.9 million. The interest of Eurex Zürich AG in EEX rose from 35.23 percent to 56.14 percent. As Deutsche Börse Group does not hold the majority in EEX's supervisory board, the Group does not have control. Thus, the company will continue to be accounted for as associate in Deutsche Börse Group's consolidated financial statements.

On 7 June 2011, Deutsche Börse AG, SIX Group AG and SIX Swiss Exchange AG entered into a share purchase agreement under which SIX Swiss Exchange AG undertakes to contribute the Swiss derivatives business relating to Eurex Zürich AG to a subsidiary to be newly formed and to distribute 100 percent of the shares of this subsidiary as a non-cash dividend to SIX Group AG. SIX Group AG will then sell these shares to Deutsche Börse AG for a total purchase price of €590 million. The purchase price will be settled in cash in the amount of €295 million and by delivery of 5,286,738 shares of Alpha Beta Netherlands Holding N.V. (after completion of the transaction between Deutsche Börse AG and NYSE Euronext) or of Deutsche Börse AG (if the transaction with NYSE Euronext does not take place). As the completion of the transaction with SIX Group AG or SIX Swiss Exchange AG, respectively, is tied to certain requirements that relate among other things to the completion of the transaction between Deutsche Börse AG and NYSE Euronext and the end of 31 March 2012, the share purchase agreement was not fulfilled as at 30 September 2011. Nevertheless, the signing of the agreement gave rise to a liability in the amount of the present value of the agreed purchase price. As a result, SIX Swiss Exchange AG's existing interest in Deutsche Börse Group's equity was already regarded as acquired for accounting purposes. The difference between the carrying amount of the non-controlling interest and the present value of the purchase price was recognised as reducing equity. The share component of the liability will be measured at fair value until the transaction with SIX Group AG and SIX Swiss Exchange AG closes; changes in fair value will be recognised in the financial result. Subsequent measurement of the share component as at 30 September 2011 resulted in financial income of €95.4 million. Subsequent measurement of the cash component resulted in financial expense of €1.5 million.

Deutsche Börse Systems AG, Deutsche Gesellschaft für Wertpapierabwicklung mbH, and Xlaunch GmbH, all Frankfurt am Main, were merged with Deutsche Börse AG on 31 March, 27 June and 22 August 2011, respectively.

### 3. Seasonal influences and valuations

The Group's revenues are influenced more by the volatility and the transaction volume on the capital markets than by seasonal factors. Owing to a concentration of costs for projects only coming to completion in the fourth quarter, costs in the fourth quarter tend to be higher than in the first three quarters of the business year.

### 4. Total assets

The increase in consolidated total assets by €69.9 billion to €261.5 billion as at 30 September 2011 (30 June 2011: €191.6 billion) depends to a significant extent on the financial instruments of Eurex Clearing AG. Whereas receivables and liabilities from banking business increased slightly, cash deposits by market participants and restricted bank balances increased by a factor of three. The level of these items can vary widely on a daily basis according to customers' needs and actions.

## 5. Segment reporting

### Composition of sales revenue by segment

	30 Sep. 2011 €m	Quarter ended 30 Sep. 2010 €m	30 Sep. 2011 €m	Nine months ended 30 Sep. 2010 €m
<b>External sales revenue</b>				
Xetra	76.6	63.3	215.1	199.1
Eurex	275.1	196.0	724.0	655.9
Clearstream	194.9	189.8	578.1	569.6
Market Data & Analytics	58.1	55.2	174.7	163.3
<b>Total external sales revenue</b>	<b>604.7</b>	<b>504.3</b>	<b>1,691.9</b>	<b>1,587.9</b>
<b>Internal sales revenue</b>				
Clearstream	1.7	1.5	5.2	5.2
Market Data & Analytics	10.8	6.9	27.0	23.9
<b>Total internal sales revenue</b>	<b>12.5</b>	<b>8.4</b>	<b>32.2</b>	<b>29.1</b>

### Net interest income from banking business

	30 Sep. 2011 €m	Quarter ended 30 Sep. 2010 €m	30 Sep. 2011 €m	Nine months ended 30 Sep. 2010 €m
Gross interest income	45.9	35.6	121.9	98.0
Interest expense	-24.7	-19.8	-66.1	-55.5
<b>Total</b>	<b>21.2</b>	<b>15.8</b>	<b>55.8</b>	<b>42.5</b>

### Earnings before interest and tax (EBIT)

	30 Sep. 2011 €m	Quarter ended 30 Sep. 2010 €m	30 Sep. 2011 €m	Nine months ended 30 Sep. 2010 €m
Xetra	38.9	25.7	107.6	79.1
Eurex	166.5	97.0	421.3	348.6
Clearstream	89.0	83.2	285.4	222.5
Market Data & Analytics	36.5	38.2	109.4	96.9
<b>Total</b>	<b>330.9</b>	<b>244.1</b>	<b>923.7</b>	<b>747.1</b>

### Investment in intangible assets and property, plant and equipment

	30 Sep. 2011 €m	Quarter ended 30 Sep. 2010 €m	30 Sep. 2011 €m	Nine months ended 30 Sep. 2010 €m
Xetra	3.8	4.0	7.6	10.1
Eurex	11.5	13.2	29.1	49.7
Clearstream	15.2	12.1	33.2	25.2
Market Data & Analytics	2.0	1.4	3.2	4.7
<b>Total</b>	<b>32.5</b>	<b>30.7</b>	<b>73.1</b>	<b>89.7</b>

## 6. Other financial obligations

On 15 February 2011, Deutsche Börse AG and NYSE Euronext signed an agreement on a business combination. The transaction is structured as a combination of NYSE Euronext and Deutsche Börse AG under the newly created Dutch company Alpha Beta Netherlands Holding N.V. (“Holding”), which is expected to be listed in Frankfurt, New York and Paris. For NYSE Euronext, this will be implemented by merging NYSE Euronext with a US subsidiary of the new holding company. Each NYSE Euronext share will be exchanged for 0.47 shares of Holding. NYSE Euronext’s shareholders approved the merger at an Extraordinary Stockholders’ Meeting on 7 July 2011. In respect of Deutsche Börse AG, Holding made a public takeover offer under which Deutsche Börse shares can be exchanged for an equal number of new shares of Holding. By the end of the additional acceptance period on 1 August 2011, 95.4158 percent of Deutsche Börse shares were tendered for exchange into shares of Holding. Deutsche Börse shareholders who have not yet tendered their shares for exchange may do so until the end of 4 November 2011 in accordance with section 39c of the Wertpapiererwerbs- und Übernahmegesetz (WpÜG, German Securities Acquisition and Takeover Act). The transaction is subject to approval by various competition and financial, securities and other regulatory authorities in the USA and Europe.

Deutsche Börse AG has entered into contingent commitments in relation to the planned business combination with NYSE Euronext and in relation to the acquisition of the 50 percent equity interest in Eurex Zürich AG that could lead to payment obligations in the total amount of approximately €26 million when the transactions close.

### **Litigation concerning the combination**

Following the announcement of the combination on 15 February 2011, several complaints were filed in the Delaware Court of Chancery (“Delaware Court”); the Supreme Court of the State of New York, County of New York (“New York Court”); and the U.S. District Court for the Southern District of New York (“SDNY”), challenging the proposed combination. Four of the actions were filed in the Delaware Court and have been consolidated as “In re NYSE Euronext Shareholders Litigation,” Consol. C.A. No. 6220-VCS. Five actions were filed in the New York Court and are being coordinated under a single master file, “NYSE Euronext Shareholder Litigation Master File,” Index No. 773,000/11. One action, “Jones v. Niederauer, et al.,” C.N. 11-CV-01502, was pending at the SDNY; it was dismissed on 29 September 2011.

All of the complaints raise substantially the same claims. All are purported class actions filed on behalf of all NYSE Euronext public shareholders and variously name as defendants NYSE Euronext, its directors, Pomme Merger Corporation and Holding (certain defendants are not named in all of the actions). Deutsche Börse AG is named as defendant in eight cases. The complaints generally allege that the individual defendants breached their fiduciary duties in connection with their consideration and approval of the proposed combination and that the entity defendants aided and abetted those breaches. The complaints seek, among other relief, injunctive relief against the consummation of the combination, unspecified monetary damages and plaintiffs’ costs and attorneys’ fees.

On 16 June 2011 the plaintiffs in the actions, the NYSE Euronext defendants, Deutsche Börse and Holding entered into a memorandum of understanding (“MOU”) setting forth their agreement in principal regarding a proposed settlement of all claims asserted in the actions. As part of the settlement, the NYSE Euronext defendants acknowledged that the pendency and prosecution of the actions were a factor in the NYSE Euronext board of directors’ decision to support management’s recommendation that Holding declare a special dividend and consequently provide appraisal rights. Additionally, in the MOU, Holding acknowledged its intent to recommend to Holding’s board of directors that, following the completion of

the combination, Holding act upon the recommendations of the boards of directors of NYSE Euronext and Deutsche Börse that Holding issue the special dividend subject to the approval of the Holding board of directors, consistent with its fiduciary duties. As part of the settlement, the parties agreed to seek to remove or withdraw any pending requests for interim relief, specifically including plaintiffs' motion for a preliminary injunction in the Delaware action.

The settlement is contingent upon, among other items, the execution of a formal stipulation of settlement, Delaware Court approval following notice to the class, final dismissal of the actions with prejudice, and the completion of the combination. If Holding were to fail to pay the special dividend, for any reason, the parties would have the option to terminate the settlement. If the settlement is consummated, it would release all claims that the plaintiffs and all members of the class may have arising out of or relating in any manner to the combination, as described in the MOU.

### **Other litigation**

In addition to the matters described above and in prior disclosures, Deutsche Börse Group is from time to time involved in various legal proceedings that arise in the ordinary course of its business. Deutsche Börse Group records provisions for litigation and regulatory matters when it has a present obligation from an event in the past, an outflow of resources with economic benefit to settle the obligation is probable and it is possible to reliably estimate the amount. In such cases, there may be an exposure to loss in excess of any amounts accrued. When these conditions are not met, Deutsche Börse Group does not recognise a provision. As a litigation or regulatory matter develops, Deutsche Börse Group evaluates on an ongoing basis whether the requirements to recognise a provision are met. Deutsche Börse Group may not be able to predict what the eventual loss or range of loss related to such matters will be. Deutsche Börse Group does not believe, based on currently available information, that the results of any of these various proceedings will have a material adverse effect on its financial statements as a whole.

## **7. Earnings per share**

Under IAS 33, earnings per share are calculated by dividing the net profit for the period attributable to shareholders of the parent company (net income for the period) by the weighted average number of shares outstanding.

Diluted earnings per share are determined by adding the number of potentially dilutive ordinary shares that may be acquired under the Stock Bonus Plan (SBP) or the ISE Group Share Plan to the average number of shares. The number of potentially dilutive ordinary shares is calculated by adjusting the exercise prices to reflect the fair value of the services still to be provided.

When determining diluted earnings per share, all SBP tranches for which cash settlement has not been resolved are assumed to be equity-settled – regardless of the actual accounting in accordance with IFRS 2. The calculation of the number of potentially dilutive ordinary shares for the nine-month period ended 30 September 2010 was adjusted retrospectively in line with this.

There were the following potentially dilutive rights to purchase shares as at 30 September 2011:

#### Calculation of the number of potentially dilutive ordinary shares

Tranche	Exercise price €	Adjusted exercise price in accordance with IAS 33 €	Average number of outstanding options 30 Sep. 2011	Average price for the period <sup>1)</sup> €	Number of potentially dilutive ordinary shares as at 30 Sep. 2011
2010 <sup>3)</sup>	0	23.35	123,060	51.54	67,308
2011 <sup>3)</sup>	0	25.32	91,497	51.54	46,548

1) Volume-weighted average price of Deutsche Börse AG shares on Xetra for the period 1 January to 30 September 2011.

2) This relates to rights to shares under the SBP for Executive Board members and senior executives and under the SBP of ISE as well as to rights to GSP shares of ISE.

3) This relates to rights to SBP shares for Executive Board members and senior executives and to rights to SBP shares of ISE.

As the volume-weighted average share price was higher than the adjusted exercise prices for the 2008 to 2011 tranches, these options are considered dilutive under IAS 33.

#### Calculation of earnings per share (basic and diluted)

	30 Sep. 2011	Quarter ended	Nine months ended	
		30 Sep. 2010 <sup>1)</sup>	30 Sep. 2011	30 Sep. 2010 <sup>1)</sup>
Number of shares outstanding as at beginning of period	186,043,003	185,942,821	185,942,801	185,922,690
Number of shares outstanding as at 30 September	186,043,003	185,942,801	186,043,003	185,942,801
Weighted average number of shares outstanding	186,043,003	185,942,821	186,031,625	185,936,260
Number of potentially dilutive ordinary shares	304,359	637,403	334,808	720,096
Weighted average number of shares used to compute diluted earnings per share	186,347,362	186,580,224	186,366,433	186,656,356
Net income for the period (€m)	315.3	161.3	706.9	479.0
Earnings per share (basic) (€)	1.69	0.87	3.79	2.58
Earnings per share (diluted) (€)	1.69	0.87	3.79	2.57

1) The number of dilutive ordinary shares was adjusted accordingly in order to enhance comparability with disclosures for the reporting period. Diluted earnings per share for the nine-month period ended 30 September 2010 and for the third quarter of 2010 remained unaffected by this adjustment.

## 8. Material transactions with related parties

### Material transactions with associates

	Amount of the transactions				Outstanding balances	
	30 Sep. 2011 €m	Quarter ended 30 Sep. 2010 €m	30 Sep. 2011 €m	Nine months ended 30 Sep. 2010 €m	30 Sep. 2011 €m	30 Sep. 2010 €m
Loans from Scoach Holding S.A. to Deutsche Börse AG as part of cash pooling	0	0	0	0	-12.6	-3.4
Services of Deutsche Börse AG for Scoach Europa AG	1.3	1.5	4.1	4.5	1.8	2.4
Loans from Deutsche Börse AG to Indexium AG	0	0	0	0	3.5	0
Operation of trading and clearing software by Deutsche Börse AG (as at 30 Sep. 2010 Deutsche Börse Systems AG) for European Energy Exchange AG and affiliates	2.5	2.6	7.3	7.1	2.8	1.0
IT services and infrastructure by International Securities Exchange, LLC for Direct Edge Holdings, LLC	0.2	0.6	0.4	2.2	0.3	0.4
Development and operation of the Link Up Converter system by Clearstream Services S.A. for Link Up Capital Markets, S.L.	0.4	0.5	1.3	1.5	0.5	0.9
Money market placements of European Commodity Clearing AG with Clearstream Banking S.A. and the interest paid thereon <sup>1)</sup>	0	-0.1	0	-0.3	-0.1	-433.9
Material transactions within the framework of gold under custody between Clearstream Banking AG and Deutsche Börse Commodities GmbH	0.3	0.2	0.7	0.5	-0.4	-0.3
Other transactions with associates	-	-	-	-	-0.1	-0.5
<b>Total</b>					<b>-4.3</b>	<b>-433.4</b>

1) The European Commodity Clearing AG is a subsidiary of European Energy Exchange AG, which is classified as an associate.



## Material transactions with other related parties

	Amount of the transactions				Outstanding balances	
	Quarter ended		Nine months ended		30 Sep. 2011	30 Sep. 2010
	30 Sep. 2011	30 Sep. 2010	30 Sep. 2011	30 Sep. 2010		
€m	€m	€m	€m	€m	€m	
Office and administrative services by Eurex Zürich AG for SIX Swiss Exchange AG	5.9	3.8	18.0	16.6	20.1	2.2
Loans from SIX Group AG provided to STOXX Ltd. as part of the acquisition and interest charges thereon	0	-0.2	-0.2	-0.4	-6.2	-15.4
Office and administrative services by SIX Group AG for STOXX Ltd.	0	-1.1	-1.3	-2.5	-1.3	-1.1
Office and administrative services by SIX Swiss Exchange AG for Eurex Zürich AG	-1.6	-1.9	-6.3	-6.0	-0.6	-0.7
Operation and development of Eurex software by Deutsche Börse AG (as at 30 September 2010 Deutsche Börse Systems AG) for SIX Swiss Exchange AG	4.2	4.2	12.5	13.3	2.7	2.7
Office and administrative services by SIX Swiss Exchange AG for Eurex Frankfurt AG	-2.4	-2.1	-5.5	-4.6	-0.3	-0.5
Transfer of revenue from Eurex fees by Eurex Zürich AG to SIX Swiss Exchange AG	n.a.	n.a.	n.a.	n.a.	-69.7	-14.0
Operation and development of Xontro by Deutsche Börse AG (as at 30 September 2010 Deutsche Börse Systems AG) for BrainTrade Gesellschaft für Börsensysteme mbH	2.8	3.5	9.7	11.8	2.4	1.5
Operation of the floor trading system by BrainTrade Gesellschaft für Börsensysteme mbH for Deutsche Börse AG	0.9	-2.1	4.1	-6.5	0	-0.8
Other transactions with other investors	-	-	-	-	0.1	0.5
<b>Total</b>					<b>-52.8</b>	<b>-25.6</b>

### Transactions with key management personnel

Key management personnel are persons who directly or indirectly have authority and responsibility for planning, directing and controlling the activities of Deutsche Börse Group. The Group defines the members of the Executive Board and the Supervisory Board as key management personnel for the purposes of IAS 24.

As part of the proposed transaction between Deutsche Börse Group and NYSE Euronext, Deutsche Börse AG has entered into contracts for the provision of advisory services with Deutsche Bank AG, Frankfurt /Main, and Mayer Brown LLP, Washington. In the period under review, two members of the Supervisory Board of Deutsche Börse AG also held key management positions in these companies. Deutsche Börse Group paid Deutsche Bank AG and Mayer Brown LLP a total of €2.1 million in the nine-month period ended 30 September 2011 for advisory services in connection with this transaction.

Furthermore, Deutsche Börse AG has entered into a contract for the provision of advisory services with Richard Berliand, a member of Deutsche Börse AG's Supervisory Board. Significant elements of this contract include strategies relating to the competitive positioning of Deutsche Börse AG's new clearing business in the market as well as advisory services in connection with major strategic projects. Deutsche Börse Group made payments of €0.1 million to Richard Berliand for advisory services in the nine-month period ended 30 September 2011.

#### Further transactions with related parties

Under the terms of the agreement within the framework of the transaction between Deutsche Börse AG and SIX Swiss Exchange AG described in detail in note 2, Deutsche Börse AG will receive all of Eurex's sales and profits with effect from 1 January 2012, instead of the economic interest of 85 percent of these amounts currently contained in Deutsche Börse AG's consolidated financial statements. In return, SIX Swiss Exchange AG will receive consideration of €295 million in cash and 5,286,738 million shares of Alpha Beta Netherlands Holding N.V. Deutsche Börse AG's liability to SIX Group AG reported as at 30 September 2011 amounts to €491.6 million and comprises the present value of the cash component (€292.0 million) and the share component measured on the basis of the market price as at 30 September 2011 (€199.6 million). The transaction is expected to close in 2012.

## 9. Employees

### Employees

	30 Sep. 2011	Quarter ended 30 Sep. 2010	Nine months ended 30 Sep. 2011	30 Sep. 2010
Average number of employees during the period	3,532	3,506	3,502	3,555
Employed as at the balance sheet date	3,564	3,507	3,564	3,507

There was an average of 3,289 full-time equivalent (FTE) employees during the third quarter of 2010 (Q3/2010: 3,254). The increase in the number of employees was primarily due to the acquisition of Open Finance S.L. and to strategic projects.

## 10. Events after the balance sheet date

On 27 October 2011, Deutsche Börse AG has resolved on a share buyback programme pursuant to the current authorisation by its shareholders. The share buyback programme lasts up until the earlier of the completion of the Deutsche Börse and NYSE Euronext business combination or 31 December 2011. The overall purchase volume will amount to around €100 million. The share buyback programme is limited to a number of Deutsche Börse shares that – after execution of a corresponding share buyback programme of NYSE Euronext in the amount of up to US\$100 million – will preserve the ratio of former shareholders of Deutsche Börse AG of 60 percent and former NYSE Euronext shareholders of 40 percent in Alpha Beta Netherlands Holding N.V. after completion of the business combination of Deutsche Börse and NYSE Euronext.

Frankfurt/Main, 27 October 2011  
Deutsche Börse AG  
The Executive Board

Reto Francioni

Andreas Preuß

Frank Gerstenschläger

Michael Kuhn

Gregor Pottmeyer

Jeffrey Tessler

# Review report

To Deutsche Börse AG, Frankfurt/Main

We have reviewed the condensed interim consolidated financial statements – comprising the condensed balance sheet, income statement, statement of comprehensive income, cash flow statement, statement of changes in equity and selected explanatory notes – together with the interim group management report of Deutsche Börse AG, Frankfurt/Main, for the period from 1 January to 30 September 2011 that are part of the quarterly financial report according to § 37 x Abs. 3 WpHG (“Wertpapierhandelsgesetz”: “German Securities Trading Act”). The preparation of the condensed interim consolidated financial statements in accordance with those IFRS applicable to interim financial reporting as adopted by the EU, and in accordance with the IFRS for interim financial reporting as issued by the International Accounting Standards Board (IASB), and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the Company’s management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We performed our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material aspects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, and in accordance with the IFRS for interim financial reporting as issued by the IASB, and that the interim group management report has not been prepared, in material aspects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor’s report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, and in accordance with the IFRS for interim financial reporting as issued by the IASB, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Frankfurt/Main, 27 October 2011

KPMG AG Wirtschaftsprüfungsgesellschaft

Braun  
German public auditor

Beier  
German public auditor



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### Important notice

#### Safe harbour statement

In connection with the proposed business combination transaction between NYSE Euronext and Deutsche Börse AG, Alpha Beta Netherlands Holding N.V. ("Holding"), a newly formed holding company, filed, and the SEC declared effective on 3 May 2011, a Registration Statement on Form F-4 with the U.S. Securities and Exchange Commission ("SEC") that includes (1) a proxy statement of NYSE Euronext that also constitutes a prospectus for Holding, which was used in connection with NYSE Euronext special meeting of stockholders held on 7 July 2011 and (2) an offering prospectus used in connection with Holding's offer to acquire Deutsche Börse AG shares held by US holders. Holding has also filed an offer document with the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht) ("BaFin"), which was approved by the BaFin for publication pursuant to the German Takeover Act (Wertpapiererwerbs- und Übernahmegesetz), and was published on 4 May 2011.

Investors and security holders are urged to read the definitive proxy statement/prospectus, the offering prospectus, the offer document, as amended, and published additional accompanying information in connection with the exchange offer regarding the proposed business combination transaction because they contain important information. You may obtain a free copy of the definitive proxy statement/prospectus, the offering prospectus and other related documents filed by NYSE Euronext and Holding with the SEC on the SEC's website at [www.sec.gov](http://www.sec.gov). The definitive proxy statement/prospectus and other documents relating thereto may also be obtained for free by accessing NYSE Euronext's website at [www.nyse.com](http://www.nyse.com). The offer document, as amended, and published additional accompanying information in connection with the exchange offer are available at Holding's website at [www.global-exchange-operator.com](http://www.global-exchange-operator.com).

This document is neither an offer to purchase nor a solicitation of an offer to sell shares of Holding, Deutsche Börse AG or NYSE Euronext. The final terms and further provisions regarding the public offer are disclosed in the offer document that has been approved by the BaFin and in documents that have been filed with the SEC.

No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the U.S. Securities Act of 1933, as amended, and applicable European regulations. The exchange offer and the exchange offer document, as amended, shall not constitute an issuance, publication or public advertising of an offer pursuant to laws and regulations of jurisdictions other than those of Germany, United Kingdom of Great Britain and Northern Ireland and the United States of America. The relevant final terms of the proposed business combination transaction will be disclosed in the information documents reviewed by the competent European market authorities.

Subject to certain exceptions, in particular with respect to qualified institutional investors (tekikaku kikan toshika) as defined in Article 2 para. 3 (i) of the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended), the exchange offer will not be made directly or indirectly in or into Japan, or by use of the mails or by any means or instrumentality (including without limitation, facsimile transmission, telephone and the internet) of interstate or foreign commerce or any facility of a national securities exchange of Japan. Accordingly, copies of this announcement or any accompanying documents may not be, directly or indirectly, mailed or otherwise distributed, forwarded or transmitted in, into or from Japan.

The shares of Holding have not been, and will not be, registered under the applicable securities laws of Japan. Accordingly, subject to certain exceptions, in particular with respect to qualified institutional investors (tekikaku kikan toshika) as defined in Article 2 para. 3 (i) of the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended), the shares of Holding may not be offered or sold within Japan, or to or for the account or benefit of any person in Japan.

#### Forward-looking statements

This document includes forward-looking statements about NYSE Euronext, Deutsche Börse AG, Holding, the enlarged group and other persons, which may include statements about the proposed business combination, the likelihood that such transaction could be consummated, the effects of any transaction on the businesses of NYSE Euronext or Deutsche Börse AG, and other statements that are not historical facts. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance and actual results of operations, financial condition and liquidity, and the development of the industries in which NYSE Euronext and Deutsche Börse AG operate may differ materially from those made in or suggested by the forward-looking statements contained in this document. Any forward-looking statements speak only as at the date of this document. Except as required by applicable law, none of NYSE Euronext, Deutsche Börse AG or Holding undertakes any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events or otherwise.

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