



Q3/2024

Update on Horizon 2026 strategy and financial results

Analyst and Investor Conference Call
23 October 2024



DEUTSCHE BÖRSE
GROUP

Agenda

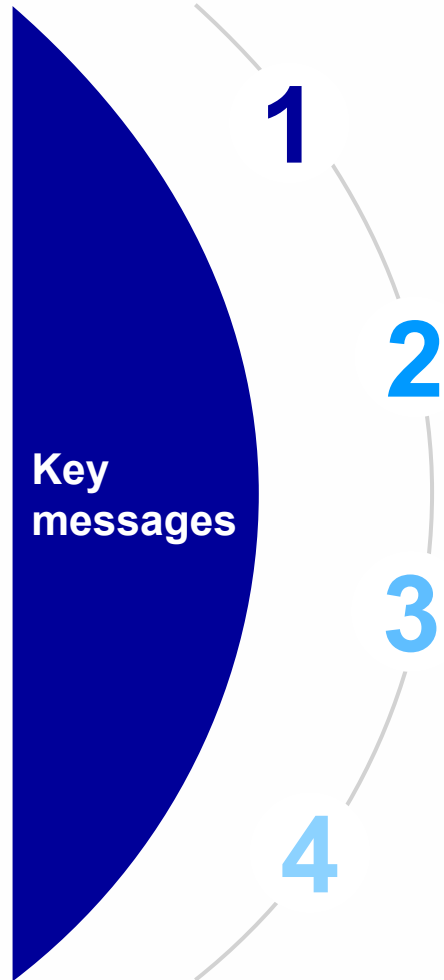
Update on Horizon 2026 strategy

Stephan Leithner, Co-CEO

Q3 and 9M/2024 financial results

Gregor Pottmeyer, CFO

Key messages



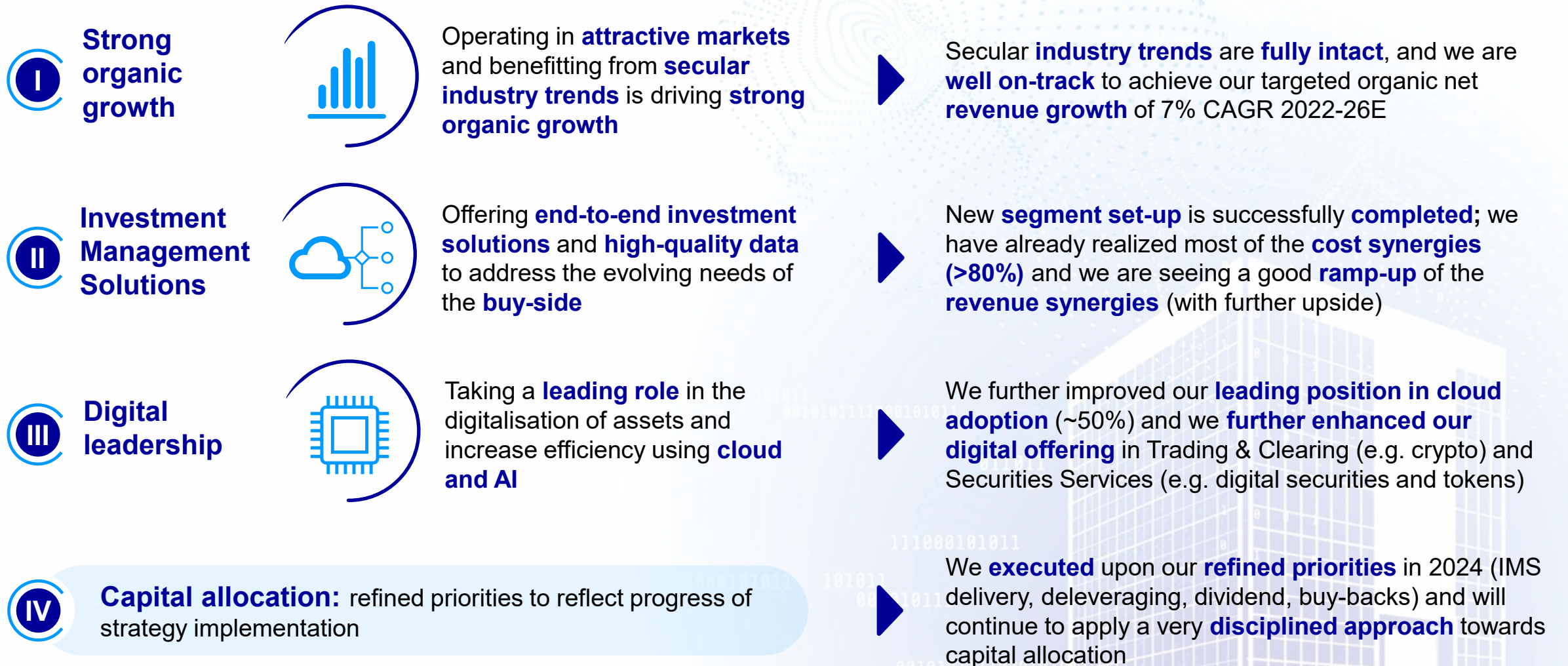
The **better-than-expected development** in 9M/2024 has led to specifying our **increased outlook** for 2024 (~€5.8 billion net revenue and €3.3–3.4 billion EBITDA)

Smooth CEO transition well underway with **confirmation** of key strategic pillars and financial targets of **Horizon 2026**

Stronger **focus on net revenue without treasury result** (NII + margin fees) as key **steering metric** with **8% CAGR** organic growth expectation 2024-26E

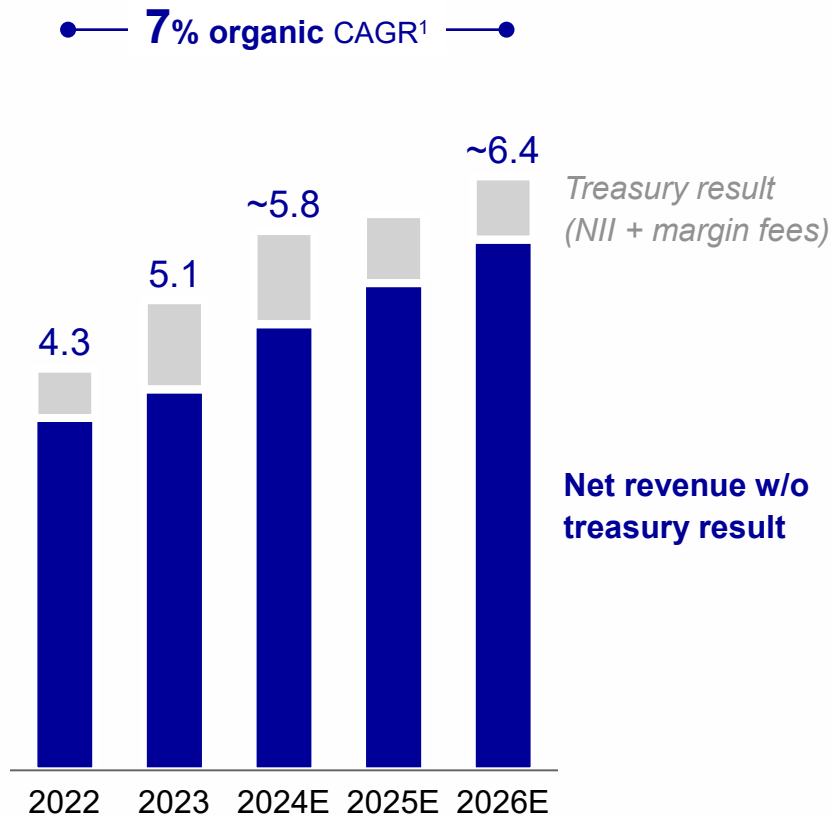
Refined **capital allocation framework confirmed**, with disciplined approach towards utilizing the very strong cash flow generation of Deutsche Börse

Strategic continuity with Horizon 2026: trends intact and good progress on implementation

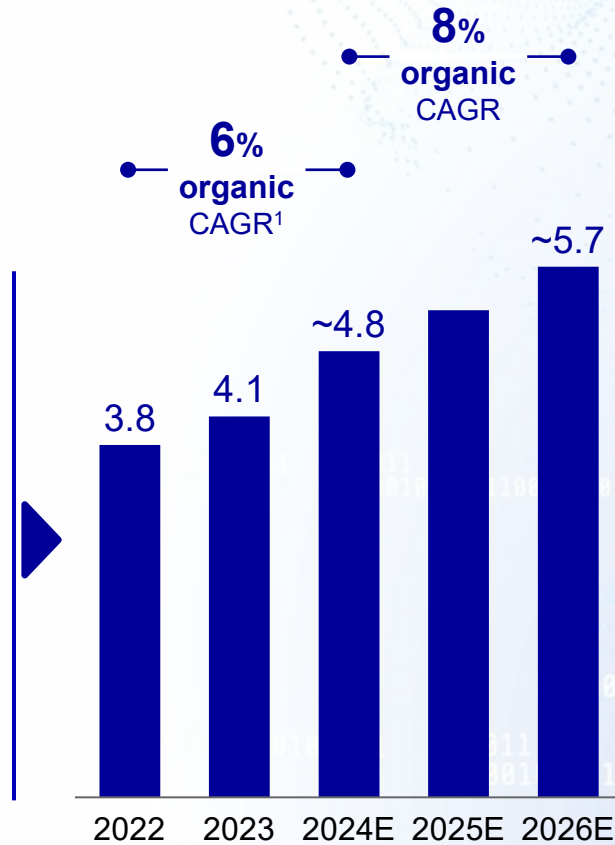


For 2025 and 2026 we expect an acceleration of underlying organic net revenue growth without treasury result

Net revenue | €bn



Net revenue w/o treasury result | €bn



- We will **continue to pursue our strategy** and our **financial targets** for 2026 are **unchanged**
- Going forward we will **focus on the underlying net revenue** that we can influence as **steering KPI** (net revenue without treasury result)
- The **treasury result** consist of **net interest income** (in Securities and Fund Services) and **margin fees** (in Trading & Clearing)
- Organic **net revenue growth without treasury result** is expected to **accelerate** (8% CAGR 2024-26E), e.g. because of an improved mix towards higher growth businesses, synergy realisation within IMS and an acceleration of growth in financial derivatives (fixed-income)
- **Quality of 2026 guidance has improved**, since the treasury result component has decreased (because of interest rate expectations), while the overall net revenue guidance is maintained

1) Constant portfolio (IMS: SimCorp acquisition; Securities Services: Regis-TR sale)

All segments are expected to contribute almost equally strong to the underlying organic net revenue growth until 2026

Net revenue growth organic w/o treasury result

	2022-26E	2024-26E
Investment Management Solutions	7% ¹	9%
Trading & Clearing ²	7%	8%
Fund Services ²	9%	11%
Securities Services ²	7% ¹	7%

- **Software Solutions:** **growth trajectory** based on best-in-class front-to-back investment management technology that addresses operational/efficiency needs of buy-side **unchanged**
- **ESG & Index:** despite public debates, **demand** for high quality **E, S, G** data/services expected to **further increase**; headwinds for market intelligence business expected to prevail
- **Financial derivatives:** **fixed-income roadmap** (Euro futures, OTC clearing and Repo) as major driver for secular growth **on track**, but as expected back-end loaded
- **Commodities:** strong development with 2026 targets already achieved in 2024, but **further** high-single digit **upside** because of secular growth (market share, clients, products)
- **Fund processing and distribution:** **secular trend** of outsourcing to our central platforms **fully intact** and complemented with expansion of product/service offering
- **Custody & settlement:** **resilient business model** with **further secular upside** from global debt outstandings, resurgence of fixed income as asset class and digital innovation
- **Net interest income:** while **NII** is **expected to be sustainably higher** compared to pre-2022, interest rate environment will result in a decline compared to peak in 2024 (2026E: €400-450m³)

1) Constant portfolio (IMS: SimCorp acquisition; Securities Services: Regis-TR sale) 2) Net revenue growth without treasury result (NII and margin fees) 3) Expected NII for Securities and Fund Services combined

Agenda

Update on Horizon 2026 strategy
Stephan Leithner, Co-CEO

Q3 and 9M/2024 financial results
Gregor Pottmeyer, CFO

The year-to-date development exceeded our initial expectations

Net revenue | €m

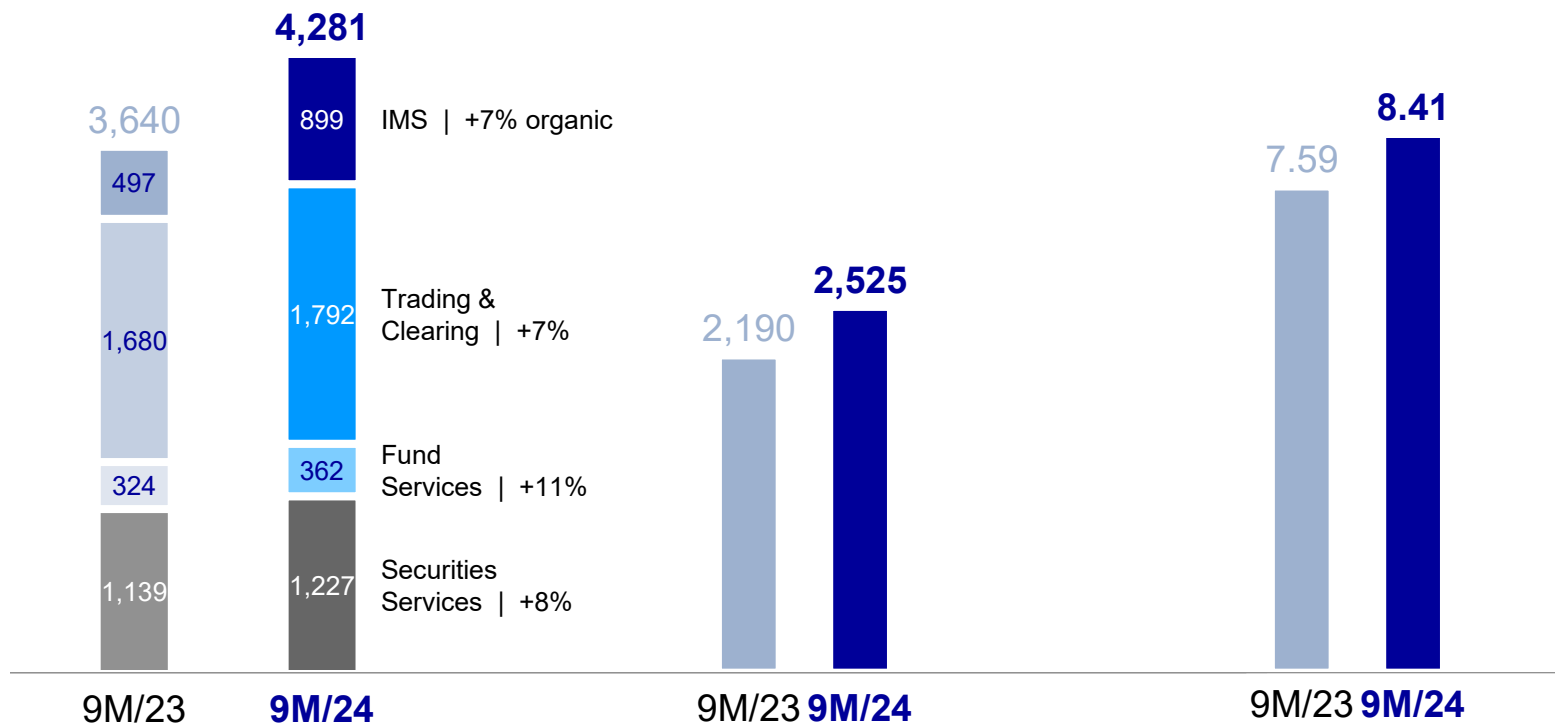
- ↗ +18%
- ↗ +7% (organic)

EBITDA | €m

- ↗ +15%
- ↗ +11% (organic)

Cash EPS¹ | €

- ↗ +11%

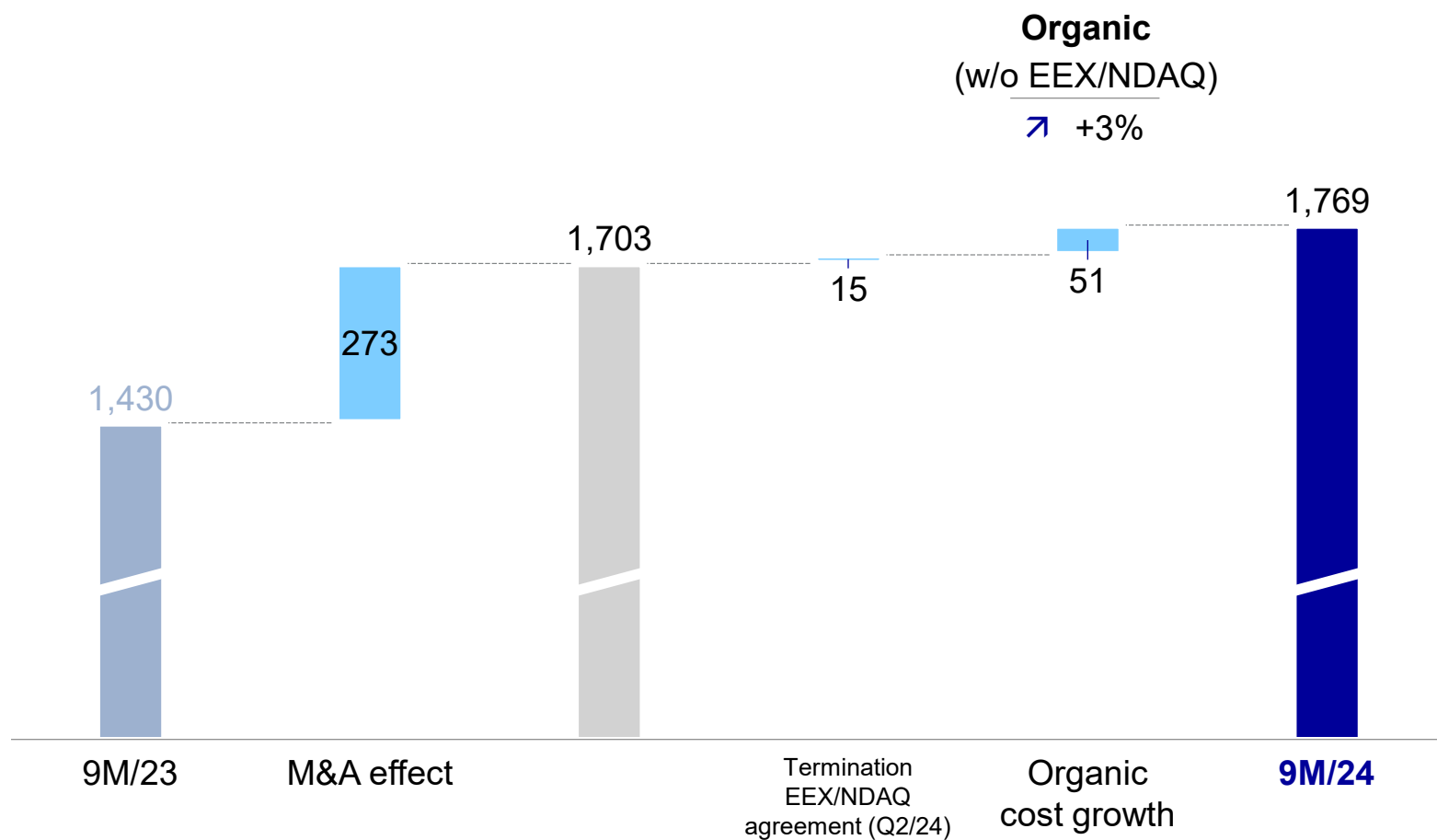


- The consolidation of **SimCorp** contributed **11% inorganic net revenue growth** in 9M/2024; Software Solutions business performance with 9% organic net revenue growth YTD well on track to achieve 2024 targets
- The **organic net revenue growth of 7%** in 9M/2024 mainly driven by our **secular growth** initiatives across the Group; in addition, we saw modest cyclical tailwinds from slightly higher rates, but headwinds from volatility
- **Key contributors of secular growth** in the first nine months were: client wins in Software Solutions, Foreign-exchange trading and Fund Services, market share gains in Commodities as well as the positive development in the core business of Securities Services

Operating costs

9M/2024

Operating cost bridge | €m



Note

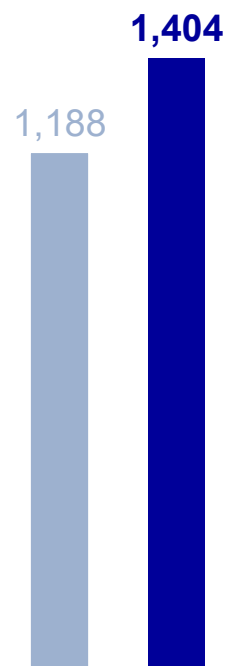
- M&A base effect mainly due to SimCorp consolidation
- Organic cost growth of 3% was mainly driven by inflation, additional investments and share based payments
- Exceptional operating costs in 9M/24:
 - Effect from termination of agreement between EEX and Nasdaq: €15 million (Q2/24)
 - Costs to achieve Investment Management Solutions synergies: €28 million (~€50 million for 2024)

Group financials

Q3/2024

Net revenue | €m

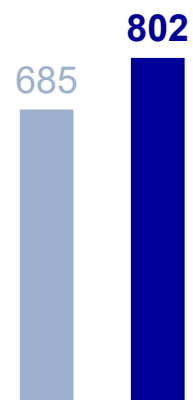
- ↗ +18%
- ↗ +9% (organic)



Q3/23 Q3/24

EBITDA | €m

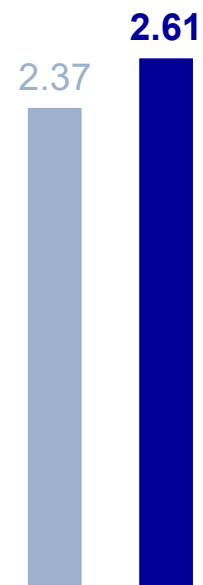
- ↗ +17%
- ↗ +15% (organic)



Q3/23 Q3/24

Cash EPS¹ | €

- ↗ +10%



Q3/23 Q3/24

Note

- Key driver for results was continued secular net revenue growth, while cyclicity was almost neutral (interest rates and equity market volatility)
- Organic operating cost increased by 2%, which was mainly driven by lower exceptional costs y-o-y, inflation, additional investments and share based payments
- Exceptional effects in Q3/24:
 - Costs: €10 million (costs to achieve IMS synergies)

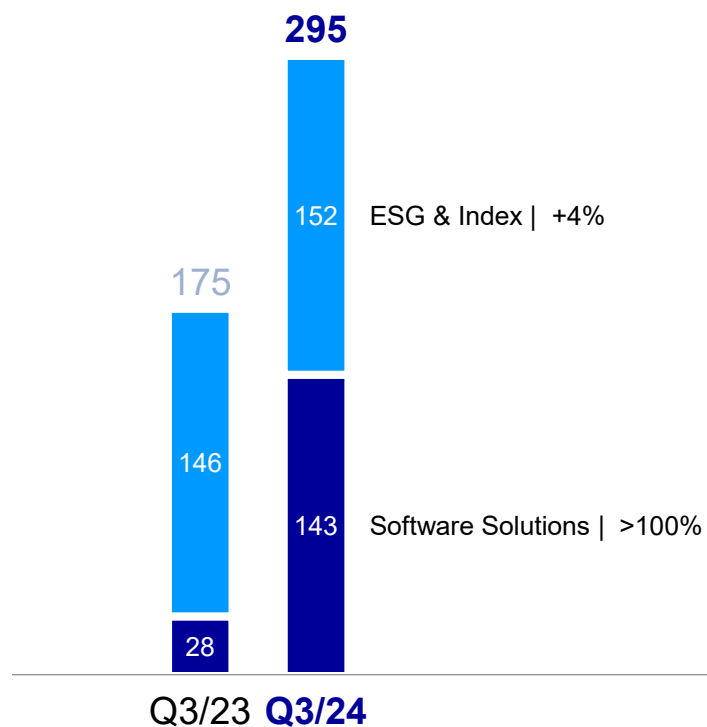
1) EPS before purchase price allocations (ppa)

Investment Management Solutions

Q3/2024

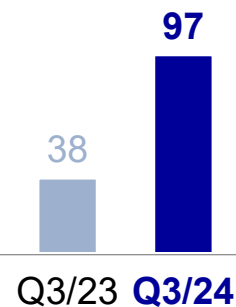
Net revenue | €m

- ↗ +69%
- ↗ +7% (organic)



EBITDA | €m

- ↗ +153%
- ↗ +8% (organic)¹



Business development

- Software Solutions benefited from renewals, new clients and upsells at SimCorp, but saw higher point in time comparables at Axioma; SimCorp's net revenue of €121 million was 20% up y-o-y and in-line with expectations
- Software Solutions annual recurring revenue (ARR) slightly increased to €551 million in Q3/24 (+11% y-o-y); lower growth driven by Axioma, SimCorp ARR in-line (+14% y-o-y)
- Further growth of demand for ESG products in Q3, while headwinds for Market Intelligence solutions prevailed

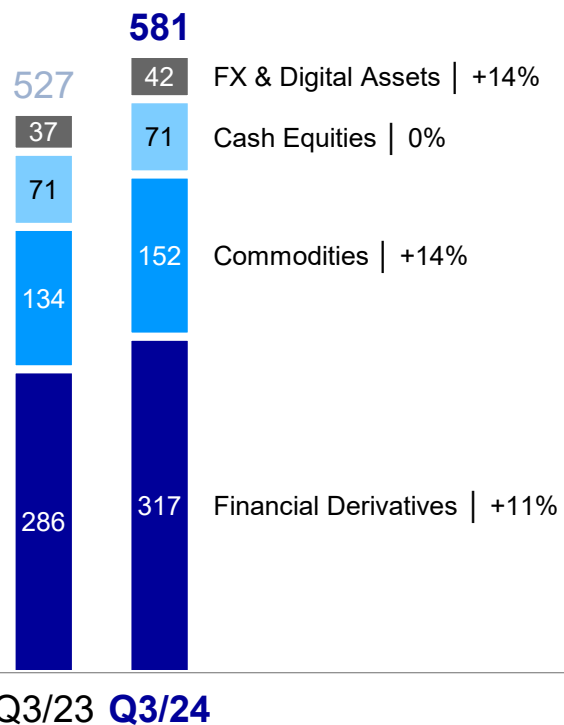
¹) Excl. exceptional (CtA Q3/23: €19m; Q3/24: €10m) and transaction related costs (Q3/23: €18m)

Trading & Clearing

Q3/2024

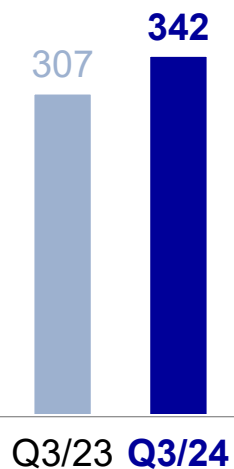
Net revenue | €m

↗ +10%



EBITDA | €m

↗ +11%



Business development

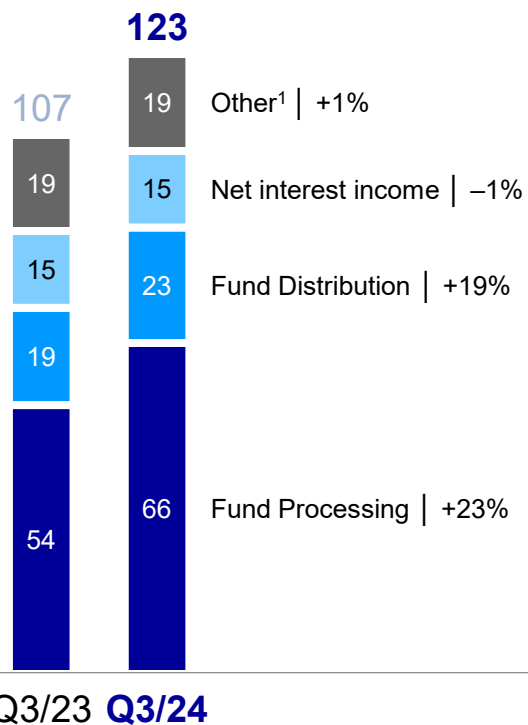
- Financial Derivatives positively impacted by continued high fixed income derivatives volumes, which were partly offset by incentives as part of the STIR partnership programme; index derivatives volumes exposed to muted equity volatility
- Commodities were driven by continued high volumes in power products, mainly due to market share gains and new clients
- In foreign exchange, new clients (buy side) and regions (US/APAC) by far overcompensated lower volatility

Fund Services

Q3/2024

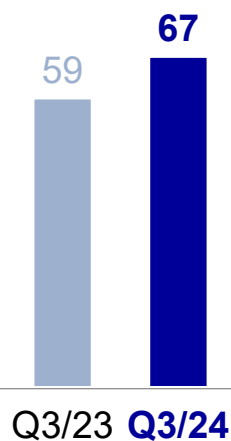
Net revenue | €m

↗ +15%



EBITDA | €m

↗ +14%



Business development

- Fund Services segment benefitted from higher equity market levels and growth from new clients and portfolios, resulting in record levels of assets under custody and strong settlement activity

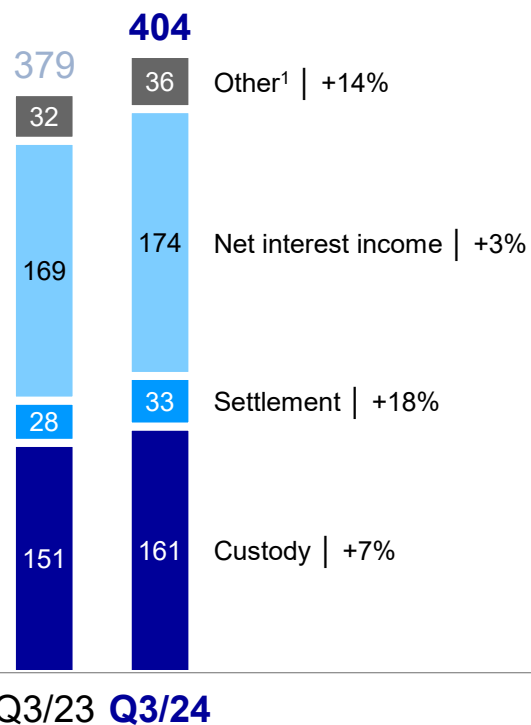
1) Incl. net revenue from connectivity and fund data

Securities Services

Q3/2024

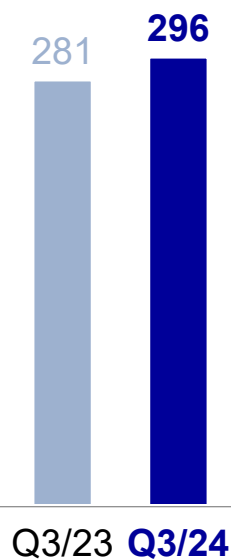
Net revenue | €m

↗ +7%



EBITDA | €m

↗ +5%



Business development

- Securities Services positively affected by ongoing high level of fixed income issuance activity and higher equity market levels, resulting in record levels of assets under custody and settlement transactions
- Despite slight decline of interest rates, higher cash balances helped to achieve modest net interest income growth

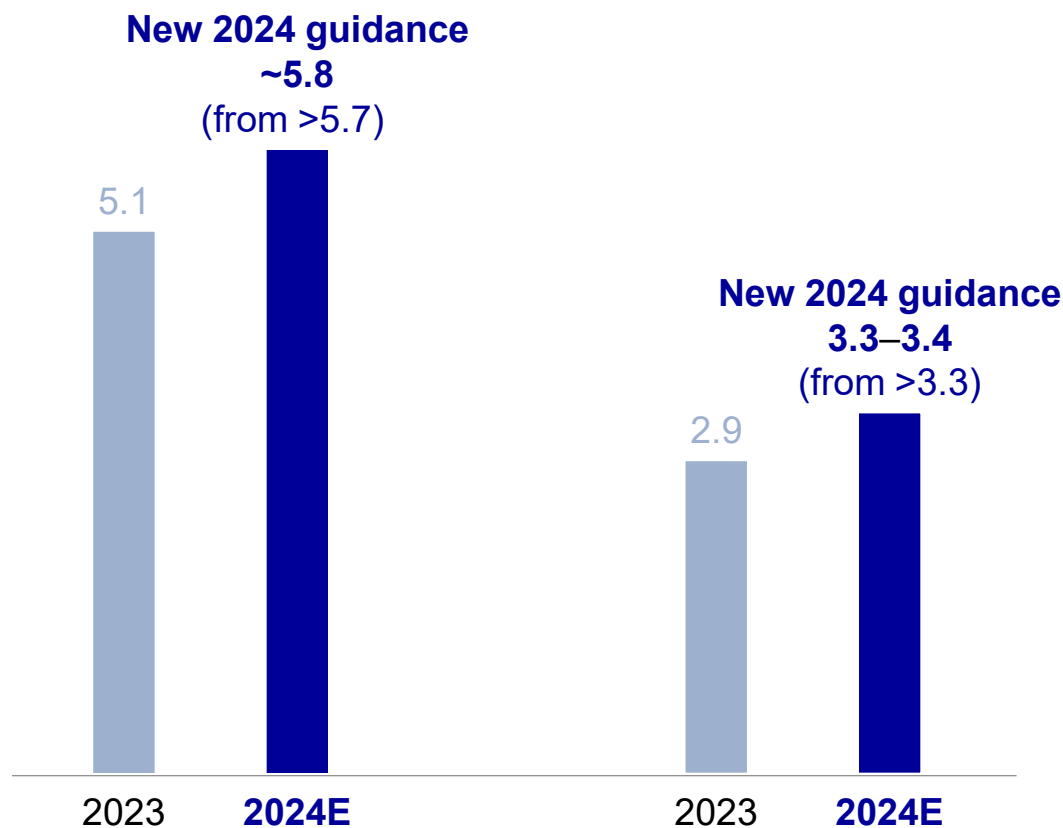
1) Incl. net revenue from connectivity, account services and reporting

Outlook

FY/2024

Net revenue | €bn

EBITDA | €bn



- For 2024 we originally expected net revenue of more than €5.6 billion and EBITDA of more than €3.2 billion
- Mainly because of the better-than-expected performance in Commodities and higher net interest income, we increase our guidance for the full year
- We now expect net revenue of around €5.8 billion and EBITDA in a range from €3.3–€3.4 billion for 2024
- For the full year, we expect organic cost growth of around 3%¹

1) Based on 2023 constant portfolio operating costs incl. SimCorp of €2,393 million; excl. €15m EEX/NDAQ effect

Appendix



Income statement – group level

Income statement €m	Q3/24	Q3/23	Change %	9M/24	9M/23	Change %
Sales revenue	1,452.0	1,200.9	21%	4,378.4	3,641.9	20%
Treasury result from banking business	252.1	246.0	2%	788.1	732.7	8%
Other operating income	6.8	3.5	94%	19.8	26.8	-26%
Total revenue	1,710.9	1,450.4	18%	5,186.3	4,401.4	18%
Volume-related costs	-307.0	-262.1	17%	-905.6	-761.3	19%
Net revenue	1,403.9	1,188.3	18%	4,280.7	3,640.1	18%
Staff costs	-424.7	-338.0	26%	-1,230.0	-970.4	27%
Other operating expenses	-178.7	-166.9	7%	-538.9	-459.2	17%
Operating costs	-603.4	-504.9	20%	-1,768.9	-1,429.6	24%
Result from financial investments	1.3	1.4	-7%	13.4	-20.6	-165%
Earnings before interest, tax, depreciation and amortisation (EBITDA)	801.8	684.8	17%	2,525.2	2,189.9	15%
Depreciation, amortisation and impairment losses	-121.5	-114.8	6%	-367.2	-293.1	25%
Earnings before interest and tax (EBIT)	680.3	570.0	19%	2,158.0	1,896.8	14%
Financial result	-43.4	-11.0	295%	-123.1	-30.4	305%
Earnings before tax (EBT)	636.9	559.0	14%	2,034.9	1,866.4	9%
Income tax expense and other tax	-168.2	-144.1	17%	-522.2	-497.0	5%
Net profit for the period	468.7	414.9	13%	1,512.7	1,369.4	10%
thereof attributable to Deutsche Börse shareholders	444.9	400.3	11%	1,441.1	1,316.8	9%
thereof attributable to non-controlling interests	23.8	14.6	63%	71.6	52.6	36%
Earnings per share (basic) (€)	2.42	2.16	12%	7.84	7.15	10%
Earnings per share before purchase price allocations (Cash EPS) (€)	2.61	2.37	10%	8.41	7.59	11%

Detailed income statement – Investment Management Solutions

Income statement				Volume			Revenue per volume		
	Q3/24 €m	Q3/23 €m	Change %	Unit	Volume	Change %	Unit	RPV	Change %
Net revenue	294.9	174.7	69						
Software Solutions	143.3	28.3	406	ARR (€m)	551	11			
On-premises	52.6	0.0							
SaaS (incl. Analytics)	53.9	28.3	90						
Other	36.8	0.0							
ESG & Index	151.6	146.4	4						
ESG	73.1	66.9	9						
Index ¹	51.0	48.9	4	AuM (€bn)	126	18			
Other ²	27.5	30.6	-10	Contracts (m)	175	0			
Operating costs	-199.6	-135.3	48						
Result from financial investments	1.6	-1.1	-245						
EBITDA	96.9	38.3	153						

1) Incl. ETF, exchange licences and other licences

2) ISS non-ESG business

Detailed income statement – Trading & Clearing

Income statement				Volume			Revenue per volume		
	Q3/24 €m	Q3/23 €m	Change %	Unit	Volume	Change %	Unit	RPV	Change %
Net revenue	581.4	527.0	10						
Financial Derivatives	316.5	285.7	11						
Equities ¹	125.6	118.4	6	Contracts (m)	270	7	€/contract	0.465	-1
Fixed Income ²	132.6	115.6	15	Contracts (m)	231	33	€/contract	0.573	-13
Other ³	58.3	51.7	13						
Commodities	151.9	133.6	14						
Power ⁴	74.8	56.4	33	TWh	2,897	46	€/TWh	0.026	-9
Gas	22.3	22.6	-1	TWh	1,642	-5	€/TWh	0.014	3
Other	54.8	54.6	0						
Cash Equities	70.7	70.5	0						
Trading	30.8	29.7	4	Order book (€bn)	304	10	bps	1.012	-6
Other ⁵	39.9	40.8	-2						
FX & Digital Assets ⁶	42.3	37.2	14	ADV (€bn)	149	19	bps	0.283	-5
Operating costs	-239.5	-220.1	9						
Result from financial investments	0.5	0.3	67						
EBITDA	342.4	307.2	11						

1) Incl. index and equity derivatives, margin fees

2) Incl. interest rate derivatives, OTC clearing, Repo, margin fees

3) Incl. Eurex data and Eurex other

4) Incl. power spot and power derivatives

5) Incl. Xetra data, listing and Xetra other

6) Incl. trading and 360T other

Detailed income statement – Fund Services

Income statement				Volume			Revenue per volume		
	Q3/24 €m	Q3/23 €m	Change %	Unit	Volume	Change %	Unit	RPV	Change %
Net revenue	123.4	107.3	15						
Fund Processing ¹	65.9	53.5	23	AuC (€bn)	3,773	15	bps p.a.	0.699	7
Fund Distribution	23.0	19.4	19						
Net interest income	15.2	15.3	-1						
Other	19.3	19.1	1						
Operating costs	-56.5	-50.1	13						
Result from financial investments	0.0	1.4	-100						
EBITDA	66.9	58.6	14						

1) Incl. custody and settlement

Detailed income statement – Securities Services

Income statement				Volume			Revenue per volume		
	Q3/24 €m	Q3/23 €m	Change %	Unit	Volume	Change %	Unit	RPV	Change %
Net revenue	404.2	379.3	7						
Custody ¹	161.4	150.6	7	AuC (€bn)	15,140	5	bps p.a.	0.426	2
Settlement	32.8	27.7	18	Transactions (m)	24.8	35	€	1.323	-12
Net interest income	174.0	169.3	3	Cash balances (€m)	17,109	16	% p.a.	4.068	-11
Other ²	36.0	31.7	14						
Operating costs	-107.8	-99.4	8						
Result from financial investments	-0.8	0.8	-200						
EBITDA	295.6	280.7	5						

1) Incl. custody and collateral management

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

Financial calendar and contact details

Financial calendar

26 November 2024	Business deep dives – Software Solutions and Financial Derivatives (fixed-income) (2pm CET)
27 November 2024	Deutsches Eigenkapitalforum (Frankfurt)
3 December 2024	Redburn Atlantic CEO Conference (virtual)
4 December 2024	Berenberg European Conference (Surrey)
10 January 2025	ODDO BHF Forum (Lyon)
13 January 2025	Commerzbank & ODDO BHF German Investment Seminar (New York)
22 January 2025	UniCredit & Kepler Cheuvreux German Corporate Conference (Frankfurt)
12 February 2025	Publication preliminary results Q4 and FY 2024 (around 7pm CET)
13 February 2025	Analyst and investor conference call Q4 and FY 2024 (10am CET)
4 March 2025	RBC Global Financials Conference (New York)
19 March 2025	Morgan Stanley European Financials Conference (London)
28 April 2025	Publication quarterly statement Q1/2025 (around 7pm CET)
29 April 2025	Analyst and investor conference call Q1/2025 (2pm CET)
14 May 2025	Annual General Meeting
21 May 2025	Berenberg European Conference (New York)
24 July 2025	Publication half-yearly financial report 2025 (around 7pm CET)
25 July 2025	Analyst and investor conference call Q2/2025 (2pm CET)
27 October 2025	Publication quarterly statement Q3/2025 (around 7pm CET)
28 October 2025	Analyst and investor conference call Q3/2025 (2pm CET)

Deutsche Börse AG

Investor Relations

Mergenthalerallee 61

65760 Eschborn

Germany

Phone: +49 69 211 11670

Fax: +49 69 211 14608

E-Mail: ir@deutsche-boerse.com

www.deutsche-boerse.com/ir_e

Click here for

[Financial calendar](#)

[Presentations](#)

[Analysts' estimates](#)

[Financial reports](#)

[Statistics](#)

[Email sign-up](#)

Disclaimer

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

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

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

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

© Deutsche Börse AG 2024. All rights reserved.

www.deutsche-boerse.com/dbg-en/meta/disclaimer