DEUTSCHE BÖRSE

Annual General Meeting
Deutsche Börse AG

11 May 2007

Reto Francioni
Chief Executive Officer
Deutsche Börse AG, Frankfurt/Main

Please check against delivery.

Ladies and Gentleman,

Both I and my colleagues on the Executive Board would like to give you a warm welcome to the 2007 Annual General Meeting of Deutsche Börse AG. I also extend the same warm welcome to those shareholders who are following our Annual General Meeting on the Internet. We are delighted to see your interest and thank you for your participation.

By way of introduction, I would like to give you an overview of fiscal year 2006:

§ The 2006 fiscal year was once again the most successful in the history of Deutsche Börse Group to date. We generated double-digit volume growth in all market areas and increased our sales revenue by 14 percent to total €1.85 billion. EBITA (earnings before interest, tax and goodwill impairment) rose by 45 percent to total €1.03 billion. This means that Deutsche Börse Group is the highest-earning exchange organization not only in Europe, but in the world.

§ These convincing figures are the result of our business model, firm cost management and the solid performance of all our employees. Our business model is the most successful of all stock exchanges and is being increasingly copied as a result: we will stick by this model. It has also enabled us to further increase our market share and significantly improve our competitive position on the global exchange landscape.

§ We are now present in 14 countries at a total of 17 locations and employ people from 53 different countries. This means that we are also the most international stock exchange organization in the world. The feedback that we received from our clients was better than ever before.

§ As a result of the excellent fiscal year 2006, the Executive Board is proposing to increase the dividend for 2006 from €2.10 to €3.40 per share carrying dividend rights.

In 2006, Deutsche Börse’s share price increased by 61 percent, meaning that, as in the previous year, it ranked among the five best performers on the German benchmark index DAX®. Since the share was first listed in 2001, it has significantly outperformed the DAX index year after year.

Germany as a location and the German economy have a unique global success model in Deutsche Börse Group. We rank among only a handful of German companies that are global champions in their respective sectors. This makes a key contribution to the country’s economic strength. We take pride in this fact, and you, ladies and gentlemen – as our owners, can, too.

Last but not least, we once again strengthened our central location in Frankfurt by making substantial investments in IT, personnel and in the stock exchange infrastructure here in Frankfurt in 2006.

Despite all of our business and strategic successes last year, there was one objective that we did not achieve. Unfortunately, our offer to the Euronext management to create a continental European stock exchange alliance was rejected by the same management. We abandoned our endeavors when it finally became clear that it would be impossible to conclude a transaction that suited both parties and that a merger would not create any added value for Deutsche Börse and our shareholders in light of the company's share price development.

Nevertheless, the prospects for the continued successful development of Deutsche Börse – your company – are excellent even in the absence of an alliance with Euronext, as we also set the course for further growth in all business areas in 2006. I will provide you with further details on these measures later on.

Ladies and Gentleman,

I have divided the Executive Board report into three parts:

§ First, I will present the 2006 annual financial statements and talk to you about the positive development of our figures for the first quarter of 2007.

§ Then, I will talk about our capital management program and will present the corresponding resolution proposals – in particular, on the dividend and on the implementation of a capital increase using retained earnings, that is, the transfer of an amount from the company's capital reserve into its share capital with the aim of issuing bonus shares.

§ I will conclude by looking at our strategic planning and explaining the details of our strategy for future growth. Naturally, I will also speak about our planned merger with International Securities Exchange (ISE), which we announced on 30 April 2007. Within this context, I will also explain, once again, why the management is retracting the proposed resolution set out under agenda item 6, namely with respect to the creation of new authorized capital.

A 2006 Annual Financial Statements and First Quarter of 2007

Within the context of the 2006 annual financial statements, let me talk to you about the Group's major developments and key figures for the 2006 fiscal year. The advantages of the integrated business model, as well as continued cost discipline during the past fiscal year have once again made a contribution, and a considerable one at that, to the company's success, meaning that 2006 was by far the best year in the company's history.

§ *Sales revenue* charted double-digit growth in all market areas, and even substantial double-digit growth in some cases, such as in the Xetra and Eurex segments. Overall, sales revenue increased by 14 percent in 2006 to €1,854.2 million (2005: € 1,631.5 million). Sales was only down year-on-year in the IT segment due to the deconsolidation of the subsidiary entory, which was sold to Softlab GmbH with effect from 1 October 2005.

§ *Net interest income from banking business* grew by 34 percent to €150.7 million (2005: €112.7 million). Rising interest rates at the short end of the yield curve in the US and Europe played a key role in this positive development.

§ *Total costs* were down by 5 percent as against fiscal year 2005 to €1,092.4 million, meaning that they correspond to the company's "cost guidance" for fiscal year 2006 of around €1,090.0 million. This is all the more remarkable given that we significantly increased our sales revenue at the same time.

§ The extremely encouraging development in sales revenues and costs has prompted an above-average increase in Deutsche Börse's result. *EBITA* (earnings before interest, taxes and goodwill impairment) was up year-on-year by a total of €318.2 million or 45 percent to €1,029.1 million (2005: € 710.9 million).

§ The Group's earnings after taxes and minority interests, known as the *consolidated net income*, rose from €427.4 million to €668.7 million in 2006 – an increase of 56 percent.

§ *Earnings per share*, which are calculated on the basis of the weighted average of outstanding shares in accordance with IAS 33, rose by 68 percent to €6.73 (2005: 4,00 €). The above-average increase in earnings per share compared to the consolidated net income is a result of the effects relating to the ongoing share buy-back program.

§ Operating *cash flow* totaled €843.4 million, up by 26 percent on the prior-year value of € 667.7 million.

Overall, the results provide impressive evidence of the fact that the company was able to continue, unperturbed, on its growth path despite the numerous events in the international stock exchange sector in 2006.

I would like to take this opportunity to remind you that you can find comprehensive information on current issues affecting Deutsche Börse AG and Deutsche Börse Group on the company's website at www.deutsche-boerse.com. You can access this information at the information terminals set up in the Jahrhunderthalle at any time during the Annual General Meeting.

Start of fiscal year 2007

In the first quarter of the current fiscal year Deutsche Börse achieved a new record result. Sales revenue totaled €543.1 million, which is 17 percent higher than in the same quarter of the previous year (Q1/2006: €464.7 million); an additional €46.1 million was recorded as net interest income from the banking business (Q1/2006 €34.3 million).

Despite the costs contained in the quarterly result associated with the departure of Executive Board members and the development and implementation of the new management structure, as well as with provisions for the stock option program due to the strong increase in Deutsche Börse AG's share price of 23 percent in the first quarter of 2007, EBITA increased by 17 percent in the first quarter to reach a new record of €300.3 million (Q1/2006: €257.0 million). Earnings per share increased to €1.97 for the average of 97.6 million outstanding shares (Q1/2006: €1.61 for 100.5 million shares).

This means that the first quarter is impressive evidence of the earnings power of our business model. In addition to structural growth drivers in all business areas, increased volatility on the global markets also contributed to a strong increase in sales revenues. Despite extraordinary effects relating to costs, both EBITA and the consolidated result reached new record highs.

As a result, we have once again made a successful start to a new fiscal year. The figures for the first quarter boost our confidence that 2007 will follow the successful trend set in the past and prove to be another record year.

B Capital Management Program - Dividend proposal and bonus share issue

The extraordinary business performance at Deutsche Börse in fiscal year 2006 and the management's confidence in the Group's continued positive development is also reflected in this year's dividend proposal: The intention is to distribute €329.8 million of the unappropriated profit of €350.0 million reported in the annual financial statements as at 31 December 2006, i.e. €3.40 per share carrying dividend rights, as a dividend and to allocate the remaining €20.2 million to "other retained earnings". This distribution increases the dividend by 62 percent (2005: €2.10).

Status of the Capital Management Program

In May 2005, we announced our intention to distribute around €1.5 billion to shareholders in the period through May 2007 as part of the capital management program. As the result of our excellent business development, we achieved this goal even prior to this Annual General Meeting by means of additional share buy backs in the amount of approx. €125 million. Together with the proposed dividend of €3.40 per share for 2006, this produces a total capital management program volume of approx. €1.9 billion up to and including May 2007.

Based on the authorization of the 2006 Annual General Meeting to acquire own shares, we have purchased 3,269,036 shares to date, and have thus bought back a pro rata amount of the share capital of €3,269,036, in nominal terms, at a value of €410,060,343. The volume of own shares purchased from the 2006 Annual General Meeting to date therefore amounts to 3.27 percent of the company's share capital (based on 100 million shares).

Since 2005, we have bought back a total of 15.0 million shares. 11.8 million of the shares purchased have already been cancelled in three phases. 2 million shares were cancelled in March of this year based on the authorization of the Annual General Meeting held in May 2006. Since the last Annual General Meeting, 101,654 of the own shares purchased have either been bought by company employees within the framework of the Group Share Plan or delivered to employees as part of the exercise of option rights. This means that the company currently holds 2,988,729 shares in treasury.

The number of outstanding company shares stood at 102.0 million as at 31 December 2006 and now totals 100.0 million shares following the cancellation. At the beginning of fiscal year 2005, Deutsche Börse AG still had 111.8 million outstanding shares. In 2006, the calculation of earnings per share in accordance with IFRS was based on an average of 99.4 million outstanding shares.

Ring fencing

At this point, I would like to talk about our plans to revise the legal structure of Deutsche Börse Group using what is known as “ring fencing” so that we can further optimize the company’s capital structure. At the same time, we want to maintain the strong AA credit rating that is important to Clearstream and Eurex Clearing. The reorganization of the Group’s legal structure will not impact our integrated business model, which we will maintain.

The Executive Board of Deutsche Börse AG has decided to continue reviewing the reorganization of the structure of Deutsche Börse Group. As a result, Deutsche Börse has launched an external consultation process, in particular with regulators.

The implementation of this structure depends on the talks with the regulators. Following the external consultation process, implementation will require Supervisory Board approval before a resolution can be passed by the company’s shareholders. I will go into detail on this later when I talk about Eurex’s planned takeover of the International Stock Exchange.

Issue of bonus shares following capital increase using retained earnings

I would now like to talk about the implementation of a capital increase using retained earnings with the aim of issuing bonus shares, which is listed as item 5 on today’s agenda.

Deutsche Börse AG’s shares have shown excellent performance since the IPO on 5 February 2001. Share price performance since the IPO, excluding dividends, stood at 363 percent as at 30 April 2007. This means that Deutsche Börse’s shares have significantly outperformed the German benchmark index, the DAX (increase of 12 percent) and the European EuroStoxx50 blue chip index (fall of 6 percent). In both fiscal years 2005 and 2006, Deutsche Börse AG ranked among the 5 stocks with the highest price increase on the DAX. In the first quarter of 2007, Deutsche Börse AG’s was by far the “heaviest” stock on the DAX in purely visual terms.

In order to promote even higher liquidity in trading in Deutsche Börse AG shares, the Executive Board and the Supervisory Board are proposing a capital increase using retained earnings under agenda item 5. The transfer of amounts from retained earnings will increase the company’s share capital and each shareholder will receive an additional new share for each existing share. This means that each share held in the investor’s securities account would be supplemented by an additional, “bonus” share. Because the issue of new shares will double the total number of shares without Deutsche Börse AG receiving any new funds, the quoted price per share is expected to fall accordingly.

The company’s share capital will be increased when the resolution on the capital increase using retained earnings has been entered in the company’s commercial register. At the same time, new shares will be created for the shareholders by law at a ratio of 1:1. The same applies to the own shares held by the company. As such, the proportional stake held by a shareholder in the company's share capital remains unchanged.

Both the new and old shares will be listed on the Frankfurt Stock Exchange under the existing security identification number. As I already mentioned, however, the share price will fall accordingly. Nevertheless, each shareholder will have twice the number of shares compared to before.

The custodian banks will double the number of Deutsche Börse shares booked to the respective securities accounts. Shareholders do not have to take any action. Deutsche Börse AG will bear any costs that arise as a result of change in the number of shares.

Even if we cannot influence the actual point of time of entry into the commercial register, i.e. the point in time at which the capital increase takes effect, we intend to ensure that the process runs as smoothly as possible. The company will give you more specific details of the time plan at a later date. We aim to implement the capital increase during this quarter.

Furthermore, the amount of conditional capital will also automatically double, by law, in line with the same ratio as the share capital. The proposed amendments to the Articles of Incorporation set out under agenda item 5 are merely designed to implement this change.

The authorized capital shall not be affected by the capital increase using retained earnings proposed under agenda item 5, unlike the conditional capital, which shall increase in accordance with the same ratio as the share capital pursuant to section 218 (1) AktG.

C Deutsche Börse Group Strategic Planning and Strategy for Future Growth

Ladies and Gentleman,

I would like to begin my comments on the strategic planning of Deutsche Börse Group and its strategy for future growth with a brief analysis of the status quo:

§ Each business area in our portfolio represents one of the top organizations in our industry.

§ We want to maintain this leading position in every business area in which we are active. In doing so, we do not define a leading position in terms of sheer size, but focus on the benefit for the client and will continue to offer top performance at fair prices.

§ This attractive business portfolio and its earnings strength mean that Deutsche Börse has a strong starting position for further growth, including in an international context.

§ Our business model allows us to generate economies of scope and scale, meaning that we can work more efficiently than other exchange organizations. Deutsche Börse's excellent result for 2006 once again provided impressive evidence to support this assertion.

So, how do we translate these guidelines into a strategy for further growth? The following key conditions apply here:

§ We want to grow organically in all business areas and have identified attractive opportunities for Deutsche Börse to exploit structural trends in our industry.
§ We will further develop our successful business model whilst ensuring systematic cost management as in the past.
§ The further optimization of the capital structure is one of our key goals – we intend to continue to distribute funds that are not required for operations to our shareholders.
§ We remain open to all forms of cooperation with other partners in our industry, provided that they create value for you, our shareholders.

Organic growth

Let me start by talking about our opportunities for organic growth. Our business model allows us to cover a broad spectrum of asset classes, such as equities and bonds, as well as various stages in the process chain from trading and clearing to settlement and custody. This “breadth” and “depth” of our business model means that we can generate economies of scope and scale, allowing us to work more efficiently than our competitors. Furthermore, we can offer a one-stop response to the needs of our clients within a short space of time and put together new product and services packages that other exchange operators could not bring onto the market alone. This gives us a unique starting position from which we can react to trends in our industry and among our clients. We already cover the entire exchange industry chain of asset classes, products and services like no other stock exchange organization.

We want to further expand our successful business model and see three approaches for organic growth:

§ Promotion of structural growth trends
§ Development of new products and services
§ Tapping into new asset classes, markets and regions

I would now like to go into more detail on each of these three approaches and provide you with information on concrete initiatives.

Organic growth – Identification and promotion of structural growth trends

Let me talk about structural growth trends using the example of algorithmic trading and present you with an overview of our initiatives. In 2006, for example, algorithmic trading accounted for around 34 percent of volume in Xetra trading, as against only 25 percent in 2005. This trend is not limited to the cash markets, but is also being observed on the derivatives markets.

We have implemented targeted measures to promote algorithmic trading, both on the cash market and on the derivatives market. Our approaches are aimed at the price models, system infrastructure and data supply.

§ Our program which grants high-volume participants discounts for additionally generated volumes has been up and running on the cash market since the beginning of 2005. We also introduced discounts for equity transaction clearing on 1 October 2006; clients save around seven percent on the previous clearing fees. A new price model has been in place on the Eurex derivatives market since February. The volume discounts boost both trading activity and liquidity.

- § Furthermore, we have substantially expanded our network and computer capacities in order to shorten the order transmission speed. Speed is a key success factor in algorithmic trading. Over the past few months, we have reduced the round trip times, i.e. the time required from the point in time at which the order is sent to our computer until the point in time at which the confirmation reaches the client’s computer, by around two thirds, and are working on further improvements.

- § Finally, we offer interested clients the option of acquiring specific market data used in the algorithms in a particularly diverse scope and at a particularly high speed. We will continue to improve our offering in this area.

Organic growth – New products and services in existing asset classes

This brings me to the second of three approaches that we want to use to generate growth: new products and services. Let me set out some examples:

- § In the settlement and custody of international securities, we are offering new products in the repo transactions and securities lending segments to help our clients generate an even better return on the securities that they hold in custody with us. In this Clearstream business area, the average outstanding volume (the main parameter) had risen to over €300 billion by the end of 2006, around 40 percent more than at the end of 2005.

- § We are continually expanding our offering on the cash and derivatives market, e.g. with ETFs and traditional funds in cash market trading, and on Eurex with equity derivatives. We included traditional funds in fund trading in May 2006 and we are now the German market leader with a market share of around 37 percent.

  Derivatives trading offers us particularly comprehensive options for the expansion of our product range, because the stock exchange acts as an innovative product developer and issuer. Recently, we have been expanding our equity and index-based derivatives product range in particular, and this range has now become the strongest product group, ahead of the fixed-income segment.

- § In the market data business, we introduced 13 new indices and index families, based on derivatives, for example, last year alone. Further indices were added in the first months of this year.

§ In the IT sector, too, new clients have appointed us as a neutral and reliable partner to operate sophisticated IT infrastructures. These include, for example, our proximity services that are relevant within the context of algorithmic trading for specific client groups: clients can place computers in the same data centers as Deutsche Börse Group, minimizing the time lag resulting from longer distances between their own computers and those of Deutsche Börse Group. This service, which we have been offering since summer 2006, is already being used by 20 clients.

Organic growth – New asset classes, markets and regions

Which new asset classes, markets and regions can we tap into?

§ Credit derivatives, which were launched at the end of March, add a new, attractive asset class to our portfolio. The market is showing strong growth and is currently organized entirely on an off-exchange basis. We have developed futures on an index and, as a result, a basket of credit risks in close cooperation with our clients.

§ With REITs, the legislature in Germany, too, will be offering an attractive option for investment in listed real estate stocks. We will be offering an efficient marketplace for this new asset class with corresponding indices.

§ Clearstream will become even more active in the investment fund market: we will be offering a new service for the settlement of Luxembourg-based investment funds this year. With an outstanding volume of €1.7 trillion, Luxembourg is the largest European market in a fast-growing asset class which is still characterized by a low degree of automation and standardization.

Clearstream is also the first securities settlement organization outside of Japan to offer settlement services for Japanese government bonds and also enables settlement in Russian rubles. In both cases, our clients benefit from access to new markets and Clearstream is able to realize new growth potential.

§ Furthermore, we are entering new regions with our business: Eurex for example is offering direct access to clients from Japan and Dubai for the first time and has made the conditions for direct client access more attractive.

These are just a few examples of initiatives aimed at generating organic growth that I want to speak about today. There is considerable potential out there, and we want to exploit it systematically.

Growth through cooperation with partners

We cannot, and will not tap into every new product, every client group and every region on our own. In a number of other cases, the prospects of success are boosted by the support of a partner. In these cases, we are naturally open to all forms of cooperation. Let me give you examples and also refer to the intended acquisition of ISE:

§ Joint venture for structured products with SWX
Deutsche Börse and SWX have merged their structured products business in a joint venture. We are working together to create a European market for structured products based on the existing business in Switzerland and Germany. The joint venture has allowed us to expand our very successful cooperation with SWX to include a further segment.

§ Acquisition of a 5 percent stake in the Bombay Stock Exchange
In mid-February, we announced our intention to acquire a 5 percent stake in the Bombay Stock Exchange. This investment complements our existing activities in the region and represents a further step in our strategy of exploiting the potential offered by the Asian markets, with India playing a key role in this respect as one of the largest and fastest-growing capital markets. We see our investment as a first step towards working together to evaluate and develop options for products and services covering the entire securities process chain.

§ Merger of Eurex and ISE

On 30 April, Eurex and ISE signed a binding agreement on Eurex's takeover of ISE. Eurex is the absorbing entity and will pay the ISE shareholders USD 67.50 in cash for each ISE share held. ISE's Board of Directors is recommending that the company's shareholders agree to the transaction.

The transaction will create the largest transatlantic marketplace for derivatives: this marketplace will offer US dollar and euro derivatives, and will be represented with exchanges in both the US and Europe – the two largest markets in terms of market capitalization – where it will generate significant sales revenues.

For Eurex, this means that the product offering, which has consisted primarily of derivatives denominated in Euro and Swiss francs to date, will be expanded to include US dollar derivatives. At the same time, we can considerably expand our business with US clients. This brings us closer to our objective of offering our clients in the world's key time zones products from a range of asset classes and based on the major currencies. The US market is particularly important, as it accounts for 56 percent of the global exchange-based derivatives market.

As a result, the transaction will reinforce Eurex's position and create an unchallenged international market leader for equity, equity index and interest rate derivatives: joint trading volume amounted to 2.1 billion contracts in 2006. Complementary participants and product portfolios create opportunities for growth in all asset classes and beyond national borders. Additional potential results from joint initiatives with respect to product and business development. This transaction will allow Deutsche Börse to further expand its leading position on the fast-growing global derivatives markets.

The agreement with ISE is a strategic milestone, providing a further boost to our growth potential and creating significant value for our shareholders. The Executive and Supervisory Boards have among others considered the following aspects:

§ Over a period of around 30 years, the US equity options market reported growth of 16 percent, and as much as 31 percent between 2003 and 2006. We expect the market to continue returning growth that is well into the double digits for the foreseeable future. Several factors support this theory: "penny pricing", which has been piloted for a number of equity options, would make trading more attractive. Furthermore, we expect positive volume effects due to algorithmic trading in these products, as well as due to the increasing use of equity options among new target groups such as hedge funds, but also private investors. These positive effects would have even more of an impact in the event of an increase in volatility, which is very low at present.

  ISE is a market leader for US equity options and should be able to defend and build on this position. Even today, ISE's spreads are better, or just as good as those of its competitors in 95 percent of cases. ISE has a unique electronic trading offering and has always been considered an innovation leader. Incidentally, this also applies to the penny pricing procedure alluded to earlier.

  We not only expect volumes to continue to rise, but also believe that ISE's attractive margins and high profitability will set it apart from the competition in the future, too.

§ We have quantified some of the positive effects anticipated from the merger of Eurex and ISE with our partner: we expect pre-tax synergies of USD 50 million p.a., around USD 15 million of which represents synergies resulting from increased efficiency; approx. USD 35 million relates to earnings synergies resulting from the cross selling of existing products. 50 percent of total synergies are to be realized by 2010, with all synergy effects likely to have left their mark by 2012. Both we and ISE are certain that our bundled experience and expertise in the area of product development will open up additional growth opportunities in various regions and investment categories. This additional synergy potential is not included in the afore-mentioned USD 50 million. In actual fact, the merger's potential clearly lies in the earnings synergies.

The merger must be resolved by the ISE shareholders in an extraordinary general meeting to be convened as soon as possible, with a simple majority of the outstanding capital stock (50 percent plus one vote), and approved by the U.S. Securities Exchange Commission and the U.S. antitrust authorities. The conclusion of the transaction is also subject to further standard conditions. We expect the transaction to be closed in the fourth quarter of 2007.

As one of Eurex's two parent companies, Deutsche Börse AG will provide 85 percent of the funds required for the transaction. This proportion of the funds reflects our stake in Eurex in economic terms; the remaining 15 percent, as you know, is held by SWX Swiss Exchange, which will also provide corresponding funds.

We are planning to finance our share of the purchase price using a bridge loan of around EUR 1.5 billion (approx. USD 2 billion) in the first instance, and using cash at the point in time at which the transaction is concluded. The bridge loan will be repaid by a combination of retaining future profits and longer-term debt instruments.

This long-term financing requires a ring fencing structure, which is currently in development. By implementing this type of structure, Deutsche Börse would be reporting net debt of around EUR 1.3 billion instead of net cash, which would mean lower capital costs and therefore improved capital efficiency. At the same time, we would maintain our strong AA rating for the business areas that need strong ratings.

In the second half of 2008, we expect to be able to start our share buybacks again following a period of suspension. These plans are based on our current assumptions regarding the further development of our earnings power, and presuppose no sustained changes in the long-term loan interest rates. We intend to continue our progressive dividend policy, i.e. continuous increase in distributions.

I would like to also point out that the Executive Board and the Supervisory Board have developed a joint, common position with respect to the financing of the transaction – Kurt Viermetz has already mentioned this issue. We do not intend to issue shares in order to finance the transaction. We will be financing the acquisition in full using available cash and debt.

Against the background of this financing structure for the ISE acquisition and progress with detailing the ringfencing approach, an adjustment of our authorized capital with respect to the planned capital increase using retained earnings – our so-called "stock split" – is no longer necessary. As a result, the Executive and Supervisory Boards have decided to retract the proposed resolution set out under agenda item 6.

Should - in addition - in this fast-changing industry, the need arise to finance a transaction via the issue of new shares, you, our shareholders, would surely support such a move if we present you with a proposal for a transaction that will create value.

I would now like to summarize my statements on ISE:

- The takeover of ISE is an investment in our future profitable growth on the highly attractive derivatives market at a price that creates value. This acquisition is a key milestone that will accelerate the organic growth path which is one of our top priorities.
- As far as derivatives exchanges are concerned, there is a trend towards providers that can offer their clients in the world's key time zones products from a range of asset classes and based on the major currencies. With ISE, we are acquiring the most attractive partner that will allow us to considerably expand our business into the US.
- We not only expect volumes to continue to rise, but also believe that ISE's attractive margins and high profitability will set it apart from the competition in the future, too.
- The transaction underlines our approach of combining strong organic growth with value-adding acquisitions.

New management structure

We will implement our strategy for further growth with a new management structure and with a management team that also includes some new members. We announced this structure in March, and will be implementing it in the course of the second quarter. The aim is to improve the Group's focus on client requirements and increase efficiency further. We are positioning ourselves along the value chain in the three market areas, cash market, derivatives market and securities settlement and custody, and are streamlining our decision-making processes at the same time. This new structure serves to strengthen our integrated business model that covers various stages in the securities process chain from a single source.

In the future, each market area will be represented by a member of the Executive Board who will be responsible for that area's results. The body will consist of six members under my leadership, including CFO Thomas Eichelmann and the Executive Board member responsible for IT, Michael Kuhn. Frank Gerstenschläger will assume responsibility for the new cash market area. Andreas Preuss and Jeffrey Tessler will maintain their positions of responsibility for derivatives and clearing and securities settlement and custody respectively. There will be no member of the Executive Board for Operations. Market Data & Analytics, which contains data and index business, is to be reallocated to the Derivatives Market division.

In future, we will focus on our clients even more so than in the past, and create added value for them and for our shareholders with increased innovative strength and shorter decision chains. The market areas will drive product development better, faster and with a higher degree of integration than before, and will take client needs into account. The central divisions will concentrate more heavily on managing the Group.

Deutsche Börse is also reorganizing its decision chains with the new management structure. In the past, decisions relevant to the market were made in a committee structure. In the future they are to be made in the market areas where they will be implemented and under whose area of responsibility they fall. Interdepartmental, strategic and major decisions will be made by the Executive Board.

The management structure is separate from the aforementioned ring fencing. The two issues are often confused, although their objectives are different. In one case, we are redefining the management of the company with respect to the individuals in top positions and streamlining the decision-making process. In the other, we are talking about reshaping the legal structure of the Group to increase capital efficiency. Our new management structure will still be in place after any changes to the Group structure, as we are maintaining our integrated business model.

Ladies and Gentleman,

I would like to conclude by summarizing my statements:

§ Financial year 2006 was the most successful year in the history of the Deutsche Börse Group to date. Deutsche Börse Group had higher sales revenue and higher earnings than any other stock exchange organization in the world in 2006.

§ Deutsche Börse has a strong starting position for further growth due to its attractive business portfolio and earnings power, also in an international context.

§ We have identified three approaches for organic growth: we will identify and foster structural growth trends, develop and introduce new products and services in existing and new asset classes and investigate and move into new markets and regions. There is considerable potential out there, and we want to exploit it systematically.

§ We will further develop our successful business model whilst ensuring systematic cost management as in the past.

§ The further optimization of the capital structure is one of our key goals – we intend to continue to distribute funds that are not required for operations to our shareholders.

§ The takeover of ISE is an investment in our future profitable growth on the highly attractive derivatives market at a price that creates value. This acquisition is a key milestone that will accelerate the organic growth path which is one of our top priorities.

§ We have set the course for further growth in all business areas, and with our new management structure, will focus even more on our clients than in the past, as well as creating added value for them and for our shareholders with increased innovative strength and shorter decision chains.

§ The strong start to the year supports our expectation that we will be able to set new records with respect to both sales revenues and earnings in financial year 2007, too.

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Dear Shareholders

As you will have realized, we have a great deal of self-confidence at Deutsche Börse. This is something of which we are more than aware, and we don’t feel any need to hide it either. After all, the achievements of our employees in 2006 are anything but a matter of course. We are proud of these achievements, which motivate us to achieve even more in 2007. I am very optimistic that we will succeed in doing so. Thank you.