



Deutsche Börse Group

Half-yearly financial report

Quarter 2/2021

Q2/2021: Deutsche Börse Group reports good second quarter in line with expectations for the year

Overview of quarterly results

- Deutsche Börse Group increased its net revenue in the second quarter by 13 per cent to €881.7 million (Q2/2020: €777.5 million).
- Cyclical headwinds were more than offset by secular growth, M&A activity and positive valuation effects.
- Earnings before interest, tax, depreciation and amortisation (EBITDA) rose to €518.0 million, an increase of 18 per cent (Q2/2020: €440.7 million).
- Net profit for the period attributable to Deutsche Börse AG shareholders was €310.9 million (Q2/2020: €256.7 million); earnings per share came to €1.69 (Q2/2020: €1.40).
- Net revenue only rose by 3 per cent to €1,736.8 million in the first half of 2021, as the comparable figures for the previous year were high due to COVID-19 (H1/2020: €1,692.3 million). Net profit for the period was €628.2 million (H1/2020: €623.9 million), close to the previous year's level.
- Having completed the first half of its financial year the Group confirms its guidance of increasing net revenue to around €3.5 billion and EBITDA to around €2.0 billion.

Overview of material events

Deutsche Börse Group announced in late February 2021 the successful closing of a transaction to acquire a majority stake of 81 per cent in Institutional Shareholder Services Inc. (ISS), a provider of governance solutions, ESG data and analytics. The business operations of ISS and Deutsche Börse are highly complementary. Together the two companies will meet the steadily growing demand for detailed data, research solutions and analysis of non-financial information, particularly relating to ESG criteria.

Deutsche Börse Group completed the acquisition of the remaining 48.8 per cent of Clearstream Fund Centre (CFC) from UBS on 1 June 2021, making it the sole owner of the fund distribution platform based in Zurich. Deutsche Börse Group acquired the first 51.2 per cent of CFC in September 2020.

Deutsche Börse Group announced on 29 June 2021 that it had signed binding contracts for the acquisition of Crypto Finance AG, Zurich, Switzerland (Crypto Finance), an independent finance group that offers trading, custody and investment services for digital assets to institutional and professional clients. The Group will then hold a two-thirds majority of the company, which was established in 2017. The remaining shares will continue to be held by existing investors, including the management. Crypto Finance will be able to continue scaling its business with digital assets as part of Deutsche Börse Group and extend its range of services.

Group interim management report Q2/2021

Fundamental information about the Group

The fundamental information about the Group described on [pages 21 to 31 of the Annual Report 2020](#) is still valid taking into consideration the section “Comparability of figures”.

Comparability of figures

Changes in the basis of consolidation

Deutsche Börse Group modified its segment reporting as of the first quarter of 2021. The business operations of ISS will be reported in a new segment in future: ISS (Institutional Shareholder Services).

Furthermore, as of the 2021 financial year the company no longer adjusts the performance indicators in the consolidated income statement for exceptional effects. Thus, solely the reported IFRS figures, including all underlying factors, are used as the corporate steering mechanism.

Material business relationships with related parties and key management personnel

Details of material business relationships with related parties and key management personnel are provided in [note 13 to the condensed consolidated financial statements](#).

Report on the economic position

Deutsche Börse Group’s business activities have not changed significantly compared with the description in the [Annual Report 2020 \(page 21\)](#). The acquisition of ISS does mean, however, that Deutsche Börse Group is expanding its business activities to include governance solutions, ESG data and analytics.

At the start of the year the rate of new COVID-19 infections initially seemed to be declining globally, but then another wave of infections swept through Europe and Asia, partly in connection with the appearance of new SARS-CoV-2 variants. Repeated lockdowns with restrictions for economic and social life were the result. In the USA, by contrast, a broad-based vaccination campaign was able to minimise a resurgence of new infections. Progress with vaccination in Europe started to show an effect in the middle of the second quarter. The resulting success in containing the COVID-19 pandemic led to brighter growth prospects globally, supported by positive economic indicators. Accordingly, in its World Economic Outlook in April 2021 the International Monetary Fund (IMF) raised its forecast for the growth of the world economy this year to 6.0 per cent (USA: 6.4 per cent; EU: 4.4 per cent; Germany: 3.6 per cent).

High liquidity levels, supported by the internationally stimulating expansive fiscal policies of the major economic powers, ensured that market participants remained bullish. Market uncertainty declined accordingly. Market volatility, as measured by the VSTOXX index, was very low at the end of the first half-year, below its five-year average. This reduced the need for market participants to hedge their positions with financial derivatives. Optimism regarding a fast economic recovery, combined with companies' higher average earnings forecasts, also drove inflation expectations. Although long-term interest rates went up significantly in part because of that, particularly in the USA, stock markets were unimpressed. Indeed, the main share indices reached new historic highs in the second quarter.

Beyond the effects described, the macroeconomic and sector-specific environment did not change significantly compared to the presentation in the [Annual Report 2020 \(page 32\)](#).

There were no changes in terms of company management in the first half-year 2021. For a full description please refer to the [Annual Report 2020 \(pages 26 to 28\)](#).

Results of operations

Key figures on results of operations of Deutsche Börse Group (reported)

	Second Quarter 1 Apr - 30 Jun			First Half-year 1 Jan - 30 Jun		
	2021 €m	2020 €m	Change %	2021 €m	2020 €m	Change %
Net revenue	881.7	777.5	13	1,736.8	1,692.3	3
Staff	-257.1	-220.0	17	-485.6	-416.1	17
Other operating expense	-126.1	-122.6	3	-244.1	-244.9	0
Operating costs	-383.2	-342.6	12	-729.7	-661.0	10
Net Inc. Financial Investments	19.5	5.8	236	32.1	1.9	1589
Earnings before interest, tax, depreciation and amortisation (EBITDA)	518.0	440.7	18	1,039.2	1,033.2	1
Depreciation, amortisation and impairment losses	-70.8	-62.6	13	-132.5	-124.6	6
Earnings before interest and tax (EBIT)	447.2	378.1	18	906.7	908.6	0
Financial Result	-11.3	-18.4	-39	-25.2	-34.9	-28
Earnings before tax (EBT)	435.9	359.7	21	881.5	873.7	1
Tax	-113.4	-93.3	22	-229.2	-226.7	1
Net Income	322.5	266.4	21	652.3	647	1
Net profit for the period attributable to Deutsche Börse AG shareholders	310.9	256.7	21	628.2	623.9	1
Earnings per share (basic) (€)	1.69	1.40	21	3.42	3.40	0

Result of Group operations in the second quarter of 2021

The economic environment as described in the macroeconomic section of this report also had an impact on the business activities of Deutsche Börse Group, essentially by way of cyclical effects. The economic optimism of market participants, combined with a low volatility index, led to moderate market activity in financial derivatives, particularly in equity index derivatives in the Eurex segment (financial derivatives). The Xetra segment (cash equities) also saw the volume of its order book decrease due to lower trading activity, even although shares and share indices reached new highs. Persistently low interest rates continued to depress net interest income from banking business in the Clearstream (post-trading) segment, particularly for cash deposits in US dollars. By contrast, the segment EEX (commodities) performed well and also the IFS (investment fund services) segment developed positively, amongst other reasons due to its fund distribution business, which reported further secular and M&A growth. The new ISS segment (Institutional Shareholder Services) was shown over a full reporting period for the first time in the second quarter of 2021. As a result, it also contributed to the M&A growth of Deutsche Börse Group.

In view of the above, Deutsche Börse Group reported an increase of 13 per cent in net revenue to €881.7 million (Q2/2020: €777.5 million). A cyclical decline in net revenue was partly offset by secular growth, primarily in the IFS segment. M&A-related growth stemmed mainly from the acquisitions of ISS and UBS Fondcenter AG (Clearstream Fund Centre) and more than made up for cyclical factors. Net revenue for the Group also included a positive valuation effect of around €40 million from the acquisition of the remaining shares in Clearstream Fund Centre. This resulted from the revaluation of the financial liability based on the agreed purchase price, which was shown in the IFS segment. Further income of around €7 million was generated in connection with the disposal of the Regulatory Reporting Hub in the Xetra (cash equities) segment at the end of 2020.

Operating expenses came to €383.2 million (Q2/2020: €342.6 million). The increase of 12 per cent is wholly due to the M&A-related growth in the form of the acquisitions mentioned above. Staff costs accounted for the majority of the increase.

Adjusted earnings before interest, tax, depreciation and amortisation (EBITDA) for Deutsche Börse Group rose by 18 per cent to €518.0 million (Q2/2020: €440.7 million). This includes the significantly increased result from financial investments of €19.5 million (Q2/2020: €5.8 million). This benefited from the positive development of diverse minority investments, such as Clarity AI, Inc., Tradegate AG Wertpapierhandelsbank and 360X AG.

Amortisation, depreciation and impairment losses came to €70.8 million (Q2/2020: €62.6 million), whereby the increase resulted mainly from the allocation of purchase prices for business combinations, which came to €24.8 million in total (Q2/2020: €10.4 million). The financial result amounted to €-11.3 million (Q2/2020: €-18.4 million). The previous year's financial result in the second quarter included costs associated with the issuance of a hybrid bond.

Overall, net profit for the period attributable to Deutsche Börse AG shareholders in the second quarter of 2021 was €310.9 million (Q2/2020: €256.7 million), representing a year-on-year increase of 21 per cent. Earnings per share came to €1.69 (Q2/2020: €1.40) at an average of 183.5 million shares. Earnings per share before the effects of purchase price allocations (cash EPS) were €1.79 (Q2/2020: €1.44).

Gregor Pottmeyer, CFO of Deutsche Börse AG, made the following comments on the results: “Especially in a cyclically challenging market environment like the second quarter of 2021 the importance of M&A growth becomes clear and confirms our strategy. Also our minority investments are of growing relevance for our business. So we remain confident of achieving our growth targets for 2021.”

Result of Group operations in the first half of 2021

Net revenue for Deutsche Börse Group came to €1,736.8 million in the first half of 2021 (H1/2020: €1,692.3 million), an increase of 3 per cent. Cyclical headwinds in connection with high comparable figures for the previous year were more than offset by secular growth, M&A growth and positive valuation effects. The claim for reimbursement of legal costs of around €17 million in the Clearstream segment also had a positive effect on net revenue in the first quarter.

Operating costs rose by 10 per cent to €729.7 million (H1/2020: €661.0 million), whereby the increase is due wholly to M&A-related growth.

EBITDA of €1,039.2 million (H1/2020: €1,033.2 million) was slightly above the previous year and includes the result from financial investments of €32.1 million (H1/2020: €1.9 million). This increased significantly due to the positive development of diverse minority investments.

Net profit for the period attributable to Deutsche Börse AG shareholders was €628.2 million (H1/2020: €623.9 million), which was also slightly above the level in the same period of the previous year.

Eurex (financial derivatives) segment

Key indicators Eurex (financial derivatives) segment

	Second Quarter 1 Apr - 30 Jun			First Half-year 1 Jan - 30 Jun		
	2021	2020	Change	2021	2020	Change
	€m	€m	%	€m	€m	%
Net revenues	243.7	271.5	-10	505.7	617.8	-18
Equity index derivatives	94.3	131.0	-28	200.7	325.2	-38
Interest rate derivatives	55.0	44.5	24	116.6	106.1	10
Equity derivatives	13.8	11.8	17	26.1	26.6	-2
OTC-Clearing	13.1	13.8	-5	26.4	26.8	-1
Eurex data	15.2	14.9	2	30.1	29.7	1
Other	52.3	55.5	-6	105.8	103.4	2
Operating costs	-90.4	-92.3	-2	-179.5	-175.8	2
EBITDA	154.3	184.1	-16	333.0	442.1	-25

Second quarter of 2021

Good economic indicators and the resulting reduction in market volatility compared with the previous quarter meant that capital markets became calmer in the second quarter of 2021. This reduced the need to hedge portfolios with financial derivatives, which in turn led to a decline in trading volumes, particularly for equity index derivatives. Interest rate derivatives, on the other hand, saw significantly higher volumes. Important factors in this context are the higher inflation expectations and the related higher long-term interest rates, both in the USA and in Europe. Trading in equity derivatives corresponds to the relatively high prices for shares and thus rose accordingly. Contract volumes across all product groups fell year-on-year by 3 per cent to 425 million traded financial derivatives. Lower market volatility meant that the collateral posted for trading in financial derivatives also declined, resulting in lower net revenues.

Clearing of interest rate derivatives denominated in euros again performed well in the second quarter. The outstanding notional volume at the end of the reporting period was thus 19 per cent up on the year at €22.5 trillion. This represents a global market share of some 22 per cent for OTC interest rate derivatives denominated in euros. Incentive programmes for transferring interest rate derivatives portfolios to Eurex Clearing offer customers targeted support in migrating their positions to the EU-27.

Net revenue in the Eurex segment declined by 10 per cent in the second quarter, due mainly to lower trading in equity index derivatives. Segment EBITDA fell by 16 per cent despite slightly decreasing operating costs.

First half of 2021

Business in the Eurex segment was characterised above all by lower market volatility and lower trading activity in the first half of 2021. Trading volumes fell, as expected, reducing net revenue by 18 per cent compared with the exceptionally strong first half-year of 2020. EBITDA was down by 25 per cent.

EEX (commodities) segment

Key indicators EEX (commodities) segment

	Second Quarter 1 Apr - 30 Jun			First Half-year 1 Jan - 30 Jun		
	2021	2020	Change	2021	2020	Change
	Mio. €	Mio. €	%	Mio. €	Mio. €	%
Net revenue	76.6	71.2	8	156.1	153.0	2
Power spot	16.9	17.1	-1	34.8	36.0	-3
Power derivatives	26.5	28.9	-8	54.2	61.7	-12
Gas	12.0	10.4	15	27.0	22.0	23
Other	21.2	14.8	43	40.1	33.3	20
Operating costs	-42.0	-44.2	-5	-87.2	-86.8	0
EBITDA	34.6	26.9	29	68.9	66.0	4

Second quarter of 2021

Trading on electricity spot markets was flat year-on-year in the second quarter of 2021. Intraday markets in particular reported a positive performance. The EEX group also established itself successfully in the Nordic region just one year after starting electricity spot trading there. Its positive performance was offset by stronger competition and a decline in the overall market for the day-ahead segment in Germany.

Trading volume on the power derivatives markets was down on the same quarter of the previous year. This was due to a strong quarter last year, when lockdowns in European countries in March and April 2020 led to exceptionally high trading activity. Although the recovery of markets overall in 2021 – which is a key growth driver for the EEX group – depends on the further lifting of COVID restrictions, the EEX group gained market share in all main market segments and strengthened its competitive position. Its successful growth strategy was also evident in Japan. In less than twelve months EEX has established itself here as the market leader in power derivatives trading and reached a share of 88 per cent of the exchange market in the first half-year of 2021.

Trading volume on the gas markets was up by 6 per cent on the same quarter of the previous year. This performance was largely due to higher trading volumes on gas spot markets, particularly in Germany and France as well as the Austrian CEGH market area, whereas trading volumes on gas derivatives markets was lower year-on-year. EEX launched the financially settled gas futures in three market areas (Germany, the Netherlands and Austria) on 28 June 2021 and expects a positive impact on gas derivatives trading.

Altogether the EEX group reported an increase in net revenue of 8 per cent across all product groups in the second quarter of 2021. EBITDA rose by 29 per cent.

First half of 2021

Net revenue in the EEX segment was up by 2 per cent in the first half-year of 2021, whilst EBITDA grew by 4 per cent.

360T (foreign exchange) segment

Key indicators 360T (foreign exchange) segment

	Second Quarter 1 Apr - 30 Jun			First Half-year 1 Jan - 30 Jun		
	2021	2020	Change	2021	2020	Change
	€m	€m	%	€m	€m	%
Net revenue	25.6	23.6	8	52.0	51.2	2
Trading	17.5	16.1	9	35.2	35.0	1
Other	5.9	4.3	37	11.6	8.9	30
GTX	2.2	3.2	-31	5.2	7.3	-29
Operating costs	-13.3	-13.1	2	-25.7	-27.9	-8
EBITDA	14.0	10.5	33	28.0	23.3	20

Second quarter of 2021

The 360T segment reported a year-on-year increase of 11 per cent in average daily volume in the second quarter of 2021. Although the decline in FX volatility, measured by EUR/USD volatility, had a negative impact, particularly on trading volumes in the 360TGTX spot business, forwards and swaps reported solid growth.

Ongoing client growth and the resulting new connections and additional trading volumes on the 360T trading platforms offset these negative cyclical effects. This shows that the secular growth drivers of 360T are intact and confirms its further growth potential.

Migrating the listed FX derivatives to the T7 trading infrastructure at Eurex now also gives clients the opportunity to trade and settle FX business via an identical platform. The OTC FX clearing product was also activated in March.

Net revenue in the 360T segment grew year-on-year by 8 per cent. EBITDA improved by 33 per cent. This includes a positive valuation effect of the investment in 360X AG measured at fair value in the amount of €1.7 million.

First half of 2021

Although the segment was still faced with exceptionally high comparative figures for the previous year in the first quarter, relative gains in the second quarter more than made up for this. 360T increased its net revenue by 2 per cent in the first half-year. EBITDA grew by 20 per cent.

Xetra (cash equities) segment

Key indicators Xetra (cash equities) segment

	Second Quarter 1 Apr - 30 Jun			First Half-year 1 Jan - 30 Jun		
	2021	2020	Change	2021	2020	Change
	€m	€m	%	€m	€m	%
Net revenue	93.9	94.4	-1	187.1	195.8	-4
Trading and clearing	44.4	53.5	-17	98.4	114.9	-14
Listing	4.9	3.7	32	9.6	8.2	17
Infrastructure	11.3	11.1	2	22.1	21.9	1
Xetra data	33.3	26.1	28	57.0	50.8	12
Operating costs	-36.1	-39.5	-9	-70.2	-73.9	-5
EBITDA	65.0	56.1	16	131.7	124.6	6

Second quarter of 2021

Cash equities trading took place in a generally benign market environment in the second quarter of 2021. A good economic outlook combined with companies' higher earnings expectations resulted in record highs for some shares and ETP (exchange-traded products). Order book volumes were down, by contrast, which was due mainly to lower market volatility, and reduced trading activity as a result. Increased competition in this environment reduced Xetra's market share as the reference market for trading in DAX shares to 68 per cent.

The good market conditions encouraged eleven companies to go through with an initial public offering (IPO) in the second quarter of 2021 alone, more than in the whole of the year 2020. Amongst others, the flotation of software specialist Suse S.A. took place in May and the IPO of the online fashion retailer About You Holding AG in the Prime Standard in June.

The sale of Regulatory Services GmbH – the regulatory reporting hub of Deutsche Börse Group – to MarketAxess Holdings Inc. at the end of last year resulted in delayed income of around €7 million, which was attributed to Xetra Data.

Net revenue in the Xetra segment fell by 1 per cent in the second quarter of 2021, whereas EBITDA rose by 16 per cent. The business of Tradegate AG Wertpapierhandelsbank remained strong in 2020 thanks to much greater activity by private investors, and its equity method measurement had a positive impact on the result from financial investments which amounts to around €7 million in total.

First half of 2021

Performance in the first half-year was characterised by relatively strong cash equities trading, which did not match last year's significantly higher volumes, however. Net revenue was down by 4 per cent in the first half-year of 2021. EBITDA was up by 6 per cent thanks to positive effects from the valuation of Tradegate AG Wertpapierhandelsbank.

Clearstream (post-trading) segment

Key indicators Clearstream (post-trading) segment

	Second Quarter 1 Apr - 30 Jun			First Half-year 1 Jan - 30 Jun		
	2021	2020	Change	2021	2020	Change
	€m	€m	%	€m	€m	%
Net revenue	201.5	212.6	- 5	428.3	448.3	-4
Custody	110.8	106.7	4	217.7	213.7	2
Settlement	28.0	29.9	- 6	66.2	60.3	10
Net interest income from banking business	11.9	24.8	- 52	24.8	73.1	-66
Third party services	5.8	5.9	- 2	13.5	13.7	-1
Collateral management	20.0	20.3	- 1	39.1	39.9	-2
Other	25.0	25.0	0	67.0	47.6	41
Operating costs	-97.0	-92.5	5	-186.7	-172.8	8
EBITDA	104.8	119.9	- 13	241.5	274.8	-12

Second quarter of 2021

Issuance activity on the bond market driven by corporates as well as the public sector due continued throughout the second quarter of 2021. Amongst others this development led to a higher average value of assets under custody in the central securities depository (CSD) and international central securities depository (ICSD). Settlement transactions were on the same level as in the second quarter of the previous year due to relatively high trading activity in shares and bonds. Here, the proportion of volumes traded on exchange increased.

Due to central banks' monetary policy measures related to the COVID-19 pandemic, especially in the US, reference rates have remained on a level of around zero or even below that on both sides of the Atlantic since March 2020. Throughout the second quarter of 2021, this continued to weigh on net interest income from cash deposits across all currencies in the banking business. Furthermore, the lower average amount of cash deposits also had a negative impact on net interest income.

Average outstanding volumes in collateral management and securities lending decreased in the reporting period by around 3 per cent. Whilst net revenue in collateral management (Repo and Tri-Party Collateral Service) is directly related to the volumes outstanding, central banks' money market measures are still leading to ample liquidity in the market, thus putting lending fees under pressure. Newly won customers offset the decrease in volumes, leading to flat net revenue in total compared to the same period of the previous year.

Net revenue in the Clearstream segment decreased by 5 per cent due mainly to declining net interest income from banking business. EBITDA fell by 13 per cent.

First half of 2021

During the first half of 2021, net revenue in the Clearstream segment benefited from an exceptional effect related to the claim of a reimbursement of legal costs of around €17 million. However, the pressure resulting from the low interest rate environment led to a decline in net revenue of 4 per cent. EBITDA was down by 12 per cent compared to the same period of the previous year.

IFS (investment fund services) segment

Key indicators IFS (investment fund services) segment

	Second Quarter 1 Apr - 30 Jun			First Half-year 1 Jan - 30 Jun		
	2021	2020	Change	2021	2020	Change
	€m	€m	%	€m	€m	%
Net revenue	122.9	50.8	142 ¹	205.6	106.4	93 ¹
Custody	27.5	20.2	36	53.7	41.1	31
Settlement	22.1	16.4	35	45.2	34.6	31
Fund distribution	19.5	n/a	n/a	36.0	n/a	n/a
Other	53.8	14.2	279	70.7	30.7	130
Operating costs	-31.5	-32.0	-2	-61.5	-58.6	5
EBITDA	91.1	18.8	385	143.7	47.8	201

1) Organic growth in net revenue of 97% (First half-year: 59%).

Second quarter of 2021

The IFS segment saw significant increases in custody as well as in the settlement of funds during the second quarter of 2021. This confirms the continuing growth trend in the investment fund services business. Accordingly, assets under custody grew by 26 per cent. The number of transactions settled increased by 8 per cent.

Since the foundation of Clearstream Fund Centre in the fourth quarter of 2020 this service is being reported separately. The new business segment fund distribution developed very positively. The net revenue benefitted from secular growth, amongst others from gaining new clients for fund distribution services, and M&A growth. As the centre of competence for global fund distribution services within Deutsche Börse Group, this segment held over €300 billion of assets under administration at the end of the quarter.

As of 1 June 2021, Deutsche Börse Group closed the acquisition of the outstanding 49 per cent stake of Clearstream Fund Centre from UBS earlier than planned and has thus become the sole shareholder in the Zurich-based fund distribution platform. The transaction had a positive one-time effect on valuation of €40 million which is included in the net revenue.

Net revenue in the IFS segment increased by 142 per cent in the second quarter 2021. The segment's EBITDA grew by 385 per cent. The organic net revenue growth increased by 97 per cent and the organic EBITDA growth lay at 252 per cent including the above mentioned valuation effect.

First half of 2021

When considering the whole first half of the year 2021, the growth trend of the segment is also clearly visible and net revenue has grown across all business lines. Overall net revenue was up by 93 per cent. EBITDA even increased by 201 per cent. When excluding Clearstream Fund Centre, net revenue grew by 59 per cent and EBITDA by 132 per cent.

Qontigo (index and analytics business) segment

Key indicators Qontigo (index and analytics business) segment

	Second Quarter 1 Apr - 30 Jun			First Half-year 1 Jan - 30 Jun		
	2021	2020	Change	2021	2020	Change
	€m	€m	%	€m	€m	%
Net revenue	57.6	53.4	8	120.8	119.8	1
ETF licences	10.0	7.6	32	19.0	15.7	21
Exchange licenses	7.6	6.8	12	16.5	19.4	-15
Axioma	15.2	14.2	7	32.4	35.0	-7
Other licences	24.8	24.8	0	52.9	49.7	6
Operating costs	-27.4	-29.0	-6	-57.6	-65.2	-12
EBITDA	40.7	24.4	67	73.7	54.6	35

Second quarter of 2021

In the index business, growing economic optimism combined with expansive fiscal policies, produced record highs in both the STOXX and DAX indices in the second quarter of 2021. Average assets under management in ETF (exchange traded funds) based on STOXX and DAX indices rose accordingly by 33 per cent.

Exchange licence revenue is linked mainly to trading volumes in STOXX and DAX index derivatives on the Eurex. As described in the Eurex segment, the volume of equity index derivatives fell partly due to lower volatility, which resulted in a decrease of 24 per cent in exchange licence volumes in this area. In addition, the comparative figures for the previous year were exceptionally high. In terms of other licensing fees, net revenues were on the same level as in the same quarter in the previous year.

The average contract volume in the analytics business performed well in the second quarter of 2021. The higher euro/US dollar exchange rate meant that net revenue for this business, which depends mainly on the order value, and for which part of the revenue is linked to the timing of the transaction, almost matched the level of the same quarter in the previous year.

The former equity method measurement of Clarity AI, Inc. had a positive valuation effect of some €10 million on the result from financial investments.

Altogether, the Qontigo segment reported an increase in net revenue of 8 per cent in the second quarter of 2021. EBITDA was up by 67 per cent.

First half of 2021

The general trend in the first quarter of 2021 continued in the second quarter. The segment increased its net revenue slightly by 1 per cent and its EBITDA by 35 per cent.

ISS segment (Institutional Shareholder Services)

Key indicators ISS (Institutional Shareholder Services) segment

	Second Quarter 1 Apr - 30 Jun			First Half-year 25 Feb - 30 Jun		
	2021	2020	Change	2021	2020	Change
	€m	€m	%	€m	€m	%
Net revenue	59.9	n/a	n/a	81.2	n/a	n/a
ESG	43.3	n/a	n/a	58.0	n/a	n/a
Non-ESG	16.6	n/a	n/a	23.2	n/a	n/a
Operating costs	-45.5	n/a	n/a	-61.3	n/a	n/a
EBITDA	13.5	n/a	n/a	18.7	n/a	n/a

Second quarter of 2021

The new ISS segment (Institutional Shareholder Services) was shown over a full reporting period for the first time in the second quarter of 2021. The net revenue summarised under ESG includes the Corporate Solutions, ESG Analytics and Governance Solutions businesses. The Non-ESG net revenue contains the business areas Market Intelligence, Media as well as amongst others the entities FWW (fund data), LiquidMetrics and SCAS (Securities Class Action Services).

In the second quarter, the Corporate Solutions business benefited from increasing demand from companies seeking to comply with current market standards, particularly in terms of governance. As a leading provider ISS helps them to develop and manage corporate governance, remuneration systems and sustainability programmes.

In its fast-growing ESG Analytics business, ISS enables institutional investors to develop sustainable investment strategies and to engage with questions of responsible investment. ESG Research and Ratings as well as climate data also let clients identify and manage material opportunities and risks in their environmental and social policies.

With its well-established business, Governance Solutions, ISS offers extensive, globally leading solutions that enable institutional investors to apply their perspective on corporate governance, identify ESG risks and manage the exercise of their voting rights on a global basis.

In addition, the segment continued the inorganic expansion of its product range in the governance, data and research space in the second quarter with the acquisitions of Nordic Investor Service and Genesys Research.

The ISS segment reported net revenue of €59.9 million and EBITDA of €13.5 million in the second quarter.

First half of 2021

Net revenue in the first half-year of 2021 came to €81.2 million and EBITDA to €18.7 million.

Financial position

Cash flow

Due to the acquisition of Institutional Shareholder Services (ISS), Deutsche Börse Group had a negative cash flow of €801.0 million in the first half-year of 2021 (H1/2020: positive cash flow of €253.1 million). The cash flow from operating activities was €649.6 million (H1/2020: €815.3 million) before taking into account changes in CCP positions and was due largely to the net profit of €652.3 million (H1/2020: €647.0 million) and cash outflows resulting from changes in net working capital. In the first half-year 2021, the cash outflows from investment activities were €1,900.9 million (H1/2020: €227.9 million) and were characterised mainly by the acquisition of ISS which resulted in a cash outflow of €1,653.3 million. At €81.9 million (H1/2020: €78.9 million), investments in intangible assets and property, plant and equipment were almost stable year-on-year. The cash flow from financing activities essentially comprises the distribution of a dividend for the 2020 financial year of €550.6 million (H1/2020: €531.9 million), the issuance of a €1.0 billion bond in order to acquire ISS and the issuance of commercial papers in the amount of €0.7 billion. The acquisition of the remaining 48.8 per cent of the shares of CFC (formerly Fondcenter AG) resulted in a cash outflow of €356 million.

Cash and cash equivalents totalled €1,675.1 million as at 30 June 2021 (30 June 2020: €2,397.0 million). The cash and bank balances totalled €904.1 million (30. Juni 2020: €1,030.8 million).

Capital management

The Group's clients generally expect it to maintain conservative interest coverage and leverage ratios, and to achieve a good credit rating. In order to achieve the minimal financial risk profile in accordance with the S&P methodology that is consistent with an AA rating, the company aims for a ratio of Free Funds from Operations (FFO) to net debt of at least 50 per cent, a ratio of net debt to EBITDA of no greater than 1.75 and an interest coverage ratio of at least 14. Due to the acquisitions in the first half-year of 2021, especially the acquisition of a majority interest in ISS and the acquisition of the remaining shares of Clearstream Fund Centre, Deutsche Börse Group expects the ratio FFO to net debt to temporarily fall below and its net debt to EBITDA ratio to temporarily exceed the before mentioned thresholds. In the first half-year of 2021 Deutsche Börse Group reached a ratio of FFO to net debt of 41 per cent, a ratio of net debt to EBITDA of 1.8 and an interest rate coverage ratio of 49. These ratios are based on annualised half-year numbers for FFO of around €781 million, EBITDA of around €1,028 million and forecast net debt at year-end of around €3.8 billion. Details of how the figures are calculated are provided [in the Financial position section of the Annual Report 2020 on pages 46-47](#). Furthermore, the company endeavours to maintain the strong AA credit rating of its subsidiaries Clearstream Banking S.A. and Clearstream Banking AG, in order to ensure the long-term success of its Clearstream securities settlement and custody segment.

Dividends

Deutsche Börse Group generally aims to distribute dividends equivalent to between 40 and 60 per cent of net profit for the period attributable to the shareholders of Deutsche Börse AG. Within this range, the Group manages the actual payout ratio mainly relative to the business performance and based on continuity considerations. In addition, Deutsche Börse AG plans to invest the remaining available funds primarily in the Group's complementary external development. Should the Group not be able to invest these funds, additional distributions, particularly in the form of share buy-backs, would be another possible use for them.

Deutsche Börse AG distributed a dividend for the 2020 financial year of €3.00 per share on 22 May 2021 (in 2020 for the 2019 financial year: €2.90). The distribution ratio was therefore 51 per cent (in 2020 for the 2019 financial year: 53 per cent, on the basis of reported figures). With 183.5 million shares entitled to dividends, this resulted in a total distribution of €550.6 million (in 2020 for the 2019 financial year: €531.9 million).

Net assets

The following section shows excerpts from the consolidated statement of financial position, describing material changes to net assets. The full consolidated balance sheet is shown [in the condensed consolidated financial statements](#).

The increase in the balance sheet total compared to 31 December 2020 is shown, on the one hand, by the issuance of bonds for refinancing the acquisition of Institutional Shareholder Services (ISS) and on the other hand, by the volatility of trading activity on the cash and derivatives markets. This results in fluctuations in the financial instruments of the central counterparties, receivables and liabilities from banking business as well as the cash deposits of market participants. The amount of these positions changes daily according to the needs and actions of our clients.

Consolidated balance sheet (extract)

	30 June 2021 €m	31 Dec 2020 €m
ASSETS	172,439.8	152,767.7
Non-current assets	20,477.9	14,596.7
thereof intangible assets	7,671.7	5,723.2
thereof goodwill	5,274.3	3,957.6
thereof other intangible assets	1,827.1	1,255.4
thereof financial assets	11,955.9	8,086.0
thereof strategic investments	170.4	107.0
thereof financial assets measured at amortised cost	1,634.9	997.5
thereof financial instruments held by central counterparties	10,052.6	6,934.7
Current assets	151,961.9	138,171.0
thereof financial instruments held by central counterparties	93,825.3	80,768.1
thereof restricted bank balances	35,827.2	38,420.1
thereof other cash and bank balances	904.1	1,467.3
EQUITY AND LIABILITIES	172,439.8	152,767.7
Equity	6,853.7	6,556.1
Liabilities	165,586.1	146,211.6
thereof non-current liabilities	14,835.8	11,031.4
thereof financial instruments held by central counterparties	10,052.6	6,934.7
thereof financial liabilities measured at amortised cost	4,134.3	3,474.4
thereof deferred tax liabilities	320.1	216.7
thereof current liabilities	150,750.3	135,180.2
thereof financial instruments held by central counterparties	93,424.0	80,673.1
thereof financial liabilities measured at amortised cost	20,039.9	14,630.0
thereof cash deposits by market participants	35,563.6	38,188.8

Report on post-balance sheet date events

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

Risk report

Deutsche Börse Group provides a full description of its risk management framework, strategy, principles, organisational structure, processes, methods and concepts, along with measures to manage and mitigate risks, on [pages 74 to 105](#) of its Annual Report 2020.

The operational risks for Deutsche Börse Group relate to the availability and processing of tangible items, to litigations and to business practices. Details of the operational risks and steps taken to mitigate them are presented [on pages 82 to 90 of the Annual Report 2020 of Deutsche Börse Group](#). Generally speaking, there have been no material changes in the Group's risk profile since 2020 in terms of operational risks.

In January 2020 the WHO declared the outbreak of the COVID-19 pandemic to be a global public health emergency. Since the disease continues to spread worldwide, precautionary measures were coordinated and implemented centrally to ensure the continuity of Deutsche Börse Group's business processes and the health and safety of its employees. They include the introduction of business travel bans, steps to ensure social distancing and the successive activation of all Deutsche Börse Group business continuity plans at all the Group's locations. The continuity solutions are effective and enable Deutsche Börse to maintain stable operations with a minimal on-site presence.

The legal disputes underwent the following change in the first six months of 2021:

On 23 July 2021, the lawsuit that was announced already in an ad-hoc announcement from Air Berlin PLC i. I. dated 25 June 2021, was served on Clearstream Banking AG (CBF). The insolvency administrator in connection with the assets of Air Berlin PLC i.I. requests in such lawsuit that CBF is ordered to pay around €497.8 million and seeks declaratory relief that the court determines that CBF is liable for all debts which are not already approved to the insolvency table. This lawsuit is an attempt to establish in light of Brexit liability pass-through (Haftungsdurchgriff) to CBF as a shareholder entered in Air Berlin's share register. CBF will defend itself against this alleged claim and thus analyze the statement of claim in-depth in the course of the coming days.

For a detailed description of the current status of other legal disputes, see [pages 83 to 88 of the Annual Report 2020 of Deutsche Börse Group](#).

In addition to the cases mentioned in earlier publications, Deutsche Börse Group is occasionally involved in various legal disputes resulting from the course of its normal business. The Group makes provisions for litigations and regulatory matters if it has a present obligation from an event in the past, it is probable that there will be an outflow of resources embodying economic benefits to settle the obligation and the amount of this obligation can be estimated reliably. In such cases there may be a risk of a loss that exceeds the amount of the corresponding provision. The Group does not recognise provisions if the above conditions are not met. When a legal dispute or a regulatory matter arises, the Group assesses on a continuous basis whether the conditions for recognising a provision are met. It may not be possible for the Group to foresee the amount or the range of the potential loss that may result from these cases. On the basis of currently available information, Deutsche Börse Group does not consider overall that the outcome of any of these proceedings will significantly impair its financial performance.

Financial risks exist at Deutsche Börse Group in the form of credit, market and liquidity risks at the banks in the Clearstream Holding group and Eurex Clearing AG. Furthermore, the Group's cash investments and receivables are subject to credit risk. Cash investments are largely made via short-term transactions for which collateral is provided. This minimises liquidity risks and pricing risks of the investment. The Group's risk profile has changed slightly in terms of financial risks compared to 2020. Market risks now amount to around 27% of the capital requirements, while credit risks cover the remaining share. This is about 13 percentage points higher compared to the share at year-end 2020, triggered by both increased investments in sovereign and country bonds and fundamentally higher market price and currency volatility, which affected both the general cash investments and the managed pension portfolios for the Group companies. Details of financial risks are described on pages [91 to 96 of the Annual Report 2020](#).

Business risk reflects the fact that the Group depends on macroeconomic and geopolitical developments and is influenced by other external events, such as changes in the competitive environment or regulatory changes. It also includes business strategy risk, i.e. the impact of risks on the business strategy and possible adjustments to it. External factors, such as a lack of investor confidence in financial markets, may also impact the earnings position. In terms of business risks there have been no material changes to the risk profile of Deutsche Börse Group compared with 2020. The Group monitors potential business risks very carefully, including the possibility of an economic downturn or changes in regulatory requirements, and considers itself to be well positioned in terms of business risk. Details of business risks are described on pages [96 to 98 of the Annual Report 2020](#).

Deutsche Börse Group continually assesses and monitors its risk situation. The value at risk (VaR) model is the main tool used for quantification. The purpose of the VaR model is to determine the amount of capital – given a confidence level defined ex ante – required to cover potential losses incurred within twelve months. Moreover, so-called stress tests are carried out in order to simulate extreme, yet plausible, events and their impact on its risk-bearing capacity. Other risk monitoring methods include complementary risk metrics.

As of 1 January 2021 the Group reduced the confidence level for determining required economic capital (REC) from 99.98% to 99.9%, leaving the corresponding observation period unchanged. This adjustment allows for better comparisons and so better risk management as the capital requirements now have the same confidence level from both the economic and the regulatory perspective.

Due to various factors in different risk classes, the REC for Deutsche Börse Group fell by 13 per cent from €3,157 million as of 31 December 2020 to €2,748 million (measured at a confidence level of 99.98%) as of 30 June 2021. With the new confidence level of 99.9%, the REC for Deutsche Börse Group fell by 8 per cent from €2,203 million as of 31 December 2020 to €2,032 million as of 30 June 2021.

Considering all the risk measurement instruments mentioned above and the risk management system, which it believes to be effective, the Executive Board of Deutsche Börse AG comes to the conclusion that the risk-bearing capacity is sufficient. The same assessment can be made for the first half-year of 2021. Therefore, material changes to the Group's risk situation compared to the one described in the Annual Report 2020 are currently not recognizable by the Executive Board.

Report on opportunities

Deutsche Börse Group's opportunities management aims to identify, evaluate and assess opportunities as early as possible and to turn them into commercial successes. A full description of the management of opportunities and risks is also presented on [pages 105 to 108 of the Annual Report 2020](#).

Deutsche Börse Group has a very broad portfolio of products and services with which it covers all areas of a market infrastructure provider's value creation chain. This makes the Group one of the most broadly based stock exchange organisations in the world. In order to maintain and expand this position the company is pursuing a medium-term growth strategy called Compass 2023. Amongst other things, Deutsche Börse Group is focusing on organic growth opportunities in order to achieve its strategic goals. The Group makes a basic distinction between secular and cyclical opportunities: secular opportunities arise for example as a result of regulatory changes, new client requirements (such as the growing demand for exchange-traded solutions to over-the-counter (OTC) transactions) or from the trend whereby an increasing portion of assets are allocated in passive investment strategies (e.g. index funds). The company can actively exploit these opportunities. Cyclical opportunities on the other hand cannot be influenced directly by the Group and are driven by macroeconomic changes. In addition Deutsche Börse Group intends to seize long-term opportunities arising as a result of the technological transformation.

Growth from M&A is another aspect of the Compass 2023 strategy which is becoming more important. Deutsche Börse Group focuses on areas that are closely related to its strategic growth areas, which include its index and analytics business, ESG, commodities, foreign exchange trading, fixed income trading and investment fund services. It aims to accelerate growth in these areas by means of mergers and acquisitions and make the businesses even more scalable.

Report on expected developments

For the remainder of the 2021 financial year Deutsche Börse Group is not expecting any material divergence from its forecast as presented on [pages 109 to 111 of the consolidated financial statements for 2020](#).

In the first half of 2021 the performance of businesses dependent on cyclical factors (mainly trading in equity index derivatives in the Eurex segment) was somewhat weaker than expected. Secular growth, particularly in the IFS segment, M&A growth, valuation effects and the positive development of diverse minority investments were able to offset this, however. Deutsche Börse Group therefore continues to anticipate an increase in net revenue to around €3.5 billion and an increase in EBITDA to around €2.0 billion.

Consolidated income statement

for the period 1 January to 30 June 2021

	Note	Second Quarter 1 Apr - 30 Jun		First Half-year 1 Jan - 30 Jun	
		2021 €m	2020 €m	2021 €m	2020 €m
Sales revenue	4	1,031.0	837.8	2,054.8	1,797.0
Net interest income from banking business		32.6	53.5	67.2	121.1 ¹
Other operating income		49.3	1.6	68.6	5.2 ¹
Total revenue		1,112.9	892.9	2,190.6	1,923.3
Volume-related costs		- 231.2	- 115.4	- 453.8	- 231.0
Net revenue (total revenue less volume-related costs)		881.7	777.5	1,736.8	1,692.3
Staff costs		- 257.1	- 220.0	- 485.6	- 416.1
Other operating expenses	5	- 126.1	- 122.6	- 244.1	- 244.9
Operating costs		- 383.2	- 342.6	- 729.7	- 661.0
Net income from financial investments		19.5	5.8	32.1	1.9
Earnings before interest, tax, depreciation and amortisation (EBITDA)		518.0	440.7	1,039.2	1,033.2
Depreciation, amortisation and impairment losses		- 70.8	- 62.6	- 132.5	- 124.6
Earnings before interest and tax (EBIT)		447.2	378.1	906.7	908.6
Financial income		20.7	2.2	6.8	3.7
Financial expense		- 32.0	- 20.6	- 32.0	- 38.6
Earnings before tax (EBT)		435.9	359.7	881.5	873.7
Other tax		- 0.8	0	- 1.1	0
Income tax expense		- 112.6	- 93.3	- 228.1	- 226.7
Net profit for the period		322.5	266.4	652.3	647.0
thereof attributable to Deutsche Börse AG shareholders		310.9	256.7	628.2	623.9
thereof attributable to non-controlling interests		11.6	9.7	24.1	23.1
Earnings per share (basic) (€)	10	1.69	1.40	3.42	3.40
Earnings per share (diluted) (€)	10	1.69	1.40	3.42	3.40

1) Previous year adjusted.

Consolidated statement of comprehensive income

for the period 1 January to 30 June 2021

Note	Second Quarter 1 Apr - 30 Jun		First Half-year 1 Jan - 30 Jun	
	2021 €m	2020 €m	2021 €m	2020 €m
Net profit for the period reported in consolidated income statement	322.5	266.4	652.3	647.0
Items that will not be reclassified to profit or loss:				
Changes from defined benefit obligations	10.3	- 1.6	55.8	- 32.2
Equity investments measured at fair value through OCI	- 1.5	3.3	- 1.4	1.1
Deferred taxes	- 2.8	0.4	- 14.8	7.9
	6.0	2.1	39.6	- 23.2
Items that may be reclassified subsequently to profit or loss:				
Exchange rate differences	- 34.4	- 12.1	72.0	- 3.1
Other income from investments accounted for using the equity method	0	0	- 0.3	- 0.4
Remeasurement of cash flow hedges	- 0.2	- 2.2	40.2	0.3
Deferred taxes	0.0	- 0.3	0.0	0.2
	- 34.6	- 14.6	111.9	- 3.0
Other comprehensive income after tax	- 28.6	- 12.5	151.5	- 26.2
Total comprehensive income	293.9	253.9	803.8	620.8
thereof Deutsche Börse AG shareholders	288.7	246.7	766.7	597.4
thereof non-controlling interests	5.2	7.2	37.1	23.4

Consolidated balance sheet

as at 30 June 2021

Assets

	Note	30 Jun 2021 €m	31 Dec 2020 €m
NON-CURRENT ASSETS			
Intangible assets	6		
Software		487.0	383.8
Goodwill		5,274.3	3,957.6
Payments on account and assets under development		83.2	126.3
Other intangible assets		1,827.1	1,255.4
		7,671.7	5,723.2
Property, plant and equipment	6		
Land and buildings		437.7	369.2
Fixtures and fittings		60.4	52.4
IT hardware, operating and office equipment, as well as carpool		97.9	101.7
Payments on account and software in development		5.3	7.0
		601.4	530.4
Financial assets	7		
Financial assets measured at FVOCI			
Strategic investments		170.4	107.0
Debt instruments		3.3	4.4
Debt financial assets measured at amortised cost		1,634.9	997.5
Financial assets measured at FVPL			
Financial instruments held by central counterparties		10,052.6	6,934.7
Other financial assets		94.6	42.4
		11,955.9	8,086.0
Investment in associates and joint ventures		79.8	89.5
Other non-current assets		11.4	6.0
Deferred tax assets		157.8	161.7
Total non-current assets		20,477.9	14,596.7
CURRENT ASSETS			
Debt financial assets measured at FVOCI		1.0	0.5
Debt financial assets measured at amortised cost	7		
Trade receivables		748.7	616.6
Other financial assets		19,941.3	16,225.1
Restricted bank balances		35,827.2	38,420.1
Other cash and bank balances		904.1	1,467.3
Financial assets at FVPL	7		
Financial instruments held by central counterparties		93,825.3	80,768.1
Other financial assets measured at FVPL		33.2	15.8
Income tax assets		125.1	109.5
Other current assets		556.0	548.1
Total current assets		151,961.9	138,171.0
Total assets		172,439.8	152,767.7

Equity and liabilities

	Note	30 Jun 2021 €m	31 Dec 2020 €m
EQUITY			
Subscribed capital		190.0	190.0
Share premium		1,352.4	1,352.4
Treasury shares		- 465.2	- 465.2
Revaluation surplus		- 12.7	- 92.6
Retained earnings		5,316.9	5,183.7
Shareholders' equity		6,381.3	6,168.3
Non-controlling interests		472.4	387.8
Total equity		6,853.7	6,556.1
NON-CURRENT LIABILITIES			
Provisions for pensions and other employee benefits	8	172.2	222.4
Other non-current provisions		133.4	168.0
Financial liabilities measured at amortised cost	7	4,134.3	3,474.4
Financial liabilities measured at FVPL	7		
Financial instruments held by central counterparties		10,052.6	6,934.7
Other financial liabilities at FVPL		4.2	1.5
Other non-current liabilities		19.0	13.9
Deferred tax liabilities		320.1	216.7
Total non-current liabilities		14,835.8	11,031.4
CURRENT LIABILITIES			
Other current provisions		271.7	313.7
Financial liabilities measured at amortised cost	7		
Trade payables		486.8	388.6
Other financial liabilities measured at amortised cost		20,039.9	14,630.0
Cash deposits by market participants		35,563.6	38,188.8
Financial liabilities at FVPL	7		
Financial instruments held by central counterparties		93,424.0	80,673.1
Other financial liabilities measured at FVPL		7.7	174.1
Deferred tax liabilities		247.6	267.1
Other current liabilities		709.0	544.7
Total current liabilities		150,750.3	135,180.2
Total liabilities		165,586.1	146,211.6
Total equity and liabilities		172,439.8	152,767.7

Consolidated cash flow statement

for the period 1 January to 30 June 2021

	Note	First Half-year 1 Jan - 30 Jun	
		2021 €m	2020 €m
Net profit for the period		652.3	647.0
Depreciation, amortisation and impairment losses	6	132.5	124.6
Decrease in non-current provisions		- 27.7	- 4.9
Deferred tax expense/(income)		- 17.0	8.1
Cash flows from derivatives		- 7.1	0
Other non-cash income		- 18.8	41.5
Changes in working capital, net of non-cash items:		- 64.6	- 1.0
Increase in receivables and other assets		- 176.4	- 110.7
Increase in current liabilities		112.3	109.9
Decrease in non-current liabilities		- 0.5	- 0.2
Cash flows from operating activities excluding CCP positions		649.6	815.3
Changes from receivables from CCP positions		- 1,059.4	- 361.2
Changes in liabilities from CCP positions		762.8	283.4
Cash flows from operating activities		353.0	737.5
Payments to acquire intangible assets		- 64.9	- 61.5
Payments to acquire property, plant and equipment		- 17.0	- 17.4
Payments to acquire non-current financial instruments		- 1,189.6	- 358.9
Payments to acquire investments in associates and joint ventures		- 2.0	- 4.7
Payments resulting from business combinations, net of cash acquired		- 1,600.5	- 2.7
Net decrease/(increase) in current receivables and securities from banking business with an original term greater than three months		603.5	- 244.7
Net decrease/(increase) in current liabilities from banking business with an original term greater than three months		- 2.4	93.8
Proceeds from disposals of financial instruments		372.0	368.1
Proceeds from disposals of intangible assets		0	0.1
Cash flows from investing activities		- 1,900.9	- 227.9

	Note	First Half-year 1 Jan - 30 Jun	
		2021 €m	2020 €m
Purchase of treasury shares		0	- 3.2
Payments to non-controlling interests		- 16.6	- 11.8
Repayment of long-term financing		- 356.0	0
Proceeds from long-term financing		998.0	603.6
Repayment of short-term financing		0	- 292.9
Proceeds from short-term financing		701.0	0
Payments of lease liabilities according to IFRS 16		- 28.9	- 20.3
Dividends paid		- 550.6	- 531.9
Cash flows from financing activities		746.9	- 256.5
Net change in cash and cash equivalents		- 801.0	253.0
Effect of exchange rate differences		- 30.6	- 1.5
Cash and cash equivalents as at beginning of period		2,506.7	2,145.4
Cash and cash equivalents as at end of period	9	1,675.1	2,396.9
Additional information to payments reflected within cash flows from operating activities:			
Interest income and other similar income		194.5	293.1
Dividends received		10.0	4.2
Interest paid		- 121.2	- 158.7
Income tax paid		- 281.7	- 218.2

Consolidated statement of changes in equity

for the period 1 January to 30 June 2021

	Attributable to owners of Deutsche Börse AG						Non-controlling interests €m	Total equity €m
	Subscribed capital €m	Share premium €m	Treasury shares €m	Revaluation surplus €m	Retained earnings €m	Shareholders' equity €m		
Balance as at 1 January 2020	190.0	1,344.7	- 471.8	- 52.1	4,724.5	5,735.3	375.3	6,110.6
Net profit for the period	0	0	0	0	623.9	623.9	23.1	647.0
Other comprehensive income after tax	0	0	0	- 22.7	- 3.8	- 26.5	0.3	- 26.2
Total comprehensive income	0	0	0	- 22.7	620.1	597.4	23.4	620.8
Exchange rate differences and other adjustments	0	0	0	0	3.2	3.2	0.6	3.8
Dividends paid	0	0	0	0	- 531.9	- 531.9	- 11.8	- 543.7
Transactions with shareholders	0	0	0	0	- 528.7	- 528.7	- 11.2	- 539.9
Balance as at 30 June 2020	190.0	1,344.7	- 471.8	- 74.8	4,815.9	5,804.0	387.5	6,191.5
Balance as at 1 January 2021	190.0	1,352.4	- 465.2	- 92.6	5,183.7	6,168.3	387.8	6,556.1
Profit for the period	0	0	0	0	628.2	628.2	24.1	652.3
Other comprehensive income	0	0	0	79.8	58.7	138.5	13.0	151.5
Total comprehensive income	0	0	0	79.8	686.9	766.7	37.1	803.8
Exchange rate differences and other adjustments	0	0	0	0	- 4.6	- 4.6	0	- 4.6
Changes from share-based payments	0	0	0	0	1.5	1.5	0	1.5
Changes due to capital increases/decreases	0	0	0	0	0	0	0.4	0.4
Changes in non-controlling interests	0	0	0	0	0	0	64.1	64.1
Dividends paid	0	0	0	0	- 550.6	- 550.6	- 17.0	- 567.6
Transactions with shareholders	0	0	0	0	- 553.7	- 553.7	47.5	- 506.2
Balance as at 30 June 2021	190.0	1,352.4	- 465.2	- 12.7	5,316.9	6,381.3	472.4	6,853.7

Notes to the condensed interim consolidated financial statements

Basis of preparation

1. General principles

Company information

Deutsche Börse AG is the parent company of Deutsche Börse Group. Deutsche Börse AG (the “company”) has its registered office in Frankfurt/Main, and is registered in the commercial register B of the Frankfurt/Main Local Court (Amtsgericht Frankfurt am Main) under HRB 32232. Deutsche Börse AG and its subsidiaries operate cash and derivatives markets. Its business areas range from pre-IPO and growth financing services, the admission of securities to listing, through trading, clearing and settlement, down to custody of securities. Furthermore, IT services are provided and market information distributed. Moreover, certain subsidiaries of Deutsche Börse AG own a banking license and offer banking services to customers.

Group revenue is influenced more by volatility and transaction volumes on capital markets than by seasonal factors. The concentration of projects costs that are only completed in the fourth quarter means that the costs are generally higher in the fourth quarter than in the first three quarters of the year. Changes in total assets stem mainly from the financial instruments of the central counterparties, assets and liabilities from the banking business and cash deposits from market participants. These items therefore vary on a daily basis, depending on the needs and activities of clients.

Basis of reporting

The interim consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the related interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the European Union in accordance with Regulation No. 1606/2002 of the European Parliament and of the European Council on the application of international accounting standards. These consolidated interim financial statements were prepared pursuant to the provisions of the German Securities Trading Act (Wertpapierhandelsgesetz; WpHG) as well as in accordance with International Accounting Standard IAS 34 “Interim Financial Reporting” and are subject to a review by external auditors. In accordance with IAS 34, a condensed scope of reporting was selected as compared with the consolidated financial statements as at 31 December 2020.

The consolidated interim financial statements should be read in conjunction with the audited and published consolidated financial statements as at 31 December 2020 and the disclosures published in the notes.

Information about operational risks is included in the risk section of the interim Group management report and forms an essential part of the consolidated interim financial statements.

Deutsche Börse AG's consolidated interim financial statements have been prepared in euros, the functional currency of Deutsche Börse AG. Unless stated otherwise, all amounts are shown in millions of euros (€m). Due to rounding, actual amounts may differ from unrounded or disclosed figures. This may cause slight deviations from the figures disclosed in the previous year.

Income tax expense in the interim reporting period was determined using a forecast effective Group tax rate of 26 per cent. The nominal tax rates used to determine the Group tax rate range from 10 to 34.6 per cent. Deferred tax assets are recognised for the unused tax loss carryforwards only to the extent that it is probable that future taxable profit will be available.

Accounting policies

The accounting policies applied by the Group in these interim financial statements are the same as those applied and presented in the consolidated financial statements for 2020, with the exception of the amortisation period for internally developed software (see note 2 "Adjustments").

Amended accounting standard – applied in the period under review

All the mandatory standards and applications endorsed by the European Commission were applied.

Standard/amendment/interpretation

		Application date	Effects at Deutsche Börse Group
IFRS 4	Amendments to Insurance Contracts	01 Jan 2021	None
IFRS 9, IAS 39, IFRS 7 and others	IBOR Reform 2: Amendments to IFRS 9, IAS 39 and IFRS 7 and other standards	01 Jan 2021	None

New accounting standards – not yet implemented

The IASB issued the following new or amended standards and interpretations, which were not applied in the consolidated financial statements, because endorsement by the EU was still pending or the application was not mandatory. The new or amended standards and interpretations must be applied for financial years beginning on or after the effective date. Even though early application may be permitted for some standards, Deutsche Börse Group does usually not use any early application options.

Standard/amendment/interpretation

		Application date	Effects at Deutsche Börse Group
IAS 1	Amendment to the Classification of Liabilities as Current or Non-current	01 Jan 2023	See consolidated financial statements 2020
IAS 1	Amendments to IAS 1 and to IFRS Practice Statement 2 regarding Materiality	01 Jan 2023	See notes under this table
IFRS 3	Amendments to IFRS 3 relate to a reference in IFRS 3 to the Framework Concept	01 Jan 2022	None
IAS 8	Amendments Regarding Accounting Estimates	01 Jan 2023	None
IAS 12	Amendments Regarding Deferred Tax Related to Assets and Liabilities Arising From a Single Transaction	01 Jan 2023	See notes under this table
IAS 16	Amendment to IAS 16: Clarification	01 Jan 2022	None
IFRS 16	Amendments to IFRS 16 Leases: Covid-19-Related Rent Concessions beyond 30 June 2021	01 Apr 2021	None
IFRS 17	Insurance Contracts	01 Jan 2023	See consolidated financial statements 2020
IAS 37	Amendments Regarding Onerous Contracts - Cost of Fulfilling a Contract	01 Jan 2022	None
Annual Improvement Cycle 2018 - 2020	The annual improvements resulted in amendments to IFRS 1, IFRS 9, IAS 41 and IFRS 16	01 Jan 2022	None

The amendment to IAS 1 adds guidelines to help a company decide what accounting policies to disclose in its financial statements and explains how a company can identify key accounting policies. The Group does not expect this to affect its net assets, financial position and results of operations and is currently analysing potential additions to the disclosures in the notes.

The amendment to IAS 12 clarifies that the prohibition to recognize deferred taxes arising from the initial recognition of an asset or liability outside of a business combination does not apply in cases in which equal amounts of deductible and taxable temporary differences arise on initial recognition. The amendment is generally consistent with the approach taken by Deutsche Börse Group. Nevertheless, the Group is analysing potential impacts on its net assets, financial position and results of operations.

2. Adjustments

Segment reporting

Deutsche Börse Group modified its segment reporting in the first quarter of 2021, adding the segment Institutional Shareholder Services. The business operations of ISS are now reported in a new segment: ISS (Institutional Shareholder Services). The separate reporting corresponds to the internal management and reporting structure and increases transparency and the value of information for users of the financial statements.

Internally developed software

Deutsche Börse AG reviewed its amortisation period for internally developed software in the first quarter. The useful lives applied the previous year were five years for internally developed software releases and seven years for newly developed systems.

The review showed that the fundamental useful life for internally developed software releases is seven years and for newly developed systems ten years. Deutsche Börse Group therefore decided to bring the amortisation periods into line with the useful lives. The change took place as at 1 January 2021. If the useful lives had not been modified, amortisation in the second quarter of 2021 would have been €20.3 million instead of €11.7 million and amortisation in the first half-year of 2021 would have been €36.9 million instead of €20.7 million.

3. Change in the basis of consolidation

Acquisition of Institutional Shareholder Services Inc., Rockville, USA (ISS)

Deutsche Börse AG completed the acquisition of 81.2 per cent of the shares in ISS for a purchase price of €1,653.3 million (US\$ 1,979.6 million) in the first quarter of 2021, thereby obtaining control. ISS is included in the segment reporting as a separate operating segment as of the closing date of the transaction on 25 February 2021. The business activities of ISS and the Group complement one another to a great extent. Together, both companies will serve the steadily growing demand for more detailed data, research solutions and analyses outside of purely financial figures, especially in the field of ESG.

The purchase method was used for the first-time recognition of ISS, a provider of governance solutions, ESG data and analytics, in the consolidated financial statements of Deutsche Börse Group. The transaction is expected to generate considerable synergies, especially on the income side, which will be reflected in the goodwill resulting from the transaction in particular.

The identifiable assets and liabilities of ISS are recognised at fair value on the acquisition date. Any excess of cost over the acquirer's interest in the fair value of the subsidiary's net identifiable assets is recognised as goodwill. Goodwill is reported in subsequent periods at cost less accumulated impairment losses. The preliminary purchase price allocation as at the acquisition date was as follows:

Goodwill from the business combination with Institutional Shareholder Services Inc., Rockville, USA (ISS)

	Preliminary goodwill calculation 25 Feb 2021 €m
Consideration transferred	
Purchase price in cash	903.4
Settlement of option programmes	66.8
Escrow payment ¹	22.9
Transaction costs for seller ²	25.9
Debt repayment	584.5
Fair value linked purchase price component	26.5
Call option ³	– 8.7
Cash flow hedge ⁴	32.0
Total consideration	1,653.3
Acquired assets and liabilities	
Customer relationships	476.9
Trade names	107.6
Software	30.2
Software in development	2.2
Property, plant and equipment	89.9
Other non-current assets	5.4
Deferred tax assets	1.9
Other current assets	9.1
Accounts Receivable	35.5
Acquired bank balances	200.1
Deferred tax liabilities	– 104.7
Miscellaneous non-current liabilities	– 69.5
Contract liabilities	– 103.8
Miscellaneous current liabilities	– 225.6
Non-controlling interests ⁵	– 64.1
Total assets and liabilities acquired	391.1
Goodwill (not tax-deductible)	1,262.2

1) Purchase price payments to an escrow account until final settlement.

2) Original costs of seller.

3) A call right was purchased for €8.7 million that is recognised as a financial instrument in accordance with IFRS 9 rather than in accordance with IFRS 3.

4) Reclassification of effective portion of cash flow hedge for the purchase price to acquisition cost of the investment.

5) Non-controlling interest is calculated based on acquired net assets without goodwill.

The full consolidation of ISS caused net revenue to increase by €81.2 million and net income after taxes to increase by €1.6 million. Had the company been fully consolidated by 1 January 2021, this would have caused net revenue to increase by €108.8 million. There would not have been a material effect on net income after taxes.

The contingent purchase price component is based on an increase in company value within the first three years and the resulting obligation has no upper limit.

Goodwill amounts to €1,294.0 million as at 30 June 2021. The change results from exchange rate differences amounting to €31.7 million.

The purchase price allocation was based on a preliminary basis, as it was not yet possible to make a final determination, particularly with regards to the tax items.

Acquisition of the second tranche of Clearstream Fund Centre AG, Zurich, Switzerland (CFC)

On 1 June 2021 Deutsche Börse AG completed the acquisition of the remaining 48.8 per cent of the shares in CFC (formerly Fondcenter AG) from UBS Group (UBS) for a purchase price of 390 million Swiss francs (€356.0 million). A further 51.2 per cent of the shares in CFC were sold within the Group by Clearstream Holding AG to DBAG, making DBAG the sole owner of the Zurich-based fund distribution platform.

Deutsche Börse Group acquired the first 51.2 per cent of CFC from UBS in September 2020. The transaction included the right to buy the remaining shares at a later date.

Deutsche Börse Group had recognised the related financial liability before acquiring the second tranche, accounting for it at the expected settlement amount using the effective interest method (in the category “financial liabilities measured at amortised cost”). No non-controlling interests were recognised, in accordance with the anticipated acquisition method. The remeasurement of the financial liability on the basis of the agreed purchase price resulted in income of €39.9 million, which is shown in the item “other operating income”.

Crypto Finance AG, Zurich, Switzerland

Deutsche Börse Group announced on 29 June 2021 that it had signed binding contracts for the acquisition of Crypto Finance AG, Zurich, Switzerland (Crypto Finance), an independent finance group that offers trading, custody and investment services for digital assets to institutional and professional clients.

Deutsche Börse AG will then hold a two-thirds majority of the company, which was established in 2017. The remaining shares will continue to be held by existing investors, including the management. The transaction is based on a valuation of a moderate, three-figure million Swiss francs amount. The transaction is expected to be closed in the second half of 2021 depending on regulatory approvals.

Crypto Finance will be able to continue scaling its business with digital assets as part of Deutsche Börse Group and extend its range of services. In addition, the Group plans to make the Crypto Finance products available to participants on its established platforms. The aim is to build a neutral, transparent and highly scalable digital asset ecosystem under European regulation.

Otherwise there were no material business combinations in the Deutsche Börse Group in the first half of 2021.

Consolidated income statement disclosures

4. Sales revenue

Deutsche Börse Group reports its sales revenue on the basis of segments. By acquiring ISS, Deutsche Börse Group modified its segment reporting with effect from the first quarter of 2021 and added another ISS (Institutional Shareholder Services) segment.

Revenue recognition for the main product lines in the segment, as well as the Group's rules for structuring and presenting them, are described in the Annual Report 2020. The Group also describes revenue recognition in the ISS segment as follows:

ISS provides governance solutions, ESG data and analytics. The net income recognised under ESG encompasses the Corporate Solutions, ESG Analytics and Governance Solutions business units. The net income recognised as Non-ESG covers the Market Intelligence and Media business units as well as FWW (fund data), LiquidMetrics and SCAS (Securities Class Action Services). The majority of this revenue is derived from contracts with a fixed term and recurring services. Revenues are recognised pro rata over the term of the contracted services to the customer. The fees are usually invoiced in advance, which is done either before the start date of the licence or on a periodical basis over the term of the licence. Vote disclosure services are delivered at a point in time and revenue is recognised when the contracted service is provided to the client.

The other revenue stems from non-recurring service contracts. The performance obligations for advertising services and event sponsoring are settled when the service is provided, i.e. when the publication takes place or the advert is published. The performance obligations for advisory services are satisfied over time. Measurement of the percentage of completion follows the invoicing.

Performance-related fees for services in connection with securities and class-action litigation are part of variable consideration and are only recognised when all the conditions have been met and no uncertainty remains concerning the variable consideration that is beyond the control of the entity. This is the case when the lawsuit has been won or a settlement has been reached. Profits in connection with proxy research and services in connection with the exercise of voting rights are another part of variable consideration. Profits are allocated to the period over which the volume is measured and are capped until the performance obligations have been satisfied in full, to the extent that they depend on unpredictable use of services by the client and are subject to renegotiation. The consideration is normally payable within 30 days after the invoice date. At the start of the contract, ISS expects there to be no more than one year between the transfer of the service and the provision of consideration by the customer, resulting in there being no significant financial component.

Composition of sales revenue (part 1)

	Second Quarter 1 Apr - 30 Jun		First Half-year 1 Jan - 30 Jun	
	2021 €m	2020 €m	2021 €m	2020 €m
Eurex (financial derivatives)				
Equity index derivatives	108.4	143.9	231.5	357.4
Interest rate derivatives	55.8	45.3	118.1	107.6
Equity derivatives	16.3	13.8	31.2	30.8
OTC clearing	13.5	12.1	26.7	24.1
Margin fees	5.8	7.4	10.6	12.8
Infrastructure	22.3	20.7	44.2	40.7
Eurex Data	15.7	15.5	30.8	31.0
Other	12.2	9.3	24.8	18.2
	250.0	268.0	517.9	622.6
EEX (commodities)				
Power derivatives	29.2	31.9 ¹	59.6	69.2 ¹
Power spot	17.0	18.1 ¹	34.8	37.2 ¹
Gas	14.6	13.1 ¹	33.4	28.5 ¹
Memberships	5.0	3.6	9.8	8.2
Infrastructure	2.7	2.5	5.2	5.1
Market data services	3.9	1.7	6.0	3.8
Other	9.8	8.2 ¹	19.3	18.2 ¹
	82.2	79.1	168.1	170.2
360T (foreign exchange)				
Trading	19.7	19.0	40.4	42.2
Other	7.2	6.1	14.3	12.5
	26.9	25.1	54.7	54.7
Xetra (cash equities)				
Trading and clearing	52.0	61.5	118.2	131.7
Listing	4.9	3.8	9.5	8.2
Xetra data	29.8	28.4	58.1	56.4
Regulatory services	2.6	3.2	5.4	6.8
Infrastructure	10.6	11.2	21.4	22.0
	99.9	108.1	212.6	225.1
Clearstream (post-trading)				
Custody	147.8	142.8	292.1	286.1
Settlement	45.3	47.1	102.8	93.9
Net interest income from banking business	0	0	0	0
Third-party services	5.9	5.9	13.6	13.7
GSF - Lending Services	13.5	14.9	27.0	29.1
GSF - Collateral Management	12.7	14.1	24.8	27.5
Connectivity ICSD	19.3	19.0	39.2	37.9
Other	11.2	12.0	23.5	23.2
	255.7	255.8	523.0	511.4

1) Previous year adjusted. Discounts were recognised under "Other" in 2020. This procedure has changed in 2021 so that discounts are now recognised in the corresponding product lines.

Composition of sales revenue (part 2)

	Second Quarter		First Half-year	
	1 Apr - 30 Jun		1 Jan - 30 Jun	
	2021	2020	2021	2020
	€m	€m	€m	€m
IFS (investment fund services)				
Custody	29.0	21.3	56.4	43.3
Settlement	23.6	18.1	48.4	38.2
Connectivity	8.3	5.5	16.7	11.7
Funds Distribution	132.5	0	249.0	0
Other	6.8	9.6	15.0	20.6
	200.2	54.5	385.5	113.8
Qontigo (index & analytics business)				
ETF licences	11.3	8.6	21.4	17.9
Exchange licences	8.5	7.5	18.1	20.8
Other licences	29.5	27.0	59.7	54.0
Axioma	18.5	17.9	39.4	41.6
	67.8	61.0	138.6	134.3
ISS (Institutional Shareholder Services)				
ESG	45.9	n/a	61.6 ¹	n/a
Non-ESG	20.5	n/a	28.3 ¹	n/a
	66.4	n/a	89.9¹	n/a
Total	1,049.1	851.6	2,090.3	1,832.1
Consolidation of internal revenue	- 18.1	- 13.8	- 35.5	- 35.1
thereof Xetra	- 1.4	- 1.4	- 2.8	- 2.8
thereof Clearstream	- 1.9	- 1.6	- 4.0	- 3.8
thereof IFS	- 0.1	- 0.1	- 0.2	- 0.2
thereof Qontigo	- 14.3	- 10.7	- 28.2	- 28.3
Group	1,031.0	837.8	2,054.8	1,797.0

1) For the ISS segment the sales revenues are shown from first-time consolidation as at 25. February 2021.

5. Other operating expenses

Composition of other operating expenses

	Second Quarter 1 Apr - 30 Jun		First Half-year 1 Jan - 30 Jun	
	2021 €m	2020 €m	2021 €m	2020 €m
Costs for IT service providers and other consulting services	48.4	52.3	92.2	105.6
IT costs	38.8	33.2	74.6	65.5
Premises expenses	9.0	7.3	16.7	14.1
Non-recoverable input tax	10.3	5.5	20.2	16.4
Travel, entertainment and corporate hospitality expenses	0.3	0.6	0.5	3.2
Advertising and marketing costs	3.2	3.2	5.5	7.7
Voluntary social benefits	1.1	0.9	2.0	2.0
Insurance premiums, contributions and fees	6.1	5.6	15.1	8.5
Cost of agency agreements	0.1	0.1	0.2	0.1
Supervisory Board remuneration	1.1	1.4	2.0	1.8
Short-term leases	0.9	0.8	1.8	1.5
Miscellaneous	6.8	11.7	13.2	18.4
Total	126.1	122.6	244.1	244.9

The costs of IT service providers and other consulting services relate mainly to expenses in connection with software development. These costs also include expenses for strategic consultancy and legal advice, as well as for auditing.

Consolidated balance sheet disclosures

6. Intangible assets and property, plant and equipment

Intangible assets consist mainly of goodwill of €5,274.3 million (31 December 2020: €3,957.6 million), other intangible assets (licences, trademarks and customer relationships) of €1,827.1 million (31 December 2020: €1,255.4 million) and internally developed software of €350.5 million (31 December 2020: €266.1 million).

Property, plant and equipment as at 30 June 2021 came to €601.4 million (31 December 2020: €530.4 million). Deutsche Börse Group leases a large number of different assets. These include mainly buildings and cars. The carrying amounts are shown in the table below:

Right-of-use assets

	30 Jun 2021 €m	31 Dec 2020 €m
Land and buildings	437.7	369.2
Computer hardware, operating and office equipment, car pool	6.3	5.7
Total	444.0	374.9

As a lessor of a leasing contract, the Group presents the leased asset as an item of property, plant and equipment and measures the asset at amortised cost.

7. Financial instruments

Financial assets

Financial investments (not including financial instruments of the central counterparties) as at 30 June 2021 amounted to €1,903.3 million (31 December 2020: €1,151.3 million).

Financial liabilities measured at amortised cost

Deutsche Börse AG issued senior hybrid bonds with a nominal volume of €1,000.0 million to refinance an acquisition. The issue was divided into two tranches, with maturities of five and ten years. The five-year bond pays interest of 0.00 per cent and the ten-year bond pays interest of 0.125 per cent.

The lease liabilities held by Deutsche Börse Group came to €483.5 million (31 December 2020: €408.7 million).

Fair value hierarchy

The financial assets measured at fair value include financial assets and liabilities on the following three hierarchy levels:

- Level 1: Financial instruments with a quoted price for identical assets and liabilities in an active market.
- Level 2: Financial instruments with no quoted prices for identical instruments on an active market and whose fair value is determined using valuation methods based on observable market parameters (e.g. OTC derivatives).
- Level 3: Financial instruments where the fair value is determined using one or more unobservable significant inputs. This does not apply to listed equity instruments, for instance.

There were no transfers between levels for recurring fair value measurements of assets or liabilities during the first half of 2021.

The fair value of a financial instrument is measured using quoted market prices, if available. If no quoted market prices are available, observable market prices are used, for interest rates or exchange rates, for example. This observable market information is then used as inputs for financial valuation techniques, e.g. option pricing models, discounted cash flow models or net asset value. In isolated instances, fair value is determined exclusively on the basis of internal valuation models.

Fair value hierarchy

	Fair value as at 30 Jun 2021 €m	thereof attributable to:		
		Level 1 €m	Level 2 €m	Level 3 €m
Recurring fair value measurements				
ASSETS				
Financial assets measured at fair value through other comprehensive income (FVOCI)				
Strategic investments	170.4	0	0	170.4
Debt instruments	3.3	3.3	0	0
Total	173.8	3.3	0	170.4
Financial assets measured at fair value through profit or loss (FVPL)				
Non-current financial instruments held by central counterparties	10,052.6	0	10,052.6	0
Other non-current financial assets	94.6 ¹	17.3	1.0 ²	76.3 ³
Current financial instruments held by central counterparties	93,825.3	0	93,825.3	0
Other current financial assets	33.2 ⁴	0	19.2	14.0
Total	104,005.7	17.3	103,898.1	90.3
Total assets	104,179.5	20.6	103,898.1	260.7
LIABILITIES				
Financial liabilities measured at fair value through profit or loss (FVPL)				
Non-current financial instruments held by central counterparties	10,052.6	0	10,052.6	0
Other non-current financial liabilities	4.2 ⁵	0	2.2	2.0
Current financial instruments held by central counterparties	93,424.0	0	93,424.0	0
Other current financial liabilities	7.7 ⁶	0	7.2 ⁶	0.6
Total liabilities	103,488.5	0	103,486.0	2.5

1) Thereof €8.9 million derivatives.

2) Thereof €1.0 million derivatives.

3) Thereof €7.9 million derivatives.

4) Thereof €19.2 million derivatives.

5) Thereof €2.2 million derivatives.

6) Thereof €7.2 million derivatives.

Fair value hierarchy

	Fair value as at 31 Dec 2020 €m	thereof attributable to:		
		Level 1 €m	Level 2 €m	Level 3 €m
Recurring fair value measurements				
ASSETS				
Financial assets measured at fair value through other comprehensive income (FVOCI)				
Strategic investments	107.0	0	0	107.0
Debt instruments	4.9 ¹	4.9 ¹	0	0
Total	111.9	4.9	0	107.0
Financial assets measured at fair value through profit or loss (FVPL)				
Non-current financial assets held by central counterparties	6,934.7	0	6,934.7	0
Other non-current financial assets	42.4 ²	15.8	0.2 ²	26.4
Current financial assets held by central counterparties	80,768.1	0	80,768.1	0
Other current financial assets	15.7 ³	0	8.1 ³	7.6
Total	87,760.9	15.8	87,711.1	34.0
Total assets	87,872.8	20.7	87,711.1	141.0
LIABILITIES				
Financial liabilities measured at fair value through profit or loss (FVPL)				
Non-current financial instruments held by central counterparties	6,934.7	0	6,934.7	0
Other non-current financial liabilities	1.5 ⁴	0	1.5 ⁴	0
Current financial instruments held by central counterparties	80,673.1	0	80,673.1	0
Other current financial liabilities	174.1 ⁵	0	172.6 ⁵	1.5
Total liabilities	87,783.4	0	87,781.9	1.5

1) Thereof €0.5 million current.

2) Thereof €0.2 million derivatives.

3) Thereof €8.1 million derivatives.

4) Thereof €1.5 million derivatives.

5) Thereof €172.6 million derivatives.

Development of financial instruments in level 3

	Financial assets		Financial liabilities	Total €m
	Strategic investments €m	Measured at FVPL €m	Measured at FVPL €m	
Balance as at 1 Jan 2021	107.0	34.0	- 1.5	139.5
Additions	56.9	26.0	- 1.9	81.0
Disposals	- 0.2	- 2.8	0	- 3.0
Reclassification	6.8	20.0	0	26.8
Unrealised gains/(losses) recognised in profit or loss	0	13.1	0.9	14.0
Other operating expenses	0	0	- 0.1	- 0.1
Other operating income	0	6.5	1.0	7.5
Net income from financial investments	0	6.6	0	6.6
Changes recognised in the revaluation surplus	- 2.3	0	0	- 2.3
Gains/(losses) from currency translation recognised in equity	2.2	0	0	2.2
Balance as at 30 Jun 2021	170.4	90.3	- 2.5	258.2

The fair value measurement of level 3 equity investments is determined on a quarterly basis using internal valuation models.

The financial assets measured at fair value through profit or loss include a purchase option for Deutsche Börse AG that is measured quarterly using an internal Black-Scholes option pricing model. Furthermore, an equity investment that was measured at equity in the past was added to this line item in the reporting year. The fair value of this equity investment is based on internal measurement models.

The fair value of fund units included in financial assets at FVPL is based on the net asset value determined by the issuer. This item also includes a contingent purchase price receivable measured using an internal discounted cash flow model. It discounts the forecast future payment claim to the measurement date using risk-adjusted discount rates.

Financial liabilities at fair value mainly consist of contingent purchase price components which are also valued on the basis of the discounted cash flow model in which the present value of obligations was determined using risk-adjusted discount rates.

There were no further material changes in the first half-year regarding financial assets and liabilities allocated to Level 3. A change in the non-observable parameters on the market, taking into account realistic alternative assumptions, would not have any material effects on the carrying amounts of the unlisted equity securities measured at fair value through profit or loss as at the reporting date.

The fair values of the other financial assets and liabilities not measured at fair value were determined as follows:

The financial assets measured at amortised cost held by Deutsche Börse Group include debt instruments with a fair value of €1,871.0 million (31 December 2020: €1,205.0 million). They are recognised as part of debt instruments measured at amortised cost. The fair value of the securities was determined by reference to published price quotations in an active market. The securities were allocated to level 1.

The bonds issued have a fair value of 3,753.6 million (31 December 2020: €2,784.0 million) and are disclosed under financial liabilities measured at amortised cost. Their fair value is based on the bonds' quoted prices. Due to insufficient market liquidity, the bonds were allocated to level 2.

The financial instrument's carrying amount represents a reasonable approximation of fair value for all other positions.

8. Pension provisions

Pension provisions were measured using the projected unit credit method in accordance with IAS 19. As at 30 June 2021, the discount rate for pensions and similar obligations in Germany and Luxembourg was 1.1 per cent (31 December 2020: 0.7 per cent).

Other disclosures

9. Reconciliation of cash and cash equivalents

Reconciliation to cash and cash equivalents

	30 Jun 2021 €m	30 Jun 2020 €m
Restricted bank balances	35,827.2	50,607.9
Other cash and bank balances	904.1	1,030.8
Net position of financial instruments held by central counterparties	401.3	984.0
Current financial instruments measured at amortised cost	19,941.4	20,613.1
less financial instruments with an original maturity exceeding 3 months	– 2,557.3	– 1,782.9
Current financial liabilities measured at amortised cost	– 20,039.9	– 19,487.5
less financial instruments with an original maturity exceeding 3 months	2,761.9	806.6
Current liabilities from cash deposits by market participants	– 35,563.6	– 50,375.1
Cash and cash equivalents	1,675.1	2,396.9

10. Earnings per share

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

In order to determine diluted earnings per share, potentially dilutive ordinary shares that may be acquired under the share-based payment programmes are added to the average number of shares.

In order to determine diluted earnings per share, all subscription rights, for which a cash settlement has not been determined, are assumed to be settled with equity instruments – regardless of actual accounting in accordance with IFRS 2.

All tranches of the Long-term Sustainability Instrument (LSI) for which a choice between settlement in cash or equity instruments exists were settled in the previous year. All current and future tranches may only be settled in cash. There are therefore no potentially dilutive ordinary shares from the Long-term Sustainability Instrument.

In the context of the acquisition of Institutional Shareholder Services Inc., there were subscription rights valid until 25 February 2024 which did not have any dilutive effect at the reporting date:

Calculation of earnings per share (basic and diluted)

	Second Quarter 1 Apr - 30 Jun		First Half-year 1 Apr - 30 Jun	
	2021	2020	2021	2020
Number of shares outstanding as at beginning of period	183,521,257	183,428,970	183,521,257	183,429,035
Number of shares outstanding as at end of period	183,521,257	183,428,970	183,521,257	183,428,970
Weighted average number of shares outstanding	183,521,257	183,428,970	183,521,257	183,429,002
Number of potentially dilutive ordinary shares	348,882	163	348,882	568
Weighted average number of shares used to compute diluted earnings per share	183,695,698	183,429,133	183,695,698	183,429,570
Net income for the period (€m)	310.9	256.7	628.2	623.9
Earnings per share (basic) (€)	1.69	1.40	3.42	3.40
Earnings per share (diluted) (€)	1.69	1.40	3.42	3.40

11. Segment reporting

Deutsche Börse divides its business into eight segments: This structure is used for internal management purposes and forms the basis for the financial reporting (for details of how the various business areas are allocated to the individual segments see [Fundamental information about the Group on pages 21 to 32 of the Annual Report 2020](#)) and for the adjustments to the segment reporting see [Comparability of figures in the Group interim management report Q2/2021](#). The figures for the previous year have been adjusted accordingly.

Segment reporting (part 1)

	Eurex (financial derivatives)				EEX (commodities)			
	Second Quarter 1 Apr - 30 Jun		First Half-year 1 Jan - 30 Jun		Second Quarter 1 Apr - 30 Jun		First Half-year 1 Jan - 30 Jun	
	2021	2020	2021	2020	2021	2020	2021	2020
Net revenue (€m)	243.7	271.5	505.7	617.8	76.6	71.2	156.1	153.0
Operating costs (€m)	-90.4	-92.3	-179.5	-175.8	-42.0	-44.2	-87.2	-86.8
EBITDA (€m)	154.3	184.1	333.0	442.1	34.6	26.9	68.9	66.0
EBITDA margin (%)	63	68	66	72	45	38	44	43
Depreciation, amortisation and impairment losses (€m)	-9.8	-12.7	-19.9	-26.0	-8.2	-9.1	-16.2	-17.8
EBIT (€m)	144.5	171.4	313.1	416.1	26.4	17.8	52.7	48.2

Segment reporting (part 2)

	360T (foreign exchange)				Xetra (cash equities)			
	Second Quarter		First Half-year		Second Quarter		First Half-year	
	1 Apr - 30 Jun		1 Jan - 30 Jun		1 Apr - 30 Jun		1 Jan - 30 Jun	
	2021	2020	2021	2020	2021	2020	2021	2020
Net revenue (€m)	25.6	23.6	52.0	51.2	93.9	94.4	187.1	195.8
Operating costs (€m)	- 13.3	- 13.1	- 25.7	- 27.9	- 36.1	- 39.5	- 70.2	- 73.9
EBITDA (€m)	14.0	10.5	28.0	23.3	65.0	56.1	131.7	124.6
EBITDA margin (%)	55	44	54	46	69	59	70	64
Depreciation, amortisation and impairment losses (€m)	- 5.3	- 5.1	- 10.5	- 10.0	- 3.9	- 4.8	- 7.9	- 9.6
EBIT (€m)	8.7	5.4	17.5	13.3	61.1	51.3	123.8	115.0

Segment reporting (part 3)

	Clearstream (post-trading)				IFS (investment fund services)			
	Second Quarter		First Half-year		Second Quarter		First Half-year	
	1 Apr - 30 Jun		1 Jan - 30 Jun		1 Apr - 30 Jun		1 Jan - 30 Jun	
	2021	2020	2021	2020	2021	2020	2021	2020
Net revenue (€m)	201.5	212.6	428.3	448.3	122.9	50.8	205.6	106.4
Operating costs (€m)	- 97.0	- 92.5	- 186.7	- 172.8	- 31.5	- 32.0	- 61.5	- 58.6
EBITDA (€m)	104.8	119.9	241.5	274.8	91.1	18.8	143.7	47.8
EBITDA margin (%)	52	56	56	61	74	37	70	45
Depreciation, amortisation and impairment losses (€m)	- 14.6	- 17.9	- 29.3	- 35.8	- 9.1	- 5.7	- 18.2	- 11.4
EBIT (€m)	90.2	102.0	212.2	239.0	82.0	13.1	125.5	36.4

Segment reporting (part 4)

	Qontigo (index and analytics business)				ISS (Institutional Shareholder Services)			
	Second Quarter		First Half-year		Second Quarter		First Half-year	
	1 Apr - 30 Jun		1 Jan - 30 Jun		1 Apr - 30 Jun		25 Feb - 30 Jun	
	2021	2020	2021	2020	2021	2020	2021	2020
Net revenue (€m)	57.6	53.4	120.8	119.8	59.9	n/a	81.2	n/a
Operating costs (€m)	- 27.4	- 29.0	- 57.6	- 65.2	- 45.5	n/a	- 61.3	n/a
EBITDA (€m)	40.7	24.4	73.7	54.6	13.5	n/a	18.7	n/a
EBITDA margin (%)	71	46	61	46	23	n/a	23	n/a
Depreciation, amortisation and impairment losses (€m)	- 7.6	- 7.3	- 14.1	- 14.0	- 12.3	n/a	- 16.4	n/a
EBIT (€m)	33.1	17.1	59.6	40.6	1.2	n/a	2.3	n/a

Segment reporting (part 5)

	Group			
	Second Quarter		First Half-year	
	1 Apr - 30 Jun		1 Jan - 30 Jun	
	2021	2020	2021	2020
Net revenue (€m)	881.7	777.5	1,736.8	1,692.3
Operating costs (€m)	- 383.2	- 342.6	- 729.7	- 661.0
EBITDA (€m)	518.0	440.7	1,039.2	1,033.2
EBITDA margin (%)	59	57	60	61
Depreciation, amortisation and impairment losses (€m)	- 70.8	- 62.6	- 132.5	- 124.6
EBIT (€m)	447.2	378.1	906.7	908.6

Employees

	30 Jun 2021	31 Dec 2020
Eurex (financial derivatives)	1,715	1,661
EEX (commodities)	973	934
360T (foreign exchange)	271	272
Xetra (cash equities)	729	739
Clearstream (post-trading)	2,125	2,136
IFS (investment fund services)	874	911
Qontigo (index and analytics business)	601	585
ISS (Institutional Shareholder Services)	2,386	n/a
Total	9,674	7,238

12. Other risks

Legal risks

Deutsche Börse Group presents details of litigation in the [combined management report](#) (see [explanations in the risk report](#)).

Tax risks

Due to its business activities in various countries, Deutsche Börse Group is exposed to tax risks. A process has been developed to recognise and evaluate these risks, which are initially recognised based on their probability of occurrence. These risks are then measured on the basis of their expected value. A tax liability is recognised in the event that it is more probable than not that the risks will occur. Deutsche Börse Group continuously reviews whether the conditions for recognising corresponding tax liabilities are met.

13. Related party disclosures

Related parties as defined by IAS 24 are members of the decision-making bodies of Deutsche Börse AG, their close family members as well as the companies classified as associates of Deutsche Börse AG, investors and investees, and companies that are controlled or significantly influenced by members of the decision-making bodies.

Business relationships with related parties

The following table shows transactions in the course of business relationships with associates of Deutsche Börse AG in the first half-year 2021. All transactions took place on standard market terms in the normal course of business.

Transactions with related parties

	Amount of the transactions								Outstanding balances			
	Revenues		Expenses		Revenues		Expenses		Assets as at		Liabilities as at	
	1 Apr - 30 Jun		1 Apr - 30 Jun		1 Jan - 30 Jun		1 Jan - 30 Jun		30 Jun	31 Dec	30 Jun	31 Dec
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
Total of business transactions ¹	4.8	4.1	- 7.1	- 6.6	9.0	7.8	- 13.7	- 9.7	4.0	1.9	- 0.5	- 2.0

1) The business transactions only include transaction with associates.

Business relationships with key management personnel

Key management personnel are persons who directly or indirectly have authority and responsibility for planning, directing and controlling the company's activities. The Group defines solely the members of the Executive Board and Supervisory Board of Deutsche Börse AG who were active in the reporting period as key management personnel for the purposes of IAS 24. In the first half-year 2021 there were no material transactions with key management personnel other than the individual remuneration components related to the employee relationship.

14. Events after the reporting date

There have been no events after the balance sheet date.

Responsibility statement by the Executive Board

To the best of our knowledge, and in accordance with the applicable reporting principles for half-yearly financial reporting, the condensed interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group interim management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Frankfurt / Main, 27 July 2021

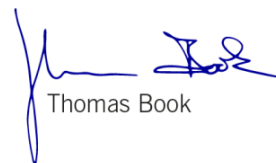
Deutsche Börse AG
The Executive Board



Theodor Weimer



Christoph Böhm



Thomas Book



Heike Eckert



Stephan Leithner



Gregor Pottmeyer

Review Report

To Deutsche Börse Aktiengesellschaft, Frankfurt am Main

We have reviewed the condensed consolidated interim financial statements - comprising consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income, consolidated cash flow statement, consolidated statement of changes in equity and selected explanatory notes - and the interim group management report of Deutsche Börse Aktiengesellschaft, Frankfurt am Main, for the period from 1 January to 30 June 2021 which are part of the half-year financial report pursuant to § (Article) 115 WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the Company's Board of Managing Directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures 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 express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Frankfurt am Main, 27 July 2021

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