Deutsche Börse Group

Quarter 2/2007
Interim Report

Deutsche Börse Group: Financial Highlights

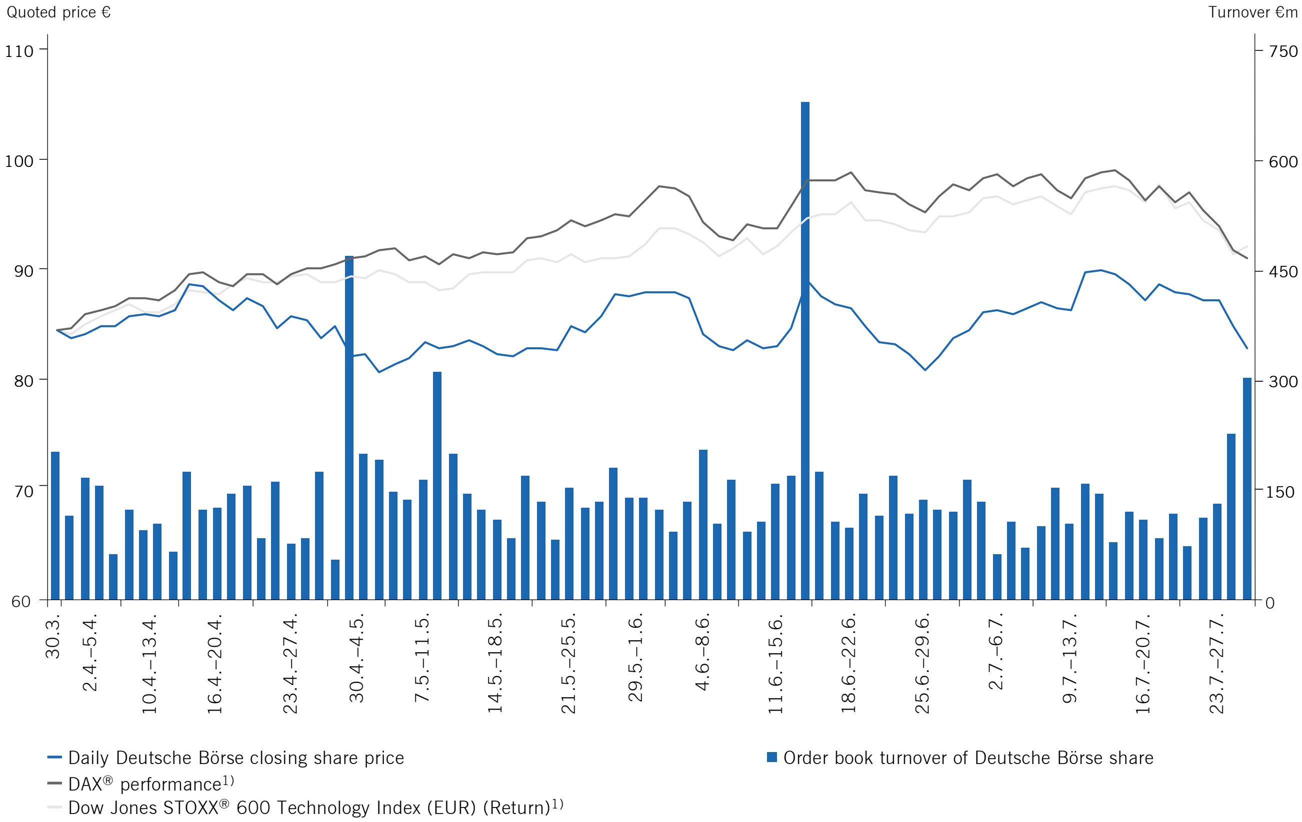
			Quarter ended		Six months ended	
			30 June 2007	30 June 2006	30 June 2007	30 June 2006
Consolidated income statement						
Sales revenue		€m	542.5	491.1	1,085.6	955.8
Net interest income from banking business		€m	62.0	37.8	108.1	72.1
Earnings before interest, tax and goodwill impairment (EBITA)		€m	321.8	291.4	622.1	548.4
Net income for the period		€m	210.7	185.8	403.0	347.8
Consolidated cash flow statement						
Cash flows from operating activities		€m	192.6	183.2	400.3	369.3
Cash flows from investing activities		€m	–373.7	–4.9	–555.4	–234.2
Consolidated balance sheet (as at 30 June)						
Equity		€m	2,240.9	2,177.8	2,240.9	2,177.8
Total assets		€m	98,076.0	83,510.6	98,076.0	83,510.6
Performance indicators						
Earnings per share (basic and diluted)		€	1.09	0.93	2.07	1.74
Operating cash flow per share		€	1.00	0.92	2.06	1.84
Market indicators						
Xetra						
Number of transactions		m	40.5	28.8	80.3	55.5
Trading volume (single-counted)		€bn	602.2	442.7	1,208.6	833.9
Participants (as at 30 June)			255	264	255	264
Floor trading[1]						
Trading volume (single-counted)		€bn	27.7	27.4	58.7	59.0
Börse Frankfurt Smart Trading / SWX Quotematch						
Trading volume (single-counted)		€bn	25.8	15.9	52.0	34.3
Eurex						
Number of contracts		m	503.7	449.5	970.6	824.3
Participants (as at 30 June)			393	391	393	391
Clearstream						
Number of transactions	international	m	7.2	6.3	14.7	13.1
	domestic	m	11.7	10.3	23.1	21.2
Securities deposits (as at 30 June)	international	€bn	4,759	4,029	4,759	4,029
	domestic	€bn	5,695	4,962	5,695	4,962
Deutsche Börse share price						
Opening price[2]		€	85.75	59.50	69.71	43.28
High[3]		€	90.78	63.18	90.78	63.18
Low[3]		€	80.28	46.33	68.91	42.13
Closing price (as at 30 June)		€	83.75	53.25	83.75	53.25

1) Excluding certificates and warrants
2) Closing price on preceding trading day
3) Intraday price

Deutsche Börse posts record results in Q2/2007

- Sales revenue up 10 percent year-on-year to €542.5 million (Q2/2006: €491.1 million) thanks to the positive business development in all segments.
- Net interest income from banking business rose by 64 percent to €62.0 million (Q2/2006: €37.8 million), mainly due to exceptionally high levels of cash balances.
- Total costs amounted to €311.9 million in the second quarter, 20 percent higher year-on-year (Q2/2006: €259.1 million). The increase resulted partly from exceptional cost items.
- Earnings before interest, tax and goodwill impairment (EBITA) rose by 10 percent to €321.8 million (Q2/2006: €291.4 million) despite the above-mentioned exceptional costs.
- Earnings per share (basic and diluted) amounted to €1.09 for an average of 194.1 million shares (Q2/2006: €0.93 for 200.1 million shares).
- Operating cash flow per share increased to € 1.00 year-on-year (Q2/2006: €0.92).
- On 14 May, Deutsche Börse AG paid a dividend of €329.8 million to its shareholders. This represents €3.40 per share (prior to the issue of bonus shares described below), an increase of 62 percent.
- Following the resolution of the Annual General Meeting, a capital increase from retained earnings was implemented on 8 June 2007 by issuing one bonus share for each existing share. The quotation of the shares was changed as of the start of trading on 11 June 2007.
- Deutsche Börse appointed Thomas Eichelmann as its new CFO as of 1 July 2007. Before joining Deutsche Börse, he was member of the executive committee at Roland Berger Strategy Consultants.

Development of Deutsche Börse AG shares in Q2/2007



1) Index-linked, closing price on 30 March 2007

Group Interim Management Report

Deutsche Börse AG prepared this half-yearly financial report in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. As stipulated by the WpHG (Wertpapierhandelsgesetz – German Securities Trading Act), it is supplemented by a Group interim management report and a responsibility statement. The management report also takes into account the requirements of German Accounting Standard (GAS) 16 (near final draft).

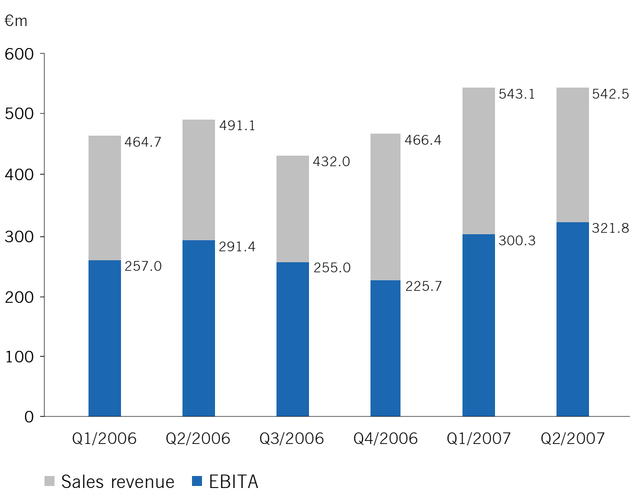
Results of operations, financial position and net assets

Results of operations

Deutsche Börse Group's sales revenue rose by 10 percent in the second quarter to €542.5 million (Q2/2006: €491.1 million). All segments achieved significant revenue growth. Sales revenue benefited in particular from increased trading activity in the cash and derivatives market. This was firstly due to the interplay between temporary uncertainty in the markets and new record index highs, and secondly because of initiatives, implemented in the first half of the year, to make Xetra and Eurex trading faster, more efficient and more cost-effective for market participants.

Total costs increased by 20 percent year-on-year (Q2/2006: €259.1 million), amounting to €311.9 million. Costs in the second quarter were impacted by exceptional cost items totalling €25 million, including expenses for the employee Group Share Plan. A record number of employees, representing over 50 percent of the workforce, took part in the Plan and bought more than 220,000 shares in total at a discount of up to 40 percent on the issue price. In addition, one bonus share was granted for every ten shares subscribed. Other exceptional items occurred in connection with projects such as the planned acquisition of the International Securities Exchange Holdings, Inc. (ISE) and the new management structure, which came into force on 1 July. An impairment loss recognized on software also contributed to the exceptional increase in costs. In addition to these exceptional cost items, around €18 million were added to provisions for the stock option plan in Q2/2007.

Sales revenue and EBITA by quarter



An adjustment to the equity method-accounted investment in U.S. Futures Exchange L.L.C. (USFE – formerly Eurex US) of €6.3 million had a negative impact on EBITA. This impact was more than offset by extraordinary income from the sale of land in Luxembourg. In total, Deutsche Börse's EBITA increased to €321.8 million, up 10 percent year-on-year (Q2/2006: €291.4 million).

Xetra segment

- Sales revenue rose by 25 percent to €105.5 million (Q2/2006: €84.7 million).
- Costs were up 39 percent year-on-year, at €51.1 million (Q2/2006: €36.7 million).
- EBITA increased by 18 percent to €62.0 million (Q2/2006: €52.7 million).

The economic environment remained positive in the second quarter. The key indices rose during the reporting period and reached record highs in June. Trading activities were relatively volatile (measured using the VDAX®), a factor that benefited the cash market. The 40.5 million transactions recorded in the Xetra® order book represent a rise of 41 percent year-on-year. The single-counted trading volume rose by 36 percent to €602.2 billion. The proportion of the volume achieved through automatically generated orders (algo trading) rose to 39 percent (Q2/2006: 34 percent). Since staggered volume discounts are granted for algo trading under the Automated Trading Program initiative, sales revenues generated with the Xetra electronic trading system did not increase in line with trading volumes.

Cash market: trading volume (single-counted)

	Q2/2007 €bn	Q2/2006 €bn	Change %
Xetra®	602.2	442.7	+36
Präsenzhandel1)	27.7	27.4	+1
Börse Frankfurt Smart Trading / SWX Quotematch	25.8	15.9	+62

1) Excluding certificates and warrants which are shown in the row for the Börse Frankfurt Smart Trading / SWX Quotematch joint venture

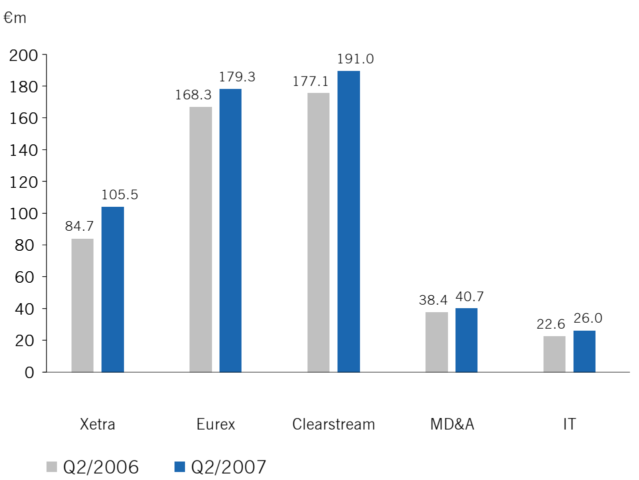
The floor-traded volume at the Frankfurt Stock Exchange increased marginally by 1 percent to €27.7 billion. The new joint venture for structured products between Deutsche Börse AG and SWX Group, which is fully consolidated within the Xetra segment, recorded a very encouraging performance. Certificates and warrants with a total volume of €25.8 billion were traded at Börse Frankfurt Smart Trading and SWX Quotematch, up by 62 percent on the previous year. The subgroup contributed €8.4 million to external sales revenue in the Xetra segment. 50 percent of the subgroup's profit are allocated to SWX.

The increase in costs is primarily attributable to the additional costs incurred in the consolidation of the joint venture with SWX. Marketing expenses and investments in future software releases (Xetra 9.0, CCP 4.0) were also up year-on-year.

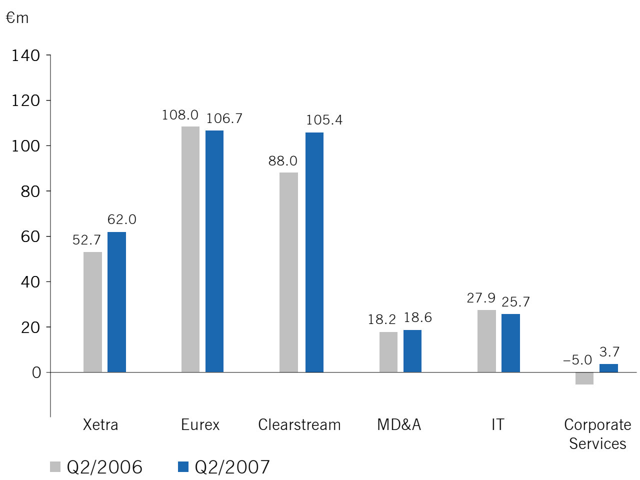
Deutsche Börse introduced further incentives for its trading participants: as of 1 July, Eurex Clearing AG reduced its fixed fees for equity trades in Xetra and on the floor of the Frankfurt Stock Exchange by 20 percent. The Company is confident that this will lead to further increases in trading activity and liquidity and that the additional trading volume will compensate for the discounts.

The XTF Exchange Traded Funds® segment for exchange-traded funds (ETFs) had the most successful quarter in its seven-year history. In the second quarter of 2007, the XTF segment generated a trading volume of €26.1 billion, the highest quarterly figure in its history and up 23 percent year-on-year (Q2/2006: €21.2 billion). Investors benefit from the varied product offering and high liquidity. The volume of funds in the XTF segment was also at a record level at the end of Q2/2007: €56.5 billion represents a year-on-year increase of 50 percent (Q2/2006: €37.8 billion). With its product portfolio of currently 223 ETFs (Q2/2006: 123 ETFs), the broadest offering of all European exchanges, the segment maintained its position as Europe's leading marketplace for trading ETFs.

Sales revenue by segment



EBITA by segment



Trading in actively managed funds on the Frankfurt Stock Exchange was launched a year ago. Soon after trading started, the new segment advanced to become market leader, increasing its market share to 38 percent in the second quarter.

In Q2/2007, Deutsche Börse recorded 60 new entries in its market segments, 13 of which were new issues. The issue volume among stock exchange newcomers was around €3.2 billion; with an issue volume of more than €910 million, the debut of Gerresheimer AG was the biggest IPO in the year to date. TMM Real Estate Development was the first Ukrainian company to make a private placement on the Open Market, amounting to €75 million.

Eurex segment

- Eurex sales rose by 7 percent to €179.3 million (Q2/2006: €168.3 million).
- Costs grew by 18 percent to €84.9 million year-on-year (Q2/2006: €72.0 million).
- EBITA remained stable at €106.7 million (Q2/2006: €108.0 million).

The Eurex derivatives exchange recorded a year-on-year increase of 12 percent in the volumes traded during the second quarter of 2007, to 503.7 million contracts (Q2/2006: 449.5 million). The volume of 196.3 million contracts in June 2007 was the second highest traded in a single month in Eurex's history. On 6 June, Eurex set a new daily trading record of 15.5 million contracts. Open interest contracts amounted to 114.8 million at the end of June, up 6 percent year-on-year.

Eurex achieved the largest growth in equity index derivatives (+25 percent). Market uncertainties coupled with high index levels drove traders to hedge their positions with equity index derivatives. Interest rate derivatives remained the most significant product segment in Q2/2007, with 197.9 contracts traded (Q2/2006: 198.2 million contracts). Following a period of interest rate stability since March 2007, the ECB increased its key interest rate from 3.75 to 4.00 percent effective on 13 June. This fact, combined with traders' expectations with regard to further interest rate developments, led to strong growth in interest rate products towards the end of the quarter (up 34 percent in June). As expected, equity derivatives trading experienced higher volumes in April and May than in the other months, because market participants use the corporate dividend payments for a variety of trading strategies.

Contract volumes in the derivatives market

	Q2/2007 m contracts	Q2/2006 m contracts	Change %
Equity index derivatives	176.5	141.4	+25
Equity derivatives	129.3	109.9	+18
Interest rate derivatives	197.9	198.2	0
Total Q2	**503.7**	**449.5**	**+12**

Costs were up year-on-year. In addition to factors affecting the entire Group, this was primarily due to the development of the next release of the Eurex software, investments in a more powerful network, expenditure on enhancing system performance and project costs for the planned acquisition of ISE.

EBITA was negatively impacted by an adjustment to the equity method-accounted investment in USFE, held by U.S. Exchange Holdings, a subsidiary of Deutsche Börse AG. The proportionate equity interest for the 27.71 percent share in USFE amounted to USD 10.5 million at the beginning of the year. USFE's losses of USD 8.4 million (equivalent to €6.3 million) were initially deducted in full from the proportionate equity interest; the remaining equity reported in the balance sheet is USD 2.1 million.

On 27 July, the ISE shareholders approved the sale of the US derivatives exchange to Eurex. Subject to approval by the U.S. Securities and Exchange Commission, the transaction is expected to be completed in the fourth quarter 2007.

Eurex continued to expand its portfolio by introducing new products: in May, seven German equity options were launched on MDAX® and TecDAX® shares (Stada, Q-Cells, Conergy, K+S, United Internet, GEA, Premiere) as well as single-stock futures on 17 UK shares (incl. Barclays, BP, HSBC, Lloyds TSB, Vodafone); three equity index derivatives on STOXX indices and three new French equity options (Air France, Alstom, Vallourec) and one Dutch option (Randstad) were launched on 23 July. The French and Dutch equity option segments have performed well since their launch, achieving market shares of 24 and 10 percent respectively in Q2/2007.

Eurex's network is becoming increasingly global. The first Dubai-based participant was linked up in June. This has made Eurex the first international exchange with participants trading directly from the United Arab Emirates. Deutsche Börse and Eurex operate 15 access points in financial centers around the world: Amsterdam, Chicago, Dubai, Dublin, Frankfurt, Gibraltar, Helsinki, London, Madrid, Milan, New York, Paris, Vienna, Singapore and Zurich.

Clearstream segment

- Sales revenue increased by 8 percent to €191.0 million (Q2/2006: €177.1 million) mainly due to continued growth in the custody business, in settlement transactions as well as in the Global Securities Financing services.
- Due to exceptionally high cash balances and slightly higher interest rates, net interest income from banking business increased by 64 percent to €62.0 million (Q2/2006: €37.8 million).
- The total cost base increased by 15 percent to €153.2 million (Q2/2006: €132.9 million) mainly due to a software write-off, an increase in staff costs and higher volume-driven costs.
- EBITA increased by 20 percent to €105.4 million (Q2/2006: €88.0 million).

In the custody business, the value of assets under custody increased by 16 percent year-on year, to reach €10.5 trillion. This growth is driven both by international and domestic instruments, mainly due to sustained primary market activity. The value of domestic assets reached €5.7 trillion while international deposits reached €4.8 trillion. Altogether, custody business sales increased by 8 percent to reach €116.8 million (Q2/2006: €107.9 million).

The total number of settlement transactions processed by Clearstream went up by 14 percent to 18.9 million (Q2/2006: 16.6 million). This is mainly due to OTC securities transactions in both the international and domestic markets (respectively 18 percent and 28 percent above Q2/2006). In addition, stock exchange transactions increased by 6 percent to 9.3 million. Settlement sales revenues increased by 5 percent to €41.2 million (Q2/2006: €39.4 million)

Average daily cash balance volumes showed a significant increase for the second quarter to €6.7 billion (Q2/2006: €4.1 billion), due to exceptionally high customer deposits. The average blended interest margins increased slightly from 3.11 percent in Q2/2006 to 3.14 percent.

Clearstream segment: key indicators

	Q2/2007	Q2/2006	Change
Custody	€bn	€bn	%
Value of securities deposited (as at 30 June)	10,454	8,991	+16
international	4,759	4,029	+18
domestic	5,695	4,962	+15
Settlement	m	m	%
Securities transactions	18.9	16.6	+14
international	7.2	6.3	+14
domestic	11.7	10.3	+14
Global Securities Financing (GSF)	€bn	€bn	%
Average outstanding volume in June	322.6	243.9	+32
Average daily cash balances	€m	€m	%
Total	6,706	4,099	+64
euro	3,041	1,705	+78
US dollar	1,652	1,467	+13
other currencies	2,013	927	+117

Within the strategically important Global Securities Financing services business, strong growth continued with the average outstandings reaching €322.6 billion for the second quarter, an increase of 32 percent versus the same period of the previous year (Q2/2006: €243.9 billion). The ASLplus service, where Clearstream acts as single borrower towards the lenders, is contributing well to the increase of securities lending volumes, reaching €30.4 billion at the end of June 2007.

To further streamline the processing of investment funds Clearstream has started to use the new messaging solution, SWIFTNet Funds ISO 20022 for the first time with a transfer agent, Fidelity Investments Luxembourg, following the successful rollout to order issuers. Vestima^{+} is the first order routing system to offer its participants, order issuers and transfer agents, the ability to route orders using SWIFTNet Funds 20022 MX messages. Furthermore in the second quarter, South Korea's leading bank chose Vestima+ to allow Korean customers easy access to Europe's main investment funds markets. Over 27,000 investment funds are available on the Vestima+ system and the volume of investment funds related instructions processed by Clearstream rose 11 percent in the first half of 2007 over 2006 to close to 2.2 million.

As part of its ongoing objective to increase the number of markets, securities and currencies to which it offers access, Clearstream opened new links to Dubai and Cyprus, expanding Clearstream's global network to 44 markets. The Cypriot Pound has also become a full settlement currency. Furthermore, Clearstream accepted seven new denomination currencies as eligible for settlement, among them the Bahraini Dinar (BHD) which Clearstream has become the first International Central Security Depository to accept. Clearstream has an established presence in the Middle East through its Dubai office that has been servicing financial institutions across the Middle East and Africa for over 10 years.

Market Data & Analytics segment

- Segment sales revenue rose by 6 percent to €40.7 million (Q2/2006: €38.4 million).
- Costs increased by 14 percent year-on-year to €27.5 million (Q2/2006: €24.1 million).
- EBITA increased by 2 percent to €18.6 million (Q2/2006: €18.2 million).

Business development in all three areas, Front Office, Issuer and Back Office Data & Analytics, was positive in the second quarter of 2007.

Front Office Data & Analytics, again the segment's biggest revenue driver, won new customers for its data packages, particularly for the level 2 products Spot Market Germany and Eurex. Launched in December 2006, CEF® ultra got off to a successful start; this product comprises the complete trading and order book data of Eurex, allowing traders to upload data to their algorithmic trading programs "ultra fast". Initiatives aimed at winning customers in new markets are also having an effect: the area achieved double-digit growth in the Middle East, Eastern Europe and Asia.

Issuer Data & Analytics continuously extended its portfolio of indices. This includes indices tailored to providers of structured financial products (customized indices). For Citigroup, for example, the area developed a comprehensive portfolio of currency indices. The World Nuclear Power Index, calculated exclusively for JPMorgan, was launched in April. The area also expanded its range of DAXplus strategy indices by adding the DAXplus Minimum Variance and the DAXplus Maximum Sharpe Ratio to its portfolio. The new indices are the first to incorporate scientific insights from modern portfolio theory and thus offer the opportunity to make risk-adjusted investments. ABN Amro is already issuing certificates on the new strategy indices. Another new product is the ÖkoDAX selection index, which tracks German shares in the area of renewable energy. Several issuers already offer related products. The area also markets its products in the international market and has won its first issuer in the USA, which has launched an ETF on the DAXglobal Russia Index.

Back Office Data & Analytics is linked most closely with market trading activities. Particularly, the TRICE® system, which generates mandatory reports for BaFin (Bundesanstalt für Finanzdienstleistungsaufsicht – German Federal Financial Supervisory Authority) in accordance with section 9 of the WpHG (Wertpapierhandelsgesetz – German Securities Trading Act), benefited from the strong trading activity. At the same time, Avox Ltd., in which Deutsche Börse holds a 51 percent interest, acquired prominent firms, such as SWIFT, as clients and was thus able to expand its network. The bigger the Avox community becomes, the greater the synergy potential that Avox can leverage in data cleansing.

Driven by the encouraging business development, the costs of data purchasing and the development of new indices increased by 40 percent.

Information Technology segment

- External sales revenue generated by the IT segment went up by 15 percent to €26.0 million (Q2/2006: €22.6 million).
- Costs rose to €99.7 million (Q2/2006: €78.9 million).
- EBITA declined to €25.7 million (Q2/2006: €27.9 million).

Following the sale of its majority interest in U.S. Futures Exchange L.L.C., Deutsche Börse continues to operate USFE's trading platform and infrastructure. The IT segment generates additional external sales revenue from this. The increased trading volume on the EEX European Energy Exchange and on Eurex is another reason for the significant increase in sales revenue.

The segment's Proximity Services offering continues to generate great demand. The segment gained new customers in the second quarter increasing its client base from 30 to 36. These customers have located elements of their trading infrastructure in close proximity to Deutsche Börse's trading systems and data processing services in Frankfurt. This minimizes delays in data transfers over greater distances (latency), providing trading participants with what is in some cases a considerable time advantage in implementing trading strategies where every millisecond counts. By using Proximity Services, trading participants can reduce the processing time of an order (from being issued into the participant's system until the confirmation is received from the trading system) in Eurex or Xetra trading to under 10 ms.

For years, Deutsche Börse has pursued a strategy of using the technology it develops internally to operate other exchanges. For example, it has been operating the platform of the Vienna Stock Exchange since 1999. In June, the Vienna Stock Exchange agreed an early renewal of its contract with Deutsche Börse; it will now operate its electronic equity trading on the Xetra trading system until at least 2012.

Network and system capacities are continuously enhanced so that increased trading volumes can be handled quickly and securely. This is the reason that costs rose in the IT segment: the consistent technical upgrading of Xetra, Eurex and other applications used in securities trading makes the systems faster and more stable, even under maximum load conditions.

Financial position

Operating cash flow

In the first half of 2007, Deutsche Börse Group generated stronger cash flow from operating activities of €400.3 million, up 8 percent (H1/2006: €369.3 million). The increase is primarily attributable to the higher net income for the period.

At €32.3 million, the Group invested somewhat more in intangible assets and property, plant and equipment (H1/2006: €27.4 million). The main focus of these investments was the Eurex and Information Technology segments. In the Eurex segment programming on Release 10.0 continued and in the Information Technology segment the performance initiative for the trading segments was implemented.

Cash flows from investing activities increased to €–555.4 million (H1/2006: €–234.2 million) because of the increase in the amount of investments with an original term greater than three months and increased investments in noncurrent financial instruments. There were further negative cash flows of €–443.8 million from financing activities (H1/2006: €–371.0 million), primarily due to the dividend payments for 2006 of €329.8 million which were paid on 14 May 2007.

As a result, cash and cash equivalents amounted to €427.9 million at the end of the first half of 2007 (H1/2006: €809.4 million). Strong cash flows from operating activities ensure Group liquidity. At €368.0 million (H1/2006: €341.9 million), free cash flow, i.e. cash flows from operating activities less payments to acquire intangible assets and property, plant and equipment, exceeded the previous year's level by 8 percent.

Capital management program

Under this program, Deutsche Börse Group is distributing funds not required for the Group's operating business to its shareholders. These measures are subject to special investment needs and capitalization requirements. The program is the result of an intensive review of capital requirements, which considered the Group's capital needs from legal, regulatory, credit rating and economic capital perspectives. To ensure the continued success of its Eurex central counterparty and Clearstream custody businesses, the Group wants to maintain a strong "AA" credit rating. Customers in these business areas require a service provider with a conservative interest cover and debt/equity ratio with the ability to secure a strong credit rating.

In the period from 2005 up to the end of May 2007, the Company returned around €1.9 billion to shareholders under its capital management program. During this period, it repurchased shares for €1,241.1 million and paid dividends totalling €614.4 million.

Of the total of 30.0 million shares repurchased since the program was launched, the Company has cancelled 23.6 million shares. A further 0.7 million shares were acquired by employees under the terms of the Group Share Plan. As at 30 June 2007, the remaining 5.7 million shares were held by the Company as treasury shares.

Following the announcement on 30 April 2007 of the intended acquisition of the International Securities Exchange by Eurex Frankfurt AG, Deutsche Börse AG temporarily halted its share buy-back program. Share buy-backs are expected to resume in the second half of 2008.

Dividend

The dividend per share increased by more than 60 percent for the 2006 financial year to €3.40 per share (prior to the issue of bonus shares on 8 June 2007; previous year: €2.10 per share), and was paid on 14 May 2007 to shareholders who were entitled to receive a dividend when the Annual General Meeting adopted the resolution on 11 May 2007. The total dividend payout of €329.8 million corresponds to a distribution ratio of 50 percent of the net income for 2006 (previous year: 49 percent of the net income for 2005).

Net assets

Deutsche Börse Group's noncurrent assets amounted to €1,991.7 million as at 30 June 2007 (30 June 2006: €1,890.5 million). Goodwill of €1,120.6 million (30 June 2006: €1,071.5 million), mainly from the acquisition of Clearstream International S.A. in 2002, represented the largest part of these noncurrent assets. The year-on-year increase is related to the consolidation of the Deutsche Börse AG's and SWX Group's joint venture for structured products. The Group invests primarily in trading and settlement systems, which are capitalized as software and amortized over the expected useful life. As at 30 June 2007, the intangible assets included software with a residual carrying amount of €102.4 million (30 June 2006: €150.1 million).

Clearstream International S.A. has also invested in office real estate in Luxembourg. These buildings are partly used by the Group itself and partly let. They were carried in the balance sheet as land and buildings (30 June 2007: €117.9 million, 30 June 2006: €120.7 million) or as investment property (30 June 2007: €91.7 million, 30 June 2006: €104.6 million). The decline in investment property is primarily due to the sale of a piece of land in Luxembourg. Securities from banking business amounted to €318.5 million (30 June 2006: €252.2 million) and represented the majority of the noncurrent financial assets.

Noncurrent assets were offset by equity amounting to €2,240.9 million (Q2/2006: €2,177.8 million) and interest-bearing liabilities, mainly relating to a corporate bond, amounting to €499.9 million (Q2/2006: €501.0 million).

Risk report

Deutsche Börse Group devotes considerable attention to risk mitigation and ensures that appropriate measures are taken to avoid, reduce and transfer, or intentionally accept, risk. The Group has adopted a standardized approach for measuring and reporting all gross and residual operational, financial and business risks across its organization: the concept of "value at risk" (VaR). The various major individual risks defined in line with Deutsche Börse Group's corporate risk structure are calculated as VaR for the respective Group subsidiaries on a monthly basis and reported to the responsible executive boards. In addition, the information on all material risks – whether existing or potential – and the related risk control measures is routinely reported on a monthly basis and, when deemed necessary, on an ad hoc basis to the Executive Board, allowing them to take appropriate action. Based on the market environment and Deutsche Börse Group's business model, the Executive Board considers the risks for the Group to be limited and manageable. No significant changes in the risk profile are expected in the current financial year.

Report on expected developments

The report on expected developments describes the expected development of Deutsche Börse Group in financial year 2007. It contains forward-looking statements and information, i.e. statements and information on events in the future. These prognoses are based on the Company's expectations and presumptions at the time of publication of this forecast report. These expectations and assumptions are in turn subject to known and unknown risks and uncertainties. Numerous factors influence the success, the business strategy and the financial results of the Company. Many of these factors are outside the Company's control. Should one of the risks or uncertainties arise or one of the assumptions made turn out to be incorrect, the actual development of the Company could deviate in both a positive or a negative way from the forward-looking statements and information in this report.

Development of results of operations
For the remainder of the 2007 financial year, Deutsche Börse Group expects no significant deviations to the forecasts for the development of the operating environment that were made in the 2006 consolidated annual financial statements. The Group expects economic growth to continue in all regions relevant to its business.

The extremely positive results for the first half of 2007 confirm the Company's expectations that it will again be able to increase sales revenue in 2007. Furthermore the Company expects an increase of earnings in financial year 2007, despite higher than budgeted costs in the first half of this year due to exceptional items and higher than anticipated provisions for the stock option plan. A further increase in volatility, as seen during the second quarter, could provide additional momentum for growth in the Xetra and Eurex segments over the course of the financial year. Additionally, both segments anticipate further growth from customers' use of fully computerized trading strategies, known as algorithmic trading. Improvements in processing and data distribution times, as well as the existing incentive programs, will contribute to this. In the Clearstream segment, pilot customers have successfully been linked to the newly developed investment fund settlement service, the Central Facility for Funds (CFF®). This service will be made available to all customers over the course of the financial year, contributing from then on to the Clearstream segment's sales revenue.

Development of the Group's financial position
The Company expects its ongoing business activities to generate positive operating cash flow in the second half of the year. As part of its cash flows from investing activities, Deutsche Börse Group plans to invest around €80 million in intangible assets and property, plant and equipment in the full year 2007 (2006: €69.2 million). These investments will serve primarily to develop new and enhance existing products and services in the Xetra, Eurex and Clearstream segments.

Acquisition of International Securities Exchange (ISE)
On 30 April 2007, Eurex and International Securities Exchange (ISE) signed a definitive agreement under which Eurex will acquire ISE for approximately USD 2.8 billion in cash. Deutsche Börse will contribute 85 percent of the total purchase price and SWX 15 percent thereby remaining in line with the economic interests that both companies have in the Eurex joint venture. Estimated pre-tax synergies of USD 50 million p.a. have been quantified. 50 percent of the total synergies are expected to be achieved in 2010 and full run rate synergies in 2012. Of the total some USD 15 million p.a. are attributable to efficiency gains. An additional approximately USD 35 million p.a. come from revenue synergies mainly through the cross selling of existing products. Both partners strongly believe that the joint product development experience and capability will result in further growth opportunities across asset classes and geographies. Deutsche Börse is planning to finance its share of the purchase price initially through a bridge loan facility of approximately €1.5 billion (approx. USD 2 billion) and cash on hand at the time of closing. The merger has been approved by the shareholders of ISE on 27 July 2007 and, as a final requirement, has to be approved by the U.S. Securities and Exchange Commission. The transaction is expected to close in Q4/2007.

Consolidated Income Statement

for the period 1 January to 30 June 2007

	Quarter ended 30 June 2007	Quarter ended 30 June 2006	Six months ended 30 June 2007	Six months ended 30 June 2006
	€m	€m	€m	€m
Sales revenue	542.5	491.1	1,085.6	955.8
Net interest income from banking business	62.0	37.8	108.1	72.1
Own expenses capitalized	6.3	4.1	12.3	12.6
Other operating income	26.4	15.8	41.5	29.0
	637.2	**548.8**	**1,247.5**	**1,069.5**
Fee and commission expenses from banking business	–39.3	–36.0	–76.2	–71.5
Staff costs	–126.1	–90.1	–258.1	–199.4
Depreciation, amortization and impairment losses (other than goodwill)	–35.8	–32.6	–66.9	–66.3
Other operating expenses	–110.7	–100.4	–224.0	–188.0
Result from equity investments	–3.5	1.7	–0.2	4.1
Earnings before interest, tax and goodwill impairment (EBITA)	**321.8**	**291.4**	**622.1**	**548.4**
Goodwill impairment	0	0	0	0
Earnings before interest and tax (EBIT)	**321.8**	**291.4**	**622.1**	**548.4**
Financial income	30.4	17.4	59.6	31.3
Financial expense	–26.3	–16.9	–52.4	–31.2
Earnings before tax (EBT)	**325.9**	**291.9**	**629.3**	**548.5**
Income tax expense	–117.0	–106.9	–226.0	–201.8
Net profit for the period[1)]	**208.9**	**185.0**	**403.3**	**346.7**
Minority interests	1.8	0.8	–0.3	1.1
Net income for the period[2)]	**210.7**	**185.8**	**403.0**	**347.8**
Earnings per share (basic and diluted) (€)[3)]	**1.09**	**0.93**	**2.07**	**1.74**

1) Total recognized income for the period (including gains and losses taken to equity) amounted to €390.8 million (2006: €345.3 million), of which €390.8 million (2006: €345.8 million) were attributable to shareholders of the parent company.

2) Profit attributable to shareholders of the parent company

3) Prior-period amount restated, see note 7.

Consolidated Balance Sheet

as at 30 June 2007

	30 June 2007 €m	31 Dec. 2006 €m	30 June 2006 €m
ASSETS			
Noncurrent assets			
Intangible assets	1,236.5	1,214.0	1,241.5
Property, plant and equipment	231.4	235.5	230.9
Financial assets and investment property	507.3	439.4	404.0
Other noncurrent assets	16.5	18.7	14.1
	1,991.7	**1,907.6**	**1,890.5**
Current assets			
Financial instruments of Eurex Clearing AG	81,429.5	53,956.9	71,466.6
Current receivables and securities from banking business	12,038.5	6,645.0	7,033.1
Other receivables and other assets	434.0 [1]	280.4 [1]	303.4
Restricted bank balances	1,755.1	1,582.8	2,256.0
Other cash and bank balances	427.2	652.4	561.0
	96,084.3	**63,117.5**	**81,620.1**
Total assets	**98,076.0**	**65,025.1**	**83,510.6**
EQUITY AND LIABILITIES			
Equity			
Shareholders' equity	2,221.0	2,263.4	2,163.2
Minority interests	19.9	19.9	14.6
Total equity	**2,240.9**	**2,283.3**	**2,177.8**
Noncurrent liabilities			
Provisions for pensions and other employee benefits	30.6	14.5	31.8
Other noncurrent provisions	63.2	105.9	78.7
Deferred tax liabilities	13.7	23.4	49.7
Interest-bearing liabilities	499.9	499.9	501.0
Other noncurrent liabilities	53.0 [2]	2.7	4.5
	660.4	**646.4**	**665.7**
Current liabilities			
Tax provisions	246.5	244.8	171.8
Other current provisions	140.1	82.0	77.8
Financial instruments of Eurex Clearing AG	81,429.5	53,956.9	71,466.6
Liabilities from banking business	11,357.2	6,078.7	6,502.1
Cash deposits by market participants	1,705.6	1,509.0	2,163.9
Other current liabilities	295.8	224.0	284.9
	95,174.7	**62,095.4**	**80,667.1**
Total liabilities	**95,835.1**	**62,741.8**	**81,332.8**
Total equity and liabilities	**98,076.0**	**65,025.1**	**83,510.6**

1) Thereof €14.7 million (31 December 2006: €15.5 million) with a remaining maturity of more than one year from corporation tax credits in accordance with section 37 (5) KStG (Körperschaftsteuergesetz – German Corporation Tax Act)

2) Thereof €50.7 million from cancellable equity instruments attributable to the minority shareholder

Consolidated Cash Flow Statement

for the period 1 January to 30 June 2007

	30 June 2007 €m	Six months ended 30 June 2006 €m
Net profit for the period	403.3	346.7
Depreciation, amortization and impairment losses	66.9	66.3
(Decrease)/increase in noncurrent provisions	–26.6	9.5
Deferred tax expense/(income)	2.4	–2.3
Other non-cash expense	14.6	6.7
Changes in working capital, net of non-cash items	–50.9	–57.6
Net gain on disposal of property, plant and equipment, and noncurrent assets held for sale	–9.4	0
Cash flows from operating activities	**400.3**	**369.3**
Payments to acquire intangible assets and property, plant and equipment	–32.3	–27.4
Payments to acquire noncurrent financial instruments	–124.8	–45.9
Acquisition of subsidiaries, net of cash acquired	–1.6	0
Proceeds from disposal of subsidiaries	0	16.5
Net increase in current receivables, securities and liabilities from banking business with an original term greater than three months	–459.9	–290.5
Proceeds from disposals of available-for-sale noncurrent financial instruments	45.8	112.8
Proceeds from disposal of noncurrent assets	17.4	0.3
Cash flows from investing activities	**–555.4**	**–234.2**
Purchase of treasury shares	–125.0	–164.7
Proceeds from disposal of treasury shares	11.9	4.0
Finance lease payments	–0.9	–0.9
Net cash received from other shareholders	0	1.0
Dividends paid	–329.8	–210.4
Cash flows from financing activities	**–443.8**	**–371.0**
Net change in cash and cash equivalents	–598.9	–235.9
Cash and cash equivalents as at beginning of period[1]	1,026.8	1,045.3
Cash and cash equivalents as at end of period[1]	**427.9**	**809.4**
Operating cash flow per share (basic and diluted) (€)[2]	2.06	1.84
Interest income and other similar income	61.6	32.1
Dividends received[3]	9.1	4.9
Interest paid	–55.5	–35.6
Income tax paid	–221.8	184.8

1) Excluding cash deposits by market participants

2) Prior-period amount restated, see note 7.

3) Dividends received from investments in associates and other equity investments

Consolidated Statement of Changes in Equity

for the period 1 January to 30 June 2007

	30 June 2007	Six months ended 30 June 2006
	€m	€m
Subscribed capital		
Balance as at 1 January	102.0	105.9
Retirement of treasury shares	–2.0	–3.9
Capital increase from share premium	100.0	0
Balance as at 30 June	**200.0**	**102.0**
Share premium		
Balance as at 1 January	1,340.0	1,336.1
Retirement of treasury shares	2.0	3.9
Capital increase from share premium	–100.0	0
Balance as at 30 June	**1,242.0**	**1,340.0**
Treasury shares		
Balance as at 1 January	–443.1	–366.8
Purchase of treasury shares	–125.0	–164.7
Retirement of treasury shares	227.5	304.1
Sales within the Group Share Plan	14.7	5.5
Balance as at 30 June	**–325.9**	**–221.9**
Revaluation surplus		
Balance as at 1 January	12.9	11.6
Increase in carrying amount of stock options related to share-based payments	1.8	0.3
Remeasurement of cash flow hedges	–24.5	–1.2
Remeasurement of other financial instruments	1.4	–0.5
Deferred taxes on remeasurement of financial instruments	11.9	0.5
Balance as at 30 June	**3.5**	**10.7**
Accumulated profit		
Balance as at 1 January	1,251.6	1,099.9
Dividends paid	–329.8	–210.4
Net income for the period	403.0	347.8
Exchange rate differences and other adjustments	4.1	–0.8
Retirement of treasury shares	–227.5	–304.1
Balance as at 30 June	**1,101.4**	**932.4**
Shareholders' equity as at 30 June	**2,221.0**	**2,163.2**
Minority interests		
Balance as at 1 January	19.9	14.1
Changes due to equity increases	0.0	1.0
Changes due to share in net profit /(net loss) of subsidiaries for the period	0.3	–1.1
Exchange rate differences	–0.3	0.6
Balance as at 30 June	**19.9**	**14.6**
Total equity as at 30 June	**2,240.9**	**2,177.8**

Notes to the Interim Financial Statements

1. Accounting policies

These interim financial statements represent a half-yearly financial report under section 37w of the WpHG (Wertpapierhandelsgesetz – German Securities Trading Act). They were prepared in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the European Commission. The significant accounting policies applied by the Company to the consolidated financial statements for the year ended 31 December 2006 were also applied to the interim financial statements.

In addition, IAS 34 ("Interim Financial Reporting") was applied.

In accordance with the provisions of the revised WpHG, these interim financial statements are supplemented by a Group interim management report and a responsibility statement.

Interpretations IFRIC 10 "Interim Financial Reporting and Impairment" and IFRIC 11 "IFRS 2 – Group and Treasury Share Transactions", which the IASB issued in 2006, have now been adopted by the European Commission. Their first-time application in 2007 did not have any material or any impact on Deutsche Börse Group.

In the first half of 2007, the IASB also issued the following standards and interpretations, although they have not yet been adopted by the EU Commission:

IFRIC 13 "Customer Loyalty Programmes"

IFRIC 13 addresses accounting for customer bonus programs. The sales revenue attributable to benefits (loyalty award credits) granted to customers is deferred as a liability until the customer redeems the award credits or the right to redeem them expires. The award credits are measured at absolute or relative fair value. IFRIC 13 is effective for financial years beginning on or after 1 July 2008.

IFRIC 14 "IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction"

In essence, IFRIC 14 addresses the interaction between a minimum funding requirement at the balance sheet date and the requirements of IAS 19.58. The interpretation provides general guidance on how to determine the limit in IAS 19 on the amount of surplus that can be recognized as an asset. It also states how plan assets or liabilities may be affected when there is a statutory or contractual minimum funding requirement. IFRIC 14 is effective for financial years beginning on or after 1 July 2008.

Amendments to IAS 23 “Borrowing Costs”

The amendments require that borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of this asset. The option of recognizing these borrowing costs immediately as an expense has been eliminated. The revised standard is effective as of 1 January 2009.

Near final Draft of Amendments to IAS 1 “Presentation of Financial Statements”

On 22 June 2007, the IASB has published the near final draft of IAS 1. The revisions to IAS 1 are the result of Phase A of the IASB’s financial statement presentation project. The new standard will bring IAS 1 largely into line with FASB Statement No. 130 “Reporting Comprehensive Income”. The significant changes will have an effect on the presentation of certain disclosures in the consolidated financial statements, especially in relation to the presentation of changes in equity arising from transactions with owners in their capacity as owners and comprehensive income. The new standard is to be applied to financial years beginning on or after 1 January 2009.

Near final Draft of Amendments to IAS 27 “Consolidated and Separate Financial Statements” and to IFRS 3 “Business Combinations”

On 19 July 2007, the IASB has published the near final drafts of IAS 27 and IFRS 3. The revisions to IAS 27 and IFRS 3 are the result of the second phase of the IASB’s project on business combinations. The amendments to IAS 27 relate primarily to accounting for non-controlling interests (currently referred to as minority interests) and the loss of control of subsidiaries. The standard requires the attribution of total comprehensive income to the owners of the parent company and to the non-controlling interest even if this results in non-controlling interest having a deficit balance. The amendments to IFRS 3 require all business combinations within its scope to be accounted for by applying the acquisition (currently purchase) method. For each business combination, the acquirer may measure any non-controlling interest in an acquiree either at fair value (full goodwill method) or as the non-controlling interest’s proportionate share of the acquiree’s net identifiable assets. Furthermore there are rules concerning a bargain purchase. Among other things, the amendments give additional guidance for step acquisitions. The new standards have to be applied to financial years beginning on or after 1 January 2009.

Deutsche Börse Group does not expect the application of these interpretations and of the revised standards to have any material or any impact.

2. Group structure

On 25 October 2006, SWX Group and Deutsche Börse AG signed an agreement to establish and operate a joint exchange organization for cash trading in structured products. SWX Group / Deutsche Börse JV Holding S.A., headquartered in Luxembourg, which was founded in this context and in which Deutsche Börse AG holds a 50.01 percent stake, as well as its subsidiaries, SWX Quotematch AG, Zurich, and Börse Frankfurt Smart Trading AG, Frankfurt, have been fully consolidated in Deutsche Börse Group's consolidated financial statements since 1 January 2007. Goodwill of €50.7 million was identified during consolidation. The amount also includes a contributed stock exchange license, which is not separable from goodwill. The minority shareholder's right of return was recognized under other noncurrent liabilities in the same amount.

The Group's interest in BrainTrade Gesellschaft für Börsensysteme mbH was increased to 28.57 percent in total and the company has been recognized as an associate accounted for using the equity method in accordance with IAS 28. Previously, it had been carried at cost in the financial statements. In addition, Deutsche Börse AG established Finnovation Financial Services GmbH on 14 March 2007 and Deutsche Börse Verwaltungs AG on 21 June 2007, both as wholly owned subsidiaries.

On 30 April 2007, Eurex Frankfurt AG and International Securities Exchange Holdings, Inc. (ISE) signed a definitive agreement under which Eurex will acquire ISE for approximately USD 2.8 billion in cash, or USD 67.50 per share. Within the framework of the transaction, a subsidiary of U.S. Exchange Holdings Inc. will merge with ISE. The combination has been approved by the shareholders of ISE on 27 July 2007 and is subject to receipt of approval by the U.S. Securities and Exchange Commission (SEC). The transaction is expected to close in Q4/2007.

3. Seasonal influences

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

4. Total assets

The level of consolidated total assets depends to a significant extent on the open option transactions, bond forwards and repos settled via the central counterparty (CCP). The amount of receivables and the corresponding liabilities reported in relation to these transactions can fluctuate very widely on a daily basis in response to the actions of clearing members. The increase by €14.9 billion to €81.4 billion as at 30 June 2007 (Q1/2007: €66.5 billion) is mainly due to the increase in volume of open repo transactions from €49.1 billion to €59.3 billion.

Furthermore, the consolidated total assets of the Group are strongly influenced by the level of liabilities from banking business and, to a lesser extent, cash deposits by market participants. The level of these two items, both of which reflect customer cash balances, can vary widely on a daily basis according to customers' needs and actions.

5. Segment reporting

Sales revenue

		Quarter ended		Six months ended
	30 June 2007	30 June 2006	30 June 2007	30 June 2006
	€m	€m	€m	€m
Xetra	105.5	84.7	216.5	167.9
Eurex	179.3	168.3	357.6	316.6
Clearstream	191.0	177.1	377.9	353.6
Market Data & Analytics	40.7	38.4	82.4	73.7
Information Technology	26.0	22.6	51.2	44.0
Total sales revenue	**542.5**	**491.1**	**1,085.6**	**955.8**
Internal sales revenue Information Technology	**95.4**	**77.8**	**194.0**	**164.7**
Analysis of Clearstream sales revenue (gross commission income)				
Custody	116.8	107.9	228.7	214.2
Settlement	41.2	39.4	83.8	82.0
Other	33.0	29.8	65.4	57.4
Total	**191.0**	**177.1**	**377.9**	**353.6**

Net interest income from banking business

		Quarter ended		Six months ended
	30 June 2007	30 June 2006	30 June 2007	30 June 2006
	€m	€m	€m	€m
Gross interest income	121.9	64.4	205.9	123.0
Interest expense	–59.9	–26.6	–97.8	–50.9
Net interest income from banking business	**62.0**	**37.8**	**108.1**	**72.1**

Earnings before interest, tax and goodwill impairment (EBITA)

		Quarter ended		Six months ended
	30 June 2007	30 June 2006	30 June 2007	30 June 2006
	€m	€m	€m	€m
Xetra	62.0	52.7	131.9	100.4
Eurex	106.7	108.0	223.8	209.9
Clearstream	105.4	88.0	195.7	167.2
Market Data & Analytics	18.6	18.2	38.4	29.2
Information Technology	25.7	27.9	48.8	46.8
Corporate Services	3.7	–5.0	–15.5	–7.0
Reconciliation	–0.3	1.6	–1.0	1.9
Total EBITA	**321.8**	**291.4**	**622.1**	**548.4**

Earnings before tax (EBT)

		Quarter ended		Six months ended
	30 June 2007	30 June 2006	30 June 2007	30 June 2006
	€m	€m	€m	€m
Xetra	62.0	52.7	131.9	100.4
Eurex	109.8	110.5	229.5	214.1
Clearstream	105.4	88.0	195.7	167.2
Market Data & Analytics	18.8	18.2	38.6	29.2
Information Technology	25.7	27.9	48.8	46.8
Corporate Services	4.6	–6.8	–14.1	–10.8
Reconciliation	–0.4	1.4	–1.1	1.6
Total EBT	**325.9**	**291.9**	**629.3**	**548.5**

Investments in intangible assets, property, plant and equipment

		Quarter ended		Six months ended
	30 June 2007	30 June 2006	30 June 2007	30 June 2006
	€m	€m	€m	€m
Xetra	2.3	0.4	3.2	1.6
Eurex	4.2	0.7	8.4	5.3
Clearstream	2.2	4.1	5.5	9.3
Market Data & Analytics	0.3	0.1	0.8	0.3
Information Technology	5.0	6.9	16.0	13.6
Corporate Services	2.6	0.5	3.7	1.0
Reconciliation	–2.5	–1.0	–5.3	–3.7
Total investments in intangible assets, property, plant and equipment	**14.1**	**11.7**	**32.3**	**27.4**

Depreciation and amortization expense

		Quarter ended		Six months ended
	30 June 2007	30 June 2006	30 June 2007	30 June 2006
	€m	€m	€m	€m
Xetra	2.6	3.2	5.0	6.9
Eurex	4.1	5.3	8.8	10.5
Clearstream	16.8	12.8	29.6	25.5
Market Data & Analytics	0.7	2.0	1.5	5.1
Information Technology	8.0	6.4	15.2	12.2
Corporate Services	5.8	5.6	11.5	11.6
Reconciliation	–2.2	–2.7	–4.7	–5.5
Total depreciation and amortization expense	**35.8**	**32.6**	**66.9**	**66.3**

6. Regulatory capital requirements and regulatory capital ratios

The Clearstream subgroup and the Group companies Clearstream Banking S.A., Clearstream Banking AG, Clearstream International S.A. and Eurex Clearing AG are subject to solvency supervision by the Luxembourg or German banking supervisory authorities (Commission de Surveillance du Secteur Financier and Bundesanstalt für Finanzdienstleistungsaufsicht, respectively). All Group companies are non-trading-book institutions. There are market risk positions at Clearstream Banking S.A., Luxembourg, within the framework of the ASLplus securities lending system and as a relatively small open foreign currency position. The open ASLplus transactions do not currently result in any capital requirements. As a result of the Group companies' specific businesses, their risk-weighted assets are subject to sharp fluctuations and their solvency ratios are correspondingly volatile.

New capital requirements have been in force in the European Economic Area (EEA) since 1 January 2007. They have been implemented in national regulations to transpose the 2006 EU Banking and Capital Requirements Directive and are based on the "Basel II" rules.

2007 is a transitional year for the introduction of the new capital requirements rules: they are not yet required to be applied this year. Deutsche Börse Group has decided to apply the standardized approach to all credit risk. Eurex Clearing AG will apply the Basic Indicator Approach to operational risk, while the Clearstream subgroup will apply the AMA (Advanced Measurement Approach). Eurex Clearing AG has been applying the new German rules since 1 January 2007, while the Clearstream subgroup will not apply the new Luxembourg and German rules until 2008 because of the considerably greater implementation effort made necessary by the significantly larger number of customers and the intended use of the AMA.

Due to the new regulations, the presentation of risk-weighted assets is no longer appropriate. Instead, capital requirements are now relevant. These are calculated as 8 percent of risk-weighted assets (with changes in weightings, where necessary) plus the capital requirements for market price risk and, in the case of Eurex Clearing AG, operational risk. The prior-period amounts have been adjusted to enable comparability.

The following table shows the regulatory capital ratios as at 30 June 2007:

	30 June 2007			30 June 2006		
	Capital requirements €m	Regulatory equity €m	Solvency ratio[1] %	Capital requirements €m	Regulatory equity €m	Solvency ratio[1] %
Clearstream subgroup	195.4	886.6	36.3	126.8	835.1	52.7
Clearstream International S.A.	69.1	670.1	77.5	66.3	670.3	80.9
Clearstream Banking S.A.	164.3	361.7	17.6	89.4	351.4	31.4
Clearstream Banking AG	41.7	62.3	11.9	14.7	60.0	32.6
Eurex Clearing AG[2]	14.5	50.4	27.8	13.4	30.0	17.9

1) Overall capital ratio, converted to German regulations
2) Disclosures for Eurex Clearing AG for 2007 in accordance with new regulations including capital requirements for operational risk

Eurex Clearing AG received regulatory approval by the Financial Services Authority (FSA) in the UK on 16 January 2007 as a “recognised overseas clearing house” (ROCH). The British regulations require an ROCH to maintain regulatory capital equivalent to at least half the operating expenses of the previous year, among other things. Currently, this corresponds to €46.2 million.

7. Earnings per share

Under IAS 33, earnings per share are calculated by dividing the net income for the period by the weighted average number of shares outstanding. On 8 June 2007, Deutsche Börse AG issued one bonus share for each existing share. The issue of bonus shares following a capital increase from share premium was resolved by the Annual General Meeting on 11 May. The capital increase by €100 million, which increased the ordinary share capital to €200 million, was entered in the commercial register on 1 June. The new shares carry dividend rights from the beginning of the 2007 financial year. In accordance with IAS 33, the number of ordinary shares outstanding before the issue of bonus shares is adjusted to present them as if the issue had occurred at the beginning of the earliest period presented. The prior-period figures have been restated accordingly.

There were the following potentially dilutive outstanding options or rights to purchase shares as at 30 June 2007:

Tranche	Exercise price[1]	Adjusted exercise price[2]	Average number of outstanding options	Average price for the period[3]	Number of potentially dilutive ordinary shares
	€	€	30 June 2007	€	30 June 2007
2004	26.88	26.88	33,072	81.92	22,220
2005	40.20	40.20	85,287	81.92	43,434
2006	65.62	80.07	55,268	81.92	1,248
2007[4]	0	67.98	85,488	81.92	14,547

1) The original issue prices of €51.84 for Tranche 2004, €77.69 for Tranche 2005 and €127.80 for Tranche 2006 were adjusted due to the reduction of the share capital under the share buy-back program and the issue of bonus shares.
2) In accordance with IAS 33, adjusted for the fair value of services still to be provided
3) Volume-weighted average price of Deutsche Börse AG shares on Xetra for the period 1 January to 30 June 2007
4) This refers to allocated rights to shares (ATP shares) under the new stock bonus program (Aktientantiemeprogramm – ATP) launched in 2007 for senior executives and Executive Board members. The number of ATP shares is determined by the business results and the degree to which targets have been met. They have a two-year waiting period after they have been granted. Once the waiting period has expired, Deutsche Börse AG may choose either to settle them in shares or in cash.

As the volume-weighted average share price was higher than the employees' option-adjusted exercise prices, these options are considered dilutive under IAS 33. Earnings per share were unchanged due to the small number of potentially dilutive ordinary shares. There were no further rights to subscribe for shares that could have potentially diluted earnings per share either as at 30 June 2007 or as at 30 June 2006.

Earnings per share

		Quarter ended		Six months ended
	30 June 2007	30 June 2006	30 June 2007	30 June 2006
Number of shares outstanding as at beginning of period	194,022,542	200,357,306	195,597,922	202,557,306
Number of shares outstanding as at 30 June	194,269,939	199,289,182	194,269,939	199,289,182
Weighted average number of shares outstanding	194,025,261	200,014,112	194,574,470	200,486,444
Number of potentially dilutive ordinary shares	81,449	118,592	90,325	115,342
Weighted average number of shares used to compute diluted earnings per share	194,106,710	200,132,704	194,664,795	200,601,786
Net income for the period (€m)	210.7	185.8	403.0	347.8
Earnings per share (basic and diluted) (€)	1.09	0.93	2.07	1.74

8. Material transactions with related parties

	Amount of the transactions				Outstanding balances	
	Quarter ended		Six months ended			
	30 June 2007	30 June 2006	30 June 2007	30 June 2006	30 June 2007	30 June 2006
	€m	€m	€m	€m	€m	€m
Associates:						
License fees paid by Eurex Frankfurt AG to STOXX Ltd.	–4.5	–5.7	–4.5	–6.5	0	–5.7
Operation of Eurex software by Deutsche Börse Systems AG for European Energy Exchange AG	3.0	3.2	4.7	4.4	1.2	1.5
Provision of price data by STOXX Ltd. to Deutsche Börse AG	–0.7	–0.7	–2.2	–1.7	0	0
Operation of the trading system by Deutsche Börse Systems AG for U.S. Futures Exchange L.L.C.	1.8	0	3.5	0	1.3	–
Provision of price data by International Index Company Ltd. to Deutsche Börse AG	–0.3	–0.2	–0.5	–0.4	–0.3	–0.3
Administrative services and index calculation services by Deutsche Börse AG for STOXX Ltd.	0.3	0.2	0.3	0.2	0	0
Operation and development of Xontro by Deutsche Börse Systems AG for BrainTrade GmbH	6.2	6.1	12.9	12.9	2.9	4.8
Operation of the floor trading system by BrainTrade GmbH for Deutsche Börse AG	–4.5	–4.4	–6.7	–8.5	0	–3.3
Operation of the floor trading system by BrainTrade GmbH for Börse Frankfurt Smart Trading AG	–1.9	–	–3.1	–	0	–
Other transactions with associates					0.8	0
Total associates					**5.9**	**–3.0**
Other investors:						
Office and administrative services by Eurex Zürich AG for SWX Swiss Exchange AG	11.1	7.1	16.4	13.0	4.1	2.5
Office and administrative services by SWX Swiss Exchange AG for SWX Quotematch AG	–4.9	–	–7.8	–	0.2	–
Office and administrative services by SWX Swiss Exchange AG for Eurex Zürich AG	–2.7	–3.4	–5.2	–5.3	–1.4	–1.8
Development of Eurex software by Deutsche Börse Systems AG for SWX Swiss Exchange AG	1.7	1.1	3.4	2.3	1.2	0.7
Office and administrative services by SWX Swiss Exchange AG for Eurex Frankfurt AG	–0.8	–1.2	–1.4	–1.9	0	–0.7
Transfer of revenue resulting from Eurex fees by Eurex Zürich AG to SWX Swiss Exchange AG	n.a. [1]	n.a. [1]	n.a. [1]	n.a. [1]	–13.7	–10.6
Other transactions with other investors					0.1	–3.0
Total other investors					**–9.5**	**–12.9**

1) Transfer not recognized in the consolidated income statement

9. Employees

		Quarter ended		Six months ended
	30 June 2007	30 June 2006	30 June 2007	30 June 2006
Average number of employees during the period	3,005	2,922	2,989	2,920
Employed as at the balance sheet date	3,005	2,929	3,005	2,929

There was an average of 2,798 full-time equivalent (FTE) employees during the second quarter of 2007 (Q2/2006: 2,726).

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the 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 interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Frankfurt/Main, 31 July 2007
Deutsche Börse AG
The Executive Board

Reto Francioni | Thomas Eichelmann | Frank Gerstenschläger

Michael Kuhn | Andreas Preuß | Jeffrey Tessler

Review Report

We have reviewed the condensed interim consolidated financial statements – comprising the condensed balance sheet, condensed income statement, condensed cash flow statement, condensed statement of changes in equity and selected explanatory notes – and the interim Group management report of Deutsche Börse AG, Frankfurt/Main, for the period from 1 January to 30 June 2007 which are part of the half year financial reports according to § 37w WpHG (Wertpapierhandelsgesetz – German Securities Trading Act). The preparation of the condensed interim consolidated financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, and of the interim Group management report which has been prepared in accordance with the regulations of the German Securities Trading Act applicable to interim group management reports is the responsibility of the Company's management. Our responsibility is to issue a review report on these condensed interim consolidated financial statements and on the interim Group management report based on our review.

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

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in 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 regulations of the German Securities Trading Act applicable to interim group management reports.

Frankfurt/Main, 31 July 2007

KPMG Deutsche Treuhand-Gesellschaft
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

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