



DEUTSCHE BÖRSE
GROUP

Quarter 1/2007
Interim Report



Deutsche Börse Group: Financial Highlights

		31 March 2007	Quarter ended 31 March 2006	
Consolidated income statement				
Sales revenue	€m	543.1	464.7	
Net interest income from banking business	€m	46.1	34.3	
Earnings before interest, tax and goodwill impairment (EBITA)	€m	300.3	257.0	
Net income for the period	€m	192.3	162.0	
Consolidated cash flow statement				
Cash flows from operating activities	€m	207.7	186.1	
Cash flows from investing activities	€m	-181.7	-229.3	
Consolidated balance sheet (as at 31 March)				
Equity	€m	2,350.6	2,256.9	
Total assets	€m	80,177.0	72,023.5	
Performance indicators				
Earnings per share (basic and diluted)	€	1.97	1.61	
Operating cash flow per share	€	2.13	1.85	
Market indicators				
Xetra				
Number of transactions	m	39.8	26.8	
Order book turnover	€bn	606.5	391.2	
Participants (as at 31 March)		258	261	
Floor trading				
Number of contracts notes	m	10.4	10.7	
Order book turnover	€bn	44.5	41.6	
Eurex				
Number of contracts	m	466.9	374.8	
Participants (as at 31 March)		389	391	
Clearstream				
Number of transactions	international	m	7.5	6.8
	domestic	m	11.4	10.9
Securities deposits (as at 31 March)	international	€bn	4,530	4,065
	domestic	€bn	5,441	5,068
Deutsche Börse share price				
Opening price ¹⁾ (as at 1 January)	€	139.42	86.56	
High ²⁾	€	173.33	122.35	
Low ²⁾	€	137.82	84.25	
Closing price (as at 31 March)	€	171.50	119.00	

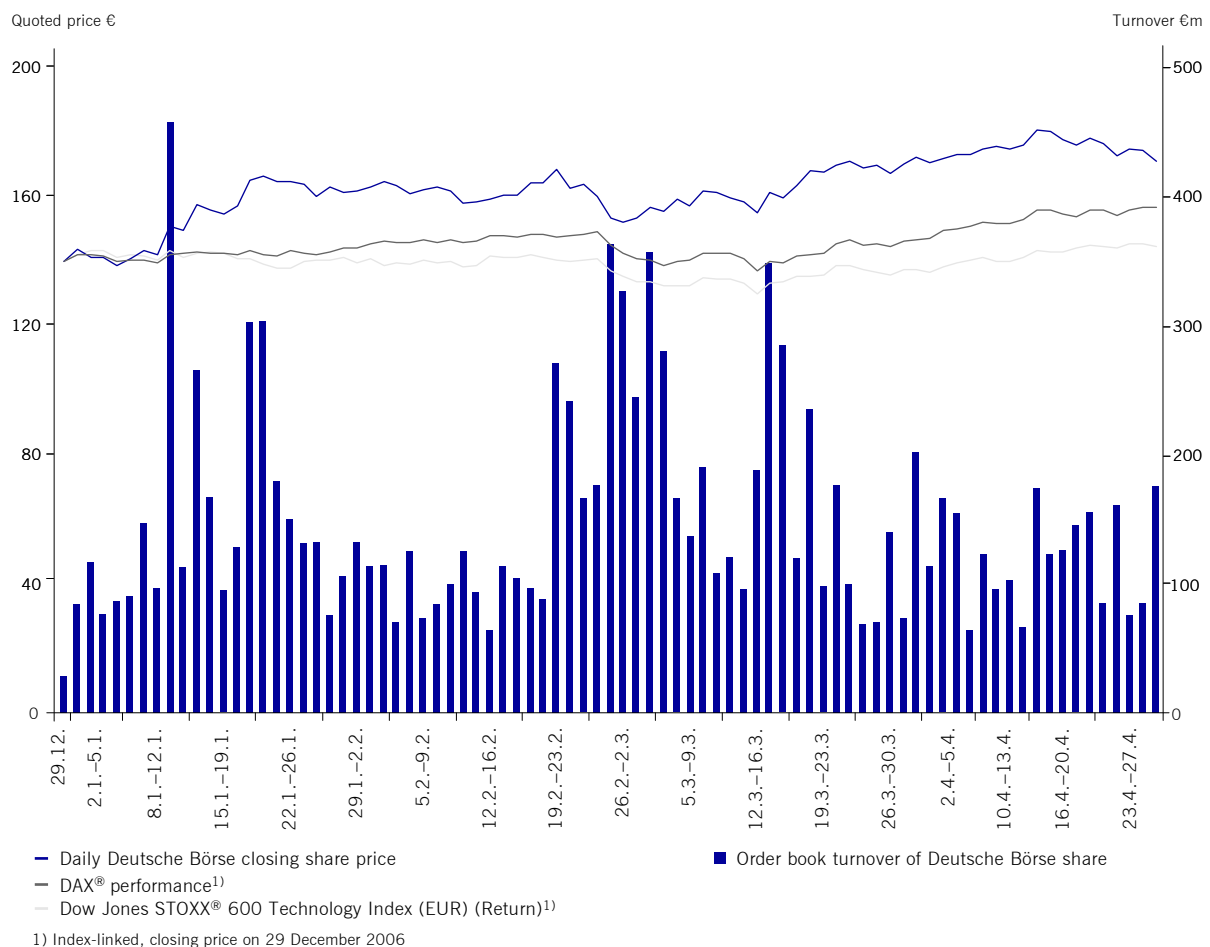
1) Closing price on preceding trading day

2) Intraday price

Deutsche Börse achieves record results in Q1/2007

- Sales revenue up 17 percent year-on-year to €543.1 million (Q1/2006: €464.7 million) thanks to the positive trading volume development.
- Net interest income from banking business rose by 34 percent to €46.1 million (Q1/2006: €34.3 million).
- Total costs amounted to €313.3 million in the first quarter, 18 percent higher year-on-year (Q1/2006: €266.1 million). The increase resulted partly from exceptional severance payments.
- Earnings before interest, tax and goodwill impairment (EBITA) rose by 17 percent to €300.3 million (Q1/2006: €257.0 million) despite the above-mentioned exceptional costs.
- Earnings per share (basic and diluted) amounted to €1.97 for an average of 97.6 million shares (Q1/2006: €1.61 for 100.5 million shares).
- Operating cash flow per share rose to €2.13 year-on-year (Q1/2006: €1.85).
- In the first quarter of 2007, 0.8 million shares were bought back for a total of €125.0 million.
- A dividend of €3.40 per share will be proposed to the Annual General Meeting, representing an increase of 62 percent.
- Subject to the approval of the Annual General Meeting, the Executive Board and the Supervisory Board have resolved a capital increase from retained earnings. As part of this action, one new bonus share will be issued for each existing share.
- Executive Board members Mathias Hlubek (CFO) and Matthias Ganz (COO) left the Company. Frank Gerstenschläger is the new Executive Board member responsible for the cash market since 1 April and Thomas Eichelmann is to become new CFO.

Development of Deutsche Börse AG shares in Q1/2007



Group Interim Management Report

Deutsche Börse AG prepared this quarterly 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. This report also takes into account the requirements of DRS 16 (Deutscher Rechnungslegungsstandard – German Accounting Standard) (near final draft).

Results of operations, financial position and net assets

Results of operations

Deutsche Börse Group's sales revenue rose by 17 percent in the quarter to €543.1 million (Q1/2006: €464.7 million). All segments achieved double-digit revenue growth. The Group's sales revenue benefited from temporary uncertainty on the financial markets, followed by new record index highs.

Total costs increased by 18 percent year-on-year (Q1/2006: €266.1 million), amounting to €313.3 million. The costs for the first quarter include expenses of some €18 million relating to the departures of two Executive Board members and the development and implementation of the new management structure, which is due to take force in July. Provisions for the phantom stock option plan were increased by a further

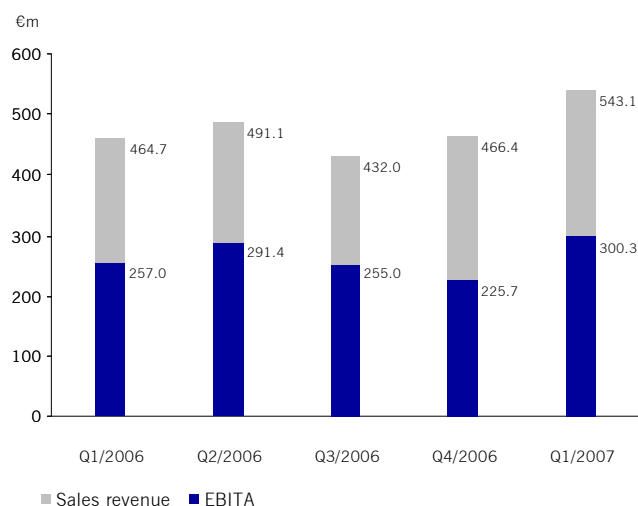
€33 million due to the strong 23 percent increase in the share price in Q1/2007. Higher variable costs resulting from strong business volumes and the fact that, in the same period of the previous year, the item included a reimbursement of non-recoverable input tax in the amount of approximately €7 million received by the Eurex segment, also had an impact on the headline cost increase.

EBITA rose to €300.3 million, up 17 percent on the previous year's first quarter (Q1/2006: €257.0 million). EBITA did not rise as much as in prior periods largely as a result of the factors in costs mentioned above.

Xetra segment

- Sales revenue rose by 33 percent to €111.0 million (Q1/2006: €83.2 million).
- Costs were up 14 percent year-on-year, at €46.8 million (Q1/2006: €40.9 million).
- EBITA increased by 47 percent to €69.9 million (Q1/2006: €47.7 million).

Sales revenue and EBITA by quarter



Despite generally positive economic developments, temporary uncertainty on the financial markets during the first quarter led to increased volatility. The leading indices sustained relatively strong price fluctuations within short timespans. The capital markets recovered quickly from temporary price slides, climbing to new highs. Electronic trading benefited in particular from this environment: The 39.8 million transactions recorded in the Xetra® order book represent a rise of 49 percent year-on-year. The single-counted trading volume rose by 55 percent to €606.5 billion. In comparison with an exceptionally strong prior-year quarter, the number of contract notes traded on the Frankfurt Stock Exchange floor declined slightly by 3 percent to 10.4 million, while the trading volume rose by 7 percent to €44.5 billion.

The new joint venture for structured products between Deutsche Börse AG and the SWX Group was fully consolidated within the Xetra segment for the first time. With its two trading venues, Börse Frankfurt Smart Trading and SWX Quotematch, the European exchange for structured products experienced a positive first quarter in 2007. A total of €26.2 billion was traded at Börse Frankfurt Smart Trading and SWX Quotematch, up by 42 percent on the previous year. The company contributed €9.7 million to sales revenue in the Xetra segment. 50 percent of the company's profit was allocated to SWX, under minority interests, which led to an increase in this line item.

Trading activity on the cash market

	Trades concluded ¹⁾		Order book volume (single-counted)	
	Q1/2007 m	Q1/2006 m	Q1/2007 €bn	Q1/2006 €bn
Xetra®	39.8	26.8	606.5	391.2
Floor	10.4	10.7	44.5	41.6

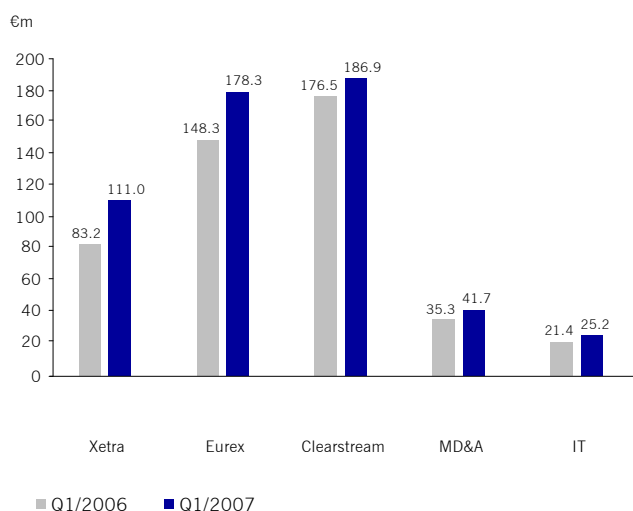
1) Xetra transactions and contract notes in FWB® floor trading

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.

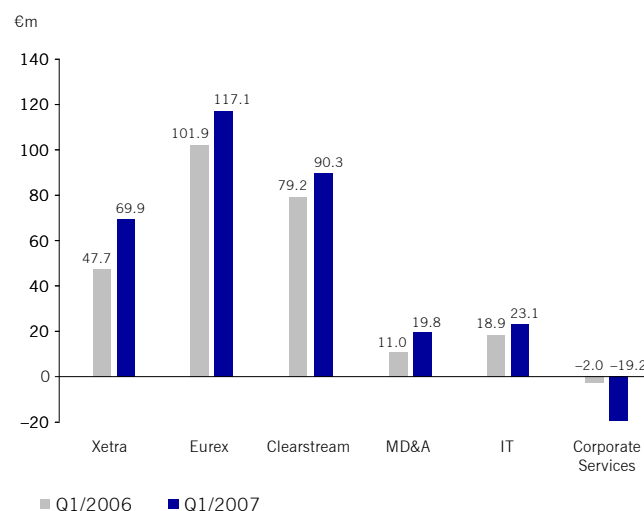
Xetra 8.0 was launched on 23 April. Thanks to a range of enhancements, round trip times – the timespan required for an order to travel from the customer's system via the network to Xetra's back end, and for the latter's confirmation to be sent back to the customer – have been reduced to below ten milliseconds in some cases. Back in December 2006, Deutsche Börse quadrupled the connection bandwidth for all Xetra customers, significantly boosting data transfer speeds and capacity. The available bandwidths now range from 512 kbit/s through 2 mbit/s to the 1 Gbit/s variant, which allows customers to make optimum use of the Proximity Services offering. With the upgrade, the Xetra network is equipped to handle further growth in transaction volumes, offering extremely rapid reaction times even at peak volumes.

Seven years after it was established, the XTF Exchange Traded Funds® segment for exchange-traded index funds (ETFs) maintained its European market leadership. In the first quarter of 2007, the XTF segment generated a trading volume of €24.1 billion, the highest quarterly figure in its history and up 45 percent year-on-year (Q1/2006: €16.6 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 Q1/2007: €53.0 billion represents a year-on-year increase of 64 percent (Q1/2006: €32.3 billion). With 195 ETFs at present, the product range is Europe's most comprehensive.

Sales revenue by segment



EBITA by segment



In Q1/2007, Deutsche Börse recorded 47 new entries in its market segments, 13 of which were new issues. The newcomers to the stock market placed shares with a total value of €263.5 million. Gongyou Machines Limited was the first Chinese company to be admitted to trading on the Open Market.

Eurex segment

- Eurex sales revenue rose by 20 percent to €178.3 million (Q1/2006: €148.3 million).
- Costs grew by 26 percent to €77.8 million year-on-year (Q1/2006: €61.8 million).
- EBITA increased by 15 percent to €117.1 million (Q1/2006: €101.9 million).

The Eurex derivatives exchange recorded a year-on-year increase of 25 percent in the volumes traded during the first quarter of 2007, to 466.9 million contracts (Q1/2006: 374.8 million). The volume of 199.0 million contracts traded in March 2007 was the highest ever recorded in a single month; Eurex set a new daily record of 15.4 million contracts on 14 March. 115.9 million open-interest contracts were traded to the end of March, a year-on-year increase of 9 percent (end of March 2006: 106.2 million contracts). Eurex achieved the largest growth in equity index derivatives (+71 percent). Market uncertainties coupled with high index levels drove traders to hedge their positions with equity index derivatives. Interest rate derivatives again remained the most significant product segment in the first quarter of 2007, with a volume increase of approximately 3 percent year-on-year, for a total of 203.1 million contracts traded (Q1/2006: 196.9 million contracts). The stable long-term interest rate trend was in line with traders' expectations, meaning that they did not need to restructure their portfolios.

Contract volumes in the derivatives market

	Q1/2007 m contracts	Q1/2006 m contracts	Change %
Equity index derivatives	178.6	104.6	+71
Equity derivatives	85.2	73.3	+16
Interest rate derivatives	203.1	196.9	+3
Total Q1	466.9	374.8	+25

On 1 February, Eurex launched an incentive program to increase own-account trading. The program's objective is to promote algorithmic trading. It offers volume rebates of up to 30 percent for on-exchange transactions involving Eurex's major product groups. The positive effects of expected dynamic growth will offset the price reductions. To date, the price change has resulted in a 3 percent reduction in average sales revenue per contract.

Costs were higher than in the same quarter of the previous year, partly as a result of the higher provisions for the phantom stock option plan, and partly due to higher network and application development costs as well as expenditure on performance enhancements. Additionally, Eurex also received a reimbursement of non-recoverable input tax in Q1/2006. This was a non-recurring effect that significantly reduced the costs for the comparable period.

Eurex is introducing a bundle of measures to lay the groundwork for greater data throughput and faster system response times. Since December 2006, Eurex has sent all order book updates – and hence the entire price chain – to customers unnetted in real time. Over the course of 2007 Eurex customers will be able themselves to configure the delivery of the order book data they wish to receive and hence tailor them even more closely to their needs. Eurex is using these technological updates specifically to address the growing significance of algorithmic trading on the derivatives market, thus creating a technical basis for future growth in this segment. Once the measures have been fully implemented, the Eurex® system will offer significantly shorter response times in the coming year and be able to process a transaction volume of more than a billion quotes per day.

On 27 March, Eurex launched credit derivatives trading with three different iTraxx futures. Customers can use these futures to manage credit risk at extremely low cost, while at the same time enjoying all the advantages of an exchange-traded product. To date, trading volumes have been relatively low. There are two reasons for this: firstly, some market participants have yet to complete their product approval processes and the integration of credit index futures into their trading and risk management systems. Secondly, certain major banks in the credit derivatives market are currently taking a highly reserved stance. Nevertheless, interest in the new product group is very high, particularly on the part of asset managers.

Past experience has shown that the long-term success of new products is not dependent on their turnover in the first months of trading. Current revenue drivers, such as derivatives on the Dow Jones EURO STOXX 50® also experienced low trading volumes in the first few months. Particularly with regard to the innovative character of credit index futures, the market apparently needs time to generate significant trading volumes. Eurex enjoys a considerable edge over its competitors as a “first mover”.

Clearstream segment

- Sales revenues grew by 6 percent to €186.9 million (Q1/2006: €176.5 million), mainly due to continued growth in the custody business and a strong increase in settlement transactions.
- Net interest income from banking business went up by 34 percent to €46.1 million (Q1/2006: €34.3 million) due to higher interest rates.
- The total cost base increased by 7 percent to €149.0 million (Q1/2006: €139.9 million) mainly due to volume-driven costs as well as to an increase in staff costs.
- EBITA rose by 14 percent to €90.3 million (Q1/2006: €79.2 million).

In the custody business, the value of assets under custody increased by 9 percent year-on-year, to reach €9.97 trillion. This growth is driven both by international and domestic instruments, mainly due to sustained primary market activity. German domestic asset value reached €5.44 trillion while international deposits

reached €4.53 trillion. Altogether, custody business sales increased by 5 percent to reach €111.9 million (Q1/2006: €106.3 million).

The total number of settlement transactions processed by Clearstream went up by 7 percent to 18.9 million (Q1/2006: 17.7 million). This was mainly due to off-exchange (over-the-counter – OTC) securities transactions in both international and domestic markets (respectively 15 percent and 12 percent above Q1/2006). On-exchange transactions remained at the same level as in Q1/2006, namely 9.6 million. Settlement sales revenue remained stable at €42.6 million (Q1/2006: €42.6 million).

Average overnight customer deposit volumes remain high at €3.9 billion (Q1/2006: €3.8 billion). However, the average blended interest margins increased from 3.09 percent in Q1/2006 to 3.99 percent, due to higher USD and euro short-term interest rates.

Clearstream segment: Key indicators

	Q1/2007	Q1/2006	Change
Custody	€bn	€bn	%
Value of securities deposited (as at 31 March)	9,971	9,133	+9
international	4,530	4,065	+11
domestic	5,441	5,068	+7
Settlement	m	m	%
Securities transactions	18.9	17.7	+7
international	7.5	6.8	+10
domestic	11.4	10.9	+5
Global Securities Financing (GSF)	€bn	€bn	%
Average outstanding volume in March	314.5	219.7	+44
Average customer cash deposits	€m	€m	%
Total	3,902	3,845	+2
euro	1,475	1,576	-6
US dollar	1,548	1,425	+9
other currencies	879	844	+5

Within the Global Securities Financing services business, strong growth continued with the average outstandings reaching €314.5 billion for the first quarter, an increase of 44 percent versus the same period of the previous year (Q1/2006: €219.7 billion). The ASLplus service, where Clearstream acts as single borrower towards the lenders, is contributing well to the increase of securities lending volumes, reaching €29.6 billion at the end of March 2007.

In March, Clearstream successfully launched the Central Facility for Funds (CFF) with the first two pilot firms. CFF offers a more efficient post-trade solution for investment funds domiciled in Luxembourg. The new platform provides delivery versus payment settlement services based on synchronous exchange of cash and securities between fund distributors and transfer agents. Clearstream designed CFF in response to growing market demand for a post-trade solution for investment funds that promotes standardization and automation and reduces risks. Luxembourg is Europe's largest market for international investment funds with over €1.7 trillion in assets under management. The industry has grown 80 percent over the past three years but its post-trade processes are still characterized by high fragmentation, little standardization and thus operational risk. CFF offers for all participating firms (transfer agents, fund distributors and fund promoters) one single set of settlement and payment instructions for all eligible funds which will accelerate and simplify operational processes as well as reduce risks.

In order to better serve its growing number of Asian customers, Clearstream has recently opened two new representative offices in Singapore and in Tokyo. The new offices complement Clearstream's international network of offices for Europe (Frankfurt, Luxembourg and London), the Americas (New York) and Asia (Hong Kong, Dubai).

Furthermore, as part of its initiatives to continuously increase the number of markets, securities and currencies to which it offers access, in January Clearstream became the first international central securities depository to accept the Russian Ruble as a settlement currency. This move comes in response to growing demand by investment banks and issuers to issue eurobonds denominated in Rubles.

Market Data & Analytics segment

- Segment sales revenue rose by 18 percent to €41.7 million (Q1/2006: €35.3 million).
- Costs decreased slightly year-on-year at €27.8 million (Q1/2006: €29.1 million).
- EBITA increased by 80 percent to €19.8 million (Q1/2006: €11.0 million).

Sales revenue in the Front Office, Issuer and Back Office Data & Analytics areas all went up in the first quarter of 2007.

The Front Office Data & Analytics area, again the segment's key revenue driver, generated a consistent stream of new customers for its data packages, particularly for the Spot Market Germany and Eurex products, and connected additional end customers directly to its CEF® real-time data feed.

In its index business, Issuer Data & Analytics launched new indices thus creating additional incentives for issuers of structured products, ETFs and funds. MD&A has developed three new customized indices – the World Luxury Index, the Global Alternative Energy Index and the INFRAX Infrastruktur Index – which are tailored to fit customer wishes. The indices are characterized by clear regulations, neutral calculation in real time and their widespread dissemination via CEF. The DAXglobal® Asia index and the ShortDAX strategy index were also launched. Issuer Data & Analytics is currently the segment's fastest-growing area.

The Back Office Data & Analytics area 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 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, expanded its network and increased its customer count. The bigger the Avox community becomes, the greater the synergy potential that Avox can leverage in data cleansing.

Costs remained stable year-on-year. Higher expenses for provisions relating to the phantom stock option plan and data purchases were offset by lower depreciation and amortization. EBITA contains a larger contribution of €1.9 million (plus 54 percent) relating to the interest in STOXX Ltd. accounted for using the equity method.

Information Technology segment

- External sales revenue generated by the IT segment went up by 18 percent to €25.2 million (Q1/2006: €21.4 million).
- Costs rose to €104.8 million (Q1/2006: €93.4 million).
- EBITA grew by 22 percent to €23.1 million (Q1/2006: €18.9 million).

Following the sale of its majority interest in U.S. Futures Exchange L.L.C. (USFE – previously Eurex US), 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 is a further driver of the significant increase in sales revenue.

The IT segment was able to gain 30 customers in a short time frame for its Proximity Services offering. 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.

Costs in the IT segment rose slightly as a result of the performance initiative: although the systematic technical upgrades to Xetra and Eurex and additional applications used in securities trading make the systems faster and more stable even at peak volumes, they require upfront expenditure on development projects and network improvement measures.

Financial position

Operating cash flow

In the first three months of 2007, Deutsche Börse Group generated stronger cash flow from operating activities of €207.7 million, up 12 percent (Q1/2006: €186.1 million). The increase is primarily attributable to the higher net income for the period.

At €18.2 million, the Group invested somewhat more in intangible assets and property, plant and equipment (Q1/2006: €15.7 million). The main focus of these investments were the Eurex, Clearstream and Information Technology segments. In the Eurex segment, programming began on Release 10.0, and in the Information Technology segment, the performance initiative for the trading segments was implemented.

Cash flows from investing activities deteriorated to –€181.7 million (Q1/2006: –€229.3 million) because of the sale of bonds due for repayment. The Group generated further negative cash flows of –€125.2 million (Q1/2006: –€105.1 million) from financing activities, mainly for the purchase of its own shares within the scope of its capital management program, which was launched in 2005.

As a result, cash and cash equivalents amounted to €927.6 million at the end of the first quarter of 2007 (Q1/2006: €897.0 million). Strong cash flows from operating activities ensure Group liquidity. At €189.5 million (Q1/2006: €170.4 million), free cash flow, i.e. cash flows from operating activities less payments to acquire intangible assets and property, plant and equipment, significantly exceeded the previous year's level.

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 strong credit rating. The Group currently uses net tangible equity (equity less goodwill) as one of its management control indicators for capital requirements. It was estimated in 2005 that, together with a

conservative interest cover and debt/equity ratio, a minimum amount of around €1 billion was necessary in order to maintain good credit ratings. Deutsche Börse Group's net tangible equity amounted to €1,258.0 million as at 31 March 2007 (31 March 2006: €1,171.7 million).

After returning around €1.4 billion to its shareholders in the form of share buy-backs and dividends in 2005 and 2006, Deutsche Börse Group repurchased 0.8 million shares with a total price of €125.0 million in Q1/2007. The average repurchase price was €157.71.

Of the total of 15.0 million shares repurchased since the program was launched, the Company has cancelled 11.8 million shares, most recently 2.0 million shares on 20 March 2007. A further 0.2 million shares were acquired by employees under the terms of the Group Share Plan. As at 31 March 2007, the remaining 3.0 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 (ISE) by Eurex Frankfurt AG, Deutsche Börse AG has temporarily halted its share buy-back program. Share buy-backs are expected to recommence once financial ratios are restored.

Dividend

The Executive Board and Supervisory Board will propose to the AGM to be held on 11 May 2007 that a dividend for financial year 2006 of €3.40 per share (2005: €2.10 per share) be paid to shareholders registered in the Company's share register on 14 May 2007. This represents a 62 percent increase year-on-year. The distribution ratio in accordance with this proposal is 50 percent (2005: 49 percent). With 97,011,271 shares in issue carrying dividend rights, this would result in a total distribution of €329.8 million (2005: €210.4 million).

Net assets

Deutsche Börse Group's noncurrent assets amounted to €1,893.3 million as at 31 March 2007 (Q1/2006: €2,024.4 million). Goodwill of €1,069.9 million (Q1/2006: €1,071.5 million), mainly from the acquisition of Clearstream International S.A. in 2002, represented the largest part of these noncurrent assets. The Group invests primarily in trading and settlement

systems, which are capitalized as software and amortized over the expected useful life. As at 31 March 2007, the intangible assets included software with a residual carrying amount of €117.6 million (Q1/2006: €167.5 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 (Q1/2007: €118.6 million, Q1/2006: €121.4 million) or as investment property (Q1/2007: €93.0 million, Q1/2006: €105.9 million). Securities from banking business amounted to €283.2 million (Q1/2006: €363.4 million) and represented the majority of the noncurrent financial assets.

Equity amounted to €2,350.6 million (Q1/2006: €2,256.9 million) and interest-bearing liabilities, mainly relating to a corporate bond, amounted to €500.1 million (Q1/2006: €501.3 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 assumptions 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 quarter of 2007 confirms the Company's expectations that it will again be able to increase sales revenue and earnings in 2007. A further increase in volatility, as we have seen since the end of February due to temporary uncertainty on the financial markets, 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, the first pilot customers have 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 current financial 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 Group 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) have 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 partners expect the transaction to close in Q4/2007.

Consolidated Income Statement

for the period 1 January to 31 March 2007

	31 March 2007	Quarter ended 31 March 2006
	€m	€m
Sales revenue	543.1	464.7
Net interest income from banking business	46.1	34.3
Own expenses capitalized	6.0	8.5
Other operating income	15.1	13.2
	610.3	520.7
Fee and commission expenses from banking business	-36.9	-35.5
Staff costs	-132.0	-109.3
Depreciation, amortization and impairment losses (other than goodwill)	-31.1	-33.7
Other operating expenses	-113.3	-87.6
Result from equity investments	3.3	2.4
Earnings before interest, tax and goodwill impairment (EBITA)	300.3	257.0
Goodwill impairment	0	0
Earnings before interest and tax (EBIT)	300.3	257.0
Financial income	29.2	13.9
Financial expense	-26.1	-14.3
Earnings before tax (EBT)	303.4	256.6
Income tax expense	-109.0	-94.9
Net profit for the period¹⁾	194.4	161.7
Minority interests	-2.1	0.3
Net income for the period²⁾	192.3	162.0
Earnings per share (basic and diluted) (€)	1.97	1.61

1) Total recognized income for the period (including gains and losses taken to equity) amounted to €191.3 million (2006: €159.4 million), of which €189.4 million (2006: €159.8 million) were attributable to shareholders of the parent company.

2) Profit attributable to shareholders of the parent company

Consolidated Balance Sheet

as at 31 March 2007

	31 March 2007	31 Dec. 2006	31 March 2006
	€m	€m	€m
ASSETS			
Noncurrent assets			
Intangible assets	1,201.4	1,214.0	1,257.9
Property, plant and equipment	236.2	235.5	234.1
Financial assets and investment property	440.5	439.4	520.3
Other noncurrent assets	15.2	18.7	12.1
	1,893.3	1,907.6	2,024.4
Current assets			
Financial instruments of Eurex Clearing AG	66,534.1	53,956.9	61,822.7
Current receivables and securities from banking business	8,804.4	6,645.0	5,464.6
Other receivables and other assets	360.1 ¹⁾	280.4 ¹⁾	304.3
Restricted bank balances	1,926.8	1,582.8	1,860.3
Other cash and bank balances	658.3	652.4	547.2
	78,283.7	63,117.5	69,999.1
Total assets	80,177.0	65,025.1	72,023.5
EQUITY AND LIABILITIES			
Equity			
Shareholders' equity	2,327.9	2,263.4	2,243.2
Minority interests	22.7	19.9	13.7
Total equity	2,350.6	2,283.3	2,256.9
Noncurrent liabilities			
Provisions for pensions and other employee benefits	21.1	14.5	30.2
Other noncurrent provisions	64.5	105.9	75.8
Deferred tax liabilities	24.6	23.4	52.3
Interest-bearing liabilities	500.1	499.9	501.3
Other noncurrent liabilities	1.4	2.7	4.2
	611.7	646.4	663.8
Current liabilities			
Tax provisions	268.0	244.8	194.1
Other current provisions	146.5	82.0	90.3
Financial instruments of Eurex Clearing AG	66,534.1	53,956.9	61,822.7
Liabilities from banking business	8,137.7	6,078.7	4,945.1
Cash deposits by market participants	1,888.7	1,509.0	1,854.0
Other current liabilities	239.7	224.0	196.6
	77,214.7	62,095.4	69,102.8
Total liabilities	77,826.4	62,741.8	69,766.6
Total equity and liabilities	80,177.0	65,025.1	72,023.5

1) Thereof €14.0 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)

Consolidated Cash Flow Statement

for the period 1 January to 31 March 2007

	31 March 2007	Quarter ended 31 March 2006
	€m	€m
Net profit for the period	194.4	161.7
Depreciation, amortization and impairment losses	31.1	33.7
(Decrease)/increase in noncurrent provisions	-34.8	5.0
Deferred tax expense	2.2	0.4
Other non-cash income	-1.3	-0.5
Changes in working capital, net of non-cash items	16.1	-14.2
Cash flows from operating activities	207.7	186.1
Payments to acquire intangible assets and property, plant and equipment	-18.2	-15.7
Payments to acquire noncurrent financial instruments	-46.3	-45.9
Payments to acquire subsidiaries, net of cash acquired	-1.6	0
Net increase in current receivables, securities and liabilities from banking business with an original term greater than three months	-161.8	-173.1
Proceeds from disposals of available-for-sale noncurrent financial instruments	45.8	5.3
Proceeds from disposal of other noncurrent assets	0.4	0.1
Cash flows from investing activities	-181.7	-229.3
Purchase of treasury shares	-125.0	-104.7
Proceeds from sale of treasury shares	0.3	0
Finance lease payments	-0.5	-0.4
Cash flows from financing activities	-125.2	-105.1
Net change in cash and cash equivalents	-99.2	-148.3
Cash and cash equivalents as at beginning of period ¹⁾	1,026.8	1,045.3
Cash and cash equivalents as at end of period¹⁾	927.6	897.0
Operating cash flow per share (basic and diluted) (€)	2.13	1.85
Interest income and other similar income	30.9	15.1
Dividends received ²⁾	0.6	2.4
Interest paid	-29.7	-19.6
Income tax paid	-83.9	-52.6

1) Excluding cash deposits by market participants

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

Consolidated Statement of Changes in Equity

for the period 1 January to 31 March 2007

	31 March 2007	Quarter ended 31 March 2006
	€m	€m
Subscribed capital		
Balance as at 1 January	102.0	105.9
Retirement of treasury shares	-2.0	0
Balance as at 31 March	100.0	105.9
Share premium		
Balance as at 1 January	1,340.0	1,336.1
Retirement of treasury shares	2.0	0
Balance as at 31 March	1,342.0	1,336.1
Treasury shares		
Balance as at 1 January	-443.1	-366.8
Purchase of treasury shares	-125.0	-104.7
Retirement of treasury shares	227.5	0
Sales within the Group Share Plan	0.6	0
Balance as at 31 March	-340.0	-471.5
Revaluation surplus		
Balance as at 1 January	12.9	11.6
Increase in carrying amount of stock options related to share-based payments	0.3	0.1
Remeasurement of cash flow hedges	0.1	-1.5
Remeasurement of other financial instruments	-3.5	0.3
Deferred taxes on remeasurement of financial instruments	1.0	0.6
Balance as at 31 March	10.8	11.1
Accumulated profit		
Balance as at 1 January	1,251.6	1,099.9
Net income for the period	192.3	162.0
Exchange rate differences and other adjustments	-1.3	-0.3
Retirement of treasury shares	-227.5	0
Balance as at 31 March	1,215.1	1,261.6
Shareholders' equity as at 31 March	2,327.9	2,243.2
Minority interests		
Balance as at 1 January	19.9	14.1
Changes due to equity increases	0.9	0
Changes due to share in net profit/(net loss) of subsidiaries for the period	2.1	-0.3
Exchange rate differences	-0.2	-0.1
Balance as at 31 March	22.7	13.7
Total equity as at 31 March	2,350.6	2,256.9

Notes to the Interim Financial Statements

1. Accounting policies

These interim financial statements 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 (Wertpapierhandelsgesetz – German Securities Trading Act), these interim financial statements are supplemented by a Group interim management report.

2. Group structure

On 23 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, and 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. In addition, the Group’s interest in BrainTrade GmbH 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.

On 25 January 2007, Deutsche Börse AG founded Finnovation Financial Services GmbH as a wholly owned subsidiary.

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 €12.5 billion to €66.5 billion as at 31 March 2007 (31 December 2006: €54.0 billion) is mainly due to the increase in volume of open repo transactions from €39.5 billion to €49.1 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

	31 March 2007	Quarter ended 31 March 2006
	€m	€m
Xetra	111.0	83.2
Eurex	178.3	148.3
Clearstream	186.9	176.5
Market Data & Analytics	41.7	35.3
Information Technology	25.2	21.4
Total sales revenue	543.1	464.7
Internal sales revenue Information Technology	98.6	86.9
Analysis of Clearstream sales revenue (gross commission income)		
Custody	111.9	106.3
Settlement	42.6	42.6
Other	32.4	27.6
Total	186.9	176.5

Net interest income from banking business

	31 March 2007	Quarter ended 31 March 2006
	€m	€m
Gross interest income	84.0	58.6
Interest expense	-37.9	-24.3
Net interest income from banking business	46.1	34.3

Earnings before interest, tax and goodwill impairment (EBITA)

	31 March 2007	Quarter ended 31 March 2006
	€m	€m
Xetra	69.9	47.7
Eurex	117.1	101.9
Clearstream	90.3	79.2
Market Data & Analytics	19.8	11.0
Information Technology	23.1	18.9
Corporate Services	-19.2	-2.0
Reconciliation	-0.7	0.3
Total EBITA	300.3	257.0

Earnings before tax (EBT)

	31 March 2007	Quarter ended 31 March 2006
	€m	€m
Xetra	69.9	47.7
Eurex	119.7	103.6
Clearstream	90.3	79.2
Market Data & Analytics	19.8	11.0
Information Technology	23.1	18.9
Corporate Services	-18.7	-4.0
Reconciliation	-0.7	0.2
Total EBT	303.4	256.6

Investments in intangible assets, property, plant and equipment

	31 March 2007	Quarter ended 31 March 2006
	€m	€m
Xetra	0.9	1.2
Eurex	4.2	4.6
Clearstream	3.3	5.2
Market Data & Analytics	0.5	0.2
Information Technology	11.0	6.7
Corporate Services	1.1	0.5
Reconciliation	-2.8	-2.7
Total investments in intangible assets, property, plant and equipment	18.2	15.7

Depreciation and amortization expense

	31 March 2007	Quarter ended 31 March 2006
	€m	€m
Xetra	2.4	3.7
Eurex	4.7	5.2
Clearstream	12.8	12.7
Market Data & Analytics	0.8	3.1
Information Technology	7.2	5.8
Corporate Services	5.7	6.0
Reconciliation	-2.5	-2.8
Total depreciation and amortization expense	31.1	33.7

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). With the exception of Clearstream Banking S.A., Luxembourg, which has been classified as a trading-book institution since the introduction of the ASLplus securities lending system, all Group companies are non-trading-book institutions. The open ASLplus transactions do not currently result in any capital requirements. Other market price risk positions are limited to a relatively small open foreign currency position. 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 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 31 March 2007:

	31 March 2007			31 March 2006		
	Capital requirements €m	Regulatory equity €m	Solvency ratio ¹⁾ %	Capital requirements €m	Regulatory equity €m	Solvency ratio ¹⁾ %
Clearstream subgroup	143.4	881.4	49.2	112.4	834.4	59.4
Clearstream International S.A.	63.0	670.1	85.2	62.1	670.3	86.4
Clearstream Banking S.A.	112.8	361.7	25.7	75.1	351.4	37.4
Clearstream Banking AG	17.8	59.6	26.8	17.0	70.6	33.2
Eurex Clearing AG ²⁾	12.1	50.0	33.2	12.2	20.5	13.4

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 €46.8 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. There were the following potentially dilutive outstanding options or rights to purchase shares as at 31 March 2007:

Tranche	Exercise price ¹⁾	Adjusted exercise price	Average number of outstanding options	Average price for the period ²⁾	Number of potentially dilutive ordinary shares
	€	€	31 March 2007	€	31 March 2007
2004	52.35	52.35	34,879	158.29	23,344
2005	78.29	78.79	85,561	158.29	42,972
2006	127.80	145.86	57,438	158.29	4,510
2007 ³⁾	–	139.06	34,125	158.29	4,146

1) The original issue prices of €51.84 for Tranche 2004 and €77.69 for Tranche 2005 were adjusted due to the reduction of the share capital under the share buy-back program.

2) Volume-weighted average price of Deutsche Börse AG shares on Xetra for the period 1 January to 31 March 2007

3) 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 31 March 2007 or as at 31 March 2006.

Earnings per share

	31 March 2007	31 March 2006
Number of shares outstanding as at beginning of period	97,798,961	101,278,653
Number of shares outstanding as at 31 March	97,011,271	100,178,653
Weighted average number of shares outstanding	97,564,891	100,482,012
Number of potentially dilutive ordinary shares	74,972	52,987
Weighted average number of shares used to compute diluted earnings per share	97,639,863	100,534,999
Net income for the period (€m)	192.3	162.0
Earnings per share (basic and diluted) (€)	1.97	1.61

8. Material transactions with related parties

	Amount of the transactions		Outstanding balances	
	31 March 2007	31 March 2006	31 March 2007	31 March 2006
	€m	€m	€m	€m
Associates:				
License fees paid by Eurex Frankfurt AG to STOXX Ltd.	0	-0.8	0	0
Operation of Eurex software by Deutsche Börse Systems AG for European Energy Exchange AG	1.7	1.2	1.3	0
Provision of price data by STOXX Ltd. to Deutsche Börse AG	-1.5	-1.0	0	0
Operation of the trading system by Deutsche Börse Systems AG for U.S. Futures Exchange L.L.C.	1.7	-	1.3	-
Provision of price data by International Index Company Ltd. to Deutsche Börse AG	-0.2	-0.2	0	0
Operation and development of Xontro by Deutsche Börse Systems AG for BrainTrade GmbH	6.7	6.8	2.7	2.9
Operation of the floor trading system by BrainTrade GmbH for Deutsche Börse AG	-2.2	-4.1	-1.4	-1.8
Office and administrative services by SWX Swiss Exchange AG for SWX Quotematch AG	-2.9	-	0	-
Operation of the floor trading system by BrainTrade GmbH for Börse Frankfurt Smart Trading AG	-1.2	-	-0.5	-
Other transactions with associates			0.3	-0.3
Total associates			4.2	0.8
Other investors:				
Office and administrative services by Eurex Zürich AG for SWX Swiss Exchange AG	5.3	5.9	3.3	1.1
Office and administrative services by SWX Swiss Exchange AG for Eurex Zürich AG	-2.5	-1.9	-1.0	-0.8
Development of Eurex software by Deutsche Börse Systems AG for SWX Swiss Exchange AG	1.7	1.2	1.1	0.8
Office and administrative services by SWX Swiss Exchange AG for Eurex Frankfurt AG	-0.6	-0.7	-0.2	-0.5
Transfer of revenue resulting from Eurex fees by Eurex Zürich AG to SWX Swiss Exchange AG	n.a. ¹⁾	n.a. ¹⁾	-13.8	-10.7
Other transactions with other investors			-0.8	-4.2
Total other investors			-11.4	-14.3

1) Transfer not recognized in the consolidated income statement

9. Employees

	31 March 2007	Quarter ended 31 March 2006
Average number of employees during the period	2,973	2,918
Employed as at the balance sheet date	2,993	2,923

There was an average of 2,782 full-time equivalent (FTE) employees during the first quarter of 2007 (Q1/2006: 2,720).

10. Events after the balance sheet date

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 is subject to approval by the shareholders of ISE and receipt of approval by the U.S. Securities and Exchange Commission. The transaction is expected to close in Q4/2007.

Frankfurt/Main, 3 May 2007
Deutsche Börse AG
The Executive Board



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Published by

Deutsche Börse AG

60485 Frankfurt/Main

Germany

Company Register: Frankfurt/Main HRB 32 23 2

May 2007

Order number: 1010–2366

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