

Q1/2024: Deutsche Börse Group starts the financial year 2024 as planned with further considerable growth

Overview of quarterly results

- Net revenue rose in the first quarter of 2024 by 16 per cent to €1,427.3 million and EBITDA by 13 per cent to €875.3 million.
- The strong increase in net revenue is due to organic growth of 6 per cent, as well as the contribution from SimCorp of 10 per cent.
- Net profit for the period attributable to Deutsche Börse AG shareholders came to €497.6 million and earnings per share before purchase price allocations rose by 7 per cent to €2.89.
- Due to the performance in the first quarter of 2024 and the outlook for the remainder of the year, we confirm our guidance for 2024.

Overview of material events

- On 8 March 2024, the [Supervisory Board of Deutsche Börse AG appointed Stephan Leithner as CEO of Deutsche Börse AG](#) for a period of five years effective 1 October 2024. Theodor Weimer and Stephan Leithner will lead together as Co-CEOs in the period from 1 October 2024 until 31 December 2024.
- The [share buy-back programme announced by Deutsche Börse AG in an ad hoc statement on 6 November 2023](#) began on 2 January 2024. By 31 March 2024, a total of 1,547,967 shares had been bought back for some €289 million. The share buy-back programme will end on 3 May 2024 at the latest and has a maximum volume of €300 million.

Comparability of figures

Deutsche Börse Group slightly modified the allocation of net revenue within its segment reporting with effect from the first quarter of 2024.

- In the Trading & Clearing segment, Financial Derivatives unit, net revenue from interest rate derivatives, OTC clearing and the repo business, which was previously reported under "Other" are now reported collectively under the heading of "Fixed Income".
- In addition, in the Financial Derivatives unit, Margin fees, which were previously reported separately, will henceforth be allocated to "Equities" and "Fixed Income" according to the economic affiliation.
- In the Fund Services segment, the net interest income is now presented separately and no longer under the heading "Other".
- Because the expertise in digital assets is pooled in the Trading & Clearing segment, the activities from Crypto Finance and Deutsche Börse Digital Exchange (DBDX), which was previously reported under "Cash Equities", is now shown in the FX & Digital Assets unit.

Results of operations

Market participants focused on the central banks and their monetary policy in the first quarter of 2024. Both the Federal Reserve and the ECB kept rates at their current level and would not be drawn on the timing of the first interest rate cut. Average interest rates were higher than in the same quarter of the previous year, so net interest income went up significantly, despite slightly

lower cash balances. At the same time, persistently high interest rates resulted in a need for refinancing solutions and so to strong demand for repo products. Trading in interest rate derivatives received a boost, as market expectations of possible interest rate cuts were postponed due to still high inflation rates and solid economic growth. Stock market volatility was significantly below the same quarter of the previous year. The trading volume of equity index derivatives returned to its long-term average as a result, after the insolvency of some US banks and consolidation on the Swiss banking market in March 2023 had caused a brief rise in hedging requirements and so particularly high trading volumes. In addition, lower power prices and gains in market share by EEX resulted in new record trading volumes for power derivatives.

Against this backdrop, net revenue in the first quarter of 2024 rose by 16 per cent to €1,427.3 million (Q1/23: €1,231.2 million). About 10 per cent of the growth is due to the consolidation of SimCorp. Main drivers of the 6 per cent organic growth were the strong demand for power derivatives in the Commodities unit, as well as additional business with new customers and contract renewals with existing customers in the Software Solutions unit of the Investment Management Solutions segment. High demand for repo products in the Trading & Clearing segment in the Financial Derivatives unit and strong funds business also contributed to the good net revenue performance.

Higher net interest income in Fund Services and Securities Services segments offset the decline in revenue due to lower volatility on equity markets.

Operating costs went up 25 per cent in the first quarter to €564.5 million (Q1/23: €452.7 million). The increase is largely attributed to the effects of consolidating SimCorp. From an organic perspective, costs were up by around 4 per cent, whereby lower share-based payments offset increases due to costs to achieve synergies, inflation and investments.

This boosted earnings before interest, tax, depreciation and amortisation (EBITDA) by 13 per cent to €875.3 million (Q1/23: €772.1 million).

This includes the result from financial investments of €12.5 million (Q1/23: €–6.4 million), which benefited from the positive performance of various minority investments.

Amortisation and depreciation came to €117.5 million (Q1/23: €88.3 million). The increase is largely due to the consolidation of SimCorp and the purchase price allocation for the transaction.

The financial result of €–42.1 million (Q1/23: €–9.1 million) was driven mainly by interest expenses on the bonds issued to finance the SimCorp acquisition.

Net profit attributable to Deutsche Börse AG shareholders for the first quarter of 2024 was therefore €497.6 million (Q1/23: €473.3 million), which represents an increase of 5 per cent over the same quarter of the previous year. Earnings per share came to €2.70 (Q1/23: €2.58) for an average of 184.2 million shares. Earnings per share before purchase price allocations (cash EPS) were €2.89 (Q1/23: €2.70), an increase of 7 per cent.

Gregor Pottmeyer, CFO of Deutsche Börse AG, commented on the results as follows: "We once again significantly increased our net revenue in the first quarter. Our diversified business model has enabled us to achieve further secular growth, and we saw the additional revenue contribution from SimCorp. We have also made substantial progress in combining the business units in the new Investment Management Solutions segment and realising synergies. In doing so, we have created an important basis for achieving our financial targets in the current year and beyond."

Risk report

[On pages 64 to 82 of its Annual Report 2023](#), Deutsche Börse Group comprehensively outlines the framework, strategy, principles, organisation, processes, methods and concepts behind its risk management, as well as the measures it implements to manage or reduce risks. A detailed description of the status of current litigation can be found in [the Annual Report 2023 on pages 223 to 226](#).

In view of Russia's ongoing war of aggression against Ukraine, the measures taken and the implementation of sanctions remain in place. The Group continues to manage this risk actively by means of constant monitoring and awareness training.

In terms of the Middle East conflict that broke out in October 2023, an analysis carried out across the Group did not identify any material effects on the overall risk profile.

There was no material change in the Group's risk position concerning legal disputes in the first quarter of 2024.

Report on expected developments

Given the performance in the first quarter of 2024 and the outlook for the remainder of the year, we confirm our guidance for 2024 as presented on [pages 88 to 90 of the Annual Report 2023](#).

Report on post-balance sheet date events

The share buy-back programme announced by Deutsche Börse AG with a volume of €300 million was completed as planned on 19 April 2024.

Consolidated income statement

in €m	01.01. - 31.03.	
	2024	2023
Sales revenue	1,454.9	1,250.0
Treasury result from banking and similar business	261.5	226.9
Other operating income	9.0	4.5
Total revenue	1,725.4	1,481.4
Volume-related costs	- 298.1	- 250.2
Net revenue (total revenue less volume-related costs)	1,427.3	1,231.2
Staff costs	- 395.8	- 317.1
Other operating expenses	- 168.7	- 135.6
Operating costs	- 564.5	- 452.7
Result from financial investments	12.5	- 6.4
Earnings before interest, tax, depreciation and amortisation (EBITDA)	875.3	772.1
Depreciation, amortisation and impairment losses	- 117.5	- 88.3
Earnings before interest and tax (EBIT)	757.8	683.8

in €m	01.01. - 31.03.	
	2024	2023
Earnings before interest and tax (EBIT)	757.8	683.8
Financial result	- 42.1	- 9.1
Earnings before tax (EBT)	715.7	674.7
Income tax expense	- 191.7	- 181.4
Net profit for the period	524.0	493.3
Net profit for the period attributable to Deutsche Börse AG shareholders	497.6	473.3
Net profit for the period attributable to non-controlling interests	26.4	20.0
Earnings per share (basic) (€)	2.70	2.58
Earnings per share before purchase price allocations (Cash EPS) (€)	2.89	2.70

Segment reporting

Key indicators Investment Management Solutions segment

in €m	01.01. - 31.03.		
	2024	2023	Change
Net revenue	300.0	156.7	91 %
Software Solutions	161.4	19.9	711 %
On-premises	70.4	0.0	n.a.
SaaS (incl. Analytics)	52.7	19.9	165 %
Other	38.3	0.0	n.a.
ESG & Index	138.6	136.8	1 %
ESG	59.8	56.9	5 %
Index	51.5	50.5	2 %
Other	27.3	29.4	- 7 %
Operating costs	- 200.7	- 103.8	93 %
EBITDA	106.1	52.7	101 %

Key indicators Trading & Clearing segment

in €m	01.01. - 31.03.		
	2024	2023	Change
Net revenue	603.9	607.8	- 1 %
Financial Derivatives	330.7	357.6	- 8 %
Equities	131.4	165.8	- 21 %
Fixed Income	142.6	142.6	0 %
Other	56.7	49.2	15 %
Commodities	162.7	138.0	18 %
Power	80.1	57.5	39 %
Gas	25.4	27.1	- 6 %
Other	57.2	53.4	7 %
Cash Equities	71.9	76.3	- 6 %
Trading	34.2	36.5	- 6 %
Other	37.7	39.8	- 5 %
FX & Digital Assets	38.6	35.9	8 %
Operating costs	- 219.5	- 208.8	5 %
EBITDA	390.0	394.1	- 1 %

Key indicators Fund Services segment

in €m	01.01. - 31.03.		
	2024	2023	Change
Net revenue	117.6	106.1	11 %
Fund Processing	60.2	51.6	17 %
Fund Distribution	21.1	21.4	- 1 %
Net interest income from banking business	16.3	11.2	46 %
Other	20.0	21.9	- 9 %
Operating costs	- 48.4	- 46.3	5 %
EBITDA	69.2	59.3	17 %

Key indicators Securities Services segment

in €m	01.01. - 31.03.		
	2024	2023	Change
Net revenue	405.8	360.6	13 %
Custody	161.0	154.5	4 %
Settlement	32.8	29.4	12 %
Net interest income from banking business	176.1	140.8	25 %
Other	35.9	35.9	0 %
Operating costs	- 95.9	- 93.8	2 %
EBITDA	310.0	266.0	17 %

Consolidated balance sheet

Consolidated balance sheet (extract)

in €m	31 Mar 2024	31 Dec 2023
ASSETS	287,718.1	237,726.9
NON-CURRENT ASSETS	25,485.4	23,416.7
Intangible assets	12,506.5	12,478.6
Property, plant and equipment	579.0	605.6
Financial instruments held by central counterparties	9,882.4	7,667.6
Other non-current assets	2,517.5	2,664.9
CURRENT ASSETS	262,232.7	214,310.2
Restricted bank balances	56,919.8	53,669.4
Financial instruments held by central counterparties	176,468.3	137,904.9
Other current assets	28,844.6	22,735.9

Consolidated balance sheet (extract)

in €m	31 Mar 2024	31 Dec 2023
EQUITY AND LIABILITIES	287,718.1	237,726.9
EQUITY	10,321.7	10,100.2
Shareholders' equity	9,856.0	9,661.5
Non-controlling interests	465.7	438.7
NON-CURRENT LIABILITIES	18,371.5	16,206.7
Financial instruments held by central counterparties	9,882.4	7,667.6
Other non-current liabilities	8,489.1	8,539.1
CURRENT LIABILITIES	259,024.9	211,420.1
Cash deposits by market participants	56,651.1	53,401.3
Financial instruments held by central counterparties	176,272.3	137,341.9
Other current liabilities	26,101.5	20,676.9

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Publication date

23 April 2024

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