DEUTSCHE BÖRSE
GROUP

www.deutsche-boerse.com

Financial report 2015

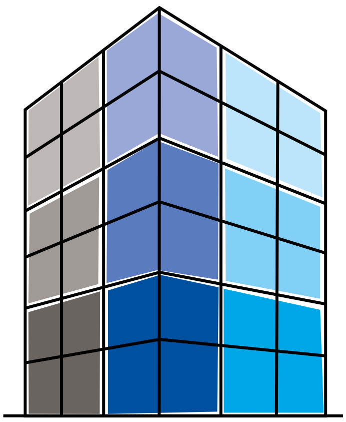
Deutsche Börse Group: key figures

		2015	2014	Change in %
Consolidated income statement				
Net revenue (total revenue less volume-related costs)	€m	2,367.4	2,047.8	16
thereof net interest income from banking business	€m	50.6[1)]	37.6[1)]	35
Operating costs	€m	–1,375.6	–1,114.8	23
Earnings before interest and tax (EBIT)	€m	992.6	1,011.3	–2
Net profit for the period attributable to Deutsche Börse AG shareholders	€m	665.5	762.3	–13
Earnings per share (basic)	€	3.60	4.14	–13
Consolidated cash flow statement				
Cash flows from operating activities excluding CCP positions	€m	796.6	684.8	16.3
Consolidated balance sheet				
Non-current assets	€m	14,386.9	11,267.2	28
Equity	€m	3,695.1	3,752.1	–2
Non-current interest-bearing liabilities	€m	2,546.5	1,428.5[2]	78
Performance indicators				
Dividend per share	€	2.25[3)]	2.10	7
Divident payout ratio	%	55[4)]	58[5)6)7)]	–5
Employees (average annual FTEs)		4,643	3,911	19
Personnel expense ratio (staff costs / net revenue)	%	27	23[8)]	17
EBIT margin, based on net revenue	%	42	49	–15
Tax rate	%	26.0	26.0[9)]	0
Return on shareholders' equity (annual average)[10)]	%	22	21	5
Gross debt / EBITDA		1.9[5)7)]	1.5[5)]	27
Interest coverage ratio	%	24.9	26.0[5)]	–4
Deutsche Börse shares				
Opening price[11)]	€	59.22	60.20	–2
High[12)]	€	87.41	63.29	38
Low[12)]	€	58.65	49.90	18
Year-end closing price	€	81.39	59.22	37
Market indicators				
Eurex				
Number of contracts	m	2,272.4	2,097.9	8
Xetra®, Frankfurt Stock Exchange and Tradegate				
Trading volume (single-counted)	€bn	1,635.7	1,282.6	33
Clearstream				
Value of securities deposited (annual average)	€bn	13,274	12,215	9
Number of transactions	m	138.0	126.3	9
Global Securities Financing (average outstanding volume for the period)	€bn	598.6	609.8	–2
Transparency and stability key figures CR				
Proportion of companies reporting in accordance with maximum transparency standards[13)]	%	91	82	10
Number of calculated indices		11,403	10,825	5
Number of sustainable index concepts		35	25	40
System availability of cash market trading system (Xetra®)	%	99,999	99,981	0
System availability of derivatives market trading system (T7®)	%	99,930	99,986	0
Market risk cleared via Eurex Clearing (gross monthly average)	€bn	16,746	16,343	2

1) Clearstream and Eurex segments 2) Bonds that will mature in the following year are reported under “Other current liabilities” (2012: €577.4 million; 2014: €139.8 million). 3) Proposal to the Annual General Meeting 2016 4) Amount based on the proposal to the Annual General Meeting 2016 5) Adjusted for the costs of mergers and acquisitions and of efficiency programmes 6) Adjusted for expenditure relating to the revaluation of the share component of the purchase price paid for the acquisition of the shares of Eurex Zürich AG held by SIX Group, a one-off gain from the reversal of deferred tax liabilities for STOXX Ltd. resulting from a decision by the Swiss Financial Supervisory Authority and a one-off gain from the recognition of deferred tax assets resulting from the future possible offsetting of losses carried forward by Eurex Global Derivatives AG 7) Adjusted for costs largely related to criminal proceedings against Clearstream Banking S.A. in the US 8) Adjusted for efficiency programme effects and costs incurred for the change of CEO in 2015 9) Adjusted for a one-off gain from the dissolution of the financing structure established in connection with the acquisition of ISE, and a one-off expense mainly attributable to the reduction in deferred tax assets in respect of a tax loss carryforward 10) Net profit for the period attributable to shareholders of Deutsche Börse AG/average sharehold-er’s equity for the financial year based on the quarter-end balance of shareholder’s equity 11) Closing price on preceding trading day 12) Intraday price 13) Ratio of the market capitalisation of companies listed in the Prime Standard (shares) to the market capitalisation of all companies listed on the Frankfurter Wertpapierbörse (FWB®, the Frankfurt Stock Exchange)

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Deutsche Börse Group – an overview



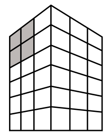
1 Pre-IPO und Listing
2 Trading
3 Clearing

4 Settlement
5 Custody
6 Collateral and liquidity management

7 Market data
8 Indices
9 Technology

Deutsche Börse Group covers the entire value chain in securities and derivatives trading

Further details are available in the information boxes of our Annual 2015. The articles place emphasis on individual aspects of our commitment, service offering and achievements.

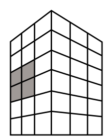


1

Pre-IPO and listing

Start-up companies enter into a decisive phase when they require liquid funds to expedite growth. It is specifically for these companies that Deutsche Börse launched its Venture Network. The Frankfurt Stock Exchange allows companies to raise equity or debt capital, and investors support the real economy by providing capital.

Our brands: Deutsche Börse, Börse Frankfurt

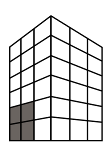


2

Trading

On its electronic trading systems (e.g. Xetra® and Eurex®), Deutsche Börse Group operates regulated markets for equities, bonds and numerous other financial products, among them derivatives, i.e. contracts derived from other assets or reference values. Electricity and gas are traded at the European Energy Exchange, FX via the 360T® platform.

Our brands: Xetra®, Eurex®, International Security Exchange, European Energy Exchange, 360T®, Börse Frankfurt, Tradegate



3

Clearing

Clearing denotes the offsetting of transactions to reduce risk positions. In addition, Deutsche Börse Group's clearing houses act as central counterparties: as buyer to each seller, and as seller to each buyer to minimise counterparty risk. Deutsche Börse Group thereby offers efficient clearing across all types of trading.

Our brand: Eurex Clearing, European Commodity Clearing

4

Settlement

Following trading and clearing, settlement involves the accurate booking of individual items, with the exchange of securities against money. The booking of securities transactions to individual client securities accounts is also ascertained during this process. Clearstream is responsible for efficient global securities settlement.

Our brand: Clearstream

5

Custody

Once assets have been settled, they are held in safe custody. Clearstream administers assets throughout the period for which they are held, offering comprehensive services for all product types. These services allow market participants to efficiently comply with their regulatory obligations.

Our brand: Clearstream

6

Collateral and liquidity management

Through the Global Liquidity Hub, Deutsche Börse Group offers financial institutions optimal liquidity and collateral management. Due to its links to depository banks, trading platforms, central counterparties and other national central securities depositories, the open architecture provides access to a rich pool of liquidity.

Our brands: Clearstream, Eurex Repo®

7

Market data

Private and institutional investors make decisions based on market data, creating new information in turn. Deutsche Börse's most prominent data products include (real-time) price data, historical market data and analytical indicators from trading at its cash and derivatives exchanges.

Our brand: Deutsche Börse

8

Indices

Through STOXX Ltd., Deutsche Börse Group disseminates international indices. The STOXX index families are differentiated by country, region, product type, investment theme or strategy. Customised indices facilitate accurate market analysis in real time. Among the benchmark products are the EURO STOXX 50® and the DAX® index.

Our brands: STOXX®, DAX®

9

Technology

State-of-the-art IT systems provide the foundation for virtually all capital markets services. Deutsche Börse Group develops IT systems for trading, clearing, settlement and custody services, while ensuring the operational reliability of the data centres.

Our brands: Deutsche Börse, T7®, C7®, N7®, F7®

Financial report 2015
Contents

Letter from the CEO

Carsten Kengeter
Chief Executive Officer

Frankfurt/Main, 4 March 2016

Dear shareholders,
Ladies and Gentlemen,

The financial year under review was a very good year for your company, Deutsche Börse AG. Not only did net revenue increase by 16 per cent – our EBIT was also up 14 per cent year-on-year. Unfortunately, our costs also rose, by 17 per cent. This is one of the reasons why the scalability of our business model will play a major role in the future. At the Annual General Meeting we shall propose an increase in the dividend, to €2.25 per share. This corresponds to a distribution ratio of 55 per cent of net profit for the period attributable to Deutsche Börse AG shareholders.

Whilst these are quite respectable results, I am not yet satisfied. Deutsche Börse will have to grow even faster in the future – in the interests of its investors, but also of its clients. The global exchange industry is in motion: over the past few years, mergers have created true 'mega exchanges' in the US, and Asia is also in the starting blocks. If we want to cope with this, our EBIT must grow much faster than our revenues. This is why our answer to the intensified competition is: "Accelerate". We are determined to be ranked number one or two globally, in all of our businesses, and to significantly boost our market capitalisation.

Key achievements during the year under review

We launched various projects during 2015 which are designed to boost our company's growth potential. Without going into too much detail, I would like to mention a few of them.

We completed the acquisition of foreign exchange trading platform 360T in October 2015 – adding a particularly high-growth asset class to our existing range. In doing so, we acquired Germany's most attractive fintech, which I also expect to have a positive impact upon our culture of innovation.

Furthermore, we completed the full takeover of index vendor STOXX in July 2015. This has raised our clout in the high-growth index business.

We were able to finance both acquisitions at extremely favourable terms – and in a market environment that was challenging at times. In this way, we carefully managed the capital which you, dear shareholders, provided us with.

Commodities trading turned out to be a sector with particularly dynamic growth. Within Deutsche Börse Group, it is organised by the European Energy Exchange (EEX), which has been a wholly owned subsidiary since the beginning of 2014. EEX trades contracts on power and natural gas, as well as emission certificates. Through takeovers as well as organic growth, what was originally a national exchange – based in Leipzig – has turned into a truly pan-European provider. EEX managed to almost triple net revenue during the year under review.

We were able to welcome the Federal Republic of Germany, represented by the German Finance Agency, as a client of EurexOTC Clear. Officially known as Bundesrepublik Deutschland Finanzagentur GmbH, the German Finance Agency is responsible for raising and managing debt instruments on behalf of the Federal Government and its special funds. EurexOTC Clear has now attracted more than 50 clearing participants, plus around 100 buy-side entities. From 2016 onwards, centralised clearing of certain over-the-counter derivatives will become mandatory in Europe as well. For us, this means that over the medium term we will generate additional revenue in this area.

Finally, at the end of October 2015, we joined forces with the Shanghai Stock Exchange (SSE) and the China Financial Futures Exchange (CFFEX) to establish the joint venture CEINEX (China Europe International Exchange). This new trading venue for offshore renminbi products commenced operations on 18 November 2015. Immediately after concluding the joint-venture agreement, CEINEX entered into a cooperation agreement with China Construction Bank (CCB). With these steps, we made a great leap forward in our strategy for Asia.

Realignment of Executive Board portfolios

We also realigned Executive Board portfolios and responsibilities, in order to be able to pursue growth projects such as the ones portrayed here even more vigorously. The newly created Clients, Products & Core Markets division combines Deutsche Börse Group's derivatives trading businesses, the clearing house as well as the settlement and custody businesses. The division is headed by Jeffrey Tessler, who has been working for the Group since 2004. To date, Mr Tessler has been responsible for the skilful – and very successful – running of the Group's post-trading services at Clearstream.

As the second newly created division, IT & Operations, Data & New Asset Classes is headed by Deputy Group CEO Andreas Preuss, who has been a member of the Executive Board since 2006. To date, Mr Preuss has been running the Eurex derivatives and clearing franchise. Deutsche Börse Group's cash market business has regained divisional status, given its high political as well as macroeconomic importance. This also encompasses the Deutsche Börse Venture Network, where we bring together high-growth, start-up companies in the pre-IPO stage with potential investors. Hauke Stars, who has been responsible for IT and market data since 2012, has taken over this new Cash Market, Pre-IPO & Growth Financing division.

The Group's Finance division remains in the trusted hands of our Chief Financial Officer, Gregor Pottmeyer. As CEO, my portfolio includes Group Strategy and other central functions, as well as Human Resources and innovation.

A commitment to sustainability

We underscore our commitment to a Group-wide sustainability strategy through membership in the United Nations Global Compact, for example, and by implementing its principles concerning human rights, working standards, environmental protection, and the fight against corruption. Responsible entrepreneurship is a key element for sustainable value creation – and hence, for long-term business success. As part of our integrated reporting, we create transparency as to how we identify key opportunities and risks in this area, turning them into concrete action.

2016 will be the first full financial year for Deutsche Börse AG under my tenure. I have been pleased to find a highly competent team in place here, for whose commitment I would like to extend my sincere thanks. But we must – and we will – improve further, especially in serving our clients. Only by providing products and services that are focused on our clients will we be able to serve your interests, dear shareholders, in the best possible way. Thank you very much for your trust and confidence.

Carsten Kengeter
Chief Executive Officer

The Executive Board

From left to right:
Andreas Preuss, Gregor Pottmeyer, Carsten Kengeter, Hauke Stars, Jeffrey Tessler

Detailed information about the members of the Executive Board and their appointments to supervisory bodies of other companies or comparable control bodies, as well as their CVs can be found on the internet under:
www.deutsche-boerse.com/execboard

Carsten Kengeter, *1967
MSc Finance and Accounting
BA Business Administration
Graduate degree in Business Administration (Diplom-Betriebswirt, FH)
Frankfurt/Main
Chief Executive Officer of Deutsche Börse AG, since 1 June 2015
Member of the Executive Board, since 4 April 2015

Andreas Preuss, *1956
Graduate degree in Business Administration (Diplom-Kaufmann)
Frankfurt/Main
Member of the Executive Board and Deputy Chief Executive Officer, Deutsche Börse AG, until 31 December 2015 responsible for the Cash and Derivatives Markets division
from 1 January 2016 responsible for IT & Operations, Data & New Asset Classes

Gregor Pottmeyer, *1962
Graduate degree in Business Administration (Diplom-Kaufmann)
Bad Homburg v.d. Höhe
Member of the Executive Board and Chief Financial Officer, Deutsche Börse AG

Hauke Stars, *1967
Engineering degree in applied computer science (Diplom-Ingenieurin Informatik), MSc by research in Engineering
Königstein im Taunus
Member of the Executive Board, Deutsche Börse AG, until 31 December 2015 responsible for the Information Technology & Market Data + Services division
from 1 January 2016 reponsible for Cash Market, Pre-IPO & Growth Financing

Jeffrey Tessler, *1954
MBA
Luxembourg
Member of the Executive Board, Deutsche Börse AG, until 31 December 2015 responsible for the Clearstream division
from 1 January 2016 responsible for Clients, Products & Core Markets

Former member of the Executive Board

Reto Francioni, *1955
Prof., Dr. jur.
Frankfurt/Main
Chief Executive Officer, Deutsche Börse AG, until 31 May 2015

As at 31 December 2015 (unless otherwise stated)

The Supervisory Board

Joachim Faber, *1950
Chairman
Independent Management Consultant, Grünwald
Nationality: German
Board member
since 20 May 2009

Richard Berliand, *1962
Deputy Chairman
(since 13 May 2015)
Management Consultant – Executive Director
Richard Berliand Limited, Ashtead Surrey
Chairman of the Management Committee
Renshaw Bay LLP, London
Nationality: British
Board member
since 7 October 2005

Karl-Heinz Flöther, *1952
Independent Management Consultant, Kronberg
Nationality: German
Board member
since 16 May 2012

Marion Fornoff,[1] *1961
Staff member in the HR Europe & US section
Deutsche Börse AG, Frankfurt/Main
Nationality: German
Board member
since 16 May 2012

Hans-Peter Gabe,[1] *1963
Staff member in the HR Compensation, Workforce & Talent Management section
Deutsche Börse AG, Frankfurt/Main
Nationality: German
Board member
since 21 May 1997

Craig Heimark, *1954
Managing Partner
Hawthorne Group LLC, Palo Alto
Nationality: US-American
Board member
since 7 October 2005

Monica Mächler, *1956
Member of different supervisory bodies, Pfäffikon
Nationality: Swiss
Board member
since 16 May 2012

Gerhard Roggemann, *1948
Senior Advisor
Edmond de Rothschild Private Merchant Banking LLP, London
Nationality: German
Board member
from 11 May 1998 to 14 May 2003 and since 12 July 2005
Deputy Chairman
from 9 December 2008 until 13 May 2015

Erhard Schipporeit, *1949
Independent Management Consultant, Hanover
Nationality: German
Board member
since 7 October 2005

Jutta Stuhlfauth,[1] *1961
Lawyer, M.B.A. (Wales) and Head of the Policies & Procedures unit
Deutsche Börse AG, Frankfurt/Main
Nationality: German
Board member
since 16 May 2012

Johannes Witt,[1] *1952
Staff member in the Financial Accounting & Controlling department
Deutsche Börse AG, Frankfurt/Main
Nationality: German
Board member
since 21 May 1997

Amy Yip, *1951
Managing Partner, RAYS Capital Partners Limited, Hong Kong
Executive Director, Vitagreen, Hong Kong
Nationality: Chinese (Hong Kong)
Board member
since 13 May 2015

Former members of the Supervisory Board[2]

Irmtraud Busch,[1] *1956
Former staff member in the Business Consulting section
Clearstream Banking AG, Frankfurt/Main
Nationality: German
Board member
from 16 May 2012 to 13 May 2015

Richard M. Hayden, *1945
Non-Executive Chairman
Haymarket Financial LLP, London
Chairman of the Senior Advisory Board
TowerBrook Capital Partners L.P., London
Nationality: US-American and British
Board member
from 12 July 2005 to 13 May 2015

David Krell, *1946
Chairman of the Board of Directors
International Securities Exchange, LLC, New York
Nationality: US-American
Board member
from 1 January 2008 to 13 May 2015

Friedrich Merz, *1955
Lawyer and Senior Counsel
Mayer Brown LLP, Dusseldorf
Nationality: German
Board member
from 12 July 2005 to 13 May 2015

Thomas Neiße, *1948
Independent Capital Market Advisor, Haibach
Nationality: German
Board member
from 14 January 2009 to 13 May 2015

Heinz-Joachim Neubürger, *1953, †2015
Independent Management Consultant, London
Nationality: German
Board member
from 16 May 2012 to 5 February 2015

Martin Ulrici,[1] *1959
Head of Unit Talent Management
Deutsche Börse AG, Frankfurt/Main
Nationality: German
Board member
from 16 May 2012 to 13 May 2015

As at 31 December 2015 (unless otherwise stated)

1) Employee representative
2) The term of office of the former members of the Supervisory Board ended with the end of the Annual General Meeting on 13 May 2015.

Detailed information about the members of the Supervisory Board, their additional appointments to supervisory bodies of other companies or comparable control bodies, as well as their CVs can be found on the internet under www.deutsche-boerse.com/supervboard

Report of the Supervisory Board

Joachim Faber
Chairman of the Supervisory Board

In the year under review, the Supervisory Board of Deutsche Börse AG held in-depth discussions on the position and prospects of the company and performed its duties in accordance with the law, the Articles of Association and the bylaws. We regularly advised the Executive Board on the management of the company and monitored its work; we were involved in all fundamental decisions.

In total, there were ten plenary meetings in 2015, including three extraordinary sessions and one constituent meeting. In addition, a strategy workshop was held in which we discussed Deutsche Börse Group's growth strategy and analyst ratings.

At our meetings, the Executive Board provided us with comprehensive and timely information – verbally and in writing – in line with the legal requirements on the course of business, the position of the company and the Group (including the risk situation, risk management and compliance), as well as on the company's strategy and planning. We discussed all transactions significant for the company in the plenary meetings and in the Supervisory Board committees, based on the reports of the Executive Board. The high frequency of both plenary and committee meetings facilitated an active exchange of information between the Supervisory Board and the Executive Board. Between meetings, the Executive Board also reported on individual issues in written reports and discussed individual topics with us. In addition, the Chief Executive Officer kept the Chairman of the Supervisory Board informed at all times about current developments relating to the company's business, significant transactions, upcoming decisions, as well as the long-term outlook and thoughts on emerging developments, and discussed these matters with him.

The Executive Board submitted all measures requiring Supervisory Board approval in accordance with the law, the Articles of Association, or the bylaws to the Supervisory Board, and the Supervisory Board approved these measures. The Supervisory Board also assured itself that the Executive Board's actions were lawful, due and proper, and appropriate.

The members of the Supervisory Board attended at least half of the Supervisory Board meetings, and their respective committee meetings, in 2015. Mr Hayden whose term of office ended at the end of the Annual General Meeting (AGM) on 13 May 2015 was the only exception. Although he attended all of his respective committee meetings (three meetings), he missed three out of the four Supervisory Board meetings held in 2015 during his term of office. In total, his attendance rate was above 50 per cent. The average attendance rate of all Supervisory Board members in the year under review stood at 91 per cent considering all Supervisory Board and committee meetings.

The members of the Supervisory Board participated in the Supervisory Board meetings and the committees as follows:

Attendance of Supervisory Board members at meetings in 2015

Name	Meetings (incl. committees)[1]	Meeting attendance	%
Joachim Faber	26	26	100
Richard Berliand	19	18	95
Irmtraud Busch (until 13 May 2015)	5	5	100
Karl-Heinz Flöther	20	20	100
Marion Fornoff	17	17	100
Hans-Peter Gabe	12	10	83
Richard M. Hayden (until 13 May 2015)	7	4	57
Craig Heimark	15	13	87
David Krell (until 13 May 2015)	5	5	100
Monica Mächler	16	16	100
Friedrich Merz (until 13 May 2015)	8	6	75
Thomas Neiße (until 13 May 2015)	5	5	100
Heinz-Joachim Neubürger († 5 February 2015)[2]	–	–	–
Gerhard Roggemann	25	25	100
Erhard Schipporeit	19	18	95
Jutta Stuhlfauth	14	14	100
Martin Ulrici (until 13 May 2015)	5	3	60
Johannes Witt	20	18	90
Amy Yip (since 13 May 2015)	18	18	100
Average attendance rate			**91**

1) Attending workshops is optional for Supervisory Board members. Hence, attendance to workshops is not taken into account in the determination of the average attendance rate.
2) Mr Neubürger deceased before the first meeting in the year under review. His attendance to meetings is not taken into account in the determination of the average attendance rate.

Topics addressed in plenary meetings of the Supervisory Board

In the year under review, we discussed the Group-wide "Accelerate" growth programme in detail, which the Executive Board implemented after conducting an in-depth review of the strategy, organisational structures and business processes of Deutsche Börse. The Accelerate programme was launched with the objective of positioning Deutsche Börse on the global market of infrastructure providers with more ambition, effectiveness and flexibility than ever before and an increased focus on customer needs. The company embarked upon a broad range of specific initiatives in order to achieve the strategic objectives. We gave advice on and agreed to the acquisitions of STOXX Ltd., Indexium AG and 360T Beteiligungs GmbH.

After detailed discussions, we agreed to the transformation of Deutsche Börse AG into a European Company (Societas Europaea, SE). This step is one way of taking adequate account of the company's increasing internationalisation. We agree with the Executive Board's perception that the transformation of Deutsche Börse AG into an SE adequately reflects its international orientation as a global company with European roots.

Another focus of our Supervisory Board work was the preparation and introduction of a new remuneration system for the Executive Board, which will encourage Executive Board members to pursue the adopted growth strategy on a sustainable basis. Further information on the new remuneration system can be found in the remuneration report.

In addition, the Executive Board regularly informed us about Deutsche Börse AG's share price performance, including in comparison to its competitors. Moreover, the Executive Board reported on the business performance, financial position and results of operations of Deutsche Börse AG, its affiliated companies and Deutsche Börse Group as a whole.

Our plenary meetings focused in particular on the following issues during the reporting period:

At our first **regular meeting** for the reporting period **on 13 February 2015**, we addressed in detail the preliminary results for financial year 2014 and the dividend proposed by the Executive Board for that year. We also resolved the amount of the variable remuneration of the Executive Board for financial year 2014 following in-depth discussion. We discussed the status of the joint ventures STOXX Ltd. and Indexium AG regarding inorganic growth options. Furthermore, we took resolutions on the corporate governance report and the 2014 corporate governance declaration. We re-appointed Jeffrey Tessler as a member of the Executive Board for a two-year term, effective 1 January 2016. We also discussed the Executive Board's report on various instruments for senior executive management and succession planning.

At the **extraordinary meeting on 13 February 2015**, we dealt with the planned third stock exchange of International Securities Exchange Holdings, Inc. (ISE), ISE Mercury, LLC, and took the necessary resolutions for its development.

At the **regular meeting on 6 March 2015**, we discussed the company's annual financial statements and consolidated financial statements for 2014 plus the combined management report; the auditors were present for this. We approved the 2014 annual financial statements and consolidated financial statements, after having carried out our own examination, in line with the recommendation by the Audit Committee, which had previously conducted an in-depth preparatory examination of the documents. The report of the Supervisory Board for 2014 and the agenda for the 2015 Annual General Meeting were also resolved. We discussed in detail the review of the appropriateness of the Executive Board's remuneration and specified the target consolidated net income for 2015 as the basis for determining the variable cash component for members of the Executive Board for financial year 2015. We also dealt with the IT strategy of Deutsche Börse Group as well as with selected compliance issues and the development of the Group-wide compliance function.

At the **regular meeting** held directly before the Annual General Meeting **on 13 May 2015**, we discussed the upcoming Annual General Meeting with the Executive Board.

Another Supervisory Board meeting was held **on 13 May 2015** immediately after the Annual General Meeting, being the **constituent meeting** of the newly elected Supervisory Board. Joachim Faber was elected Chairman and Richard Berliand Vice Chairman of the Supervisory Board. We resolved to establish a Supervisory Board Risk Committee and to dissolve the Clearing and Settlement Committee. Its duties and responsibilities will henceforth be covered by the new Risk Committee and the Technology Committee. The Supervisory Board elected the members of the committees and their chairmen, if applicable.

At the **regular meeting held on 16 June 2015**, the new Chief Executive Officer, Carsten Kengeter, who has been in office since 1 June 2015, informed the Supervisory Board on the plans for developing and implementing the Accelerate growth programme. We also discussed the status of negotiations with SIX Group AG regarding the planned full acquisition of STOXX Ltd. and Indexium AG. After extensive consultation, we approved the issue of one or several hybrid bonds with a total issuing volume of up to €0.7 billion. We addressed the topics of risk management and information security at Deutsche Börse Group. We resolved that the current female proportion of 33.33 per cent on the Supervisory Board and 20 per cent on the Executive Board of Deutsche Börse AG shall be maintained until 30 June 2017 as a minimum requirement. The Supervisory Board adheres to its goal of increasing the number of female members and executives. We also resolved an amendment to the Supervisory Board's bylaws governing the responsibilities of committees after the establishment of the Risk Committee.

At the **extraordinary meeting held on 20 July 2015**, the Executive Board informed us in detail about the strategic growth options in foreign exchange (FX) trading offered by the potential acquisition of the FX trading platform 360T. After extensive consultation, we approved the submission of a binding offer. We discussed the status of negotiations with SIX Group AG regarding the acquisition of STOXX Ltd. and Indexium AG and approved the financing concept.

At the **extraordinary meeting held on 27 July 2015**, we discussed the current status of negotiations with SIX Group AG regarding the planned full acquisition of STOXX Ltd. and Indexium AG and approved the acquisition of 49.9 per cent of STOXX Ltd. shares and 50.1 per cent of Indexium AG shares from SIX Group AG for an acquisition price of CHF650 million. The Executive Board informed us about the review of the strategy, organisational structures and business processes of Deutsche Börse Group and presented the basic points of the revised strategy and the Accelerate growth programme. After extensive discussion, we approved the strategy and plans presented by the Executive Board. Furthermore, we dealt with the remuneration system for the Executive Board and discussed and approved the changes to Jeffrey Tessler's contract of service in connection with his transfer to the Clearstream supervisory bodies.

At the **regular meeting held on 23 September 2015**, we resolved, after intensive consultation, the revision of the remuneration system for the Executive Board, which is the most important instrument for the implementation of the company's growth programme. We also resolved the transformation of Deutsche Börse AG into Deutsche Börse SE, including the respective change of legal form. We approved the long-term financing of the acquisition of 360T by issuing one or several bonds. The Executive Board informed us on new regulatory requirements by presenting a compliance report, and explained the corresponding measures taken in the compliance area. Furthermore, we discussed the annual efficiency audit in accordance with section 5.6 of the German Corporate Governance Code and resolved that the audit shall be performed internally. We also resolved a guideline for the reimbursement of Supervisory Board members' travel expenses.

At the **strategy workshop held on 20 November 2015**, we addressed the views of a selected analyst at Deutsche Börse Group. In addition, the Executive Board informed us on the implementation status of the Accelerate programme, the development of 360T Beteiligungs GmbH as well as Clearstream's business strategy.

At the **regular meeting held on 1 December 2015**, we addressed the Group-wide innovation culture and strategy, and discussed Deutsche Börse Group's risk management. We initially discussed the innovation culture and strategy of the Group. In addition, we addressed Eurex Clearing AG's capital structure and dealt with Deutsche Börse Group's investments. Based on the Personnel Committee's recommendations, we resolved adjustments to the Executive Board members' contracts of service in accordance with the new remuneration system. Furthermore, we discussed the results of our annual efficiency audit in accordance with section 5.6 of the German Corporate Governance Code and discussed and adopted the 2016 budget. We also approved an amendment to the Supervisory Board's bylaws, according to which the length of membership on the Supervisory Board follows section 5.4.1 (2) of the German Corporate Governance Code. We also resolved the declaration of conformity in accordance with section 161 of the Aktiengesetz (AktG, German Stock Corporation Act) for the 2015 reporting period. The declaration of conformity is available at www.deutsche-boerse.com/declconformity.

Work of the committees

The Supervisory Board had a total of seven committees in the year under review until the Annual General Meeting held on 13 May 2015. Since that date, the Supervisory Board has six committees, given that the Interim Risk Management Roadmap Committee was dissolved at the end of the 2015 AGM. The committees are primarily responsible for preparing the decisions to be taken by and topics to be discussed in the plenary meetings. Additionally, the Supervisory Board has delegated individual decision-making powers to the committees, to the extent that this is legally permissible. The individual committee chairs provide detailed reports of the work of their committees at the plenary meetings. The Chairman of the Supervisory Board chairs the Personnel Committee, the Nomination Committee and the Strategy Committee. The detailed composition and duties of the Supervisory Board committees in the year under review can be found in the corporate governance declaration in accordance with section 289a of the Handelsgesetzbuch (HGB, German Commercial Code).

The committees dealt with the following issues in particular:

Audit Committee (six meetings in the year under review)
- Discussion of financial issues, in particular capital management
- Accounting: examination, in the presence of the auditors, of the annual financial statements of Deutsche Börse AG and of the Group, of the combined management report and the audit report, as well as of the half-yearly financial report and the quarterly interim reports
- Auditor: obtaining the statement of independence from the auditor, issue of the engagement letter to the auditor and preparation of the Supervisory Board's proposal to the Annual General Meeting regarding the election of the auditors; agreement on the auditor's fee and definition of the areas of emphasis for the audit
- Internal control systems: discussion of questions regarding risk management, compliance as well as the internal control and auditing system, discussion of the methods and systems used and their efficiency, adequacy and effectiveness
- Discussion of Deutsche Börse Group's dividend and budget
- Discussion and definition of the Audit Committee's tasks
- Preparation of the Supervisory Board's resolution on the corporate governance report and the remuneration report as well as on the corporate governance declaration in accordance with section 289a of the HGB and the declaration of conformity in accordance with section 161 of the AktG

Nomination Committee (six meetings in the year under review)
- Preparation of the election by the Annual General Meeting in 2015 of the shareholder representatives on the Supervisory Board with the support of an external consultant
- Preparation of the election by the Annual General Meeting in 2016 of the shareholder representatives on the Supervisory Board of Deutsche Börse SE (formation pending) with the support of an external consultant

Personnel Committee (seven meetings in the year under review)
- Executive Board remuneration: discussion of the degree to which the members of the Executive Board have achieved their targets; determination of the variable cash component for 2014; calculation of the target consolidated net income for 2015 as the basis for determining the variable cash component for members of the Executive Board; preliminary discussion of the degree to which individual members of the Executive Board have achieved/may achieve their targets for 2015; determination of the CEO targets for 2015; adoption of the individual targets for the members of the Executive Board for 2016; discussion of the remuneration report; review of the appropriateness of the Executive Board remuneration and of their pensionable income
- New remuneration system for the Executive Board: development and discussion of a decision template for the Supervisory Board; development of a decision template for the adjustment of the contracts of service of Executive Board members in accordance with the new remuneration system to be used for Supervisory Board resolutions
- Personnel matters: preparation of a recommendation to the Supervisory Board for the re-appointment of Jeffrey Tessler as a member of the Executive Board; approval of the assumption of a FICC Markets Standards Board mandate by Carsten Kengeter; approval of the re-election of Andreas Preuss as a member of the Board of Directors of the World Federation of Exchanges (WFE); approval of the assumption of a Board of Directors mandate at Kuehne + Nagel International AG by Hauke Stars
- Preparation of a proposal for the restructuring and election of members of the Supervisory Board's committees after the Annual General Meeting 2015
- Discussion of the Group-wide talent management and the succession planning for different executive levels
- Discussion of the expected salary growth of risk takers in accordance with CRD IV

Risk Committee (established on 13 May 2015, two meetings in the year under review)
- Discussion of quarterly compliance and risk management reports
- Short review of the development of the Group-wide compliance function and risk management
- Discussion of the capital requirements of Clearstream and Eurex Clearing
- Detailed discussion of the financial risks of Clearstream and Eurex Clearing

Strategy Committee (two meetings in the year under review)
- Discussion of the strategic realignment of Deutsche Börse Group
- Discussion of inorganic growth options, in particular regarding the full acquisition of STOXX Ltd. and Indexium AG from SIX Group AG as well as the acquisition of 360T Beteiligungs GmbH
- Discussion of the innovation strategy

Technology Committee (four meetings and one workshop in the year under review)
- In-depth discussion of the implementation of the reorganisation of Deutsche Börse Group's information technology and the enhancement of its trading and post-trading systems
- Discussion of Deutsche Börse Group's IT security, IT risk management, IT sourcing strategy and cloud strategy
- Discussion of the IT budget for 2016
- Discussion of the implementation of the Accelerate growth strategy in IT
- Intensive consideration of IT security issues during a dedicated workshop

Clearing and Settlement Committee (dissolved on 13 May 2015, one meeting in the year under review)
- Discussion of an analysis of Clearstream competitors
- Discussion of current regulatory developments

Interim Risk Management Roadmap Committee (dissolved on 13 May 2015, one meeting in the year under review)
- Short review of the development of the Group-wide risk management
- Discussion of the operational, financial and business-related risks of Deutsche Börse Group

Audit of the annual and consolidated financial statements

KPMG AG Wirtschaftsprüfungsgesellschaft, domiciled in Berlin, (KPMG) audited the annual financial statements of Deutsche Börse AG and the consolidated financial statements, as well as the combined management report for the financial year ended 31 December 2015, together with the accounting system, and issued an unqualified audit opinion. The condensed financial statements and interim management report contained in the half-yearly financial report for the first six months of 2015 were reviewed by KPMG. The documents relating to the financial statements and the reports by KPMG were submitted to us for examination in a timely manner. The lead auditors, Karl Braun (CMO, member of the management board, KPMG) and Andreas Dielehner (Partner, KPMG), attended the relevant meetings of the Audit Committee and the plenary meeting of the Supervisory Board to approve the financial statements. The auditors reported on the key results of the audit, elaborated in particular on the net assets, financial position and results of operations of the company and Group, and were available to provide supplementary information. The auditors also reported that no significant weaknesses in the control and risk management systems had been found, in particular with respect to the financial reporting process. The audit of compliance with all relevant statutory provisions and regulatory requirements did not give rise to any objections. KPMG provided information on other services that were rendered in addition to audit services. There were no grounds for suspecting impairment of the auditors' independence.

The Audit Committee discussed the financial statement documents and the reports by KPMG in detail with the auditor and examined them carefully itself. It is satisfied that the reports meet the statutory requirements under sections 317 and 321 of the HGB in particular. The Committee reported to the Supervisory Board on its examination and recommended that it approve the annual financial statements and consolidated financial statements.

Our own examination of the annual financial statements, the consolidated financial statements and the combined management report for 2015 in a plenary meeting did not lead to any objections and we concurred with the results of the audit performed by the auditor. We approved the annual financial statements prepared by the Executive Board and the consolidated financial statements at our meeting on 4 March 2016 in line with the Audit Committee's recommendation. The annual financial statements of Deutsche Börse AG has thus been adopted. The Audit Committee discussed the Executive Board's proposal for the appropriation of the unappropriated surplus in detail with the Executive Board, in particular in view of the company's liquidity and financial planning as well as taking into account shareholders' interests. Following this discussion and its own examination, the Audit Committee approved the Executive Board's proposal for the appropriation of the unappropriated surplus. After examining this ourselves, we also approved the Executive Board's proposal in the plenary meeting of the Supervisory Board.

Personnel matters

At the beginning of February 2015, we were deeply saddened by the death of our Supervisory Board colleague Heinz-Joachim Neubürger. Mr Neubürger was a valuable member of the Supervisory Board, both professionally and personally. We will honour his memory.

During the year under review, the following personnel changes arose on the Supervisory Board:

The term of office of the Supervisory Board ended at the close of the Annual General Meeting on 13 May 2015. Until that date, the Supervisory Board had 18 members in accordance with the Articles of Association; since the Annual General Meeting 2015, it has twelve members. The shareholder representatives Richard M. Hayden, David Krell, Friedrich Merz and Thomas Neiße did not run for another term of office, meaning that their mandates were dissolved at the close of the Annual General Meeting. The remaining members of the Supervisory Board were re-elected for a further term of office by the Annual General Meeting. Amy Yip was elected as a new member of the Supervisory Board. The employee representatives Irmtraud Busch and Martin Ulrici left the Supervisory Board. Deutsche Börse's employees re-elected Marion Fornoff, Hans-Peter Gabe, Jutta Stuhlfauth and Johannes Witt as employee representatives.

In relation to the Executive Board, we resolved the following in 2015 at the recommendation of the Personnel Committee:

We re-appointed Jeffrey Tessler as a member of the Executive Board for another two-year term effective 1 January 2016 (until 31 December 2017). Carsten Kengeter assumed the chairmanship from Reto Francioni with effect from 1 June 2015, whose contract ended on 31 May 2015 according to the amicable agreement reached with him. We are extraordinarily grateful for Mr Francioni's important and long-standing performance as Chief Executive Officer of Deutsche Börse AG.

Management of individual conflicts of interest

During the year under review, no individual conflicts of interest arose.

The Supervisory Board would like to thank the Executive Board and all employees for their dedication and achievements in 2015.

Frankfurt/Main, 4 March 2016
For the Supervisory Board:

Joachim Faber
Chairman of the Supervisory Board

Combined management report

Combined management report

This combined management report covers both Deutsche Börse Group and Deutsche Börse AG. It has been prepared in accordance with sections 289, 315 and 315a of the Handelsgesetzbuch (HGB, German Commercial Code) and German Accounting Standard (GAS) 20. This management report also takes into account the requirements of the Practice Statement "Management Commentary" issued by the International Accounting Standards Board (IASB).

Fundamental information about the Group

Overview of Deutsche Börse Group

Business operations and Group structure

Deutsche Börse AG, which is headquartered in Frankfurt/Main, Germany, is the parent company of Deutsche Börse Group. As at 31 December 2015, the Group employed 5,283 people at 38 locations in 30 countries. As one of the largest market infrastructure providers worldwide, Deutsche Börse Group offers its customers a wide range of products and services. These cover the entire financial market transactions value chain – from equities and derivatives trading through transaction clearing and settlement, securities custody, services for liquidity and collateral management, and the provision of market information, down to the development and operation of IT systems that support all these processes.

Deutsche Börse AG operates the cash market at Frankfurter Wertpapierbörse (FWB®, the Frankfurt Stock Exchange) with its fully electronic Xetra® trading platform. It also offers trading in structured products (certificates and warrants) in Germany via Börse Frankfurt Zertifikate AG. In addition, Deutsche Börse AG operates the Eurex Exchange derivatives market via Eurex Frankfurt AG and Eurex Zürich AG. Two other derivatives markets, European Energy Exchange (EEX) and International Securities Exchange (ISE) in the United States, are operated by indirect subsidiaries. Deutsche Börse AG operates a foreign exchange trading platform via its subsidiary 360T Beteiligungs GmbH (360T), acquired in 2015. The Group also offers clearing services for the cash and derivatives markets (Eurex Clearing AG). Furthermore, Deutsche Börse sells price and reference data as well as other trading information; its STOXX Ltd. subsidiary develops and sells indices. All post-trade services that Deutsche Börse Group provides for securities are handled by Clearstream Holding AG and its subsidiaries (Clearstream Holding group). These include transaction settlement, the administration and custody of securities, as well as services for global securities financing, investment funds and hedge funds. Deutsche Börse AG and Clearstream Services S.A. develop and operate Deutsche Börse Group's technological infrastructure.

The graphic entitled "Equity investments and partnerships strengthen product and service offering" gives an overview of Deutsche Börse Group's principal equity investments; its basis of consolidation is presented in full in note 2 to the consolidated financial statements. Material changes in the reporting period include the acquisition of 360T and the full takeover of STOXX where Deutsche Börse AG previously owned 50.1 per cent of the shares; details can be found in the section entitled "Changes in the basis of consolidation".

Management

The governing bodies of Deutsche Börse AG, which is a German stock corporation, are the Annual General Meeting, the Supervisory Board and the Executive Board, each of which has its own areas of responsibility.

Equity investments and partnerships strengthen product and service offering

Deutsche Börse AG[1)]

- Eurex Frankfurt AG 100%
  - Eurex Clearing AG 100%
  - Eurex Repo GmbH 100%
  - Eurex Bonds GmbH 79%
  - U.S. Exchange Holdings, Inc. 85%, 15%[2)]
    - International Securities Exchange Holdings, Inc. 100%
- Eurex Global Derivatives AG 100%
- Eurex Zürich AG 50%, 50%[3)]
  - European Energy Exchange AG 63%
    - Powernext SA 88%
    - Cleartrade Exchange Pte. Limited 52%
    - EPEX Spot SE 11%, 40%[4)]
      - APX Holding B.V. 100%
- Deutsche Börse Cloud Exchange AG 50%, (15%)[5)]
- 360T Beteiligungs GmbH 100%
- Deutsche Boerse Asia Holding Pte. Ltd. 100%
  - Eurex Clearing Asia Pte. Ltd. 100%
  - Eurex Exchange Asia Pte. Ltd. 100%
- China Europe International Exchange AG 40%
- Börse Frankfurt Zertifikate AG 100%
- Börse Frankfurt Zertifikate Holding S.A. in liquidation 100%
- Tradegate Exchange GmbH 75%, (4%)[6)]
- BrainTrade Gesellschaft für Börsensysteme mbH 14%, 14%[7)]
- Deutsche Börse Commodities GmbH 16%
- Clearstream Holding AG 100%
  - Clearstream International S.A. 100%
    - Clearstream Banking AG 100%
    - Clearstream Banking S.A. 100%
      - Clearstream Banking Japan, Ltd. 100%
      - REGIS-TR S.A. 50%
    - Clearstream Global Securities Services Limited 100%
    - Clearstream Operations Prague s.r.o 100%
    - Clearstream Services S.A. 100%
    - LuxCSD S.A. 50%
- Deutsche Boerse Systems, Inc. 100%
- Deutsche Börse Services s.r.o 100%
- Impendium Systems Ltd 100%
- Indexium AG 100%
- Market News International Inc. 100%
- STOXX Ltd. 100%
- Infobolsa S.A. 50%
- Deutsche Börse Photography Foundation gGmbH 100%

1) Simplified presentation of main shareholdings (rounded values), as at 1 January 2016
2) Direct equity interest Eurex Frankfurt AG: 85%, direct equity interest Deutsche Börse AG: 15%
3) Direct equity interest Deutsche Börse AG: 50%, direct equity interest Eurex Global Derivatives AG: 50%
4) Direct equity interest European Energy Exchange AG: 11%, direct equity interest Powernext SA: 40%
5) Direct equity interest Deutsche Börse AG: 50%, equity interest of 15%, which is held indirectly via Zimory GmbH
6) Direct equity interest Deutsche Börse AG: 75%, equity interest of 4%, which is held indirectly via Tradegate AG Wertpapierhandelsbank
7) Direct equity interest Deutsche Börse AG: 14 %, direct equity interest Börse Frankfurt Zertifikate AG: 14%

The Annual General Meeting resolves on the appropriation of the unappropriated surplus, appoints the shareholder representatives on the Supervisory Board and approves the actions of the Executive Board and the Supervisory Board. In addition, it resolves on corporate actions and other matters governed by the Aktiengesetz (AktG, German Stock Corporation Act).

The Supervisory Board appoints, supervises and advises the Executive Board and is directly involved in key decisions affecting the company. Additionally, it approves the consolidated financial statements prepared by the Executive Board. Members of the Supervisory Board are appointed for a period of three years, although the Annual General Meeting may determine a shorter term of office when electing members. Until the Annual General Meeting on 13 May 2015, the Supervisory Board of Deutsche Börse AG had 18 members in the reporting period: twelve shareholder representatives and six employee representatives. Effective as from the end of the Annual General Meeting of Deutsche Börse AG, the size of the Supervisory Board was reduced from 18 members to twelve.

The Executive Board manages the company at its own responsibility; the Chief Executive Officer coordinates the activities of the Executive Board members. In financial year 2015, the Executive Board of Deutsche Börse AG had five members. It only consisted of six members during the transition period in the months of April and May. Carsten Kengeter, who was appointed to the Executive Board in April 2015, assumed the function of Chief Executive Officer with effect from 1 June 2015. Reto Francioni, the former CEO, left the company on 31 May 2015. The remuneration system and the remuneration paid to the individual members of the Executive Board are described in detail in the remuneration report.

Reporting segments

Deutsche Börse Group classifies its business into four segments: Eurex, Xetra, Clearstream and Market Data + Services. This structure serves as a basis for the Group's internal management and for financial reporting (see the table entitled "Deutsche Börse Group's reporting segments" for details).

Deutsche Börse Group's reporting segments

Reporting segment	Business areas
Eurex	▪ Electronic trading of European derivatives (Eurex Exchange), US options (ISE), commodities (EEX group) and foreign exchange (360T) ▪ Eurex Repo® over-the-counter (OTC) trading platform ▪ C7® electronic clearing architecture ▪ Central counterparty for on- and off-exchange derivatives and repo transactions
Xetra	▪ Cash market with the Xetra® and Börse Frankfurt trading venues ▪ Eurex Bonds® OTC trading platform ▪ Central counterparty for equities and bonds ▪ Admission of securities (listing)
Clearstream	▪ Custody and settlement services for domestic and international securities ▪ Global securities financing services and collateral management ▪ Investment funds and hedge funds services
Market Data + Services	▪ Distribution of licences for trading and market signals ▪ Development and sales of indices (STOXX) ▪ Technology solutions for external customers ▪ Trading participant connectivity

Organisational structure

Deutsche Börse Group's organisational structure in financial year 2015 mirrored its business areas: cash and derivatives markets (Cash & Derivatives Markets division) and securities settlement and custody (Clearstream division). The market data business area and the Group's information technology activities were combined in the IT & Market Data + Services division. Each division was headed by a member of Deutsche Börse AG's Executive Board. In addition, central functions such as communications and finance were headed by the Chief Executive Officer (CEO) or Chief Financial Officer (CFO).

Deutsche Börse AG has realigned the assignment of responsibilities within its Executive Board, effective 1 January 2016, in order to place client focus at the heart of its organisational structure. The newly created Clients, Products & Core Markets division combines Deutsche Börse Group's derivatives trading businesses (including ISE), its clearing house as well as Clearstream's settlement and custody business within Deutsche Börse Group. Clients, Products & Core Markets will also be responsible for coordinating Group-wide product development as well as global sales activities. As the second newly created division, IT & Operations, Data & New Asset Classes combines Deutsche Börse Group's IT activities and market operations. Deutsche Börse Group's fast-growing market data businesses, the electronic foreign exchange trading platform 360T®, as well as EEX group also belong to this division. Deutsche Börse Group's cash market businesses, comprising Xetra, the Frankfurt Stock Exchange and the certificates and warrant businesses, has gained divisional status, given its high political as well as macroeconomic importance. The Cash Market, Pre-IPO & Growth Financing division also encompasses the creation of a pre-IPO market and is responsible for developing and establishing instruments for growth financing. The CEO and CFO portfolios have remained largely unchanged. Human Resources was added to the portfolio of the

Deutsche Börse Group's management structure as at 1 January 2016

Group Executive Board

CEO C. Kengeter	**Clients, Products & Core Markets** J. Tessler	**Cash Market, Pre-IPO & Growth Financing** H. Stars	**IT & Operations, Data & New Asset Classes** A. Preuss	**CFO** G. Pottmeyer
Group Strategy/ Mergers & Acquisitions	Derivatives Markets Trading	Cash Market	Applications & Architecture/Group CIO	Financial Accounting & Controlling
Corp. Communications, Marketing & Publ. Affairs	International Securities Exchange	Pre-IPO Markets/ DB Venture Network	IT Infrastructure & Operations	Chief Compliance Officer
Group Audit	Clearing/CCP/CH	Growth Financing	Group Information Security	Investor Relations
Group Legal & Regulatory Affairs	Settlement & Custody Core Products	Capital Markets Academy	Market Operations	Treasury
Human Resources	Investment Funds Services & GSF	Executive Office	Market Data + Services	Chief Risk Officer
Group Venture Portfolio Management	Group Sales		FX/360T	Group Organisational Services
Chief of Staff	Group Business & Product Development		European Energy Exchange (EEX)	Strategic Finance
Group CIP & Operational Excellence	Group Client Services & Administration		Executive Office	Group Project Portfolio Management
Innovation	Core Markets Development			Compensation Officer

CEO, who has also assumed responsibility for innovation, technological transformation and digitisation. For reorganisation details, see the graphic entitled "Deutsche Börse Group's management structure as at 1 January 2016". The described reorganisation of divisions will not impact the Group's reporting segments.

Objectives and strategies

Deutsche Börse Group's objectives and strategies

Deutsche Börse Group is one of the largest market infrastructure providers worldwide. The Group's business model enhances the capital markets' stability, efficiency and integrity. Issuers benefit from the low capital costs it offers, while investors enjoy high liquidity and low transaction costs. At the same time, Deutsche Börse stands for transparent, secure capital markets in which organised trading is based on free price formation.

Deutsche Börse's business success is founded on its business model: its broadly diversified product and service range covers the entire value chain for financial market transactions and is well-placed to weather challenging economic phases. The business model aims to offer customers reliable services in an efficient and cost effective manner, based on the following key principles:

- Integrating different financial market services such as trading, clearing, settlement, securities custody, liquidity and collateral management, as well as index and market data services
- Providing these services for different asset classes such as equities, bonds, funds, commodities, FX products, fixed-income products and derivatives on these underlyings
- Developing and operating proprietary electronic systems for all processes along the value chain
- Organising an impartial marketplace to ensure orderly, supervised trading with fair price formation, plus providing risk management services

The efficiency of this business model can be seen from the fact that Deutsche Börse Group has generated strong cash flows from operating activities for many years and that it is one of the most cost-effective providers of trading, clearing and settlement services.

In order to maintain its leading position among exchange organisations and to grow further, Deutsche Börse Group launched its Group-wide "Accelerate" programme at the end of July 2015, with the following objectives: to actively participate in global competition among capital markets infrastructure providers – in an agile, ambitious and effective manner, and with a strong client focus; to turn Deutsche Börse into the global market infrastructure provider of choice, being top-ranked in all its activities. Deutsche Börse has embarked upon a broad range of specific initiatives in order to achieve this strategic goal.

For instance, it is looking to implement a Group-wide approach to marketing, innovation and operations – in order to better meet changing client needs and to gradually exploit unused sales potential. To expedite its realignment and to intensify collaboration, Deutsche Börse already established a cross-divisional Group Management Committee on 1 July 2015. It has also conducted an in-depth review of organic growth initiatives and re-prioritised some of them. Specifically, the company is looking to expedite its expansion into new markets and asset classes. Deutsche Börse will further expand its existing initiatives in high-growth geographies (such as Asia), through stronger focus and enhanced competence. The current focus of external growth options is on strengthening existing growth areas and on exploring new asset classes and services. Acquisitions in this context included the takeover of the remaining shares in STOXX from SIX Group, making Deutsche Börse Group the sole shareholder of STOXX. As a result, the Group has been able to significantly increase its strategic flexibility in the fast-growing index business. In addition, the acquisition of 360T has allowed Deutsche Börse to explore the attractive foreign exchange asset class (for more details, please refer to the report on opportunities). When selecting potential further opportunities, the company will continue to adopt a disciplined approach, only pursuing acquisitions that sustainably create value.

Deutsche Börse Group has a scalable business model, which permits higher business volumes at relatively minor additional costs. With a strong business performance, this means that income growth will exceed cost increases. To reinforce the scalability of its business model, the Group has introduced clearly defined profit growth targets. Accordingly, it anticipates net revenue increases of between 5 and 10 per cent annually from 2016 onwards, based on its current business portfolio and assuming a continued recovery of the world economy as well as medium-term interest rate rises. The Group is targeting 10 per cent to 15 per cent increases in earnings before interest and taxes (EBIT) and consolidated net profit for the period attributable to Deutsche Börse AG shareholders.

Deutsche Börse Group's ability to achieve its organic growth targets depends on the following factors, among others:

- The effect of macroeconomic conditions on the financial markets: for example, greater stock market volatility typically leads to higher levels of trading in the cash and derivatives markets.
- Regulatory requirements affecting all market participants: if regulatory initiatives (e.g. EMIR, Capital Requirements Directives) strengthen the role of exchanges, this will also benefit Deutsche Börse Group.
- Structural changes in the financial markets: for example, trading activity increases if investment funds make greater use of derivatives to implement their trading strategies.
- The Group's innovative strength: will it succeed in continually introducing new products and services for which there is demand on the market?

Deutsche Börse Group is committed to transparent, reliable and liquid financial markets, although it cannot affect how the volume drivers for these markets develop. However, the Group is able to influence the other factors to some extent or to control them in full; for instance, it can lobby for a favourable legal framework for the financial markets or it can develop products and services to support its customers' business. This also enables it to reduce its dependence on those factors that are beyond its control.

Management approach for a Group-wide commitment to sustainability CR

Deutsche Börse Group's objectives and strategies include discharging its corporate responsibility holistically. In line with this, its management approach is guided by three action-based principles that aim to sustainably strengthen and preserve the value added to the economy and to society by Deutsche Börse Group:

- **Building trust.** Deutsche Börse Group aims to organise the capital markets in a way that ensures their integrity, transparency and security. The availability of high-quality information is a key aspect in this process, and something that the company is working constantly to enhance. In this context, providing sustainability information is as significant as engaging in a constructive dialogue on the future viability of the international capital markets with both customers and the general public.
- **Leading by example.** As a listed service provider, Deutsche Börse Group aims to ensure that its own business activities are conducted responsibly and with a view to the future. In addition, the Group pursues a sustainable human resources policy and is committed to the environment and hence to conserving resources. It enhances its commitment to sustainability and its reporting on an ongoing basis in order to establish itself as a long-term role model on the market.

- **Increasing public awareness.** The Group is part of civil society and as such has a responsibility towards it. It is committed to fulfilling this role both in Germany and in its international locations. It systematically bases its actions on local requirements and, as a good corporate citizen, takes part in long-term cooperative initiatives aimed at strengthening structures in the non-profit sector.

Internal management

Management systems

Deutsche Börse Group's internal management system is based on key performance indicators taken from the income statement (net revenue, operating costs, EBIT, the Group's net profit for the period attributable to Deutsche Börse AG shareholders) and the balance sheet (cash flows from operating activities, liquidity, equity less intangible assets). Additionally, the system includes key performance indicators that are derived from the income statement and the balance sheet (interest coverage ratio, interest-bearing gross debt / EBITDA and return on shareholders' equity).

Net revenue is composed of sales revenue plus net interest income from banking business and from other operating income, less volume-related costs. Sales revenue from external customers is generally dependent on the growth factors described above (the performance of the financial markets, regulatory and structural changes, and the Group's innovative strength). Net interest income from banking business is dependent on how Clearstream's international settlement business performs, on the one hand, and on developments of short-term interest rates, particularly in the euro zone and the USA, on the other. In addition to income from the Clearstream segment, net interest income has also included interest income and expenses in the Eurex segment since the first quarter of 2015. This income is generated by the Group's clearing houses from investing their clients' cash collateral. Other operating income results from exchange rate differences, among other things. Volume-related costs normally correlate with sales revenue in the relevant business areas, such as fees and commissions from banking business or the cost of purchasing price data. In addition, various licence fees (e.g. for index licences) contribute to volume-related costs.

Operating costs include staff costs, depreciation, amortisation and impairment losses, and other operating expenses. Staff costs consist of wages and salaries, social security contributions and the cost of retirement benefits. They are subject to inflation adjustments and depend partially on Deutsche Börse AG's share price performance, as they also include changes in the provisions for and payments under the Stock Bonus Plan for members of the Executive Board and senior executives that was introduced in 2007. As of 1 January 2016, a new renumeration system is in place (for details see the remuneration report). Depreciation, amortisation and impairment charges include depreciation and amortisation of, and impairment losses on, intangible assets and property, plant and equipment. Other operating expenses mainly comprise the costs of developing and operating the Group's technological infrastructure, office infrastructure costs and marketing costs.

Around 75 per cent of Deutsche Börse Group's costs are fixed costs (excluding special factors). As a result, the Group can handle higher volumes of business without a significant increase in costs. Conversely, a decline in business volumes has a direct impact on the Group's profitability. Approximately 25 per cent of the Group's costs are volume-related costs.

Deutsche Börse Group manages its EBIT using net revenue and operating costs. At Group level, the net profit for the period attributable to Deutsche Börse AG shareholders also serves as a performance indicator for internal management.

The balance sheet key performance indicators include cash flows from operating activities, a predefined liquidity target and equity less intangible assets. Liquidity planning aims at maintaining enough liquidity to meet operating costs for one quarter (currently between €150 million and €250 million). There is no set target for the Group's management of its equity less intangible assets KPI; rather, the objective is to maintain a positive figure.

The interest coverage ratio is the ratio of EBITDA to the interest expense from financing activities. As part of its capital management programme, the Group aims to achieve an interest coverage ratio of at least 16 for Deutsche Börse Group. In addition, the goal is to achieve a maximum ratio of interest-bearing gross debt to EBITDA of 1.5 at Group level. The latter performance indicator is particularly important at present in protecting the Group's current AA rating. The goal of the Clearstream subgroup is to maintain an interest coverage ratio of 25 and to comply with other capital adequacy measures to protect its current AA rating. Because Clearstream had no financial liabilities from non-banking business in either the reporting period or the previous year, no interest coverage ratio had to be calculated for the subgroup.

Group projects are prioritised and steered using strategic and financial criteria, taking project-specific risks into account. The main criterion used to assess the strategic attractiveness of projects is their (expected) contribution to the strategic objectives for Deutsche Börse Group and its business areas. The main financial and economic criteria are key performance indicators such as net present value (NPV), the payback period and the return after tax, which are calculated on the basis of the project or business plans. Risks are monitored at all levels of project work, i.e. both when prioritising and steering projects and during ongoing project management.

Further information on the Group's financial position is presented in the "Financial position" section of this combined management report.

Internal control system as part of the financial reporting process

Deutsche Börse has established a Group-wide internal control system (ICS). The ICS comprises a set of rules for the management of corporate activities as well as guidelines which help to ensure that such rules are being observed. Monitoring tasks are implemented through process-integrated measures (such as organisational safeguards and checks) as well as through process-independent measures. All business divisions are responsible that Group-wide ICS requirements are met in their respective areas of responsibility.

The purpose of the accounting-related ICS is to ensure orderly accounting practices.

The central Financial Accounting and Controlling (FA&C) division is primarily responsible for preparing the accounts at Deutsche Börse AG and its consolidated subsidiaries. FA&C is supported in this task by decentralised units, which have to comply with the standards set by FA&C. The head of FA&C is responsible for the process, including effective safeguards and controls. The goal is to ensure that risks in the accounting process are identified early on so that remedial action can be taken in good time. In order to maintain consistent and continuous accounting processes, FA&C provides centralised, regularly updated accounting manuals as well as guidelines and work instructions for the material accounting processes – as part of the preparation of the annual financial statements and consolidated financial statements of Deutsche Börse AG. All FA&C employees have access to this documentation, accounting manuals and account allocation guidelines, allowing them to obtain information on the management judgements and accounting options exercised by Deutsche Börse Group.

Moreover, Deutsche Börse Group continuously monitors and analyses changes in the accounting environment and adjusts its process in line with them. This applies in particular to national and international accounting standards.

Another key feature of the ICS is the principle of the separation of functions: tasks and responsibilities are clearly defined and allocated within the organisation. Incompatible tasks – such as modifying master data on the one hand and issuing payment instructions on the other – are strictly segregated at a functional level. An independent control unit grants individual employees access rights to the accounting system and monitors these permissions continuously using an incompatibility matrix. Transactions are initially recorded in the general ledger or the appropriate subledgers on the basis of the chart of accounts and the account allocation guidelines. The principle of dual control applies to all closing entries made and to preparation of the consolidated financial statements.

All major Deutsche Börse Group subsidiaries maintain and consolidate their general ledgers in the same system. Accounting data from the other companies is uploaded for inclusion in the consolidated financial statements. Liabilities, expenses and income for individual transactions are recorded in separate accounts under the name of the counterparty concerned. Any consolidation differences are reviewed centrally and sent to the accounting departments of the companies concerned for clarification.

The processes, systems and controls described above aim to provide reasonable assurance that the accounting system complies with the applicable principles and laws. In addition, Compliance and Internal Audit act as a further line of defence, performing risk-based, process-independent checks on whether the ICS is appropriate and effective. The Executive Board and the Audit Committee established by the Supervisory Board receive regular reports on the effectiveness of the ICS with respect to the financial reporting process.

Research and development activities

As a service provider, Deutsche Börse Group does not engage in research and development activities comparable to those of manufacturing companies. As a result, this combined management report does not contain a detailed research and development report. However, Deutsche Börse does develop and operate its own trading and clearing systems as well as system solutions designed to achieve its structural growth objectives. The company works constantly to maintain and enhance the technology leadership and stability of its electronic systems in the interests of its customers and the systemic stability of the financial markets. This is why Deutsche Börse has significantly overhauled its trading and clearing systems, which go by the trade names T7® and C7®. Other technically challenging projects include implementing the European Central Bank's plans to create a uniform, pan-European securities settlement platform (TARGET2-Securities).

In 2015, research and development expenses amounted to €207.3 million (2014: €221.7 million); of this figure, approximately 48 per cent (2014: 39 per cent) was attributable to development costs that were capitalised as internally developed software. In addition, €55.8 million of capitalised development costs were amortised in 2015. This means that research and development costs amounted to 9 per cent of net revenue (2014: 11 per cent). In the Eurex and Clearstream segments, which mainly invest in systems upgrades, research and development costs amounted to 9 per cent and 13 per cent of net revenue, respectively. Details can be found in note 7 to the consolidated financial statements.

Further details of product and services development activities can be found in the report on opportunities and the report on expected developments.

Takeover-related disclosures

Disclosures in accordance with sections 289 (4) and 315 (4) of the HGB
In accordance with sections 289 (4) and 315 (4) of the Handelsgesetzbuch (HGB, German Commercial Code), Deutsche Börse AG hereby makes the following disclosures as at 31 December 2015:

The share capital of Deutsche Börse AG amounted to €193.0 million on the above-mentioned reporting date and was composed of 193 million no-par value registered shares. There are no other classes of shares besides these ordinary shares.

The share capital has been contingently increased by up to €19.3 million by issuing up to 19.3 million no-par value registered shares (contingent capital 2014). The contingent capital increase will be implemented only to the extent that holders of convertible bonds or warrants attaching to bonds with warrants issued by the company or a Group company in the period until 14 May 2019 on the basis of the authorisation granted to the Executive Board in accordance with the resolution of the Annual General Meeting on 15 May 2014 on item 5 (a) of the agenda exercise their conversion or option rights, that they meet their conversion or option obligations, or that shares are tendered, and no other means are used to settle such rights or obligations. More details can be found in Article 4 (7) of the Articles of Association of Deutsche Börse AG.

The Executive Board is only aware of limitations to voting rights that result from the Aktiengesetz (AktG, German Stock Corporation Act), according to which voting rights arising from shares affected by section 136 of the AktG may not be exercised. Furthermore, shares held by Deutsche Börse AG as treasury shares are exempted from the exercise of any rights according to section 71b of the AktG.

Under the Wertpapierhandelsgesetz (WpHG, German Securities Trading Act), any investor whose shareholding reaches, exceeds or falls below specified voting right thresholds as a result of purchase, sale or any other transaction is required to notify the company and the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin, German Federal Financial Supervisory Authority). The lowest threshold for this disclosure requirement is 3 per cent. Deutsche Börse AG is not aware of any direct or indirect equity interests in its capital in excess of 10 per cent of the voting rights.

There are no shares with special rights granting the holder supervisory powers.

Employees holding shares in Deutsche Börse AG exercise their rights in the same way as other shareholders in accordance with the statutory provisions and the Articles of Association.

Members of the Executive Board are appointed and dismissed in accordance with sections 84 and 85 of the AktG and with Article 6 of the Articles of Association of Deutsche Börse AG. Amendments to the Articles of Association of Deutsche Börse AG are adopted by resolution of the Annual General Meeting in accordance with section 119 (1) No. 5 of the AktG. Under Article 12 (4) of the Articles of Association of Deutsche Börse AG, the Supervisory Board has the power to make changes to the Articles of Association that relate to the wording only. In accordance with Article 18 (1) of the Articles of Association of Deutsche Börse AG, resolutions of the Annual General Meeting are passed by a simple majority of the votes cast, unless otherwise mandated by the AktG. Insofar as the AktG additionally prescribes a majority of the share capital represented at the time of a resolution, a simple majority of the share capital represented is sufficient where this is legally permissible.

Subject to the approval of the Supervisory Board, the Executive Board is authorised to increase the share capital by up to a total of €5.2 million on one or more occasions in the period up to 11 May 2016 by issuing new no-par value registered shares in exchange for cash and/or non-cash contributions (authorised capital I). Shareholders must be granted pre-emptive rights. However, subject to the approval of the Supervisory Board, the Executive Board is authorised to disapply pre-emptive rights if a capital increase against non-cash contributions is implemented in order to acquire companies, parts of companies, interests in companies or other assets. In addition, the Executive Board is authorised to disapply shareholders' pre-emptive rights for fractional amounts. Full authorisation, and particularly the conditions under which shareholders' pre-emptive rights can be disapplied, derive from Article 4 (3) of the Articles of Association of Deutsche Börse AG.

The Executive Board is also authorised to increase the share capital by up to a total of €19.3 million on one or more occasions in the period up to 12 May 2020, subject to the approval of the Supervisory Board, by issuing new no-par value registered shares against cash and/or non-cash contributions (authorised capital II). Shareholders must be granted pre-emptive rights, which the Executive Board can disapply in certain cases, subject to the approval of the Supervisory Board in each case. The Executive Board is authorised to exclude shareholders' pre-emptive rights: (i) in the case of cash capital increases, provided that the issue price of the new shares is not significantly lower than the prevailing exchange price, and the total number of shares issued under exclusion of shareholders' pre-emptive rights does not exceed 10 per cent of the share capital; (ii) in the case of capital increases in exchange for non-cash contributions for the purpose of acquiring companies, parts of companies, interests in companies, or other assets; and (iii) with respect to fractional amounts. However, according to the authorisation, the Executive Board may only exclude shareholders' pre-emptive rights if the total number of shares issued during the term of authorisation does not exceed 20 per cent of the share capital. The full authorisation, and particularly the conditions under which shareholders' pre-emptive rights can be disapplied, derive from Article 4 (4) of the Articles of Association of Deutsche Börse AG.

In addition, the Executive Board is authorised to increase the share capital by up to a total of €38.6 million on one or more occasions in the period up to 12 May 2020, subject to the approval of the Supervisory Board, by issuing new no-par value registered shares in exchange for cash contributions (authorised capital III). Shareholders must be granted pre-emptive rights, which the Executive Board can disapply with the approval of the Supervisory Board only for fractional amounts. However, according to the authorisation, the Executive Board may only exclude shareholders' pre-emptive rights if the total number of shares issued during the term of authorisation does not exceed 20 per cent of the share capital. The exact content of this authorisation derives from Article 4 (5) of the Articles of Association of Deutsche Börse AG.

Furthermore, the Executive Board is authorised to increase the share capital by up to a total of €6.0 million on one or more occasions in the period up to 15 May 2017, subject to the approval of the Supervisory Board, by issuing new no-par value registered shares against cash and/or non-cash contributions (authorised capital IV). Shareholders must be granted pre-emptive rights unless the Executive Board makes use of the authorisation granted to it to disapply such rights with the approval of the Supervisory Board. The Executive Board is authorised to disapply shareholders' pre-emptive rights for fractional amounts with the approval of the Supervisory Board. The Executive Board is also authorised, subject to the approval of the Supervisory Board, to disapply shareholders' pre-emptive rights in order to issue up to 900,000 new shares per financial year from authorised capital IV to members of the Executive Board and employees of the company as well as to members of the executive boards or management and employees of its affiliated companies in accordance with sections 15ff. of the AktG. Full authorisation derives from Article 4 (6) of the Articles of Association of Deutsche Börse AG.

The Executive Board is authorised to acquire treasury shares amounting to up to 10 per cent of the share capital. However, the acquired shares, together with any treasury shares acquired for other reasons that are held by the company or attributed to it in accordance with sections 71a ff. of the AktG, may at no time exceed 10 per cent of the company's share capital. The authorisation to acquire treasury shares is valid until 12 May 2017 and may be exercised by the company in full or in part on one or more occasions. However, it may also be exercised by dependent companies, by companies in which Deutsche Börse AG holds a majority interest or by third parties on its or their behalf. The Executive Board may elect to acquire the shares (1) on the stock exchange, (2) via a public tender offer addressed to all shareholders or via a public request for offers of sale addressed to the company's shareholders, (3) by issuing tender rights to shareholders or (4) using derivatives (put or call options or a combination of the two). The full and exact wording of the authorisation to acquire treasury shares, and particularly the permissible uses to which the shares may be put, can be found in items 8 and 9 of the agenda for the Annual General Meeting held on 13 May 2015.

The following material agreements of the company are subject to a change of control following a takeover bid:

- On 18 March 2013, Deutsche Börse AG and its subsidiary Clearstream Banking S.A. entered into a multicurrency revolving facility agreement with a banking syndicate for a working capital credit totalling up to €750 million. If there is a change of control, the credit relationship between Deutsche Börse AG and the lenders can be reviewed in negotiations within a period of no more than 60 days. In this process, each lender has the right, at its own discretion, to terminate its credit commitment and demand partial or full repayment of the amounts owing to it. A change of control has occurred if Deutsche Börse AG no longer directly or indirectly holds the majority of Clearstream Banking S.A. or if a person or a group of persons acting in concert acquires more than 50 per cent of the voting shares of Deutsche Börse AG.
- As part of the acquisition of ISE, it was agreed that no person or group may directly or indirectly acquire more than 40 per cent of the shares in ISE or acquire control over the voting rights attached to more than 20 per cent of the shares in ISE without the prior approval of the US Securities and Exchange Commission (SEC). Otherwise, as many ISE shares as are required to comply with the limits will be transferred to a trust.
- Under the terms of Deutsche Börse AG's €600.0 million fixed rate bond issue 2015/2041 (hybrid bond), Deutsche Börse AG has a termination right in the event of a change of control which, if exercised, entitles Deutsche Börse AG to redeem the bonds at par, plus accrued interest. If Deutsche Börse AG does not exercise this termination right, the affected bonds' coupon will increase by 5 percentage points. A change of control will take place if a person or a group of persons acting in concert, or third parties acting on their behalf, has or have acquired more than 50 per cent of the shares of Deutsche Börse AG or the number of Deutsche Börse AG shares required to exercise more than 50 per cent of the voting rights at Annual General Meetings of Deutsche Börse AG. In addition, the relevant bond terms require that the change of control must adversely affect the rating given to Deutsche Börse AG by Moody's Investors Services, Inc., Standard & Poor's Rating Services or Fitch Ratings Limited. Further details can be found in the applicable bond terms.
- The terms of the €500.0 million fixed-rate bonds 2015/2025, the €600.0 million fixed-rate bonds 2013/2018, and the €600.0 million fixed rate bonds 2012/2022, which were all issued by Deutsche Börse AG, all provide Deutsche Börse AG with a termination right in the event of a change of control. If these cancellation rights are exercised, the bonds are repayable at par plus any accrued interest. A change of control has taken place if a person or a group of persons acting in concert, or third parties acting on their behalf, has or have acquired more than 50 per cent of the shares of Deutsche Börse AG or the number of Deutsche Börse AG shares required to exercise more than 50 per cent of the voting rights at Annual General Meetings of Deutsche Börse AG. In addition, the two sets of bond terms require that the change of control must adversely affect the rating given to one of the preferential unsecured debt instruments of Deutsche Börse AG by Moody's Investors Services, Inc., Standard & Poor's Rating Services or Fitch Ratings Limited. Further details can be found in the applicable bond terms.
- A change of control also results in the right to require repayment of various bonds issued by Deutsche Börse AG in 2008 under a US private placement. The change of control must also adversely affect the rating given to one of the preferential unsecured debt instruments of Deutsche Börse AG by Moody's Investors Services, Inc., Standard & Poor's Rating Services or Fitch Ratings Limited. The provisions of the relevant terms correspond to the terms specified for the fixed-rate

bonds currently in issue. The bonds issued under the private placement are as follows: US$220.0 million due on 10 June 2018 and US$70.0 million due on 10 June 2020.

- Under certain conditions, members of Deutsche Börse AG's Executive Board have a special right to terminate their contracts of service in the event of a change of control. According to the agreements made with all Executive Board members, a change of control has occurred if (i) a shareholder or third party discloses that it owns more than 50 per cent of the voting rights in Deutsche Börse AG in accordance with sections 21 and 22 of the WpHG, (ii) an intercompany agreement in accordance with section 291 of the AktG is entered into with Deutsche Börse AG as a dependent company, or Deutsche Börse AG is absorbed in accordance with section 319 of the AktG or (iii) Deutsche Börse AG is merged in accordance with section 2 of the Umwandlungsgesetz (UmwG, German Reorganisation and Transformation Act).

Details concerning termination agreements with members of the Executive Board, in the event of a takeover offer, are described in the preceding paragraph. Further information, in particular concerning corresponding change-of-control agreements, can also be found in the remuneration report.

Deutsche Börse AG shares

The average annual return since Deutsche Börse AG's initial public offering in 2001 has been 14.4 per cent. Thus Deutsche Börse shares prove to be an attractive long-term investment. They closed financial year 2015 with a 37 per cent plus, significantly above the share price performance of our reference indices DAX® (plus 10 per cent) and STOXX® Europe 600 Financials (plus 5 per cent) and also well above the performance of other exchange organisations as measured by the Dow Jones Global Exchanges Index, which rose by 10 per cent in 2015 (see "Share price development of Deutsche Börse AG and benchmark indices in 2015" chart on the next page).

Deutsche Börse AG shares: key figures

		2015	2014
Earnings per share (basic)[1]	€	4.14	3.63
Dividend per share	€	2.25[2]	2.10
Dividend distribution ratio[1]	%	55	58
Dividend yield[3]	%	3.0	3.8
Opening price (as at 1 Jan)[4]	€	59.22	60.20
High[5]	€	87.41	63.29
Low[5]	€	58.65	49.90
Closing price (as at 31 Dec)	€	81.39	59.22
Average daily trading volume on Xetra®	m shares	0.7	0.7
Number of shares (as at 31 Dec)	m	193.0	193.0
thereof outstanding (as at 31 Dec)	m	186.7	184.2
Free float (as at 31 Dec)	%	100	100
Price-earnings ratio[3]		18.3	15.3
Market capitalisation (as at 31 Dec)	€bn	14.7	11.4
Average annual return since IPO in 2001	%	14.4	11.6
Attendance of share capital at the Annual General Meeting	%	42.2	43.4
Share of investors from Germany / UK / USA / other countries	%	15/28/31/26	15/20/37/28
Institutional investors	%	95	94
Shareholders		appr. 57,000	appr. 60,000
Analyst recommendations buy / hold / sell (as at 31 Dec)	%	52/39/9	46/38/18
Average target price set by analysts at year-end	€	85.00	59.00

1) Adjusted for exceptional items
2) For financial year 2015, proposal to the Annual General Meeting 2016
3) Based on the volume-weighted average of the daily closing prices
4) Closing price on preceding trading day
5) Intraday price

Report on economic position

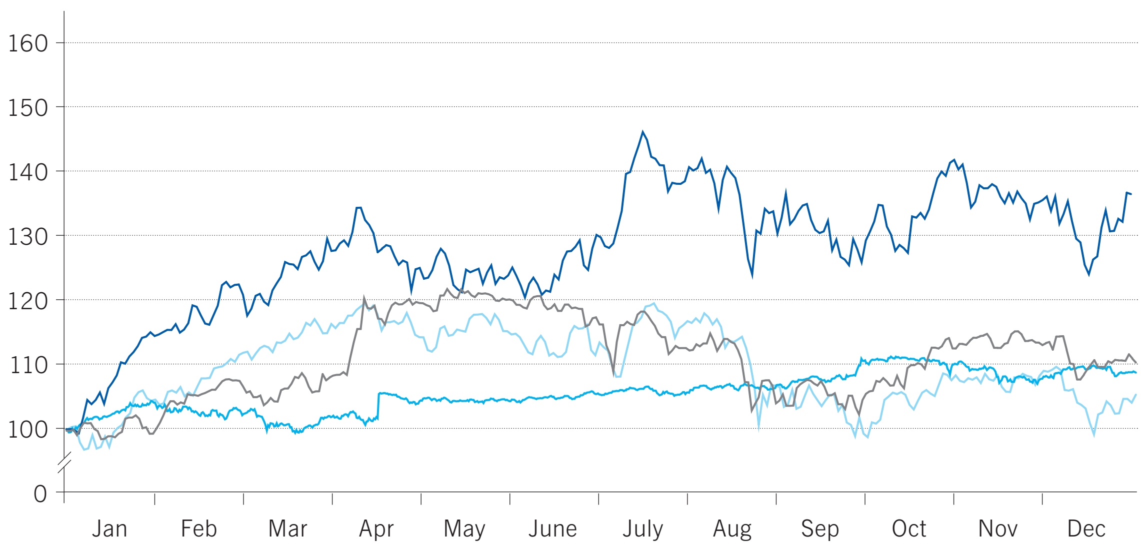
Macroeconomic and sector-specific environment

Macroeconomic developments had and continue to have a significant impact on the overall economic environment and on trading activity on the markets. For Deutsche Börse Group, the macro-economic environment during the year under review was rather complex: whilst some factors had a stimulating effect on business, others had the potential of unsettling market participants, burdening their business activity.

- Growth momentum in the economies which are relevant to Deutsche Börse Group (Central Europe, USA) with low unemployment rates, on the one hand – the marked slowdown of the Chinese economy and the subsequent impact on global capital markets on the other hand
- The major central banks' low interest rate policy and the resulting large volumes of liquidity, in Europe especially as a result of the European Central Bank's quantitative easing (QE), and in the US as a result of the Federal Reserve's interest rate policy (however, December 2015 saw the Fed's first interest rate hike since 2006)
- Low inflation and in some cases deflationary tendencies
- The fragile economic situation in the euro zone, with high levels of government debt in certain European states and, as a result, a weakening euro against the US dollar
- Unstable political conditions in some parts of Eastern Europe and recurring flashpoints in the Arab world
- Regulatory projects and the resulting stricter requirements for capital market participants (see the next section entitled "Regulatory environment")

Share price development of Deutsche Börse AG and benchmark indices in 2015

Indexed to 30 December 2014



Daily closing price of Deutsche Börse AG shares
DAX®
STOXX® Europe 600 Financials
Dow Jones Global Exchanges

Despite these factors, economic growth in 2015 improved year-on-year, especially throughout the western economies. Current estimates suggest a rise of 2.0 per cent in real gross domestic product (GDP) in OECD member countries (OECD = Organisation for Economic Co-operation and Development) in 2015, following a 1.9 per cent increase in 2014. Estimates by the International Monetary Fund (IMF) suggest that the global economy grew by 3.1 per cent in the same period (2014: increase in real terms of 3.4 per cent).

Despite a slight decline in the global economy – particularly during the second half of 2015 – initial estimates point towards the German GDP being in line with the previous year's figure. The IMF's January 2016 estimates put growth in German economic output at 1.5 per cent in 2015 (2014: increase in real terms of 1.6 per cent).

Economic developments within the EU have once again improved in 2015: only Greece is still in a recession, whilst all other EU member economies were growing, if – in some cases – only slightly. However, Spain, France as well as Ireland all saw a markedly positive trend. Nonetheless, the ECB has maintained its critical assessment of the EU economy and accordingly lowered its interbank deposit rate from –0.20 per cent to –0.30 per cent in December 2015, and extended its bond purchasing programme by another six months, up to March 2017.

The OECD is forecasting an increase in US economic output of 2.4 per cent in real terms in 2015. At the same time, the labour market situation continued to ease; this should continue to have a positive effect on economic output going forward. Against the background of a positive economic trend and further improvements on the labour market, the US Federal Reserve hiked its key interest rate in December 2015 for the first time since 2006, to a Fed Funds rate between 0.25 and 0.50 per cent.

All told, the overall positive global economic development, as well as the improved situation in Europe, had a positive influence on capital markets trading activity. Nevertheless, persistently high levels of government debt in certain European states, which are resulting in slower growth compared with other economies such as the United States or the United Kingdom, are continuing to fuel uncertainty on the financial markets. Moreover, the slowdown in the Chinese economy also had a notable impact on activity levels within the capital markets, particularly during the third quarter of 2015. Overall, these factors led to sustainably higher volatility on the cash and derivatives markets during 2015. Especially in the third quarter of 2015, volatility increased significantly, resulting in a positive effect on equity-based products in particular. Hence, the Group posted marked increases in trading volumes on its cash and derivatives markets, as well as in the index business.

Development of trading activity on selected European cash markets

	2015 €bn	Change vs. 2014 %
Euronext[1]	2,120.1	28
Deutsche Börse Group – Xetra®	**1,505.8**	**28**
Borsa Italiana[2]	943.5	15
Bolsas y Mercados Españoles[1]	962.1	9
London Stock Exchange[2, 3]	1,235.7	6

1) Trading volume in electronic trading (single-counted)
2) Part of London Stock Exchange Group
3) Trading volumes in GBP

Source: Exchanges listed

Development of contracts traded on selected derivatives markets

	2015 m contracts	Change vs. 2014 %
National Stock Exchange of India	3,060.4	61
Gruppe Deutsche Börse – Eurex®	**2,272.4**	**8**
CME Group	3,532.1	3
BM&F Bovespa	1,358.6	– 4
IntercontinentalExchange	1,998.8	– 10
CBOE Holdings	1,173.9	– 11

Source: Exchanges listed

Regulatory environment

One consequence of the global financial markets crisis is the series of regulatory initiatives taken by legislators over recent years. There is consensus on an international basis that financial stability and public confidence in the financial system needs to be restored. Accordingly, the EU has initiated vital legislative steps. Even though most of the new regulatory framework has been passed already, some requirements have not yet been completely implemented, and many details require further specification.

Financial markets infrastructure regulation

EMIR: implementation and review

The European Market Infrastructure Regulation (EMIR), which came into force in 2012, is a significant regulation for central counterparties. With the step-by-step introduction of a clearing obligation, starting in the first half of 2016, implementation is about to enter the final phase. The European Commission commenced the official revision process for the regulation in the summer of 2015. The EU Commission's draft revision with amendments to EMIR is expected to be published in the first half of 2016. The revision is centred around the following issues: liquidity of central counterparties, supervisory structures as well as risk management aspects and infrastructure reporting requirements.

Recovery and resolution plans for financial market infrastructures

Besides the EMIR revision process, the EU Commission intends to publish, also in the first half of 2016, proposed legislation on recovery and resolution plans for central securities depositories, central counterparties, central trade repositories and payment systems.

Back in 2012, the Committee on Payments and Market Infrastructures (CPMI), together with the International Organization of Securities Commissions (IOSCO), published first considerations for consultation. CPMI/IOSCO provided global standards for recovery plans in October 2014. At the same time, the Financial Stability Board (FSB) published a framework for resolution plans in close cooperation with CPMI/IOSCO.

The recovery and resolution plans complement EMIR with the aim of providing central financial market infrastructures with greater stability against market disruptions. In this context, one key aspect is to establish a healthy incentive structure at a European and global level, which excludes the use of public funds.

Capital Markets Union

Following the economic, monetary and the banking unions, the capital markets union is the next step towards an integrated European financial market. The main objectives are to promote growth and job creation on a sustainable basis, and to develop a diversified financial system which complements bank-based financing with highly-developed capital markets. Another objective is to release inactive capital throughout Europe, in order to offer savers a wider variety of investment forms, and increasing corporate financing opportunities at the same time. Current plans also include the simultaneous creation of a EU domestic capital market, to promote cross-border investments and enable companies to tap different sources of finance, independent from their domicile.

The EU Commission has presented an action plan in September 2015, with the aim of implementing it by 2019. It has become increasingly clear that the goal of a capital markets union may not be realised by one particular initiative; instead, this goal requires a series of small steps, which – taken together – will most likely have a significant impact.

Deutsche Börse Group actively supports the project and assumes an active role in the political debate. We believe the following basic principles to be material to a successful implementation: restoration of confidence in the financial markets, improved and expanded alternative instruments for non-bank-based corporate financing, financial stability, transparency, harmonised regulatory standards and a supportive regulatory framework.

Deutsche Börse Group believes that the concept of a financial transaction tax is not in line with the objectives of capital markets union, since it runs contrary to the promotion of ideas and investments, which in turn foster growth and income in EU member states. Hence, a financial transaction tax would contradict the aspired harmonisation of markets and deter foreign investors.

Overview of regulatory initiatives and their impact on Deutsche Börse Group's business areas

	Xetra	Eurex	Eurex Clearing	Clear-stream	IT & MD+S	Status as at 31 December 2015
Financial market infrastructure						
EMIR			X	X		Became effective in 2012; clearing obligation for derivatives expected to be implemented successively from Q2/2016 onwards; draft for a revision expected in 2016
Recovery and resolution plans			X	X		Adopted in 2014; transposition into national law until the end of 2014, parts of level 2 at a later stage
Capital markets union	X	X	X	X	X	Development of an action plan in 2015; implementation by 2019
MiFID II, MiFIR	X	X	X		X	Published in 2014; application expected from 2018 onwards
MAD, MAR	X	X		X		Became effective in 2014; application expected from July 2016 onwards
CSDR	X	X	X	X		Became effective in 2014; application expected from November 2017 onwards
Regulation on benchmarks and indices		X	X		X	December 2015: agreement reached between EU Parliament and Council
Banks						
CRD IV, CRR			X	X		Effective since 2014; transitional regulations applicable until 2019
Basel IV			X	X		Finalisation expected in 2016/2017, with subsequent implementation throughout the EU
SFT-R				X		June 2015: agreement reached between EU Parliament and Council
Financial Transaction Tax	X	X	X	X	X	Discussion ongoing
Supervisory structure						
Banking union						
SSM			X	X		Became effective in 2014
SRM			X	X		Adopted in 2014; planned launch in 2016
European Deposit Guarantee Scheme			X	X		Implementation in national law in 2015; extended proposal by the EU Commission in 2015

Regulation of markets in financial instruments (MiFID II, MiFIR)

The revised directive (MiFID II) and the accompanying regulation (MiFIR) became effective on 2 July 2014. On 10 February 2016, the original implementation deadline (3 January 2017) has been postponed by one year in order to give market participants and supervisory authorities sufficient time to adjust to the new requirements, particularly with regard to the establishment of technical reporting and monitoring systems. The EU Commission and European Securities and Markets Authority (ESMA) have not yet finalised their work on the implementation measures, in the form of technical standards. Given these delays, any amendments required to national law that Germany will introduce in the Finanzmarktnovellierungsgesetz (FimanoG, Financial Market Amendment Act) will be deferred. The new Market Abuse Directive and Regulation (MAD/MAR), the regulation on central securities depositories (CSDR), as well as the Regulation on Key Information Documents for Packaged Retail and Insurance-based Investment Products (PRIIPs) are expected to be implemented by July 2016. The new regulations will have an impact on Deutsche Börse Group, in particular on its trading and clearing activities, as well as on the market data business. In the light of fundamental changes to European market structures, Deutsche Börse Group has entered into an intensive dialogue with its customers, in order to develop solutions reflecting the required changes. In particular, this applies to the areas of transparency, market microstructure and reporting requirements.

Central Securities Depository Regulation (CSDR)

With the CSDR, a uniform European regulatory framework for central securities depositories was established for the first time in September 2014. The EU Commission and ESMA are currently specifying the requirements, by way of technical standards; these are expected to apply from March 2017 onwards. The CSDR will harmonise the securities settlement systems and supervisory rules for central securities depositories throughout Europe. This will strengthen Clearstream's business model, because the provision of integrated banking services will still be permitted.

Benchmark regulation

At year-end 2015, the EU Parliament and the Council have agreed upon a regulation on indices to be used as benchmarks. The regulation largely follows the global IOSCO principles for financial benchmarks. The IOSCO principles were developed, back in 2013, as a response to the manipulation of certain indices or reference rates (such as LIBOR and Euribor).

Deutsche Börse Group, which successfully implemented the IOSCO principles in 2014 for its DAX® indices as well as for the indices of its subsidiary STOXX Ltd., welcomes the agreement reached between the EU Parliament and the Council.

The specific impact on the Group's business activities from the EU Regulation depends on the implementation measures still to be laid out in the form of technical standards by the EU Commission and ESMA.

Banking regulations

Basel III/CRD IV

The Basel Framework "Basel III" currently specifies the international regulatory environment governing banking activities. Implementation within the EU was largely finalised by 1 January 2014. Further adjustments are scheduled within the transitional and adaptive regulations as well as for the phased introduction and specification through level-2 texts until 2019.

Basel IV

Since 2014, the Basel Committee on Banking Supervision and the Financial Stability Board have submitted proposals to enhance the international framework for banking supervision and the published amendments to Basel III, which will have a far-reaching impact. The proposals and amendments are commonly summarised under the concept "Basel IV". Key elements of the revision are:

- Introduction for the first time of international rules to impose a quantitative limit on concentration risk (large exposure rules)
- Comprehensive amendments to the rules for standardised approaches to measuring capital requirements for credit, market price and operational risk, credit risk mitigation and the definition of the trading book
- Revisions to the treatment of credit risk exposures to central governments and other public-sector counterparties
- Further strengthening of the equity base of global systemically important banks (G-SIBs), with the aim being to avoid resolution if at all possible, or failing that, to ensure that resolution is possible in an orderly manner
- Changes to the treatment of interest rate risk in the non-trading book

While the proposed amendments have a considerable scope, most of them are still at the discussion and consultation stage. In addition, it is difficult to determine the specific impact on Deutsche Börse Group's affected entities. From Deutsche Börse Group's perspective, the provisions – including the expected transitional regulations – will not have any material effect on the equity of its regulated companies in the short term. Independent of the regulatory requirements, the Group will continuously analyse the capitalisation of its regulated entities, making any necessary adjustments in order to ensure that risks are adequately covered. Deutsche Börse Group takes an active part in the discussion process regarding the modification of banking regulations, and thus addresses the specific characteristics applying to regulations for financial market infrastructures with (limited) authorisation to engage in banking business.

Transparency of securities financing transactions

The EU bodies resolved a regulation on the transparency of securities financing transactions (Securities Financing Transaction Regulation, SFTR), which complements the proposed regulation on the introduction of a segregated banking system that ring-fences proprietary trading from the deposit and lending business. The regulation was published on 23 December 2015 in the Official Journal of the European Union. It introduces a requirement to report securities lending and repo transactions to central trade repositories. In addition, it introduces rules for repledging collateral and regulates the reporting requirements of investment fund providers with securities lending activities. The impact of comprehensive reporting requirements for securities lending transactions is different for Clearstream, Eurex Clearing AG and REGIS-TR S.A. For their own securities financing transactions, higher expenditures are to be expected. The fact that transactions must be reported to a trade repository however also bears business potential for REGIS-TR.

Deposit Guarantee Schemes

The implementation into national law of the Deposit Guarantee Schemes Directive has only minor impact upon Deutsche Börse Group entities. In November 2015, the European Commission made a proposal on the further modification of deposit guarantee schemes, with a view to completing banking union. The current status of political discussions does not yet allow for any projections on the possible impact of the legislative process onto Deutsche Börse Group.

Business developments

Overall, the macro-economic framework outlined at the beginning of the report on the economic position led to a more favourable situation for financial services providers on the capital markets during the year under review, compared to 2014. Interest rates at record lows, a high degree of liquidity on the European capital markets, and markedly higher volatility on the equities and derivatives markets – all of these factors stimulated trading activity. Leaving aside short-term spikes in trading volumes, political conflicts and economic instability tend to have a rather negative effect on investors' trading activities over the medium term. The same applies to regulatiory schemes, which trading participants might view as curtailing their strategic options.

- From a macroeconomic perspective, the year under review was once again characterised by loose monetary policy adopted by the major central banks. The ECB has charged negative deposit interest rates now since June 2014: in fact, it thus charges a fee on the deposits that commercial banks hold with the ECB. As a consequence, commercial banks in the euro area have been passing on such negative interest rates to their clients. Moreover, the ECB launched a purchasing programme for sovereign bonds and other securities in March 2015 as part of its QE measures, and has been buying approximately €60 billion in securities every month, in order to further boost market liquidity and to fend off deflation. The ECB's QE measures, currently planned to remain in place until March 2017, will keep interest rates at a low level. Likewise, the US Federal Reserve retained its expansive monetary policy almost right to the end of the year under review: it was only on 16 December that it embarked upon an initial step towards an interest rate turnaround, when it raised its target Fed Funds corridor to 0.25 – 0.50 per cent. Whilst low interest rates may boost cash market business, as investors raise their exposure to equities and other securities again, they slow down derivatives markets activity, especially regarding long-term interest rate derivatives. Also, the low interest rate levels reduce net interest income from the banking business, generated by the Clearstream and – to a lesser extent – Eurex business segments.
- Equity markets volatility – one of the key drivers of Deutsche Börse Group's trading business – was at a distinctly higher level during the 2015 financial year than in the year before, thus extending the trend turnaround observed since the end of the third quarter of 2014 into the year under review. Likewise, derivatives market volatility rose significantly, as the use of derivatives to hedge risks increased again.
- The economic situation in the euro area remained tense during the year under review, as was the geopolitical situation in the Middle East. Economic and political instability lead to uncertainty. Even though this might boost trading volumes over a short-term period, the longer such uncertainty prevails, the more it will burden market participants. Furthermore, a lack of investor confidence in permanently stable development of the European Monetary Union will cause investors to withdraw investment capital from Europe – a development observed on the Asian markets during the period under review, for example.
- Market participants must deal with regulatory projects which keep changing and getting delayed. This has also caused some market participants to adopt a reticent stance. Added to this are strict capital requirements and the decline in proprietary trading, which burden trading activity on the derivatives markets in particular. Conversely, regulation holds the opportunity for Deutsche Börse Group to attract business for its liquidity and collateral management services, which offer banks maximum efficiency in deploying their capital resources.

In this market environment, which was more favourable than the year before, the Group increased net revenue across all segments of its diversified business model. The Eurex and Xetra trading segments benefited in particular from the trust that market participants place in Deutsche Börse's regulated trading platforms; these two segments posted double-digit growth rates.

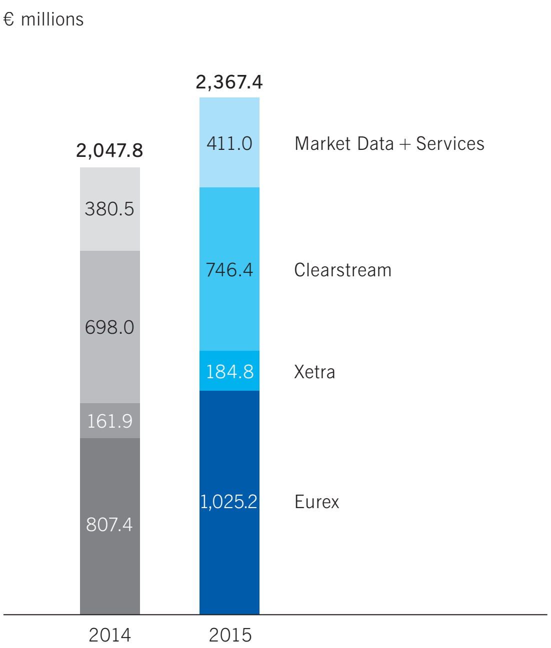
Changes to the basis of consolidation
Deutsche Börse AG acquired 49.9 per cent of the shares of STOXX Ltd., Zurich, Switzerland, and 50.1 per cent of the shares of Indexium AG, Zurich, from SIX Group AG, Zurich, effective 31 July 2015. Following this transaction, Deutsche Börse AG holds 100 per cent of the shares of both STOXX Ltd. And Indexium AG. Deutsche Börse AG had already had control over STOXX Ltd. and had included the company in full in its consolidated financial statements. The transaction led to the acquisition of control over Indexium AG; the company has been included in full in the consolidated financial statements since then.

Effective 1 January 2015, European Energy Exchange AG, Leipzig, Germany, (EEX) acquired an interest of 53.34 per cent in Powernext SA, Paris, France, in exchange for 36.75 per cent of the shares of EPEX Spot SE, Paris, France, (EPEX). Since then, all natural gas activities of EEX group have been bundled within Powernext; EEX increased its interest in Powernext to 55.8 per cent as a result of this transaction and further raised this stake to 87.73 per cent in the period under review. As Powernext in turn holds 50 per cent of EPEX, EEX also obtained a controlling interest in EPEX and its two subsidiaries, EPEX Spot Schweiz AG, Zurich, Switzerland, and JV Epex-Soops B.V., Amsterdam, the Netherlands. All subsidiaries have been included in full in the consolidated financial statements since 1 January 2015.

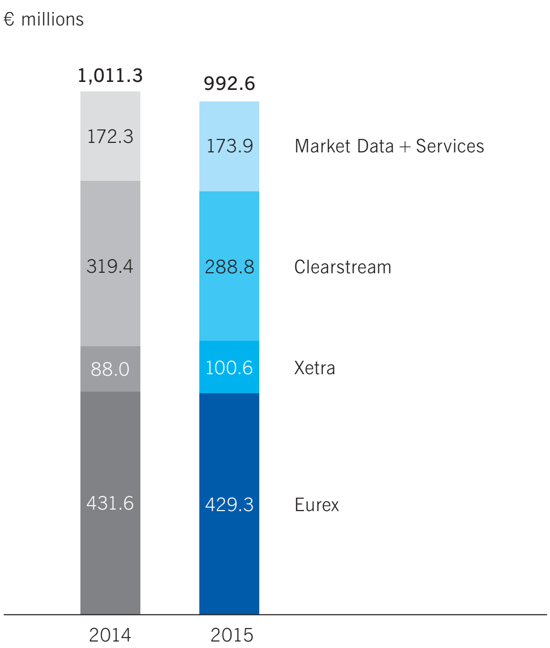
To expand the spot power business (trading and clearing), an interest of 100 per cent at APX Holding group, which covers the market areas of the Netherlands, the United Kingdom and Belgium, was acquired and integrated into the EPEX Spot group effective 4 May 2015. As wholly owned subsidiaries of EPEX, the APX Holding group companies have been included in full in Deutsche Börse Group's consolidated financial statements since May 2015.

Deutsche Börse AG acquired all shares in 360T Beteiligungs GmbH, Frankfurt/Main, Germany, (360T) effective 15 October 2015. As a result, it controls 360T and its subsidiaries; and has included these companies in full in its consolidated financial statements since that date.

Net revenue by segment



EBIT by segment



Results of operations

Developments on the cash and derivatives markets showed that investors placed greater confidence in the euro area: investment capital – which had been withdrawn in the wake of the euro currency crisis and the debt crisis affecting some European countries, and invested in the US or Asia – returned to Europe, leading to a marked increase in trading activity. Some of the Group's business areas benefited from additional tailwinds due to exchange rate effects (especially the euro's weakness versus the US dollar) and from stable economic momentum in the relevant economies (including Germany and the US). Moreover, the cash market profited from the ECB's QE policy and from low interest rates, which boosted the flow of investments into the equities markets. However, low interest rates are a burden for other Group businesses, as seen in Clearstream's net interest income from the banking business, or in the volume of interest rate derivatives traded on Eurex. On the derivatives markets, the return of capital flows into euro-denominated products was also visible, with volatility clearly higher than in the previous year. Deutsche Börse's net revenue in the commodities business almost tripled, reflecting the consolidation of equity investments, as well as the positive market environment. The uptrend in Clearstream's business proved to be stable, as the volume of securities held in custody continued to rise during the year under review. Factors which contributed to this development included the high index levels (compared to the previous year), and the euro's devaluation versus the US dollar. Moreover, Clearstream succeeded in winning new clients, and in persuading existing clients to transfer additional business to Clearstream. Deutsche Börse Group's technology and market data business (the Market Data + Services segment) also posted increases, especially in the index business.

Deutsche Börse Group's net revenue rose by 16 per cent in financial year 2015 to €2,367.4 million (2014: €2,047.8 million). Net revenue in the Eurex and Xetra trading segments posted double-digit growth rates; the post-trading and market data businesses also contributed solid increases. Some of the growth was accounted for by companies that were newly included in the Group's scope of consolidation: Powernext (including EPEX and its subsidiaries), APX Holding group, Clearstream Global Securities Services (CGSS) and 360T. Without these consolidation effects in the amount of €123.3 million, net revenue increased by 10 per cent. Net revenue is composed of sales revenue plus net interest income from banking business and other operating income, less volume-related costs. Since the 2015 financial year, net interest income has included interest income and expenses in the Eurex segment, on top of income generated in the Clearstream segment. This relates to income which the clearing houses generate by investing cash collateral posted by their clients. To date, such interest income and expenses were reported in the net financial result; the prior-year figures were adjusted accordingly.

Aggregate trading volumes on Deutsche Börse Group's derivatives markets increased significantly. The number of futures and options contracts traded on Eurex Exchange increased by approximately 12 per cent year-on-year, whilst the number of US options traded at ISE remained virtually stable. Trading in electricity products on EEX soared by 95 per cent, whilst gas products rose by 81 per cent. Net revenue in the Eurex segment was up by 27 per cent, to €1,025.2 million (2014: €807.4 million). Besides higher contract volumes, this increase was driven in particular by growth on EEX, which more than doubled net revenue, through organic as well as external growth.

Traded volumes on the cash market rose even more sifgnificantly than on the derivatives markets: by 28 per cent on Xetra®, by 6 per cent at the Frankfurt Stock Exchange, and by as much as 47 per cent on Tradegate. The year-on-year rise in index levels also had a positive effect on the revenue generated because of the pricing model, which is based on the transaction value. As a result, net revenue rose by 14 per cent to €184.8 million (2014: €161.9 million).

The post-trade services provided by the Clearstream segment yielded further solid growth rates in the year under review: Clearstream recorded both increased business volumes and higher net revenue in its three main business areas – custody, settlement and global securities financing. Despite prevailing low key interest rates, net interest income from the banking business in the Clearstream segment rose slightly compared to the previous year's figure, thanks to the continued increase in Clearstream's cash client deposits. Net revenue in the Clearstream segment was up by 7 per cent year-on-year, to €746.4 million (2014: €698.0 million).

In the Market Data + Services segment, net revenue was €411.0 million, 8 per cent higher than in the previous year (2014: €380.5 million). Business developed positively, with rising net revenue in all four business areas (Information, Index, Tools and Market Solutions).

Operating costs increased by 23 per cent year-on-year in the reporting period to €1,375.6 million (2014: €1,114.8 million). They included non-recurring effects in a total amount of €126.8 million, including €65.4 million for efficiency programmes and restructuring measures, €38.7 million mainly for the integration of acquired companies, and €22.7 million largely related to criminal proceedings against Clearstream Banking S.A. in the US. Adjusted for these non-recurring factors, operating costs increased by 17 per cent to €1,248.8 million (2014: €1,068.8 million). The following factors were the key drivers for the year-on-year increase in costs:

- Operating costs rose by €89.8 million, due to the full consolidation of Powernext (including EPEX and its subsidiaries), APX Holding group, CGSS, 360T and Indexium.
- Currency translation effects, especially caused by the weakness of the euro against the US dollar, created additional costs in the amount of €32.7 million.
- The higher Deutsche Börse share price caused steeper expenses for remuneration components linked to the share price. Moreover, thanks to the successful financial year, the Group paid out higher bonuses to its staff. Aggregate remuneration effects totalled €31.5 million. Investments in growth projects and infrastructure, in particular for Eurex's and Clearstream's growth initiatives, increased by €12.9 million.

Staff costs, a key factor in operating costs, amounted to €640.7 million in 2015 (2014: €472.4 million). Adjusted for exceptional items, staff costs rose by 26 per cent year-on-year to €579.6 million (2014: €460.7 million). The increase is due to a rise in the average number of people employed in the year under review, which was mainly the result of the above mentioned consolidation effects.

Deutsche Börse Group key performance figures

	2015 €m	2014 €m	Change %
Net revenue	2,367.4	2,047.8	16
Operating costs	1,375.6	1,114.8	23
EBIT	992.6	1,011.3	– 2
Consolidated net profit for the period attributable to Deutsche Börse AG shareholders	665.5	762.3	– 13
Earnings per share (basic) in €	3.60	4.14	– 13

Overview of operating costs

	2015 €m	2014 €m	Change %
Staff costs	640.7	472.4	36
Depreciation, amortisation and impairment losses	143.7	124.8	15
Other operating expenses	591.2	517.6	14
Total	**1,375.6**	**1,114.8**	**23**

Depreciation, amortisation and impairment losses increased by 15 per cent to €143.7 million in the year under review (2014: €124.8 million). This was primarily driven by higher investments in intangible assets and property, plant and equipment in connection with the Group's growth initiatives and infrastructure measures.

Other operating expenses relate primarily to the costs of enhancing and operating Deutsche Börse Group's technological infrastructure, including, for example, costs for IT services providers and data processing. In addition, other operating expenses include the cost of the office infrastructure at all the Group's locations as well as travel expenses, most of which are incurred in connection with sales activities. Because of the Group's business model and the fact that the company does not normally distribute its products and services to end customers, advertising and marketing costs only account for a very small portion of the company's operating expenses. Other operating expenses increased to €591.2 million in the year under review (2014: €517.6 million), driven primarily by an increase in advisory services related to the Group's strategic initiatives, as well as by higher costs for infrastructure operations.

Deutsche Börse Group's result from equity investments amounted to €0.8 million (2014: €78.3 million). The high result from equity investments in 2014 is attributable in particular to non-recurring income items in connection with the merger of Direct Edge Holdings, LLC (Direct Edge) and BATS Global Markets, Inc (BATS) at the end of January 2014 as well as the retrospective adjustment of the fair value of the consideration transferred as a result of the acquisition of EEX as at 1 January 2014. Adjusted for these exceptional items, the result from equity investments in the reporting period 2014 amounted to €8.6 million; the adjusted result of equity investments for 2015 amounted to €5.4 million. As a result of the consolidation of EEX and Scoach, these companies no longer contribute to the result from equity investments.

Deutsche Börse Group's earnings before interest and tax (EBIT) decreased by 2 per cent in the year under review to €992.6 million (2014: €1,011.3 million). Adjusted for the above-mentioned exceptional cost items and non-recurring items in the result from equity investments, the Group's EBIT amounted to €1,124.0 million, a 14 per cent increase year-on-year (2014: €987.6 million).

The Group's financial result for the year under review was €–42.4 million (2014: €–47.9 million). This improvement was attributable, in particular, to positive currency translation effects in the amount of €14.2 million, which arose due to higher US dollar positions, and were incurred during the first and second quarters of 2015. These effects offset higher consolidated interest expenses for €1.1 billion in additional debt, which Deutsche Börse raised during the second half of the year in order to finance the acquisitions of STOXX and 360T.

Key figures by quarter

	Q1		Q2		Q3		Q4	
	2015 €m	2014 €m	2015 €m	2014 €m	2015 €m	2014 €m	2015 €m	2014 €m
Net revenue	600.1	516.7[1)]	583.1	491.2[1)]	594.4	495.6[1)]	589.8	544.3[1)]
Operating costs	293.0	247.8	307.7	254.4	344.0	274.0	430.8	338.6
EBIT	312.3	343.0[1)]	271.4	238.6[1)]	249.7	221.6[1)]	159.2	208.1[1)]
Consolidated net profit for the period attributable to Deutsche Börse AG shareholders	222.3	229.6	175.1	159.3[1)]	166.1	149.4[1)]	102,0	224.0[1]
Earnings per share (basic) in €	1.21	1.25[1)]	0.95	0.87	0.90	0.81[1)]	0.54	1.21

1) Adjusted values including interest income and expenses incurred in the Eurex segment, plus a €10.6 million fair value adjustment (reported in Q3/2014) to transferred consideration for the acquisition of EEX as at 1 January 2014.

The effective Group tax rate was 26.2 per cent in 2015. Adjusted for non-recurring items, it was 26.0 per cent, as in the previous year.

The net profit for the period attributable to Deutsche Börse AG shareholders (hereinafter referred to as consolidated net profit) declined to €665.5 million (2014: €762.3 million). Excluding the exceptional items described above it exceeded the previous year's figure by 14 per cent, at €766.0 million (2014: €669.4 million).

Non-controlling interests in consolidated net profit attributable to Deutsche Börse AG shareholders for the period amounted to €35.7 million (2014: €26.2 million). While non-controlling shareholders of EEX group received €19.7 million (2014: €5.3 million) and controlling shareholders of STOXX received €15.0 million (2014: €19.8 million), other non-controlling shareholders shared in profit incurred in the amount of approximately €1.0 million.

Basic earnings per share, based on the weighted average of 185.0 million shares, amounted to €3.60 (2014: €4.14 for an average of 184.2 million shares outstanding). Adjusted for the exceptional items described above, basic earnings per share rose to €4.14 (2014: €3.63).

Comparison of results of operations with the forecast for 2015
Given the improved cyclical market environment, the consolidation of Clearstream Global Securities Services Limited and Powernext SA as well as its various growth initiatives, Deutsche Börse Group was originally anticipating net revenue in a range between €2.1 billion and €2.3 billion. The company had already raised this forecast with the publication of first-quarter results for 2015, by €100 million to a range between €2.2 billion and €2.4 billion. This was due to the positive business development, plus the full consolidation of APX Holding group in the commodities segment and the strong appreciation of the US dollar against the euro. The Group expected operating costs of €1,230 million (originally: €1,180 million), increasing this projection to €1,245 million, due to the full consolidation of 360T in the fourth quarter of 2015. Moreover, the Group expected non-recurring effects in the amount of approximately €110 million. The marked increase, compared to the original forecast of approximately €30 million, was related to costs associated with mergers and acquisitions, as well as costs incurred due to criminal investigations against Clearstream Banking S.A. in the US. Furthermore, the company planned to create scope for further investments as part of the "Accelerate" growth programme announced in July 2015. Through a reduction in hierarchical levels, the merger of functions into competence centres and further improvements in purchasing and procurement, the Group is looking to create approximately €50 million in additional investment capacity from 2016 onwards. The Group calculated one-off restructuring charges for implementing these measures of around €60 million for 2015. The original EBIT forecast of between €925 million and €1,125 million was raised to between €975 million and €1,175 million within the scope of adjustments in the first quarter. Likewise, Deutsche Börse also raised its forecast net profit for the period, also by €50 million, to between €675 million and €825 million.

EBIT and profitability by segment

	2015		2014	
	EBIT €m	EBIT margin[1] %	EBIT €m	EBIT margin[1] %
Eurex	429.3	42	431.6	53
Xetra	100.6	54	88.0	54
Clearstream	288.8	39	319.4	46
Market Data + Services	173.9	42	172.3	45
Deutsche Börse Group	**992.6**	**42**	**1,011.3**	**49**

1) Based on net revenue

According to the Group's projections, the tax rate was to remain stable during the year under review, at 26.0 per cent, with a slight improvement in the financial result, due to currency translation effects.

The conditions described earlier in the section on business developments and the capital market environment's sustained improvement were largely in line with the assumptions on which the forecast was based. Deutsche Börse Group thus generated net revenue which, at €2,367 million, was in the top quarter of the forecast range.

Adjusted for special items, the Group's operating costs rose in financial year 2015 to €1,249 million, driven mainly by consolidation effects as well as by investments in efficiency, restructuring and integrative measures. This is slightly above the Group's forecast, which had predicted an increase in operating costs to €1,245 million.

EBIT and consolidated net profit for the period are also in the upper area of the forecast range (adjusted for exceptional items in both cases). Consequently, the Group achieved an adjusted interest coverage ratio of 24.9, significantly above the minimum target of 16.

At Group level, Deutsche Börse aims to achieve a ratio of interest-bearing gross debt to EBITDA of no more than 1.5. Given the raising of debt to finance the acquisitions of STOXX and 360T in the third and fourth quarters of 2015, the Group anticipated exceeding this figure for 2015, expecting a ratio of approximately 1.9. In fact, the Group reached this target, achieving a ratio of gross debt to EBITDA of 1.9.

The adjusted tax rate was 26.0 per cent, as planned.

Comparison of results of operations with the forecast for 2015

	Forecast €m	Result €m
Net revenue	2,200 – 2,400	2,367.4
Operating costs (adjusted)	1,245	1,248.8
EBIT (adjusted)	975 – 1,175	1,124.0
Consolidated net profit	675 – 825	766.0
Gross debt / EBITDA	1.9	1.9

Segment key figures (adjusted)

	Eurex		Xetra		Clearstream		Market Data + Services	
	2015 €m	2014 €m	2015 €m	2014 €m	2015 €m	2014 €m	2015 €m	2014 €m
Net revenue	1,025.2	807.4	184.8	161.9	746.4	698.0	411.0	380.5
Operating costs	548.0	438.8	77.1	73.5	402.8	358.9	220.9	197.6
EBIT	480.3	376.8	109.9	88.8	343.7	339.1	190.1	182.9

Eurex segment
The performance of the Eurex derivatives segment largely depends on the trading activities of institutional investors and proprietary trading by professional market participants. The segment's revenue is therefore generated primarily from the combined transaction fees that Eurex charges for trading and clearing derivatives contracts.

Revenue is primarily driven by the derivatives traded on Eurex Exchange: equity index derivatives accounted for 39 per cent of net revenue, interest rate derivatives 18 per cent and equity derivatives 4 per cent. US options traded on the International Securities Exchange (ISE) accounted for 9 per cent of net revenue. Energy products traded on the European Energy Exchange (EEX) and its subsidiaries and/or investments, and derivatives based thereon (commodities), contributed 16 per cent to net segment revenue; Eurex Repo contributed 3 per cent. The "other" item (10 per cent) includes, among other things, the participation fees paid by trading and clearing participants as well as interest income and expenses generated by the Group's clearing houses from investing their clients' cash collateral. 360T Beteiligungs GmbH has been consolidated since the beginning of October 2015; its revenue is reported under the new item FX.

The derivatives market benefited from a more favourable trading environment overall, as higher volatility – compared to the previous year – increased market participants' hedging needs. Thanks to their broad product portfolio, Deutsche Börse Group's derivatives exchanges are able to offer investors suitable instruments. Higher trading activity by market participants was also bolstered by investors' renewed confidence in European capital markets. Nonetheless, the macro-economic environment continued to hold challenges: low key interest rates, the persistently fragile economic situation in the euro zone and the low inflation and in some cases deflationary tendencies. For market participants, the implications of the regulatory reform projects in the financial services industry are costs for structural changes as well as adjustments to their business models in some cases. After all, higher capital requirements – compared to a few years ago – and stricter rules governing proprietary trading provide additional barriers to investors.

In total, 2,272.4 million contracts were traded on Deutsche Börse Group's derivatives exchanges (Eurex Exchange and ISE) in 2015, a year-on-year increase of 8 per cent (2014: 2,097.9 million). This is equivalent to a daily average of around 9.0 million contracts (2014: 8.3 million). Eurex generated a trading volume of 1,672.6 million futures and options contracts, up 12 per cent on the previous year (2014: 1,490.5 million). Trading in US options on ISE remained almost stable at 599.8 million contracts (2014: 607.4 million). Commodities trading flourished, recording two-digit growth rates for power and gas products, while average outstanding volumes in the repo business decreased by 20 per cent to €172.8 billion (2014: €214.6 billion).

Net segment revenue increased by 27 per cent to €1,025.2 million (2014: €807.4 million). Operating costs rose by to €599.8 million (2014: €453.7 million). In 2014, special factors of €14.9 million had had a negative impact on costs; these factors amounted to €51.8 million in the year under review and were mainly due to restructuring and efficiency measures as well as measures to integrate the acquired companies, 360T and Powernext (including EPEX and its subsidiaries). €104.9 million of net revenue was attributable to transaction fees and other revenue of the first-time consolidation of these companies acquired in the year under review; their share of the costs amounted to €74.0 million. Eurex's EBIT was at €429.3 million (2014: €431.6 million). In the prior year, €62.7 million of EBIT was attributable to non-recurring income that Deutsche Börse Group generated as a result of a revaluation of its shares in Direct Edge in connection with the merger of Direct Edge Holdings, LLC and BATS Global Markets, Inc. Resulting from the adjustment of the fair value of the consideration transferred in connection with the acquisition of EEX as at 1 January 2014, €10.6 million was attributable to a one-off gain.

As in the previous year, Eurex equity index derivatives were the product group with the highest trading volume. Trading of these derivatives increased by 17 per cent year-on-year to 837.7 million contracts (2014: 715.0 million), which is primarily due to higher volatility. Contracts on the EURO STOXX 50® index were by far the most commonly traded products (341.8 million futures and 314.5 million options). Net revenue amounted to €402.7 million in the year under review, an increase of 17 per cent on the previous year (2014: €344.8 million).

Eurex segment: key figures

	2015	2014	Change
Financial key figures	**€m**	**€m**	**%**
Net revenue	1,025.2	807.4	27
Operational costs	599.8	453.7	32
EBIT	429.3	431.6	–1
Financial derivatives: trading volume on Eurex Exchange and ISE	**m contracts**	**m contracts**	**%**
Total Eurex and ISE	**2,272.4**	**2,097.9**	**8**
Eurex derivatives[1]	1,672.6	1,490.5	12
European equity index derivatives	837.7	715.0	17
Eurex interest rate derivatives	509.1	461.3	10
Eurex equity derivatives	311.8	303.5	3
US options (ISE)	599.8	607.4	–1
Commodities[4]: trading volume on EEX	**TWh / m t CO_2**	**TWh / m t CO_2**	**%**
Electricity	3,061.5	1,570.4	95
Gas	1,024.9	567.7[3]	81
Emissions trading	677.6	533.7	27
Repo business[4]: average outstanding volume on Eurex Repo®	**€bn**	**€bn**	**%**
Total (single-counted)	**172.8**	**214.6**	**–20**
GC Pooling®	140.9	158.5	–11
Euro market	31.9	41.0	–22

1) The total deviates from the sum of individual figures since it includes additional traded products, such as ETF, volatility, currency and precious metals derivatives.
2) Including volumes traded on Powernext or EPEX (the previous year's figures were adjusted accordingly); including APX volumes since 4 May 2015.
3) Figure adjusted due to mistrades
4) Due to the fact that the Swiss National Bank no longer issues money market instruments via Eurex Repo, volume in Swiss francs is not stated. The average outstanding volume of the repo market in Swiss francs in 2014 stood at €15.1 billion.

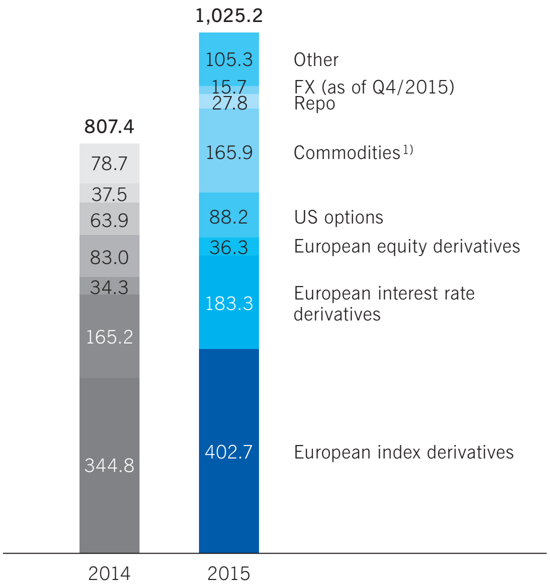
The volume of Eurex's equity derivatives contracts (single-stock options and futures) traded in the year under review rose by 3 per cent to 311.8 million (2014: 303.5 million). Net revenue from equity derivatives also increased slightly to €36.3 million (2014: €34.3 million).

European interest rate derivatives trading showed a mixed picture: on the one hand, trading activity was burdened by persistently low central bank rates, massive sovereign bond purchases by the ECB, as well as by the absence of any short-term outlook for a change in the ECB's accommodative monetary policy. On the other hand, discussions concerning the future of the European Monetary Union (and especially, the conflicts about Greece's indebtedness with its creditors) as well as the long-awaited interest rate turnaround in the US, which the Fed initiated in December 2015, triggered additional hedging needs by investors. Total trading volumes in the interest rate derivatives product group on Eurex increased by 10 per cent to 509.1 million contracts in the year under review (2014: 461.3 million). Net revenue from trading and clearing interest rate derivatives increased by 11 per cent to €183.3 million (2014: €165.2 million).

Market participants on the US options exchanges ISE and ISE Gemini traded 599.8 million contracts in the year under review (2014: 607.4 million). ISE's and ISE Gemini's market share of US equity options was 16.0 per cent (2014: 15.8 per cent). Other established options exchanges such as Amex, Arca or CBOE also recorded falling trading volumes in 2015. The winners were fledgling exchanges such as BATS or MIAX Options Exchange, which attracted additional order flow to their platforms through special incentive programmes. Gemini, ISE's marketplace dedicated to the needs of private investors, has now established itself as ISE's second trading platform for US options. ISE's net revenue from US options was up by 6 per cent year-on-year to €88.2 million (2014: €83.0 million), in particular because net revenue generated in US dollar was converted into euros.

Net revenue in the Eurex segment

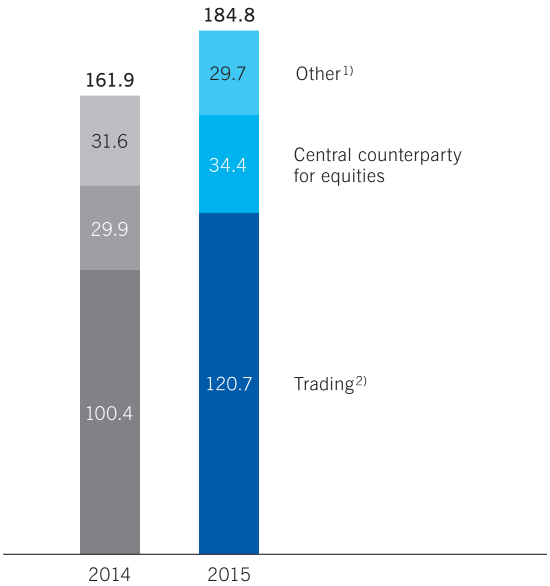
€ millions



1) Commodities and commodities derivatives traded at EEX and Eurex

Net revenue in the Xetra segment

€ millions



1) Including revenue from listing and Eurex Bonds
2) The position "Trading" includes the Xetra® electronic trading system, Börse Frankfurt as well as structured products trading.

The EEX is the leading European energy exchange; it develops, operates and connects secure, liquid and transparent markets for energy and commodity products. The products traded on markets operated by EEX group are electricity, natural gas, environmental products (such as emission allowances), freight rates, metals and agricultural products. Since 2015, the EEX group has included France's Powernext SA as well as EPEX Spot SE (including APX Holding group – for details, please refer to the "Changes to the basis of consolidation" section). During the reporting year, EEX group succeeded in attracting off-exchange volumes to its exchange trading platforms and to expand its business into additional European markets and completely new product classes. Customers appreciate the one-stop shop concept, where they can access numerous products from a single source, according to their requirements. EEX group can thus look back on a successful year, with very high growth rates. Volumes on the spot and forward electricity markets were up by 95 per cent in 2015, to 3,061.5 TWh (2014:1,570.4 TWh). Volumes in gas products soared by 81 per cent to 1,024.9 TWh (2014: 567.7 TWh). With 677.6 million tonnes of CO_2, traded volumes in emission rights rose by 27 per cent year-on-year (2014: 533.7 million tonnes of CO_2). Net revenue from commodities trading increased by more than 2.5x to €165.9 million in 2015 (2014: €63.9 million).

Average outstanding volumes at Eurex Repo®, the marketplace for collateralised money market trading and for GC Pooling® (General Collateral Pooling), declined by 20 per cent during the reporting year, to €172.8 billion (2014: €214.6 billion; single counting in each case). Due to the low-interest rate environment and the ECB's bond purchasing programme, numerous bonds which would be eligible as collateral for repo transactions are no longer available to the market. Moreover, given the high level of excess liquidity, participants' funding requirements are low. The average outstanding GC Pooling volume decreased by 11 per cent, to €140.9 billion (2014: €158.5 billion). In the euro market, the average outstanding volume stood at €31.9 billion (2014: €41.0 billion). The Swiss National Bank (SNB) has conducted no monetary policy measures in repos or money market instruments since August 2011; outstanding volumes at Eurex Repo have thus expired. Therefore, there will be no further product offers in cooperation with the SNB in the foreseeable future, which is why volumes on the Swiss franc repo markets will no longer be reported separately. Within the GC Pooling offer, investors have been able to also execute transactions in Swiss francs since December 2014, besides transactions in euros and US dollars. Net revenue in the repo business decreased to €27.8 million (2014: €37.5 million).

Net revenue of 360T Beteiligungs GmbH, the foreign exchange trading platform acquired in the summer, amounted to €15.7 million in the last three months of the year under review (please see the report on opportunities for details on 360T's business potential).

Xetra segment

The Xetra segment generates most of its net revenue from trading and clearing cash market securities. The primary sales driver, accounting for 65 per cent, was net revenue from trading. The central counterparty (CCP) for equities and exchange-traded products (ETP) operated by Eurex Clearing AG contributed 19 per cent to the segment's net revenue; the net revenue of the CCP is determined to a significant extent by trading activities on Xetra. The "other" item (16 per cent of net revenue in total) comprises listing fees and the net revenue generated by Eurex Bonds. Listing fees predominantly come from existing company listings and admissions to trading.

In the reporting period, net revenue in the Xetra segment rose by 14 per cent to €184.8 million (2014: €161.9 million). Operating costs increased to €81.0 million (2014: €74.3 million). Exceptional items – primarily for efficiency programmes and restructuring measures, which had had a negative impact of only €0.8 million in financial year 2014 – amounted to €3.9 million in the year under review. As a result of the upswing in business activity, EBIT also increased by 14 per cent to €100.6 million (2014: €88.0 million).

Cash market trading activity was stimulated by persistent high volatility, as well as by a combination of key interest rates at record lows and by the ECB's quantitative easing. In contrast, the fragile state of the euro zone economy and the debt crisis (affecting Greece in particular) burdened trading, but this was more than offset by positive factors during the reporting year. Investors who had withdrawn capital from Europe over recent years now appear to be increasing their exposure to Europe (and Germany) again. In particular, this applied to investors expecting an increase in key interest rates in the US (which materialised in December), as well as to those withdrawing funds from the unstable Chinese market. In this context, investments in Germany are particularly attractive due to the sound profitability of German enterprises and the stable economic environment.

In the 2015 financial year, securities with a total volume of €1.64 trillion were traded on Deutsche Börse Group's cash markets (2014: €1.28 trillion). They included shares and bonds from German and international issuers, exchange-traded funds (ETFs) and exchange-traded commodities (ETCs) as well as units in actively managed retail funds and structured products.

Institutional, private and international investors primarily trade on Xetra, the electronic trading platform. As a result, Xetra generates by far the segment's highest trading volume. This volume (measured in terms of order book turnover, single-counted) rose by 28 per cent in the year under review to €1,505.8 billion (2014: €1,179.9 billion). The number of transactions increased by 24 per cent to 251.9 million (2014: 203.1 million). The average value per Xetra transaction rose to €12.0 thousand (2014: €11.6 thousand). In addition to Xetra, Deutsche Börse operates trading at the Frankfurt Stock Exchange and holds a 75 per cent interest and one share in Tradegate Exchange. The volume (single-counted) traded on the Frankfurt Stock Exchange was €54.6 billion (2014: €51.6 billion). The trading volume generated by Tradegate Exchange increased by 47 per cent to €75.3 billion (2014: €51.1 billion).

Deutsche Börse has operated Europe's leading marketplace for ETFs since 2000. It offers investors the largest selection of ETFs of all European exchanges: as at 31 December 2015, 1,116 ETFs were listed (2014: 1,044 ETFs). The assets under management held by ETF issuers amounted to €351.6 billion at the end of the year, a year-on-year increase of 23 per cent (31 December 2014: €286.3 billion). Trading volumes rose by 39 per cent to €188.9 billion (2014: €135.7 billion). The most heavily traded ETFs continue to be based on the European STOXX® equity indices and on the DAX® index.

Xetra segment: key figures

	2015	2014	Change
Financial key figures	**€m**	**€m**	**%**
Net revenue	184.8	161.9	14
Operating costs	81.0	74.3	9
EBIT	100.6	88.0	14
Cash market: trading volume (single-counted)	**€bn**	**€bn**	**%**
Xetra®	1,505.8	1,179.9	28
Frankfurt Stock Exchange	54.6	51.6	6
Tradegate	75.3	51.1	47

The development of IPOs on the Frankfurt Stock Exchange was also positive, with a total of 24 newly listed companies – the best result Deutsche Börse has achieved in terms of the size and number of IPOs since 2007. In the Prime Standard segment, 18 new companies were listed (2014: ten companies), two in the General Standard segment (2014: four companies), and four new companies in the Entry Standard (2014: five companies). Aggregate issue volume amounted to approximately €7 billion (2014: €4 billion). The biggest IPOs during the reporting year were Covestro AG (€1.5 billion), Deutsche Pfandbriefbank AG (€1.16 billion), and Scout24 AG (€1.02 billion).

Deutsche Börse launched the "Deutsche Börse Venture Network" on 11 June 2015. The Venture Network connects high-growth, start-up companies with international investors, to help these companies raise capital – including a potential IPO, and to help them build a comprehensive network. An exclusive online platform allows investors and entrepreneurs to establish contacts and to exchange information in a protected platform area. Tailored events provide opportunities to get to know each other personally, thereby potentially opening channels for entrepreneurs to raise capital for their business. The Venture Network has been growing steadily, with 52 growth companies and 111 investors active on the platform at the end of the reporting year.

Clearstream segment

Clearstream provides the post-trade infrastructure for bonds, equities and investment funds. In addition, Clearstream offers custody services for securities from 55 markets worldwide. The custody business was the key contributor to Clearstream's net revenue, generating 52 per cent. Net revenue in this business is mainly driven by the volume and value of securities under custody, which determines the deposit fees. The settlement business accounted for 18 per cent of Clearstream's net revenue. It depends heavily on the number of settlement transactions processed by Clearstream, both via stock exchanges and over the counter (OTC). The Global Securities Financing (GSF) business, which includes triparty repo, GC Pooling, securities lending and a wide range of collateral management services, contributed 9 per cent to the segment's net revenue. Net interest income from Clearstream's banking business contributed 5 per cent to Clearstream's net revenue. Other business activities including reporting services accounted for a 16 per cent share of total net revenue.

Clearstream's net revenue increased by 7 per cent to €746.4 million in the year under review (2014: €698.0 million), due to growth in its largest business areas, in particular. Operating costs rose to €457.7 million (2014: €378.6 million); the 2015 exceptional items totalled €54.9 million (2014: €19.7 million) and were primarily composed of costs for the integration of CGSS, acquired at the end of 2014, and costs incurred as a result of criminal investigations against Clearstream Banking S.A. in the US in addition to efficiency and restructuring programmes. EBIT thus decreased to €288.8 million (2014: €319.4 million).

The aggregate average volume of securities held in custody rose to €13.3 trillion in 2015 (2014: €12.2 trillion) – a new record for an annual average. Custody volumes on the German domestic market are largely determined by the market values of equities, funds and structured products on the German cash market. Reflecting capital gains on German domestic equities, the volume of custody assets rose to €6.1 trillion in 2015 (2014: €5.7 trillion). At the same time, the value of international assets held in custody – mainly comprising bonds traded OTC increased to €7.1 trillion, up 10 per cent year-on-year (2014: €6.5 trillion). New and/or additional business from existing customers contributed to the volume increase in assets under custody. At €387.2 million, net revenue in the custody business exceeded the previous year's figure by 9 per cent (2014: €355.4 million).

Clearstream segment: key figures

	2015	2014	Change
Financial key figures	**€m**	**€m**	**%**
Net revenue	746.4	698.0	7
Operating costs	457.7	378.6	21
EBIT	288.8	319.4	–10
Custody	**€bn**	**€bn**	**%**
Value of securities under custody (average value during the year)	13,274	12,215	9
international	7,140	6,495	10
domestic	6,134	5,720	7
Settlement	**m**	**m**	**%**
Securities transactions	138.0	126.3	9
international – OTC	36.4	36.3	0
international – on-exchange	7.7	7.3	5
domestic – OTC	34.2	30.9	11
domestic – on-exchange	59.7	51.8	15
Global Securities Financing	**€bn**	**€bn**	**%**
Outstanding volume (monthly average)	598.6	609.8	–2
Average daily cash balances	**m**	**m**	**%**
Total[1]	12,445	11,859	5
euro	4,178	4,975	–16
US dollar	6,187	5,233	18
other currencies	2,080	1,651	26

1) Includes some €1.5 billion currently or formerly blocked by EU and US sanctions (2014: €1.3 billion)

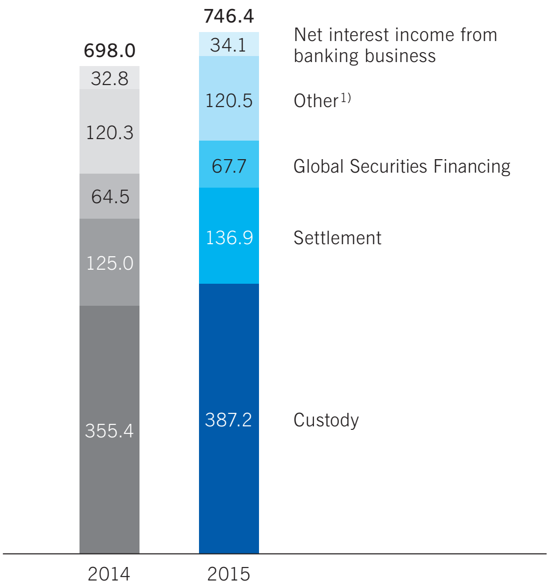
During the 2015 financial year, the number of (domestic and international) settlement transactions via Clearstream increased by 9 per cent, to 138.0 million (2014: 126.3 million). The number of international transactions increased slightly, to 44.1 million (2014: 43.6 million). OTC transactions, which accounted for 82 per cent of Clearstream's international settlement business, remained unchanged compared to the previous year; on-exchange transactions (accounting for the remaining 18 per cent) rose by 5 per cent year-on-year. The number of settlement transactions on the German domestic market increased by 14 per cent, to €93.9 million (2014: €82.7 million), driven by higher trading activity from German private investors. Here, on-exchange transactions accounted for the lion's share (64 per cent), with the remaining 36 per cent executed over-the-counter. During the 2015 financial year, Clearstream booked growth both in on-exchange and OTC transactions, with the former contributing a 15 per cent year-on-year increase. Net revenue in the settlement business was up by 10 per cent, to €136.9 million (2014: €125.0 million).

The successful performance of Investment Funds Services contributed positively to results in the settlement and custody business. Clearstream processed a total of 9.7 million transactions during the reporting year, up 11 per cent year-on-year (2014: 8.8 million). At €446.5 billion, the average volume of investment funds in custody exceeded the previous year's figure by 36 per cent (2014: €327.4 billion). These figures include hedge funds services provided by CGSS, based in Cork, Ireland. Clearstream acquired Citco's custody business for hedge funds sponsored by financial institutions – now CGSS – on 3 October 2014, and has now fully integrated Citco's former fund clients.

Average outstanding volumes in the Global Securities Financing (GSF) business area decreased slightly, to €598.6 billion (2014: €609.8 billion). In a difficult market environment, Clearstream was thus able to keep its business volumes virtually stable; stronger volume declines were seen in GC Pooling only.

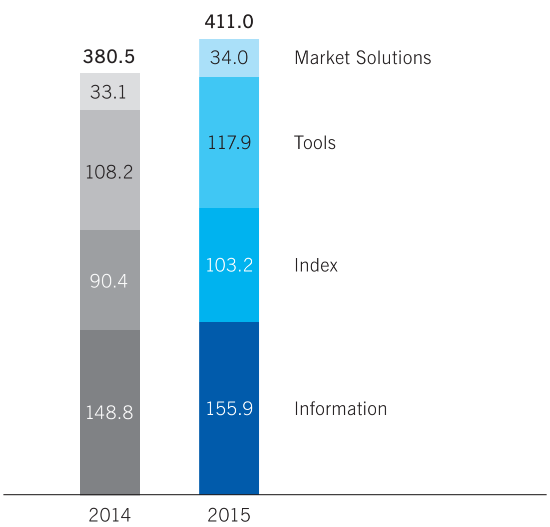
Net revenue in the Clearstream segment

€ millions



Net revenue in the Market Data + Services segment

€ millions



1) Including Connectivity and Reporting

Nonetheless, net revenue in the GSF business rose to €67.7 million (2014: €64.5 million), as Clearstream was able to offset lower volumes through growth in high-margin products.

Average cash customer deposits were up by 5 per cent year-on-year, to €12.4 billion (2014: €11.9 billion). This figure includes an average amount of approximately €1.5 billion (2014: €1.3 billion) which was unavailable due to the blocking of certain accounts under European and US sanctions. Net interest income from Clearstream's banking business was slightly up in 2015, to €34.1 million (2014: €32.8 million). Clearstream net interest income reflects the persistently low interest rate environment throughout the year under review. The US Federal Reserve raised its key interest rate – to a range between 0.25 per cent and 0.5 per cent – as recently as December 2015. At the end of December 2015, approximately half of cash customer deposits are denominated in US dollars. However, thanks to growth in its customer daily cash balances, Clearstream could more than offset the persistently low interest rates.

A key impending change that will affect Clearstream's settlement business is the TARGET2-Securities (T2S) settlement platform designed by the Eurosystem. T2S will harmonise European cross-border securities settlement in central bank money. With the introduction of T2S, Clearstream will offer its customers the full benefits of T2S. Customers will be able to bundle their assets in a single pool and use the respective national central securities depository (CSD) as their point of access to T2S; at the same time, they will be able to benefit from the securities lending and collateral management services of the international central securities depository (ICSD)..For example, this will allow them to settle tri-party repos in (multi-currency) commercial bank funds or in central bank money (euros), with positions being held with the ICSD and with CSDs. On 10 December 2015, the T2S CSD Steering Group reached an agreement on a revised T2S migration plan, following the announcement in late October 2015 of a need for a later migration to T2S of the Euroclear CSDs. The new schedule foresees Clearstream Banking AG and LuxCSD S.A. migrating to T2S on 6 February 2017. Clearstream will therefore adjust the schedule of its operational and market readiness activities.

Market Data + Services segment
The net revenue of the segment is composed of the Information (38 per cent), Index (25 per cent), Tools (29 per cent) and Market Solutions (8 per cent) business areas.

Market Data + Services' net revenue increased by 8 per cent in the year under review, to €411.0 million (2014: €380.5 million). Operating costs were at €237.1 million (2014: €208.2 million) and included exceptional items (largely relating to efficiency programmes and restructuring measures) of €16.2 million (2014: €10.6 million). The segment's EBIT rose slightly to €173.9 million (2014: €172.3 million).

The segment's core business is the distribution of capital market information, technology and infrastructure services to customers worldwide. These include realtime trading and market signals such as the AlphaFlash® algorithmic news feed as well as indices such as EURO STOXX® and DAX. Capital market participants subscribe to receive this information, which they then use themselves, process, or pass on. The segment generates much of its net revenue on the basis of long-term arrangements with customers and is relatively independent of trading volumes and volatility on the capital markets.

The Information business area mainly involves the distribution of licences for realtime trading and market signals and for the provision of historical data to the back offices of financial services providers. The Information business area also includes the Market News International (MNI) subsidiary, a leading provider of news and background information to the global foreign exchange, fixed income and commodities markets. The business remained largely stable in the year under review: Market Data + Services generated net revenue from trading signals of €155.9 million (2014: €148.8 million).

In its Index business area, which it conducts through its STOXX Ltd. subsidiary, Deutsche Börse generates revenue from calculating and marketing indices and benchmarks, which banks and fund management companies use as underlying instruments or benchmark references for financial instruments and investment conduits. STOXX Ltd. and Indexium AG have been wholly owned subsidiaries of Deutsche Börse Group since the end of July 2015. This has enhanced the Group's strategic flexibility, enabling it to fully exploit existing potential in the fast-growing index business. In the year under review, the index business continued its growth trend, with a 14 per cent increase in net revenue to €103.2 million (2014: €90.4 million). In particular, the trend of investors moving towards passively managed financial products, such as ETFs, led to an increase in assets under management in these products and thus also to higher licensing revenue for these products. This is attributable to STOXX's extensive index portfolio, which gives issuers numerous options to launch financial products suited to a wide variety of investment strategies. Furthermore, increased equity index derivatives trading activity at Eurex Exchange contributed to growth in the Index business area.

Revenue in the Tools business area includes revenue from regulatory services and from connectivity services for trading participants and clearing members. Net revenue rose by 9 per cent to €117.9 million (2014: €108.2 million). Higher connectivity revenue especially contributed to the business area's growth due to the connection of new customers to the Deutsche Börse network. The segment generates this revenue primarily from connecting trading participants on the cash and the derivatives markets and from users of the data services. The increase in revenue was driven by, among other things, the enhancement of the data services and new connectivity formats for the T7 trading platform.

The Market Solutions business area consists primarily of development and operational services for external technology customers, such as partner exchanges and German regional exchanges. Deutsche Börse operates the technology for partner exchanges in Dublin, Vienna, Sofia, Ljubljana, Prague and Budapest, on Malta and the Cayman Islands; in the domestic market, it is the technology operator for the German broker exchanges in Berlin, Dusseldorf, Hamburg/Hanover, and Munich. Net revenue stood at €34.0 million in 2015, slightly above the previous year (2014: €33.1 million).

Development of profitability

Return on shareholders' equity represents the ratio of earnings after tax to the average equity available to the Group in 2015. The Group's return on shareholders' equity decreased to 18.9 per cent in the year under review (2014: 23.9 per cent), primarily due to lower earnings and higher equity at the same time. Adjusted for the exceptional items described in the results of operations, this ratio, which is also known as the return on equity increased to 21.7 per cent (2014: 21.0 per cent). The weighted average cost of capital (WACC) after tax amounted to 3.8 per cent in the year under review (2014: 4.5 per cent). Deutsche Börse's cost of equity reflects the return on a risk-free alternative investment plus a premium for general market risk, and also takes account of the specific risk of Deutsche Börse shares compared with the market as a whole, known as the beta. The cost of debt represents the terms on which Deutsche Börse AG was able to raise short- and long-term debt. See also "Deutsche Börse's cost of capital" table.

Market Data + Services segment: key figures

	2015 €m	2014 €m	Change %
Financial key figures			
Net revenue	411.0	380.5	8
Operating costs	237.1	208.2	14
EBIT	173.9	172.3	1

Financial position

Cash flow

Cash and cash equivalents at Deutsche Börse Group comprise cash and bank balances to the extent that these do not result from reinvesting current liabilities from cash deposits by market participants as well as receivables and liabilities from banking business with an original maturity of three months or less. Cash and cash equivalents as at 31 December 2015 amounted to €–1,579.4 million (31 December 2014: €–68.5 million). The item is negative especially due to the shift of current financial assets to financial assets with a maturity of more than three months for reporting date reasons; the latter do not qualify as cash and cash equivalents and the cash flows associated with them have been allocated to investing activities. Cash and bank balances amounted to €711.1 million as at 31 December 2015 (31 December 2014: €826.1 million).

Deutsche Börse Group generated €796.6 million (2014: €684.8 million) in cash flow from operating activities, excluding changes in CCP positions on the reporting date. The marked year-on-year increase in cash flows from operating activities was due, in particular, to a payment of US$151.9 million made during the first quarter of 2014, in connection with a settlement agreed upon by Deutsche Börse Group with the U.S. Office of Foreign Assets control (OFAC).

Moreover, Deutsche Börse Group paid taxes in the amount of €207.7 million during the 2015 financial year (2014: €237.0 million). The higher tax payments in the previous year were due to a non-recurring effect from tax back payments in Luxembourg for the years 2009 to 2011.

Other non-cash expenses totalled €6.9 million (2014: non-cash income of €46.7 million), the swing was mainly due to the re-measurement of the Direct Edge shareholding, following the merger of Direct Edge and BATS.

Deferred tax expenses amounted to €3.2 million (2014: deferred tax income of €48.8 million). Deferred tax income recognised in the previous year was largely due to deferred tax assets recognised on loss carryforwards.

Deutsche Börse's cost of capital

	2015 %	2014 %
Risk-free interest rate[1]	0.54	1.24
Market risk premium	6.50	6.50
Beta[2]	0.81	0.86
Cost of equity[3] (after tax)	5.80	6.83
Cost of debt[4] (before tax)	2.42	2.55
Tax shield[5]	0.63	0.66
Cost of debt (after tax)	1.79	1.88
Equity ratio[6] (annual average)	49.20	52.36
Debt ratio[7] (annual average)	50.80	47.64
WACC (before tax)	4.08	4.79
WACC (after tax)	3.77	4.47

1) Annual average return on ten-year bunds
2) Statistical measure of the sensitivity of the price of an individual share to changes in the entire market. A beta of 1.0 means that the performance of the share moves strictly in parallel to the reference market as a whole. A beta above 1.0 denotes greater volatility than the overall market and a beta below 1.0 less volatility.
3) Risk-free interest rate + (market risk premium x beta)
4) Interest rate on short- and long-term corporate bonds issued by Deutsche Börse AG
5) Denotes and quantifies the reduction in tax paid that arises from the deductibility of interest payments on debt and is factored into the calculation of the cost of capital
6) 1 – debt ratio
7) (Total non-current liabilities + tax provisions + other current provisions + other bank loans and overdrafts + other current liabilities + trade payables + payables to associates + payables to other related parties) / (total assets – financial instruments held by Eurex Clearing AG – liabilities from banking business – cash deposits by market participants); basis: average balance sheet items in the financial year

Taking CCP items into account, cash flow from operating activities totalled €10.1 million (2014: €677.3 million. The change in CCP items, compared to the previous year, was influenced by non-delivered GC Pooling transactions around the reporting date, in a total amount of US$869.5 million; these could not be delivered on the due date (31 December 2015), but only on 4 January 2016. The reason was a clearing participant's failure to provide the necessary cash in good time.

Cash outflows from investing activities amounted to €1,592.3 million in financial year 2015 (2014: €250.4 million). Of this figure, €815.5 million (2014: €367.2 million) related to collateralised cash investments with an original term of more than three months. At €154.5 million, investments in intangible assets and property, plant and equipment were above the prior-year level (2014: €133.5 million); most were made in the Clearstream (€73.4 million) and Eurex (€71.5 million) segments. Clearstream's investments related primarily to the expansion of its settlement and collateral management systems (€43.4 million), while Eurex invested in its trading and clearing systems (€34.3 million).

Cash outflows for the acquisition of subsidiaries totalled €641.5 million (2014: cash inflows of €11.2 million). Cash outflows included €676.6 million for the acquisition of shares in 360T. Full consolidation of Powernext and EPEX at 1 January 2015 increased cash by €40.1 million. In the previous year, full consolidation of EEX increased cash by €61.5 million. Since no purchase price was payable in the acquisition of Powernext and EPEX during the business year 2015 and EEX in the prior year, there were no cash outflows.

Cash inflows of €208.3 million (2014: €317.2 million) were due to securities with an original maturity of more than one year maturing or being sold.

Cash outflows from financing activities in the business year 2015 amounted to €76.1 million (2014: cash outflows in an amount of €441.1 million). The acquisition of a 49.9 per cent stake in STOXX Ltd. led to a cash outflow totalling €653.8 million. This transaction was financed by issuing debt securities with a nominal amount of €600.0 million. As part of financing the acquisition of shares in 360T, the company placed €200.0 million in treasury shares as well as a bond with a nominal amount of €500 million.

The maturity of Series A of the private placements made in 2008 led to cash outflows of €150.5 million.

Moreover, the company placed Commercial Paper of €2,100.0 million (2014: €1,164.7 million), and paid out €2,065.0 million (2014: €1,205.0 million) due to maturing Commercial Paper issues.

Consolidated cash flow statement (condensed)

	2015 €m	2014 €m
Cash flows from operating activities (excluding CCP positions)	796.6	684.8
Cash flows from operating activities	10.1	677.3
Cash flows from investing activities	–1,592.3	–250.4
Cash flows from financing activities	76.1	–441.1
Cash and cash equivalents as at 31 December	–1,579.4	–68.5
Other cash and bank balances as at 31 December	711.1	826.1

Deutsche Börse AG also distributed dividend payments of €386.8 million for the 2014 financial year (2014: €386.6 million).

As in previous years, the Group assumes it will have a strong liquidity base in financial year 2016 due to its positive cash flows from operating activities, adequate credit lines and flexible management and planning systems.

Operating leases

Deutsche Börse Group mainly uses operating leases for the office building in Eschborn that the Group moved into in the second half of 2010 and for the buildings used by Clearstream International S.A. in Luxembourg (see note 38 to the consolidated financial statements for details).

Deutsche Börse Group's interest coverage ratio

Interest expense from financing activities	Issue volume	2015 €m	2014 €m
Refinancing of maturing bonds			
Fixed-rate bearer bond (10-year term)	€600 m	14.8	15.0
Fixed-rate bearer bond (5-year term)	€600 m	7.4	7.7
Hybrid bond	€600 m	3.5	–
Fixed-rate bearer bond (10-year term)	€500 m	2.0	–
Other debt instruments			
Private placement	US$460 m	18.5	19.4
Commercial paper	€108 m – 2014[1)] €142 m – 2015[1)]	0.1	0.4
Other interest expense		**4,5**	
Total interest expense (including 50% of the hybrid coupon)		**50.8**	**42.5**
EBITDA (adjusted)		1,264.8	1,109.5
Interest coverage[2)]		**24.9**	**26.1**

1) Annual average
2) EBITDA / interest expense from financing activities (includes only 50 per cent of the interest on the hybrid bond)

Liquidity management
Deutsche Börse primarily meets its operating liquidity requirements from internal financing, i.e. by retaining generated funds. The aim is to provide enough liquidity to cover operating costs for one quarter (currently between €150 million and €250 million). An intra-Group cash pool is used for pooling surplus cash as far as regulatory and legal provisions allow. All of the Group's cash investments are short-term in order to ensure rapid availability and are largely collateralised using liquid bonds from prime-rated issuers. Moreover, Deutsche Börse AG has access to external sources of financing, such as bilateral and syndicated credit lines, and a commercial paper programme (see note 36 to the consolidated financial statements for details on financial risk management). In recent years, Deutsche Börse AG has leveraged its access to the capital markets to issue corporate bonds in order to meet its structural financing needs.

Capital management
The company's clients generally expect it to maintain conservative interest service cover and leverage ratios, and to achieve good credit ratings. Therefore, the Group targets a minimum consolidated interest service cover ratio (defined as the ratio of EBITDA to interest expenses from financing activities) of 16. During the reporting period, Deutsche Börse Group achieved this target, with an interest service cover ratio of 24.9 (2014: 26.0). This figure is based on relevant interest expenses of €50.8 million and adjusted EBITDA of €1,264.8 million.

Data included for the purpose of calculating interest service cover comprises interest expenses incurred for financing Deutsche Börse Group, less interest expenses incurred by subsidiaries which are also financial institutions, including Clearstream Banking S.A., Clearstream Banking AG and Eurex Clearing AG. Interest expenses incurred which are not related to Group financing are not included in the calculation of interest service cover.

Moreover, Deutsche Börse targets a maximum ratio of interest-bearing gross debt to EBITDA of 1.5. During the reporting period, the Group achieved a 1.9 ratio of gross debt to EBITDA. This figure is based on gross debt of €2,341.5 million, and adjusted EBITDA of €1,264.8 million. Gross debt outstanding at the end of the financial year comprised interest-bearing liabilities of €2,246.5 million, plus €95.0 million in Commercial Paper.

Debt instruments issued by Deutsche Börse AG (outstanding as at 31 December 2015)

Type	Issue volume	ISIN	Term	Maturity	Coupon p.a.	Listing
Series B bond	US$220 m	Private placement	10 years	June 2018	5.86 %	Unlisted
Series C bond	US$70 m	Private placement	12 years	June 2020	5.96 %	Unlisted
Fixed-rate bearer bond	€600 m	DE000A1RE1W1	10 years	October 2022	2.375 %	Luxembourg/ Frankfurt
Fixed-rate bearer bond	€600 m	DE000A1R1BC6	5 years	March 2018	1.125 %	Luxembourg/ Frankfurt
Fixed-rate bearer bond (hybrid bond)	€600 m	DE000A161W62	Call date 5.5 years/ final maturity in 25.5 years	February 2021/ February 2041	2.75 % (until call date)	Luxembourg/ Frankfurt
Fixed-rate bearer bond	€500 m	DE000A1684V3	10 years	October 2025	1.625%	Luxembourg/ Frankfurt

The marked increase in gross debt resulted from the two bond issues placed to finance the full acquisition of STOXX (including Indexium), as well of 360T, with an aggregate volume of €1.1 billion. This also led to the target ratio of gross debt to EBITDA being exceeded at the end of the year.

- On 30 July 2015, Deutsche Börse successfully placed a hybrid bond maturing in 2041, with a total nominal value of €600 million, on the market. Until the first repayment date in February 2021, the bond has an annual coupon of 2.75 per cent; after this date, it will have a variable-rate coupon which will be re-set in February of each year. Given the quasi-equity characteristics of the hybrid bond, only 50 per cent of its total nominal amount is included when calculating interest-bearing liabilities.
- On 1 October 2015, Deutsche Börse placed another corporate bond: a senior unsecured bond maturing in 2025, with a total nominal amount of €500 million. This bond has an annual 1.625 per cent coupon.

Moreover, on 3 September 2015, Deutsche Börse placed 2,475,248 treasury shares, realising an income of €200 million. Deutsche Börse thus raised a total of approximately €1.3 billion to finance acquisitions.

Furthermore, the company endeavours to maintain the strong AA credit rating of Clearstream Banking S.A., in order to ensure the long-term success of its Clearstream securities settlement and custody segment. The activities of the Eurex Clearing AG subsidiary also require Deutsche Börse AG to have and maintain a strong credit quality.

Also, Deutsche Börse AG has publicly stated its intention to maintain certain additional financial indicators for Clearstream entities which the Group believes to be consistent with an AA rating. Specifically, this involves a commitment to maintain minimum tangible equity (equity less intangible assets) of €700 million for Clearstream International S.A., and of €400 million for Clearstream Banking S.A. During the reporting period, Clearstream International S.A. fulfilled this commitment, reporting tangible equity of €1,079.2 million; the figure for Clearstream Banking S.A. was €1,071.6 million, also in line with this target. To the extent that the Clearstream sub-group has financial liabilities to non-banks, the subgroup is committed to a minimum interest service cover ratio of 25. As in the previous year, Clearstream had no financial liabilities to non-banks; for this reason, no interest cover ratio is being reported.

Deutsche Börse Group generally aims to distribute dividends equivalent to between 40 and 60 per cent of adjusted net profit for the period attributable to Deutsche Börse AG shareholders. In recent years (where the Group's net profit was lower), the dividend payout ratio was kept at the upper end of this range, in order to distribute stable dividends to shareholders. Given that the Group's profit targets were raised in July 2015 in connection with the announcement of the "Accelerate" growth strategy, the company aims for a dividend payout ratio in the middle of the range between 40 and 60 per cent going forward.

Relevant key performance indicators

	2015 €m	2014 €m
Tangible equity of Clearstream International S.A. (as at the reporting date)	1,079.2	1,034,3
Tangible equity of Clearstream Banking S.A. (as at the reporting date)	1,071.6	1,000,5

Credit ratings

	Long-term	Short-term
Deutsche Börse AG		
Standard & Poor's	AA	A–1+
Clearstream Banking S.A.		
Fitch	AA	F1+
Standard & Poor's	AA	A–1+

Moreover, until 2012 the company distributed a part of freely available funds to shareholders, via share buy-backs. Since 2013, these funds have been used predominantly to support the company's development, as well as to fulfil credit rating and regulatory capital requirements. Against the background of the growth strategy announced in July, the company anticipates that in future, freely available funds will increasingly be applied not only to support the Group's organic growth, but also to complementary external growth options – as already seen in 2015, with the acquisitions of STOXX (including Indexium) and 360T.

Dividends

For financial year 2015, Deutsche Börse AG is proposing that the Annual General Meeting resolve to pay a dividend of €2.25 per no-par value share (2014: €2.10). This dividend corresponds to a distribution ratio of 55 per cent of net profit for the period attributable to Deutsche Börse AG shareholders, adjusted for the special factors described in the section on the results of operations (2014: 58 per cent, also adjusted for special items). Given 186.7 million no-par value shares bearing dividend rights, this would result in a total dividend of €420.1 million (2014: €386.8 million). The aggregate number of shares bearing dividend rights is produced by deducting the 6.3 million treasury shares from the ordinary share capital of 193.0 million shares.

Credit ratings

Deutsche Börse AG regularly has its credit quality reviewed by the Standard & Poor's (S&P) rating agency, while Clearstream Banking S.A. is rated by Fitch and S&P.

S&P affirmed Deutsche Börse AG's AA credit rating on 20 October 2015, citing the financing mix for the 360T acquisition through a combination of debt and equity, but changed the outlook from stable to negative.

On 15 October 2015, Fitch Ratings affirmed the AA credit rating of Clearstream Banking S.A., with a stable outlook. The rating reflects Clearstream Banking's very low risk appetite, combined with strict risk management systems, diligent liquidity management, as well as impeccable capitalisation.

On 23 December 2015, S&P affirmed the AA credit rating of Clearstream Banking S.A., with a stable outlook. The rating reflects the strong risk management, minimum debt levels, as well as its strong position on the international capital markets, especially through its international settlement and custody business.

As at 31 December 2015, Deutsche Börse AG was one of only two DAX-listed companies that had been awarded an AA rating by S&P. The ratings histories of Deutsche Börse AG and Clearstream are given in the five-year overview.

Net assets

Deutsche Börse Group's non-current assets amounted to €14,386.9 million as at 31 December 2015 (2014: €11,267.2 million). They consisted primarily of intangible assets, financial assets and financial instruments held by central counterparties. The last category, which amounted to €7,175.2 million, represented the largest item (2014: €5,885.8 million). This asset item is matched by a liability item in the same amount.

The receivables and securities from banking business held by Deutsche Börse Group as financial assets rose to €2,018.6 million (2014: € 1,305.0 million), while goodwill increased to €2,898.8 million (2014: €2,224.5 million), which is due, in particular, to the acquisition of 360T.

Current assets decreased to €165,688.9 million as at 31 December 2015 (2014: €204,640.9 million). Most notably, the financial instruments held by central counterparties in an amount of €126,289.6 million were lower year-on-year 2014: €170,251.0 million).Restricted bank balances, on the other hand, rose to €26,870.0 million (2014: €22,283.5 million); this occurred primarily because clearing participants provided a greater volume of cash and fewer securities as collateral for Eurex Clearing AG in the reporting period.

Assets were financed by equity in the amount of €3,695.1 million (2014: €3,752.1 million) and debt in the amount of €176,380.7 million (2014: €212,156.0 million. Equity remains at the previous year's level; whereby offsetting effects largely neutralised each other. For instance, the issuance of own shares to partially finance the acquisition of 360T increased equity, whereas the acquisition of the remaining stake in STOXX in fact reduced it, due to the elimination of the offsetting item for non-controlling interests.

Non-current liabilities rose to €10,585.4 million (2014: €7,962.5 million), which was primarily due to the fact that firstly, the financial instruments held by central counterparties rose from €5,885.8 million in 2014 to €7,175.2 million in the reporting period. This liability item is matched by an asset item in the same amount. Secondly, interest-bearing liabilities rose to €2,546.5 million (2014: €1,428.5 million). In July and October 2015, Deutsche Börse raised a total of €1.1 billion in debt in order to finance the acquisition of STOXX (including Indexium) and 360T. This was only partially offset by the maturity of the US$170 million Series A bond.

Current liabilities amounted to €165,795.3 million (2014: €204,193.5 million). The main changes within this item occurred in the following areas:

- A decline in financial instruments held by central counterparties to €126,006.5 million (2014: €169,001.9 million).
- This decline was partially offset by the growth in liabilities from cash deposits by market participants to €26,869.0 million (2014: €22,282.4 million) as a result of higher cash collateral provided by the clearing members of Eurex Clearing AG. The main reason for this increase was that clearing participants provided a larger proportion of cash compared to securities as collateral for Eurex Clearing AG in the reporting period.

Overall, Deutsche Börse Group invested €154.5 million in intangible assets and property, plant and equipment (capital expenditure or capex) in the reporting period (2014: €133.5 million). The Group's largest investments were made in the Clearstream and Eurex segments.

Working capital
Working capital comprises current assets less current liabilities, excluding technical closing-date items and commercial paper. Current assets excluding technical closing-date items amounted to €1,675.3 million (2014: €973.2 million). As Deutsche Börse Group collects fees for most of its services on a monthly basis, the trade receivables of €554.1 million included in current assets as at 31 December 2015 (31 December 2014: €342.9 million) were relatively low compared with net revenue. The current liabilities of the Group, excluding technical closing-date items, amounted to €1,196.2 million (2014: €1,421.4 million, excluding technical closing-date items). The Group therefore had positive working capital of €479.1 million at the end of the year (2014: €–448.9 million).

Technical closing-date items
The “receivables and securities from banking business” and “liabilities from banking business” balance sheet items on the balance sheet are technical closing date items that were strongly correlated in the reporting period and that fluctuated between approximately €10 billion and €15 billion (2014: between €11 billion and €17 billion). These amounts mainly represent customer balances in Clearstream’s international settlement business.

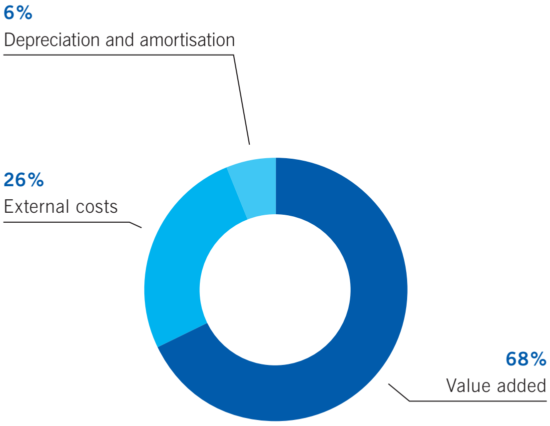
The “financial instruments of the central counterparties” item relates to the function performed by Eurex Clearing AG and European Commodity Clearing AG: since the latter act as the central counterparties for Deutsche Börse Group’s various markets, their financial instruments are carried in the balance sheet at their fair value. The financial instruments of the central counterparties are described in detail in the risk report and in notes 3, 15 and 36 to the consolidated financial statements.

Market participants linked to the Group’s clearing houses partly provide collateral in the form of cash deposits, which are subject to daily adjustments. The cash deposits are generally invested on a secured basis overnight by the central counterparties and reported in the balance sheet under “restricted bank balances”. The total value of cash deposits at the reporting dates relevant for the reporting period (31 March, 30 June, 30 September and 31 December) varied between €26.9 billion and €36.0 billion (2014: between €19.6 billion and €24.8 billion).

Value added: breakdown of enterprise performance CR
Deutsche Börse Group’s commercial activity contributes to private and public income – this contribution is made transparent in the value added statement. Value added is calculated by subtracting depreciation, amortisation and impairment charges and third-party costs from the enterprise performance. In 2015, the value added by Deutsche Börse Group amounted to €1,541.0 million (2014: €1,478.4 million). The breakdown shows that large portions of the generated value added flow back into the economy: 27 per cent (€414.4 million) benefit shareholders in the form of dividend payments, while 42 per cent (€640.7 million) was attributable to staff costs in the form of salaries and other remuneration components. Taxes accounted for 16 per cent (€249.0 million), while 3 per cent (€49.9 million) was attributable to lenders. The 12 per cent value added that remained in the company (€187.1 million) is available for investments in growth initiatives, among other things (see graphics below).

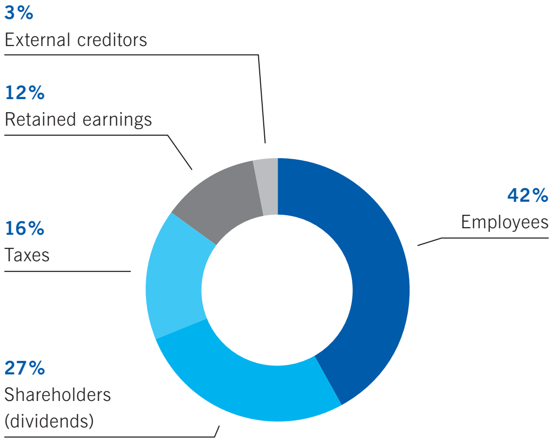
Origination of value added

Company performance: €2,276 million



Distribution of value added

Value added: €1,541 million



Overall assessment of the economic position by the Executive Board

Deutsche Börse Group's financial performance in the 2015 financial year was in the upper quarter of the ranges expected by the Executive Board (which were already raised during the first quarter of the year). The improved macroeconomic environment as well as equity market volatility – which had risen since the fourth quarter of 2014 – contributed to the improvement. Overall, the Group recorded a 16 per cent increase in net revenue. Operating costs were up year-on-year, due to non-recurring effects such as efficiency programmes, as well as costs incurred in connection with mergers and acquisitions. But even when adjusting for these effects, costs rose during the year under review, compared to the previous year. This was largely due to the consolidation of new subsidiaries, currency translation effects, as well as higher expenses for remuneration components linked to the share price. Given the increase in Deutsche Börse's share price, these components also rose. Moreover, thanks to the successful financial year, the Group paid out higher bonuses to its staff. Excluding non-recurring effects, consolidated EBIT and profit for the period considerably exceeded the previous year's figures.

The Executive Board believes that Deutsche Börse Group's financial position was extremely sound in the reporting period. As in the previous year, the company generated high operating cash flows. Interest expenses in 2015 exceeded the 2014 levels, reflecting the issue of bonds during the second half of the year to finance the acquisitions of STOXX and 360T. Thanks to the marked increase in adjusted EBIT, the Group's interest service cover ratio was 24.9, clearly exceeding its minimum target ratio of 16 at Group level. In addition, Deutsche Börse aims to achieve a ratio of interest-bearing gross debt to EBITDA of no more than 1.5 at Group level. However, gross debt increased due to the financing of said acquisitions, leading to a 1.9 ratio in the year under review.

Rating agencies again affirmed the Group's credit quality, awarding it excellent ratings in 2015. Standard & Poor's affirmed Deutsche Börse AG's AA credit rating on 20 October 2015, citing the financing mix for the 360T acquisition through a combination of debt and equity, but changed the outlook from stable to negative. On 15 October 2015, Fitch Ratings affirmed the AA credit rating of Clearstream Banking S.A. On 23 December 2015, Standard & Poor's affirmed the same rating. Both ratings were assigned a "stable" outlook.

Deutsche Börse AG has offered its shareholders attractive returns for years – and financial year 2015 is no exception. At €2.25 (2014: €2.10), the dividend proposed for distribution to shareholders is above the prior-year level. In addition, the distribution ratio decreased slightly as a result of the improvement in earnings, falling from 58 per cent in the previous year to 55 per cent in the reporting period (adjusted for special items in both cases). This puts it near the upper end of the Executive Board's target range of between 40 and 60 per cent.

The Group's net assets, financial position and results of operation can be considered to be in an orderly state.

Deutsche Börse Group: five-year overview

		2011	2012	2013	2014	2015
Consolidated income statement						
Net revenue	€m	2,121.4	1,932.3	1,912.3	2,047.8	2,367.4
thereof net interest income from banking business	€m	75.1	52.0	35.9	37.6[1)]	50.6[1)]
Operating costs	€m	–962.2[2)]	–958.6	–1,182.8	–1,114.8	–1,375.6
Earnings before interest and tax (EBIT)	€m	1,162.8[2)]	969.4	738.8	1,011.3	992.6
Net profit for the period attributable to Deutsche Börse AG shareholders	€m	855.2	645.0	478.4	762.3	665.5
Earnings per share (basic)	€	4.60	3.44	2.60	4.14	3.60
Consolidated cash flow statement						
Cash flows from operating activities	€m	785.6	707.7	728.3	677.3	10.1
Consolidated balance sheet						
Non-current assets	€m	5,020.3[2)]	5,113.9	8,796.9	11,267.2	14,386.9
Equity	€m	3,132.6[2)]	3,169.6	3,268.0	3,752.1	3,695.1
Non-current interest-bearing liabilities	€m	1,458.3	1,737.4[3)]	1,521.9	1,428.5[3)]	2,546.5
Performance indicators						
Dividend per share	€	2.30	2.10	2.10	2.10	2.25[4)]
Dividend payout ratio	%	52[5) 6)]	58[5) 6) 7) 8)]	61[9) 10) 11)]	58[6) 7) 11)]	55[13)]
Employees (average annual FTEs)		3,278	3,416	3,515	3,911	4,643
Personnel expense ratio (staff costs / net revenue)	%	19[12)]	21[6)]	22[14)]	23[9)]	27
EBIT margin, based on net revenue	%	55	50	39	49	42
Tax rate	%	26.0[5)]	26.0[7)]	26.0[8) 14)]	26.0[15)]	26.0
Return on shareholders' equity (annual average)[16)]	%	30	22	21	21	22
Deutsche Börse shares						
Year-end closing price	€	40.51	46.21	60.20	59.22	81.39
Average market capitalisation	€bn	9.6	8.5	10.0	10.8	14.7
Rating key figures						
Gross debt / EBITDA		1.1[6)]	1.6[6)]	1.5[6)]	1.5[6)]	1.9[6) 11)]
Interest coverage ratio	%	19.0[6)]	15.2[6)]	20.1[6)]	26.0[6)]	24.9
Deutsche Börse AG: Standard & Poor's	Rating	AA	AA	AA	AA	AA
Clearstream Banking S.A.: Standard & Poor's	Rating	AA	AA	AA	AA	AA
Fitch	Rating	AA	AA	AA	AA	AA
Market indicators						
Xetra®, Frankfurt Stock Exchange and Tradegate						
Trading volume (single-counted)[17)]	€bn	1,511.2	1,160.2	1,157.6	1,282.6	1,635.7
Eurex						
Number of contracts	m	2,821.5	2,292.0	2,191.9	2,097.9	2,272.4
Clearstream						
Value of securities deposited (annual average)	€bn	11,106	11,111	11,626	12,215	13,274
Number of transactions	m	126.3	113.9	121.0	126.3	138.0
Global Securities Financing (average outstanding volume for the period)	€bn	592.2	570.3	576.5	609.8	598.6

1) Clearstream and Eurex segments 2) Amount restated to reflect the transition of the accounting policies for defined benefit obligations to the revised IAS 19 3) Bonds that will mature in the following year are reported under "Other current liabilities" (2012: €577.4 million; 2014: €139.8 million). 4) Proposal to the Anual General Meeting 2016 5) Adjusted for the non-taxable income related to the revaluation of the share component of the purchase price paid for the acquisition of the shares of Eurex Zürich AG held by SIX Group 6) Adjusted for the costs of mergers and acquisitions and of efficiency programmes 7) Adjusted for expenditure relating to the revaluation of the share component of the purchase price paid for the acquisition of the shares of Eurex Zürich AG held by SIX Group, a one-off gain from the reversal of deferred tax liabilities for STOXX Ltd. resulting from a decision by the Swiss Financial Supervisory Authority and a one-off gain from the recognition of deferred tax assets resulting from the future possible offsetting of losses carried forward by Eurex Global Derivatives AG 8) Adjusted for the tax benefit from initial recognition of deferred taxes on tax loss carryforwards at a Group company 9) Adjusted for efficiency programme effects and costs incurred for the change of CEO in 2015 10) Adjusted for costs for mergers and acquisitions 11) Adjusted for costs largely related to criminal proceedings against Clearstream Banking S.A. in the US 12) Adjusted for the costs of efficiency programmes 13) Amount based on the proposal to the Annual General Meeting 2016 14) Adjusted for the costs of the OFAC settlement 15) Adjusted for a one-off gain from the dissolution of the financing structure established in connection with the acquisition of ISE, and a one-off expense mainly attributable to the reduction in deferred tax assets in respect of a tax loss carryforward 16) Net profit for the period attributable to shareholders of Deutsche Börse AG/average shareholders' equity for the financial year based on the quarter-end balance of shareholders' equity 17) Since Q3/2013, this figure includes warrants and certificates due to the consolidation of Börse Frankfurt Zertifikate AG.

Report on post-balance sheet date events

Potential merger with London Stock Exchange (LSE)

Further to recent speculation, the Management Board of Deutsche Börse and the Board of LSE (hereinafter also referred to as “the Boards”) confirmed on 23 February 2016 that they are in detailed discussions about a potential merger of equals of the two businesses (potential merger).

The potential merger would be structured as an all-share merger of equals under a new holding company. Under the terms of the potential merger, Deutsche Börse shareholders would be entitled to receive one new share in exchange for each Deutsche Börse share and LSE shareholders would be entitled to receive 0.4421 new shares in exchange for each LSE share. Based on this exchange ratio, the parties anticipate that Deutsche Börse shareholders would hold 54.4 per cent, and LSE shareholders would hold 45.6 per cent of the enlarged issued and to be issued share capital of the combined group. The combined group would have a unitary board composed of equal numbers of Deutsche Börse and LSE directors.

The Management Board of Deutsche Börse and the Board of LSE believe that the potential merger would represent a compelling opportunity for both companies to strengthen each other in an industry-defining combination, creating a leading European-based global markets infrastructure group. The combination of Deutsche Börse and LSE’s complementary growth strategies, products, services and geographic footprint would be expected to deliver an enhanced ability to provide a full service offering to customers on a global basis. Deutsche Börse and LSE believe that the potential merger would offer the prospect of enhanced growth, significant customer benefits including cross-margining between listed and OTC derivatives clearing (subject to regulatory approvals), as well as substantial revenue and cost synergies and increased shareholder value. All key businesses of Deutsche Börse and LSE would continue to operate under their current brand names. The existing regulatory framework of all regulated entities within the combined group would remain unchanged, subject to customary and final regulatory approvals.

Discussions between the parties remain ongoing regarding the other terms and conditions of the potential merger.

The formal announcement of the potential merger remains conditional on, inter alia, agreement on the other terms and conditions of the potential merger, satisfactory completion of customary due diligence and final approval by the Boards of Deutsche Börse and LSE. The parties reserve the right to a) waive these pre-conditions, b) with the agreement of the other party, to vary the form of consideration and/or make an offer on higher or lower terms (including the exchange ratio), albeit no revision is currently expected, and/or c) to adjust the terms to take account of any dividend announced, declared, made or paid by either party, save for ordinary course dividends (consistent with past practice in timing and amount) declared or paid prior to completion.

There can be no certainty that any transaction will occur. Any transaction would be subject to regulatory approval, Deutsche Börse shareholders’ acceptance and LSE shareholder approval, as well as other customary conditions.

Under the UK City Code on Takeovers and Mergers (Code), the new holding company or Deutsche Börse are required, by no later than 5.00 p.m. on 22 March 2016 (if not extended with the consent of the UK Takeover Panel), to do one of the following: (i) announce a firm intention to make an offer for LSE in accordance with the Code; or (ii) announce that they do not intend to make an offer and that they will not make an offer for LSE for a period of six months.

On 26 February 2016, further to the announcement on 23 February 2016, LSE and Deutsche Börse set out below a summary of further key terms which the parties have agreed in relation to the potential merger of LSE and Deutsche Börse (potential merger) to form a combined group (Combined Group):

- Combined Group to be a UK plc domiciled in London
- LSE in London and Deutsche Börse in Frankfurt to become intermediate subsidiaries of the Combined Group
- Combined Group to have headquarters in London and Frankfurt
- Combined Group to seek a Premium Listing on the London Stock Exchange and Prime Standard listing on the Frankfurt Stock Exchange
- Balanced governance structure of the Combined Group board with equal representation from LSE and Deutsche Börse to include:
  - Donald Brydon as Chairman
  - Joachim Faber as Deputy Chairman and Senior Independent Director
  - Carsten Kengeter as CEO and executive director
  - David Warren as CFO and executive director
- A joint committee (Referendum Committee) has been set up to advise on the implications of the vote by the United Kingdom electorate on the European Union membership of the United Kingdom.

Further key terms
The potential merger would be structured as an all-share merger of equals under a new UK holding company. LSE in London and Deutsche Börse in Frankfurt would become intermediate subsidiaries of the Combined Group. The existing regulatory framework of all regulated entities within the Combined Group would remain unchanged, subject to customary and final regulatory approvals. The Combined Group would seek a premium listing on the London Stock Exchange and a prime standard listing on the Frankfurt Stock Exchange. It is envisaged that the Combined Group shares would be eligible for inclusion in the EURO STOXX®, DAX® and FTSE Russell index series.

The Combined Group would have headquarters in London and Frankfurt, with an efficient distribution of corporate functions in both locations. The Combined Group would have a unitary board with equal representation from LSE and Deutsche Börse and be constituted in accordance with the UK Corporate Governance Code. At completion, Donald Brydon, Chairman of LSE, would become Chairman of the Combined Group while Joachim Faber, Chairman of Deutsche Börse, would become Deputy Chairman and Senior Independent Director of the Combined Group. Carsten Kengeter, CEO of Deutsche Börse, would assume the role of CEO and executive director of the Combined Group while David Warren, CFO of LSE, would become CFO and executive director of the Combined Group.

On completion of the transaction, Xavier Rolet will step down from his role as CEO of LSE. Donald Brydon, Chairman of LSE, said: “Xavier has been the architect of LSE’s considerable value creation and has offered to retire in order to ensure the successful creation of the new group. The Board of LSE is indebted to Xavier for this action which is consistent with his focus on putting the interests of shareholders and clients first. It has accepted his offer. He has agreed to remain available to the new Board to assist in any way to ensure an effective transition. With open access enshrined in European Securities law, the Board considers that the value creating opportunities of the combination stand as a testament to his achievement at LSE.”

Compelling strategic rationale
The Boards believe that the potential merger would represent a compelling opportunity for both companies to strengthen each other in an industry-defining combination, creating a leading European-based global markets infrastructure group. The combination of LSE and Deutsche Börse’s complementary growth strategies, products, services and geographic footprint would be expected to deliver an enhanced ability to provide a full service offering to customers on a global basis.

The Boards also believe that the Combined Group would offer the potential for significant customer benefits. By connecting the London and Frankfurt cash exchanges, a liquidity bridge would be established, broadening customer access to more securities to the benefit of market participants in line with the evolving regulatory landscape. Furthermore, a portfolio margining service between listed and OTC derivatives markets would provide cost of capital savings and margin relief.

The Combined Group would be customer-centric and in an ideal position to help clients navigate the emerging regulatory landscape. The full service offering of the Combined Group would build on its deep liquid and transparent trading markets, leading clearing house solutions and risk and balance sheet management capabilities (including collateral management functionalities) as well as comprehensive regulatory reporting solutions. The Boards believe that the Combined Group would be able to achieve substantial cost synergies, principally from removing duplication of technology and operations across business lines, corporate services and support functions taking into account the respective strengths of both companies. The parties expect that the impact of synergy realisation would be distributed in a balanced manner across the two companies.

The Boards also believe there would be a significant opportunity for revenue synergies due to the ability of the Combined Group to offer both existing and new innovative products and services through an expanded global distribution network to existing and new customers across the buy and sell side. Further information regarding synergies will be set out in due course.

Referendum Committee
LSE and Deutsche Börse have initiated discussions about the potential merger with their primary regulators as well as with the governments of the United Kingdom, Germany, Italy and France. The parties are proceeding on the basis that existing regulatory and political structures remain in place. This transaction would be expected to fully optimise and benefit from the potential of the Capital Markets Union project. It is recognised that a decision by the United Kingdom electorate to leave the European Union (Leave Decision) would put that project at risk.

This globally competitive exchange group would provide the European Union's 23 million small and medium-size enterprises as well as its blue-chips much greater access to the lower-cost equity and debt finance they need to scale up, powering sustainable economic growth, investment and creating the high-quality jobs of tomorrow.

As the number of possible scenarios facing the Combined Group in the event of a Leave Decision is impossible to model today, the two Boards have created the Referendum Committee to consider and make non-binding recommendations to the Boards on the ramifications of such a decision. LSE and Deutsche Börse believe that the potential merger would be well positioned to serve global customers irrespective of the outcome of the vote by the United Kingdom electorate on the European Union membership of the United Kingdom (Referendum), although this might well affect the volume or nature of the business conducted in the different financial centres served by the Combined Group. Accordingly, the outcome of the Referendum would not be a condition of the potential merger.

Other terms and conditions of the potential merger
Discussions between the parties remain ongoing regarding the other terms and conditions of the potential merger. Further details on these terms and conditions woul be provided in any announcement that may be made pursuant to Rule 2.7 of the Code and/or in any documents that are posted to LSE and Deutsche Börse shareholders in connection with the potential merger.

The formal announcement of the potential merger remains conditional on, inter alia, agreement on all terms and conditions of the potential merger, satisfactory completion of customary due diligence and final approval by the Boards. The parties reserve the right to a) waive any of these preconditions (in whole or in part), and/or b) with the agreement of the other party, to vary any of the terms, albeit no revision is currently expected.

The financial terms of the potential merger and the reserations to such terms as set out in the announcement on 23 February 2016 remain as set out in that announcement.

The description of the further key terms of the potential merger described in this announcement is a summary of such terms. Further detail on these summarised terms will be provided in any announcement that may be made pursuant to Rule 2.7 of the Code and/or in any documents that are posted to LSE and Deutsche Boerse shareholders in connection with the potential merger.

There can be no certainty that any transaction will occur. Any transaction would be subject to regulatory approvals, LSE shareholder approval and Deutsche Börse shareholders' acceptance, as well as other customary conditions.

In accordance with Rule 2.6(a) of the Code, Deutsche Börse is required, by no later than 5.00 p.m. on 22 March 2016, to do one of the following: (i) announce a firm intention to make an offer for LSE in accordance with Rule 2.7 of the Code; or (ii) announce that it does not intend to make an offer, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline can be extended with the consent of the Panel in accordance with Rule 2.6(c) of the Code.

The shares mentioned above have not been and will not be registered under the U.S. Securities Act of 1933 (U.S. Securities Act) or under the securities laws of any state or other jurisdiction of the United States. Accordingly, these shares may not be offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into the United States absent registration under the U.S. Securities Act or an exemption therefrom. There will be no public offer in the United States.

Sale of the interest in Infobolsa S.A.

Effective 25 February 2016, Deutsche Börse AG sold its interest in Infobolsa S.A. at a purchase price amounting to €8.2 million. Until that date, BME and Deutsche Börse had each held 50 per cent of the interests in Infobolsa S.A. and its subsidiaries.

Non-financial key performance indicators CR

Employees CR

Committed, highly skilled employees are one of the cornerstones of Deutsche Börse Group's business success. Their dedication, flexibility and will to deliver outstanding performance shape its corporate culture. Deutsche Börse Group aims to make sure that staff with these qualities continue to join the company in the future and, ideally, that they stay for the long term. It does this by adopting a sustainable human resources policy.

Deutsche Börse Group employs an international workforce at 38 locations worldwide: as at 31 December 2015, Deutsche Börse Group had 5,283 employees (31 December 2014: 4,540), while the average number of employees in the reporting period was 4,944 (2014: 4,183). The increase in staffing levels was predominantly attributable to the consolidation of EEX subsidiaries Powernext SA, EPEX Spot SE (including subsidiaries) and APX Holding group (together accounting for a total increase of 213), as well as to the consolidation of 360T Beteiligungs GmbH (+208, including 30 in the Asian region) and of Indexium AG (+8). Moreover, the risk management and compliance functions were expanded (with 113 employees added in total) within the scope of strategically important projects, such as initiatives launched by Eurex Clearing AG and the Clearstream segment. Staffing levels in Frankfurt/Eschborn and Luxembourg increased as a consequence, as well as in Prague (+96) and Cork (+20), where additional functions were established under these strategic projects.

To recruit and retain the best talent for the company, Deutsche Börse Group offers flexible working time models. Including part-time employees, there was an average of 4,643 full-time equivalents during the year (2014: 3,911). As at 31 December 2015, the proportion of part-time employees was higher in the general workforce than in management, and it was higher among women than among men.

It is Deutsche Börse Group's declared intention to achieve a reasonable work/life balance. The company offers a number of options designed to achieve a positive work-life balance as part of its Job, Life & Family initiative:

- Option to work from home (teleworking)
- Childcare service for emergencies and during school holidays; this service was used in Germany on a total of 120 days

Employees per countries/regions

	31 Dec. 2015	%
Germany	2,118	40.1
Luxembourg	1,078	20.4
Czech Republic	636	12.0
Ireland	311	5.9
United Kingdom	186	3.5
Rest of Europe	418	7.9
North America	327	6.2
South America	2	0.1
Asia	200	3.8
Middle East	7	0.1
Total	5,283	100

Employees by segment

	31 Dec. 2015	31 Dec. 2014
Eurex	1,865	1,332
Xetra	326	305
Clearstream	2,350	2,228
Market Data + Services	742	675
Total	**5,283**	**4,540**

- Emergency parent-child offices at the Eschborn, Luxembourg and Prague locations
- Reservation of places for employees' children aged between six months and three years at a day care centre in Eschborn; the number of dedicated places depends on demand within the company
- An "Elder and Family Care" programme to facilitate support for family members requiring care
- The option to take sabbaticals; used by one employee in Germany and four in Prague and Luxembourg in 2015

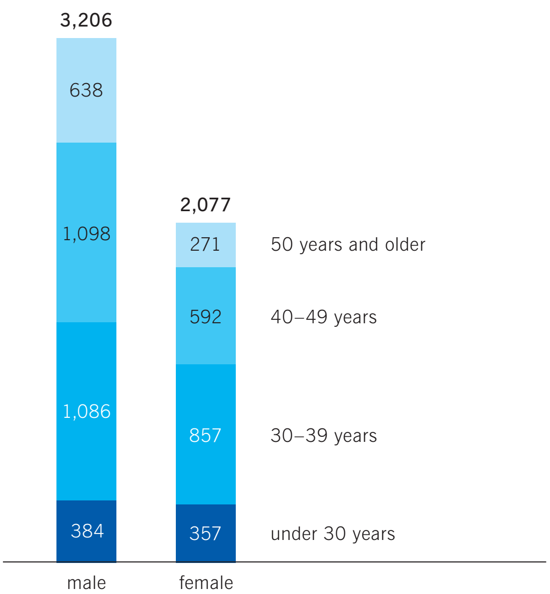
A total of 48 male and 70 female employees took parental leave in financial year 2015, including three male in management positions and one female. In the reporting period, 48 male and 69 female employees returned to the company after taking parental leave, while two female employees left the company after their parental leave. Deutsche Börse Group supported its employees by subsidising childcare in the amount of €789 thousand in the reporting period (2014: €786 thousand). All employees receive a monthly net amount of up to €255.65 per child until it is six years old or starts school.

Employees may also attend seminars on health issues, as well as sports or relaxation courses. The purpose of these measures is to achieve a good work-life balance. One of the objectives pursued with these measures is to ensure that employees remain healthy, in spite of high workloads, and to keep sickness levels within the company as low as possible. Against this background, various health campaigns were launched during the year under review, with a focus on nutrition and the prevention of stress. These included selected health checks and measurements, such as heart rate variability and analyses of body statics and posture. The sickness ratio within Deutsche Börse Group amounted to 3.1 per cent in the year under review (2014: 2.7 per cent).

As at 31 December 2015, 70.1 per cent of Deutsche Börse Group employees were graduates (2014: 66 per cent). This figure is calculated on the basis of the number of employees holding a degree from a university, university of applied sciences or university of cooperative education; it also includes employees who have completed comparable studies abroad. In the area of continuing professional development, the Group invested an average total of 3.5 days per employee in 2015 (2014: 2.7 days) and, among other things, conducted 1,079 internal training events (2014: 713

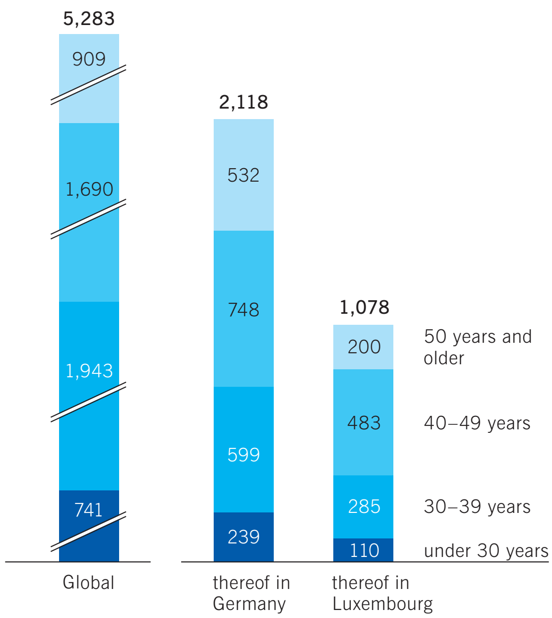
Deutsche Börse Group employee age structure

by gender



Deutsche Börse Group employee age structure

by location



internal training events). Of these, 39 per cent were on business-related issues, 33 per cent covered specialist topics, 13 per cent dealt with the work-life balance, 12 per cent were on IT subjects and 3 per cent formed part of induction training.

Adjusted for efficiency programme costs, staff costs per employee rose to approximately €125 thousand in 2015, due to remuneration components linked to the share price and higher bonus payments (2014: €118 thousand). Deutsche Börse Group's Executive Board resolved a voluntary salary increase of 2.5 per cent in Germany in financial year 2015. Salaries were also adjusted at the Group's other locations.

The average age of Deutsche Börse Group's employees at the end of the reporting period was 39.8 years (2014: 40.0 years). The graphics entitled "Deutsche Börse Group employee age structure" show the employee age structure as at 31 December 2015. In the course of the year, a total of 344 employees left Deutsche Börse Group (not including colleagues who accepted one of the company's offers under the efficiency programmes and left the company or took early retirement). A total of 650 people joined the Group (excluding consolidation effects). The staff turnover rate was 7.0 per cent (adjusted: 7.4 per cent), a slight increase year-on-year (2014: 4.6 per cent and 6.0 per cent respectively). The average length of service at the end of the reporting period was 9.7 years (2014: 10.3 years).

Key data on Deutsche Börse Group's workforce as at 31 December 2015

	Global			thereof in Germany			thereof in Luxembourg		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees	3,206	2,077	5,283	1,330	788	2,118	655	423	1,078
Upper and middle management	307	52	359	159	26	185	76	14	90
Lower management	231	87	318	108	33	141	58	26	84
Staff	2,668	1,938	4,606	1,063	729	1,792	521	383	904
Part-time employees	83	436	519	46	251	297	28	130	158
Upper and middle management	6	5	11	2	2	4	4	3	7
Lower management	0	12	12	0	5	5	0	7	7
Staff	77	419	496	44	244	288	24	120	144
Disabled employees	32	27	59	29	26	55	3	0	3
Proportion of graduates (%)	73	66	70	74	63	70	58	53	56
Apprentices	13	8	21	13	8	21	0	0	0
Interns and students[1]	155	135	290	127	104	231	11	11	22
Length of service									
Under 5 years (%)	42	42	42	35	37	36	23	28	25
5–15 years (%)	37	39	38	36	34	35	41	37	40
Over 15 years (%)	21	19	20	29	29	29	36	35	35
Staff turnover									
Joiners	394	256	650	93	60	153	65	49	114
Leavers	228	137	365	54	33	87	39	19	58
Training days per staff member	3.50	3.61	3.54	4.32	4.80	4.50	4.64	3.94	4.37
Promotions	127	97	224	68	45	113	26	19	45
Employees covered by collective bargaining agreements	1,510	1,048	2,558	945	644	1,589	564	404	968

1) The global figures reported here refer solely to the locations in Germany, Luxembourg and the Czech Republic; this corresponds to 73 per cent of Group staff.

Target female quotas adopted

In accordance with the Gesetz zur gleichberechtigten Teilhabe von Frauen und Männern an Führungspositionen (German Act on the Equal Representation of Women and Men in Executive Positions), the Executive Board of Deutsche Börse AG resolved to maintain the existing quotas of women on the two management levels below the Executive Board, i.e. 6 per cent on the first and 10 per cent on the second management level. These target quotas relate to Deutsche Börse AG (excluding subsidiaries) and will be valid until 30 June 2017.

The Executive Board already set a voluntary target in 2010 for Deutsche Börse Group to increase the proportion of women in middle and upper management to 20 per cent, and in lower management to 30 per cent, by 2020. The Group has affirmed this ambition. These targets relate to Deutsche Börse Group worldwide, including subsidiaries. In contrast to statutory obligations, the voluntary commitment is based on a wider definition of management levels, including team leaders, for example. In Deutsche Börse Group's global operations, these quotas stood at 15 per cent (2014: 15 per cent) for middle and upper management and 27 per cent (2014: 24 per cent) for lower management levels. In the Group's German locations, they were 14 per cent (unchanged from 2014) and 23 per cent (2014: 20 per cent), respectively.

In order to raise the share of women in executive positions, the company explicitly ensures that women are included in proposals for executive positions. In principle, however, qualifications are decisive when filling such vacancies. In addition, Deutsche Börse Group offers numerous additional tools to promote female employees, such as targeted succession planning, a mentoring programme involving internal and external mentors, a women's network, as well as training courses designed specifically for women. 10 of the current 22 members of the High Potential Circle, Deutsche Börse Group's training programme for potential future executives, are female (45 per cent).

Furthermore, the Group analyses at regular intervals as to whether there are remuneration differences between men and women. No systematic discrimination against men or women was detected. In fact, any differences in remuneration are based on qualifications, the length of service and function.

Corporate responsibility CR

Deutsche Börse's corporate responsibility (CR) strategy, "Growing responsibly", defines its understanding of the term as well as the scope of activity for the entire Group. Deutsche Börse Group's economic and social roles have been the guiding principles for the development of these definitions. As an international capital markets organiser, Deutsche Börse Group aims to create and strengthen trust in market structures. Being a listed company included in the DAX®, it wants to lead by example; and as a member of society, it considers itself responsible to use its core business competence to actively participate in the resolution of social challenges.

Building trust CR

Sustainable index products

Deutsche Börse Group develops sustainable indices in order to offer responsible investment options to investors, according to environmental, social and economic (ESG) criteria. The objective is to provide information on sustainability reporting and to strengthen the future viability of capital markets by offering a wide variety of indices. The indices foster public attention regarding companies trading sustainably and increase transparency.

STOXX Ltd., a subsidiary of Deutsche Börse AG, offers a wide variety of transparent sustainability indices. At present, 30 indices are available, including the index families STOXX® Global ESG Leaders and STOXX Sustainability. The STOXX Global ESG Leaders indices are based on sustainability ratings covering the ESG criteria. The STOXX Sustainability indices track the performance of sustainable companies.

In 2015, STOXX and Sustainalytics, a leader in sustainability research and analysis, released a study entitled "Global ESG Leaders (?) – Nachhaltigkeit im DAX" (in German only). This study evaluates companies whose shares are constituents of the German DAX blue-chip index, and ranks them according to their overall sustainability profile as a group on a global level and within Germany. It is based on STOXX Global ESG Leaders underlying data.

Transparency and standardisation

As a market place organiser, Deutsche Börse Group considers ensuring transparency on the capital markets as its direct responsibility, thus fostering the financial markets' stability and promoting its economic success. In doing so, it is geared to its stakeholders' needs.

By now, a considerable share of its enterprise value is based on ESG-compliant information. Thus, it plays an increasingly important role in professional investors' decision making processes. Against this background, in 2014 Deutsche Börse Group conducted a survey amongst DAX-listed companies on sustainability reporting for the first time. In 2015, the survey was repeated and enlarged to cover companies in the MDAX®, SDAX® and TecDAX®.

The Börse Frankfurt website features information on sustainable investments summarised under the heading "SRI". Tables are used to provide information on issuers and their reporting formats (annual report, separate sustainability report or a combined/integrated report) as well as on the standard(s) applied. In addition, the tables provide details of the companies' respective sustainability points of contact.

Leading by example CR

Sustainability indices and ratings assess the reporting and performance of companies in the area of sustainability. They measure their performance regarding ecological, social and corporate governance and evaluate their end-to-end management of opportunities and risks. Investors with a focus on sustainability are increasingly using the results of these ratings in their assessment of companies on the capital markets. As a listed company, Deutsche Börse Group is subject to regular audits carried out by independent third-party providers. Given its positive assessment, Deutsche Börse has repeatedly been included in sustainability indices:

- Dow Jones Sustainability Indices (DJSI) Europe: since 2005; World: since 2015; result of Robeco SAM rating: total score 67; average sector score 46
- ECPI Euro Ethical Equity Index: since 2008; ECPI EMU Ethical Equity Index: since 2008; ECPI Global Developed ESG Best in Class Equity Index: since 2013 (launch year); result of ECPI ESG rating
- Ethibel Sustainability Index (ESI) Excellence Europe: since 2013; based on Forum Ethibel rating (part of Vigeo)
- Euronext Vigeo – Europe 120 Index: since 2014; Euronext Vigeo – Eurozone 120 Index: since 2014; based on Vigeo rating
- FTSE4Good Indices (Global and Europe): since 2009; result of FTSE ESG rating: total score 4 out of 5; supersector relative: 100 out of 100
- MSCI World ESG Index: since 2010; MSCI ACWI ESG Indices since 2010; based on MSCI ESG Research

- PAX ellevate Global Women's Index (PXWEX): since 2014; based on MSCI ESG Research
- STOXX ESG Leaders Index: since 2011 (launch year). The entirely rule-based and transparent STOXX rating model means that there is no conflict of interests; result of Sustainalytics rating: total score of 76 (E: 70, S: 89, G: 70), ranking: 6th out of 270 companies
- STOXX Sustainability Indices (Europe and euro zone): since 2001. The entirely rule-based and transparent STOXX rating model means that there is no conflict of interests; based on Bank Sarasin analyses

Raising public awareness CR

Phineo

In 2015, Deutsche Börse Group renewed its status as principal shareholder of Phineo gAG for another two years. Phineo is an analysis and consulting institute for social commitment, established in 2009 by Deutsche Börse Group together with the Bertelsmann Foundation. Its objective is to provide sustainable support to the non-profit sector. Using impact analysis, a free-of-charge charity seal of approval, publications, workshops and advisory services, Phineo supports non-profit organisations and investors, such as foundations and companies, in maximising the impact from their commitments. Thus, Phineo provides the core business competence of an international capital markets organiser, namely Deutsche Börse Group, to participate in the resolution of social challenges.

Corporate responsibility: key performance indicators for Deutsche Börse Group CR

Following a materiality analysis of its business model, Deutsche Börse Group has defined the non-financial key performance indicators shown in the "Corporate responsibility: key figures for Deutsche Börse Group" table as important to its Group-wide sustainability profile. Key figures on transparency and security have been collated quarterly since 2013 and published in the interim reports.

Comparison with the forecast for 2015

With regard to the expected development of its non-financial performance indicators, the Group succeeded in maintaining the very high level of systems availability whilst adhering to the highest security. Specifically, this translated into a slight increase, from 99.981 per cent to 99.999 per cent of Xetra availability – and a minimum decline in the availability of the T7® trading system, from 99.986 per cent to 99.930 per cent.

With the "Global Leaders (?) – Nachhaltigkeit im DAX" study (in German only), prepared jointly by STOXX and Sustainalytics, it promotes awareness for transparency and standardisation of sustainability disclosures. In addition, Deutsche Börse Group updated and extended its market consultation concerning sustainability reporting of DAX, MDAX, SDAX and TecDAX constituents. The results are available, free of charge, on the www.boerse-frankfurt.de investor portal site.

In 2010, the Executive Board already adopted a voluntary commitment aiming at a proportion of women in middle and upper management of 20 per cent and in lower management of 30 per cent by 2020. The target figures cover Deutsche Börse Group in its entirety (worldwide basis, including subsidiaries). During the reporting period, the proportion of women in middle and upper management remained consistent at 15 per cent and increased slightly from 24 to 27 per cent in lower management.

Moreover, Deutsche Börse Group complied with the statutory provisions regarding equal participation of women and men in leadership positions, pursuant to the Gesetz für die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen in der Privatwirtschaft und im öffentlichen Dienst and determined target figures for Deutsche Börse AG (without subsidiaries).

Risk report

Deutsche Börse Group's core area of expertise includes solutions that enable its customers to efficiently manage risk and collateral. It is therefore all the more important for the Group to protect itself against risk. This section of the combined management report shows how the company deals with risk. Despite the continuing tensions in the financial system and the regulatory developments, the Group's risk profile remained largely stable with regard to financial risk. In contrast, operational risk increased. This is reflected in the regulatory capital requirements as well as in the required economic capital. The increase in operational risk is driven in particular by the increasingly international reach of the Group's business and higher availability risks, partially due to the increased threat of cyber crime. In addition, business risk has increased year-on-year. This is primarily due to the possibility of additional regulatory risks as well as increased competition.

Deutsche Börse's senior management further strengthened the Group's risk management in 2015. The first section of this risk report explains the enhanced risk management strategy and demonstrates how the Group manages its risk. In the second part of the report, the Group describes the

Corporate responsibility: key figures for Deutsche Börse Group

		2015	2014
Transparency			
Proportion of companies reporting in accordance with maximum transparency standards[1]	%	91	82
Number of indices calculated		11,403	10,825
Number of sustainable index concepts		35	25
Security and reliability			
Availability of cash market trading system (Xetra®)	%	99.999	99.981
Availability of derivatives market trading system (T7®)	%	99.930	99.986
Market risk cleared via Eurex Clearing (gross monthly average)	€bn	16,746	16,343
Supplier management			
Share of revenue generated with suppliers/service providers that have signed the Code of Conduct or have made voluntary commitments over and above those required under the Code	%	96.6	94.7
Compliance			
Punished cases of corruption		0	0
Proportion of business units reviewed for corruption risk	%	100	100
Number of employees trained in anti-corruption measures[2]		976	518
Number of justified customer complaints relating to data protection		0	0
Environment			
Direct and indirect energy consumption[3]	MWh	70,048	69,901
Greenhouse gas emissions[3]	t	13,997	13,200
thereof travel-based greenhouse gas emissions	t	7,304	7,111
Water consumption (volume of water sourced from municipal utilities)[3]	m³	81,599	70,049
Paper consumption (office supplies)[3]	t	135	105
Cash value of material administrative fines and total number of non-monetary penalties due to non-compliance with legal requirements in the environmental area	€	0	0
Corporate citizenship			
Corporate responsibility project expenses per employee[4]	€	226	383
Corporate volunteering days per employee	days	2	2

1) Ratio of the market capitalisation of companies listed in the Prime Standard (shares) to the market capitalisation of all companies listed on the Frankfurter Wertpapierbörse (FWB®, Frankfurt Stock Exchange) 2) In addition to initial training for new recruits, compliance training is performed at two-year intervals. As a result, the number of employees may differ significantly in a direct year-on-year comparison. 3) Locations in Frankfurt, Luxembourg, Prage, Cork and other centrally managed premises 4) Does not include social benefits or special leave expenses for corporate volunteering; the reduction of these sums in comparison with the previous year results from changes in included items.

main types of risk and shows how it assesses and manages them. In addition to the risk report, the Group sets out its future prospects in the report on opportunities. The third part provides a summary of the risk situation, together with an outlook on future developments in Deutsche Börse Group's risk management.

Deutsche Börse Group includes, among other companies, Clearstream Banking S.A. and Clearstream Banking AG, which form part of the Clearstream Holding group (hereinafter "Clearstream"), and Eurex Clearing AG. These financial institutions are subject to the banking supervision regime and its corresponding statutory requirements, and therefore already meet the strictest requirements for risk management. In addition, European Commodity Clearing AG, Eurex Bonds GmbH and Eurex Repo GmbH are also subject to the regulatory requirements set out in EMIR, CRD IV and MiFID (for details on the requirements, see note 20 to the consolidated financial statements). Rules and regulations directly affect the Group's financial institutions – Clearstream and Eurex Clearing AG, especially the Mindestanforderungen an das Risikomanagement (MaRisk, Minimum Requirements for Risk Management) issued by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin, German Federal Financial Supervisory Authority) and last adapted in December 2012, as well as Circular 12/552 (Central Administration, Internal Governance and Risk Management) issued by the Commission de Surveillance du Secteur Financier (CSSF, Luxembourg Financial Supervisory Authority). The so-called second pillar of Basel II contains requirements on how banks must manage their risks; accordingly, this also applies to Clearstream and Eurex Clearing AG. Moreover, pursuant to the Gesetz zur Abschirmung von Risiken und zur Planung der Sanierung und Abwicklung von Kreditinstituten und Finanzgruppen (RiskAbschG, German Act on Ringfencing and Recovery and Resolution Planning for Credit Institutions and Financial Groups), which was amended to implement the EU Banking Recovery and Resolution Directive (BRRD), Clearstream and Eurex Clearing AG have prepared recovery plans. Over and above this requirement, Deutsche Börse Group has also voluntarily prepared a Group-wide recovery plan – in particular, in the event that a restructuring might become necessary for Clearstream and/or Eurex Clearing AG. In 2014, at the request of the national supervisory authorities, Clearstream and Eurex Clearing AG made a substantial contribution to the resolution plans to be developed by the supervisory authorities. Management expects this work to continue. All other companies in the Group comply with best-in-class standards for comparable companies. As a result, risk management across the Group aims to meet the highest standards.

Deutsche Börse Group wants its risk management services offering to make a sustainable contribution to society. It achieves this in particular by ensuring integrity and safety on the markets in its role as a capital markets organiser, and by increasing the distribution efficiency of the markets through its price discovery function. Deutsche Börse Group also performs important risk management functions for its customers, such as providing client asset protection solutions, and thus contributes to the efficiency and systemic stability of the capital markets. The Group's risk management ensures that it can continuously offer these services. CR

Risk strategy and risk management

Deutsche Börse Group's risk strategy is aligned with its business model and business strategy. The Group provides the infrastructure for reliable and secure capital markets, assists constructively in their regulation and plays a leading role in all of the areas in which it does business. Deutsche Börse Group's risk strategy is based on three core principles:

1. Risk limitation – protecting the company against liquidation and ensuring its continued operation

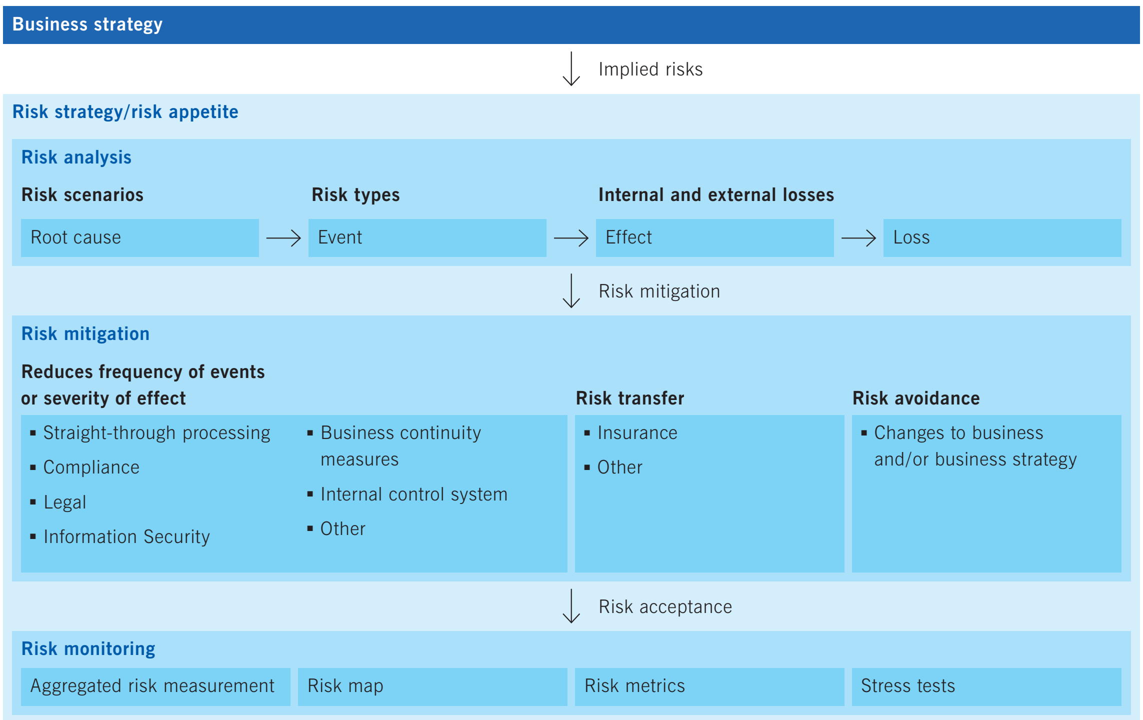
"Capital exhaustion should not occur more than once in 5,000 years and an operating loss may not be generated more than once every hundred years." This means that one goal is to ensure a probability of 99.98 per cent or more that the total capital will not be lost within the next twelve months. Another objective is to guarantee for a probability of 99.0 per cent or more that Deutsche Börse will at least break even, expressed in terms of its EBIT. In other words, this principle establishes how much risk the Group must be able to withstand while also determining its risk appetite.

2. Support for growth in the various business segments
"Risk management supports the business areas in expanding their business by working together to comprehensively identify and communicate risks." This principle aims to permit the Group to make informed strategic decisions within the scope of the risk appetite that it has defined.

3. Appropriate risk/return ratio
"The return on equity should exceed the cost of equity." Deutsche Börse Group has set itself the goal of ensuring that risk and return should be reasonably balanced, both for specific business areas in general and for individual regions, products and customers.

Management enhanced its risk management activities in 2015. Internally, these are based on the Group-wide strategy for detecting and managing risk, which is focused on its risk appetite, see the graphic entitled "Interlocking business strategy and risk strategy". Deutsche Börse AG's Executive Board has overall responsibility, and defines the framework, for risk management throughout the Group. Under these Group-wide risk management requirements, each business segment and each regulated company is responsible for managing its own risk. This coordinated process ensures, for example, that the Group and its companies can act just as quickly and effectively in the event that several systems fail simultaneously as if a single system fails.

Interlocking business strategy and risk strategy



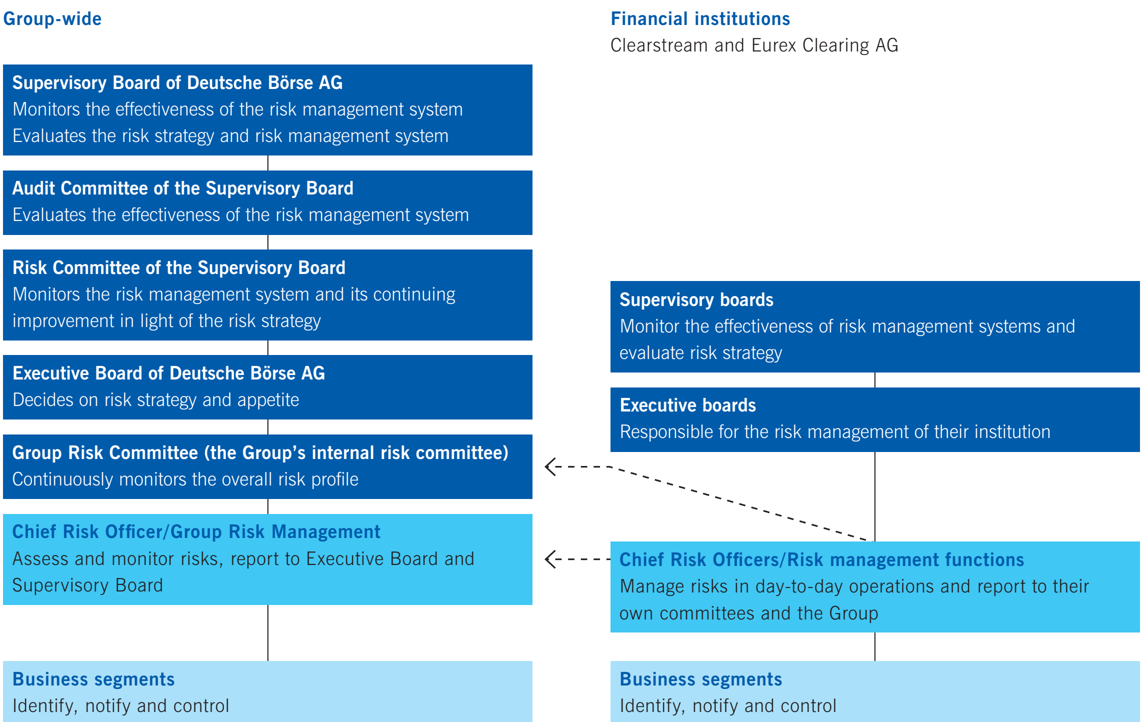
Implementation in the Group's organisational structure and workflow
The risk strategy applies to the entire Deutsche Börse Group. Risk management functions, processes and responsibilities are binding for all Group employees and organisational units. To ensure that all employees are risk-aware, risk management is firmly anchored in the Group's organisational structure and workflows and is flanked by measures such as risk management training. The Executive Board is responsible for risk management overall, whereas within the individual companies it is the responsibility of the management. The boards and committees given below regularly receive comprehensive information on risks.

Deutsche Börse AG's Supervisory Board evaluates the effectiveness of the risk management system, its continuing development and oversees the monitoring of risks. The Supervisory Board has delegated the evaluation of the effectiveness of the risk management system to the Audit Committee. The new Risk Committee reviews the risk management system, its continuing improvement and oversees the monitoring of risks. In addition, it examines the risk strategy and risk appetite on an annual basis.

Deutsche Börse AG's Executive Board determines the Group-wide risk strategy and risk appetite and allocates the latter to the company's individual business segments and business units, respectively. It ensures that the Group's risk appetite is and remains compatible with its short- and long-term strategy, business and capital planning, risk-bearing capacity and remuneration systems. It also determines what parameters are used to assess risks, how risk capital is allocated and what procedures apply. It ensures that all business units comply with these requirements for the risk strategy, risk appetite and risk limits.

The Group Risk Committee (GRC) reviews the risk position of the Group every two months and involves the Executive Board in all decisive questions. The GRC is an internal Group committee,

Risk management – organisational structure and reporting lines



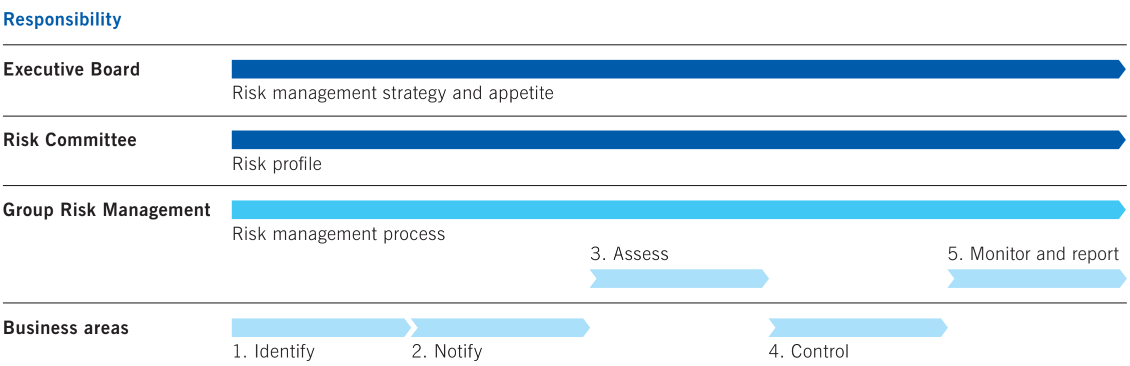
chaired by the Chief Financial Officer. In addition, the GRC regularly checks the levels of all parameters for appropriateness and, where necessary, makes recommendations to the Chief Risk Officer or the Executive Board, as to any adjustments that should be made.

Group Risk Management (GRM) is headed by the Chief Risk Officer (CRO). This unit prepares the proposals to be adopted for risk levers, i.e. the Group's risk strategy, appetite, parameters, capital allocation and procedures. GRM continuously analyses and evaluates risks and produces quantitative and qualitative reports. These are submitted six times a year to the GRC, once a month to the Executive Board, once a quarter to the Risk Committee of the Supervisory Board and twice a year to the Supervisory Board. This system means that the responsible bodies can regularly check whether the risk limits defined in the strategy are being adhered to consistently. In addition, GRM recommends risk management measures.

The Group's regulated subsidiaries act in the same way, always ensuring that they meet the requirements of the Group. In particular, they adhere to the risk appetite framework allocated to them by Deutsche Börse Group. The relevant supervisory boards and their committees are involved in the process, as are the executive boards and the risk management functions within the various business areas. Clearstream and Eurex Clearing AG, the Group's financial institutions, implement customised versions of the risk strategy, using parameters and reporting formats that are compatible with the higher-level, Group-wide structure. At Clearstream, responsibility lies with the executive board of Clearstream Holding AG, which is supervised by its supervisory board, as well as the with corresponding governing bodies of Clearstream Banking S.A. and Clearstream Banking AG; at Eurex Clearing AG, responsibility again lies with the executive board, which is also monitored by the supervisory board.

Centrally coordinated risk management – a five-stage process
Risk management is implemented in a five-stage process. The objective is to identify all potential losses in good time, to record them centrally and to evaluate them in quantitative terms as far as possible; if necessary, management measures must then be recommended and their implementation monitored (see the graphic entitled "The five-stage risk management system"). The first stage identifies the risks and the possible causes of losses or operational hitches. In the second stage, the business areas regularly – or immediately, in urgent cases – report to GRM the risks that they have identified and quantified. In the third stage, GRM assesses the risk exposure, while in the fourth stage, the business areas manage the risks by avoiding, mitigating or transferring them, or by actively accepting them. The fifth and final stage involves, for example, monitoring different risk metrics and, where necessary, informing the responsible Executive Board members and committees of significant risks, their assessment and possible emergency measures. In addition to its regular monthly and quarterly reports, GRM compiles ad hoc reports for members of the executive and supervisory

The five-stage risk management system



boards. The risk management functions at Clearstream and Eurex Clearing AG report to the respective executive boards and supervisory boards. Internal Auditing is responsible for monitoring compliance with the risk management system.

Risk management approaches and methods

Deutsche Börse Group uses quantitative and qualitative risk management approaches and methods to monitor and manage its risk profile. The aim is to provide as complete a picture as possible of its risk situation at all times.

Deutsche Börse Group uses the same approach to assess and report operational, financial and business risk: its unregulated units also use value at risk (VaR) as the uniform measure. This quantifies the risks and represents the upper limit of the accumulated losses that Deutsche Börse Group may incur within a given period of time, e.g. for the next twelve months, and for a given probability or level of confidence. Principle 1 above also defines an assumed probability or confidence level for both liquidation and continued operation as a going concern. In addition, the regulatory capital requirements for the financial institutions are determined. Furthermore, Deutsche Börse Group applies stress tests to analyse its risks.

Liquidation principle: what risk can the capital cover?

The first part of Principle 1 of its risk strategy specifies that Deutsche Börse Group is not expected to exhaust its risk-bearing capacity in more than 0.02 per cent of all years. The Group uses VaR to determine the economic capital that it requires for this (required economic capital or EC). It calculates its EC for the liquidation principle at a confidence level of 99.98 per cent so that it can protect itself financially against extreme events in the following twelve months. In line with the prudence principle, the Group assumes a correlation of one between risk types.The ECs calculated for Clearstream and Eurex Clearing AG also meet the Pillar II requirements under Basel II.

Deutsche Börse Group determines its risk-bearing capacity on the basis of its reported equity in accordance with International Financial Reporting Standards (IFRSs). It adjusts this figure for precautionary reasons, for example to take into account the fact that it may not be possible to dispose of intangible assets at their carrying amounts in cases of extreme stress. Clearstream and Eurex Clearing AG determine their risk-bearing capacity on the basis of their regulatory capital (for details, see note 20 to the consolidated financial statements).

For management purposes, GRM regularly determines the ratio of the EC to the risk-bearing capacity. This indicator is known as the utilisation of risk-bearing capacity and it answers a key risk management question: how much risk can the Group afford and what risk is it currently exposed to? The level of EC required is determined on the basis of operational risk, market risk, credit risk and business risk. The ratio of EC to risk-bearing capacity remained within the stipulated maximum risk throughout the reporting period. If this were not the case, the Group would in a worst-case scenario exhaust its entire risk-bearing capacity and would have to be liquidated ("gone concern"). The liquidation concept therefore assumes that the Group has not had to be liquidated.

Going concern principle: what risks can be absorbed by earnings?

In addition, Deutsche Börse Group uses an approach that assumes an orderly continuation of the Group in the event of a crisis ("going concern") and that uses earnings at risk (EaR) as an indicator. This indicator corresponds to the second part of Principle 1 of the Group's risk strategy, i.e. that an operating loss may occur no more than once in a hundred years. In other words, there should be a probability of 99.0 per cent or more that Deutsche Börse should at least break even (profit for the period expressed in terms of its EBIT). Under the going concern principle, the EaR determined in this way is compared with the Group's risk appetite. Risk appetite is measured in terms of the projected EBIT and is allocated to the business segments.

Regulatory capital requirements
In addition, Clearstream and Eurex Clearing AG must calculate their capital requirements for various risk types (see the graphic entitled "Deutsche Börse Group's risk profile") in line with the Pillar I requirements under Basel II and Basel III. A standardised approach is used for analysing and evaluating credit and market risk; risk weightings are applied on the basis of the relevant counterparty ratings.

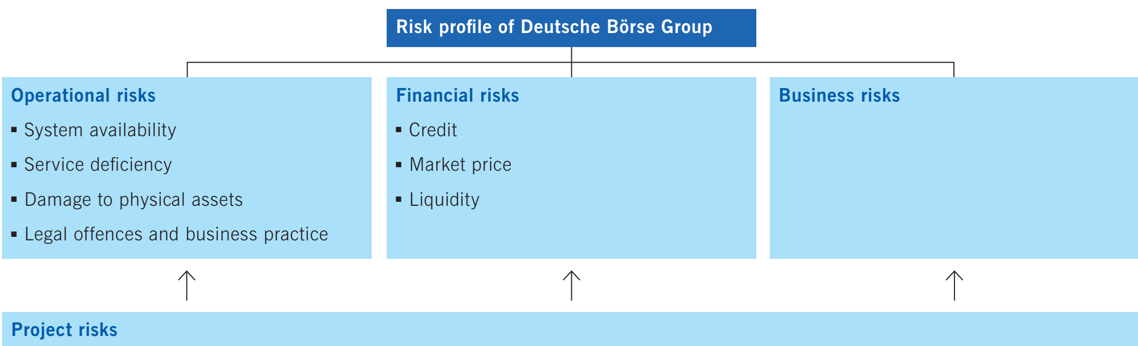
The approach taken for operational risk is different: Clearstream has used the significantly more complex advanced measurement approach (AMA) for this in all business units since 2008. This means that it meets the regulatory capital requirements for operational risk set out in the EU's Capital Requirements Regulation (CRR). The method – which has been approved and is regularly tested by BaFin – allows regulatory capital to be allocated to the regulated units. Eurex Clearing AG uses the basic indicator approach to calculate its regulatory capital for operational risk. The basic indicator is calculated using the "relevant indicator", which is derived from certain items in the income statement for the Eurex segment. A flat-rate amount of 15 per cent of the three-year average for this indicator is required as operational risk capital (for details, see note 20 to the consolidated financial statements).

Stress tests
Additionally, Clearstream uses stress tests to analyse its business risk as well as its operational and financial risk. Stress tests are also performed to determine the operational and financial risk at Eurex Clearing AG as well as Group-wide. These stress tests simulate the occurrence of extreme losses or an accumulation of major losses within a single year using defined potential risk scenarios. Both hypothetical scenarios and extreme market conditions that actually occurred in the past are calculated. Losses incurred by the Group itself in the past are not suitable because to date there has been only one case of loss on this scale (the 2013 settlement agreement with the Office of Foreign Assets Control ,OFAC). In addition, liquidity stress tests and inverse stress tests are also performed to establish the liquidity risk. These reverse stress tests determine the loss scenarios that would have to occur for the risk-bearing capacity to be exceeded.

Risk description

The following section describes the types of risk that Deutsche Börse Group generally has to manage and presents the risks it actually faces. It also explains the measures that Deutsche Börse Group uses to reduce the loss event and to minimise their financial effects. Firstly, however, what follows is a brief explanation of the risk profile, which differs from most other financial services providers, since financial risk plays a significantly smaller role for Deutsche Börse Group.

Deutsche Börse Group's risk profile



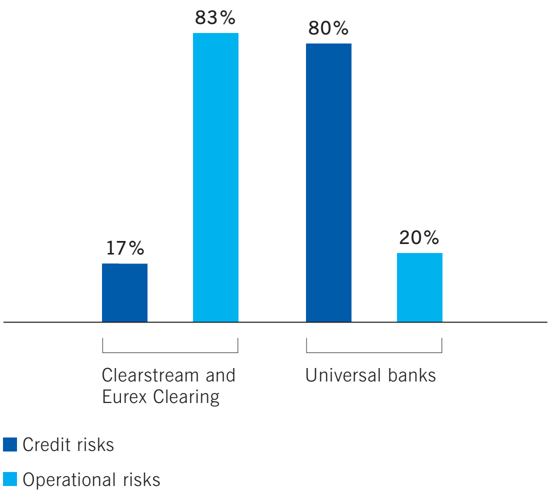
Risk profile
Deutsche Börse Group differentiates between the three standard types of risk: operational, financial and business risk. Project risks also exist but the Group does not specifically quantify these as their impact is already reflected in the three traditional risk types.

Low level of typical bank risk
The risks faced by Deutsche Börse Group's financial institutions differ fundamentally from those of other financial service providers. Clearstream and Eurex Clearing AG have a structurally lower risk in comparison with other banks because they act as intermediaries rather than, for example, having an own distinct business area that trades on the financial markets. Consequently, Deutsche Börse Group's financial institutions do not bear the substantial associated trade risk. On the contrary, they offer market participants services such as collateral and risk management to reduce their risk from trading activities. The Group's banking business mainly consists of providing reliable clearing, settlement and custody services, as well as collateral management.

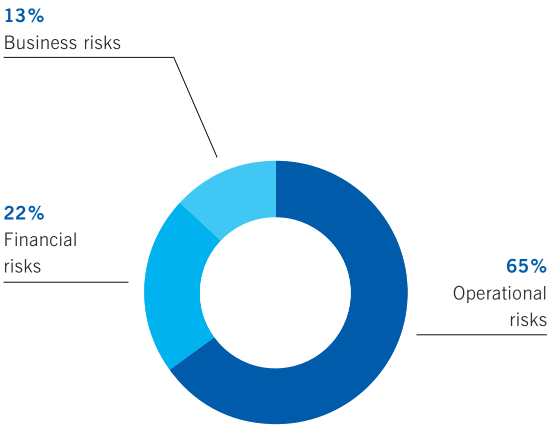
The regulatory capital requirements for Clearstream and Eurex Clearing AG are primarily due to operational risk (see the graphic entitled "Regulatory capital requirements for Clearstream and Eurex Clearing AG"). Information on the additional capital requirements under EMIR for Eurex Clearing AG and European Commodity Clearing AG is provided in note 20 to the consolidated financial statements.

Operational risk greater than financial and business risk
Utilisation of risk-bearing capacity in the liquidation principle and of risk appetite in the going concern principle are used as internal management indicators throughout Deutsche Börse Group (see the "Risk management approaches and methods" section for an explanation of these terms). In addition to the financial and operational risk already mentioned, business risk is also identified and assessed. This relates in particular to potential threats to revenue such as price pressure or loss in market share. Under the liquidation principle, financial risk amounts to approximately one-fifth of Deutsche Börse Group's total risk, while business risk represents 13 per cent of the total. This makes the third typical risk type all the more important for Deutsche Börse Group: at 65 per cent, operational risk accounts for more than half of the total risk (see the graphic entitled "Required economic capital for Deutsche Börse Group, by risk type").

Regulatory capital requirements for Clearstream and Eurex Clearing AG as at 31 December 2015



Required economic capital for Deutsche Börse Group, by risk type as at 31 December 2015



A large part of the risk is associated with the Clearstream and Eurex segments (see the graphic entitled "Required economic capital by segment"), in keeping with the proportion of sales revenue and earnings accounted for by this business. In contrast to the regulatory capital requirements, this calculation also includes business areas that are not covered by banking regulations.

A similar split can be seen for earnings at risk. Here, too, the business segments with the largest proportions of revenues and earnings – Clearstream and Eurex – have the largest shares of earnings at risk (see the "Earnings at risk by segment" graphic).

Börse Group assigns indicators to each risk exposure to estimate how likely it is to occur and what financial effect it could have. It distinguishes four probability levels (very low, low, medium and high) and four financial impact levels (low, medium, substantial and a risk to the company as a going concern). However, none of the risks assessed reach the fourth impact level either individually or in total; in other words, none jeopardises the existence of the Group as a going concern.

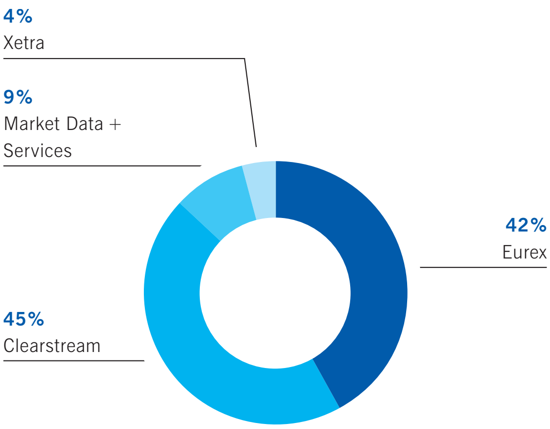
These categories can be used to assess the risk types given below as examples. The estimated probabilities of the risks occurring are categorised as follows:

- Very low: the probability of the risk occurring is less than 1 per cent
- Low: the probability of the risk occurring is equal to or greater than 1 per cent but less than 10 per cent
- Medium: the probability of the risk occurring is equal to or greater than 10 per cent but less than 50 per cent
- High: the probability of the risk occurring is equal to or greater than 50 per cent

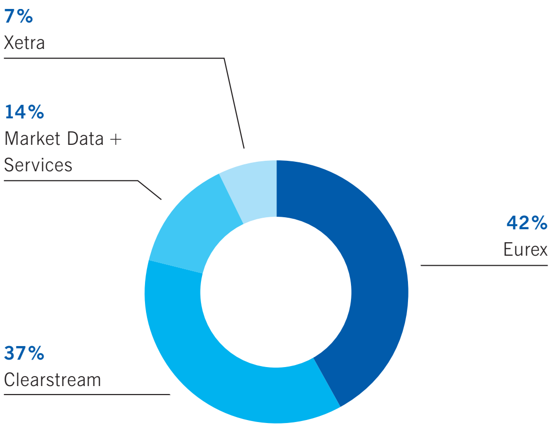
The estimated financial effects can be classified into the following four categories:

- Low: the financial loss could be up to 10 per cent of EBIT
- Medium: the financial loss could be up to 50 per cent of EBIT
- Substantial: the financial loss could be up to 100 per cent of EBIT
- Risk to the business as a going concern: the financial loss could be up to the available risk cover amount

Required economic capital by segment
as at 31 December 2015



Earnings at risk by segment
as at 31 December 2015



In the following, the risk types are first illustrated with specific examples and then explained in detail.

1. Operational risk
- Incorrect processing of client instructions (e.g. capital increases)
- Incorrect handling of the default of a large customer
- Losses from ongoing legal disputes
- Conflicting laws of different jurisdictions
- Failure of a trading system lasting up to one day

2. Financial risk
- Default of a credit counterparty
- Losses arising from the impairment of pension fund assets
- Default by a customer and an associated liquidity squeeze

3. Business risk
- Market share loss in European trading markets
- The return of the European government debt crisis

From today's perspective, none of these risks can lead to a substantial financial loss. Significant risks could arise only from a combination of extreme events that have a very low probability:

- Failure of a trading system lasting one week in a highly volatile market environment
- Simultaneous failure of several large systemically important banks
- Deliberate breaches of sanctions

These extreme events that could lead to a loss corresponding to more than 50 per cent of annual EBIT are rated as having a probability of less than 1 per cent. Such extreme events, also known as "tail risks", have not occurred to date. Tail risks may represent going concern threats for certain subsidiaries, for example if sanctions were to be deliberately contravened. GRM assesses these risks continuously and reports regularly to the Executive Board of Deutsche Börse Group on the results.

Operational risk

Operational risk for Deutsche Börse Group relates to availability, processing, material goods, litigation and business practice (see the graphic entitled "Operational risks at Deutsche Börse Group"). Personnel risks are not quantified directly, but influence the quantification process indirectly via the operational risk categories. Operational risk accounts for 65 per cent of the total Group risk.

System availability

Operational resources such as the Xetra® and T7® trading systems are essential for the services offered by Deutsche Börse Group. They should never fail, in order to ensure that market participants can trade securities or derivatives at any time and without delay. The Group therefore calculates the availability of these systems as an important risk indicator. In line with the Group's risk strategy, the business areas are responsible for monitoring the indicators.

The longer the downtime for one of these systems, the larger the potential loss. An outage could be caused by software or hardware issues, or in unlikely cases, the availability of the systems could be affected by acts of cyber crime. In the past, only limited failures have occurred both with Xetra and with T7 and its predecessor system. In practice, there has never been a system failure lasting longer than one day. Deutsche Börse Group has taken a number of measures to further minimise the risk of failure lasting an entire day or longer. This supports the view that the probability of a system failure lasting longer than a week in an extremely volatile market is very low. However, the potential financial effect of such an event could be significant if claims are justified and asserted.

In general, availability risk represents the largest operational risk for Deutsche Börse Group. The Group therefore subjects it to regular stress tests, which check not only what happens when its own systems fail but also when suppliers fail to deliver.

Service deficiency

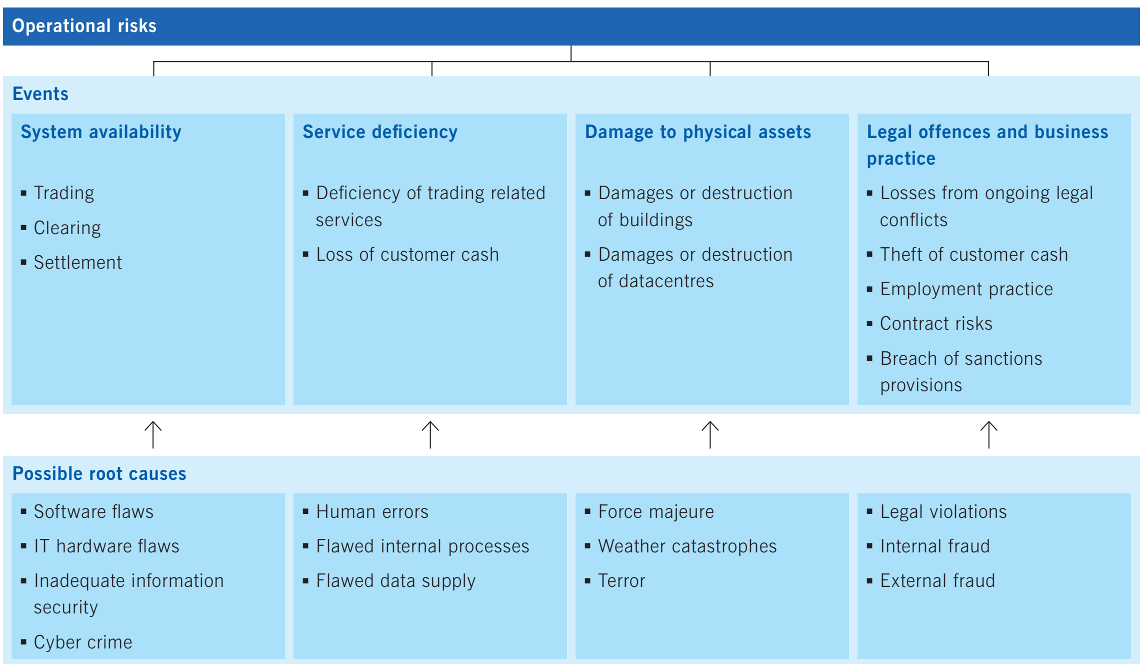
Risks can also arise if a service provided to a customer is inadequate and this leads to complaints or legal disputes. One example would be errors in the settlement of securities transactions due to defective products and processes or mistakes in manual entries. A second example is errors in handling the default of a large clearing customer. To date, defaults are rare, no such handling errors have occurred and related processes are tested at least annually, which is why the probability is considered to be very low. The potential financial loss is put at medium.

Other sources of error may be attributable to suppliers or to product defects or mistakes that may lead to the loss of client assets or mistakes in accounting processes. The Group registers all complaints and formal objections as a key indicator of processing risk.

Damage to physical assets

Natural disasters, accidents, terrorism or sabotage are other operational risks that could, for example, cause the destruction of, or severe damage to, a data centre or office building. Business continuity management (BCM) aims at averting significant financial damage (see the graphic entitled Business continuity management).

Operational risks at Deutsche Börse Group



Legal offences and business practice

Losses can also result from ongoing legal proceedings. Deutsche Börse judges the probability that this operational risk will occur to be medium, although the losses involved could be substantial. As a result, GRM continually monitors ongoing legal proceedings. These can be brought if Deutsche Börse Group breaches laws or other requirements, enters into inadequate contractual agreements or fails to monitor and observe case law to a sufficient degree. Legal risk also includes losses due to fraud and labour law issues. This could entail, for example, losses resulting from insufficient anti-money laundering controls or breaches of competition law or of banking secrecy. Such operational risks can also arise if government sanctions are not observed, e.g. in case of conflicting laws of different jurisdictions, or in the event of breaches of other governmental or higher-order regulations.

On 12 November 2012, the Chicago Board Options Exchange (CBOE) filed a patent infringement law suit against the International Securities Exchange (ISE) (the "CBOE Litigation"). In the CBOE Litigation, CBOE alleges US$525 million in damages for infringement of three patents, which relate to systems and methods for limiting market-maker risk. ISE believes that CBOE's damages claim lacks merit because it is unsupported by the facts and the law. ISE intends to vigorously defend itself in this lawsuit. Upon ISE's motion, the case was stayed, pending the outcome of certain petitions filed by ISE with the U.S. Patent and Trademark Office (USPTO) in which ISE sought to invalidate the CBOE patents. On 2 March 2015, the USPTO has partially granted ISE's petitions and has issued decisions determining that all three CBOE patents are at least insofar invalid as they constitute unpatentable abstract ideas. These decisions have been appealed by CBOE to the U.S. Court of Appeals for the Federal Circuit. A decision on those appeals is expected in quarter 2 / 2016.

In its 2012 corporate report, Deutsche Börse Group informed about proceedings, Peterson vs Clearstream Banking S.A., the first Peterson proceeding, initiated by various plaintiffs seeking turnover of certain customer positions held in Clearstream Banking S.A.'s securities omnibus account with its US depository bank, Citibank NA, and asserting direct claims against Clearstream Banking S.A. for damages of US$250 million. That matter was settled between Clearstream Banking S.A. and the plaintiffs and the direct claims against Clearstream Banking S.A. were abandoned.

In July 2013, the US court ordered turnover of the customer positions to the plaintiffs, ruling that these were owned by Bank Markazi, the Iranian central bank. Bank Markazi appealed, and the decision was affirmed on 9 July 2014. Bank Markazi has sought review in the Supreme Court. Once that process is complete, if the funds are turned over, a related case, Heiser vs Clearstream Banking S.A., also seeking turnover of the same assets, will be dismissed.

On 30 December 2013, a number of US plaintiffs from the first Peterson case, as well as other US plaintiffs, filed a complaint targeting restitution of certain blocked assets that Clearstream Banking S.A. holds as a custodian in Luxembourg. In 2014, the defendants in this action, including Clearstream Banking S.A., moved to dismiss the case. On 19 February 2015, the US court issued a decision granting the defendants' motions and dismissing the lawsuit. On 6 March 2015, the plaintiffs appealed the decision to the Second Circuit Court of Appeals.

On 2 April 2014, Clearstream Banking S.A. was informed that the United States Attorney for the Southern District of New York has opened a grand jury investigation against Clearstream Banking S.A. due to Clearstream Banking S.A.'s conduct with respect to Iran and other countries subject to US sanction laws. Clearstream Banking S.A. is cooperating with the US attorney.

A dispute has arisen between MBB Clean Energy AG (MBB), the issuer of a bond eligible in Clearstream Banking AG, and end investors. MBB issued a first tranche of the bond in April 2013 and a second tranche of the bond in December 2013. The global certificates for the two tranches of the bond were delivered into Clearstream Banking AG by the paying agent of the issuer. The dispute relates to the non- payment of the second tranche of the bond with a nominal value of €500 million and the purported lack of validity of the bond. Clearstream Banking AG's role in the dispute on the purported lack of validity of the MBB Clean Energy AG bond is primarily to safekeep the global note, deposited by the paying agent of the issuer, as national central securities depository. At this stage, it is unclear if and to what extent potential damages exist and if so who would ultimately be responsible. Provisional insolvency proceedings have meanwhile been opened in respect of the issuer, MBB Clean Energy AG.

Measures to mitigate operational risk

Deutsche Börse Group takes specific measures to reduce its operational risk. Among them are emergency and contingency plans, insurance policies, measures concerning information security and the physical safety of employees and buildings as well as precautions to ensure that the applicable rules are observed (compliance).

Emergency and contingency plans

It is essential for Deutsche Börse Group to provide its products and services as reliably as possible. The Group has to maintain its business operations and safeguard against emergencies and disasters. If its core processes and resources are not available, this represents not only a substantial risk for the entire Group but also even a potential systemic risk for the financial markets in general. As a result, Deutsche Börse Group has set up a system of emergency and disaster plans covering the entire Group (business continuity management, BCM). This covers all processes designed to ensure continuity of operations in the event of a crisis and significantly reduces availability risk. Measures include precautions relating to all important resources (systems, workspaces, employees, suppliers), including the redundant design of essential IT systems and the technical infrastructure, as well as emergency measures designed to mitigate the unavailability of employees or workspaces in core

Business continuity management

Emergency and crisis management process

Systems
- Trading, clearing and settlement systems designed to be available at all times
- Duplication of all data centres to contain failure of an entire location

Workstations
- Emergency arrangements for all essential functions
- Fully equipped emergency workspaces, ready for use at all times
- Remote access to systems by numerous employees

Employees
- Option to move essential areas of operations to other sites if staff in one site are not able to work
- Additional precautions to ensure that operations remain active in the event of a pandemic

Suppliers
- Contracts and agreed plans of action for suppliers and service providers to specify emergency procedures
- Careful and continuous check of suppliers' emergency preparations
- Replacement of suppliers that do not meet the requirements

functions at all important locations. Examples of such precautions are listed in the graphic entitled "Business continuity management".

Preparations for emergencies and crises

The Group has introduced and tested a management process for emergencies and crises that enables it to respond quickly and in a coordinated manner. This is intended to minimise the effects on business processes and on the market and to enable a quick return to regular operations. All business segments have appointed emergency managers to act as central contacts and take responsibility during emergencies and crises. The emergency managers inform the Executive Board or raise the alarm with them in the case of severe incidents. In the event of a crisis, the Executive Board member responsible acts as the crisis manager. The emergency and contingency plans are tested regularly by realistically simulating critical situations. Such tests are generally carried out unannounced. The test results are evaluated based on the following criteria:

- Functionally effective: the measures must be technically successful.
- Executable: the employees must be familiar with the emergency procedure and be able to execute it.
- Timely: emergency measures must ensure that operations restart within the intended time period.

Information security

Information security attacks and cybercrime represent operational risks for Deutsche Börse Group. Cybercrime is increasingly becoming a focus for organised crime and now features high on the list of crime statistics year after year. It is a threat to all financial services providers, to credit institutions and to Deutsche Börse Group. Due to the growing danger from cyber criminals and increasing regulatory requirements, the Group is focused on mitigating these specific risks and expanding its information security measures.

The Group operates a situation centre (Computer Emergency Response Team, CERT), which detects and assesses threats from cybercrime in cooperation with national and international financial intelligence units at an early stage and coordinates risk mitigation measures in cooperation with the business areas. In addition, a process has been established to continually adapt information security at Deutsche Börse Group to the growing and constantly changing requirements and to incorporate regulatory requirements at an early stage. In 2015, Group Information Security launched an extensive programme designed to raise staff awareness for the responsible handling of information and to improve staff conduct in this aspect.

Physical security

Deutsche Börse Group places great importance on physical security issues. Corporate Security has developed an integral security concept to protect the company, its employees and values from external attacks. A highly qualified security staff assess the security situation permanently and are in close contact with local authorities and security departments of other companies.

In an increasingly competitive global market environment, know-how and confidential company information bear the potential of a major financial advantage to outsiders or competitors. Deutsche Börse applies state-of-the-art technology to prevent its knowledge from being obtained illegally, i.e. through wiretapping. Corporate Security is also responsible for the safety of employees on business trips and has established the worldwide "Travel Tracker" service in 2015.

Insurance policies

Operational risks that Deutsche Börse Group cannot or does not wish to bear itself are transferred to insurance companies, if this is possible at a reasonable price. The insurance policies are checked individually and are approved by Deutsche Börse AG's CFO.

Compliance CR

The compliance function, in cooperation with the individual business segments, has the task of protecting the Group against a variety of monetary and nonmonetary risks, such as reputational damage in the markets it serves, in light of supervisors, or the general public.

Deutsche Börse Group pursues an enterprise-wide approach to its compliance function, ensuring that applicable laws and regulatory requirements are followed with respect to individual legal entities, while aligning dedicated legal entity compliance and regulatory personnel through a common reporting structure to the Group Chief Compliance Officer. Wherever efficient and practical, the Group pursues the development of common compliance policies and supporting tools.

As a further step in the enhancement of Group compliance over the past few years, in the course of 2015, the compliance function was realigned into three sub-sections: Compliance Regulatory to identify and monitor evolving legal and regulatory requirements for the financial products and services the Group provides; Compliance Services to carry out monitoring and controls; and Compliance Strategy to pursue continuing improvement projects. The Group significantly increased its dedicated compliance personnel in major offices around the world, and closely aligned its work with the business areas and other control functions to form a solid second line of defence. Further investments continue to be made into compliance IT systems that provide for a more consistent and data driven approach to risk mitigation.

Deutsche Börse Group has significantly enhanced its due diligence procedures with respect to its customers, members and counterparties. Since its products and services as a provider of financial market infrastructures are often focused on other financial intermediaries at the wholesale level, our cooperative approach seeks to raise the standards throughout the industry and enhance the integrity of financial markets for all participants. Among the notable efforts championed by Deutsche Börse Group and Clearstream was the adoption in September 2015 by the International Securities Services Association (ISSA) of the Financial Crime Compliance Principles for Securities Custody and Settlement. The Group is committed to implementing and promoting these industry standards.

The compliance function will continue its efforts to strengthen the compliance culture throughout the Group. It pursues a best-in-class approach and contributes to the business strategy through an advisory role to develop solutions for our customers in the ever evolving financial regulatory environment.

Financial risks

Deutsche Börse Group classifies its financial risk into credit, market and liquidity risk (see the graphic entitled “Financial risk at Deutsche Börse Group”). At Group level, these risks account for about 22 per cent of the entire risk profile (this information only includes credit and market risk; liquidity risk is not quantified as part of the EC; see note 36 to the consolidated financial statements). They primarily apply to the Group’s financial institutions. As a result, the following explanation focuses on Clearstream and Eurex Clearing AG.

Credit risk

Credit risk describes the danger that a counterparty might not meet its contractual obligations, or not meet them in full. Measurement criteria include the degree to which the credit line has been utilised, the collateral deposited and concentration risk. Although Clearstream and Eurex Clearing AG often have short-term claims against counterparties totalling several billion euros overall, these are secured in most cases by collateral deposited by the market participants. The Group also regularly assesses the reliability of emergency plans for Eurex Clearing AG in the case of a credit default. The reliability of the emergency plans for Clearstream was assessed for the first time in 2015. It is planned to repeat this assessment on a regular basis and to develop it further.

Furthermore, Clearstream Banking S.A. is exposed to credit risk arising from its strategic securities lending transactions (ASLplus). Only selected banks act as borrowers. All borrowing transactions are fully collateralised. Only selected bonds may be used as collateral; these must be rated at least A+ by the Standard & Poor’s (S&P) rating agency or the equivalent from other agencies. In the case of short-term securities without individual ratings, the issuers must be rated at least A–1.

Clearstream grants credits to its customers in order to make settlement more efficient. This type of credit business is, however, fundamentally different from the classic lending business. First, credit is extended solely on a very short-term basis, normally for less than a day. Second, it is largely collateralised and granted to clients with high creditworthiness. Furthermore, the credit lines granted can be revoked at any time.

Under its terms and conditions, Eurex Clearing AG only enters into transactions with its clearing members. Clearing mainly relates to defined securities, rights, derivatives and emission allowances that are traded on specific stock exchanges. Eurex Clearing AG also offers this service for some over-the-counter (OTC) products such as interest rate swaps and forward rate agreements. It serves as an intermediary between the parties to the transaction (central counterparty) in order to reduce its customers’ credit risk by offsetting receivables. Clearing members deposit collateral with Eurex Clearing AG to reduce the bilateral default risk.

Financial risks at Deutsche Börse Group

To date, no default by a borrower with a secured credit line has resulted in material financial losses. Deutsche Börse Group continues to view the probability that one of its counterparties could become insolvent and that this could lead to losses for the Group as low. It considers the impact of such an event to be low if the credit line in question is collateralised and medium if it is uncollateralised. The probability of a counterparty to an uncollateralised credit defaulting is considered to be very low.

Credit risk can also arise from cash investments. The Treasury department is responsible here, and has Group-wide authority. Treasury largely makes collateralised investments of funds belonging to Group companies as well as Clearstream and Eurex Clearing AG customers. To date, counterparty default has not led to any material loss for the Group. The probability that the default of a counterparty to an uncollateralised cash investment could lead to a loss is considered to be low, although the financial loss itself could be significant. The financial impact of several large, systemically important banks defaulting simultaneously could have a medium impact. The probability of this scenario occurring is considered to be very low.

From 2016 onwards, investment losses on currencies for which Eurex Clearing AG has no access to the respective central banks will be borne, on a pro-rata basis, by Eurex Clearing AG and by those clearing members active in the currency where losses were incurred. The maximum amount which each clearing member will have to contribute in this manner is the total amount such clearing member has pledged with Eurex Clearing AG as cash collateral in this currency. The maximum amount to be borne by Eurex Clearing AG is €50 million.

Reducing credit risk

Clearstream and Eurex Clearing AG assess the creditworthiness of potential customers or counterparties to an investment before entering into a business relationship with them. The companies do this in the same way: they determine the size of individual customers' credit lines based on regular creditworthiness checks, which they supplement with ad hoc analyses if necessary. They define haircuts for securities posted as collateral depending on the risk involved, and continually review their appropriateness. Clearstream includes all relevant risk factors when determining the haircut and allocates a specific deduction to each. The total haircut is calculated by adding together the individual margins for the risk factors concerned.

In addition, in order to identify potential concentration risks from individual counterparties, Clearstream analyses the VaR at the level of the Clearstream Holding group. For this purpose, a credit risk VaR is calculated at the level of individual counterparties and compared with the overall credit risk VaR. Due to its business model, Clearstream focuses almost exclusively on financial sector customers. However, there is no material concentration of credit risk either on individual counterparties or on individual countries.

Given the size and volatility of its clients' liabilities, Eurex Clearing AG has developed a leading-edge collateral management system, which is described in detail in the following section.

Safety for both participants and the clearing house

Each clearing member must prove that it has capital equal to at least the amounts that Eurex Clearing AG has defined for the different markets. The amount of capital for which evidence must be provided depends on the risk. To mitigate Eurex Clearing AG's risk that clearing members might default before settling open transactions, members are obliged to deposit collateral in the form of cash or securities (margins) on a daily basis and, if required, to meet additional intraday margin calls.

Eurex Clearing AG only permits securities with a high credit quality to be used as collateral. It continually reviews what collateral it will accept and uses haircuts with a confidence level of at least 99.9 per cent to cover market risk. It applies an additional haircut to collateral from issuers in high-risk countries or excludes them from being furnished as collateral altogether. Risk inputs are checked regularly and the safety margins are calculated daily for each security. In addition, a minimum safety margin applies to all securities.

Margins are calculated separately for clearing member accounts and client accounts. Gains and losses resulting from intraday changes to the value of financial instruments are either settled in cash by the counterparties (variation margin) or deposited with Eurex Clearing AG as collateral by the seller due to the change in the equivalent value of the item (premium margin). In the case of bond, repo or equity transactions, the margin is collected from either the buyer or the seller (current liquidating margin), depending on how the transaction price performs compared to the current value of the financial instruments. The purpose of these margins is to offset gains and losses.

In addition, Eurex Clearing AG uses additional collateral to protect itself in the case of default by a clearing member against any risk that the value of the positions in the member's account will deteriorate in the period before the account is settled. This additional collateral is known as the additional margin in risk-based margining and the initial margin in the Prisma method (portfolio-based risk management). The target confidence level here is at least 99.0 per cent. Eurex Clearing AG checks regularly whether the margins match the requested confidence level and currently calculates the margins using both risk-based margining and the Prisma method. The new Prisma method is already available for the most important product groups: equity derivatives, equity index derivatives and derivatives on fixed-income products. The intention is for this method to fully replace risk-based margining by the end of December 2016. The new method takes the clearing member's entire portfolio as well as historical and stress scenarios into account when calculating the margin requirements. The objective is to cover market fluctuations for the entire liquidation period until the account is settled.

In addition to the margins for current transactions, each clearing member contributes to a clearing fund, with the contributions based on its individual risk profile. This fund is jointly liable for the financial consequences of a default by a clearing member to the extent that this cannot be covered by the member's individual margin, and its own and Eurex Clearing AG's contributions to the clearing fund. Eurex Clearing AG uses regular stress tests to check whether its clearing funds match the risks. This involves subjecting all current transactions and their collateral to market price fluctuations at a confidence level of at least 99.9 per cent. In order to be able to determine potential losses in excess of a clearing member's individual margins, the impact on the clearing fund of a potential default is simulated. Eurex Clearing AG has defined limits which, when exceeded, trigger an immediate adjustment to the size of the clearing fund if necessary. The following lines of defence are available for the case that a clearing member is unable to meet its obligations to Eurex Clearing AG due to a delay in performance or a default:

- First, the relevant clearing member's outstanding positions and transactions can be netted and/or closed from a risk perspective by entering into appropriate back-to-back transactions, or they can be settled in cash.
- Any potential shortfall that might be incurred in connection with such a closing or cash settlement, as well as the associated costs, would be covered in the first instance by the collateral provided by the clearing member concerned. As at 31 December 2015, collateral amounting to €56,550.4 million had been provided for the benefit of Eurex Clearing AG (after haircuts).
- After this, the relevant clearing member's contribution to the clearing fund would be used to cover the open amount. Contributions ranged from €1 million to €429 million as at 31 December 2015.
- Any remaining shortfall would initially be covered by a contribution to the clearing fund by Eurex Clearing AG. Eurex Clearing AG's contribution amounted to €50 million as at 31 December 2015.
- Only then would the other clearing members' contributions to the clearing fund be used proportionately. As at 31 December 2015, the volume of Eurex Clearing AG's clearing fund stood at €4,361.8 million. After the contributions have been used in full, Eurex Clearing AG can request additional contributions from each clearing member, which can be up to twice as high as their original clearing fund contributions.
- After this, a letter of comfort has been issued by Deutsche Börse AG. In it, Deutsche Börse AG states that it would provide Eurex Clearing AG with up to €700 million to cover any remaining losses. The letter of comfort may only be used for losses from on-exchange transactions.
- Finally, in the case of a shortfall, Eurex Clearing AG's remaining equity of €265 million as at 31 December 2015 would be utilised.

In the future, Eurex Clearing AG intends to adjust its capital structure in order to further strengthen the lines of defence. In particular, Eurex Clearing plans:

1. to increase its own clearing fund contribution by €50 million at the beginning of 2016 and to add a further €50 million in 2017 to in total €150 million, and
2. to make additional own contributions of maximum €300 million where Eurex Clearing requests additional contributions from clearing members, and in this context, to harmonise the waterfall structure in the event of a default (as outlined above) with the letter of comfort provided by Deutsche Börse AG of €600 million. The letter of comfort will be available to cover any losses.

In the event of default by a clearing member, the Default Management Process (DMP) is triggered. Its purpose is to rebalance the CCP, and thus to protect the non-defaulting participants from any negative consequences resulting from the default. Every product cleared by Eurex Clearing AG is clearly assigned to a so called liquidation group. Products within a single liquidation group share similar risk characteristics and can be liquidated simultaneously if a clearing member defaults. The DMP is conducted at liquidation group level; all positions held by the defaulted clearing member and belonging to the same liquidation group are jointly transferred to other participants via an auction or an independent sale. The clearing fund is segmented along these liquidation groups, based on their respective margin requirements. Should the cost of liquidation exceed the defaulter's resources, Eurex Clearing AG will always make a contribution itself before the mutual clearing fund is utilised. During liquidation, Eurex Clearing AG can convene committees of market experts (default management committees) to advise on and support all liquidation activities.

Eurex Clearing AG has dealt with three defaults of clearing members to date: Gontard & MetallBank, Lehman Brothers and MF Global. In all cases, the non-defaulters were fully protected by the CCP, as the liquidation costs were met without resort to Eurex Clearing AG's own capital or the clearing fund. A substantial portion of the defaulters' margin remained unused and was returned to them.

Deutsche Börse Group reduces its risk when investing funds belonging to Group companies and client funds by distributing investments across multiple counterparties, all with a high credit quality, by defining investment limits for each counterparty and by investing funds primarily in the short term and in collateralised form if possible. Investment limits are established for each counterparty on the basis of regular credit checks and using ad hoc analyses, as necessary. Since extending its licence as an investment and credit institution under the Kreditwesengesetz (German Banking Act), Eurex Clearing AG can also use Deutsche Bundesbank's permanent facilities.

Clearstream and Eurex Clearing AG run stress tests to analyse scenarios such as the default of their largest counterparty. The figures determined in this way are compared with the limits defined as part of the companies' risk-bearing capacity. In addition, the impact of several clearing counterparties defaulting at the same time is calculated for Eurex Clearing AG. A special stress test examines Clearstream Banking S.A.'s credit risk exposure from the settlement procedure with Euroclear. Moreover, inverse stress tests are calculated to determine the number of counterparties that would have to default for losses to exceed the risk cover amount. In the course of the stress tests run in financial year 2015, the identified risks have been further analysed and appropriate measures to reduce risk have been implemented.

Deutsche Börse Group tracks a variety of risk indicators in addition to its risk measures (EC, earnings at risk and the credit risk stress tests performed). These include the extent to which individual clients utilise their credit lines, and credit concentrations.

Market risk

Market risk in the operating business results from interest rate or currency fluctuations. Deutsche Börse Group measures this risk using earnings-based sensitivity analyses for extreme interest rate or exchange rate fluctuations. It avoids open currency positions whenever possible. Additional market risk could result from Deutsche Börse Group's ring-fenced pension plan assets (Contractual Trust Agreement, Clearstream pension plan in Luxembourg). At the end of 2014, the Group reduced the risk of market price fluctuations by deciding to invest a predominant proportion of the pension fund on the basis of an absolute return approach, including a value preservation mechanism. The probability of a significant market risk occurring in this context is low, and the Group also considers the impact to be low.

Liquidity risk

Liquidity risk applies if a Deutsche Börse Group company is unable to meet its daily payment obligations or if it can only do so at a higher refinancing cost. Operational liquidity requirements are met primarily internally by retaining funds generated. The aim is to maintain enough liquidity to meet operating costs for one quarter (currently between €150 million and €250 million). An intra-Group cash pool is used to pool surplus cash from subsidiaries on a Deutsche Börse AG level, as far as regulatory and legal provisions allow. Liquid funds are invested exclusively in the short term in order to ensure that they are available. Short-term investments are also largely secured by liquid bonds from first-class issuers. Deutsche Börse AG has access to short-term external sources of financing, such as agreed credit lines with individual banks or consortia, and a commercial paper programme. In recent years, Deutsche Börse AG has leveraged its access to the capital markets to issue corporate bonds in order to meet its structural financing needs.

Since Clearstream's investment strategy aims to be able to repay customer deposits at all times, liquidity limits are set carefully. In addition, extensive sources of financing are available at all times, such as ongoing access to the liquidity facilities at Deutsche Bundesbank and Banque Centrale du Luxembourg.

Due to its role as a central counterparty, Eurex Clearing AG has strict liquidity guidelines and its investment policy is correspondingly conservative. Regular analyses ensure the appropriateness of the liquidity guidelines. In addition, Eurex Clearing AG can use Deutsche Bundesbank's permanent facilities, as mentioned above.

The key liquidity risk for Deutsche Börse Group lies in customer default. If a clearing member of Eurex Clearing AG defaults, its member position is liquidated. If a Clearstream customer defaults, the – generally collateralised and intraday – credit line granted to increase settlement efficiency would be called in, and the collateral provided by the client could then be liquidated. Deutsche Börse Group estimates the probability of this risk to be low, with the possibility of medium financial losses. However, the key risk in this context lies not in financial losses but in the danger that the Group may not be able to meet its obligations, or may not be able to meet them in a timely manner. Especially since banks reduced their market making activities as a response to the stricter regulatory capital requirements, the risk of declining liquidity in the capital markets occurs. Any uncertainty in the market as a result of a possible counterparty default would increase the liquidity risk of Deutsche Börse Group even more.

In addition, regular stress tests are performed on the liquidity risk to which Clearstream and Eurex Clearing AG are exposed. Clearstream and Eurex Clearing AG had sufficient liquidity at all times in the stress tests performed in 2015.

Business risk

Business risk reflects the fact that the Group depends on macroeconomic developments and is influenced by other external events, such as changes in the competitive environment or regulatory initiatives. It therefore expresses the risks associated with the Group's business environment and sector. It also includes business strategy risk, i.e. the impact of risks on the business strategy and possible adjustments to it. These business risks are represented as variance analyses of planned and actual EBIT, and are monitored constantly by the divisions. Their weighting for the Group accounts for about 13 per cent of the total risk. Business risk may result in revenues lagging budget projections or in costs being higher.

Business risk includes the risk that competitors, such as the CurveGlobal, Chicago Mercantile Exchange (CME) and Intercontinental Exchange (ICE) derivatives exchanges or the Nasdaq OMX stock exchange, might increase their market shares on the European trading markets (both on- and off-exchange). Deutsche Börse Group estimates the probability of a minor loss in market share as medium but the resulting impact to be relatively low.

If a peripheral state were to leave the euro zone or if a state were to become insolvent, this could mean that government bonds would not be redeemed or only would be redeemed in part. This might have a negative influence on Deutsche Börse Group's customers and reduce their trading volume in the future. Currently, the Group still views the probability of this risk occurring as low, and the possible consequences as medium.

Additional business risks may arise from regulatory requirements or from the economic environment. For example, increased transparency requirements and new rules on licensing indices used as benchmarks in MiFID II and MiFIR could negatively impact the revenue of the Market Data + Services segment as well as the Eurex trading venue. The introduction of a financial transaction tax, which continues to be supported by ten European states, could significantly reduce trading activity on both Eurex and Xetra. This would go hand in hand with lower revenue not only for the marketplaces but also for all post-trading businesses, and hence for the entire Group. A sustained period of weak trading activity on the market also represents a risk for Deutsche Börse Group simulates different scenarios in stress tests. These simulate the simultaneous occurrence of different business risks, such as the negative effects of stronger competition plus a reduction in business due to new regulations.

Project risk

Project risk could result from the implementation of ongoing projects (such as the launch of new products, processes or systems) and could have a material impact on one or more of the three other risk categories (operational, financial and business risk). Project risk is not broken down further. Such risks are evaluated by the project owner and GRM and are already taken into account in the initial phase of substantial projects. For example, the implementation of the TARGET2-Securities settlement system is an important project for Clearstream at present. CleAR – which aims to develop an even more powerful platform for Eurex Clearing AG's clearing system – is another key Deutsche Börse Group project. Ultimately, project risk has an operational, financial or business impact, which is why it is quantified as part of these risk types. Ongoing monitoring and controls ensure that project delivery risks are continually analysed and evaluated.

Overall assessment of the risk situation by the Executive Board

Deutsche Börse AG's Executive Board is responsible for risk management throughout the Group and regularly reviews the entire Group's risk situation. Its summary of the situation in 2015 is given here, and is followed by a brief look at the coming financial year.

Summary

Additional external risk factors emerged for Deutsche Börse Group's business in the past financial year. A slight increase in Deutsche Börse Group's operational risk was identified; this was mainly due to the Group's higher business availability risk, resulting partially from the increased threat of cyber crime. In addition, business risk has increased year-on-year. This was primarily due to the possibility of additional regulatory risks as well as increased competition. The Group identified these factors early on and took appropriate countermeasures. As a result, Deutsche Börse Group's risk profile remained broadly stable. Deutsche Börse Group's risks were covered by sufficient risk-bearing capacity at all times during the reporting period, i.e. the allocated risk appetite limits were complied with.

Key figures for the liquidation principle as at 31 December 2015

		Deutsche Börse Group	Eurex	Xetra	Clearstream	Market Data + Services
Required economic capital	€m	2,159	898	94	976	191
Risk-bearing capacity	€m	2,999	1,371	214	1,184	230
Utilisation	%	72	65	44	82	83
Early warning limit	%	85	85	85	85	85

As at 31 December 2015, the Group's EC amounted to €2,159 million, an 11 per cent increase year-on-year (31 December 2014: €1,939 million). The available risk bearing capacity increased by 16 per cent to €2,999 million year-on-year (31 December 2014: €2,591 million). Earnings at risk as at 31 December 2015 were €646 million, while risk appetite was €1,012 million, based on the adjusted EBIT in 2015.

Deutsche Börse AG's Executive Board is convinced that the risk management system is effective. The Board continues to strengthen the system and the control function responsible for it. The Group-wide strategy to capture and manage risk, which focuses on risk appetite, forms the basis for internal risk management. It is codified in the three principles described in this report.

Outlook

The Group continually assesses its risk situation. Based on stress tests, on the EC calculated and on the risk management system, Deutsche Börse AG's Executive Board concludes that the available risk cover amount is sufficient. Furthermore, it cannot identify any risk that could endanger the Group's existence as a going concern.

In 2016, the aim is to further strengthen Group-wide risk management. For instance, the Group plans to analyse its risks in a more detailed manner on a single-client and on a business segment level. By identifiying client-specific and business segment-specific risk drivers, the EC will also be monitored on these levels. This will enable Deutsche Börse Group to manage risks on these levels. Moreover, it plans to extend its business continuity measures in the event of emergencies (or crises), to include additional functions over and above business-critical units.

Report on opportunities

Organisation of opportunities management

Deutsche Börse Group's opportunities management aims to identify, evaluate and assess opportunities as early as possible and to take appropriate measures in order to transform opportunities into business success.

Deutsche Börse Group evaluates organic growth opportunities both on an ongoing basis throughout the year in the individual business areas and systematically at Group level as part of its annual budget planning process. Suggestions from the Group's business areas for new products, services or technologies serve as the starting point. The process begins with a careful analysis of the market environment: this considers both customer wishes and factors such as market developments, competitors and regulatory changes.

Ideas for growth initiatives are developed further using uniform, Group-wide templates and subjected to a profitability analysis. Qualitative aspects are documented in a business plan, and expenses and revenues are projected in detail for multiple years.

Once a business plan and profitability analysis have been prepared for a specific growth initiative, the Executive Board of Deutsche Börse AG decides on its implementation. This decision is taken as part of the annual budget planning process. The initiatives that, after taking into consideration the associated risks, add the most value and that can be financed from the budget allocated to the business area are selected by the Executive Board and included in the budget.

Budgeting for growth initiatives involves reserving a full-year budget comprising expenditures and expenses for each selected growth initiative included in the investment portfolio. The budget is then approved by the Executive Board of Deutsche Börse AG over the course of the year, in line with the project phases. This ensures that funding approval is linked to project progress and that projects are reviewed regularly. It also gives the Executive Board the opportunity to adjust the deployment of the funds reserved for the year as a whole and to react to general business developments – if required, new growth initiatives can for example be approved in the course of the year.

Regular reporting is used to monitor growth initiatives as part of the intraperiod budget approval process. The Group Management Committee, which also comprises the members of Deutsche Börse AG's Executive Board, receives a monthly report on the status and progress of initiatives that are currently being implemented. This report is coordinated by central functions in cooperation with the individual projects from the business areas and compares planned costs and revenues with actual budget utilisation and actual revenues. In addition, the financial planning is adjusted, forecasts are updated and changes to the scope of the project are made transparent. Checks are made to establish whether milestones have been reached and project-specific risks and the countermeasures taken are described.

Organic growth opportunities

When assessing organic growth opportunities, Deutsche Börse Group makes a basic distinction between structural and cyclical opportunities. Structural opportunities arise, for example, as a result of regulatory changes or new customer requirements, and can be influenced directly by the company. Cyclical opportunities, which are driven by macroeconomic changes, cannot be influenced directly by the company.

Structural growth opportunities

The focus of Deutsche Börse Group's structural growth potential is on product- and service-driven initiatives designed to satisfy new client needs as well as regulatory requirements. In order to ensure the Group is optimally positioned and in order to explore new opportunities, the Group has gradually realigned its organisational structure since announcing the "Accelerate" growth programme in July 2015. Moreover, it regularly examines options for growth in high-potential asset classes, products or services – organically or through external acquisitions and cooperations.

Organisational measures supporting the Group's growth ambitions include the global coordination of sales activities, as well as cross-divisional product development. On top of this, Deutsche Börse AG has realigned the assignment of responsibilities on its Executive Board, with effect from 1 January 2016 – placing client focus at the heart of its organisational structure, as announced with the introduction of "Accelerate". With the steps taken, Deutsche Börse Group has bundled related areas in Executive Board portfolios, thus accelerating process flows and simplifying them – in the interest of the Group's clients. Within the framework of "Accelerate" and the related organisational changes, the Group anticipates realising potential for additional new business – especially through bundling Group-wide product development as well as sales activities. These opportunities will develop over time, which is why they have not been quantified in expected additional revenue.

Overall, the Group anticipates the strongest revenue increases in its Eurex segment. Besides the initiatives of the "Accelerate" programme, this includes clearing of over-the-counter (OTC) derivatives and further growth in the trading of power and gas products. The acquisition of 360T Beteiligungs GmbH (360T) will also provide a meaningful contribution to net revenue growth in this segment. In the Clearstream segment, the focus is on developing the investment funds business, cross-border securities settlements via TARGET2-Securities (T2S), as well as collateral and liquidity management. Following the acquisition of the remaining stake in STOXX, the growth focus in the MD+S segment is on the globalisation of the index business. While building its business in growth regions, Deutsche Börse continues to focus on Asia; developments there will impact all reporting segments. The business potential of the above-mentioned initiatives are described in more detail below.

Clearing of OTC derivatives

The liquidity problems experienced by major market participants during the financial crisis were triggered by the failure to settle bilateral OTC transactions that were mainly entered into on an unsecured basis. In light of this, the leading industrialised nations (G20) agreed to create an effective regulatory environment to make off-exchange derivatives transactions more transparent and more secure. In response, the European Union developed the European Market Infrastructure Regulation (EMIR), which is aimed at regulating OTC trading in derivatives. EMIR includes the following regulatory requirements:

- an obligation to clear standardised OTC derivatives transactions using a central counterparty
- special risk management requirements for transactions in non-standardised derivatives
- an obligation to report the transactions to a trade repository

EMIR entered into force on 16 August 2012, its regulatory and technical standards on 21 December 2015. The obligation for market participants to comply with EMIR requirements will kick in on 21 June 2016, with the first of four phases. Preparing for mandatory clearing, Eurex Clearing AG has developed a central counterparty to clear OTC derivatives. On 10 April 2014, Eurex Clearing received a clearing house licence under EMIR. The award of the licence confirms that Eurex Clearing's clearing services are fully compliant with the EMIR rules. This means that Eurex Clearing can already provide its members with services they need to meet the upcoming clearing obligation for derivatives. This offering, which may later be extended to other asset classes, is aimed primarily at institutional customers and the interest rate swaps they enter into. It especially focuses on security and efficiency, allowing customers to gain the full benefit of Eurex Clearing's risk and collateral management services for their OTC transactions as well. With phase 2 (from 21 December 2016) and phase 3 (from 21 June 2017), these clients will be obliged to clear their transactions via a clearing house. Deutsche Börse had 46 clearing participants and 99 registered clients (such as fund management companies, banks, or insurance companies) already signed up for its clearing offer at the end of 2015.

Trading and clearing of power and gas products (EEX)

With the 2014 acquisition of a majority stake in the European Energy Exchange AG (EEX), based in Leipzig, Deutsche Börse Group expanded its product range to include trading and clearing of spot and derivatives contracts on power and gas as well as emission certificates – in order to benefit from markedly higher demand for energy trading and clearing services. The double-digit growth rates which the Group has achieved since then have been the result of external growth but also reflect structural organic growth which Deutsche Börse Group has been able to exploit, thanks to its good position. In fact, during the year under review, EEX made further progress towards its goal of becoming the core market for energy, energy-related and commodity products. EEX acquired a majority shareholding in Powernext SA on 1 January 2015 – a logical development, given the successful cooperation of both companies in the power and gas markets over many years. Moreover, the business combination of EPEX Spot SE (a subsidiary of EEX) with APX Holding group was announced in the second quarter of 2015. The short-term objective of this transaction was to establish a power exchange for Western Europe and the United Kingdom; the long-term goal is to create a single European electricity market. EEX also generated organic growth, especially in the power and gas business. Whilst this growth momentum is based on the changing importance of renewable energy sources – wind power in particular – for power generation, the resulting gains are difficult to predict, also due to the strong fragmentation of the European energy market, and the fact that market participants predominantly trade off-exchange. Given this high degree of fragmentation, as well as the inefficiency of OTC markets, demand for on-exchange trading and clearing solutions for such transactions has been growing over recent years. Whilst

OTC trading clearly continues to be the bigger market, EEX nonetheless succeeded in growing market share. EEX continues to anticipate strong demand for efficient trading and clearing solutions for the energy markets, and resulting structural growth.

Expansion into foreign exchange trading (360T)

Deutsche Börse AG successfully explored this asset class – foreign exchange trading – with the full acquisition of 360T in the third quarter of 2015. 360T® is a leading, globally active foreign exchange trading platform which has generated double-digit annual growth rates since its inception in 2000. The broad client base of 360T includes corporate and buy-side clients as well as banks. The acquisition of 360T by Deutsche Börse is expected to further boost the company's organic growth momentum. On a medium-term horizon, the combination offers the potential for revenue synergies in a double-digit million amount, with 360T using Deutsche Börse Group's international sales network and expertise for growing business, especially through the introduction of electronic trading in order to further improve liquidity and transparency. To date, regulatory obligations such as EMIR have not yet been expanded to cover the foreign exchange market. If this were to happen, Deutsche Börse Group would be able to tap further growth opportunities from its extensive portfolio of products and services it offers in the context of regulatory requirements. For instance, the Group plans to establish a foreign exchange clearing house in order to service the fundamental demand for capital-efficient solutions. Thanks to its leading position, 360T further benefits from a structural trend. Even though, at present, the vast majority of daily foreign exchange trading volumes are executed off-exchange, demand for transparent, electronic multi-bank trading platforms such as 360T is rising. By combining the skills and experience of 360T in foreign exchange trading with Deutsche Börse's IT competence, the Group will be able to explore the resulting revenue potential.

Cross-border settlement of investment funds

During 2015, Clearstream successfully completed the integration of the hedge fund custody business, acquired from Citco in 2014. This enables clients of Deutsche Börse Group to use Clearstream's settlement and custody services for their entire fund portfolio – covering traditional investment funds, exchange-traded index funds (ETFs) as well as hedge funds. Given that regulatory authorities demand more efficient settlement and custody solutions in order to achieve a maximum safety level for customer assets, the Group anticipates that it will acquire additional client portfolios during 2016.

The new, integrated solution already met with growing interest from banks, asset managers, and global custodians during the year under review: Brewin Dolphin, one of the oldest asset managers in the United Kingdom, and the large US international financial services provider Northern Trust shifted settlement of their funds business to Clearstream, mainly driven by efficiency gains as well as asset security. Clearstream thus acquired two additional clients for its fund custody business – one of the key drivers of Clearstream's fund services.

Against the background of rising popularity of ETFs, Clearstream offers a range of flexible solutions adapted to clients' needs. European ETFs are often listed on several exchanges, making the reconciliation of the register – which is necessary for cross-border trading – a very complex exercise. If ETF issuance growth continues via Clearstream's international infrastructure, distribution and settlement may take place directly via Clearstream's ICSD, leading to additional efficiency enhancements. BlackRock, the world's biggest asset manager, thus already cooperates with Clearstream for ETF issuance and settlement. In September, 20 BlackRock iShares ETFs were issued via Clearstream's ICSD. For 2016, the company anticipates further increases in the number of ETF issuers.

Cross-border securities settlement (T2S)

Initiated by the European Central Bank (ECB), the purpose of the T2S project is to harmonise cross-border securities settlements using central bank funds across Europe. The first of four migration waves was completed in August 2015. Clearstream has undertaken substantial investments over recent years to bring its systems into line with the new settlement structure. For Deutsche Börse Group, this holds the opportunity of winning new clients for Clearstream's innovative services, such as global liquidity management. Clearstream will be connected to T2S within the scope of the fourth migration wave in February 2017. Once this connection is in place, clients will be able to use Clearstream as a central point of access for domestic and international settlements, both in central bank and commercial bank funds. National central securities depositories (CSDs) – Clearstream in Germany and LuxCSD S.A. in Luxembourg – will offer their clients T2S settlements at ECB terms, without any mark-up. Full interoperability between national and international central securities depositories (ICSDs) will enhance liquidity and collateral management.

Collateral and liquidity management

Clearstream's collateral and liquidity management offering, developed as part of its Global Liquidity Hub growth initiative, helps customers cope with the structural changes they are facing, such as those resulting from the additional liquidity requirements under Basel III and the clearing obligations under EMIR which came into force in December 2015. The Global Liquidity Hub allows banks to use the assets held in custody by Clearstream on their behalf more efficiently across different platforms and countries. Since this is a key issue throughout the world, Clearstream markets its collateral management system to third parties and has entered into outsourcing agreements with various market infrastructure operators around the world. This Liquidity Hub GO (Global Outsourcing) service is at different stages of development with Clearstream's international partners. In addition to central securities depositories, Clearstream has also signed agreements with custodian banks to allow them to benefit from Clearstream's collateral management expertise. By the end of 2015, four CSDs – from Brazil, Australia, Spain and South Africa – had been connected to the Liquidity Hub GO. Letters of intent have also been signed with other exchanges and CSDs, including in Norway, Singapore and Canada.

Globalisation of the index business

Deutsche Börse Group's objective in its index business is to re-position its established European index provider STOXX with a global profile, in order to develop further indices (on top of its DAX® and STOXX® index families) and to market them on a worldwide basis. In this context, the Group announced the full acquisition of joint ventures STOXX Ltd. and Indexium AG from SIX Group AG in July 2015. With this move, the Group has gained full strategic flexibility in developing and marketing its indices, in order to better exploit the structural trend towards passive investment products (ETFs). The goal is to acquire new client groups, both within Europe as well as in Asia and the Americas, through diversification. The Group thus consistently expanded its range of indices on Asian underlying instruments (such as the Stoxx® China Total Market Indices) in 2015. It also acquired additional clients for its broadly diversified index offer.

Expansion in Asia

In addition to growth in its core markets and products, the Group is focusing on expanding its business in growth regions. A particular emphasis is on Asia, where the Group is already successfully represented by Clearstream subsidiaries in particular. Among other things, Clearstream has been operating a permanent establishment with its own banking licence in Singapore since 2009. In May 2015, Deutsche Börse agreed with the Shanghai Stock Exchange (SSE) and the China Financial Futures Exchange (CFFEX) to establish CEINEX (China Europe International Exchange) – a Sino-German joint venture where Deutsche Börse and SSE hold 40 per cent each, and CFFEX holds 20 per cent. CEINEX offers international investors exposure to investment products based on Chinese underlying instruments. The marketplace is the world's first regulated and authorised trading platform outside China for financial products denominated in renminbi (RMB), the Chinese currency.

CEINEX thus provides new opportunities to investors for efficient trading in Chinese assets – effectively promoting the internationalisation of the RMB, following the decision by the International Monetary Fund (IMF) to include the RMB in its currency basket at the end of November 2015. The IMF thus promoted the renminbi to a reserve currency, alongside US dollar, euro, yen and pound sterling. Investors will thus have new investment and hedging opportunities during European and US trading hours. Trading on CEINEX started in November 2015, initially with cash market products such as ETFs based on Chinese underlying instruments and RMB bonds.

The "Potential net revenue contribution from structural growth opportunities until 2018" table outlines the financial potential associated with growth initiatives in the various segments. It should be noted that additional net revenue is expected between now and 2018.

Other structural growth opportunities
In addition to these initiatives, the Group has identified a number of other structural factors that should have a positive impact on its business success.

- In January 2014, agreement was reached at a European level on the MiFID II Directive: among other things, OTC derivatives transactions will in future have to be settled via organised trading facilities, a requirement that is expected to benefit Eurex. In addition, a decision was taken to limit the volume of equities traded in dark pools. The Group expects this restriction to have a positive impact on the volumes traded on Xetra.
- Risk management is becoming more important in the wake of the financial crisis. The company expects market participants to make greater use of Eurex Clearing's clearing services to net out transactions in different asset classes and hence to eliminate counterparty risk.

Potential net revenue contribution from structural growth opportunities until 2018

Structural growth opportunities	Description	Expected additional net revenue	Probability[1]
Eurex	360T: roll-out of additional services for foreign exchange trading and clearing, plus the bundling of global foreign exchange activities (~ €100 million) Clearing services for OTC traded derivatives following regulatory requirements (>€50 million) Growth within the commodities area (>€50 million) Expansion in Asia (>€20 million) Central counterparty for securities lending (>€20 million) Fees generated from investing cash collateral (>€15 million) New products (>€30 million)	> €285 million	High
Clearstream	Services for investment funds (>€50 million) Settlement and custody (>€40 million) Collateral management (>€30 million)	Approximately €120 million	High
Market Data + Services	Growth within the index business (>€30 million) Growth within the Information, Tools und Market Solutions business areas (>€10 million each)	Approximately €60 million	High

1) See the "Description of risks" section for an explanation of the terms.

- In line with the European legal and administrative framework governing certain undertakings for collective investment in transferable securities (UCITS V), the company expects that traditional investment funds will increasingly include derivatives in their portfolio strategies. This could result in additional business for the Eurex segment.
- With respect to Clearstream's post-trade activities, the company anticipates a long-term increase in capital raising through equity and debt financing on the capital markets. This ties in with the higher capital and liquidity requirements for banks and the resulting negative impact on the total volume of available credit. For Clearstream, this could have a positive effect on custody volumes, especially in the international bond segment. In addition, given the growing internationalisation of the capital markets, the company is continuing to expect a sharper rise in the volume issued internationally compared with national bond issues.

Cyclical opportunities

In addition to its structural growth opportunities, Deutsche Börse Group has cyclical opportunities, for instance as a result of positive macroeconomic developments. For example, volatility on the stock markets increased starting at the end of the third quarter of 2014 due to growing uncertainty regarding global economic performance and another interest rate cut by the ECB, remaining at a high level throughout 2015. This resulted in greater demand for hedging and in a significant increase in trading volumes on regulated markets at the beginning of the fourth quarter, mirrored in the two-digit growth rates on the cash and derivatives markets. Although the company cannot influence these cyclical opportunities directly, they could lift Deutsche Börse Group's net revenue and net profit for the period attributable to Deutsche Börse AG shareholders significantly in the medium term:

- In the cash and derivatives market segments (Xetra and Eurex), sustained positive economic development, a lasting rise in investor confidence in the capital markets leading to a renewed rise in risk appetite among market participants and a sustained increase in stock market volatility could again stimulate trading activity by market participants and boost trading volumes for 2016.
- The volumes of interest rate derivatives traded on the Group's derivatives markets could rise if speculation on trends in long-term yields on German and other European government bonds grows, if key interest rates actually rise, and/or if the spread between the various European government bonds continues to narrow.
- The company does not expect the ECB to change its low interest rate policy during the forecast period, the US Federal Reserve could incrementally continue to raise interest rates in 2016. Among other things, this would positively impact Clearstream's net interest income as some 50 per cent of its daily cash balances are denominated in US dollars. A rise in key interest rates of one basis point affecting all customer cash deposits could lift income by some €100 million.
- In the market data business, an increase in the number of employees at companies active on the financial markets could lead to growing demand for data packages.

External growth opportunities

In addition, the company regularly explores external growth opportunities, which are subjected to the same kind of stringent analysis as its organic growth initiatives. For this reason, only a small number of the opportunities analysed are ultimately realised. Examples of external growth in the past few years include the takeover of Citco's hedge fund custody business, the majority interest in EEX and Powernext, the full acquisition of the joint ventures STOXX incl. Indexium, as well as the full acquisition of 360T. Deutsche Börse Group is also open to investments and co-operations in Asia, as exemplified by the strategic cooperation with the Shanghai Stock Exchange and the China Financial Futures Exchange, and the foundation of joint venture CEINEX (China Europe International Exchange), as well as the announcement of a cooperation agreement between Bank of China and CEINEX. In general, the focus is on leveraging organic growth opportunities since the company already offers a very comprehensive range of products and services along the entire value chain.

Report on expected developments

The report on expected developments describes Deutsche Börse Group's expected performance in financial year 2016. It contains statements and information on events in the future and is based on the company's expectations and assumptions at the time of publication of this report. In turn, these are subject to known and unknown opportunities, risks and uncertainties. Numerous factors influence the Group's success, its business strategy and its financial results, many of them outside the company's control. Should opportunities, risks or uncertainties materialise or should one of the assumptions made turn out to be incorrect, the Group's actual performance could deviate either positively or negatively from the expectations and assumptions contained in the forward-looking statements and information contained in this report on expected developments.

Developments in the operating environment

Macroeconomic environment

Deutsche Börse Group anticipates that the global economy will grow moderately during the forecast period. In the case of the emerging markets, the Group expects that countries with a current account surplus will expand at an above-average rate. Due to cyclical as well as structural factors, these countries will no longer be able to match the high growth rates seen in the past. Moreover, the Group predicts that economic growth in the industrialised nations will continue to recover after a number of difficult years following the financial crisis. However, growth is likely to be lower than expected in 2015, mainly reflecting lower growth than expected in the US, due to the stronger US dollar. With respect to Europe, the Group is also forecasting a slight improvement in the economic situation, in particular because southern European countries such as Spain have shown a marked recovery. In view of this essentially positive situation, the company expects participants to place confidence in the capital markets at a level similar to that of the previous year. However, current uncertainties could unsettle the markets again. These include geopolitical crises, the development of the commodities prices, the monetary policy adopted by the Fed in the US and the ECB in Europe or a crisis of confidence in the growth of certain emerging market countries, especially in Asia. Regarding interest rate trends, the Group does not expect to see any fundamental departure from the current low interest rate policy in Europe. In December 2015, the ECB announced an extension of its bond-buying programme until March 2017 and a deposit rate reduction to –0.3 per cent. This additional capital market liquidity should continue to have a positive effect on trading volumes on the cash and derivatives markets. The turnaround in US interest rates materialised at the end of 2015, as expected. Given the slowdown in economic growth, the company does not expect any further hikes for the time being.

In its economic development forecast for 2016 published in January 2015, the International Monetary Fund (IMF) predicts an increase of around 1.7 per cent in the euro zone and growth of around 1.7 per cent in Germany. Expectations for the United Kingdom and the United States are slightly higher than for the euro zone: the UK economy is forecast to grow by around 2.2 per cent in 2016 and the US by around 2.6 per cent. The highest growth by far in 2016 – approximately 6.3 per cent – is again expected in Asian countries (and especially China), due to high domestic demand. Given the extremely varied estimates for the different economic regions, global economic growth is projected to be around 3.4 per cent in 2016.

Regulatory environment

Governments and central banks are currently working to enhance regulation of the financial markets so as to further stabilise the financial sector and prevent future crises of the magnitude experienced. The measures planned, and in some cases already initiated, range from revising the legal framework for banking business and capital adequacy requirements through rules for clearing OTC derivatives transactions down to improving financial market supervision (for more information, please see the “Regulatory environment” section of the report on economic position). For Deutsche Börse Group’s customers, the ultimate impact of these far-reaching regulatory reform projects on market structures and business models is difficult to gauge accurately at present. Deutsche Börse anticipates that this uncertainty will continue to weigh on market participants’ business activities during the forecast period. For the Group itself, the various regulatory projects will have both positive and negative consequences. Overall, however, the Group sees the changing regulatory environment as an opportunity to expand its business further; see the report on opportunities for further details.

In addition to the structural opportunities arising from regulation, the Group expects to see further debate in the forecast period on the potential introduction of a financial transaction tax. The introduction of a financial transaction tax will continue to be pursued in 2016 by a number of EU member states, which have formed an alliance to achieve greater cooperation. The introduction of such a tax would negatively impact Deutsche Börse Group’s business performance. Since the ten member states concerned have been unable to date to reach agreement on the tax base, tax rates and technical collection and remittance methods, it is not possible to gauge the concrete impact on the Group’s business.

Future development of results of operations

Given its diversified business model and multiple sources of revenue, Deutsche Börse Group continues to consider itself very well positioned and expects to see a positive trend in its results of operations over the medium and long term. This expectation is based on, among other things, the growth opportunities that the company intends to exploit over the same period. The Group expects net revenue to increase further in the forecast period. This assumption is based on two main factors. Firstly, cyclical conditions, especially stock market volatility, have improved significantly since the end of the third quarter of 2014 and are having a positive effect on trading volumes in equities and equity index derivatives. Moreover, market speculation on interest rate developments in the US and Europe may boost trading activity in interest rate derivatives at Eurex Exchange, whilst higher US interest rates could lead to a slight increase in net interest income from the banking business in 2016. Secondly, the Group expects a further increase of the contribution from its structural growth initiatives as well as new growth opportunities being explored within the scope of its “Accelerate” growth programme launched in 2015 (for details, please refer to the report on opportunities).

Depending on developments in the operating environment, the impact of both cyclical and structural growth drivers and the success of new products and functionality, Deutsche Börse Group expects net revenue to increase by approximately 5 per cent to 10 per cent annually during the forecast period and the following years. Net revenue growth expected during the forecast period is based on pro-forma net revenue of approx. €2,423 million achieved in 2015. The figure comprises reported net revenue of €2,367.4 million, plus approx. €56 million to annualise the effects of full consolidation of the APX power exchange (part of EEX group), effective 1 May 2015, and of 360T Beteiligungs GmbH (360T), effective 1 October 2015.

Even if, contrary to expectations, the business environment turns out to be worse than described above, and clients were to scale back their business activities, particularly in the Group's business divisions which depend upon trading, Deutsche Börse Group believes it is in a position to continue to do business profitably thanks to its successful business model and its cost discipline.

Within the scope of its "Accelerate" growth strategy, in 2015 Deutsche Börse Group introduced principles for managing operating costs. The core element of these principles is to ensure the scalability of the Group's business model. To this end, the Group continuously manages operating costs relative to the development of net revenue. Accordingly, the lower end of the net revenue growth range during the forecast period and the following years, of approximately 5 per cent, would imply stable operating costs compared to the previous year. If net revenue reaches the upper end of the range of around 10 per cent, operating costs would be permitted to rise by up to 5 per cent per annum during the period under review and the following years. Operating costs expected during the forecast period are based on pro-forma operating costs of €1,296.0 million in 2015. The figure comprises reported operating costs of €1,248.8 million, plus €47 million to annualise the effects of full consolidation of APX Holding group, Indexium AG and 360T Beteiligungs GmbH.

Essentially, the Group achieves the necessary flexibility in managing operating costs through two different initiatives designed to enhance operating efficiency. Firstly, the Group has implemented a continuous process to improve operating efficiency by focusing even more on client needs in order to further enhance quality and efficiency of the services offered. At the same time, Group-internal processes will be simplified, generating costs savings expected to amount to roughly €5 million during the reporting period. Aggregate savings are targeted to rise to €50 million by 2018. Secondly, the Group resolved a series of structural cost reduction measures during the reporting period, and already commenced implementation. To this end, the Group's management structure was streamlined by removing hierarchical levels, in order to boost decision-making speed and agility. Operating efficiency will be further enhanced through a merger of functions into competence centres, and further improvements in purchasing and procurement. The Group is looking to generate savings of approximately €50 million during the forecast period. Overall, the Group will thus create €100 million in additional investment capacity by 2018. As at the publication date of this combined management report, the company is expecting that operating costs will be affected by exceptional items of some €75 million. One half is due to efficiency measures and costs related to criminal proceedings against Clearstream Banking S.A. in the US. The second half is related to mergers and acquisitions, in particular to the integration of companies acquired in 2015.

Given the expected increase in net revenue of approximately 5 to 10 per cent, with operating costs rising by between zero and 5 per cent as a result, the Group anticipates a growth rate of between approximately 10 and 15 per cent per annum (excluding non-recurring effects) for EBIT and consolidated net income during the forecast period and the subsequent years.

With regard to the cyclical environment and structural growth initiatives, Deutsche Börse AG's business development is based on the same factors that influence the expected business development of Deutsche Börse Group as a whole. These are described in the report on expected developments. For 2016, the company expects sales revenue to be above the 2015 level (2015: €1,182 million) and to rise by approximately 5 to 10 per cent depending on how the factors described above develop.

Given the expected increase in sales revenue of approximately 5 to 10 per cent, with operating costs rising by between 0 and 5 per cent as a result, the Group anticipates a growth rate of between approximately 10 and 15 per cent p.a. (excluding non-recurring effects) for adjusted EBIT and adjusted net profit attributable to Deutsche Börse AG shareholders for the forecast period and the subsequent years.

Eurex segment

In the past year, cyclical factors (see the "Results of operations" section for details) led to an overall rise in derivatives trading volumes. Higher stock market volatility since the end of 2014 resulted in a significant rise in trading volumes, especially in equity index derivatives. Deutsche Börse Group believes that structural growth factors will remain the dominant feature over the long term, and that they will positively influence trading volumes in all product segments (see the report on opportunities for further details). However, it is also of the opinion that, in the short term, positive cyclical effects on the business environment will lead to an increase in trading volumes, especially in the area of equity index derivatives and – depending on the US and European monetary policy – interest rate derivatives.

Eurex will continue to invest systematically in implementing its technology roadmap and expanding its product offering in the forecast period. Its investment focus will continue to be on risk management. For example, all listed derivatives will be processed exclusively through the new C7 clearing architecture. Among other things, these new features are being implemented to further enhance the attractiveness from a customer perspective of clearing services for OTC derivatives trading. In the medium to long term, the company expects this initiative to deliver significant additional net revenue. Since the new regulatory requirements for settling OTC derivatives transactions via a central counterparty will finally enter into force in the course of 2016, the Group does not yet anticipate any material additional contribution to net revenue for 2016 from these investments. Looking at the very positive development of EEX group's trading volumes during the year under review and the continued positive market environment for trading in power and gas products, the Group expects further structural growth in business activity during the forecast period. Moreover, the Group expects rising demand for multi-bank platforms to further boost business activity at the foreign exchange platform 360T®, acquired in 2015. As for the cyclical business drivers in the Eurex segment, persistently high stock market volatility could continue to boost business activity. Stock market volatility at the level seen in the last months before the publication of this report would have a significant positive impact on trading in equity index derivatives. Furthermore, market speculation on central banks' monetary policy, triggered by the US Federal Reserve's interest rate hike at the end of 2015, might lead to higher trading volumes in interest rate derivatives.

Xetra segment

As in the past, net revenue in the Xetra cash market segment will continue to depend on equity market trends and equity market volatility in the future, as well as on structural and cyclical changes in trading activity.

Stock market volatility increased significantly since the end of the third quarter 2014 and led to increased trading volumes in the cash market, in some cases significantly so. As at the date of preparation of this management report, the company expects stock market volatility to remain high in 2016. In addition, the ECB's persistently expansive monetary policy is expected to have a continued positive effect on demand for equities. As a result, a slight year-on-year increase in net revenue can be assumed compared to the year under review.

As well as enhancing its cash market offering, the company will continue to closely track changes in the competitive environment for the European cash markets. As in the past, it considers itself well positioned to retain its status as the market leader for trading German blue chips and to offer its customers across the globe an attractive range of products and services for cash trading in German and European equities, and for equities clearing. However, the stronger competition in the cash market means that further shifts in the market shares of all competitors cannot be ruled out.

Clearstream segment
The Clearstream segment's main revenue driver is the settlement and custody of international bonds – a business that is much more stable than the trading business and only subject to minor capital market fluctuations. The Group anticipates a structurally driven increase in demand for collateral and liquidity management services due to regulatory requirements. In addition, Clearstream will make further preparations for TARGET2-Securities (T2S), the European Central Bank's future central settlement platform, during the forecast period. In the medium to long term, Clearstream expects its attractive collateral and liquidity management and its strong position in the T2S network to result in increased business activity and hence in significant additional net revenue. However, since the new partners can only be connected consecutively and Clearstream itself will not be linked in to T2S until 2017, the Group initially anticipates only a moderate contribution to net revenue for 2016. The central banks' monetary policy in the forecast period will continue to have an impact on Clearstream's business. Transaction activity is expected to increase in the medium term as a result of the programme for purchasing government and corporate bonds launched by the ECB in March 2015 and expanded during the course of the year. At the same time, however, this could have a dampening effect on securities issuance and liquidity management. If, contrary to expectations, monetary policy becomes more restrictive, this would have positive consequences for securities issuance, the use of collateral and liquidity management services, as well as for net interest income in the banking business. Given a steady level of cash balances, the reverse of the US interest rate policy at the end of 2015 will cause a rise of net interest income in 2016, because a significant proportion of the Group's customer balances are denominated in US dollars.

With regard to its customer structure, the company continues to expect that consolidation in the financial sector will persist and that customers in Clearstream's domestic and international business will merge. These larger customers would benefit from greater discounts, which would lead to a decline in average fees. Although Deutsche Börse faces especially intense competition in the settlement and custody of international bonds, the company does not expect this to have a major impact on its net revenue or to result in a loss of market share during the forecast period.

Market Data + Services segment
This segment aims to accelerate expansion of Deutsche Börse's technology leadership and expertise in the area of market data by pooling all relevant resources within the company in a dedicated, market-driven business unit. The goal is to open up untapped growth opportunities in the medium to long term.

The company anticipates that net revenue in the Market Data + Services segment will increase slightly during the forecast period. This expectation is based on the continuous expansion of the product range in all areas and greater marketing of these products in growth regions. The Group's index business is set to benefit from this development in particular. Moreover, the Group considers the significant structural growth in the market for passively managed assets as an additional growth driver that is expected to further strengthen demand for index licences for exchange-traded funds. In addition to distributing index licences, the Group also benefits from the growing investment volumes in these products. In light of this, the Group believes it is well placed to increasingly extend the positioning of its globally focused range of indices to the Asian market as well.

Changes in pricing models

Deutsche Börse anticipates sustained price pressure in some of its business areas during the forecast period. The company's objective is to cushion this price pressure by continually improving its products and services and offering selective incentives for price-elastic business.

Over the long term, the average net revenue per unit (e.g. trading or clearing fees per transaction, or fees for custody services) is expected to decline slightly in all areas of the Group. This is a result of laddered pricing models that lead to a decline in income per unit as customers' business activities increase.

Trends in non-financial performance indicators CR

Initiatives to promote the transparency and security of the markets will continue to be a key focus during the forecast period, ensuring that Deutsche Börse Group adds value to society. Against this backdrop, the company expects to maintain the availability of the different trading systems Xetra and T7 at the very high level seen in previous years throughout the forecast period of 2016.

Responsible management that focuses on long-term value creation is of considerable importance for Deutsche Börse Group as a service company. Given demographic change and the resulting shortage of specialist staff, the company aims to continue to position itself adequately and among other things to increase the number of women in management positions. The Executive Board already set a voluntary target in 2010 for Deutsche Börse Group to increase the proportion of women in middle and upper management to 20 per cent and in lower management to 30 per cent by 2020. These targets remain in place. They relate to Deutsche Börse Group worldwide, including subsidiaries.

In accordance with the Gesetz zur gleichberechtigten Teilhabe von Frauen und Männern an Führungspositionen (German Act on the Equal Representation of Women and Men in Executive Positions), the Executive Board of Deutsche Börse AG additionally resolved to maintain the existing quotas of women on the two management levels below the Executive Board, i.e. 6 per cent on the first and 10 per cent on the second management level. These target quotas relate to Deutsche Börse AG (excluding subsidiaries) and will be valid until 30 June 2017.

Future development of the Group's financial position

The company expects operating cash flow, which is Deutsche Börse Group's primary funding instrument, to remain clearly positive in the forecast period. The Group expects that two significant factors will influence changes in liquidity. Firstly, the company plans to invest some €150 million per year in intangible assets and property, plant and equipment at Group level during the forecast period. These investments will be included in cash flows from investing activities, and will serve primarily to develop new products and services in the Eurex and Clearstream segments and to enhance existing ones. The total amount mainly comprises investments in the trading infrastructure and risk management functionality. Secondly, the Executive Board and Supervisory Board of Deutsche Börse AG will propose a dividend of €2.25 per share to the Annual General Meeting to be held in May 2016. This would correspond to a liquidity outflow of €420.1 million. Apart from the above, no other material factors were expected to impact the Group's liquidity at the time the management report was prepared. As in previous years, the Group assumes that it will have a sound liquidity base due to its positive cash flow, adequate credit lines (see note 36 to the consolidated financial statements for details), and flexible management and planning systems.

Within the framework of a programme to optimise its capital structure, Deutsche Börse Group generally aims to distribute dividends equivalent to between 40 and 60 per cent of adjusted net profit for the period attributable to Deutsche Börse AG shareholders. In recent years (where the Group's net profit was lower), the dividend payout ratio was kept at the upper end of this range, in order to distribute stable dividends to shareholders. Given that the Group's profit targets were raised in July 2015, in connection with the announcement of the "Accelerate" growth strategy, the company aims for a dividend payout ratio in the middle of the range between 40 and 60 per cent going forward.

Moreover, until 2012 the company distributed a part of freely available funds to shareholders, via share buy-backs. Since 2013, these funds have been used predominantly to support the company's development, as well as to fulfil credit rating and regulatory capital requirements. Against the background of the growth strategy announced in July, the company anticipates that in future, freely available funds will increasingly be applied not only to support the Group's organic growth, but also to complementary external growth options – as implemented in 2015, with the acquisition of STOXX Ltd. and 360T Beteiligungs GmbH.

To maintain its strong credit ratings at Group level, the company aims to achieve a ratio of interest-bearing gross debt to EBITDA of no more than 1.5. The Group expects to reach or slightly exceed this figure in 2016, depending on net revenue developments.

The parent company, Deutsche Börse AG, plans to invest some €30 million in intangible assets and property, plant and equipment during the forecast period.

Overall assessment by the Executive Board

The Executive Board of Deutsche Börse AG believes that the company continues to be in a very good position compared with the international competition thanks to its comprehensive offering along the securities trading value chain and its innovative strength. Against this background, it therefore expects to see a positive trend in its results of operations in the long term. The purpose of the measures resolved – and partially implemented – in 2015, as part of the "Accelerate" programme, is to further accelerate the Group's growth. In this context, the Group aims to act in a more agile and effective manner, and with increased client focus, to turn Deutsche Börse into the global market infrastructure provider of choice, being top-ranked in all its activities. However, for the forecast period, the uncertainty as to how capital market participants will react to the economic and regulatory situation makes it difficult for the Executive Board to make a specific forecast. Deutsche Börse Group's goal for the forecast period is to ensure the scalability of its business model. To this end, the Executive Board will actively manage operating costs in a way that EBIT and net profit for the period attributable to Deutsche Börse AG shareholders will grow at a stronger rate than net revenue. Specifically, annual growth rates of approximately 10 to 15 per cent (excluding non-recurring effects) are projected for the forecast period and the following years. Overall, the Executive Board assumes on this basis that cash flow from operating activities will be clearly positive and that, as in previous years, the liquidity base will be sound. The overall assessment by the Executive Board is valid as at the publication date for this combined management report.

Deutsche Börse AG (Disclosures based on the HGB)

In contrast to the consolidated financial statements, the single-entity financial statements of Deutsche Börse AG are not prepared in accordance with International Financial Reporting Standards (IFRSs) but with the German Commercial Code (Handelsgesetzbuch, HGB) and the supplementary provisions of the German Stock Corporation Act (Aktiengesetz, AktG).

Business and operating environment

General position
Deutsche Börse AG is the parent company of Deutsche Börse Group. Its business activities primarily comprise its cash and derivative markets as well as IT and Market Data + Services. The performance of the Clearstream segment is primarily reflected in Deutsche Börse AG's business performance via the profit and loss transfer agreement with Clearstream Holding AG. In view of this, Deutsche Börse AG's business and operating environment is essentially the same as that of Deutsche Börse Group. These are described in detail in the "Macroeconomic and sector-specific environment" section.

Deutsche Börse AG's course of business in the reporting period
Deutsche Börse's EBT for 2015 was below the previous year's figure. What needs to be taken into account in this context is that the previous year's results had benefited from a €120.6 million write-up on profit-participation certificates, whereas results for the year under review were burdened by expenses for efficiency-related measures, higher advisory expenses within the scope of strategic projects, as well as acquisition activities. Net revenue (defined as revenue generated with non-Group entities plus other operating income less volume-related costs) for the 2015 financial year remained within the company's guidance, whilst adjusted net income fell slightly short of expectations. Against this background, Deutsche Börse AG's Executive Board considers the company's performance during the 2015 financial year as satisfactory.

The 2015 financial year was characterised by two acquisitions, and the "Accelerate" growth programme. On 31 July 2015, Deutsche Börse AG acquired the 49.9 per cent of shares in STOXX Ltd. it did not already own. As a result, STOXX Ltd. became a wholly-owned subsidiary. On 15 October 2015, Deutsche Börse AG acquired all of the shares in 360T Beteiligungs GmbH (360T). The "Accelerate" growth programme provides for an in-depth review of the company's strategic orientation, organisational structure

Performance figures for Deutsche Börse AG

	2015 €m	2014 €m	Change %
Sales revenue	1,181.9	1,074.0	10
Total costs	927.0	812.5	14
Net profit from equity investments	123.9	209.9	–41
EBIT	543.9	595.6	–9
Profit before tax from ordinary activities (EBT)	443.9	526.0	–1.6
Net profit for the period	315.9	423.1	–25
Earnings per share (€)	1.71[1)]	2.30[1)]	–26

1) Calculation based on weighted average of shares outstanding

Sales revenue by segment

	2015 €m	2014 €m	Change %
Eurex	700.9	630.8	11
Market Data + Services	281.3	270.1	4
Xetra	185.4	160.6	15
Clearstream	14.3	12.5	14
Total	**1,181.9**	**1,074.0**	**10**

and business processes. With the "Accelerate" programme, Deutsche Börse AG pursues the objective of participating in global competition among capital markets infrastructure providers – in an agile, ambitious and effective manner.

Revenue was up by 10 per cent in the year under review, to €1,181.9 million (2014: €1,074.0 million). The Eurex segment provided the greatest revenue contribution, with €700.9 million (2014: €630.8 million). At €927.0 million, the company's total costs (comprising staff costs, amortisation of intangible assets and depreciation of property, plant and equipment, as well as other operating expenses) were 14 per cent higher than in the previous year (2014: €812.5 million).

Deutsche Börse Group's result from equity investments for the 2015 financial year totalled €123.9 million (2014: €209.9 million). The decline was attributable, in particular, to a €120.6 million write-up in the previous year, due to profit-participation rights issued by Eurex Frankfurt AG within the scope of a Group-internal reorganisation. During the 2015 financial year, the company recognised €147.1 million (2014: €73.0 million) in income from profit-transfer agreements, and income from distributions of €18.2 million (2014: €22.2 million).

Earnings before interest and taxes (EBIT) decreased to €543.9 million (2014: €595.6 million). Net profit for the period totalled €315.9 million, down 25.3 per cent year-on-year (2014: €423.1 million).

Results of operations of Deutsche Börse AG

Deutsche Börse AG's revenue for the 2015 financial year rose by 10 per cent, to €1,181.9 million (2014: €1,074.0 million). The table "Sales revenue by segment" provides a breakdown of revenue by company segment.

Regarding the performance of the Eurex derivatives market segment, general reference is made to the "Eurex segment" section. Any divergence from the statements in that segment are essentially due to the fact that developments of the US derivatives market (ISE), the energy market (EEX group) and the foreign exchange market (360T group) do not directly impact upon the business of Deutsche Börse AG. The financial performance of the Market Data + Services segment is described, in general, in the "Market Data + Services segment" section. It is worth noting that the business development of the STOXX Ltd. subsidiary does not directly impact the business performance of Deutsche Börse AG. Details concerning the business development in the Xetra segment are largely provided in the "Xetra segment" section. Revenue attributable to the Clearstream segment is generated from IT services that Deutsche Börse AG provides to entities within the Clearstream Holding AG subgroup.

Other operating income rose to €168.8 million during the year under review (2014: €117.2 million), largely due to an increase in income from foreign-exchange translation, to €53.0 million (2014: €8.7 million).

Total costs rose by 14 per cent year-on-year, to €927.0 million (2014: €812.5 million). For a breakdown, please refer to the table „Overview of total costs". Staff costs rose by 26 per cent compared to the previous year, to €194.2 million (2014: €154.5 million), mainly due to expenses related to "Accelerate" (€21.3 million) as well as higher expenses in connection with share-based remuneration components (+€9.3 million).

Amortisation of intangible assets and depreciation of property, plant and equipment declined by 18 per cent, to €24.4 million in the year under review (2014: €29.7 million). The decline was largely attributable to lower depreciation on IT hardware of €14.4 million (2014: €19.1 million). Other operating expenses were up by 13 per cent year-on-year, to €708.4 million (2014: €628.3 million). The increase was largely attributable to currency translation expenses of €88.6 million (2014: €48.8 million), as well as to a €30.5 million increase in expenses for advisory services, incurred in particular in connection with the acquisitions of STOXX and 360T, as well as the "Accelerate" growth programme.

Profit from ordinary activities was down 16 per cent year-on-year, to €443.9 million (2014: €526.0 million). The profit margin before taxes (the ratio of profit from ordinary activities to revenue) declined from 49 per cent to 38 per cent.

Profitability
Deutsche Börse AG's return on equity expresses the ratio of net income after taxes to average equity available to the company during the course of 2015. Due to the lower results, return on equity declined to 13 per cent, compared to 19 per cent in 2014.

Financial position of Deutsche Börse AG

Cash and cash equivalents on the 31 December 2015 reporting date amounted to €172.3 million (2014: €236.0 million), comprising cash on hand, current account balances with banks and term deposits.

The company received dividends totalling €18.2 million (2014: €22.2 million). The decline was due, in particular, to the fact that Börse Frankfurt Zertifikate Holding S.A. (in liquidation), Luxembourg, paid no dividends in 2015; in 2014 it had distributed dividends of €8.0 million.

Deutsche Börse AG has available external credit lines in the amount of €605.0 million (unchanged from 2014), which were not drawn upon as at 31 December 2015. Moreover, the company has a Commercial Paper programme in place, which allows for flexible and short-term financings of up to €2.5 billion, in various currencies. At the end of the year, Commercial Paper outstanding totalled €95.0 million (2014: €60.0 million).

Through a Group-wide cash-pooling system, Deutsche Börse AG ensures an optimum allocation of liquidity throughout Deutsche Börse Group; in this way, the parent entity makes sure that all subsidiaries are in a position to honour their payment obligations at any time.

Deutsche Börse AG has issued three corporate bonds with a nominal value of €600 million each, one corporate bond with a nominal value of €500 million as well as one US dollar bond with a nominal value of US$290 million. For more details concerning these bonds, please refer to the "Financial position" section. Moreover, as part of Group-internal restructuring measures, the company raised loans from associates, in a total amount of €375.6 million, which will fall due during the 2016 financial year.

Overview of total costs

	2015 €m	2014 €m	Change %
Staff costs	194.2	154.5	26
Write-offs	24.4	29.7	–18
Other operating expenses	708.4	628.3	13
Total	**927.0**	**812.5**	**14**

Cash flow statement (condensed)

	2015 €m	2014 €m
Cash flows from operating activities	372.8	384.7
Cash flows from investing activities	–1,444.9	–467.9
Cash flows from financing activities	841.9	–47.8
Cash and cash equivalents as at 31 December	–606.7	–376.5

Deutsche Börse Group generated €372.8 million (2014: €384.7 million) in cash flow from operating activities during the 2015 financial year. The slight decline was especially attributable to the lower level of net income for the year.

Cash flow from investing activities amounted to €–1,444.9 million (2014: €–467.9 million). The decline was predominantly related to the acquisition of the remaining stake in STOXX, and the acquisition of 360T.

Cash flow from financing activities amounted to €841.9 million in the year under review (2014: €–47.8 million). In addition to €386.8 million in dividends paid for the 2014 financial year, the company raised loans of €3,200.0 million and repaid loans of €2,175.3 million. Cash and cash equivalents amounted to €–606.7 million on the reporting date of 31 December 2015 (2014: €–376.5 million), comprising liquid funds of €172.3 million (2014: €236.0 million) less cash pooling liabilities of €779.0 million (2014: €612.5 million).

Net assets of Deutsche Börse AG

Deutsche Börse AG's property, plant and equipment amounted to €6,220.7 million on 31 December 2015 (2014: €4,834.3 million). The lion's share of this figure was attributable to investments in affiliated companies of €6,092.8 million (2014: €4,707.8 million), mainly comprising investments in Clearstream Holding AG and Eurex Frankfurt AG. Investments in affiliated companies rose by €1,385.0 million, mainly due to the acquisition of additional shares in STOXX (€653.8 million) and the takeover of all shares in 360T (€749.7 million).

At €21.5 million (2014: €22.3 million), Deutsche Börse AG's investments in intangible assets and property, plant and equipment were lower than amortisation, depreciation and impairment of €24.4 million (2014: €29.7 million).

Receivables from (and liabilities to) affiliated companies include settlements for intra-Group services and amounts invested by Deutsche Börse AG within the scope of cash-pooling arrangements. Receivables from affiliated companies of €147.1 million (2014: €73.0 million) mainly related to the existing profit transfer agreement with Clearstream Holding AG. Liabilities to affiliated companies predominantly resulted from cash pooling (€779.0 million – 2014: €612.4 million); short-term loans (€375.6 million – 2014: €375.6 million); and trade liabilities (€59.3 million – 2014: €69.4 million).

Non-current assets (condensed)

	2015 €m	2014 €m
Intangible assets	11.3	11.2
Tangible assets	51.9	54.8
Financial assets	6,157.5	4,768.3
Non-current assets as at 31 December	**6,220.7**	**4,834.3**

Employees per country/region

	31 Dec. 2015	%
Germany	1,075	93.2
United Kingdom	68	5.9
France	7	0.6
Rest of Europe	3	0.3
Total Deutsche Börse AG	**1,153**	**100**

Deutsche Börse AG collects fees for a large part of services provided immediately after each month-end; accordingly, trade receivables totalled €131.0 million at the year-end (2014: €142.5 million).

Working capital amounted to €–1,158.1 million during the year under review (2014: €–1,004.8 million). The change was mainly attributable to an increase in liabilities to affiliated companies.

Deutsche Börse AG employees

In the reporting period, the number of people employed by Deutsche Börse AG increased by 39 to total 1,153 as at 31 December 2015 (31 December 2014: 1,114). On average, 1,131 people worked for Deutsche Börse AG during financial year 2015.

In the course of financial year 2015, 40 employees left Deutsche Börse AG, resulting in a fluctuation rate of 3.5 per cent.

Deutsche Börse AG employed staff at six locations throughout the world as at 31 December 2015. Details on the countries/regions concerned, the employee age structure and the length of service of the company's employees are given in the following tables and those on the previous page.

As at 31 December 2015, 72.9 per cent of Deutsche Börse AG's employees were graduates. This figure is calculated on the basis of the number of employees holding a degree from a university, a university of applied sciences or a university of cooperative education, and employees who have completed comparable studies abroad. In total, the company invested an average of 4.3 days per employee in staff training.

Remuneration report of Deutsche Börse AG

As the structure and design of the remuneration system correspond to those of Deutsche Börse Group, please refer to the latter's remuneration report.

Corporate governance declaration in accordance with section 289a HGB

The corporate governance declaration in accordance with section 289a HGB applies to Deutsche Börse Group and Deutsche Börse AG, please refer to the corporate governance declaration made on behalf of the Group.

Employee age structure

	31 Dec 2015	%
Under 30 years	102	8.8
30 to 39 years	267	23.2
40 to 49 years	436	37.8
50 years and older	348	30.2
Total Deutsche Börse AG	**1,153**	**100**

Employee length of service

	31 Dec 2015	%
Less than 5 years	360	31.2
5 to 15 years	325	28.2
Over 15 years	468	40.6
Total Deutsche Börse AG	**1,153**	**100**

Opportunities and risks facing Deutsche Börse AG

As the opportunities and risks facing Deutsche Börse AG and the measures and processes for dealing with them are essentially the same as for Deutsche Börse Group, please refer to the "Risk report" and "Report on opportunities" sections for more information. As a matter of principle, Deutsche Börse AG's share of the opportunities and risks of its equity investments and subsidiaries is proportionate to the size of its shareholdings. Risks that threaten the existence of the Eurex Clearing AG subsidiary have a direct impact on Deutsche Börse AG as it has issued a letter of comfort ("Patronatserklärung"). Further information on the letter of comfort issued to Eurex Clearing AG is available in the "Other financial obligations and transactions not included in the balance sheet" section in the notes to the annual financial statements of Deutsche Börse AG.

The description of the internal control system (ICS) required by section 289 (5) HGB is given in the "Internal management" section.

Report on events after the balance sheet date at Deutsche Börse AG

The key events that have occurred since the balance sheet date correspond to the events described in the report on post-balance sheet date events.

Report on expected developments at Deutsche Börse AG

The expected developments in Deutsche Börse AG's business are largely subject to the same factors as those influencing Deutsche Börse Group. The relevant disclosures and quantitative information on Deutsche Börse AG are provided in the report on expected developments.

Remuneration report

This remuneration report outlines the principles of the remuneration system for members of Deutsche Börse AG's Executive Board, and describes the structure and amount of Executive Board remuneration. Furthermore, it describes the principles applicable to, and the amount of Supervisory Board remuneration. The remuneration report is part of the combined management report; it complies with the requirements of the Handelsgesetzbuch (HGB, German Commercial Code) or International Financial Reporting Standards (IFRSs), as applicable, German Accounting Standard No. 17, and the German Corporate Governance Code (GCGC). The report is structured in four parts:

1. General principles for Executive Board remuneration
2. Remuneration system and aggregate Executive Board remuneration during the 2015 financial year
3. Remuneration system for the Executive Board applicable from the 2016 financial year onwards
4. Supervisory Board remuneration

General principles for Executive Board remuneration CR

The Executive Board remuneration is designed in a way that rewards sustainably successful and responsible corporate governance. Therefore, incentives based on multi-year assessment periods as well as components designed to prevent unjustifiable risks from being taken, form the foundation of Executive Board remuneration. This is determined by the entire Supervisory Board. The Personnel Committee is responsible for preparing the Supervisory Board's decision. The Supervisory Board reviews the appropriateness of Executive Board remuneration on a regular basis – at least every two years – including the ratio of Executive Board remuneration to remuneration of first-level managers and the workforce as a whole, as well as the development of the various salary levels over time. The remuneration system applies equally to all members of the Executive Board.

During financial year 2015, the Personnel Committee and the plenary meeting of the Supervisory Board discussed the remuneration system in detail, as part of their regular review of Executive Board remuneration. In this context, an independent advisor was commissioned in order to examine the remuneration system, and to develop proposals to change the system's structure and methodology. Following detailed discussion and review, the Supervisory Board then adopted a new remuneration system for the Executive Board in its meeting on 23 September 2015, to come into effect on 1 January 2016. The new remuneration system, which will be submitted to the Annual General Meeting on 11 May 2016 for approval, incorporates a focus on performance, balanced incentive systems and the strengthening of an equity culture.

Remuneration system and aggregate Executive Board remuneration during the 2015 financial year

Remuneration system and targets CR

Key components for defining targets and measuring the achievement of target criteria, within the remuneration system that was in place until (and including) 2015, were the company's economic performance, stakeholder management, succession planning for management positions and employee satisfaction – as well as the value contribution made to the economy and society over the medium and long term.

Non-performance-related remuneration components

Non-performance-related remuneration consisted of a monthly fixed basic remuneration as well as ancillary contractual benefits.

Fixed remuneration

The members of the Executive Board received a fixed basic salary, in twelve monthly instalments, which represented approximately 30 per cent of the total target remuneration for one year.

Ancillary contractual benefits

In addition to the basic remuneration, the members of the Executive Board received certain ancillary contractual benefits. These included the provision of an appropriate company car for business and personal use. Tax was payable by the Executive Board members on the pecuniary benefit arising from private use. In addition, members of the Executive Board received taxable contributions towards private pensions. The company has also taken out insurance cover for them, such as personal accident insurance and a D&O insurance. The D&O insurance policy includes a deductible of 10 per cent of the damages arising from the insured event, with the maximum deductible per year set by the Supervisory Board at 1.5 times the fixed annual remuneration of the relevant Executive Board member.

Performance-related remuneration components

Performance-related remuneration represented approximately 70 per cent of the total target remuneration for the year; it consisted of variable cash components that accounted for around 40 per cent and variable share components that accounted for around 30 per cent. Starting in the year under review, the reference periods for performance measurement were based on the past three years for the variable cash component and on the next three years for the variable share component. Consequently, in the year under review, the variable cash component was determined based on performance during the period from 2013 to 2015. Performance, for the purposes of the variable share component, was also determined based on a period of three financial years. However, within the scope of introducing the new remuneration system, all existing tranches (2013 to 2015) of the share bonus programme (ATP, Aktientantiemeprogramm) were settled as at 31 December 2015, with the tranches for 2014 and 2015 transferred to share components of the new remuneration system.

Variable cash component

The Supervisory Board established the 100 per cent target value of the variable cash component (in euros) for every Executive Board member each year. Two parameters were used to measure the extent to which targets have been met:

Achievement of the Group's consolidated net profit target: two-thirds of the variable cash component were based on meeting a specified target for the net profit for the period attributable to Deutsche Börse AG shareholders (hereinafter referred to as "consolidated net profit"). This measure took the consolidated net profit for the current financial year and the two preceding years into account. The degree to which the targets were achieved was defined for each of the three financial years, from a lower limit of 0 per cent to an upper limit of 200 per cent. The average level of target achievement was then used to calculate two-thirds of the variable cash component for the prevailing financial year. The Supervisory Board was able to consider exceptional, one-off effects when determining the level of target achievement.

Achievement of individual targets: one-third of the variable cash component was determined based on the degree to which each member of the Executive Board achieved their individual targets. Individual targets were set in each case for the current financial year and included specific requirements of particular importance for the individual areas of Executive Board responsibility. Target achievement was evaluated after the end of the respective year, by the Supervisory Board, for each Executive Board member. A range from the lower limit of 0 per cent and the upper limit not exceeding 200 per cent was defined for target achievement regarding individual targets and the total variable cash component.

Variable share component

The Supervisory Board established the 100 per cent target value (in euros) for the variable share component for each Executive Board member. Based on this target value, a number of phantom Deutsche Börse shares was calculated for each member of the Executive Board, at the beginning of the financial year, by dividing the euro amount of the target share component by the average share price (Xetra® closing price) in the two calendar months before the target value was determined. An entitlement to the variable share bonus only arose at the end of the three-year performance period (vesting period), and was settled fully in cash. The share bonus is variable in two ways. The first variable was the number of phantom Deutsche Börse shares, which depended on the relative performance of Deutsche Börse's total shareholder return (TSR) compared to the TSR of the STOXX® Europe 600 Financials Index. The second variable was the share price at the end of the period.

The number of shares calculated at the end of the vesting period was multiplied by the share price applicable on that date (average price / Xetra closing price of Deutsche Börse's shares during the preceding two full calendar months). If the average performance of Deutsche Börse AG's TSR during the vesting period moved in parallel to the average TSR of the benchmark index, the number of phantom shares remained unchanged at the end of this period. If the TSR of Deutsche Börse AG amounted to 50 per cent or less than the index's TSR, the number of phantom shares fell to nil. If the TSR of Deutsche Börse AG was at least twice the index's TSR, the number of phantom shares doubled. A double cap applied to the variable share component: firstly, the performance of the allocated phantom shares was restricted to a maximum of 200 per cent, at the ratio of Deutsche Börse AG's TSR to the TSR of the peer group. Secondly, the Supervisory Board settled a maximum of 250 per cent of the original target value as the upper limit for the cash payment of the variable share component.

2015 total expense for share-based payments

(Prior-year figures in brackets)

	Expense recognised (total) € thous.	Carrying amount as at the balance sheet date (total) € thous.
Carsten Kengeter[1)]	2,550.2 (0)	2,550.2 (0)
Andreas Preuss	4,095.1 (700.6)	4,578.1 (1,576.2)
Gregor Pottmeyer	3,422.8 (557.3)	3,887.9 (1,194.0)
Hauke Stars	2,693.6 (342.8)	3,184.1 (558.2)
Jeffrey Tessler	3,261.8 (555.6)	3,645.4 (1,247.5)
Reto Francioni[2)]	2,056.2 (1,426.9)	0 (2,482.4)
Total	**18,079.7[3)] (3,583.2)**	**17,845.7 (7,058.3)**

1) Appointed to the Executive Board effective 4 April 2015. The 2015 tranche includes the phantom shares granted under the CPIP, for details see the "Co-Performance Investment Plan (CPIP)" section.
2) Left the Executive Board on 31 May 2015. The outstanding 2013 to 2015 tranches were settled with the departure of Reto Francioni.
3) The sum includes total expenses for the settlement of the 2013 to 2015 tranches. As part of the transition to the new remuneration system, the members of the Executive Board invest the 2014 and 2015 tranches in shares of Deutsche Börse AG. These shares are subject to a vesting period until 31 December 2016 (from the 2014 tranche) and 31 December 2017 (from the 2015 tranche), respectively.

A modified Black-Scholes option pricing model (Merton model) was used to measure the stock options arising from the variable share component. See note 39 of the notes to the consolidated financial statements for details on the valuation parameters of this model.

Number of phantom shares

		Number of phantom shares on the grant date	Adjustments of number of phantom shares since the grant date	Number of phantom shares as at 31 Dec 2015
Carsten Kengeter[1)]	Tranche 2015	84,092	27,387	111,479
	Total 2013 to 2015 tranches			**111,479**
Andreas Preuss	Tranche 2015	12,693	2,782	15,475
	Tranche 2014	14,391	5,688	20,079
	Tranche 2013	14,598	7,175	21,773
	Total 2013 to 2015 tranches			**57,327**
Gregor Pottmeyer	Tranche 2015	10,752	2,356	13,108
	Tranche 2014	12,045	4,761	16,806
	Tranche 2013	12,584	6,186	18,770
	Total 2013 to 2015 tranches			**48,684**
Hauke Stars	Tranche 2015	9,706	2,127	11,833
	Tranche 2014	9,669	3,822	13,491
	Tranche 2013	9,753	4,794	14,547
	Total 2013 to 2015 tranches			**39,871**
Jeffrey Tessler	Tranche 2015	10,154	2,225	12,379
	Tranche 2014	11,512	4,550	16,062
	Tranche 2013	11,536	5,670	17,206
	Total 2013 to 2015 tranches			**45,647**
Reto Francioni[2)]	Tranche 2015	6,439	–6,439	0
	Tranche 2014	17,519	–17,519	0
	Tranche 2013	15,597	–15,597	0
	Total 2013 to 2015 tranches			**0**
	Total 2013 to 2015 tranches			**303,008**

1) Appointed to the Executive Board effective 4 April 2015. The 2015 tranche includes the phantom shares granted under the CPIP, for details see the "Co-Performance Investment Plan (CPIP)" section.
2) Left the Executive Board on 31 May 2015. The outstanding tranches 2013 to 2015 were settled with the departure of Reto Francioni.

Amount of Executive Board remuneration

The tables "Granted contributions" and "Inflows" show the remuneration awarded to each Executive Board member for the financial years 2015 and 2014, in accordance with no. 4.2.5 (3) of the GCGC. Details disclosed in accordance with section 314 of the HGB are shown in the "Inflows" table.

Granted contributions

	Carsten Kengeter CEO (since 1 June 2015, appointed as at 4 Apr 2015)			
	2015 € thous.	2015 (min) € thous.	2015 (max) € thous.	2014 € thous.
Fixed remuneration	819.7	819.7	819.7	–
Ancillary benefits	76.4	76.4	76.4	–
Total	**896.1**	**896.1**	**896.1**	–
One-year variable remuneration (individual targets)	397.4	0	794.8	–
Multi-year variable remuneration	1,614.6	0	3,639.1	–
thereof variable cash component (consolidated net profit target, 3-year term)	794.9	0	1,589.8	–
thereof variable share component (SBP, 3-year term)	819.7	0	2,049.3	–
Total	**2,908.1**	**896.1**	**5,330.0**	–
Service cost	436.0	436.0	436.0	–
Total remuneration	**3,344.1**	**1,332.1**	**5,766.0**	–

	Hauke Stars			
	2015 € thous.	2015 (min) € thous.	2015 (max) € thous.	2014 € thous.
Fixed remuneration	650.0	650.0	650.0	580.0
Ancillary benefits	24.6	24.6	24.6	25.5
Total	**674.6**	**674.6**	**674.6**	**605.5**
One-year variable remuneration (individual targets)	300.0	0	600.0	278.3
Multi-year variable remuneration	1,250.0	0	2,825.0	1,127.8
thereof variable cash component (consolidated net profit target, 3-year term)	600.0	0	1,200.0	556.7
thereof variable share component (SBP, 3-year term)	650.0	0	1,625.0	571.1
Total	**2,224.6**	**674.6**	**4,099.6**	**2,011.6**
Service cost	209.3	209.3	209.3	202.2
Total remuneration	**2,433.9**	**883.9**	**4,308.9**	**2,213.8**

Andreas Preuss Deputy CEO				Gregor Pottmeyer			
2015 € thous.	2015 (min) € thous.	2015 (max) € thous.	2014 € thous.	2015 € thous.	2015 (min) € thous.	2015 (max) € thous.	2014 € thous.
800.0	800.0	800.0	800.0	720.0	720.0	720.0	650.0
31.5	31.5	31.5	30.9	28.4	28.4	28.4	27.8
831.5	**831.5**	**831.5**	**830.9**	**748.4**	**748.4**	**748.4**	**677.8**
418.0	0	836.0	418.0	320.0	0	640.0	278.7
1,686.1	0	3.797,3	1,686.1	1,360.0	0	3,080.0	1,268.8
836.0	0	1,672.0	836.0	640.0	0	1,280.0	557.3
850.1	0	2,125.3	850.1	720.0	0	1,800.0	711.5
2,935.6	**831.5**	**5,464.8**	**2,935.0**	**2,428.4**	**748.4**	**4,468.4**	**2,225.3**
997.3	997.3	997.3	843.8	290.0	290.0	290.0	292.7
3,932.9	**1,828.8**	**6,462.1**	**3,778.8**	**2,718.4**	**1,038.4**	**4,758.4**	**2,518.0**

Jeffrey Tessler				Reto Francioni CEO (until 31 May 2015)			
2015 € thous.	2015 (min) € thous.	2015 (max) € thous.	2014 € thous.	2015 € thous.	2015 (min) € thous.	2015 (max) € thous.	2014 € thous.
761.6	761.6	761.6	761.6	458.3	458.3	458.3	1,100.0
19.2	19.2	19.2	72.6	12.3	12.3	12.3	29.6
780.8	**780.8**	**780.8**	**834.2**	**470.6**	**470.6**	**470.6**	**1,129.6**
330.0	0	660.0	330.0	209.9	0	209.9	503.7
1,340.0	0	3,020.0	1,340.0	851.0	0	1,917.6	2,042.1
660.0	0	1,320.0	660.0	419.8	0	839.6	1,007.3
680.0	0	1,700.0	680.0	431.2	0	1,078.0	1,034.8
2,450.8	**780.8**	**4,460.8**	**2,504.2**	**1,531.5**	**470.6**	**2,598.1**	**3,675.4**
199.0	199.0	199.0	0	0	0	0	0
2,649.8	**979.8**	**4,659.8**	**2,504.2**	**1,531.5**	**470.6**	**2,598.1**	**3,675.4**

Inflows

	Casten Kengeter CEO (since 1 June 2015, appointed as at 4 Apr 2015)		Andreas Preuss Deputy CEO[1]	
	2015 € thous.	2014 € thous.	2015 € thous.	2014 € thous.
Fixed remuneration	819.7	–	800.0	800.0
Ancillary benefits[4]	76.4	–	31.5	30.9
Total	**896.1**	**–**	**831.5**	**830.9**
One-year variable remuneration (individual targets)	476.9	–	477.0	439.8
Multi-year variable remuneration	953.9	–	2,047.2	1,638.1
thereof variable cash component (consolidated net profit target)	953.9	–	954.0	879.7
thereof variable share component (SBP 2012/2011)	0	–	1,093.2	758.4
Total	**2,326.9**	**–**	**3,355.7**	**2,908.8**
Service cost	436.0	–	997.3	843.8
Total remuneration (DCGK)	**2,762.9**	**–**	**4,353.0**	**3,752.6**
SBP for the remuneration year[5]	819.7	–	850.1	850.1
less variable share component	0	–	–1,093.2	–758.4
less service cost	–436.0	–	–997.3	–843.8
Total remuneration (section 314 of the HGB)	**3,146.6**	**–**	**3,112.6**	**3,000.5**
Number of phantom shares[6]	15,105[7]	–	12,693	14,391

1) Deutsche Börse AG contributes €245.5 thousand (2014: €1,019.7 thousand) to total remuneration for Andreas Preuss. This amount is composed as follows: non-performance related remuneration: €64.0 thousand (2014: €64.0 thousand), other remuneration from ancillary contractual benefits: nil (2014: nil), variable cash component: €113.3 thousand (2014: €105.6 thousand), number of phantom shares: 1,016 (2014: 14,391), their amount at the grant date: €68.0 thousand (2014: €850.1 thousand).
2) Until 31 July 2015, Jeffrey Tessler was remunerated by Clearstream International S.A. Since 1 August 2015, Deutsche Börse AG pays out the total amount of Mr Tessler's remuneration. Thus, Deutsche Börse AG contributes €1,080.1 thousand (2014: nil) to total remuneration for Jeffrey Tessler. This amount is composed as follows: non-performance related remuneration: €317.3 thousand (2014: nil), other remuneration from ancillary contractual benefits: nil (2014: nil), variable cash component: €479.4 thousand (2014: nil), number of phantom shares: 4,231 (2014: nil), their amount at the grant date: €283.4 thousand (2014: nil).
3) Information relating to the termination of the Executive Board mandate can be found in the "Termination benefits for members of the Executive Board" section.
4) Ancillary benefits (other remuneration) comprise salary components such as taxable contributions towards private pensions, taxable lump-sum telephone allowances/living expenses, and company car arrangements.
5) Corresponds to the 100 per cent target value for the 2014 phantom stock bonus. The variable share component under the 2014 to 2016 performance assessment will be paid out in 2017.
6) The number of stock options at the 2015 grant date is calculated by dividing the target for the stock bonus by the average share price (Xetra® closing price) of Deutsche Börse shares in the calendar months January and February 2015 (€66.97). The number of phantom shares is indicative and may change as a result of the performance comparison based on total shareholder return.
7) The average share price (Xetra® closing price) of Deutsche Börse shares was €54.27 for the calculation of the number of the phantom shares in the assessment period from August to September 2014.

Gregor Pottmeyer		Hauke Stars		Jeffrey Tessler[2]		Reto Francioni CEO (until 31 May 2015)[3]		Total	
2015 € thous.	2014 € thous.	2015 € thous.	2014 € thous.	2015 € thous.	2014 € thous.	2015 € thous.	2014 € thous.	2015 € thous.	2014 € thous.
720.0	650.0	650.0	580.0	761.6	761.6	458.3	1,100.0	4,209.6	3,891.6
28.4	27.8	24.6	25.5	19.2	72.6	12.3	29.6	192.4	186.4
748.4	**677.8**	**674.6**	**605.5**	**780.8**	**834.2**	**470.6**	**1,129.6**	**4,402.0**	**4,078.0**
359.8	288.6	327.3	317.6	376.6	347.2	215.0	538.4	2,232.6	1,931.6
1,448.4	1,082.7	722.4	635.2	1,617.0	1,293.8	1,747.8	1,990.9	8,536.7	6,640.7
719.6	577.1	654.7	635.2	753.1	694.5	430.0	1,076.7	4,465.3	3,863.2
728.8	505.6	67.7	0	863.9	599.3	1,317.8	914.2	4,071.4	2,777.5
2,556.6	**2,049.1**	**1,724.3**	**1,558.3**	**2,774.4**	**2,475.2**	**2,433.4**	**3,658.9**	**15,171.3**	**12,650.3**
290.0	292.7	209.3	202.2	199.0	0	0	0	2,131.6	1,338.7
2,846.6	**2,341.8**	**1,933.6**	**1,760.5**	**2,973.4**	**2,475.2**	**2,433.4**	**3,658.9**	**17,302.9**	**13,989.0**
720.0	711.5	650.0	571.1	680.0	680.0	483.4	1,034.8	4,203.2	3,847.5
–728.8	–505.6	–67.7	0	–863.9	–599.3	–1,317.8	–914.2	–4,071.4	–2,777.5
–290.0	–292.7	–209.3	–202.2	–199.0	0	0	0	–2,131.6	–1,338.7
2,547.8	**2,255.0**	**2,306.6**	**2,129.4**	**2,590.5**	**2,555.9**	**1,599.0**	**3,779.5**	**15,303.1**	**13,720.3**
10,752	12,045	9,706	9,669	10,154	11,512	6,439	17,519	64,849	65,136

Remuneration of the CEO

In its meeting on 23 September 2015, the Supervisory Board resolved to adjust the target remuneration of Carsten Kengeter, with effect from 1 January 2016, to a total of €5 million.

Co-Performance Investment Plan (CPIP)

As part of its revision of the remuneration system, the Supervisory Board resolved to offer the Chief Executive Officer the one-time opportunity of participating in the new CPIP. According to the CPIP, the Chief Executive Officer may invest personal funds in Deutsche Börse AG shares once and once only. These shares (the so-called investment shares) must be held at least until the end of the 2019 financial year, and must not be sold during this period. In return for his acquisition of investment shares, using his personal funds up to a maximum amount of €4,500,000, the company has agreed to grant Mr Kengeter co-performance shares (so-called co-performance shares) in the company, which are subject to the same criteria and conditions as the newly introduced performance shares that will apply from 2016 onwards. Performance shares are explained in the section "Measurement of target achievement for performance shares".

Within the scope of the CPIP, on 14 December 2015 Mr Kengeter invested the maximum amount in investment shares. Accordingly, Deutsche Börse AG granted Mr Kengeter 68,987 co-performance shares equivalent to €4,500,000 (fair value at the time the co-performance shares were granted). The performance of the co-performance shares is based on (i) the increase in Deutsche Börse AG's consolidated net profit and (ii) the ratio of Deutsche Börse AG's total shareholder return (TSR), relative to the TSR of companies included in the STOXX Europe 600 Financials Index. The period for measuring performance criteria commenced in the fourth quarter of 2014, thus including company performance since the announcement of Mr Kengeter's appointment as Chairman of the Executive Board in October 2014. This also ensures that the year 2015 – during which Mr Kengeter was appointed Deutsche Börse AG's Chief Executive Officer – is taken into account.

The investment shares are subject to a holding period until 31 December 2019. The performance period commenced on 1 January 2015 and will end on 31 December 2019. The claim on payout from CPIP shares will be vested in three steps:

- Prepayment on the disbursement amount as at 31 March 2019 (first prepayment): the amount of the first prepayment will be determined by the Supervisory Board; it is supposed to be approximately one-third of the expected amount to be disbursed.
- Prepayment on the disbursement amount as at 31 March 2020 (second prepayment): the amount of the second prepayment will be one-third of the disbursement amount determined.
- Disbursement of the remaining disbursement amount as at 31 March 2021 (final disbursement): the final disbursement will be equivalent to the total disbursement amount, less the first and second prepayments.

Termination benefits for members of the Executive Board

The service contract with the company's long-standing CEO, Reto Francioni, expired at the end of 31 May 2015. Upon leaving the Executive Board, Mr Francioni received a severance payment as compensation for the loss of remuneration over the original residual term of his contract of service (1 June 2015 to 31 October 2016). The severance payment consisted of the following amounts:

- €2,874.3 thousand, comprising fixed annual remuneration (€1,558.3 thousand), lost non-monetary ancillary benefits (€100.0 thousand) and lost share bonuses (€1,216.0 thousand);
- €903.0 thousand for the lost 2015 cash bonus;
- €1,323.5 thousand for the lost 2016 cash bonus.

Mr Francioni is subject to a post-contractual non-compete clause until 31 October 2016, when his appointment was originally due to end. This prohibits him from providing services to, or for, a competing company. The severance payment constitutes compensation for the post-contractual non-compete clause.

Retirement benefits

Messrs Kengeter, Francioni, Pottmeyer and Tessler are entitled to pension benefits after reaching the age of 60, Ms Stars after reaching the age of 62, and Mr Preuss after reaching the age of 63, provided that they are no longer in the employment of Deutsche Börse AG in each case at that time. As a matter of principle, the Supervisory Board reviews and determines the pensionable income from which retirement benefits are derived. There are two different retirement benefit systems for Deutsche Börse AG Executive Board members. Executive Board members who were appointed for the first time before 1 January 2009 receive a defined benefit pension. Executive Board members who were appointed for the first time after that date receive a defined contribution pension. The pensionable income and the present value of the existing pension commitments as at 31 December 2015 are presented in the table "Retirement benefits".

Like his fellow Executive Board members, Mr Tessler is entitled to pension payments which are secured by a trust agreement. The trust assets are held under German jurisdiction, the pension commitments are governed by Luxembourg law. As a US citizen, Mr Tessler is subject to US income tax. Due to his entitlement to the pension payments mentioned above, Mr Tessler incurred a tax burden in the gross amount of €2,713.7 thousand in 2015. This tax amount was refunded by Clearstream International S.A. in accordance with a cost assumption agreement relating to the company's pension commitment for Mr Tessler dating from 2005.

Defined benefit retirement benefit system

After reaching the contractually agreed retirement age, members of the Executive Board to whom the defined benefit pension system is applicable receive a specified percentage (replacement rate) of their individual pensionable income as a pension. This is subject to the Executive Board member in question having served on the Executive Board for at least three years, and having been reappointed at least once. Pensionable income is determined and regularly reviewed by the Supervisory Board. When the term of office began, the replacement rate was 30 per cent. It rose by 5 percentage points with each reappointment, up to a maximum of 50 per cent. The provisions of the defined benefit retirement benefit system apply to Messrs Francioni, Preuss and Tessler.

Defined contribution retirement benefit system

For Executive Board members to whom the defined contribution pension system applies, the company makes a contribution in the form of a capital component in each calendar year they serve on the Executive Board. This contribution is determined by applying an individual replacement rate to the pensionable income. As in the defined benefit pension system, the pensionable income is determined and regularly reviewed by the Supervisory Board. The annual capital components calculated in this way bear annual interest of 3 per cent. The provisions of the defined contribution pension system apply to Messrs Kengeter and Pottmeyer and to Ms Stars.

Early retirement pension

Members of the Executive Board who have a defined benefit pension are entitled to an early retirement pension if the company does not extend their contract, unless the reason for this is attributable to the Executive Board member or would justify termination without notice of the Executive Board member's contract. The amount of the early retirement pension is calculated in the same way as the retirement benefits by applying the relevant replacement rate to the pensionable income. Again, this is subject to the Executive Board member having served on the Executive Board for at least three years, and having been reappointed at least once. Members of the Executive Board who have a defined contribution pension are not eligible for early retirement benefits.

Retirement benefits

	Pensionable income	Replacement rate		Present value/defined benefit obligation		Pension expense	
	2015 € thous.	as at 31.12.2015 %	as at 31.12.2014 %	as at 31.12.2015 € thous.	as at 31.12.2014 € thous.	2015 € thous.	2014 € thous.
Defined benefit system							
Reto Francioni	1,000.0	40.0	40.0	8,163.5	8,309.6	0	0[1]
Andreas Preuss	800.0	50.0	50.0	10,082.6	8,989.0	997.3	843.8
Jeffrey Tessler[2]	577.8	40.0	40.0	4,756.8	5,913.4	169.0	0
Total	**2,377.8**			**23,002.9**	**23,212.0**	**1,166.3**	**843.8**
Defined contribution system							
Carsten Kengeter	1,000.0	40.0	–	449.0	–	436.0	–
Gregor Pottmeyer	500.0	48.0	48.0	2,009.7	1,724.9	290.0	292.7
Hauke Stars	500.0	36.0	36.0	652.5	437.4	209.3	202.2
Total	**2,000.0**			**3,111.2**	**2,162.3**	**935.3**	**494.9**

1) On commencement of the current appointment Mr Francioni acquired a pension right amounting to 40 per cent of his pensionable income. Further years of service until the agreed start of retirement will not lead to an increase in the pension. As service cost completely mirrored the expense arising from the pension increase already in 2013, there are no expenses for financial years 2014 and 2015.

2) Since 1 August 2015, Deutsche Börse AG contributes to the retirement benefits of Jeffrey Tessler. Until 31 July 2015, they were paid by Clearstream International S.A.

Death and permanent occupational incapacity benefits

In the event of the permanent occupational incapacity of a member of Deutsche Börse AG's Executive Board, the company is entitled to retire the Executive Board member in question. Permanent occupational incapacity exists if an Executive Board member is unable to perform his or her professional activities for more than six months and if it is not expected that his or her occupational capacity will be regained within a further six months. In such cases, Executive Board members who have a defined benefit pension plan receive the amount calculated by applying the relevant replacement rate to the pensionable income. Executive Board members with a defined contribution pension plan receive the benefit assets acquired when the benefits fall due, plus an allocated amount. The allocated amount corresponds to the full annual pension contribution that would have been due in the year of leaving service, multiplied by the number of years between the benefits falling due and the Executive Board member reaching the age of 60, 62, or 63, respectively.

In the event of the death of an Executive Board member, his or her spouse receives 60 per cent of the above amount and each dependent child receives 10 per cent (25 per cent for full orphans), up to a maximum of 100 per cent of the pension contribution.

Transitional payments

In the event of permanent occupational incapacity, the agreements under the defined benefit pension system for Deutsche Börse AG's Executive Board provide for a transitional payment in addition to the benefits described above. The amount of this payment corresponds to the amount of the target variable remuneration (cash and stock bonuses) in the year in which the benefits fall due. It is paid out in two tranches, in the two subsequent years. In the case of the death of an Executive Board member, his or her spouse receives 60 per cent of the transitional payment.

Severance payments

In the event of early termination of an Executive Board member's contract of service other than for good cause, any payments made to the Executive Board member may not exceed the remuneration for the residual term of the contract of service and may also not exceed the value of two total annual remuneration payments (severance payment cap). The payment is calculated based on the total remuneration in the past financial year and, where appropriate, the expected total remuneration for the current financial year. The Supervisory Board may exceed the upper limit in exceptional, justified cases.

Change of control

If an Executive Board member is asked to stand down within six months of a change of control, he or she is entitled to a severance payment equal to two total annual remuneration payments or the value of the residual term of his or her contract of service, where this is less than two years. This entitlement may be increased to 150 per cent of the severance payment. If an Executive Board member resigns within six months of the change of control because his or her position as a member of the Executive Board is negatively impacted to a significant degree as a result of the change of control, the Supervisory Board may decide at its discretion whether to grant a severance payment of the above-mentioned amount.

Other provisions

Post-contractual non-compete clause

A post-contractual non-compete clause applies to members of the Executive Board of Deutsche Börse AG who were appointed or reappointed to the Board on or after 1 October 2014. This means that the respective members of the Executive Board are contractually prohibited from acting for a competing company, or from undertaking competing activities, for a period of one year from the end of the employment relationship. The compensation payable during the non-compete period amounts to 75 per cent of the member's final fixed remuneration and 75 per cent of the final cash bonus and is payable for the term of the post-contractual non-compete clause. Benefits under the pension agreement are deducted from the compensation. In addition, 50 per cent of other benefits are deducted if the other benefits plus the compensation exceed the final remuneration. The company may waive the post-contractual non-compete clause before termination of the contract of service.

Secondary employment

Additional appointments or sideline activities entered into by individual members of the Executive Board require the approval of the entire Executive Board and the Chairman of the Supervisory Board or, in certain cases, the entire Supervisory Board, which has delegated granting such approval to the Personnel Committee. If a member of the Executive Board is remunerated for an office performed at an affiliate of Deutsche Börse AG, this is offset against the Executive Board member's entitlement to remuneration from Deutsche Börse AG.

Loans to Executive Board members

The company did not grant any loans or advances to members of the Executive Board during the financial year 2015, and there are no loans or advances from previous years to members of the Executive Board.

Payments to former members of the Executive Board

Former members of the Executive Board or their surviving dependents received payments of €2.3 million in the year under review (2014: €2.2 million). The actuarial present value of the pension obligations as at the balance sheet date was €71.8 million in the year under review (2014: €64.5 million).

Remuneration system for the Executive Board applicable from the 2016 financial year onwards

Remuneration system and targets CR

The new remuneration system is based on three key guidelines: firstly, a marked performance orientation, with a more differentiated appraisal through ambitious internal and external targets. The focus is clearly on the company's above-average growth. The second guideline is a balanced system of incentives. This prevents incentivising excessive risk-taking, through a combination of various assessment bases extending over several years, sustainability elements, and the deferral of disbursements over time. Thirdly, the new remuneration system relies on strengthening the equity culture, for the purpose of aligning the interests of shareholders, senior management and other stakeholders.

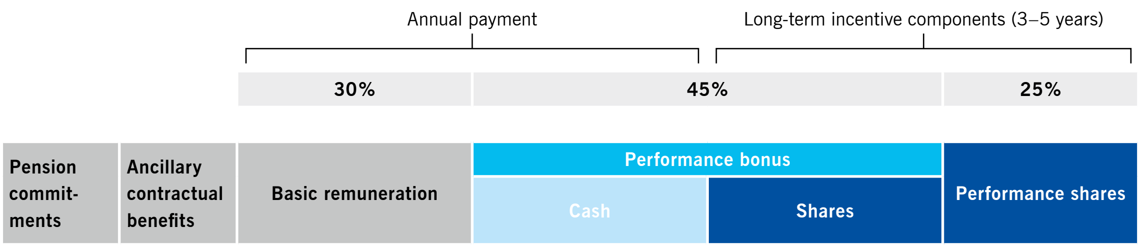
Structure and remuneration components
The remuneration system for the members of the Executive Board consists of four components:

- non-performance-related fixed remuneration
- performance-related remuneration components
- ancillary benefits
- pension commitments

In addition, Share Ownership Guidelines were introduced, according to which Executive Board members are obliged to hold a substantial amount of Deutsche Börse AG shares during their term of office.

Furthermore, the Supervisory Board resolved to offer Mr Kengeter a one-time participation in the CPIP, as outlined above, in the section "Co-Performance-Investment Plan (CPIP)".

Composition of the total target remuneration



% = Proportion of the total target remuneration
■ Performance-related component (share-based payment)
■ Performance-related component (cash component)
■ Non-performance-related component (cash component)

Comparison of different target achievement levels

The table “Sample calculation” compares various scenarios for different target achievement levels.

Sample calculation

		Minimum	Below target value	Target value	Above target value	Maximum[1]
Consolidated net profit growth (p.a.)	%	–20	5.5	7.5	12	15
Relative TSR	percentile	49th	52nd	60th	70th	80th
Changes in share price (p.a.)	%	–10	–3	0	3	15
Individuelle Ziele	%	0	100	100	100	200
Fixed remuneration	€	700,000	700,000	700,000	700,000	700,000
Performance bonus (cash)	€	0	668,889	700,000	980,000	1,400,000
Performance bonus (share-based)	€	0	610,477	700,000	1,070,872	2,129,225
Performance shares	€	0	400,743	700,000	1,338,150	3,519,875
Total remuneration	**€**	**700,000**	**2,380,109**	**2,800,000**	**4,089,022**	**7,749,100**

1) Unlimited share price performance

Non-performance-related remuneration

Fixed remuneration

The non-performance-related remuneration consists of a fixed basic salary, which continues to be paid in twelve monthly instalments. From the 2016 financial year onwards, as before, this represents approximately 30 per cent of the total target remuneration for one year.

Ancillary benefits

In addition to the basic remuneration, the members of the Executive Board continue to receive certain ancillary contractual benefits. As under the previous system, these benefits comprise the provision of an appropriate company car for business and personal use, taxable contributions towards private pensions, accident insurance and D&O insurance.

Performance-related remuneration

As in the past, performance-related remuneration comprises approximately 70 per cent of the total target remuneration for one year. The composition of this variable remuneration component has changed: from 2016 onwards, it consists of a performance bonus as well as of performance shares, with the latter measured and granted within the framework of the Performance Share Plan (PSP). The performance bonus amounts to approximately two-thirds of performance-related remuneration, and to approximately 45 per cent of the total target remuneration. It consists of a share-based component (the share-based performance bonus) and a cash component, in equal proportions. Performance shares reflect the performance of the Deutsche Börse share price over a five-year performance period (the vesting period). Performance shares amount to approximately one-third of performance-related remuneration, and to approximately 25 per cent of the total target remuneration.

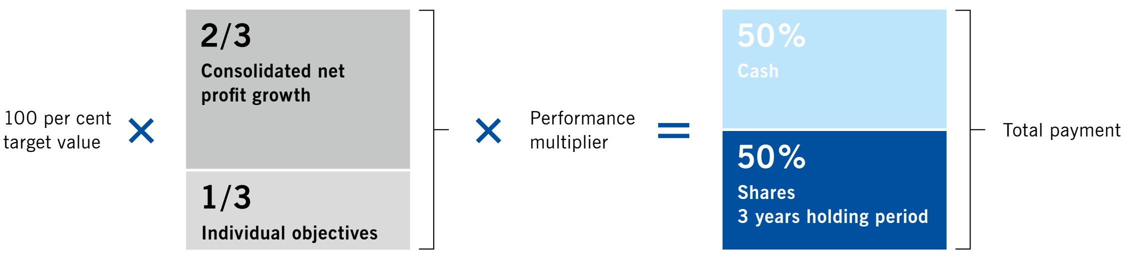
Accordingly, performance-related remuneration for Executive Board members is predominantly share-based. Furthermore, it is largely calculated on the basis of long-term performance, with various target criteria being assessed over a period of five years (performance shares) or four years (share-based performance bonus), respectively. The cash part of the performance bonus – which is calculated on the basis of a one-year performance assessment – is the only short-term element of variable remuneration.

The criteria which the Supervisory Board uses to assess target achievement of individual Executive Board members are described below. These criteria are used to determine the respective performance bonus, as well as the number and value of performance shares.

Assessment of target achievement for the performance bonus

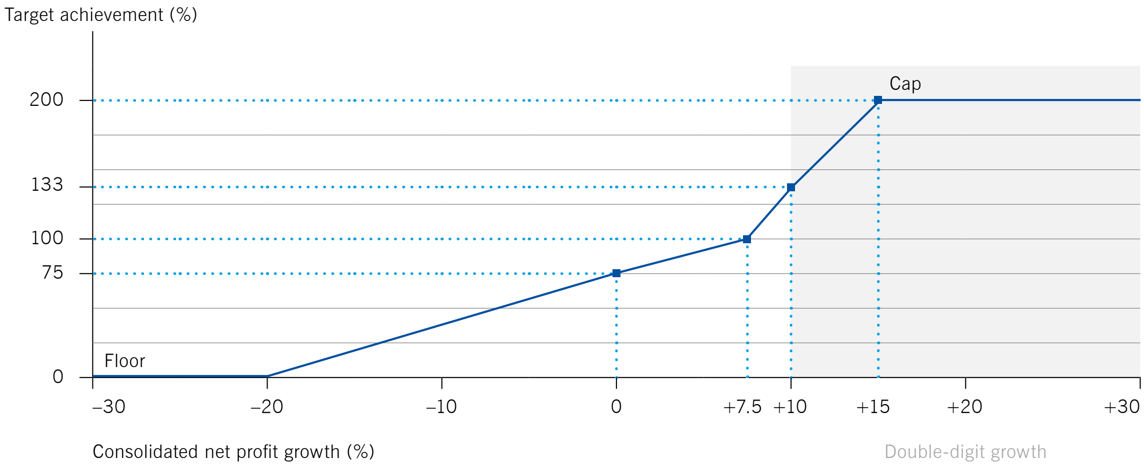
Target achievement is determined for one financial year. Assessment of target achievement is based on two components: growth of (reported – not adjusted) consolidated net profit for the remuneration year concerned (with a weighting of two-thirds), and the Executive Board member's individual performance (with a one-third weighting). Once the Supervisory Board has determined the overall target achievement level, from these two components, it may conduct a final appraisal, adjusting it via a performance multiplier for individual Executive Board members, but also for the entire Executive Board. The total performance bonus will be disbursed in cash, not later than the regular salary payment for the calendar month following approval of Deutsche Börse's consolidated financial statements. However, Executive Board members are obliged to invest 50 per cent of the total amount after tax disbursed into Deutsche Börse AG shares, which they will have to hold for at least three years. These shares will be purchased by a bank, on behalf and for the account of each Executive Board member, within one month following disbursement of the performance bonus at the latest.

Overview of the new performance bonus



Assessment of consolidated net profit growth for the performance bonus
Growth of consolidated net profit serves as the basis for determining two-thirds of the performance bonus. The growth rate is derived – independent from the budget – by comparing the (reported) consolidated net profit for the remuneration year with the previous year's figure. Target achievement may range between 0 and 200 per cent, whereby a decline in consolidated net profit of 20 per cent or more means a 0 per cent target achievement (floor). Where consolidated net profit remains stable (i.e. unchanged year-on-year), this is deemed a 75 per cent target achievement; a 7.5 per cent increase is equivalent to a 100 per cent target achievement. An increase in consolidated net profit of 15 per cent or more means a 200 per cent target achievement (cap). Accordingly, a stronger incentive is provided for consolidated net profit growth rates between 7.5 per cent and 15 per cent, via a steeper slope of the target achievement curve (please refer to the chart "Assessment of consolidated net profit growth for the performance bonus").

Assessment of the consolidated net profit for the performance bonus



Assessment of individual target achievement
One-third of the target achievement for the performance bonus is determined based on the degree to which each member of the Executive Board has achieved their individual targets. These targets are set by the Supervisory Board at the beginning of each financial year individually for each Executive Board member – taking individual requirements into account, especially those with particular importance for the individual Executive Board portfolios. The Supervisory Board assesses target achievement for each member of the Executive Board after the end of the respective remuneration year. In a similar manner to the assessment of consolidated net profit growth, a range from a lower limit of 0 per cent and an upper limit not exceeding 200 per cent has been defined for target achievement regarding individual targets.

Determining a performance multiplier

Moreover, the Supervisory Board may implement a general assessment of Executive Board performance by determining a performance multiplier for the performance bonus. For instance, in the event of mergers or acquisitions, the final assessment of overall target achievement may account for a dilution of equity, or incorporate achievement of qualitative or quantitative targets (especially integration parameters). The performance multiplier may be set in a range between 0.8 and 1.2; it is multiplied with the performance assessment for the performance bonus, taking the 200 per cent cap into account.

Fundamentals of the Performance Share Plan (PSP) and measurement of target achievement for performance shares

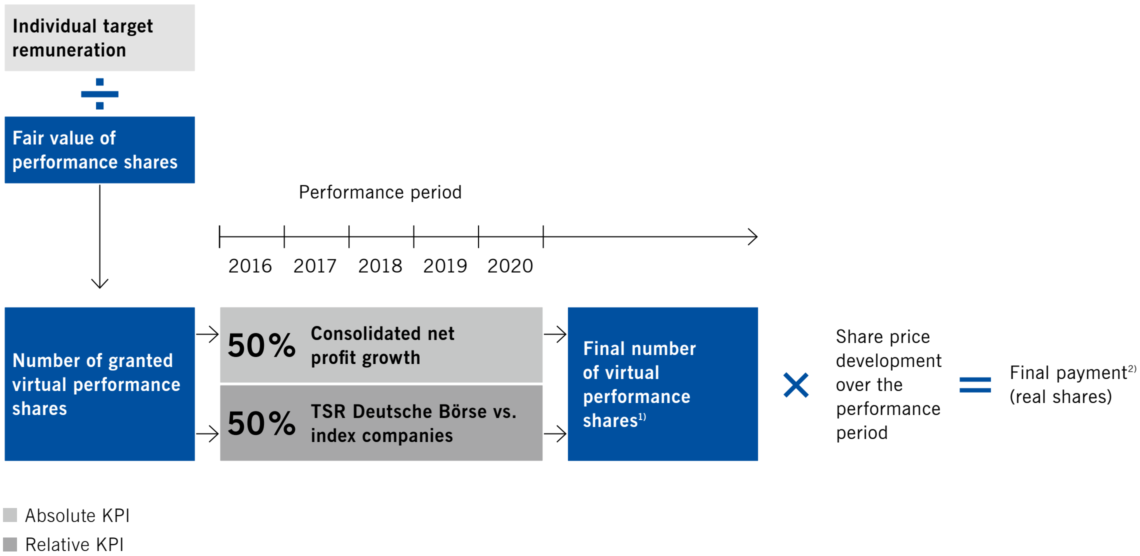
The PSP provides for a quantity of Deutsche Börse shares (the so-called performance shares) to be allotted to each member of the Executive Board from 2016 onwards. Target achievement in relation to performance shares is determined on the basis of two components: firstly, growth in consolidated net profit over a five-year period, and secondly, the relative performance of Deutsche Börse's total shareholder return (TSR) compared to the TSR of the industry benchmark STOXX Europe 600 Financials Index during the same period.

The number of prospective performance shares for each member of the Executive Board is determined, at the beginning of each financial year, by dividing the amount of individual target remuneration (in euros) by the average Xetra closing price of Deutsche Börse shares over the last calendar month prior to the performance period. A claim on allocation of performance shares will only arise upon expiry of the five-year performance period (vesting period); the shares will be allocated by a bank, on behalf and for the account of the respective Executive Board member, within one month following the end of the vesting period.

The PSP is variable in two dimensions:

- The first variable is the number of performance shares, which is derived from the growth path of consolidated net profit and from the TSR of Deutsche Börse shares relative to the TSR of the reference index, each over a five-year period. In this context, the maximum number of performance shares is capped at 250 per cent of performance shares determined at the beginning of the vesting period.
- The second set of variables is the development of share price and dividends during the vesting period, with no cap applied to the share price.

Structure of the Performance Share Plan (PSP)

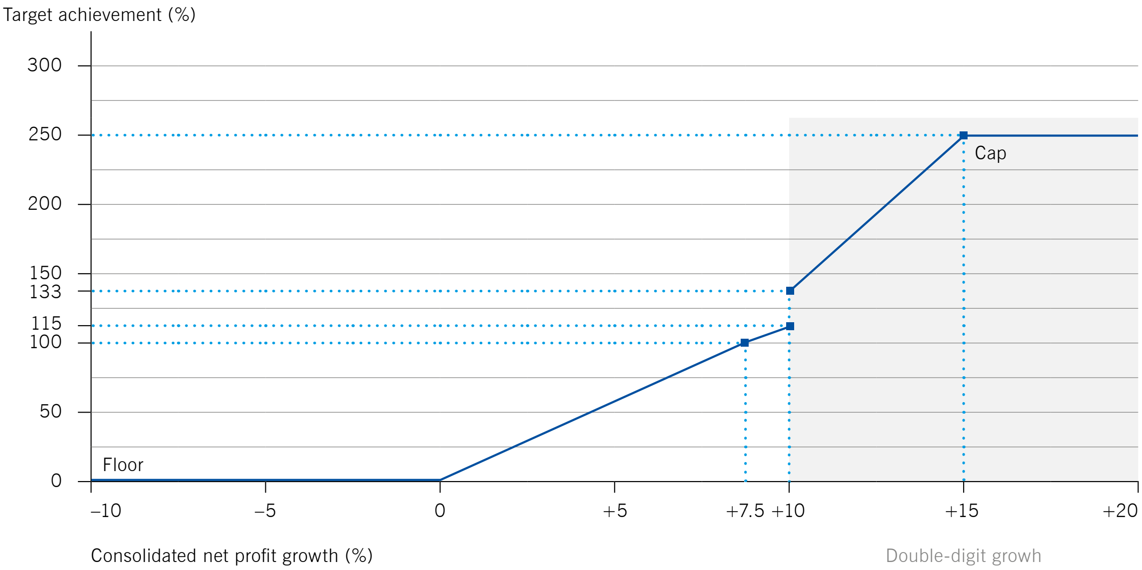


1) Cap at 250 per cent of the granted number
2) Final payment will incorporate dividends paid over the 5 years for the vesting share units.

Assessment of consolidated net profit for performance shares

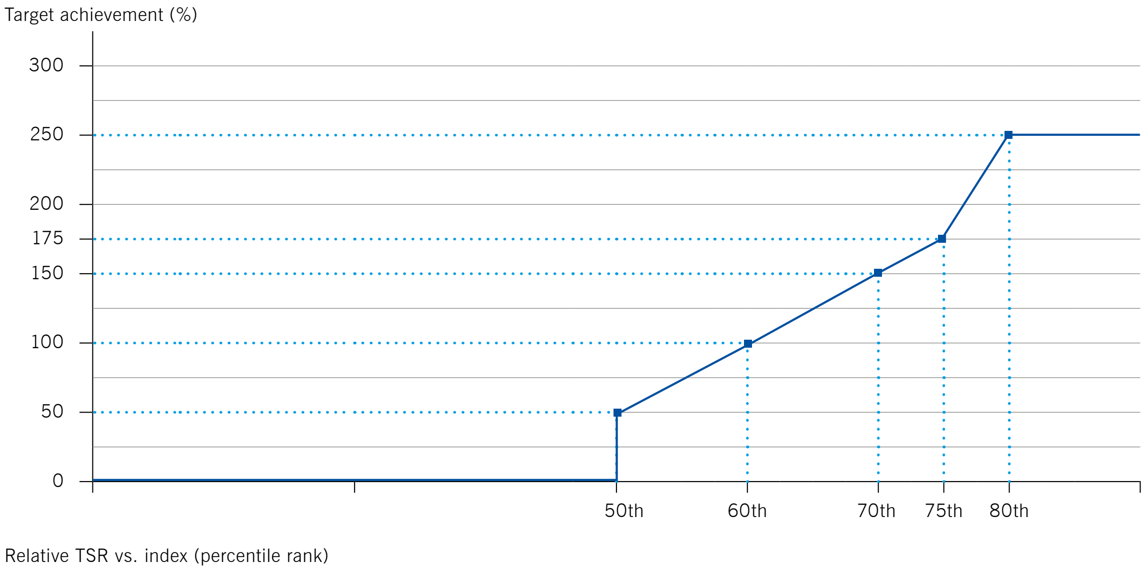
During the five-year performance period, the Supervisory Board measures target achievement of Executive Board members after the end of each financial year and determines the number of performance shares. The level of target achievement may range between zero and 250 per cent. If consolidated net profit declines, or remains unchanged year-on-year, this is deemed a zero per cent target achievement level (floor). A 7.5 per cent increase in consolidated net profit is equivalent to a 100 per cent target achievement. An increase in consolidated net profit of 15 per cent or more means a 250 per cent target achievement (cap). The target achievement level increases more strongly for growth rates between 10 per cent and 15 per cent, compared to single-digit growth rates, providing a stronger incentive to Executive Board members to achieve double-digit consolidated net profit growth. Please also refer to the chart "Assessment of consolidated net profit growth for performance shares".

Assessment of consolidated net profit for performance shares



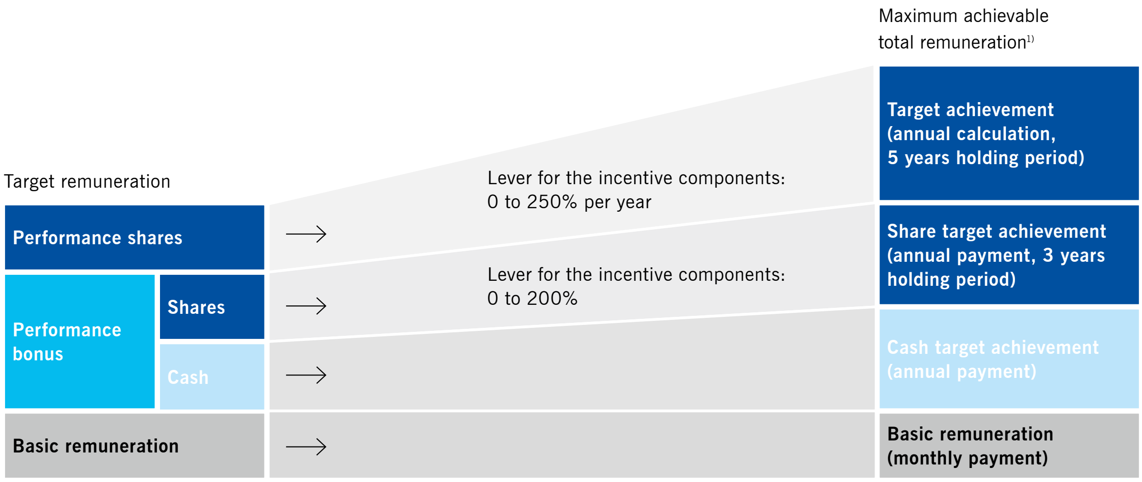
Assessment of TSR performance of Deutsche Börse shares
The TSR performance of Deutsche Börse shares is derived from Deutsche Börse AG's ranking, relative to the constituents of the STOXX Europe 600 Financials Index. The target achievement level for Executive Board members may range between zero per cent (floor) to a maximum of 250 per cent (cap). Zero per cent target achievement is assumed in the event of Deutsche Börse AG's relative five-year TSR falling short of the median, i.e. being lower than at least half of index constituents. Where Deutsche Börse AG's TSR has outperformed 60 per cent of index constituents, this represents a target achievement of 100 per cent – or 175 per cent if Deutsche Börse AG's TSR has outperformed 75 per cent of index constituents. The 250 per cent target achievement cap is reached if Deutsche Börse AG's TSR ranks amongst the top 20 per cent of index constituents – in other words, if it is ranked in the 80th percentile of the index or higher. Target achievement between these points is determined by way of linear interpolation. Please also refer to the chart "Assessment of the Total Shareholder Return (TSR) of the Deutsche Börse share for performance shares".

Assessment of the Total Shareholder Return (TSR) of the Deutsche Börse share for performance shares



Share Ownership Guidelines
Under the Share Ownership Guidelines, members of the Executive Board are obliged to hold a multiple of their gross fixed remuneration in Deutsche Börse AG shares during their term of office. A multiple of 3 applies to the CEO, and a multiple of 2 to the Deputy CEO and to ordinary Executive Board members. Shares of the following three categories will be considered to assess compliance with the Share Ownership Guidelines: (i) shares purchased from the performance bonus, during the holding period; (ii) shares from allocation of performance shares; and (iii) shares held in private ownership. Such shareholdings must build up over a three-year period ending on 31 December 2018. The relevant figure for the purposes of the Share Ownership Guidelines is the weighted average fixed remuneration paid to each Executive Board member during the period between 1 January 2016 and 31 December 2018.

Basic remuneration as well as annual and long-term incentive components



% = Proportion of the total target remuneration
- Performance-related component (share-based payment)
- Performance-related component (cash component)
- Non-performance-related component (cash component)

1) Unlimited share price performance

Pension commitments

Existing pension and other benefit commitments to Executive Board members were not changed in the course of the remuneration system being redesigned. For more details, please refer to the sections "Retirement benefits", "Death and permanent occupational incapacity benefits" and "Transitional payments".

Severance payments

The provisions of the previous remuneration system governing severance payments remain valid. For more details, please refer to the sections "Severance payments" and "Change of control" above. Performance shares will only be retained in the event of a premature termination of contract by mutual agreement and without serious cause. Where the company has good cause to terminate employment, any performance shares granted will lapse.

Supervisory Board remuneration

The members of the Supervisory Board receive a fixed annual remuneration of €70 thousand. The Chairman receives remuneration of €170 thousand and the Deputy Chairman receives €105 thousand. Members of Supervisory Board committees receive additional fixed annual remuneration of €30 thousand for each committee position they hold. This amount rises to €35 thousand for members of the Audit Committee. Committee Chairmen's remuneration is €40 thousand, or €60 thousand for the Chairman of the Audit Committee. If a Supervisory Board member belongs to several Supervisory Board committees, only the work in a maximum of two committees is remunerated. The remuneration for the work in the two most highly remunerated committees is awarded. Supervisory Board members who only belong to the Supervisory Board for part of the financial year, receive one-twelfth of the fixed annual remuneration and, if applicable, of the remuneration for their committee membership, for each month or part month of membership.

Remuneration paid to members of the Supervisory Board for advisory and agency services
There were no further agreements in the reporting period for advisory and agency services with members of the Supervisory Board or with the following companies that employ members of the Supervisory Board of Deutsche Börse AG or in which Supervisory Board members hold an interest.

Supervisory Board remuneration[1]

	2015	2014	2015 € thous.	2014 € thous.
Joachim Faber (Chairman)	full year	full year	250.0	250.0
Richard Berliand (Deputy Chairman as from 13 May 2015)	full year	full year	175.8	140.0
Irmtraud Busch[2]	1 Jan – 13 May	full year	41.7	100.0
Karl-Heinz Flöther	full year	full year	137.1	130.0
Marion Fornoff	full year	full year	100.0	100.0
Hans-Peter Gabe	full year	full year	100.0	100.0
Richard M. Hayden[2]	1 Jan – 13 May	full year	54.2	130.0
Craig Heimark	full year	full year	116.7	137.5
David Krell[2]	1 Jan – 13 May	full year	41.7	100.0
Monica Mächler	full year	full year	125.8	100.0
Friedrich Merz[2]	1 Jan – 13 May	full year	56.3	132.5
Thomas Neiße[2]	1 Jan – 13 May	full year	41.7	100.0
Heinz-Joachim Neubürger†	1 Jan – 5 Feb	full year	22.5	135.0
Gerhard Roggemann (Deputy Chairman until 13 May 2015)	full year	full year	144.6	165.0
Erhard Schipporeit	full year	full year	166.7	166.7
Jutta Stuhlfauth	full year	full year	120.0	100.0
Martin Ulrici[2]	1 Jan – 13 May	full year	41.7	100.0
Johannes Witt	full year	full year	137.5	132.5
Amy Yip[3]	13 May – 31 Dec	–	86.7	–
Total			**1,960.7**	**2,319.2**

1) The recipient of the remuneration is determined individually by the members of the Supervisory Board.
2) Left the Supervisory Board on 13 May 2015
3) Elected to the Supervisory Board on 13 May 2015

Corporate governance declaration

The corporate governance declaration in accordance with section 289a of the Handelsgesetzbuch (HGB, German Commercial Code) is part of the combined management report. In this declaration, the Executive Board and Supervisory Board of Deutsche Börse AG report on the following: the declaration of conformity in accordance with section 161 of the Aktiengesetz (AktG, German Stock Corporation Act), relevant information on corporate governance practices, Executive and Supervisory Board working practices, the composition and working practices of the Supervisory Board committees, and definition of female proportions according to sections 76 (4) and 111 (5) of the AktG.

Declaration of Conformity in accordance with section 161 of the AktG

On 8 December 2015, the Executive Board and Supervisory Board of Deutsche Börse AG issued the following Declaration of Conformity:

"Declaration of Conformity regarding the German Corporate Governance Code in accordance with section 161 of the German Stock Corporation Act
Section 161 of the German Stock Corporation Act (AktG) requires the Executive Board and the Supervisory Board of a listed stock corporation to declare annually that the recommendations of the 'Government Commission German Corporate Governance Code' published by the Federal Ministry of Justice in the official section of the Federal Gazette have been and are being met or, if not, which recommendations have not been or are not being applied and why not.

For the period since the last declaration of conformity dated 9 December 2014 until 11 June 2015, the declaration set out below refers to the previous version of the Code as of 24 June 2014. Since 12 June 2015, the declaration refers to its current version as of 5 May 2015, published in the Federal Gazette on 12 June 2015.

The Executive Board and the Supervisory Board of Deutsche Börse AG declare that the recommendations of the 'Government Commission German Corporate Governance Code' have been met almost completely and will be met with only few deviations. For details, please see below:

1. Agreement of severance payment caps when concluding Executive Board contracts (no. 4.2.3 (4) of the Code)
Severance payment caps agreed upon in all current contracts with the members of the Executive Board complied and will continue to comply with the recommendation no. 4.2.3 (4) of the Code. As in the past, however, the Supervisory Board reserves the right to deviate from no. 4.2.3 (4) of the Code in the future under certain circumstances. The Supervisory Board is of the opinion that a deviation may become necessary in extraordinary cases.

2. Cap on total amount of compensations (no. 4.2.3 (2) (sentence 6) of the Code) and disclosure in the compensation report (no. 4.2.5 (3) of the Code)
No. 4.2.3 (2) (sentence 6) of the Code recommends that the amount of management compensation shall be capped, both overall and for individual components. In the future, Deutsche Börse AG will deviate from this recommendation.

Effective as of 1 January 2016, a new compensation system will be implemented, inter alia, for the Executive Board of Deutsche Börse AG. Within the framework of this new compensation system, the long-term variable compensation elements will be share-based. Even though the new compensation system will provide for a cap in relation to the number of shares which will be allocated to the members of the Executive Board, no cap will be foreseen on the maximum achievable bonus amount as the development of the share price remains uncapped. In our opinion, a cap on the achievable amount would be inconsistent with the rationale of a share-based compensation system which aims to achieve an adequate participation in the economic risks and chances of the company by the members of the Executive Board.

No. 4.2.5 (3) (subitem 1) of the Code recommends, inter alia, to present the maximum achievable compensation for variable compensation components for financial years starting after 31 December 2013. As there will be no cap in relation to the share-based variable compensation components, the maximum achievable compensation cannot be presented as recommended in no. 4.2.5 (3) (subitem 1) of the Code. Therefore, the deviation from the Code results from the fact that there is no cap on the maximum achievable compensation."

The annual Declaration of Conformity in accordance with section 161 of the AktG can also be found on the internet at www.deutsche-boerse.com/declconformity. The declarations of conformity for the previous five years can also be accessed there.

Information on corporate governance practices CR

Behavioural guidelines

Deutsche Börse Group's global orientation requires that binding policies and standards of behaviour are applied at all of its locations around the world. The principles for cooperation are aimed in particular at ensuring responsibility, respect and mutual esteem. They are also applied when implementing the Group's business model. Communication with customers, investors, employees and the public is based upon timely information and transparency. In addition to profit-based activity, Deutsche Börse's business is managed using recognised social responsibility standards.

Group-wide code of ethics

Responsible actions and behaviour depend on values that are shared by all employees throughout the Group. The code of ethics adopted by the Executive Board, and which is applicable throughout the Group, lays the foundation for this by setting minimum ethical and legal standards. It is binding both for members of the Executive Board and for all other managers and employees of the Group. In addition to specific rules, it provides general guidance as to how employees can contribute to putting the values it lays down into practice, in the course of their daily work. The aim of the code of ethics is to set out guidance for working together in the company on a day-to-day basis, to help resolve any conflicts and to resolve ethical and legal challenges. The code of ethics for employees of Deutsche Börse Group can be found at www.deutsche-boerse.com > Sustainability > Set an example > Employees > Code of ethics.

Code of Conduct for suppliers and service providers

Deutsche Börse Group demands that high standards are met not only by its management and its employees, but also by its suppliers. The Code of Conduct for suppliers and service providers requires them to respect human rights and employee rights, and to comply with minimum standards. Most suppliers have signed up to these conditions, and all key suppliers have made voluntary commitments that correspond to or exceed Deutsche Börse Group's standards. Service providers and suppliers must sign up to the Code or an equivalent voluntary commitment as a prerequisite for doing business with Deutsche Börse Group. The Code is regularly reviewed in the light of current developments, and amended as necessary. The Code of Conduct for suppliers and service providers can be found on the internet at www.deutsche-boerse.com > Sustainability > Set an example > Procurement management.

Values

Deutsche Börse Group's business activities are based on the legal frameworks and ethical standards of the different countries in which it operates. In particular, the Group underscores the values to which it attaches importance by joining initiatives and organisations that stand for generally accepted ethical standards. The relevant memberships are as follows:

United Nations Global Compact www.unglobalcompact.org: The UN Global Compact is an international agreement between companies and the United Nations. By participating, Deutsche Börse Group has agreed to meet minimum social and ecological standards along its entire value chain.

Diversity Charter www.diversity-charter.com: As a signatory to the Diversity Charter, the company is committed to acknowledging, respecting and promoting the diversity of its workforce, customers and business associates – irrespective of their age, gender, disability, race, religion, nationality, ethnic background, sexual orientation, or identity.

International Labour Organisation www.ilo.org: This UN agency is the international organisation responsible for drawing up and overseeing international labour standards; it brings together representatives of governments, employees and employers to jointly shape policies and programmes. By signing up for this, Deutsche Börse Group has agreed to observe these standards.

The German Sustainability Code www.nachhaltigkeitsrat.de/en/home: The German Council for Sustainable Development adopts the German Sustainability Code and recommends that the political and business communities make extensive use of this voluntary instrument. Deutsche Börse Group has published an annual declaration of conformity with the German Sustainability Code since 2011.

Sector-specific policies

Deutsche Börse Group's pivotal role in the financial sector requires that it handles information, and especially sensitive data and facts, responsibly. A number of sets of rules are in force in the Group to ensure that employees comply with this. These cover both legal requirements and special policies applicable to the industry segment concerned, such as the whistleblowing system and risk and control management policies.

Whistleblowing system

Deutsche Börse Group's whistleblowing system gives employees and external service providers an opportunity to report non-compliant behaviour. Deutsche Börse Group has engaged Deloitte & Touche to act as an external ombudsman and to receive any relevant information submitted by phone or e-mail. A whistleblower's identity is not revealed to Deutsche Börse Group.

Risk and control management policies

Functioning control systems are an important part of stable business processes. Deutsche Börse Group's enterprise-wide control systems are embedded in an overarching framework. Among other things, this takes into account legal requirements, the recommendations of the German Corporate Governance Code, international regulations and recommendations, and other company-specific policies. The managers responsible for the different elements of the control system are in close contact with each other and with the Executive Board, and report regularly to the Supervisory Board or its committees.
A Group-wide risk management system is in place that covers, and provides mandatory rules for, functions, processes and responsibilities. Details on the internal control system and risk management at Deutsche Börse Group can be found in the sections "Internal management" and "Risk report".

Executive and Supervisory Board working practices

The dual board principle, which assigns separate, independent responsibilities to the Executive Board and the Supervisory Board, is a fundamental principle of the German Stock Corporation Act. These responsibilities are set out in detail in the following sections.

Both boards perform their duties in the interests of the company and with the aim of achieving a sustainable increase in value. Their actions are based on the principle of responsible corporate governance. Consequently, the Executive and Supervisory Boards of Deutsche Börse AG work closely together on the basis of mutual trust: the Executive Board provides the Supervisory Board with regular, timely and comprehensive information on the course of business. In addition, it regularly informs the Supervisory Board of all issues concerning corporate planning, business development, the risk situation and risk management, compliance, and the company's control systems. The Chairman of the Executive Board reports to the Supervisory Board without delay, verbally or in writing, on any matters that are of special importance to the company. The company's strategic orientation is discussed and coordinated in detail with the Supervisory Board, and its implementation is discussed at regular intervals. In particular, the chairmen of the two boards maintain regular contact and discuss the company's strategy, business performance and risk management. Moreover, the Supervisory Board can request a report from the Executive Board at any time, especially on matters relating to Deutsche Börse AG and on business transactions at subsidiaries that could have a significant impact on the position of Deutsche Börse AG.

Executive Board of Deutsche Börse AG

The Executive Board manages Deutsche Börse AG and Deutsche Börse Group. The Board normally had five members in the reporting period. It was only between 4 April 2015 and 31 May 2015 that the Board consisted of six members, given that Carsten Kengeter joined the Board as from April, but only took the chairmanship on following the retirement of Reto Francioni. The main duties of the Executive Board include defining the Group's corporate goals and strategic orientation, managing and monitoring the operating units, and establishing and monitoring an efficient risk management system. The Executive Board is responsible for preparing the quarterly and half-yearly financial reports, as well as the consolidated and annual financial statements of Deutsche Börse AG. In addition, its job is to ensure that legal requirements and official regulations are complied with.

The members of the Executive Board are jointly responsible for all aspects of management. Irrespective of the collective responsibility of all members of the Executive Board, each member independently manages and is personally responsible for the areas of the company assigned to them in the board's schedule of responsibilities. In addition to the business areas, there are functional responsibilities assumed by the divisions of the Chairman of the Executive Board (CEO) and the Chief Financial Officer (CFO). The business areas cover the operating business areas, such as cash market activities and the derivatives business, securities settlement and custody, information technology and the market data business. Effective 1 January 2016, the responsibilities within the Executive Board have been reorganised in order to concentrate areas of responsibility and related issues and to increase client orientation. Besides the already existing CEO and CFO divisions, the following three new divisions have been established: (1) Clients, Products & Core Markets, (2) IT & Operations, Data & New Asset Classes as well as (3) Cash Market, Pre-IPO & Growth Financing. Details can be found in the section "Overview of Deutsche Börse Group – Organisational structure".

Further details of the Executive Board's work are set out in bylaws that the Supervisory Board has adopted for the Executive Board. These bylaws specify, among other things, matters reserved for the full Executive Board, special measures that require the approval of the Supervisory Board, and other procedural details and procedures for passing resolutions. The Executive Board meets regularly for Executive Board meetings; these are convened by the Chief Executive Officer, who coordinates the work of the Executive Board. Any Executive Board member can demand that a meeting be convened. In accordance with its bylaws, the full Executive Board normally takes decisions on the basis of resolutions passed by a simple majority of the members voting on the resolution. If a vote is tied, the Chairman's vote is decisive. The Chairman also has a veto, although he cannot enforce a resolution against a majority vote. In July 2015, the Executive Board established a so-called Group Management Committee. This Committee consists of all Executive Board members as well as additional executives of Deutsche Börse Group assigned by the Executive Board. The Group Management Committee consults the Executive Board, in particular with regard to investment decisions, strategic positioning and corporate culture. Besides the preparation of in-depth analysis of specific issues, the Group Management Committee fulfils a coordinating function for the Executive Board.

More information on the Executive Board, its composition, the members' individual appointments and their biographies can be viewed at www.deutsche-boerse.com/execboard.

Supervisory Board of Deutsche Börse AG

The Supervisory Board supervises and advises the Executive Board in the management of the company. It supports the Executive Board in significant business decisions and provides assistance in matters of strategic importance. The Supervisory Board has defined measures that require the approval of the Supervisory Board in the bylaws for the Executive Board. In addition, the Supervisory Board is responsible for appointing the members of the Executive Board, for specifying their total remuneration and for examining the consolidated and annual financial statements of Deutsche Börse AG. Details of the Supervisory Board's work in the 2015 financial year can be found in the report of the Supervisory Board.

Two-thirds of the Supervisory Board's members are shareholder representatives and one-third are employee representatives. In accordance with the Articles of Association, the Supervisory Board had 18 members until the end of the Annual General Meeting on 13 May 2015. It was then reduced to twelve members. The term of office for the shareholder and employee representatives on the current Supervisory Board is identical. It lasts three years, and ends with the Annual General Meeting in 2018. However, the term of office of all Supervisory Board members will be terminated prematurely provided that the planned transformation of Deutsche Börse AG into a European Company (Societas Europaea, SE) is implemented. In this case, the Supervisory Board members have to be re-elected.

The Supervisory Board holds at least six regular meetings every year. In addition, extraordinary meetings are held as required. The committees also hold regular meetings. The Supervisory Board passes its resolutions with a simple majority. If a vote is tied, the Chairman's vote is decisive. In addition, the Supervisory Board regularly reviews the efficiency of its work, discusses potential areas for improvement, and resolves suitable measures to achieve this where necessary.

With regard to its composition, the Supervisory Board has resolved a list of requirements with concrete goals. Information on the profile for the composition of the Supervisory Board can be found in the corporate governance report.

The committees of the Supervisory Board and their working practices
The Supervisory Board has established committees with the aim of improving the efficiency of its work by dealing with complex matters in smaller groups and preparing them for the full Supervisory Board. Additionally, the Supervisory Board has delegated individual decision-making powers to the committees, to the extent that this is legally permissible. The Supervisory Board had a total of seven committees in the year under review, until the Annual General Meeting held on 13 May 2015. After that date, the Interim Risk Management Roadmap Committee and the Clearing and Settlement Committee were dissolved. The Risk Committee was newly established, bringing the total number of Supervisory Board committees to six as from the Annual General Meeting 2015. The individual responsibilities of the committees are outlined in the Supervisory Board bylaws. The committees' rules of procedure correspond to those of the full Supervisory Board. The tasks and composition of the individual committees can be found at www.deutsche-boerse.com > Investor Relations > Corporate Governance > Supervisory Board > Committees.

The chairmen report to the plenary meeting about the subjects addressed in, and resolutions passed by, the individual committee meetings. Information on the Supervisory Board's actual activities and meetings in the reporting period can be found in the report of the Supervisory Board.

More information on the Supervisory Board and its committees, its composition, the members' individual appointments and their biographies, can be found at www.deutsche-boerse.com/supervboard.

Target figures for women in management positions

In accordance with the Gesetz für die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen in der Privatwirtschaft und im öffentlichen Dienst (German regulatory requirements on equal participation), Deutsche Börse AG's Supervisory Board and Executive Board have defined target figures covering the female proportion for these boards as well as the two management levels directly beneath Deutsche Börse AG's Executive Board.

At the time the Supervisory Board defined the target figures for Deutsche Börse AG's Supervisory Board and Executive Board, the female proportion amongst Supervisory Board members was 33.33 per cent, while the Executive Board stood at 20 per cent. Against this background, the Supervisory Board resolved on 16 June 2015 that the current female proportion amongst its members of 33.33 per cent (20 per cent for the Executive Board, respectively) shall be maintained until the end of the implementation period (30 June 2017) as a minimum requirement.

At the time, the Executive Board defined the target figures for the two management levels directly beneath Deutsche Börse AG's Executive Board (15 September 2015); the female proportion was 6 per cent for the first level, and 10 per cent for the second level. The Executive Board resolved that the current proportion of female employees at these executive levels (i.e. 6 per cent for the first level and 10 per cent for the second level) shall be maintained until 30 June 2017 as a minimum requirement. Please refer to the section "Non-financial key performance indicators" for further information on target figures for women in management positions and the voluntary commitment as part of non-financial key performance indicators.

The committees of the Supervisory Board in the year under review
Composition and responsibilities

Audit Committee

Members (until 13 May 2015)	Members (since 13 May 2015)	Composition
▪ Erhard Schipporeit (Chairman) ▪ Karl-Heinz Flöther (since 13 February 2015) ▪ Friedrich Merz ▪ Heinz-Joachim Neubürger † (until 5 February 2015) ▪ Johannes Witt	▪ Erhard Schipporeit (Chairman) ▪ Karl-Heinz Flöther ▪ Monica Mächler ▪ Johannes Witt	▪ at least four members, who are elected by the Supervisory Board ▪ prerequisites for the chairmanship of the committee: the person concerned must be independent and must have specialist knowledge and experience of the application of accounting principles and internal control processes (a financial expert) ▪ excluded from the chairmanship: the Chairman of the Supervisory Board, and former members of the company's Executive Board whose appointment ended less than two years ago

Responsibilities

- addresses issues relating to the preparation of the annual budget as well as financial topics, particularly capital management
- addresses issues relating to the adequacy and effectiveness of the company's control systems, in particular relating to risk management, compliance and internal auditing
- audit reports
- addresses issues relating to accounting, including the monitoring of financial reporting processes
- half-yearly financial report and quarterly financial reports (if applicable)
- examines the single-entity financial statements and management report, the consolidated financial statements and the combined management report, discusses the audit report with the auditor and prepares the Supervisory Board approval of the financial statements, the consolidated financial statements and the Executive Board's proposal on the appropriation of the unappropriated surplus
- prepares the election by the Annual General Meeting of the auditor of the single-entity financial statements, the consolidated financial statements and the half-yearly financial report, to the extent that such reports are subject to audits or a review by the auditor, makes corresponding recommendations to the Supervisory Board
- required independence of external auditors
- auditor's other services, i.e. those rendered in addition to audit services
- issues the engagement letter to the auditor, including in particular the review or audit of half-yearly financial reports, determines the areas of emphasis for the audit and the audit fee
- prepares the Supervisory Board approval of the declaration of conformity in accordance with section 161 of the AktG, and the corporate governance declaration in accordance with section 289a of the HGB

Nomination Committee

Members (until 13 May 2015)	Members (since 13 May 2015)	Composition
▪ Joachim Faber (Chairman) ▪ Richard M. Hayden ▪ Gerhard Roggemann	▪ Joachim Faber (Chairman) ▪ Gerhard Roggemann ▪ Amy Yip	▪ the Chairman of the Personnel Committee also chairs the Nomination Committee (dual role) ▪ at least two other members (exclusively shareholder representatives who are also members of the Personnel Committee) **Responsibilities** ▪ proposes suitable candidates to the Supervisory Board for inclusion in the Supervisory Board's election proposal to the Annual General Meeting

Personnel Committee

Members (until 13 May 2015)	Members (since 13 May 2015)	Composition
▪ Joachim Faber (Chairman) ▪ Marion Fornoff ▪ Richard M. Hayden ▪ Gerhard Roggemann	▪ Joachim Faber (Chairman) ▪ Marion Fornoff ▪ Gerhard Roggemann ▪ Amy Yip	▪ chairman of the Supervisory Board as committee chairman ▪ at least three other members, who are elected by the Supervisory Board, and of whom one must be an employee representative **Responsibilities** ▪ handles issues relating to the contracts of service for Executive Board members, and in particular the structure and amount of their remuneration ▪ addresses succession planning for the Executive Board ▪ approves appointments of members of Deutsche Börse AG's Executive Board to other executive boards, supervisory boards, advisory boards and similar boards, honorary appointments and secondary activities, and approves any exemptions from the requirement to obtain approval ▪ approves the grant or revocation of general powers of attorney ▪ approves cases in which the Executive Board grants retirement benefits for employees, or other individually negotiated retirement benefits, or proposes to enter into works agreements establishing pension plans

Risk Committee (since 13 May 2015)

Members	Composition
▪ Richard Berliand (Chairman) ▪ Monica Mächler ▪ Erhard Schipporeit ▪ Jutta Stuhlfauth	▪ at least four members, who are elected by the Supervisory Board **Responsibilities** ▪ reviews the risk management framework, including the overall risk strategy and risk appetite, and the risk roadmap ▪ acknowledges and reviews the periodic risk management and compliance reports ▪ supervises and monitors the operating, financial and business risks of the Group ▪ discusses the annual reports on significant risks and risk management systems of regulated Group entities, to the extent legally permissible

Strategy Committee

Members (until 13 May 2015)	Members (since 13 May 2015)	Composition
▪ Joachim Faber (Chairman) ▪ Richard Berliand ▪ Karl-Heinz Flöther ▪ Hans-Peter Gabe ▪ Heinz-Joachim Neubürger † (until 5 February 2015) ▪ Gerhard Roggemann ▪ Jutta Stuhlfauth	▪ Joachim Faber (Chairman) ▪ Richard Berliand ▪ Hans-Peter Gabe ▪ Gerhard Roggemann ▪ Jutta Stuhlfauth ▪ Amy Yip	▪ chairman of the Supervisory Board as committee chairman ▪ at least five other members, who are elected by the Supervisory Board **Responsibilities** ▪ advises the Executive Board on matters of strategic importance to the company and its affiliated companies ▪ addresses basic strategic and business issues, as well as important projects for Deutsche Börse Group

Technology Committee

Members (until 13 May 2015)	Members (since 13 May 2015)	Composition
▪ Craig Heimark (Chairman) ▪ Karl-Heinz Flöther ▪ David Krell ▪ Martin Ulrici	▪ Richard Berliand (Chairman) ▪ Karl-Heinz Flöther ▪ Craig Heimark ▪ Johannes Witt	▪ at least three members, who are elected by the Supervisory Board **Responsibilities** ▪ supports the Supervisory Board with the fulfilment of supervisory duties regarding information technology for the execution of the Group business strategy and relating to IT security ▪ advises on IT strategy and architecture ▪ supervises and monitors technological innovations, IT service performances and technical performance and stability of IT systems, operating IT risks and information security services and risks

Clearing and Settlement Committee (until 13 May 2015)

Members	Composition
▪ Richard Berliand (Chairman) ▪ Irmtraud Busch ▪ Monica Mächler ▪ Thomas Neiße	▪ normally four members, who are elected by the Supervisory Board **Responsibilities** ▪ advises the plenary meeting of the Supervisory Board, in particular on the assessment of relevant regulatory trends at national and European level, and on evaluating the effects of these trends upon Deutsche Börse Group

Interim Risk Management Roadmap Committee (until 13 May 2015)

Members	Composition
▪ Erhard Schipporeit (Chairman) ▪ Richard Berliand ▪ Joachim Faber ▪ Karl-Heinz Flöther (since 13 February 2015) ▪ Craig Heimark ▪ Friedrich Merz ▪ Heinz-Joachim Neubürger † (until 5 February 2015) ▪ Johannes Witt	▪ chairman of the Audit Committee as committee chairman ▪ at least two other members of the Supervisory Board, who are elected by the Supervisory Board **Responsibilities** The Committee was tasked with supervising the implementation of the Risk Management Roadmap, and in particular with monitoring the following issues: ▪ defining the best practice risk management processes to be implemented ▪ defining the risk appetite ▪ risk governance

Corporate governance report

Corporate governance report CR

Corporate governance stands for responsible corporate management and control. Good corporate governance boosts the confidence of investors, business partners, employees and the financial markets. It is therefore indispensable for sustaining the company's success.

Corporate governance and declaration of conformity

Deutsche Börse Group attaches great importance to the principles of responsible corporate governance and control. In accordance with the requirements of the German Corporate Governance Code (GCGC), it publishes the corporate governance report (in connection with the corporate governance declaration) in accordance with section 289a of the Handelsgesetzbuch (HGB, German Commercial Code). The Executive Board and the Supervisory Board of Deutsche Börse AG submitted their annual declaration of conformity in accordance with section 161 of the Aktiengesetz (AktG, German Stock Corporation Act) on 8 December 2015. This is published in the declaration of corporate governance and publicly available on the company's website at www.deutsche-boerse.com/declconformity. The declarations of conformity for the previous five years can also be accessed there.

The Executive Board and the Supervisory Board of Deutsche Börse AG have declared that the recommendations of the "Government Commission on the German Corporate Governance Code" have been and continue to be complied with – with only a few exceptions. The details can be found in the annual declaration of conformity. The suggestions of the GCGC have been and continue to be complied with in full.

Corporate governance at Deutsche Börse Group

Women in management positions
In 2010, the Executive Board already adopted a voluntary commitment aiming at a proportion of women in middle and upper management of 20 per cent, and in lower management of 30 per cent by 2020. The target figures cover the entire Deutsche Börse Group (worldwide basis, including subsidiaries). During the reporting period, the proportion of women in middle and upper management – as well as in lower management – increased slightly.

Moreover, Deutsche Börse Group complied with the statutory provisions regarding equal participation of women and men in leadership positions and determined target figures for Deutsche Börse AG (without subsidiaries). Please refer to the declaration of corporate governance and the section "Non-financial key performance indicators" for further information on target figures for women in management positions.

Flexible upper age limit for Executive Board members
The flexible upper age limit for Executive Board members means that appointments run until the end of the month in which the Executive Board member concerned turns 60 years of age. From the month following the one in which Executive Board members turn 60, and on each subsequent anniversary, they can be reappointed for a period of one year. However, the last appointment period should finish at

the end of the month in which the Executive Board member turns 65 years of age. When appointing Executive Board members, the Supervisory Board aims to optimise the Executive Board's composition in the interests of the company. Experience, sector-specific expertise as well as personal and professional qualifications play an important role. Depending on the Executive Board post to be filled, it is not only the range and depth of specific experience that matter, but also whether this experience is up to date. The flexible upper age limit is designed to address this issue in particular. It has been worded deliberately loosely to allow the Supervisory Board full flexibility in its appointment decisions.

Supervisory Board composition goals

The Supervisory Board has resolved a list of requirements setting out specific goals in accordance with section 5.4.1 of the GCGC that relates to the composition of the Board and in particular to the nomination of members:

1. Qualification requirements

Members of the Supervisory Board should have the knowledge, skills and expertise necessary to carry out the duties of a Supervisory Board member at an international company. To this end, the Supervisory Board has defined general (basic) and company-specific qualification requirements. The company-specific qualification requirements are derived from the business model, the company's concrete objectives and the specific regulations applicable to Deutsche Börse Group. In addition, members should have enough time available to perform their duties.

Qualification requirements for members of the Supervisory Board of Deutsche Börse AG

Basic qualification requirements

Every Supervisory Board member ideally fulfils the following basic qualifications:

- understanding of business issues
- basic knowledge and understanding of the German corporate governance system
- analytical and strategic abilities
- integrity and suitability of character for the position

Company-specific qualification requirements

The company-specific qualification requirements relate to the Supervisory Board as a whole. Sound knowledge especially of:

- exchange and capital market business models
- accounting, finance, risk management and compliance
- information technology as well as the clearing and settlement business
- regulatory requirements

Coverage of company-specific qualification requirements

	Exchange and capital market business models	Accounting, finance, risk management and compliance	Information technology as well as the clearing and settlement business	Regulatory requirements
Richard Berliand	+	+	+	
Joachim Faber	+	+		+
Karl-Heinz Flöther		+	+	
Craig Heimark		+	+	
Monica Mächler		+		+
Gerhard Roggemann	+			+
Erhard Schipporeit	+	+		
Amy Yip	+	+		

2. Independence
According to section 5.4.2 of the GCGC, a Supervisory Board member cannot be considered independent in particular if he or she has personal or business relations with the company, its executive bodies, a controlling shareholder, or an enterprise associated with a controlling shareholder which may cause a substantial and not merely temporary conflict of interests. The Supervisory Board has resolved that at least half of its shareholder representatives should be independent as defined above.

3. Women and international profile
Since the Annual General Meeting (AGM) in 2015, the Supervisory Board consists of twelve members, including four women (two shareholder and two employee representatives, respectively). The Supervisory Board resolved that the current female proportion amongst its members (33.33 per cent) shall be maintained until 30 June 2017 as a minimum requirement. The Supervisory Board adheres to its objective of increasing the number of female members. Moreover, the goal is for the Supervisory Board's future composition to continue to reflect the company's international profile.

4. Flexible upper age limit and length of membership
The rules specifying a flexible upper age limit (generally 70), set out by the Supervisory Board in its bylaws, are taken into account when candidates are proposed to the AGM. When making such proposals, the Supervisory Board shall also consider the regular membership limit of twelve years, as set in the Supervisory Board's bylaws.

The composition of Deutsche Börse AG's Supervisory Board reflects the goals described above, featuring an appropriate number of independent and international members. With four female Supervisory Board members, the targeted share for female membership (33.33 per cent) has been achieved. Please refer to the following link for further information concerning the members of the Supervisory Board and its committees: www.deutsche-boerse.com/supervboard. The nomination process for the election of shareholder representatives to the Supervisory Board to be elected by the 2015 AGM is described in detail on page 68 of the corporate report 2014.

Preparation for the election of shareholder representatives to the Supervisory Board
Gerhard Roggemann will resign as shareholder representative from Deutsche Börse AG's Supervisory Board by the end of the AGM on 11 May 2016. Mr Roggemann presented his candidacy on short notice at the last AGM shareholder representative election on 13 May 2015, following the sudden and tragic death of Heinz-Joachim Neubürger, who had planned to present his candidacy. Mr Roggemann expressed his readiness to lay down his office before the actual end of the term, provided that another suitable shareholder representative could be found. Mr Roggemann had been a member of the Supervisory Board between 11 May 1998 and 14 May 2003 and was elected as Supervisory Board member again on 12 July 2003. In view of the regular membership limit of twelve years as set by the Supervisory Board, the Nomination Committee worked intensively on the search for a suitable new Supervisory Board member, supported by an external consultant. Regulatory and capital market expertise was particularly emphasised in the requirements profile for potential candidates, in order to compensate for Mr Roggemann's retirement. Simultaneously, the Nomination Committee was striving for an increase of the proportion of female Supervisory Board members. After a number of face-to-face interviews, the Committee agreed on Ann-Kristin Achleitner as a new candidate for the shareholder representative elections to the Supervisory Board of Deutsche Börse AG.

Moreover, the Nomination Committee was engaged in the choice of candidates for the election of shareholder representatives to the Supervisory Board in case of Deutsche Börse AG's transformation into a European Company (Societas Europaea, SE). The Committee conducted another review to make sure that each company-specific qualification requirement would be met by at least two of the candidates. Moreover, the Committee made sure that the candidates have reserved the appropriate amount of time required to perform their duties as Supervisory Board members. The Committee also took the length of the candidates' membership on the Supervisory Board into consideration in order to ensure balance between the different terms of office on the Board. After careful consideration of the entire situation, the Committee decided to propose the Supervisory Board members Richard Berliand, Erhard Schipporeit and Craig Heimark for re-election to the Board in case of the transformation into an SE, although they will slightly exceed the regular membership limit at the end of their planned terms of office. All three of these Board members are of great importance to the Board, not only due to their tremendous experience, but also given their exceptionally high level of professional competence. In addition, they exercise functions with central importance to the company, such as Deputy Chairman of the Supervisory Board or member of the Audit, Risk or Technology Committee. The list of candidates that the Supervisory Board will propose to the AGM for election in case of the transformation into an SE on the recommendation of the Nomination Committee will ensure that the Supervisory Board's members continue to have the collective knowledge, skills and specialist experience needed to duly carry out their tasks during the Board's new term of office. In addition, the Supervisory Board membership will comply with the qualifications profile, and will meet the requirements for independence, diversity and the time needed for members to perform their duties in any case.

Education and training measures for the Supervisory Board

As a matter of principle, members of the Supervisory Board are responsible for ensuring their own training and further education. In addition, Deutsche Börse AG complies with the recommendation in section 5.4.5 (2) of the GCGC to support the training and further education of Supervisory Board members. For example, it offers specific introductory seminars for new Supervisory Board members and holds workshops on selected strategic issues and, where necessary, specialist topics. Targeted training measures for Supervisory Board members were scheduled, within the efficiency audit, to be implemented during the coming year covering information technology, clearing and risk management issues.

Efficiency audit of the Supervisory Board's work

Deutsche Börse AG regards regular reviews of the efficiency of Supervisory Board work in accordance with section 5.6 of the GCGC as a key component of good corporate governance. The 2015 efficiency audit was dedicated to the following areas: organisation and performance of Supervisory Board tasks, co-operation between the Executive Board and the Supervisory Board, as well as training measures for the Supervisory Board. The review was largely positive. The suggestions for improvement identified were discussed, and steps were taken to implement them.

Shareholder representation, transparent reporting and communication

Shareholders exercise their rights at the AGM. As part of good corporate governance, Deutsche Börse AG intends to simplify the exercise of shareholders' rights to the greatest extent possible. For instance, shareholders of Deutsche Börse AG may follow the AGM over the internet, and they have the right to be represented at the AGM by proxies nominated by Deutsche Börse AG. The proxies exercise the voting right solely in accordance with the instructions issued by the shareholder. Furthermore, shareholders may exercise voting rights by postal ballot (in writing or online). The AGM elects, inter alia, the shareholder representatives to the Supervisory Board and resolves on the ratification of the acts of the Executive Board and the Supervisory Board. It also passes resolutions on the appropriation of the unappropriated surplus, resolves on capital measures, approves inter-company agreements, as well as amendments to the Articles of Association of Deutsche Börse AG. An AGM is held every year, where the Executive Board and the Supervisory Board give account regarding the past financial year.

To ensure maximum transparency and equal access to information, Deutsche Börse AG's corporate communications generally follow the rule that all target groups receive all relevant information at the same time. In its financial calendar, Deutsche Börse AG informs shareholders, analysts, shareholders' associations, the media and interested members of the public about key events, such as the date of the AGM or publication dates for financial indicators. In addition to publishing ad hoc disclosures, information on directors' dealings and voting rights notifications, the website www.deutsche-boerse.com can be used to access the company's corporate and interim reports, along with company news items. Deutsche Börse AG supplies information about the annual and consolidated financial statements at a financials press conference. Following the publication of the interim reports, the company offers conference calls for analysts and investors. It also outlines its strategy and provides information to all interested parties, while ensuring that all target groups worldwide are informed at the same time.

In addition, Deutsche Börse AG submitted a declaration of conformity with the German Sustainability Code (GSC) for 2015. The GSC is a voluntary instrument that companies can use to ensure the transparency and comparability of their sustainability performance for the public: companies abiding by the GSC use the 20 criteria and associated performance indicators contained in the declaration of conformity to explain various aspects of corporate governance, and ecological and social responsibility, and document them with figures. Deutsche Börse's declaration of conformity with the GSC can be found at www.deutsche-boerse.com > Sustainability > Reporting > German Sustainability Code.

Accounting and auditing

In its corporate report, Deutsche Börse AG provides shareholders and interested members of the public with detailed information on Deutsche Börse Group's business performance in the year under review. The company publishes further information in its half-yearly financial report and two quarterly financial reports. The financial statement documents and the corporate report are published within 90 days of the end of the financial year (31 December); interim reports are available within 45 days of the end of the quarter or six-month period that they concern. Following preparations by the Audit Committee, the consolidated and annual financial statements are discussed and examined by the full Supervisory

Board and with the auditor before being approved. The Executive Board discusses the half-yearly report and the quarterly reports for the first and third quarters with the Supervisory Board's Audit Committee prior to publication. The half-yearly report is reviewed by the auditor. In line with the proposal by the Supervisory Board, the 2015 AGM elected KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, (KPMG) to audit its 2015 annual and consolidated financial statements and to review its half-yearly financial report in the year under review. The lead auditor, Karl Braun, has been responsible for the audit since 2011; the deputy lead auditor, Andreas Dielehner, since 2013. The Supervisory Board's proposal was based on the recommendation by the Audit Committee. The Audit Committee obtained the necessary statement of independence from KPMG prior to the election. This states that there are no personal, business, financial or other relationships between the auditor, its governing bodies and audit managers on the one hand, and the company and the members of its Executive and Supervisory Boards on the other that could give cause to doubt the auditor's independence. The Audit Committee monitored the continued existence of this independence during the reporting period.
The Committee also supervised the financial reporting process in 2015. The Supervisory Board was informed promptly of its work and findings; there were no material findings. Information on audit services and fees is provided in note 6 of the notes to the consolidated financial statements.

Consolidated financial statements/notes

Consolidated income statement

for the period 1 January to 31 December 2015

	Note	2015 €m	(restated) 2014[1] €m	2014 €m
Sales revenue	4	2,722.8	2,347.8	2,347.8
Net interest income from banking business	4	50.6	37.6	32.8
Other operating income	4	23.6	23.1	23.1
Total revenue		**2,797.0**	**2,408.5**	**2,403.7**
Volume-related costs	4	–429.6	–360.7	–360.7
Net revenue (total revenue less volume-related costs)		**2,367.4**	**2,047.8**	**2,043.0**
Staff costs	5	–640.7	–472.4	–472.4
Depreciation, amortisation and impairment losses	11, 12	–143.7	–124.8	–124.8
Other operating expenses	6	–591.2	–517.6	–517.6
Operating costs		**–1,375.6**	**–1,114.8**	**–1,114.8**
Net income from equity investments	8	0.8	78.3	78.3
Earnings before interest and tax (EBIT)		**992.6**	**1,011.3**	**1,006.5**
Financial income	9	21.2	8.8	18.7
Financial expense	9	–63.6	–56.7	–61.8
Earnings before tax (EBT)		**950.2**	**963.4**	**963.4**
Other tax		–1.6	–1.4	–1.4
Income tax expense	10	–247.4	–173.5	–173.5
Net profit for the period		**701.2**	**788.5**	**788.5**
Net profit for the period attributable to Deutsche Börse AG shareholders		665.5	762.3	762.3
Net profit for the period attributable to non-controlling interests		35.7	26.2	26.2
Earnings per share (basic) (€)	34	**3.60**	**4.14**	**4.14**
Earnings per share (diluted) (€)	34	**3.60**	**4.14**	**4.14**

1) See note 3.

Consolidated statement of comprehensive income

for the period 1 January to 31 December 2015

	Note	2015 €m	(restated) 2014[1)] €m	2014 €m
Net profit for the period reported in consolidated income statement		701.2	788.5	788.5
Items that will not be reclassified to profit or loss				
Changes from defined benefit obligations		3.2	–66.4	–66.4
Deferred taxes	10, 20	–0.1	17.6	17.6
		3.1	**–48.8**	**–48.8**
Items that may be reclassified subsequently to profit or loss				
Exchange rate differences[2)]	20	130.0	127.5	127.5
Remeasurement of cash flow hedges		2.8	2.7	2.7
Remeasurement of other financial instruments		8.6	1.9	1.9
Deferred taxes	10, 20	–68.3	–70.0	–70.0
		73.1	**62.1**	**62.1**
Other comprehensive income net of tax		**76.2**	**13.3**	**13.3**
Total comprehensive income		**777.4**	**801.8**	**801.8**
thereof attributable to Deutsche Börse AG shareholders		741.3	775.9	775.9
thereof attributable to non-controlling interests		36.1	25.9	25.9

1) See note 3.
2) Exchange rate differences include €0.6 million (2014: €0.5 million) recognised directly in accumulated profit as part of the “net income from equity investments”.

Consolidated balance sheet

as at 31 December 2015

Assets

	Note	31 Dec 2015 €m	(restated) 31 Dec 2014[1] €m	31 Dec 2014 €m
NON-CURRENT ASSETS				
Intangible assets	11			
Software		225.4	221.1	221.3
Goodwill		2,898.8	2,225.0	2,224.5
Payments on account and assets under development		152.5	100.2	100.2
Other intangible assets		1,356.3	980.2	980.5
		4,633.0	**3,526.5**	**3,526.5**
Property, plant and equipment	12			
Fixtures and fittings		40.3	37.4	37.4
Computer hardware, operating and office equipment		68.7	62.3	62.3
Payments on account and construction in progress		0.7	1.2	1.2
		109.7	**100.9**	**100.9**
Financial assets	13			
Investments in associates and joint ventures		38.5	104.2	104.2
Other equity investments		219.4	166.8	166.8
Receivables and securities from banking business		2,018.6	1,305.0	1,305.0
Other financial instruments		32.3	25.8	25.8
Other loans[2]		0.2	0.4	0.4
		2,309.0	**1,602.2**	**1,602.2**
Financial instruments held by central counterparties	15	7,175.2	5,885.8	5,885.8
Other non-current assets		11.7	11.5	11.5
Deferred tax assets	10	148.3	140.3	140.3
Total non-current assets		**14,386.9**	**11,267.2**	**11,267.2**
CURRENT ASSETS				
Receivables and other current assets				
Financial instruments held by central counterparties	15	126,289.6	170,251.0	170,251.0
Receivables and securities from banking business	16	10,142.9	10,307.1	10,307.1
Trade receivables	17	554.1	342.9	342.9
Receivables from related parties		4.7	1.0	1.0
Income tax assets[3]		94.2	75.0	75.0
Other current assets	18	1,022.3	554.3	554.3
		138,107.8	**181,531.3**	**181,531.3**
Restricted bank balances	19	26,870.0	22,283.5	22,283.5
Other cash and bank balances		711.1	826.1	826.1
Total current assets		**165,688.9**	**204,640.9**	**204,640.9**
Total assets		**180,075.8**	**215,908.1**	**215,908.1**

Equity and liabilities

	Note	31 Dec 2015 €m	(restated) 31 Dec 2014[1] €m	31 Dec 2014 €m
EQUITY	20			
Subscribed capital		193.0	193.0	193.0
Share premium		1,326.0	1,249.0	1,249.0
Treasury shares		–315.5	–443.0	–443.0
Revaluation surplus		–5.3	–15.9	–15.9
Accumulated profit		2,357.9	2,446.6	2,446.6
Shareholders' equity		**3,556.1**	**3,429.7**	**3,429.7**
Non-controlling interests		139.0	322.4	322.4
Total equity		**3,695.1**	**3,752.1**	**3,752.1**
NON-CURRENT LIABILITIES				
Provisions for pensions and other employee benefits	22	140.7	145.6	145.6
Other non-current provisions	23, 24	131.7	110.5	110.5
Deferred tax liabilities	10	581.3	379.5	379.5
Interest-bearing liabilities	25	2,546.5	1,428.5	1,428.5
Financial instruments held by central counterparties	15	7,175.2	5,885.8	5,885.8
Other non-current liabilities		10.0	12.6	12.6
Total non-current liabilities		**10,585.4**	**7,962.5**	**7,962.5**
CURRENT LIABILITIES				
Tax provisions[4]	26	316.7	282.7	282.7
Other current provisions	23, 27	174.5	108.1	108.1
Financial instruments held by central counterparties	15	126,006.5	169,001.9	169,001.9
Liabilities from banking business	28	11,681.4	11,487.1	11,487.1
Other bank loans and overdrafts		42.2	0.7	0.7
Trade payables		372.8	221.2	221.2
Liabilities to related parties		1.8	1.6	1.6
Cash deposits by market participants	29	26,869.0	22,282.4	22,282.4
Other current liabilities	30	330.4	807.8	807.8
Total current liabilities		**165,795.3**	**204,193.5**	**204,193.5**
Total liabilities		**176,380.7**	**212,156.0**	**212,156.0**
Total equity and liabilities		**180,075.8**	**215,908.1**	**215,908.1**

1) The adjusted balance sheet as at 31 December 2014 reflects the changes from the allocation of the purchase price for Clearstream Global Securities Services Limited, Cork, Ireland. For more information, please refer to note 2.
2) Thereof €0.1 million (31 December 2014: €0.4 million) receivable from related parties
3) Thereof €4.6 million (31 December 2014: €6.8 million) with a remaining maturity of more than one year from corporation tax credits in accordance with section 37 (5) of the Körperschaftsteuergesetz (KStG, the German Corporation Tax Act)
4) Thereof income tax due: €290.5 million (2014: €233.1 million)

Consolidated cash flow statement

for the period 1 January to 31 December 2015

	Note	2015 €m	2014 €m
Net profit for the period		701.2	788.5
Depreciation, amortisation and impairment losses	11, 12	143.7	124.8
(Decrease)/increase in non-current provisions		18.2	–4.3
Deferred tax (income)/expense	10	3.2	–48.8
Other non-cash expense/(income)		7.0	–46.7
Changes in working capital, net of non-cash items:		–79.9	–131.1
Increase in receivables and other assets		–66.7	–63.0
Decrease in current liabilities		–7.7	–76.9
(Decrease)/increase in non-current liabilities		–5.5	8.8
Net loss on disposal of non-current assets		3.2	2.4
Cash flows from operating activities excluding CCP positions		**796.6**	**684.8**
Changes in liabilities from CCP positions		–371.9	275.6
Changes in receivables from CCP positions		–414.6	–283.1
Cash flows from operating activities	33	**10.1**	**677.3**
Payments to acquire intangible assets		–112.2	–102.9
Payments to acquire property, plant and equipment		–42.3	–30.6
Payments to acquire non-current financial instruments		–815.5	–367.2
Payments to acquire investments in associates and joint ventures		–14.1	–13.6
Payments to acquire subsidiaries, net of cash acquired		–641.5	11.2
Effects of the disposal of (shares in) subsidiaries, net of cash disposed		–5.3	0
Proceeds from the disposal of shares in associates and joint ventures		0	3.6
Net decrease in current receivables and securities from banking business with an original term greater than three months		–169.7	–68.1
Proceeds from disposals of available-for-sale non-current financial instruments		208.3	317.2
Cash flows from investing activities	33	**–1,592.3**	**–250.4**
Proceeds from sale of treasury shares		202.8	2.4
Payments to non-controlling interests		–717.5	–16.6
Proceeds from non-controlling interests		3.6	0
Repayment of long-term financing		–150.5	0
Proceeds from long-term financing		1,089.5	0
Repayment of short-term financing		–2,065.0	–1,205.0
Proceeds from short-term financing		2,100.0	1,164.7
Dividends paid		–386.8	–386.6
Cash flows from financing activities	33	**76.1**	**–441.1**
Net change in cash and cash equivalents		**–1,506.1**	**–14.2**

	Note	2015 €m	2014 €m
Net change in cash and cash equivalents (brought forward)		**–1,506.1**	**–14.2**
Effect of exchange rate differences		–4.8	1.9
Cash and cash equivalents at beginning of period		–68.5	–56.2
Cash and cash equivalents at end of period	33	**–1,579.4**	**–68.5**
Additional information on cash inflows and outflows contained in cash flows from operating activities:			
Interest-similar income received		205.5	17.7
Dividends received		7.3	24.9
Interest paid		–192.8	–51.7
Income tax paid		–207.7	–237.0

Consolidated statement of changes in equity

for the period 1 January to 31 December 2015

	Note	2015 €m	2014 €m	thereof included in total comprehensive income 2015 €m	thereof included in total comprehensive income 2014 €m
Subscribed capital					
Balance as at 1 January		193.0	193.0		
Balance as at 31 December		**193.0**	**193.0**		
Share premium					
Balance as at 1 January		1,249.0	1,249.0		
Sale of treasury shares		77.0	0		
Balance as at 31 December		**1,326.0**	**1,249.0**		
Treasury shares					
Balance as at 1 January		–443.0	–446.6		
Placement of treasury shares		124.4	0		
Sales under the Group Share Plan		3.1	3.6		
Balance as at 31 December		**–315.5**	**–443.0**		
Revaluation surplus	20				
Balance as at 1 January		–15.9	29.4		
Changes from defined benefit obligations	22	3.2	–66.1	3.2	–66.1
Remeasurement of other financial instruments		8.6	1.9	8.6	1.9
Remeasurement of cash flow hedges		2.8	2.7	2.8	2.7
Deferred taxes	10	–4.0	16.2	–4.0	16.2
Balance as at 31 December		**–5.3**	**–15.9**		
Accumulated profit	20				
Balance as at 1 January		2,446.6	2,011.8		
Dividends paid	21	–386.8	–386.6	0	0
Acquisition of the interest of non-controlling shareholders in STOXX Ltd.		–428.0	0	0	0
Net profit for the period attributable to Deutsche Börse AG shareholders		665.5	762.3	665.5	762.3
Exchange rate differences and other adjustments		125.0	127.7	129.6	127.5
Deferred taxes	10	–64.4	–68.6	–64.4	–68.6
Balance as at 31 December		**2,357.9**	**2,446.6**		
Shareholders' equity as at 31 December		**3,556.1**	**3,429.7**	**741.3**	**775.9**

	Note	2015 €m	2014 €m	thereof included in total comprehensive income 2015 €m	2014 €m
Shareholders' equity (brought forward)		**3,556.1**	**3,429.7**	**741.3**	**775.9**
Non-controlling interests					
Balance as at 1 January		322.4	231.4		
Acquisition of the interest of non-controlling shareholders in STOXX Ltd.		–225.8	0	0	0
Changes due to capital increases/decreases		6.3	64.8	0	0
Non-controlling interests in net income of subsidiaries for the period		35.7	26.2	35.7	26.2
Changes from defined benefit obligations	22	0	–0.3	0	–0.3
Exchange rate differences and other adjustments		0.4	0.3	0.4	0
Total non-controlling interests as at 31 December		**139.0**	**322.4**	**36.1**	**25.9**
Total equity as at 31 December		**3,695.1**	**3,752.1**	**777.4**	**801.8**

Notes to the consolidated financial statements
Basis of preparation

1. General principles

Company information

Deutsche Börse AG ("the company") is incorporated as a German public limited company ("Kapitalgesellschaft") and is domiciled in Germany. The company's registered office is in Frankfurt/Main. Deutsche Börse AG is the parent company of Deutsche Börse Group. Deutsche Börse AG and its subsidiaries operate cash and derivatives markets. Its business areas range from the admission of securities to listing, through trading, clearing and settlement, down to custody of securities. Furthermore, IT services are provided and market data distributed. For details regarding internal organisation and reporting see note 35.

Basis of reporting

The 2015 consolidated financial statements have been prepared in compliance with International Financial Reporting Standards (IFRSs) and the related interpretations issued by the International Financial Reporting Standards Interpretations Committee (IFRIC), as adopted by the European Union in accordance with Regulation No. 1606/2002 of the European Parliament and of the Council on the application of international accounting standards.

The disclosures required in accordance with Handelsgesetzbuch (HGB, German Commercial Code) section 315a (1) have been presented in the notes to the consolidated financial statements and the remuneration report of the combined management report. The consolidated financial statements are also based on the interpretations issued by the Rechnungslegungs Interpretations Committee (RIC, Accounting Interpretations Committee) of the Deutsches Rechnungslegungs Standards Committee e.V. (Accounting Standards Committee of Germany), to the extent that these do not contradict the standards and interpretations issued by the IFRIC or the IASB.

New accounting standards – implemented in the year under review

The following standards and interpretations issued by the IASB and adopted by the European Commission were applied to Deutsche Börse Group for the first time in the 2015 reporting period:

IFRIC 21 "Levies" (May 2013)
IFRIC 21 addresses the accounting for outflows imposed on entities by governments, other than income taxes within the meaning of IAS 12 (income taxes or amounts collected on behalf of governments, in particular value added tax), and clarifies when obligations to pay these types of levies must be recognised as liabilities or provisions in the financial statements.The interpretation must be applied within the EU for financial years beginning on or after 17 June 2014.

Amendment to IAS 19 “Employee Benefits” (November 2013)
There is an option on how to account for contributions that employees are required to make to their defined benefit plans. The amendment permits employee contributions that are independent of the number of years of service to be attributed to the period in which the service is rendered. This results in a negative benefit being attributed to the corresponding period of service. Previously, employee contributions had been allocated to the defined benefit liability. The amendment must be applied for financial years beginning on or after 1 July 2014. The effective date of the amendment has been adjusted during EU endorsement proceedings. The effective date has been postponed to apply for financial years beginning on or after 1 February 2015; Deutsche Börse Group opted for voluntary earlier application.

Amendments resulting from the “Annual Improvements Project 2010–2012” (December 2013)
There were amendments to standards IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24 and IAS 38.The amendments must be applied for financial years beginning on or after 1 July 2014.The effective date of the amendments has been adjusted during EU endorsement proceedings. The effective date has been postponed to apply for financial years beginning on or after 1 February 2015; Deutsche Börse Group opted for voluntary earlier application.

Amendments resulting from the “Annual Improvements Project 2011–2013” (December 2013)
Amendments affecting the standards IFRS 1, IFRS 3, IFRS 13 and IAS 40 are planned. The amendments must be applied for finan-cial years beginning on or after 1 July 2014. The effective date of the amendments has been adjusted during EU endorsement proceedings. The effective date has been postponed to apply for financial years beginning on or after 1 January 2015; Deutsche Börse Group opted for voluntary earlier application.

New accounting standards – not yet implemented

The following standards and interpretations, which are relevant to Deutsche Börse Group and which Deutsche Börse Group did not adopt in 2015 prior to the effective date, have been published by the IASB prior to the publication of this financial report and partially adopted by the European Commission.

Amendment to IFRS 11 “Joint Arrangements – Acquisitions of Interests in Joint Operations” (May 2014)
The amendment clarifies that acquisitions of interests or additional interests in a joint operation that constitutes a business within the meaning of IFRS 3 must be accounted for in accordance with the principles of business combinations accounting in IFRS 3 and other applicable IFRSs, with the exception of those principles that conflict with the guidance in IFRS 11. The amendment must be applied for financial years beginning on or after 1 January 2016; earlier application is permitted. The amendment has been adopted by the EU on 24 November 2015.

Amendments to IAS 16 “Property, Plant and Equipment” and IAS 38 “Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation” (May 2014)
The amendments clarify which methods are appropriate for depreciating property, plant and equipment and for amortising intangible assets. In particular, they clarify that revenue-based depreciation of property, plant and equipment is not appropriate at all, and that revenue-based amortisation of intangible assets is only permitted in defined exceptional circumstances. The amendments must be applied for financial years beginning on or after 1 January 2016; earlier application is permitted. The amendments have been adopted by the EU on 2 December 2015.

Amendment to IAS 27 Separate Financial Statements – equity method (August 2014)
The consolidation rules previously contained in IAS 27 were revised, and are now included in IFRS 10 Consolidated Financial Statements. Accordingly, IAS 27 exclusively contains provisions concerning separate financial statements. The amendment is required to be applied for financial years beginning on or after 1 January 2016; earlier application is permitted. The amendment has been adopted by the EU on 18 December 2015.

Amendments resulting from the "Annual Improvements Project 2012–2014" (September 2014)
Amendments affecting the standards IFRS 5, IFRS 7, IAS 19 and IAS 34 are planned. The amendments must be applied for financial years beginning on or after 1 January 2016. The amendments have been adopted by the EU on 15 December 2015.

Amendment to IAS 1 "Presentation of Financial Statements – Disclosure Initiative" (December 2014)
The amendment to the standard IAS 1 is aimed at improving financial reporting disclosures in the notes. Among other things, they emphasise more clearly the concept of materiality, define new requirements for the calculation of subtotals, allow for greater flexibility in the order in which disclosures in the notes are presented, introduce clearer presentation guidance for accounting policies and add requirements for presenting an entity's share of other comprehensive income of associates and joint ventures in the statement of comprehensive income. The amendments must be applied for financial years beginning on or after 1 January 2016. The amendment has been adopted by the EU on 18 December 2015.

Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" (September 2014)
The amendments to the two standards are based on the existing requirements relating to transactions with an associate or joint venture. In line with these, gains or losses on transactions relate exclusively to assets that do not constitute a business, i.e. the extent to which any gain or loss is recognised depends on whether the assets transferred constitute a business (amendments to IAS 28). At the same time, the requirements relating to gain or loss recognition in accordance with IFRS 10 were also amended. According to this amendment, the gain or loss is recognised in the parent's profit or loss only to the extent of the unrelated investors' interest in the associate or joint venture. The effective date has been postponed by the IASB for an indefinite period of time.

IFRS 15 "Revenue from Contracts with Customers" (May 2014)
IFRS 15 contains guidance for recognising revenue from contracts with customers. According to these requirements, revenue must be recognised when the customer obtains control over the agreed goods and services and is able to derive benefits from them. The revenue should be recognised in an amount that reflects the consideration which the company expects to receive. The new guidance contained in IFRS 15 will replace the previous requirements of IAS 11 and IAS 18 in the future. The standard must be applied for financial years beginning on or after 1 January 2018; earlier application is permitted. The standard has not yet been adopted by the EU.

IFRS 9 "Financial Instruments" (July 2014)
IFRS 9 introduces new requirements for the accounting and measurement of financial instruments. Following the issue of the final version of the standard by the IASB in July 2014, the new requirements will replace all previous requirements of IAS 39 in the future. The standard contains major new guidance relating to the classification and measurement of financial instruments, accounting for impairments of financial assets and hedge accounting. The standard is effective for financial years beginning on or after 1 January 2018. The standard has not yet been adopted by the EU.

IFRS 16 "Leases" (January 2016)
IFRS 16 introduced new rules for the recognition of leases. The new standard sets out the principles for the recognition, measurement, presentation and disclosure of all long-term leases on the lessee's statement of financial position, whereby the right of use is recognised as an asset, and the payment obligation in the form of a financial liability. The standard is effective for financial years beginning on or after 1 January 2019; earlier application is permitted only if that entities apply IFRS 15 at or before. The standard has not yet been adopted by the EU.

Deutsche Börse Group cannot assess conclusively what the impact of the application of the new and amended standards will be at this stage. In addition to extended disclosure requirements, the initial application of IFRS 9, IFRS 15, IFRS 16 and IAS 1 is expected to have an impact on the consolidated financial statements.

2. Basis of consolidation

Deutsche Börse AG's equity interests in subsidiaries, associates and joint ventures as at 31 December 2015 included in the consolidated financial statements are presented in the following tables. Unless otherwise stated, the financial information in these tables is presented in accordance with the generally accepted accounting principles in the companies' countries of domicile.

Fully consolidated subsidiaries (part 1)

Company	Domicile	Equity interest as at 31 Dec 2015 direct/(indirect) %
Börse Frankfurt Zertifikate Holding S.A. in liquidation	Luxembourg, Luxembourg	100.00
Börse Frankfurt Zertifikate AG	Frankfurt am Main, Germany	100.00
Clearstream Holding AG	Frankfurt am Main, Germany	100.00
Clearstream International S.A.	Luxembourg, Luxembourg	(100.00)
Clearstream Banking S.A.	Luxembourg, Luxembourg	(100.00)
Clearstream Banking Japan, Ltd.	Tokyo, Japan	(100.00)
REGIS-TR S.A.	Luxembourg, Luxembourg	(50.00)
Clearstream Banking AG	Frankfurt am Main, Germany	(100.00)
Clearstream Global Securities Services Limited	Cork, Ireland	(100.00)
Clearstream Operations Prague s.r.o	Prague, Czech Republic	(100.00)
Clearstream Services S.A.	Luxembourg, Luxembourg	(100.00)
Deutsche Boerse Asia Holding Pte. Ltd.	Singapore, Singapore	100.00
Eurex Clearing Asia Pte. Ltd.	Singapore, Singapore	(100.00)
Eurex Exchange Asia Pte. Ltd.	Singapore, Singapore	(100.00)
Deutsche Boerse Market Data + Services Singapore Pte. Ltd.	Singapore, Singapore	100.00
Deutsche Börse Photography Foundation gGmbH	Frankfurt am Main, Germany	100.00
Deutsche Börse Services s.r.o	Prague, Czech Republic	100.00
Deutsche Boerse Systems, Inc.	Chicago, USA	100.00
Eurex Frankfurt AG	Frankfurt am Main, Germany	100.00
Eurex Clearing AG	Frankfurt am Main, Germany	(100.00)
Eurex Clearing Security Trustee GmbH	Frankfurt am Main, Germany	(100.00)
Eurex Bonds GmbH	Frankfurt am Main, Germany	(79.44)
Eurex Repo GmbH	Frankfurt am Main, Germany	(100.00)
U.S. Exchange Holdings, Inc.	Chicago, USA	(100.00)[5]
Eurex Services GmbH (dormant)	Frankfurt am Main, Germany	(100.00)
International Securities Exchange Holdings, Inc.	New York, USA	(100.00)
ETC Acquisition Corp.	New York, USA	(100.00)
International Securities Exchange, LLC	New York, USA	(100.00)
ISE Gemini, LLC	New York, USA	(100.00)
Longitude LLC	New York, USA	(100.00)
Longitude S.A.	Luxembourg, Luxembourg	(100.00)
Eurex Global Derivatives AG	Zurich, Switzerland	100.00
Eurex Zürich AG	Zurich, Switzerland	(100.00)[6]
European Energy Exchange AG	Leipzig, Germany	(62.91)[7]
Agricultural Commodity Exchange GmbH[9]	Leipzig, Germany	(62.91)
Cleartrade Exchange Pte. Limited	Singapore, Singapore	(32.58)
Cleartrade Exchange (UK) Limited	London, United Kingdom	(32.58)
European Commodity Clearing AG	Leipzig, Germany	(62.91)
European Commodity Clearing Luxembourg S.à r.l.	Luxembourg, Luxembourg	(62.91)
EEX Power Derivatives GmbH	Leipzig, Germany	(62.91)
Global Environmental Exchange GmbH	Leipzig, Germany	(62.91)

1) Includes capital reserves and retained earnings, accumulated gains or losses and net profit or loss for the year and, if necessary, further components according to the respective local GAAP
2) Before profit transfer or loss absorption
3) Consists of interest and commission results due to the business operations
4) Thereof income from profit pooling agreement with their subsidiaries amounting to €10,892 thousand is included.
5) Thereof 15 per cent directly and 85 per cent indirectly held via Eurex Frankfurt AG

Currency	Ordinary share capital thousand	Equity[1] thousand	Total assets thousand	Sales revenue 2015 thousand	Net profit/loss 2015 thousand	Initially consolidated
€	50	226	282	0	3	2013
€	140	9,196	14,643	21,750	2,402	2013
€	101,000	2,285,314	2,434,625	0	147,084[2]	2007
€	25,000	1,092,510	1,147,752	83,526	193,739	2002
€	92,000	1,086,914	12,090,294	443,238[3]	111,278	2002
JPY	49,000	149,808	215,803	123,353	13,037	2009
€	3,600	6,164	10,948	8,428	861	2010
€	25,000	370,616	1,860,459	289,603[3]	91,382	2002
€	9,211	11,047	15,074	25,765	1,721	3 Oct 2014
CZK	160,200	206,593	280,829	435,070	45,990	2008
€	30,000	104,647	173,963	278,403	11,032	2002
€	20,000	19,543	20,374	426	– 457	2013
€	10,000	10,221	11,513	2,115	178	2013
€	5,000	2,531	5,000	0	– 2,469	25 May 2015
S$	606	461	990	0	– 145	28 July 2015
€	25	161	178	0	136	16 July 2015
CZK	200	219,700	350,285	876,594	48,453	2006
US$	400	3,352	4,882	8,771	338	2000
€	6,000	1,123,029	1,272,207	0	4,718[4]	1998
€	25,000	314,813	26,901,700	13,262[3]	1,097[2]	1998
€	25	78	88	0	1	2013
€	3,600	10,440	12,211	3,613[3]	905	2001
€	100	7,000	21,361	15,507[3]	9,796[2]	2001
US$	1,000	2,804,807	2,910,797	0	– 12,112	2003
€	25	100	101	0	1	2007
US$	0	1,725,056	1,963,710	0	39,710	2007
US$	0	4,085	4,089	150	150	2007
US$	0	72,865	145,120	268,303	68,148	2007
US$	0	7,069	19,167	74,461	6,541	2013
US$	0	2,490	2,900	3,780	291	2007
€	1,500	1,653	5,100	5,386	605	2012
€	83	433,911	443,957	118,765	60,782	2012
€	8,313	297,104	321,103	49,521	4,969	1998
€	40,050	70,348	141,331	5,916	20,656[8]	1 Jan 2014
€	100	2,046	2,196	141	– 1,096[2]	1 Jan 2014
US$	18,800	3,366	3,764	1,719	– 4,589	1 Jan 2014
GBP	0	8	56	645	46	1 Jan 2014
€	1,015	97,870	1,145,335	56,853	32,248[2]	1 Jan 2014
€	13	42	118,113	25,857	28	1 Jan 2014
€	125	6,018	24,872	36,649	15,083[2]	1 Jan 2014
€	50	48	3,396	1,824	– 2,334[2]	1 Jan 2014

6) Thereof 50 per cent directly and 50 per cent indirectly held via Eurex Global Derivatives AG
7) Voting rights
8) Thereof income and expense from pooling agreements with their subsidiaries amounting to €43,901 thousand is included.
9) Until second quarter 2015 EGEX European Gas Exchange GmbH

Fully consolidated subsidiaries (part 2)

Company	Domicile	Equity interest as at 31 Dec 2015 direct/(indirect) %
Powernext SA	Paris, France	(55.19)
EPEX Spot SE	Paris, France	(28.97)[2]
APX Holding B.V.	Amsterdam, Netherlands	(28.97)
APX Clearing B.V.	Amsterdam, Netherlands	(28.97)
APX Balancing B.V.	Amsterdam, Netherlands	(28.97)
APX Shipping B.V.	Amsterdam, Netherlands	(28.97)
APX Commodities Ltd.	London, United Kingdom	(28.97)
APX Power B.V.	Amsterdam, Netherlands	(28.97)
APX Staffing B.V.	Amsterdam, Netherlands	(28.97)
Belpex S.A.	Brussels, Belgium	(28.97)
EPEX Spot Schweiz AG	Bern, Switzerland	(28.97)
JV Epex-Soops B.V.	Amsterdam, Netherlands	(17.38)
Finnovation S.A.	Luxembourg, Luxembourg	100.00
Impendium Systems Ltd	London, United Kingdom	100.00
Indexium AG	Zurich, Switzerland	100.00
Infobolsa S.A.	Madrid, Spain	50.00
Difubolsa, Serviços de Difusão e Informação de Bolsa, S.A.	Lisbon, Portugal	(50.00)
Infobolsa Deutschland GmbH	Frankfurt am Main, Germany	(50.00)
Open Finance, S.L.	Madrid, Spain	(40.50)
Market News International Inc.	New York, USA	100.00
MNI Financial and Economic Information (Beijing) Co. Ltd.	Beijing, China	(100.00)
Need to Know News, LLC	Chicago, USA	(100.00)
STOXX Ltd.	Zurich, Switzerland	100.00
STOXX Australia Pty Limited	Sydney, Australia	(100.00)
Tradegate Exchange GmbH	Berlin, Germany	78.72[3]
360T Beteiligungs GmbH	Frankfurt am Main, Germany	100.00
360T Verwaltungs GmbH	Frankfurt am Main, Germany	(100.00)
360 Treasury Systems AG	Frankfurt am Main, Germany	(100.00)
Finbird GmbH	Frankfurt am Main, Germany	(100.00)
Finbird Limited	Jerusalem, Israel	(100.00)
ThreeSixty Trading Networks (India) Pte. Ltd.	Mumbai, India	(100.00)
360T Asia Pacific Pte. Ltd.	Singapore, Singapore	(100.00)
360 Trading Networks Inc.	New York, USA	(100.00)
360 Trading Networks LLC	Dubai, United Arab Emirates (UAE)	(100.00)

1) Includes capital reserves and retained earnings, accumulated gains or losses and net profit or loss for the year and, if necessary, further components according to the respective local GAAP
2) Thereof 6.72 per cent indirectly and 22.21 per cent directly held via Powernext SA
3) Thereof 3.72 per cent indirectly held via Tradegate AG Wertpapierhandelsbank
4) The financials refer to the shortened financial year from 1 October 2015 to 31 December 2015
5) The financials refer to the financial year from 1 April 2014 to 31 March 2015
6) The financials refer to the financial year from 1 October 2013 to 30 September 2014

Currency	Ordinary share capital thousand	Equity[1] thousand	Total assets thousand	Sales revenue 2015 thousand	Net profit/loss 2015 thousand	Initially consolidated
€	12,584	46,260	51,637	19,003	18,059	1 Jan 2015
€	6,168	60,964	74,516	55,725	18,949	1 Jan 2015
€	1,302	13,038	39,649	3,427	284	4 May 2015
€	1,000	45	101,301	2,003	3,873	4 May 2015
€	18	10	88	30	15	4 May 2015
€	18	65	716	40	30	4 May 2015
GBP	500	1,693	402,539	5,337	258	4 May 2015
€	18	554	10,462	8,613	352	4 May 2015
€	0	255	4,383	0	128	4 May 2015
€	3,000	4,076	10,073	4,499	213	4 May 2015
CHF	100	136	164	326	21	1 Jan 2015
€	18	174	177	0	– 3	1 Jan 2015
€	156,400	153,565	187,610	55,445	11,656	2008
GBP	6,904	1,166	972	1,416	– 3,544	10 Jan 2014
CHF	100	5,786	8,608	10,805	– 7,623	31 July 2015
€	331	11,546	13,366	8,384	240	2002
€	50	151	180	104	– 18	2002
€	100	1,589	1,607	141	88	2003
€	4	1,157	2,899	3,618	351	2011
US$	9,911	27,093	29,659	23,477	– 260	2009
US$	0	248	245	430	– 12	2011
US$	0	0	1,322	0	0	2009
CHF	673	98,489	114,399	102,695	46,640	2009
AU$	68	29,400	152,722	327,564	29,332	31 July 2015
€	500	1,411	2,097	2,510	574	2010
€	10,128[4]	245,765[4]	245,869[4]	0[4]	– 43[4]	15 Oct 2015
€	25[4]	275,394[4]	297,740[4]	92[4]	1,552[4]	15 Oct 2015
€	128[4]	30,210[4]	45,368[4]	0[4]	0[4]	15 Oct 2015
€	25[4]	1,424[4]	4,282[4]	0[4]	0[4]	15 Oct 2015
ILS	1[4]	– 1,076[4]	722[4]	5,431[4]	667[4]	15 Oct 2015
INR	300[5]	62,536[5]	67,108[5]	26,016[5]	1,657[5]	15 Oct 2015
S$	550[6]	3,585[6]	4,570[6]	8,943[6]	939[6]	15 Oct 2015
US$	230[4]	6,051[4]	6,744[4]	0[4]	60[4]	15 Oct 2015
€	34[4]	295[4]	414[4]	0[4]	11[4]	15 Oct 2015

As at 31 December 2015, Deutsche Börse AG held 50 per cent of the voting rights of Infobolsa S.A., Madrid, Spain. The key decision-making body of Infobolsa S.A., Luxembourg, is the Board of Directors, where the chairman's casting vote gives Deutsche Börse AG the majority of the votes.

Moreover, Deutsche Börse AG indirectly holds 50 per cent of the voting rights in REGIS-TR S.A., Luxembourg. Since Deutsche Börse's subsidiary Clearstream Banking S.A., which holds 50 per cent of the voting rights, has the right to appoint the chairman of the supervisory board, who in turn has a casting vote, there is a presumption of control.

Changes to consolidated subsidiaries

	Germany	Foreign	Total
As at 1 January 2015	16	36	52
Additions	5	21	26
Disposals	0	–3	–3
As at 31 December 2015	**21**	**54**	**75**

The purchase price allocation for Clearstream Global Securities Services Limited, Cork, Irland (CGSS) was adjusted as at 31 March 2015 during the measurement period. The assessment of the fair value of the intangible assets that were acquired effective 3 October 2014 by Clearstream International S.A., Luxembourg, together with the shares of CGSS was revised in the first quarter of 2015. The previously assumed fair value of all acquired assets and liabilities amounting to €32.1 million as at the date of acquisition decreased by €0.5 million to €31.6 million. The goodwill resulting from the acquisition increased accordingly by €0.5 million from €15.1 million to €15.6 million and reflects mainly the expected revenue-related synergies with existing and potential customers in the custody business as well as expected synergies in the form of uniform IT systems. The balance sheet as at 31 December 2014 has been adjusted accordingly.

The adjusted allocation of the purchase price to the acquired assets and liabilities is shown in the following table:

Goodwill resulting from the business combination with Clearstream Global Securities Services Limited

	Final goodwill calculation 3 October 2014 €m
Consideration transferred	**47.2**
Acquired assets and liabilities	
Customer relationships	15.8
Software	9.8
Database	5.9
Other assets and liabilities	0.1
Total assets and liabilities acquired	**31.6**
Goodwill (partly tax-deductible)	**15.6**

Effective 1 January 2015, European Energy Exchange AG, Leipzig, Germany, (EEX) acquired an interest of 53.34 per cent in Powernext SA, Paris, France, in exchange for 36.75 per cent of the shares of EPEX Spot SE, Paris, France. Since then, all natural gas activities of EEX group have been bundled within Powernext SA; EEX increased its interest in Powernext SA to 55.8 per cent as a result of this transaction. Within the measurement period, the measurement of assets and liabilities relationships was retrospectively adjusted in the second quarter. This measurement adjustment gave rise to total goodwill of €18.4 million as at the reporting date, mainly reflecting synergies resulting from pooling the entire gas exchange activities at Powernext SA. The current status of preliminary allocation of the purchase price to the assets acquired and liabilities assumed is shown in the following table:

Goodwill resulting from the business combination with Powernext SA and EPEX Spot group

	Final goodwill calculation 1 Jan 2015 €m
Consideration transferred	
Fair value of transferred equity interest in EPEX Spot SE (less non-controlling interests)	45.4
Acquired bank balances	– 40.1
Total consideration	**5.3**
Acquired assets and liabilities	
Customer relationships	73.3
Trade names	7.2
Other intangible assets	2.0
Other non-current assets	0.9
Deferred tax assets	1.7
Other current assets	13.0
Liabilities	– 11.9
Deferred tax liabilities on temporary differences	– 27.0
Non-controlling interests	– 72.3
Total assets and liabilities acquired	**–13.1**
Goodwill (not tax-deductible)	**18.4**

In addition, EEX acquired an additional 410,860 shares of Powernext SA at a total price of €36.3 million in the reporting period, thus increasing its interest to a total of 87.73 per cent.

As Powernext SA in turn holds 51 per cent of the EPEX Spot SE, EEX at the same time obtained a controlling interest in EPEX Spot SE and its two subsidiaries, EPEX Spot Schweiz AG, Zurich, Switzerland, and JV Epex-Soops B.V., Amsterdam, the Netherlands, effective 1 January 2015. All subsidiaries have been included in full in the consolidated financial statements since 1 January 2015. The consolidation of the EPEX Spot group generated a rise of €55.4 million in sales revenue as well as an increase of €4.8 million in earnings after tax and offsetting of non-controlling interests. The consolidation of Powernext SA generated a growth of €14.7 million in sales revenue as well as an increase of €1.3 million in earnings after tax and offsetting of non-controlling interests.

To expand the spot power business (trading and clearing), the APX Holding group, which covers the market areas of the Netherlands, the United Kingdom and Belgium, was acquired and integrated into the EPEX Spot group effective 4 May 2015. In doing so, EPEX Spot SE acquired an interest amounting to 100 per cent in the APX Holding group for a total purchase price of €16.8 million from Deutsche Börse Group's perspective. The acquisition was financed by issuing new shares in EPEX Spot SE. Because of the resulting dilutive effect, EEX's interest in EPEX Spot SE declined to 35.08 per cent. All of the APX Holding group's clearing activities were subsequently transferred to European Commodity Clearing AG (ECC), a wholly owned subsidiary of EEX. As at the reporting date, preliminary purchase price allocation resulted in total goodwill of €6.6 million, which is mainly attributable to synergies resulting from the integration of the European power spot market. As wholly owned subsidiaries of the EPEX Spot SE, the APX Holding Group companies have been included in full in Deutsche Börse Group's consolidated financial statements since May 2015. The consolidation of the APX Holding group generated growth of €16.7 million in sales revenue as well as an increase of €0.4 million in earnings after tax, net of non-controlling interests. Had the group been fully consolidated as at 1 January 2015, this would have increased revenue by €25.3 million; earnings before tax and non-controlling interest income would have increased by €0.8 million.

Goodwill resulting from the business combination with APX Holding group

	Preliminary goodwill calculation 4 May 2015 €m
Consideration transferred	**16.8**
Acquired assets and liabilities	
Customer relationships	25.5
Trade names	0.6
Other intangible assets	0.9
Other non-current assets	2.6
Deferred tax assets	5.3
Other current assets less liabilities	4.9
Deferred tax liabilities on temporary differences	–6.6
Non-controlling interests	–23.0
Total assets and liabilities acquired	**10.2**
Goodwill (not tax-deductible)	**6.6**

On 25 May 2015, Deutsche Boerse Asia Holding Pte. Ltd., Singapore, founded Eurex Exchange Asia Pte. Ltd., Singapore. As a wholly-owned subsidiary of Deutsche Boerse Asia Holding Pte. Ltd. (which is itself a wholly-owned subsidiary of Deutsche Börse AG), the new entity has been fully consolidated since its establishment.

With effect from 16 July 2015, Deutsche Börse AG established Deutsche Börse Photography Foundation, a non-profit private limited company based in Frankfurt/Main, Germany. With Deutsche Börse AG as the sole shareholder, it is deemed to exercise control as defined in IFRS 10, and the subsidiary has therefore been fully consolidated since the second quarter of 2015.

On 28 July 2015, Deutsche Börse AG founded Deutsche Boerse Market Data + Services Singapore Pte. Ltd., Singapore. As a wholly-owned subsidiary of Deutsche Börse AG, the new entity has been fully consolidated since its establishment.

Deutsche Börse AG acquired 49.9 per cent of the shares of STOXX Ltd., Zurich, Switzerland, and 50.1 per cent of the shares of Indexium AG, Zurich, Switzerland, from SIX Group AG, Zurich, Switzerland, effective 31 July 2015. The loans granted by SIX Group AG were also cleared of in this connection. The total purchase price was CHF681.3 million (€653.8 million). Following this transaction, Deutsche Börse AG holds 100 per cent of the shares of STOXX Ltd., of its 100 per cent-subsidiary STOXX Australia Pty. Ltd., Australia, and of Indexium AG. Deutsche Börse AG already had previous control over STOXX Ltd. and had included the company in full in its consolidated financial statements. For this reason, the transaction was accounted for as an equity transaction with owners; in line with this, non-controlling interests declined by €225.8 million. The remaining amount of €428.0 million was offset against retained earnings. The transaction led to the acquisition of control over Indexium AG; the company has been included in full in the consolidated financial statements of Deutsche Börse AG since then. On the basis of the preliminary purchase price allocation, no material assets or liabilities are attributable to Indexium AG. The impact of consolidation of Indexium AG on consolidated revenue and net profit for the period attributable to Deutsche Börse AG shareholders was not disclosed for reasons of materiality.

Deutsche Börse AG acquired all shares in 360T Beteiligungs GmbH, Frankfurt/Main, Germany, effective 15 October 2015. As a result, it controls 360T Beteiligungs GmbH and its subsidiaries; and has included these companies in full in its consolidated financial statements since that date. Based on the preliminary allocation of the purchase price as at the reporting date, goodwill amounted to €529.0 million. The goodwill reflects firstly 360T's strong position as a leading global FX trading platform with excellent growth prospects and secondly the substantial potential synergies created by the acquisition. These include the joint marketing of exchangetraded derivatives, the creation of a multilateral trading platform for standardised OTC FX products and the development of clearing solutions for OTC FX derivatives. Within the scope of purchase price allocation, which has not yet been finalised at the time of preparing these consolidated financial statements, the following assets and liabilities were identified:

Goodwill resulting from the business combination with 360T group

	Preliminary goodwill calculation 15 October 2015 €m
Consideration transferred	
Purchase price	704.3
Acquired bank balances	–27.7
Total consideration	**676.6**
Acquired assets and liabilities	
Customer relationships	232.3
Trade names	19.9
Other intangible assets	14.2
Other non-current assets	1.6
Other current assets less liabilities	–36.5
Deferred tax liabilities on temporary differences	–83.9
Total assets and liabilities acquired	**147.6**
Goodwill (not tax-deductible)	**529.0**

Full consolidation of the 360T group increased revenue by €15.8 million and net income after taxes of €2.4 million. Had the group been fully consolidated as at 1 January 2015, this would have increased revenue by €60.7 million; net income after taxes would have risen by €10.2 million.

As part of a corporate reorganisation in 2015, two affiliate entities, incorporated in Ireland, were merged. Clearstream Global Securities Services Limited and Clearstream Fund Services Ireland Limited were merged with an effective date of 1 December 2015, pursuant to the provisions of the Companies Act 2014 as implemented in Ireland. The assets and liabilities of Clearstream Fund Services Ireland Limited were transferred to Clearstream Global Securities Services Limited, and Clearstream Fund Services Ireland Limited was dissolved without going into liquidation.

After having transferred or terminated its reinsurance contracts, Risk Transfer Re S.A., Luxembourg, was liquidated on 23 December 2015.

The following table summarises the main financial information of associates and joint ventures; the data comprise the totals of each company according to the respective local GAAP and not proportional values from the view of Deutsche Börse Group.

Associates and joint ventures

Company	Domicile	Segment	Equity interest as at 31 Dec 2015 direct/(indirect) %
Joint ventures			
Bondcube Limited in Administration	London, United Kingdom	Xetra	30.00
Associates			
BrainTrade Gesellschaft für Börsensysteme mbH	Frankfurt am Main, Germany	Xetra	(28.58)[2]
China Europe International Exchange AG	Frankfurt am Main, Germany	Eurex	40.00
Deutsche Börse Cloud Exchange AG[3]	Frankfurt am Main, Germany	Eurex	(64.68)
Deutsche Börse Commodities GmbH	Frankfurt am Main, Germany	Xetra	16.20
Digital Vega FX Ltd	London, United Kingdom	Eurex	24.03
European Market Coupling Company GmbH i.L.	Hamburg, Germany	Eurex	(12.56)
Gaspoint Nordic A/S	Brøndby, Denmark	Eurex	(31.41)
Global Markets Exchange Group International LLP	London, United Kingdom	Eurex	31.42
Index Marketing Solutions Limited	London, United Kingdom	Eurex	(16.26)
LuxCSD S.A.	Luxembourg, Luxembourg	Clearstream	(50.00)
PHINEO gAG	Berlin, Germany	Xetra	12.00[10]
R5FX Ltd	London, United Kingdom	Eurex	30.00
SEEPEX a.d.	Belgrade, Serbia	Eurex	(7.23)
Tradegate AG Wertpapierhandelsbank[12]	Berlin, Germany	Xetra	14.86
Zimory GmbH	Berlin, Germany	Eurex	30.03[13]

1) Values up to the date of Administration on 21 July 2015
2) Thereof 14.29 per cent held directly and 14.29 per cent indirectly via Börse Frankfurt Zertifikate AG
3) Deutsche Börse Cloud Exchange AG is part of the Zimory GmbH subgroup.
4) Preliminary figures
5) Value of equity
6) The financials refer to the financial year from 1 December 2014 to 30 November 2015
7) Figures as at 31 December 2014
8) The financials refer to the financial year from 1 February 2015 to 31 January 2016
9) The financials refer to the financial year from 1 September 2013 to 31 August 2014
10) In addition, Deutsche Börse AG holds an interest in Phineo Pool GbR, Berlin, Germany, which holds a 48 per cent stake in PHINEO gAG.
11) The financials refer to the shortened financial year from 15 July 2015 to 31 December 2015.
12) As at balance sheet date, the fair value of the stake in the listed company amounted to €28.6 million.
13) Voting rights

In the first quarter of 2015, the International Securities Exchange, LLC, New York, USA, (ISE) made an additional investment of US$30 million in The Options Clearing Corporation, Chicago, USA, (OCC) as part of their plan to fund increased regulatory capital requirements. ISE has also committed to a capital replenishment plan which provides up to an additional US$40 million of funding.

Moreover, on 1 January 2015, EEX acquired 50 per cent of the shares of Gaspoint Nordic A/S, Brøndby, Denmark, for a price of €600 thousand. The purchase price includes goodwill amounting to €280 thousand. As EEX exercises significant influence within the meaning of IAS 28, Gaspoint Nordic A/S has been classified as an associate and accounted for using the equity method since 1 January 2015.

Due to the changes to the shareholder agreement, Clearstream International S.A. lost its controlling majority in LuxCSD S.A., Luxembourg. As a consequence, the company was deconsolidated in the second quarter of 2015. Since then it has been reported under the “investments in associates and joint ventures” item and accounted for using the equity method.

Currency	Ordinary share capital thousand	Assets thousand	Liabilities thousand	Sales revenue 2015 thousand	Net profit/loss 2015 thousand	Associate since
GBP	2[1]	2,183[1]	2,548[1]	0[1]	– 215[1]	10 Feb 2014
€	1,400	4,364	2,750	7,320	213	2013
€	27,000	26,632	363	0	– 730	31 Oct 2015
€	50[4]	1,513[4]	1,463[4]	8[4]	– 5,276[4]	2013
€	1,000	1,867,493	1,863,867	4,666	1,073	2007
GBP	382[5,6]	1,292[6]	910[6]	449[6]	– 74[6]	2011
€	100[7]	1,999[7]	260[7]	0[7]	0[7]	1 Jan 2014
DKK	10,000	10,054	3,712	9,426	1,541	1 Jan 2015
GBP	5,026[8]	5,626[8]	1,707[8]	339[8]	– 2,232[8]	2013
GBP	0[9]	52[9]	53[9]	0[9]	– 1[9]	1 Jan 2014
€	6,000	6,122	735	1,653	277	30 June 2015
€	50[4]	2,826[4]	627[4]	824[4]	441[4]	2010
GBP	1	888	151	0	– 1,114	1 Oct 2014
RSD	60,000[11]	42,106[11]	557[11]	0[11]	– 18,450[11]	14 July 2015
€	24,403	87,704	17,776	46,472	10,111	2010
€	263[4]	6,126[4]	5,863[4]	2,506[4]	– 1,361[4]	2013

Effective 28 April 2015, Deutsche Börse AG acquired another 12,500 shares in Global Markets Exchange Group International LLP, London, United Kingdom, (GMEX) for a purchase price of £1 million. As a result, Deutsche Börse AG increased its interest to a total of 33.17 per cent. Since Deutsche Börse AG exercises significant influence within the meaning of IAS 28, GMEX continues to be classified as an associate and is accounted for using the equity method.

With effect from 14 July 2015, EPEX Spot SE, Paris, France, invested €125 thousand in the foundation of SEEPEX a.d., Belgrade, Serbia. The object of the new entity is to operate a power exchange for South-East Europe, located in Serbia. Holding 60,000 of a total of 240,000 ordinary shares entitled to vote, EPEX Spot SE has a 25 per cent share of voting rights. Given that EPEX Spot SE exercises significant influence (as defined in IAS 28), SEEPEX a.d. has been classified as an associate and accounted for using the equity method.

By signing the Joint Venture Agreement on 16 October 2015 Deutsche Börse AG established together with two stock exchange operators in Shanghai the China Europe International Exchange AG, Frankfurt/Main, Germany, (CEINEX). Deutsche Börse AG made a capital contribution in the amount of €10.8 million for 10.8 million shares, thereby gaining a 40 per cent interest in CEINEX. The capital contribution includes goodwill amounting to €10.8 thousand. Since at present, Deutsche Börse AG is only able to excercise control over CEINEX jointly with one of the other CEINEX founders, the company is classified as an associate (as defined in IAS 28), and accounted for using the equity method.

In November 2015, International Securities Exchange Holdings, Inc., New York, USA, (ISE Holdings), sold 43,117 shares in Hanweck Associates, LLC, and thus lowered its stake to 18.29 per cent. Since ISE Holdings thus no longer exercises significant influence (as defined in IAS 28.5), Hanweck Associates, LLC is no longer classified as an associate.

Where Deutsche Börse Group's share of the voting rights in a company amounts to less than 20 per cent, Deutsche Börse Group's significant influence is exercised in accordance with IAS 28.6 (a) through the Group's representation on the supervisory board or the board of directors of the following companies as well as through corresponding monitoring systems:

- Deutsche Börse Commodities GmbH, Frankfurt/Main, Germany
- Tradegate AG Wertpapierhandelsbank, Berlin, Germany
- European Market Coupling Company GmbH i.L., Hamburg, Germany
- Index Marketing Solutions Limited, London, United Kingdom
- SEEPEX a.d., Belgrade, Serbia
- PHINEO gAG, Berlin, Germany

3. Summary of key accounting policies

Deutsche Börse AG's consolidated financial statements have been prepared in euros, the functional currency of Deutsche Börse AG. Unless stated otherwise, all amounts are shown in millions of euros (€m). Due to rounding, the amounts may differ from unrounded figures.

The annual financial statements of subsidiaries included in the consolidated financial statements have been prepared on the basis of the Group-wide accounting policies based on IFRSs that are described in the following. They were applied consistently to the periods shown with the exception of the adjustments described below.

Changes of accounting and measurement policies

With effect from 1 January 2015, interest income from central counterparties is recognised under the item "net interest income from banking business". Clearing houses generate (or incur) interest income (or expenses) by investing the cash collateral provided by customers; so far, interest income or expenses were recognised in the financial result. This change of recognition is due to pricing model adjustments at Eurex Clearing AG as from 1 May 2015. The adjusted pricing model provides for interest rate-driven cash collateral placement fees (so-called "cash handling fee"). Previous year's figures were adjusted. This led to an increase of the item "net interest income from banking business" by €4.8 million to €37.6 million. Financial income decreased by €9.9 million to €8.8 million, while financial expenses dropped by €5.1 million to €56.7 million.

Recognition of revenue and expenses

Trading, clearing and settlement fees are recognised at the trade date and billed on a monthly basis. Custody revenue and revenue for systems development and systems operation are generally recognised rateably and billed on a monthly basis. Sales of price information are billed on a monthly basis. Fees charged to trading participants in connection with International Securities Exchange, LLC's and ISE Gemini, LLC's expenses for supervision by the US Securities and Exchange Commission (SEC) are recognised at the settlement date.

International Securities Exchange, LLC and ISE Gemini, LLC earn market data revenue from the sale of trade and quote information on options through the Options Price Reporting Authority, LLC (OPRA, the regulatory authority responsible for distributing market data revenues among the US options exchanges). Pursuant to SEC regulations, US exchanges are required to report trade and quote information to OPRA. International Securities Exchange, LLC and ISE Gemini, LLC earn a portion of the income of the US option exchange association based on ist share of eligible trades for optioned securities. Revenue is recorded as transactions occur on a trade date basis and is collected quarterly.

As a rule, rebates are deducted from sales revenue.

The item "volume-related costs" comprises expenses that depend on the number of certain trade or settlement transactions, or on the custody volume, the Global Securities Financing volume, or the volume of market data acquired, or that result from revenue-sharing agreements or maker-taker pricing models. Volume-related costs are not incurred if the corresponding revenue is no longer generated.

Interest income and expense are recognised using the effective interest method over the respective financial instrument's term to maturity. Interest income is recognised when it is probable that the economic benefits associated with the transaction will flow to the entity and the income can be measured reliably. Interest expense is recognised in the period in which it is incurred. Interest income and expense from banking business are set off in the consolidated income statement and disclosed separately in note 4.

Dividends are recognised in net income from equity investments if the right to receive payment is based on legally assertable claims.

The consolidated income statement is structured using the nature of expense method.

Research and development costs

Research costs are expensed in the period in which they are incurred. The development costs of an asset are only capitalised if they can be reliably estimated, if all the definition criteria for an asset are met and if the future economic benefits resulting from capitalising the development costs can be demonstrated. These development costs include direct labour costs, costs of purchased services and workplace costs, including proportionate overheads that can be directly attributed to the preparation of the respective asset for use, such as costs for the software development environment. Development costs that do not meet the requirements for capitalisation are recognised as expenses in the consolidated income statement. Interest expense that cannot be allocated directly to one of the development projects is recognised in profit or loss in the reporting period and not included in capitalised development costs. If research and development costs cannot be separated, the expenditures are recognised as expenses in the period in which they are incurred.

All development costs (both primary costs and costs incurred subsequently) are allocated to projects. The projects are broken down into the following phases in order to decide which cost components must be capitalised and which cannot be capitalised:

Phases not eligible for capitalisation

1. Design

- Definition of product design
- Specification of the expected economic benefit
- Initial cost and revenue forecast

Phases eligible for capitalisation

2. Detailed specifications

- Compilation and review of precise specifications
- Troubleshooting process

3. Building and testing

- Software programming
- Product testing

Phases not eligible for capitalisation

4. Acceptance

- Planning and implementation of acceptance tests

5. Simulation

- Preparation and implementation of simulation
- Compilation and testing of simulation software packages
- Compilation and review of documents

6. Roll-out

- Planning of product launch
- Compilation and dispatch of production systems
- Compilation and review of documents

In accordance with IAS 38, only expenses attributable to the “detailed specifications” and “building and testing” phases are capitalised. All other phases of software development projects are expensed.

Intangible assets

Capitalised development costs are amortised from the date of first use of the software using the straight-line method over the asset’s expected useful life. The useful life of internally developed software is generally assumed to be five years; a useful life of seven years is used as the basis in the case of newly developed trading platforms and clearing systems.

Purchased software is carried at cost and reduced by amortisation and, where necessary, impairment losses. Amortisation is charged using the straight-line method over the expected useful life or at most until the right of use has expired.

Useful life of software

Asset	Amortisation period
Standard software	3 to 10 years
Purchased custom software	3 to 6 years
Internally developed custom software	3 to 7 years

Intangible assets are derecognised on disposal or when no further economic benefits are expected to flow from them.

The amortisation period for intangible assets with finite useful lives is reviewed at a minimum at the end of each financial year. If the expected useful life of an asset differs from previous estimates, the amortisation period is adjusted accordingly.

Goodwill is recognised at cost and tested at least once a year for impairment.

The cost of the other intangible assets, which are almost only acquired in the course of business combinations, corresponds to the acquisition date fair value. Assets with a finite useful life are amortised using the straight-line method over their expected useful life. Assets with an indefinite useful life are tested for impairment at least once a year.

Useful life of other intangible assets classified by business combinations

	Exchange licences	Trade names	Member and customer relationships	Miscellaneous intangible assets
ISE	indefinite	10 years	30 years	2 to 12 years
STOXX	–	indefinite	12 years	3 to 5 years
EEX	indefinite	indefinite	16 years	–
CGSS	–	–	20 years	8 years
360T	–	indefinite	23 years	–
Other	indefinite	5 years, indefinite	8 to 21 years	2 to 20 years

Since the exchange licences mentioned above have no time limit on their validity and, in addition, there is an intention to maintain the licences as part of the general business strategies, an indefinite useful life is assumed. Moreover, it is assumed that the trade name of STOXX, certain trade names of 360T as well as certain registered trade names of EEX group have also an indefinite useful life. These umbrella brands benefit from strong brand awareness and are used in the course of operating activities, so there are no indications that their useful life is limited.

Property, plant and equipment

Depreciable items of property, plant and equipment are carried at cost less cumulative depreciation. The straight-line depreciation method is used. Costs of an item of property, plant and equipment comprise all costs directly attributable to the production process, as well as an appropriate proportion of production overheads. No borrowing costs were recognised in the reporting period as they could not be directly allocated to any particular development project.

Useful life of property, plant and equipment

Asset	Depreciation period
Computer hardware	3 to 5 years
Office equipment	5 to 25 years
Leasehold improvements	based on lease term

Repair and maintenance costs are expensed as incurred.

If it is probable that the future economic benefits associated with an item of property, plant and equipment will flow to the Group and the cost of the asset in question can be reliably determined, expenditure subsequent to acquisition is added to the carrying amount of the asset as incurred. The carrying amounts of any parts of an asset that have been replaced are derecognised.

Impairment losses on property, plant and equipment and intangible assets

Specific non-current non-financial assets are tested for impairment. At each reporting date, the Group assesses whether there are any indications that an asset may be impaired. If this is the case, the carrying amount is compared with the recoverable amount (the higher of value in use and fair value less costs of disposal) to determine the amount of any potential impairment.

Value in use is estimated on the basis of the discounted estimated future cash flows from continuing use of the asset and from its ultimate disposal, before taxes. For this purpose, discount rates are estimated based on the prevailing pre-tax weighted average cost of capital. If no recoverable amount can be determined for an asset, the recoverable amount of the cash-generating unit to which the asset can be allocated is determined.

Irrespective of any indications of impairment, intangible assets with indefinite useful lives and intangible assets not yet available for use must be tested for impairment at least once a year. If the estimated recoverable amount is lower than the carrying amount, an impairment loss is recognised and the net carrying amount of the asset is reduced to its estimated recoverable amount.

Goodwill is allocated to identifiable groups of assets (cash-generating units) or groups of cash-generating units that create synergies from the relevant acquisition. Irrespective of any indications of impairment, these items must be tested for impairment at least annually at the lowest level at which Deutsche Börse Group monitors the respective goodwill. An impairment loss is recognised if the carrying amount of the cash-generating unit to which goodwill is allocated (including the carrying amount of that goodwill) is higher than the recoverable amount of this group of assets. The impairment loss is first allocated to the goodwill, then to the other assets in proportion to their carrying amounts.

A review is conducted at every reporting date to establish whether there are any indications that an impairment loss recognised on non-current assets (excluding goodwill) in prior periods no longer applies. If this is the case, the carrying amount of the asset is increased and the difference is recognised in profit or loss. The maximum amount of this reversal is limited to the carrying amount that would have resulted if no impairment loss had been recognised in prior periods. Impairment losses on goodwill are not reversed.

Fair value measurement

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

Financial investments

Financial investments comprise investments in associates and joint ventures as well as financial assets.

Investments in associates and joint ventures are measured at cost on initial recognition and accounted for using the equity method upon subsequent measurement.

Financial assets

For Deutsche Börse Group, financial assets are, in particular, other equity investments, receivables and securities from banking business, other financial instruments and other loans, financial instruments held by central counterparties, receivables and other assets as well as bank balances.

Recognition of financial assets
Financial assets are recognised when a Group company becomes a party to the contractual provisions of the instrument. They are generally recognised at the trade date. Loans and receivables from banking business, available-for-sale financial assets from banking business as well as purchases and sales of equities via the central counterparty (i.e. Eurex Clearing AG) are recognised at the settlement date.

Financial assets are initially measured at fair value; in the case of a financial asset that is not measured at fair value through profit or loss in subsequent periods, this includes transaction costs. If they are settled within one year, they are allocated to current assets. All other financial assets are allocated to non-current assets.

Subsequent measurement of financial assets
Subsequent measurement of financial instruments follows the categories which are described below. As in previous years, Deutsche Börse Group did not take advantage of the option to allocate financial assets to the “held-to-maturity investments” category in the reporting period. In addition, the Group did not exercise the “fair value option” to designate financial assets at fair value through profit and loss. The financial assets are allocated to the respective categories at initial recognition.

Assets held for trading
Derivatives that are not designated as hedging instruments as well as financial instruments held by central counterparties are measured at fair value through profit or loss.

If they result from banking business, realised and unrealised gains and losses are immediately recognised in the consolidated income statement as “other operating income”, “net interest income from banking business” and “other operating expenses” or, if incurred outside the banking business, as “financial income” and “financial expenses”.

Loans and receivables
Loans and receivables comprise in particular current and non-current receivables from banking business, trade receivables as well as other current receivables. They are recognised at amortised cost, taking into account any impairment losses, if applicable. Premiums and discounts are included in the amortised cost of the instrument concerned and are amortised using the effective interest method; they are contained in “net interest income from banking business” if they relate to banking business, or in “financial income” and “financial expense”.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and demand deposits as well as financial assets that are readily convertible to cash. They are subject to only minor changes in value. Cash and cash equivalents are measured at amortised cost.

Restricted bank balances mainly include cash deposits by market participants that are invested largely overnight, mainly in the form of reverse repurchase agreements with banks.

Available-for-sale financial assets

Non-derivative financial assets are classified as "available-for-sale financial assets" if they cannot be allocated to the "loans and receivables" or "assets held for trading" categories. These assets comprise debt and equity investments recognised as "other equity investments" and "other financial instruments", as well as debt instruments recognised as current and non-current receivables and securities from banking business.

Available-for-sale financial assets are generally measured at the fair value observable in an active market. Unrealised gains and losses are recognised directly in equity in the revaluation surplus. Impairment losses and effects of exchange rates on monetary items are excluded from this general principle and are recognised in profit or loss.

Equity instruments for which no active market exists are measured on the basis of current comparable market transactions, if these are available. If an equity instrument is not traded in an active market and alternative valuation methods cannot be applied to that equity instrument, it is measured at cost, subject to an impairment test.

Realised gains and losses are generally recognised in "financial income" or "financial expense". Interest income in connection with debt instruments in the banking business is recognised in the consolidated income statement in "net interest income from banking business" using the effective interest rate method. Other realised gains and losses are recognised in the consolidated income statement in "other operating income" and "other operating expenses".

If debt instruments in the banking business are hedged items in fair value hedges, the changes in fair value resulting from the hedged risk are recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised when the contractual rights to the cash flows expire or when substantially all the risks and rewards of ownership of the financial assets are transferred.

Clearstream Banking S.A. acts as principal in securities borrowing and lending transactions in the context of the ASLplus securities lending system. Legally, it operates between the lender and the borrower without being an economic party to the transaction (transitory items). In these transactions, the securities borrowed and lent match each other. Consequently, these transactions are not recognised in the consolidated balance sheet.

Impairment of financial assets

Financial assets that are not measured at fair value through profit or loss are reviewed at each reporting date to establish whether there are any indications of impairment.

Deutsche Börse Group has laid down criteria for assessing whether there is evidence of impairment. These criteria primarily include significant financial difficulties on the part of the debtor and breaches of contract. In the case of equity instruments, the assessment also takes into account the duration and the amount of the impairment compared with cost. If the decline in value amounts to at least 20 per cent of cost and lasts for at least nine months, or if the decline is at least 15 per cent of cost and lasts for at least six months, Deutsche Börse Group takes this to be evidence of impairment. Impairment is assumed in the case of debt instruments if there is a significant decline in the issuer's credit quality.

The amount of an impairment loss for a financial asset measured at amortised cost is the difference between the carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate. A subsequent reversal is recognised at a maximum at the carrying amount that would have resulted if no impairment loss had been recognised.

The amount of an impairment loss for a financial asset measured at cost (unlisted equity instruments) is the difference between the carrying amount and the present value of the estimated future cash flows, discounted at a current market interest rate. Subsequent reversal is not permitted.

In the case of available-for-sale financial assets, the impairment loss is calculated as the difference between cost and fair value. Any reduction in fair value already recognised in equity is reclassified to profit or loss upon determination of the impairment loss. An impairment loss recognised on debt instruments may only be reversed in a subsequent period if the reason for the original impairment no longer applies.

Financial liabilities

Financial liabilities relate primarily to interest-bearing liabilities, other liabilities, liabilities from banking business, financial instruments held by central counterparties, cash deposits by market participants as well as trade payables. They are recognised when a Group company becomes a party to the instrument.

They are generally recognised at the trade date. Purchases and sales of equities via the central counterparty Eurex Clearing AG are recognised at the settlement date.

Offsetting financial assets and liabilities
Financial assets and liabilities are offset and only the net amount is presented in the consolidated balance sheet when a Group company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial liabilities not measured at fair value through profit and loss
Financial liabilities not held for trading are carried at amortised cost. These liabilities comprise issued bonds and private placements. The borrowing costs associated with the placement of financial liabilities are included in the carrying amount and accounted for using the effective interest method, if they are directly attributable. Discounts reduce the carrying amount of liabilities and are amortised over the term of the liabilities.

Financial liabilities measured at fair value through profit and loss

A forward transaction with a non-controlling shareholder for the acquisition of non-controlling interests that is settled in cash or by delivering other financial assets is a financial liability recognised at fair value. It is subsequently measured at fair value through profit and loss. The equity interest attributable to a non-controlling shareholder underlying the transaction is accounted for as if it had already been acquired at the time of the transaction.

Derivatives and hedges

Derivatives are used to hedge interest rate risk or currency risk. All derivatives are carried at their fair values.

Hedge accounting is used for derivatives that are part of a hedging relationship determined to be highly effective and for which certain conditions are met. This relates in particular to the documentation of the hedging relationship and the risk strategy and to how reliably effectiveness can be measured.

Cash flow hedges

The portion of the gain or loss on the hedging instrument determined to be highly effective is recognised in other comprehensive income. This gain or loss ultimately adjusts the value of the hedged cash flow, i.e. the gain or loss on the hedging instrument is recognised in profit or loss when the hedged item is recognised in the balance sheet or in profit or loss. The ineffective portion of the gain or loss is recognised immediately in the consolidated income statement.

Fair value hedges

The gain or loss on the hedging instrument, together with the gain or loss on the hedged item (underlying) attributable to the hedged risk, is recognised immediately in the consolidated income statement. Any gain or loss on the hedged item adjusts its carrying amount.

Hedges of a net investment in a foreign operation

The effective portion of the gain or loss from a hedging transaction that is designated as a highly effective hedge is recognised in other comprehensive income. It is recognised in profit or loss when the foreign operation is sold. The ineffective portion of the gain or loss is recognised immediately in the consolidated income statement.

Derivatives that are not part of a hedging relationship

Gains or losses on derivative instruments that are not part of a highly effective hedging relationship are recognised immediately in the consolidated income statement.

Financial instruments held by central counterparties

European Commodity Clearing AG, Eurex Clearing AG, APX Clearing B.V. and APX Commodities Ltd. act as central counterparties.

- European Commodity Clearing AG, APX Clearing B.V. and APX Commodities Ltd. guarantee the settlement of spot and derivatives transactions at the trading venues of the EEX group and the connected partner exchanges.
- Eurex Clearing AG guarantees the settlement of all transactions involving futures and options on the Eurex exchanges (Eurex Deutschland and Eurex Zürich AG). It also guarantees the settlement of all transactions for Eurex Bonds (bond trading platform) and Eurex Repo (repo trading platform), certain exchange transactions in equities on Frankfurter Wertpapierbörse (FWB, the Frankfurt Stock Exchange) and certain cash market transactions on the Irish Stock Exchange. Eurex Clearing AG also guarantees the settlement of off-order book trades entered for clearing in the trading systems of the Eurex exchanges, Eurex Bonds, Eurex Repo, the Frankfurt Stock Exchange and the Irish Stock Exchange. In addition, Eurex Clearing AG clears OTC interest rate derivatives and securities lending transactions, where these meet the specified novation criteria.

The transactions of the clearing houses are only executed between the respective clearing house and a clearing member.

In accordance with IAS 39, purchases and sales of equities and bonds via the Eurex Clearing AG central counterparty are recognised and simultaneously derecognised at the settlement date.

For products that are marked to market (futures, options on futures as well as OTC interest-rate derivatives), the clearing houses recognise gains and losses on open positions of clearing members on each exchange day. By means of the variation margin, profits and losses on open positions resulting from market price fluctuations are settled on a daily basis. The difference between this and other margin types is that the variation margin does not comprise collateral, but is a daily offsetting of profits and losses in cash. In accordance with IAS 39, futures and OTC interest rate derivatives are therefore not reported in the consolidated balance sheet. For future-style options, the option premium is not required to be paid in full until the end of the term or upon exercise. Option premiums are carried in the consolidated balance sheet as receivables and liabilities at their fair value on the trade date.

"Traditional" options, for which the buyer must pay the option premium in full upon purchase, are carried in the consolidated balance sheet at fair value. Fixed-income bond forwards are recognised as derivatives and carried at fair value until the settlement date. Receivables and liabilities from repo transactions and from cash-collateralised securities lending transactions are classified as held for trading and carried at fair value. Receivables and liabilities from variation margins and cash collateral that is determined on the reporting date and only paid on the following day are carried at their nominal amount.

The "financial instruments held by central counterparties" are reported as non-current if the remaining maturity of the underlying transactions exceeds twelve months at the reporting date.

The fair values recognised in the consolidated balance sheet are based on daily settlement prices. These are calculated and published by the clearinghouse in accordance with the rules set out in the contract specifications (see also the clearing conditions of the respective clearing house).

Cash or securities collateral held by central counterparties

As the clearing houses of the Deutsche Börse Group guarantee the settlement of all traded contracts, they have established multi-level collateral systems. The central pillar of the collateral systems is the determination of the overall risk per clearing member (margin) to be covered by cash or securities collateral. Losses calculated on the basis of current prices and potential future price risks are covered up to the date of the next collateral payment.

In addition to these daily collateral payments, each clearing member must make contributions to the respective clearing fund (for further details, see the risk report in the combined management report). Cash collateral is reported in the consolidated balance sheet under “cash deposits by market participants” and the corresponding amounts under “restricted bank balances”.

Securities collateral is generally not derecognised by the clearing member providing the collateral, as the opportunities and risks associated with the securities are not transferred to the secure party. Recognition at the secure party is only permissible if the clearing member providing the transfer is in default according to the underlying contract.

Treasury shares

The treasury shares held by Deutsche Börse AG at the reporting date are deducted directly from shareholders’ equity. Gains or losses on treasury shares are recognised in other comprehensive income. The transaction costs directly attributable to the acquisition of treasury shares are accounted for as a deduction from share-holders’ equity (net of any related income tax benefit).

Other current assets

Receivables and other assets are carried at their nominal amount. Adequate valuation allowances take account of identifiable risks.

Non-current assets held-for-sale

Non-current assets that are available for immediate sale in their present condition and whose sale is highly probable within a reasonable period of time are classified as “non-current assets held for sale”. A transaction is highly probable if measures for the sale have already been initiated and the relevant bodies have adopted the corresponding resolutions.

Pensions and other employee benefits

Pensions and other employee benefits relate to defined contribution and defined benefit pension plans.

Defined contribution pension plans

There are defined contribution plans as part of the occupational pension system using pension funds and similar pension institutions, as well as on the basis of 401(k) plans. In addition, contributions are paid to the statutory pension insurance scheme. The level of contributions is normally determined in relation to income. As a rule, no provisions are recognised for defined contribution plans. The contributions paid are reported as pension expenses in the year of payment.

There are defined contribution pension plans for employees in several countries. In addition, the employer pays contributions to employees' private pension funds.

Defined benefit plans

Provisions for pension obligations are measured, separately for each pension plan, using the projected unit credit method on the basis of actuarial reports. The fair value of plan assets is deducted from the present value of pension obligations, reflecting the asset ceiling rules if there are any excess plan assets. This results in the net defined benefit liability or asset. Net interest expense for the financial year is calculated by applying the discount rate determined at the beginning of the financial year to the net defined benefit liability determined as at that date.

The relevant discount rate is determined by reference to the return on long-term corporate bonds with a rating of at least AA (Moody's Investors Service, Standard & Poor's, Fitch Ratings and Dominion Bond Rating Service) on the basis of the information provided by Bloomberg, and a maturity that corresponds approximately to the maturity of the pension obligations. Moreover, the bonds must be denominated in the same currency as the underlying pension obligation. Measurement of the pension obligations in euros is, on principal, based on a discount rate of 2.20 per cent, which is determined according to the Towers Watson "GlobalRate:Link" methodology updated in line with the current market trend.

Actuarial gains or losses resulting from changes in expectations with regard to life expectancy, pension trends, salary trends and the discount rate as compared with the estimate at the beginning of the period or compared with the actual development during the period are recognised directly in other comprehensive income. Actuarial gains and losses recognised in other comprehensive income may not be reclassified to profit or loss in subsequent periods. Similarly, differences between the (interest) income on plan assets determined at the beginning of the period and the return on plan assets actually recorded at the end of the period are also recognised directly in other comprehensive income. The actuarial gains or losses and the difference between the expected and the actual return or loss on plan assets are recognised in the revaluation surplus.

Other long-term benefits for employees and members of executive boards (total disability pension, transitional payments and surviving dependants' pensions) are also measured using the projected unit credit method. Actuarial gains and losses and past service cost are recognised immediately and in full through profit or loss.

Other provisions

Provisions are recognised if the Group has a present obligation from an event in the past, it is probable that there will be an outflow of resources embodying economic benefits to settle the obligation and the amount of this obligation can be estimated reliably. The amount of the provision corresponds to the best estimate of the expenditure required to settle the obligation at the reporting date.

A restructuring provision is only recognised when an entity has a detailed formal plan for the restructuring and has raised a valid expectation in those affected that the restructuring measures will be implemented, for example by starting to implement that plan or by announcing its main features to those affected by it.

Contingent liabilities are not recognised, but are rather disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Share-based payment

Deutsche Börse Group operates the Group Share Plan, the Stock Bonus Plan (SBP), the Co-Performance Investment Plan (CPIP) and the Long-term Sustainable Instrument (LSI), which provide share-based payment components for employees, senior executives and executive board members.

Group Share Plan

Under the Group Share Plan, shares are granted at a discount to the market price. The expense of this discount is recognised in the income statement at the grant date.

Stock Bonus Plan (SBP)

The SBP shares are generally accounted for as share-based payments for which Deutsche Börse AG has a choice of settlement in cash or equity instruments for certain tranches. In the previous years, a standard contract was drafted to settle the tranche due in the following year in cash. Under these circumstances, there is at present a presumption in accordance with IFRS 2 that all SBP shares will be settled in cash. Regarding the 2015 tranche, cash settlement has been agreed upon. Accordingly, Deutsche Börse Group has measured the SBP shares as cash-settled share-based payment transactions. The cost of the options is estimated using an option pricing model (fair value measurement) and recognised in staff costs in the consolidated income statement. Any right to payment of a stock bonus only vests after the expiration of the service or performance period of three or four years on which the plan is based.

A separate variable share-based payment has been agreed for Deutsche Börse AG's Executive Board from financial year 2010 to 2015. The number of virtual shares for each Executive Board member is calculated on the basis of Deutsche Börse AG's average share price in the two months preceding the point in time at which the Supervisory Board establishes the 100 per cent target value for the variable share component. The calculation of the payout amount of the stock bonus depends on the change in relative shareholder return and Deutsche Börse AG's share price performance. Claims under this stock bonus programme are settled in March 2016, for the 2013 to 2015 tranches, given the introduction of a new remuneration system as from 1 January 2016. The disbursement price is determined on the basis of Deutsche Börse AG's average share price during the two last calendar months prior to expiry of the adjusted performance period, which ended on 31 December 2015. Members of the Executive Board are obliged to invest payments made from the 2014 and 2015 tranches into Deutsche Börse AG shares according to the new remuneration scheme.

In the year under review, a new remuneration program (Co-Performance Investment Plan, CPIP) was introduced, and the CEO was offered a one-time participation. The appropriate number of phantom shares is calculated based on the number of shares granted and the increase of Deutsche Börse AG's consolidated net income, as well as on the relative performance of the total shareholder return (TSR) on Deutsche Börse AG's shares compared with the total shareholder return of the STOXX Europe 600 Financials Index constituents. The shares are subject to a performance period of five years. The subsequent payment of the stock bonus will be settled in cash.

Long-term Sustainable Instrument (LSI)
In order to meet regulatory requirements, the LSI for risk takers (employees whose professional activities have a material impact on the operations of institutions) was introduced in the financial year 2014. LSI shares are generally settled in cash. Regarding the 2014 tranche, the respective companies have the option to fulfil their obligations by delivering shares of Deutsche Börse AG. Regarding the 2015 tranche, cash settlement has been agreed upon as mode of settlement. Deutsche Börse Group thus measures the LSI shares as cash-settled share-based payment transactions. The options are measured using an option pricing model (fair value measurement). Any right to payment of a stock bonus only vests after the expiration of the one-year service period on which the plan is based, taking certain waiting periods into account.

Deferred tax assets and liabilities

Deferred tax assets and liabilities are computed using the balance sheet liability approach. The deferred tax calculation is based on temporary differences between the carrying amounts of assets and liabilities in the IFRS financial statements and their tax base that will lead to a future tax liability or benefit when assets are used or sold or liabilities are settled.

The deferred tax assets or liabilities are measured using the tax rates that are currently expected to apply when the temporary differences reverse, based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax assets are recognised for the unused tax loss carryforwards only to the extent that it is probable that future taxable profit will be available. Deferred tax assets and deferred tax liabilities are offset where a legally enforceable right to set off current tax assets against current tax liabilities exists and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

Leases

Leases are classified as operating leases or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the asset from the lessor to the lessee. All other leases are classified as operating leases.

Leased assets and the associated liabilities are recognised at the lower of the fair value and present value of the minimum lease payments if the criteria for classification as a finance lease are met. The leased asset is depreciated or amortised using the straight-line method over its useful life or the lease term, if shorter. In subsequent periods, the liability is measured using the effective interest method.

Expenses incurred in connection with operating leases are recognised as an expense on a straight-line basis over the lease term.

Consolidation

Deutsche Börse AG and all subsidiaries directly or indirectly controlled by Deutsche Börse AG are included in the consolidated financial statements. Deutsche Börse Group controls a company if it is exposed to variable returns resulting from its involvement with the company in question or has rights to such returns and is able to influence them by using its power over the company.

Initial consolidation of subsidiaries in the course of business combinations uses the purchase method. The acquiree's identifiable assets, liabilities and contingent liabilities are recognised at their acquisition date fair values. Any excess of cost over the acquirer's interest in the fair value of the subsidiary's net identifiable assets is recognised as goodwill. Goodwill is reported in subsequent periods at cost less accumulated impairment losses.

Intra-Group assets and liabilities are eliminated. Income arising from intragroup transactions is eliminated against the corresponding expenses. Profits or losses arising from deliveries of intra-Group goods and services, as well as dividends distributed within the Group, are eliminated. Deferred taxes for consolidation adjustments are recognised where these are expected to reverse in subsequent years.

Interests in equity attributable to non-controlling interest shareholders are carried under "non-controlling interests" within equity. Where these are classified as "puttable instruments", they are reported under "liabilities".

Currency translation

Transactions denominated in a currency other than a company's functional currency are translated into the functional currency at the spot exchange rate applicable at the transaction date. At the reporting date, monetary balance sheet items in foreign currency are measured at the exchange rate at the reporting date, while non-monetary balance sheet items recognised at historical cost are measured at the exchange rate on the transaction date. Non-monetary balance sheet items measured at fair value are translated at the exchange rate prevailing at the valuation date. Exchange rate differences are recorded as other operating income or expense in the period in which they arise unless the underlying transactions are hedged. Gains and losses from a monetary item that forms part of a net investment in a foreign operation are recognised directly in "accumulated profit".

The annual financial statements of companies whose functional currency is not the euro are translated into the reporting currency as follows: assets and liabilities are translated into euros at the closing rate. The items in the consolidated income statement are translated at the average exchange rates for the reporting period. Resulting exchange differences are recognised directly in “accumulated profit”. When the relevant subsidiary is sold, these exchange rate differences are recognised in net profit for the period attributable to shareholders of the parent company in which the deconsolidation gain or loss is realised.

The following euro exchange rates of consequence to Deutsche Börse Group were applied:

Exchange rates

		Average rate 2015	Average rate 2014	Closing price as at 31 Dec 2015	Closing price as at 31 Dec 2014
Swiss francs	CHF	1.0644	1.2131	1.0818	1.2029
US dollars	USD (US$)	1.1046	1.3210	1.0924	1.2156
Czech koruna	CZK	27.2792	27.5561	27.0250	27.7333
Singapore dollar	SGD	1.5220	1.6762	1.5430	1.6058
British pound	GBP(£)	0.7244	0.8026	0.7366	0.7806

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising from initial consolidation are reported in the functional currency of the foreign operation and translated at the closing rate.

Key sources of estimation uncertainty and management judgements

The application of accounting policies, the presentation of assets and liabilities, and the recognition of income and expenses requires the Executive Board to make certain judgements and estimates. Adjustments in this context are taken into account in the period the change was made as well as in subsequent periods, where necessary.

Impairment

Deutsche Börse Group tests goodwill as well as intangible assets with indefinite useful lives for impairment and intangible assets not yet available for use at least once a year. Certain assumptions have to be made to determine the recoverable amount, which is calculated regularly using discounted cash flow models. This is based on the relevant business plans with a time horizon of normally three to five years. These plans in turn contain projections of the future financial performance of the assets and cash-generating units. If their actual financial performance fails to meet these expectations, corresponding adjustments may be necessary. For further information on the effects of changes in the discount rate and further assumptions, please see note 11.

Pensions and other employee benefits

Pensions and other employee benefits are measured using the projected unit credit method, which calculates the actuarial present value of the accumulated benefit obligation. Calculating the present value requires certain actuarial assumptions (such as the discount rate, staff turnover rate, salary and pension trends) to be made. The current service cost and the net interest expense or income for the subsequent period are calculated on the basis of these assumptions. Any departures from these assumptions, for example because of changes in the macroeconomic environment, are recognised in other comprehensive income in the following financial year. A sensitivity analysis of the key factors is presented in note 22.

Income taxes

Deutsche Börse Group is subject to the tax laws of those countries in which it operates and generates income. Considerable management judgement has to be exercised in determining the tax provisions. For a large number of transactions and calculations, no definitive tax-relevant information is available at the time these figures are determined. Deutsche Börse Group recognises corresponding provisions for risks expected from external tax audits. If the final results of these external audits differ from the estimates, the resulting effects on current and deferred taxes are recognised in the period in which they become known.

Legal risks

The companies of Deutsche Börse Group are subject to litigation. Such litigation may lead to orders to pay against the entities of the Group. If it is more likely than not that an outflow of resources will occur, a provision will be recognised based on an estimate of the most probable amount necessary to settle the obligation if such amount is reasonably estimable. Management judgement includes the determination whether there is a possible obligation from past events, the evaluation of the probability that an outflow will occur and the estimation of the potential amount. As the outcome of litigation is usually uncertain, the judgement is reviewed continuously. For further information on other risks please see note 37.

Group Share Plan, Stock Bonus Plan and Long-term Sustainable Instrument

Note 39 contains disclosures on the valuation model used for the stock options. Where the estimates of the valuation parameters originally applied differ from the actual values available when the options are exercised, adjustments are necessary; such adjustments are recognised in the consolidated income statement for the period if they relate to cash-settled share-based payment transactions.

Provisions

The probability of utilisation applied when recognising provisions for expected losses from rental agreements is estimated (see note 24). When recognising personnel-related restructuring provisions, certain assumptions were made, for example with regard to the fluctuation rate, the discount rate and salary trends. Adjustments may be necessary if the actual values were to deviate from these assumptions, adjustments may be necessary.

Consolidated income statement disclosures

4. Net revenue

Composition of net revenue

	Sales revenue		Net interest income from banking business[1]	
	2015 €m	2014 €m	2015 €m	2014 €m
Eurex				
Equity index derivatives	438.3	379.2	0	0
Interest rate derivatives	184.4	166.2	0	0
US options (ISE)	243.4	199.1	0	0
Commodity derivatives	180.7	73.1	–1.8	0.2
Repurchase agreements	27.8	37.5	0	0
Equity derivatives	39.7	37.5	0	0
FX derivatives[2]	15.8	0	0	0
Other assets	78.6	60.9	18.3	4.6
	1,208.7	**953.5**	**16.5**	**4.8**
Xetra				
Trading[2]	146.5	124.7	0	0
Clearing and settlement fees	41.3	36.1	0	0
Other assets	23.3	23.9	0	0
	211.1	**184.7**	**0**	**0**
Clearstream				
Custody fees	510.1	465.8	0	0
Transaction fees	152.3	138.1	0	0
Global Securities Financing	100.6	98.2	0	0
Net interest income	0	0	34.1	32.8
Other assets	138.1	132.1	0	0
	901.1	**834.2**	**34.1**	**32.8**
Market Data + Services				
Information	181.2	172.3	0	0
Tools	119.3	111.6	0	0
Index	114.0	99.7	0	0
Market Solutions	33.4	33.1	0	0
	447.9	**416.7**	**0**	**0**
Total	**2,768.8**	**2,389.1**	**50.6**	**37.6**
Consolidation of internal net revenue	**–46.0**	**–41.3**	**0**	**0**
Group	**2,722.8**	**2,347.8**	**50.6**	**37.6**

1) As part of the introduction of an interest rate-driven cash colleteral placement fees, net interest income of the central counterparties is reported in the net interest income from banking income (previously financial result), prior-year figures have been adjusted accordingly.
2) Revenues from FX derivatives consist of revenues from 360T Beteiligungs GmbH that was initially consolidated as at 15 October 2015.

	Other operating income		Volume-related costs		Net revenue	
	2015 €m	2014 €m	2015 €m	2014 €m	2015 €m	2014 €m
	0	0	–35.6	–34.4	402.7	344.8
	0	0	–1.1	–1.1	183.3	165.2
	0.3	0	–155.5	–116.1	88.2	83.0
	2.7	1.0	–15.7	–10.1	165.9	64.1
	0	0	0	0	27.8	37.5
	0	0	–3.4	–3.2	36.3	34.3
	0	0	–0.1	0	15.7	0
	11.2	16.2	–2.8	–3.2	105.3	78.5
	14.2	**17.2**	**–214.2**	**–168.1**	**1,025.2**	**807.4**
	0	0.5	–25.8	–24.8	120.7	100.4
	0	0.1	–6.9	–6.3	34.4	29.9
	6.8	8.3	–0.4	–0.6	29.7	31.6
	6.8	**8.9**	**–33.1**	**–31.7**	**184.8**	**161.9**
	0	0	–122.9	–110.4	387.2	355.4
	0	0	–15.4	–13.1	136.9	125.0
	0	0	–32.9	–33.7	67.7	64.5
	0	0	0	0	34.1	32.8
	7.6	6.4	–25.2	–18.2	120.5	120.3
	7.6	**6.4**	**–196.4**	**–175.4**	**746.4**	**698.0**
	2.5	1.9	–27.8	–25.4	155.9	148.8
	3.9	0.6	–5.3	–3.9	117.9	108.2
	1.1	1.0	–11.9	–10.4	103.2	90.4
	0.6	0	0	0	34.0	33.1
	8.1	**3.5**	**–45.0**	**–39.7**	**411.0**	**380.5**
	36.7	**36.0**	**–488.7**	**–414.9**	**2,367.4**	**2,047.8**
	–13.1	**–12.9**	**59.1**	**54.2**	**0**	**0**
	23.6	**23.1**	**–429.6**	**–360.7**	**2,367.4**	**2,047.8**

Composition of net interest income from banking business

	2015 €m	2014 (restated) €m
Loans and receivables	34.6	31.2
Financial liabilities measured at amortised cost	–3.0	–7.2
Available-for-sale financial assets	2.7	5.5
Financial assets or liabilities measured at fair value through profit or loss:		
Interest income	14.3	9.3
Interest expense	2.0	–1.2
Total	**50.6**	**37.6**

Composition of other operating income

	2015 €m	2014 €m
Income from exchange rate differences	1.9	5.6
Income from impaired receivables	2.7	4.1
Income from settlement of put options	0	0
Income from agency agreements	0.4	0.2
Rental income from subleases	0.8	0.9
Miscellaneous	17.8	12.3
Total	**23.6**	**23.1**

For details of rental income from subleases see note 38.

Miscellaneous other operating income includes income from cooperation agreements and from training as well as valuation adjustments.

Volume-related costs comprise partial or advance services that Deutsche Börse Group purchases from third parties, and which it markets as part of its own value chain. They indirectly depend on the development of volume trends and sales revenue.

5. Staff costs

Composition of staff costs

	2015 €m	2014 €m
Wages and salaries	517.0	394.7
Social security contributions, retirement and other benefits	123.7	77.7
Total	**640.7**	**472.4**

Staff costs include costs of €61.1 million (2014: €11.7 million) recognised in connection with efficiency programmes as well as costs of €41.4 million (2014: nil) for newly consolidated companies. The remaining increase is due to a rise in the number of employees (also see note 43), the remuneration of the executive board and higher pay-out of bonuses.

6. Other operating expenses

Composition of other operating expenses

	2015 €m	2014 €m
Costs for IT services providers and other consulting services	258.0	203.9
IT costs	104.6	91.2
Premises expenses	72.5	71.0
Non-recoverable input tax	43.4	47.8
Travel, entertainment and corporate hospitality expenses	27.3	25.2
Advertising and marketing costs	21.8	23.8
Insurance premiums, contributions and fees	17.4	13.8
Non-wage labour costs and voluntary social benefits	16.4	15.0
Supervisory Board remuneration	5.5	5.4
Cost of agency agreements	4.0	5.7
Cost of exchange rate differences	3.6	3.0
Miscellaneous	16.7	11.8
Total	**591.2**	**517.6**

Costs for IT service providers and other consulting services relate mainly to expenses in conjunction with software development. An analysis of development costs is presented in note 7. These costs also contain costs of strategic and legal consulting services as well as of audit activities. Increased costs for IT services and other consulting services amounting to €54.1 million related to business combinations and acquisitions and criminal investigations against Clearstream.

Composition of fees paid to the auditor

	2015		2014	
	Total €m	Germany €m	Total €m	Germany €m
Statutory audits	3.2	1.6	2.7	1.3
Other assurance or valuation services	1.3	0.8	1.4	1.3
Tax advisory services	1.1	0.6	0.6	0.3
Other services	0.6	0.5	0.4	0.3
Total	**6.2**	**3.5**	**5.1**	**3.2**

7. Research and development costs

Own expenses capitalised relate solely to development costs of internally developed software, involving the following systems and projects in the individual segments:

Research and development costs

	Total expense for software development		of which capitalised	
	2015 €m	2014 €m	2015 €m	2014 €m
Eurex				
Trading plattform T7 for Xetra/Eurex	5.4	12.3	3.2	5.5
Eurex Clearing Prisma	24.4	24.3	10.3	6.1
Trading platform ISE	7.1	6.0	4.2	5.3
EEX-Software	6.9	2.2	3.6	2.2
EurexOTC Clear	33.6	46.2	15.0	17.6
360T	0.6	0	0.6	0
Other Eurex software	18.3	17.5	11.0	6.3
	96.3	**108.5**	**47.9**	**43.0**
Xetra				
Trading plattform T7 for Xetra/Eurex	0.4	0.8	0.2	0
CCP releases	1.0	1.4	0	0
Other Xetra software	2.5	2.8	0.2	0
	3.9	**5.0**	**0.4**	**0**
Clearstream				
Collateral Management and Settlement	48.3	62.1	20.5	26.9
Custody	27.3	16.2	16.7	10.5
Connectivity	21.2	21.5	10.4	5.8
Investment funds	3.4	2.0	1.6	0.7
	100.2	**101.8**	**49.2**	**43.9**
Market Data + Services	**6.4**	**4.1**	**1.1**	**0.3**
Research expense	**2.5**	**2.3**	**0**	**0**
Total	**209.3**	**221.7**	**98.6**	**87.2**

8. Net income from equity investments

Composition of net income from equity investments

	2015 €m	2014 €m
Equity method-accounted result of associates and joint ventures		
EPEX Spot SE[1]	0	8.2
The Options Clearing Corporation	3.1	0
Tradegate AG Wertpapierhandelsbank	1.8	0.5
BrainTrade Gesellschaft für Börsensysteme mbH	0.3	0.3
Deutsche Börse Commodities GmbH	0.3	0.1
Digital Vega FX Ltd	0.2	0
LuxCSD S.A.	0.1	n.a.
European Market Coupling Company GmbH i.L.[1]	0	0.3
ID's SAS [2]	0	1.4
Total income from equity method measurement	**5.8**	**10.8**
Bondcube Limited	–5.4	–0.5
Zimory GmbH	–3.2	–6.1
Deutsche Börse Cloud Exchange AG	–3.1	–1.4
Global Markets Exchange Group International, LLP	–0.6	–0.7
R5FX Ltd	–0.4	0
China Europe International Exchange AG	–0.2	n.a.
Hanweck Associates, LLC[3]	–0.1	0
Digital Vega FX Ltd	0	–0.1
Total expenses from equity method measurement[4]	**–13.0**	**–8.8**
Net income from associates and joint ventures	**–7.2**	**2.0**
Net income due to transition from equity method to consolidation	**5.3[5]**	**10.6[6]**
Net income from other equity investments	**2.7**	**65.7**
Net income from equity investments	**0.8**	**78.3**

1) Since European Energy Exchange AG was fully consolidated on 1 January 2014, company is recognised as associate, see also corporate report 2014, note 2.
2) Deutsche Börse AG sold its investment stake in ID's SAS, effective 30 July 2014. Since then, the company has no longer been carried as an associat, see also corporate report 2014, note 2.
3) Since November 2015, Hanweck Associates, LLC has no longer been carried as an associate, please refer to note 2.
4) Including impairment losses
5) Due to the change of status of EPEX Spost SE from an associated company to a fully consolidated company since 1 January 2015, see note 2.
6) Due to the change of status of European Energy Exchange AG from an associated company to a fully consolidated company since 1 January 2014, see corporate report 2014, note 2.

Net income from associates includes €2.6 million in impairment losses (2014: €3.9 million) attributable to the investment in Zimory GmbH, Berlin, Germany. An additional €1.5 million (2014: nil) in impairment losses was incurred on the investment in Deutsche Börse Cloud Exchange AG, Eschborn, Germany, in which Zimory GmbH holds a 50.1 per cent stake. The negative performance of the Zimory GmbH sub-group was due in particular to the loss of a large customer. The recoverable amount was determined on the basis of fair value less costs of disposal. It was calculated using net asset values (level 3 inputs). The impairment loss was recognised in the result from associates and is allocated to the Eurex segment.

Moreover, 2015 net income from associates includes €1.7 million in impairment losses recognised in expenses, due to the unsatisfactory financial performance of Bondcube Limited, registered in England and Wales, United Kingdom. The recoverable amount, determined on the basis of fair value less selling costs, amounted to £1 million; this value was determined on the basis of net asset values (level 3 input factors). The impairment, which is attributed to the Xetra segment, was recorded in the result from associates.

Net income from other investments includes US-$2.3 million in income related to the re-measurement in connection with the loss of significant influence over Hanweck Associates, LLC, USA. For details please refer to note 2.

During the year under review, the company received dividends of €0.9 million (2014: €7.4 million) from investments in associates, and €6.4 million (2014: €17.4 million) from other investments.

9. Financial result

Composition of financial income

	2015 €m	2014 (restated) €m
Other interest and similar income	17.5	7.3
Other interest income on receivables against customers classified as “loans and receivables”	2.1	0
Interest on bank balances classified as “loans and receivables”	0.8	0.1
Income from available-for-sale securities	0.6	1.1
Interest income from receivables against associates and employees classified as “loans and receivables”	0.2	0.2
Interest on reverse repurchase agreements classified as “loans and receivables”	0	0.1
Total	**21.2**	**8.8**

Composition of financial expense

	2015 €m	2014 (restated) €m
Interest on non-current loans[1]	49.6	42.1
Interest on taxes	6.3	6.4
Interest-equivalent expenses for derivatives held as hedging instruments	2.8	2.8
Other costs and interest-equivalent expenses[1]	1.4	1.1
Expenses from the unwinding of the discount on pension provisions	1.3	2.4
Transaction costs of non-current liabilities[1]	1.1	0.8
Interest-equivalent expenses from revaluation of contingent considerations	0.3	0.7
Interest expense from negative interests[1]	0.3	0
Interest on current liabilities[1]	0.3	0.4
Interest expense from available-for-sale securities[1]	0.2	0
Total	**63.6**	**56.7**

1) Measured at amortised cost

10. Income tax expense

Composition of income tax expense (main components)

	2015 €m	2014 €m
Current income taxes:		
of the reporting period	245.6	226.9
from prior periods	–1.4	–4.6
Deferred tax (income)/expense on temporary differences	3.2	–48.8
Total	**247.4**	**173.5**

The total actual tax expenses in the amount of €244.2 million include domestic tax expenses of €180.3 million and foreign tax expenses of €63.9 million (2014: domestic tax expenses €151.5 million, foreign tax expenses €70.8 million). The total deferred tax expenses in the amount of €3.2 million include domestic tax income of €–8.8 million and foreign tax expenses of €12.0 million (2014: domestic tax income €–1.9 million, foreign tax income €–46.9 million).

Tax rates of 28 to 32 per cent were used in the reporting period to calculate deferred taxes for the German companies. These reflect trade income tax at multipliers of 330 to 460 per cent (2014: 280 to 460 per cent) on the trade tax base amount of 3.5 per cent (2014: 3.5 per cent), corporation tax of 15 per cent (2014: 15 per cent) and the 5.5 per cent solidarity surcharge (2014: 5.5 per cent) on corporation tax.

A tax rate of 29.2 per cent (2014: 29.2 per cent) was used for the Luxembourg companies, reflecting trade income tax at a rate of 6.7 per cent (2014: 6.7 per cent) and corporation tax at 22.5 per cent (2014: 22.5 per cent).

Tax rates of 12.5 to 45 per cent were applied to the companies in Australia, China, the Czech Republic, Ireland, Japan, Portugal, Singapore, Spain, Switzerland, the United Kingdom and the USA (2014: 12.5 to 45 per cent).

The following table shows the carrying amounts of deferred tax assets and liabilities as well as the related tax expenses recognised in profit or loss or in other comprehensive income.

Composition of deferred taxes

	Deferred tax assets		Deferred tax liabilities		Exchange rate differences	Deferred tax expense/(income)		Tax expense/(income) recognised in other comprehensive income	
	2015	2014	2015	2014	2015	2015	2014	2015	2014
	€m	€m	€m	€m	€m	€m	€m	€m	€m
Provisions for pensions and other employee benefits	56.8	53.7[1)]	0	0	–0.4	–2.8	0.6	0.1[8)]	–17.6[8)]
Other provisions	25.7[2)]	21.6	0	0	–1.9	–1.7	–3.1	0	0
Interest-bearing liabilities	9.1	2.9	0	0	0	–6.2	–4.0	0	0
Intangible assets	0	0	–38.3[3)]	–27.2	0.5	7.3	7.3	0	0
Intangible assets from purchase price allocation	0	0	–396.0[4)]	–276.4[5)]	20.5	–15.0	16.7	0	0
Non-current assets	8.8[6)]	0.7	0	0	0	–2.6	0.1	0	0
Investment securities	0	0	–40.7	–32.8[7)]	3.0	1.6	3.2	3.3[8)]	0.7[8)]
Other non-current assets	1.7	2.3	0	0	0	0	0	0.6[8)]	0.7[8)]
Other liabilities	1.7	1.5	0	0	0	–0.2	0.1	0	0
Losses carried forward	87.7[9)]	99.6[10)]	0	0	–9.8	22.8	–69.7	0	0
Exchange rate differences	0	0	–149.5	–85.1	0	0	0	64.4[11)]	68.6[11)]
Gross amounts	**191.5**	**182.3**	**–624.5**	**–421.5**	**11.9**	**3.2**	**–48.8**	**68.4**	**52.4**
Deferred taxes set off	–43.2	–42.0	43.2	42.0	0	0	0	0	0
Total	**148.3**	**140.3**	**–581.3**	**–379.5**	**11.9**	**3.2**	**–48.8**	**68.4**	**52.4**

1) Thereof €0.1 million due to acquisitions from business combinations relating to the initial consolidation of European Energy Exchange AG
2) Thereof €0,5 million due to acquisitions from business combinations relating to the initial consolidation of European Energy Exchange AG
3) Thereof €–3,3 million due to acquisitions from business combinations relating to the initial consolidation of 360T group
4) Thereof €–114,1 million due to acquisitions from business combinations relating to the initial consolidation of European Energy Exchange AG and 360T group
5) Thereof €–23.8 million due to acquisitions from business combinations relating to the initial consolidation of European Energy Exchange AG; €22.9 million were reclassified from "non-current assets" to "intangible assets from purchase price allocation"
6) Thereof €5,5 million due to acquisitions from business combinations relating to the initial consolidation of European Energy Exchange AG
7) €24.4 million were reclassified from "intangible assets from purchase price allocation" to investment securities
8) Separate disclosure in the consolidated statement of changes in equity under "revaluation surplus"
9) Thereof €1,1 million due to acquisitions from business combinations relating to the initial consolidation of European Energy Exchange AG
10) Thereof €4.9 million due to acquisitions from business combinations relating to the initial consolidation of European Energy Exchange AG
11) Separate disclosure in the consolidated statement of changes in equity under "accumulated profit"

Deferred tax liabilities have not been recognised in respect of the tax on future dividends that may be paid from retained earnings by subsidiaries and associated companies. In accordance with section 8b (5) of the Körperschaftsteuergesetz (KStG, the German Corporation Tax Act), 5 per cent of dividends and similar income received by German companies is treated as non-deductible expenses for tax purposes. There were no unrecognised deferred tax liabilities on future dividends of subsidiaries and associates as well as gains on the disposal of subsidiaries and associates in the reporting period (2014: €0.8 million).

Reconciliation from expected to reported tax expense

	2015 €m	2014 €m
Expected income taxes derived from earnings before tax	247.1	250.5
Tax losses utilised and loss carryforwards not recognised for tax purposes	0.7	7.8
Recognition of deferred taxes in respect of unrecognised tax loss carryforwards	–7.5	–55.0
Tax increases due to other non-tax-deductible expenses	11.0	12.0
Effects of different tax rates	9.7	–6.6
Effects from changes in tax rates	–0.1	0
Tax decreases due to dividends and income from the disposal of equity investments	–13.7	–31.5
Exchange rate differences	0	0
Other	1.6	0.9
Income tax expense arising from current year	**248.8**	**178.1**
Prior-period income taxes	–1.4	–4.6
Income tax expense	**247.4**	**173.5**

To determine the expected tax expense, earnings before tax have been multiplied by the composite tax rate of 26 per cent assumed for 2015 (2014: 26 per cent).

At the end of the financial year, accumulated unused tax losses amounted to €60.6 million (2014: €51.7 million), for which no deferred tax assets were recognised. The unused tax losses are attributable to domestic losses totalling €3.8 million and to foreign tax losses totalling €56.8 million (2014: domestic tax losses €4.0 million, foreign tax losses €47.7 million). Tax losses of €0.7 million were utilised in 2015 (2014: €1.9 million).

The losses can be carried forward in Germany subject to the minimum taxation rules, and in Luxembourg indefinitely according to the current legal situation. Losses in other countries can be carried forward for periods of up to 20 years.

Consolidated balance sheet disclosures

11. Intangible assets

Intangible assets

	Purchased software €m	Internally developed software €m	Goodwill €m	Payments on account and construction in progress[1] €m	Other intangible assets €m	Total €m
Historical cost as at 1 Jan 2014	**204.1**	**655.7**	**2,053.3**	**85.2**	**1,888.6**	**4,886.9**
Acquisitions through business combinations[2]	13.5	1.9	58.4	1.7	97.6	173.1
Additions	15.7	6.0	0	81.2	0	102.9
Disposals	–4.8	–6.6	0	–1.2	0	–12.6
Reclassifications	1.4	65.3	0	–66.7	0	0
Exchange rate differences	0.8	4.8	124.0	0	188.2	317.8
Historical cost as at 31 Dec 2014	**230.7**	**727.1**	**2,235.7**	**100.2**	**2,174.4**	**5,468.1**
Acquisitions through business combinations[3]	0.3	15.3	554.2	0.8	359.6	930.2
Additions	13.5	7.0	0	91.6	0	112.1
Disposals	–1.0	–1.1	0	0	0	–2.1
Reclassifications	1.0	37.7	0	–38.7	0	0
Exchange rate differences	0.8	4.8	119.6	0.2	181.3	306.7
Historical cost as at 31 Dec 2015	**245.3**	**790.8**	**2,909.5**	**154.1**	**2,715.3**	**6,815.0**
Amortisation and impairment losses as at 1 Jan 2014	**183.0**	**498.0**	**10.7**	**0**	**1,036.5**	**1,728.2**
Amortisation	15.7	47.4	0	0	21.9	85.0
Disposals	–4.6	–6.6	0	0	0	–11.2
Exchange rate differences	0.4	3.4	0	0	135.8	139.6
Amortisation and impairment losses as at 31 Dec 2014	**194.5**	**542.2**	**10.7**	**0**	**1,194.2**	**1,941.6**
Amortisation	16.3	52.7	0	0	33.3	102.3
Impairment losses	1.2	1.5	0	1.6	0	4.3
Disposals	–0.9	–0.8	0	0	0	–1.7
Exchange rate differences	0.4	3.6	0	0	131.5	135.5
Amortisation and impairment losses as at 31 Dec 2015	**211.5**	**599.2**	**10.7**	**1.6**	**1,359.0**	**2,182.0**
Carrying amount as at 31 Dec 2014	36.2	184.9	2,225.0	100.2	980.2	3,526.5
Carrying amount as at 31 Dec 2015	**33.8**	**191.6**	**2,898.8**	**152.5**	**1,356.3**	**4,633.0**

1) Additions to payments on account and construction in progress in the year under review relate exclusively to internally developed software.
2) This relates exclusively to additions within the scope of (i) full consolidation of European Energy Exchange AG, and (ii) of stakes acquired in Clearstream Global Securities Services Limited and Impendium Systems Ltd.
3) This relates primarily to additions within the scope of the business combination with 360T Beteiligungs GmbH and its subsidiaries, as well as within the scope of first-time consolidation of Powernext SA, EPEX Spot group and APX Holding group; refer to note 2.

Software, payments on account and construction in progress

Additions to and reclassifications of software largely concern the development of a pan-European securities settlement platform (TARGET2-Securities – T2S) within the Clearstream segment, and the development of the risk management and clearing system (Eurex Clearing Prisma) as well as the T7 derivatives trading platform within the Eurex segment.

Carrying amounts of material software and construction in progress as well as remaining amortisation periods of software

	Carrying amount as at		Remaining amortisation period as at	
	31 Dec 2015 €m	31 Dec 2014 €m	31 Dec 2015 years	31 Dec 2014 years
Eurex				
Derivatives trading platform T7	29.8	31.9	4.9–7.0	4.9–6.9
Eurex Clearing Prisma Release 1.0	29.0	13.6	2.3–6.5	5.3
ISE trading platform including applications	20.7	19.2	2.0–5.0	2.0–4.3
C7 Release 3.0	13.4	1.6	n.a.	n.a.
Eurex Clearing Prisma Release 2.0	12.1	11.9	6.4–6.9	7.0
Clearstream				
TARGET2-Securities	71.8	51.7	n.a.	n.a.
MALMO	20.8	15.5	5.0	n.a.
Single Network	10.1	7.5	n.a.	n.a.
1CAS Custody & Portal	9.6	0	n.a.	n.a.
GVAS	6.7	10.5	2.7	3.7

In addition to event-driven impairment tests on all intangible assets, intangible assets not yet available for use are tested for impairment at least annually. Impairment losses of €4.3 million needed to be recognised in 2015 (2014: nil).

Goodwill and other intangible assets from business combinations

Changes in goodwill and other intangible assets classified by business combinations

	ISE €m	Clearstream €m	360T €m	EEX €m	STOXX €m	Miscel-laneous €m	Total €m
Goodwill							
Balance as at 1 Jan 2015	1,043.6	1,063.8	0	33.3	32.6	51.7	2,225.0
Acquisitions through business combinations	0	0	529.0	0	0	25.2	554.2
Exchange rate differences	117.7	0	0	0	0	1.9	119.6
Balance as at 31 Dec 2015	**1,161.3**	**1,063.8**	**529.0**	**33.3**	**32.6**	**78.8**	**2,898.8**
Other intangible assets							
Balance as at 1 Jan 2015	440.9	0	0	71.9	441.6	25.8	980.2
Acquisitions through business combinations	0	0	252.2	0	0	107.4	359.6
Amortisation	–16.1	0	–2.1	–4.7	–3.1	–7.3	–33.3
Exchange rate differences	49.7	0	0	0	0	0.1	49.8
Balance as at 31 Dec 2015	**474.5**	**0**	**250.1**	**67.2**	**438.5**	**126.0**	**1,356.3**

Other intangible assets are divided into the following categories:

Changes in other intangible assets by category

	Exchange licences €m	Trade names €m	Member and customer relationships €m	Miscellaneous intangible assets €m	Total €m
Balance as at 1 Jan 2015	**122.9**	**428.3**	**421.8**	**7.2**	**980.2**
Acquisitions through business combinations	0.2	27.8	331.3	0.3	359.6
Amortisation	0	–1.0	–31.0	–1.3	–33.3
Exchange rate differences	13.8	0.4	35.4	0.2	49.8
Balance as at 31 Dec 2015	**136.9**	**455.5**	**757.5**	**6.4**	**1,356.3**

Within the business combinations with Powernext SA and the EPEX Spot group (effective 1 January 2015), APX Holding group (effective 4 May 2015), and 360T group (effective 15 October 2015), Deutsche Börse Group also acquired other intangible assets besides goodwill. For details concerning their carrying amount at the time of acquisition as well as their useful lives, please refer to the tables in note 2 and note 3.

An impairment test is carried out, at least annually, concerning goodwill and certain other intangible assets with an indefinite useful life. Since these assets do not generate any cash inflows that are largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit (CGU), or group of CGUs, that the respective asset is allocated to. The following table outlines the allocation of assets to the respective CGU:

Allocation of goodwill and other intangible assets with indefinite useful lifes to CGUs

Asset	(Group of) cash generating unit(s)				
	Eurex Core + ISE €m	Clearstream Core €m	Eurex Core €m	360T €m	EEX €m
Goodwill					
International Securities Exchange	1,161.3	0	0	0	0
Clearstream	0	1,063.8	0	0	0
360T group[1]	0	47.3	292.5	189.2	0
European Energy Exchange	0	0	0	0	33.3
STOXX	0	0	0	0	0
Powernext/EPEX Spot group	0	0	0	0	18.4
Clearstream Global Securities Services	0	0	0	0	0
Impendium	0	0	0	0	0
Market News International	0	0	0	0	0
APX Holding group	0	0	0	0	6.6
Börse Frankfurt Zertifikate	0	0	0	0	0
Clearstream Fund Services	0	0	0	0	0
Need to Know News	0	0	0	0	0
Open Finance	0	0	0	0	0
Infobolsa	0	0	0	0	0
Kingsbury	0	0	0	0	0
Indexium	0	0	0	0	0
Exchange licences					
International Securities Exchange	0	0	0	0	0
European Energy Exchange	0	0	0	0	0.3
Börse Frankfurt Zertifikate	0	0	0	0	0
Powernext/EPEX Spot group	0	0	0	0	0.1
APX Holding group	0	0	0	0	0.1
Trade names					
STOXX	0	0	0	0	0
360T group	0	0	0	19.9	0
Powernext/EPEX Spot group	0	0	0	0	7.2
European Energy Exchange	0	0	0	0	5.8

1) Preliminary allocation

The recoverable amounts of the CGUs with allocated goodwill are based either on their values in use or on their fair value less costs of disposal, depending on the respective unit. The other value is calculated only in cases in which one of these values (value in use or fair value less costs of disposal) does not exceed the carrying amount. Since there is no active market for the CGUs, the discounted cash flow method is used to calculate both value in use and fair value less costs of disposal. The inputs used are Level 3 inputs in all cases.

Key assumptions used to determine the recoverable amount depend upon the respective CGU, or group of CGUs. Individual costs of capital are determined for each CGU, or group of CGUs, for the purpose of discounting projected cash flows. These capital costs are based on data incorporating beta factors,

(Group) of cash generating unit(s)						
MD+S segment €m	Fund Services €m	Börse Frankfurt Zertifikate €m	Infobolsa €m	ISE €m	STOXX €m	Total €m
0	0	0	0	0	0	1,161.3
0	0	0	0	0	0	1,063.8
0	0	0	0	0	0	529.0
0	0	0	0	0	0	33.3
32.6	0	0	0	0	0	32.6
0	0	0	0	0	0	18.4
0	15.6	0	0	0	0	15.6
10.7	0	0	0	0	0	10.7
8.6	0	0	0	0	0	8.6
0	0	0	0	0	0	6.6
0	0	4.6	0	0	0	4.6
0	4.0	0	0	0	0	4.0
3.6	0	0	0	0	0	3.6
0	0	0	3.1	0	0	3.1
0	0	0	2.9	0	0	2.9
0.5	0	0	0	0	0	0.5
0.2	0	0	0	0	0	0.2
0	0	0	0	136.2	0	136.2
0	0	0	0	0	0	0.3
0	0	0.2	0	0	0	0.2
0	0	0	0	0	0	0.1
0	0	0	0	0	0	0.1
0	0	0	0	0	420.0	420.0
0	0	0	0	0	0	19.9
0	0	0	0	0	0	7.2
0	0	0	0	0	0	5.8

borrowing costs, as well as the capital structure of the respective peer group. Pricing, trading volumes, assets under custody, market share assumptions or general business development assumptions are based on past experience or market research. Other key assumptions are mainly based on external factors and generally correspond to internal management planning. Significant macroeconomic indicators include equity index levels, volatility of equity indices, as well as interest rates, exchange rates, GDP growth, unemployment levels and government debt. When calculating value in use, the projections are adjusted for the effects of future restructurings and cash outflows to enhance the asset's performance investments, if appropriate.

The following tables indicate material assumptions used for impairment tests for the years 2015 and 2014:

Key assumptions used for impairment tests in 2015

(Group of) cash-generating unit(s)	Recoverable amount	Risk-free interest rate %	Market risk premium %	Discount rate %	Perpetuity growth rate %	CAGR[1] Net revenue %	CAGR[1] Operating costs[2] %
Eurex Core + ISE	fair value less costs of disposal	1.2	6.5	9.3 (after-tax)	1.0	6.7	3.4
Clearstream Core	value in use	1.2	6.5	11.0 (pre-tax)	1.5	3.0	4.3
Eurex Core	fair value less costs of disposal	1.2	6.5	9.3 (after-tax)	1.0	7.1	3.7
360T	fair value less costs of disposal	1.2	6.5	8.7 (after-tax)	2.5	18.9	17.5
EEX	fair value less costs of disposal	1.1	6.5	9.3 (after-tax)	1.0	2.8	1.6
MD+S segment	fair value less costs of disposal	1.1	6.5	8.5 (after-tax)	2.0	3.9	2.4
Fund Services	fair value less costs of disposal	1.2	6.5	12.7 (after-tax)	2.0	11.6	8.9
Börse Frankfurt Zertifikate	fair value less costs of disposal	1.1	6.5	12.8 (after-tax)	2.0	1.5	2.2
Infobolsa	fair value less costs of disposal	1.2	6.5	9.6 (after-tax)	2.5	3.1	1.9
ISE	value in use	2.8	6.5	14.1 (pre-tax)	2.5	1.4	0.8
STOXX	fair value less costs of disposal	1.1	6.5	9.5 (after-tax)	2.0	10.3	3.7

1) CAGR = compound annual growth rate
2) Without depreciation, amortisation and impairment losses

Key assumptions used for impairment tests in 2014

(Group of) cash-generating unit(s)	Recoverable amount	Risk-free interest rate %	Market risk premium %	Discount rate %	Perpetuity growth rate %	CAGR[1] Net revenues %	CAGR[1] Operating costs[2] %
Eurex Core + ISE	value in use	1.2	6.5	12.6 (after-tax)	1.0	2.2	1.5
Clearstream Core	value in use	1.2	6.5	12.0 (pre-tax)	1.5	5.1	–0.9
EEX	fair value less costs of disposal	1.2	6.5	9.6 (after-tax)	2.0	1.5	–1.9
MD+S segment	fair value less costs of disposal	1.7	6.5	9.0 (after-tax)	2.0	2.8	1.6
Fund Services	fair value less costs of disposal	1.2	6.5	13.2 (after-tax)	2.5	24.6	10.3
Börse Frankfurt Zertifikate	fair value less costs of disposal	1.7	6.5	13.6 (after-tax)	2.0	2.0	6.5
Infobolsa	fair value less costs of disposal	1.7	6.5	9.0 (after-tax)	2.0	6.9	5.7
ISE	value in use	2.5	6.5	15.3 (pre-tax)	2.5	1.1	–0.2
STOXX	fair value less costs of disposal	1.7	6.5	10.0 (after-tax)	2.0	6.6	8.5

1) CAGR = compound annual growth rate
2) Without depreciation, amortisation and impairment losses

In the event of a change to said parameters (which is considered possible), the following CGUs, or groups of CGUs, would be impaired in the following amounts:

Sensitivity analysis

(Group of) cash-generating unit(s)	Excess of recoverable amount over carrying amount €m	Potential impairment after adjustment of parameters[1] Growth rate perpetuity %	WACC %	Net revenue %	Operating costs[2] %
Infobolsa	1.4	1.2	10.5	2.8	2.2
ISE	97.4	n.a.	n.a.	–0.9	n.a.

1) Each of the sensitivity parameters shown is calculated by adjusting one parameter, assuming all other parameters within the valuation model remain constant. Any possible correlation amongst parameters will thus remain unaccounted for.
2) Excluding depreciation, amortisation and impairment losses

12. Property, plant and equipment

Property, plant and equipment

	Fixtures and fittings €m	Computer hardware, operating and office equipment €m	Payments on account and construction in progress €m	Total €m
Historical costs as at 1 Jan 2014	**77.3**	**328.5**	**0.1**	**405.9**
Acquisitions through business combinations	0.5	2.0	0	2.5
Additions	4.6	24.9	1.1	30.6
Disposals	–4.4	–35.8	0	–40.2
Exchange rate differences	1.9	2.8	0	4.7
Historical costs as at 31 Dec 2014	**79.9**	**322.4**	**1.2**	**403.5**
Acquisitions through business combinations	0.8	2.3	2.0	5.1
Additions	8.1	32.0	2.2	42.3
Disposals	0	–11.3	–2.7	–14.0
Reclassifications	0.2	1.9	–2.1	0
Exchange rate differences	1.6	2.7	0.1	4.4
Historical costs as at 31 Dec 2015	**90.6**	**350.0**	**0.7**	**441.3**
Depreciation and impairment losses as at 1 Jan 2014	**40.0**	**258.6**	**0**	**298.6**
Amortisation	5.5	34.3	0	39.8
Disposals	–4.3	–34.9	0	–39.2
Exchange rate differences	1.3	2.1	0	3.4
Depreciation and impairment losses as at 31 Dec 2014	**42.5**	**260.1**	**0**	**302.6**
Amortisation	6.8	30.4	0	37.2
Disposals	0	–11.2	0	–11.2
Exchange rate differences	1.0	2.0	0	3.0
Depreciation and impairment losses as at 31 Dec 2015	**50.3**	**281.3**	**0**	**331.6**
Carrying amount as at 31 Dec 2014	37.4	62.3	1.2	100.9
Carrying amount as at 31 Dec 2015	**40.3**	**68.7**	**0.7**	**109.7**

13. Financial investments

Financial assets

	Investments in associates and joint ventures €m	Other equity investments €m	Receivables and securities from banking business €m	Other financial instruments and loans €m
Historical cost as at 1 Jan 2014	**167.0**	**56.6**	**1,176.0**	**29.5**
Acquisition through business combinations	–53.0	0.2	0	0
Additions	13.6	70.0	328.6	4.8
Disposals	–1.8	0	0	–6.2
Addition/(reversal) premium/discount	0	0	–0.6	0
Reclassifications	–14.5	12.6	–202.1[1]	0
Exchange rate differences	0.6	8.1	0	1.4
Historical cost as at 31 Dec 2014	**111.9**	**147.5**	**1,301.9**	**29.5**
Acquisitions from business combinations	–67.7	0	0	–6.4
Additions	14.1	29.8	771.5	14.3
Disposals	–0.1	–17.9	0	–5.2
Addition/(reversal) premium/discount	0	0	–1.7	0
Reclassifications	–3.5	4.0	–62.2[1]	–0.3
Exchange rate differences	0.4	7.5	6.8	2.1
Historical cost as at 31 Dec 2015	**55.1**	**170.9**	**2,016.3**	**34.0**
Revaluation as at 1 Jan 2014	**16.4**	**–32.7**	**2.3**	**–3.5**
Acquisition through business combinations	–28.1	0	0	0
Disposals of impairment losses	–0.3	0	0	0
Dividends	–7.4	0	0	0
Net income from equity method measurement	4.6	0	0	0
Currency translation differences recognised in equity	0	4.7	0	0.1
Currency translation differences recognised in profit or loss	–0.2	0	0	0
Other fair value changes recognised in equity	–1.3	1.0	0	0
Other fair value changes recognised in profit or loss	10.6	46.3	0	0
Market price changes recognised in other comprehensive income	0	0	0.9	0.2
Market price changes recognised in profit or loss	–3.9	0	0	–0.1
Reclassifications	1.9	0	–0.1[1]	0
Revaluation as at 31 Dec 2014	**–7.7**	**19.3**	**3.1**	**–3.3**
Acquisitions from business combinations	–6.6	0	0	6.4
Disposals of impairment losses	0	16.6	0	–3.2
Dividends	–0.9	0	0	0
Net income from equity method measurement	–1.3	0	0	0
Currency translation differences recognised in equity	0.3	4.4	0	0
Currency translation differences recognised in profit or loss	–0.3	0	0	–0.7
Other fair value changes recognised in equity	0	9.2	0	0
Other fair value changes recognised in profit or loss	5.3	–0.6	0	0
Market price changes recognised in other comprehensive income	0	0	–0.8	0.3
Market price changes recognised in profit or loss	–5.8	0	0	–1.0
Reclassifications	0.4	–0.4	0	0
Revaluation as at 31 Dec 2015	**–16.6**	**48.5**	**2.3**	**–1.5**
Carrying amount as at 31 Dec 2014	104.2	166.8	1,305.0	26.2
Carrying amount as at 31 Dec 2015	**38.5**	**219.4**	**2,018.6**	**32.5**

1) Reclassified as current receivables and securities from banking business

The investments in associates and joint ventures include interests in associates with a carrying amount of €38.5 million (2014: €102.2 million) and interests in joint ventures with a carrying amount of €nil (2014: €2.0 million). In financial year 2015, proportionate losses with an amount of €nil (2014: €0.5 million) were not recognised for associates accounted for using the equity method. Indexium AG has been consolidated since 31 July 2015; as a result, there were no unrecognised losses as at 31 December 2015 (2014: €1.6 million).

As in the previous year, “other financial instruments and loans” include securities with a fair value of €5.0 million pledged to the Industrie- und Handelskammer (IHK, the Chamber of Commerce) Frankfurt.

In connection with obtaining control over EPEX Spot SE (2014: European Energy Exchange AG) as from 1 January 2015, the shares, which had been held under shares in associates until 31 December 2014, were remeasured and the resulting effect of €5.3 million (2014: €10.6 million) is recognised in net income from equity investments in the financial year 2015.

For details on revaluations and market price changes recognised in other comprehensive income, see also note 20. Other equity investments include available-for-sale shares.

In the reporting period, impairment losses amounting to €5.8 million (2014: €3.9 million) were recognised for associates and joint ventures in the income statement. These impairment losses related to unlisted equity instruments. See note 8 for further details.

Composition of receivables and securities from banking business

	31 Dec 2015 €m	31 Dec 2014 €m
Fixed-income securities		
issued by regional or local public bodies	498.0	209.3
issued by other public bodies	955.4	607.9
issued by multilateral banks	487.3	487.8
issued by supranational issuers	77.9	0
Total	**2,018.6**	**1,305.0**

Securities from banking business include financial instruments listed on a stock exchange amounting to €2,018.6 million (2014: €1,305.0 million).

14. Derivatives and hedges

Deutsche Börse Group generally uses derivative financial instruments to hedge existing or highly probable forecast transactions. The derivatives are included in the items “receivables from banking business”, “liabilities from banking business” and “other current liabilities”.

Derivatives (fair value)

	Note	Assets		Note	Liabilities	
		31 Dec 2015 €m	31 Dec 2014 €m		31 Dec 2015 €m	31 Dec 2014 €m
Derivatives held for trading						
short-term	16	23.3	34.4	28, 30	–18.6	–6.4
Total		**23.3**	**34.4**		**–18.6**	**–6.4**

Fair value hedges

No financial instruments designated as fair value hedges were outstanding as at 31 December 2015 and 2014.

Cash flow hedges

In 2015, Deutsche Börse AG entered into a cash flow hedge to eliminate the foreign exchange risk associated with the purchase amount of CHF650 million to be paid in order to acquire the outstanding interest in STOXX Ltd and Indexium AG. The forward transaction was designated to hedge the FX fluctuation after having successfully negotiated the main terms of the purchase contract. The forward transaction was settled on 31 July 2015, the date when the share purchase of STOXX Ltd. and Indexium AG was also settled. No further cash flow hedges were entered into in 2015 and 2014.

Changes in cash flow hedges

	2015 €m	2014 €m
Cash flow hedges as at 1 January	0	0
Amount recognised in other comprehensive income during the year	–8.9	0
Closed-out	8.9	0
Cash flow hedges as at 31 December	**0**	**0**

Hedges of a net investment

In connection with the private placements in the USA, the series A to C bonds were designated as hedges against currency risk arising from the translation of the foreign functional currency US dollar into euros in order to hedge the net investment in the ISE subgroup. The series A bonds matured in 2015.

Composition of private placements

Type	Issue volume	Equivalent			Term	
		31 Dec 2015	31 Dec 2014	At date of issue	from	until
	US$m	€m	€m	€m		
Series A	0	0	139.8	110.2	12 June 2008	10 June 2015
Series B	220.0	201.4	181.0	142.7	12 June 2008	10 June 2018
Series C	70.0	64.1	57.6	45.4	12 June 2008	10 June 2020
Total	**290.0**	**265.5**	**378.4**	**298.3**		

The series B and C bonds are shown under “interest bearing liabilities”.

Effective exchange rate differences from the private placements are reported in the balance sheet item “accumulated profit”, as are exchange rate differences from the translation of foreign subsidiaries. A cumulative amount of €120.9 million (2014: €79.9 million) has been recognised in this item in other comprehensive income. There was no ineffectiveness in the net investment hedges in 2015 and 2014.

Derivatives held for trading

Currency swaps as at 31 December 2015 expiring in less than three months with a notional value of €2,621.4 million (2014: €1,764.4 million) had a negative fair value of €12.4 million and a positive fair value amounting to €23.3 million (2014: negative fair value of €0.5 million and a positive fair value amounting to €34.4 million). These swaps were entered into to convert foreign currencies received through the issuance of commercial paper by the banking business into euros, and to economically hedge short-term foreign currency receivables and liabilities in euros. These are reported under “current receivables and securities from banking business” and “liabilities from banking business” in the balance sheet (see also notes 16 and 28).

Derivatives transactions: outstanding positions (currency swaps)

		Foreign exchange swaps	
		31 Dec 2015	31 Dec 2014
Quantity		60	28
Notional value	€m	2,621.4	1,764.4
Positive fair value	€m	23.3	34.4
Negative fair value	€m	–12.4	–0.5

Eurex Clearing AG has made support payments to some customers. The repayment of these amounts is contingent on the satisfaction of certain criteria. Eurex Clearing AG recognises embedded derivatives separately from the host contract. The derivatives amounting to €6.2 million (2014: €5.9 million) are classified as held for trading and are shown under "other current liabilities".

15. Financial instruments held by central counterparties

Composition of financial instruments held by central counterparties

	31 Dec 2015 €m	31 Dec 2014 €m
Repo transactions	111,919.0	156,856.7
Options	21,413.7	19,114.4
Others	132.1	165.7
Total	**133,464.8**	**176,136.8**
thereof non-current	7,175.2	5,885.8
thereof current	126,289.6	170,251.0

The aggregate financial instruments held by central counterparties are classified into current and non-current in the balance sheet. Receivables and liabilities that may be offset against a clearing member are reported on a net basis. Financial liabilities of €283.1 million (2014: €1,249.1 million) were eliminated because of intra-Group GC Pooling transactions.

The following table gives an overview of the effects of offsetting the financial instruments held by central counterparties:

Gross presentation of offset financial instruments held by central counterparties[1)]

	Gross amount of financial instruments		Gross amount of offset financial instruments		Net amount of financial instruments	
	31 Dec 2015 €m	31 Dec 2014 €m	31 Dec 2015 €m	31 Dec 2014 €m	31 Dec 2015 €m	31 Dec 2014 €m
Financial assets from repo transactions	135,158.4	178,686.9	–23,239.4	–21,830.2	111,919.0	156,856.7
Financial liabilities from repo transactions	–134,875.3	–177,437.8	23,239.4	21,830.2	–111,635.9	–155,607.6
Financial assets from options	67,288.1	64,056.8	–45,874.4	–44,942.4	21,413.7	19,114.4
Financial liabilities from options	–67,288.1	–64,056.8	45,874.4	44,942.4	–21,413.7	–19,114.4

1) The collateral deposited by clearing members cannot be attributed directly to the individual transactions. For information on the composition of collateral, see note 36.

16. Current receivables and securities from banking business

In addition to non-current receivables and securities from banking business that are classified as non-current financial assets (see note 13), the following receivables and securities from banking business, attributable solely to the Clearstream subgroup, were classified as current assets as at 31 December 2015.

Composition of current receivables and securities from banking business

	31 Dec 2015 €m	31 Dec 2014 €m
Loans to banks and customers		
Reverse repurchase agreements	5,217.4	6,952.4
Balances on nostro accounts	736.8	357.5
Money market lendings	3,714.5	1,949.0
Margin calls	6.8	18.0
Overdrafts from settlement business	378.8	339.3
	10,054.3	**9,616.2**
Available-for-sale debt instruments	64.1	656.3
Forward foreign exchange transactions[1]	24.5	34.6
Total	**10,142.9**	**10,307.1**

1) See note 14.

Overdrafts from settlement business represent short-term loans of up to two days' duration that are usually secured by collateral. Potential concentrations of credit risk are monitored for counterparty credit limits (see note 36).

Remaining maturity of loans to banks and customers

	31 Dec 2015 €m	31 Dec 2014 €m
Not more than 3 months	9,853.4	9,616.2
3 months to 1 year	200.9	0
Total	**10,054.3**	**9,616.2**

All of the securities held as at 31 December 2015 and 2014 were listed and issued by sovereign or sovereign-guaranteed issuers.

Remaining maturity of available-for-sale debt instruments

	31 Dec 2015 €m	31 Dec 2014 €m
Not more than 3 months	11.8	419.2
3 months to 1 year	52.3	237.1
Total	**64.1**	**656.3**

17. Changes in valuation allowance on trade receivables

As in the previous year, there were no trade receivables due after more than one year as at 31 December 2015.

Allowance account

	€m
Balance as at 1 Jan 2014	**9.6**
Additions	2.1
Acquisitions from business combinations	0.1
Utilisation	–0.1
Reversal	–4.1
Balance as at 31 Dec 2014	**7.6**
Additions	1.5
Acquisitions from business combinations	0.2
Utilisation	0
Reversal	–3.0
Balance as at 31 Dec 2015	**6.3**

Uncollectible receivables of €1.4 million (2014: €2.3 million) for which no valuation allowances had been recognised in prior periods were written off in the reporting period.

18. Other current assets

Composition of other current assets

	31 Dec 2015 €m	31 Dec 2014 €m
Other receivables from CCP transactions	889.3	464.5
Tax receivables (excluding income taxes)	64.1	42.6
Prepaid expenses	26.3	24.9
Interest receivable	25.8	1.2
Incentive programme	3.5	3.5
Claims against insurance companies	2.2	8.8
Guarantees and deposits	1.6	1.7
Creditors with debit balances	1.4	1.1
Miscellaneous	8.1	6.0
Total	**1,022.3**	**554.3**

19. Restricted bank balances

Amounts reported separately under liabilities as cash deposits by market participants are restricted. Such amounts are mainly invested via bilateral or triparty reverse repurchase agreements and in the form of overnight deposits at banks (restricted bank balances). Government or government-guaranteed bonds with an external rating of at least AA– are accepted as collateral for the reverse repurchase agreements. Reported restricted bank balances total €26,870 million (2014: €22,283.5 million).

20. Equity

Changes in equity are presented in the consolidated statement of changes in equity. As at 31 December 2015, the number of no-par value registered shares of Deutsche Börse AG in issue was 193,000,000 (31 December 2014: 193,000,000).

Subject to the agreement of the Supervisory Board, the Executive Board is authorised to increase the subscribed share capital by the following amounts:

Composition of authorised share capital

	Amount in €	Date of authorisation by the shareholders	Expiry date	Existing shareholders' pre-emptive rights may be disapplied for fractioning and/or may be disapplied if the share issue is:
Authorised share capital I	5,200,000	12 May 2011	11 May 2016	▪ against non-cash contributions for the purpose of acquiring companies, parts of companies, or interests in companies, or other assets.
Authorised share capital II[1]	19,300,000	13 May 2015	12 May 2020	▪ for cash at an issue price not significantly lower than the stock exchange price, up to a maximum amount of 10 per cent of the nominal capital.
				▪ against non-cash contributions for the purpose of acquiring companies, parts of companies, interests in companies, or other assets.
Authorised share capital III[1]	38,600,000	13 May 2015	12 May 2020	n.a.
Authorised share capital IV	6,000,000	16 May 2012	15 May 2017	▪ for the issuance of up to 900,000 new shares per year to Executive Board members and employees of the company, as well as to the management and employees of affiliated companies within the meaning of sections 15ff. of the AktG.

1) Shares may only be issued, excluding shareholders pre-emptive subscription rights, provided that the aggregate amount of new shares issued excluding shareholders' pre-emptive rights during the term of the authorisation (including under other authorisations) does not exceed 20 per cent of the issued share capital.

Contingent capital

In accordance with the resolution by the Annual General Meeting on 15 May 2014, the Executive Board was authorised, subject to the approval of the Supervisory Board, to issue on one or more occasions in the period up to 14 May 2019 convertible bonds and/or bonds with warrants or a combination of such instruments in a total nominal amount of up to €2,500,000,000 with or without maturity restrictions, and to grant the holders or creditors of these bonds conversion or option rights to new no-par value registered shares of Deutsche Börse AG with a proportionate interest in the share capital totalling up to €19,300,000, as specified in more detail in the terms and conditions of the convertible bonds or in the terms and conditions of the warrants attaching to the bonds with warrants.

The Executive Board is authorised, subject to the approval of the Supervisory Board, to disapply shareholders' pre-emptive rights to bonds with conversion or option rights to shares of Deutsche Börse AG in the following cases: (i) to eliminate fractions, (ii) if the issue price of a bond does not fall materially short of the theoretical fair value determined in accordance with recognised financial techniques and the total number of shares attributable to these bonds does not exceed 10 per cent of the share capital, (iii) to grant the holders of conversion or option rights to shares of Deutsche Börse AG options as compensation for dilutive effects to the same extent as they would be entitled to receive after exercising these rights.

The bonds may also be issued by companies based in Germany or abroad that are affiliated with Deutsche Börse AG within the meaning of sections 15ff. of the Aktiengesetz (AktG, German Stock Corporation Act). Accordingly, the share capital was contingently increased by up to €19,300,000 (contingent capital 2014). To date, the authorisation to issue convertible bonds and/or bonds with warrants has not been exercised.

There were no further rights to subscribe for shares as at 31 December 2015 or 31 December 2014.

Revaluation surplus

The revaluation surplus results from the revaluation of securities and other current and non-current financial instruments at their fair value net of deferred taxes. This item also includes reserves from an existing investment in an associate; these reserves were recognised in connection with the acquisition of further shares, as the company was consolidated at that date. Actuarial gains and losses for defined benefit obligations are also directly recognised in revaluation surplus.

Revaluation surplus

	Recognition of hidden reserves from fair value measurement €m	Other equity investments (financial assets) €m	Securities from banking business (financial assets) €m
Balance as at 1 Jan 2014 (gross)	**103.7**	**0.7**	**2.8**
Changes from defined benefit obligations	0	0	0
Fair value measurement	0	1.0	0.9
Reclassifications	0	0	–0.2
Reversal to profit or loss	0	0	0
Balance as at 31 Dec 2014 (gross)	**103.7**	**1.7**	**3.5**
Changes from defined benefit obligations	0	0	0
Fair value measurement	0	9.1	–1.1
Reclassifications	0	0	0
Reversal to profit or loss	0	0	0
Balance as at 31 Dec 2015 (gross)	**103.7**	**10.8**	**2.4**
Deferred taxes			
Balance as at 1 Jan 2014	**0**	**–0.3**	**–1.1**
Additions	0	0	0
Reversals	0	–0.2	–0.2
Balance as at 31 Dec 2014	**0**	**–0.5**	**–1.3**
Additions	0	0	0.6
Reversals	0	–3.7	0
Balance as at 31 Dec 2015	**0**	**–4.2**	**–0.7**
Balance as at 1 Jan 2014 (net)	**103.7**	**0.4**	**1.7**
Balance as at 31 Dec 2014 (net)	**103.7**	**1.2**	**2.2**
Balance as at 31 Dec 2015 (net)	**103.7**	**6.6**	**1.7**

Accumulated profit

The "accumulated profit" item includes exchange rate differences amounting to €296.5 million (2014: €166.9 million). €170.6 million was added due to currency translation for foreign subsidiaries in the reporting period (2014: €171.8 million) and €41.0 million was withdrawn relating to a net investment hedge that was used to hedge the net investment in ISE against currency risk (2014: €44.3. million).

Regulatory capital requirements and regulatory capital ratios

As in the past, Clearstream Banking S.A., Clearstream Banking AG and Eurex Clearing AG, in their capacity as credit institutions, are subject to solvency supervision by the German or Luxembourg banking supervisory authorities (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin, and Commission de Surveillance du Secteur Financier, CSSF, respectively). The same applies to the Clearstream Holding group at the level of the supervisory group.

	Other financial instruments (financial assets) €m	Current securities from banking business €m	Cash flow hedges €m	Defined benefit obligations €m	Total €m
	0.9	**–0.1**	**–11.7**	**–93.6**	**2.7**
	0	0	0	–66.1	–66.1
	0.2	–0.2	0	0	1.9
	0	0.2	0	0	0
	0	0	2.7	0	2.7
	1.1	**–0.1**	**–9.0**	**–159.7**	**–58.8**
	0	0	0	3.2	3.2
	0.4	0.2	–8.9	0	–0.3
	0	0	8.9	0	8.9
	0	0	2.8	0	2.8
	1.5	**0.1**	**–6.2**	**–156.5**	**–44.2**
	0	**0**	**3.1**	**25.0**	**26.7**
	0	**0**	**0**	**17.6**	**17.6**
	–0.3	0	–0.7	0	–1.4
	–0.3	**0**	**2.4**	**42.6**	**42.9**
	0	0	0	0	0.6
	–0.1	0	–0.7	–0.1	–4.6
	–0.4	**0**	**1.7**	**42.5**	**38.9**
	0.9	**–0.1**	**–8.6**	**–68.6**	**29.4**
	0.8	**–0.1**	**–6.6**	**–117.1**	**–15.9**
	1.1	**0.1**	**–4.5**	**–114.0**	**–5.3**

As in the previous year, Eurex Bonds GmbH and Eurex Repo GmbH are subject to specific provisions applicable to certain investment firms under BaFin solvency supervision.

With the admission as an “Authorised Clearing House” (ACH) by the Monetary Authority of Singapore (MAS) on 8 July 2015, Eurex Clearing Asia Pte. Ltd. has become subject to capital requirements according to the Securities and Futures Act (Singapore) and other specific MAS requirements. However, the majority of these requirements will only become materially effective with the commencement of operations, which is currently scheduled for 2017.

Since the authorisation of both Eurex Clearing AG and European Commodity Clearing AG as central counterparties under the provisions of Regulation (EU) No 648/2012 (EMIR) in 2014, these companies have been subject to the capital requirements under Article 16 of EMIR. These requirements apply to Eurex Clearing AG in parallel to the solvency supervision requirements applicable to credit institutions, and the higher requirement has to be met in each case. Irrespective of its status as a specialist credit institution according to German law, European Commodity Clearing AG is only subject to EMIR capital requirements.

The EMIR capital requirements for central counterparties are in large part based on the EU own funds requirements for credit institutions (see below), but the detail differs both in relation to the capital components and the capital requirement components and capital deduction items. Moreover, EMIR does not specify any capital buffers such as those introduced by CRD IV/CRR for banks.

Since 1 January 2014, the capital requirements for credit institutions have been primarily subject to the EU-wide requirements of Regulation (EU) No 575/2013 (Capital Requirements Regulation, CRR) as well as the supplementary national regulations implementing the EU Capital Requirements Directive 2013/36/EU (CRD IV), which implemented the "Basel III" rules into European law.

All companies that are directly or indirectly (i.e. by means of EMIR requirements) subject to the CRR capital requirements, are exempted from compliance with trading book requirements. Market risk exposures consist only of a relatively small open foreign currency positions. The companies concerned uniformly apply the standardised approach for credit risk. As a result of the specific business of the credit institutions and central counterparties belonging to the Group, their recognised assets are subject to sharp fluctuations. This leads to correspondingly volatile solvency ratios at the Clearstream companies. The volatility of the ratio is subject to major fluctuations on a day-to-day basis in the course of the year. Due to a high degree of collateralised or zero-weighted cash investments, the capital requirements for credit and market risk exposures of Eurex Clearing AG and European Commodity Clearing AG are relatively stable despite volatile total assets in the course of the year.

To calculate the operational risk charge, Eurex Clearing AG and European Commodity Clearing AG use the basic indicator approach, while the Clearstream companies apply the advanced measurement approach (AMA).

Due to the specific arrangements for the two investment firms, Eurex Repo GmbH and Eurex Bonds GmbH, no explicit own funds requirements for operational risk are determined in accordance with Article 95 of the CRR. Instead, the total own funds requirement is determined on the basis of the higher capital requirement amount for credit and market risk on the one hand and 25 per cent of fixed overheads on the other. Since the credit and market risks are low, the relevant criterion for both companies is the capital requirement on the basis of overhead costs.

None of the Group companies subject to solvency supervision has material Tier 2 regulatory capital.

A minimum solvency ratio of 8 per cent applies in principle to the credit institutions subject to the CRR. CRD IV introduced various capital buffers, which the supervised (credit) institutions generally have to meet over and above the minimum solvency ratio of 8 per cent, although they may temporarily fall below these levels.These buffers are being introduced in stages, depending on the economic environment and systemic risk components Since 2014, CSSF has imposed a standard capital conservation buffer of 2.5 per cent of Tier 1 capital on all Luxembourg credit institutions; this arrangement represents a departure from the general transitional provisions of CRD IV. This means that the minimum solvency ratio is 10.5 per cent. Other than the buffer imposed by CSSF on all Luxembourg credit institutions, the Group's regulated companies were not subject to any CRD IV capital buffers in 2015.

The individual companies' capital resources sufficiently reflect the fluctuation in risk-weighted assets. Stress considerations are used to determine the capital required for expected peaks and additional reserves for unexpected events are added. In addition, buffers are taken into account that cover the recovery indicators specified in the recovery plans and thus prevent recovery scenarios from being triggered even for peak own funds and capital requirements. The own funds and capital requirements determined in this way will be met on the basis of medium-term capital planning. As the actual own funds and capital requirements are below the expected peaks – significantly so under normal circumstances – this may lead to a very high solvency ratio or EMIR capital cover, especially at the closing date.

The capital requirements of the Clearstream companies rose in the reporting period. This was mainly driven by further increases in capital requirements for operational risk. The AMA model was adjusted in some areas, thus also fine-tuning the allocation of risks among Clearstream Banking S.A. and Clearstream Banking AG. Moreover, new operational risks arising from the first-time consolidation of the IFS business in Cork were accounted for; the weaker euro/US dollar exchange rate in particular led to increased compliance and legal risks. Due to the fact that certain quantitative data was not yet fully available, the supervisory authorities determined that a temporary add-on (equivalent to 10 per cent of calculated capital requirements) be applied. Capital requirements for credit risks increased, particularly on the level of Clearstream Banking AG (and hence, at Clearstream Holding group level), due to the substantial drawdown of settlement loans by clients on the balance sheet data. Even though these claims are generally collateralised, collateral pledged in this respect is not applied when calculating capital requirements, for reasons of simplicity

The Clearstream Holding group already responded to the increased own funds requirements in the past by launching a programme to strengthen its capital base; this programme continued in 2015. Further measures are planned for the coming years in the context of medium-term capital planning. In 2015, the Group's capital base was boosted by retaining profits at different companies, as well as through contributions to capital reserves at Clearstream Banking S.A. and Clearstream Banking AG.

In the medium to long term, the Clearstream Holding group expects a moderate increase in own funds requirements to arise at supervisory group level from the CRD IV capital buffers, which are being increased in stages, and from the future applicability of capital requirements based on the CSD regulation. The following factors may lead to additional capital requirements in the future:

- the ongoing debate about the capital requirements for systemically important institutions (banks and financial market infrastructures)
- the introduction of minimum requirements for equity and eligible liabilities (MREL) as a result of Directive 2014/59/EU.
- the ongoing revision of capital requirements for credit, market, and operational risks, as well as the introduction of additional components requiring capital backing for the purposes of solvency regulation (e.g. interest rate risks in the banking book), which are currently being prepared, or have already partially been developed, by the BCBS.

At present, no institution within Deutsche Börse Group has been classified as a systemically important institution (global or otherwise), as defined by the CRD IV. Regardless of the systemic importance of Deutsche Börse Group's institutions, in their capacity as financial market infrastructure entities, this classification (which is in line with the "less significant" classification under the SSM Regulation) is a consequence of the Basel III/CRD IV framework being focused on traditional banks. The systemic importance of banks within Deutsche Börse Group, and of Clearstream Holding Group, on a consolidated level is evident in the ongoing supervision, and in the way these institutions are being treated for the purposes of recovery and resolution planning, where these institutions are treated analogously to system-relevant banks.

Eurex Clearing AG's own funds requirements rose only slightly compared with the previous year, mainly as a result of a slight structural increase in own funds requirements for credit and market risk and a slight reduction in own funds requirements in relation to operational risk.

Eurex Clearing AG incorporates an appropriate share of clearing-related fees received for the account of operating entities as a basis for calculating its regulatory capital requirements, thus addressing bank regulators' concerns regarding appropriate cover for operational risks. The capital requirements for operational risk are calculated once a year on the basis of three-year average historical income, including the assumed clearing fees, and are therefore not subject to daily fluctuations. Compliance with the minimum supervisory ratio is maintained at all times due to the sufficient capital buffer for uncollateralised cash investments.

Eurex Clearing AG's capital requirements according to EMIR are currently significantly above CRR IV capital buffer requirements. For this reason, Eurex Clearing AG does not currently expect the CRD IV capital buffers to have any material impact on its capital requirements. Independently of this, the capital resources of Eurex Clearing AG are reviewed on an ongoing basis and monitored as part of medium-term capital planning. Further contributions to capital are planned for the coming years.

Composition of own funds requirements

	Own funds requirements for operational risk		Own funds requirements for credit and market risk		Total capital requirements	
	31 Dec 2015 €m	31 Dec 2014 €m	31 Dec 2015 €m	31 Dec 2014 €m	31 Dec 2015 €m	31 Dec 2014 €m
Clearstream Holding group	396.1	312.9	64.3	46.4	460.4	359.3
Clearstream Banking S.A.	302.2	215.9	51.3	45.7	353.5	261.6
Clearstream Banking AG	93.9	97.0	19.7	4.0	113.6	101.0
Eurex Clearing AG	65.8	69.8	23.2	12.4	89.0	82.2
European Commodity Clearing AG	4.5	3.7	3.0	0.6	7.5	4.3

Regulatory capital ratios

	Own funds requirements		Regulatory equity		Solvency ratio	
	31 Dec 2015 €m	31 Dec 2014 €m	31 Dec 2015 €m	31 Dec 2014 €m	31 Dec 2015 %	31 Dec 2014 %
Clearstream Holding group	460.4	359.3	1,197.3	1,079.7	20.8	24.0
Clearstream Banking S.A.	353.5	261.6	998.1	876.6	22.6	26.8
Clearstream Banking AG	113.6	101.0	278.7	248.7	19.6	19.7
Eurex Clearing AG	89.0	82.2	314.8	289.4	28.3	28.2

The capital requirements under Article 16 of EMIR do not stipulate a specific ratio. Instead, the total amount of share capital, retained earnings and reserves, less certain items (including the central counterparty's own contribution to the default fund), is compared with the capital requirements. This total has to be at least equal to these requirements. In other words, EMIR requires a capital cover of at least 100 per cent. A reporting requirement to the competent authority – in this case BaFin – is triggered when this ratio falls below 110 per cent.

The capital resources of European Commodity Clearing AG are currently well above the regulatory requirements. Reflecting the positive business development, both capital requirements for operational risks as well as other capital requirements pursuant to EMIR have increased. Moreover, capital requirements for credit and market price risks have risen year-on-year, as at the reporting date. The company's own contribution to the default fund was also increased. European Commodity Clearing AG has responded to the rising capital requirements by retaining its 2014 net retained profit in 2015. Similar to the other companies, its capital resources are reviewed on an ongoing basis. Depending on future business performance, and in particular on changes in the regulatory framework, the capital resources will be adjusted as needed.

Capital adequacy requirements under EMIR

	Eurex Clearing AG		European Commodity Clearing AG	
	31 Dec 2015 €m	31 Dec 2014 €m	31 Dec 2015 €m	31 Dec 2014 €m
Own funds requirement for operational, credit and market risk	89.0	82.2	7.5	4.3
Other EMIR capital requirements	71.1	74.9	15.0	12.5
Total EMIR capital requirements under Article 16 of EMIR	**160.1**	**157.1**	**22.5**	**16.8**
Equity	314.8	289.8	48.5	39.9
Own contribution to default fund	–50.0	–50.0	–6.0	–4.8
EMIR capital adequacy ratio	**264.8**	**239.8**	**42.5**	**35.1**

The capitalisation of Eurex Bonds GmbH significantly exceeded the CRR requirements. Due to changed (or more precise) requirements for determining 'fixed overheads', as a basis for regulatory capital requirements under technical standards promulgated by the EU Commission, requirements rose even though total costs were virtually unchanged. Due to the profits expected to be retained in future, the capital resources of Eurex Bonds GmbH will increase gradually in the coming years. However, if costs remain more or less stable and the capital requirements for credit and market risk are low, the capital requirements are expected to remain virtually unchanged.

Eurex Repo GmbH transfers its earnings to Eurex Frankfurt AG. To fulfill CRR requirements, Eurex Repo GmbH already received a contribution to its capital reserve in 2014. An additional contribution were made to the capital reserves of Eurex Repo GmbH in 2015 in order to fulfil CRR requirements, which identify profit transfers as overheads und thus include them in the basis for capital requirements. Depending on the future business performance as well as changes to the regulatory requirements, further contributions to capital may be necessary to a limited extent.

Composition of own funds/capital requirements

	Own funds requirements for credit and market risk		Own funeds requirements on the basis of fixed overheads		Own funds requirements to be met	
	31 Dec 2015 €m	31 Dec 2014 €m	31 Dec 2015 €m	31 Dec 2014 €m	31 Dec 2015 €m	31 Dec 2014 €m
Eurex Bonds GmbH	0.2	0.2	0.8	0.5	0.8	0.5
Eurex Repo GmbH	0.4	0.4	5.6	0.7	5.6	0.7

Compliance with own funds requirements

	Own funds requirements		Regulatory equity		Equity ratio	
	31 Dec 2015 €m	31 Dec 2014 €m	31 Dec 2015 €m	31 Dec 2014 €m	31 Dec 2015 %	31 Dec 2014 %
Eurex Bonds GmbH	0.8	0.5	9.5	8.2	1,265.0	1,640.0
Eurex Repo GmbH	5.6	0.7	7.0	2.6	124.0	371.4

According to MAS requirements, Eurex Clearing Asia Pte. Ltd. is required to provide own funds to cover "operational risk requirements", "investment risk requirements" as well as "general counterparty risk requirements". Given the current business activities, capital requirements are based exclusively on "operational risk requirements". Furthermore, Eurex Clearing Asia Pte. Ltd. is required to notify MAS without undue delay if the capital cover falls below 120 per cent of own funds requirements.

Compliance with own funds requirements

	Operational risk requirements		Regulatory equity		Equity ratio	
	31 Dec 2015 €m	31 Dec 2014 €m	31 Dec 2015 €m	31 Dec 2014 €m	31 Dec 2015 %	31 Dec 2014 %
Eurex Clearing Asia Pte. Ltd.	0.6	n.a.	10.1	n.a.	1,832.0	n.a.

The regulatory minimum requirements were complied with at all times by all companies during the reporting period and in the period up to the preparation of the consolidated financial statements.

21. Shareholders' equity and appropriation of net profit of Deutsche Börse AG

The annual financial statements of the parent company Deutsche Börse AG, prepared as at 31 December 2015 in accordance with the provisions of the Handelsgesetzbuch (HGB, the German Commercial Code), report net profit for the period of €315.9 million (2014: €423.1 million) and shareholders' equity of €2,504.0 million (2014: €2,370.3 million). In 2015, Deutsche Börse AG distributed €386.8 million (€2.10 per eligible share) from the unappropriated surplus of the previous year.

Net profit for the period 2015 is lower than last year.

Proposal on the appropriation of the unappropriated surplus

	31 Dec 2015 €m
Net profit for the period	315.9
Appropriation to other retained earnings in the annual financial statements	109.1
Unappropriated surplus	**425.0**
Proposal by the Executive Board:	
Distribution of a regular dividend to the shareholders of €2.25 per share for 186,723,986 no-par value shares carrying dividend rights	420.1
Appropriation to retained earnings	4.9

No-par value shares carrying dividend rights

	Number
Number of shares issued as at 31 December 2015	**193,000,000**
Number of treasury shares	–6,276,014
Number of shares outstanding as at 31 December 2015	**186,723,986**

The proposal on the appropriation of the unappropriated surplus reflects treasury shares held directly or indirectly by the company that do not carry dividend rights under section 71b of the Aktiengesetz (AktG, the German Stock Corporation Act). The number of shares carrying dividend rights can change until the Annual General Meeting through the repurchase or sale of further treasury shares. In this case, without changing the dividend of €2.25 per eligible share, an amended resolution for the appropriation of the unappropriated surplus will be proposed to the Annual General Meeting.

22. Provisions for pensions and other employee benefits

Defined benefit pension plans

The defined benefit obligations of the companies of Deutsche Börse Group relate primarily to final salary arrangements and pension plans based on capital components, which guarantee employees a choice of either lifelong pensions or capital payments on the basis of the final salary paid. In Switzerland, there are guaranteed defined contribution plans. Deutsche Börse Group uses external trust solutions to cover some of its pension obligations.

Net liability of defined benefit obligations

	Germany €m	Luxembourg €m	Other €m	Total 31 Dec 2015 €m	Total 31 Dec 2014 €m
Present value of defined benefit obligations that are at least partially funded	356.7	58.5	24.3	439.5	427.0
Fair value of plan assets	–241.4	–42.5	–18.1	–302.0	–284.4
Funded status	**115.3**	**16.0**	**6.2**	**137.5**	**142.6**
Present value of unfunded obligations	2.5	0.7	0	3.2	3.0
Net liability of defined benefit obligations	**117.8**	**16.7**	**6.2**	**140.7**	**145.6**
Impact of minimum funding requirement/ asset ceiling	0	0	0	0	0
Amount recognised in the balance sheet	**117.8**	**16.7**	**6.2**	**140.7**	**145.6**

The defined benefit plans comprise a total of 2,686 (2014: 2,509) beneficiaries. The present value of defined benefit obligations can be allocated to the beneficiaries as follows:

Breakdown of beneficiaries

	Germany €m	Luxembourg €m	Other €m	Total 31 Dec 2015 €m	Total 31 Dec 2014 €m
Eligible current employees	155.5	57.4	24.1	237.0	238.6
Former employees with vested entitlements	123.3	1.1	0.2	124.6	106.7
Pensioners or surviving dependants	80.4	0.7	0	81.1	84.7
	359.2	**59.2**	**24.3**	**442.7**	**430.0**

Essentially, the retirement benefits encompass the following retirement benefit plans:

Executive boards of Group companies (Germany and Luxembourg)

Individual commitment plans exist for members of the executive boards of Group companies; they are based on the plan for senior executives described in the next but one paragraph, i.e. in each calendar year the company provides an annual contribution to a capital component calculated in accordance with actuarial principles. The benefit assets equal the total of the acquired capital components of the individual years and are converted into a lifelong pension once the benefits fall due. In addition, retirement benefit agreements are in place with members of the executive boards of Group companies, under which they are entitled to pension benefits on reaching the age of 63 and following reappointment. When the term of office began, the replacement rate was 30 per cent of individual pensionable income. It rose by five percentage points with each reappointment, up to a maximum of 50 per cent of pensionable income. Details of the pension commitments for members of Deutsche Börse AG's Executive Board can be found in the remuneration report.

Germany

There has been an employee-funded deferred compensation plan for employees of Deutsche Börse Group in Germany since 1 July 1999. This plan gives employees the opportunity to convert parts of their future remuneration entitlements into benefit assets of equal value. The benefits consist of a capital payment on reaching the age of 65 or earlier, if applicable, in the case of disability or death; when due, the payment is made in equal annual payments over a period of three years. The benefit assets earn interest at a rate of 6 per cent p.a. As a rule, new commitments are entered into on the basis of this deferred compensation plan; employees with pension commitments under retirement benefit arrangements in force before 1 July 1999 were given an option to participate in the deferred compensation plan by converting their existing pension rights.

In the period from 1 January 2004 to 30 June 2006, senior executives in Germany were offered the opportunity to participate in the following pension system based on capital components: the benefit is based on annual income received, composed of fixed annual salary and the variable remuneration. Every year, participating Group companies provide for an amount that corresponds to a certain percentage of the pensionable income. This amount is multiplied by a capitalisation factor depending on age, resulting in the "annual capital component". The benefit assets equal the total of the acquired capital components of the individual years and are converted into a lifelong pension once the benefits fall due. This benefit plan was closed to new staff on 30 June 2006; the senior executives who were employed in the above period can continue to earn capital components.

As part of adjustments to the remuneration systems to bring them into line with supervisory requirements (see note 39 for detailed information) contracts were adjusted for some senior executives. For senior executives affected, whose contracts only provided for the inclusion of income received and variable remuneration over and above the upper limit of the contribution assessment (*Beitragsbemessungsgrenze*) of the statutory pension insurance provisions as pensionable income to date, pensionable income has now been fixed on the basis of annual income received in 2013 and will henceforth be adjusted annually, to reflect the increase in the cost of living, based on the consumer price index for Germany published by the German Federal Statistical Office. For senior executives affected, whose capital contributions were calculated on the basis of income received, without observing the upper limit of the contribution assessment, an amount has been fixed which will be reviewed annually, and adjusted if necessary, by the Supervisory Board, taking changed circumstances in terms of income and purchasing power in account.

Luxembourg
The Clearstream subgroup, based in Luxembourg, still operates separate defined benefit plans. The only defined benefit pension plan still in operation in favour of Luxembourg employees of Clearstream International S.A., Clearstream Banking S.A. and Clearstream Services S.A. is funded by means of cash contributions to an "association d'épargne pension" (ASSEP) organised in accordance with Luxembourg law. The benefits consist of a one-off capital payment, which is generally paid on reaching the age of 65. The benefit plan does not cover disability or death in service. Contributions to the "association d'épargne pension" are funded in full by the participating companies. The contributions are determined annually on the basis of actuarial reports and the amount of the obligation is calculated in accordance with Luxembourg law.

Switzerland
The employees of STOXX Ltd. participated in a separate defined benefit pension plan until 30 September 2015. Until this day, they had been insured by a pension fund of SIX Swiss Exchange AG at PREVAS Sammelstiftung, Zurich.

There have been a separate pension plan (basic pension plan) and a supplementary benefits plan (bonus plan) for employees of STOXX Ltd. (since 1 October 2015), of Indexium AG (since 1 October 2015), of Eurex Zürich AG (since 2012) and Eurex Global Derivatives AG (since 2012); both plans are based on insurance policies and, in addition to retirement benefits, comprise disability benefits and dependants' pensions. The contributions to the basic pension plan are paid by the employee and the employer, based on progressive percentages of the insured wage (annual wage less coordination deduction). For the bonus plan, the contributions are determined as a percentage of the bonus; it is also funded by contributions from employees and the employer. The retirement age is 65. The beneficiaries can choose between pension payments and a one-off payment.

The present value of defined benefit obligations can be reconciled as follows with the provisions reported in the consolidated balance sheet:

Changes in net defined benefit obligations

	Present value of obligations €m	Fair value of plan assets €m	Total €m
Balance as at 1 Jan 2014	**343.6**	**–263.4**	**80.2**
Acquisitions from business combinations	0.3	–0.3	0
Current service cost	16.2	–	16.2
Interest expense/(income)	11.3	–8.8	2.5
Past service cost and gains and losses on settlements	–0.2	0	–0.2
	27.3	**–8.8**	**18.5**
Remeasurements			
Return on plan assets, excluding amounts already recognised in interest income	–	–1.9	–1.9
Losses from changes in demographic assumptions	–1.3	–	–1.3
Losses from changes in financial assumptions	76.6	–	76.6
Experience gains	–7.0	–	–7.0
	68.3	**–1.9**	**66.4**[1]
Effect of exchange rate differences	0.2	–0.1	0.1
Contributions:			
Employers	–	–19.5	–19.5
Plan participants	0.8	–0.8	0
Benefit payments	–9.7	9.6	–0.1
Tax and administration costs	–0.8	0.8	0
Balance as at 31 Dec 2014	**430.0**	**–284.4**	**145.6**
Acquisitions from business combinations	3.0	–1.4	1.6
Current service cost	21.7	-	21.7
Interest expense/(income)	8.9	–6.1	2.8
Past service cost and gains and losses on settlements	–0.6	-	–0.6
	30.0	**–6.1**	**23.9**
Remeasurements			
Return on plan assets, excluding amounts already recognised in interest income	–	7.7	7.7
Acquisitions from business combinations	–	1.9	1.9
Losses from changes in financial assumptions	–7.0	–	–7.0
Experience gains	–6.1	–	–6.1
	–13.1	**9.6**	**–3.5**
Effect of exchange rate differences	2.3	–1.8	0.5
Contributions:			
Employers	–	–32.0	–32.0
Plan participants	1.0	–1.0	0
Benefit payments	–9.7	9.6	–0.1
Withdrawal of plan assets	0	4.7	4.7
Tax and administration costs	–0.8	0.8	0
Balance as at 31 Dec 2015	**442.7**	**–302.0**	**140.7**

1) Thereof €0.3 million non-controlling interests

In financial year 2015, employees converted a total of €2.6 million (2014: €3.6 million) of their variable remuneration into deferred compensation benefits.

Assumptions

Provisions for pension plans and other employee benefits are measured annually at the reporting date using actuarial techniques. The assumptions for determining the actuarial obligations for the pension plans differ according to the individual conditions in the countries concerned and shown in the following table:

Actuarial assumptions

	31 Dec 2015			31 Dec 2014		
	Germany %	Luxembourg %	Switzerland %	Germany %	Luxembourg %	Switzerland %
Discount rate	2.20	2.20	0.80	2.15	2.15	1.10
Salary growth	3.50	3.50	1.00	3.50	3.50	1.00
Pension growth	2.00	1.80–2.00	0	2.00	2.00–2.25	0
Staff turnover rate	2.00[1]	2.00[1]	n.a.[2]	2.00[1]	2.00[1]	n.a.[2]

1) Up to the age of 50, afterwards 0.00 per cent
2) Staff turnover rate in accordance with the Bundesgesetz über die berufliche Alters-, Hinterlassenen- und Invalidenvorsorge (BVG, Swiss Federal Occupational Retirement, Survivors' and Disability Pension Plans Act)

In Germany, the "2005 G" mortality tables (generation tables) developed by Prof Dr Klaus Heubeck are used in a modified version. For Luxembourg, generation tables of the Institut national de la statistique et des études économiques du Grand-Duché du Luxembourg are used. For Switzerland, the BVG 2010 generation tables are used.

Sensitivity analysis

The sensitivity analysis presented in the following considers the change in one assumption at a time, leaving the other assumptions unchanged from the original calculation, i.e. possible correlation effects between the individual assumptions are not taken into account.

Sensitivity of defined benefit obligation to change in the weighted principal assumptions

	Change in actuarial assumption	Effect on defined benefit obligation		Effect on defined benefit obligation	
		2015 defined benefit obligation €m	Change %	2014 defined benefit obligation €m	Change %
Present value of the obligation [1]		442.7	–	430.0	–
Discount rate	Increase by 1.0 percentage point	377.4	–14.8	364.5	–15.2
	Reduction by 1.0 percentage point	525.9	18.8	500.5	16.4
Salary growth	Increase by 0.5 percentage points	455.4	2.9	441.1	2.6
	Reduction by 0.5 percentage points	432.6	–2.3	416.4	–3.2
Pension growth	Increase by 0.5 percentage points	461.6	4.3	455.1	5.8
	Reduction by 0.5 percentage points	432.3	–2.3	420.6	–2.2
Life expectancy	Increase by one year	453.4	2.4	440.8	2.5
	Reduction by one year	431.7	–2.5	419.3	–2.5

1) Present value of the obligations using assumptions in accordance with the table "actuarial assumptions"

Composition of plan assets

Germany

In Germany, the plan assets are held by a trustee in safekeeping for individual companies of Deutsche Börse Group and for the beneficiaries: at the company's instruction, the trustee uses the funds transferred to acquire securities, without any consulting on the part of the trustee. The contributions are invested in accordance with an investment policy, which may be amended by the companies represented in the investment committee in agreement with the other members. The trustee may refuse to carry out instructions if they are in conflict with the fund's allocation rules or the payment provisions. In accordance with the investment policy, an absolute return approach is pursued including a value preservation mechanism; investments can be made in different asset classes.

Luxembourg

In Luxembourg, the Board of Directors of the Clearstream Pension Fund is responsible for determining the investment strategy, with the aim of maximising returns in relation to a benchmark. Up to 75 per cent of this benchmark is derived from the return on five-year German federal government bonds and up to 25 per cent from the return on the EURO STOXX 50 Index. According to the investment policy, the fund may only invest in fixed-income and variable-rate securities, as well as listed investment fund units, and it may hold cash, including in the form of money market funds.

Switzerland

The assets of the pension funds of STOXX Ltd. (since 1 October 2015), of Indexium AG (since 1 October 2015), of Eurex Zürich AG (since 2012) and Eurex Global Derivatives AG (since 2012) have been invested with AXA Stiftung Berufliche Vorsorge and are therefore reported under "qualifying insurance policies".

Composition of plan assets

	31 Dec 2015		31 Dec 2014	
	€m	%	€m	%
Equity instruments – Europe	**0**	**0**	**1.0**	**0.4**
Financial institutions	0		0.2	
Manufacturing and industrial	0		0.2	
Energy and commodities	0		0	
Technology companies	0		0.1	
Other	0		0.5	
Equity instruments – other	**0**	**0**	**1.0**	**0.4**
Financial institutions	0		0.2	
Manufacturing and industrial	0		0.2	
Energy and commodities	0		0.1	
Technology companies	0		0.2	
Other	0		0.3	
Bonds	**253.8**	**84.0**	**247.4**	**86.9**
Government bonds	248.2		243.1	
Multilateral development banks	2.6		0	
Corporate bonds	3.0		4.3	
Derivatives	**1.1**	**0.4**	**2.7**	**0.9**
Stock index futures	1.0		1.8	
Interest rate futures	0.1		0.9	
Property	**0**	**0**	**1.0**	**0.4**
Europe	0		0.9	
Other	0		0.1	
Investment funds	**9.8**	**3.2**	**8.8**	**3.1**
Other	**0**	**0**	**0.3**	**0**
Total listed	**264.7**	**87.6**	**262.2**	**92.2**
Qualifying insurance policies	18.0	6.0	7.9	2.8
Cash	19.3	6.4	14.2	5.0
Other	0	0	0.1	0.0
Total not listed	**37.3**	**12.4**	**22.2**	**7.8**
Total plan assets	**302.0**	**100.0**	**284.4**	**100.0**

As at 31 December 2015, plan assets did not include any financial instruments held by the Group (2014: nil), nor did they include any property occupied or other assets used by the Group.

Risks

In addition to the general actuarial risks, the risks associated with the defined benefit obligations relate especially to financial risks in connection with the plan assets, including in particular counterparty credit and market risks.

Market risk

The return on plan assets is assumed to be the discount rate determined on the basis of corporate bonds with an AA rating. If the actual rate of return on plan assets is lower than the discount rate used, the net defined benefit liability increases accordingly. If volatility is lower, the actual return is further expected to exceed the return on corporate bonds with a good rating in the medium to long term.

Deutsche Börse Group considers the equity price risk resulting from the proportion of equities in the plan assets to be appropriate. The company bases its assessment on the expectation that the overall volume of payments from the pension plans will be manageable in the next few years, that the total amount of the obligations will also be manageable and that it will be able to meet these payments in full from operating cash flows. Any amendments to the investment policy take into account the duration of the pension obligation as well as the expected payments over a period of ten years.

Moreover, the level of the net liability is influenced by the discount rates in particular, whereby the current low interest rates contribute to a relatively high net liability. A continued decline in returns on corporate bonds will lead to a further increase in defined benefit obligations, which can be only partially offset by the positive development of the fair values of the corporate bonds included in the plan assets.

Inflation risk

Possible inflation risks that could lead to an increase in defined benefit obligations exist because some pension plans are final salary plans or the annual capital components are directly related to salaries, i.e. a significant increase in salaries would lead to an increase in the benefit obligation from these plans. In Germany, however, there are no contractual arrangements with regard to inflation risk for these pension plans. An interest rate of 6 per cent p.a. has been agreed for the employee-financed deferred compensation plan; the plan does not include any arrangements for inflation, so that it has to be assumed that there will be little incentive for employees to contribute to the deferred compensation plan in times of rising inflation.

In Luxembourg, salaries are adjusted for the effects of inflation on the basis of a consumer price index no more than once a year; this adjustment leads to a corresponding increase in the benefit obligation from the pension plan. Since the obligation will be met in the form of a capital payment, there will be no inflation-linked effects once the beneficiary reaches retirement age.

In Switzerland, the benefit plan at AXA Stiftung Berufliche Vorsorge include the provision that the board of the foundation decides annually whether the retirement pensions will be adjusted to reflect price trends. The decision takes into account in particular the financial capability of the foundation. There are no arrangements for automatic adjustments to price increases over and above the legal requirements that apply to certain surviving dependants’ and disability pensions.

Duration and expected maturities of the pension obligations
The weighted duration of the pension obligations was 16.62 years as at 31 December 2015.

Expected maturities of undiscounted pension payments

	Expected pension payments[1)] 31 Dec 2015 €m	Expected pension payments[1)] 31 Dec 2014 €m
Less than 1 year	11.4	10.9
Between 1 and 2 years	13.3	13.4
Between 2 and 5 years	43.1	43.0
More than 5 years up to 10 years	85.7	75.9
Total	153.5	143.2

1) The expected payments in CHF were translated into euros at the relevant closing rate on 31 December.

The expected costs of defined benefit plans amount to approximately €21.8 million for the 2016 financial year, including net interest expense.

Defined contribution pension plans

In the reporting period, the costs of defined contribution plans amounted to €34.2 million (2014: €30.4 million).

23. Changes in other provisions

Changes in other provisions

	Recourse and litigation risks €m	Restructuring and efficiency measures €m	Interest on taxes €m	Stock bonus plans €m
Balance as at 1 Jan 2015	**4.5**	**79.1**	**52.9**	**17.1**
Acquisitions from business combinations	0	0	0	0
Reclassification	0	0	0	0
Utilisation	0	–15.6	–31.7	–13.4
Reversal	–0.1	–4.0	0	–0.1
Additions	0.3	51.6	14.2	27.4
Currency translation	0.3	0	0	0
Interest	0	0.8	0	0
Balance as at 31 Dec 2015	**5.0**	**111.9**	**35.4**	**31.0**

The "other personnel provisions" item as at 31 December 2015 included personnel-related provisions of €5.8 million (2014: €5.7 million) for jubilees, €1.2 million (2014: €1.4 million) for other personnel costs and €0.6 million (2014: €0.9 million) for early retirement benefits. The "miscellaneous" item includes provisions for anticipated losses of €6.5 million (2014: €5.8 million) and provisions for rent and service costs of €2.1 million (2014: €1.9 million).

	Bonuses €m	Operational claims €m	Pension obligations to IHK €m	Other personnel provisions €m	Miscellaneous €m	Total €m
	19.4	15.5	10.3	8.0	11.7	218.5
	3.8	0	0	0	3.8	7.6
	–1.5	1.0	0	0	–2.0	–2.5
	–13.9	–8.4	0	–1.3	–2.8	–87.1
	–1.1	–4.0	0	–0.9	–0.8	–11.0
	77.7	2.4	0	1.4	3.9	178.9
	1.0	0	0	0	0	1.3
	0	0	–0.7	0.4	0	0.5
	85.4	6.5	9.6	7.6	13.8	306.2

24. Other non-current provisions

Other non-current provisions have more than one year to maturity.

Composition of other non-current provisions

	31 Dec 2015 €m	31 Dec 2014 €m
Restructuring and efficiency measures	87.2	72.7
Stock bonus plans	11.7	7.7
Pension obligations to IHK[1]	9.6	10.3
Bonuses	9.1	7.3
Anticipated losses	5.9	5.2
Jubilees	5.8	5.7
Early retirement	0.6	0.9
Other	1.8	0.7
Total	**131.7**	**110.5**
thereof with remaining maturity of between 1 and 5 years	103.2	79.9
thereof with remaining maturity of more than 5 years	28.5	30.6

1) IHK = Industrie- und Handelskammer Frankfurt am Main (the Frankfurt/Main Chamber of Industry and Commerce)

Due to changed settlement dates of the bonus, provisions for bonuses of €9.1 million (2014: €7.3 million) were included as at the balance sheet date.

Provisions for restructuring and efficiency measures include provisions amounting to €3.3 million (2014: €5.3 million) for the restructuring and efficiency programme resolved in September 2007, €18.7 million (2014: €24.4 million) for the programme resolved in 2010 to increase operational performance and €37.7 million (2014: €43.0 million) for the programme resolved in 2013 to improve the cost structures and operational processes in order to adapt to a permanently changed business environment as well as €27.5 million for the growth programme resolved in 2015. For more details on the restructuring and efficiency programmes see "Internal management – management systems" section in the combined management report.

For details on the Stock Bonus Plans, see note 39.

25. Liabilities

The euro and US dollar bonds issued by Deutsche Börse Group have a carrying amount of €2,546.5 million (2014: €1,568.3 million, of this amount, €139,8 million is reported under "other current liabilities") and a fair value of €2,679.9 million (2014: €1,688.4 million).

The increase in interest-bearing liabilities is largely attributable to the issuance of two new bonds during 2015. In July 2015, Deutsche Börse Group issued a hybrid bond with a nominal volume of €600 million, a term of 26 years and a coupon of 2.75 per cent per annum. The proceeds from the hybrid bond issue are used to refinance existing liabilities and to fund the full acquisition of joint ventures STOXX Ltd. and Indexium AG. In October 2015, Deutsche Börse Group issued a senior bond with a nominal volume of €500 million, a term of 10 years and a coupon of 1.625 per cent per annum. The proceeds from this issue are used for the partial funding of the acquisition of 360T Beteiligungs GmbH, which was purchased in July 2015. For details, see the "Capital management" section of the combined management report.

The interest-bearing liabilities disclosed under “other current liabilities” as at 31 December 2014 (€139.8 million) were repaid in the second quarter of 2015.

The financial liabilities recognised in the balance sheet were not secured by liens or similar rights, either as at 31 December 2015 or as at 31 December 2014.

26. Tax provisions

Composition of tax provisions

	Income taxes: current year €m	Income taxes: previous year €m	Other taxes €m	Total €m
Balance as at 1 Jan 2015	0	233.1	49.6	282.7
Acquisitions from business combinations	4.7	3.8	0	8.5
Reclassification	0	4.7	0	4.7
Utilisation	–2.7	–34.7	–25.6	–63.0
Reversal	0	–2.3	–0.9	–3.2
Additions	47.9	29.4	3.1	80.4
Currency translation	0	6.6	0	6.6
Interest	0	0	0	0
Balance as at 31 Dec 2015	**49.9**	**240.6**	**26.2**	**316.7**

Tax provisions of €166.3 million (2014: €150.0 million) have an estimated remaining maturity of more than one year.

27. Other current provisions

Composition of other current provisions

	31 Dec 2015 €m	31 Dec 2014 €m
Bonuses	76.3	12.1
Interest on taxes	35.4	52.9
Restructuring and efficiency measures	24.7	6.4
Stock bonus plans	19.3	9.4
Operational claims	6.5	15.5
Recourse and litigation risks	5.0	4.5
Rent and incidental rental costs	2.1	1.9
Personnel expenses	1.2	1.4
Anticipated losses	0.6	0.6
Miscellaneous	3.4	3.4
Total	**174.5**	**108.1**

Due to changed settlement dates of the bonus, provisions for bonuses of €76.3 million (2014: €12.1 million) were included as at the balance sheet date.

Restructuring and efficiency measures include provisions amounting to €0.1 million (2014: €0.1 million) for the restructuring and efficiency programme resolved in 2007, and €0.5 million (2014: €6.3 million) for the programme resolved in 2013 to improve the cost structures and operational processes in order to adapt to a permanently changed business environment, as well as €23.7 million for the growth programm concluded in 2015. For details see the "Internal management" section of the combined management report.

For details on share-based payments, see note 39.

28. Liabilities from banking business

The liabilities from banking business are attributable solely to the Clearstream subgroup.

Composition of liabilities from banking business

	31 Dec 2015 €m	31 Dec 2014 €m
Customer deposits from securities settlement business	10,867.7	11,138.3
Issued commercial paper	286.5	193.2
Overdrafts on nostro accounts	498.1	130.0
Money market lendings	12.0	25.1
Forward foreign exchange transactions – held for trading	17.1	0.5
Total	**11,681.4**	**11,487.1**

Remaining maturity of liabilities from banking business

	31 Dec 2015 €m	31 Dec 2014 €m
Not more than 3 months	11,599.3	11,392.6
More than 3 months but not more than 1 year	82.1	94.5
Total	**11,681.4**	**11,487.1**

29. Cash deposits by market participants

Composition of cash deposits by market participants

	31 Dec 2015 €m	31 Dec 2014 €m
Liabilities from margin payments to Eurex Clearing AG by members	25,540.2	21,594.1
Liabilities from margin payments to European Commodity Clearing AG, European Commodity Clearing Luxembourg S.à r.l., APX Clearing B.V. and APX Commodities Ltd. by members	1,321.1	684.0
Liabilities from cash deposits by participants in equity trading	7.7	4.3
Total	**26,869.0**	**22,282.4**

30. Other current liabilities

Composition of other current liabilities

	31 Dec 2015 €m	31 Dec 2014 €m
Liabilities from CCP positions	89.3	452.5
Liabilities from repayment of US dollar bonds[1)]	0	139.8
Issued commercial paper	95.0	60.0
Special payments and bonuses	13.5	44.3
Tax liabilities (excluding income taxes)	22.7	36.8
Vacation entitlements, flexitime and overtime credits	22.3	19.0
Interest payable	29.3	9.7
Accounts payable from purchase price of shares in APX Holding group	7.5	0
Outstanding invoices	8.7	4.2
Derivatives	6.2	5.9
Social security liabilities	6.2	3.2
Liabilities to supervisory bodies	2.6	3.1
Debtors with credit balances	1.9	7.5
Miscellaneous	25.2	21.8
Total	**330.4**	**807.8**

1) For detailed information see note 25.

31. Maturity analysis of financial instruments

Underlying contractual maturities of the financial instruments at the reporting date

	Contractual maturity					
	Sight		Not more than 3 months		More than 3 months but not more than 1 year	
	2015 €m	2014 €m	2015 €m	2014 €m	2015 €m	2014 €m
Non-derivative financial liabilities						
Interest-bearing liabilities	0	0	15.0	0	38.0	28.1
Other non-current financial liabilities	0	0	0	0	0	0
Non-derivative liabilities from banking business	11,387.8	11,279.9	214.9	112.7	82.4	94.5
Trade payables, payables to related parties and other current liabilities	80.6	452.7	515.1	289.4	4.5	157.9
Cash deposits by market participants	26,869.0	22,282.4	0	0	0	0
Other bank loans and overdrafts	42.2	0.7	0	0	0	0
Total non-derivative financial liabilities (gross)	**38,379.6**	**34,015.7**	**745.0**	**402.1**	**124.9**	**280.5**
Derivatives and financial instruments held by central counterparties						
Financial liabilities and derivatives held by central counterparties	36,495.9	29,501.6	69,521.2	94,814.6	19,989.3	44,685.7
less financial assets and derivatives held by central counterparties	–36,495.9	–29,501.6	–69,804.3	–96,063.7	–19,989.3	–44,685.7
Cash inflow – derivatives and hedges						
Cash flow hedges	0	0	0	0	0	0
Fair value hedges	0	0	0	0	0	0
Derivatives held for trading	1,009.9	1,415.7	1,633.7	391.7	0	0
Cash outflow – derivatives and hedges						
Cash flow hedges	0	0	0	0	0	0
Fair value hedges	0	0	0	0	0	0
Derivatives held for trading	–1,008.9	–1,381.4	–1,620.5	–391.6	0	0
Total derivatives and hedges	**1.0**	**34.3**	**–269.9**	**–1,249.0**	**0**	**0**
Financial guarantee contracts	0	0	977.9	533.2	0	0

	Contractual maturity				Reconciliation to carrying amount		Carrying amount	
	More than 1 year but not more than 5 years		Over 5 years					
	2015 €m	2014 €m	2015 €m	2014 €m	2015 €m	2014 €m	2015 €m	2014 €m
	1,051.6	890.0	1,785.6	697.4	−343.7	−187.0	2,546.5	1,428.5
	4.3	9.1	0	0	5.7	3.5	10.0	12.6
	0	0	0	0	−16.0	−0.5	11,669.1	11,486.6
	0	0	0	0	104.8	130.6	705.0	1,030.6
	0	0	0	0	0	0	26,869.0	22,282.4
	0	0	0	0	0	0	42.2	0.7
	1,055.9	**899.1**	**1,785.6**	**697.4**	**−249.2**	**−53.4**	**41,841.8**	**36,241.4**
	5,633.1	4,579.3	1,542.2	1,306.5	0	0	133,181.7	174,887.7
	−5,633.1	−4,579.3	−1,542.2	−1,306.5	0	0	−133,464.8	−176,136.8
	0	0	0	0				
	0	0	0	0				
	0	0	0	0				
	0	0	0	0				
	0	0	0	0				
	0	0	0	0				
	0	**0**	**0**	**0**				
	0	0	0	0				

32. Classification of financial instruments under IAS 39

The following table shows an analysis of the financial instruments in the balance sheet in accordance with their classification under IAS 39 as well as the corresponding carrying amounts:

Classification of financial instruments

Consolidated balance sheet item (classification)	Note	Category	Measured at	Carrying amount 31 Dec 2015 €m	Carrying amount 31 Dec 2014 €m
Other equity investments	13	AFS[1]	Historical cost	85.3	161.2
		AFS[1]	Fair value	134.1	5.6
Non-current receivables and securities from banking business	13	AFS[1]	Fair value	2,018.6	1,305.0
Other financial instruments	13	AFS[1]	Historical cost	0.9	0.8
		AFS[1]	Fair value	31.4	25.0
Other loans	13	Loans and receivables	Amortised cost	0.2	0.4
Non-current financial instruments held by central counterparties	15	Held for trading	Fair value	7,175.2	5,885.8
Other non-current assets		Loans and receivables	Amortised cost	7.4	7.3
Current financial instruments held by central counterparties	15	Held for trading	Fair value	126,241.3	170,160.8[3]
		Loans and receivables	Amortised cost	48.3	90.2[3]
Current receivables and securities from banking business	16	AFS[1]	Fair value	62.3	655.9
		Loans and receivables	Amortised cost	10,057.3	9,616.8
		Derivatives held for trading	Fair value	23.3	34.4
Trade receivables	17	Loans and receivables	Amortised cost	554.1	342.9
Receivables from related parties		Loans and receivables	Amortised cost	4.7	1.0
Other current assets	18	Loans and receivables	Amortised cost	924.9	481.8
Restricted bank balances	19	Loans and receivables	Amortised cost	26,870.0	22,283.5
Other cash and bank balances	33	Loans and receivables	Amortised cost	711.1	826.1

1) Available-for-sale (AFS) financial assets
2) This relates to the private placements designated as hedging instruments of a net investment hedge (see note 14).
3) Prior-year figures adjusted

Consolidated balance sheet item (classification)	Note	Category	Measured at	Carrying amount 31 Dec 2015 €m	Carrying amount 31 Dec 2014 €m
Interest-bearing liabilities (excluding finance leases)	14, 25	Liabilities at amortised cost	Amortised cost	2,281.0	1,189.9
		Net investment hedge[2)]	Amortised cost	265.5	238.6
Non-current financial instruments held by central counterparties	15	Held for trading	Fair value	7,175.2	5,885.8
Other non-current liabilities		Held for trading	Fair value	4.3	9.1
Current financial instruments held by central counterparties	15	Held for trading	Fair value	125,958.2	168,911.7[3)]
		Liabilities at amortised cost	Amortised cost	48.3	90.2[3)]
Liabilities from banking business	28	Liabilities at amortised cost	Amortised cost	11,669.0	11,486.6
		Held for trading	Fair value	12.4	0.5
Other bank loans and overdrafts	33	Liabilities at amortised cost	Amortised cost	42.2	0.7
Trade payables		Liabilities at amortised cost	Amortised cost	372.8	221.2
Liabilities to related parties		Liabilities at amortised cost	Amortised cost	1.8	1.6
Cash deposits by market participants	29	Liabilities at amortised cost	Amortised cost	26,869.0	22,282.4
Other current liabilities	30	Liabilities at amortised cost	Amortised cost	223.7	534.4
		Net investment hedge[2)]	Amortised cost	0	139.8
		Derivatives held for trading	Fair value	6.2	5.9

The financial assets and liabilities that are measured at fair value are required to be allocated to the following three hierarchy levels: financial assets and liabilities are allocated to level 1 if there is a quoted price for identical assets and liabilities in an active market that can be accessed by the entity. They are allocated to level 2 if the inputs on which fair value measurement is based are observable either directly or indirectly; these inputs must be based on market expectations. Financial assets and liabilities are allocated to level 3 if fair value is determined on the basis of unobservable inputs.

As at 31 December 2015, the financial assets and liabilities measured at fair value were allocated to the following levels of the fair value hierarchy:

Fair value hierarchy

	Fair value as at 31 Dec 2015 €m	thereof attributable to: Level 1 €m	Level 2 €m	Level 3 €m
Recurring fair value measurements				
ASSETS				
Financial assets held for trading				
Derivatives				
Non-current financial instruments held by central counterparties	7,175.2	0	7,175.2	0
Current financial instruments held by central counterparties	126,241.3	0	126,241.3	0
Current receivables and securities from banking business	23.3	0	23.3	0
Total	**133,439.8**	**0**	**133,439.8**	**0**
Available-for-sale financial assets				
Equity instruments				
Other equity investments	134.1	0	128.0	6.1
Total	**134.1**	**0**	**128.0**	**6.1**
Debt instruments				
Other financial instruments	31.4	31.4	0	0
Non-current receivables and securities from banking business	2,018.6	2,018.6	0	0
Current receivables and securities from banking business	62.3	62.3	0	0
Total	**2,112.3**	**2,112.3**	**0**	**0**
Total assets	**135,686.2**	**2,112.3**	**133,567.8**	**6.1**
LIABILITIES				
Financial liabilities held for trading				
Derivatives				
Non-current financial instruments held by central counterparties	7,175.2	0	7,175.2	0
Current financial instruments held by central counterparties	125,958.2	0	125,958.2	0
Liabilities from banking business	12.4	0	12.4	0
Other non-current liabilities	0	0	0	0
Other current liabilities	6.2	0	0	6.2
Contingent purchase price components				
Other non-current liabilities	4.3	0	0	4.3
Total liabilities	**133,156.3**	**0**	**133,145.8**	**10.5**

By comparison, the financial assets and liabilities measured at fair value as at 31 December 2014 were allocated as follows to the hierarchy levels:

Fair value hierarchy

	Fair value as at 31 Dec 2014	thereof attributable to:		
		Level 1	Level 2	Level 3
	€m	€m	€m	€m
Recurring fair value measurements				
ASSETS				
Financial assets held for trading				
Derivatives				
Non-current financial instruments held by central counterparties	5,885.8	0	5,885.8[1]	0
Current financial instruments held by central counterparties	170,160.8	0	170,160.8[1]	0
Current receivables and securities from banking business	34.4	0	34.4	0
Total	**176,081.0**	**0**	**176,081.0**	**0**
Available-for-sale financial assets				
Equity instruments				
Other equity investments	5.6	0	0	5.6
Total	**5.6**	**0**	**0**	**5.6**
Debt instruments				
Other financial instruments	25.0	25.0	0	0
Non-current receivables and securities from banking business	1,305.0	1,305.0	0	0
Current receivables and securities from banking business	170,160.8	170,160.8	0	0
Total	**171,490.8**	**171,490.8**	**0**	**0**
Total assets	**347,577.4**	**171,490.8**	**176,081.0**	**5.6**
LIABILITIES				
Financial liabilities held for trading				
Derivatives				
Non-current financial instruments held by central counterparties	5,885.8	0	5,885.8[1]	0
Current financial instruments held by central counterparties	168,911.7	0	168,911.7[1]	0
Liabilities from banking business	0	0	0	0
Other current liabilities	5.9	0	0	5.9
Contingent purchase price components				
Other non-current liabilities	9.1	0	0	9.1
Total liabilities	**174,812.5**	**0**	**174,797.5**	**15.0**

1) Classification adjusted

Financial assets and financial liabilities listed in levels 2 and 3 as at 31 December 2015 are measured as follows:

- The derivatives listed in level 2 comprise forward forgein exchange transactions. The fair value of the forward foreign exchange transactions is determined on the basis of the forward exchange rates for the remaining period to maturity as at the balance sheet date. They are based on observable market prices.
- The equity investments allocated to level 2 are measured on the basis of current, comparable market transactions.

- The fair value of the financial instruments held by central counterparties allocated to level 2 is determined by market transactions for identical or similar asstes in markets that are not active and by option pricing models based on observable market prices.

At the reporting date, the items allocated to level 3 and their measurements were as follows:

Changes in level 3 financial instruments

	Assets	Liabilities		Total
	Other equity investments €m	Other non-current liabilities €m	Other current liabilities €m	€m
Balance as at 1 Jan 2014	**0**	**0**	**–6.1**	**–6.1**
Acquisitions from business combinations	0	–1.8	0	–1.8
Additions	0	–6.6	0	–6.6
Transfers into level 3	4.6	0	0	4.6
Unrealised capital gains/(losses) recognised in income	0	–0.7	0.2	–0.5
Financial result	0	–0.7	0	–0.7
Other operating expenses	0	0	–0.2	–0.2
Other operating income	0	0	0.4	0.4
Changes recognised in the revaluation surplus	1.0	0	0	1.0
Balance as at 1 Jan 2015	**5.6**	**–9.1**	**–5.9**	**–9.4**
Additions	1.7	0	0	1.7
Disposals	–1.3	0	0	–1.3
Realised capital gains/(losses)	0	1.8	0	1.8
Financial result	0	–0.2	0	–0.2
Other operating income	0	2.0	0	2.0
Unrealised capital gains/(losses) recognised in profit or loss	0	3.0	–0.3	2.7
Other operating expenses	0	0	–0.5	–0.5
Other operating income	0	3.0	0.2	3.2
Changes recognised in the revaluation surplus	0.1	0	0	0.1
Balance as at 31 Dec 2015	**6.1**	**–4.3**	**–6.2**	**–4.4**

The value of an equity investment listed in level 3 is reviewed annually by the issuer, who may initiate transactions. The number of shares was reduced during the year under review, resulting in a disposal of €0.7 million. Together with a €0.2 million gain recognised directly in equity, the aggregate reduction of this item was €0.5 million.

Furthermore, there was an inflow of €1.7 million to this item which resulted from an equity fund. The fair value of this fund is calculated on the basis of the net asset value determined by the issuer. A partial disposal and measurement of the remaining shares resulted in a decrease of €0.6 million. Fair value measurement led to unrealised losses of €0.1 million reported in the revaluation surplus.

The fair value amounted to €4.3 million and is reported under "other non-current liabilities", relates to contingent purchase price components. The adjustment of expected payment obligations during 2015 resulted in expenses of €0.2 million, which are recognised in the financial result. Moreover, the reassessment of the probability that the two obligations would be utilised resulted in other operating income of €5.0 million. These two purchase price components are measured on the basis of internal discounted cash flow models, which discount the expected future payment obligations to the measurement date using interest rates that are appropriate to the risk.

Additionally, derivatives from an incentive programme with a carrying amount of €5.9 million were allocated to "other current liabilities" of level 3 at the beginning of the reporting period. At the end of the financial year, these derivatives had a carrying value of €6.2 million. The financial instruments were regularly measured at fair value through profit and loss using an internal model at the quarterly reporting dates. In the course of the reporting period, the subsequent measurement of these financial instruments led to gains of €0.2 million and expenses of €0.5 million; these amounts are reported under "other operating income" and "other operating expenses". The model takes into account the criteria underlying the conditional repayment of the grant made by Eurex Clearing AG. The criteria include, in particular, non-financial indicators such as the expected number of customers in a specific market segment as well as expected trading volumes. They are continuously monitored, while taking into account possible adjustments. In order to do this, customer information is also used. Since this is an internal model, the parameters can differ from those of the settlement date. However, the derivative financial instrument will not exceed an amount of €7.0 million. This amount arises if the beneficiaries of the incentive programme fulfil the conditions and a repayment of the contribution is not taken into consideration.

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

The euro and US dollar bonds issued by Deutsche Börse Group have a fair value of €2,679.9 million (31 December 2014: €1,688.4 million) and are reported under interest-bearing as well as current liabilities. US dollar-denominated debt securities with a nominal amount of US$170.0 million matured during the year; the company issued a further bond with a nominal amount of €600 million. The fair value of the euro bonds in the amount of €2,396.0 million is calculated on the basis of the quoted values of the bonds, and the fair value of the US dollar bonds in the amount of €283.9 million represents the present value of the cash flows relating to the private placements on the basis of market inputs. Consequently, the euro bonds are allocated to level 2 and the US dollar bonds are allocated to level 3.

The carrying amounts of the following items represent a reasonable approximation of their fair value:

- Unlisted equity instruments whose fair value generally cannot be reliably determined on a continuous basis and that are reported under the "financial assets" item; these are carried at cost less any impairment losses
- Other loans, which are reported under "financial assets"
- Other receivables and other assets as well as current receivables from banking business, to the extent that these are measured at amortised cost
- Restricted bank balances
- Other cash and bank balances
- Cash deposits by market participants
- Other current liabilities

Other disclosures

33. Consolidated cash flow statement disclosures

Cash flows from operating activities

After adjustments to net profit for the period for non-cash items, cash flows from operating activities excluding CCP positions amounted to €796.6 million (2014: €684.8 million). After adjustment for the change in CCP positions cash flow from operating activities amounted to €10.1 million (2014: €677.3 million). For details on the adjustments see the “Financial position” section of the combined management report.

The other non-cash expenses (or income in the previous year) consists (consisted) of the following items:

Composition of other non-cash income/(expenses)

	2015 €m	2014 €m
Impairment of financial instruments	12.1	3.9
Reversal of the revaluation surplus for cash flow hedges	2.7	2.7
Reversal of discount and transaction costs from long-term financing	2.2	2.1
Subsequent measurement of derivatives	0.3	–0.2
Equity method measurement	–3.2	–7.8
Subsequent measurement of non-derivative financial instruments	–5.1	–1.6
Gains on the disposal of subsidiaries and equity investments	0	–46.4
Miscellaneous	–2.0	0.6
Total	**7.0**	**–46.7**

Cash flows from investing activities

In the 2015 financial year net cash used for investing activities of €1,592.2 million (2014: €250.4 million) reflected acquisitions in particular: the full acquisition of 360T group involved a cash outflow of €676.6 million (adjusted for €27.7 million in cash acquired). Full consolidation of Powernext SA and EPEX Spot SE as at 1 January 2015 increased cash by €40.1 million.

Investments in intangible assets and property, plant and equipment amounted to €154.5 million (2014: €133.5 million). Among the investments in intangible assets and property, plant and equipment, the measures undertaken under the strategic growth initiatives and infrastructure projects are classified as expansion investments, while all remaining investments are reported as replacement investments. The investments in intangible assets and property, plant and equipment are broken down by segment as follows:

Payment to acquire intangible assets and property, plant and equipment

	31 Dec 2015 €m	31 Dec 2014 €m
Expansion investments		
Eurex	34.2	32.6
Xetra	0	0
Clearstream	43.4	39.8
Market Data + Services	0	0
	77.6	**72.4**
Replacement investments		
Eurex	37.3	27.9
Xetra	2.1	1.6
Clearstream	30.0	23.5
Market Data + Services	7.5	8.1
	76.9	**61.1**
Total investments according to segment reporting	**154.5**	**133.5**

Investments in long-term financial instruments totalling €815.5 million (2014: €367.2 million) included €771.5 million (2014: €328.6 million) for the purchase of floating rate notes in the banking business. In addition, equity investments were acquired or increased in a total amount of €29.8 million (2014: €33.8 million).

Securities and other non-current receivables in the amount of €208.3 million (2014: €317.2 million) matured or were sold in the financial year 2015.

Cash flows from financing activities

Cash inflows from financing activities totalled €76.1 million (2014: cash outflows of €441.1 million).

As part of financing the acquisition of shares in 360T Beteiligungs GmbH, the company placed €200.0 million in treasury shares, and also placed debt securities with a nominal amount of €500.0 million.

The acquisition of the remaining 49.9 per cent stake in STOXX Ltd. led to a cash outflow totalling €653.8 million. Moreover, €63.7 million was paid to non-controlling shareholders, through dividend payments and/or purchases of shares in subsidiaries which were already fully consolidated. The acquisition of the shares in STOXX Ltd. was financed by issuing debt securities with a nominal amount of €600.0 million.

The maturity of Series A of the private placements (US$ 170.0 million) made in 2008 led to cash outflows of €150.5 million.

Moreover, the company placed Commercial Paper of €2,100.0 million (2014: €1,164.7 million), and paid out €2,065.0 million (2014: €1,205.0 million) due to maturing Commercial Paper issued.

Deutsche Börse AG paid dividends totalling €386.8 million (2014: €386.6 million) for the 2014 financial year.

Reconciliation to cash and cash equivalents

Reconciliation to cash and cash equivalents

	31 Dec 2015 €m	31 Dec 2014 €m
Restricted bank balances	26,870.0	22,283.5
Other cash and bank balances	711.1	826.1
Net position of financial instruments held by central counterparties	283.1	1,249.1
less bank loans and overdrafts	–42.2	–0.7
	27,822.0	**24,358.0**
Reconciliation to cash and cash equivalents		
Current receivables and securities from banking business	10,142.9	10,307.1
less loans to banks and customers with an original maturity of more than 3 months	–931.6	–563.0
less available-for-sale debt instruments	–62.3	–401.1
less derivatives	0	0
Current liabilities from banking business	–11,681.4	–11,487.1
Current liabilities from cash deposits by market participants	–26,869.0	–22,282.4
	–29,401.4	**–24,426.5**
Cash and cash equivalents	**–1,579.4**	**–68.5**

34. Earnings per share

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

In order to determine diluted earnings per share, potentially dilutive ordinary shares that may be acquired under the share-based payment programme (see also note 39) were added to the average number of shares. In order to calculate the number of potentially dilutive ordinary shares, the exercise prices were adjusted by the fair value of the services still to be provided.

In order to determine diluted earnings per share, all SBP and Long-term Sustainable Instrument (LSI) tranches for which cash settlement has not been resolved are assumed to be settled with equity instruments – regardless of actual accounting in accordance with IFRS 2. The following potentially dilutive rights to purchase shares were outstanding as at 31 December 2015:

Calculation of the number of potentially dilutive ordinary shares

Tranche	Exercise price	Adjustment of the exercise price according to IAS 33[1)]	Average number of outstanding options	Average price for the period[2)]	Number of potentially dilutive ordinary shares
	€	€	31 Dec 2015	€	31 Dec 2015
2014[3)]	0	0	25,043	75.70	25,043
Total					**25,043**

1) According to IAS 33.47 (a), the issue price and the exercise price for stock options and other share-based payment arrangements must include the fair value of any goods or services to be supplied to the entity in the future under the stock option or other share-based payment arrangement.
2) Volume-weighted average price of Deutsche Börse AG shares on Xetra for the period 1 January to 31 December 2015
3) This relates to share subscription rights within the scope of of the long-term sustainability plan for senior executives. The quantity of subscription rights under the 2014 tranche may still change from the quantity reported as at the balance sheet date, since subscription rights will only be granted in future financial years.

As the volume-weighted average share price was higher than the adjusted exercise price for the 2014 tranche, these stock options are considered to be dilutive under IAS 33 as at 31 December 2015.

Calculation of earnings per share (basic and diluted)

	2015	2014
Number of shares outstanding at beginning of period	184,186,855	184,115,657
Number of shares outstanding at end of period	186,723,986	184,186,855
Weighted average number of shares outstanding	184,997,923	184,151,519
Number of potentially dilutive ordinary shares	25,043	48,275
Weighted average number of shares used to compute diluted earnings per share	185,022,966	184,199,794
Net profit for the period attributable to Deutsche Börse AG shareholders (€m)	665.5	762.3
Earnings per share (basic) (€)	3.60	4.14
Earnings per share (diluted) (€)	3.60	4.14

110,179 subscription rights were excluded from the calculation of the weighted average of potentially dilutive shares as at 31 December 2015 since these shares do not have a dilutive effect during the financial year ending on the balance sheet date.

35. Segment reporting

Segment reporting is governed by the internal organisational and reporting structure, which is broken down by markets into the following four segments:

Internal organisational and reporting structure

Segment	Business areas
Eurex	▪ Electronic trading of European derivatives (Eurex Exchange), US options (ISE), commodities (EEX group) and foreign exchange (360T) ▪ Eurex Repo over-the-counter (OTC) trading platform ▪ Electronic clearing architecture C7 ▪ Central counterparty for on- and off-exchange derivatives and repo transactions
Xetra	▪ Cash market with the Xetra and Börse Frankfurt trading venues ▪ Eurex Bonds OTC trading platform ▪ Central counterparty for equities and bonds ▪ Admission of securities to listing
Clearstream	▪ Custody and settlement services for domestic and international securities ▪ Global securities financing services and collateral management ▪ Investment funds and hedge funds services
Market Data + Services	▪ Distribution of licences for trading and market signals ▪ Development and sales of indices (STOXX) ▪ Technology solutions for external customers ▪ Trading participant connectivity

In accordance with IFRS 8, information on the segments is presented on the basis of internal reporting (management approach).

Sales revenue is presented separately by external sales revenue and internal (inter-segment) sales revenue. Inter-segment services are charged on the basis of measured quantities or at fixed prices (e.g. the provision of data by Eurex to Market Data + Services).

Due to their insignificance to segment reporting, the “financial income” and “financial expense” items have been combined to produce the “financial result”.

Segment reporting

	Eurex		Xetra		Clearstream	
	2015 €m	2014 €m	2015 €m	2014 €m	2015 €m	2014 €m
External sales revenue	**1,208.7**	**953.5**	**211.1**	**184.7**	**893.2**	**826.6**
Internal sales revenue	0	0	0	0	7.9	7.6
Total sales revenue	1,208.7	953.5	211.1	184.7	901.1	834.2
Net interest income from banking business	16.5	4.8	0	0	34.1	32.8
Other operating income	14.2	17.2	6.8	8.9	7.6	6.4
Total revenue	**1,239.4**	**975.5**	**217.9**	**193.6**	**942.8**	**873.4**
Volume-related costs	–214.2	–168.1	–33.1	–31.7	–196.4	–175.4
Net revenue (total revenue less volume-related costs)	**1,025.2**	**807.4**	**184.8**	**161.9**	**746.4**	**698.0**
Staff costs	–256.5	–165.0	–41.2	–34.7	–243.6	–191.9
Depreciation, amortisation and impairment losses	–81.4	–62.7	–4.9	–6.0	–44.4	–41.0
Other operating expenses	–261.9	–226.0	–34.9	–33.6	–169.7	–145.7
Operating costs	**–599.8**	**–453.7**	**–81.0**	**–74.3**	**–457.7**	**–378.6**
Net income from equity investments	3.9	77.9[2]	–3.2	0.4	0.1	0
Earnings before interest and tax (EBIT)	**429.3**	**431.6**	**100.6**	**88.0**	**288.8**	**319.4**
Financial result	–45.1	–44.2	0.9	–1.4	4.2	–2.9
Earnings before tax (EBT)	**384.2**	**387.4**	**101.5**	**86.6**	**293.0**	**316.5**
Investments in intangible assets and property, plant and equipment[3]	71.5	60.5	2.1	1.6	73.4	63.3
Employees (as at 31 December)	1,865	1,332	326	305	2,350	2,228
EBIT margin (%)[4]	**42**	**53**	**54**	**54**	**39**	**46**

1) The consolidation of internal net revenue column shows the elimination of intra-Group sales revenue and profits.
2) Including revenues in connection with the merger of Direct Edge Holdings, LLC and BATS Global Markets, Inc. (€63.0 million), a one-off gain of €10.6 million from the retrospective adjustment of the fair value of the consideration transferred as a result of the acquisition of EEX as at 1 January 2014, as well as an impairment loss for Zimory GmbH amounting to €3.6 million.
3) Excluding goodwill
4) The EBIT margin is calculated as EBIT divided by net revenue.

Market Data + Services		Total of all segments		Consolidation of internal net revenue[1]		Group	
2015 €m	2014 €m	2015 €m	2014 €m	2015 €m	2014 €m	2015 €m	2014 €m
409.8	**383.0**	**2,722.8**	**2,347.8**	**0**	**0**	**2,722.8**	**2,347.8**
38.1	33.7	46.0	41.3	–46.0	–41.3	0	0
447.9	416.7	2,768.8	2,389.1	–46.0	–41.3	2,722.8	2,347.8
0	0	50.6	37.6	0	0	50.6	37.6
8.1	3.5	36.7	36.0	–13.1	–12.9	23.6	23.1
456.0	**420.2**	**2,856.1**	**2,462.7**	**–59.1**	**–54.2**	**2,797.0**	**2,408.5**
–45.0	–39.7	–488.7	–414.9	59.1	54.2	–429.6	–360.7
411.0	**380.5**	**2,367.4**	**2,047.8**	**0**	**0**	**2,367.4**	**2,047.8**
–99.4	–80.8	–640.7	–472.4	0	0	–640.7	–472.4
–13.0	–15.1	–143.7	–124.8	0	0	–143.7	–124.8
–124.7	–112.3	–591.2	–517.6	0	0	–591.2	–517.6
–237.1	**–208.2**	**–1,375.6**	**–1,114.8**	**0**	**0**	**–1,375.6**	**–1,114.8**
0	0	0.8	78.3	0	0	0.8	78.3
173.9	**172.3**	**992.6**	**1,011.3**	**0**	**0**	**992.6**	**1,011.3**
–2.4	0.5	–42.4	–47.9	0	0	–42.4	–47.9
171.5	**172.8**	**950.2**	**963.4**	**0**	**0**	**950.2**	**963.4**
7.5	8.1	154.5	133.5	0	0	154.5	133.5
742	675	5,283	4,540	0	0	5,283	4,540
42	45	42	49	n.a.	n.a.	42	49

In the year under review there was an extraordinary impairment loss of €5.8 million (2014: €3.9 million, see note 8).

Non-cash valuation allowances and bad debt losses resulted from the following segments:

Breakdown of non-cash valuation allowances and bad debt losses

	2015 €m	2014 €m
Eurex	–0.1	1.6
Xetra	0.3	–1.5
Clearstream	–0.1	0.3
Market Data + Services	–0.1	0.2
Total	**0**	**0.6**

Deutsche Börse Group's business model – and that of its segments – is focused on an internationally operating participant base and pricing does not differ depending on the customer's location. From a price, margin and risk perspective, this means that it is not decisive whether sales revenue is generated from German or non-German participants.

The risks and returns from the activities of the subsidiaries operating within the economic environment of the European Monetary Union (EMU) do not differ significantly from each other on the basis of the factors to be considered in identifying information on geographical regions under IFRS 8. As a result, Deutsche Börse Group has identified the following information on geographical regions: the euro zone, the rest of Europe, America and Asia-Pacific.

Sales revenue is allocated to the individual regions according to the customer's domicile, while investments and non-current assets are allocated according to the company's domicile and employees according to their location.

As described above, the analysis of sales is based on the direct customer's billing address. This means for example, sales to an American investor trading a product with an Asian underlying via a European clearing member are classified as European sales. Thus, in addition to sales to customers based in the Asia-Pacific region, Deutsche Börse Group also reports sales of products based on Asia Pacific underlyings. These include, for example, trading of the South Korean KOSPI index on Eurex, settlement and custody services for securities issued by Asian entities, global securities financing from and with Asian customers, and index products such as the STOXX China Total Market indices. Furthermore, the Group earns net interest income on Asian customer balances. In total, this Asia-Pacific-driven business amounted to an additional €50.1 million in 2015 (2014: €48.1 million).

Information on geographical regions

	Sales revenue[1]		Investments[2]		Non-current assets[3]		Number of employees	
	2015 €m	2014 €m	2015 €m	2014 €m	2015 €m	2014 €m	2015	2014
Euro zone	1,305.4	1,170.4	146.2	126.7	2,619.0	1,718.7	3,828	3,324
Rest of Europe	907.4	756.7	0	0	488.3	489.7	919	759
America	429.6	358.6	7.3	5.8	1,670.1	1,521.0	329	305
Asia-Pacific	126.4	103.4	1.0	1.0	3.8	2.2	207	152
Total of all regions	**2,768.8**	**2,389.1**	**154.5**	**133.5**	**4,781.2**	**3,731.6**	**5,283**	**4,540**
Consolidation of internal net revenue	–46.0	–41.3						
Group	**2,722.8**	**2,347.8**	**154.5**	**133.5**	**4,781.2**	**3,731.6**	**5,283**	**4,540**

1) Including countries in which more than 10 per cent of sales revenue was generated: UK (2015: €695.7 million; 2014: €600.4 million), Germany (2015: €649.9 million; 2014: €605.8 million) and USA (2015: €414.6 million; 2014: €347.6 million).
2) Excluding goodwill
3) Including countries in which more than 10 per cent of non-current assets are held: USA (2015: €1,670.0 million; 2014: €1,521.0 million), Germany (2015: €2,317.0 million; 2014: €1,435.5 million) and Switzerland (2015: €471.9 million; 2014: €474.9 million).

36. Financial risk management

Deutsche Börse Group presents the qualitative disclosures required by IFRS 7 in detail in the combined management report (see explanations in the risk report, which is part of the combined management report), such as the nature and extent of risks arising from financial instruments, as well as the objectives, strategies and methods used to manage risk.

Financial risks arise at Deutsche Börse Group mainly in the form of credit risk. To a smaller extent, the Group is exposed to market risk. Financial risks are quantified using the economic capital concept (please refer to the risk report for detailed disclosures). Economic capital is assessed on a 99.98 per cent confidence level for a one-year holding period. The economic capital is compared with the Group's liable equity capital adjusted by intangible assets so as to test the Group's ability to absorb extreme and unexpected losses. The economic capital for financial risk is calculated at the end of each month and amounted to €468 million as at 31 December 2015, whereby €409 million stem from credit risk and €59 million stem from market risk.

The Group evaluates its financial risk situation on an ongoing basis. In the view of the Executive Board, no threat to the continued existence of the Group can be identified at this time.

Credit risk

Credit risk arises in Deutsche Börse Group from the following items:

Credit risk of financial instruments

	Segment	Note	Carrying amounts – maximum risk exposure Amount at 31 Dec 2015 €m	Amount at 31 Dec 2014 €m	Collateral Amount at 31 Dec 2015 €m	Amount at 31 Dec 2014 €m
Collateralised cash investments						
Overnight money invested under securities repurchase agreements	Eurex[1]		0	950.0	0	997.5
Reverse repurchase agreements	Eurex[1]		0	7,878.9	0	7,965.8[2]
	Clearstream	16	5,217.4	6,952.4	5,231.0[3) 4)]	6,955.7[3) 4)]
	Group[1]		0	82.3	0	87.5
			5,217.4	**15,863.6**	**5,231.0**	**16,006.5**
Uncollateralised cash investments						
Money market lendings – central banks	Eurex[1]		25,972.1	13,790.9	0	0
Money market lendings – other counterparties	Eurex[1]		2.2	10.0	0	0
	Clearstream	16	3,714.5	1,949.0	0	0
	Group[1]		0	12.0	0	0
Balances on nostro accounts	Clearstream	16	736.8	357.5	0	0
	Group[1]		1,606.8	385.4	0	0
Other fixed-income securities	Clearstream	13, 16	281.0[5]	422.3[5]	0	0
Floating rate notes	Eurex	13	5.0	0	0	0
	Clearstream	13, 16	1,801.7[5]	1,539.0[5]	0	0
	Group	13	5.1[6]	5.1[6]	0	0
Fund assets	Eurex	13	11.9	10.8	0	0
	Group	13	9.5	9.1	0	0
			34,146.6	**18,491.1**	**0**	**0**
Loans for settling securities transactions						
Technical overdraft facilities	Clearstream	16	378.8	339.3	n.a.[7]	n.a.[7]
Automated Securities Fails Financing[8]	Clearstream		927.1[9]	520.4[9]	868.5	607.5
ASLplus securities lending[8]	Clearstream		48,602.8	44,700.0	50,409.4	46,792.3
			49,908.7	**45,559.7**	**51,277.9**	**47,399.8**
Total			**89,272.7**	**79,914.4**	**56,508.9**	**63,406.3**

	Segment	Note	Carrying amounts – maximum risk exposure		Collateral	
			Amount at 31 Dec 2015 €m	Amount at 31 Dec 2014 €m	Amount at 31 Dec 2015 €m	Amount at 31 Dec 2014 €m
Balance brought forward			89,272.7	79,914.4	56,508.9	63,406.3
Other receivables						
Other loans	Group		0.2	0.4	0	0
Other assets	Group	32	924.9	489.1	0	0
Trade receivables	Group		554.1	342.9	0	0
Receivables from related parties	Group		4.7	1.0	0	0
Margin requirements	Clearstream	16	6.8	18.0	0	0
			1,490.7	851.4	0	0
Financial instruments held by central counterparties			49,538.6[10)]	41,814.4[10)]	63,237.7[11)]	55,212.6[11)]
Derivatives		14	24.5	34.6	0	0
Financial guarantee contracts[8)]			50.8	12.8	0	0
Total			140,377.3	122,627.6	119,782.6	118,618.9

1) Presented in the items “restricted bank balances” and “other cash and bank balances”
2) Thereof € nil repledged to central banks (2014: €757.5 million)
3) Thereof €3,114.5 million transferred via transfer of title to central banks (2014: €2,230.0 million)
4) Total of fair value of cash (€4.3 million; 2014: nil) and securities collateral (€5,226.7 million; 2014: €6,955.7 million) received under reverse repurchase agreements
5) Thereof €1,863.4 million transferred to central banks (2014: €1,875.3 million)
6) The amount includes collateral totalling €5.1 million (2014: €5.0 million).
7) The portfolio of deposited collateral is not directly attributed to any utilisation, but is determined by the scope of the entire business relationship and the limits granted.
8) Off-balance-sheet items
9) Meets the IAS 39 criteria for a financial guarantee contract
10) Net value of all margin requirements resulting from executed trades at the reporting date as well as clearing fund requirements: this figure represents the risk-oriented view of Eurex Clearing AG and European Commodity Clearing AG, while the carrying amount of the “financial instruments held by central counterparties” item in the balance sheet shows the gross amount of the open trades according to IAS 32.
11) Collateral value of cash and securities collateral deposited for margins, covering the net value of all margin and clearing fund requirements

Cash investments
Deutsche Börse Group is exposed to credit risk in connection with the investment of cash funds. The Group mitigates such risks by investing short-term funds either – to the extent possible – on a collateralised basis, e.g. via reverse repurchase agreements or by deposits with central banks.

According to the treasury policy, mainly highly liquid financial instruments with a minimum rating of AA– (S&P/Fitch) resp. Aa3 (Moody's) issued or guaranteed by governments or supranational institutions are eligible as collateral.

Uncollateralised cash investments are permitted only for counterparties with sound creditworthiness within the framework of defined counterparty credit limits. Furthermore individual subsidiaries place cash in money market or other mutual funds as well as US treasuries or municipal bonds with maturities of less than two years. Counterparty credit risk is monitored on the basis of an internal rating system.

The fair value of securities received under reverse repurchase agreements (Clearstream subgroup, Eurex Clearing AG and Deutsche Börse AG) was €5,226.7 million (2014: €16,006.5 million). The Clearstream subgroup and Eurex Clearing AG are entitled to repledge the securities received to their central banks to regain liquidity.

The fair value of securities received under reverse repurchase agreements transferred via transfer of title to central banks at Clearstream subgroup amounted to €3,114.5 million as at 31 December 2015 (2014: €2,230.0 million). As at 31 December 2015 Eurex Clearing AG has not repledged securities to central banks (2014: €757.5 million).

A portion of the available-for-sale fixed-income financial instruments and floating rate notes held by Clearstream is transferred via transfer of title to central banks to collateralise the settlement facilities obtained. The fair value of transferred securities was €1,863.4 million as at 31 December 2015 (2014: €1,875.3 million).

Clearstream receives cash contributions from its customers in various currencies, and invests these cash contributions in money market instruments. If negative interest rates apply to these cash investments, the interest expense is charged to the respective customers. Clearstream may, however, decide not to charge the negative interest rates to its customers in individual cases. In 2014, Clearstream decided not to charge negative interest rates that had arisen from euro denominated investments, thus contributing to the year-on-year decline in net interest income. With effect from 2 March 2015, Clearstream has decided to charge negative interest rates on euro denominated cash investments.

Eurex Clearing AG receives cash collateral from its clearing members mainly in its clearing currencies euro and Swiss francs.Negative interest rates resulting from reinvestments on this cash collateral are passed on to the clearing members after deducting a margin.

Loans for settling securities transactions
Clearstream grants customers technical overdraft facilities to maximise settlement efficiency. These settlement facilities are subject to internal credit review procedures. They are revocable at the option of the Clearstream subgroup and are largely collateralised. Technical overdraft facilities amounted to €108.6 billion as at 31 December 2015 (2014: €96.9 billion). Of this amount, €3.4 billion (2014: €3.1 billion) is unsecured, whereby a large proportion relates to credit lines granted to central banks

and other government-backed institutions. Actual outstandings at the end of each business day generally represent a small fraction of the facilities and amounted to €378.7 million as at 31 December 2015 (2014: €339.3 million); see note 16.

Clearstream also guarantees the risk resulting from the Automated Securities Fails Financing programme it offers to its customers. This risk is collateralised. Guarantees given under this programme amounted to €927.1 million as at 31 December 2015 (2014: €520.4 million). Colleteral received by Clearstream Banking S.A. in connection with these loons amounted to €868.5 million (2014: €607.5 million).

Under the ASLplus securities lending programme, Clearstream Banking S.A. had securities borrowings from various counterparties totalling €48,602.8 million as at 31 December 2015 (2014: €44,700.0 million). These securities were fully lent to other counterparties. Collateral received by Clearstream Banking S.A. in connection with these loans amounted to €50,409.4 million (2014: €46,792.3 million).

In 2014 and 2015, no losses from credit transactions occurred in relation to any of the transaction types described.

Financial instruments of the central counterparties

To safeguard the Group's central counterparties against the risk of default by a clearing member, the clearing conditions require the clearing members to deposit margins in the form of cash or securities on a daily basis or an intraday basis in the amount stipulated by the clearing house. Additional security mechanisms of the Group's central counterparties are described in detail in the risk report.

The aggregate margin calls based on the executed transactions and clearing fund requirements after haircuts was €49,538.6 million at the reporting date (2014: €41,814.4 million). In fact, collateral totalling €63,273.8 million (2014: €55,212.7 million) was deposited.

Composition of collateral held by central counterparties

	Collateral value at 31 Dec 2015 €m	Collateral value at 31 Dec 2014 €m
Cash collateral (cash deposits)[1]	26,861.3	22,278.1
Securities and book-entry securities collateral[2] [3]	36,412.5	32,934.6
Total	**63,273.8**	**55,212.7**

1) The amount includes the clearing fund totalling €2,399.7 million (2014: €1,729.7 million).
2) The amount includes the clearing fund totalling €2,160.3 million (2014: €1,917.3 million).
3) The collateral value is determined on the basis of the fair value less a haircut.

Other receivables

Trading, settlement and custody fees are generally collected without delay by direct debit. Fees for other services, such as the provision of data and information, are settled mainly by transfer. As a result of default by customers, receivables of €3.1 million (2014: €4.7 million) relating to fees for trading and provision of data and IT services are not expected to be collectible.

In contrast to the risk-oriented net analysis of the transactions via the central counterparties, the gross amounts are reported in the balance sheet, as the offsetting rules defined in IAS 32 cannot be met. For a detailed explanation of this balance sheet item, see "Financial instruments held by central counterparties" section in note 3 or note 15. For an analysis of the carrying amount, see note 15.

Credit risk concentrations

Deutsche Börse Group's business model and the resulting business relationships mean that, as a rule, credit risk is concentrated on the financial services sector. Potential concentrations of credit risk on individual counterparties are limited by application of counterparty credit limits.

The regulatory requirements on concentration risks and so called large exposures, such as those arising from articles 387–410 of regulation (EU) 575/2013 (Capital Requirements Regulation, CRR) and article 47 paragraph 8 of regulation (EU) 648/2012 (European Market Infrastructure Regulation, EMIR), are in general complied with.

See also note 20 for an explanation of regulatory capital requirements.

Deutsche Börse Group carries out VaR calculations in order to detect credit concentration risks. In 2015, no significant credit concentrations were assessed.

The required economic capital for credit risk is calculated for each business day and amounted to €409.0 million as at 31 December 2015 (2014: €374.0 million).

Market risk

As part of the annual planning, Deutsche Börse Group's treasury policy requires any net earnings exposure from currencies to be hedged using forward foreign exchange transactions if the unhedged exposure of an individual currency exceeds 10 per cent of consolidated EBIT. Foreign exchange exposures below 10 per cent of consolidated EBIT may also be hedged.

On an intraperiod basis, the risk exposure described above is monitored against the latest EBIT forecast.

In addition, the policy stipulates that intraperiod open net foreign exchange positions are closed out when they exceed €15.0 million. This policy was complied with, as in the previous year; as at 31 December 2015, there were no significant net foreign exchange positions.

Currency risks in the Group arise mainly from operating income and expenses denominated in US dollars, balance sheet items of ISE denominated in US dollars, plus that portion of Clearstream's sales revenue and interest income (less expenses) that is directly or indirectly generated in US dollars. As at 31 December 2015, ISE accounted for 25 per cent of the Eurex segment's sales revenue (2014: 25 per cent). In addition, the Clearstream segment generated 10 per cent of its sales revenue and interest income (2014: 9 per cent) directly or indirectly in US dollars.

Acquisitions where payment of the purchase price results in material currency risk are generally hedged.

The Group has partially hedged its investment in ISE against foreign currency risks by issuing fixed-income US dollar debt securities. The investment in ISE (hedged item) constitutes a net investment in a foreign operation. The US dollar securities designated as hedging instruments for the net investment hedge were issued in a nominal amount of US$290.0 million.

Interest rate risks arise further from debt financing of acquisitions. To refinance existing indebtedness and to finance the full acquisition of STOXX Ltd. and Indexium AG Deutsche Börse AG placed a hybrid bond of €600.0 million in July 2015. Furthermore in September 2015 Deutsche Börse AG successfully placed a senior bond in the market in an aggregate principal amount of € 500.0 million to partially finance the acquisition of 360T Beteiligungs GmbH. For an overview on details on all bonds issued by Deutsche Börse Group see “Net assets” in the report on economic position.

Equity price risks arise from contractual trust arrangements (CTAs) and from the Clearstream Pension Fund in Luxembourg. In addition, there are equity price risks arising from strategic equity investments in other exchange operators.

Economic capital is calculated at the end of each month for market price risks that can arise in connection with cash investments or borrowing as a result of fluctuations in interest rates and foreign exchange rates as well as through fluctuations of the asset value of the CTA and the Clearstream Pension Fund in Luxembourg. On 31 December 2015, the economic capital for market price risk was €59.0 million (2014: €37.0 million).

In financial year 2015, impairment losses amounting to €5.8 million (2014: €3.9 million) were recognised in profit and loss for strategic investments that are not included in the VaR for market price risk.

Liquidity risk

For the Group, liquidity risk may arise from potential difficulties in renewing maturing financing, such as commercial paper and bilateral and syndicated credit facilities. In addition, financing required for unexpected events may result in a liquidity risk. Most of the Group’s cash investments are short-term to ensure that liquidity is available, should such a financing need arise. Eurex Clearing AG remains almost perfectly matched with respect to the durations of customer cash margins received and investments, only a limited amount of which may have tenors of up to one month, while the Clearstream subgroup may invest customer balances up to a maximum of one year in secured money market products or in high-quality securities with a remaining maturity of less than ten years, subject to strict monitoring of mismatch and interest rate limits (see note 31 for an overview of the maturity structure). Term investments can be transacted via reverse repurchase agreements against highly liquid collateral that can be deposited with the central bank and can be used as a liquidity buffer if required.

Contractually agreed credit lines

Company	Purpose of credit line	Currency	Amount at 31 Dec 2015 m	Amount at 31 Dec 2014 m
Deutsche Börse AG	working capital[1]	€	605.0	605.0
Eurex Clearing AG	settlement	€	1,170.0	1,370.0
	settlement	CHF	100.0	200.0
Clearstream Banking S.A.	working capital[1]	€	750.0	750.0

1) €400.0 million of Deutsche Börse AG's working capital credit lines is a sub-credit line of Clearstream Banking S.A.'s €750.0 million working capital credit line.

For refinancing purposes, Eurex Clearing AG and the Clearstream subgroup can pledge eligible securities with their respective central banks.

Clearstream Banking S.A. has a bank guarantee (letter of credit) in favour of Euroclear Bank S.A./N.V. issued by an international consortium to secure daily deliveries of securities between Euroclear Bank S.A./N.V. and Clearstream Banking S.A. This guarantee amounted to US$3.0 billion as at 31 December 2015 (2014: US$3.0 billion). Euroclear Bank S.A./N.V. has also issued a guarantee in favour of Clearstream Banking S.A. amounting to US$2.5 billion (2014: US$2.5 billion).

Furthermore, Eurex Clearing AG holds a credit facility of US$1.7 billion (2014: US$2.1 billion) granted by Euroclear Bank S.A./N.V. in order to maximise settlement efficiency.

A commercial paper programme offers Deutsche Börse AG an opportunity for flexible, short-term financing, involving a total facility of €2.5 billion in various currencies. As at year-end, commercial paper with a nominal value of €95.0 million had been issued (2014: €60.0 million).

Clearstream Banking S.A. also has a commercial paper programme with a programme limit of €1.0 billion, which is used to provide additional short-term liquidity. As at 31 December 2015, commercial paper with a nominal value of €286.5 million had been issued (2014: €193.2 million).

As at 31 December 2015, Standard & Poor's confirmed Deutsche Börse AG's "AA" credit rating with negative outlook. Deutsche Börse AG was one of only two DAX-listed companies that had been given an AA rating by Standard & Poor's. Deutsche Börse AG's commercial paper programme was awarded the best possible short-term rating of A–1+.

The "AA" rating of Clearstream Banking S.A. was confirmed with a stable outlook by the rating agencies Fitch and Standard & Poor's in October 2015. For further details on the rating of Deutsche Börse Group, see the "Financial position" section in the combined management report.

37. Financial liabilities and other risks

For the coming financial years, the Group's expenses in connection with long-term contracts relating to maintenance contracts and other contracts (without rental and lease agreements, see note 38) are presented in the following:

Breakdown of future financial obligations

	31 Dec 2015 €m	31 Dec 2014 €m
Up to 1 year	60.9	59.0
1 to 5 years	60.8	97.2
More than 5 years	9.9	25.5
Total	**131.6**	**181.7**

Other litigation and liability risks

Contingent liabilities may result from present obligations and from possible obligations arising from events in the past. Deutsche Börse Group recognises provisions for the possible incurrence of losses only if there is a present obligation arising from a past event that is likely to result in an outflow of resources, and if Deutsche Börse Group can reliably estimate the amount of the obligation (see also note 3). In order to identify the litigation for which the possibility of incurring a loss is more than unlikely, as well as how the possible loss is estimated, Deutsche Börse Group considers a large number of factors, including the nature of the claim and the facts on which it is based, the jurisdiction and course of the individual proceedings, the experience of Deutsche Börse Group, prior settlement talks (as far as have already taken place) as well as expert reports and evaluations of legal advisors. However, it is also possible that no reliable estimate for any specific litigation could be determined before the approval of the consolidated financial statements, and that – as a result – no provisions are recognised.

Peterson vs Clearstream Banking S.A., Citibank NA et al. ("Peterson I") and Heiser vs Clearstream Banking S.A.

In its corporate report 2012, Deutsche Börse Group informed about proceedings, Peterson vs Clearstream Banking S.A., the first Peterson proceeding, initiated by various plaintiffs seeking turnover of certain customer positions held in Clearstream Banking S.A.'s securities omnibus account with its US depository bank, Citibank NA, and asserting direct claims against Clearstream Banking S.A. for damages of US$250.0 million. That matter was settled between Clearstream Banking S.A. and the plaintiffs and the direct claims against Clearstream Banking S.A. were abandoned.

In July 2013, the US court ordered turnover of the customer positions to the plaintiffs, ruling that these were owned by Bank Markazi, the Iranian central bank. Bank Markazi appealed, and the decision was affirmed on 9 July 2014. Bank Markazi has sought review in the Supreme Court. Once that process is complete, if the funds are turned over, a related case, Heiser vs Clearstream Banking S.A., also seeking turnover of the same assets, will be dismissed.

Peterson vs Clearstream Banking S.A. ("Peterson II")

On 30 December 2013, a number of US plaintiffs from the first Peterson case, as well as other US plaintiffs, filed a complaint targeting restitution of certain blocked assets that Clearstream Banking S.A. holds as a custodian in Luxembourg. In 2014, the defendants in this action, including Clearstream

Banking S.A., moved to dismiss the case. On 19 February 2015, the US court issued a decision granting the defendants' motions and dismissing the lawsuit. On 6 March 2015, the plaintiffs appealed the decision to the Second Circuit Court of Appeals.

Criminal investigations against Clearstream Banking S.A.
On 2 April 2014, Clearstream Banking S.A. was informed that the United States Attorney for the Southern District of New York has opened a grand jury investigation against Clearstream Banking S.A. due to Clearstream Banking S.A.'s conduct with respect to Iran and other countries subject to US sanction laws. Clearstream Banking S.A. is cooperating with the US attorney.

Dispute between MBB Clean Energy AG and investors
A dispute has arisen between MBB Clean Energy AG (MBB), the issuer of a bond eligible in Clearstream Banking AG, and end investors. MBB issued a first tranche of the bond in April 2013 and a second tranche of the bond in December 2013. The global certificates for the two tranches of the bond were delivered into Clearstream Banking AG by the paying agent of the issuer. The dispute relates to the non-payment of the second tranche of the bond with a nominal value of €500.0 million and the purported lack of validity of the bond. Clearstream Banking AG's role in the dispute on the purported lack of validity of the MBB Clean Energy AG bond is primarily to safekeep the global note, deposited by the paying agent of the issuer, as national central securities depository. At this stage, it is unclear if and to what extent potential damages exist and if so, who would ultimately be responsible. Provisional insolvency proceedings have meanwhile been opened in respect of the issuer, MBB Clean Energy AG.

CBOE vs ISE
On 12 November 2012, the Chicago Board Options Exchange (CBOE) filed a patent infringement law suit against the International Securities Exchange (ISE) (the "CBOE Litigation"). In the CBOE Litigation, CBOE alleges US$525.0 million in damages for infringement of three patents, which relate to systems and methods for limiting market-maker risk. ISE believes that CBOE's damages claim lacks merit because it is unsupported by the facts and the law. ISE intends to vigorously defend itself in this lawsuit. Upon ISE's motion, the case was stayed, pending the outcome of certain petitions filed by ISE with the U.S. Patent and Trademark Office (USPTO) in which ISE sought to invalidate the CBOE patents. On 2 March 2015, the USPTO has partially granted ISE's petitions and has issued decisions determining that all three CBOE patents are at least insofar invalid as they constitute unpatentable abstract ideas. These decisions have been appealed by CBOE to the U.S. Court of Appeals for the Federal Circuit. A decision on those appeals is expected in the second half of 2016.

In addition to the matters described above and in prior disclosures, Deutsche Börse Group is from time to time involved in various legal proceedings that arise in the ordinary course of its business. The Group recognises provisions for litigation and regulatory matters when it has a present obligation arising from a past event, an outflow of resources with economic benefit to settle the obligation is probable, and it is able to reliably estimate the amount. In such cases, there may be an exposure to loss in excess of the amounts recognised as provisions. When the conditions are not met, the Group does not recognise a provision. As a litigation or regulatory matter develops, Deutsche Börse Group evaluates on an ongoing basis whether the requirements to recognise a provision are met. The Group may not be able to predict what the eventual loss or range of loss related to such matters will be. The Group does not believe, based on currently available information, that the results of any of these various proceedings will have a material adverse effect on its financial data as a whole.

Other liability risks

On 27 February 2015, the International Securities Exchange, LLC made an additional investment of US$30.0 million in The Options Clearing Corporation (OCC) as part of its plan to fund increased regulatory capital requirements. Following this investment, the International Securities Exchange, LLC will retain its 20 per cent ownership in OCC and will be entitled to a share of profits distributed as dividends. Prior to this additional investment, OCC refunded excess revenues to its clearing members with no income distributed to shareholders. The International Securities Exchange, LLC has also committed to a capital replenishment plan that provides up to an additional US$40.0 million of funding in the event that OCC regulatory capital is depleted due to losses other than from the clearing fund.

Tax risks

Due to its business activities in various countries, Deutsche Börse Group is exposed to tax risks. A process has been developed to recognise and evaluate these risks, which are initially recognised depending on the probability of occurence. In a second step, these risks are measured on the basis of their expected value. A tax provision is recognised in the event that it is more probable than not that the risks will occur. Deutsche Börse Group continuously reviews wether the conditions for recognising of corresponding tax provisions are met.

38. Leases

Finance leases

There were no minimum lease payments from finance leases for Deutsche Börse Group neither as at 31 December 2015 nor as at 31 December 2014.

Operating leases (as lessee)

Deutsche Börse Group has entered into leases to be classified as operating leases due to their economic substance, meaning that the leased asset is allocated to the lessor. These leases relate mainly to buildings, IT hardware and software.

Minimum lease payments from operating leases[1)]

	31 Dec 2015 €m	31 Dec 2014 €m
Up to 1 year	67.6	60.5
1 to 5 years	193.7	192.4
More than 5 years	155.4	185.6
Total	**416.7**	**438.5**

1) The expected payments in US dollars were translated into euros applying the closing rate of 31 December.

In the reporting period, minimum lease payments amounting to €63.3 million (2014: €59.9 million) were recognised as expenses. No expenses were incurred for subleases or contingent rentals in the reporting period.

Operating leases for buildings, some of which are subleased, have a maximum remaining term of eleven years. The lease contracts usually terminate automatically when the lease expires. The Group has options to extend some leases.

Expected rental income from subleases[1)]

	31 Dec 2015 €m	31 Dec 2014 €m
Up to 1 year	0.9	1.1
1 to 5 years	0.7	1.1
Total	**1.6**	**2.2**

1) The expected payments in US dollars were translated into euros applying the closing rate of 31 December.

39. Share-based payment

Stock Bonus Plan (SBP)

In the reporting period, the company established an additional tranche of the SBP. In order to participate in the SBP, a beneficiary must have earned a bonus. The number of stock options for senior executives is determined by the amount of the individual and performance-based SBP bonus for the financial year, divided by the average share price (Xetra closing price) of Deutsche Börse AG's shares in the fourth quarter of the financial year in question. Neither the converted SBP bonus nor the stock options are paid at the time the bonus is determined. Rather, the entitlement is generally received two or three years after the grant date ("waiting period"). Within this period, beneficiaries cannot assert shareholder rights (in particular, the right to receive dividends and attend the Annual General Meeting). Once they have met the condition of service, the beneficiaries' claims resulting from the SBP are calculated on the first trading day following the last day of the waiting period. The current market price at that date (closing auction price of Deutsche Börse share in electronic trading on the Frankfurt Stock Exchange) is multiplied by the number of SBP shares.

A new SBP programme was launched in April 2013 for members of the executive board of Eurex Clearing AG. This programme has a three-year waiting period from the grant date. This SBP tranche is measured using the same parameters as the SBP for senior executives.

For the stock bonus of senior executives under the 2012 to 2014 tranches, Deutsche Börse AG has an option to settle a beneficiary's claim in cash or shares. The company settled the 2012 tranche claims in cash in February 2015. Cash settlement has been agreed for the 2015 tranche. A cash settlement obligation has existed for claims relating to the stock bonus of the Executive Board since the 2010 tranche and the Stock Plan for the executive board members of the Clearstream companies since the 2011 tranche.

Since 1 January 2010, a different method has been applied to calculate the number of stock options for members of the Executive Board of Deutsche Börse AG, which was terminated prematurely, on 31 December 2015. The method is described below.

To calculate the number of stock options for Executive Board members under the a SBP tranche, the Supervisory Board defined the 100 per cent stock bonus target in euros for each Executive Board member at the beginning of each financial year. Based on the 100 per cent stock bonus target defined by the Supervisory Board at the beginning of each financial year, the corresponding number of virtual shares for each Executive Board member was calculated by dividing the stock bonus target by the average share price (Xetra closing price) of Deutsche Börse AG's shares in the two calendar months preceding the month in which the Supervisory Board adopted the resolution on the stock bonus target. Any right to payment of a stock bonus vested only at the end of a so-called performance period. This performance period was originally three years, but was terminated early, on 31 December 2015, for the 2013 to 2015 tranches, given the introduction of a new remuneration system commencing on 1 January 2016. Settlement of these tranches is scheduled for March 2016. Members of the Executive Board are obliged to invest payments made from the 2014 and 2015 tranches into Deutsche Börse AG shares according to the new remuneration scheme.

The calculation of the payout amount of the stock bonus for the Executive Board depended on the development of two performance factors during the performance period: firstly, on the relative performance of the total shareholder return (TSR) on Deutsche Börse AG's shares compared with the total shareholder return of the STOXX Europe 600 Financials Index as the peer group, and secondly, on the performance of Deutsche Börse AG's share price. This was multiplied by the number of virtual shares at the end of the performance period to determine the stock bonus. The share price used to calculate the cash payment claims of Executive Board members from the stock bonus was calculated as the average price of Deutsche Börse AG's shares (Xetra closing price) in the two full calendar months preceding the end of the adjusted performance period, which was subject to early termination as at 31 December 2015.

In the year under review, a new remuneration program (Co-Performance Investment Plan, CPIP) was introduced, and the CEO was offerered a one-time participation. The appropriate number of virtual shares is calculated based on the number of shares granted and the increase of Deutsche Börse AG's net profit for the period attributable to shareholders of the parent company, as well as on the relative performance of the total shareholder return (TSR) on Deutsche Börse AG's shares compared with the total shareholder return of the STOXX Europe 600 Financials Index entities. The performance period for the measurement of the performance criteria commenced on 1 January 2015 and ends on 31 December 2019. The shares are subject to a performance period of five years and a holding period until 31 December 2019. The subsequent payment of the stock bonus will be settled in cash, by 31 March 2021.

Stock Plan

On 20 April 2009, the Luxembourg Commission de Surveillance du Secteur Financier (CSSF) published a circular on remuneration policies in the banking sector that addresses key aspects of remuneration practices for sustainable corporate governance and supports their implementation in banking institutions' day-to-day operations. According to this circular, every banking institution is required to introduce a remuneration policy that is aligned with its business strategy and corporate goals and values, as well as with the long-term interests of the financial enterprise, its clients and investors, and that minimises the institution's risk exposure. Clearstream companies in Luxembourg have therefore revised their remuneration system for executive boards in line with the circular, and introduced a Stock Plan. The Stock Plan stipulates the allocation of a stock bonus at the end of each financial year, which will be paid in three tranches of equal size with maturities of one, two or three years after the grant date. Claims under the Stock Plan have to be cash-settled if the performance targets already agreed in the year in which the targets were specified are met, irrespective of any condition of service.

The number of stock options under the Stock Plan is determined by the amount of the individual performance-based bonus established for each Executive Board member, divided by the average market price (Xetra closing price) for Deutsche Börse AG shares in the fourth quarter of the financial year in question. As the contracts require the stock bonus to be exercised gradually, it is divided into three separate tranches, which are measured according to their respective residual term using the corresponding parameters of the Stock Bonus Plan for senior executives. This programme expired at the end of financial year 2013.

Evaluation of the Stock Bonus Plan (SBP) and the Stock Plan

In accordance with IFRS 2, the company uses an adjusted Black-Scholes model (Merton model) to calculate the fair value of the stock options.

Valuation parameters for SBP shares

		Tranche 2015[1)]	Tranche 2014	Tranche 2013[2)]	Tranche 2012[2)]
Term		31 Dec 2015 – 31 Dec 2019	31 Dec 2015 – 31 Mar 2018	31 Dec 2015 – 31 Jan 2017	31 Jan 2016
Risk-free interest rate	%	–0.4 to – 0.15	–0.40 to – 0.26	–0.40 to – 0.39	–0.40
Volatility of Deutsche Börse AG shares	%	0 to 22.54	0 to 28.03	0 to 28.03	32.37
Dividend yield	%	2.58	2.58	2.58	2.58
Exercise price	€	0	0	0	0
Relative total shareholder return	%	21.91; 50.00	39.52	49.15	-
Net profit for the period attributable to Deutsche Börse AG shareholders[3)]	%	20.00	-	-	-

1) The SBP 2015 tranche includes SBP options of the Stock Plan for Executive Board members as well as the shares of the Co-Performance Investment Plan, which are subject to different measurement parameters
2) The SBP 2012 and 2013 tranches also include SBP options of the Stock Plan for the executive board members of the Luxembourg companies and SBP options of the 2013 tranche for the members of the Executive Board of Eurex Clearing AG. These options are evaluated using different parameters
3) Relevant for valuation of shares which relate to CPIP

The valuation model does not take into account exercise hurdles. The volatilities applied correspond to the market volatilities of comparable options with comparable maturities.

Valuation of SBP shares

Tranche	Balance at 31 Dec 2015 Number	Deutsche Börse AG share price at 31 Dec 2015 €	Intrinsic value/ option at 31 Dec 2015 €	Fair value/ option at 31 Dec 2015 €	Settlement obligation €m	Current provision at 31 Dec 2015 €m	Non-current provision at 31 Dec 2015 €m
2012	5,089	81.39	81.39	81.21	0.4	0.4	0
2013	148,469	81.39	81.39	79.14 –81.39	11.7	6.1	4.1
2014	87,543	81.39	81.39	76.79 –81.39	6.9	5.3	0.7
2015[1)]	179,499	81.39	81.39	11.60; 73.50 –79.86	13.6	5.7	1.3
Total	**420,600**				**32.6**	**17.6**	**6.2**

1) Given that the 2015 tranche stock options for senior executives as well as the CPIP shares will be granted in the years from 2016 to 2019, the number of shares applicable as at the balance sheet date may be adjusted subsequently.

The stock options from the 2011 and 2012 SBP tranches were exercised in the reporting period following expiration of the vesting period. The average exercise price for the 2011 tranche following expiration of the vesting period was €68.18 and €67.53 for the 2012 tranche. Shares of the SBP tranches 2013 and 2014 were paid to former employees as part of severance payments in the reporting year. The average exercise price amounted to €74.52 for the 2013 tranche and €75.08 for the 2014 tranche. The average price for forfeited stock options amounted to €59.98 for the 2012 tranche, €52.76 for the 2013 tranche and €45.99 for the 2014 tranche. The remaining 2015 tranche was settled upon Reto Francioni's resignation from the company, at an exercise price of €75.08.

The average share price (Xetra closing price) of Deutsche Börse AG's shares in the two calendar months preceding the end of the performance period was €79.86. The stock bonus for members of the Executive Board will be settled in March 2016. Due to the early termination, €0.2 million in expenses was recognised in staff expenses for the 2013 tranche; expenses recognised for the 2014 and 2015 tranches amounted to €2.0 million and €4.1 million, respectively.

The carrying amount of the provision for the SBP results from the measurement of the number of SBP shares at the fair value of the closing auction price of Deutsche Börse shares in electronic trading at the Frankfurt Stock Exchange at the reporting date and its proportionate recognition over the vesting period.

Provisions for the SBP, the Stock Plan and the Co-Performance Investment Plan (CPIP) amounting to €23.8 million were recognised at the reporting date of 31 December 2015 (31 December 2014: €14.5 million). Of the provisions, €17.8 million were attributable to members of the Executive Board (2014: €7.7 million). The total cost of the SBP shares in the reporting period was €22.8 million (2014: €6.5 million). Of that amount, an expense of €16.0 million was attributable to members of the Executive Board active at the reporting date (2014: €3.8 million).

For further information on the number of SBP shares granted to members of the Executive Board, and the new remuneration system for members of the Executive Board applicable as from 1 January 2016, please also refer to the "Remuneration report".

Change in number of SBP shares allocated

	Balance as at 31 Dec 2014	Additions/ (disposals) Tranche 2012	Additions/ (disposals) Tranche 2013	Additions/ (disposals) Tranche 2014	Additions Tranche 2015	Fully settled cash options	Options forfeited	Balance as at 31 Dec 2015
To the Executive Board[1]	200,437	9,383[2]	21,686[2]	17,286[2]	170,713	116,497	0	303,008
To other senior executives	178,356	1,162	1,774	–756	15,225	77,446	723	117,592
Total	**378,793**	**10,545**	**23,460**	**16,530**	**185,938[3]**	**193,943**	**723**	**420,600**

1) Including stock options from the 2012 SBP tranche of a former member of the Executive Board as well as the 2012 to 2015 SBP tranches of the Chief Executive Officer, who retired in the year under review.
2) This relates to an increase in the number of SBP shares caused by a rise of the TSR compared to the 100 per cent value at the time the respective tranche was issued.
3) Given that the 2015 SBP tranche stock options for senior executives as well as the CPIP shares will be granted in the years from 2016 to 2019, the number of shares applicable as at the balance sheet date may be adjusted subsequently.

Long-term Sustainable Instrument (LSI)

Deutsche Börse Group introduced another share-based payment programme effective 1 January 2014. The programme meets the requirements of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013. This regulation was transposed into German law through amendments to the supervisory requirements for the remuneration systems of institutions laid down in the Institutsvergütungsverordnung (German Remuneration Regulation for Institutions), effective 16 December 2013, and amendments to the Kreditwesengesetz (German Banking Act). The aim of this regulation is to align the corporate goals even more closely with remuneration, especially in the banking sector, and thus to ensure the goals are more sustainable. In the year under review, the company launched another LSI tranche.

The remuneration model requires at least half of the variable remuneration to be settled in cash and half in shares of Deutsche Börse AG (LSI shares). A portion of the variable remuneration is paid in the subsequent year and another portion over a further period of three or four years.

The number of LSI shares is calculated by dividing the proportionate LSI bonus for the year in question by the average closing price of Deutsche Börse AG shares in the last month of a financial year. This results in individual LSI tranches for the LSI bonus, which have maturities of between one and up to five years. Payment of each tranche is made after a vesting period of one year. The remuneration system does not stipulate any condition of service. Following the expiry of the vesting period, the LSI shares are measured on the basis of the average closing price of Deutsche Börse AG shares in the last month preceding the end of the vesting period. Settlement is generally made in cash, although the employer has the right to settle by delivering Deutsche Börse AG shares for the 2014 tranche.

In accordance with IFRS 2, the company uses an adjusted Black-Scholes model (Merton model) to calculate the fair value of the LSI shares.

Valuation parameters for LSI shares

		Tranche 2015	Tranche 2014
Term		31 Mar 2017 – 31 Mar 2021	31 Mar 2016 – 31 Mar 2020
Risk-free interest rate	%	–0.39 to – 0.01	–0.40 to – 0.15
Volatility of Deutsche Börse AG shares	%	21.90 to 26.11	21.90 to 24.86
Dividend yield	%	2.58	2.58
Exercise price	€	0	0

The valuation model does not take into account exercise hurdles. The volatilities applied correspond to the market volatilities of comparable options with comparable maturities.

Valuation of LSI shares

	Balance as at 31 Dec 2015 Number	Deutsche Börse AG share price as at 31 Dec 2015 €	Intrinsic value/ option as at 31 Dec 2015 €	Fair value/ option as at 31 Dec 2015 €	Settlement obligation €m	Current provision as at 31 Dec 2015 €m	Non-current provision as at 31 Dec 2015 €m
Tranche 2014	46,197[1]	81.39	81.39	73.50 – 79.33	3.6	1.7	1.9
Tranche 2015	47,545[2]	81.39	81.39	71.65 – 79.33	3.6	0	3.6
Total	**93,742**				**7.2**	**1.7**	**5.5**

1) As the grant date for the 2014 tranche is in part not until financial years 2016 to 2019, the number indicated at the reporting date may change subsequently.
2) As the grant date for the 2015 tranche is in part not until financial years 2016 to 2020, the number indicated at the reporting date may change subsequently.

The carrying amount of the provisions for the Long-term Sustainable Instrument results from the measurement of the number of LSI shares at the fair value of the closing auction price of Deutsche Börse shares in electronic trading at the Frankfurt Stock Exchange at the reporting date.

Provisions amounting to €7.2 million were recognised as at 31 December 2015 (31 December 2014: €2.6 million). The total cost of the LSI shares in the reporting period amounted to €4.6 million.

Change in number of LSI shares allocated

	Balance at 31 Dec 2014	Additions/ (disposals) Tranche 2014	Additions/ (disposals) Tranche 2015	Fully settled cash options	Options forfeited	Balance at 31 Dec 2015
To other senior executives	47,821	–1,624[1]	47,545[2]	0	0	93,742
Total	**47,821**	**–1,624**	**47,545**	**0**	**0**	**93,742**

1) As the grant date for the 2014 tranche is in part not until financial years 2016 to 2019, the number indicated at the reporting date may change subsequently.
2) As the grant date for the 2015 tranche is in part not until financial years 2016 to 2020, the number indicated at the reporting date may change subsequently.

Group Share Plan (GSP)

Employees of Deutsche Börse Group who are not members of the Executive Board or senior executives have the opportunity to subscribe for shares of Deutsche Börse AG at a discount of 30 or 40 per cent to the issue price under the Group Share Plan (GSP). This discount is based on the employee's length of service. Under the 2015 GSP tranche, eligible employees were able to buy up to 100 shares of the company. The purchased shares must be held for at least two years.

In the reporting period, an expense totalling €1.8 million (2014: €1.6 million) was recognised in staff costs for the Group Share Plan.

40. Executive bodies

The members of the company's executive bodies are listed in the "Executive Board" and "Supervisory Board" chapters of this financial report.

41. Corporate governance

On 8 December 2015, the Executive and Supervisory Boards issued the latest version of the declaration of conformity in accordance with section 161 of the Aktiengesetz (AktG, the German Stock Corporation Act) and made it permanently available to shareholders on the company's website (see also the corporate governance declaration in the combined management report).

42. Related party disclosures

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

The remuneration of the individual members of the Executive and Supervisory Boards is presented in the "Remuneration report" in the combined management report.

Executive Board

In 2015, the fixed and variable remuneration of the members of the Executive Board, including non-cash benefits, amounted to a total of €15.3 million (2014: €13.7 million).

In 2015, expenses of €2.0 million were recognised in the consolidated income statement (2014: €5.1 million), due to the termination of an Executive Board employment. No further expenses were incurred during the 2015 financial year (2014: €0.6 million) in connection with the shortening of terms under the Stock Bonus Plan.

The actuarial present value of the pension obligations to Executive Board members was €17.5 million as at 31 December 2015 (2014: €25.4 million). Expenses of €1.7 million (2014: €1.3 million) were recognised as additions to pension provisions.

Former members of the Executive Board or their surviving dependants

The remuneration paid to former members of the Executive Board or their surviving dependants amounted to €2.3 million in 2015 (2014: €2.2 million). The actuarial present value of the pension obligations was €71.8 million as at 31 December 2015 (2014: €64.5 million).

Supervisory Board

The aggregate remuneration paid to members of the Supervisory Board in financial year 2015 was €2.0 million (2014: €2.3 million).

In financial year 2015, the employee representatives on Deutsche Börse AG's Supervisory Board received salaries (excluding Supervisory Board remuneration) amounting to €0.7 million (2014: €0.7 million). The total consists of the respective total gross amounts for those employee representatives who drew salaries from Deutsche Börse AG in the year under review.

Business relationships with related parties and key management personnel

Business relationships with related parties

The following table shows transactions entered into within the scope of business relationships with non-consolidated companies of Deutsche Börse AG during the 2015 financial year. All transactions were concluded at prevailing market terms.

Transactions with related entities[1)]

	Amount of the transactions revenues		Amount of the transactions expenses		Outstanding balances receivables		Outstanding balances liabilities	
	2015 €m	2014 €m	2015 €m	2014 €m	31 Dec 2015 €m	31 Dec 2014 €m	31 Dec 2015 €m	31 Dec 2014 €m
Associates	14.0	10.0	–9.5	–9.2	4.7	2.1	–0.6	–1.5
Joint Ventures	0.2	0	0	0	0	0	0	0
Other Shareholdings	0	0	–1.2	0	0	0	–1.2	0
Total sum of business transactions	**14.2**	**10.0**	**–10.7**	**–9.2**	**4.7**	**2.1**	**–1.8**	**–1.5**

1) The table was adjusted by removing the selection criterion of outstanding balances being material. The previous year's figures were adjusted accordingly.

Monetary business relationships with key management personnel

Key management personnel are persons who directly or indirectly have authority and responsibility for planning, directing and controlling the activities of Deutsche Börse Group. The Group defines the members of the Executive Board and the Supervisory Board as key management personnel for the purposes of IAS 24.

On 30 July 2009, European Commodity Clearing Luxembourg S.à r.L., Luxembourg, (ECC Luxembourg), – a subsidiary of European Commodity Clearing AG and therefore a member of the EEX group – entered into a managing director agreement with ffp Conseils SARL, Metz, France, for an indefinite period. The subject of the agreement is to provide a natural person for the function of managing director in the management of ECC Luxembourg. In addition to this position as managing director of ECC Luxembourg, this person is also a member of the key management personnel at the parent company of ffp Conseils SARL, pmi Beratung GmbH. During the fourth quarter of 2015, the billing for the managing director's activities was transferred from ffp Conseils SARL to pmi Beratung GmbH. ECC Luxembourg paid approximately €60.0 thousand for these management services during the 2015 financial year.

Moreover, agreements for the provision of advisory services were entered into between Deutsche Börse AG and KM Networks GmbH, Hofheim, Germany, in financial year 2015. A supervisory board member of European Energy Exchange AG is at the same time a member of the key management personnel at the consultancy firm KM Networks. Payments of €7.0 thousand were made in connection with these advisory services in financial year 2015.

Moreover, a member of the Supervisory Board of STOXX Ltd., Zurich, Switzerland, also holds a key management position within law firm Lenz & Staehelin AG, Geneva, Switzerland. Deutsche Börse Group reported liabilities to this law firm of approximately €560.0 thousand in the 2015 financial year.

On the board of directors of EEX AG's subsidiary Powernext SA, Paris, France, representatives of Powernext SA's other shareholders hold key positions. These shareholder representatives also hold key positions in Powernext SA's shareholder companies, i.e. RTE – French Transmission System Operator, Paris, France (parent company of HGRT – Holding of European Transmission System Operators); and GRTgaz, Bois-Colombes, France (parent company of 3GRT, Tarascon, France). During the 2015 financial year, Powernext rendered development and maintenance services for customised software solutions in the area of market coupling and balancing, as well as in connection with an electronic trading platform for 3GRT. The company generated €578.0 thousand in revenue with these services during the 2015 financial year.

Furthermore, Powernext provides services to French power transmission system operator RTE, in the context of customised software development, with subsequent implementation, maintenance and other services. Revenue generated from these services totalled €393.0 thousand in 2015.

The board of directors and the executive board of LuxCSD S.A., an associate from Deutsche Börse Groups's perspective, each comprise six members of management of fully consolidated subsidiaries who are maintaining a leading position within these subsidiaries, too. Since the date of deconsolidation of LuxCSD in 2015, there have been business transactions with Clearstream Banking S.A., Clearstream Services S.A., Clearstream International S.A. and Clearstream Banking AG. Within the scope of these transactions there have been liabilities in the amount of €337.0 thousand and receivables in the amount of €400.0 thousand.

Other business relationships with key management personnel
Selected executives of Deutsche Börse Group subsidiaries also hold a key management position within the Clearstream Pension Fund ASSEP. This defined benefit plan, established in favour of Luxembourg staff of Clearstream International S.A., Clearstream Banking S.A., as well as Clearstream Services S.A., is funded through cash payments to an "association d'épargne-pension" (ASSEP) under Luxembourg law.

Furthermore, an Executive Board member of Clearstream Banking AG concurrently holds an executive position within Deutsche Börse Commodities GmbH, an associate of Deutsche Börse Group. There is no monetary remuneration for this position on Deutsche Börse Commodities GmbH's board of directors.

43. Employees

Employees

	2015	2014
Average number of employees during the year	4,944	4,183
Employed at the reporting date	5,283	4,540
Employees (average annual FTEs)	4,643	3,911

Of the average number of employees during the year, 26 (2014: 23) were classified as Managing Directors (excluding Executive Board members), 370 (2014: 357) as senior executives and 4,548 (2014: 3,803) as employees.

There was an average of 4,643 full-time equivalent (FTE) employees during the year (2014: 3,911). Please refer also to the "Employees" section in the combined management report.

44. Events after the end of the reporting period

Potential merger with London Stock Exchange (LSE)

Further to recent speculation, the Management Board of Deutsche Börse and the Board of LSE (hereinafter also referred to as "the Boards") confirmed on 23 February 2016 that they are in detailed discussions about a potential merger of equals of the two businesses (potential merger).

The potential merger would be structured as an all-share merger of equals under a new holding company. Under the terms of the potential merger, Deutsche Börse shareholders would be entitled to receive one new share in exchange for each Deutsche Börse share and LSE shareholders would be entitled to receive 0.4421 new shares in exchange for each LSE share. Based on this exchange ratio, the parties anticipate that Deutsche Börse shareholders would hold 54.4 per cent, and LSE shareholders would hold 45.6 per cent of the enlarged issued and to be issued share capital of the combined group. The combined group would have a unitary board composed of equal numbers of Deutsche Börse and LSE directors.

The Management Board of Deutsche Börse and the Board of LSE believe that the potential merger would represent a compelling opportunity for both companies to strengthen each other in an industry-defining combination, creating a leading European-based global markets infrastructure group. The combination of Deutsche Börse and LSE's complementary growth strategies, products, services and geographic footprint would be expected to deliver an enhanced ability to provide a full service offering to customers on a global basis. Deutsche Börse and LSE believe that the potential merger would offer the prospect of enhanced growth, significant customer benefits including cross-margining between listed and OTC derivatives clearing (subject to regulatory approvals), as well as substantial revenue and cost synergies and increased shareholder value. All key businesses of Deutsche Börse and LSE would continue to operate under their current brand names. The existing regulatory framework of all regulated entities within the combined group would remain unchanged, subject to customary and final regulatory approvals.

Discussions between the parties remain ongoing regarding the other terms and conditions of the potential merger.

The formal announcement of the potential merger remains conditional on, inter alia, agreement on the other terms and conditions of the potential merger, satisfactory completion of customary due diligence and final approval by the Boards of Deutsche Börse and LSE. The parties reserve the right to a) waive these pre-conditions, b) with the agreement of the other party, to vary the form of consideration and/or make an offer on higher or lower terms (including the exchange ratio), albeit no revision is currently expected, and/or c) to adjust the terms to take account of any dividend announced, declared, made or paid by either party, save for ordinary course dividends (consistent with past practice in timing and amount) declared or paid prior to completion.

There can be no certainty that any transaction will occur. Any transaction would be subject to regulatory approval, Deutsche Börse shareholders' acceptance and LSE shareholder approval, as well as other customary conditions.

Under the UK City Code on Takeovers and Mergers (Code), the new holding company or Deutsche Börse are required, by no later than 5.00 p.m. on 22 March 2016 (if not extended with the consent of the UK Takeover Panel), to do one of the following: (i) announce a firm intention to make an offer for LSE in accordance with the Code; or (ii) announce that they do not intend to make an offer and that they will not make an offer for LSE for a period of six months.

On 26 February 2016, further to the announcement on 23 February 2016, LSE and Deutsche Börse set out below a summary of further key terms which the parties have agreed in relation to the potential merger of LSE and Deutsche Börse (potential merger) to form a combined group (Combined Group):

- Combined Group to be a UK plc domiciled in London
- LSE in London and Deutsche Börse in Frankfurt to become intermediate subsidiaries of the Combined Group
- Combined Group to have headquarters in London and Frankfurt
- Combined Group to seek a Premium Listing on the London Stock Exchange and Prime Standard listing on the Frankfurt Stock Exchange
- Balanced governance structure of the Combined Group board with equal representation from LSE and Deutsche Börse to include:
  - Donald Brydon as Chairman
  - Joachim Faber as Deputy Chairman and Senior Independent Director
  - Carsten Kengeter as CEO and executive director
  - David Warren as CFO and executive director
- A joint committee (Referendum Committee) has been set up to advise on the implications of the vote by the United Kingdom electorate on the European Union membership of the United Kingdom.

Further key terms

The potential merger would be structured as an all-share merger of equals under a new UK holding company. LSE in London and Deutsche Börse in Frankfurt would become intermediate subsidiaries of the Combined Group. The existing regulatory framework of all regulated entities within the Combined Group would remain unchanged, subject to customary and final regulatory approvals. The Combined Group would seek a premium listing on the London Stock Exchange and a prime standard listing on the Frankfurt Stock Exchange. It is envisaged that the Combined Group shares would be eligible for inclusion in the EURO STOXX®, DAX® and FTSE Russell index series.

The Combined Group would have headquarters in London and Frankfurt, with an efficient distribution of corporate functions in both locations. The Combined Group would have a unitary board with equal representation from LSE and Deutsche Börse and be constituted in accordance with the UK

Corporate Governance Code. At completion, Donald Brydon, Chairman of LSE, would become Chairman of the Combined Group while Joachim Faber, Chairman of Deutsche Börse, would become Deputy Chairman and Senior Independent Director of the Combined Group. Carsten Kengeter, CEO of Deutsche Börse, would assume the role of CEO and executive director of the Combined Group while David Warren, CFO of LSE, would become CFO and executive director of the Combined Group.

On completion of the transaction, Xavier Rolet will step down from his role as CEO of LSE. Donald Brydon, Chairman of LSE, said: "Xavier has been the architect of LSE's considerable value creation and has offered to retire in order to ensure the successful creation of the new group. The Board of LSE is indebted to Xavier for this action which is consistent with his focus on putting the interests of shareholders and clients first. It has accepted his offer. He has agreed to remain available to the new Board to assist in any way to ensure an effective transition. With open access enshrined in European Securities law, the Board considers that the value creating opportunities of the combination stand as a testament to his achievement at LSE."

Compelling strategic rationale
The Boards believe that the potential merger would represent a compelling opportunity for both companies to strengthen each other in an industry-defining combination, creating a leading European-based global markets infrastructure group. The combination of LSE and Deutsche Börse's complementary growth strategies, products, services and geographic footprint would be expected to deliver an enhanced ability to provide a full service offering to customers on a global basis.

The Boards also believe that the Combined Group would offer the potential for significant customer benefits. By connecting the London and Frankfurt cash exchanges, a liquidity bridge would be established, broadening customer access to more securities to the benefit of market participants in line with the evolving regulatory landscape. Furthermore, a portfolio margining service between listed and OTC derivatives markets would provide cost of capital savings and margin relief.

The Combined Group would be customer-centric and in an ideal position to help clients navigate the emerging regulatory landscape. The full service offering of the Combined Group would build on its deep liquid and transparent trading markets, leading clearing house solutions and risk and balance sheet management capabilities (including collateral management functionalities) as well as comprehensive regulatory reporting solutions. The Boards believe that the Combined Group would be able to achieve substantial cost synergies, principally from removing duplication of technology and operations across business lines, corporate services and support functions taking into account the respective strengths of both companies. The parties expect that the impact of synergy realisation would be distributed in a balanced manner across the two companies.

The Boards also believe there would be a significant opportunity for revenue synergies due to the ability of the Combined Group to offer both existing and new innovative products and services through an expanded global distribution network to existing and new customers across the buy and sell side. Further information regarding synergies will be set out in due course.

Referendum Committee
LSE and Deutsche Börse have initiated discussions about the potential merger with their primary regulators as well as with the governments of the United Kingdom, Germany, Italy and France. The parties are proceeding on the basis that existing regulatory and political structures remain in place. This transaction would be expected to fully optimise and benefit from the potential of the Capital Markets Union project. It is recognised that a decision by the United Kingdom electorate to leave the European Union (Leave Decision) would put that project at risk.

This globally competitive exchange group would provide the European Union's 23 million small and medium-size enterprises as well as its blue-chips much greater access to the lower-cost equity and debt finance they need to scale up, powering sustainable economic growth, investment and creating the high-quality jobs of tomorrow.

As the number of possible scenarios facing the Combined Group in the event of a Leave Decision is impossible to model today, the two Boards have created the Referendum Committee to consider and make non-binding recommendations to the Boards on the ramifications of such a decision. LSE and Deutsche Börse believe that the potential merger would be well positioned to serve global customers irrespective of the outcome of the vote by the United Kingdom electorate on the European Union membership of the United Kingdom (Referendum), although this might well affect the volume or nature of the business conducted in the different financial centres served by the Combined Group. Accordingly, the outcome of the Referendum would not be a condition of the potential merger.

Other terms and conditions of the potential merger
Discussions between the parties remain ongoing regarding the other terms and conditions of the potential merger. Further details on these terms and conditions woul be provided in any announcement that may be made pursuant to Rule 2.7 of the Code and/or in any documents that are posted to LSE and Deutsche Börse shareholders in connection with the potential merger.

The formal announcement of the potential merger remains conditional on, inter alia, agreement on all terms and conditions of the potential merger, satisfactory completion of customary due diligence and final approval by the Boards. The parties reserve the right to a) waive any of these pre-conditions (in whole or in part), and/or b) with the agreement of the other party, to vary any of the terms, albeit no revision is currently expected.

The financial terms of the potential merger and the reserations to such terms as set out in the announcement on 23 February 2016 remain as set out in that announcement.

The description of the further key terms of the potential merger described in this announcement is a summary of such terms. Further detail on these summarised terms will be provided in any announcement that may be made pursuant to Rule 2.7 of the Code and/or in any documents that are posted to LSE and Deutsche Boerse shareholders in connection with the potential merger.

There can be no certainty that any transaction will occur. Any transaction would be subject to regulatory approvals, LSE shareholder approval and Deutsche Börse shareholders' acceptance, as well as other customary conditions.

In accordance with Rule 2.6(a) of the Code, Deutsche Börse is required, by no later than 5.00 p.m. on 22 March 2016, to do one of the following: (i) announce a firm intention to make an offer for LSE in accordance with Rule 2.7 of the Code; or (ii) announce that it does not intend to make an offer, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline can be extended with the consent of the Panel in accordance with Rule 2.6(c) of the Code.

The shares mentioned above have not been and will not be registered under the U.S. Securities Act of 1933 (U.S. Securities Act) or under the securities laws of any state or other jurisdiction of the United States. Accordingly, these shares may not be offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into the United States absent registration under the U.S. Securities Act or an exemption therefrom. There will be no public offer in the United States.

Sale of the interest in Infobolsa S.A.

Effective 25 February 2016, Deutsche Börse AG sold its interest in Infobolsa S.A. at a purchase price amounting to €8.2 million. Until that date, BME and Deutsche Börse had each held 50 per cent of the interests in Infobolsa S.A. and its subsidiaries.

45. Date of approval for publication

Deutsche Börse AG's Executive Board approved the consolidated financial statements for submission to the Supervisory Board on 1 March 2016. The Supervisory Board is responsible for examining the consolidated financial statements and stating whether it endorses them.

Responsibility statement by the Executive Board

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the combined management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Frankfurt/Main, 4 March 2016
Deutsche Börse AG

Carsten Kengeter　Andreas Preuss　Gregor Pottmeyer

Hauke Stars　Jeffrey Tessler

Auditor's report

We have audited the consolidated financial statements prepared by Deutsche Börse Aktiengesellschaft, Frankfurt/Main, comprising the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated cash flow statement, the consolidated statement of changes in equity and the notes to the consolidated financial statements, together with the combined management report for the financial year from 1 January to 31 December 2015. The preparation of the consolidated financial statements and the combined management report in accordance with IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315a (1) of the German Commercial Code [HGB] are the responsibility of the company's executive board. Our responsibility is to express an opinion on the consolidated financial statements and on the combined management report based on our audit. In addition, we have been instructed to express an opinion as to whether the consolidated financial statements comply with full IFRS.

We conducted our audit of the consolidated financial statements in accordance with Section 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] [IDW]. Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the combined management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the combined management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by the executive board, as well as evaluating the overall presentation of the consolidated financial statements and the combined management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRSs as adopted by the EU, the additional requirements of German commercial law pursuant to Section 315a (1) HGB and full IFRS and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The combined management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Frankfurt/Main, 4 March 2016

KPMG AG
Wirtschaftsprüfungsgesellschaft

Braun	Dielehner
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Deutsche Börse Group worldwide

Europe

Amsterdam
Atlas Arena Amsterdam
Australia Building, 3rd floor
Hoogoorddreef 7
1101 BA Amsterdam
Netherlands

Berlin
Kurfürstendamm 119
10711 Berlin
Germany

Unter den Linden 36
10117 Berlin
Germany

Brussels
11–13, rue d'Idalie
1050 Bruxelles
Belgium

Cork
2600 Cork Airport Business Park
Kinsale Road
Cork
Ireland

Eschborn
The Cube
Mergenthalerallee 61
65760 Eschborn
Germany
Postal address:
60485 Frankfurt/Main
Germany

Frankfurt/Main
Börsenplatz 4
60313 Frankfurt/Main
Germany

Niedenau 45
60325 Frankfurt/Main
Germany

as of April 2016:
Sandweg 94
60316 Frankfurt/Main
Germany

Westend Carrée
Grüneburgweg 16–18
60322 Frankfurt/Main
Germany

Leipzig
Augustusplatz 9
04109 Leipzig
Germany

London
11 Westferry Circus
1st Floor, Westferry House
Canary Wharf
London
E14 4HE
United Kingdom

11 Westferry Circus
2nd Floor, Westferry House
Canary Wharf
London
E14 4HE
United Kingdom

11 Westferry Circus
3rd Floor, Westferry House
Canary Wharf
London
E14 4HE
United Kingdom

Luxembourg
The Square
42, Avenue JF Kennedy
L–1855 Luxembourg

Madrid
Palacio de la Bolsa
Plaza de la Lealtad, 1
28014 Madrid
Spain

Milan
Via Monte di Pietà 21
20121 Milano MI
Italy

Moscow
Vozdvizhenka Street 10
3rd Floor, Regus Business Centre
125009 Moskva
Russia

Paris
17, rue de Surène
75008 Paris
France

26–28, rue de Londres
75009 Paris
France

Prague
Futurama Business Park
Building B
Sokolovská 662/136b
18600 Praha 8
Czech Republic

Zurich
Geschäftshaus Sihlporte
Löwenstrasse 1
5th Floor
8001 Zurich
Switzerland

Löwenstrasse 3
P.O. Box
8021 Zurich
Switzerland

Selnaustrasse 30
P.O. Box
8021 Zurich
Switzerland

North America

Chicago
Willis Tower
233 South Wacker Drive
Suite 2450
Chicago, IL 60606
USA

Willis Tower
233 South Wacker Drive
Suite 2455
Chicago, IL 60606
USA

New York
40 Fulton Street Floor 5
New York, NY 10038
USA

60 Broad Street Floor 26
New York, NY 10004
USA

60 Broad Street Floor 31
New York, NY 10004
USA

Washington, D.C.
National Press Building
529 14th Street NW
Suite 1100
Washington, D.C. 20045
USA

Asia

Beijing
3–1–41 Tayuan DRC
1 Xindong Road
100600 Beijing, Chaoyang
District
P.R. China

Room 701, China Central Place,
Tower 3
77 Jianguo Road
100025 Beijing, Chaoyang
District
P.R. China

Dubai
Conrad Tower Building
Level 10, Unit 1006
Sheikh Zayed Road
P.O. Box 27250
Dubai
United Arab Emirates

Hong Kong
2904–7, 29/F, Man Yee Building
68 Des Voeux Road, Central
Hong Kong

Mumbai
Level 8, Vibgyor Towers
G Block, C-62,
Bandra Kurla Complex
Mumbai – 400 051
India

Singapore
9 Raffles Place
#27–01 Republic Plaza
Singapore 048619
Republic of Singapore

9 Raffles Place
#55–01 Republic Plaza
Singapore 048619
Republic of Singapore

9 Raffles Place
#56–01 Republic Plaza
Singapore 048619
Republic of Singapore

Tokyo
Marunouchi Kitaguchi Building
27F
1–6–5, Marunouchi
Chiyoda-ku
Tokyo 100–0004
Japan

Australia

Sydney
Level 26
44 Market Street
Sydney NSW 2000
Australia

For more information on our addresses please visit www.deutsche-boerse.com/addresses.

Glossary

A

Asset services
Services provided by Clearstream, e.g. implementation of corporate actions, dividend payments and tax services.

B

Blockchain
Public transfer protocol originally developed to trade the digital currency Bitcoin. It basically consists of an electronic, decentralised and fully disclosed ledger of all transactions, i.e. "blocks" which are continually validated and relayed.

C

C7
New IT infrastructure for Eurex Clearing that carries out the settlement of listed and OTC products (both for derivatives and for cash) on a uniform architecture. Customers are supported at the time of clearing by various transaction and EMIR-compliant segregation models, based on configurable account structures. C7® is part of 7 Market Technology®.

CCP
Central counterparty; also: clearing house. Institution that acts as a legal intermediary between the trading partners as a buyer or seller after a transaction has been completed, facilitating netting, minimising the default risk of a contracting party (margining and collateralisation), and carrying out all process steps necessary for clearing.

CEINEX
China Europe International Exchange. Sino-German joint venture of the Shanghai Stock Exchange, Deutsche Börse und China Financial Futures Exchange, founded in 2015. The new market venue is the first and only authorised trading platform outside of China for financial instruments in Renminbi (RMB).

Clearing
The netting (offsetting of buy and sell positions over a given period of time) of receivables and liabilities arising from securities and derivatives transactions; determination of the bilateral net debt of buyers and sellers.

Commercial paper
A debt security traded on the money market with a short or medium term (mostly less than one year) and issued by issuers with a high credit rating to finance their short-term capital requirements. Issuers benefit from the commercial paper's flexibility and customisability; buyers are able to obtain attractive conditions for short-term investments.

CSD
Central securities depository. Clearstream Banking AG acts as the officially recognised German bank for the central depository of securities under the Depotgesetz (German Securities Deposit Act). In this function, it offers a wide range of post-trade services relating to securities issued in Germany and other countries, both as a CSD for securities eligible for collective safe custody and as a custodian for other securities.

CSD-R
Central Securities Depository Regulation. Harmonisation of securities settlement systems and supervisory rules for CSDs in Europe, planned by the European Commission. The new rules are likely to come into effect from March 2017.

Custody
The safekeeping and administration of securities for others. A custody account (similar to an account for money transactions) is established for each customer. The account information includes details of the types, nominal values or quantities, volumes etc. of the securities held, as well as the name and address of the account holder.

D

Designated Sponsor
Banks or financial services providers that furnish binding bid and ask quotes for a particular security in the order book, either upon request or at their own initiative. Designated Sponsors enhance the liquidity of the securities they support.

E

EMIR
European Market Infrastructure Regulation. EMIR regulates OTC derivatives, central counterparties (CCPs) and trade repositories; it aims to improve security and integrity within the OTC derivatives market by promoting transparency and reducing risk. Among other things, this is to be achieved by introducing a clearing obligation for eligible OTC derivatives and measures to reduce counterparty credit risk and operational risk for OTC derivatives not cleared via CCPs, as well as disclosure requirements for all derivatives. EMIR also establishes general requirements for CCPs and trade repositories.

ESG criteria
ESG = environment, social, governance. The composition of ESG indices such as the STOXX® ESG Global Leaders Index reflects these three selection criteria.

ETF
Exchange-traded fund. Mutual fund with indefinite maturity whose shares can be bought or sold in continuous trading on the exchange. It tracks the performance of the index on which it is based.

F

Fintech
Compound of the term "financial technology", describes novel solutions for application systems constituting of innovations or developments to make financial services more efficient.

FX
Foreign exchange. Receivables in foreign currencies consisting of assets or cheques in said currencies.

G

Global Liquidity Hub
Integrated risk and liquidity management solution in Deutsche Börse Group's GSF business field at Clearstream. It offers integrated financing services, including securities lending and collateral management services for a range of major asset classes including fixed-income securities and equities. Through the Global Liquidity Hub, customers can, for example, fulfil their margin obligations towards central clearing houses (CCPs) and cover their global exposures.

GRI
Global Reporting Initiative. Independent not-for-profit organisation that publishes guidelines for creating sustainability reports in cooperation with the United Nations Environment Programme (UNEP). Transparency is the basis of reporting in accordance with the GRI, which aims to ensure that sustainability reports are standardised and comparable.

GSF
Global Securities Financing. Business area within Deutsche Börse Group's Clearstream segment that comprises automated securities lending services and collateral management.

H

Hybrid bond
Subordinated corporate bond with both equity- and debt-like features, very long or unlimited maturity and high interest rates.

I

ICSD
International CSD

IPO
Initial public offering. An IPO marks the time when a company first offers its shares for sale to the general public and launches them on the equity market.

L

Liquidity
Market situation in which a security can be bought or sold, even in larger quantities, without substantially affecting its price. Important criterion for assessing the quality of a securities market in securities trading, and thus a decisive factor in the competition between marketplaces.

Listing
Quotation of a security or issuer on the exchange. Issuers at the Frankfurt Stock Exchange can choose from four transparency standards for their listing: Prime Standard, General Standard, Entry Standard and Open Market.

M

MAD
Market Abuse Directive. EU directive on combating market abuse. The revised MAD obliges all member states to adopt a uniform approach to insider dealing and market manipulation and to establish criminal sanctions that may be no less than four years and two years, respectively.

MAR
Market Abuse Regulation. EU regulation on combating market abuse. The new MAR will help improve market integrity and strengthen investor protection. The existing rules are being extended to new trading centres, financial instruments and trading strategies and will also apply to transactions taking place outside regulated markets (OTC). Deutsche Börse Group has reliable procedures for monitoring trading activity and therefore welcomes the Europe-wide move to create uniform rules on combating market abuse and insider dealing. The new rules will come into effect from July 2016.

MiFID
Markets in Financial Instruments Directive. The EU directive establishes a regulatory framework for the provision of investment services in financial instruments (such as brokerage, advice, dealing, portfolio management, underwriting) by banks and investment firms and for the operation of regulated markets by market operators (stock exchanges among others). The objective is to promote the integration, competitiveness and efficiency of EU financial markets.

MiFID II
Refers to the revision of the Markets in Financial Instruments Directive (⇒ MiFID). The revised Directive was introduced in June 2014 and is expected to become applicable as of January 2018. The overarching goal of the legislation is to make financial markets more efficient, more resilient and more transparent, and to strengthen investor protection. The Directive contains guidelines for the activities of investment firms and regulated trading venues, precautionary measures regarding the specification and supervision of position limits for commodities derivatives as well as regulation for data reporting services.

MIFIR
Markets in Financial Instruments Regulation. A supplementary EU regulation to ⇒ MiFID II that is likely to come into effect from January 2018, it will see the introduction of comprehensive reporting obligations to increase transparency in the stock, bond and derivatives markets and close existing loopholes in off-exchange transactions. The introduction of mandatory on-venue trading for shares and derivatives ensures that a larger number of transactions will be executed on regulated trading venues. The new regulations also cover the accessibility of central counterparties, trading venues and benchmarks. It also contains guidelines for so-called market makers (liquidity providers) and participants in algorithmic trading.

O

OTC
Over the counter, off-exchange. Describes transactions between two or more trading parties that are not conducted on a regulated market.

P

People Principles
Five principles that enhance Deutsche Börse Group's corporate values at the level of personal conduct and describe the expectations for collegial and professional cooperation within the Group: respect, teamwork, recognition, results orientation and costumer focus.

Pre-IPO
Young high-growth companies' preparatory phase before going public (⇒ IPO).

Q

QE
Quantitative easing. In March 2015, the ECB launched a purchasing programme for sovereign bonds and other securities. The aim is to further boost market liquidity and to fend off deflation due to an increase of the money supply. The ECB's QE measures are currently planned to remain in place until March 2017. Central banks use QE as a tool to avert crisis situations worldwide – as done by the Federal Reserve, the Bank of England and the Bank of Japan.

S

Securities lending
Transfer of securities by a lender for a fee and on condition that the borrower returns securities of the same kind, quality and amount to the lender at the end of a fixed term. With ⇒ GSF, Clearstream offers a service for securitites lending.

Settlement
The completion of an exchange transaction, i.e. the transfer of money and traded securities from the seller to the buyer and vice versa. Within Deutsche Börse Group, Clearstream is responsible for this post-trading function.

T

T2S
TARGET2-Securities. Initiative to create a single platform for transmitting securities within the euro zone. The objective of this platform is to reduce the cost of cross-border securities ⇒ settlement within the euro zone. It will be operated by the ECB. "TARGET" is short for "Trans-European Automated Real-Time Gross Settlement Express Transfer System".

T7
IT architecture used for the trading systems of Deutsche Börse Group's futures exchanges Eurex and International Securities Exchange. It is also utilised at Bombay Securities Exchange. T7® is based on a high-performance messaging architecture that combines minimal latency with maximum reliability. T7 is part of 7 Market Technology®.

V

Volatility
Measure of the extent to which the price of a security or an index fluctuates around a mean value during a certain period of time.

Acknowledgement

Published by
Deutsche Börse AG
60485 Frankfurt/Main
Germany
www.deutsche-boerse.com

Concept and layout
Lesmo GmbH & Co. KG, Dusseldorf
Deutsche Börse AG, Frankfurt/Main

Photographs
Jörg Baumann (Title),
Thorsten Jansen (Portraits)

Financial reporting system
Combined management report, consolidated financial statements and notes produced in-house using FIRE.sys and SmartNotes.

Printed by
Werbedruck GmbH Horst Schreckhase, Spangenberg

Publication date
15 March 2016

The German version of this report is legally binding. The company cannot be held responsible for any misunderstanding or misinterpretation arising from this translation.

We would like to thank all colleagues and service providers who participated in the compilation of this report for their friendly support.

Publications service
The Annual 2015 and the financial report 2015 are both available in German and English.

Order number 1000–4606 (Annual in German)
Order number 1000–4607 (Financial report in German)
Order number 1010–4608 (Annual in English)
Order number 1010–4609 (Financial report in English)

The corporate report 2015 of Deutsche Börse Group is available here:

as pdf, html version and in a document library app on the internet:
www.deutsche-boerse.com/annual_report

As print version at Deutsche Börse Group's publication hotline:
Phone +49-(0) 69–2 11–1 15 10
Fax +49-(0) 69–2 11–1 15 11

Contact

Investor Relations
E-mail ir@deutsche-boerse.com
Phone +49-(0) 69–2 11–1 16 70
Fax +49-(0) 69–2 11–1 46 08
www.deutsche-boerse.com/ir_e

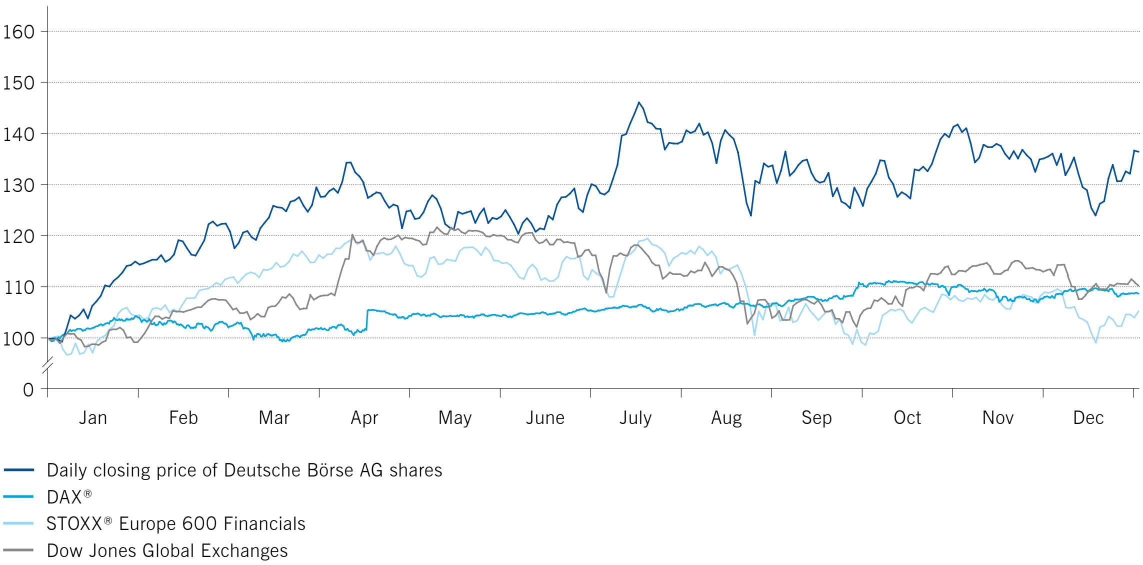
Group Sustainability
E-mail group-sustainability@deutsche-boerse.com
Phone +49-(0) 69–2 11–1 42 26
Fax +49-(0) 69–2 11–61 42 26
www.deutsche-boerse.com/sustainability

Marketing Communication
E-mail corporate.report@deutsche-boerse.com
Phone +49-(0) 69–2 11–1 49 84
Fax +49-(0) 69–2 11–61 49 84

Registered trademarks

Share price development of Deutsche Börse AG and benchmark indices in 2015

Indexed to 30 December 2014



Deutsche Börse AG shares: key figures

		2015	2014
Earnings per share (basic)[1]	€	4.14	3.63
Dividend per share	€	2.25[2]	2.10
Dividend distribution ratio[1]	%	55	58
Dividend yield[3]	%	3.0	3.8
Opening price (as at 1 Jan)[4]	€	59.22	60.20
High[5]	€	87.41	63.29
Low[5]	€	58.65	49.90
Closing price (as at 31 Dec)	€	81.39	59.22
Average daily trading volume on Xetra®	m shares	0.7	0.7
Number of shares (as at 31 Dec)	m	193.0	193.0
thereof outstanding (as at 31 Dec)	m	186.7	184.2
Free float (as at 31 Dec)	%	100	100
Price-earnings ratio[3]		18.3	15.3
Market capitalisation (as at 31 Dec)	€bn	14.7	11.4
Average annual return since IPO in 2001	%	14.4	11.6
Attendance of share capital at the Annual General Meeting	%	42.2	43.4
Share of investors from Germany/UK/USA/other countries	%	15/28/31/26	15/20/37/28
Institutional investors	%	95	94
Shareholders		ca. 57,000	ca. 60,000
Analyst recommendations buy/hold/sell (as at 31 Dec)	%	52/39/9	46/38/18
Average target price set by analysts at year-end	€	85.00	59.00

1) Adjusted for exceptional items
2) For financial year 2015, proposal to the Annual General Meeting 2016
3) Based on the volume-weighted average of the daily closing prices
4) Closing price on preceding trading day
5) Intraday price

Index of charts and tables

Charts

Tables

About this report CR

The Annual 2015 and the financial report 2015 together constitute Deutsche Börse Group's corporate report 2015. It provides information on the financial year 2015 as well as an outline of the identification and implementation process for important action areas regarding the company's sustainability profile.

Reporting on sustainability information and key figures is largely based on the G4 standard of the Global Reporting Initiative (GRI). A detailed overview of all GRI indicators (GRI index) is available in the online version of this report: www.corporatereport2015.deutsche-boerse.com

Principles of sustainability reporting

In compiling the information on sustainability in this corporate report, our aim ist o achieve the highest possible degree of clarity and transparency. The non-financial facts and figures published generally refer to Deutsche Börse Group as a whole. Topics that are specific to a certain location or sustainability activities that are managed locally are identified accordingly.

Verification of non-financial key figures

The non-financial key figures, the qualitative statements in relation to corporate responsibility in this corporate report as well as the process of the stakeholder survey were subject to review by KPMG AG Wirtschaftsprüfungsgesellschaft (KPMG), an independent external auditor. The respective independent assurance is available on the internet under www.deutsche-boerse.com/sustainability KPMG's auditor's report on the consolidated financial statements and the combined management report of Deutsche Börse AG as at 31 December 2015 can be found on page 295 of this financial report.

Financial calendar

27 April 2016
Publication Q1/2016 results

11 May 2016
Annual General Meeting

1 June 2016
Investor day

27 July 2016
Publication half-yearly financial report 2016

28 October 2016
Q3/2016 results

Deutsche Börse AG
60485 Frankfurt/Main
Germany
www.deutsche-boerse.com