

NYSE Euronext  
Form 425  
May 04, 2011  
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Filed by Alpha Beta Netherlands Holding N.V.

Pursuant to Rule 425 under the Securities Act of 1933, and

deemed filed pursuant to Rule 14a-12 under the

Securities Exchange Act of 1934

Subject Companies:

NYSE Euronext

(Commission File No. 001-33392)

Deutsche Börse AG

May 4, 2011

In connection with the proposed business combination transaction between NYSE Euronext and Deutsche Börse AG, Alpha Beta Netherlands Holding N.V., a newly formed holding company ( Holdco ), filed with the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) ( BaFin ) a German language offer document (*Angebotsunterlage*) in connection with Holdco 's exchange offer for Deutsche Börse ordinary shares, which has been reviewed by the BaFin pursuant to the German Takeover Act (*Wertpapiererwerbs-und Übernahmegesetz*) and the publication of which was permitted by the BaFin on May 2, 2011 (the BaFin-approved offer document ). The BaFin-approved offer document was published in German by Holdco on May 4, 2011. An English translation of the BaFin-approved offer document, which has not been reviewed by BaFin, is attached hereto as Exhibit 1.

Holdco has also filed a registration statement on Form F-4 with the U.S. Securities and Exchange Commission (the SEC ) that includes (1) a proxy statement of NYSE Euronext that will also constitute a prospectus for Holdco and (2) an exchange offer prospectus of Holdco to be used in connection with Holdco 's offer to acquire Deutsche Börse ordinary shares held by U.S. holders. The registration statement was declared effective by the SEC on May 3, 2011, and the exchange offer prospectus that will be mailed to U.S. holders of Deutsche Börse ordinary shares is attached hereto as Exhibit 2. The documents set forth in Exhibits 1 and 2 contain the same offer terms and conditions and are substantially the same, except for certain modifications and updates to the disclosures made by Holdco in connection with the filing of the registration statement on May 3, 2011 which are reflected in the exchange offer prospectus in Exhibit 2. These modifications and updates do not affect the BaFin-approved offer document.

#### **Safe Harbor Statement**

In connection with the proposed business combination transaction between NYSE Euronext and Deutsche Boerse AG, Alpha Beta Netherlands Holding N.V. ( Holdco ), a newly formed holding company, has filed, and the SEC has declared effective on May 3, 2011, a Registration Statement on Form F-4 with the U.S. Securities and Exchange Commission ( SEC ) that includes (1) a proxy statement of NYSE Euronext that will also constitute a prospectus for Holdco and (2) an offering prospectus of Holdco to be used in connection with Holdco 's offer to acquire Deutsche Boerse AG shares held by U.S. holders. NYSE Euronext will mail the definitive proxy statement/prospectus (when finalized) to its stockholders in connection with the vote to approve the merger of NYSE Euronext and a wholly owned subsidiary of Holdco, and Holdco will mail the offering prospectus to Deutsche Boerse AG shareholders in the United States in connection with Holdco 's offer to acquire all of the outstanding shares of Deutsche Boerse AG. Holdco has also filed an offer document with the German Federal Financial Supervisory Authority (*Bundesanstalt fuer Finanzdienstleistungsaufsicht*) ( BaFin ), the publication of which was permitted by the BaFin pursuant to the German Takeover Act (*Wertpapiererwerbs-und Übernahmegesetz*), and which was published on May 4, 2011.

Investors and security holders are urged to read the definitive proxy statement/prospectus (when it becomes available), the offering prospectus and the offer document regarding the proposed business combination transaction because they contain important information. You may obtain a free copy of the definitive proxy statement/prospectus (when it becomes available), the offering prospectus and other related documents filed by NYSE Euronext and Holdco with the SEC on the SEC 's Web site at [www.sec.gov](http://www.sec.gov). The definitive proxy

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statement/prospectus (when it becomes available) and other documents relating thereto may also be obtained for free by accessing NYSE Euronext's Web site at [www.nyse.com](http://www.nyse.com). The offer document is available at Holdco's Web site at [www.global-exchange-operator.com](http://www.global-exchange-operator.com).

This document is neither an offer to purchase nor a solicitation of an offer to sell shares of Holdco, Deutsche Boerse AG or NYSE Euronext. The final terms and further provisions regarding the public offer are disclosed in the offer document that has been approved by the BaFin and in documents that have been filed with the SEC.

No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the U.S. Securities Act of 1933, as amended, and applicable European regulations. Subject to certain exceptions to be approved by the relevant regulators or certain facts to be ascertained, the public offer is not being made directly or indirectly in or into any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction, or by use of the mails or by any means or instrumentality (including without limitation, facsimile transmission, telephone and the internet) of interstate or foreign commerce, or any facility of a national securities exchange, of any such jurisdiction.

This announcement and related materials do not constitute in France an offer for ordinary shares in Holdco. The relevant final terms of the proposed business combination transaction will be disclosed in the information documents reviewed by the competent European market authorities.

## **Participants in the Solicitation**

NYSE Euronext, Deutsche Boerse AG, Holdco and their respective directors and executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies from NYSE Euronext stockholders in respect of the proposed business combination transaction. Additional information regarding the interests of such potential participants will be included in the definitive proxy statement/prospectus and the other relevant documents filed with the SEC when they become available.

## **Forward-Looking Statements**

This document includes forward-looking statements about NYSE Euronext, Deutsche Boerse AG, Holdco, the enlarged group and other persons, which may include statements about the proposed business combination, the likelihood that such transaction could be consummated, the effects of any transaction on the businesses of NYSE Euronext or Deutsche Boerse AG, and other statements that are not historical facts. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance and actual results of operations, financial condition and liquidity, and the development of the industries in which NYSE Euronext and Deutsche Boerse AG operate may differ materially from those made in or suggested by the forward-looking statements contained in this document. Any forward-looking statements speak only as at the date of this document. Except as required by applicable law, none of NYSE Euronext, Deutsche Boerse AG or Holdco undertakes any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events or otherwise.

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# **Exhibit 1**

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ENGLISH TRANSLATION OF BAFIN-APPROVED

EXCHANGE OFFER DOCUMENT

**This document is an English translation of the German language exchange offer document which has been reviewed by the German Federal Financial Supervisory Authority ( BaFin ) pursuant to the German Securities Acquisitions and Takeover Act and the publication of which was permitted by BaFin on May 2, 2011. BaFin has not reviewed this English translation.**

Mandatory publication pursuant to Sections 34, 14 paras. 2 and 3 German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz- WpÜG- German Takeover Act*)

**Shareholders of Deutsche Börse Aktiengesellschaft, in particular those who have their place of residence, seat or place of habitual abode outside The Federal Republic of Germany should pay particular attention to the information contained in section 1 of this exchange offer document.**

**Exchange Offer Document**

**VOLUNTARY PUBLIC TAKEOVER OFFER**

**(EXCHANGE OFFER)**

by

**Alpha Beta Netherlands Holding N.V.**

Beursplein 5, 1012 JW Amsterdam, the Netherlands

to the shareholders of

**Deutsche Börse Aktiengesellschaft**

60485 Frankfurt am Main, Germany

to acquire all registered no-par-value shares of Deutsche Börse Aktiengesellschaft

for consideration of

**1 new ordinary share in Alpha Beta Netherlands Holding N.V.**

**for 1 share in Deutsche Börse Aktiengesellschaft**

**Offer Acceptance Period: May 4, 2011 to midnight, at the end of July 13, 2011**

**(Central European Daylight Savings Time)**

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Deutsche Börse shares: ISIN DE0005810055  
tendered Deutsche Börse shares: ISIN DE00A1KRND6

Holdco  
offer  
shares: ISIN NL0009766997

**Neither the U.S. Securities and Exchange Commission (which is referred to in this document as the SEC ) nor any U.S. state securities commission has approved or disapproved of the securities to be issued in connection with the combination (see section 6.1) or passed upon the adequacy or accuracy of this document. Any representation to the contrary is a criminal offense.**

**Information about the exchange offer is contained in this exchange offer document, which we urge you to read. In particular, see Risk Factors beginning on page 34 in Annex 2 of this document.**

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**Annex 2: Information pursuant to Section 2 no. 2 German Takeover Act Offer Regulation in conjunction with Section 7 German Securities Prospectus Act and the Prospectus Regulation**

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### 1 General information and notes for shareholders

#### 1.1 Implementation of the exchange offer pursuant to the German Securities Acquisition and Takeover Act

This offer document (the **exchange offer document**) describes the voluntary public takeover offer (the **exchange offer**) of Alpha Beta Netherlands Holding N.V., a public limited liability company (*naamloze vennootschap*) incorporated and existing under the laws of the Netherlands, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands, and registered with the Dutch Trade Register of the Chamber of Commerce (*Kamer van Koophandel*) under number 52019756, having its registered office at Beursplein 5, 1012 JW Amsterdam, the Netherlands ( **Holdco** or the **Bidder** ) in accordance with the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*, the **German Takeover Act** ), to the shareholders of Deutsche Börse Aktiengesellschaft, Frankfurt am Main, Germany, registered in the commercial register (*Handelsregister*) of the Local Court (*Amtsgericht*) of Frankfurt am Main under HRB 32232 ( **Deutsche Börse** ) and, together with its affiliated companies, the **Deutsche Börse group** ) and with its business address at Mergenthaler Allee 61, 65760 Eschborn, Germany (Deutsche Börse's shareholders being the **shareholders of Deutsche Börse** ), except for the shareholders of Deutsche Börse excluded from the exchange offer as set forth in section 1.2.

Shareholders of Deutsche Börse whose place of residence, seat or habitual abode is in Japan ( **Japanese shareholders of Deutsche Börse** ) are requested to note in particular the details in section 1.2 and section 1.5.

The exchange offer is made exclusively in accordance with the laws of the Federal Republic of Germany ( **Germany** ), in particular pursuant to the German Takeover Act in conjunction with the Regulation on the Content of the Offer Document, the Consideration for Takeover Offers and Mandatory Offers and the Release from the Obligation to publish and to make a Tender Offer (*Verordnung über den Inhalt der Angebotsunterlage, die Gegenleistung bei Übernahmeangeboten und Pflichtangeboten und die Befreiung von der Verpflichtung zur Veröffentlichung und zur Abgabe eines Angebots* WpÜG-Angebotsverordnung, the **German Takeover Act Offer Regulation** ) and in accordance with applicable U.S. securities laws, including Regulation 14E under the U.S. Securities Exchange Act of 1934, as amended ( **Exchange Act** ).

With respect to the Holdco shares to be issued in this exchange offer and the merger (as described in section 6.1), in the United States of America (herein referred to as the **United States** ), a registration statement on Form F-4 (the **Registration Statement** ) is required pursuant to applicable U.S. securities laws, including Section 5 of the U.S. Securities Act of 1933, as amended (the **Securities Act** ), and Rule 145 thereunder, that has to become effective. However, there is the alternative of a so-called Early Commencement which means that the exchange offer may begin before the Registration Statement has become effective (see section 13.3.3). Immediately upon filing with the SEC, registration statements become public. The SEC reviews a company's registration statement after it is filed. Once the company has satisfactorily addressed all SEC comments in an amended registration statement, the registration statement will be declared effective by the SEC.

Annex 2 contains information pursuant to Section 2 no. 2 German Takeover Act Offer Regulation in conjunction with Section 7 German Securities Prospectus Act (*Wertpapierprospektgesetz*, the **German Securities Prospectus Act** ) and Commission Regulation (EC) No 809/2004 (April 29, 2004), as amended, implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and the dissemination of advertisements ( **Prospectus Regulation** ). Annex 2 forms part of this exchange offer document and should be read together with this exchange offer document.

There are no further documents other than Annex 1 (Persons acting jointly with Deutsche Börse Aktiengesellschaft) and Annex 2 (Information pursuant to Section 2 no. 2 German Takeover Act Offer Regulation in conjunction with Section 7 German Securities Prospectus Act and the Prospectus Regulation), which form part of this exchange offer document.

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This exchange offer document has been reviewed and its publication has been permitted by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, **BaFin**), it has not been approved by any other authority. BaFin has reviewed the exchange offer document pursuant to the German Takeover Act and has approved its publication. The English translation of the exchange offer document has not been reviewed by BaFin.

In this exchange offer document, the registered no-par-value shares (*auf den Namen lautende Stückaktien*) of Deutsche Börse (ISIN DE0005810055), are referred to as the **Deutsche Börse shares**. The ordinary voting shares of the Bidder with a nominal value of 1.00 as described in section 6.3 are referred to as **Holdco shares**. Holdco will increase its authorized capital as described under section 6.3.2(i) in order to allow Holdco to issue the necessary shares for the exchange offer. The newly issued ordinary Holdco shares that will be used as consideration under this exchange offer are referred to as the **Holdco offer shares** (see section 4.1).

With this exchange offer, the Bidder is not making any public offer pursuant to any laws other than the laws of Germany, the laws of the United Kingdom of Great Britain and Northern Ireland (**United Kingdom**) and to some extent the laws of the United States. Consequently, unless required by mandatory law, no other announcements have been made, and no other registrations, approvals, admissions or authorizations have been applied for or granted, in respect of this exchange offer document and/or the exchange offer outside Germany (with respect to the publication and dissemination please refer to section 1.4). As a result, the shareholders of Deutsche Börse cannot rely upon the application of foreign laws for investor protection.

Shareholders of Deutsche Börse who have their place of residence, seat or place of habitual abode in the United States (**U.S. shareholders of Deutsche Börse**) are informed that the exchange offer is subject to specific publication and procedural regulations under German law, which may differ from those that would be applicable to a company with shares listed in the United States or otherwise registered under the Exchange Act. For instance, the exchange offer differs from the process of a tender offer for a company with shares listed in the United States or otherwise registered under the Exchange Act with regard to the right of withdrawal, time allowed for acceptance and settlement.

### **1.2 Shareholders excluded from the exchange offer**

On April 20, 2011, BaFin permitted pursuant to Section 24 German Takeover Act to exclude Japanese shareholders of Deutsche Börse from the exchange offer. The exchange offer therefore cannot be accepted by them.

This does not apply to qualified institutional investors (*tekikaku kikan toshika*) (as defined in Article 2 para. 3 (i) of the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended) (**FIEA**)) (the **Japanese institutional investors** or the **admitted shareholders in Japan**).

The Japanese shareholders of Deutsche Börse (except for the admitted shareholders in Japan) are referred to as the **excluded Japanese shareholders**. For more information on the acceptance of the exchange offer outside of Germany, the United States and the United Kingdom, see also section 1.5.

### **1.3 Publication of the decision to make the exchange offer**

On February 15, 2011, the Bidder published its decision to make the exchange offer in accordance with Section 10 para. 1 sentence 1 German Takeover Act. The publication is available on the internet at <http://www.global-exchange-operator.com>. The English translation of the exchange offer document will be filed by the Bidder with the SEC immediately after approval of the German exchange offer document by BaFin and, subsequently, will be available electronically through the SEC's Electronic Data Gathering, Analysis and Retrieval (**EDGAR**) system. The English translation of the exchange offer document can be located on EDGAR at <http://www.sec.gov/edgar/searchedgar/companysearch.html>. From this website, search Alpha Beta Netherlands Holding N.V. under the tab company name. Alternatively, the publication can be accessed from the same website by entering the registration number, which is 333-173347, under the tab file number.

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**1.4 Publication and dissemination of this exchange offer document**

In accordance with Section 14 para. 3 German Takeover Act, the Bidder will publish this exchange offer document in German (as well as an English translation which has neither been reviewed nor approved by BaFin) on the internet at <http://www.global-exchange-operator.com> on May 4, 2011. The Bidder will make available copies of the exchange offer document for distribution in Germany free of charge at Deutsche Bank AG, Taunusanlage 12, 60262 Frankfurt am Main, Germany (fax no.: +49 (69) 910 3 87 94; e-mail: [DCT.Tender-Offers@db.com](mailto:DCT.Tender-Offers@db.com)). The announcement regarding (i) the availability of copies of this exchange offer document in Germany for distribution free of charge and (ii) the internet address at which this exchange offer document is being published will be published in the electronic Federal Gazette (*elektronischer Bundesanzeiger*) on May 4, 2011. In the United States, the Bidder has filed a Registration Statement, and will also file the English translation of this exchange offer document until May 4, 2011, the latest, with the SEC. The Bidder will send the English translation to the U.S. shareholders of Deutsche Börse known to it. In addition, the U.S. shareholders of Deutsche Börse can request, free of charge, the delivery of the English translation of the exchange offer document to the United States either through the aforementioned internet address or by making use of the aforementioned contact details at Deutsche Bank AG. The Bidder will also publish in *The Wall Street Journal* (U.S. edition) where copies of this exchange offer document free of charge will be available and at which internet address this exchange offer document is published. The aforementioned publications serve the purpose of complying with the mandatory provisions of the German Takeover Act and of complying with the Exchange Act.

This exchange offer document has been prepared without taking into account any particular person's objectives, financial situation or needs. Shareholders of Deutsche Börse should, before acting on the information contained in this exchange offer document, consider the appropriateness of the information having regard to their personal objectives, financial situation or needs.

With respect to this exchange offer being made to shareholders of Deutsche Börse whose place of residence, seat or habitual abode is in Australia, the Bidder relies on the class order exemptions CO 09/68, CO 04/671, CO 05/850 and CO 03/606 to the Australian securities law requirements granted by the Australian Securities and Investments Commission (ASIC). This exchange offer document does not constitute a disclosure document under Chapter 6D of the Australian Corporations Act 2001 (Cwlth), was not and will not be lodged with ASIC nor approved by it, and is not, and under no circumstances is to be construed as, an advertisement or a public offering of shares in Australia. No representation is made that this exchange offer document includes those details about Holdco offer shares which are required under Chapter 6D of the Australian Corporations Act 2001 (Cwlth). Please note that as this exchange offer document has not been prepared exclusively for an Australian audience, it may contain references to dollar amounts which are not Australian dollars, may contain financial information which is not prepared in accordance with Australian law or practices, may not address risks associated with investment in foreign currency denominated investments, and does not address Australian tax issues.

Shareholders of Deutsche Börse whose last address is to the Bidder's knowledge in Canada will be sent the same materials as those sent to U.S. shareholders of Deutsche Börse under the exchange offer. In addition, a brief non-binding summary of the key terms of the exchange offer in French will be sent to shareholders of Deutsche Börse whose last address is to the Bidder's knowledge in the Province of Québec.

No publications of the exchange offer document are planned beyond the aforementioned.

This exchange offer and this exchange offer document shall not constitute an issuance, publication or public advertising of an offer pursuant to laws and regulations of jurisdictions other than those of Germany, United Kingdom and the United States. In particular, this exchange offer document, or any summary or excerpt thereof, shall not be directly or indirectly distributed, disseminated or circulated outside Germany or the United States other than as described in this section 1.4 (and the Bidder has not authorized any third party accordingly, except for the publications and disseminations described in this

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section 1.4) if and to the extent this is not in compliance with applicable foreign regulations, or depends on the issuance of authorizations, compliance with official procedures or any other legal requirements, and such conditions are not satisfied. The Bidder is not responsible for ensuring that the publication, distribution, dissemination or circulation of the exchange offer document outside Germany, the United Kingdom and the United States is consistent with the provisions of legal systems other than those of Germany, the United Kingdom and the United States.

The Bidder will make this exchange offer document available upon request to the respective Custodian Banks (as defined in section 12.2) for distribution to shareholders of Deutsche Börse residing in Germany, the United Kingdom and the United States only. Beyond this, the Custodian Banks may not dispatch, distribute, disseminate or circulate this exchange offer document to shareholders of Deutsche Börse not residing in Germany, in the United Kingdom or in the United States, unless this is done in compliance with the securities laws of the relevant applicable jurisdiction.

**1.5 Acceptance of the exchange offer outside Germany, the United Kingdom and the United States**

**DUE TO THE JAPANESE INSTITUTIONAL INVESTORS EXEMPTION (ARTICLE 2 PARAGRAPH 3 LIT. II A OF THE FIEA) THE HOLDCO OFFER SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER ARTICLE 4 PARAGRAPH 1 OF THE FIEA. ACCORDINGLY, SUBJECT TO THE JAPANESE INSTITUTIONAL INVESTORS EXEMPTION, THE HOLDCO OFFER SHARES MAY NOT BE OFFERED OR SOLD WITHIN JAPAN OR TO OR FOR THE ACCOUNT OR BENEFIT OF ANY PERSON IN JAPAN OR TO OTHERS FOR RE-OFFERING OR RESALE WITHIN JAPAN OR TO OR FOR THE ACCOUNT OR BENEFIT OF ANY PERSON IN JAPAN, EXCEPT SUCH RE-OFFER OR RE-SALE IS MADE TO A JAPANESE INSTITUTIONAL INVESTOR. THIS OFFER DOCUMENT DOES NOT CONSTITUTE A PUBLIC OFFER TO JAPANESE SHAREHOLDERS OF DEUTSCHE BÖRSE (EXCEPT WITH RESPECT TO THE ADMITTED SHAREHOLDERS IN JAPAN).**

Acceptance of the exchange offer outside Germany, the United States and the United Kingdom may be subject to legal restrictions. With the exception of the admitted shareholders in Japan, the exchange offer may not be accepted by Japanese shareholders of Deutsche Börse.

This exchange offer is made by way of a single global offering. Shareholders of Deutsche Börse who are not admitted shareholders in Japan and come into possession of this exchange offer document outside Germany, the United States or the United Kingdom and/or who wish to accept the exchange offer outside Germany or the United States are advised to inform themselves of the relevant applicable legal provisions and to comply with them. The Bidder assumes no responsibility for the acceptance of the exchange offer outside Germany, the United Kingdom or the United States (in particular Japan except with respect to the admitted shareholders in Japan) being permissible under the relevant applicable legal provisions. The Bidder will treat as invalid any declaration of acceptance that appears to have been executed in or dispatched or sent from Japan (except with respect to admitted shareholders in Japan). Irrespective of the above, the exchange offer may be accepted by the admitted shareholders in Japan. Such admitted shareholders in Japan will be entitled to participate in the exchange offer on a private placement basis.

Shareholders of Deutsche Börse who wish to accept the exchange offer with the exception of the admitted shareholders in Japan must not use either postal services in Japan or other means or instruments (for example transmission by fax, telex or telephone) or use the international or foreign trading facilities or the facilities of a national securities exchange in Japan for a purpose that is either directly or indirectly linked to the acceptance of the exchange offer. Declarations of acceptance or other documents referring to the exchange offer with the exception of declarations of acceptance by the admitted shareholders in Japan may not be executed or stamped in Japan or dispatched in any other way from Japan. All shareholders of Deutsche Börse accepting the exchange offer with the exception of the admitted shareholders in Japan must provide addresses outside Japan for receipt of the Holdco offer shares and the delivery of any offer-related documents.



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The Holdco offer shares will be freely transferable except for certain restrictions as set forth in this exchange offer document. Any resale of Holdco offer shares acquired pursuant to the exchange offer by:

- (a) Shareholders of Deutsche Börse resident in Australia must be made in accordance with Australian law. The resale of Holdco offer shares made through an exchange or a market outside of Australia or to a person outside of Australia or to Australian Sophisticated and Professional Investors (as defined in Section 708 paras. 8 and 11 of the Australian Corporations Act 2001 (Cwlth)) will not be restricted under Australian law;
- (b) Shareholders of Deutsche Börse resident in Canada must be made through (i) an exchange or a market outside of Canada, to a person or company outside of Canada or pursuant to an exemption from the prospectus requirements of applicable Canadian securities laws; and (ii) an appropriately registered dealer or pursuant to an exemption from the dealer registration requirements of applicable Canadian securities laws;
- (c) Japanese institutional investors must be made to Japanese institutional investors or to non-residents within the meaning set forth in Article 6 para. 1 (vi) of the Foreign Exchange and Foreign Trade Act of Japan (Law No. 228 of 1949) as amended, only.

Unless required by mandatory law, no action has been or will be taken in any jurisdiction other than Germany, the United Kingdom or the United States that would permit a public offering of the Holdco offer shares, or permit possession or distribution of this exchange offer document or any advertising material relating to the Holdco offer shares, except as described in section 1.4.

## **2 Information regarding statements contained in this exchange offer document**

### **2.1 General**

Except as otherwise stated, references to time in this exchange offer document are references to Central European Daylight Savings Time.

To the extent that expressions such as *currently*, *at the present time*, *at the moment*, *now*, *at present* or *today* are used in this exchange offer document, they refer to the point in time of publication of this exchange offer document, except as otherwise expressly stated. Despite this, in each case the information is based on the Bidder's level of information at the time of signing of this exchange offer document. To the extent that the information relates to circumstances that are not in the sphere of influence of the Bidder, persons acting jointly with the Bidder or their respective subsidiaries, there may have been changes since the signing of this exchange offer document which have not been reflected in this exchange offer document.

References in this exchange offer document to a *banking day* relate to a day on which the banks in Frankfurt am Main, Germany, as well as in the City of New York, New York, United States, are open for general business. References in this exchange offer document to a *trading day* refer to a day on which the stock exchanges in Frankfurt am Main, Germany, as well as in the City of New York, New York, United States, are open for trading. References to *€*, *EUR* or *euro* refer to the legal currency of Germany, the Netherlands and certain other member states of the European Union as from January 1, 1999; references to *\$*, *USD* or *U.S. dollar* refer to the legal currency of the United States.

The Bidder has not authorized any third party to make statements about the exchange offer or this exchange offer document. If unauthorized third parties nevertheless make such statements, these shall neither be attributable to the Bidder, nor to persons acting jointly with the Bidder.

### **2.2 Status and source of information in the offer document**

The information about Deutsche Börse group, NYSE Euronext, a Delaware corporation (**NYSE Euronext**), and the affiliated companies of NYSE Euronext contained in this exchange offer document is based, among other things, on information made available in a due diligence exercise with regard to



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Deutsche Börse group, NYSE Euronext and the affiliated companies of NYSE Euronext of limited duration and scope which was carried out prior to the conclusion of the business combination agreement (as defined in section 4.2). After initial discussions regarding a possible business combination of Deutsche Börse and NYSE Euronext had been stopped in early December 2008 after unauthorized news stories regarding the existence of such discussions, new discussions were held starting August 2010 regarding the possibility of reinitiating the contemplation of a potential transaction. In the course of the discussions over the following months, individual items of financial information of Deutsche Börse and NYSE Euronext were exchanged. On January 28, 2011, NYSE Euronext and Deutsche Börse each provided one another with access to an electronic dataroom containing, among other things, financial and legal due diligence materials. The results of this due diligence were discussed in Amsterdam, the Netherlands, from January 31 to February 2, 2011 as well as in subsequent follow-up meetings (see section THE COMBINATION on pages 73 et seq. of Annex 2 regarding these discussions.).

Additional information was provided to the Bidder by Deutsche Börse group and NYSE Euronext in the course of the preparation of this exchange offer document, including oral information. In addition, the Bidder made use of information which is publicly available for the preparation of the exchange offer document. This included, in particular, in relation to Deutsche Börse group, information published on the internet at <http://www.deutsche-boerse.com>, the financial reports of Deutsche Börse, the articles of association of Deutsche Börse and information derived from the commercial register, and, in relation to NYSE Euronext and the affiliated companies of NYSE Euronext, information published on the internet at <http://www.nyse.com> and the financial reports of NYSE Euronext. The Bidder cannot rule out that the information about Deutsche Börse group, NYSE Euronext or the affiliated companies of NYSE Euronext described in this exchange offer document has changed since its publication.

In addition, the Bidder points to the fact that current members of the management board of the Bidder are also employed by Deutsche Börse (Marcus Thompson) and NYSE Euronext (Stéphane Biehler) (see section 6.4.1) and are also the sole members of the board of directors of the current sole shareholder of the Bidder (see section 6.5).

### **2.3 Forward-looking statements, intentions of the Bidder**

This exchange offer document and the documents referred to in it contain certain forward-looking statements. Such statements are, in particular, indicated by terms such as expects, believes, attempts, estimates, intends, assumes and endeavors. Such statements express intentions, current expectations of the Bidder with regard to possible future events. Descriptions, views, intentions and forward-looking statements are, except as otherwise expressly stated, based on certain information available to the Bidder at the time of publication of this exchange offer document and on certain assumptions, intentions and assessments made by the Bidder at that time. They are subject to risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The Bidder cautions you that forward-looking statements are not guarantees of the occurrence of such future events or of future performance and that in particular the actual results of operations, financial condition and liquidity, and the development of the industry in which Deutsche Börse group NYSE Euronext and the affiliated companies of NYSE Euronext operate may differ materially from those made in or suggested by the forward-looking statements contained in this exchange offer document.

### **2.4 Updates**

The Bidder will update this exchange offer document to the extent permissible and required under the German Takeover Act, and will comply with its obligations under U.S. law in accordance with the Exchange Act to inform security holders of any material change in the information published, sent or given to security holders. The Bidder will also, as applicable, publish additional accompanying information regarding the exchange offer, which will be made available on the Bidder's website at <http://www.global-exchange-operator.com>, and will file such information in English on the SEC's website under the link to the EDGAR system described in section 1.3.

**Table of Contents****3 Summary of the exchange offer**

The following summary contains an overview of selected matters set out in this exchange offer document. It is supplemented by, and should be read in conjunction with, the information and matters set out elsewhere in this exchange offer document. Therefore, this summary does not contain all information that may be relevant for the shareholders of Deutsche Börse. For this reason, the shareholders of Deutsche Börse should carefully read the entire exchange offer document including the Annexes.

<b>Bidder:</b>	Alpha Beta Netherlands Holding N.V., Beursplein 5, 1012 JW Amsterdam, the Netherlands
<b>Target Company:</b>	Deutsche Börse Aktiengesellschaft, 60485 Frankfurt am Main, Germany, with its business address at Mergenthalerallee 61, 65760 Eschborn, Germany
<b>Subject matter of the exchange offer:</b>	Acquisition of all registered no-par-value shares ( <i>auf den Namen lautende Stückaktien</i> ) of Deutsche Börse (ISIN DE0005810055), each representing a pro rata amount of 1.00 per share of the registered share capital ( <i>Grundkapital</i> ), in each case with all ancillary rights existing at the time of completion of this exchange offer (including dividend entitlements in respect of which no resolution has been passed by the general shareholders meeting ( <i>Hauptversammlung</i> ) of Deutsche Börse at the time of completion of the exchange offer).
<b>Offer Consideration:</b>	1 Holdco offer share in exchange for 1 Deutsche Börse share as set forth in section 4.1 in more detail.
<b>Conditions:</b>	<p>The exchange offer and the agreements which come into existence as a result of accepting the exchange offer will only be consummated if the following conditions are satisfied (see also section 14.3):</p> <p>(a) Minimum Condition</p> <p>The sum of the total number of Deutsche Börse shares in relation to which the exchange offer has been accepted and withdrawal has not been validly declared and the total number of Deutsche Börse shares that the Bidder already holds or has acquired, equals at least 75% of the sum of Deutsche Börse shares issued as of the end of the offer acceptance period and the number of total future Deutsche Börse option shares (as defined in section 7.3).</p> <p>(b) Competition Approvals</p> <p>(i) On or prior to March 31, 2012, the EU Commission has, or is deemed to have, cleared the combination (as defined in section 6.1) pursuant to the EC Merger Regulation.</p> <p>(ii) On or prior to March 31, 2012, any waiting period including any extension thereof, applicable to the combination pursuant to the Hart-Scott-Rodino Act of 1976 shall have expired or been terminated with the consequence that the combination may be consummated.</p>

(c) Effectiveness of the registration statement

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The registration statement (see section 13.3) regarding the Holdco shares to be issued to the Bidder in the context of the exchange offer and the merger

(i) shall have been declared effective by the SEC prior to the end of the offer acceptance period and

(ii) at the time of the expiration of the offer acceptance period shall not be subject of any stop order (see section 13.3.2) by the SEC pursuant to Section 8(d) of the Securities Act (as defined in section 1.1) or any proceeding initiated by the SEC seeking such a stop order.

(d) NYSE Euronext requisite vote

Prior to the end of the offer acceptance period, the NYSE Euronext requisite vote (as defined in section 9.2) shall have been obtained.

(e) Governmental and Judicial Proceedings

At the time of the expiration of the acceptance period neither any governmental entity nor legislative body nor court in

(i) the United States,

(ii) Germany,

(iii) the Netherlands,

(iv) France,

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(v) the United Kingdom,

(vi) Portugal,

(vii) Belgium,

(viii) Switzerland or

(ix) Luxembourg,

shall have enacted any legislation, regulation, administrative act or injunction which is in force at the aforementioned time and would prohibit or make illegal the combination or the acquisition or ownership of the Deutsche Börse shares or of the NYSE Euronext shares by the Bidder.

(f) Other Approvals

On or prior to March 31, 2012, the following approvals will have been obtained:

(i) The SEC shall have approved the application under Rule 19b-4 Exchange Act (as defined in section 1.1) submitted by NYSE Euronext and/or its subsidiaries and by Deutsche Börse and/or its subsidiaries with respect to the combination;

(ii) the Dutch Minister of Finance shall have (upon recommendation of the Dutch Authority for the Financial Markets) issued a declaration of non-objection to the Bidder in connection with the combination pursuant to Section 5:32d of the Dutch Financial Supervision Act allowing Holdco to indirectly acquire the shares

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in Euronext Amsterdam N.V. as well as NYSE Euronext (International) B.V., NYSE Euronext (Holding) N.V. and Euronext N.V.;

(iii) the Dutch Minister of Finance (with advice from the Dutch Authority for the Financial Markets) or the Dutch Authority for the Financial Markets on behalf of the Dutch Minister of Finance, as applicable, shall have confirmed, reissued, renewed or amended, if so required by the Dutch Minister of Finance respectively the Dutch Authority for the Financial Markets, the existing declaration of non-objection issued to NYSE Euronext, NYSE Euronext (International) B.V., NYSE Euronext (Holding) N.V. and Euronext N.V. pursuant to Section 5:32d of the Dutch Financial Supervision Act, in each case allowing the relevant entity to acquire or hold, indirectly or directly, as the case may be, the shares of Euronext Amsterdam N.V., or the Minister of Finance and the Dutch Authority for the Financial Markets shall not have indicated that any such confirmation, reissuance, renewal or amendment is required;

(iv) the Dutch Minister of Finance and the Dutch Authority for the Financial Markets shall have reviewed and approved the combination and confirmed, reissued, renewed or amended, if so required by the Dutch Minister of Finance or the Dutch Authority for the Financial Markets, the existing exchange license granted to Euronext Amsterdam N.V., NYSE Euronext (International) B.V., NYSE Euronext (Holding) N.V. and Euronext N.V. pursuant to Sections 5:26 and 2:96 of the Dutch Financial Supervision Act, or the Dutch Minister of Finance and the Dutch Authority for the Financial Markets shall not have indicated that any such confirmation, reissuance, renewal or amendment is required;

(v) the Dutch Central Bank shall have issued a declaration of non-objection to Holdco pursuant to Section 3:95(1)(c) of the Dutch Financial Supervision Act allowing Holdco to indirectly acquire the shares in Euronext Amsterdam N.V. as well as NYSE Euronext (International) B.V., NYSE Euronext (Holding) N.V. and Euronext N.V. in their capacity as licensed operators of multilateral trading facilities, or it shall have indicated that such declaration of non-objection is not required;

(vi) the College of Euronext Regulators (see section 13.2.2 (ii)) shall have issued a declaration of non-objection to the combination pursuant to the memorandum of understanding as of June 24, 2010;

(vii) the Hessian Exchange Supervisory Authority did not prohibit the intended indirect acquisition of a significant participation in Deutsche Börse, Scoach Europa AG and Eurex Frankfurt AG within the period available to it pursuant to Section 6 paras. 1, 2 of the German Stock Exchange Act (*Börsengesetz*), or it issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period;



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(viii) the Saxonian Exchange Supervisory Authority did not prohibit the intended indirect acquisition of a significant participation in European Energy Exchange AG and EEX Power Derivatives GmbH within the period available to it pursuant to Section 6 paras. 1, 2 of the German Stock Exchange Act, or it issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period;

(ix) the Berlin Exchange Supervisory Authority did not prohibit the intended indirect acquisition of a significant participation in Tradegate Exchange GmbH within the period available to it pursuant to Section 6 paras. 1, 2 of the German Stock Exchange Act, or it issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period;

(x) the BaFin did not prohibit the intended indirect acquisition of a significant participation in European Commodity Clearing AG, Eurex Clearing AG, Eurex Repo GmbH, Eurex Bonds GmbH and Clearstream Banking AG within the period available to it pursuant to Section 2c of the German Banking Act, or it issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period;

(xi) the French Banking Regulatory Authority shall have granted the approval required pursuant to French Regulation 96-16 of the French Committee for the Regulation of Banking and Finance relating to the change of ownership and control of Euronext Paris S.A. in its capacity as credit institution;

(xii) the French Minister of the Economy shall have granted, upon advice of the French Financial Markets Authority, the approval required pursuant to Article L. 421-9 II of the French Monetary and Financial Code relating to the change of ownership and control of Euronext Paris S.A. and BlueNext S.A. in their capacity as regulated market operators;

(xiii) the U.K. Financial Services Authority shall have granted its approval in respect of the change of ownership and control of LIFFE Administration and Management pursuant to Chapter 1A of Part XVIII of the Financial Services and Markets Act 2000;

(xiv) the U.K. Financial Services Authority shall have granted its approval in respect of the change of ownership and control of LIFFE Services Limited, Secfinex Limited, Smartpool Trading Limited and Fix City Limited pursuant to Part XII of the Financial Services and Markets Act 2000 and Section SUP 11.3.4 R of the Regulatory Processes Supervision Manual of the FSA Handbook;

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(xv) the Financial Services and Markets Authority of Belgium shall not have prohibited the intended change of ownership and control of Euronext Brussels S.A./N.V. within the period available to it pursuant to Article 19 of the Belgian Law of

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August 2, 2002, or it shall have issued a corresponding declaration of non-objection in respect of such intended change of ownership and control of Euronext Brussels SA/NV within this period;

(xvi) Euronext Brussels S.A./N.V. shall have received a confirmation by the Belgian Ministry of Finance regarding the preservation of its status as regulated market and as licensed market pursuant to Articles 3, 17 and 18 of the Belgian Law of August 2, 2002, or in the absence of such confirmation, Euronext Brussels S.A./N.V. shall not have received any notification by the Belgian Ministry of Finance to the contrary;

(xvii) the Portuguese Minister of Finance shall have explicitly approved of the change of ownership and control of Euronext Lisbon S.A. upon a positive legal opinion of the Portuguese Financial Supervisory Authority pursuant to Decree-law n° 357-C/2007 of October 31, 2007, as amended;

(xviii) the Portuguese Financial Supervisory Authority shall be notified of the change of ownership and control of Euronext Lisbon and has either not prohibited such change of control within the period available to it or has issued a declaration of non-objection to such change of control each pursuant to Decree-law n° 357-C/2007 of October 31, 2007, as amended;

(xix) the Portuguese Financial Supervisory Authority shall be notified of the change of ownership and control of Interbolsa and has either not prohibited such change of control within the period available to it or has issued a declaration of non-objection to such change of control each pursuant to Decree-law n° 357-C/2007 of October 31, 2007, as amended;

(xx) the Committee on Foreign Investments in the United States shall have granted written notice that the review of the combination under Section 721 of the U.S. Defense Protection Act of 1950 has been concluded and the Committee on Foreign Investments in the United States shall have determined that there are no unresolved national security concerns sufficient to warrant a recommendation that the U.S. President block the exchange offer and/or the merger under such Section 721 of the U.S. Defense Protection Act of 1950 and advised that action under such Section 721 has been concluded with respect to the combination;

(xxi) the Luxembourg Supervisory Authority for the Financial Sector did not prohibit the intended indirect acquisition of Clearstream Banking S.A., Clearstream International S.A. and Clearstream Services S.A. within the statutory period available to it pursuant to Articles 6 (5), 6 (16), 18 (5) and 18 (17) of the Luxembourg Financial Sector Act of April 5, 1993, or it issued corresponding declarations of non-objection with regard to the acquisition within this period;

(xxii) the Luxembourg Supervisory Authority for the Insurance Sector did not prohibit the intended indirect acquisition of Risk

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Transfer Re S.A. within the statutory period available to it pursuant to Articles 94 1 (4) and 94 1 (15) of the Luxembourg Insurance Act of December 6, 1991, or it issued a corresponding declaration of non-objection with regard to the acquisition within this period.

(g) No Material Adverse Market Change

During the time between the publication of the exchange offer document and the end of the offer acceptance period, there shall not have occurred a suspension of the currency trading or debt markets in

(i) Frankfurt am Main, Federal Republic of Germany, and London, Great Britain, or

(ii) the City of New York, New York, USA

for more than three consecutive trading days.

(h) No offer material adverse effect relating to NYSE Euronext

During the time between the publication of the exchange offer document and the end of the offer acceptance period, there shall not have occurred an offer material adverse effect relating to NYSE Euronext ( **the offer material adverse effect in relation to NYSE Euronext** ).

An offer material adverse effect relating to NYSE Euronext is the occurrence of a circumstance or circumstances relating to NYSE Euronext, that, according to the assessment of an independent expert, has or have resulted in, or would reasonably be expected to result in, individually or in the aggregate, a decrease in the consolidated net revenues of NYSE Euronext of at least US\$ 300,000,000 in the 2011 financial year and/or 2012 financial year of NYSE Euronext, to the extent the decrease is recurrent. Consolidated net revenues of NYSE Euronext are the total revenues less transaction-based expenses pursuant to the consolidated financial statement 2010.

An offer material adverse effect relating to NYSE Euronext will only be deemed to have occurred if, on or before the day before the publication of the results of the exchange offer pursuant to

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Section 23 para. 1 sentence 1 no. 2 German Takeover Act, an independent expert from Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft ( **independent expert** ), using the due and careful consideration of a diligent professional, has delivered an opinion that an offer material adverse effect has occurred. Upon request of the Bidder, the independent expert will undertake an evaluation of whether an offer material adverse effect relating to NYSE Euronext has occurred. The independent expert shall further carry out his evaluation without undue delay. The opinion of the independent expert is binding on and non-appealable by the Bidder and Deutsche Börse shareholders and will be published by the Bidder without undue delay in the electronic Federal Gazette (*elektronischer Bundesanzeiger*), the *Frankfurter Allgemeine Zeitung* and *The Wall Street Journal* (US edition) with reference to the exchange offer.

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- (i) No offer material adverse effect relating to Deutsche Börse

During the time between the publication of the exchange offer document and the end of the offer acceptance period, there shall not have occurred an offer material adverse effect relating to Deutsche Börse ( **the offer material adverse effect relating to Deutsche Börse** ).

An offer material adverse effect relating to Deutsche Börse is the occurrence of a circumstance or circumstances relating to Deutsche Börse, that, according to the assessment of the independent expert, has or have resulted in, or would reasonably be expected to result in, individually or in the aggregate, a decrease in the consolidated net revenues of Deutsche Börse, of at least US\$ 300,000,000 in the 2011 financial year and/or 2012 financial year of Deutsche Börse, to the extent the decrease is recurrent. Consolidated net revenues of Deutsche Börse are the total revenues less volume-related costs pursuant to the consolidated financial statement 2010.

An offer material adverse effect relating to Deutsche Börse will only be deemed to have occurred if, on or before the day before the publication of the results of the exchange offer pursuant to Section 23 para. 1 sentence 1 no. 2 German Takeover Act, the independent expert, using the due and careful consideration of a diligent professional, has delivered an opinion that an offer material adverse effect relating to Deutsche Börse has occurred. Upon request of the Bidder the independent expert will undertake an evaluation of whether an offer material adverse effect relating to Deutsche Börse has occurred. The independent expert shall further carry out his evaluation without undue delay. The opinion of the independent expert is binding on and non-appealable by the Bidder and Deutsche Börse shareholders and will be published by the Bidder without undue delay in the electronic Federal Gazette (*elektronischer Bundesanzeiger*), the *Frankfurter Allgemeine Zeitung* and *The Wall Street Journal* (US edition) with reference to the exchange offer.

- (j) IRS Ruling or Rulings vis-à-vis NYSE Euronext

On or prior to the end of the offer acceptance period, NYSE Euronext shall have received one or more private letter rulings from the U.S. Internal Revenue Service ( **IRS** ) substantially to the effect that

- (i) the merger will qualify as a reorganization within the meaning of Section 368(a) of the U.S. Internal Revenue Code and/or the merger and the exchange offer, taken together, will qualify as an exchange within the meaning of Section 351(a) of the U.S. Internal Revenue Code; and

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(ii) (A) the transfer of NYSE Euronext shares by U.S. persons for shares of the bidder will qualify for an exception to Section 367(a)(1) of the U.S. Internal Revenue Code under U.S. Treasury Regulation Sections 1.367(a)-3(c)(1) and 1.367(a)-3(c)(9), and (B) any U.S. person transferring NYSE Euronext shares to the Bidder who is a 5% transferee shareholder of NYSE Euronext (within the meaning of U.S. Treasury Regulation Section 1.367(a)-3(c)(5)(ii)) will qualify for the exception to Section 367(a)(1) of the U.S. Internal Revenue Code only upon entering a five-year



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gain recognition agreement pursuant to U.S. Treasury Regulation Section 1.367(a)-8.

(k) IRS-Ruling vis-à-vis Deutsche Börse

On or prior to the end of the offer acceptance period, Deutsche Börse shall have received a private letter ruling from the IRS substantially to the effect that the exchange offer will qualify as a transaction described in Section 351 (a) of the U.S. Internal Revenue Code and/or the exchange offer and the merger, taken together, will qualify as transaction described in Section 351(a) of the U.S. Internal Revenue Code.

**Offer Acceptance Period:**

May 4, 2011 to midnight, at the end of July 13, 2011 (Central European Daylight Savings Time)

**Additional Offer Acceptance Period:**

Provided that the offer acceptance period (as defined in section 5.2) is not extended, the additional offer acceptance period (as defined in section 5.3) is expected to begin on July 20, 2011 and to expire on August 2, 2011.

**Acceptance:**

Acceptance of the exchange offer must be declared in writing by the relevant shareholder of Deutsche Börse to the Custodian Bank (as defined in section 12.2) during the offer acceptance period or the additional offer acceptance period. Until settlement of the exchange offer pursuant to the terms and conditions of this exchange offer document, the Deutsche Börse shares, for which the declaration of acceptance (as defined in section 12.2) has become effective, remain in the accepting shareholder's securities account; they are, however, each re-booked under a different International Securities Identification Number ( **ISIN** ) and identified as tendered Deutsche Börse shares .

The declaration of acceptance will only become effective, as described in more detail in sections 12.2 and 12.5, upon the Deutsche Börse shares in respect of which the exchange offer has been accepted being re-booked, in a timely manner, at Clearstream Banking AG, Frankfurt am Main ( **Clearstream** ), under ISIN DE00A1KRND6 (tendered Deutsche Börse shares).

**Withdrawal**

Until the end of the offer acceptance period, the shareholders of Deutsche Börse may, at any time, withdraw from the agreements concluded as a result of the acceptance of the exchange offer.

**Costs of Acceptance:**

The acceptance of the exchange offer is free of costs and expenses for the accepting shareholders of Deutsche Börse holding their Deutsche Börse shares in collective safe custody with a Custodian Bank which, in turn,

holds these shares in custody in its securities account at Clearstream. Costs resulting from the transmission of the declaration of acceptance to the custodian bank will, however, not be reimbursed.

Costs and expenses charged by any other custodian banks or foreign intermediate custodians outside Germany shall be borne by each accepting shareholder of Deutsche Börse.

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Further, any taxes related to the transfer of the tendered Deutsche Börse shares in exchange for Holdco offer shares must be borne by the relevant shareholder of Deutsche Börse. The same is true for any foreign stock exchange trading taxes or stamp duties as well as other taxes or fees which fall due when accepting the exchange offer.

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<b>ISINs:</b>	Deutsche Börse shares:	ISIN DE0005810055
	tendered Deutsche Börse shares:	ISIN DE00A1KRND6
	Holdco offer shares:	ISIN NL0009766997

**Listing of Holdco offer shares:**

The Bidder will apply prior to the time of delivery of the Holdco offer shares to the shareholders of Deutsche Börse under the exchange offer for admission of its shares, including the Holdco offer shares, to trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and, simultaneously, in the sub-segment thereof with additional post-admission obligations (Prime Standard), as well as on the regulated market of Euronext Paris (*marché réglementé de Euronext Paris*) and on the New York Stock Exchange.

The Bidder will take all necessary actions that the Holdco offer shares which the accepting shareholders of Deutsche Börse will receive upon settlement of the exchange offer will have been admitted to trading (listed) at the time of delivery to the shareholders of Deutsche Börse who have accepted the exchange offer.

Commencement of trading on the Frankfurt Stock Exchange, Euronext Paris and the New York Stock Exchange is expected to occur immediately after delivery of the Holdco offer shares to the shareholders of Deutsche Börse having accepted the exchange offer.

**Stock Exchange Trading of tendered Deutsche Börse shares:**

It is intended to apply for the admission of the tendered Deutsche Börse shares (see section 12.2) to stock market trading on the regulated market of the Frankfurt Stock Exchange and, simultaneously, in the sub-segment thereof with additional post-admission obligations (Prime Standard), under ISIN DE00A1KRND6. It is intended, that the Deutsche Börse will assign a designated sponsor in order to provide for sufficient liquidity of the exchange trading in tendered Deutsche Börse shares. Trading in the tendered Deutsche Börse shares on the regulated market of the Frankfurt Stock Exchange is expected to begin on the second trading day after commencement of the offer acceptance period and to end no later than (i) after regular trading hours on the last trading day of the Frankfurt Stock Exchange within the additional offer acceptance period or (ii) after regular trading hours on the day the satisfaction of all completion conditions (unless been waived) is published (see section 14.4), whichever is the later date.

**Publications:**

The exchange offer document whose publication has been permitted by BaFin on May 2, 2011 and will be published on May 4, 2011 by way of announcement on the internet (together with an English translation) at <http://www.global-exchange-operator.com>. The Bidder will make available copies of the exchange offer document for distribution in Germany free of charge at Deutsche Bank AG, Taunusanlage 12, 60262 Frankfurt am Main; Germany (fax no.: +49 (69) 9 10-3 87 94; e-mail: [DCT.Tender-Offers@db.com](mailto:DCT.Tender-Offers@db.com)). The announcement regarding (i) the availability of copies of this exchange offer document for distribution in Germany free of charge and (ii) the internet address at which this exchange offer document has been published will be published in the electronic Federal Gazette (*elektronischer Bundesanzeiger*) on May 4, 2011.

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In the United States, the Bidder has filed a Registration Statement, and will also file the English translation of this exchange offer document until May 4, 2011, the latest, with the SEC. The Bidder will send the English translation to the U.S. shareholders of Deutsche Börse known to it. In addition, the U.S. shareholders of Deutsche Börse can request, free of charge, the delivery of the English translation of this exchange offer document to the United States either through the aforementioned internet address or by making use of the aforementioned contact details at Deutsche Bank AG. The Bidder will also publish where copies of this exchange offer document free of charge will be available and at which internet address this exchange offer document is published in *The Wall Street Journal* (U.S. edition).

Shareholders of Deutsche Börse whose last address is to the Bidder's knowledge in Canada will be sent the same materials as those sent to U.S. shareholders of Deutsche Börse under the exchange offer.

In addition, a brief non-binding summary of the key terms of the exchange offer in French will be sent to shareholders of Deutsche Börse whose last address is to the Bidder's knowledge in the Province of Québec.

All notifications and announcements required pursuant to the German Takeover Act will also be published on the internet at <http://www.global-exchange-operator.com> (in German as well as in English) and in German in the electronic Federal Gazette. The Bidder will also file such notifications and announcements in English with the SEC and otherwise comply with its obligation under U.S. law with respect to informing security holders of any material change in the information published, sent or given to security holders.

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### **4 The exchange offer**

#### **4.1 Subject of the exchange offer**

Subject to the terms and conditions set forth in this exchange offer document, the Bidder hereby offers to all shareholders of Deutsche Börse, except for the excluded Japanese shareholders (as defined in section 1.2), to acquire all outstanding registered no-par-value shares of Deutsche Börse (ISIN DE0005810055), each representing a pro rata amount of 1.00 per share of the registered share capital (*Grundkapital*), in each case together with all ancillary rights existing at the time of completion of the exchange offer (including dividend entitlements in respect of which no resolution has been passed by the general shareholders meeting (*Hauptversammlung*) of Deutsche Börse at the time of completion of this exchange offer).

The Bidder offers

#### **1 Holdco offer share in exchange for 1 Deutsche Börse share**

as consideration, each such Holdco offer share with a nominal value of 1.00 (the **offer consideration**).

American Depositary Receipts for Deutsche Börse shares (**ADRs**) may not be tendered into the exchange offer. Holders of ADRs may participate in the exchange offer after exchange of their ADRs into Deutsche Börse shares (please see section 12.9 for more details). This does not apply for Holders of ADR who are excluded Japanese shareholders who must not participate in the exchange offer as described under section 1.2.

This exchange offer is aimed at the acquisition of control over Deutsche Börse within the meaning of Section 29 para. 2 German Takeover Act and thus constitutes a takeover offer pursuant to Chapter (*Abschnitt*) 4 of the German Takeover Act. It also relates to the Deutsche Börse treasury shares as well as any new Deutsche Börse shares coming into existence as a result of stock options referred to in section 15.1 being exercised prior to the expiration of the offer acceptance period or the additional offer acceptance period.

#### **4.2 Reasoned statement / recommendation by Deutsche Börse's management board and supervisory board**

Pursuant to Section 27 para. 1 German Takeover Act the management board of Deutsche Börse (the **Deutsche Börse management board**) and the supervisory board of Deutsche Börse (the **Deutsche Börse supervisory board**; Deutsche Börse management board and Deutsche Börse supervisory board together the **Deutsche Börse boards**) are required to give a reasoned statement in respect of the exchange offer and any amendments, as the case may be, and are required to publish such statement in accordance with Sections 34, 27 para. 3, 14 para. 3 sentence 1 German Takeover Act without undue delay after transmission of the exchange offer by the Bidder.

On February 15, 2011 Deutsche Börse announced in an ad-hoc announcement pursuant to Section 15 German Securities Trade Act (*WpHG*) that following the approval from the Deutsche Börse boards and the NYSE Euronext board of directors an agreement regarding the combination of Deutsche Börse and NYSE Euronext had been reached that day. The parties to such agreement are NYSE Euronext, Deutsche Börse, Holdco and Pomme Merger Corporation, a Delaware corporation (**Pomme Merger Corporation**).

It was also announced on February 15, 2011 in the ad-hoc announcement that in the opinion of the Deutsche Börse boards, a strategic business combination between Deutsche Börse and NYSE Euronext is in the interest of Deutsche Börse and the interest of its shareholders, and that therefore the Deutsche Börse boards have determined that they will, subject to fulfilling all of their legal duties in connection with the review of the exchange offer after its publication, recommend in accordance with Section 27 German Takeover Act that the shareholders of Deutsche Börse accept the exchange offer and tender their shares in the exchange offer.

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The agreement as signed on February 15, 2011, was amended by the parties to the agreement by an amendment dated May 2, 2011. The agreement as signed on February 15, 2011, including the amendment dated May 2, 2011, is hereinafter referred to as **business combination agreement** .

The material terms of the business combination agreement are summarized and described in the section **Business Combination Agreement** in Annex 2 to which reference is made. Pages G-2 et seq. of Annex 2 contain the agreement as of February 15, 2011, and the amendment dated May 2, 2011.

## **5 ACCEPTANCE PERIOD**

### **5.1 Duration of the offer acceptance period**

The period for acceptance of the exchange offer begins upon publication of this exchange offer document on May 4, 2011. It expires on **midnight, at the end of July 13, 2011 (Central European Daylight Savings Time)**.

### **5.2 Extensions of the offer acceptance period**

In the circumstances set out below, the offer acceptance period will in each case be extended automatically as follows:

In the event of an amendment of the exchange offer pursuant to Section 21 German Takeover Act within the last two weeks prior to the expiration of the offer acceptance period, the offer acceptance period will be extended by two weeks (Section 21 para. 5 German Takeover Act) and, consequently, would be expected to end at midnight, at the end of July 27, 2011 (Central European Daylight Savings Time). This shall apply even if the amended exchange offer violates legal provisions.

If, during the offer acceptance period of this exchange offer, a competing offer is made by a third party for the Deutsche Börse shares ( **competing offer** ) and if the offer acceptance period for the present exchange offer expires prior to expiration of the acceptance period for the competing offer, the expiration of the offer acceptance period for the present exchange offer shall be determined by reference to the expiration of the acceptance period for the competing offer (Section 22 para. 2 German Takeover Act). This shall apply even if the competing offer is amended or prohibited or violates legal provisions.

The period for acceptance of the exchange offer, including all extensions of such period resulting from provisions of the German Takeover Act (but excluding the additional offer acceptance period described in section 5.3), is referred to as the **offer acceptance period** in this exchange offer document.

With regard to the right of withdrawal (*Rücktrittsrecht*) in the event of an amendment of the exchange offer or the launching of a competing offer, reference is made to the statements contained in section 17.

### **5.3 Additional offer acceptance period pursuant to Section 16 para. 2 German Takeover Act**

Shareholders of Deutsche Börse who have not accepted the exchange offer within the offer acceptance period, may still accept the exchange offer within two weeks after publication of the results of the exchange offer by the Bidder pursuant to Section 23 para. 1 sentence 1 no. 2 German Takeover Act (the **additional offer acceptance period** ), unless one of the completion conditions set out in section 14.1, which has not been validly waived before, has not been satisfied by the end of the offer acceptance period. In such case the agreements concluded through the acceptance of the exchange offer will not be executed (see section 14.3 of this exchange offer document).

The results of this exchange offer are expected to be published pursuant to Section 23 para. 1 sentence 1 no. 2 German Takeover Act within four banking days after expiration of the offer acceptance period, i.e. the expected date of publication is July 19, 2011. The additional offer

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acceptance period is therefore expected to commence on July 20, 2011 and to end at midnight, at the end of August 2, 2011 (Central

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European Daylight Savings Time). The exchange offer can no longer be accepted following expiration of the additional offer acceptance period (please see, however, section 18(iv) in respect of a sell-out right for the shareholders of Deutsche Börse under certain circumstances).

### **6 Information on the Bidder**

*Shareholders are requested to read the following information regarding the Bidder in this section 6 in connection with the information provided on pages A-157 et seq. of Annex 2.*

#### **6.1 General**

To date, Holdco has not conducted any material activities other than those incident to its formation and the matters contemplated by the business combination agreement, such as the formation of Pomme Merger Corporation (a wholly owned subsidiary of Holdco), the making of certain required securities law filings and the preparation of this exchange offer document (including the retention of a valuation expert to determine the value of Holdco shares to be offered as consideration under this exchange offer, see section 11.3).

As agreed in the business combination agreement, Deutsche Börse will become a subsidiary of Holdco through this exchange offer. NYSE Euronext will become a 100% subsidiary of Holdco by way of Pomme Merger Corporation being merged with and into NYSE Euronext against issuance of Holdco shares to the shareholders of NYSE Euronext (the **NYSE Euronext stockholders**) (the **merger**), which, together with the exchange offer, is referred to as the **combination**). Holdco and its subsidiaries after completion of the combination are referred to as the **Holdco group**.

#### **6.2 Legal basis**

Holdco was incorporated as a public limited liability company (*naamloze vennootschap*) under the laws of the Netherlands on February 10, 2011 and is registered with the Dutch Trade Register of the Chamber of Commerce (*Kamer van Koophandel*) under the registration number 52019756 under the legal name Alpha Beta Netherlands Holding N.V. Holdco currently does not use a commercial name different from its legal name.

Holdco has been formed for an unlimited duration. Its fiscal year is the calendar year.

Holdco's statutory seat (*statutaire zetel*) is in Amsterdam, the Netherlands, and its business address is Beursplein 5, 1012 JW Amsterdam, the Netherlands. As a company having its statutory seat in the Netherlands, Holdco is governed by Dutch law.

Following the completion of the combination, Holdco will serve as the holding company for Deutsche Börse Group, NYSE Euronext and the affiliated companies of NYSE Euronext. In the business combination agreement the parties to it agreed on the content and wording of the future articles of association of Holdco as well as the future rules of procedure of the Holdco board of directors that are supposed to be effective upon completion of the combination, in order to provide for the governance arrangements agreed between the parties as well as to comply with the relevant rules and requirements applicable to a listed company. Drafts of both documents are attached as annexes to the business combination agreement. They are set forth in Annex 2 as Exhibits B and C. As Holdco is also a party to the business combination agreement and was established prior to the date of the business combination agreement, its articles of association effective at the time of publication of this exchange offer document do not yet reflect the agreed upon provisions. Therefore, the parties to the business combination agreement have agreed that the amendment of the articles of association of Holdco and the implementation of the rules of procedure of the Holdco board of directors will become effective prior to the completion of the combination.

Prior to the completion of the combination, Holdco's general meeting of shareholders will therefore resolve to completely revise Holdco's current articles of association. The amendment of Holdco's articles of association will take effect through the execution of a notarial deed of amendment of Holdco's articles



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of association prior to the completion of the combination. Except for the summary, all references to Holdco's articles of association in this section 6 therefore refer to the form of Holdco's articles of association that will be in effect following execution of the notarial deed of amendment.

Following completion of the combination, Holdco's objects pursuant to article 3 of its articles of association will be: to incorporate, to participate in any way whatsoever in, to manage, to supervise businesses and companies, including without limitation businesses and companies of which the objects are to set up, develop, hold and operate, directly or indirectly, one or more exchanges or markets or other facilities with regard to the listing of, the trade in, the clearing and settlement of transactions in, and the custody of, securities and derivatives; to finance and/or acquire businesses and companies; to borrow, to lend and to raise funds, including through the issue of bonds, debt instruments or other securities or evidence of indebtedness as well as to enter into agreements in connection with aforementioned activities; to render advice and services to businesses and companies which belong to Holdco group and to third parties; to grant guarantees, to bind Holdco and to pledge its assets for obligations of businesses and companies which belong to Holdco group and on behalf of third parties; to perform any and all activities of an industrial, financial or commercial nature and to do all that is connected therewith or may be conducive thereto, all to be interpreted in the broadest sense.

### **6.3 Holdco share capital**

Under Dutch law, the authorized share capital (*maatschappelijk kapitaal*) is the maximum amount of capital for which shares in a Dutch public limited liability company (*naamloze vennootschap*) can be validly issued. A Dutch public limited liability company may therefore only issue shares up to the aggregate amount of its authorized share capital as stipulated in its articles of association. Conceptually authorized share capital under Dutch law differs from the share capital (*Grundkapital*) of a German public limited liability company (*Aktiengesellschaft*), which consists of the issued shares. Furthermore, the authorized share capital of a Dutch public limited liability company is not to be mistaken for the term authorized capital (*Genehmigtes Kapital*) for a German public limited liability company and does not entail an authorization for the management board to issue new shares.

The authority to issue new shares in a Dutch public limited liability company is vested in the general meeting of shareholders. However, Dutch law provides that the general meeting of shareholders may delegate the authority to issue new shares to the management board.

Dutch law provides that at all times at least 20% of the authorized share capital must be issued (*geplaatst*) and that shares must be paid up (*worden volgestort*) immediately upon issuance.

Any increase of a Dutch public limited liability company's issued share capital (*geplaatst kapitaal*) exceeding its authorized share capital, requires a prior increase of the authorized share capital by way of an amendment of the articles of association to be adopted by the general meeting of shareholders. Such amendment of the articles of association is effected by the subsequent execution of a notarial deed of amendment before a Dutch civil law notary. Typically, the general meeting of shareholders will in its resolution authorize a Dutch civil law notary, a deputy or notarial assistant of the Dutch civil law notary to execute such deed of amendment.

If shares are to be issued by a Dutch public limited liability company in a number that would cause the existing authorized share capital to be exceeded, the following legal actions may be taken:

First, the general meeting of shareholders shall adopt a resolution to amend the articles of association to increase the authorized share capital.

Furthermore, the general meeting of shareholders shall resolve to issue new shares subject to the condition precedent of the amendment of the articles of association becoming effective, or will delegate the authority to issue new shares to the management board. The latter option may be useful if at the time of the resolution of the general meeting of shareholders, the exact number of shares to be issued is yet to be determined, which in the case at hand is, among others, dependent on the number of

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Deutsche Börse shares that have been tendered in the exchange offer. If the latter option is used, the issuance of new shares will be decided by the management board, such resolution again being subject to the condition precedent of the amendment of the articles of association increasing the authorized share capital becoming effective.

Pursuant to the resolution of the general meeting of the shareholders or the management board, as the case may be, to issue new shares, the company and the respective subscriber of the new shares will execute a deed of issuance of shares, which will also be subject to the condition precedent of the amendment of the articles of association increasing the authorized capital becoming effective.

As a final step, the deed of amendment of the articles of association of the company regarding the increase of the authorized share capital will be executed, thus giving effect to amendment of the articles of association, the resolution of the general meeting of shareholders, or the management board resolution, as the case may be, to issue new shares as well as the deed of issuance and thereby the issuance of the new shares.

As described below in section 6.3.2 (i), the Holdco shares which are required as consideration for the exchange offer and in the context of the merger respectively will be issued in accordance with this procedure. Because of the legal requirement that at least 20% of the authorized share capital must be issued and paid up immediately, and taking into account the number of Holdco shares to be issued, the increase of the authorized share capital required for the issuance of shares will have to become effective only immediately before the issuance of the shares itself.

### **6.3.1** Authorized and issued share capital at the time of publication of the exchange offer document

Currently, Holdco's authorized share capital (*maatschappelijk kapitaal*) amounts to 225,000, consisting of 180,000 ordinary shares with a nominal value of 1.00 and 45,000 shares belonging to the class of shares class D with a nominal value of 1.00 (the **class D shares**). Ordinary shares and class D shares can only be issued in registered form. Of such authorized capital, Holdco has issued all class D shares only at this point in time. All of Holdco's issued shares are fully paid up.

It is intended that on the same date of issuance of the Holdco shares as described under section 6.3.2(i) below or immediately hereafter, after the issuance of such shares, the class D shares will be cancelled or repurchased and subsequently cancelled by Holdco.

Unlike the Holdco shares, the class D shares can be cancelled against repayment of their nominal value and any mathematical reserves. Further, the class D shares have a limited right to dividends.

### **6.3.2** Development of authorized and issued share capital

#### (i) Increase of authorized share capital and issuance of Holdco-shares for the settlement of the exchange offer and the merger

On May 2, 2011, Holdco's general meeting of shareholders resolved to amend Holdco's articles of association and to increase its authorized share capital from 225,000 to 1,000,000,000 consisting of 500,000,000 ordinary shares with a nominal value of 1.00 per share (referred to as Holdco shares in this exchange offer document) and 500,000,000 preference shares with a nominal value of 1.00 per share (the **increase of the authorized share capital** or the **resolution to increase the authorized share capital**). In the resolution to increase the authorized share capital each (deputy) civil law notary or notarial assistant of Linklaters LLP in Amsterdam was authorized to execute the amendment of the articles of association. The notarial deed of amendment is to be executed upon request of Holdco as soon as the prerequisites for the completion of the exchange offer are fulfilled.

Holdco's general meeting of shareholders of May 2, 2011, has further resolved to authorize the Holdco board of directors to issue, or grant rights to subscribe for, Holdco shares for a period of five years from the date such resolution has been adopted or to exclude or limit subscription rights for the Holdco shares

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issued on this basis. The authority for the Holdco board of directors to issue, or grant rights to subscribe for, ordinary shares is limited to in the aggregate of:

such number of Holdco shares as is required to fulfil its obligations under the exchange offer, the merger and several other measures in connection with the combination; and

100,000,000 Holdco shares,

The aforementioned resolution also entails the authority to issue preference shares as described in detail below in section 6.3.2 (ii).

The current sole shareholder of Holdco, the Stichting Alpha Beta Netherlands (see section 6.5), has agreed in the context of the above resolutions of the general meeting not to withdraw these resolutions without consent of Holdco.

On the basis of the above resolutions of the general meeting Holdco is enabled to fulfill its obligations to deliver Holdco shares, including the Holdco offer shares, under the exchange offer and the merger without further action being required from Holdco's general meeting of shareholders.

The issuance of these Holdco shares in accordance with the actions set forth in section 6.3.1 above will be effected as follows:

after satisfaction of all prerequisites for the completion of the exchange offer, the Holdco board of directors will, pursuant to its delegated authority to issue shares, resolve to issue such number of Holdco shares as is required to fulfill the obligations to deliver Holdco shares under the exchange offer and the merger. This resolution will be subject to the condition precedent that Holdco's authorized share capital is increased by way of the amendment of its articles of association becoming effective.

Holdco will then in combination with the subscriber(s), i.e. Deutsche Bank AG as central settlement agent and exchange escrow agent with respect to the exchange offer (see section 12.1), enter into one or more deeds of issuance regarding the issuance of the respective Holdco shares which will also be subject to the condition precedent that Holdco's authorized share capital is increased by way of the amendment of its articles of association becoming effective.

Finally, Holdco will, in accordance with the requirements of the resolution of the general meeting to increase the authorized share capital, instruct a (deputy) civil law notary or notarial assistant to execute the notarial deed of amendment of the Holdco articles of association, thereby giving effect to the amendment of the articles of association regarding the increase of the authorized capital and, at the same time, to the board resolution to issue the Holdco shares as well as the deed or deeds of issuance of Holdco shares.

Ordinary shares and preference shares can only be issued in registered form. The ordinary shares will be embodied in one or more global share certificates, deposited with the relevant securities depository. A securities depository is not determined yet. Possibly, there will be two securities depositories for purposes of the settlement of Holdco shares. Thus, it is possible that there will be one central securities depository in respect of the global share certificate for the Holdco shares to be admitted to trading on the Frankfurt Stock Exchange and Euronext in Paris and another central securities depository in respect of the Holdco shares admitted to trading on the New York Stock Exchange. No share certificates will be issued in respect of preference shares.

The Holdco offer shares as well as the Holdco shares required for the merger will be issued for onward delivery through the custody banks system, in accordance with their regular settlement procedures for equity securities, to the Custodian Banks and any other intermediary custodian for credit to securities accounts of the shareholders of Deutsche Börse who validly tendered and did not effectively withdraw their Deutsche Börse shares in the exchange offer and the securities accounts of the NYSE Euronext stockholders. These newly issued Holdco shares are issued against contribution in kind consisting of tendered Deutsche Börse shares and NYSE Euronext shares.

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The Holdco shares, including the Holdco offer shares, will be freely transferable and capable of being encumbered with a right of pledge or usufruct. The Holdco offer shares will have full dividend rights since the incorporation of Holdco on February 10, 2011.

### (ii) Preference shares

Pursuant to the resolution of the general meeting of Holdco's shareholders which was adopted on May 2, 2011, the Holdco board of directors is also authorized to issue preference shares with a nominal value of 1.00 per share. The authority for the Holdco board of directors to issue preference shares and related subscription rights is limited to such number as will not exceed the lower of (1) the maximum number of unissued preference shares forming part of the authorized share capital of Holdco at the time of issue and (2) the number of preference shares with an aggregate nominal amount equal to the aggregate nominal amount of the outstanding Holdco shares at the time of issue. At the time of publication of this exchange offer document, the Holdco board has not made use of such power and does not intend to make use of it.

The Holdco preference shares may in the future be issued to an independent entity, which would most likely be a Dutch foundation (*stichting*), with the objective of safeguarding the interests of Holdco, its businesses and the interests of shareholders and other stakeholders involved, from acquisitions of Holdco shares which could jeopardise Holdco's independence, continuity or (corporate) identity, including in particular an unsolicited attempt to effect a change of control regarding Holdco or a change in the management. An issue of preference shares, or the ability of Holdco to issue preference shares in the future, may have the effect of preventing, discouraging or delaying an unsolicited attempt to effect a change of control regarding Holdco or a change in the management and may enhance the ability of the Holdco board of directors to review and consider any proposals or actions of a bidder and/or any alternative courses of action. Holdco's articles of association will provide that within 24 months following the day of issuance of preference shares, a general meeting of shareholders will be held to consider the repurchase or cancellation of the Holdco preference shares. If the general meeting of shareholders does not resolve to repurchase or cancel the preference shares, then each 12 months after the last general meeting of shareholders at which such resolution was on the agenda, a general meeting of shareholders will be held to consider the repurchase or cancellation of the preference shares, until no preference shares remain outstanding.

### 6.3.3 Shareholder's register

Following the completion of the combination, a register of shareholders will be maintained by or on behalf of Holdco, which will be regularly updated. The register may, in whole or in part, be kept in more than one copy and at more than one address. Part of the register of shareholders may be kept outside of the Netherlands in order to comply with applicable foreign statutory provisions or rules of the New York Stock Exchange, the Frankfurt Stock Exchange and Euronext Paris and any other stock exchange where Holdco shares or depositary receipts of Holdco shares are listed.

### 6.3.4 Comparison of shareholder rights

After completion of the combination, Deutsche Börse shareholders who accept the exchange offer and acquire Holdco shares in exchange for their Deutsche Börse shares will be governed by Dutch law with respect to their shareholder rights, which may differ from German stock corporation law. An overview regarding the material differences between the rights of holders of Deutsche Börse shares before the completion of the combination, and the rights of holders of the Holdco shares after the combination is set forth on pages 402 et seq. of Annex 2. In the following, some of these differences shall be summarized:

- (i) Other than by the management, a general meeting of shareholders of Deutsche Börse may also be called if shareholders, whose holding in the aggregate equals or exceeds 5% of the share capital, demand such meeting in writing, stating the purpose of and reasons for such meeting. In the case of Holdco, shareholders representing in the aggregate at least 10% of the issued capital may also request the Holdco board of directors to convene a general meeting of shareholders, stating specifically the business to be discussed.

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- (ii) A qualified minority of shareholders of Deutsche Börse and of shareholders of Holdco, respectively, is entitled to demand that a matter be placed on the agenda of the general shareholders' meeting for resolution. In the case of Deutsche Börse, this requires the application of shareholders holding Deutsche Börse shares representing an aggregate of at least 5% of the issued share capital or in an aggregate nominal amount of at least 500,000. In the case of Holdco, the shareholder or shareholders making the request must represent at least one-hundredth part of Holdco's issued share capital or, according to the applicable official stock exchange price of the New York Stock Exchange, the Frankfurt Stock Exchange, Euronext Paris or any other stock exchange where shares or depository receipts of shares are listed, a value of at least 50,000,000, or such other part of Holdco's issued capital as may be required in this respect by the laws of the Netherlands.
  
- (iii) Unless statutory law provides for the contrary, e.g. in the case of the conclusion of a domination and profit and loss transfer agreement which requires a majority of at least 75% of the votes cast, resolutions of the shareholders' meeting of Deutsche Börse will be adopted with a simple majority of the votes cast. To the extent that the laws of the Netherlands or Holdco's articles of association do not provide otherwise, all resolutions of the general meeting of shareholders will be adopted by a simple majority of the votes cast. However, for certain resolutions like amendments of the articles of association, mergers, or demergers, a majority of two-thirds of the votes cast at the relevant meeting of shareholders is required. In some cases, the two-thirds majority must represent more than one-half of Holdco's issued share capital.
  
- (iv) Under German as well as under Dutch stock corporation law, an existing shareholder of a stock corporation has a preferential right to subscribe for new shares in proportion to the number of shares such shareholder already holds in the corporation's existing share capital (preemptive rights or subscription rights; *Bezugsrechte*). However, under Dutch law this does not apply for the issuance of shares against consideration in kind, the issuance of preference shares or in other legally defined cases.

The subscription rights of shareholders of Deutsche Börse may only be excluded if so provided for in the same shareholders' resolution that authorizes the respective capital increase or share issuance. The resolution must be adopted with a majority of at least 75% of the share capital represented at the meeting. When exercising the authorized capital, the Deutsche Börse management board, with the approval of the Deutsche Börse supervisory board, may increase the share capital excluding subscription rights.

Holdco's general meeting of shareholders, or Holdco's board of directors if so authorized by the general meeting of shareholders for a period not exceeding five years, may restrict or exclude subscription rights. A resolution by the general meeting of shareholders to authorize Holdco's board of directors to exclude or restrict subscription rights requires a majority of at least two-thirds of the valid votes cast at the general meeting of shareholders if less than half of Holdco's issued share capital is present or represented. A simple majority is sufficient if more than half of Holdco's issued share capital is present or represented.

The Holdco articles of association will—in contrast to the articles of association of Deutsche Börse—presumably provide that no person, either alone or together with its related persons, may be beneficial owner of Holdco shares entitling to cast votes representing in the aggregate more than 40% of all voting rights. In certain cases the respective threshold may not exceed 20% of the voting rights. Further, the Holdco articles of association will—also in contrast to the articles of association of Deutsche Börse—possibly provide that no person, either alone or together with its related persons, may hold more than 20% of all voting rights. In both cases, the Holdco board of directors may grant exemptions from the aforementioned restrictions under certain conditions and with the approval of the SEC. Additionally, any such exemptions from the aforementioned restrictions must be approved by European regulators having appropriate jurisdiction and authority. With regard to further explanations of these limitations, reference

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is made to pages 385 et seq. of Annex 2 as well as to the articles of association of Holdco which are enclosed in attachment B of Annex 2.

Pursuant to Section 1 para. 3 sentence 1 and 2 German Takeover Act as well as the respective provisions of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*), the Bidder has a (restricted) right of choice regarding the applicable national takeover law. The Bidder may choose between the applicability of German or French takeover law as long as the Dutch (takeover) law does not provide for mandatory provisions that apply to Holdco in respect to certain aspects (mandatory provisions of Dutch law can for example be found in relation to information of trade unions or employees in the context of takeovers). Currently, the Bidder has not decided whether it will be governed by German or French takeover law in the future. The Bidder will decide in due time prior to the beginning of the trading of its shares.

### **6.4 Directors and management**

#### **6.4.1 Current Holdco board of directors**

Holdco is led by a one-tier board. Currently, Holdco is managed by a board of directors with two managing directors: Marcus Thompson, who is also head of financial accounting and controlling of Deutsche Börse, and Stéphane Biehler, who is also senior vice president, chief accounting officer and corporate controller of NYSE Euronext. The current managing directors were appointed by way of resolutions of the shareholders meeting of the Bidder immediately after the formation of the Bidder while Deutsche International Trust Company N.V., with its statutory seat in Amsterdam, the Netherlands, had initially been appointed as managing director for the purposes of foundation of the Bidder. Messrs. Thompson and Biehler are also sole members of the board of the sole shareholder of the Bidder (see section 6.5). Decisions of the management board of Holdco prior to the completion of the combination may only be made by both managing directors acting jointly.

Messrs. Biehler and Thompson will resign from their office at Holdco upon appointment of the members of the Holdco board of directors as described in section 6.4.2.

#### **6.4.2 Holdco board of directors following the combination**

In the context of the amendment of Holdco's articles of association and the implementation of the rules for the Holdco board of directors as described above in section 6.2, the board of directors will be newly appointed. Unless otherwise agreed by NYSE Euronext and Deutsche Börse, the Holdco board of directors, that will be composed of 17 members, will be established on the basis of a respective resolution of the general meeting of the Holdco shareholders within one month after the expiration of the offer acceptance period. In accordance with the provisions of the business combination agreement (see section 9.1), the board of directors will be composed of Dr. Reto Francioni, the current chief executive officer of Deutsche Börse, who is agreed to assume the position of the chairman of Holdco group (the **Holdco group chairman**); Duncan L. Niederauer, the current chief executive officer of NYSE Euronext, who is agreed to assume the position of the Holdco group chief executive officer (the **Holdco group CEO**), and 15 non-executive directors, consisting of nine non-executive directors designated for appointment upon nomination by Deutsche Börse and six non-executive directors designated for appointment upon nomination by NYSE Euronext.

The articles of association of Holdco to be in effect as of completion of the combination provide that directors are appointed by the general meeting of shareholders by resolution adopted by a two-thirds majority of the votes cast representing more than one-half of Holdco's issued share capital, or by a majority of the votes cast in case of persons nominated by Holdco's board of directors. Holdco's articles of association further provide that the board of directors has the power to submit a nomination for the appointment of directors with restricted binding effect (so called binding nomination pursuant to Section 2:133 Dutch Civil Code ( **nomination with binding effect** )) to the general meeting of shareholders (also in the case of vacancies to be filled), in which case the persons nominated by the board of directors are

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appointed unless the nomination is overruled by a two-thirds majority of the votes cast representing more than one-half of Holdco's issued share capital.

The Holdco articles of association provide that each of the directors will be appointed at the annual general meeting of shareholders for a term that will expire at the end of the next annual general meeting of shareholders. Each of the Holdco directors will be nominated by the board of directors for re-election to the board of directors pursuant to a nomination with binding effect at each of the annual general meetings of shareholders occurring in 2012, 2013 and 2014. In addition, the Holdco group chairman and the Holdco group chief executive officer will each also be nominated by the board of directors pursuant to a nomination with binding effect for re-election to the board of directors at the annual general meetings of shareholders occurring in 2015.

In the event that the Holdco board of directors determines that (1) Holdco will qualify as a "foreign private issuer" as defined in Rule 3b-4(c) promulgated under the Exchange Act (such status is referred to as "**FPI status**") and will maintain FPI status on an ongoing basis through the end of the annual general meeting of shareholders occurring in 2016 and (2) the directors may be appointed by the general meeting of shareholders for a term that expires in 2015 (or in 2016 in the case of the Holdco group chairman and the Holdco group chief executive officer) and directors are not otherwise required by applicable law, regulation or stock exchange listing standards to be elected at each annual general meeting of shareholders, then the Holdco directors will be appointed by the general meeting of shareholders for a term ending at the end of the annual general meeting of shareholders occurring in 2015, except that the Holdco group chairman and the Holdco group chief executive officer will each initially be appointed for a term ending at the end of the annual general meeting of shareholders occurring in 2016.

After the annual general meeting of shareholders occurring in 2015, the number of directors will be decreased and the Holdco board of directors will consist of 12 members (without distinguishing between Deutsche Börse-directors and NYSE Euronext-directors) constituted as follows: one director being the Holdco group chairman, one executive director, being the Holdco group CEO, and 10 non-executive directors.

Prior to the annual general meeting of shareholders occurring in 2015 (or 2016 in the case of the Holdco group chairman and Holdco group CEO), in the event of a vacancy in a board seat previously occupied by a Deutsche Börse director or NYSE Euronext director, the remaining Deutsche Börse directors or NYSE Euronext directors, respectively, will recommend a replacement candidate to Holdco's Nomination, Governance and Corporate Responsibility Committee. Such recommendation to the Nominations, Governance and Corporate Responsibility Committee is binding if the vacant seat is that of the Holdco group chairman or the Holdco group CEO.

Holdco's general meeting of shareholders will at all times have the power to suspend or dismiss a member of the Holdco board of directors by a resolution adopted by a two-thirds majority of the votes cast, as far as this represents more than half of Holdco's issued capital. To the extent permitted under Dutch law, a director may also be suspended by the Holdco board of directors. A suspension may be extended several times but the total term of the suspension may not exceed three months, and the suspension will expire at the end of this period if no resolution has been adopted to either release the suspension or to dismiss the relevant director. For further information see pages A-161 et seq. of Annex 2.

The business and affairs of Holdco will, subject to the restrictions imposed by Holdco's articles of association, be managed by the Holdco board of directors. The Holdco board of directors may perform all acts necessary or useful for achieving Holdco's corporate purpose, subject to applicable law and Holdco's articles of association. Certain decisions of the Holdco board of directors must be submitted to the general meeting of shareholders for approval.

The Holdco board of directors is authorized to represent Holdco, as is the Holdco group CEO. In the event of a conflict of interest between Holdco and one of the members of the Holdco board of directors, the Holdco board of directors or the Holdco group CEO, as the case may be, will nonetheless be authorized to represent Holdco, unless the general meeting of shareholders has designated one or more

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persons to represent Holdco in such case. In the event of such a conflict of interest, the general meeting of shareholders will at all times be authorized to appoint another representative. Pursuant to the rules for the board of directors adopted pursuant to Holdco's articles of association, a member of the Holdco board of directors who has a conflict of interest with Holdco may not participate in the discussions and decision-making process regarding the subject or transaction to which such conflict of interest relates.

The Holdco board of directors will meet as often as it deems necessary, or at the request of the Holdco group chairman or the Holdco group CEO. In a meeting of the Holdco board of directors, each director will have the right to cast one vote. Resolutions of the Holdco board of directors on the following subjects will among other things require a majority of 66% of the total number of seats on the Holdco board of directors:

appointment and removal of the Holdco group chairman and of the Holdco group CEO pursuant to article 14.5, 15.1 and 16.1 of the articles of association of Holdco;

proposals for changes to Holdco's articles of association;

transformational M&A deals, which are defined to include transactions that, in view of their size and significance, very materially change the business of the Holdco group, either in size or direction or geographic presence, as well as certain transactions which require a shareholder vote under Dutch law;

major structural changes, which are defined as (1) any amendments to certain provisions of Holdco's articles of association; (2) changes or enhancements to the responsibilities and authorities of the Holdco group chairman until the end of the annual general meeting of shareholders held in 2016; or (3) changes or enhancements to the responsibilities and authorities of the Holdco group CEO until the end of the annual general meeting of shareholders held in 2016;

amendments to Holdco's rules for the board of directors until the end of the annual general meeting of shareholders held in 2016; and

changes to the duties and the composition of the board committees until the end of the annual general meeting of shareholders occurring in 2015.

All other resolutions of the Holdco board of directors will be adopted with a simple majority of the votes cast where a quorum (i.e., a majority of members of the board of directors) is present.

Pursuant to the Dutch Civil Code (*Burgerlijk Wetboek*) and Holdco's articles of association, resolutions of the Holdco board of directors concerning an important change in Holdco's identity or character of Holdco's business will be subject to the approval of the general meeting of shareholders. Such resolutions include: (1) the transfer of Holdco's business or nearly all of Holdco's business to a third party; (2) the entry into or termination of a long-term co-operation by Holdco or any of Holdco's subsidiaries with another legal entity or as a fully liable partner in a limited or general partnership if such co-operation or termination is of major significance to Holdco; and (3) the acquisition or disposal by Holdco or by any of Holdco's subsidiaries of a participation in another company, the value of which equals at least one-third of Holdco's assets as reflected on the consolidated balance sheet included in Holdco's most recently adopted consolidated annual accounts.

#### **6.4.3 Global executive committee**

Immediately following completion of the combination, the Holdco group CEO will appoint executive managers, together forming the members of the global executive committee of the Holdco group.

The composition of the global executive committee, its tasks and responsibilities and the decision making process will be set forth in the rules for the global executive committee which are enacted by the Holdco group CEO with the approval of the Holdco board of directors.



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Amendments to the rules for the global executive committee will require the approval of both the Holdco group CEO and the Holdco board of directors and can therefore not be made by the Holdco group CEO acting unilaterally. The members of

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the global executive committee will execute Holdco's day-to-day business. Any appointment of members of the global executive committee will be made by the Holdco group CEO in close consultation with the Holdco group chairman and the Holdco board of directors. The global executive committee will consist of eight members, including the Holdco group CEO and seven other members. The only member of the global executive committee who will also serve as a director of Holdco will be Duncan L. Niederauer, the Holdco group CEO.

The following table sets forth information as to those who are agreed to be appointed as members of the global executive committee of the Holdco group and to be member of the global executive committee upon completion of the combination.

<b>Name</b>	<b>Position</b>
Duncan L. Niederauer	Holdco Group Chief Executive Officer
Andreas Preuß	Head of Global Derivatives, President and Deputy Group Chief Executive Officer
Gregor Pottmeyer	Holdco Group Chief Financial Officer
Lawrence E. Leibowitz	Head of Global Cash Trading and Listings and Chief Operating Officer of Holdco group
Jeffrey Tessler	Head of Global Settlement and Custody
Dominique Cerutti	Head of Technology Services/IT and President
Frank Gerstenschläger	Head of Market Data and Analytics
John K. Halvey	Holdco Group General Counsel/Head of Legal

Pages G-125 et seq. of Annex 2 contain the future rules of the global executive committee.

#### 6.4.4 Further information on Holdco governance after completion of the combination

For further information on Holdco's governance after completion of the combination, please refer to the section entitled BUSINESS OF HOLDCO AND CERTAIN INFORMATION ABOUT HOLDCO on pages A-157 et seq. of Annex 2 hereto.

#### 6.5 Shareholders

Stichting Alpha Beta Netherlands, a foundation (*stichting*) incorporated and existing under the laws of the Netherlands, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands, and registered with the Dutch Trade Register of the Chamber of Commerce (*Kamer van Koophandel*) under number 52008169, having its registered office at Herengracht 450, 1017 CA Amsterdam, the Netherlands, ( **Stichting** ) is currently the sole shareholder of Holdco. Stichting was founded on February 8, 2011. The objects of Stichting pursuant to section 3.1 of its articles of association are to acquire and hold shares in its own name in the capital of the Bidder and to exercise the rights attached to such shares, including the voting rights and collecting the dividends and other distributions due on these shares, to borrow funds and to acquire any form of financing in view of the acquisition of such shares, to lend funds to the Bidder through granting loans (including but not limited to non-recourse loans) or an issuance of notes or otherwise, to have the Bidder borrow funds, to have the Bidder issue notes, to alienate, sell or pledge shares in the capital of the Bidder, to have the Bidder provide a guarantee, as necessary, and to do all that is connected and conducive to the above in the broadest sense of the word. Due to its legal form as a Dutch foundation, Stichting does not have shareholders or unitholders. Stichting rather is an independent legal entity, controlled by its board of directors. Members of the board of directors are appointed by the board of directors itself. No third parties are authorized to give binding instructions to the board of directors of Stichting.

At the time of publication of the exchange offer document, the board of directors of Stichting consists of two directors: Messrs. Marcus Thompson and Stéphane Biehler, the current members of the management board of the Bidder (see section 6.4.1). Messrs. Thompson and Biehler were appointed as members of the

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management board shortly after Stichting's incorporation, while initially Deutsche International Trust Company N.V. had been the director of Stichting.

Immediately after the issue of the new ordinary shares of Holdco as described under section 6.3.2(i), it is intended that the class D shares will be cancelled or repurchased and subsequently cancelled. Hereafter, Stichting will cease to be a shareholder of Holdco.

### **6.6 Subsidiaries; (future) subsidiaries Deutsche Börse and NYSE Euronext**

As at the time of publication of the exchange offer document, Holdco does not hold any equity interest in any other legal entity, except for a 100% stake in Pomme Merger Corporation.

As part of the combination, Pomme Merger Corporation will be merged with and into NYSE Euronext thus becoming a wholly owned subsidiary of the Bidder. In addition, Deutsche Börse will become a subsidiary of the Bidder after completion of the exchange offer. Regarding a more detailed description of Deutsche Börse reference is made to section 7. Regarding a more detailed description of NYSE Euronext reference is made to section 8. Further information regarding both companies can be found in Annex 2 in the sections Business of Deutsche Börse Group certain information about Deutsche Börse Group as well as Business of NYSE Euronext Group and certain information about NYSE Euronext (see pages A-183 *et seq.* and A-273 *et seq.* of Annex 2).

### **6.7 Persons acting jointly with the Bidder**

As parties to the business combination agreement, NYSE Euronext, Deutsche Börse and Pomme Merger Corporation are persons acting jointly with the Bidder pursuant to Section 2 para. 5 sentence 1 German Takeover Act.

Pursuant to Section 2 para. 5 sentence 1 German Takeover Act in conjunction with Section 2 para. 5 sentence 3 German Takeover Act, subsidiaries are presumed to be persons acting jointly with the Bidder and with each other. At the time of publication of this exchange offer document, Pomme Merger Corporation is the only subsidiary of Holdco. Pomme Merger Corporation thus is also a person acting jointly with the Bidder pursuant to Section 2 para. 5 sentence 1 German Takeover Act in conjunction with Section 2 para. 5 sentence 3 German Takeover Act. The same applies to the sole shareholder of Holdco, Stichting.

Except for the aforementioned, there are no persons acting jointly with the Bidder within the meaning of Section 2 para. 5 German Takeover Act at the time of publication of this exchange offer document.

### **6.8 Deutsche Börse shares currently held by the Bidder and persons acting jointly with the Bidder and their subsidiaries, attribution of voting rights**

Except for the Deutsche Börse treasury shares (see section 7.2) neither the Bidder nor any persons acting jointly with the Bidder within the meaning of Section 2 para. 5 German Takeover Act nor one of their subsidiaries hold any shares or voting rights in Deutsche Börse at the date of the publication of this exchange offer document and there are no voting rights attached to Deutsche Börse shares attributable to the Bidder, persons acting jointly with the Bidder or their subsidiaries pursuant to Section 30 German Takeover Act. Deutsche Börse is not entitled to any voting rights regarding the Deutsche Börse treasury shares pursuant to Section 71b German Stock Corporation Act (*Aktiengesetz, AktG*).

### **6.9 Particulars of securities transactions**

In the period commencing six months prior to the publication of the decision to make the exchange offer on February 15, 2011 and ending with the publication of this exchange offer document on May 4, 2011, neither the Bidder nor persons acting jointly with the Bidder within the meaning of Section 2 para. 5 German Takeover Act nor their subsidiaries acquired Deutsche Börse-shares or concluded agreements as a result of which the transfer of ownership in Deutsche Börse shares may be demanded.

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### **6.10 Possible parallel acquisitions**

The Bidder reserves the right, to the extent legally permissible, to directly or indirectly acquire additional Deutsche Börse shares outside the exchange offer on or off the stock exchange. To the extent that such acquisitions take place, this will be published without undue delay in accordance with applicable legal provisions, including without limitation in accordance with Section 23 para. 2 German Takeover Act in conjunction with Section 14 para. 3 sentence 1 German Takeover Act, on the internet at <http://www.global-exchange-operator.com>, in the electronic Federal Gazette and by way of an English press release via an electronically operated information distribution system in the United States stating the number and consideration paid or agreed to be paid for the Deutsche Börse shares so acquired or agreed to acquire.

### **6.11 Irrevocable undertakings**

Under the business combination agreement, the Bidder and Deutsche Börse agreed that as promptly as practicable after the commencement of the exchange offer, and in any event no later than ten banking days following the recommendation pursuant to Section 27 German Takeover Act of the exchange offer by either of the Deutsche Börse boards, it shall tender into the exchange offer all of the Deutsche Börse treasury shares (see section 7.2) in accordance with the terms of this exchange offer document. Otherwise, the Bidder has currently not concluded agreements with third parties under which those third parties are obliged to accept the exchange offer in respect of the Deutsche Börse shares held by them (irrevocable undertakings).

If the Bidder should enter into irrevocable undertakings in the future, the Bidder reserves the right to exclude the right of withdrawal in each case.

## **7 Description of Deutsche Börse**

### **7.1 Overview**

Deutsche Börse is a German stock corporation (*Aktiengesellschaft*) with its statutory seat in Frankfurt am Main, Germany. It is registered with the commercial register of the Local Court Frankfurt am Main under HRB 32232. Deutsche Börse is headquartered in Eschborn near Frankfurt am Main.

The business objectives of Deutsche Börse are a) the operation of exchanges, including but not limited to stock exchanges, subject to applicable laws and regulations; b) services for the design, development and implementation of electronic data processing in areas including but not limited to stock exchange transactions, the securities business of financial institutions and the settlement thereof and, furthermore, the collection, processing and sale of financial information; c) the provision of support services to undertakings engaged in the stock exchange and securities business which shall include, but not be limited to, the provision of central services to such undertakings in relation to all activities thereof.

Deutsche Börse may acquire, dispose of, develop, lease, rent out or employ for third parties any hardware and software and all facilities related thereto. Deutsche Börse may transact any business, take any action and perform any other acts, which appear to be directly or indirectly necessary, suitable or useful to achieve the corporate objectives. Deutsche Börse may acquire and dispose of real estate, establish branches within and outside Germany and participate in, establish or acquire any undertakings of the same or a similar kind or, by way of exception, of a different kind. Furthermore, Deutsche Börse may enter into intra group agreements and joint ventures. Deutsche Börse shall be subject to confidentiality requirements as are customary in the banking industry.

Deutsche Börse has been established for an undefined period of time. The fiscal year of Deutsche Börse is the calendar year.

As of December 31, 2010, Deutsche Börse group employed 3,490 people in 19 locations in 15 countries. In 2010, Deutsche Börse group generated total revenues on a consolidated basis of 2,226.7 million (2009: 2,289.7 million; 2008: 2,758.6 million).

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The current share capital of Deutsche Börse is 195,000,000 and is divided into 195,000,000 registered shares with no-par value. There are no other classes of shares besides the ordinary shares.

Based on respective authorizations of the general shareholders' meeting, Deutsche Börse carried out share repurchases in the past. The last repurchases were executed in 2008. No shares were repurchased during 2009, 2010 and until the publication of this exchange offer document in 2011. Deutsche Börse currently holds 8,956,997 Deutsche Börse shares as a result of the past share buybacks (such shares referred to as **Deutsche Börse treasury shares**).

The Deutsche Börse shares are admitted to trading on the regulated market of the Frankfurt Stock Exchange and, simultaneously, in the sub-segment thereof with additional post-admission obligations (Prime Standard).

**7.2.1 Authorized Capital I**

The Deutsche Börse management board, with the consent of the Deutsche Börse supervisory board, is authorized to increase the share capital on one or more occasions on or before May 23, 2011, by up to a total of 5,200,000, by issuing new registered no-par value shares against cash and/or contributions in kind (authorized capital I). The shareholders of Deutsche Börse must be granted subscription rights unless the Deutsche Börse management board, with the approval of the Deutsche Börse supervisory board, uses its authorization to exclude shareholder subscription rights. The Deutsche Börse management board, with the consent of the Deutsche Börse supervisory board, is authorized to exclude subscription rights if the share capital is increased against in-kind contributions in kind for the purpose of acquiring companies, parts of companies or interests in companies or other assets. The Deutsche Börse management board, with the consent of the Deutsche Börse supervisory board, is also authorized to exclude fractional amounts from subscription rights of shareholders of Deutsche Börse. The content of the rights attached to the shares and the terms and conditions relating to their issue, including the issue price, will be determined by the Deutsche Börse management board with the consent of the Deutsche Börse supervisory board.

**7.2.2 Authorized Capital II**

The Deutsche Börse management board, subject to the consent of the Deutsche Börse supervisory board, is authorized to increase the share capital on one or more occasions until May 26, 2015, by up to a total of 27,800,000, by issuing new registered no-par value shares against cash and/or contributions in kind (authorized capital II). The shareholders of Deutsche Börse must be granted subscription rights. However, the Deutsche Börse management board, with the consent of the Deutsche Börse supervisory board, is authorized to exclude shareholder subscription rights in the case of a capital increase against cash contribution if the issue price of the new shares does not fall substantially below the quoted price of the shares and the shares issued under the exclusion of subscription rights in accordance with Section 186 (3) sentence 4 AktG may not exceed a total of 10% of the share capital of Deutsche Börse either when the authorization becomes effective by virtue of the amendment to the articles of incorporation being recorded in the commercial register or when the authorization is exercised. All shares issued or sold in accordance with Section 186 (3) sentence 4 AktG (directly or analogously) during the period of validity of the authorization until it is exercised, are included in the calculation of the 10% limit.

The Deutsche Börse management board, subject to the consent of the Deutsche Börse supervisory board, is also authorized to exclude subscription rights of shareholders for a pro rata amount of the share capital of up to a total of 3,000,000 in order to issue the new shares to employees of Deutsche Börse or affiliated companies (within the meaning of Sections 15 *et seq.* AktG), excluding members of the Deutsche Börse management board and the management of affiliated companies. These shares may be issued either directly or indirectly following subscription by a credit institution and repurchase by Deutsche Börse.

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The Deutsche Börse management board, subject to the consent of the Deutsche Börse supervisory board, is also authorized to exclude subscription rights of shareholders if the share capital is increased against contributions in kind for the purpose of acquiring companies, parts of companies or interests in companies or other assets.

The Deutsche Börse management board, with the consent of the Deutsche Börse supervisory board, is also authorized to exclude fractional amounts from subscription rights of shareholders.

The new shares may also be acquired by certain credit institutions or companies to be specified by the Deutsche Börse management board operating in accordance with section 53 (1) sentence 1 or section 53b (1) sentence 1 or (7) of the German Banking Act (*Gesetz über das Kreditwesen*) subject to the obligation that they offer such shares to shareholders of Deutsche Börse (indirect subscription right).

The Deutsche Börse management board, subject to the consent of the Deutsche Börse supervisory board, determines the additional terms and conditions relating to the issuance of the shares, including the issue price.

### **7.2.3 Authorized Capital III**

The Deutsche Börse management board, subject to the consent of the Deutsche Börse supervisory board, is authorized to increase the share capital on one or more occasions until May 26, 2015, by up to a total of 19,500,000, by issuing new registered no-par value shares against cash contributions (authorized capital III). The shareholders of Deutsche Börse shall be granted subscription rights. However, the Deutsche Börse management board, subject to the consent of the Deutsche Börse supervisory board, is authorized to exclude fractional amounts from subscription rights of shareholders.

The new shares may also be acquired by certain credit institutions or companies to be specified by the Deutsche Börse management board operating in accordance with Section 53 (1) sentence 1 or Section 53b (1) sentence 1 or (7) of the German Banking Act, subject to the obligation that they offer such shares to shareholders of Deutsche Börse (indirect subscription right).

The Deutsche Börse management board, subject to the consent of the Deutsche Börse supervisory board, determines the additional terms and conditions relating to the issuance of the shares, including the issue price.

### **7.2.4 Authorized Capital IV**

The Deutsche Börse management board, subject to the consent of the Deutsche Börse supervisory board, is authorized to increase the share capital on one or more occasions until May 10, 2012, by up to a total of 6,000,000, by issuing new registered no-par value shares against cash and/or contributions in kind (authorized capital IV). The shareholders of Deutsche Börse shall be granted subscription rights unless the Deutsche Börse management board, with the approval of the Deutsche Börse supervisory board, uses its authorization to exclude shareholder subscription rights. The Deutsche Börse management board, with the consent of the Deutsche Börse supervisory board, is authorized to exclude fractional amounts from subscription rights of shareholders. The Deutsche Börse management board, subject to the consent of the Deutsche Börse supervisory board, is authorized to exclude subscription rights of shareholders in order to issue up to 900,000 new shares per fiscal year to members of the Deutsche Börse management board and employees of Deutsche Börse, as well as to members of the executive boards and management and employees of related companies (within the meaning of section 15 *et seq.* AktG). The content of the rights attached to the shares and the terms and conditions relating to their issuance, including the amount to be issued, will be determined by the Deutsche Börse management board with the consent of the Deutsche Börse supervisory board. Shares issued to members of the Deutsche Börse management board and employees of Deutsche Börse, as well as to members of the executive boards/management and employees of related companies within the meaning of Section 15 *et seq.* AktG, carry full dividend rights for the fiscal year in which they are issued.

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### 7.2.5 Conditional Capital I

The share capital is conditionally increased by up to 6,000,000 through the issuance of up to 6,000,000 registered no-par value shares (conditional capital I). The conditional capital increase is intended solely to fulfill subscription rights granted on or before May 13, 2008 on the basis of the authorization by the General Shareholders Meeting on May 14, 2003, under item 7 of the agenda. The conditional capital increase will only be carried out to the extent that the holders of the subscription rights issued make use of their subscription rights and Deutsche Börse does not fulfill the subscription rights by transferring own shares or by making a cash payment. The new shares are entitled to receive dividends as of the beginning of the financial year in which they arise by exercise of subscription rights.

### 7.3 Outstanding stock options

Deutsche Börse has established several stock option plans. Based on some of these programs holders of stock options could potentially be entitled to obtain Deutsche Börse shares before or after the expiration of the offer acceptance period or the additional acceptance period. The following programs are in place:

- (i) Deutsche Börse has established a group share plan based on which employees of Deutsche Börse group, who are not members of the Deutsche Börse management board or senior executives, have the opportunity to purchase Deutsche Börse shares at discounted rates. At the time of publication of this exchange offer document a total of 73,432 options were exercisable, of which 23,920 were granted under tranche 2005 and 49,512 under tranche 2006. The options granted under tranche 2005 are exercisable until June 30, 2011, and the options granted under tranche 2006 are exercisable until June 30, 2012. Each individual option entitles the holder to subscribe for two Deutsche Börse shares unless Deutsche Börse exercises its right to settle in cash. In accordance with the terms and conditions of the group share plan, Deutsche Börse has generally decided to settle Deutsche Börse stock options in cash.
- (ii) Deutsche Börse has established a group share plan for the employees of International Securities Exchange Holdings Inc., an indirect subsidiary of Deutsche Börse group. As the stock options granted under tranche 2008 of the ISE group share plan were settled in the first quarter of 2011 ( **ISE Group Share Plan** ), there is only a remaining number of up to 72,983 options under tranche 2009 of this program. This tranche will become exercisable in February 2012 and entitle the holder to acquire one share per option. However, in accordance with the terms and conditions of the ISE group share plan, at Deutsche Börse's option, stock options granted under this program may be settled either in shares or in cash. Deutsche Börse currently intends to settle the stock options in cash.
- (iii) Deutsche Börse also introduced a stock bonus plan for members of the Deutsche Börse management board and senior executives of Deutsche Börse group as a long-term incentive component resulting in a total of 308,740 outstanding stock options from tranche 2009 (175,767) and tranche 2010 (132,973) at the time of publication of this exchange offer document. However, since the end of the vesting period for the stock options under tranche 2010 will be in February 2013 and therefore after completion of the exchange offer which triggers a change of control according to the terms and provisions of the stock bonus plan, settlement will be in cash only. No Deutsche Börse shares would be issued in this case. With regard to the number of stock options outstanding under tranche 2009, such stock options become mature in February 2012 and will entitle the holder to subscribe for one Deutsche Börse share per option. However, Deutsche Börse also intends in this case to settle these options in cash.
- (iv) The stock bonus plan mentioned in the preceding paragraph expired in 2009 and was replaced with a phantom stock option program for members of the Deutsche Börse management board and senior executives of Deutsche Börse group. The program was extended to members of the Deutsche Börse supervisory board for a certain period of time in the past. Stock options granted under the phantom stock option program, however, are settled in cash according to the terms and conditions of the

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program. No additional Deutsche Börse shares will therefore come into existence due to this phantom stock option program.

- (v) The following chart gives an overview regarding the number of options that were granted in the stock option plans previously mentioned and that are outstanding at the time of publication of this exchange offer document. Moreover, the chart describes the point in time and the number of Deutsche Börse shares that could come into existence based on these options:

	Number of issued options	Number of the shares which could come into existence	Exercise period
<b>Group share plan DB</b>			
Tranche 2005	23,920	47,840	Until June 30, 2011
Tranche 2006	49,512	99,024	Until June 30, 2012
Total (GSP DB)	73,432	146,864	
<b>Group share plan ISE</b>			
(Tranche 2009)	72,983	72,983	From February 2012
<b>Stock bonus plan</b>			
Tranche 2009	175,767	175,767	From February 2012
Tranche 2010	132,973	132,973	From February 2013
Total (SBP)	308,740	308,740	
<b>Total</b>	<b>455,155</b>	<b>528,587</b>	

As described, the exercise of the previously mentioned stock options will likely not result in a delivery of Deutsche Börse shares to the holders of Deutsche Börse share options, because Deutsche Börse, in each case, intends to make use of its right to settle in cash. However, in case Deutsche Börse would decide otherwise at the time of maturity of the stock options, as a consequence of a settlement in kind a maximum of 528,587 Deutsche Börse shares could come into existence in the future (the total number of all Deutsche Börse shares that may still come into existence as a result of the stock option programs described in this section the **total future Deutsche Börse option shares** ). Of this number of total future Deutsche Börse option shares, only the options granted under tranche 2005 and tranche 2006 of the group share plan described in paragraph (ii) up to 146,864 new Deutsche Börse shares may come into existence as a result of the exercise of such stock options prior to the expiration of the additional offer acceptance period (the **additional Deutsche Börse shares** ). Each holder of additional Deutsche Börse shares then would be entitled to accept the exchange offer once he or she holds additional Deutsche Börse shares prior to the expiration of the offer acceptance period or the additional offer acceptance period.



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As of March 31, 2011, 4.59% of the current share capital of Deutsche Börse of 195,000,000 were held by Deutsche Börse as Deutsche Börse treasury shares. The remaining outstanding Deutsche Börse shares were predominantly held by institutional investors (approximately 95% of the remaining outstanding Deutsche Börse shares) and only approximately 5% of the remaining outstanding Deutsche Börse shares were held by private investors. The following table of Deutsche Börse's shareholders sets forth those shareholders who have notified the percentage of their voting rights in Deutsche Börse's share capital in accordance with Section 21 of the German Securities Trading Act:

Shareholder	Publication date <sup>(1)</sup>	Voting rights (directly held or attributed /total)	
		%	amount
BlackRock, Inc., New York, NY, USA	February 25, 2011	4.99	9,724,997
BlackRock Financial Management, Inc. New York, NY, USA	May 21, 2010	4.83	9,410,599
BlackRock HoldCo 2, Inc. Wilmington, DE, USA	May 21, 2010	4.83	9,410,599
BlackRock Advisors Holdings, Inc., New York, NY, USA	December 10, 2009	3.35	6,526,163
Sun Life Financial, Inc., Toronto, ON, Canada	September 15, 2009	3.34	6,518,717
Sun Life Global Investments, Inc., Toronto, ON, Canada	September 15, 2009	3.34	6,518,717
Massachusetts Financial Services Company (MFS), Boston, MA, USA	September 15, 2009	3.07	5,990,617
Sun Life Assurance Company of Canada U.S. Operations Holdings, Inc., Wellesley Hills, MA, USA	September 15, 2009	3.07	5,990,617
Sun Life Financial (U.S.) Holdings, Inc., Wellesley Hills, MA, USA	September 15, 2009	3.07	5,990,617
Sun Life Financial (U.S.) Investments LLC, Wellesley Hills, MA, USA	September 15, 2009	3.07	5,990,617
Sun Life of Canada (U.S.) Financial Services Holdings, Inc., Boston, MA, USA	September 15, 2009	3.07	5,990,617
Deutsche Börse, Frankfurt / Eschborn, Germany	September 30, 2008	3.05 <sup>(2)</sup>	5,950,653 <sup>(2)</sup>
Franklin Mutual Advisers, LLC, Short Hills, New Jersey, USA	June 30, 2009	3.01	5,871,225

*Notes:*

(1) According to Section 26 para. 1 German Securities Trading Act.

(2) Presently, 4.59% of the issued share capital or 8,956,997 Deutsche Börse shares.

More detailed information on the allocation of voting rights of the above mentioned shareholders is included in page A-211 of Annex 2.

**7.5 Business activities and business development**

As one of the largest exchange organizations worldwide, Deutsche Börse group offers its customers a broad range of products and services. These cover the entire value chain of financial market transactions, from trading and clearing of securities, including derivatives, through transaction settlement, custody and collateral management and providing of market information, to the development and operation of electronic trade and clearing systems.

Deutsche Börse group realigned its segment structure effective as of January 1, 2010. Its group's business activities are currently divided into four segments: Xetra, Eurex, Clearstream and Market Data & Analytics.

Xetra supports the trading and listing of cash market securities on the Frankfurt Stock Exchange as well as other European and international markets. Eurex, the derivatives market, provides for the trading of futures and options and Eurex Clearing house performs central counterparty clearing and risk

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management for derivatives, equities, repo, energy and fixed income transactions. Clearstream is responsible for the settlement, safekeeping and administration of securities. The Market Data & Analytics segment collects and distributes financial market data and indices. Deutsche Börse group's business has no significant seasonality.

Deutsche Börse itself operates the cash market of Frankfurt Stock Exchange. Through its equity investment in Scoach Holding S.A., with its corporate seat in Luxembourg, Luxembourg, Deutsche Börse also offers trading in structured products (e.g. certificates and warrants). Furthermore, Deutsche Börse owns a 75% plus one share holding in Tradegate Exchange GmbH, with its corporate seat in Berlin, Germany, which operates Tradegate Exchange, a Berlin-based stock exchange specially tailored to the requirements of private investors.

Through Eurex Zürich AG, with its corporate seat in Zürich, Switzerland, and its subsidiaries, Deutsche Börse group also operates derivatives markets in Europe (Eurex Deutschland and Eurex Zürich) and the United States (International Securities Exchange, ISE) and offers clearing services (Eurex Clearing AG with its corporate seat in Frankfurt am Main, Germany) as well a fixed-income securities trading (Eurex Bonds GmbH with its corporate seat in Frankfurt am Main, Germany) and a market place for repo transactions (Eurex Repo GmbH with its corporate seat in Frankfurt am Main, Germany).

Post-trade services such as banking, settlement and custody services are handled by subsidiaries of Clearstream Holding AG, with its corporate seat in Frankfurt am Main, Germany. These services include transaction settlement, administration and custody of services as well as global securities financing.

In addition, Deutsche Börse sells price and reference data as well as other information relevant for capital markets and develops indices through its subsidiary STOXX Ltd., with its corporate seat in Zürich, Switzerland.

Deutsche Börse and Clearstream Services S.A. with its corporate seat in Zürich, Switzerland, develop and operate Deutsche Börse group's technological infrastructure.

### **7.5.1 Xetra**

Xetra is the electronic multi asset class trading system for the cash market of the Frankfurt Stock Exchange as well as other European exchanges. Deutsche Börse group's cash market provides one of the most comprehensive ranges of tradable securities from a single source. With over 11,000 shares from both German and international issuers, more than 24,000 fixed-income securities, around 800 index funds, approximately 3,000 actively managed retail funds, and more than 500,000 certificates and warrants, investors from all over Europe can buy and sell financial products in many important asset classes in a clearly regulated and transparent marketplace. Integrated clearing by the central counterparty of Eurex Clearing AG and settlement by Clearstream Banking AG, with its corporate seat in Frankfurt am Main, Germany, help to ensure that all trades are fulfilled.

### **7.5.2 Eurex**

Eurex Frankfurt AG and Eurex Zürich AG operate the Eurex exchanges in Germany and in Switzerland. Furthermore, Eurex consists of Eurex Clearing AG, International Securities Exchange and a multi-lateral trading facilities ( MTF ) Eurex Bonds GmbH and Eurex Repo GmbH. BaFin and Deutsche Bundesbank have agreed to qualify Eurex Clearing AG as system critical (*systemrelevant*) institution which is subject to a more intensive supervision by the regulators BaFin and Deutsche Bundesbank. Institutions qualify as system critical if a threat to their existence (*Bestandsgefährdung*) could have material adverse consequential effects on other credit institutions or could destabilize the financial system due to such institution's size, the intensity of its interbank relationships and its close links with other countries. Eurex Zürich AG is a company jointly owned by Deutsche Börse and SIX Swiss Exchange with its corporate seat in Zürich, Switzerland with an economic interest of 85% and 15% respectively, and the holding company of Eurex Frankfurt AG. Eurex Zürich AG is the new majority shareholder of the European Energy Exchange AG (EEX) with its corporate seat in Leipzig, Germany. Eurex Frankfurt AG with its

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corporate seat in Frankfurt am Main, Germany, is the operator of the exchange Eurex Deutschland and, among others, the intermediary holding company of Eurex Clearing AG, U.S. Exchange Holdings Inc., with its corporate seat in Wilmington, Delaware, United States, Eurex Repo GmbH and Eurex Bonds GmbH.

Eurex is one of the world's leading derivatives marketplaces. The exchanges Eurex Deutschland and Eurex Zürich are operated on a single trading platform with a product suite comprising the world's most actively traded and liquid markets. Eurex offers some 1,600 derivatives products with more than 145,000 variations (Series). Eurex offers interest rate and equity index derivatives and as well as broad offerings in single equity products and non-financial asset classes, including commodities. Besides euro (EUR)-denominated products, Eurex also offers derivatives denominated in Swiss francs (CHF), U.S. dollars (USD) and pounds sterling (GBP). Owing to their joint trading platform, uniform exchange rules and a joint central counterparty (Eurex Clearing AG), Deutsche Börse believes that Eurex Exchanges are perceived by market participants as essentially a single marketplace. In 2010, Eurex served more than 410 member firms located in 28 countries worldwide.

Eurex Clearing AG is the clearinghouse within Deutsche Börse group. It offers fully automated and straight-through post trade services for derivatives, equities, repo, energy and fixed income transactions. In its role as a central counterparty, Eurex Clearing AG acts as a buyer to all sellers and as a seller to all buyers, thereby seeking to minimize counterparty risk and maximize operational efficiency. Eurex Clearing AG offers trade management functions, risk management and collateral and delivery management services with a focus to increase market safety and integrity. Eurex Clearing AG provides leading risk management services such as comprehensive pre-trade risk limits and it was the first leading central counterparty worldwide to offer risk management and margining data in real-time to its trading and clearing members.

Eurex Bonds GmbH operates a MTF and provides participants with an electronic platform for off-exchange, wholesale trading in European fixed-income securities. Also, the Eurex Bonds GmbH trading platform has been linked into Eurex futures market and Eurex Clearing AG with the result that a direct link between spot and futures markets is available that enables electronic basis trading of fixed-income securities via a central order book. The necessary liquidity in the fixed-income securities and basis trading markets is provided by market makers. In addition to Eurex Frankfurt AG, several financial institutions are shareholders of Eurex Bonds GmbH.

The repo business is operated by Eurex Repo GmbH. It offers an integrated marketplace for electronic trading, clearing, collateral management and settlement for secured funding and financing. It is one of the leading European marketplaces with more than 300 participants since 1999.

**7.5.3 Clearstream**

Clearstream Holding AG is the post-trade services arm of Deutsche Börse group except for clearing which is provided by Eurex Clearing AG. Clearstream Holding AG is a wholly owned subsidiary of Deutsche Börse and functions as a German financial holding, owning 100% of Clearstream International S.A., with its corporate seat in Luxembourg, Luxembourg. BaFin and Deutsche Bundesbank have agreed to qualify Clearstream Banking AG as system critical institution which is subject to a more intensive supervision by the regulators BaFin and Deutsche Bundesbank (with respect to the term "system critical" see section 7.5.2). Its core businesses include the settlement of market transactions and the custody of securities.

In terms of settlement services, Clearstream seeks to ensure that cash and securities are delivered in a timely manner between trading parties. With respect to the custody of securities, it is responsible for the management, safe-keeping and administration of securities deposited with it. In addition, the segment offers added-value services such as global securities financing and investment funds services. Customers profit from individual services, efficient processing and reduced transaction costs. The Clearstream segment is one of Europe's leading suppliers of this post-trading infrastructure for shares and fixed-

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income securities in national and international trading. It is among the largest providers of securities services worldwide.

The Clearstream segment is both an international central securities depository ( **ICSD** ) serving the international capital markets and a central securities depository ( **CSD** ) for German and Luxembourgian domestic securities. As an international central securities depository, the Clearstream segment handles the settlement and safekeeping of Eurobonds and other internationally traded fixed-income securities and equities across 50 markets. As a central securities depository, it provides the post-trade infrastructure for German and Luxembourgian securities. In the custody business, the average value of securities held in custody at Clearstream in 2010 was 10.9 trillion. In Clearstream's settlement business, the number of settlement transactions in 2010 was 116.4 million.

### **7.5.4 Market Data & Analytics**

The products offered by this segment's business areas are aimed at three customer groups: Firstly, issuers, who mainly use indices of Market Data & Analytics as underlying values for financial products (futures, options, ETFs, structured products); secondly, front offices of investors, brokers, trading desks, algo traders, and investment advisors, who use real time price- and orderbook information or other market moving signals to make their buy- or sell-decisions and recommendations; and thirdly, such functions of securities trading houses, which require accurate instrument reference data for risk management activities and error-free settlement.

### **7.6 Deutsche Börse boards**

The Deutsche Börse management board currently consists of the following six members:

<b>Name</b>	<b>Current Position</b>
Dr. Reto Francioni	Chief Executive Officer
Andreas Preuß	Deputy Chief Executive Officer, responsible for Derivatives & Market Data Division
Gregor Pottmeyer	Chief Financial Officer
Frank Gerstenschläger	Responsible for Xetra Division
Dr.-Ing. Michael Kuhn	Chief Information Officer
Jeffrey Tessler	Responsible for Clearstream Division

Regarding the position of Dr. Reto Francioni within the Holdco board of directors please see section 6.4.2. With respect to Messrs. Andreas Preuß, Gregor Pottmeyer, Frank Gerstenschläger and Jeffrey Tessler assuming positions in the global executive committee, see section 6.4.3.

The Deutsche Börse supervisory board is subject to co-determination under the German One Third Participation Act (*Drittelbeteiligungsgesetz*) and is composed of 12 shareholder representatives who are elected by the general shareholders' meeting of Deutsche Börse and 6 employee representatives who are elected by the employees of Deutsche Börse group. Currently the Deutsche Börse supervisory board consists of the following 18 members (employee representatives are marked with\*): Dr. Manfred Gentz (Chairman), Gerhard Roggemann (Deputy Chairman), Herbert Bayer\*, Richard Berliand, Birgit Bokel\*, Dr. Joachim Faber, Hans-Peter Gabe\*, Richard M. Hayden, Craig Heimark, Dr. Konrad Hummler, David Krell, Hermann-Josef Lamberti, Friedrich Merz, Thomas Neiß, Roland Prantl\*, Dr. Erhard Schipporeit, Norfried Stumpf\* and Johannes Witt\*.

### **7.7 Employees**

Deutsche Börse group operates worldwide and had as at December 31, 2010 a total of 3,490 employees (December 31, 2009: 3,600, December 31, 2008: 3,395) from 66 nations working in 19 locations across

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three continents. This decrease compared with the previous year is primarily a result of Deutsche Börse group's operating efficiency program. In the first quarter of 2010, the Deutsche Börse management board adopted measures to optimize processes and cost structures. These included streamlining the management structure and reallocating operating functions at Deutsche Börse group's various locations. To avoid redundancies resulting from the relocation of functions as far as possible, the management of Deutsche Börse group and the German works council agreed on a controlled voluntary leaver program. Thus, employees may, on their own initiative, reduce their working hours, retire early or terminate their contract in return for a severance payment. The controlled voluntary leaver program features additional cash incentives with respect to contracts of employees who expressed interest for the voluntary leaver program before December 31, 2010. It will initially remain in force until end of May 2011 with the option to extend. Additionally, the management of Deutsche Börse group and the German works council of Deutsche Börse group agreed on a reconciliation of interest agreement. This includes a so called job exchange to simplify internal transfers and steps towards adopting a social plan should this become necessary.

**7.8 Persons acting jointly with Deutsche Börse**

The entities listed in **Annex 1** of this exchange offer document are currently direct or indirect subsidiaries of Deutsche Börse and therefore constitute persons acting jointly with each other and with Deutsche Börse pursuant to Section 2 para. 5 sentence 2 German Takeover Act in conjunction with Section 2 para. 5 sentence 3 German Takeover Act.

Apart from these, there are no other persons acting jointly with Deutsche Börse pursuant to Section 2 para. 5 sentence 2 Germany Takeover Act.

**8 Description of NYSE Euronext**

**8.1 Legal basis and overview**

NYSE Euronext, a Delaware corporation, was organized on May 22, 2006 in anticipation of the combination of the businesses of NYSE Group, Inc., a Delaware corporation, and Euronext N.V., a company organized under the laws of the Netherlands. The combination of these businesses was consummated on April 4, 2007. NYSE Group, Inc. was formed in connection with the merger between New York Stock Exchange, Inc., a New York Type A not-for-profit corporation, and Archipelago Holdings, Inc., a Delaware corporation on March 7, 2006. Euronext was the first cross-border exchange group, created through the merger of the Paris, Amsterdam and Brussels stock exchanges in 2000.

NYSE Euronext's headquarters are located in 11 Wall Street, New York, United States and in 39 rue Cambon, Paris, France. Euronext N.V. has its corporate seat in Beursplein 5, 1012 JW Amsterdam, the Netherlands.

**8.2 Share capital**

NYSE Euronext is authorized to issue up to 800,000,000 NYSE Euronext shares (the **NYSE Euronext shares**). As of February 15, 2011, 276,216,610 of these NYSE Euronext shares were outstanding, including 15,009,076 shares held in treasury. Holders of NYSE Euronext shares are entitled to receive dividends if, in the form and to the extent declared by the NYSE Euronext board of directors out of funds legally available for payment, subject to the rights of holders, if any, of NYSE Euronext preferred stock.

Furthermore, NYSE Euronext is authorized to issue up to 400,000,000 shares of preferred stock, with a par value of \$0.01 per share. Currently, no shares of NYSE Euronext preferred stock are outstanding.

Subject to possible restrictions on voting rights, each outstanding NYSE Euronext share entitles its holder to one vote. Subject to the rights, if any, of the holders of any series of preferred stock outstanding and subject to applicable law, all voting rights are vested in the holders of NYSE Euronext shares.

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All of the outstanding NYSE Euronext shares of common stock are fully paid and non-assessable. Holders of NYSE Euronext shares of common stock are not granted subscription rights. NYSE Euronext shares may not be converted into shares of other classes of stock.

**8.3 Options**

Under the stock incentive plan, NYSE Euronext may grant stock options and other equity awards to employees. NYSE Euronext's approach to the incentive compensation awards includes awards of stock options and restricted stock units.

**8.4 Shareholders**

As of March 1, 2011, 69% of all outstanding NYSE Euronext shares were held by institutional investors. The remaining NYSE Euronext shares were held by private investors, including those NYSE Euronext shares held by members of the management of NYSE Euronext (please refer also to the section "Security Ownership of Certain NYSE Euronext Beneficial Owners and Management" in Annex 2). The largest beneficial owner of NYSE Euronext shares known to NYSE Euronext as of March 1, 2011 was T. Rowe Price Associates, Inc., Baltimore, Maryland, United States, which beneficially owned 7.3% of the NYSE Euronext shares.

**8.5 Business**

NYSE Euronext is a leading global operator of financial markets and provider of innovative trading strategies. NYSE Euronext offers a broad and growing range of products and services in cash equities, futures, options, swaps, exchange-traded products, bonds, carbon trading, clearing operations, market data and commercial technology solutions, all designed to meet the evolving needs of issuers, investors, financial institutions and market participants. None of NYSE Euronext's business is seasonal in nature. NYSE Euronext revised its reportable business segments effective in the first quarter of 2010. The new segments are Derivatives, Cash Trading and Listings, and Information Services and Technology Solutions.

**8.5.1** NYSE Euronext's Derivatives segment is comprised of its derivatives trading and its clearing businesses and includes NYSE Liffe, NYSE Liffe Clearing, NYSE Liffe US, NYSE Amex Options, NYSE Arca Options, NYPC and related derivatives market data.

**8.5.2** NYSE Euronext's Cash Trading and Listings segment consists of its cash trading and listings businesses and includes the New York Stock Exchange, Euronext, NYSE Amex, NYSE Arca, NYSE Alternext, NYSE Arca Europe and SmartPool, as well as BlueNext and Interbolsa, and related cash trading market data.

**8.5.3** NYSE Euronext's Information Services and Technology Solutions segment refers to its commercial technology transactions, data and infrastructure businesses. NYSE Euronext operates a commercial technology business, NYSE Technologies, and also owns NYFIX, Inc., a leading provider of innovative solutions that optimize trading efficiency. NYSE Technologies provides comprehensive transaction, data and infrastructure services and managed solutions for buy-side, sell-side and exchange communities that require next-generation performance and expertise for mission-critical and value-added client services. NYSE Technologies' advanced integrated solutions power the trading operations of global financial institutions and exchanges, including non-NYSE Euronext markets in addition to all the exchanges in NYSE Euronext. NYSE Technologies operates five businesses: Global Market Data, which offers a broad range of global market information products covering multiple asset classes; Trading Solutions, which creates and implements high performance, end-to-end messaging software and real-time market data distribution and integration products; Exchange Solutions, which provides multi-asset exchange platform services, managed services and expert consultancy; Global Connectivity, offering one of the world's largest, most reliable financial transaction networks connecting firms and exchanges worldwide; and Transactions, which primarily comprises the former NYFIX, Inc. FIX business, and which incorporates the NYFIX Marketplace and the industry-leading FIX Software business.

**Table of Contents****8.6** Boards of NYSE Euronext**8.6.1** Board of directors

The NYSE Euronext board of directors is composed of following members:

André Bergen, Ellyn L. Brown, Marshall N. Carter, Dominique Cerutti, Patricia M. Cloherty, Sir George Cox, Sylvain Hefes, Jan-Michiel Hessels, Duncan M. McFarland, James J. McNulty, Duncan L. Niederauer, Ricardo Salgado, Robert G. Scott, Jackson P. Tai, Rijnhard van Tets and Sir Brian Williamson.

**8.6.2** Executive Officers

The table below sets forth information regarding NYSE Euronext's executive officers. All of NYSE Euronext's executive officers have been appointed by and have to follow the instructions of NYSE Euronext board of directors.

<b>Name</b>	<b>Position</b>
Duncan L. Niederauer	Chief Executive Officer and Director
Dominique Cerutti	President und Deputy Chief Executive Officer
Lawrence E. Leibowitz	Chief Operating Officer
Michael S. Geltzeiler	Group Executive Vice President and Chief Financial Officer
Roland Gaston-Bellegarde	Group Executive Vice President and Head of European Execution
Philippe Duranton	Group Executive Vice President and Global Head of Human Resources
Garry P. Jones	Group Executive Vice President and Head of Global Derivatives
John K. Halvey	Group Executive Vice President and General Counsel
Claudia O. Crowley	Chief Executive Officer of NYSE Regulation, Inc.

**8.7** Employees

As of December 31, 2010, NYSE Euronext employed 2,968 full-time equivalent employees.

**9** Background to the merger and the exchange offer**9.1** The business combination agreement

The NYSE Euronext board of directors and the Deutsche Börse boards continually review their respective companies' results of operations and competitive positions in the industries in which they operate, as well as their strategic alternatives. In connection with these reviews, each of NYSE Euronext and Deutsche Börse from time to time evaluate potential transactions that would be beneficial to achieving its strategic objectives. Against this background the discussions between Deutsche Börse and NYSE Euronext that had already taken place in 2008 were reinitiated in fall of 2010 and finally led to the conclusion of the agreement between NYSE Euronext, Deutsche Börse, Holdco and Pomme Merger Corporation on February 15, 2011. The agreement provides for a combination of the businesses of NYSE Euronext and Deutsche Börse under a new Dutch holding company Holdco and especially contains provisions regarding the transaction structure and corporate governance of Holdco after completion of the combination.

Prior to the entering into the business combination agreement, the necessary board resolutions of NYSE Euronext and Deutsche Börse were passed.





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On February 15, 2011, the NYSE Euronext board of directors determined that the business combination agreement and the transactions contemplated therein were fair to and in the best interests of the NYSE Euronext stockholders. In consequence, the NYSE Euronext Board of Directors approved the business combination agreement and the transactions contemplated thereby.

On February 14, 2011, the Deutsche Börse management board determined that the combination was in the best interest of the shareholders of Deutsche Börse, and approved the business combination agreement and the transactions contemplated thereby. On February 15, 2011, the Deutsche Börse supervisory board also determined that the combination was in the best interest of the shareholders of Deutsche Börse, and approved the combination.

On May 2, 2011, the original parties to the agreement agreed upon an amendment. Such amendment was preceded by respective resolutions of the management board of Deutsche Börse as well as the board of directors of NYSE Euronext.

### **9.2 Illustrative notes regarding the combination**

Upon completion of the combination, NYSE Euronext and Deutsche Börse will become subsidiaries of Holdco.

#### **9.2.1 The merger**

The business of NYSE Euronext will be transferred by way of merging Pomme Merger Corporation with and into NYSE Euronext against the issuance of Holdco shares to the shareholders of NYSE Euronext. The merger will occur immediately after the completion of the exchange offer. In the merger, each NYSE Euronext share will be converted into the right to receive 0.47 Holdco shares.

The merger requires that (a) a majority of the NYSE Euronext shares outstanding at the record date and entitled to vote at the NYSE Euronext special meeting adopts the business combination agreement and approves the merger and (b) a majority of the shares represented and entitled to vote at the NYSE Euronext special meeting approves certain provisions of the Holdco articles of association that shall apply after the completion of the combination (such approvals collectively the **NYSE Euronext requisite vote**) (see page A-3 et seq. of Annex 2. It is currently envisaged that the day of the special meeting will be July 7, 2011. In any case, it will be held prior to the expiration of the offer acceptance period. In case of an extension of the offer acceptance period required by law (see section 5.3), the date of the special meeting may be postponed.

After the NYSE Euronext requisite vote has been passed, the completion of the merger will only be subject to the completion of the exchange offer and will therefore become effective immediately after the completion of the exchange offer.

#### **9.2.2 The exchange offer**

Deutsche Börse has currently issued 195 million Deutsche Börse shares. These include the approx. 9 million Deutsche Börse treasury shares. At the time of the merger, NYSE Euronext (disregarding approximately 13.6 million treasury shares that are held in treasury by NYSE Euronext and will not be exchanged in Holdco shares in connection with the merger, but including approximately 2.8 million NYSE Euronext shares that will presumably be issued in connection with Restricted Stock Units) will have issued a total of approx. 266 million NYSE Euronext shares. Thereof, 1.6 million NYSE Euronext shares are held by NYSE Arca Inc., an indirect 100% subsidiary of NYSE Euronext; the latter NYSE Euronext shares will be exchanged in Holdco shares in connection with the merger.

Taking into account the exchange ratio of the merger of 0.47 Holdco shares for each NYSE Euronext share and the exchange ratio of the exchange offer of one Holdco share for each Deutsche Börse share, the issued share capital of the Bidder after completion of the combination would comprise approximately 320 million Holdco shares, in case the exchange offer is accepted regarding 100% of the Deutsche Börse

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shares (irrespective of the class D shares). Disregarding the Holdco shares held within the Holdco group after completion of the combination, former shareholders of Deutsche Börse would in this case hold approx. 60% and former NYSE Euronext stockholders would hold approx. 40% of the Holdco shares issued after completion of the combination.

In case that only the minimum condition described in section 14.1(a) is reached and, therefore, only the lowest number of Deutsche Börse shares which have to be tendered in order for the exchange offer to be completed is reached, and approximately 266 million NYSE Euronext shares are still exchanged for Holdco shares in the merger, the issued share capital of the Bidder after completion of the combination would comprise a total of approximately 271.3 million Holdco shares (irrespective of the class D shares). Disregarding the Holdco shares held within the Holdco group after completion of the combination, former Deutsche Börse shareholders would in this case hold approximately 52.5% and former NYSE Euronext stockholders would hold approximately 47.5% of the Holdco shares issued after completion of the combination.

**9.2.3** Overview of the combination

The content of the business combination agreement is shown in detail in the section **Business Combination Agreement** on pages A-120 et seq. of Annex 2.

Following exchange rates are material in the context of the combination:

Each Deutsche Börse share will be exchanged into one Holdco share;

Each NYSE Euronext share will be exchanged into 0.47 Holdco share.

Deutsche Börse and NYSE Euronext each reserve the right to consider measures to be adopted jointly in the course of their combination which are expedient to enhance the financial position of their respective shareholders. Deutsche Börse, NYSE Euronext and the Bidder hereby clarify that any such jointly adopted measures will not include a change of the numerical exchange ratio for the Deutsche Börse shareholders (1 HoldCo share against 1 Deutsche Börse share) or for the NYSE Euronext shareholders (0.47 HoldCo shares for each share of NYSE Euronext). Deutsche Börse, NYSE Euronext and the bidder have made no determination as to whether to adopt any such measures.

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The following charts provides an overview of the structure of the combination:

(i) The combination

(ii) After the combination

### **9.3 Strategy and goals**

The board of directors of NYSE Euronext (the **NYSE Euronext board of directors** ) and the Deutsche Börse management board when evaluating the strategic reasons for the combination, that were decisive for their decision to sign the business combination agreement, considered a number of factors, including the following material factors:

#### **9.3.1 Strategic Considerations**

Overall, the business combination would provide a number of significant strategic opportunities to the bidder and its subsidiaries as well as its shareholders. The combined group would be a leader in a diverse set of large and growing businesses as described in more detail in section 10.1. As a pacesetter across the spectrum of capital markets services, the combined company would offer clients global scale, product innovation, operational and capital efficiencies, and an enhanced range of technology and market information solutions. Furthermore, the combination would create substantial strategic growth opportunities in Asia and Latin America. The expected substantial incremental efficiency and future

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appreciations would offer further growth opportunities to the combined group and its shareholders. The agreed well-balanced corporate governance structure would ensure continuity of management of Deutsche Börse and NYSE Euronext and thereby would facilitate an effective and timely integration of the two companies' operations. Deutsche Börse and NYSE Euronext expect the strategic opportunities (which are described in more detail on pages A-79 et seq. of Annex 2), among other things, to be as follows:

the combined company would be a leader in a diverse set of large and growing businesses, including derivatives, listings, cash equities, post-trade settlement and asset servicing, market data business as well as technology servicing;

the combined company would have a portfolio of leading brands, including NYSE Euronext, New York Stock Exchange, Euronext, Deutsche Börse, Eurex, NYSE Liffe, Clearstream and Stoxx;

the combined company's complementary products would allow the combined company to provide customers with a global derivatives platform, that it would be an industry-leading provider of technology services and information content and the world's largest venue for capital raising as well as a global pioneer in international post-trade infrastructure and settlement with significant revenues being drawn from outside of North America and Europe in those business areas; and

the business combination will over time create substantial incremental efficiency and growth opportunities.

### **9.3.2 Synergies**

The NYSE Euronext board of directors and the Deutsche Börse management board further believe that the business combination will create significant cost savings and revenue synergies. As to the cost savings, it is expected that the combination will generate savings of approximately 400 million (\$532 million). The savings will come throughout the new organization. Examples are the development of one common IT Trading and Clearing Infrastructure, establishment of a globalized IT operating organization, creation of a central European Market Operations hub for the Trading and Clearing of the Cash and Derivatives business in Europe, combination of business organizations in the United States as well as leveraging global sourcing opportunities and refining support functions in accordance with the new combined organization. Furthermore, it is intended to consolidate the networks, and data centers in the United States, the sales and product development in Europe and the United States and the global real estate portfolio and locations. The synergy values are based on an exchange rate of \$1.33 per euro. The cost savings are expected to be realized at an annual run rate that will reach 100% by the end of the third year following completion of the combination.

In addition, it is expected that the combination will lead to at least 100 million (\$133 million) of annual revenue synergies, with the full run-rate being achieved at the end of the third year after completion of the combination through cross-selling and distribution opportunities, increased turnover from liquidity pool consolidation and new products, a progressive introduction of Deutsche Börse group's clearing capabilities and expanded scope for technology services and market data offerings.

With respect to further information on the synergies reference is made to the tables on pages A-88 et seq. of Annex 2.

### **9.3.3 Participation in Future Appreciation**

The NYSE Euronext board of directors and the Deutsche Börse management board also considered the fact that the consideration under the exchange offer to which the shareholders of Deutsche Börse are entitled will be Holdco shares and, therefore, will allow NYSE Euronext stockholders and shareholders of Deutsche Börse to participate in potential further appreciation of the combined company after the combination.

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### **9.3.4 Governance**

Furthermore, the NYSE Euronext board of directors and the Deutsche Börse management board considered that the governance arrangements provided by the business combination agreement would enable continuity of management and an effective and timely integration of the two companies' operations and reflect the fact that the transaction was structured as a business combination rather than an acquisition of NYSE Euronext by Deutsche Börse or vice versa.

The NYSE Euronext board of directors and the Deutsche Börse management board also considered a variety of risks and other potentially negative factors concerning the business combination agreement. They, each, concluded that potentially negative factors associated with the business combination were outweighed by the potential benefits that they expected NYSE Euronext and NYSE Euronext stockholders as well as Deutsche Börse and the shareholders of Deutsche Börse to achieve as a result of the business combination. Accordingly, they determined that the business combination agreement and the transactions contemplated thereby are in the best interest of the respective corporation and its shareholders.

### **9.4 Forthcoming acquisition of control over Deutsche Börse by the Bidder**

If, as a result of this exchange offer, the Bidder acquires control over Deutsche Börse within the meaning of Section 29 para. 1 German Takeover Act, the Bidder will not be obliged to make a mandatory offer to the shareholders of Deutsche Börse pursuant to Section 35 para. 3 German Takeover Act.

## **10 Intentions of the Bidder**

### **10.1 Future business activities of the Bidder and Deutsche Börse**

Through the combination, Holdco will become the holding company of Deutsche Börse and NYSE Euronext. However, Deutsche Börse, NYSE Euronext and their respective subsidiaries will continue to conduct their respective businesses. It is not envisaged that after completion of the exchange offer, Holdco engages in activities other than activities typically conducted by a management holding company. However, it can not be excluded, that the combined group will be restructured in the future and Holdco will assume certain central functions within the combined group. For the time being, Holdco will, following the completion of the combination, be financed by dividend distributions from its participations in Deutsche Börse and NYSE Euronext. The expected effects on the assets and obligations of the Bidder are set forth in section 16. The future business activities of the Bidder are insofar interdependent with the intended future business activities with respect to Deutsche Börse and the combined group existing after the completion of the combination.

The integration planning is currently under discussion between the parties of the business combination agreement, the material results thereof are described in this section 10.

The combination will create a global derivatives platform, bringing together complementary products of Deutsche Börse group, NYSE Euronext and the affiliated companies of NYSE Euronext. The derivatives businesses of Eurex and NYSE Liffe complement each other with respect to interest rate products, with Eurex specializing in the long end of the interest rate curve and NYSE Liffe in the short end and equity index products where Eurex has products across the European Union and NYSE Liffe has country-specific ones. The intended combination of both derivatives businesses is expected to create a group which is an industry leader with a competitive size and scale compared with other major exchanges. The Bidder believes that combining these complementary venues will deliver innovative product and capital efficiency opportunities to its clients.

The combined cash trading and listings businesses are expected to create an exchange group with leading liquidity pools for European and U.S. equities. The combination of NYSE Euronext and the Frankfurt Stock Exchange will deliver a pan-European regulated and transparent equities market, while preserving the national role of the five exchanges in Europe: Amsterdam, Brussels, Frankfurt, Lisbon and Paris. In

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addition, the Bidder believes that NYSE Euronext's listings franchise, already home to some of the world's leading global brands, will be further strengthened by the increased global profile of the new group, strengthening its status as one of the most attractive capital raising venues for companies from around the world.

Based upon Deutsche Börse's risk management and clearing expertise and its suite of leading securities financing, settlement and custody services the Bidder intends to accelerate growth based on the combined group's broader coverage of asset classes and regions. The Bidder intends to extend cash and derivatives clearing and particularly risk management services beyond the initial asset class coverage of the combined group in order to provide customers with significantly improved cost and capital efficiency opportunities. In addition, it is to be expected that Holdco will benefit from Clearstream's strong and growing presence in Asia.

Both Deutsche Börse and NYSE Euronext are providers of technology solutions that power the trading operations of all the Deutsche Börse and NYSE Euronext markets, as well as other exchanges around the world. In addition, through its NYSE Technologies subsidiary, NYSE Euronext provides comprehensive transaction, data and infrastructure services and managed solutions for buy-side, sell-side as well as exchange communities. The Bidder intends to capitalize on the combined technology and service expertise as well as expanded potential client base to deliver an ever wider range of innovative solutions that optimize trading efficiency for clients.

The combination will also bring together market data & analytics services and the index portfolio. The Bidder expects to establish itself as the leading vendor for low latency price information, value-adding indices and benchmarks and trading-related content and analytics. The Bidder intends to further strengthen this position, for example, by rolling out new products across the combined group based on the range of existing and newly developed indices.

The Bidder expects the combination to release additional product innovation potential and intends to combine complementary product lines to provide a global and extensive breadth of product offerings based on a strong portfolio of brands. The Bidder intends to utilize the additional innovation potential.

### **10.2 Use of assets and future obligations of Deutsche Börse**

The Bidder expects to realize cost savings from the combination, principally from economies of scale in information technology, clearing operations, market operations and corporate center functions. In addition, the Bidder expects further product innovation and cross-selling opportunities between the global cash and derivatives businesses of Deutsche Börse group, NYSE Euronext and the affiliated companies of NYSE Euronext.

The combination is expected to generate annual cost savings of 400 million (or \$ 532 million), principally in information technology systems, clearing and market operations as well as in corporate administration and support functions of the company. In addition, annual revenue synergies of at least 100 million (or \$133 million) are expected through cross selling and distribution opportunities, increased turnover from liquidity pool consolidation and new products, a progressive introduction of Deutsche Börse's clearing capabilities and expanded scope for technology services and market data offerings (see also the information in section 9.3.2). The information regarding synergy values is based on an exchange rate of \$1.33 per euro. The Bidder may contemplate further actions in respect of the business activities of Deutsche Börse in order to achieve this.

There are no intentions to divest any of Deutsche Börse group's businesses or assets, nor any measures intended that would lead to a significant increase in Deutsche Börse group's liabilities beyond the normal course of business, except for any measures described in this section 10.

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### **10.3 Registered office of Deutsche Börse, location of material parts of the business of Deutsche Börse**

The Bidder has no operating history. The markets and geographical presence of the combined group will be those of Deutsche Börse group, NYSE Euronext and the affiliated companies of NYSE Euronext. The geographical presence of Deutsche Börse group will therefore remain unchanged.

The combined group will have dual headquarters in Frankfurt and New York. The seat of Deutsche Börse will remain unchanged.

Pursuant to the business combination agreement, Holdco, after completion of the combination, will have the following five globally operating divisions (the global hub of a global division of Holdco means the location from where such global division is managed):

Global Cash Trading and Listings with a global hub in New York and key locations in (in alphabetical order) Amsterdam, Brussels, Frankfurt, Lisbon and Paris;

Global Derivatives with a global hub in Frankfurt and key locations in (in alphabetical order) Amsterdam, Chicago, London, New York and Zurich;

Global Settlement and Custody with a global hub in Frankfurt and with key locations in (in alphabetical order) Luxembourg, New York, Porto, Prague and Singapore. The office of the divisional head will be located in Luxembourg;

Technology Services/IT with a global hub in New York and with key locations in (in alphabetical order) Belfast, Frankfurt, London, Luxembourg, Paris and Prague. The office of the divisional head will be located in Paris; and

Market Data and Analytics with a global hub in Frankfurt and with key locations in (in alphabetical order) London, New York, Paris and Zurich.

As far as it is necessary to implement such structure, the bidder intends to relocate certain business sites of NYSE Euronext and Deutsche Börse group; however, the key locations of Deutsche Börse group will be maintained.

All national exchanges are operated in accordance with the applicable regulatory frameworks, the key business lines will remain in the present locations and the self-reliance of the national exchanges and brand names will be maintained.

### **10.4 Deutsche Börse management board and Deutsche Börse supervisory board**

At the time of publication of this exchange offer document, there are no intentions of the Bidder on the future composition of the Deutsche Börse management board and the Deutsche Börse supervisory board.

### **10.5 Employees, terms and conditions of employment and employee representations of Deutsche Börse**

The success of a combination of the activities of Deutsche Börse group, NYSE Euronext and the affiliated companies of NYSE Euronext depends to a large extent on the knowledge, experience, commitment and creativity of the employees of both groups. The Bidder will seek to promote the integration of employees of Deutsche Börse group, NYSE Euronext and the affiliated companies of NYSE Euronext. However, as a result of the combination and the envisaged creation of synergies there will be staff reductions, which shall be carried out fairly and adequately in an appropriate process. However, at this stage no considerations exist with respect to particular functions or locations affected within the combined group. The Bidder intends that the staff reductions will be carried out in a socially acceptable manner.

The business combination agreement provides that for the one-year period following completion of the combination, Holdco will provide to each individual who is employed as of the effective time of the combination by Deutsche Börse or its subsidiaries, and who remains employed by

Deutsche Börse or its



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subsidiaries, with the following (except in the case of employees whose employment is governed by a collective bargaining or similar agreement):

base salary in an amount no less than the base salary provided to the employee immediately prior to the combination;

an annual bonus opportunity that is no less favorable than the annual bonus opportunity provided to the employee immediately prior to the combination;

other compensation opportunities and employee benefits that are no less favorable in the aggregate than those provided to the employee immediately prior to the combination;

severance benefits in the event of employment termination in amounts and on terms and conditions no less favorable in the aggregate to such employee than he or she would have received under the severance plans, programs, policies and arrangements applicable as of the date of the business combination agreement; and

defined contribution retirement plan benefits no less favorable than those provided as of the date of the business combination agreement.

With respect to employees who remain employed after the completion of the combination, Holdco has agreed to (1) waive all pre-existing conditions, exclusions and waiting periods regarding participation and coverage requirements, (2) provide each employee and the employee's eligible dependents with credit for any co-payments and deductibles paid prior to the effective time under the applicable NYSE Euronext or Deutsche Börse plan in satisfying deductible or out-of-pocket requirements under the new Holdco plans for the year in which the combination occurs and (3) recognize service of employees with Deutsche Börse, including severance plans (including for purposes of eligibility to participate, vesting credit, and entitlement to benefits, but excluding for purposes of benefit accrual under final average pay defined benefit plans or to the extent a duplication of benefits would result), in each case to the same extent waived, credited, or recognized under the applicable Deutsche Börse plans prior to the completion of the combination.

Holdco to the extent legally permitted will undertake a review of Deutsche Börse and NYSE Euronext's benefits plans within the one-year period after the completion of the combination with the intent to develop new plans for employees that will not discriminate between NYSE Euronext employees, on one hand, and Deutsche Börse employees, on the other hand, and treat similarly situated employees of NYSE Euronext and Deutsche Börse on a substantially equivalent basis, taking into account factors such as the employees' duties, geographic location, tenure, qualifications and abilities.

Other changes in the employment terms and conditions as well as in the employment representations of Deutsche Börse are not intended.

### **10.6 Intended structural measures**

The Bidder intends, as soon as possible after the completion of the exchange offer, to effectuate one or more corporate reorganization measures regarding Deutsche Börse. This will create the legal requirements to integrate Deutsche Börse as far as possible into the Holdco group formed by the combination. It is the intention of the restructuring to put the Bidder in the position, within the legal limits and irrespective of minority shareholders, who may still hold shares after completion of the exchange offer, to dominate Deutsche Börse as far as possible and/or, as the case may be, to eliminate such minority shareholding.

The intended restructuring measures include entering into a domination agreement (*Beherrschungsvertrag*) or a combination of a domination agreement and a profit and loss transfer agreement (*Gewinnabführungsvertrag*) pursuant to Sections 291 *et seq.* AktG with Deutsche Börse as the controlled company and, as part of such affiliation agreements, with Holdco ordinary shares being offered to the outside shareholders of Deutsche Börse as consideration (*Abfindung*) pursuant to Section 305 para.



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2 AktG. In addition, or alternatively, the Bidder intends the mandatory squeeze-out of the remaining minority shareholders of Deutsche Börse in return for payment of adequate compensation ( **squeeze-out** ) if, after completion of the exchange offer or any time thereafter, the Bidder holds, directly or indirectly, at least the required participation of 95% in the registered share capital of Deutsche Börse. Such squeeze-out may be carried out based on a resolution by the general shareholders meeting pursuant to Sections 327a *et seq.* AktG or a petition before a court seeking a court order on the transfer of the shares in accordance with Sections 39a *et seq.* German Takeover Act. The aforementioned restructuring measures are herein referred to as the **restructuring after completion** .

In the course of the restructuring after completion, Deutsche Börse shareholders who do not exchange their shares in the exchange offer, will receive, or will be offered, consideration in accordance with the applicable laws. Due to the statutory legal framework applicable to the restructuring after completion, which is described below in more detail in sections 10.6.1 to 10.6.3, such consideration may have a different amount or form than the consideration that those shareholders would have received had they exchanged their shares in the exchange offer.

Thereby, it is intended to structure the restructuring after completion in a way that the remaining holders of Deutsche Börse shares to the extent legally permissible each receive at a maximum the same number of Holdco shares per Deutsche Börse share(s) that they would have received in the exchange offer had they tendered their Deutsche Börse shares, and at a maximum a consideration having the same value (without taking into account possible different tax treatment or applicable withholding tax regulations), respectively. Due to the reasons described below in more detail, the amount or the form of the consideration may be different, in particular be less in value. Furthermore, in the event that the shares of Holdco lose value after the completion of the combination, there may be no obligation of the Bidder, in the course of the restructuring after completion, to grant to the Deutsche Börse shareholders who did not tender their shares in the exchange offer the higher consideration received by the Deutsche Börse shareholders who exchanged their shares in the exchange offer into ordinary shares of Holdco.

The Bidder reserves the right to amend the structure of the restructuring after completion, if appropriate. This includes, among others, the determination whether the domination agreement and/or the profit and loss transfer agreement with Deutsche Börse as the controlled company will be entered into by the Bidder itself or, instead of the Bidder, by a direct or indirect wholly owned subsidiary of the Bidder in the legal form of a German stock corporation or a German *societas europaea* (SE), as well as the right to contribute or otherwise transfer all or some of its Deutsche Börse shares to the latter or another wholly owned subsidiary.

In the context of the business combination agreement, the Deutsche Börse boards have agreed in principle to the conclusion of a domination agreement or a combination of a domination agreement and profit and loss transfer agreement with Deutsche Börse following the completion of the combination as described above. Furthermore, if the Bidder holds 95% or more of the issued share capital of Deutsche Börse after completion of the exchange offer or any time thereafter, the Deutsche Börse boards also agreed to the implementation of a squeeze-out.

**10.6.1 Domination agreement or combination of domination agreement and profit and loss transfer agreement**

Entering into a domination agreement or a combination of a domination agreement and profit and loss transfer agreement requires, among others, the consent of at least 75% of the share capital represented in the respective resolution at a general shareholders meeting of Deutsche Börse; the dominating entity is entitled to vote at such resolution also with respect to Deutsche Börse shares held by it. Such agreement would become effective upon registration in the commercial register of Deutsche Börse. Under a domination agreement, the controlled company submits itself to the direction of the controlling company. The controlling company would be authorized to issue binding orders to the Deutsche Börse management board. Under a profit and loss transfer agreement, the controlled company undertakes to transfer its entire profits to the controlling company. In both cases, the controlling company is obliged to make up for any

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annual net loss incurred by the controlled company during the term of the agreement (Section 302 AktG). A domination agreement and a profit and loss transfer agreement must provide for a recurrent annual cash payment as compensation for the minority shareholders (Section 304 AktG). Such compensation will represent a variable or fixed minimum dividend (*Garantiedividende*) in the case of a domination agreement and a variable or fixed annual compensation payment (*Ausgleichszahlung*) in the case of a profit and loss transfer agreement or a combination of a domination agreement and profit and loss transfer agreement. The variable minimum dividend or the variable annual compensation payment would be calculated on the basis of the actual dividends distributed by the Bidder in the future.

The amount of the recurrent cash payment is determined by the respective parties to the agreement in due consideration of the specifications as set out in Section 304 para. 2 AktG and reviewed by a court-appointed auditor. It could deviate from the average of the past dividends paid by Deutsche Börse and it could also be higher or lower. During the term of the agreement, the recurrent cash payment would be payable annually if, at that time, Deutsche Börse shares are still held by minority shareholders; in the case of a domination agreement which is not combined with a profit and loss transfer agreement, the recurrent cash payment is a minimum dividend which is only payable to the extent the actual dividend paid by Deutsche Börse to its minority shareholders falls short of the amount of such minimum dividend.

In addition, in case of entering into a domination agreement or a combination of a domination agreement and profit and loss transfer agreement the controlling company would be obliged to offer to all minority shareholders of Deutsche Börse to acquire all Deutsche Börse shares held by them in exchange for an adequate compensation (Section 305 AktG). Such an offer must have a duration of at least two months following the day of publication of the registration of the domination agreement and/or profit and loss transfer agreement in the commercial register of Deutsche Börse by the registry court. Such an offer would constitute a tender offer under U.S. law that would need to comply with certain rules under Regulation 14E under the Exchange Act, but such tender offer would not be subject to Section 14(d) of the Exchange Act or the rules or regulations of the SEC thereunder. In accordance with Section 305 para. 2 no. 1 AktG, the Bidder will compensate the shareholders of Deutsche Börse selling their Deutsche Börse shares under a domination agreement or a combination of a domination agreement and profit and loss transfer agreement entered into by Deutsche Börse by granting Holdco ordinary shares, except for fractional amounts which may be settled in cash.

Likewise, in case the domination agreement and/or the profit and loss transfer agreement is entered into between Deutsche Börse as the controlled company and a direct or indirect wholly owned subsidiary of the Bidder in the legal form of a German stock corporation or a German *societas europaea* (SE) as the controlling company instead of by the Bidder, in accordance with Section 305 para. 2 no. 2 AktG, the shareholders of Deutsche Börse selling their Deutsche Börse shares under such agreement shall be granted Holdco ordinary shares as compensation, again except for fractional amounts which may be settled in cash.

Pursuant to Section 305 para. 3 AktG, the exchange ratio for which Deutsche Börse shareholders would be offered to exchange their Deutsche Börse shares into Holdco ordinary shares under a domination agreement or a combination of a domination agreement and a profit transfer agreement is deemed adequate if it is equal to the exchange ratio that would apply in connection with a statutory merger of the two companies. For purposes of determining such exchange ratio, which has to be reviewed by a court-appointed auditor, an expert company valuation of each of Deutsche Börse and the Bidder would need to be performed for which the circumstances at the date of the resolution of Deutsche Börse's shareholders' meeting adopting the domination agreement or combination of a domination agreement and a profit transfer agreement will be decisive. While there are no compulsory statutory requirements for the method of such company valuation, a valuation on the basis of discounted future earnings (*Ertragswertverfahren*) in accordance with the Principles for the Preparation of Business Valuations under IDW Standard S 1 of the Institute of Public Auditors in Germany e.V. (*Institut der Wirtschaftsprüfer in Deutschland e.V.*) is generally accepted for such purpose. In addition, according to case law, the consideration to be offered under such agreement may generally not be less than the volume weighted average stock price of

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Deutsche Börse shares for the three months period prior to the announcement of such domination agreement or combination of a domination agreement and a profit and loss transfer agreement. The exchange ratio so determined may therefore deviate from the exchange ratio underlying the exchange offer. The adequacy of the amount of the recurrent cash payment pursuant to Section 304 AktG and the compensation pursuant to Section 305 AktG may, upon request by shareholders of Deutsche Börse, be reviewed in a judicial award procedure (*Spruchverfahren*).

### **10.6.2 Corporate squeeze-out**

If, after completion of the exchange offer or any time thereafter, at least 95% of the registered share capital of Deutsche Börse belong (within the meaning of Section 327a AktG) to the Bidder or, as the case may be, a subsidiary of the Bidder, the general shareholders meeting of Deutsche Börse may upon request of the Bidder or its subsidiary pursuant to Sections 327a et seq. AktG, resolve upon the transfer of the Deutsche Börse shares of the other shareholders (minority shareholders) of Deutsche Börse to the Bidder or such subsidiary in return for payment of adequate cash compensation (*angemessene Barabfindung*) (the **corporate squeeze-out**). The resolution may be adopted by a simple majority of the votes cast; also the bidder and, as the case may be, the respective subsidiary of the bidder, are entitled to vote at this resolution with respect to Deutsche Börse shares held by them. The corporate squeeze-out would not constitute a tender offer under U.S. law, and therefore would not be subject to Section 14(d) or 14(e) of the Exchange Act or the rules or regulations of the SEC thereunder.

In case of a corporate squeeze-out, such compensation must be paid in cash and would therefore be different from the form of consideration offered in the exchange offer. The amount of the cash compensation which the remaining Deutsche Börse shareholders would receive in connection with a corporate squeeze-out would have to be determined on the basis of an expert company valuation of Deutsche Börse for which the circumstances at the date of the resolution of Deutsche Börse's shareholders meeting adopting the corporate squeeze-out would be decisive, and would be reviewed by a court-appointed auditor. Also for purposes of such business valuation a valuation based on the discounted future earnings (*Ertragswertverfahren*) in accordance with the Principles for the Preparation of Business Valuations under IDW Standard S 1 of the Institute of Public Auditors in Germany e.V. (*Institut der Wirtschaftsprüfer in Deutschland e.V.*) is generally accepted for such company valuation with the amount of the adequate compensation to be generally not less than the volume weighted average stock price of Deutsche Börse shares for the three months period prior to the announcement of the squeeze-out. Therefore, such consideration could deviate from the amount of the consideration offered in the exchange offer and may also be higher or lower. The adequacy of the amount of the cash compensation may upon request by former shareholders of Deutsche Börse, whose shares were transferred in the squeeze-out, be reviewed in a judicial award procedure (*Spruchverfahren*). Execution of the corporate squeeze-out would end the listing of the Deutsche Börse shares.

In the context of the corporate squeeze-out described above, the following should be noted:

The German legislator is currently preparing a new legislation called Third Amendment of the Act on Corporate Reorganisations (*Drittes Gesetz zur Änderung des Umwandlungsgesetzes*) which is expected to come into force still in 2011. The draft of such new legislation presented by the German federal government and dated October 1, 2010 (BT-Drucks 17/3122) provides, among other things, for the possibility to perform, under certain circumstances, a special form of a corporate squeeze-out upon request of a principal shareholder holding at least 90% of the share capital of a German stock corporation (instead of 95% as required under the standard form of a corporate squeeze-out).

The Bidder reserves the right to assess whether it (or alternatively, as the case may be, a subsidiary) will make use of such special form of a corporate squeeze-out in relation to Deutsche Börse following a completion of the exchange offer, if such new legislation is implemented and the prerequisites for such special form of a corporate squeeze-out are met after completion of the exchange offer or any time thereafter.

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### **10.6.3 Takeover squeeze-out**

If, after completion of the exchange offer, at least 95% of the registered share capital of Deutsche Börse belong (within the meaning of Section 39a German Takeover Act) to the Bidder, the Bidder may petition in accordance with Section 39a German Takeover Act the relevant District Court (*Landgericht*) in Frankfurt am Main until three months from the expiration of the offer acceptance period that the remaining Deutsche Börse shares shall be transferred to the Bidder by way of a court order, provided that such application provides for an adequate compensation (*Abfindung*) (the **takeover squeeze-out**). Such petition may also be made prior to the completion of the exchange offer if, based on the number of Deutsche Börse shares for which the exchange offer has been accepted, at least 95% of the registered share capital of Deutsche Börse which is entitled to voting rights will belong (within the meaning of Section 39a German Takeover Act) to the Bidder upon the subsequent completion of the exchange offer. The takeover squeeze-out would not constitute a tender offer under U.S. law, and therefore would not be subject to Section 14(d) or 14(e) of the Exchange Act or the rules or regulations of the SEC thereunder.

The takeover squeeze-out provides the Bidder with an alternative to the corporate squeeze-out. As opposed to the corporate squeeze-out, pursuant to Section 39a para. 3 German Takeover Act, the compensation that the remaining Deutsche Börse shareholders would receive in connection with a takeover squeeze-out in exchange for their Deutsche Börse shares would be, at the election of each individual Deutsche Börse shareholder, either Holdco ordinary shares (because Holdco ordinary shares are offered as consideration under the exchange offer) or cash. The consideration offered to the shareholders of Deutsche Börse under the exchange offer will be deemed to constitute adequate compensation also for the purposes of the takeover squeeze-out if the exchange offer resulted in the acquisition of at least 90% of Deutsche Börse's share capital which was subject to the exchange offer.

The implementation of the takeover squeeze-out would also end the listing of the Deutsche Börse shares.

### **10.7 Use of assets and future obligations of the bidder, seat and location of material parts of the business of the bidder, the employees of the bidder and their representations, the members of the management bodies of the bidder and changes to employment terms and conditions of the bidder.**

The intended changes regarding the board of directors and the global executive committee of the Bidder are described in section 6.4.2 and section 6.4.3. The intended restructuring measures are described in section 10.6. With respect to the impact of the completion of combination on the assets, financial and earnings positions of the bidder reference is made to the information contained in section 16.

Except for the aforementioned changes, the bidder does not intend changes with respect to seat and location of material parts of the business of the bidder, use of assets of the bidder, future obligations of the bidder, employees of the bidder and their representation, the members of the management bodies of the bidder and changes to employment terms and conditions of the bidder.

## **11 Explanation of determination of the offer consideration**

Pursuant to Section 31 para. 1 sentence 1 German Takeover Act, the Bidder has to offer the shareholders of Deutsche Börse adequate consideration for their shares.

### **11.1 Admittance to trading on organized market and liquidity of Holdco offer shares**

The Bidder will, prior to the time of delivery of the Holdco offer shares to the shareholders of Deutsche Börse under the exchange offer and to the shareholders of NYSE Euronext, in the context of the merger, apply for admission of its ordinary shares, including the Holdco offer shares, to trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and, simultaneously, in the sub-segment thereof with additional post-admission obligations (Prime Standard), as well as on the regulated market of Euronext Paris (*marché réglementé de Euronext Paris*) and on the New York Stock Exchange.

According to the rules of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) the admission of the ordinary shares of the Bidder to trading on the regulated market segment of the Frankfurt Stock

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Exchange and, simultaneously, in the sub-segment thereof with additional post-admission obligations (Prime Standard) can principally take place only after issuance of such shares; the Bidder will submit a corresponding application for admission without undue delay following the issuance of the Holdco offer shares. In contrast, the admission of the ordinary shares of the Bidder to trading on the regulated market segment of Euronext Paris and on the New York Stock Exchange can take place before issuance of the shares that are supposed to be admitted with the proviso that the admission will become effective upon the subsequent official notice of the issuance of the shares. The Bidder will submit an application for admission both with Euronext Paris and the New York Stock Exchange prior to the completion of the exchange offer.

The Bidder will take all necessary actions on his side in order to ensure that the Holdco offer shares, which the accepting shareholders of Deutsche Börse will receive upon settlement of the exchange offer, will have been admitted to trading (listed) on a regulated market within the meaning of Section 2 para. 7 German Takeover Act at the time of delivery to the shareholders of Deutsche Börse having accepted the exchange offer. Therefore, the prerequisite pursuant to Section 31 para. 2 sentence 1 WpÜG with respect to the admittance to trading on organized market is met.

Commencement of trading on the Frankfurt Stock Exchange, Euronext Paris and the New York Stock Exchange is expected to occur immediately after delivery of the Holdco offer shares to the shareholders of Deutsche Börse having accepted the exchange offer.

The completion of the exchange offer is subject, among others, to the condition that the minimum acceptance threshold described in section 14.1(a) is reached or exceeded. After adoption of the NYSE Euronext requisite vote, the completion of the merger will only be subject to the completion of the exchange offer and will take place immediately after the completion of the exchange offer. In addition, the completion of the exchange offer is subject to the adoption of the NYSE Euronext requisite vote. Hence, it is expected that, upon completion of the exchange offer, the completion of the merger will occur and the NYSE Euronext shareholders will become Holdco shareholders.

Both Deutsche Börse and NYSE Euronext have a significant free float. For example, Deutsche Börse is member of the DAX-index which measures the development of the thirty companies on the German equities market with highest liquidity and the largest free float capitalisations. In view of the above statements, Holdco shares and especially the Holdco offer shares offered under this exchange offer will be liquid shares within the meaning of Section 31 para. 2 German Takeover Act.

### **11.2 Minimum consideration**

Pursuant to the relevant provisions of the German Takeover Act Offer Regulation, the minimum consideration is the higher of the following prices:

- (i) Pursuant to Section 5 German Takeover Act Offer Regulation, the consideration must be at least equal to the weighted average domestic stock exchange price of Deutsche Börse shares during the last three months prior to the publication of the decision to make the exchange offer as of February 15, 2011 (the **3-month average price** ).
- (ii) Pursuant to Section 4 German Takeover Act Offer Regulation (in conjunction with Section 31 para. 6 German Takeover Act), the consideration must be at least equal to the highest consideration paid or agreed to be paid by the Bidder, persons acting jointly with the Bidder or their subsidiaries for the acquisition of Deutsche Börse shares (or the entry into agreements which entitle them to acquire Deutsche Börse shares) within the last six months prior to the publication of this exchange offer document.

The 3-month average price as calculated by BaFin as of the record date February 14, 2011, and notified to the Bidder is 54.16 per Deutsche Börse share.

In the relevant period neither the Bidder, nor persons acting jointly with it, nor their subsidiaries acquired Deutsche Börse shares or entered into agreements which entitled them to acquire Deutsche Börse shares for consideration.

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Therefore, the minimum consideration payable pursuant to Sections 4 and 5 of the German Takeover Act Offer Regulations is 54.16 per Deutsche Börse share.

**11.3 Non-existence of reference stock exchange price of Holdco / IDW S 1 2008 valuation of Holdco**

Pursuant to Section 7 German Takeover Act Offer Regulation in connection with Sections 5 and 6 German Takeover Act Offer Regulation, the value of the consideration granted under an offer is generally to be determined by reference to the average stock exchange price of the offered shares during the last three months prior to the publication of the decision to make a takeover offer.

However, Holdco shares have not been listed or traded on a stock exchange in the past. Therefore, the minimum consideration in the exchange offer cannot be determined on the basis of stock exchange prices of Holdco's shares pursuant to Sections 5 para. 1, para. 2, 6 para. 1, para. 2 German Takeover Act Offer Regulation. Instead, in corresponding application of Section 5 para. 4 German Takeover Act Offer Regulation, such determination has to be made on the basis of a formal valuation of Holdco. Such a valuation has been prepared on the basis of a business plan of Holdco assuming that the combination will be completed as proposed, on a *as if* basis.

The Bidder has retained Warth & Klein Grant Thornton AG, Wirtschaftsprüfungsgesellschaft, Düsseldorf ( **Warth & Klein** ), to prepare a formal valuation of Holdco on a *as if* basis and to determine whether the value of one Holdco offer share offered under the exchange offer in exchange for one Deutsche Börse share is equal to or exceeds the relevant 3-month average price.

Warth & Klein has duly prepared a formal valuation of Holdco in accordance with the accepted professional Principles for the Preparation of Business Valuations under IDW Standard S 1, as amended in 2008, of the Institute of Public Auditors in Germany e.V. (*Institut der Wirtschaftsprüfer in Deutschland e. V.*) ( **IDW S 1 2008** ). On the basis of IDW S 1 2008, Warth & Klein has rendered its valuation in the capacity of a neutral expert. The valuation of Holdco therefore constitutes an objectified value.

Based on this valuation, Warth & Klein has confirmed that the value of one Holdco offer share offered under the exchange offer in exchange for one Deutsche Börse share exceeds the 3-month average price.

The intrinsic value was derived on the basis of discounted future earnings (*Ertragswertverfahren*) and is based on the earnings expectations of the managements of Deutsche Börse and NYSE Euronext. As explained above, the valuation solely served the purpose of complying with the minimum pricing rules of the German Takeover Act and to document such compliance. This assessment gives neither a prediction about the future share price of Holdco as of the listing of its shares for trading on the stock exchange or their delivery to the shareholders of Deutsche Börse who have accepted the exchange offer, nor about the development of the share price at any other time thereafter. Any share price development depends on many external circumstances, especially on the change of expectations about the future over time, which cannot be predicted at all by the valuation expert. Instead, it is in the nature of expectations regarding future developments that these are uncertain and based solely on currently available insights and assessments.

The valuation is not a recommendation for shareholders and their decision-making process in regard to the exchange offer. Warth & Klein does not assume any responsibility that the information, any assessments and any of the conclusions presented in this section 11.3 of this exchange offer document are sufficient or complete for the purposes of the reader, in particular regarding the decision to acquire or to sell shares of Deutsche Börse, NYSE Euronext or Holdco.

As background for its analysis, Warth & Klein in particular (1) reviewed business plans for Holdco for the years 2011-2013; (2) reviewed business plannings for NYSE Euronext and Deutsche Börse which take into account certain publicly available research analysts' financial forecasts endorsed by the respective management and extrapolations from such forecasts as directed by the respective management until 2015; (3) discussed with key members of Deutsche Börse's and NYSE Euronext's management the



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respective business plans; (4) reviewed and analyzed information relating to the historical and current operations of each Deutsche Börse and NYSE Euronext; (5) reviewed various documents related to the organization, corporate proceedings, assets and liabilities of Deutsche Börse and NYSE Euronext and (6) reviewed other publicly available economic, industry and company information.

**11.3.1 Valuation fundamentals**

The value of the equity capital of a commercial enterprise is derived from the future, uncertain cash flows which the provider of equity capital can anticipate. Such a value, therefore, can be calculated as the present value of future surpluses of revenues over expenses of the enterprise.

This requires a forecast of the expected surpluses of the enterprise. The basis for valuing the earnings, therefore, is normally the business planning which covers at least a period of three to five planned years, as well as an estimate of sustained earnings which can be considered to be achievable on a permanent basis for the period of time after the planned years. The basis for such a forecast of future earnings and expenditures consists of the adjusted results generated in the past. The forecasts can be checked with regard to plausibility by a comparison with the past, developments of other enterprises as well as the development in the industry, the market and the overall economy.

However, any forecast involves uncertainty. When determining a present value of forecast cash flows, it is, therefore, necessary to take into account that providers of equity capital normally prefer a certain, positive cash flow to an equally high, uncertain cash flow. This risk aversion can be reflected by increasing the risk free interest rate used to calculate the present value by a risk premium.

The principles about how such forward looking enterprise valuations are to be carried out are set forth in the IDW S 1 2008. In order to value Holdco, Warth & Klein conducted a discounted earnings valuation pursuant to IDW S 1 2008.

As an alternative to the applications of the discounted earnings method, it is also generally possible to conduct valuations using the discounted cash flow ( **DCF** ) method under IDW S 1 2008. The discounted earnings method and the DCF method are based on the calculation of the value of capital and, thus, on the same conceptual basis. When applying the same premises, especially with logical planning, consisting of planned income statements, planned balance sheets and planned cash flow statements, both methods come to the same result. Therefore, Warth & Klein has not provided a presentation of the discounted cash flow.

Since neither a liquidation of the enterprise is contemplated, nor is it apparent that the liquidation value could be relevant as a possible minimum value, Warth & Klein has not determined the liquidation value.

The valuation of the substance under procurement aspects leads to the so-called reconstruction value of the enterprise which is only a partial reconstruction value due to the general lack of intangible assets. This substance value has no independent informative value when determining the total value of an enterprise as a going concern. Therefore, Warth & Klein also did not determine a substance value.

It is common practice in mergers and acquisitions to determine indicative enterprise values or ranges of values by means of multipliers which are considered to be common in the industry. When carefully conducting such valuations, in the first place, an analysis of the past and also the expected earnings situation of the subject of the valuation are required. Secondly, the multipliers must be derived from an analysis of the valuations of comparable enterprises. Such multiplier valuations represent only simplified, generalized discounted earnings valuations. Therefore, a comprehensive, analytical valuation using the discounted earnings method, as in the present case, is preferable.

To the extent that stock exchange prices for shares in the enterprise are available, these prices must be referred to under IDW S 1 2008 when valuing an enterprise in order to assess the plausibility of the enterprise value determined under the above principles. The shares in Holdco themselves are not (yet) listed on a stock exchange, but both the shares in Deutsche Börse as well as the shares in NYSE Euronext are traded on stock exchanges. Therefore, a deemed market capitalization of Holdco can generally be

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derived from the stock exchange prices of Deutsche Börse and NYSE Euronext. It is for this reason that Warth & Klein verified the equity value of Holdco determined with the discounted earnings method on the basis of the market capitalization of NYSE Euronext and Deutsche Börse, taking into account the synergies and costs of implementation expected from the combination.

Peculiar difficulties during the valuation work did not arise.

### **11.3.2 Valuation approach**

The valuation of Holdco, including the synergies, was determined by Warth & Klein on the basis of the planned earnings for Deutsche Börse and for NYSE Euronext using the discounted earnings method in accordance with IDW S 1 2008. The valuation of Holdco consists of the discounted earnings value plus special values for participations, specific assets held for sale and the corporate tax credit of Deutsche Börse. Due to the international nature of the entire combination, Warth & Klein has not included an explicit illustration of German personal income taxes typified tax circumstances of the shareholders have been taken into account indirectly; see, IDW S 1 2008, no. 30).

The basis for the valuation is a consolidated business plan of Holdco for the years 2011 through 2013, including the expected synergies and costs of implementation. This plan has been derived from the provided stand-alone business plans for NYSE Euronext and Deutsche Börse. Those stand-alone business-plans, which take into account certain publicly available research analysts financial forecasts endorsed, by the respective management and extrapolations from such forecasts as directed by the respective management until 2015. Warth & Klein has assumed that 100% of Deutsche Börse shares and NYSE Euronext shares will be exchanged for Holdco shares in accordance with the agreements reached in the business combination agreement. In the case of a lower acceptance quota by the shareholders of Deutsche Börse, Holdco would own less than 100% of Deutsche Börse and Holdco also would issue a lower number of Holdco shares. Because the value per share which is contributed to Holdco by a NYSE Euronext shareholder is lower than the value per share contributed by a Deutsche Börse shareholder (in the business combination agreement NYSE Euronext is valued with a premium, see pages A-80 et seq. of Annex 2) a lower value per share of Holdco would be the result. For this reason, Warth & Klein has also examined a scenario with a 75% acceptance quota which is the lowest possible quota under the offer conditions.

The consolidated business plan of Holdco represents generally the total of the stand-alone planning for Deutsche Börse, for NYSE Euronext and the synergies and costs of implementation expected from the combination including the costs of implementation. The synergies expected by the parties of the combination resulting from the business combination including the costs for implementation were first determined at an early stage based on first estimates. The valuation is based on synergies and costs for implementation, which have been identified and calculated in a second phase of the project of joint project teams.

With regard to the planning assumptions for the development of the operational business, the responsibility lies exclusively with both partners to the combination. Warth & Klein has only checked the plausibility of the operational planning in discussions with the respective management. Since the planning of the synergies is expected and communicated generally by both combination partners and, therefore, is understandable, although not confirmed by specific individual measures in the early phase of the combination, they have taken into account the low degree of specification by considering two scenarios with regard to the synergies. They have assumed that the synergies are achieved either at 75% or 100%. Independent of the possible realization of the synergies, Warth & Klein assumed that Holdco will be able to enforce (for example via a domination agreement) the measures which are necessary therefore.

Warth & Klein has independently determined the currency exchange rates used for converting the planned accounts into EUR as well as the long-term financial result and the long-term tax expense. They considered both the assumptions and planning as well as market data for this purpose. Also the determination of the long-term results (perpetuity) as an extrapolation of the figures of 2013 was conducted by Warth & Klein.

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The individual steps in the valuation, namely, the determination of the surpluses to be discounted, the determination of the discount rate, the capitalization itself and the determination of the special values, are explained below.

**11.3.3 Basis of valuation/Validation of projections and synergies**

The starting point for checking the plausibility is the analysis of the results in the past because they serve as an initial orientation for analyzing planned numbers. Holdco was only recently established, however, and is not yet itself active. In order to be able to check the plausibility of the consolidated business plan of Holdco consisting of the stand-alone plans for Deutsche Börse and NYSE Euronext plus the planned synergies (less costs of implementation) in light of the past, Warth & Klein has prepared as if income statements for the years 2008 through 2010 (neither according exclusively to International Financial Reporting Standards ( **IFRS** ) nor to generally accounting principles accepted in the United States ( **US GAAP** ). This covers the actual numbers for Deutsche Börse in accordance with the annual reports for the years 2008 through 2010 (according to IFRS). For purposes of simplification they converted the actual numbers for NYSE Euronext in the years 2008 through 2010 according to the annual reports (according to US GAAP) with the respective currency exchange rate for U.S. dollar to on December 31 of the respective year (see below).

The as if numbers for the years 2008 through 2010 shown in the following section only serve to check the plausibility of the planned accounts.

To the extent that the results shown in the consolidated financial statements were influenced by extraordinary business events (for example unique or exceptional other operating income and expenses) which have distorted the as if series of results for the past for Holdco and influence the comparison of the results of the planning period with the as if numbers for the years 2008 through 2010, the effects resulting from these special circumstances have been adjusted. These adjustments primarily relate to impairment depreciations, restructuring and transaction costs as well as to consulting fees. The impairment depreciations relate mostly to impairment of intangible assets of the ISE in 2009 and 2010 at the Deutsche Börse and goodwill amortization and impairment writedowns of intangible assets of the European Cash Reporting Unit in 2008 of NYSE Euronext.

The basis for the valuation is the consolidated business plan of Holdco described below for the years 2011 through 2013, including the synergies (less costs of implementation) expected from the combination. The consolidated business plan of Holdco represents generally the total of the stand-alone planning for Deutsche Börse, for NYSE Euronext and the synergies, including the costs of implementation. Technically, initially the planned accounts for NYSE Euronext provided to Warth & Klein in U.S. dollar were converted into based on the expected currency splits (U.S. dollar, Euro, Great Britain Pound) using the following forward exchange rates:

	31.12.2008	31.12.2009	31.12.2010	31.12.2011	31.12.2012	31.12.2013	Perpetuity
<b>Exchange Rates</b>	Historical	Historical	Historical	Forward	Forward	Forward	Forward
EUR / USD	1.3953	1.4331	1.3369	1.3304	1.3237	1.3204	1.5375
EUR / GBP				0.8461	0.8427	0.8379	0.8668

Source: Bloomberg; FED; Deutsche Bundesbank (German central bank); calculation Warth & Klein

In a second step, the planned accounts of Deutsche Börse and NYSE Euronext as well as the planned synergies for turnover and costs were added and the implementation costs subtracted. Holdco covers 100% of each of Deutsche Börse and NYSE Euronext.

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The earnings from participations contained in the planning of Deutsche Börse and NYSE Euronext were eliminated and applied as special values in the amount of the book values. Furthermore personal expenses resulting from the stock based compensation programs of NYSE Euronext have been adjusted by Warth & Klein.

	2008	2009	2010	2011	2012	2013	2014 et
	As if	As if	As if	Plan	Plan	Plan	seq.
<b>Profit and Loss Statement Holdco</b>	<b>EUR mil.</b>	<b>EUR mil.</b>	<b>EUR mil.</b>	<b>EUR mil.</b>	<b>EUR mil.</b>	<b>EUR mil.</b>	<b>Plan</b>
Revenues (including revenue synergies) <sup>1)</sup>	4,520.6	3,790.8	3,984.5	4,195.8	4,501.4	4,819.8	4,745.1
Other operating income <sup>2)</sup>	314.7	165.4	133.8	96.9	133.8	162.9	164.3
Total operating income	4,835.3	3,956.3	4,118.3	4,292.7	4,635.2	4,982.7	4,909.5
Operating expenses (including cost synergies)	(2,132.8)	(2,025.6)	(2,018.3)	(2,105.2)	(2,477.8)	(2,320.9)	(1,771.7)
<b>EBITDA</b>	<b>2,702.5</b>	<b>1,930.7</b>	<b>2,100.0</b>	<b>2,187.5</b>	<b>2,157.4</b>	<b>2,661.8</b>	<b>3,137.7</b>
Depreciation and amortisation	(311.4)	(317.2)	(340.9)	(346.3)	(355.7)	(370.1)	(335.9)
<b>EBIT</b>	<b>2,391.1</b>	<b>1,613.5</b>	<b>1,759.1</b>	<b>1,841.2</b>	<b>1,801.6</b>	<b>2,291.7</b>	<b>2,801.8</b>
Financial result				(157.1)	(154.5)	(148.5)	(110.7)
<b>EBT</b>				<b>1,684.1</b>	<b>1,647.1</b>	<b>2,143.2</b>	<b>2,691.1</b>
Taxes				(462.9)	(451.1)	(584.2)	(730.8)
<b>Net income</b>				<b>1,221.3</b>	<b>1,196.0</b>	<b>1,559.0</b>	<b>1,960.4</b>
Minorities				(23.0)	(38.1)	(38.1)	(37.3)
<b>Net income post minorities</b>				<b>1,198.3</b>	<b>1,157.9</b>	<b>1,520.9</b>	<b>1,923.0</b>
Retention of net income for sustainable growth							(47.3)
<b>Net distribution</b>				<b>1,198.3</b>	<b>1,157.9</b>	<b>1,520.9</b>	<b>1,875.7</b>

- 1) The revenues can be divided mainly into the segments Cash Trading & Listings, Derivatives, IT/MD&A and Clearstream. Revenues from the segment Clearstream are generated solely by Deutsche Börse. With regard to the segments Cash Trading & Listings as well as Derivatives, the revenue shares of NYSE Euronext are disclosed net of section 31 fees, liquidity payments and routing and clearing fees as these costs show a direct reference to the corresponding gross revenues. The respective costs of sales or deductions do not exist at Deutsche Börse AG, so that the comparability and thus the predictive power is restricted to that extent.
- 2) The position other operating income shows primarily the net interest result on customer deposits of the banking business of Clearstream.

## (i) Planned EBIT of Holdco

On the basis of the planned overall performance as well as the planned operating expenses and depreciation, an increase in the EBIT results in the planning period from 1,759.1 million in the fiscal year 2010 to 2,291.7 million in the planning year 2013, which corresponds to an compound annual growth rate of 9.2% annually. The planned growth of a total of 532.6 million is allocated in an amount of 490.0 million primarily to an increase in the EBIT from 2012 to 2013 (+ 27.2%). This development is influenced decisively by the planned synergies as well as the incurred costs for implementation (in the amount of approx. 700 million) under the combination of Deutsche Börse with NYSE Euronext. The companies expect to realize the revenue synergies rates of 25% at the end of 2012 and 50% at the end of 2013. The cost synergies are expected to be realized that to 30% at the end of 2012 and to 65% at the end of 2013. Warth & Klein has derived from this average values for the realization rates for the synergies in the respective planning year. Therefore the revenue synergies are planned to display 12.5 % of their effects in 2012 and 37.5 % in 2013 and the respective cost synergies are planned to display 15.0 % of their effect in 2012 and 47.5 % in 2013. The EBIT is influenced by the planned synergies as well as the costs for implementation incurred in 2012 on balance with about 328 million and on balance with about 73 million in 2013. When adjusted for these effects, rates of growth for EBIT at Holdco result in the amount of 15.6% between 2011 and 2012 as well as in the amount of 11.0% between 2012 and 2013. The rates of growth are primarily supported by the planned growth in sales.

## (ii) Planning of the financial results and taxes



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### ***Financial result***

The planned accounts of Holdco contain a financial result which was determined on the basis of an integrated planning of the financial requirements. Warth & Klein based their valuation on this planning of financial requirements. Warth & Klein calculated anew the financial results for the detailed planning period on the basis of the balances sheet planning which Warth & Klein extrapolated and the enterprise specific interest rates. Warth & Klein assume a normalized interest level over the long-term and apply a rate for the cost of debt in the amount of the base interest rate plus a spread.

### ***Determination of enterprise taxes***

The planned accounts of Holdco take into account a weighted group tax rate, which has been derived on the basis of average consolidated tax rates for Deutsche Börse and NYSE Euronext. The corporate taxes were determined by Warth & Klein anew, taking into account this weighted group tax rate. The burden with withholding tax in an expected amount of 5% on half of the results of NYSE Euronext (assumption) was taken into account as a negative synergy.

#### **(iii) Determination of the long-term results**

The long-term operational results of Holdco for the fiscal years 2014 et seq. was derived by extrapolating the sales and expenses in the year 2013, taken into account a weighted growth of 1.68%. The planned accounts for NYSE Euronext in USD were converted by Warth & Klein into Euro based on the expected currency splits (U.S. dollar, Euro, Great Britain Pound) using the following long-term expected forward exchange rates: 1.54 EUR/USD; 0.87 EUR/GBP.

Furthermore, the synergies in sales and costs expected from the combination of the companies, which are anticipated to come into play 100% starting in the year 2015, were taken into account.

Warth & Klein has applied a long-term reinvestment rate in the amount of the average depreciation in the detailed planning period.

In order to take into account the fact that the growth in the balance sheet accompanying the long-term expected growth in the line items in the profit and loss statement as well as the surpluses must be financed, Warth & Klein has applied retained earnings in the amount of the rate of growth relating to the net assets (without taking into account goodwill) in the long-term result as of the end of the detailed planning phase. This retention of earnings required to finance the growth in future earnings reduces the amount which is available for distributions.

#### **11.3.4 Determination of discount rate**

The discounted earnings value is determined by discounting the future financial surpluses to the effective date of the valuation. The discount rate reflects the return on investment of an alternative investment for which the cash flow must be considered comparable with the cash flow generated by the shares in the enterprise being valued with regard to timing, risk and taxation.

The starting point for determining the discount rate is the return on investment of a risk free investment in the capital market (base interest rate). This base interest rate must be increased by a risk premium which is supposed to cover the uncertainty about the amount of the financial surpluses in an investment in shares in the enterprise being valued compared to an investment in a risk free interest bearing security. In order to determine effects of growth in the form of continuously growing financial surpluses after the end of the detailed planning phase, the discount rate is reduced by a growth factor (deduction for growth).

Warth & Klein has determined the discount rate in detail as follows:

##### **(i) Base interest rate**

The base interest rate represents a risk free alternative investment with equivalent timing to an investment in the enterprise being valued. In order to maintain the required equivalency between the variables used as



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numerators and denominators, care must be taken that the financial surpluses to be discounted to present value are denominated in the same currency as the securities used as the basis for determining the interest rate. Since the planning at Holdco was derived in part operationally in EUR or converted in EUR by means of forward exchange rates, the base interest rate was determined on the basis of government bonds in Germany. In light of its virtually safe nature, such bonds comply to the greatest extent possible with the requirement for having no risk in light of their virtually secure nature.

When valuing an enterprise with a perpetual life, the base interest rate would generally have to be the return on investment which could be achieved as of the effective date of the valuation from a bond issued by the government which also has no time limit (equivalents of term). Since such perpetual bonds do not exist or are not traded, however, the theoretical return on investment for bonds with a perpetual term can be approximated using the observed yield curve.

The German Federal Bank (*Deutsche Bundesbank*) publishes regular estimates about yield curves on the basis of the prices for German government securities having a remaining term of up to around 30 years which are listed on the exchange by applying the Svensson method. In order to determine the base interest rate, an average yield curve for the years 2010 et seq. over a period of up to 30 years was determined on the basis of the daily estimates of the German Federal Bank for the months November 2010 through January 2011 and an extrapolation of the average 30 year zero bond interest rate. The term specific interest rates for the yield curve gained in this manner were converted to a uniform base interest rate for all planned years before personal income taxes of around 3.5% as a present value equivalent.

### (ii) Risk premium

The risk premium serves to compensate the risk taken by investing in shares of the enterprise being valued. It must be assumed that participants in the market are risk averse. This means that certain income will always be preferred compared to the same amount of expected values of uncertain income. This risk aversion can be taken into account by way of a deduction from the expected surpluses or by a risk premium on the discount rate. Both methods are interchangeable, but in practice risk aversion is almost exclusively taken into account by a premium on the interest rate.

In the context of objective valuations, capital market models such as the capital asset pricing model ( CAPM ) are especially appropriate for determining the risk premium because these capital market models indirectly derive risk premiums from observable prices in the capital market. The prices established in the capital market are the results of action by the investors. Prices for securities reflect also the risk preferences of the investors to the extent that the investors knowingly and freely decide to purchase or sell certain securities. This market valuation of the risks of shares by rational and risk averse investors is reflected in the theoretical CAPM. The CAPM, thus, supplies a verifiable, objective context for quantifying a reasonable risk premium.

The two parameters in the model required under CAPM for calculating the amount of the risk premium are the market risk premium and the beta factor.

The market risk premium is the average higher return on investment for investments in capital shares required by investors compared to returns from risk free securities. The market risk premium can be estimated using historical data from the capital markets. It is assumed when doing so that excess returns on investment for shares compared to risk free securities such as government bonds observable over the long term represent an estimated value for the risk premium which participants in the capital markets can be expected to demand in the future for investments in stocks. The stock market can be reflected using a broad stock index.

Based on corresponding empirical studies, the Special Committee for Enterprise Valuation considers it appropriate to apply a market risk premium before taxes of 5.0% in calculations based on the CAPM (see Online Report on the 95th meeting of the FAUB, November 29, 2007, p. 4).



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The amount of the beta factor reflects the degree of systematic risk in a share under the calculation pursuant to the CAPM which cannot be diversified by means of transactions in the capital market. The higher the beta factor, the higher the risk premium for investors demanded by participants in the capital market. The beta factor is calculated using the relationship between fluctuations in returns on investment for the specific shares and the fluctuations in returns on investment in the market.

Since the discount rate reflects the return on investment for an equivalent, alternative investment, it makes sense to determine the beta factor in general on the basis of the average beta factor for a group of comparable enterprises (peer group). For this purpose, Warth & Klein has compiled a group of comparable enterprises using exchange operators which are listed on the exchange.

Five determinations of the beta factor were performed for the group of peer group enterprises for the period 2005 through 2011 compared to a worldwide index (MSCI World All Country Index), which in each case cover a period of two years and are based on weekly returns on investment. So-called adjusted beta factors were determined using this analysis. The unlevered beta factors for the peer group, adjusted for the capital structure risk, have an average value of around 1.2, including the inherent beta factors for Deutsche Börse and NYSE Euronext.

**Calculation beta factor - HoldCo**

	<b>beta factor (unlevered)</b>
<b>Peer Group</b>	
Deutsche Börse AG	1.1
NYSE Euronext	1.3
ASX Ltd	1.4
Bursa Malaysia Bhd	1.0
CME Group Inc	1.0
Dubai Financial Market	1.1
Hong Kong Exchanges and Clearing Ltd	1.3
IntercontinentalExchange Inc	1.3
London Stock Exchange Group PLC	1.2
NASDAQ OMX Group Inc/The	1.3
Singapore Exchange Ltd	1.3
TMX Group Inc	1.2
<b>Mean</b>	<b>1.2</b>

The capital structure risk for Holdco was taken into account by means of a period-specific adjustment of the unlevered (debt free) beta factor in the amount of 1.2 by the effect of the leverage (varying level of debt) at Holdco (see table below discount rate ). The applied risk premium results from multiplying the market risk premium with the periodic, varying beta factor reflecting the capital structure risk (levered beta factors).

**(iii) Deduction for growth**

The growth of the anticipated future results for the enterprise must also be taken into account when valuing the enterprise. The growth of the results of the enterprise for the individual periods is specifically reflected in the detailed planning phase for 2011 through 2013. The contribution to value from the corporate surplus cash flows which are incurred in time after the detailed planning phase starting in the year 2014 and the subsequent years is reflected for purposes of simplification in the valuation by means of the present value of a terminal value. The expected, long-term results which can be generated are initially applied in the terminal value under the discounted earnings formula. If it can be assumed that the enterprise being valued is capable of growing its results in a sustained manner during the time after the detailed planning phase, the corresponding growth in results can be taken into account mathematically by means of a deduction from the discount rate.

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Warth & Klein has applied long-term growth at 1.68%. Warth & Klein has determined this value on the basis of the following considerations:

The starting point for a long-term development of the results is the determination that, over the long-term, nominal planned values can be subject to real changes and changes resulting from inflation. With regard to the change resulting from inflation, implied expectations for inflation can be determined for some countries using the differences in returns on investment between nominal fixed interest and inflation protected government bonds. On this basis as well as on the basis of fundamental forecasts, a long-term expectation for inflation for the countries in which Holdco will be active results in a range of around 1.5% to around 2.0%.

It is also necessary to estimate whether it can be assumed that the inflation based increases in costs can be completely passed on and how real developments influence the growth of the results. Based on increasing competitive pressure for exchanges, as is also expressed in the current concentration process as well as the increasing presence of alternative trading platforms, and in light of the continuing globalization and networking of the capital markets, Warth & Klein does not believe that the results of Holdco can grow in a sustained manner beyond increases resulting from inflation.

On the basis of the above considerations, Warth & Klein determined the following discount rate for Holdco.

Discount rate	2011	2012	2013	2014 et
Holdco	Plan	Plan	Plan	seq. Plan
<b>Risk free rate</b>	<b>3.50%</b>	<b>3.50%</b>	<b>3.50%</b>	<b>3.50%</b>
Market risk premium	5.00%	5.00%	5.00%	5.00%
Beta unlevered	1.20	1.20	1.20	1.20
Leverage	12.05%	11.25%	10.21%	9.31%
Beta relevered	1.32	1.31	1.30	1.29
<b>Risk premium</b>	<b>6.58%</b>	<b>6.54%</b>	<b>6.49%</b>	<b>6.45%</b>
<b>Sustainable growth rate</b>				<b>(1.68)%</b>
<b>Discount rate</b>	<b>10.08%</b>	<b>10.04%</b>	<b>9.99%</b>	<b>8.27%</b>

**11.3.5 Discounted earnings value**

The discounted earnings value in the amount of around 20.5 billion resulting from the discounting as of the determinative effective date of the valuation of February 15, 2011 from the results of Holdco to be capitalized, including the expected synergies, is determined as follows. 100% achievement of the planned synergies (for example via a domination agreement) was assumed.

Discounted earnings value	2011	2012	2013	2014 et
Holdco	Plan	Plan	Plan	seq. Plan
	EUR mil.	EUR mil.	EUR mil.	EUR mil.
<b>Net distribution</b>	<b>1,198.3</b>	<b>1,157.9</b>	<b>1,520.9</b>	<b>1,875.7</b>
Discount rate	10.08%	10.04%	9.99%	8.27%
Present value factor	0.9084	0.8255	0.7505	9.0760
Present value per year	1,088.5	955.9	1,141.4	17,024.2
<b>Discounted earnings value as of</b>	<b>01.01.2011</b>	<b>20,210.0</b>		
Compounding factor		1.0119		
<b>Discounted earnings value as of</b>	<b>02.15.2011</b>	<b>20,450.8</b>		

**11.3.6 Special values**

Only those factors contributing to value have been fully reflected in the present value of the discounted earnings which can be accurately reflected in value on the basis of ongoing cash flows. Factors contributing to value which cannot be reflected in this matter at all or only very incompletely must be separately valued.

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Warth & Klein took a separate value into account for the corporate income tax credit for Deutsche Börse pursuant to § 37 German Corporate Income Tax Act (*Körperschaftsteuergesetz*, **KStG** ). For purposes

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of the valuation, Warth & Klein has increased the remaining credit as of December 31, 2010 as determined by the company by interest from January 1, 2011 until and including the effective date of the valuation and applied an amount of around 14.3 million.

Furthermore Warth & Klein took into account special values for the participations and specific assets held for sale of Deutsche Börse and NYSE Euronext respectively. Therefore the different book values as of December 31, 2010 have been increased by interest to the effective date of the valuation on February 15, 2011 (the U.S. dollar book values have been converted into first as of December 31, 2010). The special value for the participations and specific assets held for sale of Deutsche Börse and NYSE Euronext adds up to 636.1 million.

**11.3.7 Range of equity value and value per Holdco offer share**

Warth & Klein has determined an equity value in the amount of around 21.1 billion as of the effective date of the valuation on February 15, 2011.

As of February 15, 2011, there are outstanding stock options and restricted stock units under equity compensation plans at Deutsche Börse and NYSE Euronext. The future exercise of these options by the holders or the allocation of the restricted stock units to the beneficiaries represents an effect that reduces value. The expenses of Deutsche Börse in this respect are included in the planning of personal expenses. For the NYSE Euronext, this is the case only partly. For this reason, the personnel expenditures have been adjusted for expenses resulting from stock based compensation programs of NYSE Euronext.

The Holdco shares to be exchanged for treasury shares of Deutsche Börse in the exchange offer were not explicitly included in the calculation of the number of Holdco shares because, as a consequence of treasury shares of Deutsche Börse being tendered in the exchange offer, Holdco itself will indirectly hold treasury shares and an explicit inclusion would be value-neutral because it is irrelevant for the value per share whether the company's value including its own shares is divided by the number of all shares, or whether the value exclusive of treasury shares is divided by the number of outstanding shares only.

If one assumes that 100 % of all shares in Deutsche Börse and NYSE Euronext are exchanged for shares in Holdco in accordance with the agreements reached in the business combination agreement, this value is distributed to 308.8 million Holdco shares. Thereby it has been taken into account that the already existing 45,000 Holdco shares (class D shares) will be reimbursed at their nominal value. The value per Holdco share is accordingly 68.33.

**Valuation Summary**

<b>Holdco</b>		<b>EUR mil.</b>
<b>Discounted earnings value</b>	<b>as of 02.15.2011</b>	<b>20,450.8</b>
Special value for non-consolidated participation	as of 02.15.2011	636.1
Special value for corporate income tax credit § 37 KStG	as of 02.15.2011	14.3
<b>Equity Value A</b>	<b>as of 02.15.2011</b>	<b>21,101.2</b>
Total stocks - Holdco		308.8
<b>Value of Holdco shares (in EUR)</b>	<b>as of 02.15.2011</b>	<b>68.33</b>

As the planning of the synergies generally is expected and communicated by both partners to a co-operation, and as it is then again, however, also understandable that the synergies cannot be confirmed with specific individual measures in the early phase of the combination, Warth & Klein has taken the lower degree of specification into account by analyzing two scenarios with regard to the synergies. They have assumed that the synergies are achieved at a level of 75% or 100%, while the costs for implementation in each case are incurred at 100%. These scenarios lead to a range in the value for the Holdco shares of 65.48 to 68.33.

The lower bound of 65.48 for the value per share of Holdco leads to an equity value of 20.2 billion. To meet the minimum price requirements for the value of Holdco an amount of 16.7 billion would be sufficient. Thus the lower bound for the equity value of Holdco exceeds the required minimum value by an amount of about 3.5 billion.

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The assumption has been made for purposes of the valuation as of February 15, 2011 that the dividend planned for Deutsche Börse for 2010 in the amount of around 390.5 million which will likely be disbursed in May 2011 after a resolution by the general shareholders meeting is still contained in the value of Holdco. The dividends planned for Q1 and Q2 2011 by NYSE Euronext in the amount of around US dollar 156.8 million which are then distributed following the respective quarter, are contained in Holdco. If the value for each Holdco share is determined after disbursement of the planned dividends for Deutsche Börse and NYSE Euronext is calculated, this results in a slightly lower value per share in Holdco which, however, remains well above the 3-month average price.

In case not all Deutsche Börse shares are exchanged in Holdco offer shares, the value per Holdco share would be lower. For example, if 75% Deutsche Börse shares are changed in Holdco offer shares the value of the Holdco offer shares would range between an amount of 64.65 to 67.58, depending on the realization of the synergies of 75% or 100%.

Based on the lower bound of 64.65 for the value per share of Holdco the equity value of Holdco exceeds the required minimum value imposed by the minimum price requirements in this conservative scenario by an amount of about 2.8 billion.

### **11.3.8 Plausibility check of the equity value and value per share**

In order to check the plausibility of the range of the equity value of Holdco derived using the discounted earnings method, Warth & Klein have analyzed the current market capitalization of NYSE Euronext and Deutsche Börse plus the present value of the expected synergies and costs of implementation. In order to reduce potentially distorting influences of the announcement of the transaction on the stock exchange prices for two companies, Warth & Klein has used three months average analysis of the market values in the period November 9, 2010 – February 8, 2011 as a basis.

The resulting value per Holdco offer share is above the 3-month average price, independent of the amount of the synergies assumed to be achieved (75% to 100%), including the cost for implementation.

### **11.3.9 Conclusion**

Based on this valuation Warth & Klein has confirmed that the value of one Holdco offer share offered under the exchange offer in exchange for one Deutsche Börse share exceeds the 3-month average price.

## **11.4 Adequacy of valuation method and offer consideration**

Due to the non-existence of a reference stock exchange price of Holdco the Bidder has made use of a formal valuation of Holdco as of February 15, 2011 pursuant to the IDW S 1 2008 as described under 11.3. IDW S 1 2008 as well as the valuation methodology used for the valuation constitute an adequate and generally accepted method for enterprise valuations. As described above, Warth&Klein has come to the conclusion that the value for the Holdco shares as of the effective date February 15, 2011, is

in a range of 65.48 to 68.33 in the case that the exchange offer is accepted for 100% of the Deutsche Börse shares; and

in the range of 64.65 to 67.58, in the case that the exchange offer is accepted for 75% of the Deutsche Börse shares only.

Based on the aforementioned valuation and especially the fact that the value of 1 Holdco offer share offered under the exchange offer exceeds the relevant 3-month average price of Deutsche Börse shares which is 54.16, the Bidder considers the offer consideration of 1 Holdco offer share per 1 Deutsche Börse share to be adequate within the meaning of Section 31 para. 1 sentence 1 German Takeover Act.

## **11.5 Non-applicability of section 33b German Takeover Act**

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The articles of association of Deutsche Börse do not provide for the application of Section 33b para. 2 German Takeover Act. Therefore, the Bidder is not obliged to pay any compensation pursuant to Section 33b para. 5 German Takeover Act.

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**12 Acceptance and settlement of the exchange offer****12.1 Central settlement agent**

The Bidder has appointed Deutsche Bank AG, Frankfurt am Main (the **central settlement agent**) to act as agent for the central settlement as well as exchange escrow agent in connection with the exchange offer.

**12.2 Acceptance of the exchange offer**

*Shareholders of Deutsche Börse who wish to accept the exchange offer should contact their Custodian Bank (as defined below) with any questions about the technical aspects of the acceptance of the exchange offer and its settlement (Abwicklung). The Custodian Banks will be informed separately about the procedures for the acceptance and settlement of the exchange offer.*

The shareholders of Deutsche Börse may only accept the exchange offer by declaring acceptance of the exchange offer in writing (the **declaration of acceptance**) vis-à-vis the investment services enterprise maintaining the relevant shareholder's securities account (the **Custodian Bank**).

Until the Deutsche Börse shares in relation to which the exchange offer has been accepted within the offer acceptance period or within the additional offer acceptance period (the **tendered Deutsche Börse shares**) are transferred to the securities account of the central settlement agent with Clearstream, the Deutsche Börse shares specified in the declaration of acceptance will remain credited to the securities account of the accepting shareholders of Deutsche Börse, but will be re-booked to the different ISIN DE00A1KRND6 at Clearstream and in the securities account of the accepting shareholder of Deutsche Börse.

The declaration of acceptance will only become effective upon the tendered Deutsche Börse shares having been re-booked to the relevant ISIN in time. As a prerequisite, the declaration of acceptance must be delivered to the applicable Custodian Bank within the offer acceptance period. If a declaration of acceptance has been delivered to the Custodian Bank within the offer acceptance period, the re-booking of the Deutsche Börse shares will be considered to have been performed in time if the re-booking at Clearstream has occurred no later than 6 p.m. (Central European Daylight Savings Time) on the second banking day following expiration of the offer acceptance period. Such re-bookings are to be arranged for by the Custodian Bank after receipt of the declaration of acceptance without undue delay.

The subscription of the Holdco offer shares and the contribution of the Deutsche Börse shares for which the exchange offer has been accepted to Holdco will be carried out by the central settlement agent as exchange escrow agent on a trust basis for the shareholders in Deutsche Börse accepting the exchange offer.

**12.3 Further declarations by shareholders of Deutsche Börse accepting the exchange offer**

*The following declarations are partly explained in more detail in sections 12.4 and 12.6.*

By accepting the exchange offer pursuant to section 12.2 above, each shareholder of Deutsche Börse irrevocably declares at the same time that:

- (a) it accepts, on the terms and conditions set out in this exchange offer document, the offer of the Bidder to conclude an agreement for the exchange of the Deutsche Börse shares specified in the declaration of acceptance into the Holdco offer shares, it approves the transfer of title to the Holdco offer shares to the central settlement agent as exchange escrow agent and, with respect to the transfer of title to the Holdco offer shares from the central settlement agent as exchange escrow agent to the shareholders of Deutsche Börse, it declares its acceptance;
- (b) it instructs and authorizes its Custodian Bank to effect the re-booking for the Deutsche Börse shares specified in the declaration of acceptance to ISIN DE00A1KRND6 (tendered Deutsche Börse shares) at Clearstream without undue delay, but to leave all tendered Deutsche Börse shares in its securities account for the time being;





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- (c) it instructs and authorizes its Custodian Bank to instruct and authorize Clearstream to transmit to the Bidder via the central settlement agent on each trading day information with regard to the number of tendered Deutsche Börse shares for which re-bookings have been made to ISIN DE00A1KRND6 in the Custodian Bank's securities account with Clearstream;
- (d) it instructs and authorizes its Custodian Bank to deliver the Declarations of Acceptance as well as the declarations of withdrawal pursuant to section 17.2 (including the name and address) to the Bidder upon request;
- (e) it instructs and authorizes its Custodian Bank to instruct and authorize Clearstream to make the tendered Deutsche Börse shares available to the central settlement agent without undue delay after expiry of the additional offer acceptance period and satisfaction or waiver of all completion conditions set out in section 14.1 on the central settlement agent's securities account with Clearstream for the purpose of transferring title to the relevant tendered Deutsche Börse shares to the central settlement agent for the further purpose of contributing the tendered Deutsche Börse shares into the Bidder as a contribution in kind in exchange for the corresponding number of Holdco offer shares;
- (f) it instructs and authorizes its Custodian Bank and the central settlement agent, each having been released, as a matter of precaution, of the prohibition from contracting with itself as agent for a third party (*Selbstkontrahieren*) pursuant to Section 181 of the German Civil Code (*Bürgerliches Gesetzbuch*) and corresponding foreign provisions, to take all necessary or appropriate measures and to make and receive all necessary or appropriate declarations for the completion of the exchange offer on the terms and conditions set out in this exchange offer document;
- (g) it acknowledges that, during the period commencing on the date of delivery of the relevant tendered Deutsche Börse shares to the central settlement agent's securities account with Clearstream and ending on the date of receipt of the Holdco offer shares, it will no longer be able to dispose of the relevant tendered Deutsche Börse shares and will not yet be able to dispose of the Holdco offer shares, but will only hold a claim for delivery of such number of Holdco offer shares as determined according to the terms and conditions of this exchange offer document;
- (h) its relevant tendered Deutsche Börse shares will at the time of the transfer of title to the central settlement agent be solely owned by it and will be free and clear of any third party rights;
- (i) it transfers title to the tendered Deutsche Börse shares to the central settlement agent subject to the satisfaction and/or valid waiver of the completion conditions as set forth in section 14.1 at the time of the book-entry transfer of the tendered Deutsche Börse shares to the securities account of the central settlement agent with Clearstream for the purpose of contributing the tendered Deutsche Börse shares into the Bidder as a contribution in kind in exchange for the corresponding number of Holdco offer shares;
- (j) it acknowledges and confirms that it has complied with the procedures and restrictions set out in sections 1.2 and 1.5. Shareholders who do not make this declaration and do not give this guarantee will be treated as if they had not accepted the exchange offer.

The declarations, instructions, orders and authorizations referred to in paragraphs (a) to (j) of this section 12.3 are issued irrevocably in the interest of a smooth and expeditious completion of the exchange offer. They shall only lapse (i) in the case of a final non-satisfaction of a completion condition (see section 14.3), or (ii) in the event that the agreements which have come into existence as a result of the acceptance of the exchange offer are validly rescinded in accordance with section 17.

**12.4 Legal consequences of acceptance**

Upon acceptance of the exchange offer, an agreement for the exchange of the Deutsche Börse shares specified in the declaration of acceptance into the corresponding number of Holdco offer shares will come into existence between each accepting shareholder of Deutsche Börse and the Bidder on the terms and



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conditions set forth in this exchange offer document, whereas the clearing of the exchange will be conducted by the central settlement agent as exchange escrow agent. Transfer of title of the tendered Deutsche Börse shares to the central settlement agent as exchange escrow agent and issue and delivery of the Holdco offer shares shall only occur after satisfaction and/or valid waiver of the completion conditions as set forth in section 14.1.

By accepting the exchange offer, the accepting shareholder of Deutsche Börse and the Bidder each agree subject to the satisfaction and/or the waiver of all completion conditions to the transfer of title to the tendered Deutsche Börse shares to the central settlement agent. The central settlement agent as exchange escrow agent will then subscribe to the issue of the Holdco offer shares and, for the period of time between the issue of the Holdco offer shares and the delivery of the Holdco offer shares to the shareholders of Deutsche Börse accepting the exchange offer, hold such shares. The Holdco offer shares will, without undue delay, be issued and embodied in one or more global share certificates which will be deposited with the relevant central securities depository, for onward delivery through the custody banks system, in accordance with the regular settlement procedures for equity securities. The Holdco offer shares will then be delivered to the Custodian Bank for credit to the securities accounts of the accepting shareholders of Deutsche Börse in accordance with the terms and conditions set forth in this exchange offer document.

Following transfer of the applicable tendered Deutsche Börse shares and until delivery of the respective number of Holdco offer shares, the accepting shareholders of Deutsche Börse may no longer dispose of the tendered Deutsche Börse shares and may not yet dispose of their Holdco offer shares, but will only have a claim for delivery of the number of Holdco offer shares as determined pursuant to the terms and conditions of this exchange offer document.

The central settlement agent will acquire title to the tendered Deutsche Börse shares and to the Holdco offer shares which are granted as consideration in the course of the settlement of the exchange offer only in its capacity as central settlement agent.

Upon transfer of title to the tendered Deutsche Börse shares to the central settlement agent, all rights associated with these shares shall pass to the central settlement agent and shall be transferred onwards to the Bidder in the contribution of tendered Deutsche Börse shares. Upon delivery of the respective Holdco offer shares to the respective shareholders of Deutsche Börse they shall become the owner of the respective Holdco offer shares and the holder of all rights associated with these.

The completion (*Vollzug*) of the agreement for exchange of the Deutsche Börse shares into the corresponding number of Holdco offer shares will only take place after the completion conditions set out in section 14.1 have been satisfied or validly waived by the Bidder pursuant to Section 21 para. 1 no. 3 or no. 4 German Takeover Act. If one or more of the completion conditions set out in section 14.1 have not been satisfied by the final date specified for the respective completion condition to be satisfied and if the Bidder has not validly waived the relevant completion condition pursuant to Section 21 para. 1 no. 3 and/or no. 4 German Takeover Act, the exchange offer will lapse. In this case, the agreements which came into existence as a result of accepting the exchange offer will not be completed and will cease to exist (see section 14.3).

Furthermore, by accepting the exchange offer, the accepting shareholder of Deutsche Börse irrevocably makes the declarations, instructions, orders and authorizations set out in section 12.3.

**12.5 Acceptance of the exchange offer during the additional offer acceptance period**

Except as set forth in this section 12.5, sections 12.1 through 12.4 shall also apply to the acceptance of the exchange offer during the additional offer acceptance period. Shareholders of Deutsche Börse intending to accept the exchange offer during the additional offer acceptance period should contact their Custodian Bank with any queries they may have about the technical aspects of the exchange offer and its settlement. The re-booking of the Deutsche Börse shares in relation to which the exchange offer has been accepted within the additional offer acceptance period to ISIN DE00A1KRND6 (tendered Deutsche Börse shares)

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will be considered to have been performed in time if effected no later than 6 p.m. (Central European Daylight Savings Time) on the second banking day following expiration of the additional offer acceptance period.

### **12.6 Settlement of the exchange offer and receipt of offer consideration**

Settlement of the exchange offer will take place through the issue and delivery to the central settlement agent and the onward transfer of the Holdco offer shares, in the manner as set out in section 12.4 as consideration for the tendered Deutsche Börse shares. Upon crediting of the Holdco offer shares to the applicable Custodian Bank's securities account with Clearstream, the Bidder will have fulfilled its obligation to deliver Holdco offer shares. It is the Custodian Bank's responsibility to credit the Holdco offer shares to the securities account of each accepting shareholder of Deutsche Börse. The crediting of the Holdco offer shares to the securities accounts of the Custodian Banks shall occur without undue delay but in no event later than seven banking days (i) following the publication of the results of the exchange offer pursuant to section 23 para. 1 sentence 1 no. 3 German Takeover Act or (ii) following the day the satisfaction and/or waiver of all completion conditions is published (see section 14.4), whichever date is later. A banking day in terms of this exchange offer document relates to a day on which the banks in Frankfurt am Main, Germany, as well as in New York, New York, United States are open for general business (see section 2.1).

If one or more of the completion conditions (see section 14.1) are still not satisfied, and have not been waived, by the end of the additional offer acceptance period, the settlement of the exchange offer and the crediting of the Holdco offer shares will therefore be delayed, irrespective of a potential extension of the offer acceptance period.

The Bidder expects that the settlement of the exchange offer for the tendered Deutsche Börse shares will occur prior to March 31, 2012.

In the event that all completion conditions are satisfied on March 31, 2012 only, the last possible date, the settlement of the exchange offer and the crediting of the Holdco offer shares would be delayed until April 13, 2012 at the latest.

Prior to the time of delivery of the Holdco offer shares to the shareholders of Deutsche Börse under the exchange offer, the bidder will apply for admission of its ordinary shares, including the Holdco offer shares, to trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange and, simultaneously, in the sub-segment thereof with additional post-admission obligations (Prime Standard), as well as on the regulated market of Euronext Paris and on the New York Stock Exchange.

The Bidder expects that the Holdco offer shares which the accepting shareholders of Deutsche Börse will receive upon settlement of the exchange offer will have been admitted to trading (listed) at the time of delivery to the shareholders of Deutsche Börse having accepted the exchange offer.

Commencement of trading on the Frankfurt Stock Exchange, Euronext Paris and the New York Stock Exchange is expected to occur immediately after delivery of the Holdco offer shares to the shareholders of Deutsche Börse having accepted the exchange offer.

### **12.7 Costs**

The acceptance of the exchange offer is free of costs and expenses for those shareholders of Deutsche Börse who hold their Deutsche Börse shares in collective safe custody with a Custodian Bank provided that the Custodian Bank in turn holds these Deutsche Börse shares in custody on a securities account at Clearstream. Costs incurred for the submission of the declaration of acceptance to the Custodian Bank will not be reimbursed.

Costs imposed by other Custodian Banks or foreign intermediate custodians, shall be borne by each accepting shareholder of Deutsche Börse.

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Furthermore, any taxes related to the transfer of the tendered Deutsche Börse shares in exchange for Holdco offer shares must be borne by the relevant shareholder of Deutsche Börse. The same applies to any stock exchange trading taxes or stamp duties or any other taxes or duties related to the acceptance of the exchange offer.

**12.8 Stock exchange trading in tendered Deutsche Börse shares**

The Bidder intends to apply for the tendered Deutsche Börse shares inclusion into stock market trading on the regulated market of the Frankfurt Stock Exchange under ISIN DE00A1KRND6 as of the second trading day of the Frankfurt Stock Exchange and simultaneously in its segment with additional admission duties (Prime Standard) following the commencement of the offer acceptance period. The trading of the tendered Deutsche Börse shares allows Deutsche Börse shareholders who have agreed to tender their shares to sell their shares on the Frankfurt Stock Exchange. The sale of a share that has been agreed to be tendered does not affect its status as such and will be exchanged in the exchange offer unless it is validly withdrawn in accordance with the terms of the offer or applicable law. It is intended that Deutsche Börse will mandate a Designated Sponsor in order to provide for sufficient liquidity of the stock exchange trading with tendered Deutsche Börse shares.

Trading in the tendered Deutsche Börse shares on the regulated market of the Frankfurt Stock Exchange and simultaneously in its segment with additional admission duties (Prime Standard) is expected to end no later than (i) after regular stock exchange trading hours on the last trading day of the Frankfurt Stock Exchange within the additional offer acceptance period or (ii) after regular stock exchange trading hours on the day the satisfaction of all completion conditions (insofar as they have not been waived) is published (see section 14.4), whichever is the later date. The date as of which trading ceases shall be published by the Bidder without undue delay via an electronically operated information dissemination system as described in Section 10 para. 3 sentence 1 no. 2 German Takeover Act or in the electronic Federal Gazette and by way of an English language press release via an electronically operated information distribution system in the United States. Any person acquiring tendered Deutsche Börse shares will assume all rights and obligations arising as a result of the acceptance of the exchange offer, including the irrevocable declarations, instructions, orders and authorizations set out in section 12.3.

Although Deutsche Börse will appoint a designated sponsor to offer binding bid and ask quotes for the tendered Deutsche Börse shares, there can be no assurance as to how liquid a market for the tendered Deutsche Börse shares will develop or be sustained. If an active market for tendered Deutsche Börse shares fails to develop or be sustained, the trading price and the liquidity of the tendered Deutsche Börse shares could be materially adversely affected.

Deutsche Börse shares not tendered will continue to be traded under ISIN DE0005810055.

**12.9 Note to holders of American depositary receipts**

The exchange offer is not addressed to holders of ADRs which have been issued in relation to Deutsche Börse shares. Each ADR evidences one American Depositary Share ( **ADS** ), which represents the beneficial interest in one tenth of a Deutsche Börse share deposited with Citibank, National Association, The Bank of New York Mellon Corporation or JPMorgan Chase Bank, National Association (each, a **depository** ). The ADS are deposited with a depository pursuant to the deposit agreement between such Depository and the respective owners and holders of ADRs.

ADRs may not be tendered into the exchange offer. However, holders of ADRs who are not excluded Japanese shareholders and want to participate in the exchange offer may do so by following the normal ADR cancellation process in order to obtain the underlying Deutsche Börse shares, which may then be tendered into the exchange offer. The process may take several days, and ADR holders who are not excluded Japanese shareholders should take this additional time requirement into account when making their decision whether to participate in the exchange offer or not. Holders of ADRs should contact the applicable Depository in case they have questions in relation to the exchange of ADRs in Deutsche Börse shares.

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Costs and fees incurred in the course of the cancellation of ADRs will not be reimbursed. The same applies to fees and costs incurred for a re-deposition of Deutsche Börse shares in an ADR facility in the event the exchange offer should fail.

### **12.10 Lapse in case of non-satisfaction of completion conditions**

The exchange offer will lapse and the agreements which have come into existence as a result of the acceptance of the exchange offer will not be completed and will cease to exist (conditions subsequent, *auflösende Bedingungen*) if one or more of the completion conditions (as defined in section 14.1) set forth in this exchange offer document have not been satisfied and, to the extent possible, its satisfaction has not been waived (see section 14.3).

In this case, the tendered Deutsche Börse shares will be re-booked (*Rückbuchung*) from the ISIN DE00A1KRND6 into the original ISIN DE0005810055 without undue delay.

Precautions will be taken to arrange for re-booking at the latest within five banking days after the publication pursuant to section 14.4 that not all completion conditions have been satisfied and have not been validly waived. After completion of such re-booking, the respective Deutsche Börse shares will be tradable again under the original ISIN DE0005810055.

The re-booking and re-transfer is free of costs and expenses for those shareholders of Deutsche Börse who hold Deutsche Börse shares in collective safe custody with a Custodian Bank provided that the Custodian Bank itself holds these shares in custody in a securities account at Clearstream.

Any foreign stock exchange trading taxes or stamp duties or other foreign taxes or expenses which may be incurred, as well as any costs imposed by intermediate custodians shall be borne by each accepting shareholder of Deutsche Börse. Any taxes related to the re-booking and re-transfer of Deutsche Börse shares must be borne by the relevant shareholder of Deutsche Börse as well.

## **13 Official approvals and proceedings**

In the following, the regulatory approvals and proceedings required for the combination and the status of such proceedings are described. The Bidder endeavors to initiate and complete the proceedings and to file notices and documents and to handle information requests and other inquiries as quickly as possible and will take all necessary actions in order to ensure an expedite termination of each of the proceedings listed below.

### **13.1 Merger control clearance proceedings**

The combination is subject to merger control clearance proceedings in the United States and the European Union, which also require clearance or the expiration of certain waiting periods in accordance with the applicable merger control laws, as described below:

#### **13.1.1 U.S. Antitrust Clearance**

Under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the **HSR Act**), and the rules promulgated thereunder by the Federal Trade Commission (the **FTC**), the combination may not be completed until notification and report forms have been filed with the FTC and the Antitrust Division of the Department of Justice (the **DOJ**) and the applicable waiting periods have expired or been terminated.

NYSE Euronext and Deutsche Börse are each required to file a notification and report with both the DOJ and the FTC in respect of the combination. On March 8, 2011, Deutsche Börse and NYSE Euronext each filed such notification and report form under the HSR Act with the FTC and the DOJ. Although under the HSR Act filings must be made by each party with both the DOJ and FTC, transactions are typically reviewed by one of the two agencies in a single review that involves the relevant parties. The combination of Deutsche Börse and NYSE Euronext is being reviewed by the DOJ.



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On April 7, 2011, Deutsche Börse and NYSE Euronext each received a request for additional information and documentary material ( **Second Request** ). The effect of the Second Request is to extend the formal assessment period until thirty days after the parties have substantially complied with the Second Request, unless the waiting period is terminated earlier.

The parties have been cooperating and continue to be in close contact with the DOJ in its review of the combination to obtain HSR clearance as promptly as possible. The parties have been and are continuing to prepare and submit data and documents to the DOJ in order to assist the DOJ with its review of the combination. There has not yet been determined a date for completing the submission of these data and documents in replying to the Second Request.

Responding to the second request from the DOJ will take between three and eight months, including the related 30-day waiting period and potential further substantive discussions with the DOJ. The parties therefore do not presently expect the waiting period to expire or be terminated before the third quarter of 2011. Coordination between the European and the DOJ, including potentially regarding timing, further complicates any prediction of when the DOJ will conclude its investigation.

At the end of its review, if the DOJ still has substantive concerns about the combination, it must initiate injunctive proceedings in a United States federal district court to block the combination or resolve its concerns by entering into a consent agreement with the parties.

### **13.1.2 European Competition Authorities**

The combination is subject to the merger and control clearance by the European Commission (the **Commission** ) pursuant to the European Community Council Regulation (EC) No. 139/2004 as of January 20, 2004 on the control of concentrations between undertakings, as amended (the **EC Merger Regulation** or **FKVO** ).

The merger control proceeding under the FKVO is structured in three stages: Pre-notification Contacts, Phase I and Phase II.

#### (i) Pre-notification contacts

Pre-notification contacts are particularly important for notifications with the Commission. In the course of pre-notification contacts, a draft of the notification ( **Form CO** ) is submitted to the case team of the Commission to ensure that the notification is considered complete by the Commission. After reviewing the draft Form CO, the case team can request additional data and information to be included in the notification. The Form CO describes the notifying parties' activities and the combination, and provides information on each of the affected markets (market definition, market shares, demand and supply structure, etc.).

#### (ii) Notification

Once the notification is considered complete by the case team of the Commission, the notifying parties can notify the combination formally which triggers the FKVO's timetable. Deutsche Börse and NYSE Euronext intend to file the formal notification in June 2011. It should be noted, however, that the notifying parties have only very limited influence on the duration of the pre-notification contacts with the Commission and that these contacts in many cases have lasted for several months. In consequence, the date for filing the notification might be delayed. This would inevitably cause respective delays of the formal time periods of the following procedure as outlined below.

#### (iii) Phase I

Following formal notification, the Commission has 25 working days to approve the combination or start a Phase II investigation. Assuming filing of the formal notification on June 17, 2011, Phase I would expire on July 25, 2011. Phase I is extended to 35 working days if the notifying parties propose remedies in order for the combination to be cleared in Phase I. Phase I would then expire on August 8, 2011.



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## (iv) Phase II

In a Phase II investigation, the Commission has a further 90 working days which would expire on December 1, 2011. Phase II would be automatically extended by 15 working days if remedies are offered by the parties 55 working days or more after the start of the Phase II proceedings. Including these additional 15 working days, the deadline for a decision of the Commission would be December 22, 2011.

The Commission could extend Phase II by up to 20 further working days if the notifying parties give their consent. Phase II would then expire at the end of January 2012 (January 30, 2012). However, the Commission can also stop the clock running at any time if information is not provided by the notifying parties within the time period required by the EU Commission. The clock only starts running again once the Commission considers that all requested information has been provided.

Shortly after the publication of the intention to launch the exchange offer, the parties have submitted a first briefing paper to the Commission. Since then, the parties are in regular contact, most of the times several times a week, with the case team of the Commission. With waiver declaration dated March 14, 2011, the parties have authorized the Commission to discuss and exchange information and documents with the DOJ. On March 23, 2011, the parties have filed a statement in which they explain more closely why the transaction lies within the scope of the FKVO. On the following day, the Commission has confirmed its competence. On April 5, 2011, the parties have organized a whole-day meeting with the Commission in the bourse of Brussels. At this meeting, the parties have presented the transaction, the affected markets and their own assessment to the Commission. Furthermore, the parties have elucidated their idea of the timing of the proceedings (filing of the draft of the Form CO in April, answering of questions and providing of all data in May, formal filing of the notification no later than mid-June). Immediately after, the case team has confirmed that it is willing to support the parties with this timing. The parties have submitted the first part of the first draft of the notification on April 15, 2011 and the second part of the first draft of the notification on April 21, 2011. The draft consisted of separate chapters (*sections 1-5, cash listing, cash trading and post-trade services, derivatives trading and clearing, IT services as well as market data and indices*). A further meeting with the case team is planned to be held in the first week of May.

As already mentioned, the formal notification is intended to be submitted in mid-June 2011. The timing of the proceedings cannot be predicted exactly. The parties assume that the proceedings with the Commission will be terminated still in 2011. However, in exhaustion of all terms and prolongations of such terms, it cannot be excluded that the proceedings will only be terminated in the first quarter of 2012.

It is again pointed out that the dates mentioned before are estimates as the exact date of the formal proceedings is dependent on the date of the notification which might be delayed as a result of time-consuming pre-notification contacts. As the EU Commission and the DOJ generally coordinate their assessment and proceedings in complex cases, it cannot be excluded that both authorities will also coordinate their proceedings also in respect of the timing.

**13.1.3 CFIUS Review**

The combination is subject to review under the Exon-Florio Amendment to the Defense Production Act of 1950 ( **Exon-Florio** ) by the Committee on Foreign Investment in the United States ( **CFIUS** ). Under Exon-Florio, the President of the United States is authorized to prohibit or suspend acquisitions, mergers or takeovers by foreign persons of (legal) persons engaged in interstate commerce in the United States if the President determines, after investigation, that such foreign persons in exercising control of such acquired (legal) persons might take action that threatens to impair the national security of the United States and that other provisions of existing law do not provide adequate authority to protect national security.

The parties are already in contact with CFIUS. The notice is intended to be filed with CFIUS in May 2011. The parties assume that the proceedings will be terminated in the second quarter of 2011. However, it cannot be excluded that the proceedings will only be terminated at a later time.

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**Table of Contents****13.1.4 Waiting Periods**

As of the date of signing of this exchange offer document, the applicable waiting periods under the HSR Act, EC Merger Regulation and Exon-Florio have not expired or been terminated. The parties involved believe that the combination can be effected in compliance with all applicable antitrust laws and review provisions under Exon-Florio. However, there can be no assurance that the governmental reviewing authorities will terminate or permit any applicable waiting periods to expire, or approve or clear the combination at all or without restrictions or conditions. There also can be no assurance that a challenge to the completion of the combination on antitrust grounds will not be made or that, if such a challenge were made, the parties would prevail or would not be required to accept certain conditions, possibly including certain divestitures, in order to complete the combination.

**13.2 Capital Market Regulatory Authorities**

Because of reciprocations of the following regulatory proceedings, it is expected that the supervisory authorities also coordinate the timing of their proceedings. This applies to the coordination of European supervisory authorities with each other as well as to the coordination of their proceedings with the SEC. Therefore, disregarding the timing requirements in respect of notifications, filings and decisions for each of the proceedings, it cannot be predicted when the respective proceedings will be terminated. Also, it cannot be excluded with certainty that certain proceedings will only be terminated at the end of 2011 or in the first quarter of 2012. However, the Bidder will take all necessary actions in order to ensure an expedite termination of each of the proceedings listed below.

**13.2.1 SEC Approvals**

Deutsche Börse's subsidiary International Securities Exchange, LLC and NYSE Euronext's subsidiaries New York Stock Exchange, LLC, NYSE Arca, Inc. and NYSE Amex LLC are self-regulatory organizations ( **SROs** ) registered as national securities exchanges pursuant to Section 6 Exchange Act and, as such, they must comply with certain obligations under the Exchange Act. Pursuant to Section 19 under the Exchange Act and the related rules of the SEC, all changes in the rules of SROs must be submitted to the SEC for approval, and this can include certain proposed amendments to their and, in the case of International Securities Exchange, LLC and EDGA Exchange, Inc. and EDGX Exchange, Inc., their direct parent company's certificate of incorporation, bylaws or related documents or those of NYSE Euronext as well as any proposed modifications to listing rules. No proposed rule change can take effect unless approved by the SEC or otherwise permitted by Section 19.

Under Section 19 under the Exchange Act, the text of the proposed rule change, together with a concise general statement of the statutory basis, and the purpose of the change, must be submitted to the SEC, which then gives interested parties the opportunity to comment by publishing the proposal in the Federal Register. Comment letters typically are forwarded to the SRO for response. Within a period of 35 days of the publication of the proposed rule change (or a longer period of up to 90 days, if the SEC considers it appropriate), the SEC must either approve the proposal, or institute proceedings to determine whether the proposed rule change should be disapproved. Such proceedings should be concluded within 180 days of the date of the publication of the proposed rule change, although the SEC may extend the deadline by another 60 days if necessary. The SEC will approve a proposed rule change if it finds that the change is consistent with the requirements of the Exchange Act and the rules and regulations of the Exchange Act. SROs may consent to extensions of any of these periods and, as a practical matter, will generally do so while addressing any concerns raised by the SEC.

The Bidder has filed a draft of the intended rule change with the Markets and Trading department of the SEC pursuant to Rule 19b-4 of the Exchange Act on April 15, 2011, and expects to receive their comments shortly. After the realization of respective comments, the SEC will publish the draft of the intended rule change in the Federal Register for 21 days pursuant to Rule 19b-4 of the Exchange Act for public comments. The parties will review respective comments and possibly take them into account and then will submit the draft of the intended rule change with the SEC for final approval.

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In connection with the combination, a number of European regulatory approvals must be solicited and a number of filings must be made in connection with the combination. To the extent any legal decision periods apply to such approval proceedings, such periods will be started only through the filing of complete documents as a rule. The assessment of whether the documents filed are complete is regularly at the discretion of the relevant authority granting the approval in this context. Against this background, it is currently impossible to predict the duration of the approval proceedings. The abovementioned approvals and notifications include, *inter alia*, the following (in alphabetical order by the German name of the country):

## (i) Belgium

- (a) The Financial Services and Markets Authority of Belgium (*Autoriteit voor Financiële Diensten en Markten/Autorité des services et marchés financiers* **FSMA**) shall not have prohibited the intended change in ownership and control of Euronext Brussels S.A./N.V. as Belgian market operator (*marktonderneming/entreprise de marché*) within the thirty days period available to it pursuant to Article 19 of the Belgian Law of August 2, 2002 on the Supervision of the Financial Sector and on Financial Services (**Belgian Law of August 2, 2002**), or it shall have issued a corresponding declaration of non-objection in respect of such intended change of ownership and control of Euronext Brussels S.A./N.V. within this period;

Any natural or legal person intending to acquire securities of a Belgian market operator, which would thereby, directly or indirectly, give him, her or it at least 10% of that market operator's capital or voting rights, shall give prior notification of that intention to the FSMA according to Article 19 of the Belgian Law of August 2, 2002.

The FSMA may, within a period of thirty days after the receipt of the notification, object to the realization of the acquisition. Where the acquisition has taken place without notification to the FSMA or before the FSMA has given its opinion, FSMA may, unless the situation is legally regulated, suspend the exercise of the voting rights attaching to the securities.

If the acquisition has taken place even though the FSMA has prohibited it, the FSMA may suspend the exercise of the voting rights attaching to the securities and/or summon the transfer of the respective securities.

On April 13, 2011, Holdco submitted its application for a declaration on non-objection to the FSMA (with a copy to the Belgian Minister of Finance date April 14, 2011). As of the time of the publication of this offer document, the FSMA has not yet responded.

- (b) Euronext Brussels S.A./N.V. shall have received a confirmation by the Belgian Minister of Finance regarding the preservation of its status as regulated market and as licensed market operator, or, in the absence of such confirmation, shall not have received any notification to the contrary;

Euronext Brussels S.A./N.V. shall need to obtain confirmation of the Belgian Minister of Finance regarding preservation of its status as regulated market and licensed market operator pursuant to Articles 3, 17 and 18 of the Law of 2 August 2002 in order to continue to be able to act as regulated market and licensed market operator. The Belgian Minister of Finance, acting upon the recommendation of the FSMA, has recognised Euronext Brussels S.A./N.V. as market operator pursuant to Article 16 of the Law of August 2, 2002 and has recognised as Belgian regulated markets the market(s) which it organises pursuant to article 3 of the Law of 2 August 2002. Euronext Brussels S.A./N.V. is as a result thereof subject to certain ongoing legal requirements. The Belgian Minister of Finance may, upon advice of the FSMA, withdraw these licenses if such legal requirements are no longer satisfied on an ongoing basis. Although the Belgian Law of August 2, 2002 does not provide for a formal approval or non-objection procedure in this respect, in practice the FSMA at the request of Euronext Brussels S.A./N.V.

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verifies if the business combination allows for such ongoing legal requirements to be met and its letter of confirmation is then forwarded to the Minister of Finance. Hence, FSMA shall need to confirm that the conditions for maintaining the license of Euronext Brussels SA/NV as Belgian market operator and the license as Belgian regulated market for the markets which it organizes continue to be met notwithstanding the change in control. In the absence of any action by the Minister of Finance or the FSMA to the contrary, the status of Euronext Brussels S.A./N.V. as regulated market and as licensed operator is deemed to be preserved.

The notification by Euronext Brussels S.A./N.V. to the Belgian Minister of Finance asking for a confirmation regarding the preservation of its status as regulated market and as licensed market operator is expected to be made shortly. A meeting with the Belgian Minister of Finance was held on April 27, 2011, in order to discuss the proposed combination.

### (ii) College of Regulators

The committee of the members of the competent regulatory authorities (the Belgian FSMA, the French Financial Markets Authority (*Autorité des Marchés Financiers*; **AMF**), the Netherlands Authority for the Financial Markets (Autoriteit Financiële Markten, **AFM**), the Portuguese Financial Supervisory Authority (Comissão do Mercado de Valores Mobiliários, **CMVM**) and the U.K. Financial Services Authority (**FSA**)) (together the **Euronext Regulators**) of the European jurisdictions in which NYSE Euronext operates (the **College of Euronext-Regulators**) has issued a declaration of non-objection relating to the combination pursuant to the Memorandum of Understanding dated June 24, 2010;

According to the Memorandum of Understanding entered into on June 24, 2010 (**MOU**) by the Euronext Regulators, the Euronext Regulators shall consult each other with respect to decisions by entities that operate or manage a regulated market, or persons with a controlling interest, which may affect the operation of these regulated markets. This includes, *inter alia*, alliances, mergers, major acquisitions, opening or closing of a regulated market, significant changes in respect of a regulated market, or any other significant decision taken either at the level of the markets or at the level of NYSE Euronext that may have a regulatory or material impact on one of the regulated markets (*e.g.* concerning the continued operation of any of the regulated markets).

Changes to ownership, corporate structure, corporate governance and other integration or restructuring steps, for example significant amendments to the organizational structure of the markets, are also covered by the MOU and require a declaration of non-objection of the Chairmen's Committee of the College of Euronext-Regulators as described in Section 5 of the MOU. No specific procedural requirements or time periods apply pursuant to the MOU or any relevant national laws.

The request for non-objection has not been filed yet. Several meetings have taken place in the ordinary course of the meetings pursuant to the MOU with the Steering Committee and one with the Chairmen's Committee of the College of Euronext-Regulators at which the combination was explained and discussed. In the course of these meetings, the College of Euronext-Regulators has indicated that it expects to reach a final decision on the application at its meeting to be held on December 12, 2011.

### (iii) Germany

The direct and indirect acquisition of various companies regulated in Germany within the context of the combination requires that the respective competent supervisory authority has not prohibited the combination within the statutory period available to it or has issued a declaration of non-objection (*Nichtbeanstandungserklärung*):

#### (a) Exchange supervisory authorities

For the combination it is in particular required

- that the Hessian Exchange Supervisory Authority will not prohibit the intended (indirect) acquisition of a significant participation (*bedeutende Beteiligung*) in Deutsche Börse AG,

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Scoach Europa AG and Eurex Frankfurt AG within one month after receipt of a full notification of the intended acquisition or will issue a corresponding declaration of non-objection within such time period;

- that the Saxonian Exchange Supervisory Authority will not prohibit the intended acquisition of a significant indirect participation in European Energy Exchange and EEX Power Derivatives GmbH within one month after receipt of a full notification of the intended acquisition or will issue a corresponding declaration of non-objection within such time period; and
- that the Berlin Exchange Supervisory Authority will not prohibit the intended acquisition of a significant indirect participation in Tradegate Exchange GmbH within one month after receipt of a full notification of the intended acquisition or will issue a corresponding declaration of non-objection within such time period.

The intended acquisition of a significant (indirect) participation in Deutsche Börse AG, Scoach Europa AG, Eurex Frankfurt AG, European Energy Exchange AG, EEX Power Derivatives GmbH and Tradegate Exchange GmbH must not have been prohibited by the relevant competent exchange supervisory authority pursuant to Section 6 of the German Stock Exchange Act (*Börsengesetz* - *BörsG*). However, no explicit approval is required. The competent authorities for supervising the securities exchanges operated by Deutsche Börse group in Germany are the Hessian Exchange Supervisory Authority for FWB and Eurex Deutschland, the Saxonian Exchange Supervisory Authority for the European Energy Exchange and the Berlin Exchange Supervisory Authority for Tradegate Exchange.

Pursuant to Section 6 para. 2 of the German Stock Exchange Act, the competent exchange supervisory authority may prohibit the intended acquisition of significant (indirect) participation within one month following receipt of a full notification of an intended acquisition if there are facts justifying the assumption that any of the reasons justifying a prohibition pursuant to Section 6 para. 2 of the German Stock Exchange Act exists (e.g. any lack of reliability of the acquirer's managing director or any impairment of the reasonable further development of the exchange's operation).

On February 15, 2011, the Bidder informed the competent exchange supervisory authorities of the intention to acquire significant (indirect) participations in Deutsche Börse AG, Scoach Europa AG, Eurex Frankfurt AG, European Energy Exchange AG, EEX Power Derivatives GmbH and Tradegate Exchange GmbH. The relevant documents required for a full notification are currently being compiled in coordination with the relevant exchange supervisory authorities. In connection therewith, on March 4 and on March 22, 2011, respectively, discussions have taken place with the Hessian Exchange Supervisory Authority. Also, questions of the Hessian Exchange Supervisory Authority with regard to certain aspects of the combination are currently being answered. Since the one-month period indicated in Section 6 of the German Stock Exchange Act starts only if the relevant competent exchange supervisory authority has received a notification that is deemed to be complete by such authority, it may currently not be predicted if the period available to the competent exchange supervisory authority for any issuance of a prohibition will expire before the expiration of the offer period or if the competent exchange supervisory authorities will issue corresponding declarations of non-objection.

(b) BaFin

In addition, the intended acquisition of significant (indirect) participation in Clearstream Banking AG, Eurex Bonds GmbH, Eurex Clearing AG, Eurex Repo GmbH, and European Commodity Clearing AG must not have been prohibited by BaFin pursuant to Section 2c of the German Banking Act (*Kreditwesengesetz* - *KWG*). However, no explicit approval is required. Pursuant to Section 2c para. 1a of the German Banking Act, BaFin may prohibit an intended

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acquisition of a significant participation in the abovementioned companies within 60 working days after receipt of a full notification of such acquisition, if any of the reasons justifying a prohibition mentioned in Section 2c para. 1b of the German Banking Act exists (e.g. any lack of reliability of the acquirer's managing director).

The notification to the German Central Bank (*Deutsche Bundesbank*) that is also required pursuant to Section 2c of the German Banking Act implies no additional approval requirement. Instead, the notification to the German Central Bank rather serves the purpose to ensure that the latter is offered the opportunity to provide its comments in examination proceedings conducted by BaFin pursuant to Section 2c of the German Banking Act.

On February 15 and 17, 2011, the Bidder informed BaFin and the German Central Bank of its intention to acquire a significant (indirect) participation in Clearstream Banking AG, Eurex Bonds GmbH, Eurex Clearing AG, Eurex Repo GmbH, as well as European Commodity Clearing AG. The documents required for a full notification are currently being compiled in coordination with BaFin and the German Central Bank. In connection therewith, since February 15, 2011, several telephone conferences have been held with BaFin and the German Central Bank with regard to certain aspects of the documents that will have to be filed.

Since the period of 60 working days pursuant to Section 2c of the German Banking Act starts only if BaFin has received a notification that is deemed to be complete by BaFin, it may currently not be predicted if the period available to BaFin for any prohibition will expire prior to the expiration of the offer period or if BaFin will issue a corresponding declaration of non-objection.

(iv) France

- (a) Approval by the French Banking Regulatory Authority (*Autorité de Contrôle Prudentiel*, **ACP**) of the change of ownership and control of Euronext Paris S.A. in its capacity as credit institution;

Pursuant to the French Regulation 96-16 of the *Comité de la Réglementation Bancaire et Financière* (**CRBF**) approval is necessary for the change of ownership and control of Euronext Paris S.A. in its capacity as credit institution.

The notice of the change of ownership and control of Euronext Paris S.A. has to be submitted 90 days before the closing date. The ACP has 60 business days at most as of the written acknowledgement of receipt of the notice of the change of ownership and control of Euronext Paris S.A. within which to evaluate the transaction.

As of the date hereof, several preparatory meetings have been held with ACP in order to discuss the intended combination. Holdco and Euronext Paris S.A. will shortly submit their application for the requisite approval to ACP.

- (b) Approval by the French Minister of the Economy, upon advice of the French Financial Markets Authority AMF of the acquisition of indirect control of Euronext Paris S.A. and Bluenext S.A. in their capacity as market operators;

According to Article L.421-9-11 of the French Monetary and Financial Code (*Code Monétaire et Financier*), approval by the French Minister of the Economy, upon advice by the AMF, is required for a change of control of Euronext Paris S.A. and Bluenext S.A. in their capacity as market operators.

The French Minister of the Economy will verify the absence of reasons to fear that the contemplated change of control could compromise the management of the regulated financial market.

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If the AMF estimates that the foreseen change of control may affect the conditions based on which the financial market was recognized as a regulated market, it shall determine the measures to be taken and in particular whether or not to propose to the French Minister of the Economy the withdrawal of the regulated market status.

In the absence of any specific timing requirements, the French Minister of the Economy's approval should be obtained within the same timeframe as applies for the approval to be obtained from the ACP.

Several meetings have already been held with representatives of the AMF and the French Minister of the Economy to discuss the proposed combination. On April 13, 2011, the Bidder submitted an application for an approval by the Minister of the Economy to the AMF, complemented by a letter to the Minister of the Economy on April 20, 2011. The AMF will analyse the combination proposal and advise the French Minister of the Economy. The AMF and the French Minister of the Economy will examine whether the contemplated change of control will not compromise the management of the regulated financial market organized by Euronext Paris S.A. and Bluenext S.A.

(v) Luxembourg

In connection with the combination, the acquisition of a substantial (indirect) interest in Clearstream Banking S.A., Clearstream International S.A. and Clearstream Services S.A. must not have been prohibited by the Luxembourg Supervisory Authority for the Financial Sector (*Commission de Surveillance du Secteur Financier*, **CSSF**) within the statutory period available to it, or the CSSF must have issued a corresponding declaration of non-objection within such period. In addition, the acquisition of a substantial (indirect) interest in Risk Transfer Re S.A. must not have been prohibited by the Luxembourg Supervisory Authority for the Insurance Sector (*Commissariat aux Assurances*, **CAA**) within the statutory period available to it, or the CAA must have issued a corresponding declaration of non-objection within such period.

(a) CSSF

Pursuant to Section 6 of the Luxembourg Financial Sector Act (*Loi du 5 avril 1993 relative au secteur financier (telle que modifiée)*), the intended acquisition of a substantial (indirect) interest in Clearstream S.A. must not have been prohibited by CSSF. Upon receipt of the full notification of the intended acquisition, CSSF shall appraise the suitability of the acquirer (here: the Bidder) and the financial soundness of the proposed acquisition against criteria provided by law. The normal 60-business day maximum assessment period may be extended up to 92 business days in certain circumstances. CSSF may refuse the proposed acquisition only if any of the reasons justifying a prohibition provided for by law, such as any unreliability of the acquirer's managing directors, exists.

In addition, the acquisition of a substantial interest in Clearstream International S.A. and Clearstream Services S.A. must not have been prohibited by CSSF either. In such case, CSSF may refuse the proposed acquisition pursuant to Section 18 of the Luxembourg Financial Sector Act within three months after receipt of the notification if any of the legal reasons justifying a prohibition exists.

On February 15, 2011, the Bidder transmitted to CSSF a preliminary notification of the intended acquisition of a substantial (indirect) interest in Clearstream Banking S.A., Clearstream International S.A. and Clearstream Services S.A. The relevant documents to be submitted for a full notification are currently being compiled in coordination with the CSSF. In connection therewith, since February 15, 2011, several telephone conferences have been held with CSSF with respect to certain aspects of the documents to be submitted. Since the assessment period will not start before all required documents have been filed and it is up to

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CSSF to decide when such notification will be deemed to be complete, it is currently not possible to predict if the assessment period will expire prior to the end of the offer period or if CSSF will issue a corresponding declaration of non-objection within such period.

(b) CAA

According to Section 94-1 of the Luxembourg Insurance Act (*Loi modifiée du 6 décembre 1991 sur le secteur des assurances*), the intended acquisition of a substantial (indirect) interest in Risk Transfer Re S.A. must not have been prohibited by CAA. Upon receipt of the full notification, CAA shall appraise the suitability of the acquirer (here: the Bidder) and the financial soundness of the proposed acquisition against criteria provided by law. The normal 60-business day maximum assessment period may be extended up to 92 business days in certain circumstances. CAA may refuse the proposed acquisition only if any of the reasons justifying a prohibition provided for by law, such as any unreliability of the acquirer's managing directors, exists.

On February 15, 2011, the Bidder transmitted to CAA a preliminary notification of the intended acquisition of a substantial (indirect) interest in Risk Transfer Re S.A. The relevant documents to be submitted for a full notification are currently being compiled in coordination with the CAA. Since the assessment period will not start before all required documents have been filed and it is up to CAA to decide when such notification will be deemed to be complete, it is currently not possible to predict if the assessment period will expire prior to the end of the offer period or if CAA will issue a corresponding declaration of non-objection within such period.

(vi) The Netherlands

(a) Declaration of non-objection from the Dutch Minister of Finance (with the advice from the AFM) to Holdco allowing Holdco to indirectly acquire the shares in Euronext Amsterdam N.V. as well as NYSE Euronext (International) B.V., NYSE Euronext (Holding) N.V. and Euronext N.V.;

According to Section 5:32d of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) no party may, except after first obtaining a declaration of non-objection from the Dutch Minister of Finance, own, acquire or increase a qualifying holding or exercise any control attached to a qualifying participation in an entity that operates or manages a regulated market licensed pursuant to the Dutch Financial Supervision Act. For purposes of this provision, a qualifying participation shall mean a direct or indirect participation which represents 10 % or more of the capital or of the voting rights or which makes it possible to exercise a similar influence over the management of the relevant company.

The intended indirect acquisition by Holdco of the shares in Euronext Amsterdam N.V. and NYSE Euronext (International) B.V., NYSE Euronext (Holding) N.V. and Euronext N.V. requires such a declaration of non-objection from the Dutch Minister of Finance. Obtaining a declaration of non-objection could take up to 13 weeks (from the time the application is deemed complete). Section 5:32d of the Dutch Financial Supervision Act contains the grounds for refusal of such a declaration of non-objection.

In addition, the Policy of the Minister of Finance with respect to applications and issuance of declarations of non-objection for qualifying participations in an entity that operates or manages a regulated market (*Beleidslijn verklaringen van geen bezwaar gereguleerde markten*) elaborates upon the procedure for obtaining such a declaration of non-objection and also contains certain elements that could be considered during an application process. The Policy referred to in the preceding sentence contains a separate paragraph Euronext which provides that the joint policy of the College of Euronext Regulators with respect to the shareholder structure included in the Memorandum of Understanding dated June 24, 2010 shall be developed and adhered to.



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On April 13, 2011, the Bidder submitted its application for the requisite declaration of non-objection to the Dutch Minister of Finance, with a copy to the AFM. Prior to that, two meetings have been held with the representatives of the Ministry of Finance and the AFM in order to discuss the proposed combination. As of the date hereof, the Minister of Finance has given a preliminary response requesting additional information for the purpose of reviewing the application.

- (b) Notification of the Combination and confirmation, reissuance, renewal or amendment of the existing declarations of non-objection issued to NYSE Euronext, NYSE Euronext (International) B.V., NYSE Euronext (Holding) N.V. and Euronext N.V. by the Dutch Minister of Finance (with advice from the AFM) or by the AFM on behalf of the Dutch Minister of Finance, as applicable, if so required by the Minister or the AFM, in each case allowing the relevant entity to acquire or hold, indirectly or directly, as the case may be, the shares in Euronext Amsterdam N.V.;

Under the existing declarations of non-objection issued to NYSE Euronext and NYSE Euronext (International) B.V., NYSE Euronext (Holding) N.V. and Euronext N.V. pursuant to Sections 5:32d or 3:95(1)(c) of the Dutch Financial Supervision Act, in each case allowing the relevant entity to, directly or indirectly, acquire or hold the shares of Euronext Amsterdam N.V., the proposed combination shall be notified to the Dutch Minister of Finance and the AFM and the Dutch Minister of Finance and the AFM have to confirm, reissue, renew or amend such declarations of non-objection, if so required by the Minister or the AFM. No specific waiting periods apply.

In the absence of any action by the Minister of Finance or the AFM to the contrary following notification, the existing declarations of non-objection shall remain in force.

The respective notification is intended to be made before long. As of the date hereof, two meetings have been held with representatives of the Ministry of Finance and the AFM in order to discuss the proposed combination.

- (c) Notification to and review and approval by the Dutch Minister of Finance and the AFM of the proposed combination and confirmation, renewal, reissuance or amendment of the existing exchange license granted to Euronext Amsterdam N.V., NYSE Euronext (International) B.V., NYSE Euronext (Holding) N.V. and Euronext N.V. pursuant to Sections 5:26 and 2:96 of the Dutch Financial Supervision Act, if so required by the Minister of Finance or the AFM;

The AFM will have to decide within six weeks, but this is a non-fatal term and can be extended.

In the absence of any action by the Minister of Finance or the AFM to the contrary following notification, the existing exchange license shall remain in force.

The respective notification will be made before long. As of the date hereof, two meetings have been held with representatives of the Ministry of Finance and the AFM in order to discuss the proposed combination.

- (d) Declaration of non-objection from the Dutch Central Bank (*De Nederlandsche Bank*, **DNB**) for Holdco allowing Holdco to indirectly acquire the shares in Euronext Amsterdam N.V., NYSE Euronext (International) B.V., NYSE Euronext (Holding) N.V. and Euronext N.V. or notification by the DNB that such declaration of non-objection is not required.

According to Section 3:95(1)(c) of the Dutch Financial Supervision Act no party may, except after first obtaining a declaration of non-objection from DNB, own, acquire or increase a qualifying holding or exercise any control attached to a qualifying holding in an investment firm (beleggingsonderneming). As a matter of Dutch law, a regulated market operating a multilateral trading facility ( **MTF** ) qualifies and is regulated as an investment firm. For the

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purposes of Section 3:95(1)(c) of the Dutch Financial Supervision Act, a qualifying holding shall mean a direct or indirect participation which represents 10% or more of the capital or of the voting rights or which makes it possible to exercise a similar influence over the management of the relevant company.

Euronext Amsterdam operates two MTFs, and Euronext Amsterdam N.V. as well as NYSE Euronext (International) B.V., NYSE Euronext (Holding) N.V. and Euronext N.V. are licensed to operate an MTF. The intended indirect acquisition by Holdco of the shares in Euronext Amsterdam N.V. and NYSE Euronext (International) B.V., NYSE Euronext (Holding) N.V. and Euronext N.V. requires a declaration of non-objection from DNB. Obtaining a declaration of non-objection could take up to 13 weeks (from the time the application is deemed complete). Section 3:100 of the Dutch Financial Supervision Act contains the grounds for refusal of such a declaration of non-objection.

The application for a declaration of non-objection is expected to be submitted shortly. Prior to the date hereof, a meeting has been held with representatives of the DNB to discuss the proposed Combination.

(vii) Portugal

(a) Explicit approval by the Portuguese Minister of Finance of the change of ownership and control of Euronext Lisbon Sociedade Gestora de Mercados Regulamentados, S.A. ( **Euronext Lisbon** ) upon favourable opinion by the CMVM; Pursuant to Decree-law n°375-C/2007 of October 31, 2007, every acquisition of more than 50% of the voting rights of Euronext Lisbon must be authorized by the Portuguese Minister of Finance, upon receiving an opinion from the CMVM. The authorization must be provided prior to the consummation of the change of ownership and control.

The Portuguese Minister of Finance shall render a decision within the two months following receipt of the request for authorization and the CMVM shall provide an opinion within one month following receipt of the request. However, if the Portuguese Minister of Finance or the CMVM request additional information said deadline periods shall commence on the day the required information is received.

Explicit approval is required and therefore, failure to obtain the requisite approval within the statutory waiting period shall constitute a refusal of the Portuguese Minister of Finance to approve the change of ownership and control of Euronext Lisbon.

On April 4 and 6, 2011, meetings were held with the CMVM in order to discuss the combination. On April 13, 2011, Holdco filed a letter of notice with the Portuguese Minister of Finance. Subsequently, Holdco has not received any letter requesting information. The timing of the further process is yet unknown.

(b) The CMVM shall be notified of the of change of ownership and control in Euronext Lisbon and has either not prohibited such change of control within the time period available to it or has issued a declaration of non-objection to such change of control, each pursuant to Decree-law n°357-C/2007 of October 31, 2007; Pursuant to Decree-law n° 357-C/2007 of October 31, 2007 (as amended by Decree-law n° 52/2010 of May 26, 2010, entities wishing to acquire a relevant shareholding (*i.e.*, a direct or indirect shareholding of more than 10% or otherwise implying the chance to exercise a significant influence in the relevant company's management) in Euronext Lisbon shall previously notify the intended acquisition to the CMVM and the CMVM shall have declared that it does not oppose to such shareholding. The relevant notifications need to be provided

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prior to the consummation of the change of ownership and control. The CMVM shall issue its decision within 30 business days (which period may be extended in the event that any additional information is requested).

However, if the CMVM has not prohibited the change of ownership and control within the statutory appraisal period, this shall be deemed a non-objection by the CMVM to the change of ownership and control of Euronext Lisbon and no explicit approval shall be required.

On April 4 and 6, 2011, meetings were held with the CMVM in order to discuss the combination. On April 13, 2011, Holdco filed a letter of notice with the CMVM. Subsequently, Holdco has not received any letter requesting information. The timing of the further process is yet unknown.

- (c) The CMVM shall be notified of the change of ownership and control in Interbolsa Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários S.A. ( **Interbolsa** ) and has either not prohibited such change of control within the time period available to it or has issued a declaration of non-objection to such change of control, each pursuant to Decree-law n°357-C/2007 of October 31, 2007;

Pursuant to Decree-law n° 357-C/2007 of October 31, 2007 (as amended by Decree-law n° 52/2010 of May 26, 2010, entities wishing to acquire a relevant shareholding (*i.e.*, a direct or indirect shareholding of more than 10% or otherwise implying the chance to exercise a significant influence in the relevant company's management) in Interbolsa shall previously notify the intended acquisition to the CMVM and the CMVM shall have declared that it does not oppose to such shareholding. The relevant notifications need to be provided prior to the consummation of the change of ownership and control. The CMVM shall issue its decision within 30 business days (which period may be extended in the event that any additional information is requested).

However, if the CMVM has not prohibited the change of ownership and control within the statutory appraisal period, this shall be deemed a non-objection by the CMVM to the change of ownership and control of Interbolsa and no explicit approval shall be required.

On April 4 and 6, 2011, meetings were held with the CMVM in order to discuss the combination. On April 13, 2011, Holdco filed a letter of notice with the CMVM. Subsequently, Holdco has not received any letter requesting information. The timing of the further process is yet unknown.

(viii) Spain

In connection with the combination, no regulatory approval proceedings are required in Spain. The change of control at Infobolsa S.A., Link-Up Capital Markets S.L. and Open Finance S.L. will only require a notification to the General Directorate of Commercial Policy and Foreign Investment. Such notification must be effected following completion of the exchange offer.

(ix) Switzerland

In connection with the combination, no regulatory approval proceedings are required in Switzerland. The change of control at Eurex Zürich AG and Scoach Schweiz AG will only require a notification to the Swiss Financial Market Supervisory Authority ( **FINMA** ). Such notification must be effected following completion of the exchange offer.

(x) United Kingdom

- (a) Approval by the FSA in respect of the change of ownership and control of LIFFE Administration and Management (a private unlimited company);

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Pursuant to Chapter 1A of Part XVIII of the Financial Services and Markets Act 2000, notification must be made to the FSA by any person intending to acquire control over LIFFE Administration and Management (the exchange itself is also under a duty to notify pursuant to Sections REC 2.4.1 and 2.4.4 of the Recognised Investment Exchange and Recognised Clearing House Sourcebook ( **REC** ) of the FSA Handbook). The FSA must decide within three months from the receipt of the application whether to approve or object to the change of control.

On April 13, 2011, Holdco has filed a respective notification with the FSA. The Exchange itself notified the FSA of Holdco's proposed acquisition on April 14, 2011. The FSA has not yet responded to the application.

- (b) Approval by the FSA in respect of the change of ownership and control of LIFFE Services Limited, Secfinex Limited, Smartpool Trading Limited and Fix City Limited;

Pursuant to Part XII of the Financial Services and Markets Act 2000 and Section SUP 11.3.4 R of the Regulatory Processes – Supervision Manual ( **SUP** ) of the FSA Handbook, any intended change of control in respect of LIFFE Services Limited, Secfinex Limited, Smartpool Trading Limited and Fix City Limited must be filed with the FSA. The firms themselves are also under a duty to notify pursuant to SUP 11.4.7 R. to the FSA. \_\_\_\_\_ has 60 days to approve or object to the change of control.

On April 15, 2011, the Bidder has filed the respective notification with the FSA. The firms themselves jointly notified the FSA on April 14, 2011. The FSA has not yet responded to the application.

### **13.2.3 Other Countries**

In addition, it is expected that a number of regulatory approvals in other countries will be solicited and a number of regulatory notifications will be made in connection with the combination. To the extent any legal decision periods apply to such approval proceedings, such periods will be started only through the filing of complete documents as a rule. The assessment of whether the documents filed are complete is regularly at the discretion of the relevant authority granting the approval in this context. Against this background, it is currently impossible to predict the duration of the approval proceedings. The abovementioned approvals and notifications include, inter alia, the following:

- (i) India

In connection with the combination, no regulatory approval proceedings are required in India. The change of control at Bombay Stock Exchange will only require a notification to the Foreign Investment Promotion Board ( **FIPB** ). Such notification must be effected following completion of the exchange offer.

- (ii) Singapore

In connection with the combination, no regulatory approval proceedings are required in Singapore. The change of control at Clearstream Banking S.A. and Eurex Frankfurt AG will only require a notification to the Monetary Authority. Such notification must be effected following completion of the exchange offer.

## **13.3 Registration Statement**

### **13.3.1 Status of Proceedings**

The Registration Statement is necessary with regard to the shares to be issued in the exchange offer and the merger. It is requisite, inter alia, for the issuance of shares in the exchange offer and the merger, that the Registration Statement has been declared effective by the SEC.



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A draft of the Registration Statement was confidentially filed with the SEC on March 15, 2011 on Form F-4 and a revised version of the Registration Statement was publicly filed with the SEC of April 7, 2011. On April 8, 2011, the Bidder has received first comments from the SEC. On April 25, 2011, the Bidder has submitted a revised version to the SEC. The Bidder expects that SEC will have further comments. As soon as the SEC is convinced that the Bidder has taken account of all its comments, it will declare the Registration Statement effective.

The Bidder currently expects that the proceedings will be terminated in May 2011. The exchange offer may begin prior to the termination of this proceedings as a so-called Early Commencement (see section 13.3.3).

### **13.3.2 Stop order**

If, according to the opinion of the SEC, the registration statement which has been declared effective, contains untrue information or omits to state essential information, the SEC may, upon respective hearing of the Bidder, issue a so-called stop order in respect of the registration statement pursuant to Section 8(d) of the Securities Act which would inhibit the validity of the registration statement. In this case, the Bidder would not be authorized to issue the shares to be issued in the exchange offer and the merger. However, if the Bidder revises the registration statement according to the requirements of the stop order, the SEC will override the stop order if it takes the view that the reasons for the issuance of the stop order do not exist anymore. In practice, stop orders are relatively rare as the SEC expresses potential objections against the registration statement within its review process and therefore, the Bidder can take these into account beforehand.

### **13.3.3 Early Commencement**

In the United States, the exchange offer may continue before the registration statement has been declared valid in a so-called early commencement .

In this case, it is generally sufficient pursuant to Rule 14(d)-4(b) of the U.S. Securities Act of 1933 if the Registration Statement has been declared effective prior to the consummation of the exchange offer. However, in the case at hand, the registration statement must have been declared effective at the latest 30 days prior to the extraordinary shareholder meeting of NYSE Euronext which decides about the merger as a result of interfering regulations within the law of the United States. Currently, this extraordinary shareholder meeting is intended to take place on July 7, 2011. In each case, it will take place prior to the expiration of the acceptance period. In the case of an extension of the acceptance period pursuant to statutory law (see section 5.3), the date may also be at a later time.

According to Rule 162(a) of the Securities Act, the shareholders must be granted withdrawal rights until the end of the acceptance period in the case of an early commencement. Furthermore, pursuant to Rule 14-4(d) of the Securities Act, it is necessary that (i) if a material change occurs in the information given to the shareholders, this changed is noticed to the shareholders, and (ii) at least five business days lie between this notice and the end of the acceptance period or the day on which existing withdrawal rights cease to exist. In case that the material change occurs in respect of price-relevant information, the extent of the consideration, costs related to the acceptance of the exchange offer or if an amendment to the prospectus as part of an amendment of the F-4 is sent to the shareholders, this time period will be extended to ten business days. If the former prospectus has been materially deficient, the requisite time period between the notice to the shareholders and the end of the acceptance period or the day on which existing withdrawal rights cease to exist is 20 business days.

The Bidder intends to file the English translation of this exchange offer document with the SEC by May 4, 2011 at the latest.

### **13.4 IRS Ruling**

The consummation of the exchange offer is also subject to NYSE Euronext receiving one or more so-called private letter rulings of the U.S. Internal Revenue Service ( IRS ) to the effect that the exchange of NYSE

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Euronext shares for Holdco shares in the course of the merger by U.S. persons will be treated tax-neutral pursuant to U.S. income tax law. As approximately 40% of the Deutsche Börse shares are held by U.S. shareholders, it is furthermore a condition to the consummation of the exchange offer that Deutsche Börse has received a private letter ruling of the IRS to the effect that the exchange of Deutsche Börse shares for Holdco shares within the exchange offer will be treated tax-neutral pursuant to U.S. income tax law.

A private letter ruling is a written declaration provided by an IRS Associate Chief Counsel as competent division in the U.S. tax authority as answer to the written request of a tax payer, e.g. regarding the tax consequences of his behaviour or of business transactions he has made.

The first step of the proceedings of a private letter ruling is that the tax payer prepares a memorandum with respect to the technical aspects that are affected by the transaction and the private letter ruling that the tax payer intends to apply for. This is followed by a meeting with representatives of the IRS in order to discuss these aspects as well as the question whether the issuance of a private letter ruling is possible in the respective case. NYSE Euronext and Deutsche Börse have filed such a memorandum with the IRS on February 19, 2011. First discussions with the IRS were held in the week of February 21, 2011. If the IRS is willing to issue the requested private letter ruling, the tax payer has to file a formal written application. In the case at hand, a respective application was filed on April 12, 2011.

As soon as an application is received by the IRS, the IRS will contact the tax payer and his representatives, respectively, within 21 calendar days. However, this contact is generally limited to questions of the procedure. If the IRS deems the application not complete regarding the requisite information, it will inform the tax payer that the application will be rejected if the IRS will not receive the requested information within 21 calendar days from the request or a prolongation of the time period.

At the end of the proceedings, the IRS may, for purposes of expediting the procedure, request that the tax payer files a draft of the private letter ruling. Typically, such a draft is subject to a further coordination between the IRS and the tax payer before the private letter ruling is finally issued. In the light of this, in the case at hand, it is difficult to predict the exact time period that is required in order to receive a private letter ruling.

### **13.5 Permission to publish this exchange offer document**

On May 2, 2011, BaFin permitted the publication of this exchange offer document by the Bidder.

## **14 Prerequisites for completion of the exchange offer**

### **14.1 Completion conditions**

This exchange offer and the agreements which come into existence as a result of accepting the exchange offer will only be completed if the following conditions (the **completion conditions**) are satisfied, see also section 13.3):

#### **(a) Minimum Condition**

The sum of the total number of Deutsche Börse shares in relation to which the exchange offer has been accepted and withdrawal has not been validly declared and the total number of Deutsche Börse shares that the Bidder already holds or has acquired, equals at least 75% of the sum of Deutsche Börse shares issued as of the end of the offer acceptance period and the number of total future Deutsche Börse option shares.

#### **(b) Competition Approvals**

- (i)** On or prior to March 31, 2012, the EU Commission has, or is deemed to have, cleared the combination pursuant to the EC Merger Regulation.

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- (ii) On or prior to March 31, 2012, any waiting period including any extension thereof, applicable to the combination pursuant to the HSR Act shall have expired or been terminated with the consequence that the combination may be consummated.



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(c) Effectiveness of the registration statement

The registration statement regarding the Holdco shares to be issued to the Bidder in the context of the exchange offer and the merger

- (i) shall have been declared effective by the SEC prior to the end of the offer acceptance period and
- (ii) at the time of the expiration of the acceptance period shall not be subject of any stop order by the SEC pursuant to Section 8(d) of the Securities Act or any proceeding initiated by the SEC seeking such a stop order.

(d) NYSE Euronext requisite vote

Prior to the end of the offer acceptance period, the NYSE Euronext requisite vote shall have been obtained.

(e) Governmental and Judicial Proceedings

At the time of the expiration of the acceptance period, neither any governmental entity nor legislative body nor court in

- (i) the United States,
- (ii) Germany,
- (iii) the Netherlands,
- (iv) France,
- (v) the United Kingdom,
- (vi) Portugal,
- (vii) Belgium,
- (viii) Switzerland or

- (ix) Luxembourg,

shall have enacted any legislation, regulation, administrative act or injunction which is in force at the aforementioned time and would prohibit or make illegal the combination or the acquisition or ownership of the Deutsche Börse shares or of the NYSE Euronext shares by the Bidder.

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### (f) Other Approvals

On or prior to March 31, 2012, the following approvals have been obtained:

- (i) The SEC shall have approved the application under Rule 19b-4 of the Exchange Act submitted by NYSE Euronext and/or its subsidiaries and by Deutsche Börse and/or its subsidiaries with respect to the combination;
- (ii) the Dutch Minister of Finance shall have (upon recommendation of the AFM) issued a declaration of non-objection to the Bidder in connection with the combination pursuant to Section 5:32d of the Dutch Financial Supervision Act allowing Holdco to indirectly acquire the shares in Euronext Amsterdam N.V. as well as NYSE Euronext (International) B.V., NYSE Euronext (Holding) N.V. and Euronext N.V.;
- (iii) the Dutch Minister of Finance (with advice from the AFM) or the AFM on behalf of the Dutch Minister of Finance, as applicable, shall have confirmed, reissued, renewed or amended, if so required by the Minister of Finance or the AFM, the existing declaration of non-objection issued to NYSE Euronext, NYSE Euronext (International) B.V., NYSE Euronext (Holding) N.V. and Euronext N.V. pursuant to Section 5:32d of the Dutch Financial Supervision Act, in each case allowing the relevant entity to acquire or hold,

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indirectly or directly, as the case may be, the shares of Euronext Amsterdam N.V., or the Dutch Minister of Finance and the AFM shall not have indicated that any such confirmation, reissuance, renewal or amendment is required;

- (iv) the Dutch Minister of Finance and the AFM shall have reviewed and approved the combination, and confirmed, reissued, renewed or amended, if so required by the Dutch Minister of Finance or the AFM, the existing exchange license granted to Euronext Amsterdam N.V., NYSE Euronext (International) B.V., NYSE Euronext (Holding) N.V. and Euronext N.V. pursuant to Sections 5:26 and 2:96 of the Dutch Financial Supervision Act, or the Dutch Minister of Finance and the AFM shall not have indicated that any such confirmation, reissuance, renewal or amendment is required;
- (v) the DNB shall have issued a declaration of non-objection to Holdco pursuant to Section 3:95(1)(c) of the Dutch Financial Supervision Act allowing Holdco to indirectly acquire the shares in Euronext Amsterdam N.V. as well as NYSE Euronext (International) B.V., NYSE Euronext (Holding) N.V. and Euronext N.V. in their capacity as licensed operators of multilateral trading facilities, or the DNB shall have indicated that such declaration of non-objection is not required;
- (vi) the College of Euronext Regulators shall have issued a declaration of non-objection to the combination facilities, pursuant to the memorandum of understanding as of June 24, 2010;
- (vii) the Hessian Exchange Supervisory Authority did not prohibit the intended indirect acquisition of a significant participation in Deutsche Börse, Scoach Europa AG and Eurex Frankfurt AG within the period available to it pursuant to Section 6 paras. 1, 2 of the German Stock Exchange Act, (*Börsengesetz*) or it issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period;
- (viii) the Saxonian Exchange Supervisory Authority did not prohibit the intended indirect acquisition of a significant participation in European Energy Exchange AG and EEX Power Derivatives GmbH within the period available to it pursuant to Section 6 paras. 1, 2 of the German Stock Exchange Act, or it issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period;
- (ix) the Berlin Exchange Supervisory Authority did not prohibit the intended indirect acquisition of a significant participation in Tradegate Exchange GmbH within the period available to it pursuant to Section 6 paras. 1, 2 of the German Stock Exchange Act, or it issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period;
- (x) the BaFin did not prohibit the intended indirect acquisition of a significant participation in European Commodity Clearing AG, Eurex Clearing AG, Eurex Repo GmbH, Eurex Bonds GmbH and Clearstream Banking AG within the period available to it pursuant to Section 2c of the German Banking Act, or it issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period;
- (xi) the ACP shall have granted the approval required pursuant to French Regulation 96-16 of the CRBF relating to the change of ownership and control of Euronext Paris S.A. in its capacity as credit institution;
- (xii) the French Minister of the Economy shall have granted, upon advice of the AMF, the approval required pursuant to Article L. 421-9 II of the French Monetary and Financial Code relating to the change of ownership and control of Euronext Paris SA and BlueNext SA in their capacity as regulated market operators;

- (xiii) the FSA shall have granted its approval in respect of the change of ownership and control of LIFFE Administration and Management pursuant to Chapter 1A of Part XVIII of the Financial Services and Markets Act 2000;

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- (xiv) the FSA shall have granted its approval in respect of the change of ownership and control of LIFFE Services Limited, Secfinex Limited, Smartpool Trading Limited and Fix City Limited pursuant to Part XII of the Financial Services and Markets Act 2000 and Section SUP 11.3.4 R of the Regulatory Processes Supervision Manual of the FSA Handbook;
- (xv) the FSMA shall not have prohibited the intended change of ownership and control of Euronext Brussels S.A./N.V. within the thirty days period available to it pursuant to Article 19 of the Belgian Law of August 2, 2002, or it shall have issued a corresponding declaration of non-objection in respect of such intended change of ownership and control of Euronext Brussels SA/NV within this period;
- (xvi) Euronext Brussels S.A./N.V. shall have received a confirmation by the Belgian Ministry of Finance regarding the preservation of its status as regulated market and as licensed market pursuant to Articles 3, 17 and 18 of the Belgian Law of August 2, 2002, or in the absence of such confirmation, Euronext Brussels S.A./N.V. shall not have received any notification by the Belgian Ministry of Finance to the contrary;
- (xvii) the Portuguese Minister of Finance shall have explicitly approved of the change of ownership and control of Euronext Lisbon S.A. upon a positive legal opinion of the CMVM pursuant to Decree-law n° 357-C/2007 of October 31, 2007, as amended;
- (xviii) the CMVM shall be notified of the change of ownership and control of Euronext Lisbon and has either not prohibited such change of control within the period available to it or has issued a declaration of non-objection to such change of control each pursuant to Decree-law n° 357-C/2007 of October 31, 2007, as amended;
- (xix) The CMVM shall be notified of the change of ownership and control of Interbolsa and has either not prohibited such change of control within the period available to it or has issued a declaration of non-objection to such change of control each pursuant to Decree-law n° 357-C/2007 of October 31, 2007, as amended;
- (xx) CFIUS shall have granted written notice that the review of the combination under Section 721 of the U.S. Defense Protection Act of 1950 has been concluded and CFIUS shall have determined that there are no unresolved national security concerns sufficient to warrant a recommendation that the U.S. President block the exchange offer and/or the merger under such Section 721 of the U.S. Defense Protection Act of 1950 and advised that action under such Section 721 has been concluded with respect to the combination.
- (xxi) the CSSF did not prohibit the intended indirect acquisition of Clearstream Banking S.A., Clearstream International S.A. and Clearstream Services S.A. within the statutory period available to it pursuant to Articles 6 (5), 6 (16), 18 (5) and 18 (17) of the Luxembourg Financial Sector Act of April 5, 1993, or it issued corresponding declarations of non-objection with regard to the acquisition within this period;
- (xxii) the CAA did not prohibit the intended indirect acquisition of Risk Transfer Re S.A. within the statutory period available to it pursuant to Articles 94 I (4) and 94 I (15) of the Luxembourg Insurance Act of December 6, 1991, or it issued a corresponding declaration of non-objection with regard to the acquisition within this period.

(g) No Material Adverse Market Change

During the time between the publication of the exchange offer document and the end of the offer acceptance period, there shall not have occurred a suspension of the currency trading or debt markets in

(i) Frankfurt am Main, Federal Republic of Germany, and London, Great Britain, or

(ii) the City of New York, New York, USA  
for more than three consecutive trading days.

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(h) No offer material adverse effect relating to NYSE Euronext

During the time between the publication of the exchange offer document and the end of the offer acceptance period, there shall not have occurred an offer material adverse effect relating to NYSE Euronext ( **the offer material adverse effect in relation to NYSE Euronext** ).

An offer material adverse effect relating to NYSE Euronext is the occurrence of a circumstance or circumstances relating to NYSE Euronext, that, according to the assessment of an independent expert, has or have resulted in, or would reasonably be expected to result in, individually or in the aggregate, a decrease in the consolidated net revenues of NYSE Euronext of at least US\$ 300,000,000 in the 2011 financial year and/or 2012 financial year of NYSE Euronext, to the extent the decrease is recurrent. Consolidated net revenues of NYSE Euronext are the total revenues less transaction-based expenses pursuant to the consolidated financial statement 2010.

An offer material adverse effect relating to NYSE Euronext will only be deemed to have occurred if, on or before the day before the publication of the results of the exchange offer pursuant to Section 23 para. 1 sentence 1 no. 2 German Takeover Act, an independent expert from Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft (the **independent expert** ), using the due and careful consideration of a diligent professional, has delivered an opinion that an offer material adverse effect has occurred. Upon request of the Bidder the independent expert will undertake an evaluation of whether an offer material adverse effect relating to NYSE Euronext has occurred . The independent expert shall further carry out his evaluation without undue delay. The opinion of the independent expert is binding on and non-appealable by the Bidder and Deutsche Börse shareholders and will be published by the Bidder without undue delay in the electronic Federal Gazette (*elektronischer Bundesanzeiger*), the *Frankfurter Allgemeine Zeitung* and *The Wall Street Journal* (US edition) with reference to the exchange offer.

(i) No offer material adverse effect relating to Deutsche Börse

During the time between the publication of the exchange offer document and the end of the offer acceptance period, there shall not have occurred an offer material adverse effect relating to Deutsche Börse ( **the offer material adverse effect relating to Deutsche Börse** ).

An offer material adverse effect relating to Deutsche Börse is the occurrence of a circumstance or circumstances relating to Deutsche Börse, that, according to the assessment of the independent expert, has or have resulted in, or would reasonably be expected to result in, individually or in the aggregate, a decrease in the consolidated net revenues of Deutsche Börse, of at least US\$ 300,000,000 in the 2011 financial year and/or 2012 financial year of Deutsche Börse, to the extent the decrease is recurrent. Consolidated net revenues of Deutsche Börse are the total revenues less volume-related costs pursuant to the consolidated financial statement 2010.

An offer material adverse relating to Deutsche Börse effect will only be deemed to have occurred if, on or before the day before the publication of the results of the exchange offer pursuant to Section 23 para. 1 sentence 1 no. 2 German Takeover Act, the independent expert, using the due and careful consideration of a diligent professional, has delivered an opinion that an offer material adverse effect relating to Deutsche Börse has occurred. Upon request of the Bidder the independent expert will undertake an evaluation of whether an offer material adverse effect relating to Deutsche Börse has occurred. The independent expert shall further carry out his evaluation without undue delay. The opinion of the independent expert is binding on and non-appealable by the Bidder and Deutsche Börse shareholders and will be published by the Bidder without undue delay in the electronic Federal Gazette (*elektronischer Bundesanzeiger*), the *Frankfurter Allgemeine Zeitung* and *The Wall Street Journal* (US edition) with reference to the exchange offer.

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(j) IRS Ruling or Rulings vis-à-vis NYSE Euronext

On or prior to the end of the offer acceptance period, NYSE Euronext shall have received one or more private letter rulings from the U.S. Internal Revenue Service ( IRS ) substantially to the effect that

- (i) the merger will qualify as a reorganization within the meaning of Section 368(a) of the U.S. Internal Revenue Code and/or the merger and the exchange offer, taken together, will qualify as an exchange within the meaning of Section 351(a) of the U.S. Internal Revenue Code; and
- (ii) (A) the transfer of NYSE Euronext shares by U.S. persons for shares of the Bidder will qualify for an exception to Section 367(a)(1) of the U.S. Internal Revenue Code under U.S. Treasury Regulation Sections 1.367(a)-3(c)(1) and 1.367(a)-3(c)(9), and (B) any U.S. person transferring NYSE Euronext shares to the Bidder who is a 5% transferee shareholder of NYSE Euronext (within the meaning of U.S. Treasury Regulation Section 1.367(a)-3(c)(5)(ii)) will qualify for the exception to Section 367(a)(1) of the U.S. Internal Revenue Code only upon entering a five-year gain recognition agreement pursuant to U.S. Treasury Regulation Section 1.367(a)-8.

(k) IRS-Ruling vis-à-vis Deutsche Börse

On or prior to the end of the offer acceptance period, Deutsche Börse shall have received a private letter ruling from the IRS substantially to the effect that the exchange offer will qualify as a transaction described in Section 351 (a) of the U.S. Internal Revenue Code and/or the exchange offer and the merger, taken together, will qualify as transaction described in Section 351(a) of the U.S. Internal Revenue Code.

**14.2 Waiver of completion conditions**

With the exception of the completion condition under lit. (d) which cannot be waived, the Bidder reserves the right to waive in whole or in part one, several or all of the completion conditions up to one working day prior to the end of the offer acceptance period. Completion conditions which the Bidder has validly waived shall be deemed to have been satisfied for the purpose of this exchange offer. For the purposes of Section 21 para. 1 no. 3 and no. 4 German Takeover Act, the publication of the amendment of the exchange offer pursuant to Section 21 para. 2 German Takeover Act in conjunction with Section 14 para. 3 German Takeover Act shall be decisive. In the event of a waiver of completion conditions within the last two weeks prior to the end of the offer acceptance period specified in section 5.1, the offer acceptance period will be extended by two weeks pursuant to Section 21 para. 5 German Takeover Act (presumably until July 27, 2011).

A waiver of a completion condition after the end of the offer acceptance period is not possible.

**14.3 Non-satisfaction of completion conditions**

If one or more of the completion conditions set out in section 14.1 have not been fulfilled at the latest time possible or the timely fulfillment of one or more completion conditions has become impossible and if, prior to this date, the Bidder has not validly waived the relevant completion conditions pursuant to Section 21 para. 1 sentence 1 no. 4 German Takeover Act, the exchange offer will lapse. In this case, the agreements which came into existence as a result of accepting the exchange offer will not be completed and will cease to exist (condition subsequent). Deutsche Börse shares already tendered shall be re-transferred. Accordingly, the Custodian Banks will have to arrange for the tendered Deutsche Börse shares to be re-booked into ISIN DE0005810055 without undue delay, but in any event within five banking days after the publication of the lapse of the exchange offer. The unwinding (*Rückabwicklung*) is free of costs and expenses of Custodian Banks (please see, however, section 12.7 of the exchange offer document for details).



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### **14.4 Publications**

If (a) a completion condition has been satisfied, (b) a completion condition has been waived, (c) all completion conditions have been satisfied, or (d) the exchange offer will not be completed, the Bidder will publish this fact without undue delay (i) on the internet at <http://www.global-exchange-operator.com> (in German as well as in English language) and (ii) in German language in the electronic Federal Gazette as well as (iii) in English language in the United States via an electronically operated information distribution system.

## **15 Financing of the exchange offer**

### **15.1 Financing requirements**

Currently, 195,000,000 Deutsche Börse shares have been issued. If the exchange offer were accepted by all shareholders of Deutsche Börse, the Bidder would have to deliver 195,000,000 Holdco offer shares in exchange for 195,000,000 Deutsche Börse shares to be acquired on the basis of the exchange ratio of 1 Holdco offer share for 1 Deutsche Börse share.

The Bidder will also have to deliver Holdco offer shares in exchange for any shares which Deutsche Börse may issue at any time after the publication of the exchange offer document until the end of the additional offer acceptance period (for example in case of shares issued in connection with the exercise of stock options).

Assuming that except for the additional Deutsche Börse shares, no further shares will be issued by Deutsche Börse until the end of the additional offer acceptance period, the sum of existing and additional Deutsche Börse shares would therefore result in a maximum of 195,146,864 Holdco offer shares required in the context of the exchange offer (the **maximum consideration amount** ).

With respect to the merger, Holdco will in addition issue up to 125,020,000 Holdco shares (see section 6.3.2(i)). Together with the maximum consideration amount this sums up to a total of up to 320,166,864 Holdco shares.

In addition, costs to be paid by the Bidder for the preparation and execution of the exchange offer and the merger will amount to no more than 4 million (the **transaction costs** ).

### **15.2 Financing measures**

The Bidder has taken all necessary actions to ensure that the Holdco offer shares necessary for the complete satisfaction of the exchange offer will be available at the time the rights to the offer consideration will become mature. With respect to the capital measures carried out at the bidder, reference is made to section 6.3.2(i) above.

Through these measures the Bidder will be in the position to issue the necessary amount of Holdco offer shares to satisfy both the maximum consideration amount as well as the amount of Holdco shares necessary for the merger.

The Bidder will, prior to the time of delivery of the Holdco offer shares to the shareholders of Deutsche Börse under the exchange offer, apply for admission of its shares, including the Holdco offer shares, to trading on the regulated market segment of the Frankfurt Stock Exchange (*regulierter Markt*) and, simultaneously, in the sub-segment thereof with additional post-admission obligations (Prime Standard), as well as on the regulated market of Euronext Paris and on the New York Stock Exchange.

The Bidder expects that the Holdco offer shares which the accepting shareholders of Deutsche Börse will receive upon settlement of the exchange offer will have been admitted to trading (listed) at the time of delivery to the shareholders of Deutsche Börse having accepted the exchange offer.

Commencement of trading on the Frankfurt Stock Exchange, Euronext Paris and the New York Stock Exchange is expected to occur immediately after delivery of the Holdco offer shares to the shareholders of Deutsche Börse having accepted the exchange offer.



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In order to finance the transaction costs, Stichting was granted a loan in an amount of 4,000,000 by Deutsche Bank Luxembourg S.A. on March 11, 2011. The proceeds of such loan amount will be on-lent to the bidder by Stichting in accordance with an agreement dated April 29, 2011 by way of a shareholder loan.

**16 Expected effects of the completion of the combination on the assets, financial and earnings positions of Holdco**

**16.1 Basis and assumptions**

The financial information contained in sections 16.2 and 16.3 is in particular based on the following current position:

- (i) Holdco has not conducted any material activities other than those incident to its formation and the preparation of the exchange offer and has therefore not generated any revenues or achieved any earnings since its formation until publication of this exchange offer document. Hence, neither audited balance sheets nor profit and loss statements of Holdco are available. For the purposes of showing the effects of the combination on the individual financial statements of Holdco, apart from its audited opening balance sheet, unaudited financial information of Holdco is used;
- (ii) the consideration of the exchange offer consists of 1 Holdco offer share for 1 Deutsche Börse share;
- (iii) currently, there is a total of 195,000,000 Deutsche Börse shares issued; and
- (iv) every shareholder of NYSE Euronext shall receive 0.47 Holdco offer shares for every NYSE Euronext share in the context of the merger.

In addition, the financial information contained in these sections 16.2 and 16.3 is in particular based on the following assumptions:

- (i) The combination has been completed;
- (ii) the exchange offer is accepted by all shareholders of Deutsche Börse;
- (iii) the maximum number of NYSE Euronext shares to be exchanged in Holdco shares upon consummation of the merger is estimated to be approximately 266 million NYSE Euronext shares. This number includes approximately 261.2 million NYSE Euronext shares of common stock issued and outstanding as of February 10, 2011, plus approximately 2.8 million NYSE Euronext shares to be delivered upon vesting of restricted stock units at the time of the merger (but excluding approximately 1.6 million restricted stock units which will vest upon the merger but will be settled in cash rather than shares), plus approximately 1.6 million treasury shares of NYSE Euronext owned by an indirect subsidiary of NYSE Euronext, NYSE Arca Inc., in each case which will be exchanged for Holdco shares in the merger.
- (iv) during the offer acceptance period, in respect of the Deutsche Börse Group share plan 146,864 additional Deutsche Börse shares have been issued and the exchange offer has been accepted with regard to these additional Deutsche Börse shares;
- (v) each Holdco offer share as well as every Holdco share issued with regard to the merger has a nominal value of 1.00 each; and

(vi) the Bidder will incur transaction costs of 4 million which will be provided to Holdco by Stichting by way of a shareholder loan. With respect to the further financial information contained in Section 16.4.2 reference is made to the notes in Section 16.4.2.

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The following information describes the expected effects of the completion of the combination on Holdco's opening balance sheet as of February 10, 2011, the day of its formation.

Except for the intended acquisition of Deutsche Börse shares under this exchange offer and NYSE Euronext shares under the merger as well as the loan of Stichting, no other effects on the assets, financial and earnings positions of Holdco, which have occurred since February 10, 2011 or may occur in the future were considered in this section 16.2.

The following table shows the audited opening balance sheet of Holdco as of February 10, 2011. The notes to the opening balance sheet displayed in Annex 2 of the exchange offer document as part of the financial information are an integral part of the balance sheet. Reference is made to such notes.

	EUR
<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
<b>Cash at bank</b>	
Deutsche Bank AG, Amsterdam, Current account	45,000
	45,000
<b>SHAREHOLDER'S EQUITY AND LIABILITIES</b>	
<b>CAPITAL AND RESERVES</b>	
Issued and paid-up share capital	45,000
Share premium	
Retained earnings	
	45,000

The only effect on assets of the balance sheet of Holdco resulting from the combination is an increase in non-current assets from 0.00 by 17,965 million to 17,965 million while for the assessment of the contributed shares the closing price of the stock of Deutsche Börse of April 29, 2011 at the Frankfurt Stock Exchange (Xetra) of 56.10 per share was adopted. In addition, the transaction costs of 4 million were capitalized as acquisition costs.

On the liabilities and shareholders' equity side, the implementation of the combination leads to an increase of the shareholders' equity from 0.045 million to about 17,961 million. The liabilities are expected to increase from 0.00 to 4 million as a result of the shareholder loan granted by Stichting to Holdco in the amount of 4 million. Since the transaction costs will be capitalized as incidental acquisition costs, they will not have an impact on the results of Holdco.

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The expected implications of the completion of the combination are set forth in following table.

	Holdco opening balance sheet as of February 10, 2011	Expected changes due to the completion of the combination * in Euro	Holdco, adjusted after completion of the combination
<b>ASSETS</b>			
<b>Noncurrent Assets</b>			
Financial assets		17,965,361,070	17,965,361,070
- from exchange offer		10,950,177,135	10,950,177,135
- from merger		7,015,183,936	7,015,183,936
<b>Current Assets</b>			
Bank balances	45,000	(45,000)	
<b>Total Assets</b>	<b>45,000</b>	17,965,316,070	17,965,361,070
<b>LIABILITIES</b>			
<b>Equity and reserves</b>			
Issued and paid in share capital	45,000	320,121,864 <sup>1)</sup>	320,166,864
- from exchange offer		195,124,364 <sup>2)</sup>	195,146,864
- from merger		124,997,500 <sup>2)</sup>	125,020,000
Capital reserves		17,641,194,206	17,641,194,206
- from exchange offer		10,752,592,206	10,752,592,206
- from merger		6,888,602,000	6,888,602,000
<b>Total equity</b>		17,961,316,070	17,961,361,070
<b>Noncurrent Liabilities</b>			
<b>Current Liabilities</b>			
		4,000,000	4,000,000
<b>Total Liabilities</b>	<b>45,000</b>	17,965,316,070	17,965,361,070

\* Given the connection between the exchange offer and the merger, the expected changes after the completion of the combination have been summarized together.

<sup>1)</sup> In connection with the completion of the merger and the exchange offer, a total of approximately 320,166,864 new shares are expected to be issued pursuant to the assumptions set forth in section 16.1, and the 45,000 Class D shares of Holdco that were issued at the time of the incorporation will be cancelled.

<sup>2)</sup> Taking into account the cancelled 45,000 Class D shares of Holdco.

If the loan made by Stichting to Holdco in the amount of 4 million by way of a shareholder loan reaches maturity due to the cancellation of Class D shares and therefore due to the cessation of the Stichting as a shareholder of Holdco, the shareholder loan will be replaced by third-party bank financing on customary terms.

**16.3 Expected effects on the result position of Holdco**

From the day of its incorporation until the date of publication of this exchange offer document, Holdco has not generated any income. The Bidder expects that the future results of Holdco will in particular derive from the earnings of Deutsche Börse and NYSE Euronext. The amount of such future income is uncertain. For the financial year 2010, NYSE Euronext generated an annual profit of 425 million and Deutsche Börse generated an annual profit of 395 million (as shown in the illustrative Holdco unaudited condensed consolidated income statements in section 16.4.1 below). The Bidder expects that the future results will be in the same range.

For the financial year 2010, NYSE Euronext and Deutsche Börse distributed dividends in the amount of \$313 million and 390.5 million respectively. Based on the expectation that the amounts will also be generated in future business years, it is also expected that the dividend policy of the two corporations remains unchanged after the completion of the combination (at least until effectiveness of a possible



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profit and loss transfer agreement, see section 10.6.1). Taking into account such assumptions and the further circumstance, that 100 % of the shares in Deutsche Börse are held by Holdco, the future income of Holdco would amount to 628 million per year (considering an exchange rate of \$ 1.32 = 1.00 regarding the dividend of NYSE Euronext).

The bidder expects for 2011 that the necessary costs for financing the interest costs will be around 40,000.

### **16.4 Further illustrative financial information**

#### **16.4.1 Illustrative Holdco unaudited condensed consolidated financial information**

The following illustrative unaudited condensed consolidated financial information of Holdco are intended to illustrate the effect of the proposed combination of Deutsche Börse group and NYSE Euronext. Under the terms of the business combination agreement, the participation in Deutsche Börse's business will be brought under Holdco by way of the exchange offer, and the interest in NYSE Euronext's business will be brought under Holdco by way of the merger. The combination will be accounted for as an acquisition of NYSE Euronext by Deutsche Börse under IFRS No. 3 (revised), Business Combinations.

Presented below are the illustrative unaudited condensed consolidated balance sheet of Holdco as of December 31, 2010 and the illustrative unaudited condensed consolidated income statement of Holdco for the year ended December 31, 2010. The illustrative unaudited condensed consolidated income statements of Holdco for the year ended December 31, 2010 has been prepared as though the combination occurred as of January 1, 2010.

Additional assumptions underlying the adjustments for illustrative purposes in this section 16.4 are described in the accompanying notes under section 16.4.2. The illustrative unaudited condensed consolidated financial information of Holdco has been prepared based upon information derived from the following:

- (i) the audited consolidated financial statements of Deutsche Börse Group as of and for the financial year ended December 31, 2010, which have been prepared in accordance with IFRS as adopted by the International Accounting Standards Board ( IASB ) and included in the financial information in Annex 2; and
- (ii) the audited consolidated financial statements of NYSE Euronext as of and for the year ended December 31, 2010, which have been prepared in accordance with US GAAP and are included in pages F-10 et seq. of Annex 2. These consolidated financial statements have been adjusted to IFRS and translated into euros for purposes of presentation in the illustrative Holdco unaudited condensed consolidated financial information.

The estimated purchase price for the acquisition of NYSE Euronext is approximately 7,000 million based on the per share merger consideration of 0.47 Holdco shares for each NYSE Euronext share outstanding at the time of the completion of the combination, with each Holdco share deemed to have the same value as a Deutsche Börse share (corresponding to the closing share price of Deutsche Börse on the Frankfurt Stock Exchange on April 29, 2011). The actual purchase price will be determined at the completion date based on the Deutsche Börse share price and the U.S. dollar/euro exchange rate at that date and accordingly will vary from that used in the preparation of the Holdco illustrative financial information. A 5% increase or decrease in the Deutsche Börse share price from the price of 56.10 per share, which is the price used in preparing the illustrative financial information, would result in an increase or decrease, respectively, in the purchase price of approximately 350 million.

The combination will be accounted for by Holdco using the acquisition method pursuant to IFRS 3 (revised), Business Combinations, with Deutsche Börse as the successor and accounting acquirer. Under the acquisition method, assets and liabilities are recorded at their fair value on the date of purchase and the total purchase price is allocated to the tangible and intangible assets acquired and liabilities assumed. As of the date of the publication of this exchange offer document, the valuation studies necessary to



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finalize the fair values of the assets acquired and liabilities assumed and the related allocation of the purchase price have not been completed. Accordingly, Holdco has allocated the total estimated purchase price, calculated as described in the notes under section 16.4.2. A final determination of these fair values will reflect, among other things, Holdco's consideration of a final valuation based on the actual net tangible and intangible assets, such as customer relationships, developed and core technologies and trade names that exist as of the completion date of the combination. Any final adjustment will change the allocation of the purchase price, which will affect the fair value assigned to the assets and liabilities and could result in a material change to the illustrative unaudited condensed consolidated financial information of Holdco.

The unaudited adjustments for illustrative purposes give effect to events that are directly attributable to the combination and are factually supportable. The illustrative unaudited condensed consolidated financial information of Holdco is presented for information purposes and reflects estimates and assumptions made by the Bidder based on estimates and assumptions of NYSE Euronext's and Deutsche Börse's management that it considers reasonable. It serves the purposes to represent with regard to the described assumptions and the described initial situation what Holdco's actual results of operations or financial condition would have been had the combination occurred on the dates indicated. It is only indicative with regard to Holdco's future results of operations or financial condition. Holdco's illustrative unaudited condensed consolidated financial information does not reflect the effect of anticipated synergies and efficiencies associated with combining Deutsche Börse and NYSE Euronext.

Significant items primarily related to impairment and exit costs deemed significant by virtue of their size or incidence have been separately disclosed to enable a full understanding of the illustrative unaudited condensed consolidated financial performance of Holdco. For a discussion of such items, see Note 6 under section 16.4.2.

In connection with the combination, the plan to integrate the operations of Deutsche Börse and NYSE Euronext is still being developed. The bidder, Deutsche Börse and NYSE Euronext expect to incur approximately 600 million to 800 million (or 1.5 to 2.0 times the anticipated full run-rate cost savings) of pre-tax implementation and restructuring costs associated with combining the operations of Deutsche Börse and NYSE Euronext. In addition, the combined group may incur additional expenses in connection with change-in control provisions included in certain employment agreements or other contracts. However, based on current assumptions, the bidder cannot predict which contracts may be subject to such triggers and the bidder is unable to quantify the related charges, if any. Material non-recurring profits and losses that result directly from the combination have not been included in the unaudited pro forma condensed consolidated statement of income.

The illustrative unaudited condensed consolidated financial information of Holdco should be read in conjunction with the information contained in the sections "Selected Historical Financial Information of NYSE Euronext", "Selected Historical Financial Information of Deutsche Börse Group", "Management's Discussion and Analysis of Financial Condition and Results of Operations of NYSE Euronext" and "Management's Discussion and Analysis of Financial Condition and Results of Operations of Deutsche Börse Group" of Annex 2 and the consolidated financial statements of Deutsche Börse and NYSE Euronext also contained in Annex 2.

**Table of Contents****Illustrative Holdco Unaudited Condensed Consolidated Income Statements****For the Year Ended December 31, 2010****(in millions of euros, except per share data in euros)**

	Historical Financial Information			Illustrative		Holdco Consolidated
	Deutsche Börse	NYSE Euronext*	Combined	Adjustments	Note	
Sales revenue	2,106	3,342	5,448	0		5,448
Net interest income from banking business	59		59			59
Other operating income	61	43	104			104
<b>Total revenues</b>	<b>2,226</b>	<b>3,385</b>	<b>5,611</b>			<b>5,611</b>
Volume related costs	(211)	(1,445)	(1,656)			(1,656)
<b>Total revenues less volume related costs</b>	<b>2,015</b>	<b>1,940</b>	<b>3,955</b>			<b>3,955</b>
Staff costs	(502)	(458)	(960)			(960)
Depreciation, amortization and impairment losses	(584)	(233)	(817)	(9)	[4.1]	(826)
Other operating expenses	(414)	(636)	(1,050)			(1,050)
<b>Operating costs</b>	<b>(1,500)</b>	<b>(1,327)</b>	<b>(2,827)</b>	<b>(9)</b>		<b>(2,836)</b>
Result from equity investments	12	(5)	7			7
<b>Earnings before interest and tax (EBIT)</b>	<b>527</b>	<b>608</b>	<b>1,135</b>	<b>(9)</b>		<b>1,126</b>
Financial income	24	2	26			26
Financial expense	(132)	(84)	(216)	27	[4.2]	(189)
<b>Earnings before tax (EBT)</b>	<b>419</b>	<b>526</b>	<b>945</b>	<b>18</b>		<b>963</b>
Income tax expense	(24)	(101)	(125)	(6)	**	(131)
<b>Net profit for the year</b>	<b>395</b>	<b>425</b>	<b>820</b>	<b>12</b>		<b>832</b>
thereof shareholders of parent company	418	439	857	12		869
thereof non controlling interests	(23)	(14)	(37)	0		(37)
<b>Earnings per share (basic)</b>	<b>2.25</b>				[4.3], [6]	<b>2.82</b>
<b>Earnings per share (diluted)</b>	<b>2.24</b>				[4.3], [6]	<b>2.80</b>

\* Includes the impact of adjustments to NYSE Euronext to conform to Holdco's accounting and evaluation policies. See Note 2 under section 16.4.2.

\*\* Consideration of the tax effect on the adjustments when applying a tax rate of 35%.

The accompanying notes under section 16.4.2 are an integral part of the illustrative unaudited condensed consolidated income statements.

**Table of Contents****Illustrative Holdco Unaudited Condensed Consolidated Balance Sheet**

As of December 31, 2010

(in millions of euros)

	Historical Financial Information		Combined	Illustrative		Holdco Consolidated
	Deutsche Börse	NYSE Euronext*		Adjustments	Note	
<b>Noncurrent Assets</b>						
Intangible assets	1,030	4,507	5,537	2,238	[4.1]	7,775
Goodwill	2,060	3,029	5,089	382	[3]	5,471
Property, plant and equipment	138	624	762	75	[4.1]	837
Financial assets	1,806	492	2,298			2,298
Other noncurrent assets	36	494	530			530
	<b>5,070</b>	<b>9,146</b>	<b>14,216</b>	<b>2,695</b>		<b>16,911</b>
<b>Current Assets</b>						
Financial instruments of Eurex Clearing AG	128,824		128,824			128,824
Receivables and securities from banking business	7,585		7,585			7,585
Other receivables and other assets	389	505	894			894
Restricted bank balances	6,186		6,186			6,186
Other cash and bank balances	797	245	1,042	(100)	[5]	942
	<b>143,781</b>	<b>750</b>	<b>144,531</b>	<b>(100)</b>		<b>144,431</b>
<b>Total Assets</b>	<b>148,851</b>	<b>9,896</b>	<b>158,747</b>	<b>2,595</b>		<b>161,342</b>
<b>Equity</b>						
Shareholders equity	2,951	5,330	8,281	1,570	[5]	9,851
Non-controlling interest	459	36	495			495
	<b>3,410</b>	<b>5,366</b>	<b>8,776</b>	<b>1,570</b>		<b>10,346</b>
<b>Noncurrent Liabilities</b>						
Provision for pensions and other employee benefits	21	364	385			385
Other noncurrent provisions	87	44	131			131
Deferred tax liabilities	298	1,504	1,802	925	[4.4]	2,727
Interest-bearing liabilities	1,455	1,552	3,007	100	[4.2]	3,107
Other noncurrent liabilities	10		10			10
	<b>1,871</b>	<b>3,464</b>	<b>5,335</b>	<b>1,025</b>		<b>6,360</b>
<b>Current Liabilities</b>						
Tax provisions	345	64	409			409
Other current provisions	135	28	163			163
Financial instruments of Eurex Clearing AG	128,824		128,824			128,824
Cash deposits by market participants	6,064		6,064			6,064
Other current liabilities	8,202	974	9,176			9,176
	<b>143,570</b>	<b>1,066</b>	<b>144,636</b>			<b>144,636</b>
<b>Total Equity and Liabilities</b>	<b>148,851</b>	<b>9,896</b>	<b>158,747</b>	<b>2,595</b>		<b>161,342</b>

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\* Includes the impact of adjustments to NYSE Euronext to conform to Holdco's accounting and evaluation policies. See note 2 under section 16.4.2.

The accompanying notes under section 16.4.2 are an integral part of the illustrative unaudited condensed consolidated balance sheet.

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**16.4.2** Notes to the illustrative unaudited condensed financial information set out under section 16.4.1

(i) Note 1 Basis of presentation

The illustrative Holdco unaudited financial information presents the condensed consolidated financial statements giving effect to the combination of Deutsche Börse Group and NYSE Euronext under Holdco in a transaction to be accounted for as a purchase business combination, with Deutsche Börse Group treated as the legal and accounting acquirer and as if the combination was completed on January 1, 2010.

The Holdco unaudited pro forma condensed consolidated financial statements have been prepared on a basis consistent in all material respects with the accounting policies of Holdco in accordance with IFRS as issued by the IASB.

The NYSE Euronext pre-acquisition income statement and balance sheet used in the preparation of the illustrative unaudited financial information differ from the NYSE Euronext historical financial statements included on pages F-10 et seq. of Annex 2 of this document because the pre-acquisition income statement and balance sheet used in the preparation of the illustrative unaudited group financial information have been prepared on a basis consistent in all material respects with the accounting policies of Holdco in accordance with IFRS. The NYSE Euronext historical financial statements included on pages F-10 et seq. of Annex 2 of this document have been prepared in accordance with US GAAP.

The balance sheet of NYSE Euronext has been translated using an exchange rate of \$ 1.33 = 1.0 corresponding to the spot rate as of December 31, 2010. The income statement of NYSE Euronext has been translated using an average exchange rate of \$ 1.32 = 1.0 which represents the average exchange rate applied within Deutsche Börse Group in the financial year 2010. This average exchange rate was computed using the average of prevailing exchange rates as of each quarter end during fiscal year 2010.

The purchase price for NYSE Euronext has been allocated to the assets acquired and the liabilities assumed based on NYSE Euronext management's preliminary estimate of their respective fair values as of the date of combination. Definitive allocations will be performed when estimates are finalized. Accordingly, the purchase price allocation adjustments for illustrative purposes are preliminary, have been made solely for the purpose of providing illustrative unaudited condensed consolidated financial information and are subject to revision based on a final determination of fair value after the closing of the business combination.

The accompanying illustrative unaudited condensed consolidated financial information do not include any anticipated cost savings or other effects of the planned integration of the combined companies. The illustrative unaudited condensed consolidated financial information assume that all shareholders of Deutsche Börse tender all their shares to Holdco shares as part of the exchange offer. Accordingly, the amounts shown in Holdco's illustrative unaudited condensed consolidated income statement are not necessarily indicative of the results of operations that would have resulted if the combination had occurred on January 1, 2010 or that may result in the future.

The illustrative unaudited condensed consolidated financial information is presented for illustrative purposes only. Because of its nature, it addresses a hypothetical situation and it can only represent under the described assumptions and the described initial situation how the consolidated results of operations would have been reported had the combination been completed as of the dates described. It is only indicative of the future results, that may actually develop differently than expected. The adjustments for explanatory purposes are based on available information and specific assumptions that the management of Deutsche Börse and NYSE Euronext consider appropriate for the purposes of this exchange offer document.

(ii) Note 2 Presentation of NYSE Euronext financial information

For illustrative purposes, IFRS adjustments were made to the historical information of NYSE Euronext prepared under US GAAP to align with the IFRS accounting policies of Holdco. Such adjustments relate

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primarily to original listing fees and employee benefits. In addition, certain reclassifications have been made to conform the income statement and balance sheet to an IFRS presentation.

The following table illustrates the impact of these adjustments in arriving at NYSE Euronext's income statement for the year ended December 31, 2010, as presented in the Illustrative Holdco Unaudited Pro Forma Condensed Consolidated Income Statement (in millions of euros):

	NYSE Euronext Historical US GAAP {d}	IFRS Adjustment	NYSE Euronext Historical IFRS
Sales revenue	3,336	6{a}	3,342
Net interest income from banking business			
Other operating income	43		43
<b>Total revenues</b>	<b>3,379</b>	<b>6</b>	<b>3,385</b>
Volume related costs	(1,445)		(1,445)
<b>Total revenues less volume-related costs</b>	<b>1,934</b>	<b>6</b>	<b>1,940</b>
Staff costs	(462)	4{b}	(458)
Depreciation, amortization and impairment losses	(233)		(233)
Other operating expenses	(636)		(636)
<b>Operating costs</b>	<b>(1,331)</b>	<b>4</b>	<b>(1,327)</b>
Result from equity investments	(5)		(5)
<b>Earnings before interest and tax (EBIT)</b>	<b>598</b>	<b>10</b>	<b>608</b>
Financial income	2		2
Financial expense	(84)		(84)
<b>Earnings before tax (EBT)</b>	<b>516</b>	<b>10</b>	<b>526</b>
Income tax expense	(97)	(4){c}	(101)
<b>Net profit for the year</b>	<b>419</b>	<b>6</b>	<b>425</b>

{a} To recognize original listing fees and corporate actions revenue in accordance with IFRS. Under IFRS, this revenue is recognized upon listing of an applicant or upon subsequent capital raising or other corporate action. In accordance with US GAAP, NYSE Euronext recognized these revenues over an estimated service period of 5 to 10 years.

{b} To account for the NYSE Euronext defined benefit plans in accordance with IFRS. Upon consummation of the combination, Holdco will account for the NYSE Euronext defined benefit plans following the corridor method described in IAS 19.

{c} To adjust the income tax provision for the effect of the IFRS adjustments based upon a blended statutory tax rate of 35%.

{d} The historical US GAAP results of operations of NYSE Euronext have been translated from US dollars to Euros using the average exchange rate of 1.32 US\$=1.00 which was derived from the prevalent exchange rates as of the end of each quarter in the financial year 2010.



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The following table illustrates the impact of these adjustments in arriving at NYSE Euronext's balance sheet as of December 31, 2010, as presented in the Illustrative Holdco Unaudited Pro Forma Condensed Consolidated Balance Sheet (in millions of euros):

	NYSE Euronext Historical US GAAP {f}	IFRS Adjustment	NYSE Euronext Historical IFRS
<b>Noncurrent Assets</b>			
Intangible assets	4,367	140{a}	4,507
Goodwill	3,029		3,029
Property, plant and equipment	764	(140){a}	624
Financial assets	492		492
Other noncurrent assets	518	(88){b}	494
		64{c}	
	<b>9,170</b>	<b>(24)</b>	<b>9,146</b>
<b>Current Assets</b>			
Financial instruments of Eurex Clearing AG			
Receivables and securities from banking business			
Other receivables and other assets	595	(26){b}	505
		(64){c}	
Restricted bank balances			
Other cash and bank balances	245		245
	<b>840</b>	<b>(90)</b>	<b>750</b>
<b>Total Assets</b>	<b>10,010</b>	<b>(114)</b>	<b>9,896</b>
<b>Equity</b>			
Shareholders' equity	5,084	246{e}	5,330
Non-controlling interest	36		36
	<b>5,120</b>	<b>246</b>	<b>5,366</b>
<b>Noncurrent Liabilities</b>			
Provision for pensions and other employee benefits	373	(9){d}	364
Other noncurrent provisions	44		44
Deferred tax liabilities	1,502	2{c}	1,504
Interest-bearing liabilities	1,552		1,552
Other noncurrent liabilities	274	(274){b}	
	<b>3,745</b>	<b>(281)</b>	<b>3,464</b>
<b>Current Liabilities</b>			
Tax provisions	64		64
Other current provisions	28		28
Financial instruments of Eurex Clearing AG			
Cash deposits by market participants			
Other current liabilities	1,053	(2){c}	974
		(77){b}	
	<b>1,145</b>	<b>(79)</b>	<b>1,066</b>
<b>Total Equity and Liabilities</b>	<b>10,010</b>	<b>(114)</b>	<b>9,896</b>



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- {a}** To reclass the net book value of purchased and internally developed software to intangible assets.
  
- {b}** To reverse historical deferred revenue balances of NYSE Euronext and related deferred tax assets because Holdco would not have assumed a legal performance obligation. Such balances correspond to original listing fees which had been deferred over the estimated service period of the listings under US GAAP.

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- {c} To reclass all deferred tax balances to non-current in accordance with the IFRS balance sheet presentation.
- {d} To account for the NYSE Euronext defined benefit plans in accordance with IFRS. Upon consummation of the combination, Holdco will account for the NYSE Euronext defined benefit plans following the corridor method described in IAS 19.
- {e} To record the net impact of the above adjustments to equity.
- {f} The historical US GAAP financial condition of NYSE Euronext has been translated from U.S. dollars to Euros using the spot rate as of December 31, 2010 (1.33US\$=1.00 ).

## (iii) Note 3 Purchase Price of NYSE Euronext

For the purpose of preparing the accompanying illustrative unaudited condensed consolidated financial information, the following assumptions were made:

There were approximately 264.5 million shares of NYSE Euronext outstanding on a fully diluted basis, and

the Deutsche Börse per share price was 56.10 for measurement purposes, and

each share of NYSE Euronext will be converted to 0.47 Holdco shares.

Based on the above assumptions, the total approximate purchase consideration was computed as follows:

Deutsche Börse share price	56.10{a}
Times	264.5 million shares
Times	0.47
Combination consideration	7,000 million

- {a} Corresponding to the closing stock price of Deutsche Börse shares on April 29, 2011. A movement of 5% of Deutsche Börse's share price would have an impact of approximately 350 million, in either direction, on the purchase consideration.

The following is a summary of the preliminary allocation of the total approximate purchase price in the NYSE Euronext acquisition as reflected in the illustrative unaudited condensed consolidated balance sheet (in millions of euros):

Historical equity of NYSE Euronext	5,330
Elimination of NYSE Euronext's historical goodwill and intangible assets	(7,536)
Fair value of identifiable intangible assets:	
National securities exchange registrations	4,800
Customer relationships	930
Trade names	875
Software	140

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Fair value adjustment of fixed assets	75
Fair value adjustment of long-term debt	(100)
Deferred tax impact of purchase accounting adjustments	(925)
Residual goodwill created from the combination	3,411

Total purchase price 7,000

The carrying value of all other assets and liabilities was deemed to approximate their estimated fair value. The impact of deferred taxes on the purchase accounting adjustments was calculated based on the statutory rate in effect in the jurisdiction of underlying assets.

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(iv) Note 4 Illustrative adjustments

[4.1] To adjust the book value of NYSE Euronext's intangible and tangible assets to their estimated fair value.

(in millions of euros)	Estimated fair value	Estimated remaining useful life (in years)	Estimated annual amortization expense
<b>Intangible asset class:</b>			
National securities exchange registrations	4,800	Indefinite	Not applicable
Customer relationships	930	20	49
Trade names	875	20 to Indefinite	2
Software	140	3 to 5	35
Property, plant and equipment	75	40	2
<b>Total</b>	<b>6,820</b>		<b>88</b>
Annual amortization expense based on historical book value			79
Incremental amortization expense from fair valuing NYSE Euronext in its entirety			9

The fair values of the intangible assets are based on NYSE Euronext management's preliminary estimates and definitive allocations will be performed when estimates are finalized. As part of these preliminary estimates, the national securities exchange registrations and customer-related intangibles were valued using the excess earnings income approach, and the trade names were valued using the relief-from-royalty method under the income approach.

The comparison of previously fair valued intangible assets of NYSE Euronext and the estimated fair values of intangible assets prepared for this illustrative financial information is as follows:

(in millions of euros)	Previously fair valued*	Newly fair valued	Total estimated fair value
National securities exchange registrations	3,731	1,069	4,800
Customer relationships	636	294	930
Trade names	140	735	875
Software		140	140
<b>Total</b>	<b>4,507</b>	<b>2,238</b>	<b>6,745</b>

\* Includes primarily the estimated fair values assigned to intangible assets in the 2006 acquisition of Archipelago Holdings, Inc., the 2007 merger with Euronext N.V. and the 2008 acquisition of American Stock Exchange LLC.

[4.2] To adjust the long-term debt of NYSE Euronext to its estimated fair value, including the estimated annual amortization of the related adjustment to financial expense. The estimated future amortization is as follows (in millions of euros):

Year ending December 31,	
2011	27
2012	27
2013	21
2014	15
2015	10



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[4.3] To adjust the weighted average number of shares outstanding used to determine basic and diluted illustrative earnings per share based upon the exchange of each outstanding NYSE Euronext share for 0.47 of a share of Holdco common stock, as follows:

(in millions of euros, except per share data in euros)	Basic computation	Diluted computation	
Historical weighted average shares of Deutsche Börse	185.9	186.3	[a]
Historical weighted average shares of NYSE Euronext	260.8	264.5	
Times: exchange ratio	0.47	0.47	
	122.6	124.3	[b]
Illustrative combined weighted average shares	308.5	310.6	[a]+[b]
Net profit attributable to shareholders of Holdco	869	869	
Earnings per share pro forma combined	2.82	2.80	

[4.4] To adjust deferred tax liabilities based on the estimated fair value of tangible and intangible assets.

(v) Note 5 Shareholders' equity

As of December 31, 2010, the pro forma shareholders' equity of Holdco consisted of the following (in millions of euros):

Historical equity of Deutsche Börse	2,951
Estimated fair value of NYSE Euronext	7,000
Estimated acquisition costs	(100)
	9,851

(vi) Note 6 Impairment, merger and exit costs

Certain significant items are separately disclosed by virtue of their size or incidence to enable a full understanding of the illustrative unaudited condensed consolidated financial performance. In particular, for the year ended December 31, 2010, Deutsche Börse recorded an impairment charge in connection with intangible assets of International Securities Exchange ( **ISE** ) as well as an expense associated with organizational restructuring. For the same period, NYSE Euronext recorded merger expenses and exit costs as well as a gain on the sale of an equity investment in the National Stock Exchange of India ( **NSE** ). The following table illustrates the impact of these items on the illustrative unaudited condensed consolidated income statement for the year ended December 31, 2010 and provides a computation of the illustrative earnings per share excluding such impact:

(in millions of euros, except per share data in euros)	Deutsche Börse	NYSE Euronext	Adjustments for Illustrative Purposes	Holdco Combined
Net profit attributable to shareholders of parent company	418	439	12	869
Impairment charge on ISE intangible assets	224			224
Restructuring charge	80			80
Merger expenses and exit costs		49		49

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Net gain from disposal of NSE		(30)		(30)
Adjusted net profit attributable to shareholders of parent company	722	458	12	1,192
Adjusted earnings per share (basic)	3.88			3.86
Adjusted earnings per share (diluted)	3.88			3.84
Basic weighted average shares outstanding	185.9			308.5
Diluted weighted average shares outstanding	186.3			310.6

**Table of Contents****16.5 Comparative historical and illustrative per share data**

Set forth below are historical and illustrative amounts, per Deutsche Börse share and per NYSE Euronext share, of income from continuing operations, cash dividends and book value. The exchange ratio for the illustrative computations is one Holdco share for each Deutsche Börse share, and 0.47 Holdco share for each NYSE Euronext share.

The illustrative unaudited consolidated information below is for illustrative purposes only. The financial results may have been different had the companies always been combined. This information does not allow a reliable conclusion on the future results of Holdco or the historical results which would have been achieved had the companies always been combined.

In addition, the market price of NYSE Euronext shares or Deutsche Börse shares could change significantly and may not be indicative of the value of Holdco shares once they start trading. Because the exchange ratios will not be adjusted for changes in the market price of NYSE Euronext shares or Deutsche Börse shares, the value of the Holdco shares that NYSE Euronext shareholders will receive in the merger and that Deutsche Börse shareholders receive if they tender their shares in the exchange offer may vary significantly from the market value of the Holdco shares that they would have received if the combination were consummated on the date of the business combination agreement or on the date of this exchange offer document. Shareholder of Deutsche Börse are urged to obtain current market quotations for Deutsche Börse and NYSE Euronext shares before making their decision with respect to tendering their Deutsche Börse shares in the exchange offer.

The following tables provide information for Deutsche Börse shares, NYSE Euronext shares and, after giving effect to the combination as if it had occurred as of January 1, 2010 and assuming that all of the Deutsche Börse shares are exchanged in the exchange offer, Holdco shares, including book value per share, cash dividends per share and earnings per share.

	<b>Year Ended December 31, 2010 (in euros)</b>
<b>Deutsche Börse Historical Per Share Data</b>	
Basic earnings per share	2.25
Diluted earnings per share	2.24
Cash dividends declared per share	2.10
Book value per share at end of period	15.14
<b>NYSE Euronext Historical Per Share Data<sup>(1)</sup></b>	
Basic earnings per share	1.67
Diluted earnings per share	1.67
Cash dividends declared per share	0.91
Book value per share at end of period	20.42
<b>NYSE Euronext Equivalent Illustrative Per Share Data<sup>(2)</sup></b>	
Basic earnings per share	1.33
Diluted earnings per share	1.32
Cash dividends declared per share	0.76
Book value per share at end of period	14.53
<b>Holdco Illustrative Consolidated Per Share Data<sup>(3)</sup></b>	
Basic earnings per share	2.82
Diluted earnings per share	2.80
Cash dividends declared per share	1.62
Book value per share at end of period	30.91

(1) The income statement data of NYSE Euronext has been translated using an average exchange rate of \$1.32 to 1.0. This average exchange rate was computed using the average of prevailing exchange rates as of each



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- quarter end during the 2010 fiscal year. The NYSE Euronext balance sheet data has been translated using an exchange rate of \$1.33 to 1.0 corresponding to the spot rate as of December 31, 2010.
- (2) Determined using the related Holdco illustrative per share data multiplied by 0.47 (the proposed exchange ratio of a NYSE Euronext share for a Holdco share).
  - (3) Certain significant items related to impairment and exit costs deemed significant by virtue of their size or incidence have been separately disclosed to enable a full understanding of the illustrative unaudited condensed consolidated financial performance. For a discussion of such items, see Note 6 under section 16.4.2.

### **16.6 Further information**

In order to be able to correctly interpret the financial information and the accompanying explanatory notes thereto given in this section 16 they should be read in conjunction with the additional financial information set out on pages F-1 et seq. of Annex 2 of this exchange offer document.

## **17 Right of withdrawal**

### **17.1 Prerequisites**

Shareholders of Deutsche Börse who have accepted the exchange offer have the following rights of withdrawal (*Rücktrittsrechte*):

- (i) In the event of an amendment of the exchange offer pursuant to Section 21 para. 1 German Takeover Act, shareholders of Deutsche Börse may, at any time until the expiration of the offer acceptance period, withdraw from the agreements concluded as a result of acceptance of the exchange offer if and to the extent that they have accepted the exchange offer prior to the publication of the amendment of the exchange offer (Section 21 para. 4 German Takeover Act).
- (ii) In the event of a competing offer by a third party for the Deutsche Börse shares pursuant to Section 22 para. 1 German Takeover Act, shareholders of Deutsche Börse may, at any time until the expiration of the offer acceptance period, withdraw from the agreements concluded as a result of acceptance of the exchange offer if and to the extent that they have accepted the exchange offer prior to the publication of the offer document for the competing offer (Section 22 para. 3 German Takeover Act).
- (iii) In addition and without limitation to the mandatory withdrawal rights (please see above (ii) and (iii)), the shareholders of Deutsche Börse may, at any time until the expiration of the offer acceptance period, withdraw from the agreements concluded as a result of the acceptance of the exchange offer. This also corresponds to the requirements of the laws of the United States in the event of a so called early commencement, see section 13.3.3.

### **17.2 Exercise of the right of withdrawal**

The shareholders of Deutsche Börse may exercise their right of withdrawal pursuant to section 17.1 only by taking the following steps prior to expiration of the offer acceptance period:

- (i) declaring their withdrawal to their Custodian Bank in writing for a specified number of tendered Deutsche Börse shares, and
- (ii) instructing their Custodian Bank to arrange for a number of tendered Deutsche Börse shares held in their securities deposit account as is equivalent to the number of tendered Deutsche Börse shares in respect of which they have declared their withdrawal to be re-booked under the ISIN DE0005810055 at Clearstream.

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The declaration of withdrawal has to be made until the expiration of the acceptance period (see with respect to the expiration of the acceptance period also sections 5.1 and 5.2). However, the declaration of withdrawal will only become effective if the tendered Deutsche Börse shares, for which the withdrawal has been declared, have been rebooked to the ISIN DE0005810055 no later than 6 p.m. (Central European

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Daylight Savings Time) on the second banking day following expiration of the offer acceptance period. Such re-bookings are to be arranged for by the Custodian Bank after receipt of the declaration of withdrawal without undue delay.

**18 Information for shareholders of Deutsche Börse not accepting the exchange offer**

Shareholders of Deutsche Börse who do not intend to accept the exchange offer should consider the following:

- (i) Deutsche Börse shares in respect of which this exchange offer is not accepted will continue to be traded. However, the present stock exchange price of Deutsche Börse shares is likely influenced by the fact that on February 15, 2011 the Bidder announced its intention to make this exchange offer. It is uncertain whether, following completion of the exchange offer, the stock exchange price of Deutsche Börse shares will remain at its present level or rise above it or fall below it.
- (ii) The completion of the exchange offer may result in a reduction of the free float of Deutsche Börse shares. A lower liquidity in the trading in Deutsche Börse shares could result in greater price fluctuations of Deutsche Börse shares than in the past. Moreover, membership in certain stock exchange indices in particular in the DAX or the EUROSTOXX50 might change as a result of a potentially lower free float.
- (iii) As agreed in the business combination agreement, Deutsche Börse is supposed to tender the Deutsche Börse treasury shares in the exchange offer. The Deutsche Börse treasury shares currently are not entitled to dividends as they are held in treasury. Once they are tendered to Holdco, they will again be entitled to dividends which will increase the number of Deutsche Börse shares entitled to dividends and thus may reduce the dividend distributed for each Deutsche Börse share.
- (iv) If the Bidder, after settlement of the exchange offer, holds 95% or more of Deutsche Börse shares, shareholders of Deutsche Börse who did not accept the exchange offer would still be entitled to accept the exchange offer within a period of three months from the end of the offer acceptance period (Section 39c in conjunction with Section 39a German Takeover Act). Such subsequent acceptance of the exchange offer within three months after expiration of the offer acceptance period is also possible before completion of the exchange offer, if the Bidder, based on the number of Deutsche Börse shares for which the exchange offer has already been validly accepted, will reach or exceed the threshold of 95% of Deutsche Börse shares in the course of the subsequent completion of the exchange offer (Section 39c in conjunction with Section 39a para. 4 sentence 2 German Takeover Act).  
If the Bidder reaches or exceeds a shareholding of 95% in Deutsche Börse shares, the Bidder will be required to publish this fact on the internet at <http://www.global-exchange-operator.com> and in the electronic Federal Gazette pursuant to Section 23 para. 1 sentence 1 no. 4 German Takeover Act. If the Bidder does not comply with this obligation, the three-month period for the acceptance of this exchange offer pursuant to Section 39c German Takeover Act will only commence upon satisfaction of this publication obligation.
- (v) As described in detail under section 10.6.3, the Bidder is entitled to carry out a takeover squeeze-out if after completion of the exchange offer, at least 95% of the registered share capital of Deutsche Börse belong (within the meaning of Section 39a Takeover Act) to the Bidder. The consideration offered to the shareholders of Deutsche Börse under the exchange offer will be deemed to constitute adequate compensation for the purposes of the takeover squeeze-out if the exchange offer resulted in the acquisition of at least 90% of Deutsche Börse's share capital which was subject to the exchange offer. Adequate cash compensation must be offered alternatively to the shareholders of Deutsche Börse because shares have been offered as compensation under the exchange offer.
- (vi) As described in detail under section 10.6.1, after completion of the exchange offer, the Bidder intends to enter into a domination agreement or a combination of a domination agreement and a



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profit and loss transfer agreement, in each case pursuant to Sections 291 et seq. AktG with Deutsche Börse as the controlled company and the Bidder or a direct or indirect wholly owned subsidiary of the Bidder in the legal form of a German stock corporation or German *societas europaea* (SE) as controlling company (see section 10.6.1 for further information).

A domination and/or profit and loss transfer agreement must provide for a recurrent annual cash payment as compensation for the minority shareholders (Section 304 AktG). Such compensation will represent a variable (which may be calculated on the basis of the actual future dividends of Holdco) or fixed minimum dividend (*Garantiedividende*) in the case of a domination agreement and a variable or fixed annual compensation payment (*Ausgleichszahlung*) in the case of a profit and loss transfer agreement or a combined domination and profit and loss transfer agreement. In the case of a domination agreement which is not combined with a profit and loss transfer agreement, the recurring cash payment would be a minimum dividend which is only payable to the extent the actual dividend paid by Deutsche Börse to its minority shareholders falls short of the amount of such minimum dividend.

In addition, entering into a domination agreement or a combination of a domination agreement and profit and loss transfer agreement would oblige the respective controlling company to offer to acquire all outstanding Deutsche Börse shares held by minority shareholders of Deutsche Börse within a certain period of time in exchange for an adequate compensation (Section 305 AktG).

For a more detailed description on the recurrent cash payment and adequate compensation please see the description under section 10.6.1.

- (vii) As described in detail under section 10.6.2, if, after completion of the exchange offer or any time thereafter, at least 95% of the registered share capital of Deutsche Börse belongs (within the meaning of Section 327a AktG) to the Bidder or, as the case may be, a subsidiary of the Bidder, the Bidder or such subsidiary is entitled to carry out a corporate squeeze-out pursuant to Sections 327a et seq. AktG under which Deutsche Börse shares of the other shareholders (minority shareholders) of Deutsche Börse would be transferred to the Bidder or, as the case may be, to the respective subsidiary, in return for payment of an adequate cash compensation.

For a more detailed description of the corporate squeeze-out and the adequate cash compensation please see the description under section 10.6.2.

Please also refer to section 10.6.2 for a special form of a corporate squeeze-out which may be introduced by a new legislation which is currently under way and may allow, under certain circumstances, a corporate squeeze-out as described above also by a principal shareholder holding only 90% of the share capital and for the respective intentions of the Bidder.

**19 Cash payments and valuable benefits for members of the Deutsche Börse management board or the Deutsche Börse supervisory board**

Neither members of the Deutsche Börse management board nor members of the Deutsche Börse supervisory board were granted, or given the prospect of, cash payments or other valuable benefits in connection with this exchange offer. As agreed in the business combination agreement and described under section 6.4.2 and section 6.4.3, unless otherwise agreed by NYSE Euronext and Deutsche Börse, within one month after the expiration of the offer acceptance period the Holdco board of directors, to be composed of 17 members, will be established. In accordance with the business combination agreement. Dr. Reto Francioni, current chief executive officer of Deutsche Börse, as chairman of the Holdco group, Duncan L. Niederauer, current chief executive officer of NYSE Euronext, as CEO of the Holdco group, as well as 15 non-executive directors, nine of them designated by Deutsche Börse as members of the Holdco board of directors, and six of them designated by NYSE Euronext, will become member of the Holdco board of directors.

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The following four persons who are currently members of the Deutsche Börse management board are expected to be appointed as members of Holdco's global executive committee: Andreas Preuß as head of derivatives, Jeffrey Tessler as head of settlement & custody, Frank Gerstenschläger as head of market data & analytics and Gregor Pottmeyer as chief financial officer. Andreas Preuß will also take the role of deputy chief executive officer and president of Holdco group.

### **20 Advising bank and central settlement agent**

Deutsche Bank AG is advising the Bidder in connection with the exchange offer and is coordinating the technical implementation and settlement of the exchange offer.

### **21 Information pursuant to Section 2 no. 2 German Takeover Act Offer Regulation in conjunction with Section 7 German Securities Prospectus Act and the Prospectus Regulation**

Information pursuant to Section 2 no. 2 German Takeover Act Offer Regulation in conjunction with Section 7 German Securities Prospectus Act and the Prospectus Regulation is contained in Annex 2 of this exchange offer document. Attention is drawn in particular to the details in the following sections which the shareholders of Deutsche Börse should take into account when deciding whether to accept the exchange offer:

Risk Factors;

The Combination;

Business of Deutsche Börse group and certain information about Deutsche Börse;

Business of NYSE Euronext and companies affiliated with NYSE Euronext and certain information about NYSE Euronext; and

Description of the Holdco shares.

### **22 Taxes**

The basis of taxation (*Grundlagen der Besteuerung*) is specified in section Certain material tax considerations on pages A-451 *et seq.* of Annex 2 of this exchange offer document. The Bidder however recommends the shareholders of Deutsche Börse to seek tax advice before accepting the exchange offer, taking into account their personal circumstances, with regard to the tax consequences of an acceptance of this exchange offer.

### **23 Publications**

#### **23.1 Exchange offer document**

With respect to the publication of the exchange offer document please see section 1.4.

#### **23.2 Results of the exchange offer**

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The level of declarations of acceptance received will be published weekly during the offer acceptance period pursuant to Section 23 para. 1 sentence 1 no. 1 German Takeover Act (i) on the internet at <http://www.global-exchange-operator.com> (in German as well as in English language) and (ii) in German language also in the electronic Federal Gazette and (iii) in English language via an electronically operated information distribution system in the United States. During the last week of the offer acceptance period those publications will take place daily.

The results of this exchange offer are expected to be published pursuant to Section 23 para. 1 sentence 1 no. 2 German Takeover Act within four banking days after expiration of the offer acceptance period and pursuant to Section 23 para. 1 sentence 1 no. 3 German Takeover Act within three banking days after expiration of the additional offer acceptance period.

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**23.3 Other publications**

Other declarations and announcements by the Bidder in connection with this exchange offer, in particular the publications pursuant to sections 6.10, 12.8 and 14.4 will be published on the internet at <http://www.global-exchange-operator.com> (in German as well as in English) and, to the extent necessary pursuant to the German Takeover Act, in German in the electronic Federal Gazette. The announcement described in sections 6.10, 12.8 and 14.4 will also be published in English in the United States via an electronically operated information distribution system.

**24 Governing law and place of jurisdiction**

This exchange offer and the agreements concluded with the Bidder as a result of the acceptance of this exchange offer shall be governed by German law; all corporate actions of the Bidder (including the amendment of its articles of association, the increase of its authorized share capital and the issue of ordinary shares in connection with the exchange offer (the Holdco offer shares) and the merger) will be governed by Dutch law. The exclusive place of jurisdiction for all legal disputes arising out of, or in connection with, this exchange offer (and any agreement which comes into existence as a result of acceptance of this exchange offer) shall, to the extent legally permissible, be Frankfurt am Main, Germany.

**25 Declaration of assumption of responsibility**

Alpha Beta Netherlands Holding N.V., having its registered seat in Amsterdam, the Netherlands, assumes responsibility for the contents of this exchange offer document in accordance with Section 11 para. 3 German Takeover Act and declares that, to the best of its knowledge, the information contained in this exchange offer document is correct and no material facts have been omitted.

Amsterdam, May 2, 2011

Alpha Beta Netherlands Holding N.V.

/s/ Marcus Thompson  
(Marcus Thompson)

Managing Director

/s/ Stéphane Biehler  
(Stéphane Biehler)

Managing Director



**Table of Contents****Annex 1: Persons acting jointly with Deutsche Börse Aktiengesellschaft**

<b>Company</b>	<b>Registered Office</b>
Clearstream Banking AG	Frankfurt am Main, Germany
Clearstream Banking Japan, Ltd	Tokyo, Japan
Clearstream Banking S.A.	Luxembourg, Luxembourg
Clearstream Holding AG	Frankfurt am Main, Germany
Clearstream International S.A.	Luxembourg, Luxembourg
Clearstream Nominees Ltd. (dormant)	London, United Kingdom
Clearstream Operations Prague s.r.o.	Prague, Czech Republic
Clearstream Services S.A.	Luxembourg, Luxembourg
Deutsche Boerse Systems Inc.	Chicago, United States
Deutsche Börse Services s.r.o	Prague, Czech Republic
Deutsche Gesellschaft für Wertpapierabwicklung mbH	Frankfurt am Main, Germany
Difubolsa, Serviços de Difusão e Informação de Bolsa S.A.	Lisboa, Portugal
ETC Acquisition Corp.	Wilmington, Delaware, United States
Eurex Bonds GmbH	Frankfurt am Main, Germany
Eurex Clearing AG	Frankfurt am Main, Germany
Eurex Frankfurt AG	Frankfurt am Main, Germany
Eurex Repo GmbH	Frankfurt am Main, Germany
Eurex Services GmbH	Frankfurt am Main, Germany
Eurex Zürich AG	Zurich, Switzerland
European Energy Exchange AG	Leipzig, Germany
Finnovation S.A.	Luxembourg, Luxembourg
Infobolsa Deutschland GmbH	Frankfurt am Main, Germany
Infobolsa S.A.	Madrid, Spain
International Securities Exchange Holdings, Inc.	Dover, Delaware, United States
International Securities Exchange, LLC	Dover, Delaware, United States
Longitude LLC	Wilmington, Delaware, United States
LuxCSD S.A.	Luxembourg, Luxembourg
Market News International Inc.	New York, United States
Need to Know News, LLC	Chicago, United States
Open Finance, S.L.	Valencia, Spain
REGIS-TR S.A.	Luxembourg, Luxembourg
Risk Transfer Re S.A.	Luxembourg, Luxembourg
Scoach Europa AG	Frankfurt am Main, Germany
Scoach Holding S.A.	Luxembourg, Luxembourg
Scoach Schweiz AG	Zürch, Switzerland
STOXX Ltd.	Zurich, Switzerland
Tradegate Exchange GmbH	Berlin, Germany
U.S. Exchange Holdings, Inc.	Wilmington, Delaware, United States
U.S. Exchange, L.L.C. (dormant)	Washington, United States



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**Annex 2**

**Information pursuant to Section 2 no. 2 of the WpÜG Offer Regulation  
in conjunction with Section 7 of the Securities Prospectus Act (*Wertpapierprospektgesetz*) and the  
Commission Regulation (EC) No 809/2004 (29 April 2004), as amended,  
implementing Directive 2003/71/EC of the European Parliament and of the Council  
regarding information contained in prospectuses as well as the format,  
incorporation by reference and publication of such prospectuses  
and dissemination of advertisements  
( Prospectus Regulation )**

Regarding the information contained in this Annex of the Offer Document the following should also be taken into account:

- I. References in this Annex 2 to this Document or the Prospectus shall be deemed to be references to this Annex 2 in the context of this Offer Document.
- II. The Bidder will update this Offer Document to the extent permissible and required under the German Takeover Act, and will comply with its obligation under U.S. law based on the Registration Statement according to the Exchange Act to inform security holders of any material change in the information published, sent or given to security holders. The Bidder will also, as applicable, publish additional accompanying information regarding the exchange offer, which will be made available on the Bidder's website at <http://www.global-exchange-operator.com>, and will file such information in English on the SEC's website at <http://www.sec.gov/edgar/searchedgar/companysearch.html>.
- III. All notifications and announcements required pursuant to the German Takeover Act will also be published on the internet at <http://www.global-exchange-operator.com> (in German as well as in English) and in German in the electronic Federal Gazette. The Bidder will also file such notifications and announcements in English with the SEC and otherwise comply with its obligation under U.S. law with respect to informing security holders of any material change in the information published, sent or given to security holders.

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**Table of Contents****SUMMARY**

*This summary should be read as an introduction to this Annex 2 of the Offer Document. Any decision to invest in Holdco shares should be based on consideration of all the information contained in this Annex 2 of the Offer Document as a whole by you. In this document one ordinary share of Alpha Beta Netherlands Holding N.V. (herein referred to as Holdco ) with a nominal value of 1.00 is referred to as Holdco share. You should carefully read this Annex 2 of the Offer Document in its entirety. The following summary is deemed to be an introduction only and does not claim to contain all detailed information that may be material to investors. Investors should therefore read the entire Annex 2 of the Offer Document carefully.*

*Under laws in effect in the states within the EEA civil liability is attached to those persons who have assumed liability for the summary including any translation thereof or who have prepared this summary, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Annex 2 of the Offer Document. Where a claim relating to information contained in this document is brought before a court in a state within the EEA, the plaintiff investor may, under the national legislation of the state where the claim is brought, be required to bear the costs of translating this Annex 2 of the Offer Document before the legal proceedings are initiated.*

**The Companies*****Holdco***

Alpha Beta Netherlands Holding N.V. (which is referred to in this document as Holdco ) is a newly incorporated public limited liability company (*naamloze vennootschap*) formed under the laws of the Netherlands that will become the parent company of Deutsche Börse and NYSE Euronext upon the completion of the combination. To date, Holdco has not conducted any material activities other than those incident to its formation and the matters contemplated by the business combination agreement. Holdco's business address is Beursplein 5, 1012 JW Amsterdam, the Netherlands. Its telephone number is +31 (0) 20 550-4444. It is expected that, prior to the completion of the combination, the name of Holdco will be changed to a name to be agreed between NYSE Euronext and Deutsche Börse.

***Deutsche Börse Group***

Deutsche Börse was originally formed on August 1, 1990 under the name Frankfurter Wertpapierbörse AG. In December 1992, it changed its name to Deutsche Börse Aktiengesellschaft. In 1993, a system for electronically consolidating order routing, price determination and processing, was implemented across Germany, thereby giving full electronic support, for the first time, to floor trading on the Frankfurt Stock Exchange (*Frankfurter*

*Wertpapierbörse*). Its electronic trading platform Xetra was subsequently launched in November 1997. In June 1998, the derivatives exchange Eurex was established as a joint venture between Deutsche Börse and the Swiss Stock Exchange SWX by combining their derivatives exchanges, Deutsche Terminbörse and SOFFEX Swiss Options and Financial Forwards Exchange. Subsequently, in January 2000, Deutsche Börse Clearing AG and Cedel International S.A. merged to form Clearstream International S.A., a company incorporated under the laws of Luxembourg, which, together with its subsidiaries, handles Deutsche Börse Group's securities post-trade services except for clearing. In connection with the initial public offering of Deutsche Börse shares in February 2001, Deutsche Börse shares were admitted to trading on the Frankfurt Stock Exchange. Following its capital increase in June 2002, Deutsche Börse acquired all shares of Clearstream International S.A., which has since then been integrated into Deutsche Börse Group. Deutsche Börse shares were included in the DAX index as of December 2002. In March 2003, Deutsche Börse Group introduced the central counterparty for cash equities for share trading on Xetra and on the trading floor of the Frankfurt Stock Exchange. In 2007, Eurex completed the acquisition of the U.S. options exchange International Securities Exchange Holdings, Inc. (which is referred to in this document as ISE ) creating the largest transatlantic

marketplace for derivatives. In order to strengthen its

position in the international index business Deutsche



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Börse increased its equity investment in index provider STOXX Ltd. from 33% to 50% in December 2009.

As one of the largest exchange organizations worldwide, Deutsche Börse Group offers its customers a broad portfolio of products and services. These cover the entire process chain of financial market transactions, including trading and clearing of securities, including derivatives, through transaction settlement, custody and collateral management of securities and providing market information, down to the development and operation of electronic systems.

Deutsche Börse Group's business activities are currently divided into four segments: Xetra, Eurex, Clearstream and Market Data & Analytics.

As of December 31, 2010, Deutsche Börse Group employed 3,490 people in 19 locations in 15 countries. As of March 31, 2011, Deutsche Börse Group employed 3,507 people. Since March 31, 2011, the total number of employees has not changed significantly. In 2010, based on financial statements prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (which is referred to in this document as IFRS), and IFRS as applied in the European Union, Deutsche Börse generated revenues on a consolidated basis of 2,226.7 million and earnings before interest and tax of 527.8 million.

The address of Deutsche Börse's principal office is Mergenthalerallee 61, 65760 Eschborn, Germany, and its telephone number is +49 (0) 69 2 11 0. Its website is [www.deutsche-boerse.com](http://www.deutsche-boerse.com). Information contained on Deutsche Börse Group's website does not constitute part of this document. This website address is an inactive text reference and is not intended to be an actual link to the website.

***NYSE Euronext***

NYSE Euronext, a Delaware corporation, was organized on May 22, 2006 in anticipation of the combination of the businesses of NYSE Group, Inc., a Delaware corporation, and Euronext N.V., a company organized under the laws of the Netherlands. The combination was consummated on April 4, 2007. NYSE Group, Inc. was formed in connection with the March 7, 2006 merger between New York Stock Exchange, Inc., a New York Type

A not-for-profit corporation, and Archipelago Holdings, Inc., a Delaware corporation. Euronext was the first cross-border exchange group, created with the 2000 merger of the Paris, Amsterdam and Brussels stock exchanges. The New York Stock Exchange traces its origins to the Buttonwood Agreement, signed in 1792 by a group of 24 traders gathered under a buttonwood tree in lower Manhattan. In 1817, the traders formed the New York Stock & Exchange Board, which in 1863 was renamed the New York Stock Exchange. The Amsterdam Stock Exchange, Euronext's oldest constituent and the world's first stock exchange, originated in 1602 in conjunction with a stock issuance by the Dutch East India Company.

NYSE Euronext is a leading global operator of financial markets and provider of innovative trading strategies. NYSE Euronext offers a broad and growing array of products and services in cash equities, futures, options, swaps, exchange-traded products, bonds, carbon trading, clearing operations, market data and commercial technology solutions, all designed to meet the evolving needs of issuers, investors, financial institutions and market participants. NYSE Euronext has three reportable business segments: Derivatives, Cash Trading & Listings, and Information Services and Technology Solutions.

As of December 31, 2010, NYSE Euronext employed 2,968 full-time equivalent employees. Since December 31, 2010 the total number of employees has not changed significantly. For the year ended December 31, 2010, based on financial statements prepared in accordance with U.S. generally accepted accounting principles (which is referred to in this document as U.S. GAAP), NYSE Euronext generated \$4,425 million in revenues and \$745 million in operating income from continuing operations.

NYSE Euronext's principal executive office is located at 11 Wall Street, New York, New York 10005. Its telephone number is +1 (212) 656-3000. Its European headquarters are located at 39 rue Cambon, 75039 Paris, France, and its telephone

number is +33 1 49 27 10 00. Its website is [www.nyse.com](http://www.nyse.com). Information contained on NYSE Euronext's website does not constitute a part of this document. This website address is an inactive text



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reference and is not intended to be an actual link to the website.

### **The Combination**

Pursuant to the business combination agreement, Deutsche Börse and NYSE Euronext have agreed to combine their businesses under a new Dutch holding company. The effect of the combination will be that Deutsche Börse and NYSE Euronext will become subsidiaries of Holdco. NYSE Euronext will become a subsidiary of Holdco through a merger of a wholly owned subsidiary of Holdco with and into NYSE Euronext, and Deutsche Börse will become a subsidiary of Holdco through an exchange offer of Holdco shares for Deutsche Börse shares.

Following the exchange offer, and depending on the percentage of Deutsche Börse shares acquired by Holdco in the exchange offer, Deutsche Börse and Holdco intend to complete a post-completion reorganization. Holdco will enter into (1) either a domination agreement or a combination of a domination agreement and a profit and loss transfer agreement (either directly or through a wholly owned subsidiary), pursuant to which the remaining shareholders of Deutsche Börse will have limited rights, including a limited ability to participate in the profits of Deutsche Börse Group and/or (2) a mandatory buy-out of the Deutsche Börse shares from any remaining holders thereof by way of a squeeze-out transaction pursuant to Section 327a *et seq.* of the German Stock Corporation Act (*Aktiengesetz*) or by applying for a court order in accordance with Sections 39a *et seq.* of the German Takeover Act.

### **The Merger**

The parties to the business combination agreement have agreed that, immediately after the time that Holdco accepts for exchange, and exchanges, the Deutsche Börse shares that are validly tendered and not withdrawn in the exchange offer, Pomme Merger Corporation, a wholly owned subsidiary of Holdco, will merge with and into NYSE Euronext, as a result of which NYSE Euronext will become a wholly owned subsidiary of Holdco.

In the merger, each outstanding NYSE Euronext share will be converted into the right to receive 0.47

of a fully paid and non-assessable Holdco share. Upon completion of the merger, the surviving corporation will be NYSE Euronext, which will be a wholly owned subsidiary of Holdco. This 0.47 exchange ratio for the merger is fixed and will not be adjusted to reflect stock price changes prior to the completion of the merger.

### **NYSE Euronext Special Meeting**

To effect the merger, a special meeting of NYSE Euronext shareholders will be held at 11 Wall Street, New York, New York 10005, on July 7, 2011, starting at 8:00 a.m. New York City time. At this special meeting, NYSE Euronext shareholders will be asked to consider and to vote on:

a proposal to adopt the business combination agreement and approve the transactions contemplated by the business combination agreement; and

three proposals relating to the Holdco articles of association that will be in effect after completion of the combination; and

any proposal that may be made by the chairman of the NYSE Euronext board of directors to adjourn or postpone the special meeting in order to (1) solicit additional proxies with respect to the above-mentioned proposals and/or (2) hold the special meeting on a date that is on or about the date of the expiration of the offer acceptance period for the exchange offer, in the event that such date of expiration is extended.

The affirmative vote of the holders of a majority of the NYSE Euronext shares outstanding and entitled to vote at the NYSE Euronext special meeting as of the record date is required for the adoption of the business combination agreement and approval of the transactions contemplated by the business combination agreement. The affirmative vote of the holders of a majority of the NYSE Euronext shares represented and entitled to vote at the NYSE Euronext special meeting is required for the approval of the three proposals relating to the Holdco articles of association and any proposal to postpone or adjourn the NYSE Euronext special meeting.



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**Exchange Offer**

- Bidder:** Alpha Beta Netherlands Holding N.V., Beursplein 5, 1012 JW Amsterdam, The Netherlands (which is referred to in this document as Holdco ).
- Target:** Deutsche Börse Aktiengesellschaft, 60485 Frankfurt am Main, Germany, with its business address at Mergenthalerallee 61, 65760 Eschborn.
- Subject matter of the exchange offer:** Acquisition of all registered no-par-value shares (*auf den Namen lautende Stückaktien*) of Deutsche Börse (ISIN DE0005810055) each representing a pro rata amount of 1.00 per share of the registered share capital (*Grundkapital*), in each case with all ancillary rights.
- Offer Consideration:** 195,146,864 ordinary share of Holdco with a nominal value of 1.00 and full dividend rights since formation of Holdco on February 10, 2011 in exchange for Deutsche Börse shares and in an exchange ratio of one Holdco share for one Deutsche Börse share
- Offer Conditions:** The exchange offer and the agreements which come into existence as a result of accepting the exchange offer are subject to the satisfaction of numerous completion conditions and will thus only be consummated if the following conditions are satisfied:
- (a) At the end of the offer acceptance period, the sum of (i) the number of Deutsche Börse shares that have been validly tendered and not withdrawn under the exchange offer and (ii) Deutsche Börse shares that Holdco already holds or has acquired equals at least 75% of the sum of Deutsche Börse shares issued as of the end of the offer acceptance period and the number of Deutsche Börse shares that Deutsche Börse may issue after publication of the exchange offer prospectus in accordance with the German Takeover Act pursuant to obligations in effect as of the time of such publication, such as outstanding options;
  - (b) On or prior to March 31, 2012, (i) any waiting period (and any extension thereof) applicable to the exchange offer and the merger under the Hart-Scott-Rodino Antitrust Improvement Act of 1976, as amended, must have expired or been terminated with the consequence that the exchange offer and the merger may be consummated, and (ii) the EU Commission must have, or must be deemed to have, cleared the exchange offer and the merger pursuant to the Council Regulation (EC) 139/2004 of the European Community;
  - (c) Effectiveness of the Registration Statement regarding the Holdco shares to be issued in the context of the exchange offer and the merger pursuant to the U.S. Securities Act of 1933 prior to the end of the offer acceptance period and no stop order by the SEC or any proceeding initiated by the SEC seeking such a stop order;



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- (d) Prior to the end of the offer acceptance period, the NYSE Euronext stockholders shall have granted the required consent to the merger at the NYSE Euronext special meeting; and
- (e) No law, regulation, administrative act or injunction of a governmental entity, court or legislative body in certain specified countries is in effect as of the expiration of the offer acceptance period, which would restrain or prohibit the combination or the acquisition or ownership of Deutsche Börse shares or NYSE Euronext shares by Holdco;
- (f) Receipt of other approvals (or, where applicable, absence of disapproval) of numerous specified public entities in certain specified countries (or, where applicable, continued absence of disapproval) on or prior to March 31, 2012;
- (g) No material adverse market change, i.e. suspension of the currency trading or debt markets for more than three consecutive trading days in Frankfurt am Main, London or New York during the time between the publication of the exchange offer document and the expiration of the offer acceptance period;
- (h) No material adverse effect on NYSE Euronext prior to the expiration of the offer acceptance period;
- (i) No material adverse effect on Deutsche Börse prior to the expiration of the offer acceptance period;
- (j) Receipt of one or more private letter rulings from the U.S. Internal Revenue Service by each of NYSE Euronext and Deutsche Börse on or prior to the date of the expiration of the offer acceptance period confirming that the exchange offer and the merger qualify as particular transactions under U.S. Internal Revenue Code.

**Offer Acceptance Period:** May 4, 2011 to midnight, at the end of July 13, 2011 (Central European Daylight Savings Time)

**Subsequent Offering Period:** Provided that the offer acceptance period is not automatically extended under certain conditions, the subsequent offering period is expected to begin on July 20, 2011 and to expire on August 2, 2011.

**Withdrawal** Until the end of the offer acceptance period, the shareholders of Deutsche Börse may, at any time, withdraw from the agreements concluded as a result of the acceptance of the exchange offer.

**Settlement of the exchange offer:** The delivery of the Holdco offer shares will occur in due course but in no event later than seven banking days (i) following the end of the additional offer acceptance period or (ii) following the day the satisfaction and/or waiver of all completion conditions is published

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by Holdco, whichever is the later date. A banking day relates to a day on which the banks in Frankfurt am Main, Germany, as well as in New York, New York, United States are open for general business.

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**Information on the Holdco Offer Shares:** International Securities Identification Number ( ISIN ): NL0009766997

German Securities Code (*Wertpapierkennnummer*) ( WKN ): A1H81K

Common Code: 062269324

Ticker Symbol: AL4

**Admission to and Commencement of Trading:** Holdco (1) intends to list its shares on the New York Stock Exchange subject to the notice of issuance and (2) will apply prior to the time of delivery of the Holdco shares pursuant to the exchange offer and the merger, for admission of its shares to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange and simultaneously on the regulated market of NYSE Euronext Paris (*marché réglementé de NYSE Euronext à Paris*).

Holdco expects that the Holdco shares will have been admitted to trading and listed at the time of delivery to the shareholders of Deutsche Börse having accepted the exchange offer.

Commencement of trading on the Frankfurt Stock Exchange, Euronext Paris and the New York Stock Exchange is expected to occur immediately after delivery of the Holdco shares to the Deutsche Börse shareholders who have accepted the exchange offer.

**Settlement Agent:** Deutsche Bank AG as central settlement agent and exchange escrow agent in connection with the exchange offer

**Reasons for the Exchange Offer and Use of Proceeds:** The exchange offer forms part of the transaction that has been agreed by Deutsche Börse and NYSE Euronext to implement the combination, by which the businesses of Deutsche Börse Group and NYSE Euronext will be combined under Holdco as a holding company.

Holdco expects the total costs that it will incur in connection with the exchange offer to be paid by Holdco at approximately up to 4.0 million.

Holdco will not receive any proceeds from such exchange offer.

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### **Material Transaction Fees**

Deutsche Börse and NYSE Euronext currently estimate that they will incur approximately 100 million of legal, banking and other professional fees and costs related to the combination, of which approximately 45 million will be payable regardless of whether the combination is completed.

### **Structure of the Combination**

In the combination, Deutsche Börse Group's business will be brought under Holdco through the exchange offer, and NYSE Euronext's business will be brought under Holdco through the merger. As soon as possible after the completion of the exchange offer and the merger, Holdco intends to effectuate the post-completion reorganization. Holdco intends to

effectuate one or more corporate reorganization transactions, which may include entering (directly and/or through a wholly owned subsidiary) into a domination agreement or a combination of a domination agreement and a profit and loss transfer agreement. In the event that Holdco holds, directly or indirectly, 95% or more of the issued Deutsche Börse shares after the completion of the exchange offer or any time thereafter, Holdco may also effectuate the post-completion reorganization by commencing a mandatory buy-out of the Deutsche Börse shares from any remaining shareholders thereof.

If a new German legislation, which is currently being prepared, permits a mandatory buy-out at a lower ownership threshold, Holdco may perform a mandatory buy-out if, after completion of the exchange offer or any time thereafter, it meets this lower ownership threshold.

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The following diagram illustrates the structure of the combination and assumes that Holdco effects the post-completion reorganization by way of a domination agreement:

**The Combination**

**After the Combination and the Post-Completion Reorganization**

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### **Deutsche Börse's Reasons for the Combination**

The Deutsche Börse management board and the Deutsche Börse supervisory board approved the business combination agreement and will recommend, subject to their duties under applicable law, that the Deutsche Börse shareholders tender their Deutsche Börse shares in the exchange offer. In reaching its decision to approve the combination, the Deutsche Börse management board consulted with its financial and legal advisors and considered a variety of factors, including the following factors:

that the combination presented significant strategic opportunities;

that the combination would be expected to create significant cost savings and revenue synergies;

that former Deutsche Börse shareholders and former NYSE Euronext shareholders would hold approximately 60% and 40%, respectively, of the outstanding Holdco shares, assuming that all Deutsche Börse shareholders tendered in the exchange offer;

the financial analyses presented to it by Deutsche Bank Securities, Inc. and J.P. Morgan Securities, LLC and the opinion of each that, as of February 15, 2011 and based upon and subject to the various factors, assumptions and limitations set forth in their respective opinions, the exchange ratio in the proposed exchange offer was fair, from a financial point of view, to holders of Deutsche Börse shares (other than Deutsche Börse);

that the consideration payable to Deutsche Börse shareholders in the exchange offer would be Holdco shares and, therefore, would allow Deutsche Börse shareholders to participate in potential further appreciation of the combined company after the combination;

that the governance arrangements provided by the business combination agreement would enable continuity of management and an effective and timely integration of the two companies' operations and reflected that the transaction was structured as a balanced business combination rather than an acquisition of either company;

its knowledge of Deutsche Börse Group's and NYSE Euronext's businesses, historical financial performance and condition, operations, properties, assets, regulatory issues, competitive positions, prospects and management; and

the risks and uncertainties associated with other potential strategic alternatives that might be available to Deutsche Börse.

### **NYSE Euronext's Reasons for the Combination**

The NYSE Euronext board of directors approved the business combination agreement and have recommended that the NYSE Euronext shareholders vote FOR the adoption of the business combination agreement and the approval of the transactions contemplated by the business combination agreement. In reaching its decision to approve the combination and recommend to the NYSE Euronext shareholders that they adopt the business combination agreement, the NYSE Euronext board of directors consulted with NYSE Euronext management and its financial and legal advisors and considered a variety of factors, including the factors:

that the combination with Deutsche Börse would enable NYSE Euronext to accelerate the benefits of its existing strategy;

that the combination presented significant strategic opportunities;

that the consideration payable to NYSE Euronext shareholders in the merger would be Holdco shares and, therefore, would allow NYSE Euronext shareholders to participate in potential further appreciation of the combined company after the combination;

that the combination would be expected to create significant cost savings and revenue synergies;

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that the exchange ratio of 0.47 of a Holdco share for each NYSE Euronext share in the merger and one Holdco share for each Deutsche Börse share in the exchange offer implied as of the date of the announcement of the business combination agreement that a premium would be received by NYSE Euronext shareholders in the merger;

that former Deutsche Börse shareholders and former NYSE Euronext shareholders would hold approximately 60% and 40%, respectively, of the outstanding Holdco shares, assuming that all Deutsche Börse shareholders tendered in the exchange offer;

the financial analyses presented to the NYSE Euronext board of directors by Perella Weinberg and the opinion of Perella Weinberg that, as of February 15, 2011 and based upon and subject to the various assumptions made, procedures followed, matters considered and qualifications and limitations set forth therein, the exchange ratio in the merger of 0.47 is fair, from a financial point of view, to NYSE Euronext shareholders;

that the governance arrangements provided by the business combination agreement would enable continuity of management and an effective and timely integration of the two companies' operations and reflected that the transaction was structured as a business combination rather than an acquisition of either company;

its knowledge of NYSE Euronext's and Deutsche Börse Group's businesses, historical financial performance and condition, operations, properties, assets, regulatory issues, competitive positions, prospects and management; and

the risks and uncertainties associated with other potential strategic alternatives that might be available to NYSE Euronext.

### **Interests of Directors, Board Members, and Executive Officers in the Combination**

Shareholders of Deutsche Börse and shareholders

of NYSE Euronext should be aware that some of the Deutsche Börse management board members, Deutsche Börse supervisory board members and directors and executive officers of NYSE Euronext may have interests in the combination that are different from, or in addition to, the interests of the Deutsche Börse shareholders and NYSE Euronext shareholders. These interests may include, but are not limited to, the continued employment of certain Deutsche Börse management board members and executive officers of NYSE Euronext, the continued positions of certain Deutsche Börse supervisory board members and certain directors of NYSE Euronext as directors of Holdco and the indemnification of former Deutsche Börse management and supervisory board members and directors and executive officers of NYSE Euronext by Holdco. These interests also include the treatment in the combination of restricted stock units, stock options and other rights held by these directors, board members and executive officers. As of March 14, 2011, members of the Deutsche Börse management board and the Deutsche Börse supervisory board owned 50,780 Deutsche Börse shares in the aggregate.

Shareholders of Deutsche Börse and shareholders of NYSE Euronext should be aware that, as of March 1, 2011, NYSE Euronext directors and executive officers and their affiliates owned and were entitled to vote approximately 0.3% of the outstanding NYSE Euronext shares entitled to vote at the NYSE Euronext special meeting.

### **Opinion of the Financial Advisor to the NYSE Euronext Board of Directors**

Perella Weinberg Partners LP (which is referred to in this document as "Perella Weinberg") rendered its oral opinion, subsequently confirmed in writing, to the NYSE Euronext Board of Directors that, on February 15, 2011, and based upon and subject to the various assumptions made, procedures followed, matters considered and qualifications and limitations set forth in the opinion, the merger exchange ratio in the combination was fair, from a financial point of view, to holders of NYSE Euronext shares (other than Deutsche Börse or any affiliate of Deutsche Börse).



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The opinion does not address NYSE Euronext's underlying business decision to enter into the combination or the relative merits of the combination as compared with any other strategic alternative that may have been available to NYSE Euronext. The opinion does not constitute a recommendation to any holder of NYSE Euronext shares or Deutsche Börse shares as to how such holders should vote or otherwise act with respect to the combination or any other matter and does not in any manner address the prices at which NYSE Euronext shares, Holdco shares or Deutsche Börse shares will trade at any time. In addition, Perella Weinberg expressed no opinion as to the fairness of the combination to, or any consideration to, the holders of any other class of securities, creditors or other constituencies of NYSE Euronext. Perella Weinberg provided its opinion for the information and assistance of the NYSE Euronext board of directors in connection with, and for the purposes of its evaluation of, the combination.

**Opinions of the Financial Advisors to Deutsche Börse**

*Opinion of Deutsche Bank Securities Inc. as Deutsche Börse's Financial Advisor*

On February 15, 2011, Deutsche Bank Securities Inc. (which is referred to in this document as DBSI), delivered its opinion at a meeting of the Deutsche Börse supervisory board, at which all members of the Deutsche Börse management board were present, that as of the date of the opinion and based upon and subject to the various assumptions made, procedures followed, matters considered and limitations described in the opinion, the exchange ratio of one Holdco share for each Deutsche Börse share tendered by Deutsche Börse shareholders (which is referred to in this document as the Deutsche Börse exchange ratio) pursuant to the exchange offer was fair, from a financial point of view, to the holders of Deutsche Börse shares.

**The DBSI opinion does not express an opinion or recommendation as to whether any holder of Deutsche Börse shares should tender any Deutsche Börse shares in connection with the exchange offer. The DBSI opinion also does not address the fairness**

**of the combination, or any consideration received in connection therewith, to the holders of any class of securities, creditors or other constituencies of Deutsche Börse or NYSE Euronext (other than the fairness, from a financial point of view of the Deutsche Börse exchange ratio to the holders of Deutsche Börse shares), nor does it address the fairness of the contemplated benefits of the combination. DBSI's opinion and its financial analyses set forth in this document were prepared for use by the management and supervisory boards of Deutsche Börse. They were not prepared for the use of any holders of NYSE Euronext shares and do not constitute a recommendation as to how any holder of NYSE Euronext shares should vote with respect to the merger, the other aspects of the combination or any other matter.**

*Opinion of J.P. Morgan as Deutsche Börse's Financial Advisor*

J.P. Morgan Securities LLC., which is referred to as J.P. Morgan, delivered its opinion to the management board and the supervisory board of Deutsche Börse that, as of the date of the fairness opinion and based upon and subject to the various factors, assumptions and limitations set forth therein, the exchange ratio in the proposed exchange offer was fair, from a financial point of view, to the holders of Deutsche Börse shares (other than Deutsche Börse).

**J.P. Morgan provided its opinion for the information and assistance of the management board and the supervisory board of Deutsche Börse in connection with their consideration of the proposed combination. The J.P. Morgan opinion is addressed to the management board and the supervisory board of Deutsche Börse and does not constitute a recommendation to any holder of Deutsche Börse shares as to whether such holder should tender its Deutsche Börse shares in the exchange offer or how such holder should vote with respect to the combination or any other matter if such vote is required. The opinion and advice provided by J.P. Morgan is not and should not be considered a value opinion as is customarily rendered by qualified auditors based on the requirements of German corporate law (e.g., in connection with a mandatory buy-out of Deutsche Börse shares or entering into a**

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domination agreement and/or a profit and loss transfer agreement), nor has J.P. Morgan expressed any opinion as to the compensation which may be payable to holders of Deutsche Börse shares in connection with such a mandatory buy-out of their Deutsche Börse shares or in connection with entering into a domination agreement and/or a profit and loss transfer agreement. J.P. Morgan's opinion and its financial analyses set forth in this document were prepared for use by the management and supervisory boards of Deutsche Börse. They were not prepared for the use of any holders of NYSE Euronext shares and do not constitute a recommendation as to how any holder of NYSE Euronext shares should vote with respect to the merger, the other aspects of the combination or any other matter.

### **Conditions to Completion of the Combination**

The completion of the combination is subject to the satisfaction of a number of conditions. Pursuant to the business combination agreement, NYSE Euronext's obligation to complete the merger is subject to the completion of the exchange offer and acquisition by Holdco of all of the Deutsche Börse shares validly tendered and not withdrawn in the exchange offer. In turn, the completion of the exchange offer is subject to the satisfaction (or waiver by Holdco with NYSE Euronext's and/or Deutsche Börse's approval, to the extent waiver is permitted under the business combination agreement, by the German Takeover Act and other applicable laws).

### **Appraisal Rights**

#### ***Deutsche Börse***

Under German law, Deutsche Börse shareholders will generally not be entitled to appraisal rights in connection with the exchange offer. However, if Holdco (directly and/or through a subsidiary) effects the post-completion reorganization by way of a domination agreement or a combination of a domination agreement and a profit and loss transfer agreement and/or by way of a squeeze-out transaction pursuant to Section 327a *et seq.* of the German Stock Corporation Act under German law, an appraisal proceeding (*Spruchverfahren*) is available under the German

Appraisal Proceedings Act (*Spruchverfahrensgesetz*), pursuant to which a court can be asked to determine the adequacy of consideration or compensation paid to the Deutsche Börse shareholders under the domination agreement or the combination of a domination agreement and a profit transfer agreement and in connection with the squeeze-out transaction pursuant to Section 327a *et seq.* of the German Stock Corporation Act, respectively.

Such appraisal proceeding will, however, not be available in connection with a squeeze-out transaction which is performed by Holdco by applying for a court order in accordance with Sections 39a *et seq.* of the German Takeover Act.

#### ***NYSE Euronext***

Under the Delaware general corporation law, which governs the merger, as well as under the NYSE Euronext certificate of incorporation and bylaws, NYSE Euronext shareholders are not entitled to any appraisal rights in connection with the merger.

### **Directors and Management of Holdco Prior to the Combination**

To date, Holdco has not conducted any material activities other than those incident to its formation and the matters contemplated by the business combination agreement. Holdco is currently managed by a management board with two managing directors, one designated by Deutsche Börse and one designated by NYSE Euronext. Decisions of the management board may only be made by both managing directors acting jointly.

### **Directors and Management of Holdco Following the Combination**

#### ***Holdco Board of Directors***

Following the combination, the Holdco board of directors will consist of 17 members, including Dr. Reto Francioni, the current chief executive officer of Deutsche Börse, who will serve as the chairman of the Holdco group and Duncan L. Niederauer, the current chief executive officer of NYSE Euronext, who will serve as the Holdco group chief executive officer. In addition, 15 non-executive directors, consisting of nine non-executive directors designated by Deutsche Börse and six non-executive directors designated by NYSE Euronext will serve on the Holdco board of directors.

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The directors will be appointed for a term (or several consecutive terms) that expires at the Holdco annual general meeting of shareholders occurring in 2015 (or in 2016 in the case of the Holdco group chairman and the Holdco group chief executive officer).

### ***Holdco Group Chairman***

The business combination agreement provides that Dr. Reto Francioni, the current chief executive officer of Deutsche Börse, will be the Holdco group chairman for an initial term (or several consecutive terms) expiring at the end of the annual general meeting of shareholders of Holdco occurring in 2016. During this term, the Holdco group chairman will have customary duties of a chairman, such as leading meetings of Holdco's board of directors and setting meeting agendas, as well as certain additional agreed responsibilities and authorities.

Until the sixth annual general meeting of shareholders after completion of the combination, the Holdco group chairman will have a primary office in Frankfurt and a secondary office in New York, and the Holdco group chief executive officer will have a primary office in New York and a secondary office in Frankfurt. Alternatively, the Holdco group chairman and the Holdco group chief executive officer may decide to switch their office locations in a reciprocal manner, with the Holdco group chairman having his or her primary office in New York if the Holdco group chief executive officer has his or her primary office in Frankfurt.

### ***Holdco Group Chief Executive Officer***

The business combination agreement provides that Duncan L. Niederauer, the current chief executive officer and a director of NYSE Euronext, will be the Holdco group chief executive officer for an initial term (or several consecutive terms) expiring at the end of the annual general meeting of shareholders occurring in 2016. During this term, the Holdco group chief executive officer will have the typical roles of a chief executive officer.

### ***Board Committees***

Upon completion of the combination, the Holdco board of directors will initially have the following six committees:

Audit, Finance and Risk Committee;

Nomination, Governance and Corporate Responsibility Committee;

Human Resources and Compensation Committee;

Strategy Committee;

Integration Committee; and

Technology Committee.

Each of the committees mentioned above will consist of three directors nominated for appointment upon designation by Deutsche Börse and two directors nominated for appointment upon designation by NYSE Euronext until the end of the annual general meeting of shareholders occurring in 2015.

### ***Global Executive Committee of Holdco***

The Global Executive Committee of the Holdco group will consist of four individuals who are currently executives of NYSE Euronext, including the chief executive officer of NYSE Euronext, and four individuals who are currently executives of Deutsche Börse. The Global Executive Committee will be responsible for the management of the day-to-day business of the Holdco group. The members of the Global



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Executive Committee will strive to reach decisions on a unanimous basis, and the Holdco group chief executive officer will decide any matters which are not unanimous. Any appointment of members of the Global Executive Committee will be made by the Holdco group chief executive officer in close consultation with the Holdco group chairman and the Holdco board of directors.

### ***Dual Headquarters***

The Holdco articles of association to be effective upon completion of the combination will provide that the Holdco group will have dual headquarters in Frankfurt and New York.

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### **Third-Party Acquisition Proposals**

Subject to certain exceptions, the business combination agreement generally restricts the ability of Deutsche Börse and NYSE Euronext to solicit or engage in discussions or negotiations with a third-party regarding a proposal to acquire a significant interest in either entity.

Under certain circumstances, the Deutsche Börse management board, the Deutsche Börse supervisory board and the NYSE Euronext board of directors may engage in discussions or negotiations in response to a bona fide unsolicited written acquisition proposal if they conclude that there is a reasonable likelihood that such proposal could constitute a superior proposal and due compliance with their respective fiduciary duties so requires. A superior proposal within the meaning of the business combination agreement means, with respect to either NYSE Euronext or Deutsche Börse, a bona fide written acquisition proposal obtained not in breach of the non-solicitation provisions of the business combination agreement for or in respect of 50% or more of the outstanding NYSE Euronext shares or Deutsche Börse shares (as applicable) or 50% or more of the assets of NYSE Euronext and its subsidiaries, on a consolidated basis, or Deutsche Börse and its subsidiaries, on a consolidated basis, as applicable, on terms that the NYSE Euronext board of directors or the Deutsche Börse boards, as applicable, under certain conditions concludes are more favorable to its shareholders than the transactions contemplated by the business combination agreement.

If, prior to the consummation of the exchange offer or NYSE Euronext shareholder approval, the Deutsche Börse management board, the Deutsche Börse supervisory board or the NYSE Euronext board of directors, respectively, in good faith conclude (following receipt of the advice of their financial advisors and outside legal counsel), taking into account, among other things, all legal, financial, regulatory, timing and other aspects of the acquisition proposal or offer, and taking into account any improved terms that either Deutsche Börse or NYSE Euronext may have offered, that the acquisition proposal constitutes a superior proposal, then, in the case of Deutsche Börse, the Deutsche Börse

management board and the Deutsche Börse supervisory board may change their recommendation that the Deutsche Börse shareholders tender their Deutsche Börse shares in the exchange offer, and, in the case of NYSE Euronext, the NYSE Euronext board of directors may change its recommendation that the NYSE Euronext shareholders vote in favor of the business combination agreement and the transactions contemplated by the business combination agreement.

### **Termination of the Business Combination Agreement**

Deutsche Börse and NYSE Euronext may jointly agree to terminate the business combination agreement at any time. Either Deutsche Börse or NYSE Euronext may also terminate the business combination agreement in various circumstances, including, but not limited to, failure to receive the necessary NYSE Euronext shareholder approval, failure to obtain a necessary governmental approval, failure to achieve the minimum tender condition, failure to complete the combination by December 31, 2011 (subject to extension to March 31, 2012 by either party in certain circumstances) or upon the breach by the other party of certain of its obligations under the business combination agreement.

### ***Termination Fees***

Under the business combination agreement, NYSE Euronext will be required to pay Deutsche Börse a termination fee of 250 million if:

an alternative acquisition proposal is made for NYSE Euronext, the NYSE Euronext board of directors has changed its recommendation and either (1) NYSE Euronext or Deutsche Börse terminates the business combination agreement because the NYSE Euronext shareholders fail to adopt the business combination agreement or (2) Deutsche Börse terminates the business combination agreement because of the change in recommendation by the NYSE Euronext board; or

an alternative acquisition proposal is made for NYSE Euronext, the NYSE Euronext shareholders do not adopt the business

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combination agreement and, within 9 months of termination of the business combination agreement, NYSE Euronext engages in an alternative transaction with a third party involving 40% or more of NYSE Euronext's equity or assets. Deutsche Börse will be required to pay NYSE Euronext a termination fee of \$250 million if:

an alternative acquisition proposal is made for Deutsche Börse, either the Deutsche Börse supervisory board or management board has changed its recommendation and either (1) NYSE Euronext or Deutsche Börse terminates the business combination agreement because the minimum tender condition has not been satisfied prior to expiration of the offer acceptance period; or (2) NYSE Euronext terminates the business combination agreement because of a change in recommendation by the Deutsche Börse supervisory board or management board; or

an alternative acquisition proposal is made for Deutsche Börse, the minimum tender condition has not been satisfied prior to expiration of the offer acceptance period and, within 9 months of termination of the business combination agreement, Deutsche Börse engages in an alternative transaction with a third party involving 40% or more of Deutsche Börse's equity or assets.

## **Stock Exchange Listing**

Deutsche Börse shares are listed on the Frankfurt Stock Exchange under the symbol DB1. NYSE Euronext shares, which are listed on the New York Stock Exchange and Euronext Paris under the symbol NYX, will be delisted from the New York Stock Exchange and Euronext Paris as soon as practicable after the completion of the combination, as permitted by applicable law.

Holdco intends to list its shares on the New York Stock Exchange subject to the notice of issuance, and will apply prior to the time of delivery of the Holdco shares pursuant to the exchange offer and the merger to admit its shares to trading on the regulated market (*regulierter Markt*) of the Frankfurt

Stock Exchange and the sub-segment thereof with additional post-admission obligations (Prime Standard) and the regulated market segment of Euronext Paris.

## **Certain Differences in Shareholder Rights Before and After the Combination**

Until the completion of the combination (and in the case of Deutsche Börse shareholders that do not tender their Deutsche Börse shares in the exchange offer, until the completion of the post-completion reorganization), Delaware law and the NYSE Euronext certificate of incorporation and bylaws will continue to govern the rights of NYSE Euronext shareholders, and German law and the Deutsche Börse articles of incorporation will continue to govern the rights of Deutsche Börse shareholders. After completion of the combination (or, as applicable, the post-completion reorganization), Dutch law and the Holdco articles of association will govern the rights of Holdco shareholders.

Material differences in the rights of NYSE Euronext shareholders prior to the combination and the rights of Holdco shareholders after the combination, on the other hand, will include, among others, the following:

Amendments to Holdco's articles of association and certain extraordinary actions will require the approval of at least a two-thirds majority of the votes cast in a general meeting of shareholders in order to be effective.

The election of directors (other than those nominated by the Holdco board of directors) and the removal of directors will require a two-thirds majority of the votes cast, and such votes must represent more than one-half of Holdco's issued capital on the resolution proposed for such an action.

Each of the Holdco directors initially designated by NYSE Euronext and Deutsche Börse will be nominated by the Holdco board of directors for re-election pursuant to a binding nomination (within the meaning of Section 2:133 of the Dutch Civil Code) at each of the annual general meetings of shareholders in 2012, 2013 and 2014, except that the Holdco group

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chairman and the Holdco group chief executive officer will each also be nominated pursuant to a binding nomination for re-election to the Holdco board of directors at the annual general meeting of shareholders occurring in 2015. Under Dutch law and Holdco's articles of association, binding nominations may only be overridden by a shareholders resolution passed by a two-thirds majority of the votes cast, with such votes representing more than one-half of Holdco's issued capital. Alternatively, if Holdco determines that it is a foreign private issuer and is not otherwise required by applicable law, regulation or stock exchange listing standards to hold annual director elections, then the initial members of the Holdco board of directors will be appointed to serve on the board for a term that expires at the Holdco annual general shareholders meeting in 2015 (or in 2016 in the case of the Holdco group chairman and the Holdco group chief executive officer).

### **Summary of Risk Factors**

#### ***Risks Relating to the Combination***

Because the exchange ratios in the exchange offer and the merger are fixed, the market value of the Holdco shares received by Deutsche Börse shareholders in the exchange offer or the Holdco shares received by NYSE Euronext shareholders in the merger may be less than the market value of the Deutsche Börse shares or NYSE Euronext shares that such holder held prior to the completion of the combination.

Obtaining required regulatory approvals may prevent or delay completion of the combination or reduce the anticipated benefits of the combination or may require changes to the structure or terms of the combination or to the governance structure of Holdco.

The implementation of the post-closing reorganization may be delayed or the agreements necessary to such implementation may not take effect. As a result, the anticipated benefits from the combination may not be realized in full or at all.

Holdco may not be able to successfully integrate the businesses and operations of Deutsche Börse Group and/or NYSE Euronext in a timely fashion or at all. This could have material adverse effects on Deutsche Börse Group's and NYSE Euronext's operations and their relationships with market participants, employees, regulatory authorities and other bodies as well as on their businesses, cash flows, assets, financial condition and results of operations.

Holdco may fail to realize the anticipated cost savings, growth opportunities and synergies and other benefits anticipated from the combination, which could have a material adverse effect on Holdco's business, cash flows, assets, financial condition and results of operations.

Holdco, Deutsche Börse Group and NYSE Euronext will incur significant transaction and combination-related costs in connection with the combination, some of which are payable regardless of whether the combination is completed.

Upon completion of the combination certain change-of-control rights under material agreements may be triggered.

Uncertainties associated with the combination may cause a loss of management personnel and other key employees, which could materially adversely affect the business and results of operations of Holdco.

Failure to complete the combination could negatively affect the prices of the Deutsche Börse shares and the NYSE Euronext shares and the future businesses and financial results of Deutsche Börse Group and NYSE Euronext.

The rights and responsibilities of the shareholders of Holdco will be governed by Dutch law and Holdco's articles of

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association, which will differ in some respects from the rights and responsibilities of shareholders under German or Delaware law and the current organizational documents of Deutsche Börse and NYSE Euronext.

U.S. civil liabilities may not be enforceable.

Deutsche Börse shareholders and NYSE Euronext shareholders will have a reduced ownership and voting interest after the combination and will exercise less influence over management.

If Deutsche Börse shareholders do not tender their Deutsche Börse shares in the exchange offer, the consideration that Deutsche Börse shareholders may receive at a later point in time may substantially differ in form and/or value from the consideration that they would have received had they tendered their Deutsche Börse shares in the exchange offer, and they may also be subject to additional taxes.

Shareholders of Deutsche Börse not participating in the exchange offer will be diluted due to the obligation of Deutsche Börse to tender its treasury shares in the exchange offer.

Following the completion of the exchange offer, fewer Deutsche Börse shares will remain outstanding and, as a result, the free float of Deutsche Börse shares will be significantly lower than before the completion of the combination, which could materially adversely affect the liquidity and market value of those shares.

***Risks Relating to the Businesses of Holdco, Deutsche Börse Group and NYSE Euronext***

Insufficient systems capacity and systems failures could adversely affect Deutsche Börse Group's and NYSE Euronext's businesses.

Deutsche Börse Group and NYSE Euronext operate in a business environment that continues to experience significant and rapid technological change.

Service deficiency in Deutsche Börse Group's and NYSE Euronext's manual data processing could result in losses.

A failure to protect Deutsche Börse Group's and NYSE Euronext's intellectual property rights, or allegations that Deutsche Börse Group and/or NYSE Euronext have infringed intellectual property rights of others, could adversely affect Holdco's business.

Deutsche Börse Group and NYSE Euronext face significant competition and compete globally with a broad range of market participants for listings, trading, clearing and settlement volumes. Increasing competition could result in a decrease of their trading volumes and revenues.

Holdco's business may be adversely affected by intense price competition.

A change in the policy of the administrative bodies of the exchanges in Germany could reduce Deutsche Börse Group's revenue.

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Adverse economic conditions could negatively affect Holdco's business and cash flows, financial condition and results of operations.

Broad market trends and other factors beyond the control of Deutsche Börse Group and NYSE Euronext could significantly reduce demand for their services.

Deutsche Börse Group and NYSE Euronext may be at greater risk from terrorism than other companies.

Deutsche Börse Group and NYSE Euronext are exposed to fluctuations in foreign exchange rates and interest rates.

Deutsche Börse Group and NYSE Euronext are exposed to liquidity risk and may lack sufficient liquidity to meet their daily payment obligations or may incur increased refinancing costs which could adversely affect Holdco's business and cash flows, financial and results of operation.

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Deutsche Börse Group's and NYSE Euronext's businesses may be adversely affected by risks associated with clearing and settlement activities.

Deutsche Börse Group's share of trading in Deutsche Börse Group listed securities and NYSE Euronext's share of trading in NYSE Euronext listed securities has declined and may continue to decline.

Deutsche Börse Group depends on its large customers.

If Deutsche Börse Group's or NYSE Euronext's goodwill or intangible assets become impaired, Deutsche Börse Group, NYSE Euronext and, after the combination, Holdco may be required to record a significant charge to earnings.

Deutsche Börse Group and NYSE Euronext are subject to significant litigation risks and other liabilities.

Deutsche Börse Group's and NYSE Euronext's networks and those of their third-party service providers may be vulnerable to security risks.

If the indices and other products of Deutsche Börse Group and NYSE Euronext contain undetected errors or fail to perform properly, this could have a material adverse effect on their business, financial condition or results of operation.

Deutsche Börse Group's and NYSE Euronext's reliance on third parties could adversely affect their businesses if these third parties cease to perform the functions that they currently perform.

Holdco will face risks when entering into or increasing its presence in markets where Deutsche Börse Group and NYSE Euronext do not currently compete or when entering into new business lines.

Damage to Holdco's, Deutsche Börse Group's and/or NYSE Euronext's reputation could materially adversely affect Holdco's business.

Deutsche Börse Group and NYSE Euronext may complete acquisitions and dispositions prior to completion of the combination that may affect their respective businesses and/or the value of the consideration to be received by Deutsche Börse shareholders and NYSE Euronext shareholders in the combination.

Future business combinations, acquisitions, partnerships and joint ventures may require significant resources and/or result in significant unanticipated costs or liabilities.

***Risks Relating to Regulatory Environment and Legal Risks***

Further uncertainties in connection with the resolution on and implementation of new regulations may reduce the level of activities of Deutsche Börse Group and/or NYSE Euronext.

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Regulatory changes or court rulings may have an adverse impact on Deutsche Börse Group's and NYSE Euronext's ability to derive revenue from market data fees.

The legal and regulatory environment in the United States may make it difficult for NYSE Euronext's U.S. exchanges to compete with non-U.S. exchanges for the listings of non-U.S. companies and adversely affect its competitive position.

Deutsche Börse Group and NYSE Euronext operate in a highly regulated industry and may be subject to censures, fines and other legal proceedings if they fail to comply with their legal and regulatory obligations.

Holdco may face competitive disadvantages, or may lose or impede its business opportunities, if it does not receive necessary or timely regulatory approvals for new business initiatives.

The U.S. exchanges of NYSE Euronext and Deutsche Börse Group rely on the Financial Industry Regulatory Authority, Inc. (which is referred to in this document as "FINRA") to perform certain regulatory functions, and Holdco's business could be adversely affected if FINRA ceases to perform these functions.

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Deutsche Börse Group's obligations in connection with its regulatory functions may limit its funding resources.

Regulatory changes requiring exchange operators to allow additional central counterparties to clear trades on their exchanges may adversely affect Deutsche Börse Group's and NYSE Euronext's clearing operations.

Conflicts of interest between Deutsche Börse Group's and NYSE Euronext's for-profit status and their regulatory responsibilities may adversely affect their businesses.

### ***Risks Relating to Tax Matters***

There can be no assurances that holders of NYSE Euronext shares will not be required to recognize gain for U.S. federal income tax purposes upon the exchange of NYSE Euronext shares for Holdco shares in the merger.

Holdco, Deutsche Börse, NYSE Euronext and their respective subsidiaries are subject to tax audits and could incur significant tax liabilities as a result of such audits.

Holdco may be or become taxable in a jurisdiction other than the Netherlands and/or may be or become a dual resident company for tax purposes. This may increase the aggregate tax burden on Holdco and its shareholders. The combination of the businesses of Deutsche Börse Group and NYSE Euronext may result in an increase in the overall tax burden of the combined group.

### ***Risks Relating to Holdco Shares***

There has been no prior public market for Holdco shares, and the market price of Holdco shares may be volatile.

Following the completion of the combination, Holdco may cease to be a foreign private issuer, which could result in significant additional costs and expenses.

If Holdco continues to be a foreign private issuer, its shareholders may not receive the information about Holdco that its shareholders would typically receive from a publicly traded U.S. domestic company.

The level of any dividend paid in respect of Holdco shares is subject to a number of factors, including the financial condition and results of operations of Deutsche Börse Group and NYSE Euronext, as well as the distributions of operating earnings to Holdco by Deutsche Börse Group and NYSE Euronext and the freely distributable reserves of Holdco.

Shareholders of Holdco could be diluted in the future.

### **Selected Financial Information of Holdco**

Holdco was formed on February 10, 2011; accordingly, the financial statements as of the date of this document only consist of the opening balance sheet and the notes thereto. As Holdco had no operations as of February 10, 2011, Holdco omitted the statement of comprehensive income, statement of cash flows and statement of changes in equity.

The opening balance sheet of Holdco included assets in the amount of \$45,000 as well as corresponding issued and paid-up share capital in the amount of \$45,000.

**Selected Historical Financial Information of NYSE Euronext**

The following selected consolidated financial data has been taken from the audited historical consolidated financial statements and related notes for the years ended December 31, 2006 through December 31, 2010, which have been prepared in accordance with U.S. GAAP. As a result of a change in NYSE Euronext's reportable business segments effective in the first quarter of 2010, historical financial data has been revised to conform to this change. The information set forth below is not necessarily indicative of NYSE Euronext's results of future operations.

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	Year Ended December 31,				
	2010	2009	2008	2007 <sup>(1)</sup>	2006
(in millions of U.S. dollars, except per share data)					
<b>Revenues</b>					
Transaction and clearing fees	3,128	3,427	3,536	2,760	1,349
Market data	373	403	428	371	223
Listing	422	407	395	385	356
Technology services	318	223	159	130	137
Other revenues <sup>(2)</sup>	184	224	184	292	311
<b>Total revenues</b>	<b>4,425</b>	<b>4,684</b>	<b>4,702</b>	<b>3,938</b>	<b>2,376</b>
Section 31 fees	315	388	229	556	673
Liquidity payments, routing and clearing	1,599	1,818	1,592	951	339
<b>Total revenues, less transaction-based expenses</b>	<b>2,511</b>	<b>2,478</b>	<b>2,881</b>	<b>2,431</b>	<b>1,364</b>
<b>Other operating expenses</b>					
Compensation	613	649	664	612	558
Depreciation and amortization	281	266	253	240	136
Systems and communication	206	225	317	264	120
Professional services	282	223	163	112	110
Impairment charges			1,590		
Selling, general and administrative	296	313	305	257	152
Merger expenses and exit costs	88	516	177	67	54
<b>Operating income (loss) from continuing operations</b>	<b>745</b>	<b>286</b>	<b>(588)</b>	<b>879</b>	<b>234</b>
Net interest and investment (loss) income	(108)	(111)	(99)	(60)	41
Other income	49	30	42	73	54
Income (loss) from continuing operations before income tax (provision) benefit	686	205	(645)	892	329
Income tax (provision) benefit	(128)	7	(95)	(243)	(121)
<b>Income (loss) from continuing operations</b>	<b>558</b>	<b>212</b>	<b>(740)</b>	<b>649</b>	<b>208</b>
Income from discontinued operations, net of tax <sup>(3)</sup>			7	4	
<b>Net income (loss)</b>	<b>558</b>	<b>212</b>	<b>(733)</b>	<b>653</b>	<b>208</b>
Net loss (income) attributable to noncontrolling interest	19	7	(5)	(10)	(3)
<b>Net income (loss) attributable to NYSE Euronext</b>	<b>577</b>	<b>219</b>	<b>(738)</b>	<b>643</b>	<b>205</b>
<b>Basic earnings (loss) per share attributable to NYSE Euronext:</b>					
Continuing operations	2.21	0.84	(2.81)	2.70	1.38
Discontinued operations			0.03	0.02	
	2.21	0.84	(2.78)	2.72	1.38
<b>Diluted earnings (loss) per share attributable to NYSE Euronext:</b>					
Continuing operations	2.20	0.84	(2.81)	2.68	1.36
Discontinued operations			0.03	0.02	

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	2.20	0.84	(2.78)	2.70	1.36
Basic weighted average shares outstanding	261	260	265	237	149 <sup>(5)</sup>
Diluted weighted average shares outstanding	262	261	265	238	150 <sup>(5)</sup>
Dividends per share	1.20	1.20	1.15	0.75	

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**Table of Contents****Balance Sheet Data**

	2010	Year Ended December 31, 2009 2008 2007 <sup>(1)</sup>			2006
		(in millions of U.S. dollars)			
Total assets	13,378	14,382	13,948	16,618	3,466
Current assets	1,174	1,520	2,026	2,278	1,443
Current liabilities	1,454	2,149	2,582	3,462	806
Working capital	(280)	(629)	(556)	(1,184)	637
Long term liabilities <sup>(4)</sup>	3,006	3,132	3,005	3,102	991
Long term debt	2,074	2,166	1,787	494	
NYSE Euronext shareholders equity	6,796	6,871	6,556	9,384	1,669

*Notes:*

- (1) The results of operations of Euronext have been included since April 4, 2007.
- (2) Effective July 30, 2007, the member firm regulatory functions of NYSE Regulation, including related enforcement activities, risk assessment and the arbitration service, were transferred to FINRA. Regulatory revenues, a component of other revenues, decreased as a result of this transfer and in connection with pricing changes.
- (3) The operations of GL Trade, which were sold on October 1, 2008, are reflected as discontinued.
- (4) Represents liabilities due after one year, including accrued employee benefits, deferred revenue, and deferred income taxes.
- (5) Adjusted to reflect the March 7, 2006 merger between the New York Stock Exchange, Inc. and Archipelago Holdings, Inc., giving retroactive effect to the issuance of shares to former New York Stock Exchange, Inc. members.

**Table of Contents****Selected Historical Financial Information of Deutsche Börse Group**

The following financial information has been taken from the audited consolidated financial statements of Deutsche Börse Group and related notes as at and for the years ended December 31, 2010, 2009, 2008, 2007 and 2006 and from the unaudited condensed consolidated financial statements and related notes as at and for the three-month period ended March 31, 2011, respectively, all of which have been prepared in accordance with IFRS. As a result of a change in Deutsche Börse Group's reportable business segments effective in the first quarter 2010, historical financial information has been revised to conform to this change. The information set forth below is not necessarily indicative of Deutsche Börse Group's future operations.

	<b>Income Statement Data</b>						
	<b>January 1 to March 31,</b>		<b>2010</b>	<b>January 1 to December 31,</b>			<b>2006</b>
	<b>2011</b>	<b>2010</b>		<b>2009</b>	<b>2008</b>	<b>2007</b>	
	(in millions of euros)						
Sales revenue	558.6	519.2	2,106.3	2,061.7	2,455.1	2,185.2	1,854.2
Net interest income from banking business	16.1	11.0	59.4	97.4	236.8	230.8	150.7
Other operating income	8.3	12.5	61.0	130.6	66.7	223.4	85.8
<b>Total revenue</b>	<b>583.0</b>	<b>542.7</b>	<b>2,226.7</b>	<b>2,289.7</b>	<b>2,758.6</b>	<b>2,639.4</b>	<b>2,090.7</b>
Volume related costs	(56.7)	(54.0)	(210.9)	(250.3)	(270.1)	(223.1)	(191.1)
<b>Total revenue less volume related costs</b>	<b>526.3</b>	<b>488.7</b>	<b>2,015.8</b>	<b>2,039.4</b>	<b>2,488.5</b>	<b>2,416.3</b>	<b>1,899.6</b>
Staff costs	(100.8)	(126.8)	(502.0)	(394.3)	(409.8)	(555.3)	(404.5)
Depreciation, amortization and impairment losses	(20.5)	(31.0)	(583.5)	(569.1)	(137.1)	(126.0)	(132.0)
Other operating expenses	(93.3)	(87.0)	(414.7)	(433.4)	(439.0)	(394.0)	(344.2)
<b>Operating costs</b>	<b>(214.6)</b>	<b>(244.8)</b>	<b>(1,500.2)</b>	<b>(1,396.8)</b>	<b>(985.9)</b>	<b>(1,075.3)</b>	<b>(880.7)</b>
Result from equity investments	4.6	1.7	12.2	(4.8)	5.8	4.9	8.6
<b>Earnings before interest and tax (EBIT)</b>	<b>316.3</b>	<b>245.6</b>	<b>527.8</b>	<b>637.8</b>	<b>1,508.4</b>	<b>1,345.9</b>	<b>1,027.5</b>
Financial income	8.7	3.8	24.0	51.0	237.6	126.3	62.8
Financial expense	(28.5)	(26.7)	(132.2)	(130.7)	(277.1)	(117.4)	(64.3)
<b>Earnings before tax (EBT)</b>	<b>296.5</b>	<b>222.7</b>	<b>419.6</b>	<b>558.1</b>	<b>1,468.9</b>	<b>1,354.8</b>	<b>1,026.0</b>
Income tax expense	(77.1)	(60.1)	(24.5)	(86.9)	(418.6)	(439.9)	(360.0)
<b>Net profit for the year</b>	<b>219.4</b>	<b>162.6</b>	<b>395.1</b>	<b>471.2</b>	<b>1,050.3</b>	<b>914.9</b>	<b>666.0</b>
thereof shareholders of parent company (net income)	212.8	156.9	417.8	496.1	1,033.3	911.7	668.7
thereof non-controlling interests	6.6	5.7	(22.7)	(24.9)	17.0	(3.2)	2.7
Weighted average number of shares (in millions)	186.0	185.9	185.9	185.9	190.5	194.0	198.8 <sup>(1)</sup>
Diluted weighted average number of shares (in millions)	186.1	186.4	186.2	186.1	190.8	194.1	198.9 <sup>(1)</sup>
<b>Earnings per share (basic) (in euros)</b>	<b>1.14</b>	<b>0.84</b>	<b>2.25</b>	<b>2.67</b>	<b>5.42</b>	<b>4.70</b>	<b>3.36<sup>(2)</sup></b>
<b>Earnings per share (diluted) (in euros)</b>	<b>1.14</b>	<b>0.84</b>	<b>2.24</b>	<b>2.67</b>	<b>5.41</b>	<b>4.70</b>	<b>3.36<sup>(2)</sup></b>
<b>Dividends per share</b>	<b>n/a</b>	<b>n/a</b>	<b>2.10</b>	<b>2.10</b>	<b>2.10</b>	<b>2.10</b>	<b>1.70</b>

**Notes:**

- (1) In order to enhance comparability with the reporting year 2007 the figures for weighted average number of shares and diluted weighted average number of shares were adjusted due to the share split in 2007 and the increase in subscribed capital.
- (2) In order to enhance comparability with the reporting year 2007 the amounts for basic and diluted earnings per share were adjusted due to the share split in 2007.

**Balance Sheet Data**

As  
at March 31,                      As at December 31,



2011 2010 2010 2009 2008 2007 2006  
(in millions of euros)

Assets

**NONCURRENT ASSETS**