



flatex.   **DEGIRO**

Flatex AG to buy 100% of DeGiro B.V.

Frankfurt am Main / Amsterdam

16.12.2019

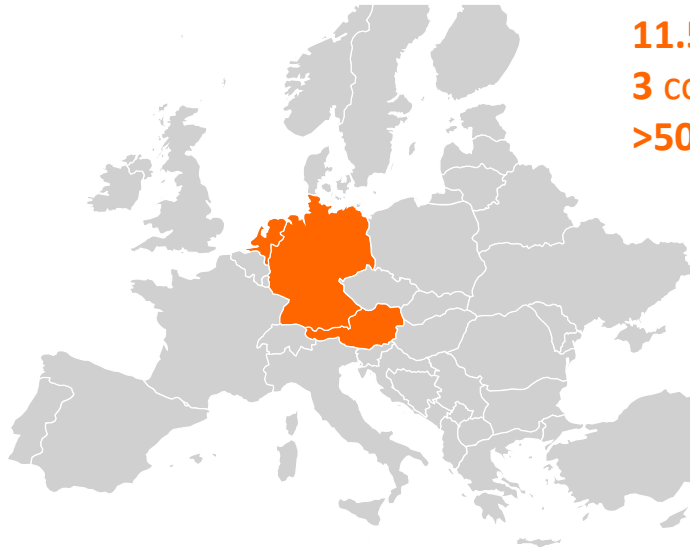
flatex and DeGiro - Overview



flatex

2019E

306k clients
11.5m transactions
3 countries
>500 employees

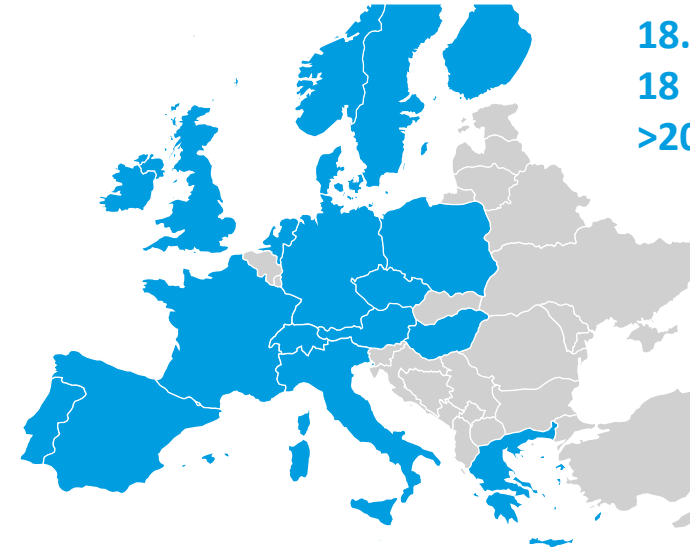


- Founded in 2005 in Germany
- Exchange listed in Germany (ISIN DE000FTG1111)
- Since 2006: flatex retail brokerage
- Since 2014: new management team
- 2014: Acquisition of IT provider and bank
- German bank with EU passport
- Proprietary IT bank system, highly vertically integrated

DEGIRO

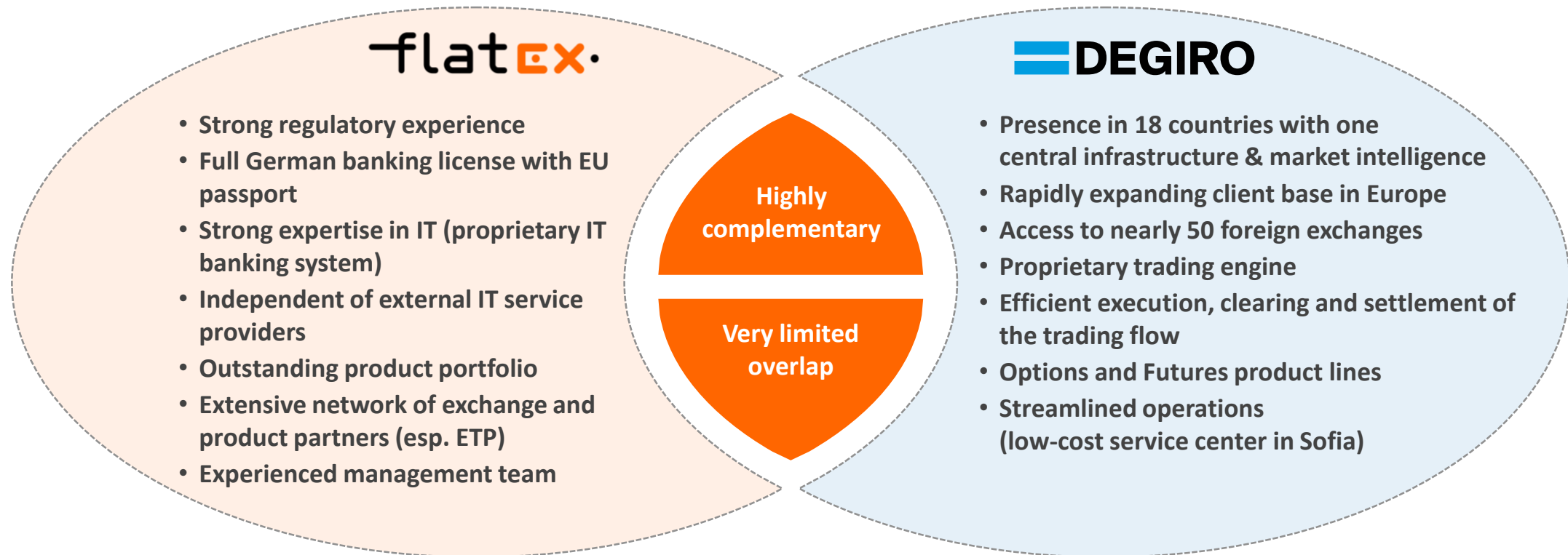
2019E

470k clients
18.6m transactions
18 countries
>200 employees



- Founded in 2007 in Netherlands as fund management company
- Private, non-listed Dutch company
- Since 2011: DeGiro brokerage to professional clients
- Since 2013: DeGiro retail brokerage
- Asset-light model, no banking license
- Proprietary IT and trading engine

flatex and DeGiro - Unique combination






flatex and DeGiro - Unique combination

#1
30m+ trades
in 2019E
in 18 European countries

Largest pan-European retail broker

- ✓ Full value chain in-house
- ✓ Cost and innovation leadership
- ✓ Highly comprehensive product/exchange portfolio

-  **Germany**
>20% market share
-  **Austria**
>40% market share
-  **Netherlands**
>35% market share

 Further countries with a leading and rapidly growing market position

...and presence in further 11 European countries

Joint client growth rate of over 200.000 clients in 2019E (both DeGiro and flatex each with strong organic client growth rate of greater 30%)

Full product range with access to ~50 foreign exchanges: stocks, bonds, ETPs, ETFs, funds, options & futures, CFDs, FX

flatex and DeGiro - Synergies at a glance



One flow

Synergies: €15-20m

Trading flow
EUR 200b annually
>EUR 750m daily

One banking license
and one corporate
infrastructure

Two brands

One bank

Synergies: €3-5m

One IT

Synergies: €10-15m

Central architecture
(based on Java /C++)

Combined data center

Access to 1m
customers

Combined marketing/
bargaining power

One firm

Synergies: €3-5m

Annual synergies of **EUR >30m**

Deal structure and timeframe

Deal Structure Acquisition price: **EUR 250m** (on a cash and debt free basis)

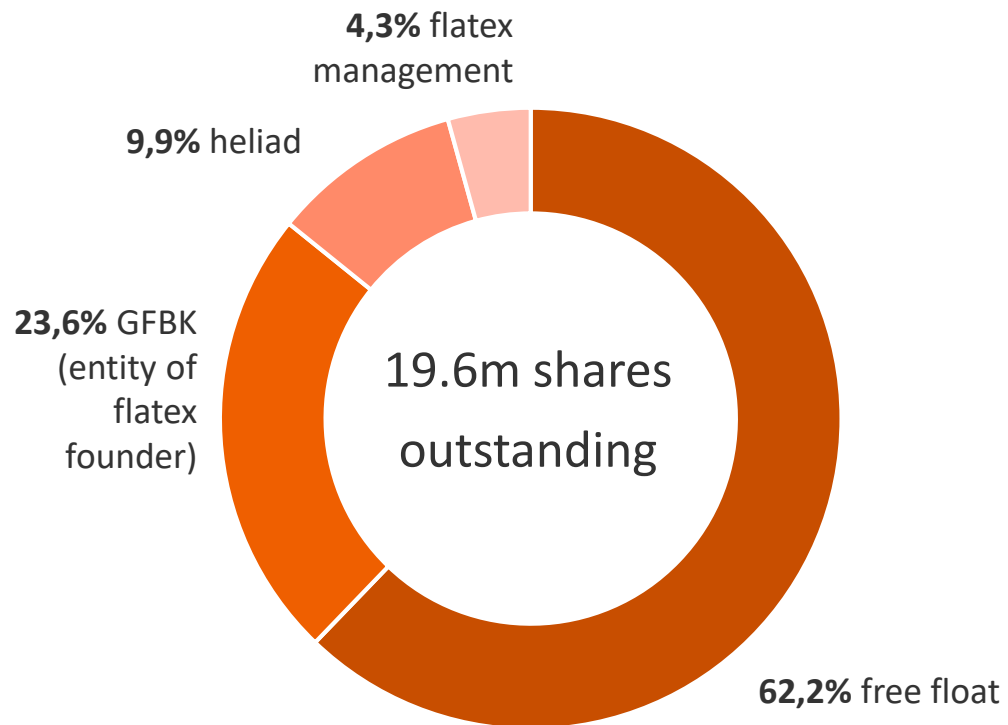
- thereof **EUR 60m** paid in cash
- thereof **EUR 190m** in flatex shares – Financing through a capital increase against a contribution in kind (“Sachkapitalerhöhung”) with exclusion of subscription rights to existing flatex shareholders
 - 7.5m new shares issued at reference price of EUR 25.33/share from flatex authorized capital 2017 & 2018

Indicative timeframe

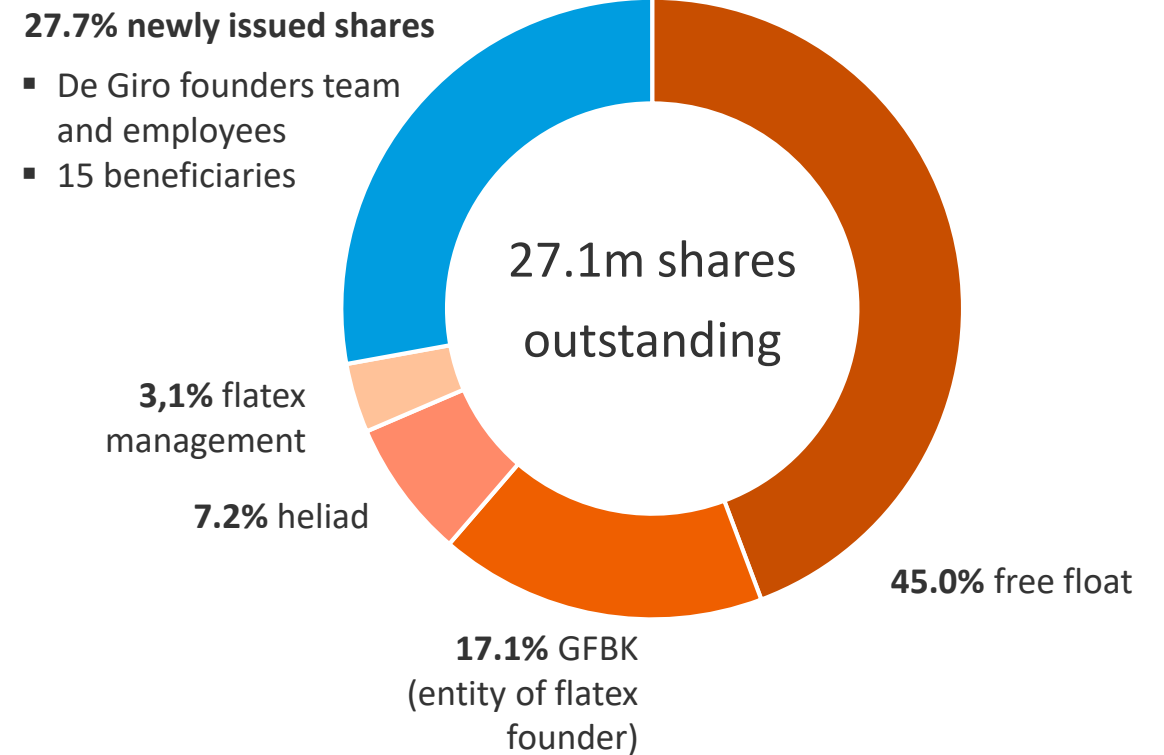
- Acquisition of 9.4% stake in DeGiro B.V. with signing
- Acquisition of remainder 90.6% after regulatory approval at closing
- Expected completion of 100% at the beginning of Q2 of 2020

Shareholder structure

As of November 2019



Post transaction



flatex and DeGiro combined - Key metrics



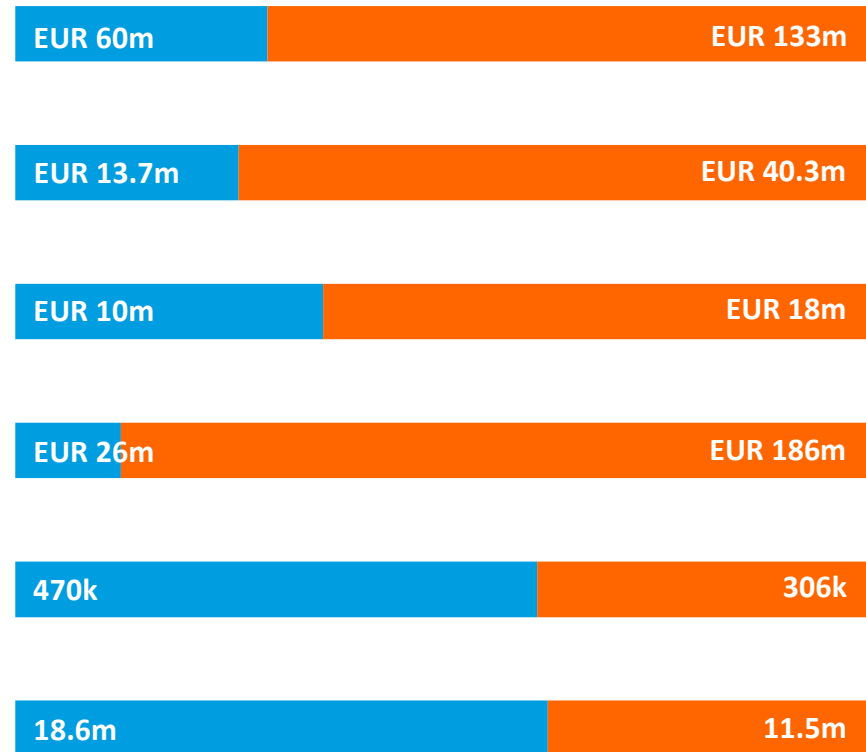
Standalone 2019E

combined

2019E illustrative, pro forma

DEGIRO

flatEX



Revenue

EUR 193m

EBITDA

EUR 54m

Net Profit

EUR 28m

Equity

EUR 212m

Brokerage Clients

776k

Transactions

30.1m

Two strong partners combine forces



Mid Term Ambition

Revenue

EUR 300m

EBITDA

EUR 150m

EPS

EUR 3.00

Disclaimer



The market and other information contained in this presentation is for general informational purposes only. This presentation is not intended to replace either your own market research or any other information or advice, in particular of a legal, tax or financial nature. This presentation does not contain all material information needed to make important financial decisions, in particular investment decisions, and may differ from information and estimates from other sources/market participants. The presentation is neither an offer nor a solicitation to buy or sell securities or other forms of Investment of flatex AG or other companies, nor does it constitute any advice or recommendation to that effect. In particular, it is not a prospectus. Investment decisions relating to securities or other forms of investment in flatex AG or other companies should not be based on this presentation. flatex AG points out that the market information presented herein is only intended for professional, financially experienced investors who are able to assess the risks and opportunities of the market(s) discussed and obtain comprehensive information from a number of different sources.

The statements and information contained in this presentation are based on information that flatex AG has researched or obtained from generally accessible sources. While flatex AG generally regards the sources used as reliable, it cannot assess such reliability with absolute certainty. flatex AG did not perform any checks of its own on the factual accuracy of the individual pieces of information from these sources. Furthermore, this presentation contains estimates and forecasts based on numerous assumptions and subjective assessments made by flatex AG, as well as outside sources, and only represents non-binding views regarding markets and products at the time the estimate/forecast was prepared. Forward-looking statements are subject to risks and uncertainties that are impossible to influence; a number of factors (e.g. market fluctuations, unexpected market developments in Germany, the Netherlands, the EU or the US, etc.) may result in a forward-looking statement proving to be unfounded at a later date. flatex AG does not enter into any obligation to update the information contained in this presentation. flatex AG and its employees and executive bodies provide no guarantee, despite exercising due care, that the information and forecasts provided are complete, up-to-date or accurate. Neither flatex AG nor its executive bodies or employees can be held liable for any direct or indirect losses or other damage that may arise from the use of this presentation, excerpts from this presentation or its contents, or for loss or damage that otherwise arises in connection with this presentation.

In general, this presentation may only be distributed in accordance with the statutory provisions that apply in the relevant countries, and individuals in possession of this document should familiarize themselves with the applicable local provisions. flatex AG points out that the presentation is intended for the recipient and that the distribution of this presentation or information contained herein to third parties is prohibited. In particular, this presentation may not be used for advertising purposes. Losses incurred by flatex AG as a consequence of the unauthorized distribution of this presentation or any of its contents to third parties are to be fully compensated for by the distributor. Such person must hold flatex AG harmless from any third-party claims resulting from the unauthorized distribution of this presentation and from all legal defence costs incurred in connection with such claims. This applies, in particular, to the distribution of this presentation or information contained therein to persons located in the US.