



SIX + BME

Combining local vertically-integrated champions to create
a Top-3 European market infrastructure group

18 November 2019

Key transaction terms

Purchase price	<ul style="list-style-type: none">• All-cash offer at €34.00 per share• Implying total equity value of c. €2,843m¹ (c. CHF3,108m²)
Premium	<ul style="list-style-type: none">• 47.6% over BME's 6-month VWAP³• 44.1% over BME's 3-month VWAP³• 33.9% over last closing price³
Transaction structure	<ul style="list-style-type: none">• Voluntary tender offer for 100% of the share capital of BME• Closing of the transaction is subject to achieving an acceptance level of at least 50% plus one share
Financing	<ul style="list-style-type: none">• Financing through a combination of existing cash resources and access to capital markets• Fully underwritten bridge facility provided by Credit Suisse with a guarantee to be issued to the CNMV• The acquisition financing will preserve a strong investment grade rating for the newly combined group
Regulatory oversight	<ul style="list-style-type: none">• Domestic regulatory (CNMV) oversight over BME to remain in place• BME will be managed in the best interests of the Spanish and broader European financial markets, systems and infrastructures
Timing	<ul style="list-style-type: none">• Request for authorisation of the offer (including prospectus) has been filed• Transaction is subject to certain conditions including, among others, the merger control clearance and the authorization for SIX to become a major shareholder of BME (CNMV, CNMC, Spanish Government)• Closing of the transaction expected in H1 2020

New Top-3 European market infrastructure services leader



**HIGHLY-
DELIVERABLE &
COMPLEMENTARY
COMBINATION**



1

Top-3 European & Top-10 Global exchange group¹

2

Diversified group with global reach

3

Complementary vertically-integrated groups enhancing respective domestic market strengths

4

Significant benefits for each partner's ecosystem

5


Increased combined future strategic optionality and flexibility

SIX The backbone of the Swiss financial center

A central infrastructure provider in Europe's 2nd largest financial centre

- A central infrastructure provider, and the backbone of the Swiss financial center (2nd largest in Europe, just after London¹) with an international footprint
- Amongst Europe's leading exchanges with c.CHF 5bn daily turnover and over 130 members
- Operates Switzerland's fully-integrated exchange value chain from pre-trade to post-trade, with an international Financial Information business providing data and value-added services for banks, wealth and asset-managers
- Well diversified across four business units: Securities & Exchanges, Financial Information, Banking Services and Innovation & Digital
- Created, grown and currently owned by seasoned local and global financial institutions (around 125 national and international banks)
- At the forefront of innovation with SIX Digital Exchange; SIX's project to establish a fully-integrated issuance, trading, settlement and custody infrastructure for digital assets

 **€192m**
Operating profit²³

 **c. 2,600**
Employees

 **20+**
Countries

 **c. 70%**
Share of index
stocks trading³

 **>30m**
Financial instruments
in database³

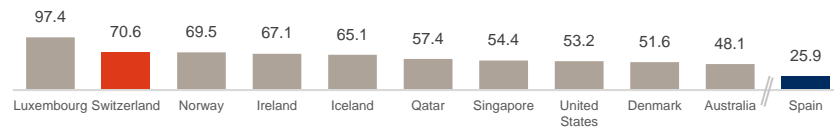
 **A+**
S&P rating

Switzerland is one of the most attractive economies in Europe

- One of the most competitive economies in the world⁴ with sound public finances
- Home to two of the top 10 financial centres in Europe – Zurich and Geneva¹
- Sixth highest R&D expenditure globally (c.3% of GDP)⁵
- Largest cross-border financial centre globally with USD 2.3tn cross-border AuM⁶
- Home to 8 of the 200 most valuable companies in the world⁷
- Low unemployment and highly developed service sector

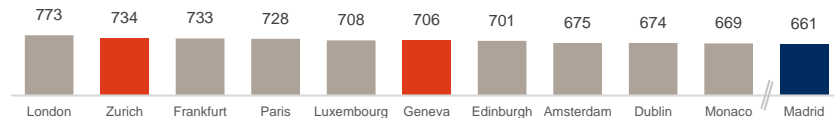
Switzerland has one of the highest GDP per capita in the world

(GDP per capita 2018 in €k⁸)



Switzerland is home to two of the top 10 financial centres in Europe

(The Global Financial Centres Index 2019 Score¹)





BME X Cornerstone of the Spanish markets infrastructure

Vertically-integrated local champion

- The operator of all stock markets and official financial systems in Spain
- Bringing together the exchanges of Madrid, Barcelona, Bilbao and Valencia it is the platform of reference for transactions related to the shares of Spanish listed companies
- Vertically-integrated and diversified; organized in six business units: Equity, Derivatives, Fixed income, Clearing, Settlement & Registration and Market Data & VAS
- Amongst Europe's leading exchange venues: one of the main exchange traded fixed income in Europe, no. 1 by listed companies & no. 7 by Equity Market in EMEA and a strong position in the derivatives market in Europe¹
- Benefiting from high market penetration across both retail as well as the largest local and international financial market participants
- Actively expanding its international footprint in Europe and also Latin America

 **€177m**
Operating profit²

 **c. 770**
Employees

 **13**
Countries

 **c. 90%**
Stock market liquidity³

 **€15.2bn**
Channelled funds²

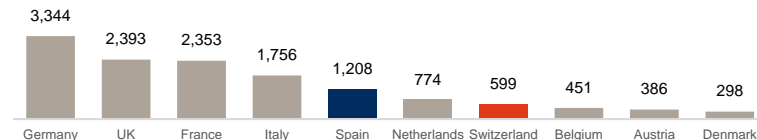
 **A-**
S&P rating

Spanish macro has shown a remarkable recovery since the 2007 crisis

- High GDP growth expectation compared to EU average and peers⁴
- Employment gaining momentum supported by positive evolution of service sector
- Increasing net lending capacity vs. rest of the world
- Significant reduction in unemployment to 13.8% from 26.3% in 2013⁵
- National deleveraging progressing, combining growth with a current account surplus
- Historic lows in avg. cost of debt outstanding (2.35%) and cost at issuance (0.33%)⁵

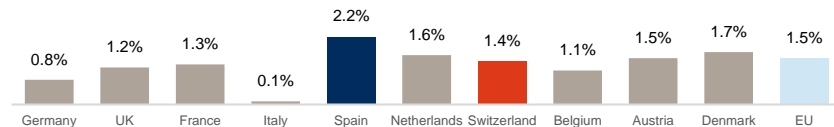
Spain is Europe's fifth largest economy

(GDP 2018 in €bn⁴)



Spain among fastest-growing economies in Europe

(Real GDP growth avg. 2019 and 2020⁴)

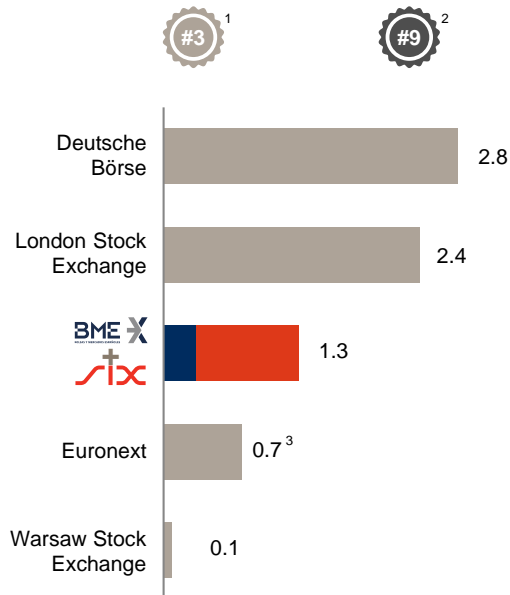


1

Top-3 European & Top-10 Global exchange group

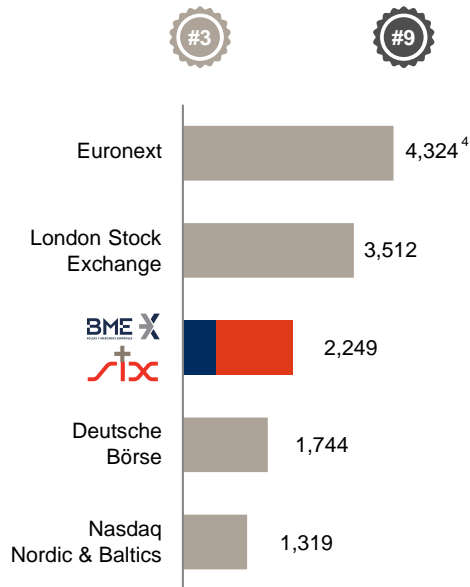
Total revenues

(FY2018, in €bn)



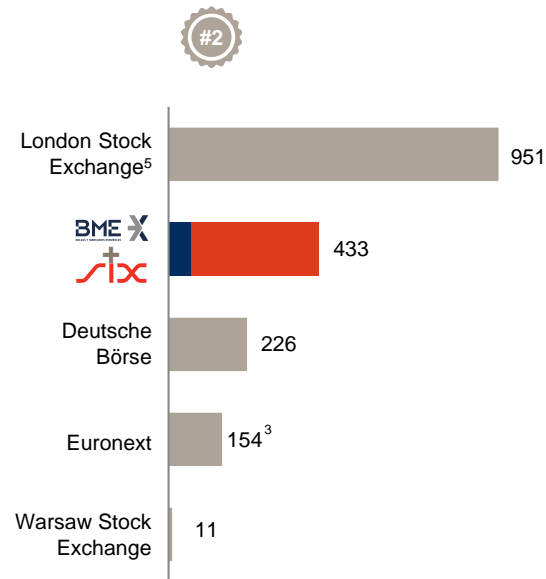
Market capitalization of listed companies

(As at September 2019, €bn)



Financial Information & Data revenues

(FY2018, in €m)



Ranking of pro-forma entity in European context



Ranking of pro-forma entity globally

6

Source: Company disclosure, FactSet as at 15 November 2019, World Federation of Exchanges as at 30 September 2019
 Note: Data converted to € with average 2018 exchange rate or as at 30 September 2019. Rankings covering selected and predefined exchanges groups narrowed to European players (ex. Russia) as per the World Federation of Exchanges (unless stated otherwise).

1 Refers to net revenue

2 Global pro forma ranking only includes listed venues and SIX

3 As per Euronext Investor Day presentation dated 11 October 2019; pro-forma of Commcise, Euronext Dublin and Oslo

Bars VPS for the full year with an average EUR/NOK at 9.5975 over 2018

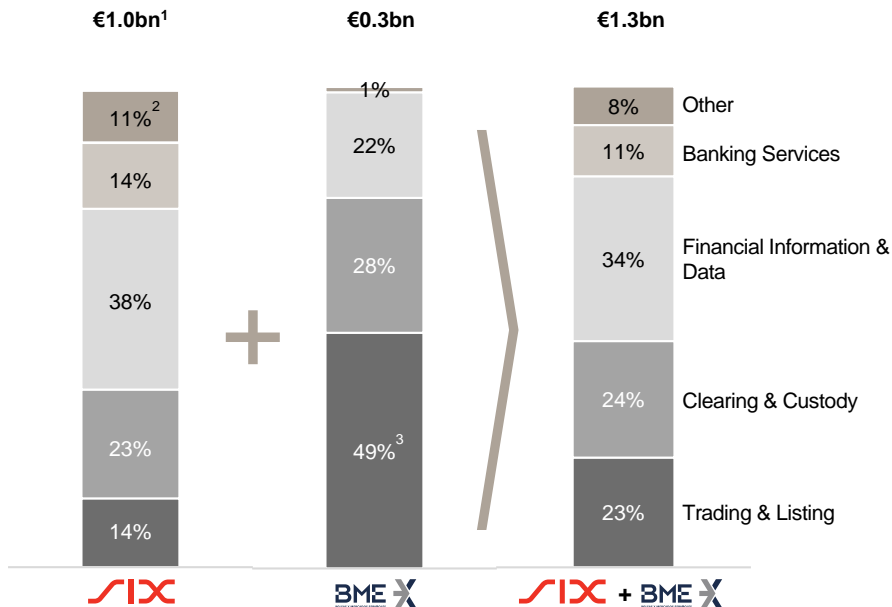
4 Pro forma acquisition of Oslo Bers

5 Not adjusted for any pending acquisitions

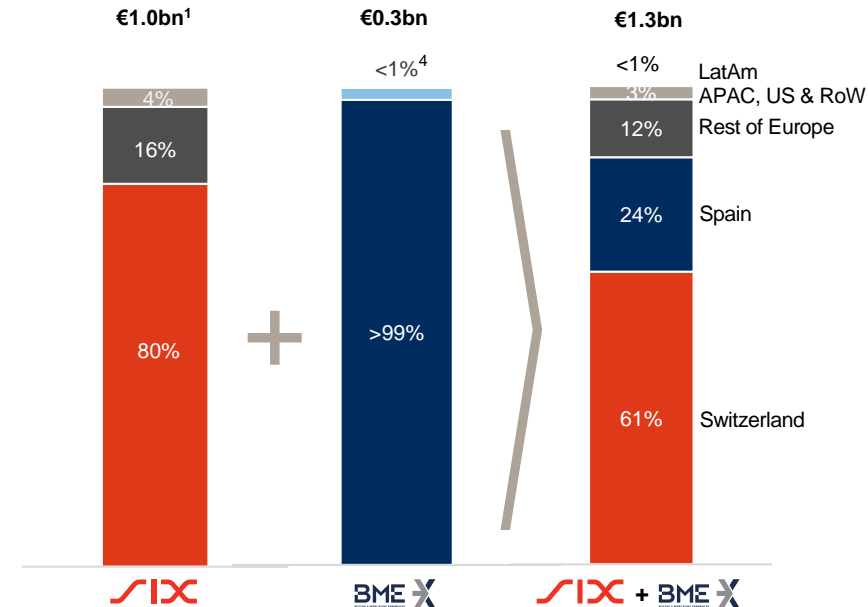


2 Diversified group with global reach

Balanced business mix covering the full value chain



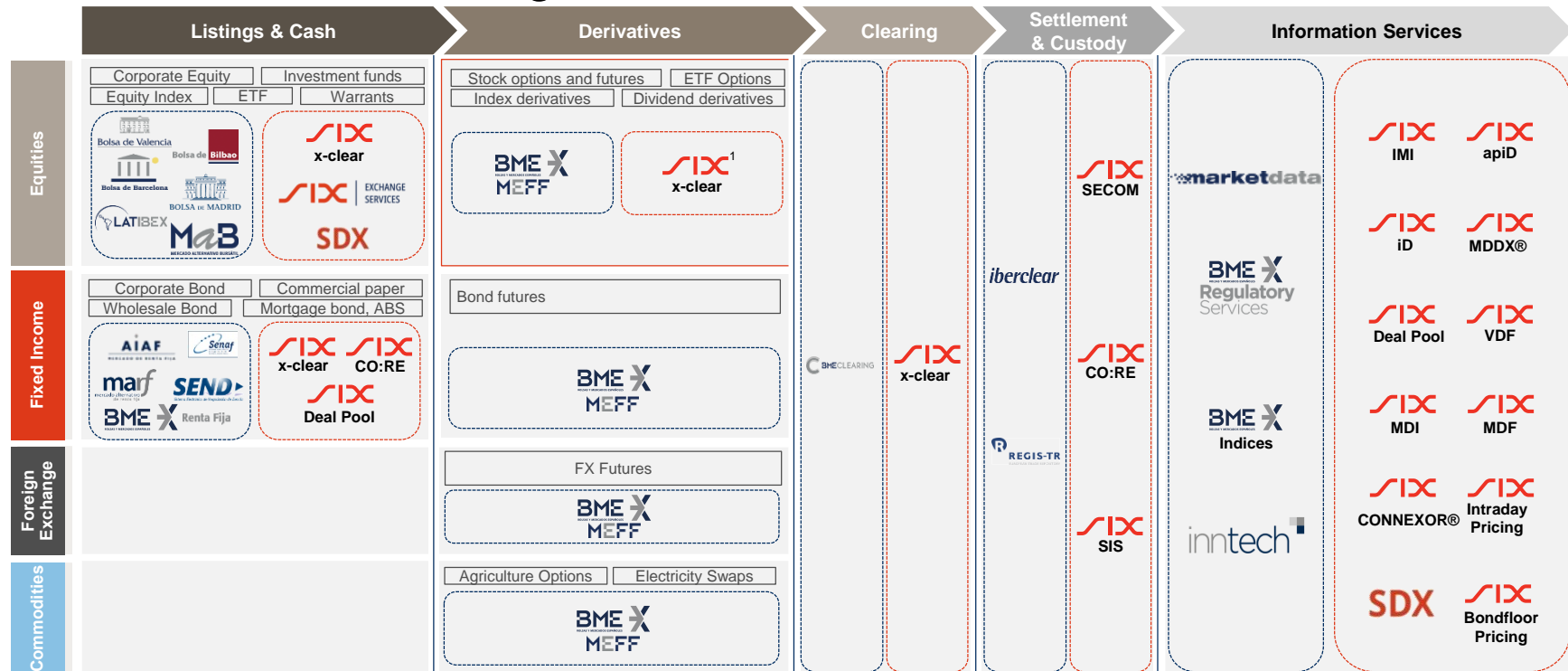
Switzerland and Spain as key pillars of a global player



✓ Derivatives capabilities ✓ DLT Technology ✓ Data Analytics ✓ VAS

✓ Switzerland access ✓ EU access ✓ LatAm access ✓ US access

3 Complementary vertically-integrated groups enhancing respective domestic market strengths



Cultural & business fit: vertically-integrated domestic exchange groups focused on domestic economies



Full service diversified product offering



BME and SIX ecosystems, market structures, entities and regulations maintained and preserved

Significant benefits for each partner's ecosystem

Focus on investment & innovation

- ✓ Technology investments
- ✓ More innovation for the domestic markets
- ✓ Blockchain and DLT solutions

Expansion of current offering

- ✓ More financial information solutions
- ✓ Enhanced Spanish banking infrastructure digitalization solutions

Unlocking benefits of extended global reach

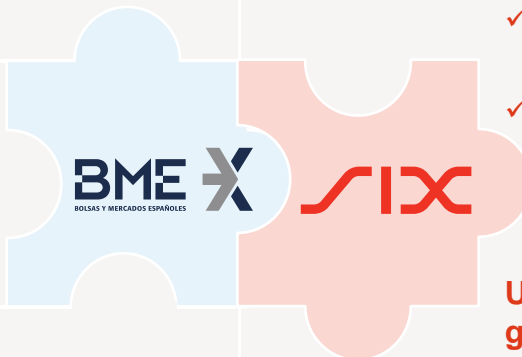
- ✓ Potential future go-to European hub for Swiss asset managers
- ✓ Increased appeal for LatAm and MEA partnerships across all services
- ✓ Access to SIX global network and reach

Expansion of current offering

- ✓ New fixed income products
- ✓ New derivatives products & capabilities
- ✓ New services (indices, value added services)
- ✓ Cross-collateral management

Unlocking benefits of extended global reach

- ✓ EU trading and clearing solutions
- ✓ EU and cross-border CSD services
- ✓ Access to talent pool
- ✓ Access to BME's emerging and growth markets network and reach



4 Preserved and strengthened local positioning in Spain

- 1** ➤ **Investment in and maintenance of local infrastructures**
- 2** ➤ **Opportunity to unlock full EU potential of local clearing capabilities**
- 3** ➤ **Combined group to leverage innovation hubs in Spain**
- 4** ➤ **Attracting new investors to Spanish market and infrastructures**
- 5** ➤ **Enhanced products and services offering for Spanish market participants**
- 6** ➤ **Enhanced Spanish banking infrastructure digitalization solutions**

5 Increased combined future strategic optionality and flexibility

1

Improved flexibility to deploy more capital on new projects and ventures

2

Improved capabilities to further commercialise domestic know-how and services internationally

3

New international partner of choice for further diversification

4

Combination creates a new global consolidation platform with enhanced ability to capture larger strategic opportunities

5

Larger, more diversified and international platform poised for accelerated future organic and inorganic growth

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