

Business Performance

Fourth quarter and
FY/2010

BME 
BOLSAS Y MERCADOS ESPAÑOLES

Disclaimer

THIS INFORMATION IS STRICTLY CONFIDENTIAL AND IS BEING FURNISHED TO YOU SOLELY FOR YOUR INFORMATION. IT MAY NOT BE REPRODUCED OR REDISTRIBUTED TO ANY OTHER PERSON, AND IT MAY NOT BE PUBLISHED, IN WHOLE OR IN PART, FOR ANY PURPOSE. BY RECEIVING THIS INFORMATION, YOU BECOME BOUND BY THE ABOVE-REFERRED CONFIDENTIALITY OBLIGATION. FAILURE TO COMPLY WITH SUCH CONFIDENTIALITY OBLIGATION MAY RESULT IN CIVIL, ADMINISTRATIVE OR CRIMINAL LIABILITIES.

NEITHER THIS INFORMATION NOR ANY COPY OF IT MAY BE TAKEN, TRANSMITTED INTO, DISCLOSED OR DISTRIBUTED IN THE UNITED STATES, CANADA, AUSTRALIA OR JAPAN. THE DISTRIBUTION OF THIS INFORMATION IN OTHER JURISDICTIONS MAY ALSO BE RESTRICTED BY LAW AND PERSONS INTO WHOSE POSSESSION THIS INFORMATION COMES SHOULD INFORM THEMSELVES ABOUT AND OBSERVE ANY SUCH RESTRICTIONS.

THIS INFORMATION DOES NOT CONSTITUTE OR FORM PART OF ANY OFFER FOR SALE OR SOLICITATION OF ANY OFFER TO BUY ANY SECURITIES NOR SHALL IT OR ANY PART OF IT FORM THE BASIS OF OR BE RELIED ON IN CONNECTION WITH ANY CONTRACT OR COMMITMENT TO PURCHASE SHARES.

THE INFORMATION CONTAINED IN THIS DOCUMENT HAS BEEN PROVIDED BY BME.

Index

A. Introduction and Highlights

B. Results

C. Business Overview

D. Financials

E. Business Drivers

Index

A. Introduction and Highlights

B. Results

C. Business Overview

D. Financials

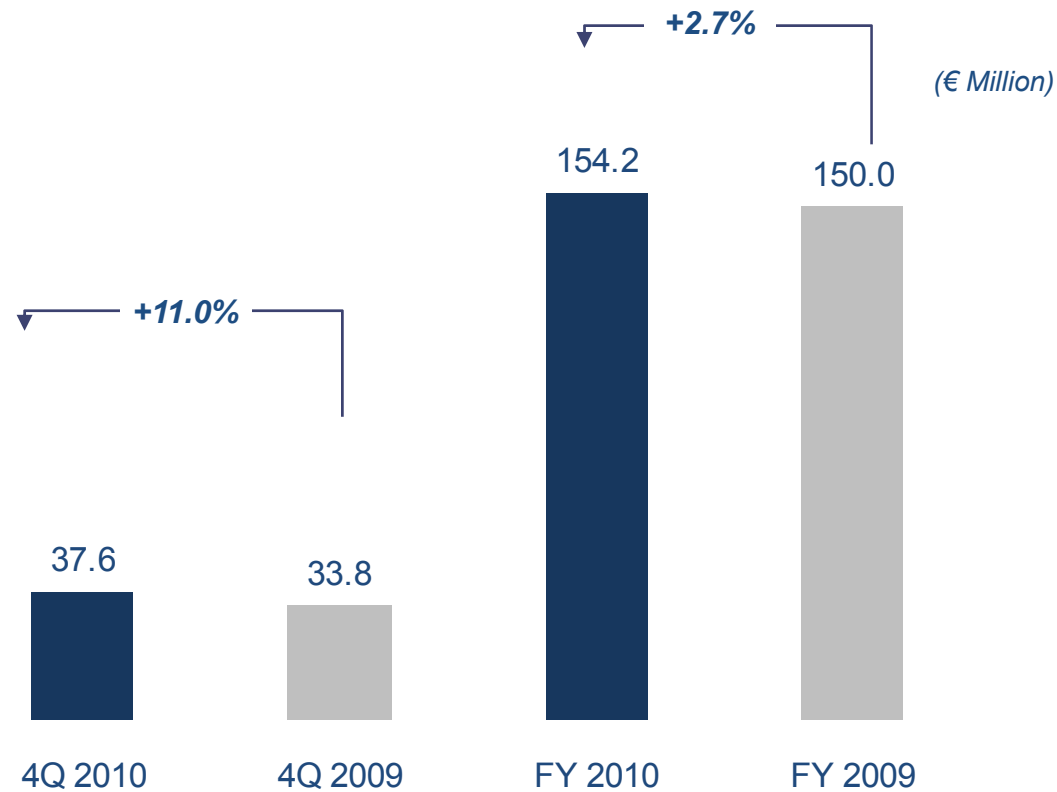
E. Business Drivers

Introduction and Highlights

- **Results**
- **Adjusted Results**
- **Dividends**
- **Solid operating leverage**
- **Value Creation**
- **Investment inflows– regulated markets**
- **Considerations about consolidation**

Results

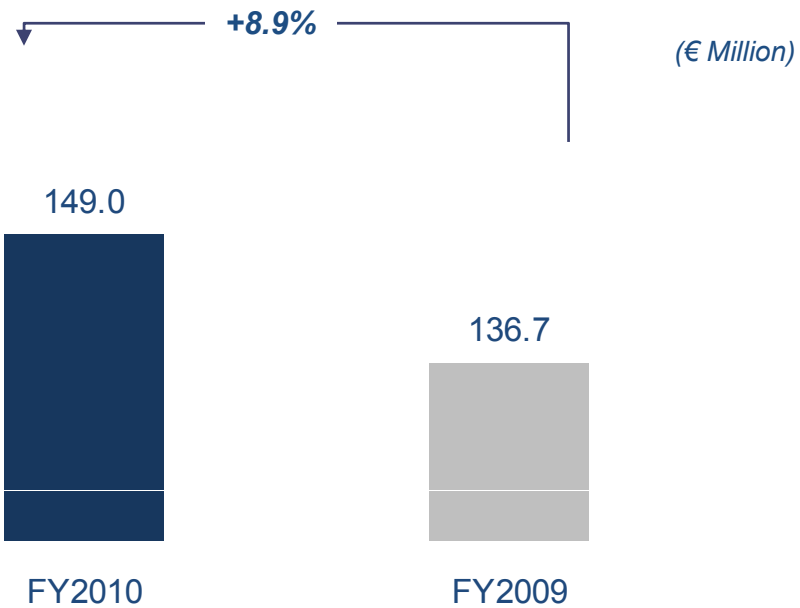
Quarterly Net Profits



2010 Net Profit grew 2.7%

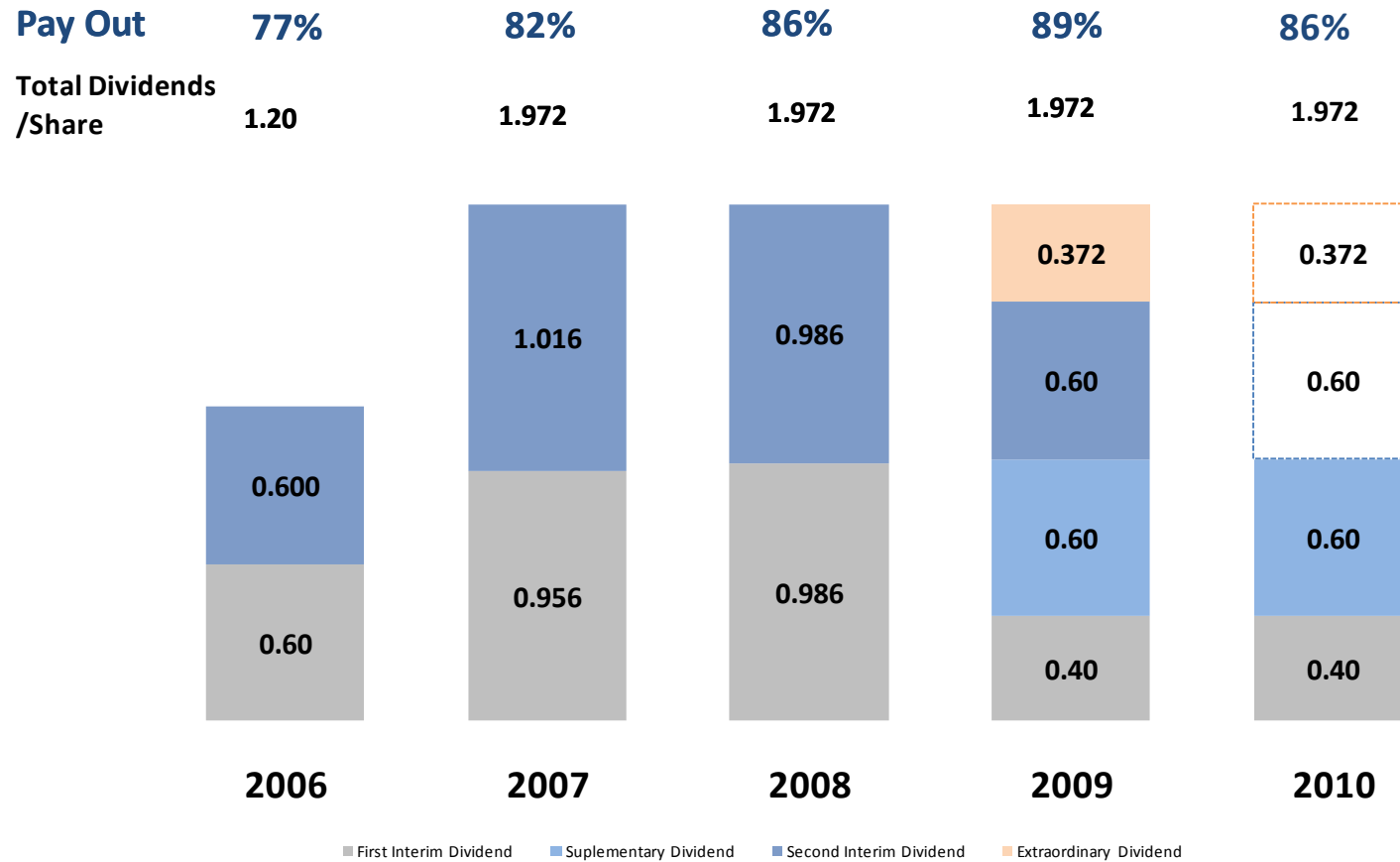
Adjusted Results

Net Profits



Stripping out extraordinary items net profit raised 8.9%

Dividends: Maximizing shareholders' returns



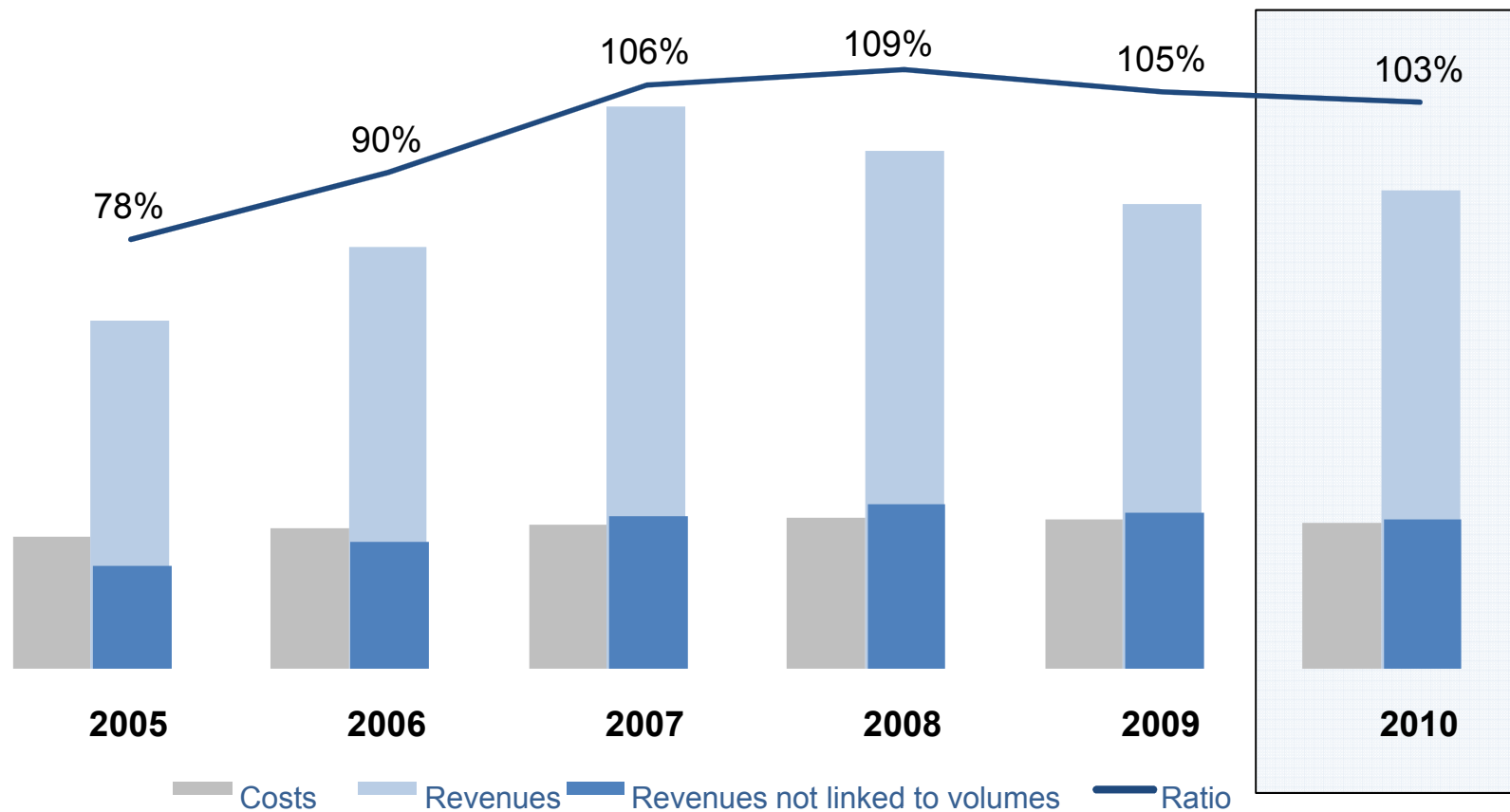
Dividend proposal: maintenance of dividend/share

Supplementary Dividend: 0.6 €/share => Ordinary Pay Out Ratio: 86%

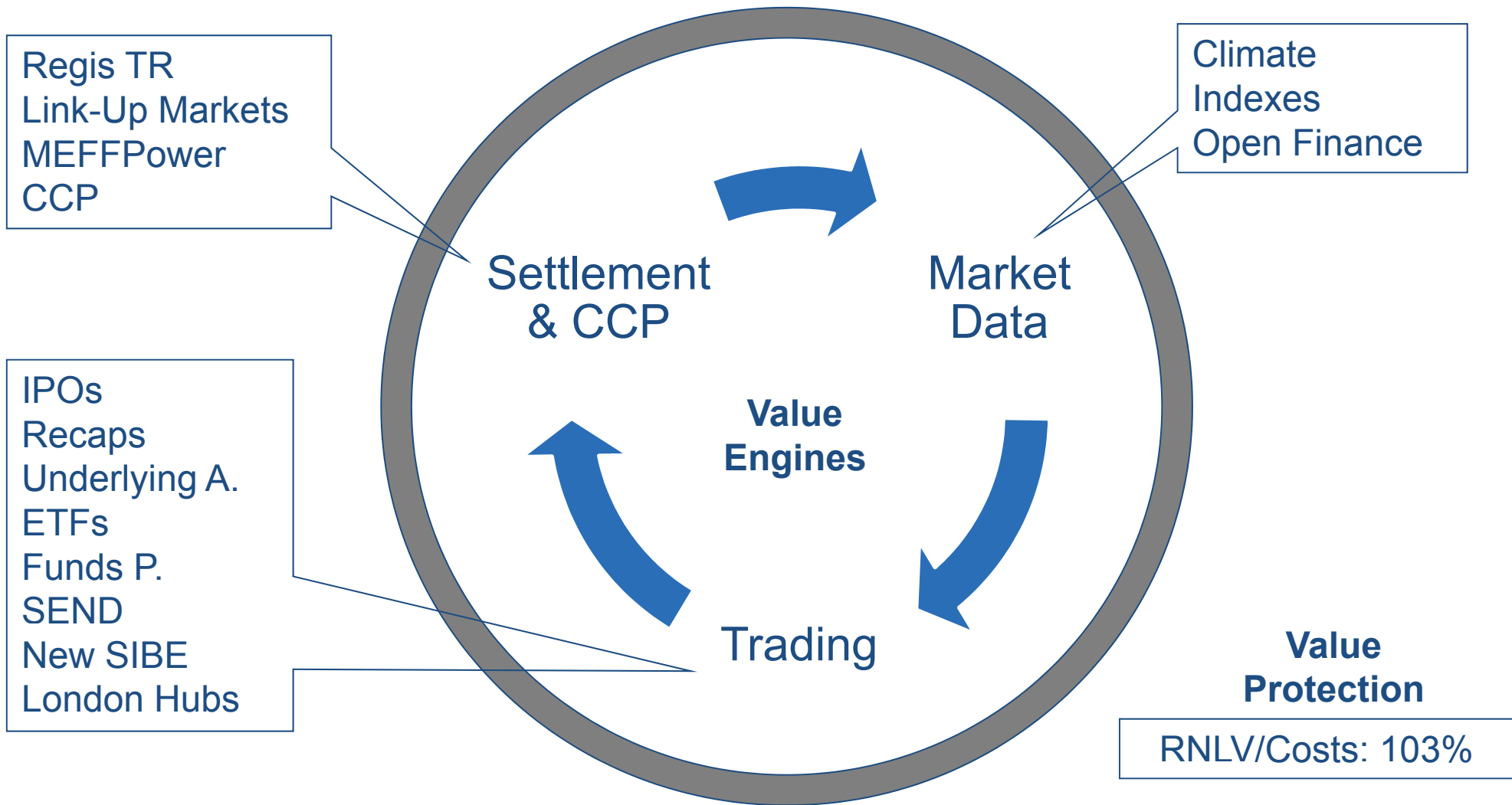
Extraordinary Dividend: 0.372 €/share

Business Evolution January – December 2010

Solid operating leverage



Value Creation



Investment inflows – regulated markets

- Issuances in equity have been strengthened as a result of the process of restructuring the financial sector, which focuses mainly on the savings banks and plans for the privatization of the public sector
- Investment flows channeled through the stock exchange of listed companies rose 78.4% in FY2010
- Once again, the capital raising role of regulated markets is highlighted. Liquidity fragmentation has endangered this key role while it has taken place

Index

A. Introduction and Highlights

B. Results

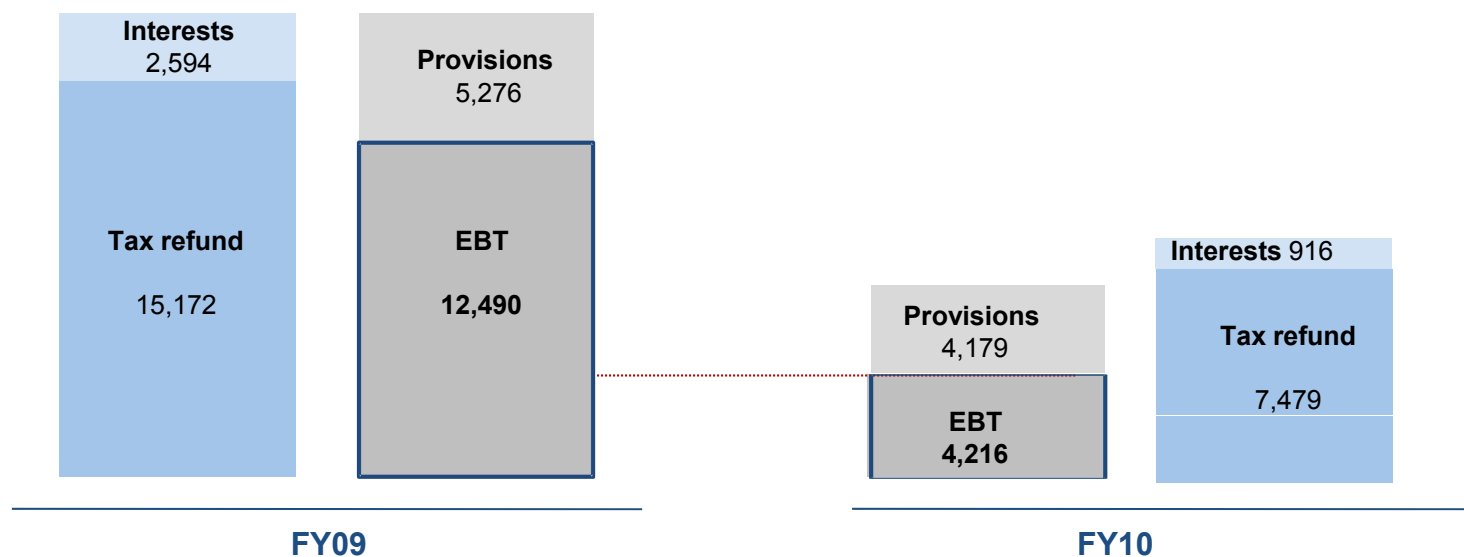
C. Business Overview

D. Financials

E. Business Drivers

Extraordinary Items 2010 vs 2009

[Thousands of euros]



Extraordinary items contributed 12.5 million euros to EBT in FY09, compared to 4.2 million euros in FY10

Profit and Loss Account 4Q10

| <i>Thousands of €</i> | 4Q 2010 | 4Q 2009 | % | FY 2010 | FY 2009 | % |
|--------------------------|----------------|----------------|--------------|----------------|----------------|-------------|
| Revenues | 81,507 | 77,293 | 5.5% | 326,249 | 316,658 | 3.0% |
| Expenses | (25,544) | (27,230) | -6.2% | (103,199) | (106,866) | -3.4% |
| EBITDA | 55,963 | 50,063 | 11.8% | 223,050 | 209,792 | 6.3% |
| EBIT | 53,924 | 48,032 | 12.3% | 214,997 | 202,352 | 6.2% |
| Financial results | 1,432 | 113 | 1167.3% | 3,039 | 4,957 | -38.7% |
| EBT | 54,745 | 48,057 | 13.9% | 217,071 | 206,906 | 4.9% |
| Net Profit | 37,558 | 33,828 | 11.0% | 154,152 | 150,036 | 2.7% |

Adjusted P/L Account: Cost Control

| <i>Thousands of €</i> | Extraordinary Items | | Adjusted Revenues/Costs | | % |
|--------------------------|----------------------------|---------------|--------------------------------|----------------|-------------|
| | FY2010 | FY2009 | FY2010 | FY2009 | |
| Revenues | 7,479 | 15,172 | 318,770 | 301,486 | 5.7% |
| Expenses | (4,179) | (5,276) | (99,020) | (101,590) | -2.5% |
| EBITDA | 3,300 | 9,896 | 219,750 | 199,896 | 9.9% |
| EBIT | 3,300 | 9,896 | 211,697 | 192,456 | 10.0% |
| Financial results | 916 | 2,594 | 2,123 | 2,363 | -10.2% |
| EBT | 4,216 | 12,490 | 212,855 | 194,416 | 9.5% |
| Net Profit | 5,195 | 13,295 | 148,957 | 136,741 | 8.9% |

- Excluding the impact of revenues from corporate tax refunds, revenues rose 5.7% in FY2010
- Excluding the extraordinary expenses arising from the termination of contracts, ordinary operating expenses decreased 2.5%
- Excluding the impact of these items, net profit climbed 8.9%

Index

A. Introduction and Highlights

B. Results

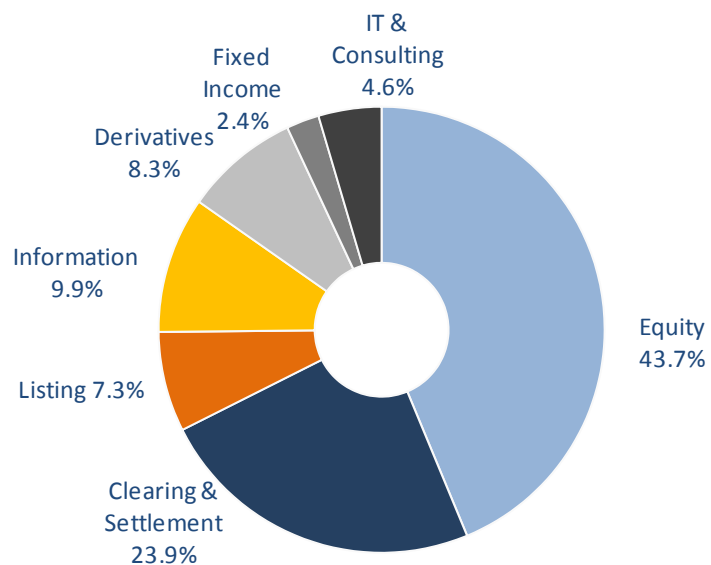
C. Business Overview

D. Financials

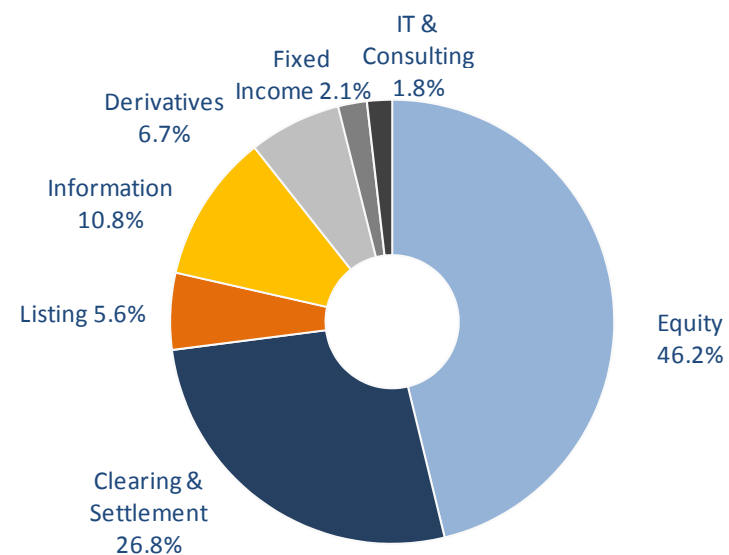
E. Business Drivers

Business Areas

Consolidated Revenues
FY 2010 - %



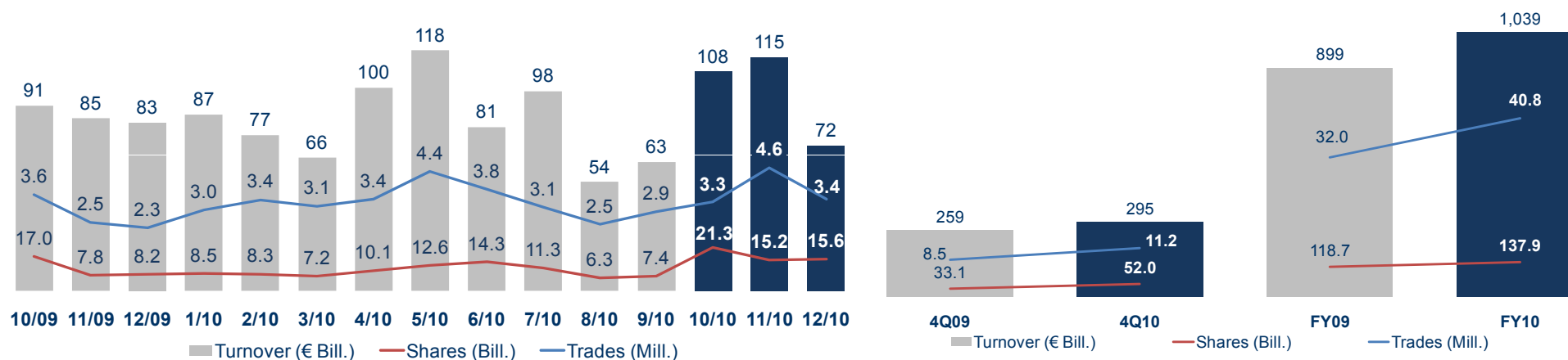
EBITDA
FY 2010 - %



Equity Market

| Thousands of € | 4Q 2010 | 4Q 2009 | % | FY 2010 | FY 2009 | % |
|-----------------|---------------|---------------|--------------|----------------|---------------|--------------|
| Revenues | 33,996 | 31,664 | 7.4% | 138,026 | 124,097 | 11.2% |
| Expenses | (8,179) | (8,720) | -6.2% | (32,195) | (34,211) | -5.9% |
| EBITDA | 25,817 | 22,944 | 12.5% | 105,831 | 89,886 | 17.7% |

Equity (Turnover, volume and shares traded)



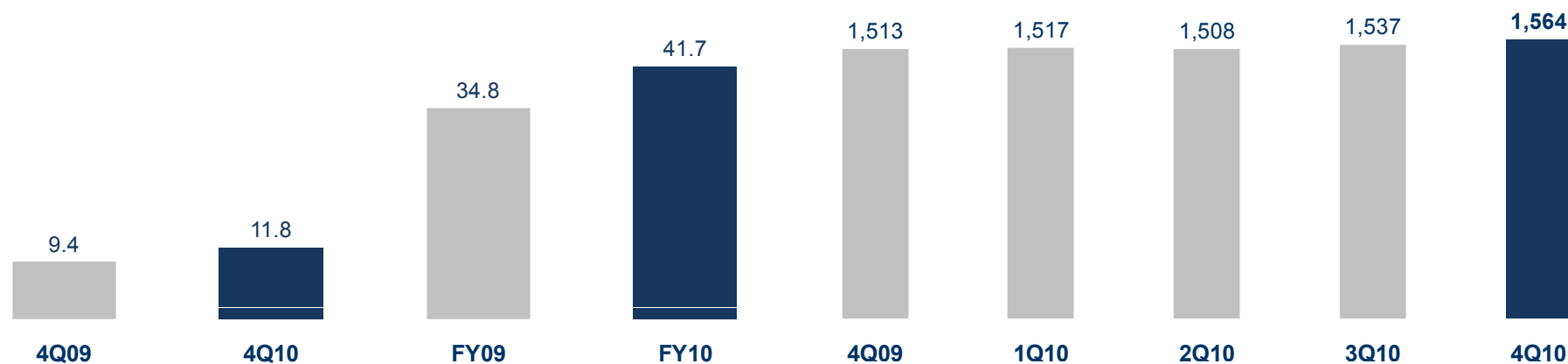
Growth in number of trades. Turnover sustained

Clearing and Settlement

| <i>Thousands of €</i> | 4Q 2010 | 4Q 2009 | % | FY 2010 | FY 2009 | % |
|-----------------------|----------------|----------------|-------------|----------------|----------------|--------------|
| Revenues | 19,849 | 18,231 | 8.9% | 75,275 | 67,948 | 10.8% |
| Expenses | (3,935) | (3,441) | 14.4% | (13,932) | (14,342) | -2.9% |
| EBITDA | 15,914 | 14,790 | 7.6% | 61,343 | 53,606 | 14.4% |

*Settlement: Number of trades settled
(Million of trades)*

*Securities under custody: Nominal value
(Billion €)*

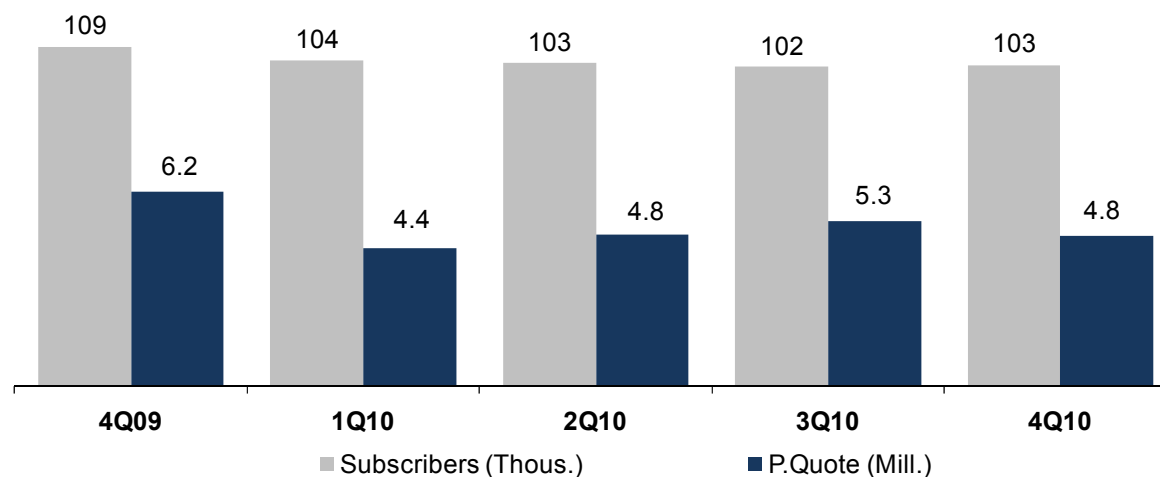


Settlement revenues increased 23.4%. Registration revenues held

Market Data & Information

| Thousands of € | 4Q 2010 | 4Q 2009 | % | FY 2010 | FY 2009 | % |
|-----------------|--------------|--------------|--------------|---------------|---------------|--------------|
| Revenues | 7,909 | 8,132 | -2.7% | 31,197 | 33,073 | -5.7% |
| Expenses | (1,794) | (1,704) | 5.3% | (6,455) | (6,820) | -5.4% |
| EBITDA | 6,115 | 6,428 | -4.9% | 24,742 | 26,253 | -5.8% |

Information: Subscribers to primary market sources (Average for the period in thousands of subscribers and millions of accesses per quote)

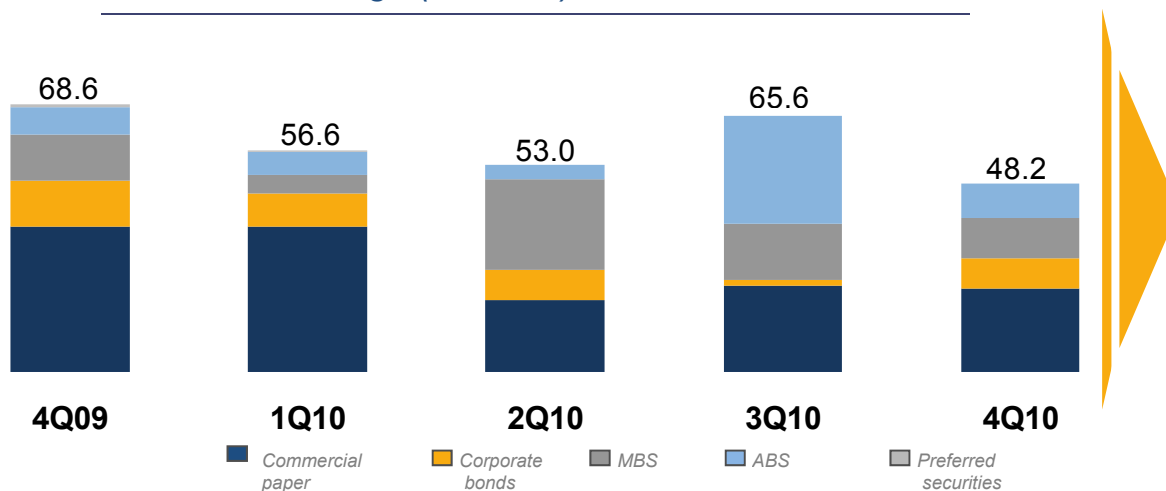


Growth in new customers connections

Listing

| Thousands of € | 4Q 2010 | 4Q 2009 | % | FY 2010 | FY 2009 | % |
|----------------|--------------|--------------|-------------|---------------|---------------|---------------|
| Revenues | 6,355 | 6,199 | 2.5% | 22,890 | 26,020 | -12.0% |
| Expenses | (2,661) | (2,579) | 3.2% | (10,091) | (10,403) | -3.0% |
| EBITDA | 3,694 | 3,620 | 2.0% | 12,799 | 15,617 | -18.0% |

AIAF: New listings (Billion €)



- Continue trend of new listings (Nostrum, Altia, Euron Telecom, CommCenter, EGP, 21 new ETFs)
- Investment flows channelled through the Exchange from listed companies reached € 27,944 million in FY10, +78.4% (€17,339 million 4Q10, +400.7%)
- Pipeline strengthened as a result of the process of restructuring the financial sector and privatisation plans for the public sector

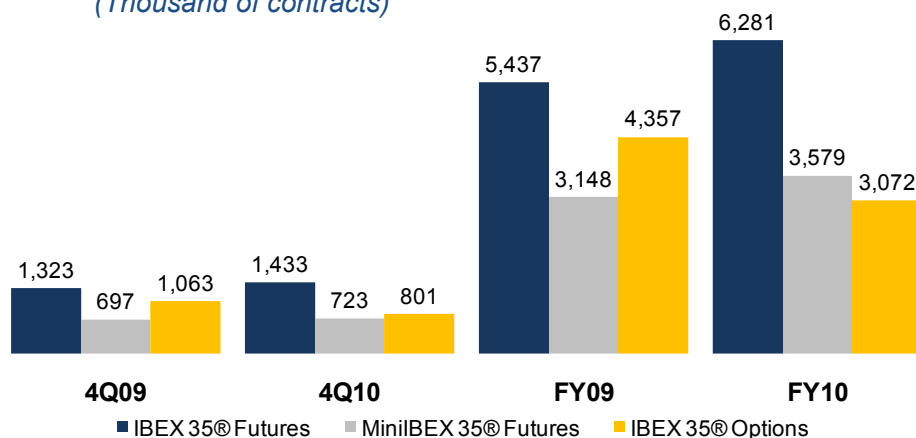
Rise on new listings and capital increases

Derivatives

| Thousands of € | 4Q 2010 | 4Q 2009 | % | FY 2010 | FY 2009 | % |
|-----------------|--------------|--------------|--------------|---------------|---------------|--------------|
| Revenues | 6,670 | 6,252 | 6.7% | 26,266 | 25,861 | 1.6% |
| Expenses | (2,781) | (3,182) | -12.6% | (10,849) | (12,191) | -11.0% |
| EBITDA | 3,889 | 3,070 | 26.7% | 15,417 | 13,670 | 12.8% |

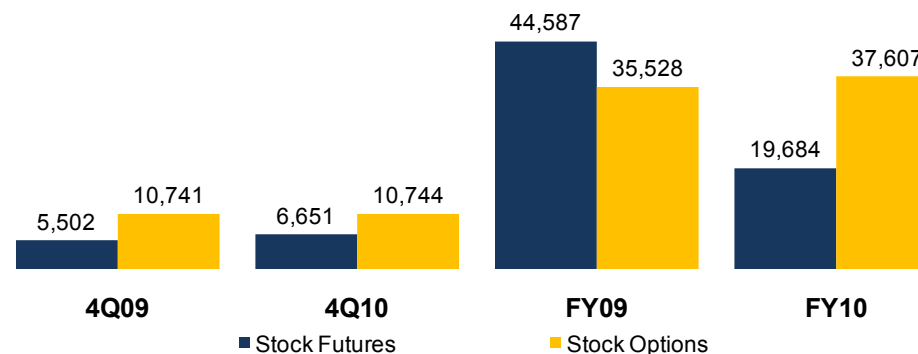
Index derivatives contracts traded

(Thousand of contracts)



Stock derivatives contracts traded

(Thousand of contracts)

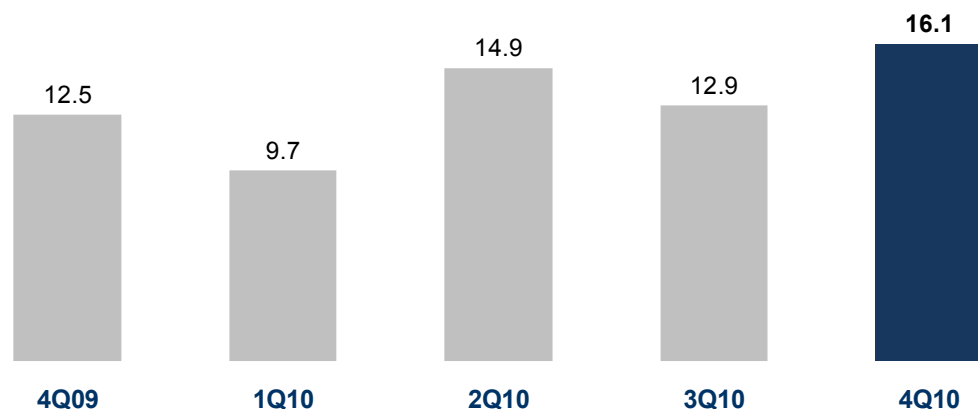


Futures on the IBEX 35® growth by 15.5%

IT & Consulting

| Thousands of € | 4Q 2010 | 4Q 2009 | % | FY 2010 | FY 2009 | % |
|-----------------|--------------|--------------|---------------|--------------|--------------|---------------|
| Revenues | 4,280 | 4,856 | -11.9% | 14,440 | 16,931 | -14.7% |
| Expenses | (2,520) | (2,644) | -4.7% | (10,269) | (10,295) | -0.3% |
| EBITDA | 1,760 | 2,212 | -20.4% | 4,171 | 6,636 | -37.1% |

National and international orders channelled to SIBE through Visual Trader (Million)



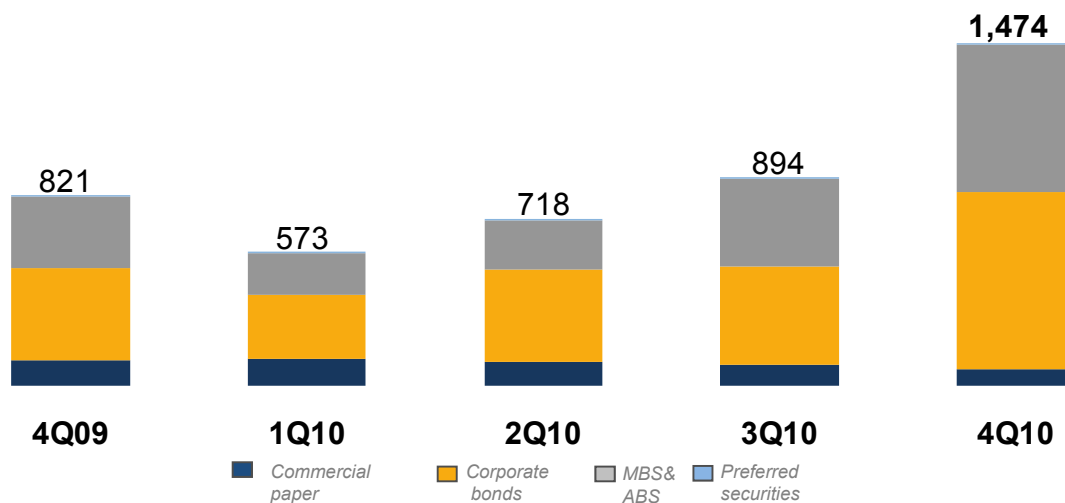
- In the VT network, the number of orders channelled in 4Q10 increased 28.9% but with lower margin services
- Growth in BackOffice services (BME Highway, SIR, SICAM)
- Two new HUBs in London

Slow down on revenues drop

Fixed income

| Thousands of € | 4Q 2010 | 4Q 2009 | % | FY 2010 | FY 2009 | % |
|-----------------|--------------|--------------|-------------|--------------|--------------|--------------|
| Revenues | 1,783 | 1,798 | -0.8% | 7,487 | 6,651 | 12.6% |
| Expenses | (698) | (722) | -3.3% | (2,691) | (2,902) | -7.3% |
| EBITDA | 1,085 | 1,076 | 0.8% | 4,796 | 3,749 | 27.9% |

AIAF – Turnover (Billion €)



Strong rise on turnover on corporate bonds

Breakdown by business areas

| <i>€ Thousand</i> | REVENUES | | | EBITDA | | |
|---------------------------|----------|---------|--------|---------|---------|--------|
| | FY 2010 | FY 2009 | % | FY 2010 | FY 2009 | % |
| Equity Market | 138,026 | 124,097 | 11.2% | 105,831 | 89,886 | 17.7% |
| Clearing & Settlement | 75,275 | 67,948 | 10.8% | 61,343 | 53,606 | 14.4% |
| Listing | 22,890 | 26,020 | -12.0% | 12,799 | 15,617 | -18.0% |
| Market Data & Information | 31,197 | 33,073 | -5.7% | 24,742 | 26,253 | -5.8% |
| Derivatives | 26,266 | 25,861 | 1.6% | 15,417 | 13,670 | 12.8% |
| IT & Consulting | 14,440 | 16,931 | -14.7% | 4,171 | 6,636 | -37.1% |
| Fixed income | 7,487 | 6,651 | 12.6% | 4,796 | 3,749 | 27.9% |

Index

A. Introduction and Highlights

B. Results

C. Business Overview

D. Financials

E. Business Drivers

Balance sheet

*as of December, 31th
(Thousands of €)*

| | 2010 | 2009 |
|---|-------------------|-------------------|
| Goodwill | 80,619 | 80,619 |
| Other non-current assets | 89,372 | 86,916 |
| Cash and cash equivalents | 319,783 | 323,692 |
| Non-Group current financial assets | 30,833,401 | 11,068,937 |
| Other current assets | 65,368 | 61,615 |
| Total assets | 31,388,543 | 11,621,779 |
| Equity | 448,429 | 453,161 |
| Non-current liabilities | 14,198 | 11,646 |
| Current liabilities | 30,925,916 | 11,156,972 |
| Total equity and liabilities | 31,388,543 | 11,621,779 |

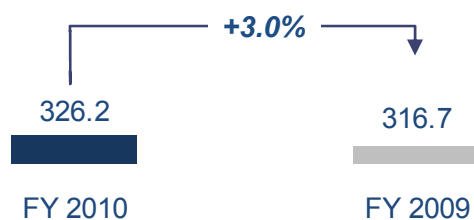
P/L

| <i>Thousands of €</i> | 4Q 2010 | 4Q 2009 | % | FY 2010 | FY 2009 | % |
|--------------------------|----------------|----------------|--------------|----------------|----------------|-------------|
| Revenues | 81,507 | 77,293 | 5.5% | 326,249 | 316,658 | 3.0% |
| Expenses | (25,544) | (27,230) | -6.2% | (103,199) | (106,866) | -3.4% |
| EBITDA | 55,963 | 50,063 | 11.8% | 223,050 | 209,792 | 6.3% |
| EBIT | 53,924 | 48,032 | 12.3% | 214,997 | 202,352 | 6.2% |
| Financial results | 1,432 | 113 | 1167.3% | 3,039 | 4,957 | -38.7% |
| EBT | 54,745 | 48,057 | 13.9% | 217,071 | 206,906 | 4.9% |
| Net Profit | 37,558 | 33,828 | 11.0% | 154,152 | 150,036 | 2.7% |

Comparison with FY09

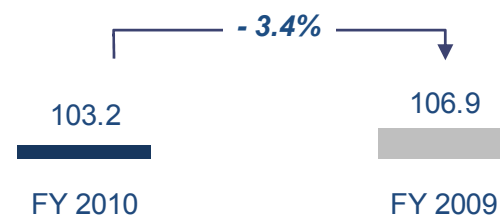
Revenues FY 2010/2009

[€ Mill.]



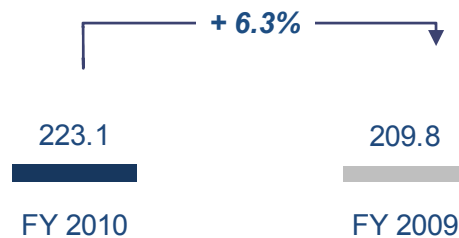
Costs FY 2010/2009

[€ Mill.]

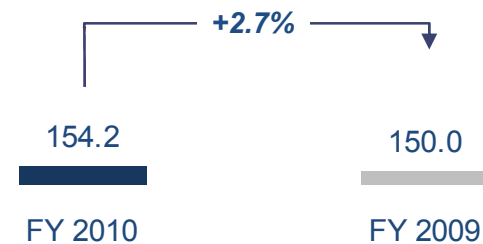


Margins

EBITDA FY2010/2009 [€ Mill.]



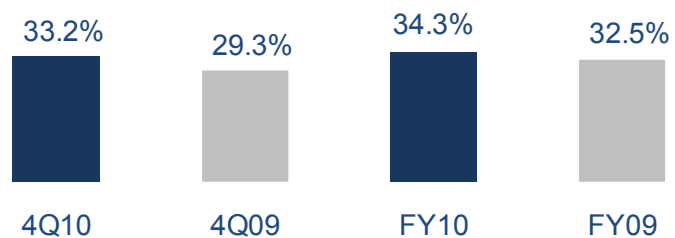
Net Profit FY2010/2009 [€ Mill.]



Efficiency & Profitability

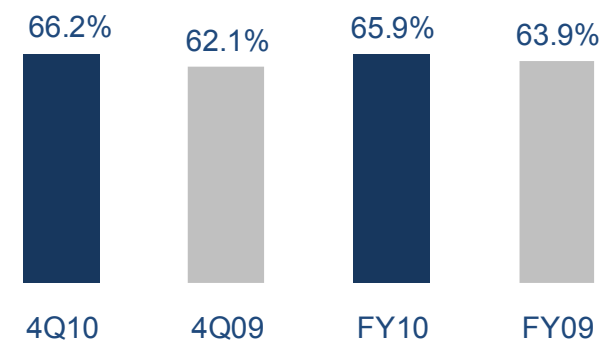
ROE Evolution

% ROE



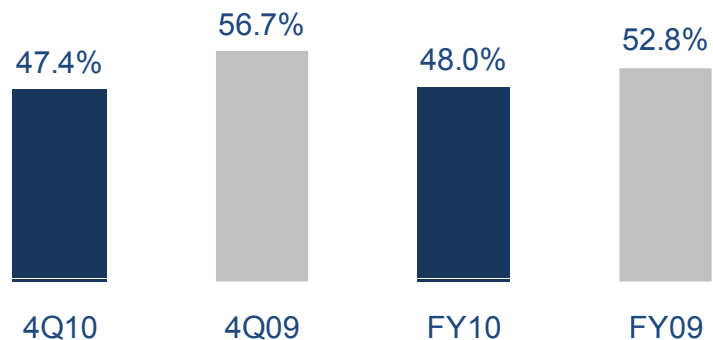
EBIT/Revenues Ratio Evolution

% EBIT/Revenues



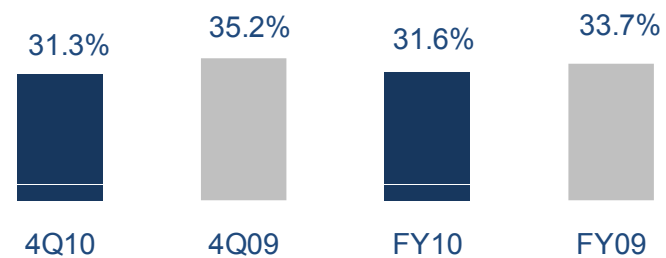
Cost/EBIT Ratio Evolution

% Cost/EBIT



Efficiency Ratio Evolution

% Efficiency



Business Evolution January – December 2010

Index

A. Introduction and Highlights

B. Results













C. Business Overview

D. Financials

E. Business Drivers

Business drivers: Highly liquid market

- Spanish blue-chips are the most liquid stocks in the EMU





| RK | Company | FY10 | Daily avg. FY10 | Relative weight at EuroStoxx50 (%) ¹⁾ |
|----|---|----------------------|----------------------|--|
| | | Turnover (Billion €) | Turnover (Billion €) | |
| 1 |  Grupo Santander | 268.3 | 1.05 | 4.181% |
| 2 |  Telefonica | 253.9 | 0.99 | 4.275% |
| 3 |  UniCredit | 206.6 | 0.81 | 1.665% |
| 4 |  BBVA | 169.2 | 0.66 | 2.153% |
| 5 |  Deutsche Bank | 123.5 | 0.48 | 2.308% |
| 6 |  Eni | 112.5 | 0.44 | 2.521% |
| 7 |  SIEMENS | 106.7 | 0.42 | 5.064% |
| 8 |  TOTAL | 105.1 | 0.41 | 5.641% |
| 9 |  ArcelorMittal | 98.8 | 0.38 | 1.669% |
| 10 |  BNP PARIBAS | 92.9 | 0.36 | 3.059% |
| 12 |  IBERDROLA | 62.1 | 0.24 | 1.464% |
| 16 |  REPSOL YPF | 53.0 | 0.21 | 1.045% |

Source: Bloomberg

1) As of 31/12/2010

Highly liquid market

- Quality of spreads and best market impact for Spanish stocks

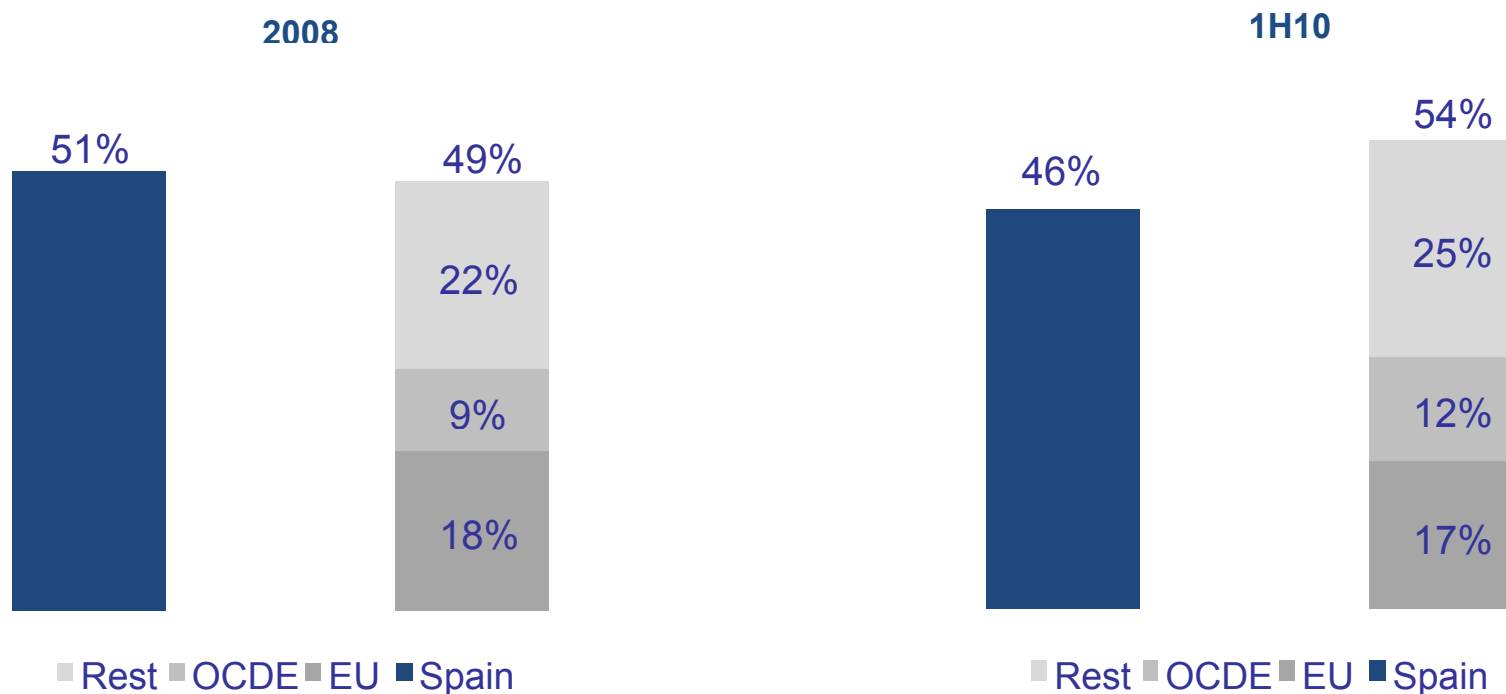
| RK | Company | 2008 | | FY10 | |
|----|---|----------------|----------------|----------------|----------------|
| | | Avg.Spread (€) | Avg.Spread (%) | Avg.Spread (€) | Avg.Spread (%) |
| 1 |  | 0.01 | 0.11% | 0.004 | 0.05% |
| 2 |  | 0.01 | 0.07% | 0.008 | 0.05% |
| 3 |  | 0.01 | 0.10% | 0.005 | 0.06% |
| 4 |  | 0.01 | 0.14% | 0.003 | 0.05% |
| 5 |  | 0.02 | 0.10% | 0.014 | 0.07% |
| 6 |  | 0.04 | 0.14% | 0.059 | 0.10% |
| 7 |  | 0.01 | 0.18% | 0.013 | 0.11% |
| 8 |  | 0.01 | 0.17% | 0.006 | 0.14% |
| 9 |  | 0.02 | 0.16% | 0.009 | 0.17% |
| 10 |  | 0.02 | 0.15% | 0.019 | 0.14% |
| |  | | 0.164% | | 0.095% |

Source: Market annual and monthly reports

1) As of 31/12/2010

Diversified market

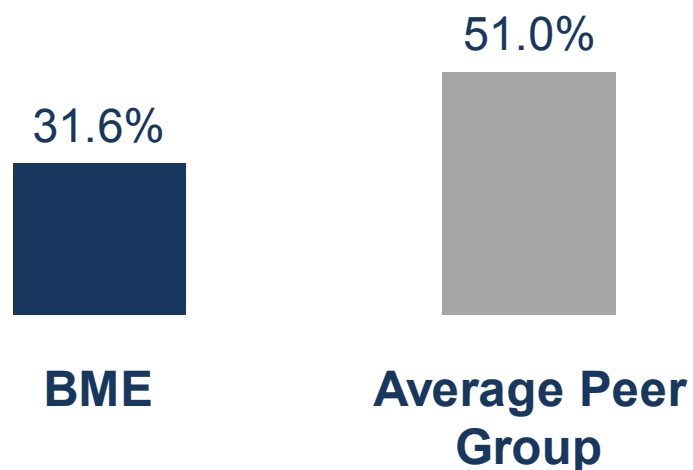
- Distribution by markets of business volume of the IBEX 35[®] companies (2008 - 2010)



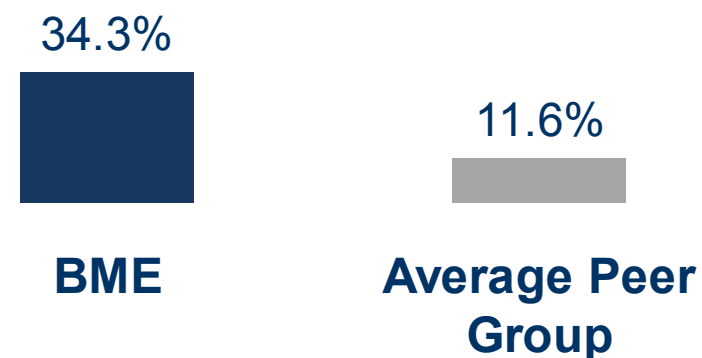
Source: Interim Reports from listed companies obtained from CNMV

Key ratios benchmarking

- Efficiency



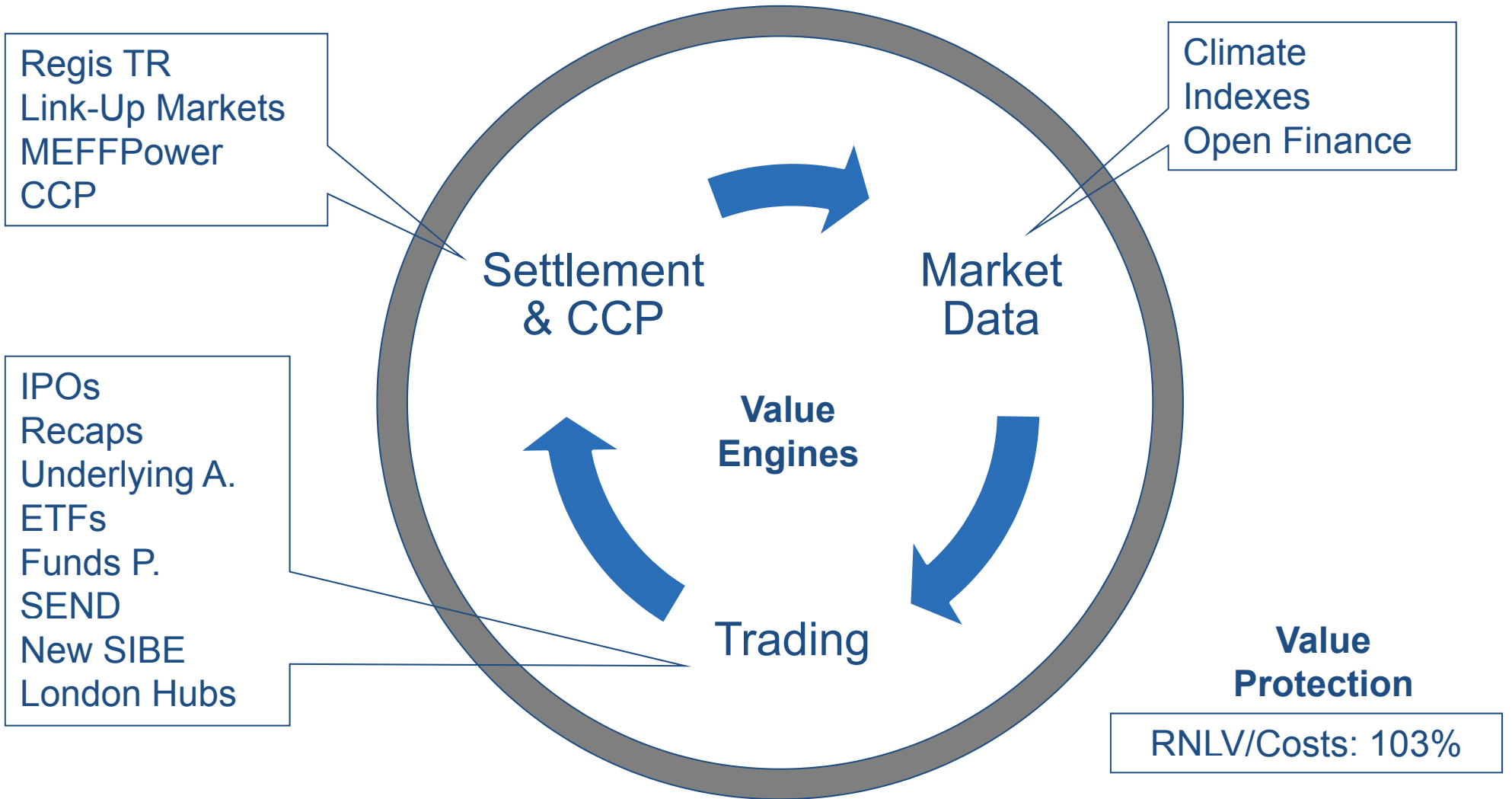
- ROE



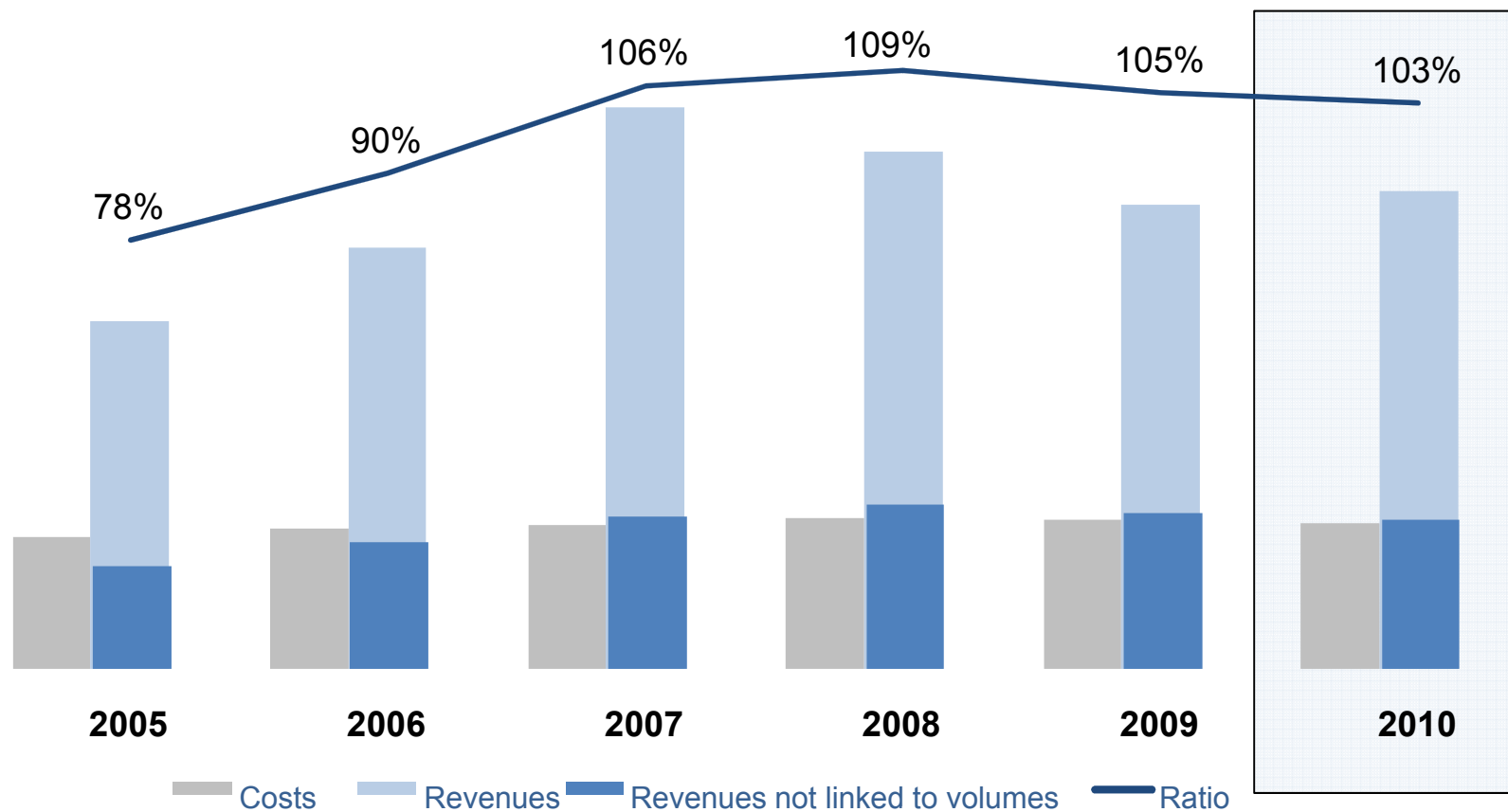
- BME's data as of 31/12/2010

- Average peer Group figures are calculated using last results published and not taking account of goodwill impairment charges

Value Creation



Solid operating leverage



Q&A