
BUSINESS PERFORMANCE

First quarter 2020

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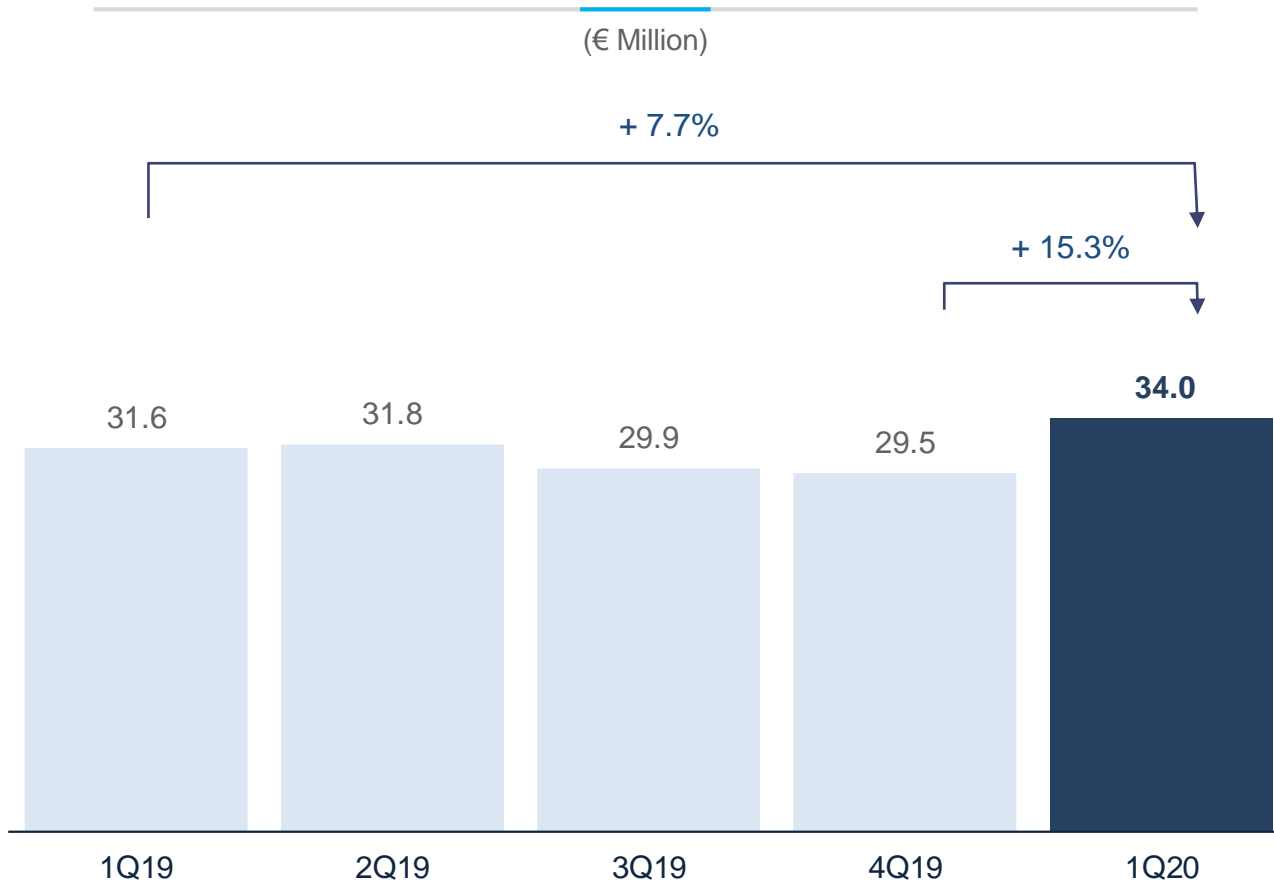
Results

Business units

Financials

RESULTS

Net profit

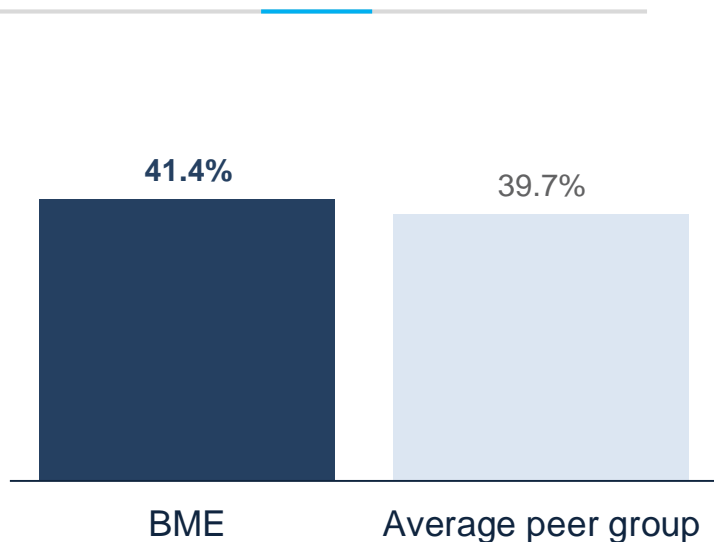




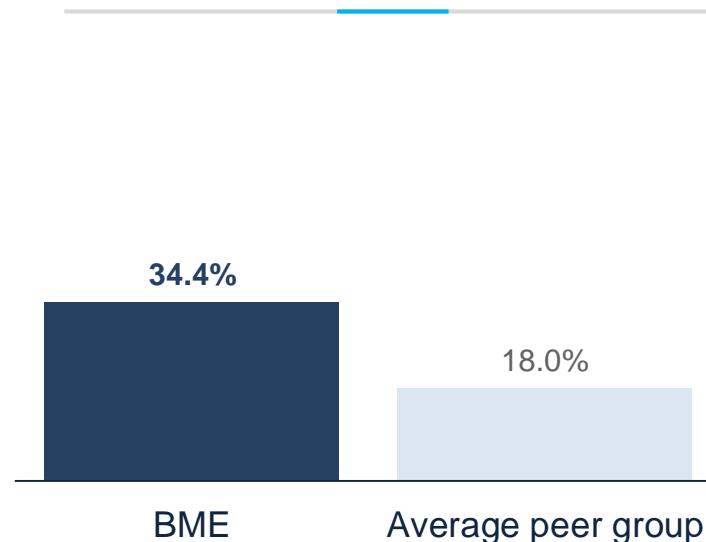
RESULTS

Key ratios vs. benchmark

Efficiency



ROE



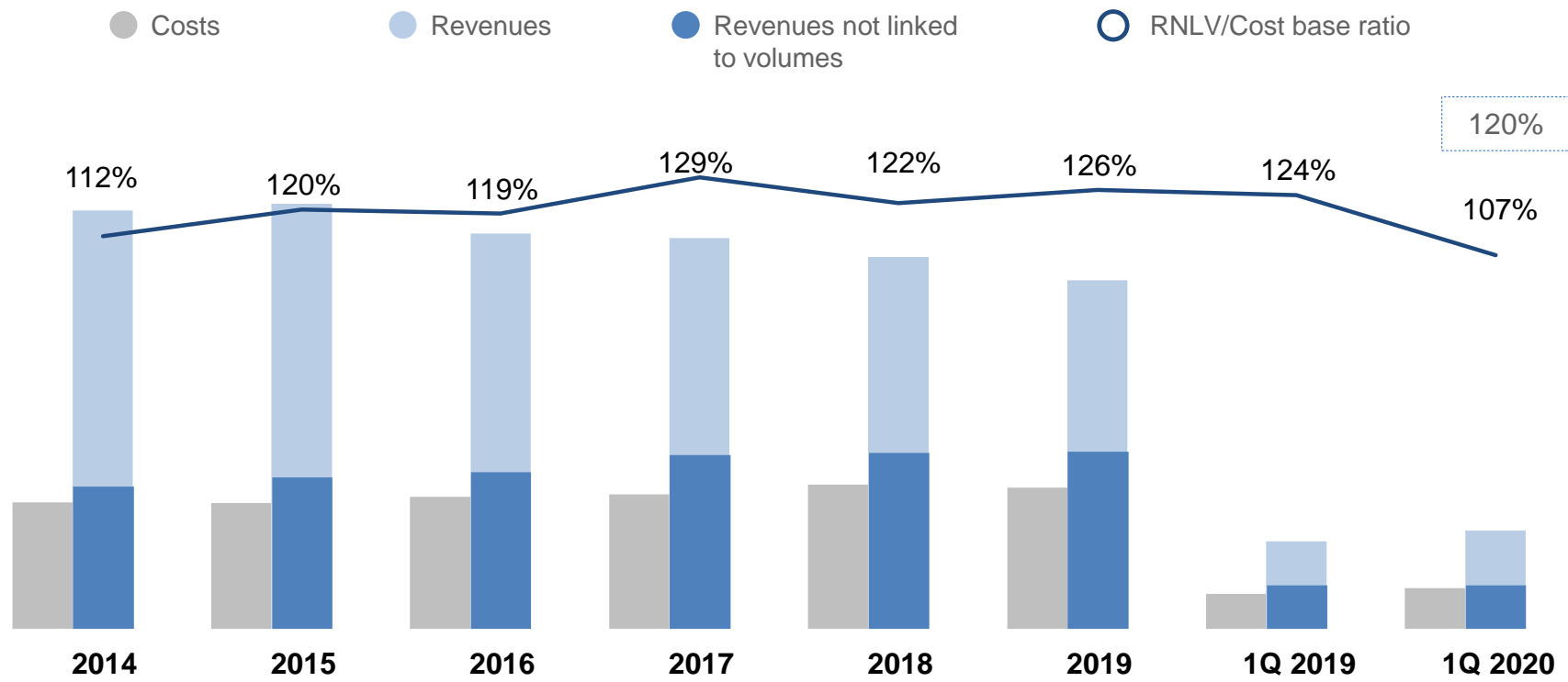
BME's data as of 31/03/2020

Average peer Group has been calculated using latest results published and do not take into account goodwill impairment charges



RESULTS

Solid operating leverage

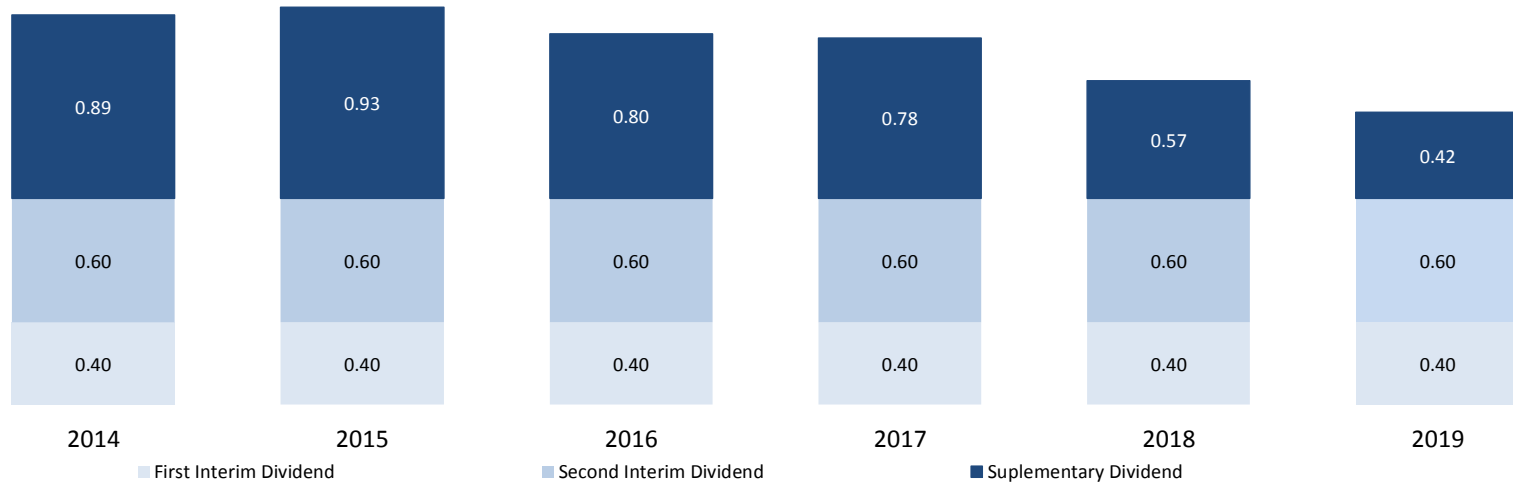


□ Excluding non-recurring items

RESULTS

Dividends: Maximizing shareholders' returns

Payout ratio	96%	93%	93%	96%	96%	96%
DPS (€/share)	1.89	1.93	1.80	1.78	1.57	1.42



Payout ratio

Supplementary dividend proposal: 0.42€/share (8 May 2020)

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Results

Business units

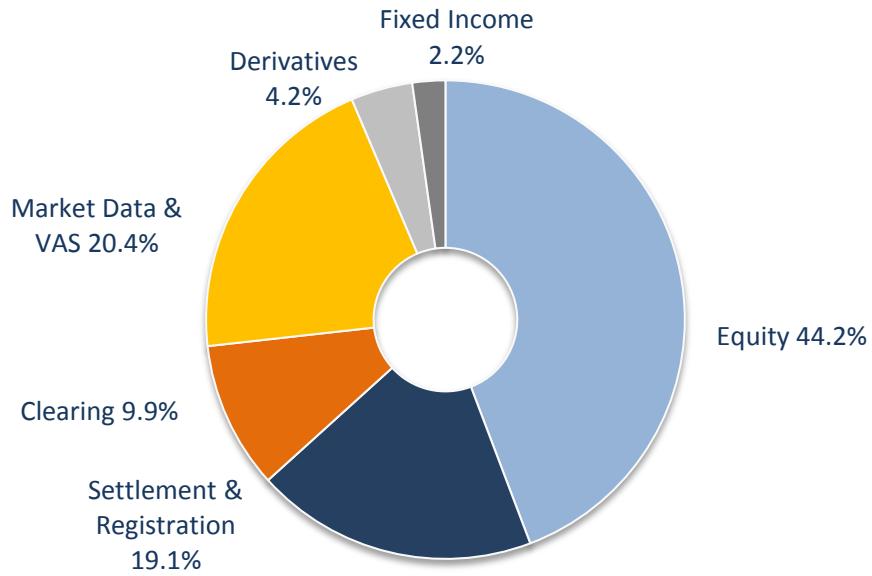
Financials

BUSINESS UNITS EVOLUTION

Business units

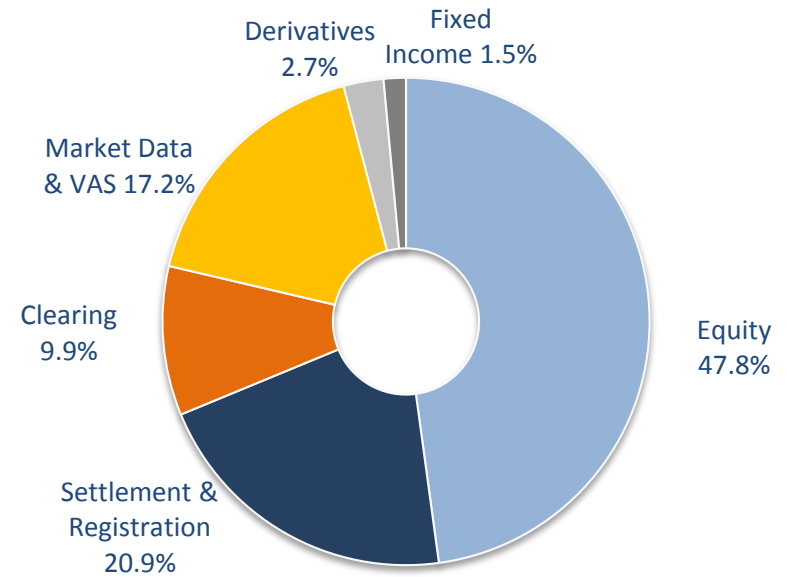
Consolidated net revenues

Q1 2020 - %



EBITDA

Q1 2020 - %



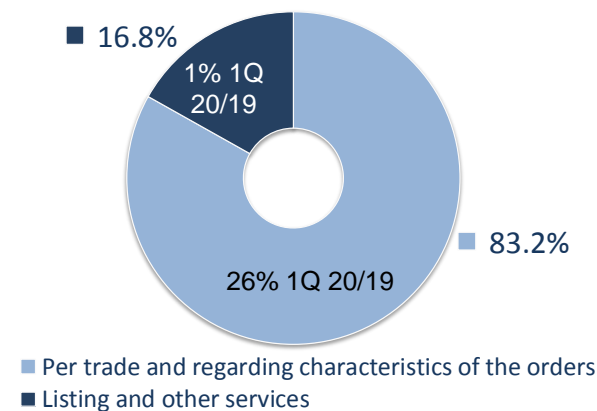


BUSINESS UNITS EVOLUTION

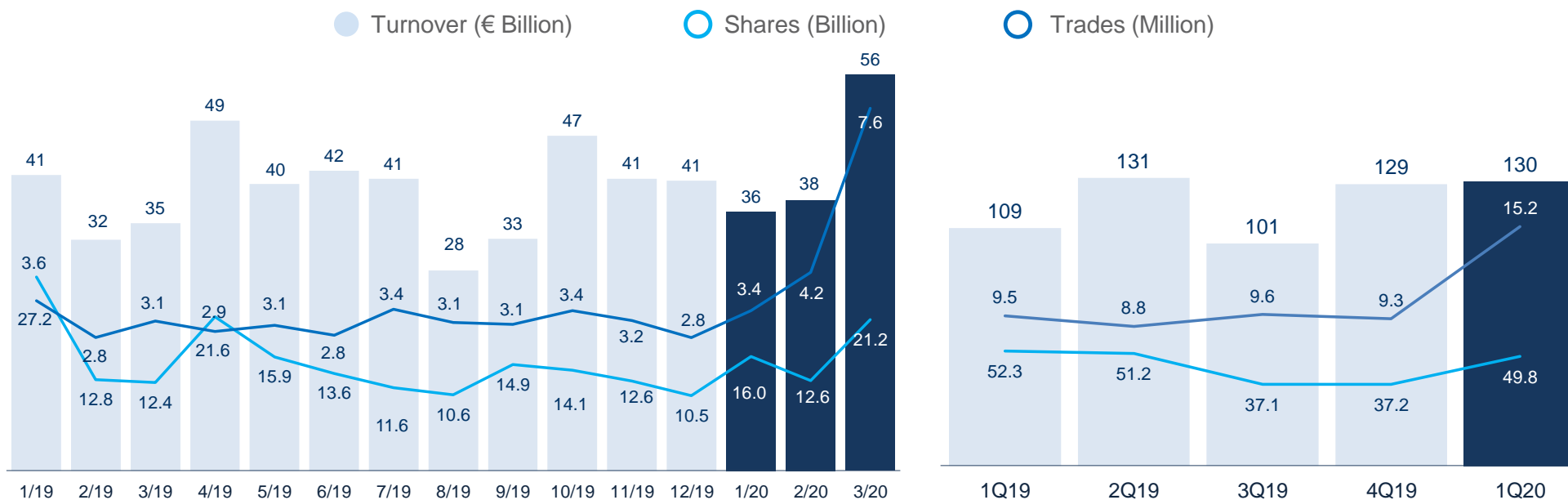
Equity Market

Thousand €	1Q 2020	1Q 2019	%
Net Revenue	35,099	29,085	20.7%
Operating Costs	(9,138)	(9,392)	-2.7%
EBITDA	25,961	19,693	31.8%

Net revenues



Equity (Turnover, number of trades and number of shares traded)

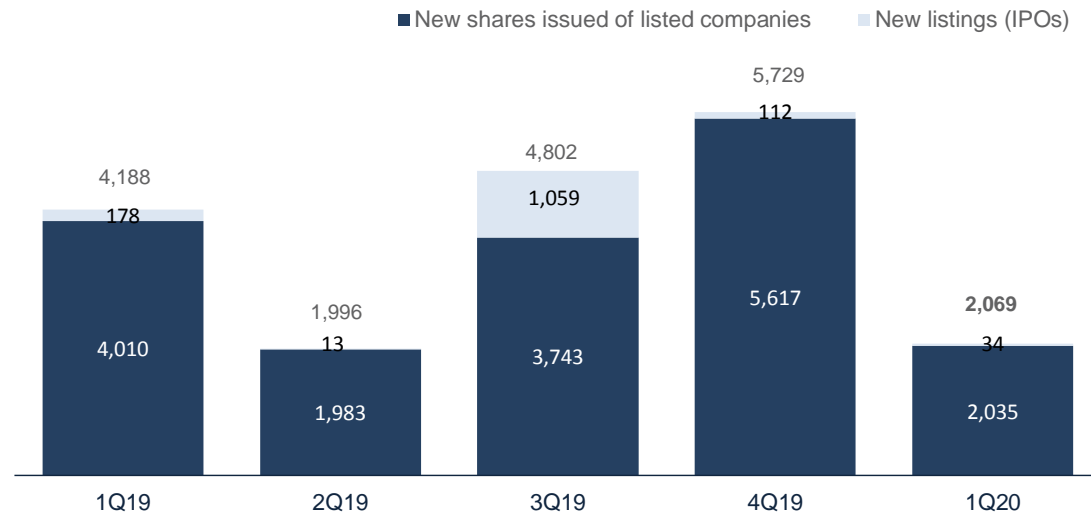


The sum of monthly data may not match quarterly data due to rounding differences.

BUSINESS UNITS EVOLUTION

Equity Market

Listing activity



- During the first quarter of 2020, the market turmoil and high volatility have impacted the market with decreases of financing flows channelled through the Exchange both in terms of operations of already listed companies and new admissions.
- In the MAB, a new entity joined the Growth segment and another one joined the REITs segment. This incorporation brings the total of number of REITs to 76, 13% more than in 2019

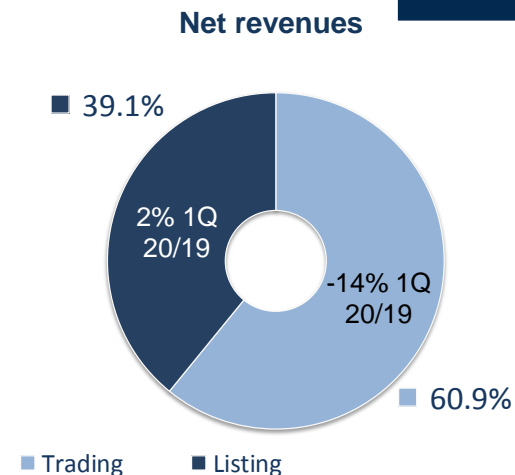
Source: FESE (Federation of European Stock Exchanges)



BUSINESS UNITS EVOLUTION

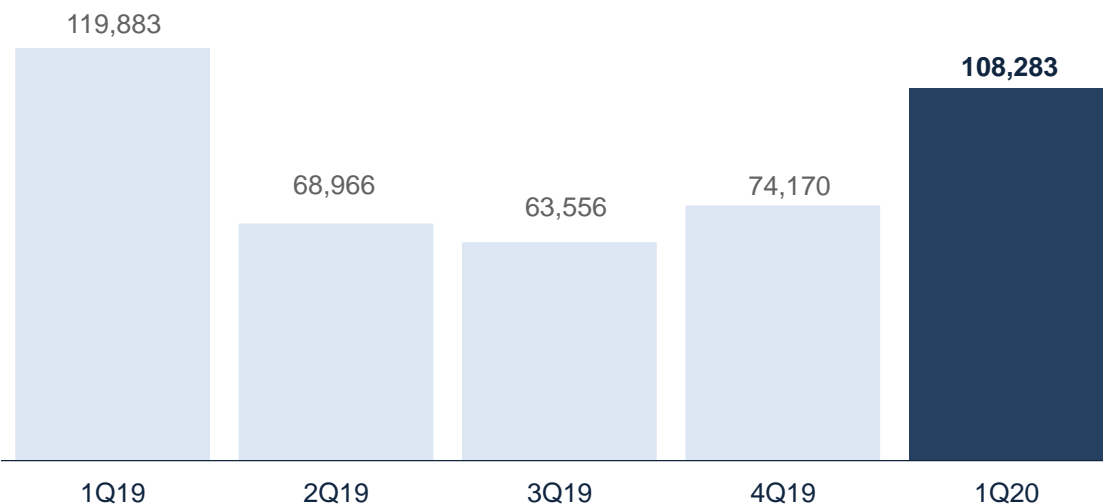
Fixed Income

Thousand €	1Q 2020	1Q 2019	%
Net Revenue	1,764	1,916	-7.9%
Operating Costs	(963)	(1,044)	-7.8%
EBITDA	801	872	-8.1%



AIAF. Volume admitted

(€ Million)



- Total admissions to trading reached €108.3 billion between January and March, 9.7% less than the same period of the previous year, with increases in Spanish Government Debt (+20.9%) and reductions in admissions to Private Fixed Income (-48.9%).
- The Alternative Fixed Income Market (MARF) maintained a positive rate of issuance with a total volume of 2.5 billion in the quarter, 21.5% more than in the same period last year. The total outstanding balance at the end of March stood at €5 billion, up 32%.

BUSINESS UNITS EVOLUTION

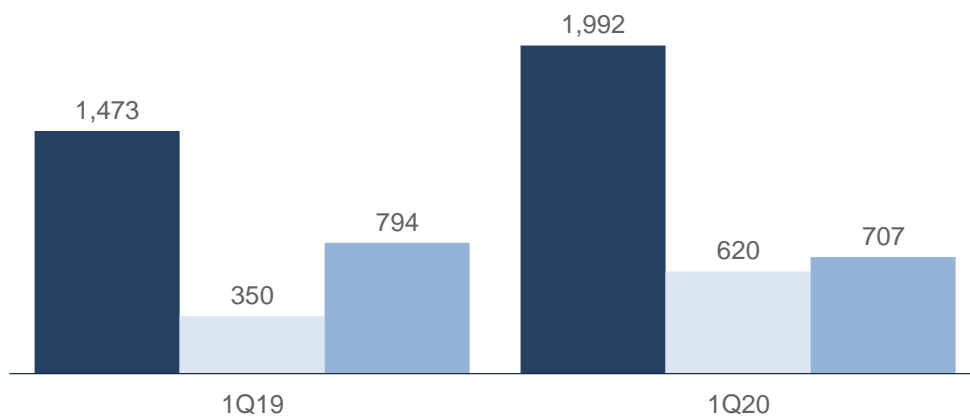
Derivatives

<i>Thousand €</i>	1Q 2020	1Q 2019	%
Net Revenue	3,311	2,771	19.5%
Operating Costs	(1,872)	(1,878)	-0.3%
EBITDA	1,439	893	61.1%

Index derivatives contracts traded

(Thousand contracts)

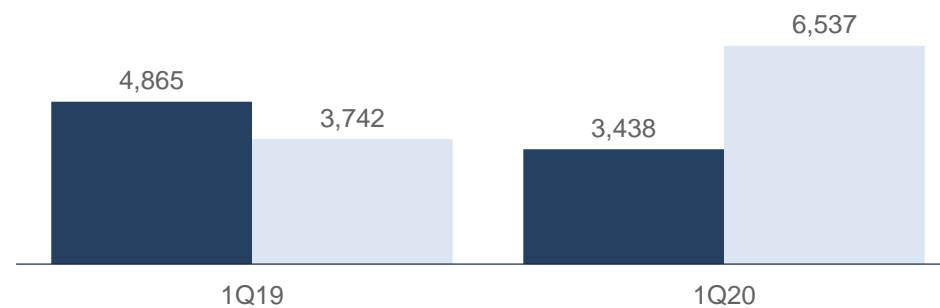
● Futures IBEX 35® ● Futures Mini and Micro IBEX® ● Options IBEX 35®



Stock derivatives contracts traded

(Thousand contracts)

● Stock Futures ● Stock Options



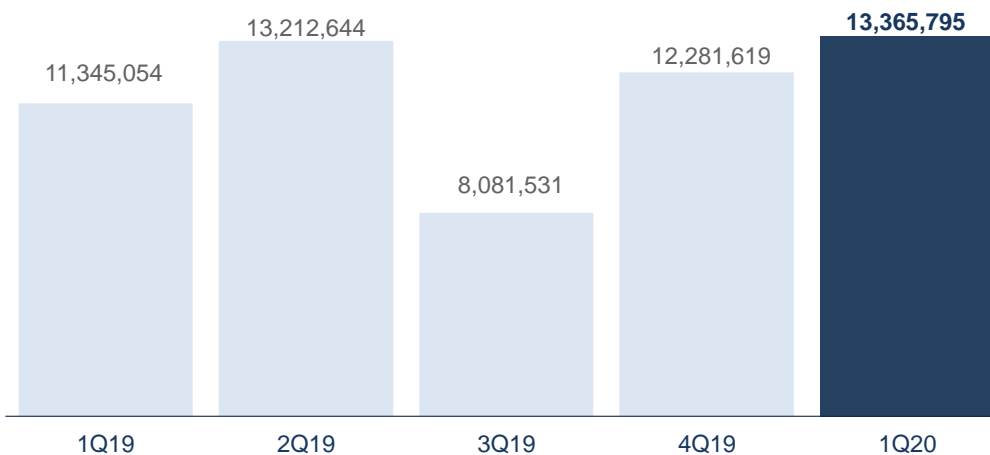
BUSINESS UNITS EVOLUTION

Clearing

<i>Thousand €</i>	1Q 2020	1Q 2019	%
Net Revenue	7,888	6,015	31.1%
Operating Costs	(2,517)	(2,700)	-6.8%
EBITDA	5,371	3,315	62.0%

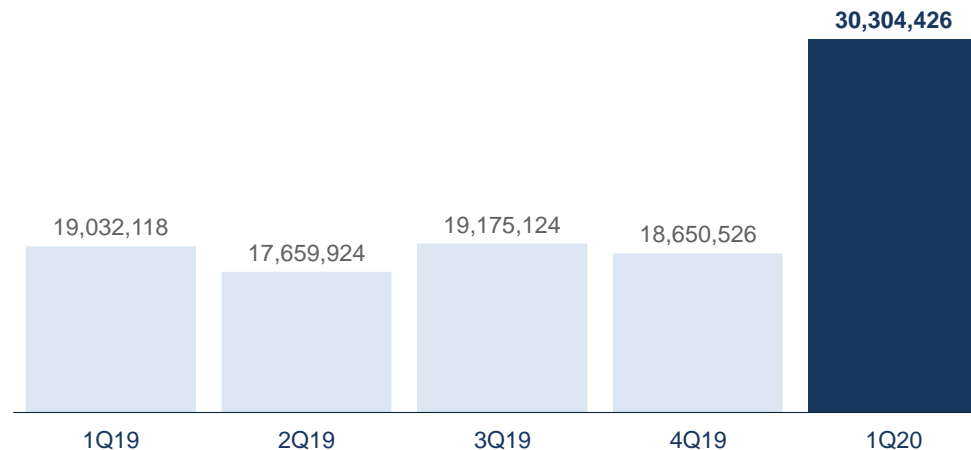
Financial Derivatives

(Number of contracts)



Number of equity transactions cleared

(Number of transactions)

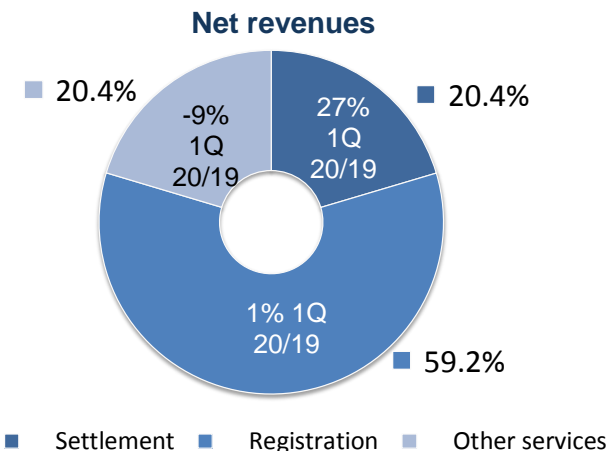




BUSINESS UNITS EVOLUTION

Settlement & Registration

Thousand €	1Q 2020	1Q 2019	%
Net Revenue	15,118	14,715	2.7%
Operating Costs	(3,765)	(3,775)	-0.3%
EBITDA	11,353	10,940	3.8%



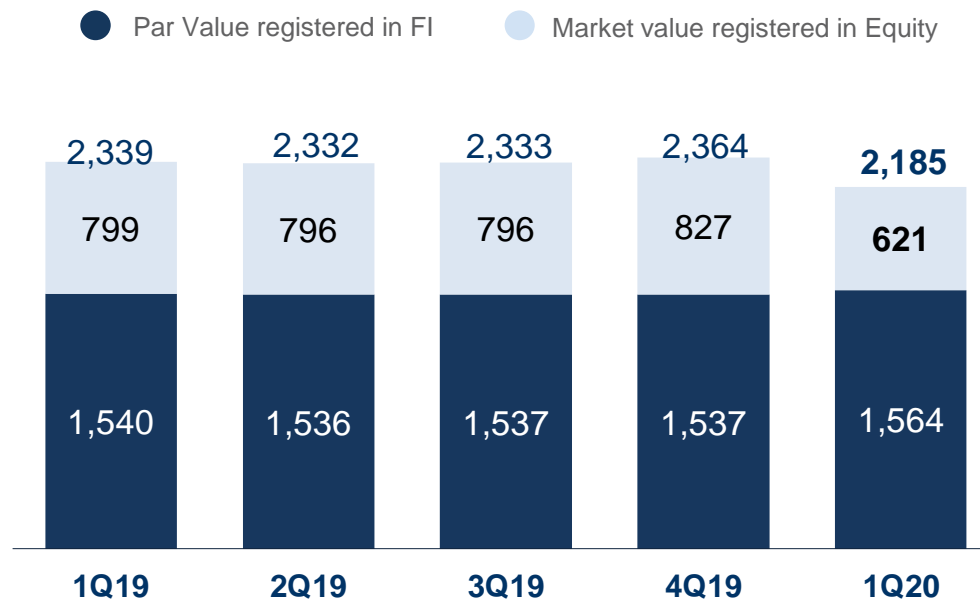
Settlement: Number of trades settled

(Million of trades)



Securities under custody: Volume registered

(€ Billion)



BUSINESS UNITS EVOLUTION

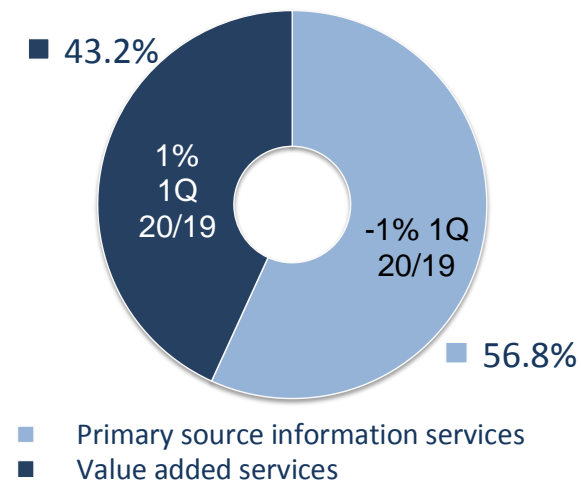
Market Data & VAS

<i>Thousand €</i>	1Q 2020	1Q 2019	%
Net Revenue	16,165	16,195	-0.2%
Primary source information services	9,183	9,276	-1.0%
Value added services	6,982	6,919	0.9%
Operating Costs	(6,826)	(7,179)	-4.9%
EBITDA	9,339	9,016	3.6%

Market Data

- 5.6% increase in the number of end users
- 2.8% increase in the number of clients

Net revenues



BUSINESS UNITS EVOLUTION

Market Data & VAS

Value Added Services

- Strategic refocus aligned with client needs
- Committed to innovation: DLT/ Analytics/ AI
- Efficiency plan based on digital transformation

Information Services

- *Online broker growth as partners in digital transformation process*

Market Access & Trading Infrastructure

- *Second stage of Colombia MasterTrader project*

RegTech Solutions

- *New TCA & BE platform*
- *KYC service*
- *Hub of services linked to regulatory compliance*

Wealthtech Solutions

- *Three new projects in the Spanish banking sector*
- *Projects under development in Mexico & Chile*

Infrastructure Services

- *Good performance in Highway service*

Innovation & Labs

- *AI: investment algorithms*
- *DLT pledge*
- *DLT Lab & SofIA Lab*

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Results

Business units

Financials

FINANCIALS

Net revenues

<i>Thousands of €</i>	1Q 2020	1Q 2019	%
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Fixed income	1,764	1,916	-7.9%
Derivatives	3,311	2,771	19.5%
Clearing	7,888	6,015	31.1%
Settlement & Registration	15,118	14,715	2.7%
Market Data & VAS	16,165	16,195	-0.2%

FINANCIALS

EBITDA

<i>Thousands of €</i>	1Q 2020	1Q 2019	%
Equity	25,961	19,693	31.8%
Fixed income	801	872	-8.1%
Derivatives	1,439	893	61.1%
Clearing	5,371	3,315	62.0%
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Market Data & VAS	9,339	9,016	3.6%

FINANCIALS

Balance sheet

<i>Thousands of €</i>	31-mar-20	31-mar-19
Goodwill	87,725	87,725
Other non-current assets	107,331	115,982
Cash and cash equivalents	290,806	308,470
Current financial assets	7,356	6,837
Non-Group current financial assets	11,045,003	10,211,378
Other current assets	92,061	91,362
Total assets	11,630,282	10,821,754
Owners' Equity	414,513	426,993
External Partners	627	370
Non-current liabilities	60,234	66,057
Current liabilities	11,154,908	10,328,334
Total equity and liabilities	11,630,282	10,821,754

FINANCIALS

P&L

<i>Thousands of €</i>	1Q 2020	1Q 2019	%
Net Revenue	80,127	71,534	12.0%
Expenses	(33,177)	(28,526)	16.3%
EBITDA	46,950	43,008	9.2%
EBIT	44,568	40,668	9.6%
Financial results	(336)	(264)	27.3%
Share of profit (loss) of associates	1,093	1,150	-5.0%
EBT	45,325	41,554	9.1%
Net Profit	33,975	31,552	7.7%

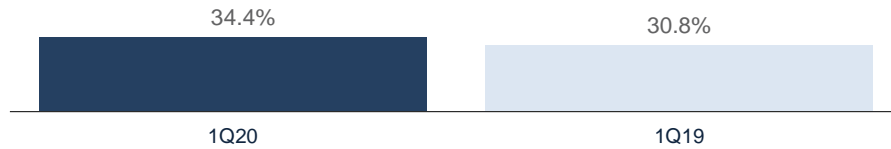
Non-recurring expenses amounted to € 3.7 million during the first quarter of 2020. Excluding the effect of these non-recurring expenses recognised in the quarter, operating costs for the quarter would reflect a 3.3% rise, resulting in an EBITDA increase of 17.8%. Net profit for the first quarter of 2020 would increase by 17.8%.

FINANCIALS

Efficiency & profitability

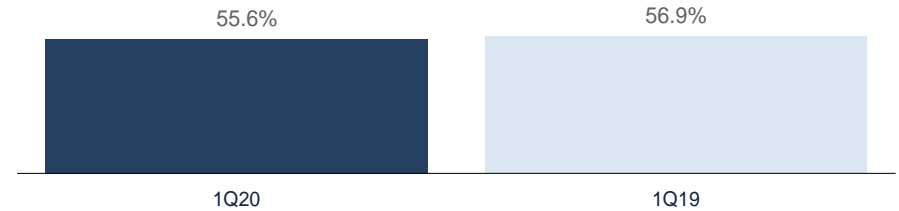
ROE evolution

(% ROE)



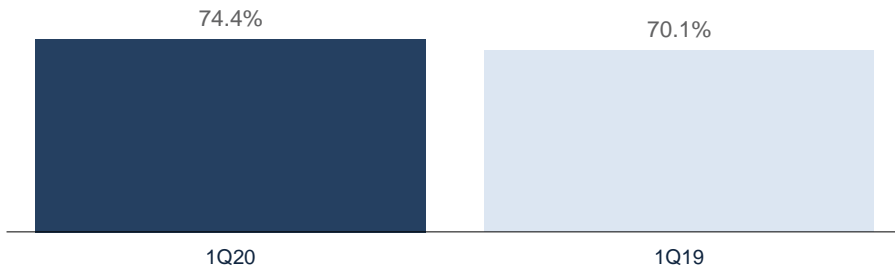
EBIT/ Net revenues ratio evolution

(% EBIT/ Net revenues)



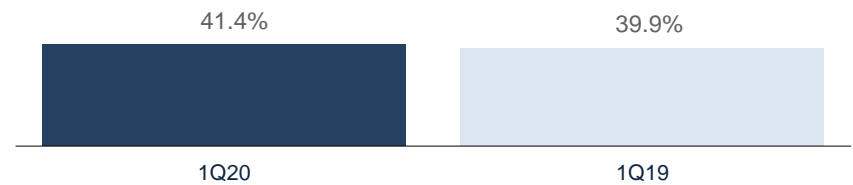
Cost/ EBIT ratio evolution

(% Cost/ EBIT)



Efficiency ratio evolution

(% Efficiency)



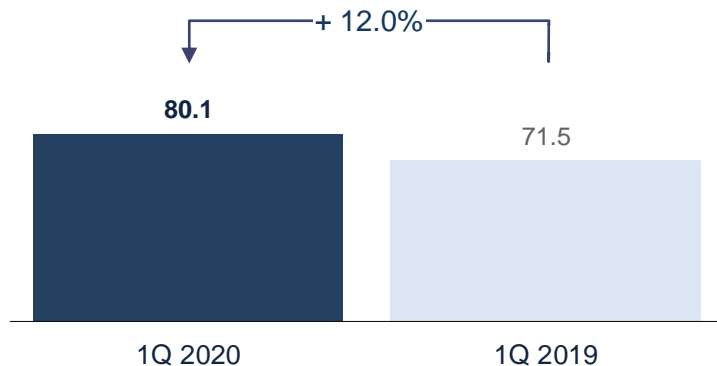


FINANCIALS

P&L – Main figures vs. 1Q 2019

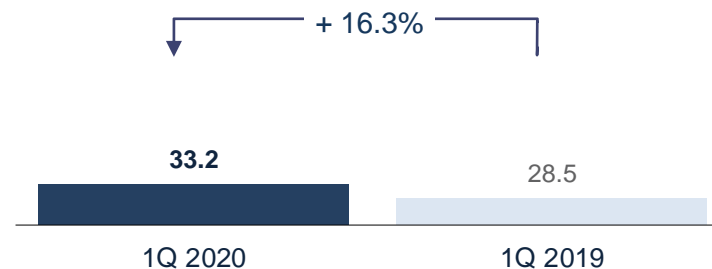
Net revenues

(€ Mill)



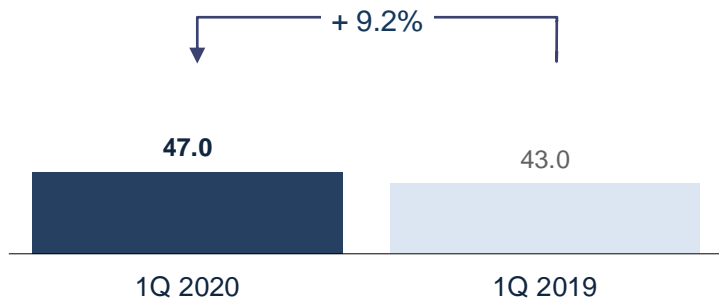
Costs

(€ Mill)



EBITDA

(€ Mill)



Net profit

(€ Mill)

