

- 
- **COMPLETION OF THE ACQUISITION OF THE BORSA ITALIANA GROUP**
  - **EURONEXT Q1 2021 RESULTS**



Released on 29 April 2021  
at 8.30am CEST

## AGENDA

- 1 ACQUISITION OF THE BORSA ITALIANA GROUP
- 2 Q1 2021 HIGHLIGHTS
- 3 Q1 2021 BUSINESS REVIEW
- 4 Q1 2021 FINANCIAL REVIEW
- 5 Q1 2021 RESULTS OF THE BORSA ITALIANA GROUP
- 6 Q&A

## SPEAKERS



**Stéphane Boujnah**

CEO and Chairman of  
the Managing Board



**Giorgio Modica**

Chief Financial Officer



1

## ACQUISITION OF THE BORSA ITALIANA GROUP

---





# ACQUISITION OF THE BORSA ITALIANA GROUP COMPLETED: EURONEXT TO CREATE THE BACKBONE OF THE CAPITAL MARKET UNION IN EUROPE

€5.1tn

market cap.<sup>1</sup>



EURONEXT

+



BORSA ITALIANA

#1 LISTING VENUE AND EQUITY  
FINANCING IN EUROPE

€12.2bn

Equities and ETFs  
trading ADV<sup>2</sup>

#1 EUROPEAN EXCHANGE IN  
CASH EQUITIES & ETF TRADING

€216bn

fixed income ADV<sup>2</sup>

LEADING EUROPEAN GOVERNMENT  
BONDS TRADING PLATFORM



€18.4tn

Repo cleared<sup>2</sup>

ONE FULLY-OWNED  
CLEARING HOUSE



CC&G  
A EURONEXT COMPANY

€5.9tn

assets under custody<sup>1</sup>



EURONEXT CSDs

+

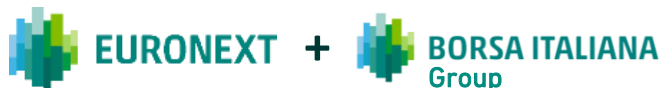


MONTETITOLI  
A EURONEXT COMPANY

#3 CSD FRANCHISE IN EUROPE

- Creating the **largest liquidity pool** within the European capital markets union aiming to deliver **sustainable superior market quality** and value for local and global clients
- Strengthens Euronext's **leadership** in European cash equities
- Significantly **enhances scale and diversifies business mix** through new asset classes and expansion of post-trade operations, with new CSD and a multi-asset clearing house
- Enhance Euronext's mid-term strategic outlook **opening opportunities** for product innovation, geographical expansion and business diversification

# A TRANSFORMATIONAL TRANSACTION WITH SIGNIFICANT DIVERSIFICATION AND INCREASE IN SCALE



€790m

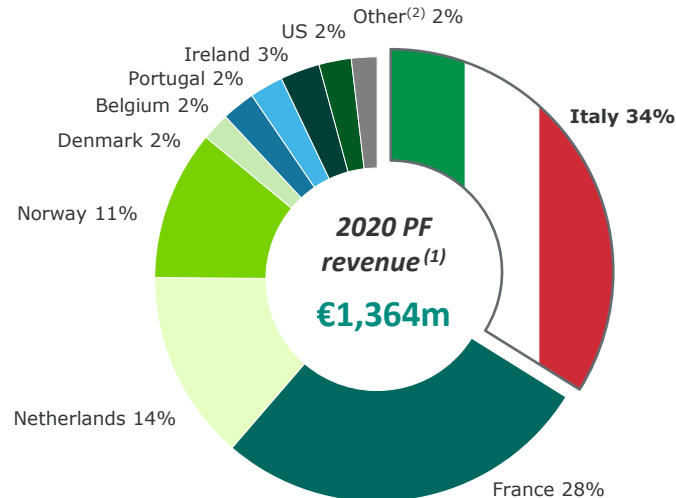
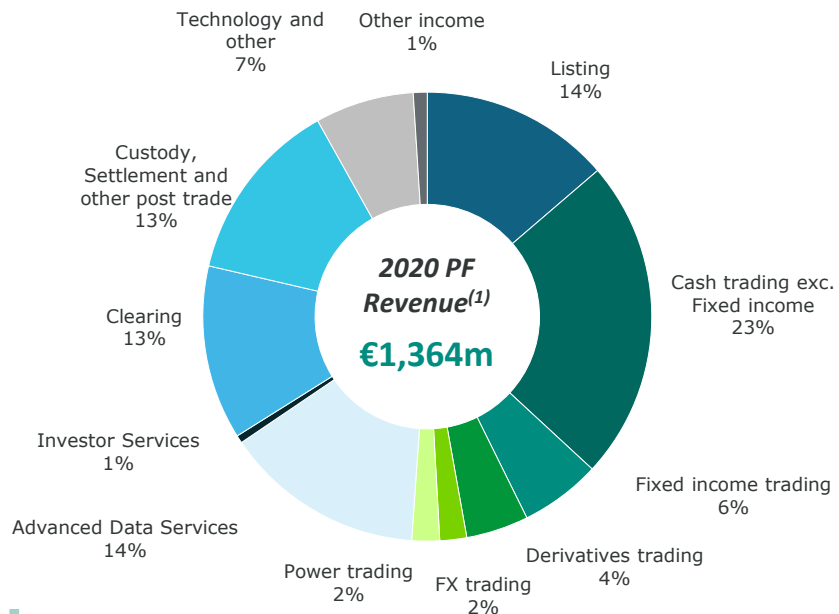
EBITDA 2020PF

€498m

Adj. Net Income  
2020PF

49%

Non-volume  
related revenue



# FINANCING OF THE ACQUISITION OF THE BORSA ITALIANA GROUP (1/2)

- **An attractive transaction with compelling value proposition for shareholders**
  - Combined Group FY2020 revenue of €1.4bn and EBITDA of €790m
  - €45m annual run-rate pre-tax cost synergies and €15m annual run-rate pre-tax revenue synergies to be achieved by year 3
  - Mid-single-digit adjusted EPS accretion expected before synergies, and double-digit accretion expected after run-rate synergies in year 3
  - All-cash transaction, final purchase price of €4,444 million<sup>1</sup>
- **Private placement completed today**
  - CDP Equity and Intesa Sanpaolo subscribed respectively for 5,600,000 and 1,000,000 shares, at €87.70 per share becoming shareholders with respectively 7.31% and 1.31% of the issued share capital
  - Total proceeds from Private Placement of €579m
  - CDP Equity and Intesa Sanpaolo joining the Reference Shareholders group
- **Shareholding update**
  - New Reference Shareholder agreement entered into force on 29 April 2021 including ABN Amro Bank, Caisse des Dépôts et Consignations, CDP Equity, Euroclear, Intesa Sanpaolo and SFPI-FPIM
  - Reference Shareholders group representing 27.85% of the issued share capital (before rights offer completion)

## FINANCING OF THE ACQUISITION OF THE BORSA ITALIANA GROUP (2/2)

### ▪ Refinancing of the transaction

- Transaction financed through:
  - ~€0.3 billion from the use of existing cash;
  - ~€3.7 billion from the draw down of Euronext's €4.4 billion bridge loan facility; and
  - ~€0.6 billion from the private placement to CDP Equity and Intesa Sanpaolo
- Launch of a capital increase by way of a rights offer for a total amount of ~€1.8 billion (see related documentation and prospectus available on <https://www.euronext.com/en/offering-information>):
  - Strong support from Euronext Reference Shareholders:
    - ABN Amro Bank, Caisse des Dépôts et Consignations, CDP Equity, Intesa Sanpaolo have announced their intention to subscribe to the rights offer;
    - Euroclear and SPFI-FPIM have announced their intention to execute a cash-neutral transaction
- Remaining part of the bridge loan facility to be refinanced through debt capital market issuances for ~€1.8 billion
- Signing of a new €600 million Revolving Credit Facility replacing the existing one of €400 million



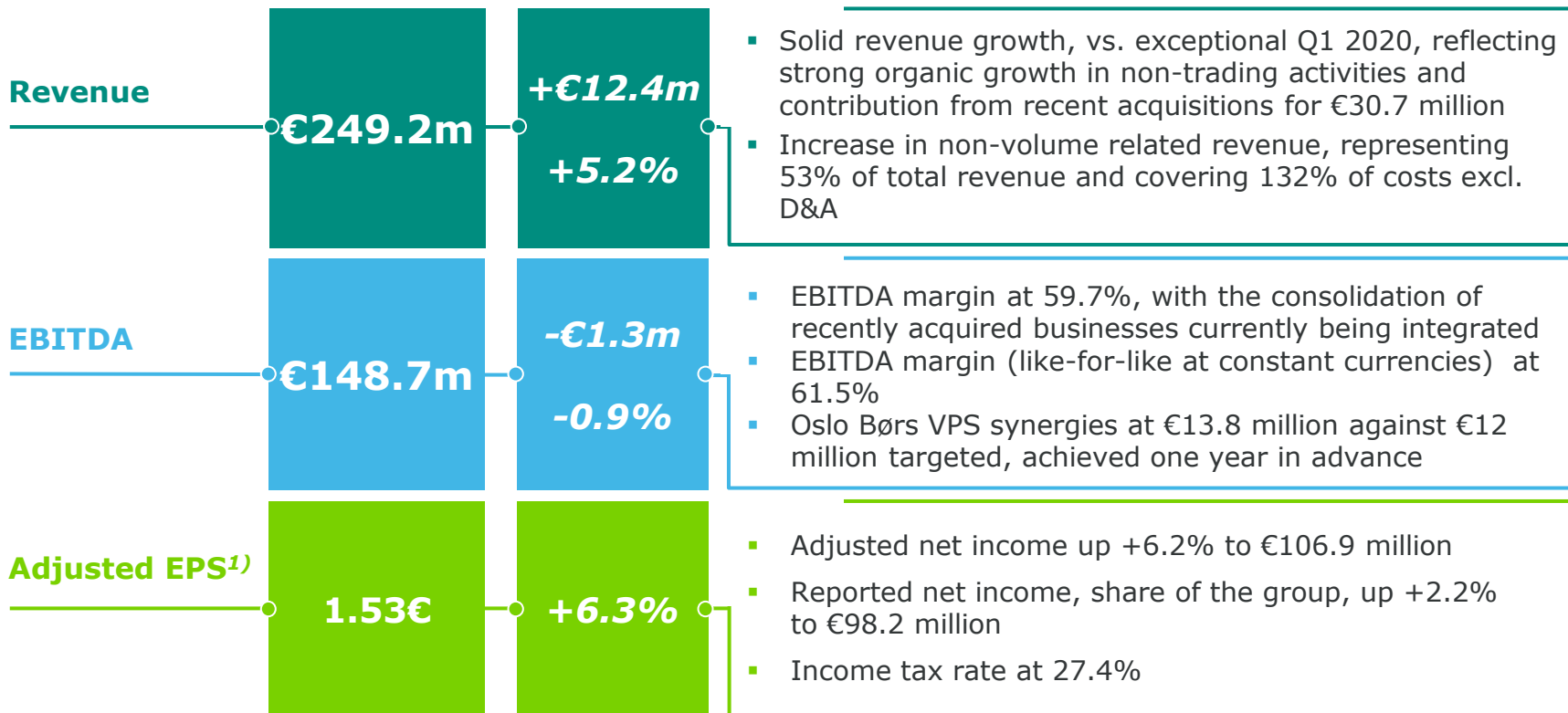
2

## Q1 2021 HIGHLIGHTS

---



# STRONG Q1 2021 RESULTS RESULTING FROM ORGANIC GROWTH IN NON-TRADING ACTIVITIES AND CONTINUED BENEFITS FROM DIVERSIFICATION

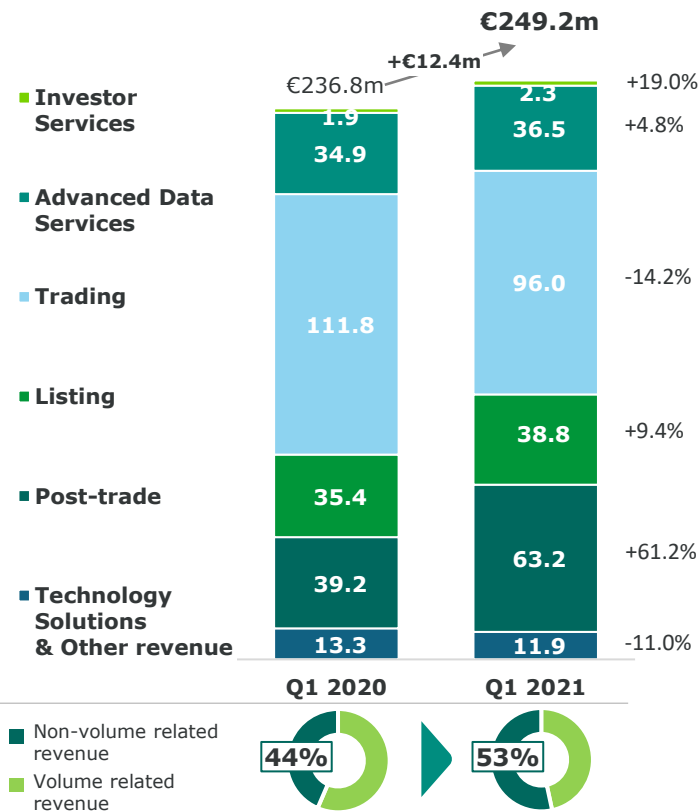




## Q1 2021 BUSINESS REVIEW

---

# Q1 2021 REVENUE UP +5.2% DRIVEN BY STRONG ORGANIC GROWTH AND THE CONSOLIDATION OF ACQUIRED BUSINESSES



- Post-trade revenue growth driven by the contribution of VP securities and strong organic growth
- Listing revenue growth resulting from the strong performance of Corporate Services and an excellent quarter in equity listings
- Advance Data Services revenue reflecting the good performance of indices and ESG products
- Trading revenue reflecting lower trading volumes in cash, derivatives and FX, due to exceptional Q1 2020 trading volumes and despite enhanced revenue capture in cash trading

**+5.2%**

**Q1 2021 consolidated revenue growth**

**+€30.7m**

**Revenue contribution from acquired business**

**53%**

**Non-volume related revenue, reflecting increased post-trade activities**

**132%**

**Non-volume related revenue to operating cost coverage vs 119% in Q1 2020**

# LISTING REVENUE UP +9.4% TO €38.8 MILLION IN Q1 2021

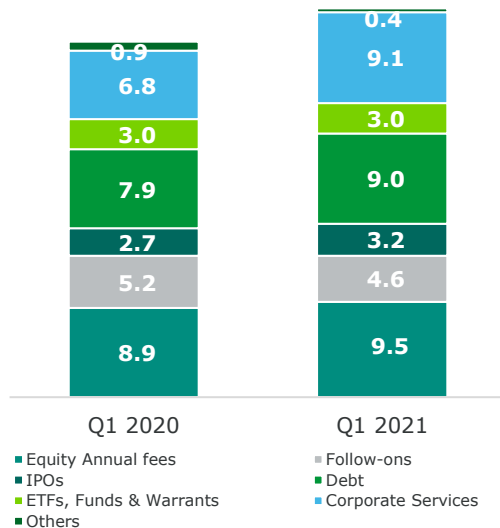
Strong performance of Corporate Services and strong equity listings activity

€38.8m  
revenue  
+9.4%

37 new  
equity listings

€376.7bn  
money raised

+32.9%  
Corporate Services  
revenue

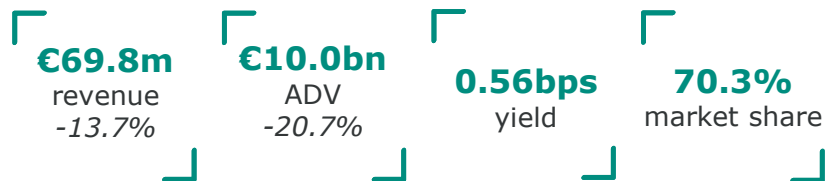


- Strong performance of Corporate Services with revenue up +32.9%, reflecting continued commercial development and increased demand for its enhanced digital offering solutions
- Strong activity in primary equity listings, recording the best Q1 in new listings since Q1 2015, supported by both large caps and SMEs, with dynamic tech companies listings activity
- Continued momentum in primary equity issuances:
  - 4 large cap listings
  - 33 SME listings
- Solid secondary markets activity
- Continued momentum in ESG-related bond listings
- Like-for-like, revenue increased +8.3%

## TRADING REVENUE DOWN -14.2% TO €96.0 MILLION IN Q1 2021 (1/2)

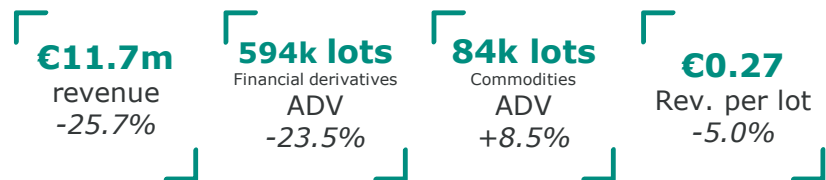
Lower volumes compared to an exceptional Q1 2020, partially offset by higher revenue capture in cash trading

### — CASH TRADING



- Lower trading volumes compared to an exceptional trading environment in Q1 2020
- Enhanced revenue capture and market share
- Like-for-like at constant currencies, revenue decreased -13.7%

### — DERIVATIVES TRADING



- Lower trading volumes compared to an exceptional trading environment in Q1 2020
- Uncertain market conditions, impacting index derivatives trading
- Record quarter in commodities products trading, driven by high volatility on agricultural markets
- Like-for-like at constant currencies, revenue was down -25.8%



# TRADING REVENUE DOWN -14.2% TO €96.0 MILLION IN Q1 2021 (2/2)

## — FX TRADING

€6.1m

revenue  
-24.5%

\$21.4bn

ADV  
-17.1%

- Lower volatility compared to Q1 2020
- Like-for-like at constant currencies, revenue decreased -17.5%

## — POWER TRADING

€8.4m

Revenue

2.94TWh

day-ahead  
ADV  
+1.2%

0.06TWh

intraday  
ADV  
-22.0%

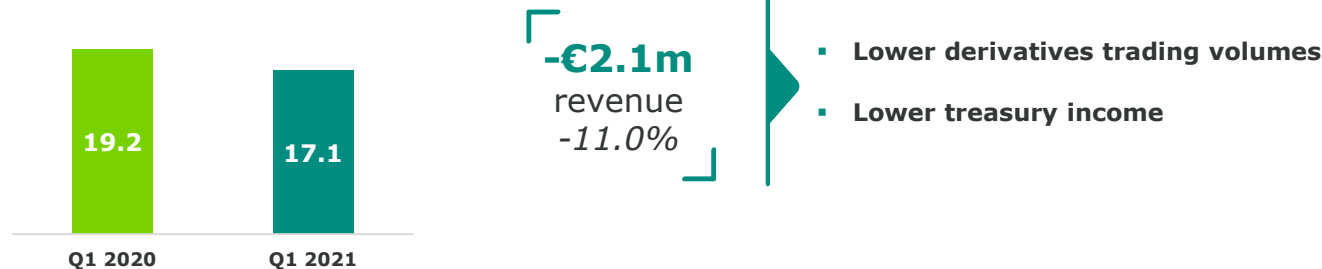
- Usual higher seasonal activity of the winter months

## POST-TRADE REVENUE UP +61.2% TO €63.2 MILLION

Consolidation of VP Securities, high retail activity in Nordic CSDs, lower cleared volumes

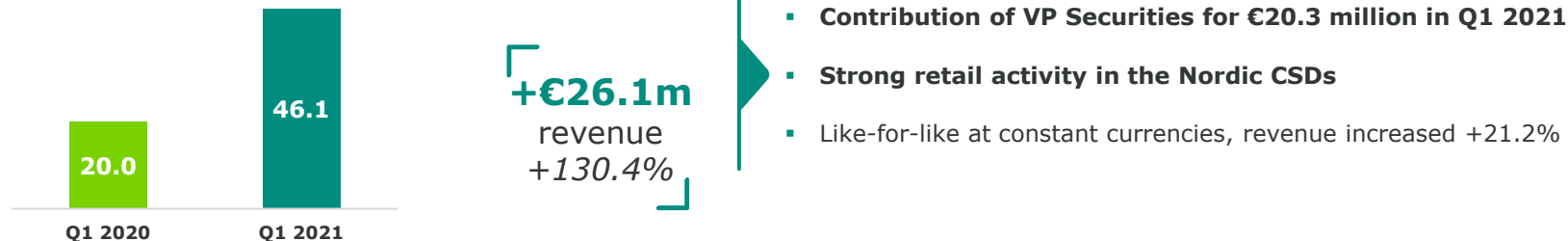
### — CLEARING

in €m



### — CUSTODY, SETTLEMENT AND OTHER POST-TRADE

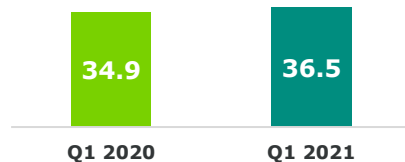
in €m



# ADVANCED DATA SERVICES, INVESTOR SERVICES AND TECHNOLOGY SOLUTIONS

## — ADVANCED DATA SERVICES

in €m

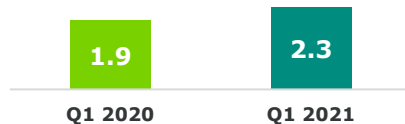


「+€1.7m  
revenue  
+4.8%」

- Strong performance of indices and ESG products
- Solid core business activity
- Like-for-like at constant currencies, revenue increased +4.2%

## — INVESTOR SERVICES

in €m



「+€0.4m  
revenue  
+19.0%」

- Continued commercial development of the franchise
- Like-for-like at constant currencies, revenue increased +21.2%

## — TECHNOLOGY SOLUTIONS

in €m



「-€1.5m  
revenue  
-11.0%」

- Higher SFTI / Colocation revenue
- Lower Shipping and Cost recovery revenue at Nord Pool
- Like-for-like at constant currencies, revenue decreased -3.5%



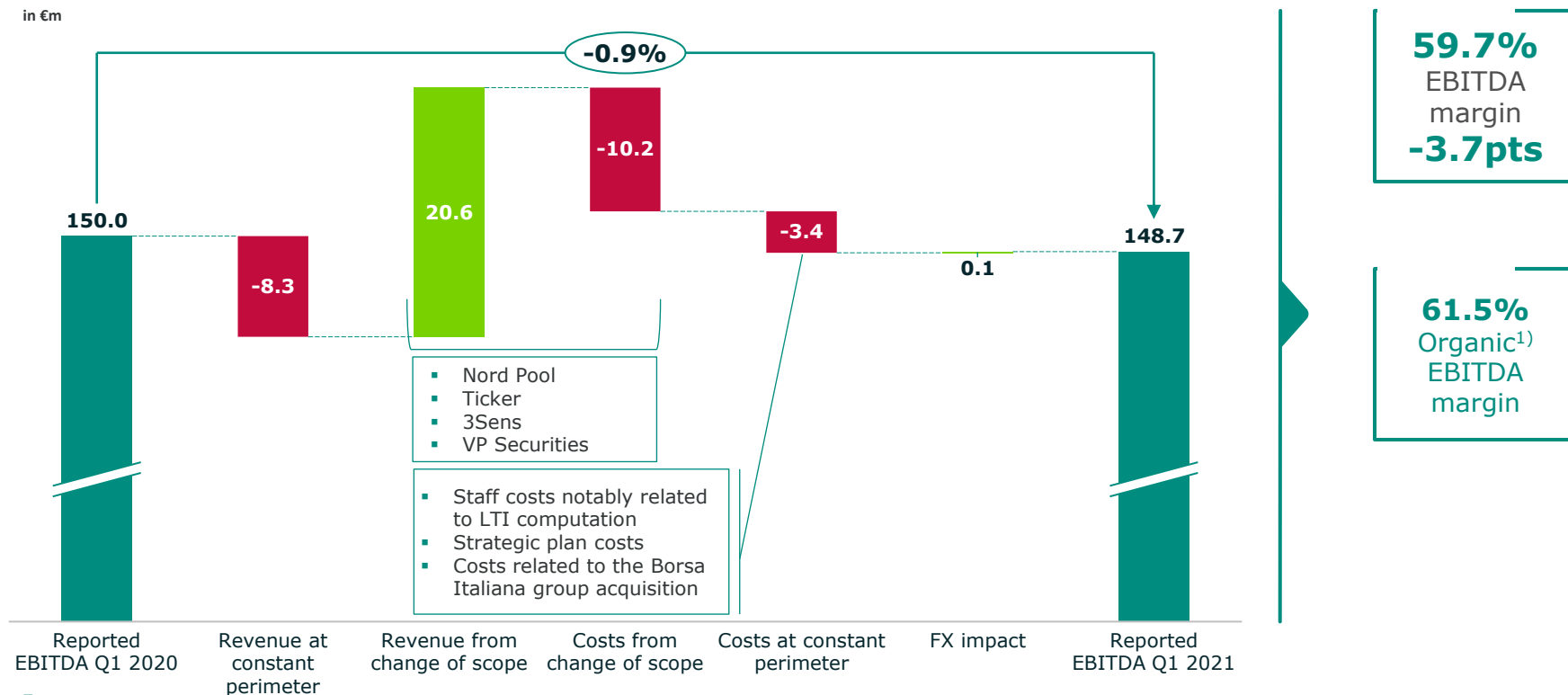
4

## Q1 2021 FINANCIAL REVIEW

---

# Q1 2021 EBITDA STABLE AT €148.7 MILLION

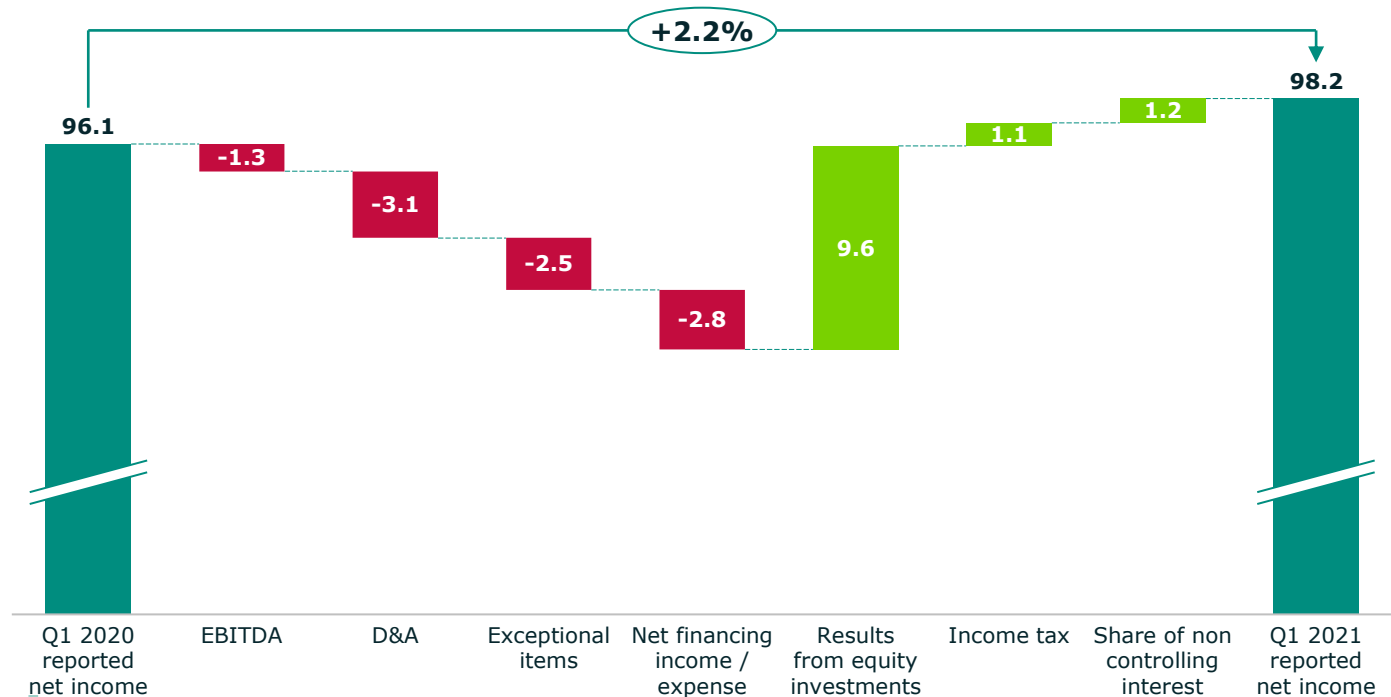
Consolidation of acquisitions and organic growth





# Q1 2021 NET INCOME UP +2.2% TO €98.2 MILLION, ADJUSTED EPS UP +6.3% TO €1.53 PER SHARE

in €m

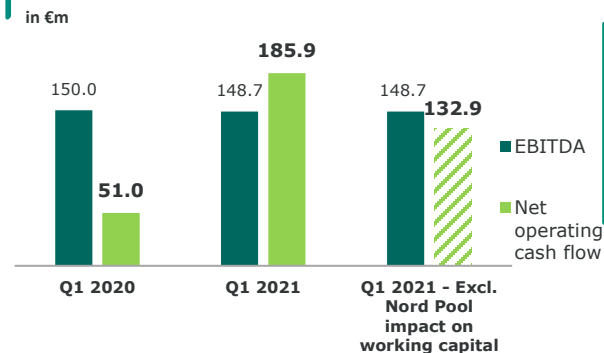


**€106.9m**  
Q1 Adjusted net income<sup>1)</sup>

**€1.53**  
Q1 Adjusted EPS<sup>1)</sup>  
**+ 6.3%**

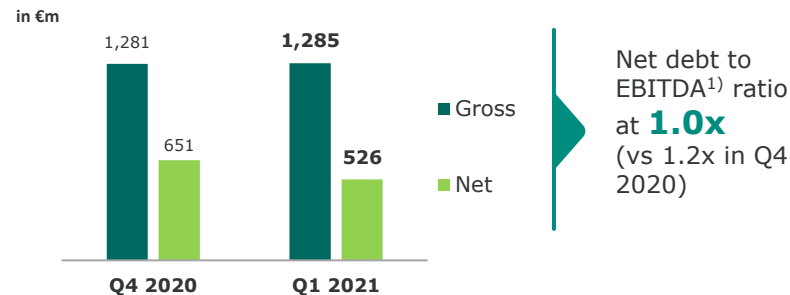
# SOLID CASH FLOW GENERATION AND LIQUIDITY POSITION

## EBITDA TO NET OPERATING CASH FLOW



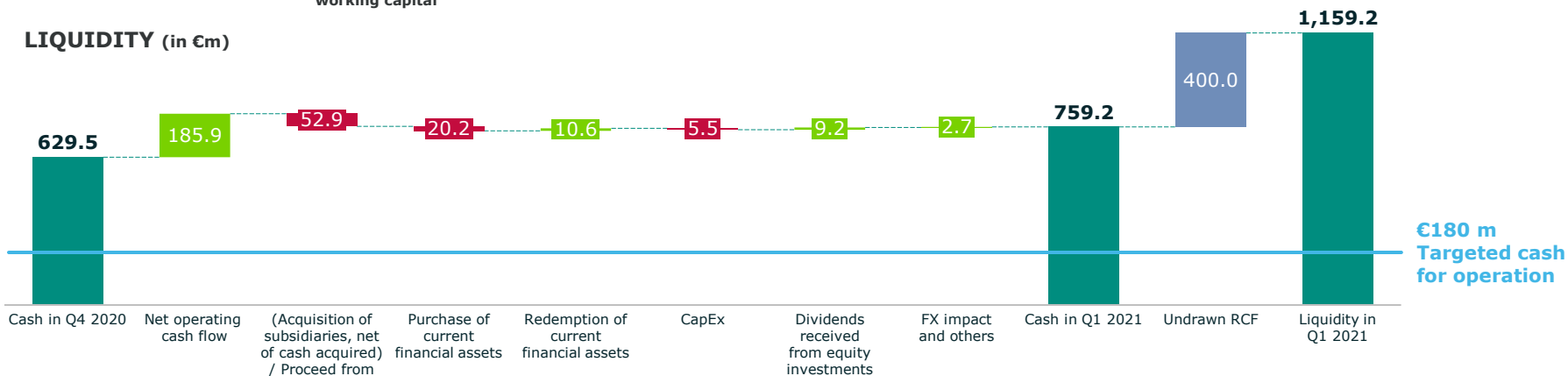
Q1 2021 EBITDA to net operating cash flow conversion rate at **125%** (vs 34% last year) due to changes in working capital at Nord Pool

## DEBT AND LEVERAGE



Net debt to EBITDA<sup>1)</sup> ratio at **1.0x** (vs 1.2x in Q4 2020)

## LIQUIDITY (in €m)



€180 m Targeted cash for operation



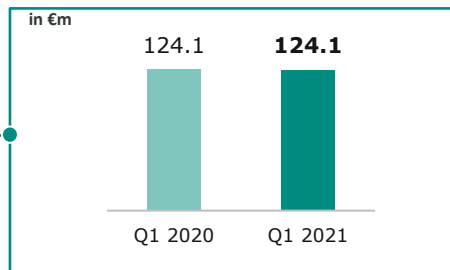
5

## **Q1 2021 RESULTS OF THE BORSA ITALIANA GROUP**



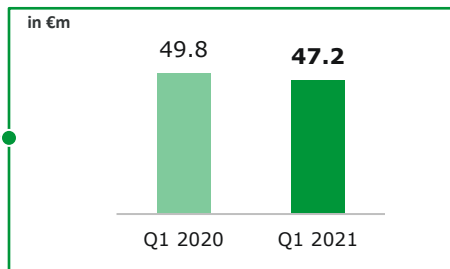
# Q1 2021 RESULTS OF THE BORSA ITALIANA GROUP

## Revenue



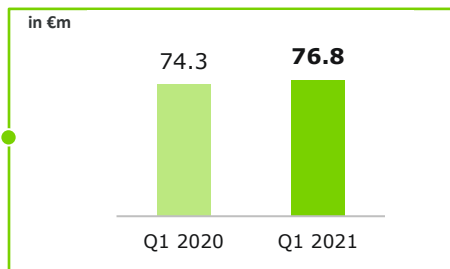
- Stable revenue reflecting growth in capital markets and information services partly offsetting lower post trade and technology services revenues

## Operating expenses exc. D&A



- Decrease of -5.1% in operating expenses exc. D&A
- Lower costs of sales, intercompany costs, other costs and marketing costs

## EBITDA



- EBITDA up +3.4%
- EBITDA margin at 61.9%, up +2.0pts compared to Q1 2020



**Q&A**

---



## Q&A - SPEAKERS



**Stéphane Boujnah**

CEO and Chairman of  
the Managing Board



**Giorgio Modica**

Chief Financial  
Officer



## APPENDIX

---

## ADJUSTED EPS

<i>In €m unless stated otherwise</i>	<b>Q1 2021</b>	<b>Q1 2020</b>
Net income reported	98.2	96.1
<i>EPS Reported (€ per share)</i>	<i>1.41</i>	<i>1.38</i>
Intangible assets adj. related to acquisitions (PPA)	(6.4)	(4.8)
Exceptional items	(3.6)	(1.1)
Tax related to those items	1.3	1.3
Adj. net income	106.9	100.7
<b>Adj. EPS (€ per share)</b>	<b>1.53</b>	<b>1.44</b>

# Q1 2021 INCOME STATEMENT

Unaudited, In €m	Q1 2021	Q1 2020	% var	Change Organic (like for like)
<b>Revenue</b>	<b>249.2</b>	<b>236.8</b>	<b>+5.2%</b>	<b>-3.7%</b>
Listing	38.8	35.4	+9.4%	+8.3%
Trading revenue	96.0	111.8	-14.2%	-15.8%
Cash Trading	69.8	80.8	-13.7%	-13.7%
Derivatives Trading	11.7	15.7	-25.7%	-25.8%
Spot FX Trading	6.1	8.0	-24.5%	-17.5%
Power trading	8.4	7.2	+17.2%	n/a
Investor Services	2.3	1.9	+19.0%	+21.2%
Advanced Data Services	36.5	34.9	+4.8%	+4.2%
Post-trade	63.2	39.2	+61.2%	+8.5%
Clearing	17.1	19.2	-11.0%	-11.0%
Custody, Settlement and other post-trade	46.1	20.0	+130.4%	+21.2%
Technology Solutions & other revenue	11.9	13.3	-11.0%	-3.5%
Other income	0.6	0.3	+133.0%	+133.0%
<b>Operational expenses excluding D&amp;A</b>	<b>-100.4</b>	<b>-86.7</b>	<b>+15.8%</b>	<b>+4.2%</b>
Salaries and employee benefits	-55.7	-43.8	+27.2%	+12.5%
Other Operational Expenses	-44.7	-42.9	+4.1%	-4.2%
System & Communication	-10.9	-9.2	+18.2%	+4.0%
Professional Services	-15.7	-12.7	+23.1%	+12.0%
Clearing expense	-8.1	-9.1	-11.1%	-8.6%
Accommodation	-1.8	-1.9	-8.9%	-22.4%
Other Operational Expenses	-8.3	-10.0	-16.6%	-22.7%
<b>EBITDA</b>	<b>148.7</b>	<b>150.0</b>	<b>-0.9%</b>	<b>-8.0%</b>
<i>EBITDA margin</i>	<i>59.7%</i>	<i>63.4%</i>	<i>-3.7 pts</i>	<i>-2.9 pts</i>
Depreciation & Amortisation	-16.0	-12.9	+24.5%	+4.5%
<b>Operating Profit before Exceptional items</b>	<b>132.7</b>	<b>137.2</b>	<b>-3.2%</b>	<b>-9.2%</b>
Exceptional items	-3.6	-1.1	+221.0%	
<b>Operating Profit</b>	<b>129.2</b>	<b>136.1</b>	<b>-5.1%</b>	
Net financing income / (expense)	-4.8	-2.0	+141.6%	
Results from equity investments	11.7	2.1	+453.6%	
<b>Profit before income tax</b>	<b>136.1</b>	<b>136.2</b>	<b>-0.1%</b>	
Income tax expense	-37.2	-38.3	-2.8%	
Share of non-controlling interests	-0.7	-1.8	-63.2%	
<b>Profit for the period</b>	<b>98.2</b>	<b>96.1</b>	<b>+2.2%</b>	
<b>EPS Reported (in € per share)</b>	<b>€ 1.41</b>	<b>€ 1.38</b>	<b>+2.3%</b>	
<b>EPS Adjusted (in € per share)</b>	<b>€ 1.53</b>	<b>€ 1.44</b>	<b>+6.3%</b>	

# BALANCE SHEET AS OF 31 MARCH 2021

Unaudited, In €m	As of 31 Mar'21	As of 31 Dec'20
<b>Non-current assets</b>		
Property, plant and equipment	56.4	56.0
Right-of-use assets	43.0	46.9
Goodwill and other intangible assets	1,568.4	1,536.1
Deferred income tax assets	21.5	20.8
Investments in associates and JV	70.7	68.1
Financial assets at fair value through OCI	204.5	204.5
Other non current assets	7.5	8.6
<b>Total non-current assets</b>	<b>1,972.0</b>	<b>1,941.1</b>
<b>Current assets</b>		
Trade and other receivables	299.0	195.0
Income tax receivable	2.9	3.3
Derivative financial instruments	23.7	23.7
Other short-term financial assets	104.0	92.1
Cash & cash equivalents	759.2	629.5
<b>Total current assets</b>	<b>1,188.8</b>	<b>943.5</b>
<b>Total assets</b>	<b>3,160.7</b>	<b>2,884.6</b>

Unaudited, In €m	As of 31 Mar'21	As of 31 Dec'20
<b>Shareholders' equity</b>		
Shareholders' equity	1,148.4	1,058.7
Non-controlling interests	21.6	30.2
<b>Total Equity</b>	<b>1,170.0</b>	<b>1,089.0</b>
<b>Non-current liabilities</b>		
Borrowings	1,272.6	1,272.5
Lease liabilities	31.9	35.1
Other non-current financial liabilities	-	-
Deferred income tax liabilities	99.8	92.9
Post employment benefits	27.2	26.5
Contract liabilities	48.5	44.6
Other provisions	13.0	14.5
<b>Total Non-current liabilities</b>	<b>1,493.0</b>	<b>1,486.1</b>
<b>Current liabilities</b>		
Borrowings	12.6	8.2
Lease liabilities	16.3	15.9
Other current financial liabilities	-	0.5
Derivative financial instruments	0.0	0.4
Income tax payable	44.8	33.8
Trade and other payables	308.0	185.8
Contract liabilities	111.8	62.2
Other provisions	4.1	2.6
<b>Total Current liabilities</b>	<b>497.7</b>	<b>309.6</b>
<b>Total equity and liabilities</b>	<b>3,160.7</b>	<b>2,884.6</b>



# Q1 2021 CASH FLOW AND LIQUIDITY POSITION

Unaudited, In €m	Q1 2021	Q1 2020
<b>Profit before tax</b>	<b>136.1</b>	<b>136.2</b>
<b>Adjustments for:</b>		
- Depreciation and amortization	16.0	12.9
- Share based payments	2.4	1.4
- Share of profit from associates and joint ventures	-2.6	-2.1
- Changes in working capital	61.5	-65.3
<b>Cash flow from operating activities</b>	<b>213.5</b>	<b>83.0</b>
Income tax paid	-27.6	-32.0
<b>Net cash flows from operating activities</b>	<b>185.9</b>	<b>51.0</b>
<b>Cash flow from investing activities</b>		
Acquisition of subsidiaries, net of cash acquired	-56.1	61.3
Proceeds from disposal of subsidiary	3.3	0.0
Purchase of current financial assets	-20.2	-15.3
Redemption of current financial assets	10.6	0.0
Purchase of property, plant and equipment	-2.4	-1.7
Purchase of intangible assets	-3.1	-2.4
Proceeds from sale of Property, plant, equipment and intangible assets	0.1	0.1
Dividends received from equity investments	9.2	0.0
<b>Net cash flow from investing activities</b>	<b>-58.9</b>	<b>41.9</b>
<b>Cash flow from financing activities</b>		
Interest paid	-0.1	-0.1
Payment of lease liabilities	-2.8	-1.7
Acquisition of own shares	-0.2	-13.8
Dividends paid to non-controlling interests	-3.6	0.0
<b>Net cash flow from financing activities</b>	<b>-6.7</b>	<b>-15.6</b>
<b>Total cash flow over the period</b>	<b>120.3</b>	<b>77.3</b>
Cash and cash equivalents - Beginning of period	629.5	369.8
Non Cash exchange gains/(losses) on cash and cash equivalents	9.4	-28.3
<b>Cash and cash equivalents - End of period</b>	<b>759.2</b>	<b>418.8</b>

Unaudited, In €m	Q1 2021	Q1 2020
<b>Cash beginning of period</b>	<b>629.5</b>	<b>369.8</b>
Investments (incl. subsidiaries net of cash acquired & associates)	- 56.1	61.3
Divestments (inc. Subsidiaries)	3.3	-
Dividends received from equity investments	9.2	-
Purchase of current financial assets	- 20.2	- 15.3
Redemption of current financial assets	10.6	-
Cash accumulation, net of others	183.1	3.0
<b>Cash end of period</b>	<b>759.2</b>	<b>418.8</b>
RCF	400.0	400.0
<b>Available Liquidity</b>	<b>1,159.2</b>	<b>818.8</b>

# DISCLAIMER

IMPORTANT NOTICE: THIS PRESENTATION IS NOT AND DOES NOT CONTAIN AN OFFER OF SECURITIES FOR SALE OR A SOLICITATION OF AN OFFER TO PURCHASE OR SUBSCRIBE FOR SECURITIES IN ANY JURISDICTION, INCLUDING THE UNITED STATES, AUSTRALIA, CANADA OR JAPAN. ANY SECURITIES MENTIONED IN THIS PRESENTATION (THE "SECURITIES") HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES UNLESS REGISTERED UNDER THE SECURITIES ACT OR PURSUANT TO AN EXEMPTION FROM, OR A TRANSACTION NOT SUBJECT TO, REGISTRATION UNDER THE SECURITIES ACT. THERE WILL BE NO PUBLIC OFFER OF THE SECURITIES IN THE UNITED STATES.

This presentation is for information purposes only and is not a recommendation to engage in investment activities. The information and materials contained in this presentation are provided 'as is' and Euronext does not warrant as to the accuracy, adequacy or completeness of the information and materials and expressly disclaims liability for any errors or omissions. This presentation contains materials produced by third parties and this content has been created solely by such third parties with no creative input from Euronext. It is not intended to be, and shall not constitute in any way a binding or legal agreement, or impose any legal obligation on Euronext. All proprietary rights and interest in or connected with this publication shall vest in Euronext. No part of it may be redistributed or reproduced without the prior written permission of Euronext.

This presentation may include forward-looking statements, which are based on Euronext's current expectations and projections about future events. By their nature, forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors because they relate to events and depend on circumstances that will occur in the future whether or not outside the control of Euronext. Such factors may cause actual results, performance or developments to differ materially from those expressed or implied by such forward-looking statements. Accordingly, no undue reliance should be placed on any forward-looking statements. Forward-looking statements speak only as at the date at which they are made. Euronext expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statements contained in this presentation to reflect any change in its expectations or any change in events, conditions or circumstances on which such statements are based unless required to do so by applicable law.

Financial objectives are internal objectives of the Company to measure its operational performance and should not be read as indicating that the Company is targeting such metrics for any particular fiscal year. The Company's ability to achieve these financial objectives is inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the Company's control, and upon assumptions with respect to future business decisions that are subject to change. As a result, the Company's actual results may vary from these financial objectives, and those variations may be material.

Efficiencies are net, before tax and on a run-rate basis, ie taking into account the full-year impact of any measure to be undertaken before the end of the period mentioned. The expected operating efficiencies and cost savings were prepared on the basis of a number of assumptions, projections and estimates, many of which depend on factors that are beyond the Company's control. These assumptions, projections and estimates are inherently subject to significant uncertainties and actual results may differ, perhaps materially, from those projected. The Company cannot provide any assurance that these assumptions are correct and that these projections and estimates will reflect the Company's actual results of operations.

Euronext refers to Euronext N.V. and its affiliates. Information regarding trademarks and intellectual property rights of Euronext is located at <https://www.euronext.com/terms-use>.

© 2021, Euronext N.V. - All rights reserved.



## INVESTOR RELATIONS

Aurélie Cohen, Chief Communications and  
Investor Relations Officer

Clément Kubiak, Investor Relations officer

[ir@euronext.com](mailto:ir@euronext.com)

**+33 1 70 48 24 27**

[www.euronext.com/en/investor-relations](http://www.euronext.com/en/investor-relations)

