

PRESENTATION OF THE MARKET REPORT

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Thank you very much, Björn:

Good afternoon, everyone, and thank you very much for joining us at this traditional Christmas event, which we have been celebrating for more than 30 years at the Stock Exchange building, your home. As you know, I completed my first year at the helm of BME just a few weeks ago, and it is an honor to stand before you for the second time to take stock of such a positive year, in front of so many familiar faces.

2025 will go down in history as a year of record highs for the IBEX 35®. It was clearly a bullish year, but by no means a boring one. According to Artificial Intelligence, the terms you have used most this year in your columns and reports have been: first, "IBEX 35"; second, "Tariffs"; third, "Takeover bid"; fourth, 'Return'; and fifth, "Dividends."

As Björn said, Spain has led growth among developed countries. In terms of aggregate and per capita GDP, it jumped two places in the world ranking to twelfth position. Companies have posted good results and the markets have reflected this in their share prices. Last year, we said that the macroeconomic situation would favor the Spanish market and sectors linked to the cycle, such as banking, energy, and retail, and we were not too far off the mark.

Let's take a look at the evolution of the markets and the most notable milestones of the year:

1) IBEX 35®, at historic highs. The main indicator of the Spanish stock market exceeded 16,000 points, beating the 2007 high and closing November at the highest level in the historical series. It has accumulated a **return of 41% through November**, leading the gains in the United States and Europe and ranking among the best indices in Europe for three consecutive years. This increase brought **market capitalization above €1 trillion for the first time**. At the end of November, the market value of the companies listed on the Spanish stock market represented 98% of GDP.

2) To this return we must add €38.7 billion from the various shareholder remuneration mechanisms for the year. Of this amount, €37.7 billion corresponds to direct dividend payments, more than was paid in the whole of 2024 (€37.5 billion). The average annual return on the Spanish stock market since 1986 is 4.1%, among the highest in Europe, making it one of its main attractions.

3) The increase in share prices was accompanied by increased activity on the stock market. Trading volume grew by 19% through November, reaching €349 billion. The number of transactions increased by 7% to 29 million.

- 4) On the supply side, this positive market momentum generated greater interest in IPOs.** In the first eleven months of the year, there were three new listings on the main market (HBX, Cirsá, and Izertis) and another 11 on BME's growth markets. In addition, BME Easy Access was launched, an innovative IPO mechanism that allows shares to be admitted without the requirement of a minimum share distribution.
- 5) This year has also been positive in terms of capital increases, which grew by 80% to over €10.9 billion.** Iberdrola's transaction was the most notable, at €5 billion.
- 6) Growth markets continued to fulfill their role as a corporate financing instrument for smaller companies.** These markets provided more than €590 million in direct financing. There are now 154 companies financed through BME Growth and BME Scaleup.
- 7) It has also been a good year for our fixed income markets.** The volume of corporate debt issues increased by 52% to exceed €79 billion. At BME, we continue to work hard on the repatriation of issues. Eleven issuers have now returned to register on BME's markets, with a cumulative volume of €47 billion recovered since 2020.

- 8) MARF has achieved a new milestone this year.** Its outstanding balance, which measures the market's financing capacity, has exceeded €10 billion for the first time.
- 9) BME has also been very active in launching new services and functionalities in the derivatives market.** In March, we launched European-style stock options and in June we extended the trading hours for IBEX 35® futures, which can now be traded from 8 a.m. to 10 p.m. As a result, and despite the reduction in VIBEX® volatility, the Equity Derivatives market recorded a 15% increase in trading volume, with 29 million contracts.
- 10) As a result of all this, 2025 has been a good year for settlement, custody, and registration activities, which complete the market value chain.** BME has continued to make progress in adapting to the T+1 settlement cycle that will come into effect in 2027, and has launched products such as Market Insights that position us as a benchmark in an increasingly global business. There were significant regulatory changes: in March, the revamped settlement system came into operation following the implementation of the so-called "Reform 3," which reduces barriers to cross-border investment and has led to greater operational efficiency. And in June, the European Collateral Management System (ECMS) was implemented, harmonizing and simplifying the management of assets deposited in the Eurosystem.

In addition, SIX announced that it will integrate all its clearing activities into a single Central Counterparty Clearing House based in Madrid, as Björn has already mentioned.

The Spanish market offers additional appeal to companies in an environment where **national and European regulations favor stock exchanges**. Just a few days ago, we learned of the European Commission's plans to give ESMA more supervisory powers. This package of measures aims to promote greater uniformity among member countries, thereby improving the competitiveness of capital markets in Europe, as part of the Savings and Investment Union (SIU) initiative.

BME works closely with regulators, supervisors, and other market participants to boost the competitiveness of capital markets and make them more attractive and accessible to both investors and companies. We actively participate in the working groups set up by the Spanish securities market (CNMV) based on the OECD report, and we are pleased to report that the first fruits of this work are already being seen. I am referring to the approval of securities lending for collective investment institutions, which was already available in other jurisdictions in our region.

We are on the right track, but there is still a long way to go. As you may have heard me say on other occasions, it is a priority to put the stock market back at the heart of the economy. Neither public spending nor bank credit will be enough to meet the major challenges facing Europe.

We need to strengthen our markets, and to do so, it is essential to bring retail investors back to the stock market. We must facilitate direct investment by families in the markets so that they can contribute to the growth of companies, and a good way to do this would be to design instruments such as the well-known Swedish Investment Savings Account (ISK), which provides tax incentives for this transfer of funds from traditional savings products to financial investment products.

With this goal in mind, last July we created a special rate for retail transactions that offers a discount of up to 50%, which 70% of market members have already signed up for. This measure is in addition to the creation at the end of 2024 of SpainAtMid, an order book with no pre-transparency and zero latency that offers the best execution, through which large-volume transactions can be crossed.

We hope that these and other measures we are working on will continue to bear fruit and be good headlines for you in 2026.

As providers of mass financial education, the media have an essential role and responsibility in the development of markets. I would not want to end my speech without saying a few words to acknowledge your work and dedication. At BME, we like to say that the stock market is your home, and we want you to feel that way every time you step onto this trading floor or interact with any of us who work here.

On behalf of BME and myself, I wish you a Merry Christmas and raise a toast to a New Year full of joy and success for everyone.

Thank you very much.