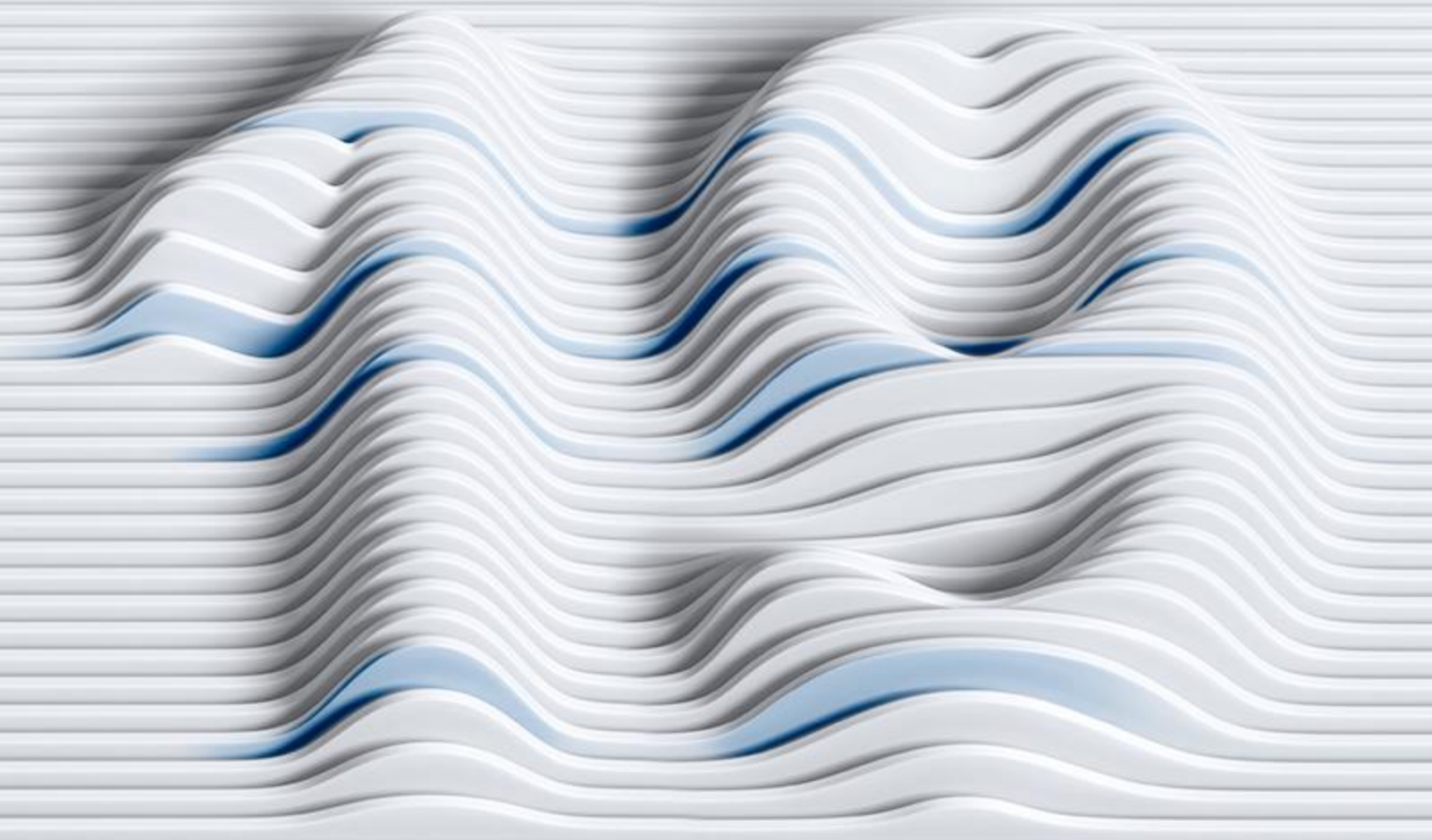


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# BUSINESS PERFORMANCE

## January – March 2019



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# Index

Results

Business units

Financials

# Index

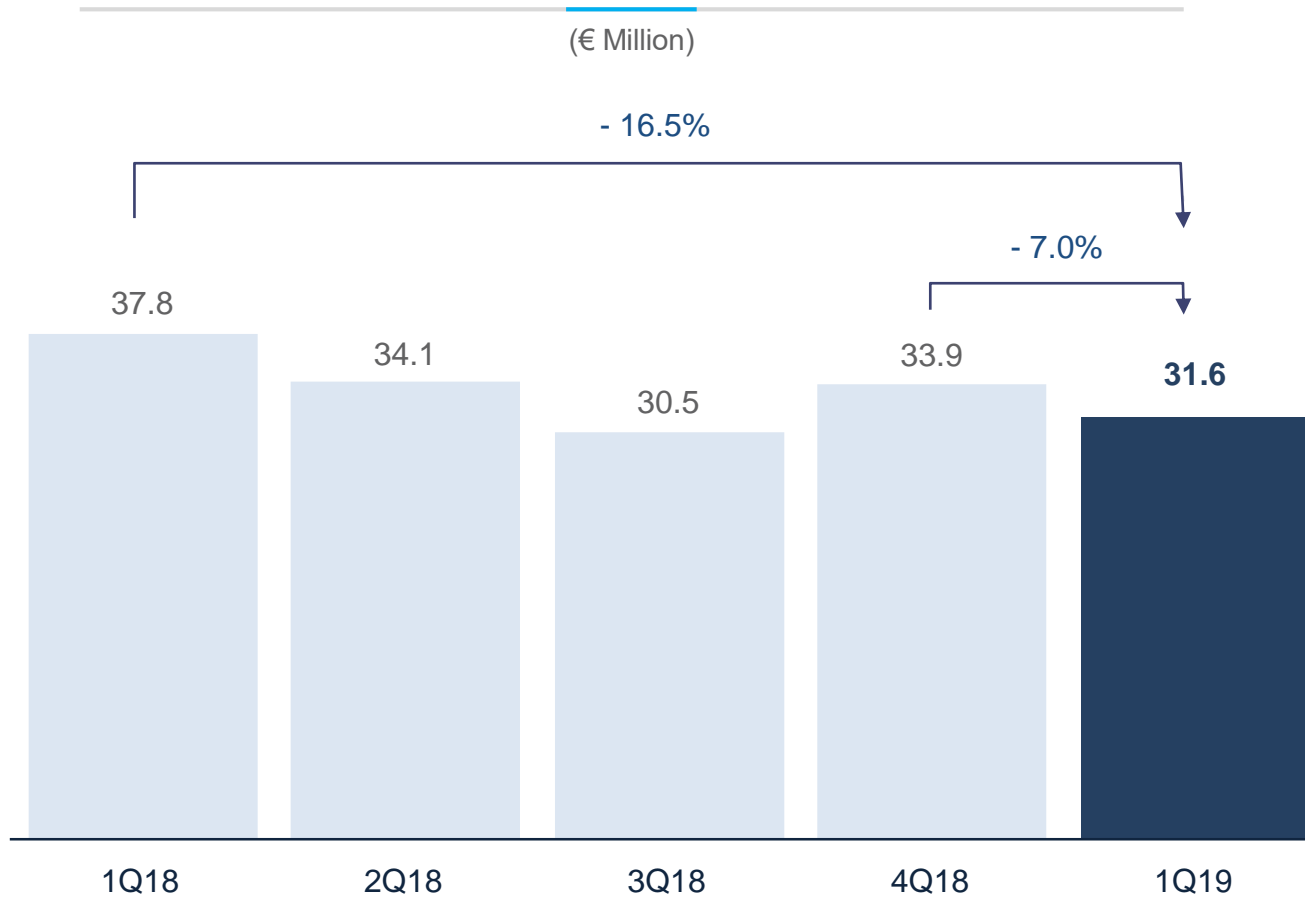
## Results

Business units

Financials

## RESULTS

## Net profit

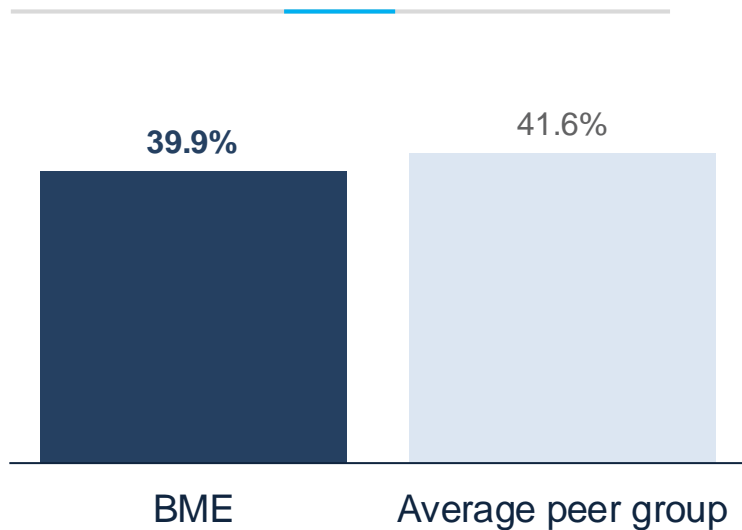




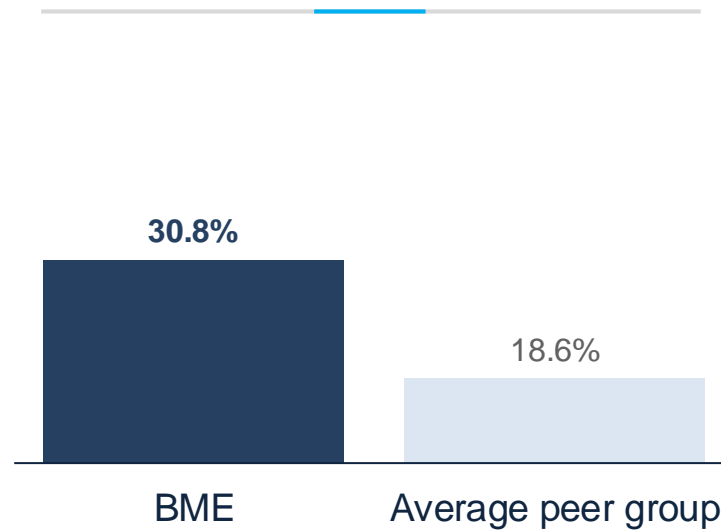
## RESULTS

# Key ratios vs. benchmark

### Efficiency



### ROE



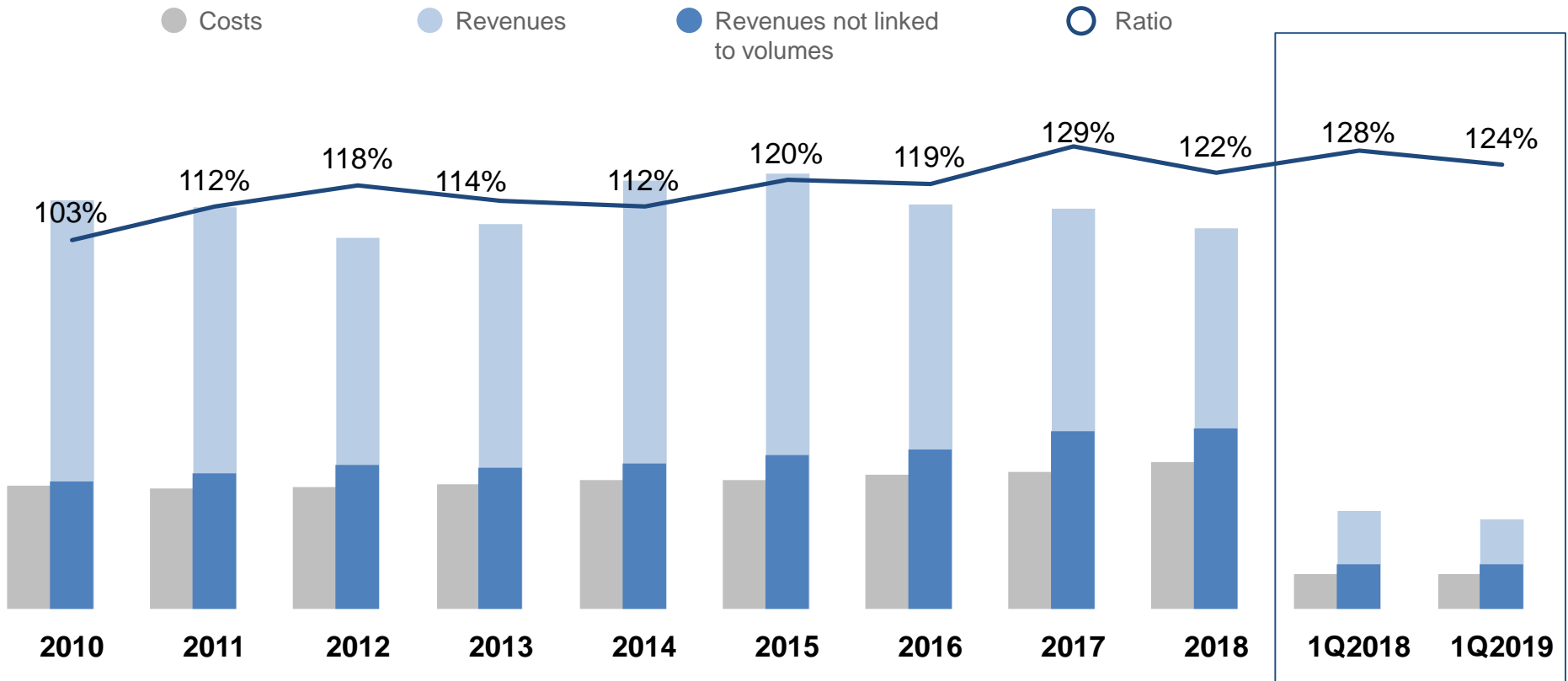
BME's data as of 31/03/2019

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



RESULTS

# Solid operating leverage



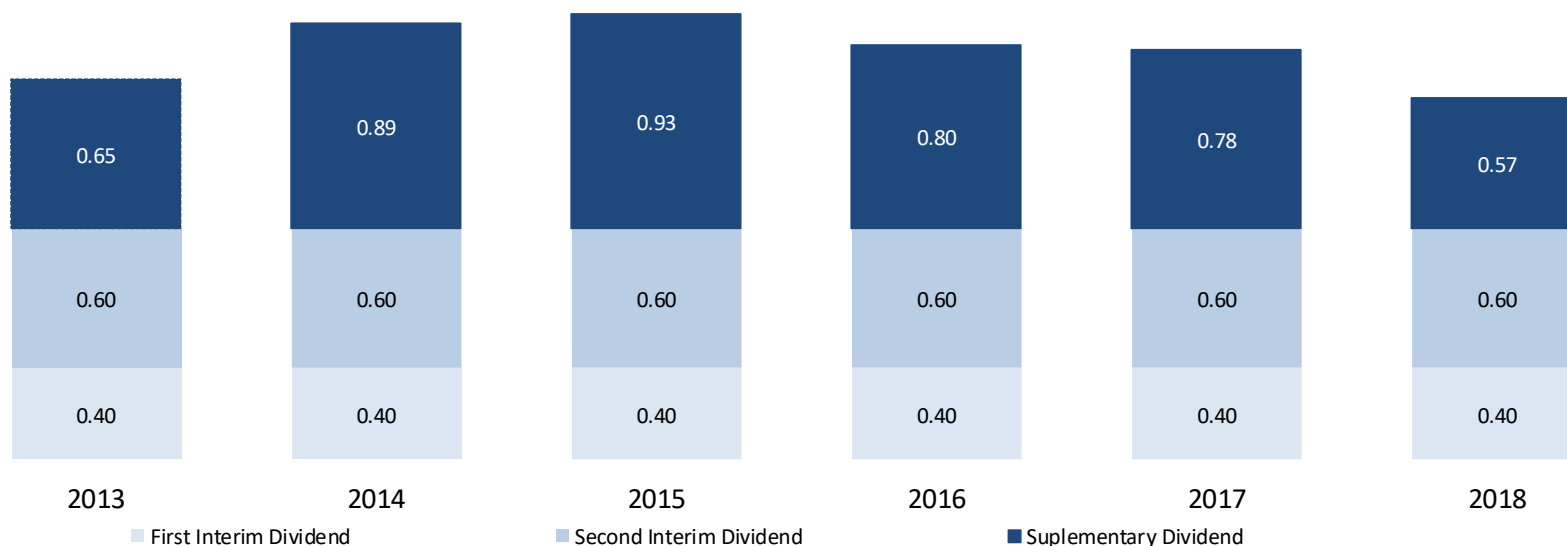
1Q 2018 data has been restated to include the impact of IFRS 15.



RESULTS

# Dividends: Maximizing shareholders' returns

<b>Payout ratio</b>	<b>96%</b>	<b>96%</b>	<b>93%</b>	<b>93%</b>	<b>96%</b>	<b>96%</b>
<b>DPS (€/share)</b>	<b>1.65</b>	<b>1.89</b>	<b>1.93</b>	<b>1.80</b>	<b>1.78</b>	<b>1.57</b>



## Sustainability of payout ratio

Supplementary dividend proposal: 0.57 €/share (10 May 2019)



# Index

Results

**Business units**

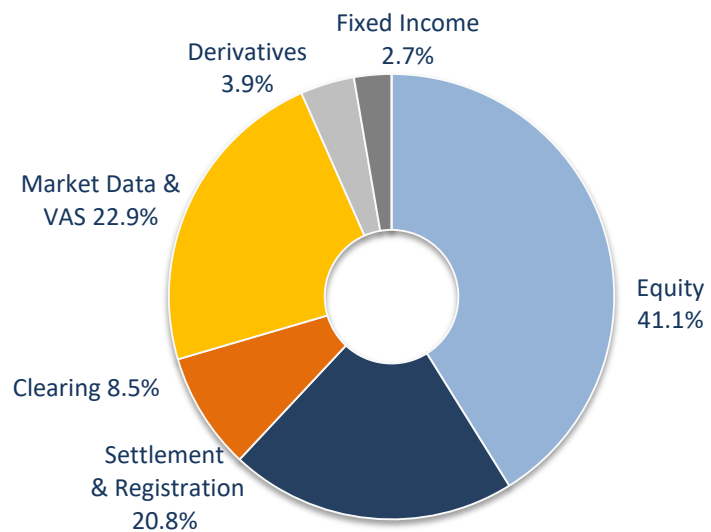
Financials

## BUSINESS UNITS EVOLUTION

# Business units

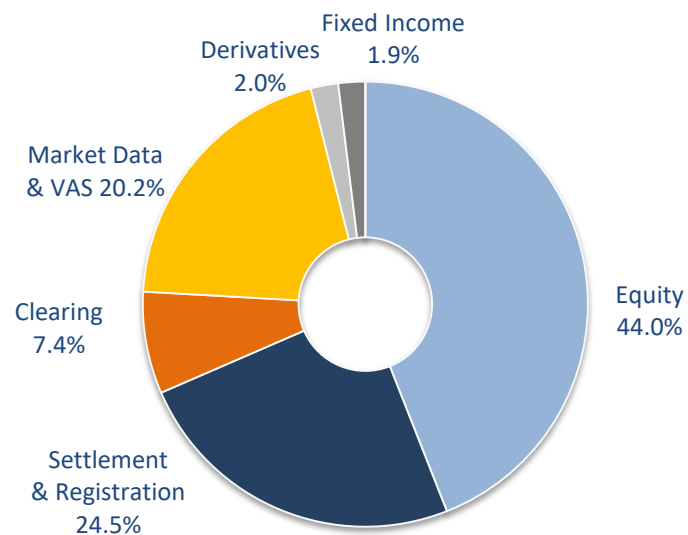
### Consolidated net revenues

Q1 2019 - %



### EBITDA

Q1 2019 - %

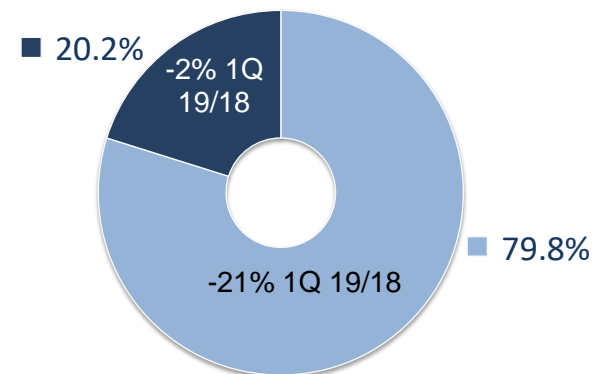




BUSINESS UNITS EVOLUTION

# Equity Market

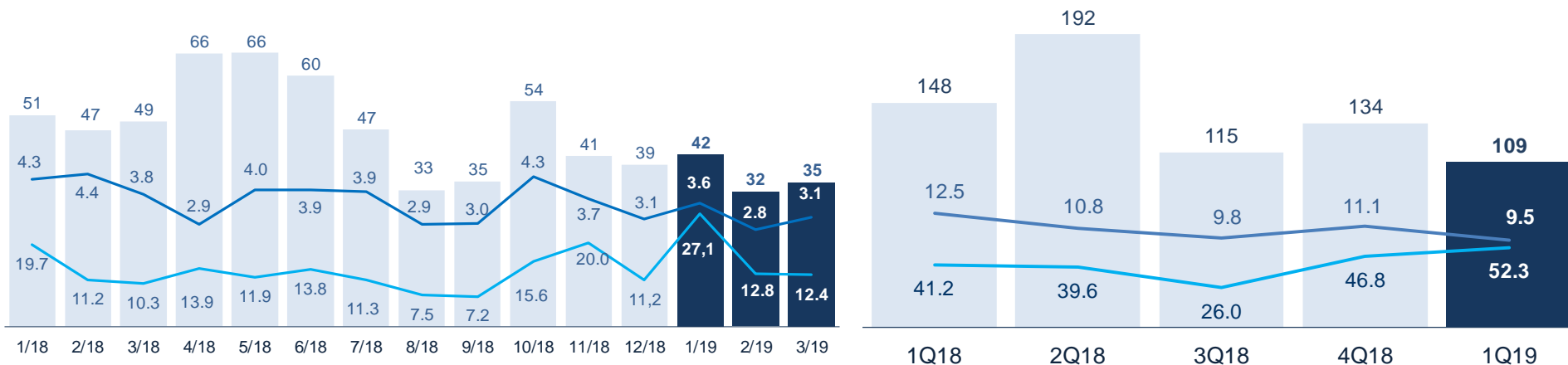
■ Per trade and regarding characteristics of the orders  
 ■ Listing and other services



Thousands of €	1Q 2019	1Q 2018*	%
<b>Net Revenue</b>	29,085	35,442	-17.9%
<b>Operating Costs</b>	(9,392)	(10,093)	-6.9%
<b>EBITDA</b>	<b>19,693</b>	<b>25,349</b>	<b>-22.3%</b>

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

● Turnover (€ Billion)      ○ Shares (Billion)      ○ Trades (Million)

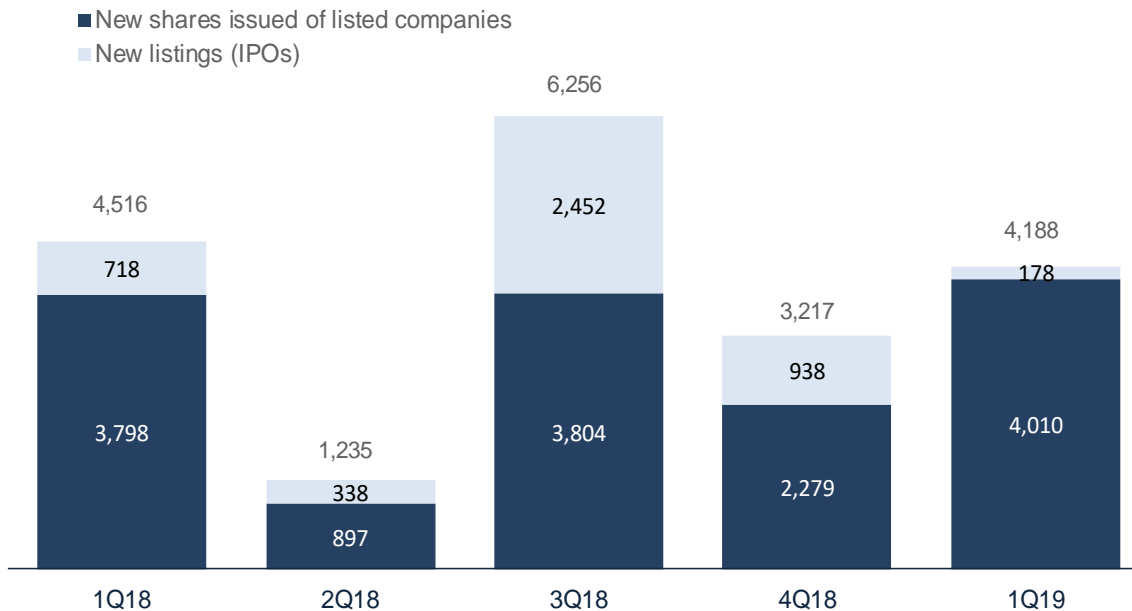


(\* ) 1Q 2018 data has been restated to include the impact of IFRS 15.

## BUSINESS UNITS EVOLUTION

## Equity Market

## Listing activity



- Total investment flows channeled through the Exchange totaled €4.2 billion in Q1 2019. Among these flows, the €1.7 billion increase by Cellnex Telecom, S.A. is of particular note.
- In the REITs segment of the MAB, four new entities were included. With these additions, the number of REITs totals to 67, 36.7% more than in 2018. In the Growth Companies segment there were 42 companies listed as of 31 March 2019.

Source: FESE (Federation of European Stock Exchanges)

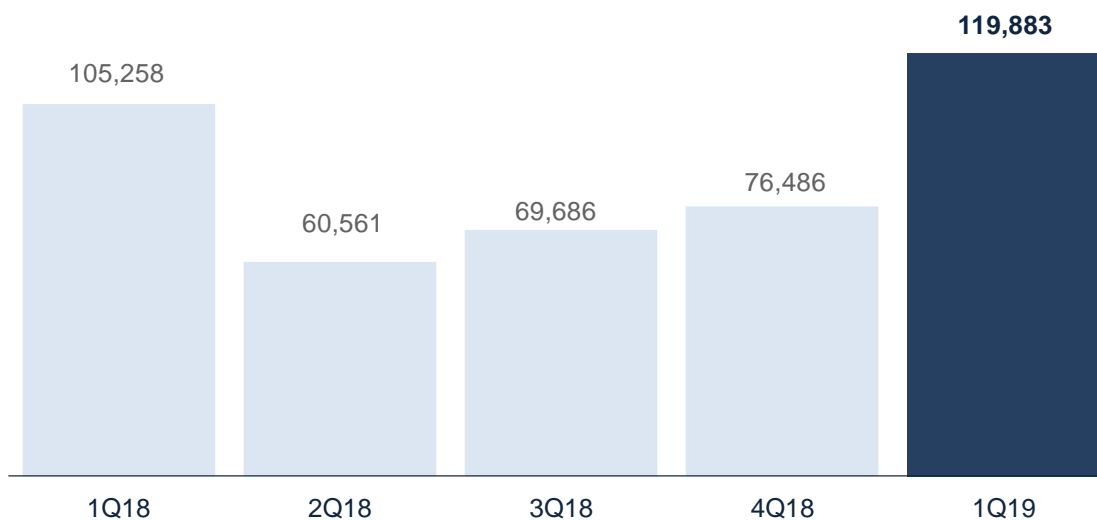
## BUSINESS UNITS EVOLUTION

## Fixed Income

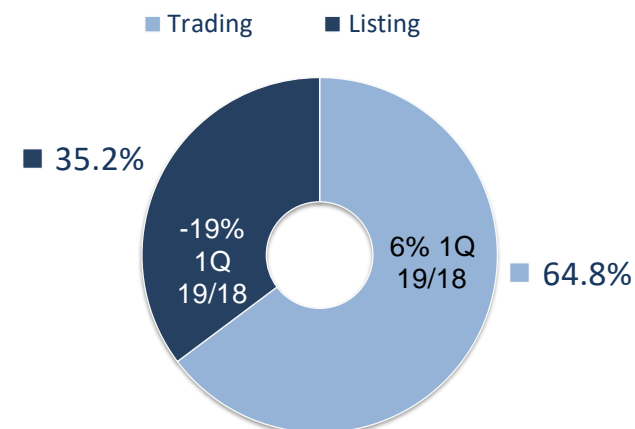
Thousands of €	1Q 2019	1Q 2018*	%
Net Revenue	1,916	2,011	-4.7%
Operating Costs	(1,044)	(1,201)	-13.1%
EBITDA	872	810	7.7%

## AIAF. Volume admitted

(€ Million)



(\*) 1Q 2018 data has been restated to include the impact of IFRS 15.



- Total admissions to trading increased by 13.9% to €119.9 billion compared to the same period of 2018.
- Trading in Fixed Income in the first quarter increased by 88.5% driven mainly by the Spanish government debt.
- The Alternative Fixed Income Market (MARF) has consolidated as a leader for financing through fixed income issues for Spanish medium-sized companies. Total issued volume increased 23.1% and the outstanding balance was up 28.7% compared to Q1 2018.

## BUSINESS UNITS EVOLUTION

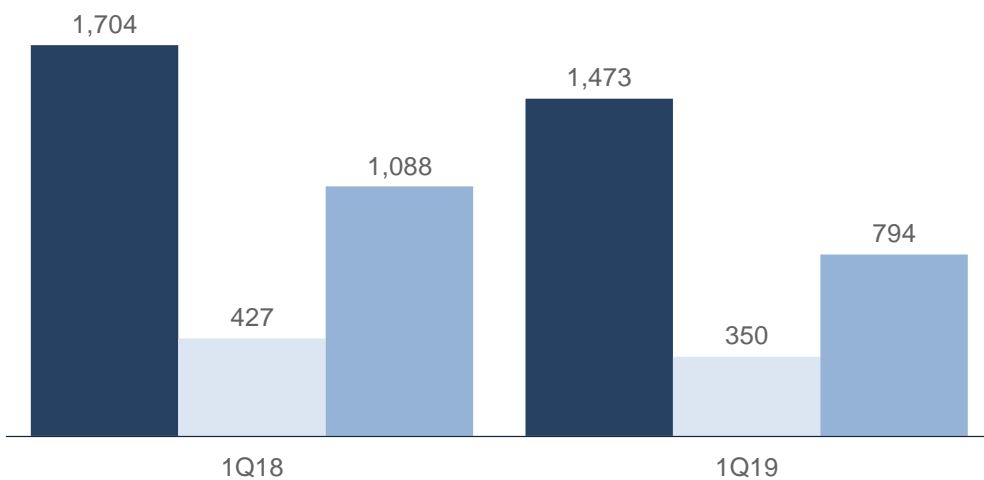
# Derivatives

Thousands of €	1Q 2019	1Q 2018	%
<b>Net Revenue</b>	2,771	2,925	-5.3%
<b>Operating Costs</b>	(1,878)	(1,774)	5.9%
<b>EBITDA</b>	<b>893</b>	<b>1,151</b>	<b>-22.4%</b>

### Index derivatives contracts traded

(Thousand contracts)

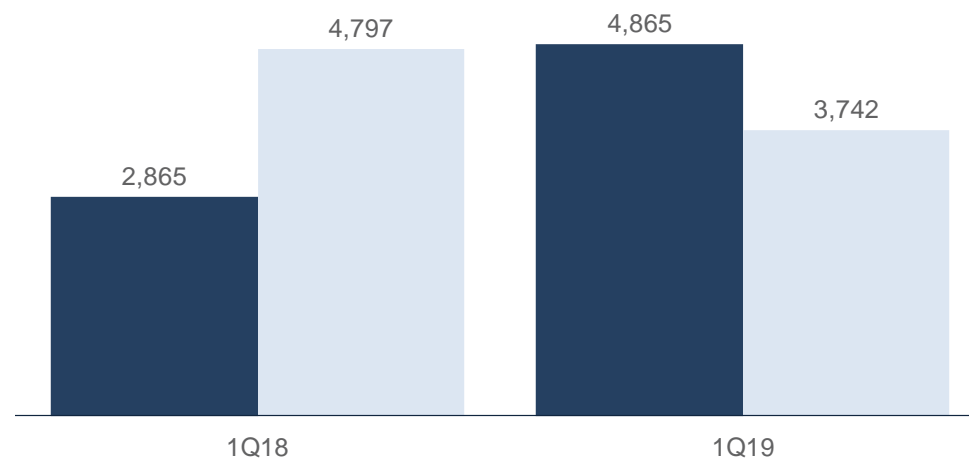
● Futures IBEX 35® ● Futures MiniIBEX ● Options IBEX 35®



### Stock derivatives contracts traded

(Thousand contracts)

● Stock Futures ● Stock Options



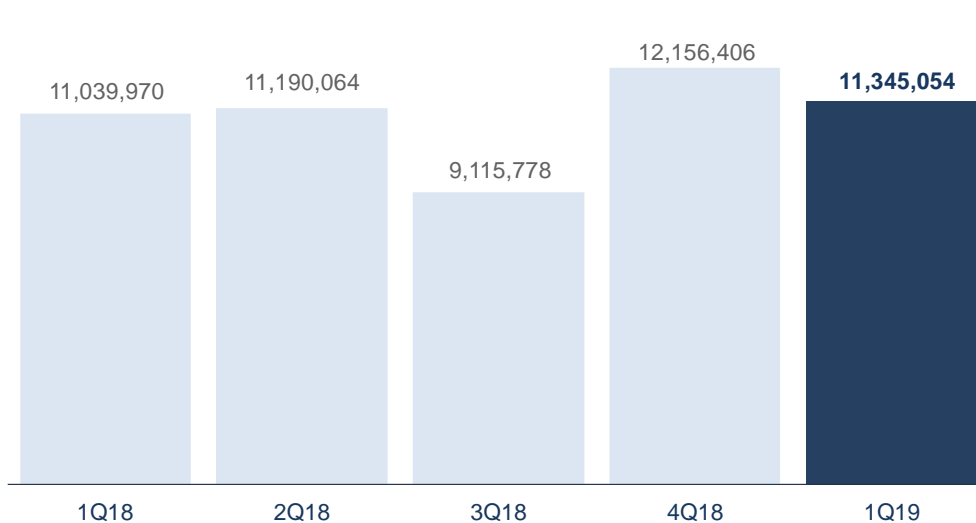
## BUSINESS UNITS EVOLUTION

## Clearing

<i>Thousands of €</i>	<b>1Q 2019</b>	<b>1Q 2018</b>	<b>%</b>
<b>Net Revenue</b>	6,015	7,436	-19.1%
<b>Operating Costs</b>	(2,700)	(2,524)	7.0%
<b>EBITDA</b>	<b>3,315</b>	<b>4,912</b>	<b>-32.5%</b>

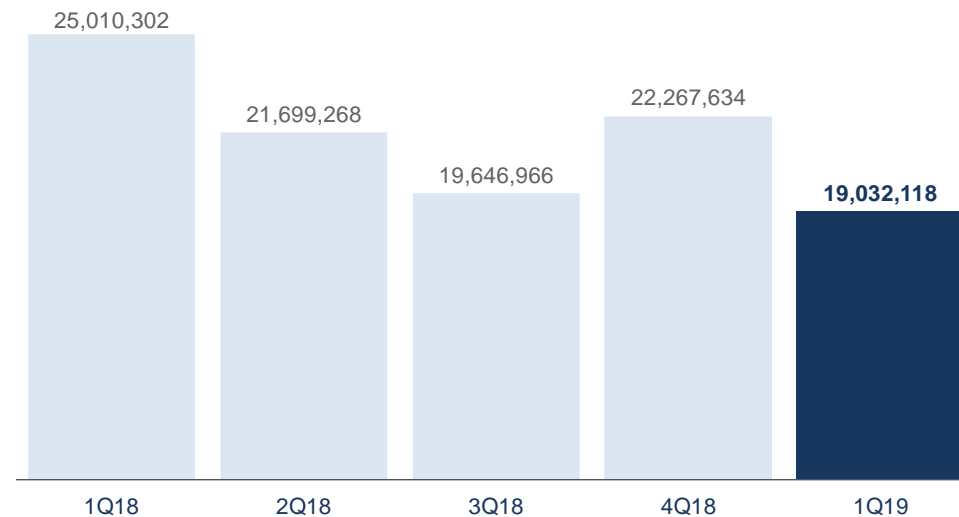
## Financial Derivatives

(Number of contracts)



## Number of equity transactions cleared

(Number of transactions)

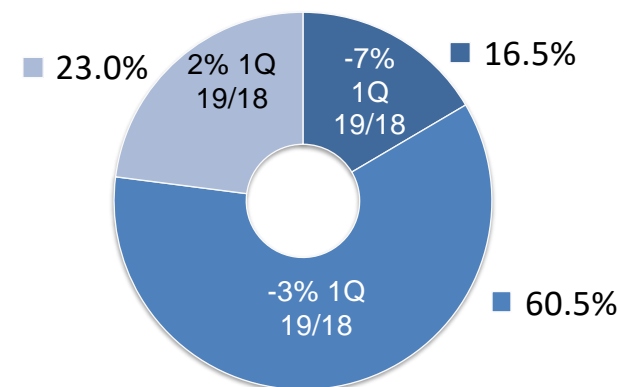


BUSINESS UNITS EVOLUTION

# Settlement & Registration

Thousands of €	1Q 2019	1Q 2018	%
<b>Net Revenue</b>	14,715	15,071	-2.4%
<b>Operating Costs</b>	(3,775)	(3,735)	1.1%
<b>EBITDA</b>	<b>10,940</b>	<b>11,336</b>	<b>-3.5%</b>

■ Settlement ■ Registration ■ Other services



## Settlement: Number of trades settled

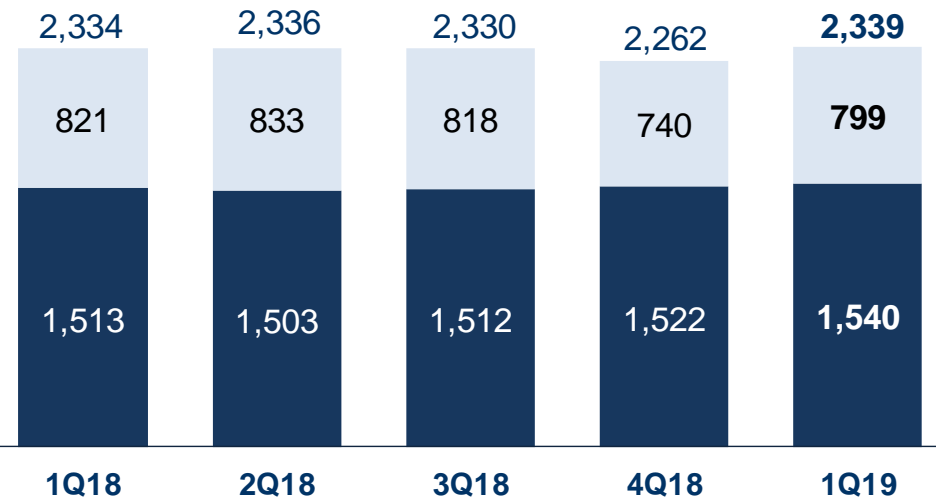
(Million of trades)



## Securities under custody: Volume registered

(€ Billion)

● Par Value registered in FI ● Market value registered in Equity



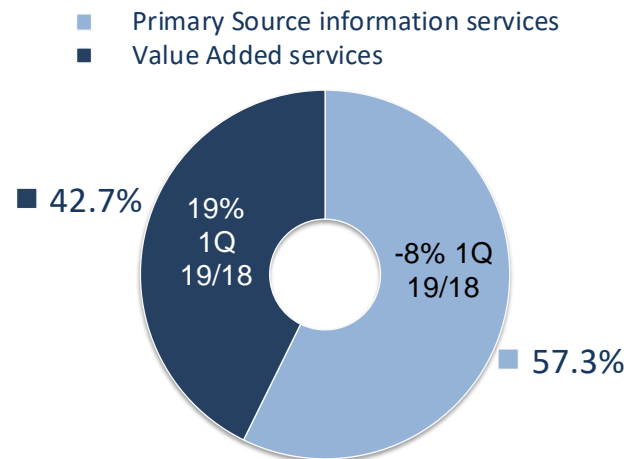




BUSINESS UNITS EVOLUTION

# Market Data & VAS

Thousands of €	1Q 2019	1Q 2018	%
<b>Net Revenue</b>	16,195	15,861	2.1%
<b>Operating Costs</b>	(7,179)	(5,786)	24.1%
<b>EBITDA</b>	<b>9,016</b>	<b>10,075</b>	<b>-10.5%</b>



## Market Data & VAS: Unit drivers

**BME Inntech**

**Order and execution feeds (FOE)**  
**Transaction cost analysis (TCA)**  
**BME ComplianceNet (SICAM)**

**International consulting**

**Set up of trading platform and OMS of the Colombian Stock Exchange**  
**Developments with Bolivian and Algiers Stock Exchanges**

# Index

Results

Business units

**Financials**

## FINANCIALS

## Net revenues

<i>Thousands of €</i>	<b>1Q 2019</b>	<b>1Q 2018 *</b>	<b>%</b>
<b>Equity</b>	29,085	35,442	-17.9%
<b>Fixed income</b>	1,916	2,011	-4.7%
<b>Derivatives</b>	2,771	2,925	-5.3%
<b>Clearing</b>	6,015	7,436	-19.1%
<b>Settlement &amp; Registration</b>	14,715	15,071	-2.4%
<b>Market Data &amp; VAS</b>	16,195	15,861	2.1%

(\*) 1Q 2018 data for Equity and Fixed Income has been restated to include the impact of IFRS 15.

## FINANCIALS

## EBITDA

<i>Thousands of €</i>	<b>1Q 2019</b>	<b>1Q 2018*</b>	<b>%</b>
<b>Equity</b>	19,693	25,349	-22.3%
<b>Fixed income</b>	872	810	7.7%
<b>Derivatives</b>	893	1,151	-22.4%
<b>Clearing</b>	3,315	4,912	-32.5%
<b>Settlement &amp; Registration</b>	10,940	11,336	-3.5%
<b>Market Data &amp; VAS</b>	9,016	10,075	-10.5%

(\*) 1Q 2018 data for Equity and Fixed Income has been restated to include the impact of IFRS 15.

## FINANCIALS

## Balance sheet

<i>Thousands of €</i>	<b>31 March 2019</b>	<b>31 March 2018*</b>
<b>Goodwill</b>	87,725	88,718
<b>Other non-current assets</b>	115,982	92,108
<b>Cash and cash equivalents</b>	308,470	328,394
<b>Current financial assets</b>	6,837	14,706
<b>Non-Group current financial assets</b>	10,211,378	17,596,564
<b>Other current assets</b>	91,362	91,331
<b>Total assets</b>	<b>10,821,754</b>	<b>18,211,821</b>
<b>Owners' Equity</b>	426,993	451,273
<b>External Partners</b>	370	139
<b>Non-current liabilities</b>	66,057	37,466
<b>Current liabilities</b>	10,328,334	17,722,943
<b>Total equity and liabilities</b>	<b>10,821,754</b>	<b>18,211,821</b>

(\*) 1Q 2018 has been restated to include the impact of IFRS 15.

## FINANCIALS

## P&amp;L

<i>Thousands of €</i>	<b>1Q 2019</b>	<b>1Q 2018*</b>	<b>%</b>
<b>Net Revenue</b>	71,534	78,882	-9.3%
<b>Expenses</b>	(28,526)	(28,348)	0.6%
<b>EBITDA</b>	43,008	50,534	-14.9%
<b>EBIT</b>	40,668	48,602	-16.3%
<b>Financial results</b>	(264)	21	-1,357.1%
<b>Share of profit (loss) of associates</b>	1,150	1,282	-10.3%
<b>EBT</b>	41,554	49,905	-16.7%
<b>Net Profit</b>	<b>31,552</b>	<b>37,798</b>	<b>-16.5%</b>

(\*) 1Q 2018 has been restated to include the impact of IFRS 15.

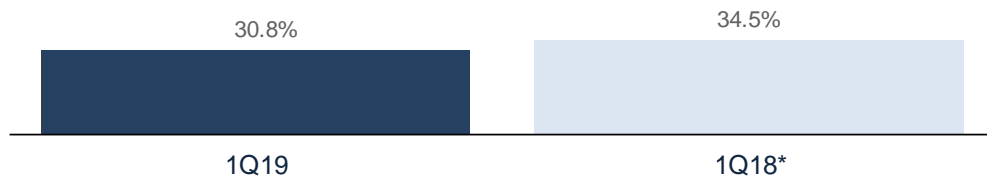


FINANCIALS

# Efficiency & profitability

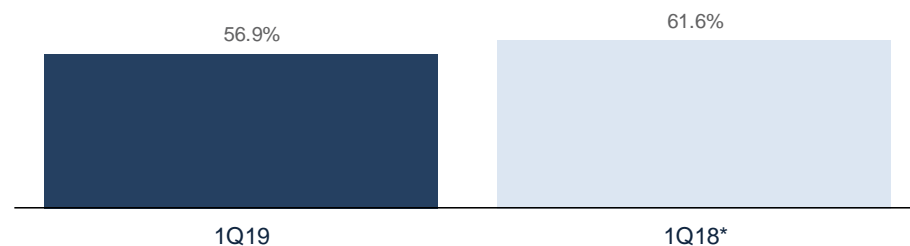
ROE evolution

(% ROE)



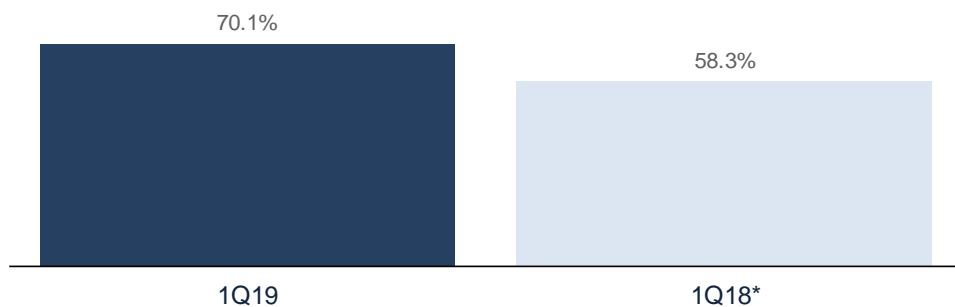
EBIT/ Net revenues ratio evolution

(% EBIT/ Net revenues)



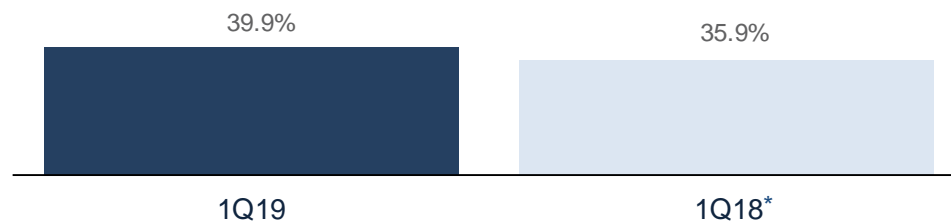
Cost/ EBIT ratio evolution

(% Cost/ EBIT)



Efficiency ratio evolution

(% Efficiency)



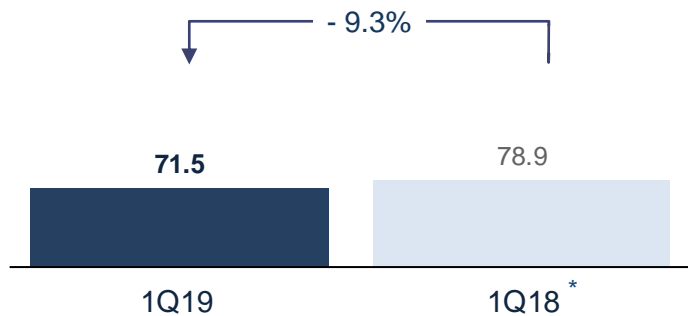
(\*) 1Q 2018 has been restated to include the impact of IFRS 15.

FINANCIALS

# P&L – Main figures

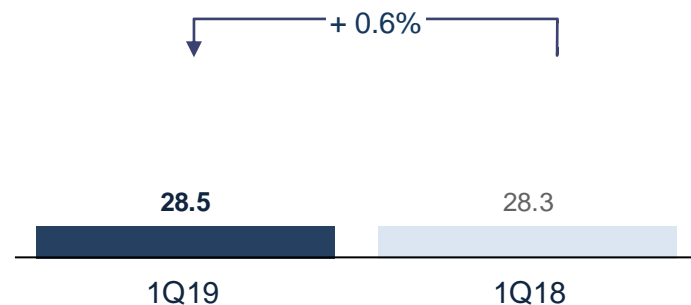
## Net revenues

(€ Mill)



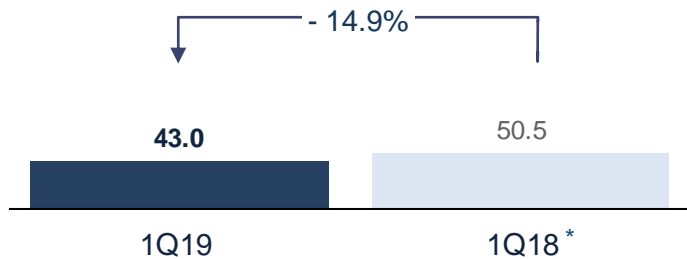
## Costs

(€ Mill)



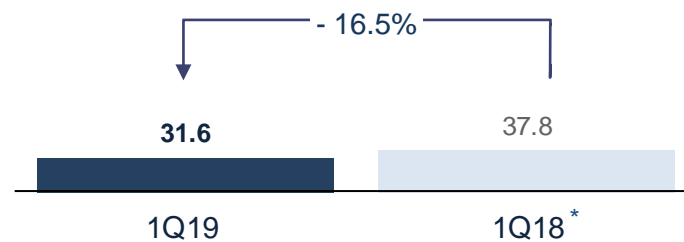
## EBITDA

(€ Mill)



## Net profit

(€ Mill)



(\*) 1Q 2018 has been restated to include the impact of IFRS 15.