



EURONEXT Q3 2021 RESULTS



5 November 2021
9.00am CET

AGENDA

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- 2 Q3 2021 BUSINESS REVIEW
- 3 Q3 2021 FINANCIAL REVIEW
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SPEAKERS



Stéphane Boujnah

CEO and Chairman of
the Managing Board



Giorgio Modica

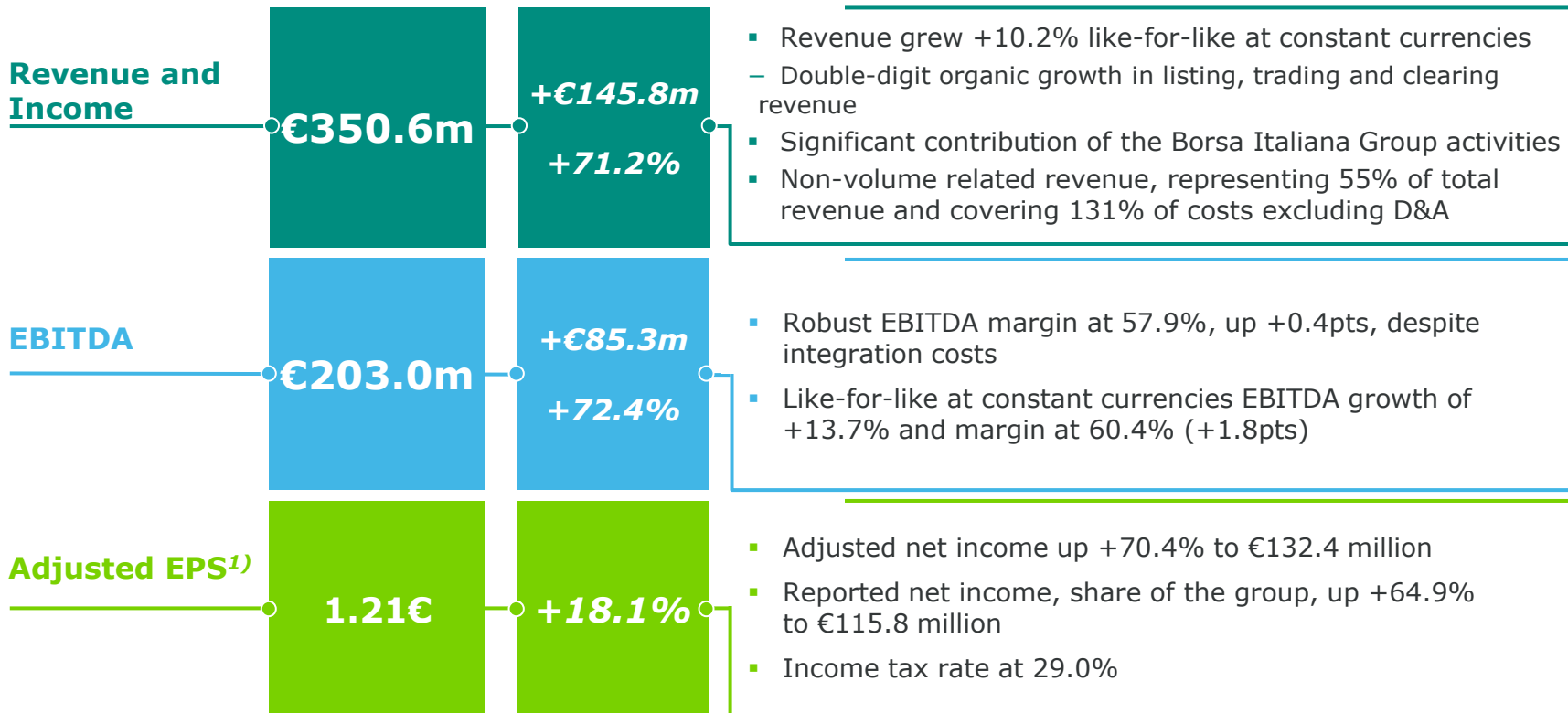
Chief Financial Officer



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Q3 2021 HIGHLIGHTS

Q3 2021 strong performance resulting from double-digit organic growth in revenue and the consolidation of the Borsa Italiana Group

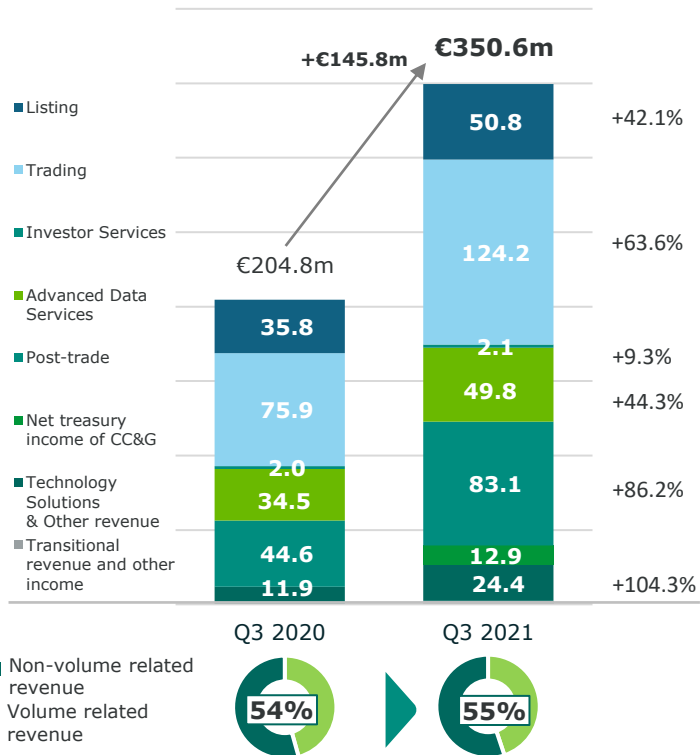




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Q3 2021 BUSINESS REVIEW

Q3 2021 revenue up +71.2% driven by double digit organic growth in listing, trading and clearing and the consolidation of the Borsa Italiana Group



- Revenue grew +10.2% like-for-like

- Trading revenue grew +63.6% driven by the consolidation of Borsa Italiana capital markets and MTS, and by a robust organic performance of the cash trading business

- Post-trade revenue grew +86.2% driven by to the consolidation of Monte Titoli, and CC&G. Nordic CSDs reported slower activity reflecting normalised levels of retail activity

- Advanced Data Services revenue grew +44.3% due to robust index and core businesses, and the consolidation of the Borsa Italiana Group

- Listing revenue grew +42.1%, driven by strong equities and ETFs listing activity, combined with the continued growth of Euronext Corporate Services, and the consolidation of the Borsa Italiana Group

+71.2%

Q3 2021 consolidated revenue growth

+€121.1m

Borsa Italiana Group revenue contribution in Q3 2021

55%

Non-volume related revenue and income, reflecting post-trade and listing activities

131%

Non-volume related revenue and income to operating cost coverage vs 128% in Q3 2020

Listing revenue up +42.1% to €50.8 million in Q3 2021

#1 equity raising and equity listing venue in Europe, with 51 equity listings

€50.8m

Revenue
+42.1%

51

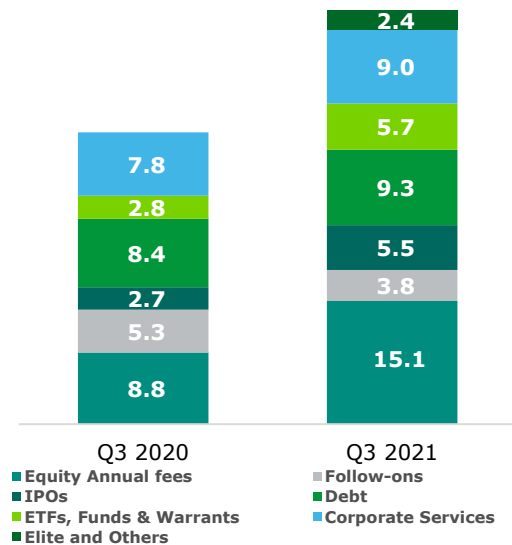
New equity listings

€381bn

money raised

+16.1%

Corporate Services
revenue growth



- Record activity in equity and ETFs listing and positive traction of ESG bond listing
- Continued momentum in primary equity issuances:
 - 5 large caps
 - 6 SPACs
- Solid secondary markets activity
- Strong performance of Corporate Services, reflecting continued commercial development and demand for its enhanced digital offering solutions, despite seasonal slowdown due to the summer months
- Sustained leading position in ETFs listing
- Like-for-like at constant currencies, revenue increased +11.7%

Trading revenue up +63.6% to €124.2 million in Q3 2021 (1/2)

CASH TRADING

€75.0m
revenue
+42.7%

€10.9bn
ADV¹
+14.6%
proforma

0.52bps
Yield

71.4%
market share

- High level of volatility over the quarter
- Strong revenue capture and efficient market share management
- Like-for-like at constant currencies, revenue was up +17.0%

DERIVATIVES TRADING

€13.5m
revenue
+25.9%

584k lots
Financial derivatives
ADV¹
+3.4%
proforma

83k lots
Commodities
ADV¹
+34.4%
proforma

€0.31
Rev. per lot

- Low volatility environment for equity derivatives
- Record quarter in commodities products trading, resulting from successful expansion of the franchise and dynamic agricultural commodities market
- Like-for-like at constant currencies, revenue was up +2.6%

FIXED INCOME TRADING

€23.8m
Revenue
x50

€23.4bn
MTS CASH
ADV¹
+66.0%

€282.0bn
MTS REPO
TAADV¹
-2.0%

€673m
Other fixed-income
ADV¹
-29.0%

- Strong performance of MTS Cash, reflecting continued positive momentum in cash bonds trading supported by steady issuance level across Europe.
- MTS Cash revenue at €17.1m and MTS Repo revenue at €4.8m
- Like-for-like at constant currencies (solely Euronext perimeter), revenue was down -18.7%

Trading revenue up +63.6% to €124.2 million in Q3 2021 (2/2)

FX TRADING

€5.6m
revenue
-4.2%

\$17.5bn
ADV
-9.4%

- Lower trading volumes in a low volatility environment
- Like-for-like at constant currencies, revenue decreased -3.4%

POWER TRADING

€6.3m
revenue
-0.05%

2.02TWh
day-ahead
ADV
-7.8%

0.06TWh
intraday
ADV
-10.7%

- Lower power trading activity on Nord Pool markets offset by foreign exchange impact
- Like-for-like at constant currencies, revenue decreased -3.3%

Post-trade revenue, including net treasury income, up +115.2% to €96.1 million in Q3 2021

Consolidation of Monte Titoli and CC&G, normalization of retail activity in the Nordic CSDs

CLEARING

in €m

■ Derivatives ■ Equities ■ Bonds ■ Other



- **Total clearing revenue: €27.5m, +85.3%**
- LCH SA clearing revenue supported by higher treasury income and higher commodities derivatives cleared
- Net treasury income through CCP business of CC&G at €12.9m
- Like-for-like at constant currencies, revenue increased 14.8%

LCH SA

€17.1m
Clearing revenue
+14.8%

CUSTODY, SETTLEMENT AND OTHER POST-TRADE

€55.6m
Revenue
+86.7%

€6.3tn
Assets under
custody

29.9m
Settlement
instructions¹
+12.4%

- Contribution of Montetitoli (*for the full quarter*) and VP Securities
- Less dynamic activity in the Nordic CSD reflecting the normalization of retail trading activity
- Like-for-like at constant currencies, revenue increased +8.7%

Advanced Data Services, Investor Services and Technology Solutions

ADVANCED DATA SERVICES

in €m



+€15.3m
revenue
+44.3%

- Consolidation of the Borsa Italiana Group data activities
- Solid dynamic the index business
- Robust market data business
- Like-for-like at constant currencies, revenue increased +4.5%

INVESTOR SERVICES

in €m

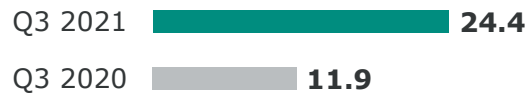


+€0.1m
revenue
+9.3%

- Continued commercial development of the franchise
- Like-for-like at constant currencies, revenue increased +24.0%

TECHNOLOGY SOLUTIONS

in €m



+€12.4m
revenue
+104.3%

- Consolidation of the Borsa Italiana Group technology businesses
- Higher SFTI / Colocation revenue and fee grid improvement
- Like-for-like at constant currencies, revenue increased +6.8%

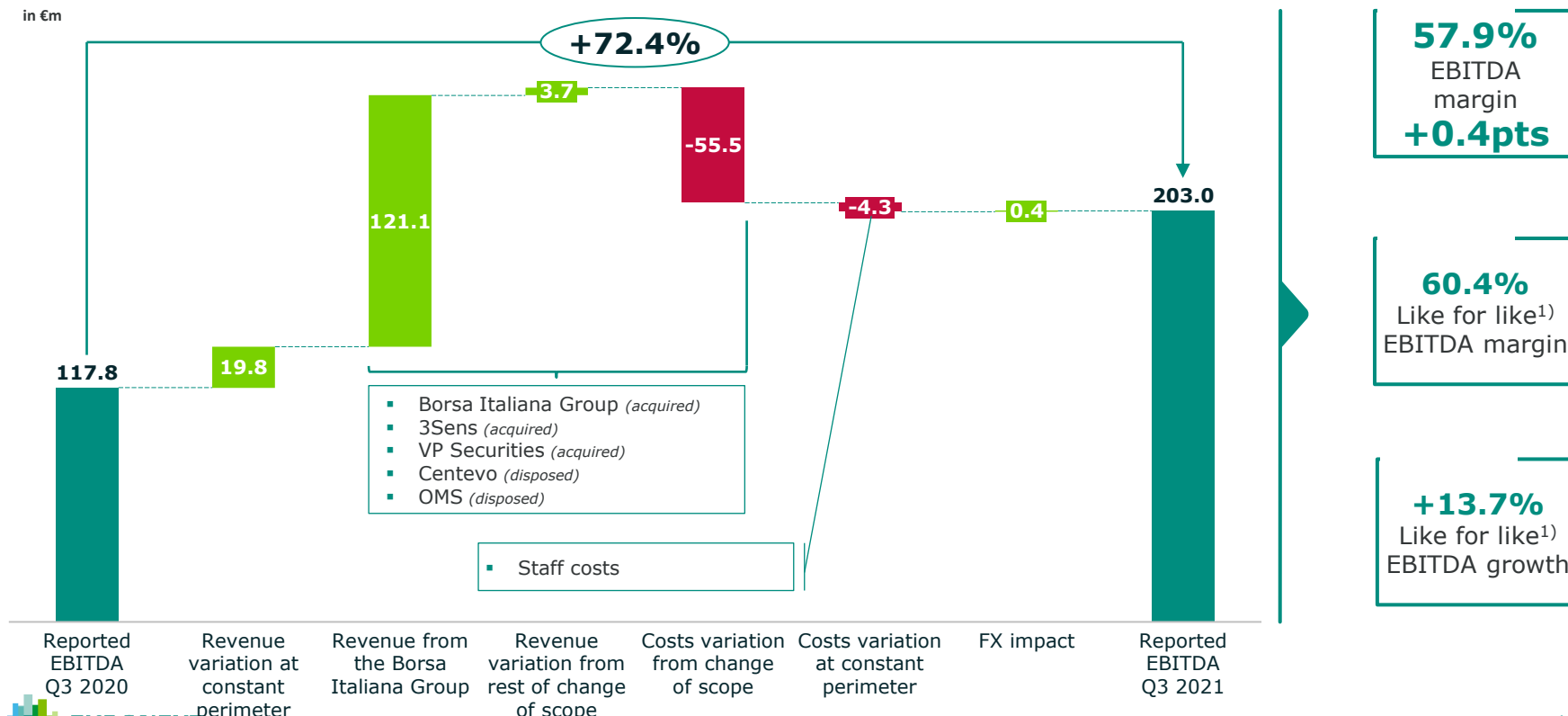


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Q3 2021 FINANCIAL REVIEW

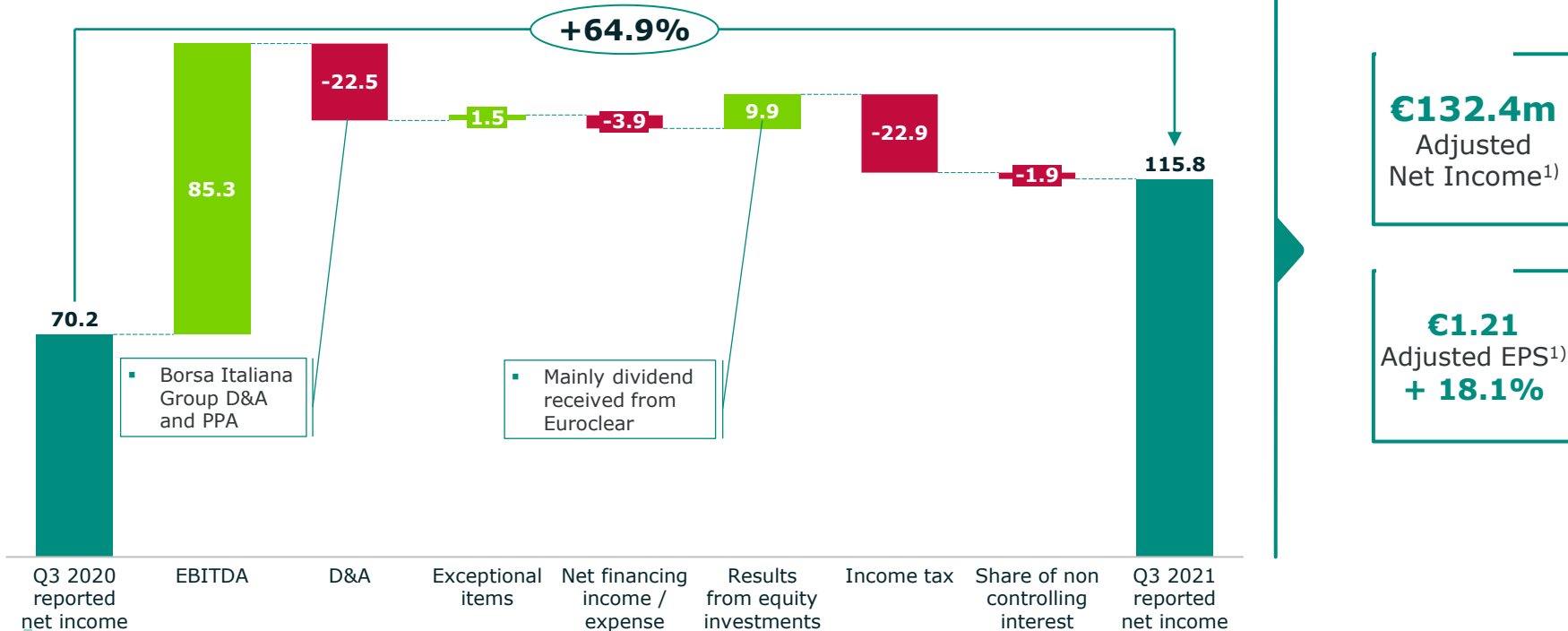
Q3 2021 EBITDA up +72.4% to €203.0 million

Consolidation of acquisitions and organic growth



Q3 2021 Net Income up +64.9% to €115.8 million, Adjusted EPS up +18.1% to €1.21 per share

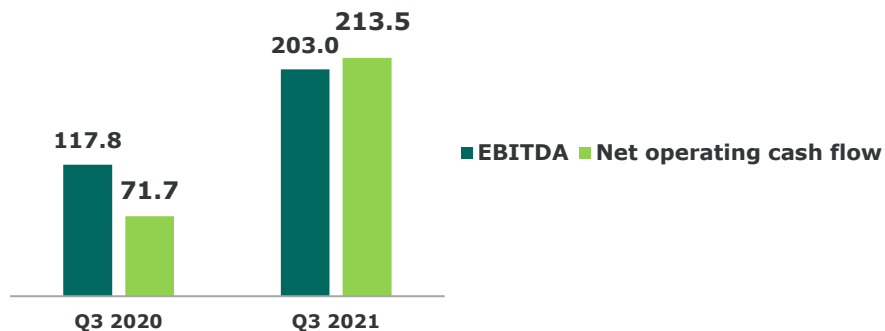
in €m



Cash flow generation and liquidity position

CASHFLOW GENERATION

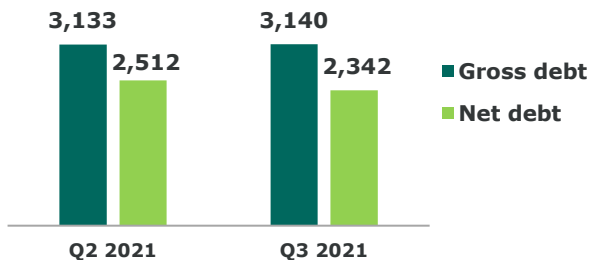
in €m



- Q3 2021 EBITDA to net operating cash flow conversion rate impacted by:
 - Clearing activities of Nord Pool positively impacting changes in working capital
 - Excluding the impact on working capital from Nord Pool and CC&G CCP activities, net operating cash flow accounted for 86% of EBITDA

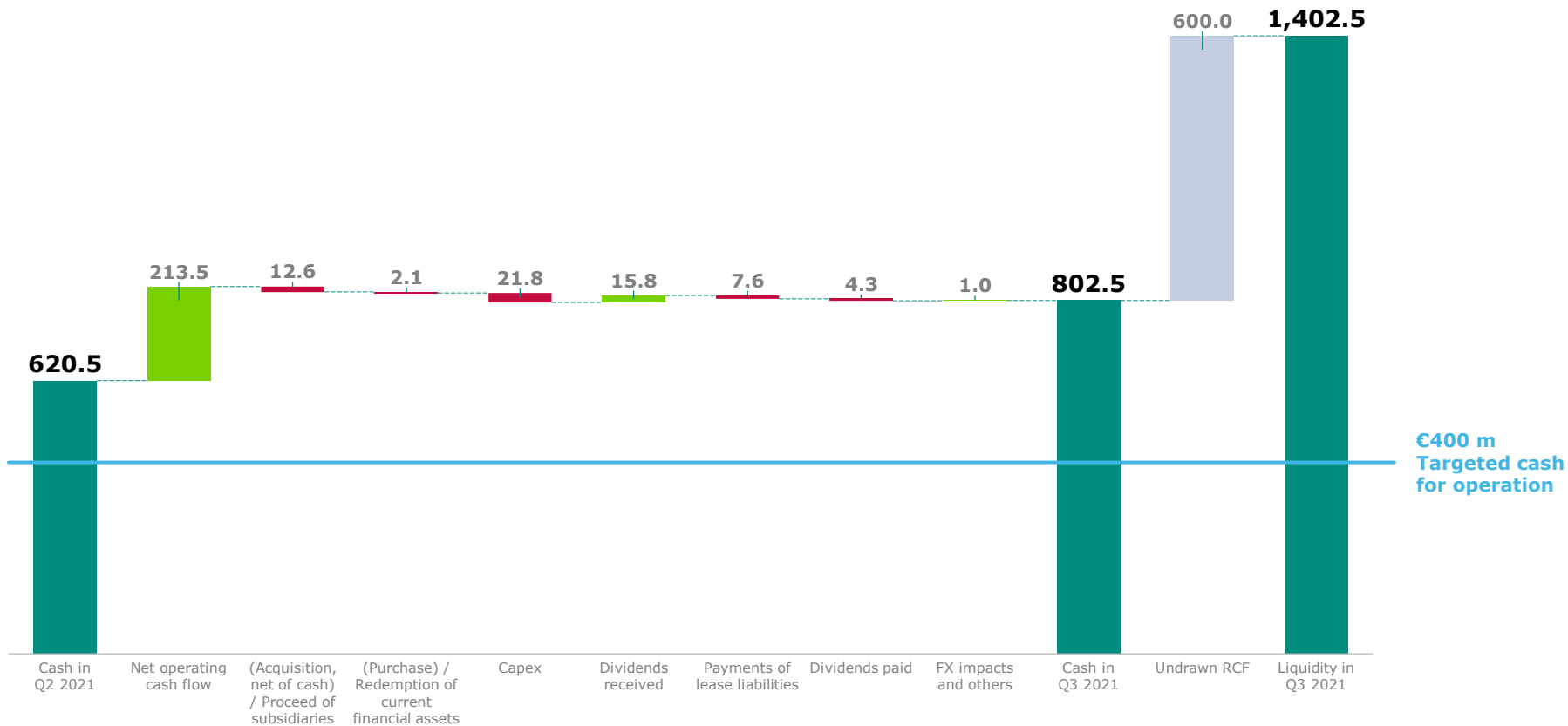
DEBT AND LEVERAGE

in €m



- Net debt to EBITDA¹⁾ ratio at **2.8x** (vs 3.1x in Q2 2021)
- Weighted average life to maturity of **9.1 years**

Liquidity





 Euronext



Q&A



Q&A - Speakers



Stéphane Boujnah

CEO and Chairman of the Managing Board



Giorgio Modica

Group Chief Financial Officer



Anthony Attia

Global Head of Primary Markets & Post Trade



APPENDIX

Adjusted EPS

In €m unless stated otherwise

	Q3 2021	Q3 2020
Net income reported	115.8	70.2
EPS Reported (€ per share)	1.08	0.92
Intangible assets adj. related to acquisitions (PPA)	(20.1)	(5.4)
Exceptional items	(2.0)	(3.5)
Impairment	-	-
Exceptional financing expense	-	-
Tax related to those items	5.5	1.4
Adj. net income	132.4	77.7
Adj. EPS (€ per share)	1.21	1.02

Q3 2021 income statement

<i>unaudited, in €m</i>	Q3 2021	Q3 2020	% var	% var l-f-l
Total Revenues and income	350.6	204.8	+71.2%	+10.2%
Listing	50.8	35.8	+42.1%	+11.7%
Trading revenue, of which	124.2	75.9	+63.6%	+11.5%
Cash Trading	75.0	52.5	+42.7%	+17.0%
Derivatives Trading	13.5	10.8	+25.9%	+2.6%
Fixed income trading	23.8	0.5	n/a	-18.7%
FX Trading	5.6	5.8	-4.2%	-3.4%
Power trading	6.3	6.3	-0.0%	-3.3%
Investor Services	2.1	2.0	+9.3%	+24.0%
Market Data & indices	49.8	34.5	+44.3%	+4.5%
Post-trade, of which	83.1	44.6	+86.2%	+11.4%
Clearing	27.5	14.9	+85.3%	+14.8%
Custody and Settlement	55.6	29.8	+86.7%	+8.7%
Market Solutions & other revenue	24.4	11.9	+104.3%	+6.8%
NTI through CCP business	12.9	-	n/a	n/a
Other income	0.8	0.0	n/a	n/a
Transitional revenues	2.3	-	n/a	n/a
Operating expenses exc. D&A	(147.6)	(87.1)	+69.5%	+5.3%
Salaries and employee benefits	(72.9)	(48.3)	+51.0%	+9.6%
Other Operational Expenses, of which	(74.7)	(38.8)	+92.6%	+0.1%
System & Communication	(25.9)	(10.1)	+155.8%	+5.5%
Professional Services	(22.2)	(12.6)	+75.7%	-9.6%
Clearing expense	(8.2)	(8.1)	+1.4%	+1.3%
Accommodation	(2.6)	(2.0)	+31.8%	-1.2%
Other Operational Expenses	(15.7)	(5.9)	+165.2%	+9.6%
EBITDA	203.0	117.8	+72.4%	+13.7%
EBITDA margin	57.9%	57.5%	+0.4pt	+1.8pt
Depreciation & Amortisation	(37.9)	(15.4)	+145.8%	-2.7%
Total Expenses	(185.5)	(102.5)	+81.0%	+4.1%
Operating Profit before Exceptional items	165.1	102.3	+61.3%	+16.0%
Exceptional items	(2.0)	(3.5)	-43.2%	
Operating Profit	163.1	98.8	+65.1%	
Net financing income / (expense)	(7.3)	(3.4)	+113.8%	
Results from equity investments	11.8	1.8	+543.1%	
Profit before income tax	167.6	97.2	+72.4%	
Income tax expense	(48.5)	(25.6)	+89.5%	
Non-controlling interests	(3.2)	(1.4)	+135.0%	
Net income, share of the parent company shareholders	115.8	70.2	+64.9%	
EPS (basic, reported, in €)	1.08	0.92	+17.1%	
EPS (diluted, reported, in €)	1.08	0.92	+17.2%	
EPS (basic, adjusted, in €)	1.21	1.02	+18.1%	

Balance sheet as at 30 September 2021

<i>unaudited, in €m</i>	As at 30/09/21	As at 30/06/21
Non-current assets		
Property, plant and equipment	87.4	78.7
Right-of-use assets	70.2	72.5
Goodwill and other intangible assets	6,117.6	6,125.0
Deferred income tax assets	32.8	33.1
Investments in associates and JV	66.0	71.8
Financial assets at fair value through OCI	228.2	258.4
Other non current assets	3.7	3.8
Total non-current assets	6,606.0	6,643.2
Current assets		
Trade and other receivables	410.2	381.4
Income tax receivable	9.0	11.1
Derivative financial instruments	18.3	18.3
CCP clearing business assets	145,089.8	132,243.9
Other short-term financial assets	194.0	161.4
Cash & cash equivalents	798.3	620.5
Total current assets	146,519.6	133,436.6
Assets held for sale	6.0	-
Total assets	153,131.6	140,079.7
Equity		
Shareholders' equity	3,556.5	3,441.8
Non-controlling interests	82.0	81.1
Total Equity	3,638.6	3,522.8
Non-current liabilities		
Borrowings	3,049.9	3,049.2
Lease liabilities	52.1	53.5
Deferred income tax liabilities	528.5	534.1
Post employment benefits	31.4	31.0
Contract liabilities	67.8	64.2
Other provisions	10.5	10.5
Total Non-current liabilities	3,740.1	3,742.6
Current liabilities		
Borrowings	90.5	83.4
Lease liabilities	24.3	24.2
CCP clearing business liabilities	145,062.3	132,219.1
Income tax payable	77.6	51.3
Trade and other payables	393.3	323.4
Contract liabilities	99.4	108.3
Other provisions	4.2	4.6
Total Current liabilities	145,751.6	132,814.3
Liabilities held for sale	1.3	-
Total equity and liabilities	153,131.6	140,079.7

Q3 2021 cash flows and outstanding debt

unaudited, in €m

	Q3 2021	Q3 2020
Profit before tax	167.6	97.2
Adjustments for:		
- Depreciation and amortization	37.9	15.4
- Share based payments	2.5	2.3
- Share of profit from associates and joint ventures	(2.6)	(1.8)
- Changes in working capital	35.0	(14.1)
Cash flow from operating activities	240.4	99.0
Income tax paid	(26.9)	(27.3)
Net cash flows from operating activities	213.5	71.7
Cash flow from investing activities		
Acquisition of subsidiaries, net of cash acquired	(12.6)	(134.5)
Proceeds from sale of assets held for sale	-	8.8
Purchase of current financial assets	(2.2)	(1.2)
Redemption of current financial assets	0.1	4.0
Purchase of property, plant and equipment	(13.6)	(1.2)
Purchase of intangible assets	(8.1)	(4.0)
Proceeds from sale of Property, plant, equipment and intangible assets	0.0	(0.0)
Dividends received from equity investments	9.2	-
Dividends received from associates	6.7	7.9
Net cash flow from investing activities	(20.7)	(120.2)
Cash flow from financing activities		
Proceeds from borrowings, net of transaction fees	(1.1)	0.2
Interest paid	(0.4)	(0.1)
Share capital repayment	(0.4)	-
Payment of lease liabilities	(7.6)	(3.9)
Acquisition of own shares	(0.1)	(0.0)
Employee Share transactions	0.0	(0.0)
Dividends paid to non-controlling interests	(4.3)	-
Net cash flow from financing activities	(13.8)	(3.9)
Total cash flow over the period	179.0	(52.3)
Cash and cash equivalents - Beginning of period	620.5	622.3
Non Cash exchange gains/(losses) on cash and cash equivalents	3.0	(2.7)
Cash and cash equivalents - End of period	802.5	567.3

Outstanding debt issued

Amount	Maturity	Interest
€500 million	2025	Swap-to-floating
€750 million	2029	Fixed
€600 million	2026	Fixed
€600 million	2031	Fixed
€600 million	2041	Fixed

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