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EURONEXT PUBLISHES Q3 2020 RESULTS

SOLID THIRD QUARTER 2020 DEMONSTRATING CONTINUED BENEFITS FROM DIVERSIFICATION AND RESILIENT CORE BUSINESS

Amsterdam, Brussels, Dublin, Lisbon, Oslo and Paris – 5 November 2020 – 17.45 CET – Euronext, the leading pan-European market infrastructure, today announced its results for the third quarter of 2020.

◆ **Q3 2020 revenue at €204.8 million (+12.7%):**

- Post-trade revenue increased to €44.6 million (+44.9%), driven by the consolidation from 4 August 2020 of VP Securities, the Danish CSD, contributing €10.0 million revenue, and higher clearing revenue. Like-for-like¹ at constant currencies, post-trade revenue increased +16.0%
- Trading revenue increased to €75.9 million (+7.3%), with €6.3 million contributed by Nord Pool power trading offsetting lower cash and derivatives trading volumes. Like-for-like at constant currencies, trading revenue decreased -1.0%
- Listing revenue increased to €35.8 million (+2.9%), driven by the strong performance of Corporate Services at €7.8 million (+20.0% like-for-like). Like-for-like at constant currencies, listing revenue increased +2.6%
- Advanced data services revenue increased to €34.5 million (+3.0%), reflecting a solid performance of the market data and indices businesses. Like-for-like at constant currencies, advanced data services revenue increased +2.6%
- Nord Pool contributed €8.6 million revenue in Q3 2020
- Group non-volume related revenue² accounted for 54% of Q3 2020 total revenue (vs. 52% in Q3 2019), and covered 128% of operating expenses excluding depreciation & amortisation (vs. 129% in Q3 2019)

◆ **Q3 2020 EBITDA at €117.8 million (+9.1%), with EBITDA margin at 57.5% (-1.9pts); like-for-like, EBITDA margin at 59.7% (+0.1pts):**

- Group operating costs excluding D&A were up +€13.3 million to €87.1 million, primarily as a result of the consolidation of costs from acquired businesses currently undergoing integration
- Euronext confirms its 2020 guidance for costs, excluding D&A, of mid-single digit³ growth in 2020, compared to the H2 2019 annualised cost base, to reflect expected costs in Q4 2020 related to the integration of Oslo Børs VPS and implementation of the strategic plan projects

◆ **Q3 2020 reported net income, share of the Group, at €70.2 million (+10.6%) and Adjusted EPS⁴ at €1.12 (+13.8%)**

- Increased financing costs related to foreign exchange impacts and the bond tap issue in June 2020
- Income tax rate at 26.4%, reflecting reduced domestic tax rates and the enlarged Nordic footprint

Key figures - in €m, unless stated otherwise	Q3 2020	Q3 2019	% var	Organic (like-for-like, constant currencies)
Revenue	204.8	181.7	+12.7%	+3.4%
Operational expenses excluding D&A	-87.1	-73.8	+18.0%	+3.2%
EBITDA	117.8	108.0	+9.1%	+3.6%
<i>EBITDA margin</i>	<i>57.5%</i>	<i>59.4%</i>	<i>-1.9 pts</i>	<i>+0.1 pt</i>
Net income, share of the Group	70.2	63.5	+10.6%	
EPS (non diluted, reported)	1.01	0.91	+10.6%	
EPS (non diluted, adjusted) ⁴	1.12	0.98	+13.8%	

¹ Unless stated otherwise, variations refer to Q3 2020 figures compared to Q3 2019 figures

² Like-for-like revenue are at constant currencies and exclude in Q3 2020 VP Securities, Ticker, 3Sens, OPCVM360 and Nord Pool

³ Volume-related businesses include Cash, Derivatives, Spot FX trading, Power trading, Clearing, and IPOs

⁴ Based on H2 2019 reported operating costs excluding D&A, excluding Nord Pool and VP Securities

⁵ Definition in Appendix

◆ **Contemplated acquisition of the Borsa Italiana Group¹**

- Binding agreement signed on 9 October 2020 with London Stock Exchange Group plc (“LSEG”) and London Stock Exchange Group Holdings (Italy) Limited to acquire 100% of the issued share capital of London Stock Exchange Group Holdings Italia SPA, the holding company of the Borsa Italiana Group for a cash consideration of €4,325 million²
- The combined³ revenue for the Combined Group⁴ amounted to €1.3 billion and EBITDA reached €711 million for 2019. In 2019, the Borsa Italiana Group generated €464 million of revenue and €264 million of EBITDA
- Transaction is expected to be accretive⁵ to the adjusted EPS (before synergies) immediately, to generate a total of €60 million pre-tax run-rate synergies by year 3, and to be double digit accretive⁵ in year 3 after synergies
- Potential transaction is conditional upon, amongst other things, the divestment of the Borsa Italiana Group or a material part thereof being a condition of the European Commission’s clearance decision for LSEG’s proposed acquisition of Refinitiv
- An Extraordinary General Meeting (“EGM”) of shareholders is convened on 20 November 2020 to approve the transaction, the private placement and rights offer
- Closing is expected in H1 2021

Stéphane Boujnah, Chief Executive Officer and Chairman of the Managing Board of Euronext, said:

“In the third quarter of 2020, Euronext’s business diversification initiatives continued to bolster growth, with the first impact of the consolidation of VP Securities, while the core business showed its resilience and translated into a double-digit growth of revenue at €204.8 million. Combined with continued cost control, this translated into a higher EBITDA of €117.8 million and a double-digit increase in adjusted EPS to €1.12.

Euronext confirms the cost guidance of mid-single digit growth in 2020 compared to the annualised second half 2019 cost base, as costs related to the Oslo Børs VPS integration and strategic plan projects are expected to ramp up in the last quarter of 2020.

We closed the acquisition of VP Securities in August, pursuing our Nordic expansion and enhancing our post-trade activities. As we celebrate the 20th anniversary of Euronext, we also reached a turning point in the Group’s history with the contemplated acquisition of the Borsa Italiana Group⁶. The combination of Euronext and the Borsa Italiana Group delivers on the strategic objectives set in October 2019 in our ‘Let’s Grow Together 2022’ strategic plan to build the leading pan-European market infrastructure, through expansion of our federal model and accelerated diversification of Euronext’s revenue mix.”

¹ London Stock Exchange Group Holdings Italia S.p.A. and its consolidated subsidiaries

² Plus an additional amount reflecting the cash generated to completion. Excluding cash and liquid assets (after deduction of regulatory requirements) and borrowings, representing a total net liability of €42m as of 30 June 2020

³ Euronext and the Borsa Italiana Group 2019 financial information based on their respective accounting policies and not prepared on a pro-forma basis. Euronext 2019 information including the full-year pro forma impact of the previous acquisition of Oslo Børs VPS, Nord Pool, VP Securities, OPCVM 360, Ticker and 3Sens

⁴ Euronext and its subsidiaries following completion (for the avoidance of doubt, including the Borsa Italiana Group)

⁵ Based on a price per Ordinary Share of €102.5 as of 8 October 2020

⁶ The potential transaction is conditional upon, amongst other things, the divestment of the Borsa Italiana Group or a material part thereof being a condition of the European Commission’s clearance decision for LSEG’s proposed acquisition of Refinitiv



Euronext Q3 2020 financial performance

Revenue

In €m, unless stated otherwise	Q3 2020	Q3 2019	% var	Organic (like-for-like, constant currencies)
Revenue	204.8	181.7	+12.7%	+3.4%
Listing	35.8	34.8	+2.9%	+2.6%
Trading revenue	75.9	70.8	+7.3%	-1.0%
<i>Cash Trading</i>	53.0	53.4	-0.6%	-0.2%
<i>Derivatives Trading</i>	10.8	11.5	-6.3%	-6.0%
<i>Spot FX Trading</i>	5.8	6.0	-2.4%	+2.6%
<i>Power trading</i>	6.3	0.0	n/a	n/a
Investor Services	2.0	1.8	+7.9%	+9.6%
Advanced Data Services	34.5	33.5	+3.0%	+2.6%
Post-Trade	44.6	30.8	+44.9%	+16.0%
<i>Clearing</i>	14.9	13.3	+11.7%	+11.7%
<i>Custody, Settlement and other post-trade</i>	29.8	17.5	+70.3%	+19.5%
Technology Solutions & other revenue	11.9	9.9	+20.2%	+2.0%
Other income	0.0	0.1	-59.0%	-59.0%

The figures in this document have not been audited or reviewed by our external auditor.

In the third quarter of 2020, Euronext consolidated revenue increased to €204.8 million, up +12.7%, primarily resulting from the consolidation of Nord Pool (from 15 January 2020) and VP Securities (from 4 August 2020) and from a robust core business. On a like-for-like basis (excluding the consolidation of Nord Pool, Ticker, 3Sens, OPCVM360 and VP Securities in Q3 2020) and at constant currencies, Euronext consolidated revenue was up +3.4% in Q3 2020, at €185.6 million.

Non-volume related revenue accounted for 54% of total Group revenue in Q3 2020, increasing from 52% of total Group revenue in Q3 2019. This reflects the expanded post-trade activities from the consolidation VP Securities in Q3 2020. The operating cost coverage ratio was at 128% in Q3 2020, compared to 129% in Q3 2019.

EBITDA

In €m, unless stated otherwise	Q3 2020	Q3 2019	% change	Organic (like-for-like, constant currencies)
Revenue	204.8	181.7	+12.7%	+3.4%
Operational expenses excluding D&A	-87.1	-73.8	+18.0%	+3.2%
Salaries and employee benefits	-48.3	-40.7	+18.8%	+3.9%
Other expenses	-38.8	-33.1	+17.0%	+2.3%
EBITDA	117.8	108.0	+9.1%	+3.6%
<i>EBITDA margin</i>	<i>57.5%</i>	<i>59.4%</i>	<i>-1.9 pts</i>	<i>+0.1 pt</i>

Operational expenses excluding depreciation & amortisation increased to €87.1 million, up +18.0%, i.e. by €13.3 million, as a result of the consolidation of the costs from VP Securities, Nord Pool, OPCVM360, Ticker and 3Sens for €12.3 million. On a like-for-like basis at constant currencies, operational expenses excluding depreciation & amortisation increased by +3.2% compared to Q3 2019, due to lower capitalized costs and project costs.

Consequently, EBITDA for the quarter was €117.8 million, up +9.1%, representing a margin of 57.5%, down -1.9 points compared to Q3 2019, due to the consolidation of VP Securities, Nord Pool and other recently acquired companies. In Q3 2020, VP Securities standalone EBITDA margin was positively impacted by the one-off release of accruals on revenue and the implementation of IFRS16. On a like-for-like basis at constant currencies, EBITDA for Q3 2020 increased +3.6%, to €110.9 million, and EBITDA margin was 59.7%, +0.1 point compared to the same perimeter in Q3 2019.



Net income, share of the Group

In €m, unless stated otherwise	Q3 2020	Q3 2019	% change	Organic (like-for-like, constant currencies)
EBITDA	117.8	108.0	+9.1%	+3.6%
<i>EBITDA margin</i>	<i>57.5%</i>	<i>59.4%</i>	<i>-1.9 pts</i>	<i>+0.1 pt</i>
Depreciation & amortisation	-15.4	-13.1	+17.8%	+1.1%
Operating profit before exceptional items	102.3	94.9	+7.9%	+4.0%
Exceptional items	-3.5	-0.3	n/a	
Operating profit	98.8	94.6	+4.5%	
Net financing income / (expense)	-3.4	-2.0	+68.3%	
Results from equity investments	1.8	2.1	-14.3%	
Profit before income tax	97.2	94.7	+2.7%	
Income tax expense	-25.6	-30.4	-15.6%	
Share of non-controlling interests	-1.4	-0.8	+66.1%	
Net income, share of the Group	70.2	63.5	+10.6%	

Depreciation and amortisation accounted for €15.4 million in Q3 2020, up +17.8%, resulting mainly from the consolidation of recently acquired businesses and their respective PPA. On a like-for-like basis at constant currencies, depreciation & amortisation was up, +1.1%, to €12.8 million.

Operating profit before exceptional items was €102.3 million, a +7.9% increase compared to Q3 2019. On a like-for-like basis at constant currency, operating profit before exceptional items was up, +4.0%, to €98.1 million.

€3.5 million of exceptional costs were booked in Q3 2020, primarily in relation with the contemplated acquisition of the Borsa Italiana Group and restructuring costs. Q4 2020 is expected to be impacted by exceptional costs related the contemplated acquisition of the Borsa Italiana Group and by provisions related to the integration of VP Securities.

Net financing expense for Q3 2020 was €3.4 million compared to a net financing expense of €2.0 million in Q3 2019, mainly reflecting foreign exchange impacts and interest expenses related to the tap issue in June 2020.

Results from equity investments amounted to €1.8 million in Q3 2020, resulting from the contribution from LCH SA, in which Euronext owns an 11.1% stake. In Q3 2019, €2.1 million in results from equity investments was reported.

Income tax for Q3 2020 was €25.6 million, positively impacted by reduced domestic tax rates and the enlarged Nordic footprint. This translated into an effective tax rate of 26.4% for the quarter (Q3 2019: €30.4 million and 32.1%).

Shares of non-controlling interests mainly relating to iBabs (60% owned), OPCVM360 (60% owned), Nord Pool (66% owned) and VP Securities¹ amounted to €1.4 million in Q3 2020.

As a result, the reported net profit share of the Group for Q3 2020 increased by +10.6%, to €70.2 million. This represents a reported EPS of €1.01 basic and €1.00 fully diluted in Q3 2020, compared to €0.91 basic and €0.91 fully diluted in Q3 2019. The number of shares used for the basic calculation was 69,672,131 and for the fully diluted calculation 69,891,198.

Adjusted EPS² is up +13.8% in Q3 2020, at €1.12, compared to an adjusted EPS of €0.98 in Q3 2019.

In Q3 2020 Euronext generated a net cash flow from operating activities of €71.7 million, compared to €75.9 million in Q3 2019, impacted by changes in working capital related to Nord Pool.

¹ VP Securities first settlement on 4 August 2020 for 85.20% of the shares, second settlement on 14 September 2020 for 99.39% of the shares (adjusted from treasury shares), for detail please refer to the Corporate highlights

² Definition in Appendix



Q3 2020 business highlights

◆ Listing

In €m, unless stated otherwise	Q3 2020	Q3 2019	% change
Listing revenue	35.8	34.8	+2.9%
Equity			
Annual fees	8.8	8.4	+4.9%
Follow-ons	5.3	6.0	-11.5%
IPOs	2.7	2.7	+0.2%
Debts	8.4	8.4	-0.0%
ETFs, Funds & Warrants	2.8	3.0	-6.5%
Corporate Services	7.8	6.0	+29.5%
Others	0.0	0.3	n/a
<i>Money raised</i>	<i>213,217</i>	<i>314,378</i>	<i>-32.2%</i>

Listing revenue was €35.8 million in Q3 2020, an increase of +2.9% compared to Q3 2019, driven by the strong performance of Corporate Services.

On a like-for-like basis at constant currencies, listing revenue increased by +2.6%.

Q3 2020 saw a record quarter in primary listing activity reaching 21 new listings, all from SMEs. Euronext's initiative to attract non-domestic companies resulted in 5 new listings from companies outside of Euronext core countries, including 4 Spanish companies, while 2 participants from the TechShare programme listed on Euronext markets. Q3 2020 marked a 13-years record in new listings in Oslo, accounting for 13 of the new listings. In Q3 2020, €917 million was raised on Euronext primary markets, compared to €221 million last year.

Secondary markets saw a usual seasonal slowdown in activity, with a larger proportion of financing oriented towards convertible bonds due to lower valuation and higher volatility. In Q3 2020, €8.5 billion was raised in secondary equity issues, compared to €6.1 billion in Q3 2019.

Debt new listings were impacted by the usual seasonal slowdown and the impact of the Covid-19 pandemic. In Q3 2020, €203.8 billion in debt was raised on Euronext's markets, compared to €314.4 billion in Q3 2019.

In total, €213.2 billion in equity and debt was raised on Euronext's markets in Q3 2020, compared to €314.4 billion in Q3 2019.

Corporate Services reported a strong performance, generating €7.8 million in revenue in Q3 2020, including €0.6 million of contribution from recent acquisitions¹, compared to €6.0 million in Q3 2019, reflecting continued success of the offering and increased demand for digital solutions during the pandemic.

¹ Ticker and 3Sens



◆ Trading

In €m, unless stated otherwise	Q3 2020	Q3 2019	% change
Trading revenue	75.9	70.8	+7.3%
Cash trading	53.0	53.4	-0.6%
<i>ADV Cash market</i>	7,468	7,926	-5.8%
Derivatives trading	10.8	11.5	-6.3%
<i>ADV Derivatives market (in lots)</i>	549,679	577,448	-4.8%
<i>Number of trading days</i>	<i>66</i>	<i>66</i>	
Spot FX trading	5.8	6.0	-2.4%
<i>ADV spot FX Market (in USDm)</i>	19,322	19,375	-0.3%
<i>Number of trading days</i>	<i>66</i>	<i>66</i>	
Power trading	6.3		n/a
<i>ADV Day-ahead power market (in TWh)</i>	2.19		n/a
<i>ADV Intraday power market (in TWh)</i>	0.07		n/a
<i>Number of trading days</i>	<i>92</i>		

Cash trading

Cash trading revenue decreased by -0.6% in Q3 2020, to a total of €53.0 million, reflecting lower trading volumes offset by improved average yield. Average daily volume for cash trading decreased to €7.5 billion in Q3 2020, down -5.8% compared to Q3 2019. The average yield over the third quarter increased to 0.54bps, compared to 0.51bps in Q3 2019. Average market share on cash trading reached 70.0% over the quarter, compared to 69.4% in Q3 2019.

The average daily transaction value of ETFs on the electronic order book was €211 million over Q3 2020, down -6.9% compared to Q3 2019, in a less volatile trading environment.

On a like-for-like basis at constant currencies, revenue from cash trading was down -0.2%.

Derivatives trading

Derivatives trading revenue decreased -6.3% in Q3 2020, to €10.8 million, compared to €11.5 million in Q3 2019, reflecting lower trading volumes. Average yield on derivatives was slightly down as increased high-yield commodity products volumes partially offset the dilutive impact of recently launched equity futures products.

Average daily volume on individual equity derivatives was up +4.4% at 286,312 contracts, resulting from increased individual equity futures volumes, while the average daily volume on equity index derivatives was down -18.9% to 197,820 contracts.

Commodity products recorded an increase in average daily volumes in Q3 2020, up +14.1% to 61,648 contracts compared to Q3 2019, related to usual seasonality impacts and increased commercial traction of the offering.

Yield on derivatives averaged €0.30 in Q3 2020, down -1.3% compared to Q3 2019, as increased volumes in high-yield commodity products partially offset the dilutive impact of significant volumes in recently launched lower-yield equity futures. Excluding Single Stocks Futures and Single Dividend Futures, the yield on derivatives averaged €0.33 in Q3 2020.

On a like-for-like basis at constant currencies, revenue from derivatives trading was down -6.0%.

Spot FX trading

Spot FX trading activity on the Euronext FX spot foreign exchange market recorded average daily volumes of \$19.3 billion in Q3 2020, slightly down, -0.3%, compared to \$19.4 billion in Q3 2019, resulting from an improved market share in a less volatile environment. As a result, spot FX trading generated €5.8 million of revenue in Q3 2020, down -2.4% compared to €6 million in Q3 2019.

On a like-for-like basis at constant currencies, revenue from spot FX trading was up +2.6%.

Power trading

Power trading, encompassing the trading activities of Nord Pool, of which Euronext acquired 66% in January 2020, reported €6.3 million revenue reflecting the usual seasonal slowdown in the spring and summer months. Over Q3 2020, average daily day-ahead power traded was 2.19 TWh, and average daily intraday power traded was 0.07 TWh.



◆ Investor Services

Investor Services, encompassing the activities of Commcise and Investor Services activities from Oslo Børs VPS, reported revenue up +7.9% to €2.0 million revenue in Q3 2020 reflecting continued commercial development.

On a like-for-like basis at constant currencies, revenue from Investor Services was up +9.6%.

◆ Advanced Data Services

Advanced Data Services reported revenue up +3.0% to €34.5 million in Q3 2020 driven by the consolidation of acquired businesses contributing €0.5 million and a resilient core business with continuous traction from ESG indices and solid resilience of market data.

On a like-for-like basis at constant currencies, Advanced Data Services revenue was up +2.6% compared to Q3 2019.

◆ Post-Trade

Clearing

Clearing revenue was up in Q3 2020, at €14.9 million, +11.7% compared to Q3 2019, reflecting higher treasury income offsetting lower derivatives trading volumes.

Custody, Settlement and other Post-Trade

Revenue from Custody, Settlement and other Post-Trade activities, encompassing Interbolsa, VPS and VP Securities activities, increased by +70.3% to €29.8 million in Q3 2020. This performance resulted primarily from the first consolidation of Danish CSD VP Securities and from high settlement activities as well as increased retail participation in the Danish and Norwegian CSDs.

On a like-for-like basis at constant currencies, revenue from Custody, Settlement and other Post-Trade was up +19.5%.

◆ Euronext Technology Solutions & Other revenue

Euronext Technology Solutions & Other revenue increased by +20.2% in Q3 2020, to €11.9 million, reflecting the consolidation of Nord Pool, and robust core business.

On a like-for-like basis at constant currencies, revenue was up +2.0% compared to last year.



Corporate highlights of Q3 2020, since publication of Q2 2020 results on 29 July 2020

◆ Euronext completes the acquisition of VP Securities

On 4 August 2020, Euronext announced that it completed the settlement of shares under its offer launched on 23 April 2020 to acquire 100% of VP Securities, the Danish Central Securities Depository. Euronext's offer to acquire the remaining shares in VP Securities remained open until 31 August 2020. The acquisition of VP Securities positions Euronext as a leading CSD operator in Europe with three CSDs (Euronext VPS in Norway, Interbolsa in Portugal and VP Securities in Denmark) representing €2.2 trillion in assets under custody, 31 million settlement instructions per year and 4.5 million accounts in 2019.

On 14 September 2020, Euronext owned 99.39% of the shares (adjusted from treasury shares) and initiated a compulsory redemption. (see below *Corporate highlights since 30 September 2020*)

◆ Euronext to acquire the Borsa Italiana Group and create the leading pan-European market infrastructure

On 11 September 2020, Euronext announced being in discussions with Cassa Depositi e Prestiti Equity ("CDP Equity") to submit an offer to London Stock Exchange Group plc ("LSEG") for the acquisition of the business and key operational assets of Borsa Italiana, with the ambition to create a leading player in continental European capital markets.

On 14 September 2020, Euronext confirmed the submission of a non-binding offer to LSEG to acquire Borsa Italiana partnering with CDP Equity and Intesa Sanpaolo.

On 18 September 2020, Euronext then confirmed it had entered into exclusive talks with LSEG.

On 9 October 2020, Euronext announced that it has entered into a binding agreement with LSEG and London Stock Exchange Group Holdings (Italy) Limited to acquire 100% of the entire issued share capital of London Stock Exchange Group Holdings Italia SPA, the holding company of the Borsa Italiana Group for a cash consideration of €4,325 million¹.

The Proposed Combination² will create a leading European market infrastructure in the European Union, whose central role to connect local economies to global markets is strengthened through the creation of the number one venue for listing and secondary markets for both debt and equity financing in Europe. This transaction significantly enhances the scale of Euronext, diversifies its business mix into new asset classes and strengthen its post-trade activities. With this transaction, Euronext delivers on its ambition to build the leading pan-European market infrastructure.

The potential transaction is conditional upon, amongst other things, the divestment of the Borsa Italiana Group or a material part thereof being a condition of the European Commission's clearance decision for LSEG's proposed acquisition of Refinitiv.

Key highlights of the announcement:

- Acquisition of 100% of London Stock Exchange Group Holdings Italia S.p.A., the holding company of the Borsa Italiana Group for a cash consideration of €4,325 million¹
- The Borsa Italiana Group (€464 million revenue and €264 million EBITDA in 2019) to play a key role in the future operations, strategy and governance of the Combined Group as its largest revenue contributor
- Strong support from Cassa Depositi e Prestiti (through CDP Equity ("CDPE"), 100%-owned) and Intesa Sanpaolo as strategic investors, with long-term commitment to support the growth of the Borsa Italiana Group, to attract SMEs to capital markets and to support Euronext's growth ambitions
- Creation of the leading player in European capital markets infrastructure, strengthening Euronext's leadership in European cash equities, while adding significant capabilities in fixed income trading and increasing post trade activities with a fully-owned, multi-asset clearing house and a scale CSD
- Widening of the product offering across the value chain and deepening of the liquidity pool to bring significant benefits for European capital markets and the Italian financial ecosystem
- Financing of the transaction fully secured by a bridge loan financing and long-term financing to be implemented through a mix of (i) existing available cash for c. €0.3bn, (ii) new debt for c. €1.8bn and (iii) new equity in the form of a private placement to CDP Equity and Intesa Sanpaolo and a rights offer to Euronext's shareholders for c. €2.4bn
- Euronext is committed to maintaining an investment grade credit rating aligned with its robust financial structure, with pro forma net leverage³ estimated at 3.4x at 30 June 2020 and expected to reduce below 3x by 2022. Euronext does not expect any change in dividend policy

¹ Plus an additional amount reflecting the cash generated to completion. Excluding cash and liquid assets (after deduction of regulatory requirements) and borrowings, representing a total net liability of €42m as of 30 June 2020

² The proposed acquisition by Euronext of the holding company of the Borsa Italiana Group

³ Pro forma net debt leverage is defined as net debt pro forma of the transaction divided by the combined EBITDA of Borsa Italiana and Euronext, including the full-year impacts of the previous Euronext acquisitions of Oslo Børs VPS, Nord Pool, VP Securities, OPCVM 360, Ticker and 3Sens



- Transaction expected to be accretive¹ to the adjusted EPS (before synergies) immediately, to generate a total of €60 million pre-tax run-rate synergies by year 3, including €45 million of pre-tax run-rate cost synergies and €15 million of pre-tax run-rate revenue synergies. The transaction is expected to be double digit accretive² in year 3 after synergies
- EGM of shareholders to approve the transaction convened for 20 November 2020
- The Managing Board and the Supervisory Board of Euronext have unanimously approved the transaction as they consider it to be in the best interests of Euronext, its shareholders and other stakeholders, and therefore ask that shareholders vote in favour of the resolutions tabled at the EGM
- The Reference Shareholders support the Proposed Combination and have each signed an irrevocable undertaking vote in favour of the resolutions tabled at the EGM

The related press releases and documentation are available at:

<https://www.euronext.com/en/investor-relations/financial-calendar/acquisition-borsa-italiana-group>

◆ Convening of an EGM of Euronext N.V.

On 9 October 2020 Euronext also announced that a virtual EGM would take place on Friday 20 November 2020 at 10.30 CET. In light of the Dutch emergency law regarding General Meetings, the Managing Board of Euronext N.V. has decided that shareholders can only attend the meeting virtually via internet, at:

https://channel.royalcast.com/euronextwebcast#!/euronextwebcast/20201120_1

The agenda for the meeting is as follows:

1. Opening
2. Presentation of the Chief Executive Officer on the acquisition of the entire issued share capital of London Stock Exchange Group Holdings Italia S.p.A. ("The Proposed Combination") (discussion item)
3. Resolutions in relation to the Proposed Combination
 - a. Approval of the Proposed Combination pursuant to section 2:107a Dutch Civil Code (voting item 1)
 - b. Designation of the Managing Board as the corporate body authorized to issue shares and/or to grant rights to subscribe for shares and exclude or limit related pre-emptive rights in connection with the Proposed Combination (Private Placement) (voting item 2)
 - c. Designation of the Managing Board as the corporate body authorized to issue shares and/or to grant rights to subscribe for shares and exclude or limit related pre-emptive rights in connection with the Proposed Combination (Rights Issue) (voting item 3)
4. Close

The full documentation is available at:

<https://www.euronext.com/en/investor-relations/financial-calendar/extraordinary-general-meeting-20112020>

◆ Volumes for Q3 2020

For the third quarter of 2020, the average daily transaction value on the Euronext cash order book stood at €7,468 million, down -5.8% compared to the same period last year.

The average daily transaction value of ETFs on the electronic order book was €211 million over Q3 2020, down -6.9% compared to Q3 2019. The total number of ETFs listed on Euronext was 1,271 at end of September 2020.

The overall average daily volume on Euronext derivatives stood at 549,679 contracts (-4.8% compared to Q3 2019) and the open interest was 18,472,390 contracts at the end of September 2020 (-0.8% compared to the end of September 2019).

The average daily volume on Euronext FX's spot foreign exchange market stood at \$19,322 million in Q3 2020, down -0.3% compared to the same period last year.

Over Q3 2020, the average daily power volumes traded on Nord Pool, of which Euronext acquired 66% in January 2020, for day-ahead power was 2.19 TWh, and average daily intraday power traded was 0.07 TWh.

¹ Based on a price per Ordinary Share of €102.5 as of 8 October 2020

² Based on a price per Ordinary Share of €102.5 as of 8 October 2020



Corporate highlights since 30 September 2020

- ◆ **Contemplated acquisition of the Borsa Italiana Group (see above)**

- ◆ **October 2020 Volumes**

In October 2020, the average daily transaction value on the Euronext cash order book stood at €7,802 million, down -9.0% compared to the same period last year.

The average daily transaction value of ETFs on the electronic order book was €229 million in October 2020, up +4.8% compared to October 2019. The total number of ETFs listed on Euronext was 1,281 at end of October 2020.

The overall average daily volume on Euronext derivatives stood at 593,901 contracts (-1.7% compared to October 2019) and the open interest was 20,533,273 contracts at the end of October 2020 (+0.4% compared to the end of October 2019).

The average daily volume on Euronext FX's spot foreign exchange market stood at \$18,616 million in October 2020, down -0.2% compared to the same period last year.

- ◆ **Market outage of 19 October 2020**

On Monday 19 October 2020, due to a technical issue impacting all Euronext cash and derivatives segments connected to the single liquidity pool, trading was halted at 09.48 CEST on all Euronext segments and the closing process was impacted. The root cause was identified as a technical issue in a third-party software and is resolved.

- ◆ **VP Securities - Settlements of the shares**

On 23 October 2020, Euronext finalized the compulsory redemption of VP Securities shares and now owns 100% of the shares of VP Securities.



Agenda

A conference call and a webcast will be held tomorrow 6 November 2020, at 9.00am CEST (Paris time) / 8.00am BST (London time):

Website : www.euronext.com/investors

To connect to the conference call, please dial:

◆ UK Number:	+44 203 003 2666
◆ FR Number:	+33 1 7037 7166
◆ NL Number:	+31 20 794 8426
◆ US Number:	+1 212 999 6659
◆ BE Number:	+32 2 792 0434
◆ PT Number:	+351 3 0880 2081
◆ IR Number:	+353 1 436 0959
◆ NO Number:	+47 2 156 3318
◆ IT Number:	+39 02 36269665

Password: Euronext

Live Webcast:

A live audio webcast and replay after the call will be available via [this link](#) and on Euronext's Investor Relations website.

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Media:

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About Euronext

Euronext is the leading pan-European market infrastructure, connecting local economies to global capital markets, to accelerate innovation and sustainable growth. It operates regulated exchanges in Belgium, France, Ireland, The Netherlands, Norway and Portugal. With close to 1,500 listed issuers worth €3.8 trillion in market capitalisation as of end September 2020, it has an unmatched blue chip franchise and a strong diverse domestic and international client base. Euronext operates regulated and transparent equity and derivatives markets and is the largest centre for debt and funds listings in the world. Its total product offering includes Equities, FX, Exchange Traded Funds, Warrants & Certificates, Bonds, Derivatives, Commodities and Indices. Euronext also leverages its expertise in running markets by providing technology and managed services to third parties. In addition to its main regulated market, it also operates Euronext GrowthTM and Euronext AccessTM, simplifying access to listing for SMEs. Euronext provides custody and settlement services through central securities depositories in Denmark, Norway and Portugal.

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APPENDIX

Non-IFRS financial measures

For comparative purposes, the company provides unaudited non-IFRS measures including:

- Operational expenses excluding depreciation and amortisation
- EBITDA, EBITDA margin.

Non-IFRS measures are defined as follows:

- Operational expenses excluding depreciation and amortisation as the total of salary and employee benefits, and other operational expenses
- EBITDA as the operating profit before exceptional items and depreciation and amortisation
- EBITDA margin as the operating profit before exceptional items and depreciation and amortisation, divided by revenue.

Non-IFRS financial measures are not meant to be considered in isolation or as a substitute for comparable IFRS measures and should be read only in conjunction with the consolidated financial statements.

Other Alternative Performance Measures used in this release

- Volume related revenue accounts for trading and clearing activities and IPOs revenue, all other revenue are considered as non-volume related.
- Operating cost coverage is equal to non-volume related revenue divided by operating expenses excluding D&A.
- 'Organic' and 'Like-for-like' refers to Euronext Group perimeter, at constant currencies for the comparative period in the previous year, excluding any acquired companies thereafter as well as any project costs supported by Euronext for the integration of these companies.

Adjusted EPS definition

<i>In €m unless stated otherwise</i>	Q3 2020		Q3 2019	
Net income reported		70.2	63.5	
<i>EPS Reported (€ per share)</i>		1.01	0.91	
Intangible assets adj. related to acquisitions (PPA)	-	5.4	-	5.5
Exceptional items	-	3.5	-	0.3
Tax related to those items		1.4		1.0
Adj. net income		77.7		68.3
Adj. EPS (€ per share)		1.12		0.98



Consolidated income statement

Unaudited, In €m	Q3 2020	Q3 2019	% var	Organic (like for like at constant currencies)
Revenue	204.8	181.7	+12.7%	+3.4%
Listing	35.8	34.8	+2.9%	+2.6%
Trading revenue	75.9	70.8	+7.3%	-1.0%
Cash trading	53.0	53.4	-0.6%	-0.2%
Derivatives trading	10.8	11.5	-6.3%	-6.0%
Spot FX trading	5.8	6.0	-2.4%	+2.6%
Power trading	6.3	0.0	n/a	n/a
Investor Services	2.0	1.8	+7.9%	+9.6%
Advanced Data Services	34.5	33.5	+3.0%	+2.6%
Post-trade	44.6	30.8	+44.9%	+16.0%
Clearing	14.9	13.3	+11.7%	+11.7%
Custody, Settlement and other post-trade	29.8	17.5	+70.3%	+19.5%
Euronext Technologies & Other revenue	11.9	9.9	+20.2%	+2.0%
Other income	0.0	0.1	-59.0%	-59.0%
Operational expenses excluding D&A	-87.1	-73.8	+18.0%	+3.2%
Salaries and employee benefits	-48.3	-40.7	+18.8%	+3.9%
Other operational expenses	-38.8	-33.1	+17.0%	+2.3%
System & communication	-10.1	-7.6	+32.5%	+5.5%
Professional services	-12.6	-9.3	+36.4%	+21.1%
Clearing expense	-8.1	-7.2	+12.2%	+5.9%
Accommodation	-2.0	-1.7	+19.4%	-2.0%
Other operational expenses	-5.9	-7.4	-19.5%	-27.1%
EBITDA	117.8	108.0	+9.1%	+3.6%
<i>EBITDA margin</i>	<i>57.5%</i>	<i>59.4%</i>	<i>-1.9 pts</i>	<i>+0.1 pts</i>
Depreciation & amortisation	-15.4	-13.1	+17.8%	+1.1%
Operating profit before exceptional items	102.3	94.9	+7.9%	+4.0%
Exceptional items	-3.5	-0.3	n/a	
Operating profit	98.8	94.6	+4.5%	
Net financing income / (expense)	-3.4	-2.0	+68.3%	
Results from equity investments	1.8	2.1	-14.3%	
Profit before income tax	97.2	94.7	+2.7%	
Income tax expense	-25.6	-30.4	-15.6%	
Share of non-controlling interests	-1.4	-0.8	+66.1%	
Net income, share of the Group	70.2	63.5	+10.6%	
EPS Reported (non-diluted, in € per share)	€ 1.01	€ 0.91	+10.6%	
EPS Adjusted (non-diluted, in € per share)	€ 1.12	€ 0.98	+13.8%	

The figures in this document have not been audited or reviewed by our external auditor.



Consolidated comprehensive income statement

Unaudited, In €m	Q3 2020	Q3 2019
Profit for the period	71.6	64.3
Other comprehensive income		
Items that may be reclassified to profit or loss:		
– Exchange differences on translation of foreign operations	-14.9	-8.6
– Gains and losses on cash flow hedges	0.0	-0.5
– Income tax impact on exchange differences on translation of foreign operations	1.7	0.0
Items that will not be reclassified to profit or loss:		
– Income tax impact on change in value of equity investments at fair value through other comprehensive income	0.1	-0.8
– Remeasurements of post-employment benefit obligations	-1.4	-0.9
– Income tax impact on remeasurements of post-employment benefit obligations	1.5	0.2
Other comprehensive income for the period net of tax	-12.9	-10.4
Total comprehensive income for the period	58.7	53.9
Comprehensive income attributable to:		
– Owners of the parent	57.4	54.3
– Non-controlling interests	1.3	-0.4

The figures in this document have not been audited or reviewed by our external auditor.



Consolidated balance sheet

Unaudited, In €m	As at 30 Sep 2020	As at 30 Jun 2020
Non-current assets		
Property, plant and equipment	55.5	55.7
Right-of-use assets	51.1	46.2
Goodwill and other intangible assets	1,515.2	1,439.0
Deferred income tax assets	20.3	19.1
Investments in associates and JV	65.3	71.4
Financial assets at fair value through OCI	199.6	199.6
Other non-current assets	4.1	3.8
Total non-current assets	1,911.1	1,834.8
Current assets		
Trade and other receivables	210.8	197.5
Income tax receivable	3.8	4.6
Derivative financial instruments	24.2	24.2
Other current financial assets	90.2	37.1
Cash & cash equivalents	567.3	622.3
Total current assets	896.3	885.7
Assets held for sale	-	8.8
Total assets	2,807.4	2,729.3
Shareholders' equity		
Shareholders' equity	966.2	906.6
Non-controlling interests	31.3	29.4
Total equity	997.5	936.0
Non-current liabilities		
Borrowings	1,272.2	1,271.9
Lease liabilities	33.9	34.8
Deferred income tax liabilities	87.3	72.9
Post-employment benefits	25.9	26.0
Contract liabilities	42.4	44.1
Other provisions	14.2	14.4
Total non-current liabilities	1,476.0	1,464.1
Current liabilities		
Borrowings	5.3	1.6
Lease liabilities	20.7	14.7
Other current financial liabilities	1.0	1.0
Income tax payable	31.7	31.0
Trade and other payables	200.3	190.9
Contract liabilities	73.4	88.1
Other provisions	1.6	1.7
Total current liabilities	333.9	329.1
Total equity and liabilities	2,807.4	2,729.3



Consolidated statement of cash flows

Unaudited, In €m	Q3 2020	Q3 2019
Profit before tax	97.2	94.7
Adjustments for:		
- Depreciation and amortisation	15.4	13.1
- Share based payments	2.3	1.8
- Share of profit from associates and joint ventures	-1.8	-2.1
- Changes in working capital	-14.1	-9.0
Cash flow from operating activities	99.0	98.5
Income tax paid	-27.3	-22.6
Net cash flows from operating activities	71.7	75.9
Cash flow from investing activities		
Acquisition of subsidiaries, net of cash acquired	-134.5	-16.2
Proceeds from sale of assets held for sale	8.8	0.0
Purchase of current financial assets	-1.2	-0.8
Redemption of current financial assets	4.0	0.0
Purchase of property, plant and equipment	-1.2	-4.1
Purchase of intangible assets	-4.0	-3.2
Dividends received from associates	7.9	0.1
Net cash flow from investing activities	-120.2	-24.2
Cash flow from financing activities		
Proceeds from borrowings, net of transaction fees	0.2	0.0
Repayment of borrowings, net of transaction fees	0.0	-45.7
Interest paid	-0.1	-0.1
Interest received	0.0	0.2
Payment of lease liabilities	-3.9	-2.8
Transaction of own shares	0.0	0.4
Employee Share transactions	0.0	-1.4
Dividends paid to non-controlling interests	0.0	-0.2
Net cash flow from financing activities	-3.9	-49.6
Total cash flow over the period	-52.3	2.1
Cash and cash equivalents - Beginning of period	622.3	324.3
Non cash exchange gains/(losses) on cash and cash equivalents	-2.7	-1.3
Cash and cash equivalents - End of period	567.3	325.1

The figures in this document have not been audited or reviewed by our external auditor.



Volumes for the third quarter of 2020

Cash markets activity

	Q3 2020	Q3 2019
Nb trading days	66	66

NUMBER OF TRANSACTIONS (buy and sells) (reported trades included)

	Q3 2020	Q3 2019	Change %
Total Cash Market *	161,424,756	126,296,916	+27.8%
ADV Cash Market *	2,445,830	1,913,590	+27.8%

TRANSACTION VALUE (€ million - Single counted)

(€m)	Q3 2020	Q3 2019	Change %
Total Cash Market *	492,918.09	523,119.21	-5.8%
ADV Cash Market *	7,468.46	7,926.05	-5.8%

* (shares, warrants, trackers, bonds...)

LISTINGS

	Sep-20	Sep-19	Change %
Number of Issuers on Equities			
EURONEXT **	1,466	1,476	-0.7%
SMEs	1,123	905	+24.1%
Number of Listed Securities			
Bonds	47,821	46,326	+3.2%
ETFs	1,271	1,226	+3.7%
Funds	4,405	4,684	-6.0%

** (Euronext, Euronext Growth and Euronext Access)

Capital raised on Equities on Primary and Secondary Market

EURONEXT (Euronext, Euronext Growth)

(€m)	Q3 2020	Q3 2019	Change %
Nb New Listings **	21	12	
Money Raised New Listings incl over allotment	917	221	+315.3%
<i>of which Money Raised New Listings</i>	<i>906</i>	<i>206</i>	<i>+340.2%</i>
Follow-ons on Equities	8,533	6,144	+38.9%
Bonds	203,767	308,013	-33.8%
Total Money Raised *	213,217	314,378	-32.2%

of which SMEs

(€m)	Q3 2020	Q3 2019	Change %
Nb New Listings **	21	10	
Money Raised New Listings incl over allotment	917	221	+315.3%
<i>of which Money Raised New Listings</i>	<i>906</i>	<i>206</i>	<i>+340.2%</i>
Follow-ons on Equities	1,768	1,228	+43.9%
Bonds	50	93	-46.2%
Total Money Raised *	2,735	1,542	+77.4%

* includes New Listings including over-allotment, follow-ons on Equities, corporate bonds on Euronext Listed Issuers.

Following the completion of the acquisition of the Oslo Børs VPS, Euronext 2019 trading data have been restated to include historic data for Oslo Børs VPS.



Derivatives markets activity

Q3 2020

Q3 2019

<i>Nb trading days</i>	66	66	
Volume (in lots)			
	Q3 2020	Q3 2019	Change %
Equity	31,952,701	34,203,680	-6.6%
Index	13,056,100	16,096,455	-18.9%
Futures	8,614,320	11,230,355	-23.3%
Options	4,441,780	4,866,100	-8.7%
Individual Equity	18,896,601	18,107,225	+4.4%
Futures	5,643,488	1,180,502	+378.1%
Options	13,253,113	16,926,723	-21.7%
Commodity	4,068,764	3,565,804	+14.1%
Futures	3,775,796	3,317,229	+13.8%
Options	292,968	248,575	+17.9%
Other	257,347	342,072	-24.8%
Futures	257,347	342,072	-24.8%
Options	0	0	
Total Euronext	36,278,812	38,111,556	-4.8%
Total Futures	18,290,951	16,070,158	+13.8%
Total Options	17,987,861	22,041,398	-18.4%

ADV (in lots)

	Q3 2020	Q3 2019	Change %
Equity	484,132	518,238	-6.6%
Index	197,820	243,886	-18.9%
Futures	130,520	170,157	-23.3%
Options	67,300	73,729	-8.7%
Individual Equity	286,312	274,352	+4.4%
Futures	85,507	17,886	+378.1%
Options	200,805	256,466	-21.7%
Commodity	61,648	54,027	+14.1%
Futures	57,209	50,261	+13.8%
Options	4,439	3,766	+17.9%
Other	3,899	5,183	-24.8%
Futures	3,899	5,183	-24.8%
Options	0	0	
Total Euronext	549,679	577,448	-4.8%
Total Futures	277,136	243,487	+13.8%
Total Options	272,543	333,961	-18.4%



Open Interest

	sept-20	sept-19	Change % YOY
Equity	17,666,762	17,612,800	+0.3%
<i>Index</i>	<i>1,602,964</i>	<i>1,980,634</i>	<i>-19.1%</i>
<i>Futures</i>	<i>770,669</i>	<i>808,985</i>	<i>-4.7%</i>
<i>Options</i>	<i>832,295</i>	<i>990,317</i>	<i>-16.0%</i>
Individual Equity	16,063,798	15,632,166	+2.8%
Futures	742,594	761,617	-2.5%
Options	15,321,204	14,870,549	+3.0%
Commodity R	832,136	695,794	+19.6%
Futures R	581,865	479,651	+21.3%
Options	250,271	216,143	+15.8%
Other	0	313,476	-22.6%
Futures	0	313,476	-22.5%
Options	0	0	
Total Euronext R	18,498,898	18,622,070	-0.7%
Total Futures R	2,095,128	2,545,061	-17.7%
Total Options	16,403,770	16,077,009	+2.0%

R: revised

Spot FX Trading

	Q3 2020	Q3 2019
Nb trading days	66	66

Spot FX VOLUME (in USD millions, single counted)

	Q3 2020	Q3 2019	Change %
Total Spot FX Market	1,275,229	1,278,752	-0.3%
ADV Spot FX Market	19,322	19,375	-0.3%

Power Trading

	Q3 2020	Q3 2019
Nb trading days	92	

Power VOLUME (in TWh)

	Q3 2020	Q3 2019	Change %
ADV Day-ahead Power Market	2.19		
ADV Intraday Power Market	0.07		

END

