



EURONEXT +



Borsa Italiana

Delivering the leading pan-European
market infrastructure

9 October 2020

AGENDA

- I. Executive summary**
- II. The Borsa Italiana Group at a glance**
- III. A combination to create the leading pan-European market infrastructure**
- IV. Governance evolution**
- V. Significant benefits expected for the Italian ecosystem**
- VI. Timeline**



EXECUTIVE SUMMARY

EURONEXT AND THE BORSA ITALIANA GROUP WILL JOIN FORCES TO CREATE THE BACKBONE OF THE CAPITAL MARKETS UNION IN EUROPE (1/2)



STRATEGICALLY TRANSFORMATIONAL

- **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**
- **Full coverage of the post-trade value chain through the acquisition of CC&G, a fully owned multi-asset clearing house**
- **Significant improvement of the business profile in bond trading and post-trade:**
 - With MTS, Euronext strengthens its fixed income franchise, bringing in a leading bond trading platform to support its global leading position on bond listing
 - With Monte Titoli, Euronext more than doubles the scale of its CSD franchise totaling over €5.6tn⁽⁴⁾ assets under custody
- **Enhancement of Euronext's mid-term strategic outlook opening opportunities for product innovation, geographical expansion and business diversification**
- **Best suited to benefit from a changing environment (increased volatility and retail participation, Brexit, post-pandemic recovery financing...)**

#1 LISTING VENUE⁽¹⁾

#1 EQUITY FINANCING VENUE⁽²⁾

#1 SECONDARY MARKETS VENUE⁽³⁾

EURONEXT AND THE BORSA ITALIANA GROUP WILL JOIN FORCES TO CREATE THE BACKBONE OF THE CAPITAL MARKETS UNION IN EUROPE (2/2)



FINANCIALLY ATTRACTIVE

- **Combined Group⁽¹⁾ FY2019 revenue of €1.3bn, EBITDA⁽²⁾ of €711m and EBITDA margin of 55%**
 - Combined Group last twelve months revenue at €1.4bn and EBITDA at €795m as of June 2020
 - The Borsa Italiana Group 2019 revenue of €464m, EBITDA of €264m and EBITDA margin of 57%
 - The Borsa Italiana Group EBITDA CAGR_{FY2017-FY2019} of +10%
- **Annual pre-tax run-rate synergies of €60m in year 3**
 - €45m run-rate cost synergies, notably through roll-out of Optiq®
 - €15m run-rate revenue synergies from cross-selling and growth opportunities
 - Restructuring costs to deliver those synergies expected to amount to €100m
- **Compelling value proposition for shareholders**
 - Mid-single digit adjusted EPS⁽²⁾ accretion expected before synergies⁽³⁾, and double digit accretion expected after run-rate synergies⁽³⁾ in year 3

€60M RUN-RATE SYNERGIES EXPECTED FROM THE COMBINATION IN YEAR 3

AN ATTRACTIVE TRANSACTION IN LINE WITH EURONEXT FEDERAL MODEL EXPANSION STRATEGY (1/2)



TRANSACTION STRUCTURE

- **Acquisition⁽¹⁾ 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 million⁽²⁾**
 - Fully-committed financing through bridge loan facilities fully underwritten by a group of banks
 - Final financing of the transaction following the proposed combination includes:
 - ~€0.3bn of use of existing cash and ~€1.8bn of new debt to be issued
 - ~€2.4bn of capital increase including (i) a private placement to CDP Equity⁽³⁾ and Intesa Sanpaolo⁽⁴⁾, two cornerstone Italian investors and (ii) a rights offer to Euronext shareholders (including CDP Equity and Intesa Sanpaolo)
- **Continued capital allocation policy, preserved financial health and investment grade rating profile**
 - No expected change in dividend policy: 50% of reported net income
 - Strong deleveraging profile: expected to be below 3x Net Debt/EBITDA by the end of 2022
 - Expected rating from S&P Global Ratings: investment grade

AN ATTRACTIVE TRANSACTION IN LINE WITH EURONEXT FEDERAL MODEL EXPANSION STRATEGY (2/2)



GOVERNANCE EVOLUTION

- Evolution of governance in line with Euronext's two-tier federal governance model
- CDP Equity and Intesa Sanpaolo to join the Reference Shareholders' group
- Reference Shareholders will renew their agreement at closing, for a lock-up period of 3 years of certain of the Reference Shareholders ordinary shares in Euronext, subject to certain exception
- Two Italian representatives on the Supervisory Board:
 - One prominent Italian businessperson to become independent Chair of the Supervisory Board
 - One representative of CDP Equity to join the Supervisory Board
- Two Italian representatives on the Extended Managing Board:
 - Borsa Italiana's CEO to join the Managing Board
 - MTS' CEO to join the Extended Managing Board with group-wide responsibilities for fixed income trading
- Consob to be invited to join the College of Regulators



THE BORSA ITALIANA GROUP AT A GLANCE

THE BORSA ITALIANA GROUP HAS A DIVERSIFIED PROFILE WITH STRONG FRANCHISES (1/2)

Country-leading market infrastructure group with strong and diversified assets

Regulated markets



- Core exchange infrastructure of Italian financial markets, covering the full financial value chain

Fixed income trading



- Cross-asset coverage in Italy, with significant fixed income presence across European markets

Clearing house



- Strong, multi-asset clearing house with pan-European capabilities

CSD



- Resilient growth, with strong contribution from post-trade operations

370 listed companies (of which approximately 300 SMEs)¹

€545bn² domestic market caps³

€2.5bn cash equity ADV on Regulated Market³

>€200bn Fixed Income ADV on MTS

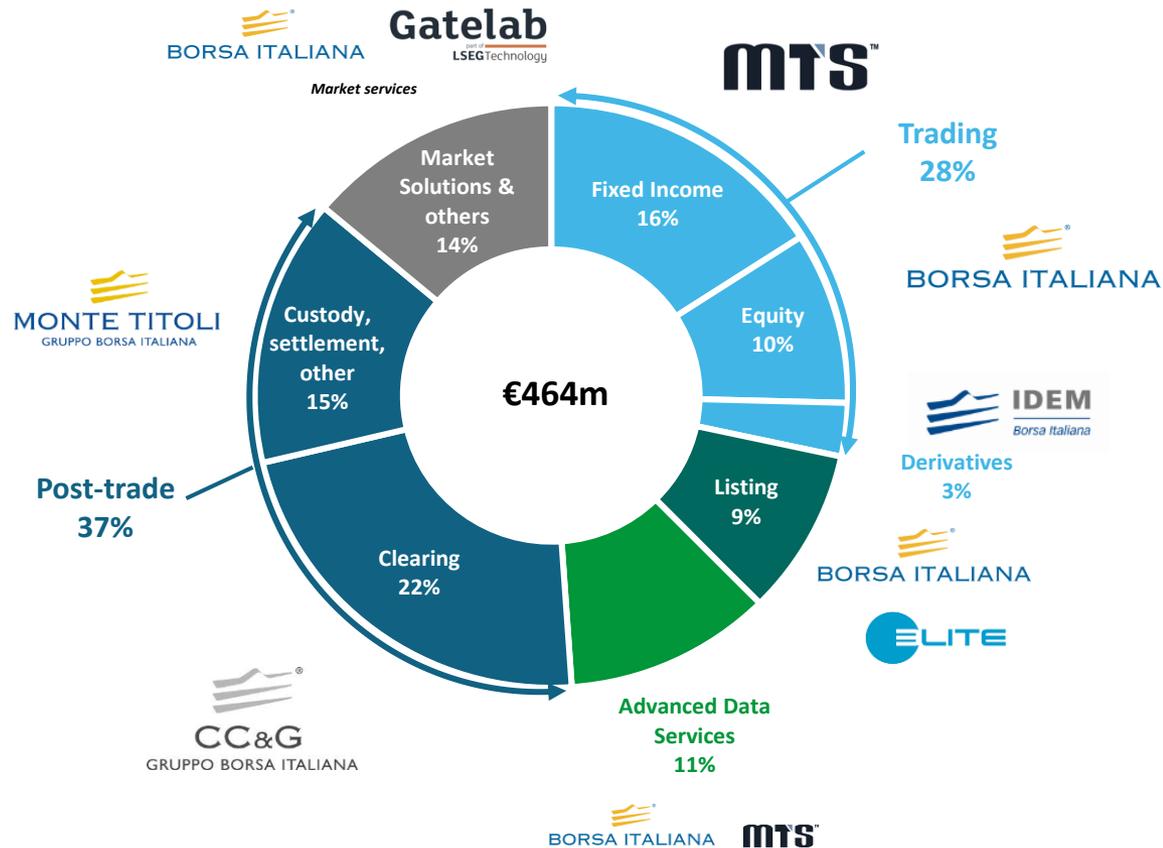
+10% EBITDA CAGR 2017-2019

€264m reported EBITDA 2019 (~57% margin)

THE BORSA ITALIANA GROUP HAS A DIVERSIFIED PROFILE WITH STRONG FRANCHISES (2/2)

Country-leading market infrastructure group with strong and diversified assets

Revenue breakdown (FY 2019)





A COMBINATION EXPECTED TO CREATE THE LEADING PAN-EUROPEAN MARKET INFRASTRUCTURE

EURONEXT AND THE BORSA ITALIANA GROUP: A COMBINATION TO CREATE THE LEADING PAN-EUROPEAN MARKET INFRASTRUCTURE (1/2)

1

GEOGRAPHICAL DIVERSIFICATION OF EURONEXT'S OPERATIONS

- **Italy will become the #1 combined Group revenue contributor** (34% of the combined revenue)
- Combined Group FY2019 revenue of €1.3bn and EBITDA of €711m⁽¹⁾
- Combined Group last twelve months revenue of €1.4bn and EBITDA of €795m as of June 2020

2

SIGNIFICANT DIVERSIFICATION OF EURONEXT'S BUSINESS MIX WITH FIXED INCOME TRADING, CLEARING AND CSD CONSOLIDATION

- **Creating the leading European government bonds trading platform** with MTS, a leading franchise covering full scope of fixed income trading
- **Consolidating a scale CSD in Euronext** with the addition of Monte Titoli to more than double the size of Euronext's CSD franchise (assets under custody from €2.2tn today to €5.6tn⁽²⁾)
- **Acquisition of a multi-asset clearing house** to complete the post-trade value chain and enable further product innovation

EURONEXT AND BORSA ITALIANA: A COMBINATION TO CREATE THE LEADING PAN-EUROPEAN MARKET INFRASTRUCTURE (2/2)

3 INCREASED SCALE CREATING THE UNDISPUTED EUROPEAN LEADER IN LISTING AND TRADING OF CASH EQUITIES

- **Creating the leader in listing and trading of cash equities: #1** exchange group in equities listing⁽¹⁾ in Europe, **#1** exchange group in cash equities trading⁽²⁾ in Europe, and **#2** exchange group in ETF trading⁽³⁾ in Europe
- **Italy** to join the **single liquidity pool** enabled by **single order book** empowered by **single technology Optiq®**
- Building the **European leader to support SMEs, family-owned and tech businesses** through the combination of Borsa Italiana's ELITE programme with Euronext Corporate Services, TechShare and FamilyShare

4 HIGHLY COMPLEMENTARY OFFERING TO CREATE VALUE FOR MARKET PARTICIPANTS

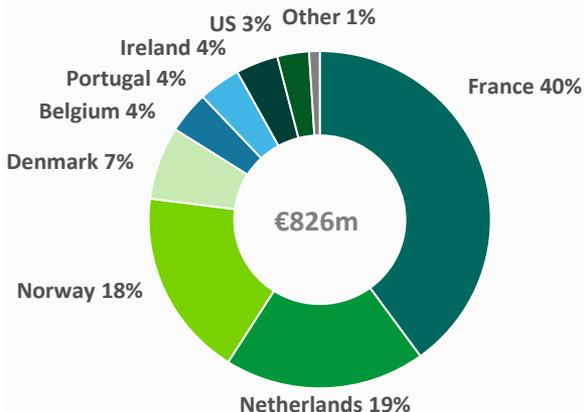
- **Mutual reinforcement of trading capabilities** through connection of the Italian equity market to the largest European liquidity pool, roll-out of Euronext FX in Italy and innovation across derivatives products leveraging the Borsa Italiana Group's capabilities
- **Expansion of the pan-European market data offering** with datasets from Borsa Italiana and MTS
- **Roll-out of Euronext's Optiq® technology in Italy**

5 COMPELLING SYNERGY POTENTIAL AND FINANCIAL BENEFITS

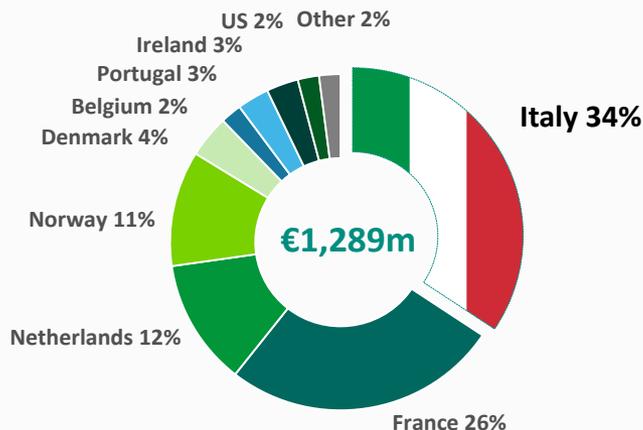
- Significant run-rate **cost synergies** expected of **€45m in year 3**
- Expected run-rate **revenue synergies** of **€15m in year 3**
- **Transaction expected to be accretive⁽⁴⁾ before synergies on the adjusted EPS immediately, and double digit accretion expected post run-rate synergies in year 3**

ITALY TO REPRESENT 34% OF THE COMBINED GROUP REVENUE AND FURTHER EXPANDING EURONEXT'S FOOTPRINT

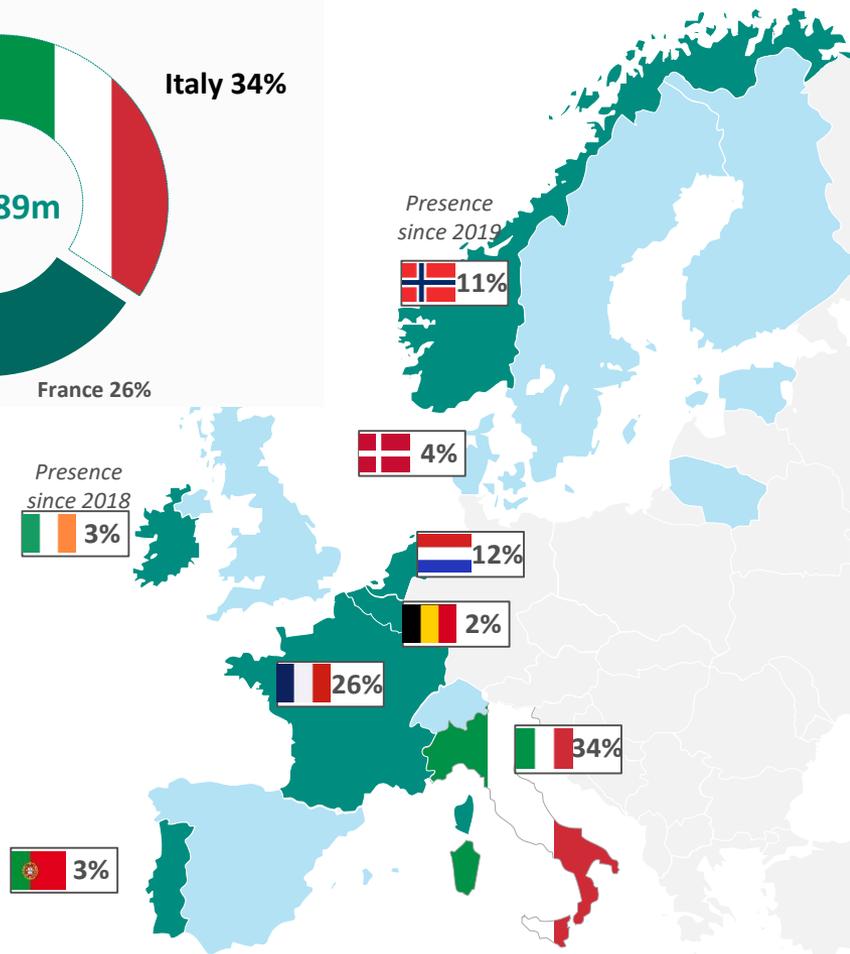
Euronext FY2019 revenue¹⁾



Combined Group FY2019 revenue²⁾

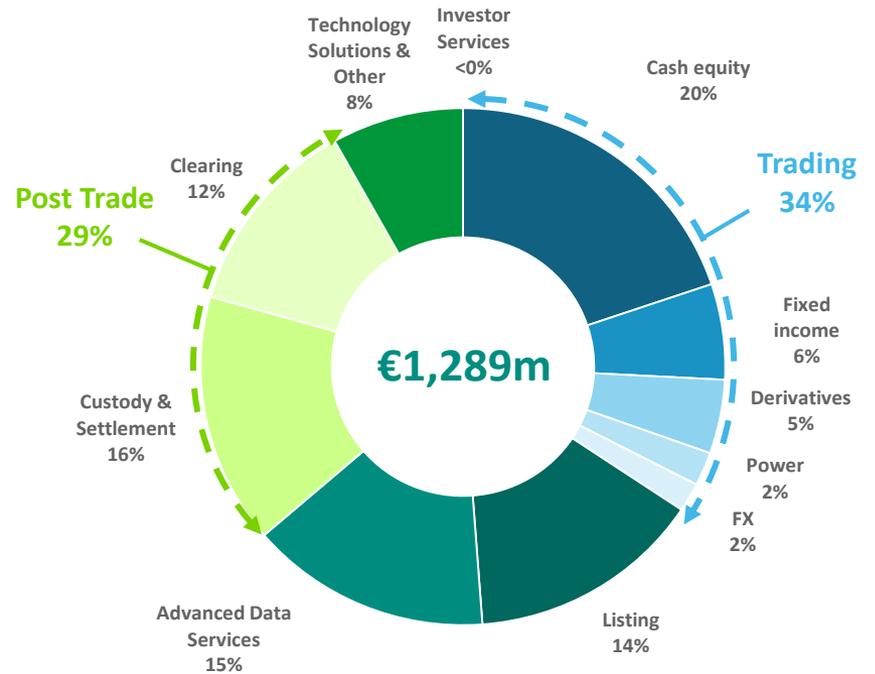
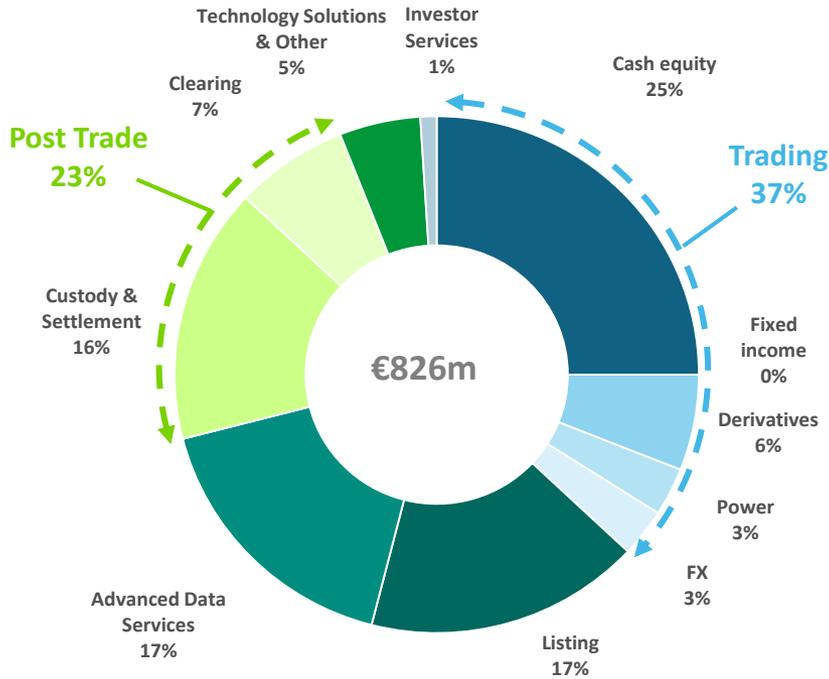


Italy to become largest contributor of the combined Group revenue, contributing 34% of combined Group revenue



Geographic breakdown of the combined Group FY2019 revenue²⁾

SIGNIFICANT DIVERSIFICATION OF EURONEXT'S BUSINESS MIX WITH FIXED INCOME TRADING, CLEARING AND CSD CONSOLIDATION



- ✓ Diversification of the revenue mix
- ✓ Expansion to new asset class: Fixed income trading
- ✓ Strengthened post trade business

BORSA ITALIANA, THE LEADING REGULATED EXCHANGE IN ITALY TO FURTHER REINFORCE EURONEXT'S PAN-EUROPEAN TRADING FRANCHISE

EQUITY MARKETS



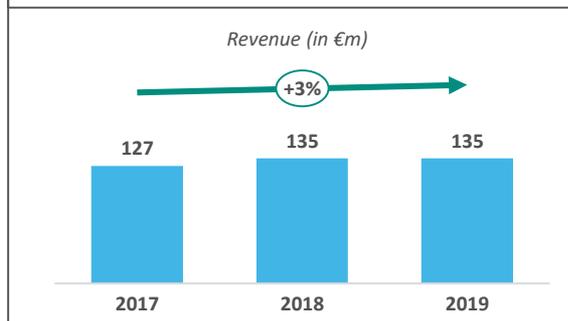
The go-to venue for blue chip listing and trading in Italy



Listing and trading of SMEs across Italian and International issuers



Capital Markets, exc. MTS, in numbers



~80% market share on Italian equities

€2.5bn Cash Equities ADV YTD August 2020

OTHER MARKETS

RETAIL FIXED INCOME

- MOT**, the historical regulated market for fixed income
- €839m ADV YTD August 2020
- Euro TLX**, the leading European MTF for structured
- €136m ADV YTD August 2020

European leader in terms of ADV

ETFs

- ETFPlus**, leading venue in Italy
- c. 1,300 ETF listed
 - €550m ADV over Jan-Aug 2020

Comparable volumes to Euronext over the period

DERIVATIVES

- IDEM**, the leading venue for Italian underlyings
- Flagship FTSE MIB Futures
 - 101k contracts ADV over Jan-Aug 2020

#4 largest European venue by ADV

WARRANTS & CERTIFICATES

- SeDeX** for trading in Securitised derivatives
- 11,248 securitized derivatives listed
 - €74.9m ADV over Jan-Aug 2020

#2 largest European venue by ADV

BUILDING THE EUROPEAN LEADER TO SUPPORT CAPITAL RAISING

Combination of strengths and dedicated programmes to finance the real economy



- Business support **facilitating capital raising** as a private company
- Strong awareness of the ability to finance on **growth financial markets**
- **Liquid financing pool** to leverage **European presence**
- **Numerous services** facilitating life as a listed company

Borsa Italiana's markets: Leading position in financing the Italian real economy

Market Segments

- **MTA** is Borsa Italiana's main venue for domestic and international companies
- **AIM Italia** market segment dedicated to SMEs
- **Global Equity Market** dedicated to the listing of foreign securities on Borsa Italiana

238
Companies listed on MTA

€545bn
Total Market cap

128
Companies listed on AIM Italia

33%
Equitization (Market Cap/GDP)

ELITE: global market platform and community for private companies

Overview

- Marketplace launched in 2012 for **private companies** to access **pool of available private capital** via **brokers**
- **Digital ecosystem** incl. tutorship, networking
- CDP and NUO Capital minority shareholders

1,400+
companies

400
investors

90+
companies raised capital through platform

€440m
debt and capital raised on the platform

ITALY TO JOIN THE LARGEST LIQUIDITY POOL IN EUROPE, TO BRING SIGNIFICANT BENEFITS TO ITALIAN ISSUERS, INVESTORS AND THE REAL ECONOMY

✓ **Single liquidity pool** enabled by ✓ **Single order book** empowered by ✓ **Single technology platform**



- **Single Order Book** powered by **Optiq®**, Euronext's state-of-the-art technological platform
- **Unique gateway** to access all Euronext equity markets: c. 1,800 listed companies



Total equity market caps.	c. €3.9tn	+	c.€0.5tn	=	c.€4.4tn
Cash equities ADV⁽¹⁾	c.€9.2bn ⁽¹⁾	+	c.€2.5bn ⁽¹⁾	=	c.€11.7bn

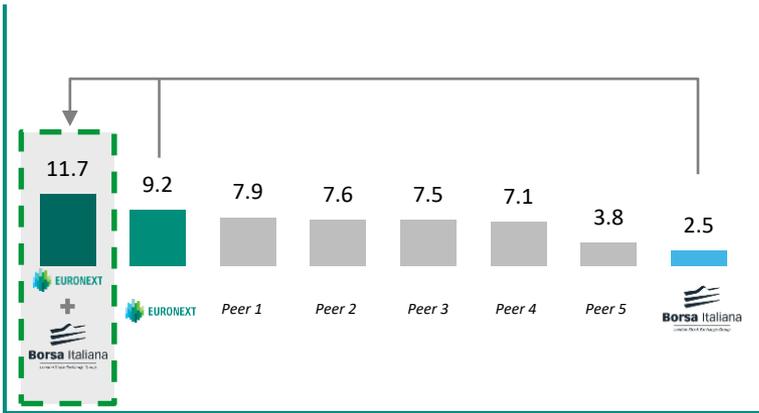
- **Access to international investors and issuers**
 - **>5,000** active institutional investors
- **Transparent cross-border trading of securities**
 - Ability to easily integrate and support local products and specificities
 - Issuers enabled to remain multi-listed more efficiently

Key benefits for all stakeholders

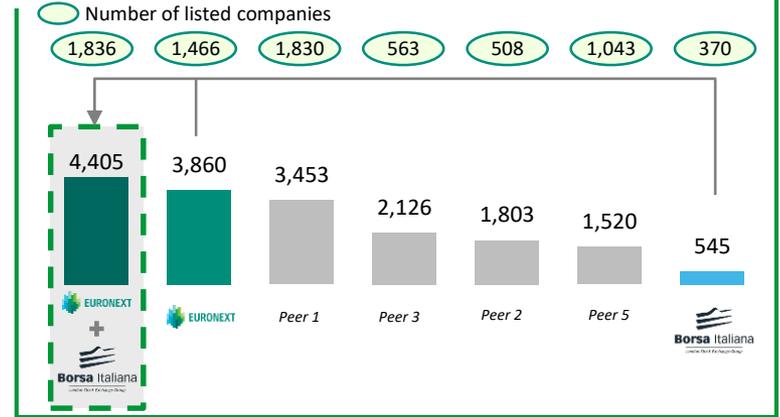
- ✓ **Visibility**
- ✓ **Market efficiency**
- ✓ **Cost efficiency**

INCREASING SCALE TO CREATE THE EUROPEAN LEADER IN LISTING AND TRADING OF CASH EQUITIES

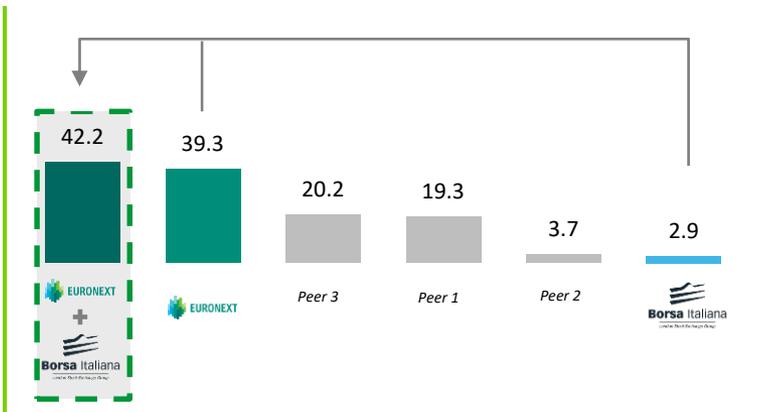
Cash equity trading ADV August 2020 YTD (€bn)



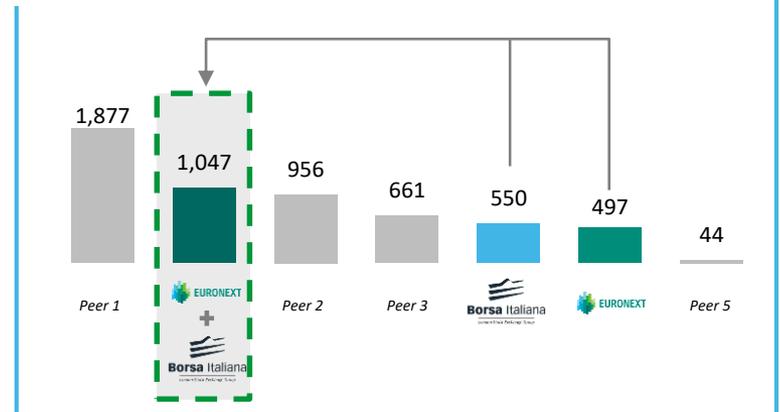
Market capitalisation August 2020 (€bn)



Equity raised (€bn) 2019



ETF trading ADV (€bn) August 2020 YTD⁽¹⁾



MTS, THE LEADING EUROPEAN FIXED INCOME TRADING PLATFORM, TO STRENGTHEN EURONEXT'S TRADING FRANCHISE

LEADING EUROPEAN FIXED INCOME TRADING PLATFORM

- Offers trading in cash bonds and repo, with separate markets for Dealer-to-Dealer and Dealer-to-Customer segments

#1 in European D2D EGB¹

#1 in Italian Repo²⁾

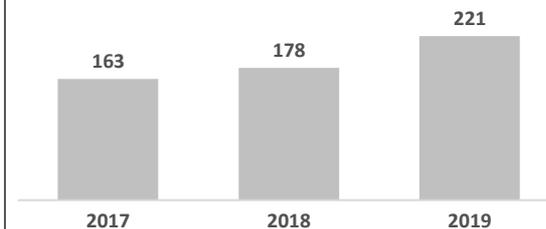
#3 in European D2C EGB³⁾

- Attractive market with supportive growth drivers

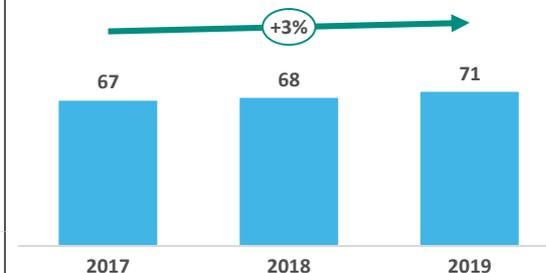
- Increased issuance of government and corporate debt
- Low inflation
- Historically low interest rates
- Supportive monetary policies
- Buy-side appetite for direct access to fixed income trading

MTS in numbers

ADV Repo (in €bn)



Revenue (in €m)



INTEGRATION WITHIN THE COMBINED GROUP

Leverage Euronext's position as the largest venue for bond listing in the world

Multiple levers for value creation:

- Network effects
- Integration into client workflow and straight-through-processing

Fixed-Income to represent 17% of the combined trading businesses, vs 1% currently

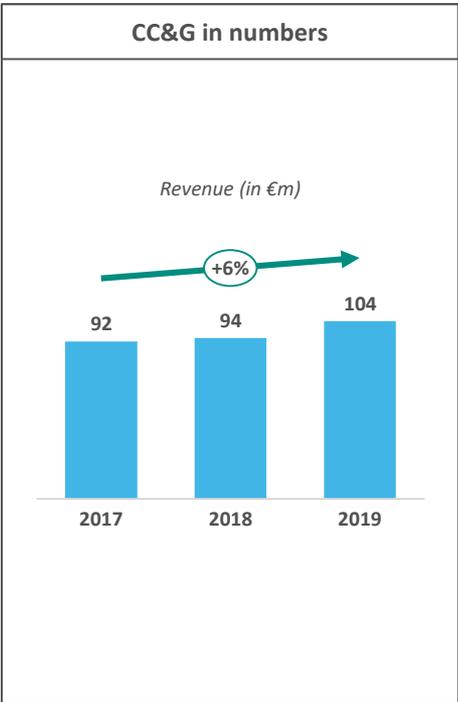
CC&G, A MULTI-ASSET CLEARING HOUSE TO JOIN THE COMBINED GROUP

MULTI-ASSET CLEARING HOUSE



~€13BN INITIAL MARGIN DEPOSITED

Repos	Equities	Derivatives	Energy & Commodities	Cash bonds
<ul style="list-style-type: none"> €14.3tn repos cleared 60 members 	<ul style="list-style-type: none"> ~66m cash transactions cleared 30 members 	<ul style="list-style-type: none"> 17.2m of contracts cleared⁽¹⁾ 31 members 	<ul style="list-style-type: none"> 222 GWh cleared Wheat derivatives 	<ul style="list-style-type: none"> 3.9m of contracts cleared

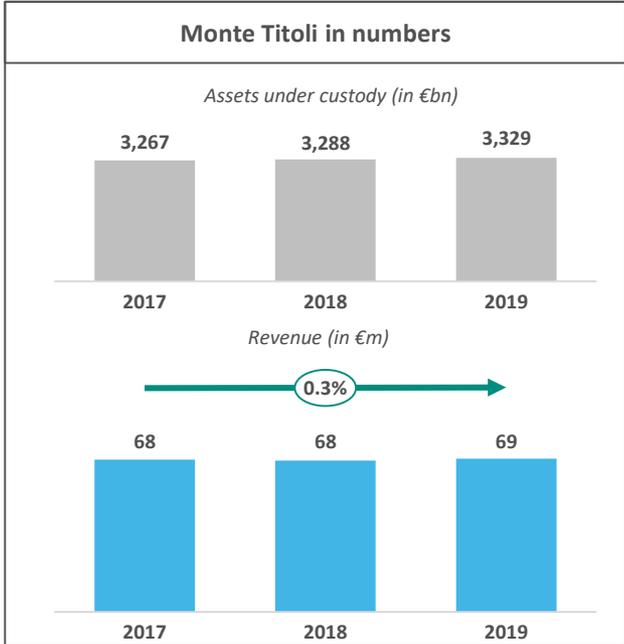
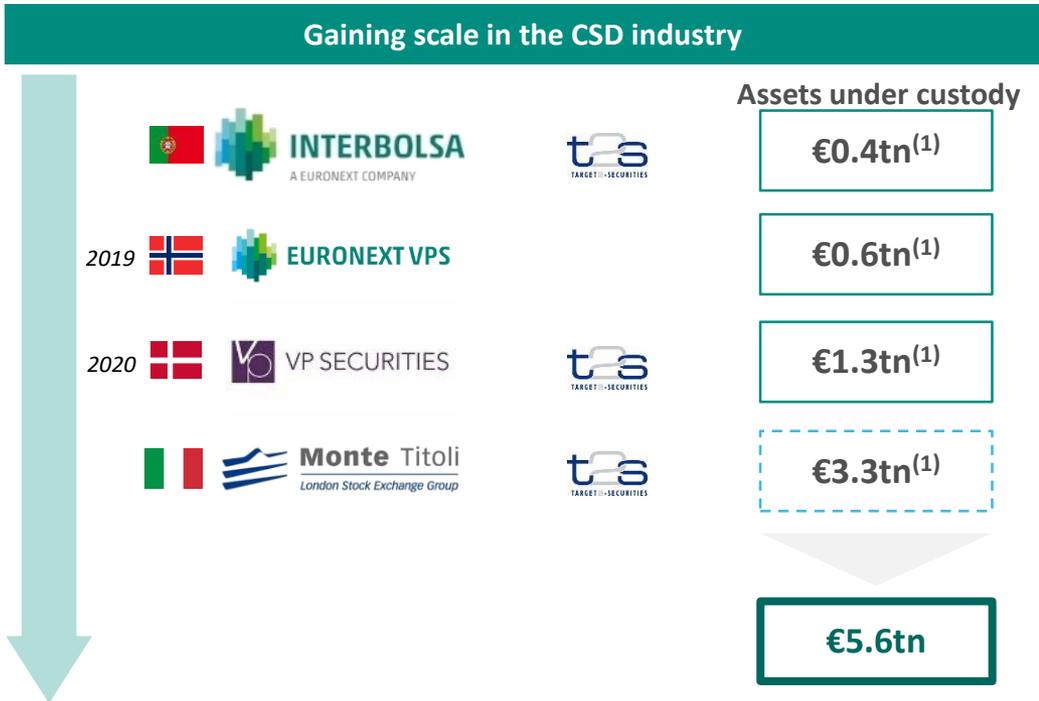


INTEGRATION WITHIN THE COMBINED GROUP

Potential long-term upside from rates environment

Benefits from fully-owned clearing house to deliver new products faster and enhanced client service

MONTE TITOLI, THE ITALIAN CSD, TO BECOME A KEY PILLAR IN THE “EURONEXT OF CSDs” AMBITION



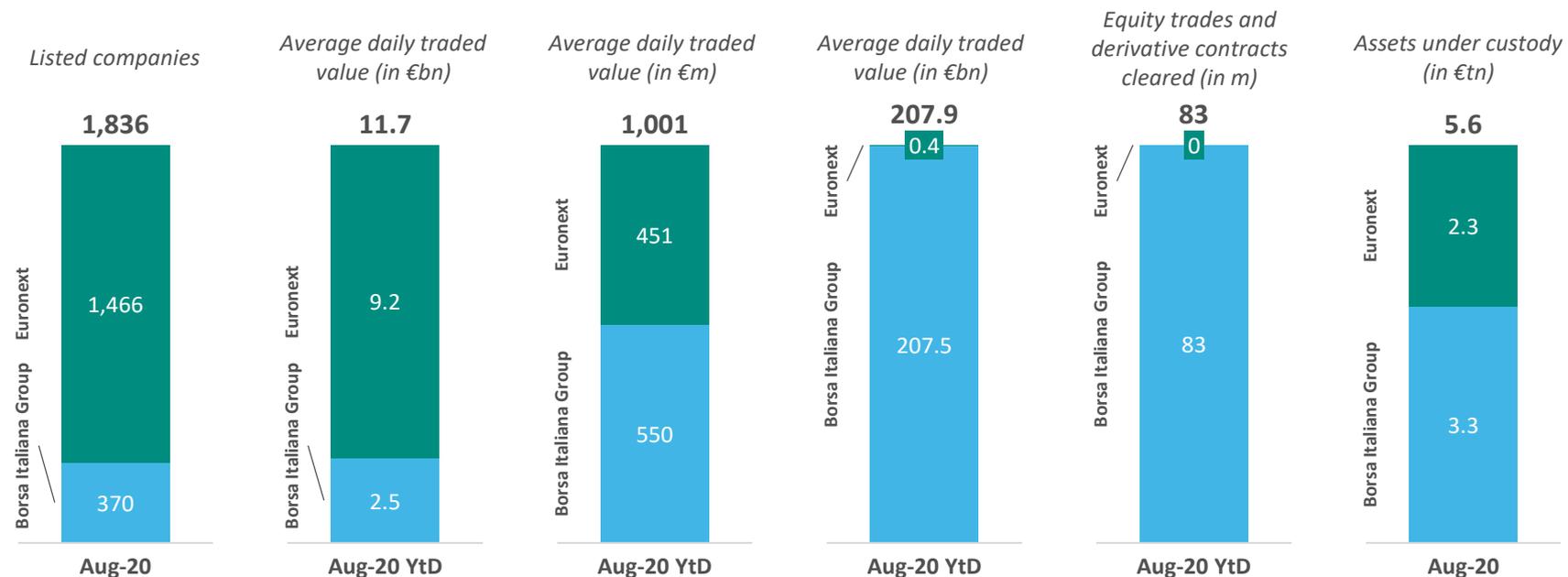
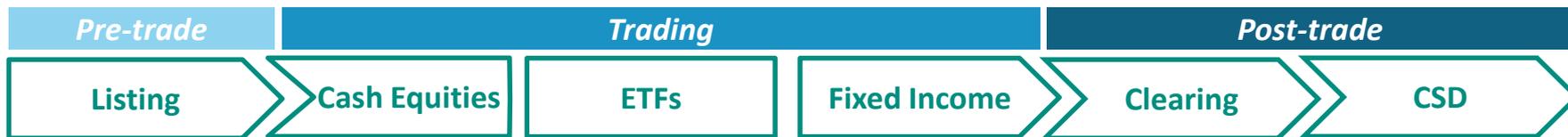
A KEY MILESTONE IN THE “EURONEXT OF CSDs” AMBITION

Euronext’s assets under custody to more than double

Significant business stability with tailwinds for fixed-income issuance

Strong network of CSD links across Europe

THE BORSA ITALIANA GROUP TO REINFORCE EURONEXT STRENGTHS AND COMPLEMENT ITS VALUE PROPOSITION



- c. €4.4trn⁽¹⁾** in combined market capitalisation
- #1 cash equities** trading venue in Europe
- #2 ETF** trading venue in Europe
- Leading fixed-income** trading venue in Europe
- Multi-asset, and sizeable clearing offering**
- Large network of CSDs across Europe**

ACCELERATING TRANSITION TOWARDS SUSTAINABLE GROWTH WITH STRONG ENVIRONMENTAL, SOCIAL AND GOVERNANCE CULTURE AND PRODUCTS

Euronext and the Borsa Italiana Group share the same ESG ambitions

- Strong ESG commitment of the **Borsa Italiana Group** through
 - **Italian Sustainability Day**, held each year, around the core themes of ESG
 - Strong **green bond listing franchise** through specific market segments

- Common path to sustainability in the **combined Group**
 - Continuation and deepening of **ESG bonds franchises**, and launch of **Blue Bonds** standard in partnership with the United Nations
 - Growth of **ESG-focused indices**
 - Roll-out of **ESG Corporate Services** (ESG Advisory Solutions and virtual roadshows)

Euronext's strong commitment to Environmental, Social, and Governance Matters

221
Green bonds issued on Euronext markets

40
ESG index families

64
Listed Cleantech companies

€24.5bn
ESG ETFs Assets under Management

Dual ambition:

Drive investment in innovative, sustainable products and services

- through secure and transparent markets, in continuous collaboration with Euronext's financial community

Inspire and promote tangible sustainable practices

- within Euronext and towards its community, by respecting and developing our people and by supporting our ecosystem

COMPELLING SYNERGY POTENTIAL FOR THE COMBINED GROUP

Cost synergies

- **Significant benefits from technology**
 - **Roll-out of Optiq®** (Euronext’s state-of-the-art proprietary trading platform), the one single technology platform for cash and derivatives markets
 - Potential to achieve additional technology synergies through **cooperation of CSD businesses**
- Other synergies from leveraging combined Group capabilities, processes and systems

€45m

*Cost synergies
(annual run-rate, pre-tax)*

Revenue synergies

- **Cash/ETF trading and listing franchises** to benefit from deeper liquidity pool and larger investor base
- **Roll-out of corporate services in Italy**
- Identified opportunities to **grow the span of market data business**

€15m

*Revenue synergies
(annual run-rate, pre-tax)*

€60m

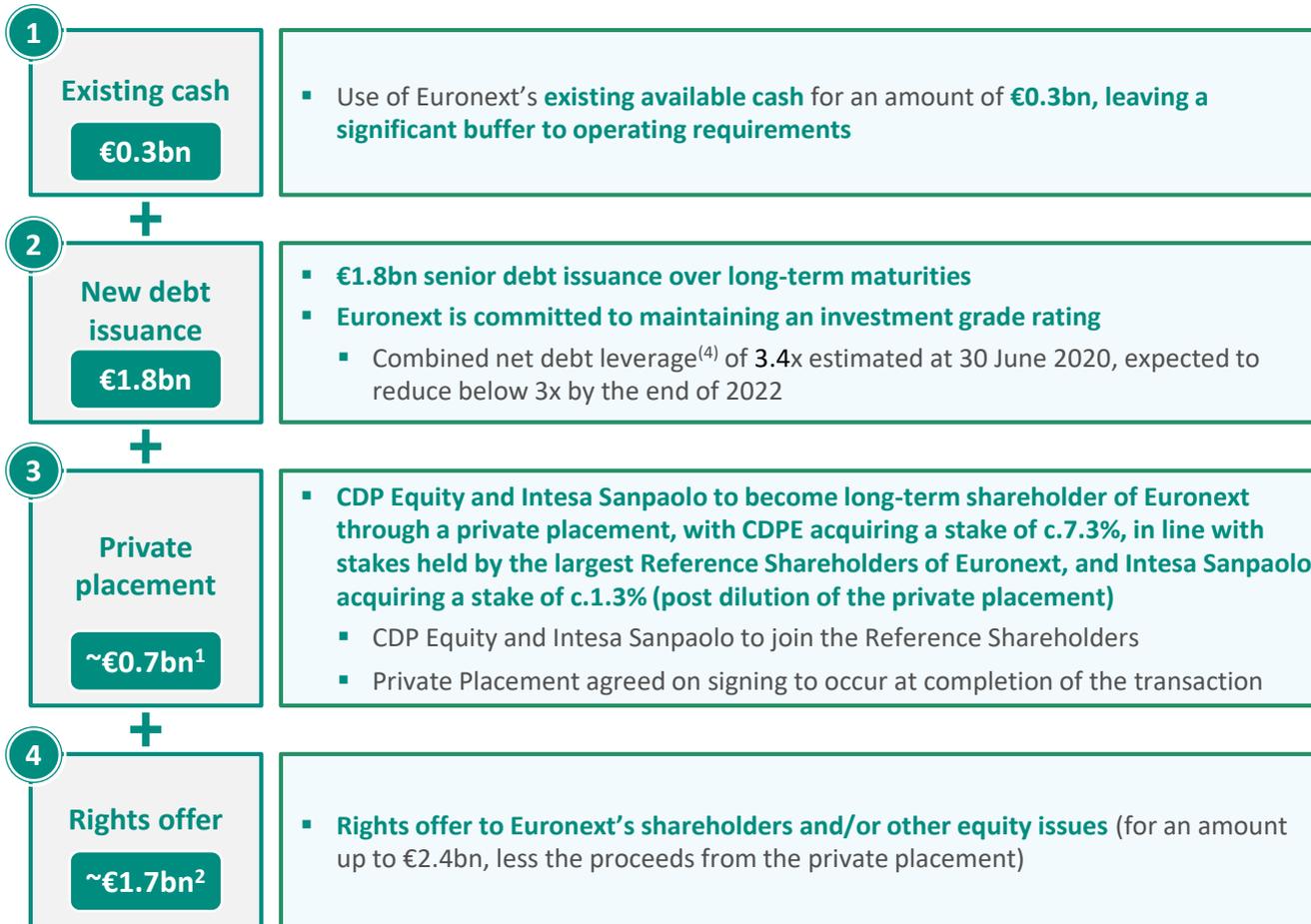
*Total synergies
(annual run-rate, pre-tax, to be unlocked in year 3)*

8% run-rate costs synergies on combined cost base

Continued EBITDA margin improvement

ACQUISITION STRUCTURE AND FINANCING

Expected sources of funds



Total consideration

€4,325m⁽³⁾

All-cash consideration for 100% of London Stock Exchange Group Holdings Italia S.p.A. (excluding overfunding and transaction costs)

Financing fully secured via fully underwritten bridge loan facilities



GOVERNANCE EVOLUTION

A NATURAL ADDITION TO EURONEXT'S FEDERAL MODEL

		Euronext	Combined Group															
Euronext Supervisory Board	Supervises the activities of the Managing Board	<p>9 members representing 7 nationalities</p>  <p>3 representatives of Reference Shareholders and 6 independents</p>	<p>Supervisory Board to be enlarged to 10 members</p> <ul style="list-style-type: none"> ✓ Independent Italian member to become Chair ✓ Representative of CDPE to join the Supervisory Board 															
Euronext Extended Managing Board	Manages day-to-day group-wide and local operations	<p>13 members representing 8 nationalities</p> 	<ul style="list-style-type: none"> ✓ CEO of Borsa Italiana to join Managing Board ✓ Leader of a key businesses of the Borsa Italiana Group to join Extended Managing Board 															
Euronext College of Regulators	Co-ordinates the supervision of Euronext as a group with unchanged local regulation and supervision Rotating chairmanship per semester	<p>The 6 national regulators of the regulated equity markets in which Euronext operates</p> 	<ul style="list-style-type: none"> ✓ Consob to join the College of Regulators 															
Euronext Reference Shareholders (% ownership)	Reference Shareholders bound by a shareholders' agreement Consulted on all key decisions	<table border="1"> <tr> <td>Euroclear</td> <td></td> <td>8.0%</td> </tr> <tr> <td>Caisse des Dépôts et Consignations</td> <td></td> <td>8.0%</td> </tr> <tr> <td>SFPJ⁽¹⁾</td> <td></td> <td>4.5%</td> </tr> <tr> <td>BNP Paribas Group</td> <td></td> <td>2.2%</td> </tr> <tr> <td>ABN Amro Bank</td> <td></td> <td>0.6%</td> </tr> </table> <p>Reference Shareholders: 23.3%</p>	Euroclear		8.0%	Caisse des Dépôts et Consignations		8.0%	SFPJ ⁽¹⁾		4.5%	BNP Paribas Group		2.2%	ABN Amro Bank		0.6%	<ul style="list-style-type: none"> ✓ CDPE and Intesa Sanpaolo to become Reference Shareholder 
Euroclear		8.0%																
Caisse des Dépôts et Consignations		8.0%																
SFPJ ⁽¹⁾		4.5%																
BNP Paribas Group		2.2%																
ABN Amro Bank		0.6%																



SIGNIFICANT BENEFITS EXPECTED FOR THE ITALIAN ECOSYSTEM

EXPECTING TO DELIVER SIGNIFICANT BENEFITS FOR THE ITALIAN ECOSYSTEM (1/2)

1

COMPANIES

- ✓ Significantly **raised profile of Italian issuers** across Europe
- ✓ **Access to a broader range of equity and bond investors** as well as market makers to increase funding & liquidity under a **single liquidity pool**
- ✓ Increased benefit from Euronext's full suite of services to manage life of a listed company

2

INVESTORS

- ✓ Access to **~1,800 companies** to invest **across 7 national markets**
- ✓ **Increased liquidity** for retail and institutional investors

3

MARKET MAKERS

- ✓ **Access to the largest liquidity pool in Europe**, enabled by a **single order book** empowered by the **state-of-the-art technology platform Optiq®**
- ✓ Access to **European markets** with **seamless connection**
- ✓ Roll-out of Euronext's liquidity schemes in Italy to improve market quality

EXPECTING TO DELIVER SIGNIFICANT BENEFITS FOR THE ITALIAN ECOSYSTEM (2/2)

4 GOVERNANCE AND REPRESENTATION

- ✓ **Decentralised federal model** whereby the Borsa Italiana Group will maintain a strong identity while playing a key role in the future strategy and governance of Euronext
- ✓ **Unchanged national regulatory oversight** of the Borsa Italiana Group
- ✓ **Euronext to recommend that Consob be invited to join Euronext's College of Regulators**

5 EMPLOYEES

- ✓ **Career development opportunities** for employees throughout the combined group with **Italy accounting for c. 1/3 of combined Group headcount**
- ✓ Substantiates Borsa Italiana's expertise with group-wide responsibilities and **center of excellence for fixed income trading and clearing leadership**

6 SHAREHOLDING STRUCTURE AND MANAGEMENT

- ✓ **CDP Equity and Intesa Sanpaolo to join Euronext's group of Reference Shareholders**
- ✓ Italian businessperson to be appointed as **independent member of the Supervisory Board** and to become **Chair of the Supervisory Board**
- ✓ **Italian business person** to represent **CDP Equity at Supervisory Board**
- ✓ **Borsa Italiana CEO** to join statutory **Managing Board**
- ✓ **CEO of MTS** to join **Extended Managing Board** with **group-wide responsibilities for fixed income trading**
- ✓ **Leadership of group finance function** to be located in Milan with enlarged responsibilities for integration



TIMELINE



INDICATIVE TIMETABLE AND NEXT STEPS

Expected completion by H1 2021

Key milestones

- Signing of share purchase agreement: 9 October 2020
- 20 November 2020: Euronext's extraordinary general meeting to approve the proposed combination, the private placement with CDP Equity and Intesa Sanpaolo, and the rights offer
- Targeted regulatory and competition approvals: Q4 2020 - Q2 2021
- By the end of H1 2021: expected completion of the proposed combination, private placement with CDP Equity and Intesa Sanpaolo, and rights offer

Key closing conditions

- Euronext and LSEG's general meetings to approve the proposed combination
- Several regulatory approvals in Italy, UK, US, Belgium and France
- Declaration of Non-Objection from Euronext's College of Regulators
- Anti-trust clearance in Germany
- Outcome of the European Commission's review of LSEG's acquisition of Refinitiv and that transaction closing in accordance with its terms

EXTRAORDINARY GENERAL MEETING

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 Extraordinary General Meeting.

The Reference Shareholders support the proposed combination and have each signed an irrevocable undertaking vote in favour of the resolutions tabled at the Extraordinary General Meeting.

TRANSFORMATIONAL TRANSACTION TO CREATE A LEADING PAN-EUROPEAN MARKET INFRASTRUCTURE



- ✓ Creates the leader in European capital markets
- ✓ 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
- ✓ Substantially enhances geographic presence with Italy #1 contributor to the combined Group
- ✓ Substantial benefits for customers with enhanced and expanded service offering across multiple European markets
- ✓ Significant benefits for the Italian ecosystem with the Borsa Italiana Group to play a key role in the future strategy and governance of the combined Group
- ✓ Expected to generate annual pre-tax run-rate synergies of €60m
- ✓ Compelling shareholder benefits with double digit expected accretion post-run rate synergies on the adjusted EPS

APPENDIX

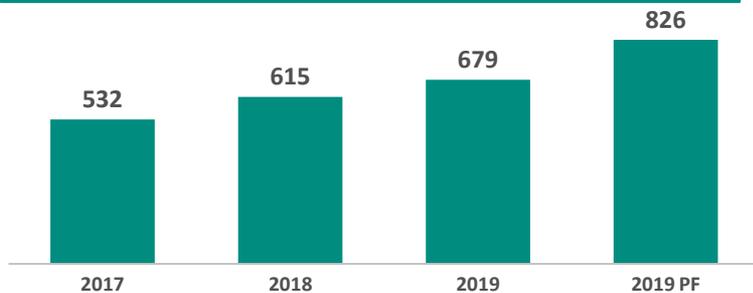
TRANSACTION OVERVIEW AND SUMMARY TERMS

Purchase price	<ul style="list-style-type: none"> All-cash transaction Equity value of €4,325 million⁽¹⁾
Transaction structure	<ul style="list-style-type: none"> Acquisition of 100% of shareholding capital of London Stock Exchange Group Holdings Italia S.p.A. from London Stock Exchange Group plc (“LSEG”) Before completion, CDP Equity and Intesa Sanpaolo will join the group of Euronext’s Reference Shareholders and subscribe to under a private placement of approximately €0.7bn⁽²⁾
Financing	<ul style="list-style-type: none"> Refinancing of the bridge loan facilities through a €2.4bn equity financing and €1.8bn of new debt Resulting capital structure to preserve Euronext’s investment grade rating with strong deleveraging pattern and a BBB rating expected from S&P Global Ratings
Governance and management	<ul style="list-style-type: none"> 2 new members will be added to Euronext’s Supervisory Board: 1 Italian independent Chair and 1 representative of CDPE Borsa Italiana’s CEO will join Euronext’s Managing Board MTS’ CEO will join Euronext’s Extended Managing Board with group-wide responsibilities for fixed income trading The Borsa Italiana Group, which will contribute c. 36% of combined revenue and c. one third of the total staff, will become a significant operational headquarter for the combined entity, with critical competencies in the combined group across operations, technology, business and support functions
Regulatory oversight	<ul style="list-style-type: none"> The combined Group will recommend Consob to be invited to join the Euronext College of Regulators (semester rotation of chair), <i>pari passu</i> with the seven national regulatory authorities currently supervising Euronext The regulated entities within the Borsa Italiana Group will continue to be directly and solely regulated and supervised by their existing regulators
Financial impacts	<ul style="list-style-type: none"> Transaction expected <ul style="list-style-type: none"> to be double-digit accretive on the adjusted EPS in year 3, incl. run-rate synergies and excluding restructuring costs to result in c. €45m annual run-rate pre-tax cost synergies and €15m annual run-rate pre-tax revenue synergies to be achieved by year 3 to temporarily increase combined net leverage to 3.4x as of June 2020, expected to decrease below 3x by 2022
Dividend policy	<ul style="list-style-type: none"> No change expected to Euronext’s dividend distribution policy of 50% of net reported income
Timing	<ul style="list-style-type: none"> Transaction is subject to certain conditions, including the outcome of the European Commission’s review of the LSEG acquisition of Refinitiv and that transaction closing in accordance with its terms, the favourable vote of Euronext and LSEG’s shareholders and regulatory and competition approvals Expected completion by H1 2021

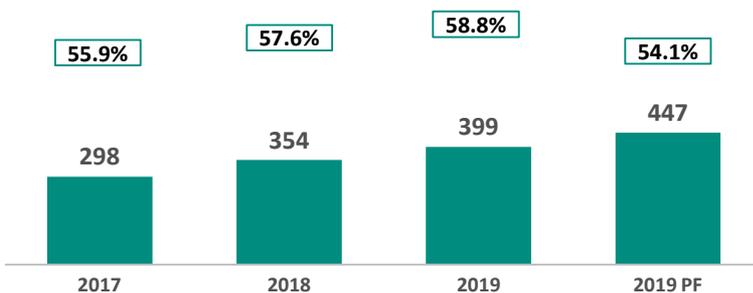
COMBINING TWO PROFITABLE GROWTH COMPANIES

EURONEXT

Revenue (in €m, 3rd party revenue only)

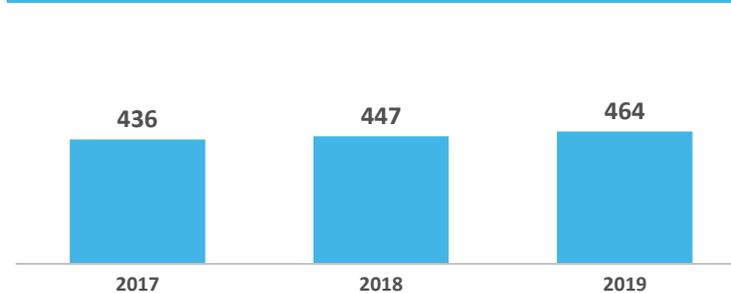


EBITDA (in €m, based on 3rd party revenue)

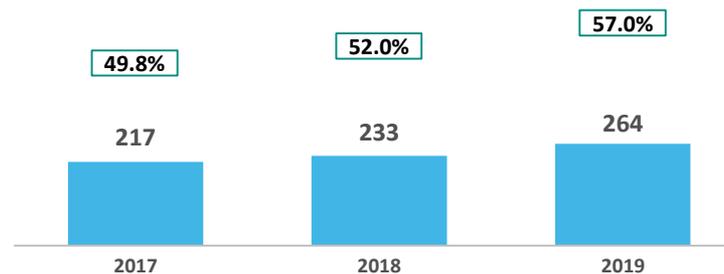


THE BORSA ITALIANA GROUP

Revenue (in €m)



EBITDA (in €m)



THE BORSA ITALIANA GROUP HISTORICAL P&L

<i>in €m, unaudited – from the Borsa Italiana Group Management accounts</i>	2017	2018	2019	LTM 30 June 2020
Revenue	436.1	446.9	463.7	477.9
Capital Markets	193.1	202.6	205.4	215.4
Post Trade	160.1	163.1	172.6	177.3
Information Services	43.6	39.4	42.1	44.0
Technology Services	27.5	29.6	30.1	27.9
Corporate and other (including LSEG related)	11.8	12.2	13.6	13.2
Operating expenses	-218.8	-214.4	-199.3	-199.5
Staff costs	-89.0	-87.5	-79.9	-82.8
Other operating expenses	-129.9	-126.9	-119.4	-116.8
EBITDA	217.3	232.5	264.4	278.4
EBITDA Margin	49.8%	52.0%	57.0%	58.2%

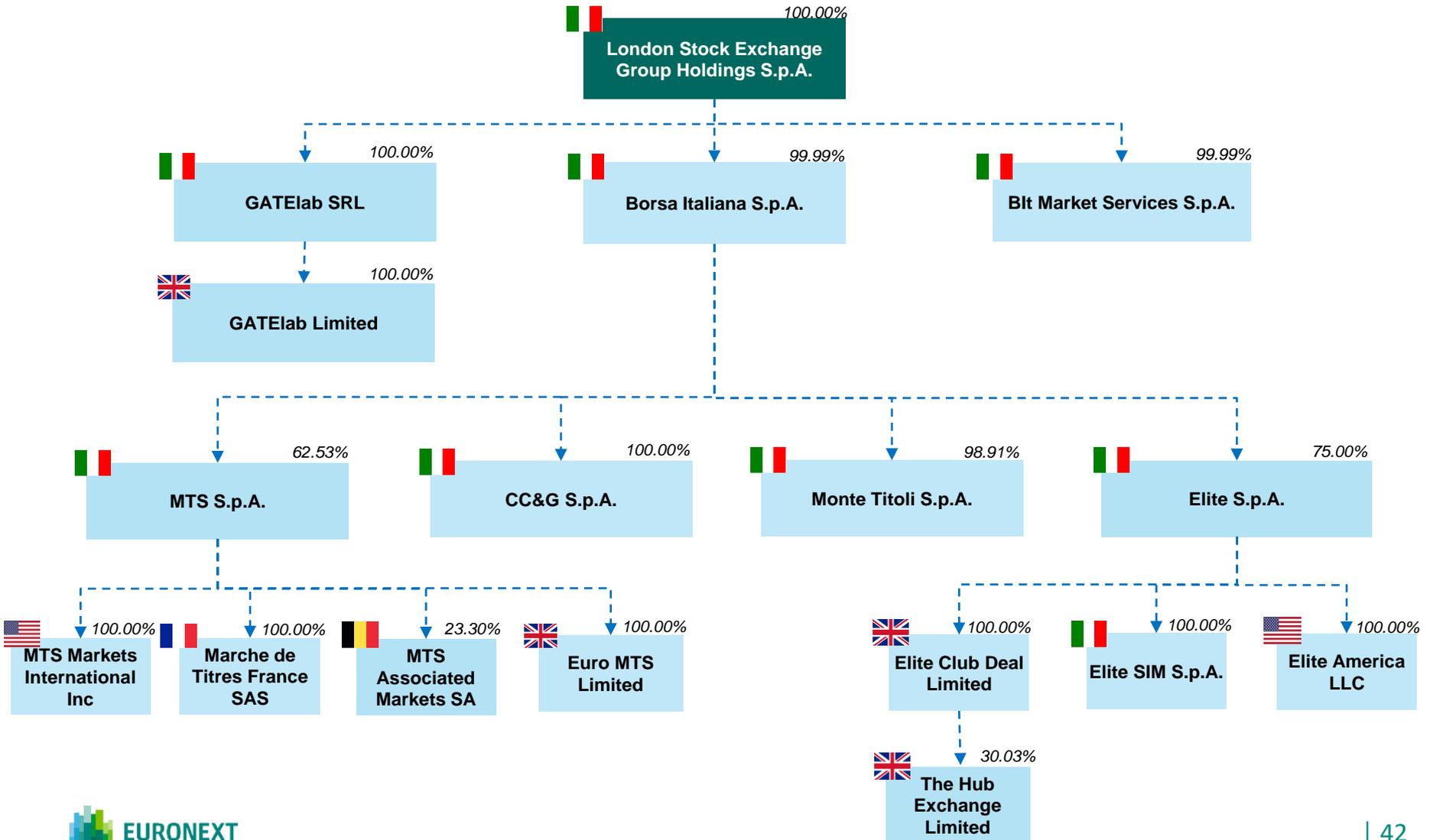
THE BORSA ITALIANA GROUP LATEST BALANCE SHEET

€m	june-20
Assets	
Cash and cash equivalents	204
Financial assets at FVOCI	143
Intangible assets	1,353
Property, plant & equipment	42
Investment in associates	2
Trade and other receivables	127
Deferred tax assets	6
CCP clearing business assets	161,711
Other assets	1
Total assets	163,589
Liabilities	
Trade and other payables	91
CCP clearing business liabilities	161,678
Contract liabilities (current)	12
Long term loans to group companies	173
Non-current contract liabilities	10
Deferred tax liabilities	106
Other liabilities	46
Total liabilities	162,116
Equity	
Share capital	350
Share premium	539
Retained earnings	520
Other reserves	1
Non-controlling interests	64
Total equity	1,473
Total equity and liabilities	163,589

HIGHLY COMPLEMENTARY OFFERING ACROSS THE MARKET INFRASTRUCTURE VALUE CHAIN

	Primary markets	Capital markets				Post trade		Data services and technology		
		Fixed income	Cash equities	Derivatives	FX / Commodities	Clearing	Custody & Settlement	Market data & Indices (ADS)	Technology solutions	Investors & Corp. services
	 	 		 	 <small>The Markets' Partner</small>	 	 		 	
	 		 <small>Cash Markets IDEM</small>	 <small>AGREX IDEX</small>	 <small>GRUPPO BORSA ITALIANA</small>	 <small>GRUPPO BORSA ITALIANA</small>	 	 <small>LSEG Technology</small> 	 	
	<p>Largest venue for listing of equities in Europe</p> <p>Significant position in private companies financing</p>	<p>Largest liquidity pool in Europe</p> <p>Home of choice in Europe for listing of debt, funds, ETF & equity securities</p>	<p>Reinforced innovation capabilities across derivatives products</p>	<p>Roll-out of Euronext FX offering in Italy</p> <p>Partnership on power and agricultural derivatives</p>	<p>Strategic addition of a multi-asset class clearing house to Euronext's post-trade infrastructure</p>	<p>Synergies within the Euronext of CSDs</p>	<p>Expansion of the market data pan-European offering</p>	<p>Roll-out of Euronext's cutting-edge technology in Italy</p> <p>Benefit from local technology expertise</p>	<p>Combined investors & corporate solutions to be offered in all of the combined Group's markets</p>	

TRANSACTION PERIMETER



TERMS USED IN THIS PRESENTATION

- EPS: Earnings per share
- ADV: Average Daily Volumes
- CCP: Central Counterparty
- CSD: Central Securities Depository
- ETF: Exchange Traded Fund
- D2D: Dealer-to-Dealer (Interdealer) market, EGB: European Government Bonds
- Repo: Repurchase agreements
- D2C: Dealer to client market

- Adjusted EPS: EPS adjusted from PPA, exceptional items and tax related to those items,
- Alternative Performance Measures ('APM') – APM used in this presentation are defined and should be read as follows:
 - 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.
 - EBITDA presented as part of this press release is in line with the definition presented in Chapter 5 of the Euronext 2019 Universal Registration Document.

DISCLAIMER

NO OFFERING IS BEING MADE TO ANY PERSON IN ANY JURISDICTION. THIS PRESS RELEASE MAY NOT BE USED FOR, OR IN CONNECTION WITH, AND DOES NOT CONSTITUTE, OR FORM PART, AN OFFER BY, OR INVITATION BY OR ON BEHALF OF, EURONEXT OR ANY REPRESENTATIVE OF EURONEXT, TO PURCHASE ANY SECURITIES OR AN OFFER TO SELL OR ISSUE, OR THE SOLICITATION TO BUY SECURITIES BY ANY PERSON IN ANY JURISDICTION. NO ACTION HAS BEEN OR WILL BE TAKEN IN ANY JURISDICTION BY EURONEXT THAT WOULD PERMIT AN OFFERING OF THE ORDINARY SHARES OR POSSESSION OR DISTRIBUTION OF A PROSPECTUS IN ANY JURISDICTION.

This presentation is for information purposes only: it is not a recommendation to engage in investment activities and is provided "as is", without representation or warranty of any kind. While all reasonable care has been taken to ensure the accuracy of the content, Euronext does not guarantee its accuracy or completeness. Euronext will not be held liable for any loss or damages of any nature ensuing from using, trusting or acting on information provided. No information set out or referred to in this publication may be regarded as creating any right or obligation. The creation of rights and obligations in respect of financial products that are traded on the exchanges operated by Euronext's subsidiaries shall depend solely on the applicable rules of the market operator. All proprietary rights and interest in or connected with this publication shall vest in Euronext. This presentation speaks only as of this date. Further information in respect of the Proposed Combination is set out in the circular published by Euronext N.V. (the Circular), which is available free of charge on its website (www.euronext.com).

The Euronext ordinary shares to be issued in connection with the Proposed Combination have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") and may not be offered or sold in the U.S. absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act.

The information and materials contained in this presentation are provided 'as is' and the Euronext Group 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 input from the Euronext Group. It is not intended to be, and shall not constitute in any way a binding or legal agreement, or impose any legal obligation on the Euronext Group. All proprietary rights and interest in or connected with this presentation shall vest in the Euronext Group. No part of it may be redistributed or reproduced without the prior written permission of the Euronext Group.

Information Regarding Forward-Looking Statements. *This presentation includes forward-looking statements. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond Euronext's, the Borsa Italiana Group's and the Combined Group's control and all of which are based on Euronext's, the Borsa Italiana Group's or the Combined Group's current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "aim", "annualised", "anticipate", "assume", "believe", "continue", "could", "estimate", "expect", "goal", "hope", "intend", "may", "objective", "plan", "position", "potential", "predict", "project", "risk", "seek", "should", "target", "will" or "would" or the highlights or the negatives thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this press release and include statements that reflect Euronext's, the Borsa Italiana Group's or the Combined Group's intentions, beliefs or current expectations and projections about the their respective future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, targets, strategies and opportunities and the markets in which they respectively operate, and the anticipated timing of the Proposed Combination. These forward-looking statements and other statements contained in this presentation regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing Euronext, the Borsa Italiana Group or the Combined Group. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements. Forward-looking statements in this presentation speak only as of the date of this presentation. Except as required by applicable laws and regulations, Euronext expressly disclaims any obligation or undertaking to update or revise the 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.*

No Profit Forecasts or Estimates. *No statement in this presentation is intended to be or is to be construed as a profit forecast or estimate for any period and no other statement in this presentation should be interpreted to mean that earnings or earnings per share for Euronext for the current or future financial years, or those of the Combined Group, would necessarily match or exceed the historical published earnings or earnings per share for Euronext.*

DISCLAIMER

Financial Information. Financial information relating to the Borsa Italiana Group has been extracted without material adjustment from the unaudited financial information of the Borsa Italiana Group as of, and for, the financial year ended 31 December 2019 and as of and for the twelve months ended 30 June 2020. This financial information was prepared for purposes of consolidation with LSEG's consolidated financial statements, and do not constitute financial statements prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("IFRS").

Financial information relating to Euronext has been extracted without material adjustment from the audited financial statements as of, and for, the financial year ended 31 December 2019 and the unaudited financial information as of and for the twelve months ended 30 June 2020 of Euronext and includes the full-year impact of the 2019 and 2020 acquisitions of Oslo Børs VPS, Nord Pool, VP Securities, Ticker, OPCVM360 and Troisième Sens.

The combined financial information included in this presentation has not been prepared in accordance with the requirements of the Prospectus Regulation nor Regulation S-X of the U.S. Securities Act, or any generally accepted accounting standards. Neither the assumptions underlying the adjustments nor the resulting aggregated financial information have been audited or reviewed in accordance with IFRS or any generally accepted auditing standard. The combined financial information: (1) is based upon available information and assumptions that is believed to be reasonable under the circumstances; (2) does not purport to represent what the actual results of operations or financial condition would have been had the Proposed Combination occurred with effect from the dates indicated; (3) has been derived or extracted from the financial statements of the Borsa Italiana Group without additional review, nor without adjustments to reflect differences in accounting principles and methods applied; and (3) does not purport to project results of operations or financial condition for any future period or as of any future date. The combined financial information includes the results of operations and financial condition of the Proposed Combination for the periods presented even though Euronext may not have owned or controlled such acquired businesses for all or any of the duration of the periods presented and would not have been permitted under IFRS to consolidate the results of such acquired businesses in any historical financial statements.

Financial objectives are internal objectives of Euronext to measure its operational performance and should not be read as indicating that Euronext is targeting such metrics for any particular financial year. Euronext's ability to achieve these financial objectives is inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond Euronext's control, and upon assumptions with respect to future business decisions that are subject to change. As a result, the Euronext'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, i.e., 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 Euronext's control. These assumptions, projections and estimates are inherently subject to significant uncertainties and actual results may differ, perhaps materially, from those projected. Euronext cannot provide any assurance that these assumptions are correct and that these projections and estimates will reflect Euronext's actual results of operations.

Transaction conditions. Completion of the Proposed Combination is subject to the satisfaction of a number of conditions as more fully described in the Circular. Consequently, there can be no certainty that completion of the Proposed Combination will be forthcoming.

Euronext refers to Euronext N.V., the Euronext Group refers to Euronext N.V. and its subsidiaries, the Borsa Italiana Group refers to London Stock Exchange Group Holdings Italia S.p.A. and its subsidiaries, and the Combined Group refers to Euronext N.V. and its subsidiaries following completion of the Proposed Combination (for the avoidance of doubt, including the Borsa Italiana Group).

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

© 2020, Euronext N.V. - All rights reserved.