

PRESS RELEASE

The CNMC approves the acquisition of BME by SIX Group AG in Phase I

Madrid, 13 February 2020 - The CNMC has approved SIX Group AG (SIX) to acquire sole control of Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros (BME).

The merger is structured through a voluntary takeover for 100% of BME's listed shares.

This transaction was reported to the CNMC on 25 November. The CNMC's authorisation is limited to its oversight of mergers as laid out in the Anti-Trust Law, and is thus without prejudice to other regulatory authorisations that may be required for the takeover.

The parties to the authorised transaction are essentially providers of financial market infrastructure services:

- The main activity of SIX is to operate the infrastructure of the Swiss stock markets (the "Six Swiss Exchange").
- For its part, BME operates a similar infrastructure in Spain. It serves the entire value chain of the Spanish stock markets, from the admission to listing and purchase of any listed financial instrument, through to its clearing, effective settlement and custody.

In accordance with CNMC and European Commission precedent, the product markets in which the parties operate are bounded based on each type of financial instrument (fixed or variable income negotiable securities, repos or derivatives) and differentiated according to the phase of the value chain in which the services are offered (admission to listing, purchase, and post-purchase services, namely clearing, settlement and custody).

The activity of SIX in these markets in the European Economic Area, of which Switzerland is not part, is conditioned by the characteristics of financial regulations. Its presence in the European Economic Area is limited, and is marginal in Spain. SIX and BME are essentially national operators in their respective countries of origin.

Therefore, the increased market share resulting from the transaction in Spain and Europe would be very modest, to the extent that the two groups operate in essentially different geographic areas. For its part, the reinforced vertical integration resulting from the operation, taking Spain and the European Economic Area as a reference, would also be very limited.

Taking these and other considerations into account, the CNMC believes that the transaction cannot be expected to pose a threat to competition in the markets analysed. Consequently, it has authorised the transaction for the purpose of merger control.

Unofficial document intended for the media. Not binding on the CNMC. Reproduction authorised only if the source is cited.

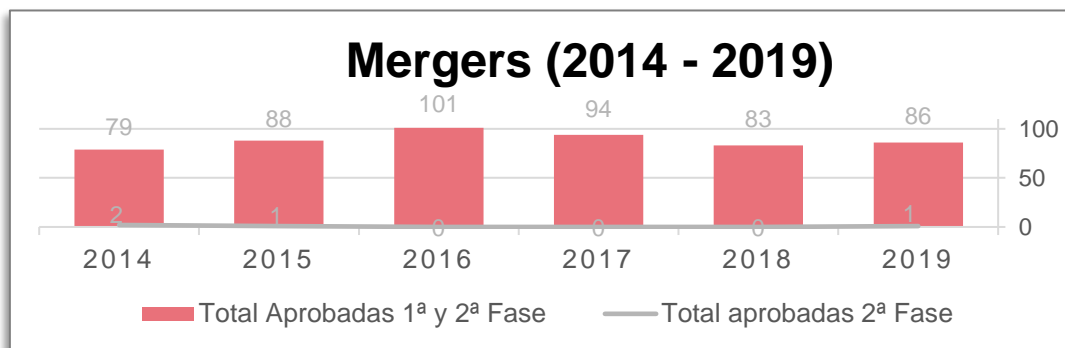
Merger control procedures

The CNMC assesses and authorises proposed mergers and acquisitions involving companies whose turnover or market share exceed certain thresholds ([Article 8 of the Anti-Trust Law](#)), to prevent mergers that significantly impede competition.

According to the Anti-Trust Law, these thresholds are based on:

- ✓ Whether the resulting company acquires or increases its market share by a certain amount (Art. 8.1a of Law 15/2007), generally taken to be 30% of the relevant market (product and geographic).
- ✓ Whether it exceeds a certain turnover (Art. 8.1 b), such that the sum of the turnover of both in the most recent fiscal year exceeds 240 million, provided that at least two of the participants individually have a turnover of more than 60 million euros in Spain.

The Anti-Trust Law also considers a series of exemptions in merger control cases. Once the operation is reported, the CNMC, in general, has one month to decide whether to approve it (phase I) or initiate a detailed investigation (phase II).



[More information on merger control procedures.](#)

[Updates of merger cases.](#)

Unofficial document intended for the media. Not binding on the CNMC. Reproduction authorised only if the source is cited.