

SHARE BUYBACK

EUROPEAN CORPORATE SURVEY

APRIL 2019



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EXANE BNP PARIBAS

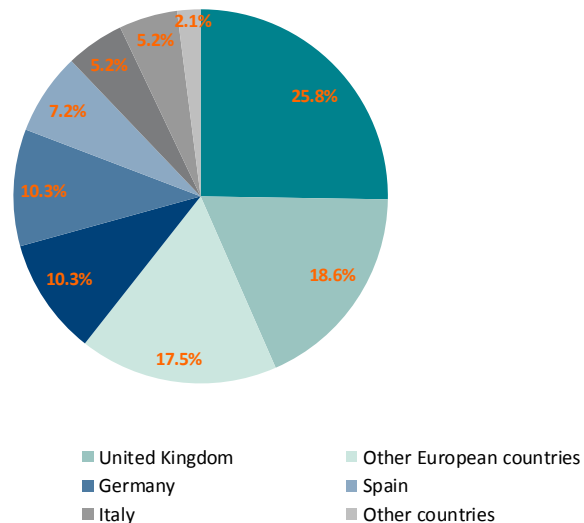
WHAT ARE CORPORATES' PLANS ON SHARE BUYBACK | SURVEY OUTCOMES



Share Buy-Back (SBB)
Survey April 2019

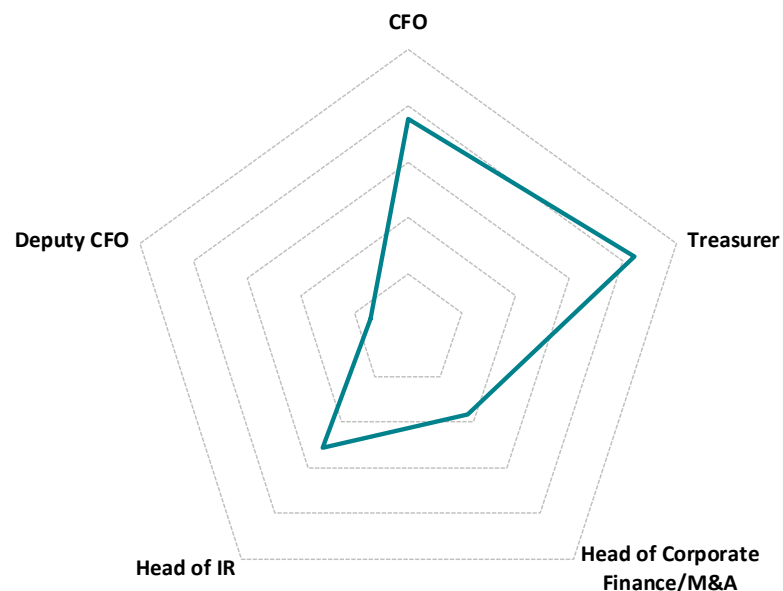
- **145** corporates interviewed across **Europe**
- SBB programs are managed by the **Treasurer** or the **CFO**. **Heads of IR** are also involved.

Survey sample



Source: Exane BNP Paribas

Person in charge of the SBB programme



Source: Exane BNP Paribas



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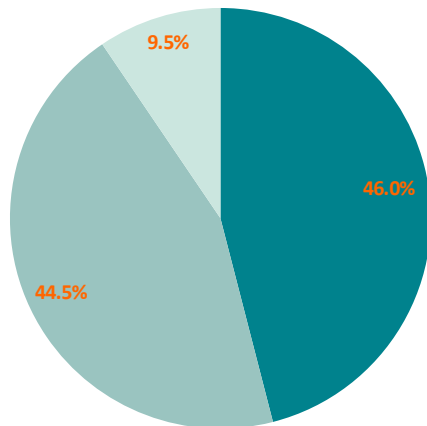


WHAT ARE CORPORATES' PLANS ON SHARE BUYBACK | SURVEY OUTCOMES

145 corporates
interviewed
across Europe

- **56%** of the corporates have a Share buyback (SBB) programme or are willing to implement a SBB.
- **48%** of the corporates think shareholders' **interest for SBB has increased**.

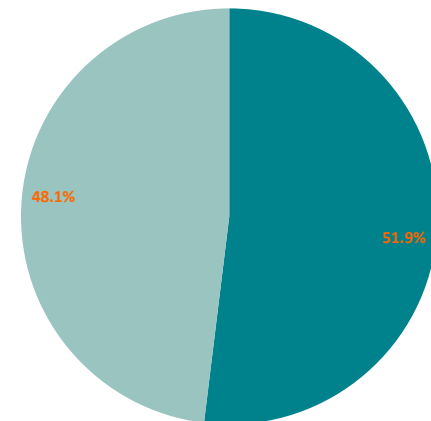
Do you have a SBB programme ?



- Yes
- No, it is not part of our short term plans
- No, but we plan to review our position in the coming months

Source: Exane BNP Paribas

How do you think shareholders' sentiment on SBB has evolved ?



- No change
- I get more questions about SBB

Source: Exane BNP Paribas



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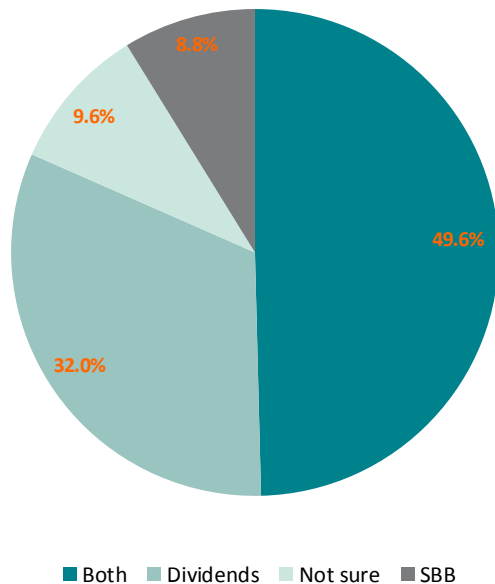
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Perception of shareholders' requests

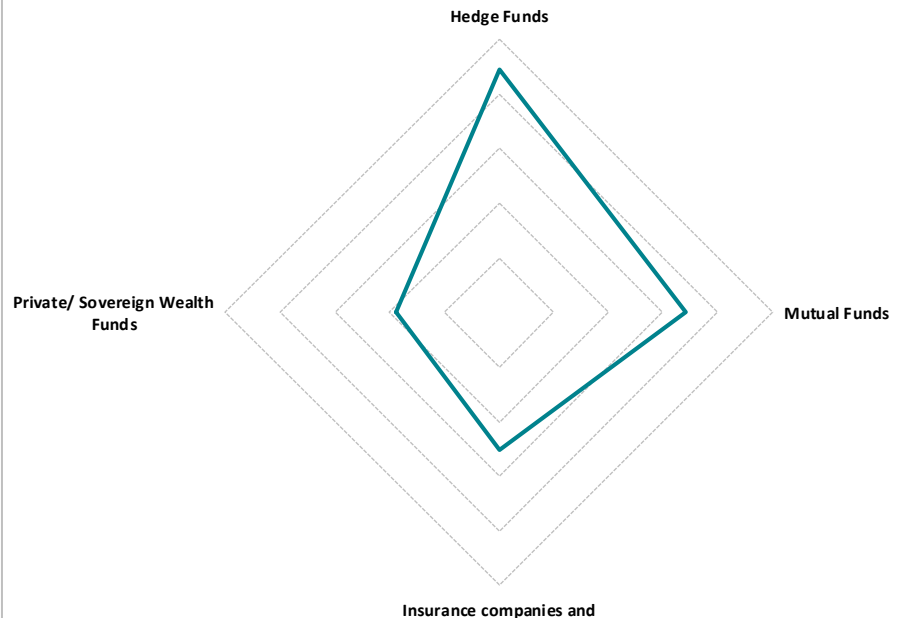
- 50% Corporates believe **shareholders want SBB and dividends.**
- Corporates also believe **hedge funds** prefer SBB.

In your view, what do shareholders prefer ?



Source: Exane BNP Paribas

Which shareholders ask for Share buyback ?



Source: Exane BNP Paribas

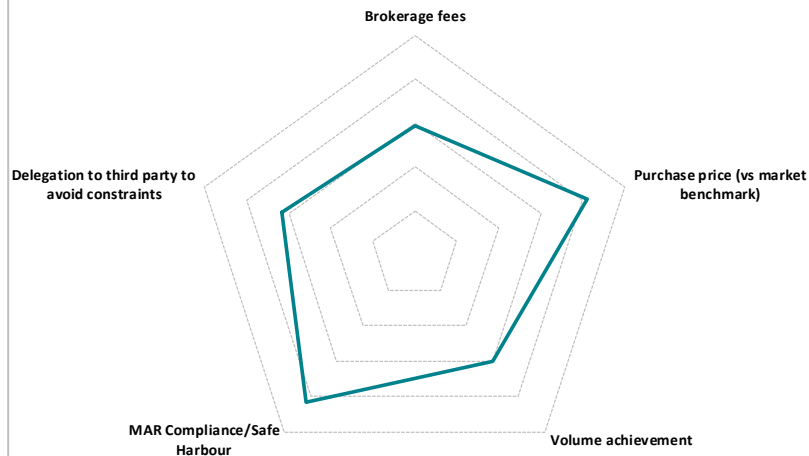


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Main criteria for share buyback

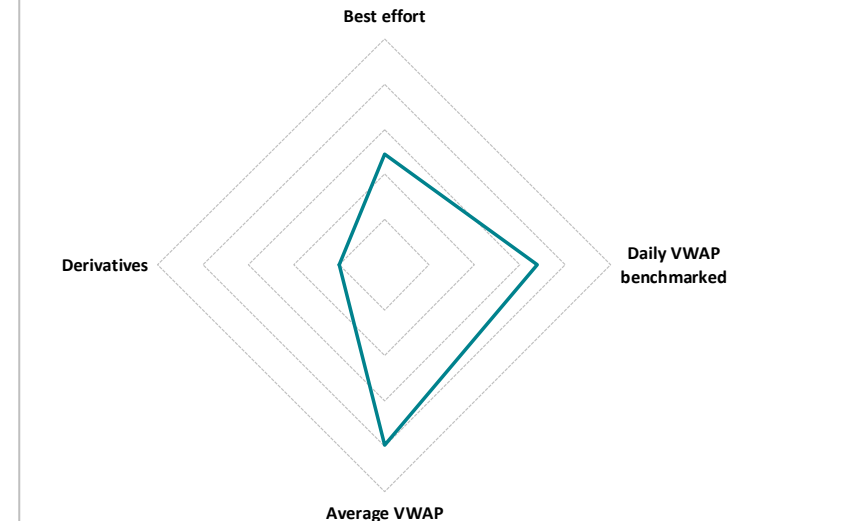
- Key criteria: **Purchase price** and **MAR compliance**
- Preferred structure is the **Average VWAP with a discount**.

Main criteria for Share buyback program



Source: Exane BNP Paribas

Preferred SBB structure



Source: Exane BNP Paribas



EUROPEAN SHARE BUYBACK MARKET | THE STRUCTURES

Structures	Main focus	Key features	Trading strategy
1 BEST EFFORT	➤ Volumes	➤ Simple ➤ Flexible ➤ Cost friendly	Delegated Direct
2 DAILY VWAP	➤ Volumes ➤ Price	➤ Flexible ➤ Optimized daily price	Delegated Direct
3 AVERAGE VWAP	➤ Price	➤ Less flexible ➤ Optimized average price	Delegated

Source: BNP Paribas



EUROPEAN SHARE BUYBACK MARKET | MAIN TRENDS BY COUNTRY

Structures	 	  	
#1	AVERAGE VWAP 50% 	AVERAGE VWAP 60% 	BEST EFFORT 65% 
#2	BEST EFFORT 35% 	BEST EFFORT 25% 	AVERAGE VWAP 25% 
#3	DAILY VWAP 15% 	DAILY VWAP 15% 	DAILY VWAP 10% 

Source: BNP Paribas



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