SHARE BUYBACK

EUROPEAN CORPORATE SURVEY

APRIL 2019

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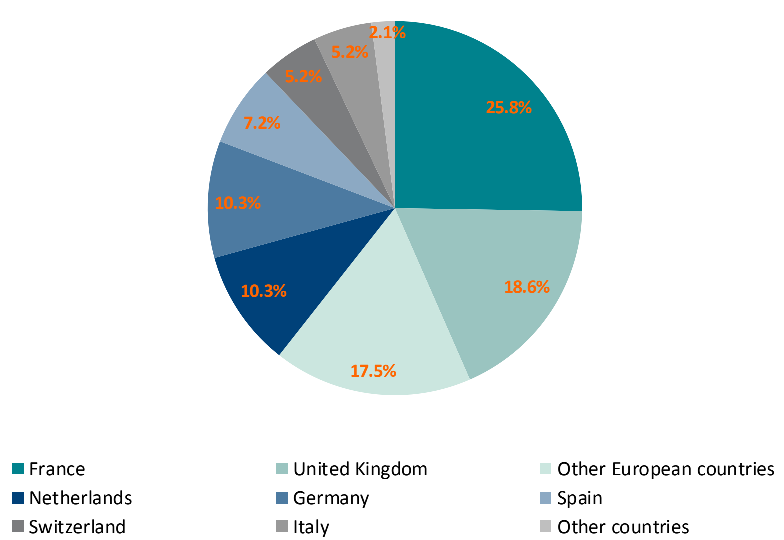
EXANE BNP PARIBAS

WHAT ARE CORPORATES' PLANS ON SHARE BUYBACK | SURVEY OUTCOMES

Share Buy-Back (SBB) Survey April 2019

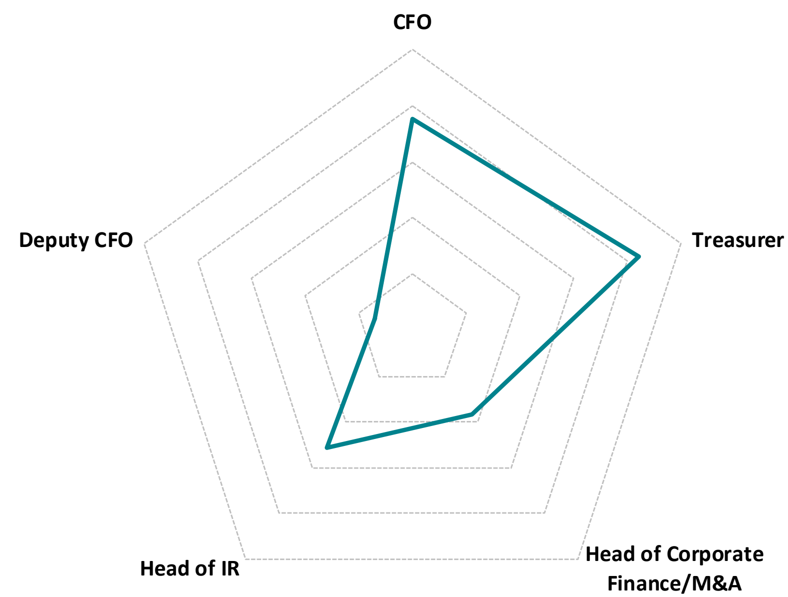
- **145** corporates interviewed across **Europe**
- SBB programs are managed by the **Treasurer** or the **CFO**. **Heads of IR** are also involved.

Survey sample



Source: Exane BNP Paribas

Person in charge of the SBB programme



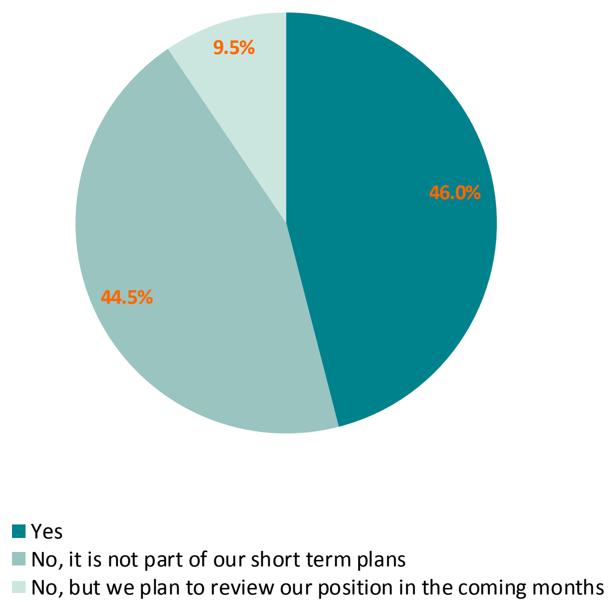
Source: Exane BNP Paribas

WHAT ARE CORPORATES' PLANS ON SHARE BUYBACK | SURVEY OUTCOMES

145 corporates
interviewed
across Europe

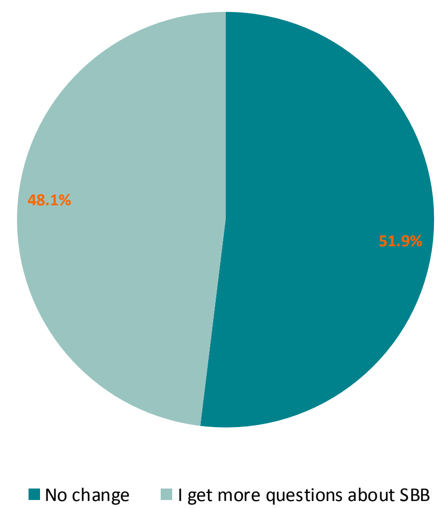
- **56%** of the corporates have a Share buyback (SBB) programme or are willing to implement a SBB.
- **48%** of the corporates think shareholders' **interest for SBB has increased.**

Do you have a SBB programme ?



Source: Exane BNP Paribas

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



Source: Exane BNP Paribas

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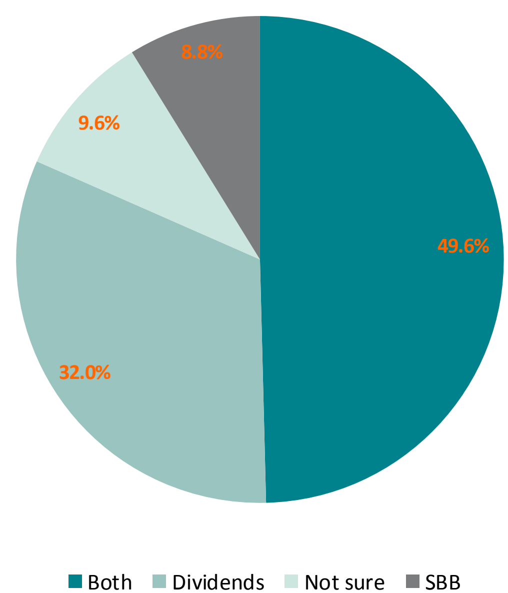
Perception of shareholders' requests

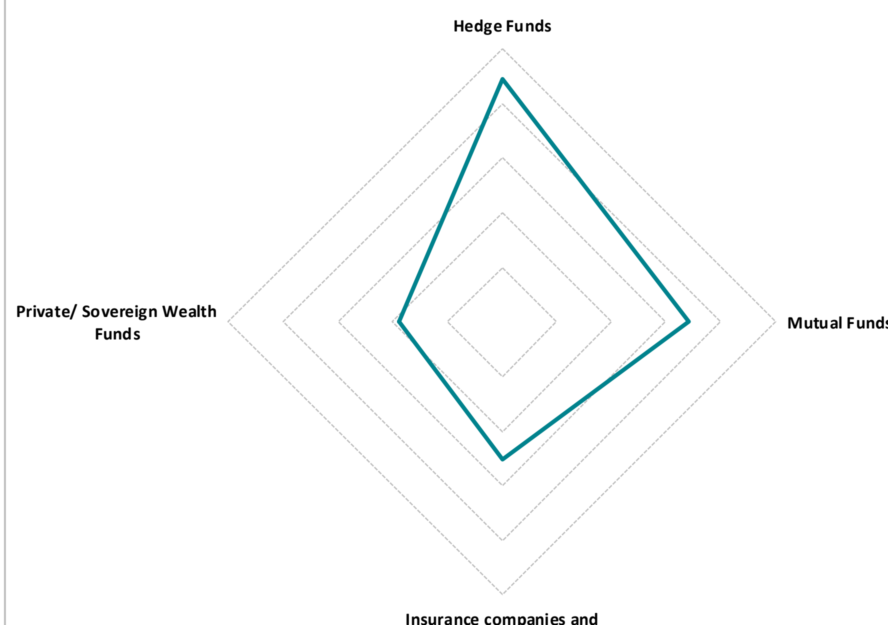
- 50% Corporates believe **shareholders want SBB and dividends.**
- Corporates also believe **hedge funds** prefer SBB.

In your view, what do shareholders prefer ?



Source: Exane BNP Paribas

Which shareholders ask for Share buyback ?



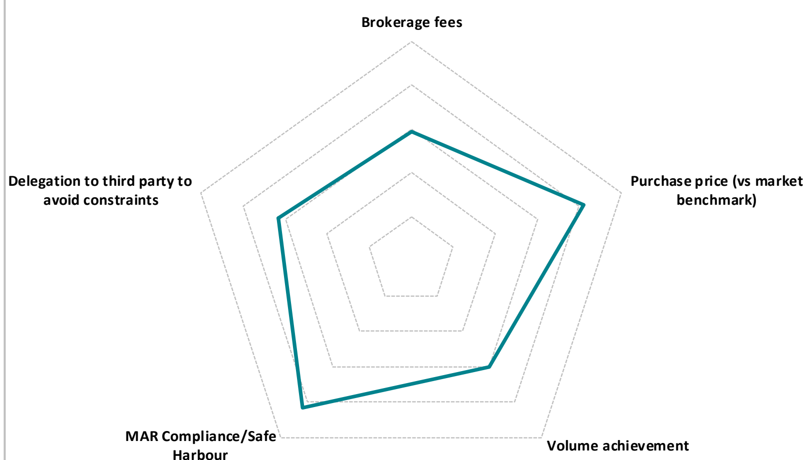
Source: Exane BNP Paribas

WHAT ARE CORPORATES' PLANS ON SHARE BUYBACK | SURVEY OUTCOMES

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

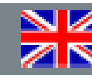
Source: Exane BNP Paribas

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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