EURONEXT

2016
REGISTRATION DOCUMENT

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EURONEXT

2016 Registration Document

including the Annual Financial Report

Euronext N.V. (the "Company" or "Euronext" and together with its subsidiaries, the "Group") is a Dutch public company with limited liability (*naamloze vennootschap*), whose ordinary shares are admitted to listing and trading on regulated markets in the Netherlands, France, Belgium and Portugal. The applicable regulations with respect to public information and protection of investors, as well as the commitments made by the Company to securities and market authorities, are described in this Registration Document (the "Registration Document").

In addition to historical information, this Registration Document includes forward-looking statements. The forward-looking statements are generally identified by the use of forward-looking words, such as "anticipate", "believe", "estimate", "expect", "intend", "plan", "project", "predict", "will", "should", "may" or other variations of such terms, or by discussion of strategy. These statements relate to Euronext's future prospects, developments and business strategies and are based on analyses or forecasts of future results and estimates of amounts not yet determinable. These forward-looking statements represent the view of Euronext only as of the dates they are made, and Euronext disclaims any obligation to update forward-looking statements, except as may be otherwise required by law. The forward-looking statements in this Registration Document involve known and unknown risks, uncertainties and other factors that could cause Euronext's actual future results, performance and achievements to differ materially from those forecasted or suggested herein. These include changes in general economic and business conditions, as well as the factors described under "Risk Factors" below.

This Registration Document was prepared in accordance with Annex 1 of EC Regulation 809/2004, filed in English with, and approved by, the ***Stichting Autoriteit Financiële Markten*** (the "AFM") on 7 April 2017 in its capacity as competent authority under the ***Wet op het financieel toezicht*** (as amended) pursuant to Directive 2003/71/EC (as amended, including by Directive 2010/73/EU). This Registration Document may be used in support of an offering to the public, or an admission to trading, of securities of the Company as a document forming part of a prospectus in accordance with Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) only if it is supplemented by a securities note and a summary approved by the AFM.

RISKS

The format of Euronext's Registration Document and the presentation of its Table of Content respect the requirements of Annex 1 of the Prospectus Directive EC 809/2004 as applicable in the Netherlands. Euronext as a leading financing centre in continental Europe is subject to risks and uncertainties that may affect its financial performance. Key risks specific to a pan-European exchange operator relate to the general economic development globally and especially in Europe, as well as increased regulation, oversight and taxation, all of which depend on policy decisions by governments and regulators and which are not controlled by the Company. As for any company, the business, results of operation or financial condition of the Company could be materially adversely affected by the risks described below. These are not the only risks the Company faces. Additional risks and uncertainties not presently known to the Company or that it currently considers immaterial may also impair its business and operations. A description of the risk management system is provided in Section "Risk management" (paragraph 2.2.1.1.).

Strategic Risks

GLOBAL AND REGIONAL ECONOMY

The Company's operations and performance depend on market and economic conditions globally. Trends towards the liberalisation and globalisation of world capital markets have resulted in greater mobility of capital, greater international participation in local markets and more competition among markets in different geographical areas. As a result, global competition among trading markets and other execution venues has become more intense.

Euronext's operations are highly concentrated in Belgium, France, the Netherlands, Portugal and the United Kingdom, and its success is therefore closely tied to general economic developments in those countries and Europe generally and cannot be offset by developments in other markets. A weak economy and negative economic developments may impact growth targets and could limit the Group's future prospects.

Europe's industrial activity has recovered and economic expectations have risen across several large developed economies. Four key themes will continue to be important for European securities markets in 2017: (a) the outlook for economic growth (b) the consequences of governments increasing their levels of fiscal spending (c) the extension and subsequent tightening of ECB's asset purchase programme and (d) political activity around Brexit, the new Trump administration and general elections in France, the Netherlands and Germany. As a result, volumes are expected to grow in comparison to 2016 due to these market conditions.

Economic conditions affect financial and securities markets in a number of ways, from determining availability of capital to influencing investor confidence. Accordingly, generally adverse market conditions may have a disproportionate and adverse effect on the Company's business and impact its financial results.

COMPETITION

Euronext's industry is highly competitive. The Company faces competition for listing, in providing primary listing services to issuers based on the Company's home markets from other exchanges, in particular in respect of global companies and SMEs in the technology sector. Trading and execution of cash equities and other cash products face pressure on pricing and market share given the competitive landscape. In addition, the market for derivatives trading, particularly equity options, and clearing has intensified as a result of competition and consolidation, which can have an impact on Euronext's pricing and related market share.

The Company's current and prospective competitors are numerous and include both traditional and non-traditional trading venues. These include regulated markets, multilateral trading facilities ("MTFs") and a wide range of over-the-counter ("OTC") services provided by market makers, banks, brokers and other financial market participants. Some of these competitors are among Euronext's largest customers or are owned by its customers.

The success of the Group's business depends on its ability to attract and maintain order flow, both in absolute terms and relative to other market centres. The Company faces growing competition from financial institutions that have the ability to divert trading volumes by "internalising" order flow that would otherwise be transacted on one of Euronext's exchanges. This internalisation is also subject to lighter requirements for organisation , disclosure and transparency than regulated markets and MTFs. Also, in the event of a decrease in trading volumes, there is a risk that markets become less liquid and thus less attractive to investors and issuers.

If Euronext fails to compete successfully, its business and financial results will be impacted.

TRANSFORMATION

The Company is exposed to transformation risks (risk of loss or failure resulting from change/transformation) given the current levels of change and alignment activity taking place across the Company. The Company has embarked on a new enhanced multi-market trading platform, Optiq®, bringing leading technology to ensure high reliability and improved latency and in parallel, ensure compliance with MiFID II. In addition, Euronext's technology operations initiated a transfer of activities to Porto (Portugal) from Belfast (United Kingdom), intending to concentrate Euronext's core IT capabilities in a country where the Group has commercial activities. A failure to complete these programs and recognise synergies related to such programs may have an impact on the Company's operational and financial results.

The Company may enter into business combination transactions. The market for acquisition targets and strategic alliances is highly competitive, particularly in light of recent, or possible, consolidation in the exchange sector and existing or potential future restrictions on foreign direct investment in some countries. Pursuing strategic transactions requires substantial time and attention of the management team, which could prevent them from successfully overseeing other initiatives. In addition, completing and recognising benefits of potential transactions takes time and can impact the Company's business, and financial results.

Euronext continues to explore and pursue opportunities to strengthen its business and grow the Company. In so doing, the Group may launch new products and enter into or increase its presence in other markets. In relation to the expansion of the Group's business, Euronext plans to invest time in developing new products or improving current product offerings. If these product offerings are not successful, a potential market opportunity may be missed and Euronext may not be able to offset the cost of such initiatives, which may have a material impact on the Company's financial results.

REGULATORY COMPLIANCE AND CHANGE

Euronext's business in Europe is subject to extensive regulation at the European level and by national regulators in the relevant European jurisdictions where the Group has operations, including, Belgium, France, the Netherlands, Portugal and the United Kingdom. Competitors, such as alternative trading venues that are not regulated markets or MTFs are subject to less stringent regulation than an exchange. In addition, as the Group seeks to expand its product base or the jurisdictions in which it operates, it could become subject to oversight by additional regulatory bodies.

Calls for enhanced regulatory scrutiny following the financial crisis generate risks and opportunities. This may lead to the following impacts:

- decision by any of Euronext's regulators to impose measures which may impact the competitive situation and possible strategy of the Group;
- potential increase of the fees required to pay towards the national regulators within the European Union and compliance costs, as well as of the costs of firms undertaking business in the European securities markets generally;
- delay or denials of regulatory approval requested by Euronext to further its strategy for initiatives, leverage business opportunities, change its governance, impacting Euronext's competitive position.

The regulatory regime within Europe is being amended and extended. Revisions to the European Union Market Abuse Regime (Market Abuse Directive – MAD II – and Market Abuse Regulation – MAR) came into effect from July 2016 with an enlarged scope in terms of financial instruments and types of order execution. Initially scheduled for market application in 2017, the revised European Union Markets in Financial Instruments Directive (MiFID II / MiFIR) has been delayed until January 2018. Implementation will potentially change the competitive landscape and may, therefore, have an adverse effect on the Company's business.

Furthermore, the decision of the United Kingdom to withdraw from the European Union (Brexit) is likely to have wide-ranging implications for European financial markets whose full impact will only become clear once the negotiations between the European Union and the United Kingdom regarding withdrawal have clarified the general nature of the post-Brexit relationship (including, in particular, the extent to which UK-based firms have access to the single market in financial services).

Originally eleven, and since December 2015, now ten Member States of the European Union are committed to the introduction of a Financial Transaction Tax (the "FTT"). The FTT may cause a reduction in trading activity potentially making Euronext markets less attractive to market participants as a source of liquidity, which could have a material adverse effect on the Company's business, results of operations, financial condition and cash flows.

In Belgium, so-called "speculation tax" of 33% on profit made within 6 months by retail investors introduced in 2016 has been abolished on 1 January 2017. In France, the Parliament voted to increase the rate of the existing tax on financial transactions from 0.2% to 0.3% from January 2017 and extend the scope of the tax to intraday transactions from January 2018. This may cause a reduction in trading activity potentially making Euronext markets less attractive to market participants as a source of liquidity, which could have a material adverse effect on the Company's business.

A Group of Reference Shareholders, under a shareholders agreement owns in aggregate 33.36% of the Company's Ordinary Shares. This Group received a non-objection by the Dutch Ministry of Finance and signed a Reference Shareholders' Agreement ("*Reference Shareholders' Agreement*" see infrastructure on 4-4-1 *"Reference Shareholders"* under section 4.4 *"Share classes and major shareholders"*). This Group has applied its right to propose a third of the Supervisory Board directors (as they currently represent over 25% of issued shares of the Company), who were appointed by the EGM on 19 December 2014.

These three directors could be in a situation of conflict of interest if a decision to be made at the Supervisory Board level for the business development of the Company would potentially conflict with their interest as a shareholder representative. Euronext considers that the Dutch Civil Law (Book 2), the Dutch Corporate Governance Code ("the Code"), the rules and regulations under the Market Abuse Directive and its Articles of Association provide clear and robust standards and safeguards. In addition, the Articles of Association of Euronext provide not only that decisions of the Supervisory Board are made at the absolute majority of the votes cast (Article 10-1), but also forbid any Supervisory Board director to participate in the deliberation and decision-making process if it concerns a subject in which this member has a direct or indirect interest which conflicts with the interest of the Company (Article 11.2). As a result of these safeguards, Euronext deems the risk for business development based on such a conflict of interest is mitigated.

Following the appeal and the verdict from the District Court of Rotterdam received on 17 December 2015, Euronext has engaged with Dutch Minister of Finance and the Regulators to reach an out of Court settlement on the applicable capital requirements to be imposed on Euronext N.V. and Euronext Amsterdam N.V. These discussions have led to an amendment of the exchange license and the prudential requirements therein issued upon IPO on 14 March 2014. The amended Exchange License of 23 May 2016 contains new prudential requirements which can be summarised as follows:

- Euronext shall have a minimum shareholders equity on a consolidated basis of at least €250 million;
- Euronext shall have a positive regulatory capital on a consolidated basis (calculated based on article 36, paragraph 2 of the Capital Requirements Regulation – CRR definition);
- in deviation of the calculation of the regulatory capital based on the CRR definition, newly acquired intangibles including goodwill will be deducted in ten equal amounts from the regulatory capital, starting in the year that the acquisition has taken place (grow-in period). The default ten year grow-in period can be increased in negotiation with the Dutch regulator AFM.

Financial Risks

CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to comply with regulatory requirements and to maintain an optimal capital structure to reduce the cost of capital and provide return to shareholders.

Euronext N.V. is a holding Company and its ability to generate income and pay dividends is dependent on the ability of its subsidiaries to declare and pay dividends or lend its funds. The actual payment of future dividends by the Company and the payment of dividends to the Company by its subsidiaries, if any, will depend on a number of factors including distributable profits and reserves and minimum capital requirements mandated by regulatory authorities.

Additionally, under the amended term and revolving Facilities Agreement Euronext entered into with a syndicate of lenders ("the Facilities Agreement"), the Company is no longer restricted from making any dividends or any other distributions greater than 50% of its net income in any financial year. As Euronext has fully repaid the term loan facility under the Facilities Agreement, the Group is permitted to make distributions, provided that following any such distribution, Euronext's ratio of total gross debt (as defined in the Facilities Agreement) to EBITDA is less than 1.5 times.

Due to factors mentioned above regarding results, mandated capital requirements by regulatory authorities and other agreements, the Company may be constrained with its use of capital.

POTENTIAL ACQUISITION OF LCH.CLEARNET S.A.

In the framework of the announcement of the potential merger between London Stock Exchange Group plc ("LSEG") and Deutsche Börse AG ("DBAG") and followed by the proposal of LSEG to divest LCH.Clearnet SA ("LCH.Clearnet") as remedy; on 3 January 2017, Euronext announced the potential acquisition of LCH.Clearnet S.A. (LCH.Clearnet) subject to certain conditions being met.

On 29 March 2017 the European Union prohibited the potential merger between LSEG and DBAG; as a result the agreement for the potential acquisition of LCH.Clearnet terminated.

The Company remains a willing buyer of LCH.Clearnet in the terms agreed on 3 January 2017.

In case of closing of this acquisition, the company profile of Euronext would evolve from a simple non risk taking intermediary for the trading of cash and derivatives products to an owner of a clearing house as all regulated exchanges in Europe.

Through the process of novation, clearing houses become the counterparty to all the trades they clear. As such they are exposed to the risk of defaults of their members.

Operational Risks

EMPLOYEES

The Company is dependent on the experience and industry knowledge of management and other key staff to operate its business operations and execute its strategies. Euronext recognises there is a shortage in the employment market for true specialists in a number of areas, such as in the information technology field and the field of operation of markets and particular product niches, and the Company competes for staff with a large number of other enterprises in these industries.

The Company's success will depend in part upon its ability to continue to attract, develop and retain key staff members in a number of disciplines. A loss of, or an inability to attract senior management or other key staff could have a material adverse effect on the business, results of operations, financial condition and cash flows.

THIRD-PARTY PROVIDERS

The Group relies on third parties for post-trade services including clearing and settlement and other services. In particular, under its clearing service agreements with LCH.Clearnet, the Paris based clearing house of LCH.Clearnet Group Ltd, which is majority owned by LSEG, one of its competitors, Euronext relies on LCH.Clearnet to provide Central Counter Party (CCP) services for trades executed on the Company's cash and derivatives markets and to manage related CCP functions, such as risk, novation and multilateral netting.

Euronext has announced an irrevocable agreement to buy LCH Clearnet, given certain conditions including:

(i) Euronext shareholders approval;

(ii) the closing of the merger between Deutsche Börse AG ("DBAG") and the London Stock Exchange Group ("LSEG");

(iii) customary regulatory, anti-trust approvals and other consents;

(iv) completion of the works council consultation process of Clearnet.

Since 15 February 2017, the condition relating to shareholder approval is met with the approval of the transaction by Euronext' shareholders during, an Extraordinary General Meeting ("EGM"). On 29 March 2017 the European Union prohibited the potential merger between LSEG and DBAG; as a result, the agreement for the potential acquisition of LCH.Clearnet terminated.

Euronext has communicated to the management and the Board of Directors of both LSE Group and LCH Group that the transaction remains a strategic priority of Euronext and that Euronext will remain a willing buyer of LCH.Clearnet, irrespective of the outcome of the merger between LSEG and DBAG, under the terms agreed.

Considering the European Commission's prohibition of the merger between Deutsche Börse AG and LSE Group and the refusal of LSE Group and LCH.Clearnet Group Ltd to engage into discussions about completing the agreed sale of LCH.Clearnet, Euronext must ensure its clients obtain a reliable and cost effective clearing solutions beyond 31 December 2018, at which time the current clearing services agreement with LCH.Clearnet will expire.

On 3 April 2017 Euronext announced it has signed a binding heads of terms with ICE Clear Netherlands for the provision of clearing services for its financial derivatives and commodities markets. The agreement with ICE Clear Netherlands covers the clearing of financial derivatives and commodity derivatives for a period of ten years with ICE Clear Netherlands. Euronext will contribute a €10 million upfront investment in ICE Clear Netherlands.

The formal clearing service agreement is expected to be completed during Q2 2017, subject to regulatory approval.

The migration of Clearing Services may lead to operational risk in execution, considering the time needed to migrate clearing members to a new CCP, and the expiry of the current clearing agreement (in December 2018, with notice to be given twelve months in advance). In addition, a strategic risk with its identified clearing partner may exist in the future, given the length of the agreement.

These changes may have an adverse material effect on the Clearing of Euronext products.

Euronext will appoint one representative to Ice Clear Netherlands risk committee and will chair a product committee dedicated to Euronext's clearing service.

The Group also relies on the services of Euroclear Group ("Euroclear") for the settlement of cash market trades other than in Portugal and on the services of InterContinental Exchange, ("ICE") for the provision of network and colocation and data centre services.

To the extent that any of the third parties on which Euronext relies experiences difficulties, materially changes its business relationship with the Company or is unable for any reason to perform its obligations, any such event could have a material adverse effect on the business, reputation, results of operations, financial condition and cash flows of Euronext.

CHANGE MANAGEMENT

The Group's change agenda is driven by internally determined programs and external factors. Internal programs include transforming Euronext technology operations through Optiq®, the new enhanced multi-market trading platform and building a new operations centre in Porto, which was previously located in Belfast. External factors include the changing regulatory landscape, driving the MiFID II compliance program, and potential changes in Euronext's clearing arrangements.

The number of significant programs in progress simultaneously, with related impacts, that, if not delivered or delivered as originally designed or with delays, may have an adverse impact on the business, reputation and financial condition of the Company.

TECHNOLOGY

Technology is a key component of Euronext's business strategy, and is crucial to the Company's success. Euronext's business depends on the performance and stability of complex computer and communications systems. Heavy use of Euronext's platforms and order routing systems during peak trading times or at times of unusual market volatility could cause its systems to operate slowly or even to fail for periods of time. These events could cause unanticipated disruptions in service to exchange members and clients, slower response times or delays in trade executions and related impacts.

Euronext operates in a business environment that continues to experience significant and rapid technological change. To remain competitive, the Company must continue to enhance and improve the functionality, capacity, accessibility, reliability of its technology.

The Group is transforming its Technology organisation through its launch of Optiq®, a new enhanced multi-market trading platform, bringing leading technology to ensure high reliability and improved latency as well as building a new operations centre in Porto, which was previously located in Belfast. Euronext's success will depend, in part, on this continued innovation and investment in its trading systems and related ability to license respond to customer demands, understand and react to emerging industry standards and practices on a cost-effective and timely basis.

Exploiting technology and the ability to expand system capacity and performance to handle increased demand or any increased regulatory requirements is critical to Euronext's success. If the Group's technology is not properly managed or the resources supporting the changes are not properly allocated, Euronext may lose market share or volumes, which could have an effect on business and financial results.

SECURITY

The secure transmission of confidential information over public and other networks is a critical element of Euronext's operations. As a result, the Group accumulates, stores and uses business data which is protected by data protection laws in the countries in which it operates.

The Group networks may be vulnerable to unauthorised access and other items including:

- third parties to whom Euronext provides information may not take proper care with this information and may not employ state-of-art-techniques for safeguarding data;
- the Group systems may experience security problems as the volume of cyber-attacks are increasing in general and in particular with respect to financial firms. Persons who circumvent security measures could wrongfully access the Group's or its customers information, or cause interruptions or malfunctions in the Company's operations;
- the Group may be a direct or indirect target of attacks by terrorist or other extremist organisations that employ threatening or harassing means to achieve their social or political objectives. They can include cyber-attacks and threats to physical security and infrastructure. In the event of an attack or threat of an attack as well as natural disasters or public health emergencies, the Group may experience a significant delay in resuming normal business operations.

Security breaches or leakage of sensitive data, also impacting data protection laws, and other events could cause Euronext to incur reputational damage, regulatory sanctions, litigation and have an impact on its financial results.

INTELLECTUAL PROPERTY

Euronext owns or licences rights to a number of trademarks, service marks, trade names, copyrights and databases that are used in its business. To protect its intellectual property rights, Euronext relies on a combination of trademark laws, copyright laws, trade secret protection, database laws, confidentiality agreements and other contractual arrangements with its affiliates, customers, strategic investors and others. In the event the protective steps taken are inadequate to deter misappropriation of Euronext's intellectual property, Euronext's reputation could be harmed, affecting its ability to compete effectively. Further, defending intellectual property rights may require significant financial and managerial resources. Any of the foregoing could have a material adverse effect on the business, results of operations, financial condition and cash flows.

Finally, Euronext takes best efforts to prevent infringement of any third party intellectual property rights, for instance by entering into license agreements. However, in the event that Euronext is accused of alleged intellectual property right infringement, Euronext may require significant financial and managerial resources for its legal defence.

POTENTIAL LITIGATION RISKS AND OTHER LIABILITIES

Many aspects of Euronext's business involve litigation risks. Some other liability risks arise under the laws and regulations relating to the insurance, tax, anti-money laundering, foreign asset controls and foreign corrupt practices areas. These risks include potential liability from disputes over terms of a securities trade or from claims that a system or operational failure or delay caused monetary losses to a customer, as well as potential liability from claims that the Group facilitated an unauthorised transaction or that it provided materially false or misleading statements in connection with a transaction.

Dissatisfied customers may make claims against their service providers regarding quality of trade execution, improperly settled trades, mismanagement or even fraud. Although aspects of the Group's business may be protected by regulatory immunity and/or contractual arrangements providing for limited or no liability clauses, Euronext could nevertheless be exposed to substantial liability under the laws and regulations and court decisions in the countries in which it operates, as well as regulations promulgated by European and other regulators.

The Group could incur significant expenses defending claims, even those without merit. In addition, an adverse resolution of any lawsuit or claim against the Group may require it to pay substantial damages or impose restrictions on how it conducts its business, any of which could have an effect on both the business and financial results, and the reputation of the Group.

2016 FINANCIAL HIGHLIGHTS

EBITDA MARGIN
57.2%

DPS(1)
€1.42
+14.5%

REVENUE
€496.4m
-4.3%

OPERATING EXPENSES ex. D&A
€212.5m
-9.4%

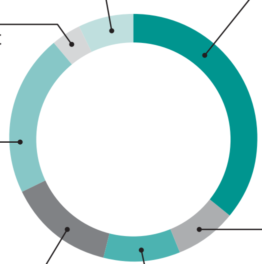
NET PROFIT
€197.0m
EPS
€2.83
(basic)

CASH POSITION
€174.5m
by 31st Dec. 2016

€15.6m
of cumulated gross efficiencies

HEADCOUNT
589
(652 as of 31th Dec. 2015)

SOURCES OF 2016 REVENUES
BASED ON THIRD PARTY REVENUES ONLY



(1) Subject to the approval of the AGM on 19 May 2017

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PRESENTATION OF THE GROUP

1.1 Company profile

Euronext N.V. is a Dutch public company with limited liability (*naamloze vennootschap*) which has its registered office in Amsterdam. Euronext N.V. has its main subsidiaries in Belgium, France, the Netherlands, Portugal and the United Kingdom. Euronext N.V. has a two-tier governance structure with a Supervisory Board and a Managing Board.

Euronext was incorporated under the name Euronext Group N.V. on 15 March 2014 in the context of a demerger of Euronext N.V., which was a company owned by ICE. Euronext Group N.V. changed its name to Euronext N.V. on 2 May 2014.

In November 2013, ICE, an operator of global markets and clearing houses, acquired NYSE Euronext. A key element of the overall transaction was the separation and IPO of NYSE Euronext's continental European exchanges as a stand-alone entity. In order to do this, ICE carved the continental European operations of NYSE Euronext and Euronext London into a newly formed entity, which was subsequently renamed Euronext N.V. Since its successful IPO on 20 June 2014, Euronext N.V. has been an independent listed company.

1.1.1 HISTORY

Today, Euronext is a pan-European exchange group, offering a diverse range of products and services and combining transparent and efficient equity, fixed income securities and derivatives markets in Amsterdam, Brussels, Lisbon, London and Paris. Euronext's businesses comprise: listing, cash trading, derivatives trading, market data & indices, post-trade services as well as market solutions.

Euronext in its original form was created in 2000 and takes its roots from the European construction. It was first the result of a three-way merger of the Paris, Amsterdam and Brussels exchanges, soon completed by the acquisition of the London-based derivatives market, LIFFE, and the merger with the Portuguese exchange. The continental exchanges were combined into a unique federal model with unified rules and a Single Order Book (except for Portugal), operating on the same electronic trading platform and cleared by LCH.Clearnet CCP, creating the first genuinely cross-border exchange in Europe and pre-dating all initiatives by policy makers to allow for the creation of pan-European market places.

In May 2006, Euronext entered into an agreement with NYSE Group for the combination of their respective businesses. The new holding company of these combined businesses, NYSE Euronext, was subsequently listed on the New York Stock Exchange and on Euronext Paris.

In 2010, NYSE Euronext launched Euronext London, a London-based securities market aiming at attracting international issuers looking to list in London and benefiting from Euronext's value proposition.

1.1.2 AMBITION

Euronext is the leading continental pan-European marketplace for the real economy.

As a pan-European group with a profile 'united in diversity', Euronext's ambition is to play a constructive role in the local ecosystems and act as an industry problem solver while contributing to making Europe an attractive block in a multipolar world. The Group's model is best suited to contribute to the construction of a true pan-European market. It operates regulated markets in Belgium, France, the Netherlands, Portugal and the United Kingdom, all of which are connected via a unique, single trading platform with a harmonised regulatory framework. Euronext is also ready to welcome other independent Eurozone market platforms within the Euronext model, which is demanding in terms of commercial and financial performance, ambitious in terms of innovation, and fundamentally federal in its governance. Euronext's unique Single Order Book allows investors to get the benefit of being able to trade, clear and settle in a uniform way throughout various jurisdictions while also accessing a broad and deep pool of liquidity.

The Group offers a wide range of products and services to the community of issuers and gives them access to a broad and diversified investor base for the listing activity. In a context of rising demand for new and diverse sources of capital, solutions for risks and the transfer of goods as well as growing pressure for more transparency and supervision, Euronext's role is of paramount importance.

As an operator of regulated markets, Euronext's mission is to bring together buyers and sellers in venues that are transparent, efficient and reliable. The Group combines equity, fixed income securities and derivatives markets in its five locations. Euronext's broad portfolio of products, services and platforms covers the full range of market services, including the provision of market information, the development and operation of information technology systems, and the ease of access to settlement and clearing facilities.

1.1.3 BUSINESS ENVIRONMENT

As an exchange operator, Euronext's operations and performance depend significantly on market and economic conditions in Europe, but also the United States, Asia and the rest of the world. Euronext is operating in a business environment that is best described as a complex non-linear system with dependencies on decisions of policy makers and regulators worldwide, with subsequent developments in the legal, regulatory and tax environment as well as the macroeconomic environment both in Europe and abroad.

Competition

On the corporate listing side, competition between exchanges for domestic issuers is rare. When a domestic issuer lists on another exchange, it tends to be on an American market rather than on another European stock exchange, in particular in respect of global companies and SMEs in the technology sector. As part of its Agility for Growth strategy, Euronext intends to attract issuers from new markets: (i.e. Germany, Switzerland, Italy and Spain) and therefore will face the competition of local market operators.

While competition in the cash trading market is relatively mature, in recent years Euronext has faced increased pressure on pricing and market share in equity options trading, in particular from new entrants to the market that have fee structures that are significantly lower than the Company's.

The competition for proprietary real-time market data is still limited as trading participants prefer to receive and use market data from the home exchange rather than using substitute pricing. However, Euronext is experiencing an increasing pressure, both from a regulatory (MiFID II) and competitive perspective (alternative trading platforms, including MTFs such as BATS who focus on the most liquid blue chip stocks). Nevertheless Euronext believes that diversity in a wide range of stocks is Euronext's strength in this increasingly competitive environment and will help Euronext retain its position as preferred data source.

In less time critical areas such as reference data – and particularly corporate actions and historical data – participants want a consolidated European feed from a single source. Euronext is not the only source of corporate actions or historical data so there is more competition in these areas.

As for Market Solutions, the market for financial information technology is intensely competitive and characterised by rapidly changing technology and new entrants.

Regulated Markets

Regulated markets are markets constituted in an EEA Member State's territory that fulfilled the criteria of the MiFID. Regulated markets have higher disclosure and transparency requirements than multilateral trading facilities ('MTF').Trading on regulated markets is subject to stricter rules than on other types of trading venues.

A regulated market cannot operate without securing prior authorisation from its regulator(s). Authorisation is subject to compliance with organisational requirements pertaining to conflicts of interest, identification and management of operational risks, systems resilience, the existence of transparent and non-discriminatory trading rules, as well as sufficient financial resources.

Multilateral trading facilities

Multilateral trading facilities ("MTFs") are primarily institutional investor-focused marketplaces offering trading in pan-European securities on low latency, low cost platforms and are usually operated by financial institutions (e.g. banks, brokerages) or operators of regulated markets. MTFs are also subject to less stringent disclosure, transparency and trading rules than regulated markets and have more discretion to operate and organise themselves.

Euronext operates a number of MTFs, including its SME and midcap-dedicated marketplace Alternext (Belgium, France, Portugal), the Marché Libre in Belgium and in France, BondMatch for institutional bond trading (France) and SmartPool, a pan-European equity dark pool (United Kingdom).

Systematic internaliser

The systematic internaliser ("SI") regime was introduced by MiFID in 2007 which defines a SI as 'an investment firm which, on an organised, frequent and systematic basis, deals on its own account by executing client orders outside a regulated market or a MTF. SIs are bilateral trading platforms usually operated by banks or brokers and offering them the possibility to match client orders against their own capital, as an alternative to sending their orders to multilateral trading venues such as regulated markets or MTFs. SIs are subject to much lighter organisational, disclosure, and transparency requirements than regulated markets and MTFs.

Over-The-Counter (OTC)

In all asset classes, Euronext is faced with competition from unlicensed marketplaces operating over-the-counter (OTC) whose activities in equities and possibly other asset classes are expected to be curbed by MiFID II rules.

1.2 Strategy: "Agility for Growth" strategic plan announced in May 2016

Since the IPO, through optimal resource allocation and cost control, as well as stronger development of underexploited businesses, Euronext has strived to deliver its solutions for the real economy.

Following the delivery of its IPO objectives a year in advance, in May 2016 Euronext published its strategic plan, Agility For Growth, outlining its growth ambitions to 2019. Under this plan, Euronext announced that it would enhance its agility in order to strengthen the resilience of its core business, to capture strategic opportunities and to grow in selected segments. The driver of this plan is to fulfil Euronext's core mission: power pan-European capital markets to finance the real economy while delivering value to shareholders.

Capturing opportunities arising from the environment, the strategic plan relies on:

- enhanced agility through:
  - a disciplined innovation strategy,
  - intensified client centricity,
  - continued efforts to reduce cost,
  - a strengthened information technology and infrastructure platform,
  - the attracting and development of best talent and entrepreneurs, and
  - the deployment of a disciplined M&A programme to accelerate its growth strategy in selected segments;
- strengthened core business and;
- selected growth initiatives.

This plan would translate into a set of new financial targets for the 2015-2019 period and Group EBITDA margin excluding clearing operations, would reach 61 to 63% in 2019. This plan would deliver enhanced shareholder value, through a disciplined capital allocation policy.

1.2.1 CAPTURING OPPORTUNITIES ARISING FROM THE ENVIRONMENT

In the next three years Euronext expects to benefit from a broadly favourable environment driven by three factors. The Euro area economic environment is expected to remain supportive of Euronext's core business, as Quantitative Easing and low interest rates continue to drive investors' search for yield. Innovation in capital markets should offer Euronext opportunities to develop new services with clients. The ongoing regulatory changes would increasingly drive value towards transparent, neutral, centrally cleared, open and Regulated Markets.

1.2.2 ENHANCING AGILITY

Euronext has started to implement a disciplined innovation strategy through the signing of a memorandum of understanding with other financial institutions to explore the development of a post trade blockchain infrastructure for SMEs in Europe. Euronext conducted an exhaustive internal and external diagnostic, with 429 clients interviews, aiming to identify a concrete action plan to intensify client centricity across the organisation. The ongoing cost management discipline has already borne fruit with two-thirds of the expected cost reduction for 2019 already achieved by year end.

In order to upgrade its information technology, Euronext announced its programme to deliver improved customer experience through the migration from its current technology platform Universal Trading Platform ("UTP") to its new leading edge platform: Optiq®. Optiq® will deliver a simplified harmonised messaging model with maximum flexibility, within a single trading platform for cash and derivatives, providing clients with high performance and stability.

In order to regroup Euronext's IT capabilities in its core geographies, attract and develop best talent and entrepreneurs as well as continue to reduce cost, in the second half of 2016, Euronext initiated the transfer of IT operations located in Belfast, United Kingdom, to Porto, Portugal in the same premises as Interbolsa, Euronext's Portuguese Central Securities Depositary ("CDS").

Euronext has undertaken an opportunistic approach of mergers and acquisitions, translating into a first set of deals to complement its business mix (see section 1.2.5).

1.2.3 STRENGTHENING CORE BUSINESS

Euronext is further strengthening its core business, creating value for clients and shareholders alike.

The main levers to achieve these objectives are to:

- expand Euronext's listing business to further finance the real economy in Europe;
- maintain the Company's successful strategy of optimising its core cash equity business to remain the market of reference for trading in Euronext listed companies;
- extend the product mix of the derivatives franchise to deliver risk management tools for clients and provide OTC trade capture services;
- leverage Euronext's index platform and market data franchise to enrich the value proposition for customers; and
- increase Markets Solutions' value proposition and competitiveness with the launch of the Optiq® platform.

1.2.4 GROWING IN SELECTED SEGMENTS

Euronext will also focus on several growth initiatives in selected segments to:

- add value to issuers, with two ambitions: become the exchange for European Tech SMEs and provide modular corporate services; and
- add value to investors, with five ambitions:
  - provide a one-stop-shop pan-European ETF platform,
  - launch a European family of indices,
  - become a specialist content provider on agricultural commodities while capturing OTC flows,
  - enhance Euronext's fixed income offering and,
  - deliver user choice in clearing for the equity markets, create optionalities in derivatives clearing and diversify the post trade franchise.

1.2.5 ACCELERATING PROFITABLE GROWTH THROUGH TARGETED MERGERS AND ACQUISITIONS

In order to accelerate Euronext's standalone strategy, its growth ambitions will be achieved both organically, leveraging on its existing assets and talents, and inorganically, through disciplined and selected bolt-on acquisitions.

In an evolving industry landscape, Euronext is carefully assessing potential opportunities resulting in transformational transactions that will create value for clients and shareholders.

In 2016, Euronext made the following acquisitions and concluded partnerships in accordance with the Agility for Growth strategy:

- enhancing Agility: In July 2016, Euronext entered into a strategic partnership agreement with Tredzone through the acquisition of a 34% stake through a rights issue for €1.4 million. Tredzone is a technology solution provider specialised in developing software tools for handling complex data with high volumes and guaranteed latency. This technology allows Euronext to develop its next generation trading platform "Optiq®" and in particular to handle large amounts of data in real time within a complex high volumes environment at guaranteed latency. This partnership demonstrates Euronext's approach to innovation, aiming to acquire cutting edge skills and disruptive technologies to strengthen its technical platform and value proposition to clients;
- growing in Selected Segments – Enhance Euronext's Fixed Income Offering: In November 2016, Euronext and Algomi announced they would launch a new trading facility to improve liquidity in pan-European corporate bond trading. Under a ten-year strategic partnership agreement, Euronext and Algomi will form a Joint Venture Special Purpose Vehicle ("JV SPV"), capitalised by Euronext for $2.3 million, with technology supplied by Algomi, to improve liquidity in pan-European corporate bond trading. The JV SPV will license Algomi's leading edge technology on a pan-European exclusive basis (excluding Switzerland) to a newly established multilateral trading facility (MTF) owned and operated by Euronext. By linking together Euronext, the banks and investors in a collaborative network, Euronext would become a centralised market place for pan-European corporate bond trading.

  On 3 March 2017 Euronext announced a $10 million strategic investment with governance rights in Algomi, allowing Euronext to expand the trading venue solution globally ;
- growing in Selected Segments – Deliver User Choice in Clearing for the Equity Markets: In December 2016 Euronext received the regulatory approvals and completed the acquisition of 20% of EuroCCP, the leading CCP for pan-European equity markets providing clearing and settlement services for an amount of €13.4 million. This deal will enable Euronext to offer user choice in clearing for the equity markets within the Eurozone, through the implementation of a preferred CCP model followed by a fully interoperable service, which will be open to other CCPs in due course.

1.2.6 SETTING AMBITIOUS FINANCIAL OBJECTIVES

Euronext's Agility for Growth strategy aims to translate into a set of new financial objectives. For comparison purposes, clearing operations were excluded from 2019 targets, as Euronext's clearing contracts with LCH.Clearnet are due to expire at the end of 2018, and 2015 operating performance was restated accordingly.

Based on the current trading environment and competitive landscape, Euronext has set a growth objective of 2% CAGR over the 2015-2019 period for its core business revenue. The revenue expected from the identified growth initiatives would bring additional revenue of €70 million. As a result, Group revenue is expected to grow by a CAGR of 5% over the period, up to about €575 million, vs. €467 million in 2015, excluding clearing revenue. These expectations rely both on factors that Euronext management can influence such as product and service launches and on factors that are outside its influence (global volume environment, macro trends, political uncertainty, Brexit, competition, …). Any significant change to these assumptions would adversely impact Euronext's performance.

Cost management remains a key pillar of Euronext's strategy to 2019. A target of €22 million of gross efficiencies has been identified, representing about €15 million net, taking into account an annual inflation rate of 1% over the period. The restructuring costs requested to deliver the additional cost efficiencies are estimated at 1.5 times the gross efficiencies, or €33 million.

The completion of the strategic plan and the growth initiatives would induce about €35 million of additional operational expenses. On a net basis, the Company's cost base would then increase by about 1% CAGR over the period (excluding clearing operations). Therefore factoring in these revenue and cost assumptions, Euronext's EBITDA margin is expected to range between 61% and 63% by 2019.

1.2.7 ENHANCING SHAREHOLDER VALUE

Euronext intends to pursue a very disciplined capital allocation policy. The dividend policy of 50% of reported net earnings was confirmed, providing shareholders with consistent capital return and enabling the Company to deploy its strategy.

This also includes the possibility to execute its value accretive bolt-on acquisition strategy while maintaining sufficient financial flexibility for potential transformational transactions.

Euronext considers its capital management policy as a core priority and a key part of its value proposition to shareholders, and will return any excess of capital on its balance sheet in the absence of transformational deals during the period.

1.2.8 STRATEGIC TARGETS AND PROSPECTS IN 2017

Euronext will continue to pursue its Agility for Growth strategic plan to deliver the targets set in May 2016.

On 3 January 2017, Euronext made an irrevocable all-cash offer to acquire LCH.Clearnet to LCH.Clearnet Group Limited and London Stock Exchange Group plc, in relation to which terms and conditions have been agreed, subject to certain conditions being met as described in the risk section.

Since 15 February 2017, the condition relating to shareholder approval is met with the approval of the transaction by Euronext' shareholders in EGM.

On 29 March 2017 the European Union prohibited the potential merger between LSEG and DBAG; as a result, the agreement for the potential acquisition of LCH.Clearnet terminated.

Euronext has communicated to the management and the Board of Directors of both LSE Group and LCH Group that the transaction remains a strategic priority of Euronext and that Euronext will remain a willing buyer of LCH.Clearnet, irrespective of the outcome of the merger between LSEG and DBAG, under the terms agreed. Considering the European Commission's prohibition of the merger between Deutsche Börse AG and LSE Group and the refusal of LSE Group and LCH Group to engage into discussions about completing the agreed sale of LCH.Clearnet, Euronext must ensure its clients obtain the best, sustainable, cost effective and competitive clearing solutions beyond 31st December 2018, at which time the current clearing services agreement with LCH.Clearnet will expire.

On 3 April 2017 Euronext announced it has signed a binding heads of terms with ICE Clear Netherlands for the provision of clearing services for its financial derivatives and commodities markets. The agreement with ICE Clear Netherlands covers the clearing of financial derivatives and commodity derivatives for a period of 10 years with ICE Clear Netherlands. Euronext will contribute a €10 million upfront investment in ICE Clear Netherlands.

The parties intend to significantly reduce explicit and implicit costs for customers, trough a 15% reduction in headline clearing fees, lower treasury management fees and the delivery of strong capital efficiencies.

Commercial open access structure delivers continued long term and sustainable clearing income for Euronext, with comparable levels of EBITDA.

The formal Clearing Services agreement is expected to be completed during Q2 2017, subject to regulatory approval.

Derivates clearing shall be operated from Amsterdam while settlement and collateral infrastructure shall be operated from Paris.

1.3 Description of the Business

1.3.1 BUSINESS OVERVIEW

Euronext is a pan-European exchange group offering a diverse range of products and services and combining transparent and efficient equity, fixed income securities and derivatives markets in Amsterdam, Brussels, Lisbon, London and Paris. Euronext's businesses comprise listing, cash trading, derivatives trading, market data and indices, post-trade and market solutions & other.

Euronext's markets provide the leading listing venues in continental Europe based on the number of companies listed as of 31 December 2016. Nearly 1,300 issuers representing a combined market capitalisation of approximately €3.3 trillion were admitted to trading on Euronext's markets as at 31 December 2016. In addition, the Company has 790 exchange traded funds ("ETFs"), 503 open-end funds listed on its markets (including Expert Market Funds) and over 50,000 structured products. As of 31 December 2016, Euronext ranked second in Europe in terms of market capitalisation of listed companies and second in terms of number of companies listed among the largest exchange groups in Europe, excluding Bolsas y Mercados Españoles (on which a large proportion of listed issuers are open-ended investment companies, limiting comparability).

Euronext also ranked second in terms of monthly order book trading volume in cash products for the last twelve months ended 31 December 2016 among the incumbent stock exchanges in Europe (excluding BATS-Chi-X).

Euronext's pan-European cash equities trading venue is the market leader in cash equity trading in its four home continental European markets of Belgium, France, the Netherlands and Portugal, based on domestic market capitalisation as of 31 December 2016. Euronext provides multiple marketplaces including its MTFs, for investors, broker-dealers and other market participants to meet directly to buy and sell cash equities, fixed income securities and exchange traded products ("ETPs").

Euronext's derivatives trading business has a strong market position on benchmark index futures and options such as the CAC 40®, AEX®, BEL 20® and PSI 20®, single stock options and futures and commodity derivatives. It ranks third among European exchange groups in terms of open interests of derivatives traded as at 31 December 2016. With the CAC 40® being the second most traded national index in Europe for example, Euronext offers options contracts based on all of the blue-chip equities listed on Euronext, thereby reinforcing liquidity with respect to those equities. The commodity derivatives offered by the derivatives trading business include the milling wheat futures contract which is a world class contract for the European Union agriculture market.

Euronext's market data and indices business distributes and sells real-time, historic and reference data to global data vendors, such as Reuters and Bloomberg, as well as to financial institutions and individual investors. With a portfolio of over 1100 benchmark indices and iNAVS, including CAC 40® in France and AEX® in the Netherlands, the Company is a leading provider of indices.

Post-trade services are an important part of the services Euronext provides to its clients. In 2013, the Company entered into a clearing agreement with LCH.Clearnet, the Paris-based clearing house of LCH.Clearnet Group Limited ("LCH.Group"), in respect of the clearing of Euronext's cash products. Also in 2013, Euronext entered into a separate derivatives clearing agreement with LCH.Clearnet that provides for a revenue sharing arrangement in respect of the clearing of Euronext listed derivatives. In addition, Euronext owns and operates Interbolsa, the Portuguese national Central Securities Depository ("CSD").

In 2016, Euronext has completed the acquisition of a 20% equity stake in EuroCCP. EuroCCP is the leading CCP for pan-European equity markets providing clearing and settlement services. Following this acquisition, Euronext is now an equal shareholder in the Company alongside ABN Amro Clearing Bank, Bats Europe, The Depository Trust & Clearing Corporation (DTCC) and Nasdaq. This deal will enable Euronext to offer user choice in clearing for the equity markets within the Eurozone, through the implementation of a preferred CCP model followed by a fully interoperable service, which will be open to other CCPs in due course.

Euronext's market solutions & other business offers technology solutions and services to exchanges and market operators. These solutions and services use Euronext UTP and other applications developed by Euronext or licensed from third-parties. Originally developed by NYSE Euronext, Euronext UTP is a multi-asset class, multi-currency trading platform that provides complex functions for low latency markets. Euronext has a perpetual, royalty-free license from ICE to use, modify and sub-licence Euronext UTP (see section 5.2 *"Material contracts and related party transactions"*).

Euronext new trading platform Optiq® will integrate new capabilities to increase the flexibility, configurability and extensibility offered to commercial clients. It will therefore meet the throughput and resilience needs of most global exchange operators.

1.3.2 STRENGTHS

Focus on core European markets

Euronext benefits from a diverse client base, both in terms of geographic distribution and type of trading flow. The Company has an established continental European and United Kingdom client base, representing 49% of cash equities trading average daily volume and 48% of derivatives trading average daily volume for the year ended 31 December 2016. A substantial portion of the flow from the United Kingdom is from global clients with headquarters based in the United States. While United States and Asian clients accounted for 44% and 5% respectively of Euronext's cash equities trading average daily volume and 31% and 0% respectively of its derivatives trading average daily volume for the year ended 31 December 2016, the Group believes these geographic client segments are currently underexploited and offer potential for growth.

Resilient model delivering consistent growth and profitability

Euronext's sources of revenues are diversified across the businesses, markets and client segments. For the year ended 31 December 2016, approximately 40% of the Company's revenues were generated by the non-trading businesses, which include market data and indices, listings, and market solutions & other. This helps to limit Euronext's exposure to cyclicality in demand for particular products or services or in individual markets.

The following table sets out information relating to the sources of total revenue for the year ended 31 December 2016 and for the year ended 31 December 2015:

	YEAR ENDED 31 DECEMBER 2016		YEAR ENDED 31 DECEMBER 2015	
In thousands of euros	REVENUE	% OF TOTAL REVENUES	REVENUE	% OF TOTAL REVENUES
Listing	68,708	13.8%	70,516	13.6%
Trading revenue	220,835	44.5%	241,699	46.6%
of which:				
• Cash trading	180,727	36.4%	197,243	38.0%
• Derivatives trading	40,108	8.1%	44,456	8.6%
Market Data and Indices	105,697	21.3%	99,759	19.2%
Post-trade	67,627	13.7%	71,682	13.8%
of which:				
• Clearing	47,992	9.7%	51,937	10.0%
• Custody and Settlement	19,635	4.0%	19,745	3.8%
Market solutions & other	33,009	6.6%	34,147	6.6%
Other income	560	0.1%	744	0.2%
TOTAL REVENUE	**496,436**	**100%**	**518,547**	**100%**

Euronext's businesses are characterised by recurring revenue streams which generate resilient and robust free cash flow and allow Euronext to operate and invest in its business with flexibility. The Group's market expertise and proven, multi-asset class technology infrastructure allow Euronext to launch new products without substantial additional capital expenditure. Further, the Company's trading businesses do not expose it to credit risk or counterparty risk, which is borne by the counterparties to the trade and not by the markets. Euronext believes that its capital-light business and resilient free cash flow generation provide a potential for attractive return for shareholders while observing its regulatory capital requirements.

Liquidity and transparency to all market participants through regulated exchanges

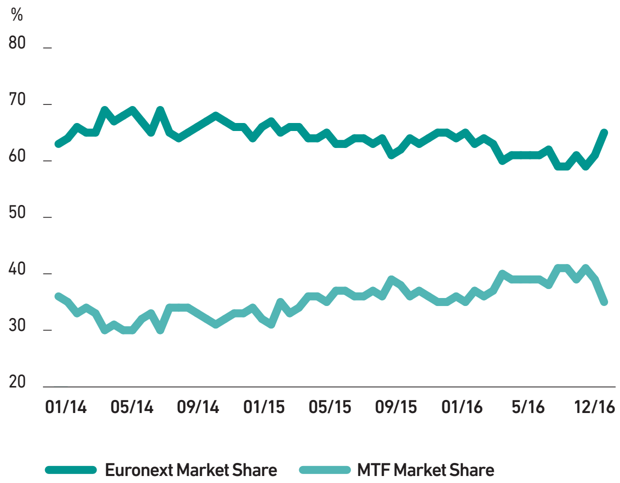
Euronext's cash equities markets have a diverse member base by geography and trading profile, making for a particularly rich and diversified order book.

Euronext offers superior market quality to competitors: in December 2016 Euronext provided for blue-chips on average 88% presence at EBBO (European Best Bid and Offer), of which 70% was the first to set the EBBO. This ability to make the EBBO demonstrates the leading role of Euronext in the price forming of its listed securities and in ensuring the best execution for its investors. In addition the average displayed market depth at the Euronext best limit is equivalent to seven times – or 56,214 euros – the average order size, thus demonstrating the ability to absorb large orders in full transparency and at minimal cost, as Euronext's average spread was 4.37 basis points.

SUPERIOR MARKET QUALITY, DEPTH AND LIQUIDITY

BLUE CHIPS *(31 December 2016)*	PRESENCE TIME AT EBBO *(%)*	EBBO WITH GREATEST SIZE *(%)*	EBBO SETTER *(%)*	RELATIVE SPREAD *(bps)*	DISPLAYED MARKET DEPTH *(€)*
EURONEXT	**88%**	**51%**	**70%**	**4.37**	**56,214**
BATS EU	36%	0%	3%	8.44	14,416
Chi-X	68%	3%	14%	5.92	20,466
Equiduct	8%	0%	2%	49.48	24,191
Turquoise	56%	1%	7%	6.23	18,716

STABLE EQUITY MARKET SHARE



The combination of Euronext's position as a leading pan-European trading venue, the quality of its markets and the expertise of the Company's teams have enabled Euronext to maintain a relatively stable market share in cash equities above 60% in the trading of the securities listed on its markets since June 2011.

The relative share of trading on competing platforms has been relatively stable over the past five years. The primary tool for supporting market share is the flagship Supplemental Liquidity Provision programme, which rewards liquidity providers for ensuring Euronext's market quality remains high, whilst balancing against yield management considerations.

Offering of a wide range of product services and platforms

Euronext's issuer base is diverse, comprising about 1,300 companies from within its home markets as well as elsewhere in Europe, internationally and span ten sectors by industry classification benchmark. Euronext's corporate issuers differ in size and represent a combined market capitalisation of €3.3 trillion.

The Company is the third-largest exchange traded funds ("ETF") market in continental Europe by number of ETF trades, with 790 listed ETFs and an average daily trading value of approximately €554 million from January to December 2016. Euronext is the second-largest warrants and certificates market in Europe, with over 50,000 instruments at 31 December 2016, and in total nearly 170,000 products have been listed in 2016. More than 5.8 million trades took place on those instruments in the twelve months ended 31 December 2016.

Euronext is also a leading pan-European derivatives trading venue, with derivatives trading activities across financial and commodity derivative products. The Group has established the CAC 40 futures contract as the second most traded national index in Europe, with an equivalent of €5.7 billion in nominal value on an average daily basis. The milling wheat contracts which are the leading wheat derivatives in continental Europe as well as rapeseed commodity contracts continue to be included in recognised commodity benchmarks such as the S&P World Commodity Index and Rogers International Commodity indices.

Euronext operates an important bond market in continental Europe with approximately 5,500 corporate, financial institutions and government bonds listed on its markets and an internationally recognised derivatives platform.

Trading on Euronext markets takes place on the Euronext Universal Trading Platform ("UTP"). UTP is a multi-asset class, multi-currency trading platform that supports many different regulatory regimes. It offers diversified functions for facilitating liquidity in complex markets for example through strategy trading and implied pricing, and meets the low latency demands of algorithmic trading patterns.

UTP and its predecessors have been delivered to over 25 third-party exchanges and market operators around the world. The diversity of business needs arising from internal and client requirements has driven IT development and helped Euronext to maintain its position at the forefront of the industry. With its rich function set, market model flexibility and reliability, UTP can host markets in cash equities and fixed income products as well as equity, financial and commodity derivatives.

"United in diversity" with an open federal model

Euronext is the only pan-European exchange operating across multiple jurisdictions with a harmonised regulatory framework, a Single Order Book for its exchanges in Amsterdam, Brussels, London and Paris and a single trading platform offering access to all markets through a single connection. The Single Order Book consolidates liquidity in each multi-listed security to tighten spreads and increase market depth and achieves optimal price formation. Issuers listing on more than one of the Group's markets benefit from enhanced visibility, qualification for inclusion in more local indices and greater exposure for their volumes and prices.

The Group has generated sustainable and diversified cash flows across institutional, high frequency and algorithmic trading, own account, agency brokerage and retail client classes. The Single Order Book model and pan-European technology are key to Euronext's unique federal market structure. This structure enables the Company to integrate its constituent markets while they remain subject to regulation by national regulators.

1.3.3 LISTING

1.3.3.1 Products and services

The Group's issuer base is diverse, comprising about 1,300 companies from within its home markets as well as elsewhere in Europe, internationally and span ten sectors by industry classification benchmark. Euronext's corporate issuers differ in size and represent a combined market capitalisation of €3.3 trillion. Euronext's listing franchise includes 261 large cap companies (companies with a market capitalisation above €1 billion) and 1,001 SMEs and micro-cap companies (companies with a market capitalisation under €1 billion) as at 31 December 2016.

Euronext's listed issuers account for 50% of EURO STOXX 50, and 22% of EURO STOXX 600. In addition, Euronext is one of Europe's major centres for the listing of bonds, with approximately 5,500 corporate, financial institutions and government bonds and money market instruments, representing nearly 680 issuers listed on Euronext's markets.

In addition, the Company enables issuers to become part of a family of leading index products in each of its national markets including the AEX® in the Netherlands, BEL 20® in Belgium, CAC 40® in France and PSI 20® in Portugal. Euronext's family of index products provides investors and issuers with benchmarks enabling them to measure and trade the performance of key segments and strategies. The Group also offers extensive trading opportunities to investors, including in particular single stock derivatives on the underlying securities listed on its markets.

Euronext offers issuers an established and credible financial marketplace for their capital market needs. In order to attract issuers to Euronext's marketplace and maintain relationships with clients (existing issuers, prospects and other stakeholders) the Company undertakes outreach initiatives through direct prospecting and continuous client interaction. In addition, Euronext organises dedicated events for prospects, issuers and investors aimed at improving and facilitating access to capital and promote its markets on an international and national level.

Diversified market offering

Euronext, Alternext and Marché Libre, as well as EasyNext, Trading Facility and Euronext Expert Market enable corporate clients in different stages of their development, whether early stage growth companies or more established businesses, to access a broad range of investors and provide access to capital.

Euronext markets in Amsterdam, Brussels, Lisbon, London and Paris are regulated markets within the meaning of MiFID. Euronext lists a wide variety of securities, including domestic and international equity securities, convertible bonds, debt securities (including corporate and government bonds), structured products (including warrants and certificates and structured notes), ETFs and open-ended investment funds.

Alternext markets in Brussels, Lisbon and Paris are MTFs within the meaning of MiFID. Alternext is dedicated to early stage and high growth SMEs. Alternext lists a wide variety of securities, including domestic and international equity securities, convertible bonds and corporate bonds.

Operating in Brussels and in Paris, the Marché Libre markets are MTFs within the meaning of MiFID, offering early stage SMEs access to the capital markets and a framework adapted to their specific needs. This market is open to any company, regardless of size, performance, maturity or industry. Corporate bonds and structured products are also traded on the Marché Libre. Euronext will revamp Marché Libre in 2017.

Euronext also offers alternative markets such as: 1) EasyNext, designed for the trading of equities, bonds, warrants and certificates on the Portuguese market and for the trading of warrants and certificates on the Belgian market; 2) Trading Facility, a MTF in Belgium and 3) Euronext Expert Market, based in Brussels, which enables to negotiate prices for unlisted products – such as shares, real estate certificates notes and bonds – once a week.

Added-value services for issuers

Euronext provides to its issuers a range of services including:

Advocacy Role

Euronext provides advocacy to represent the interests of corporate client companies at the level of Euronext as well as at national and European levels for specific issues related to financial markets. As part of this, Euronext regularly communicates with its issuers and investor relations organisations, organises issuer committees and participates in consultations with regulatory bodies on a wide range of topics.

ExpertLine

ExpertLine is a team of market professionals based in Paris who provide issuers with feedback on real-time events that may affect their share price. ExpertLine also acts as a first port of call for issuers listed on all Euronext's markets, listing sponsors and other intermediaries, and the team develops and provides issuers with a suite of services such as the Connect web portal that Euronext constantly enriches.

Connect

Companies listed on Euronext, Alternext and the Belgian Marché Libre have access to Connect, a secure web portal that provides issuers with market intelligence. Connect is also a publication tool, allowing issuers to upload and publish press releases, maintain their financial calendar and update their company's profile on Euronext's website. The Connect website has been enhanced in 2016 with a new service "My notices": an easy access to Euronext corporate action notices which will allow them to better manage all their transactions.

Networking, Marketing Events and Executive Education

Euronext informs and educates issuers on various topics including recent developments in its markets, new regulatory and legal developments, compliance, governance, social responsibility investments as well as new products and services through workshops and conferences organised all along the year.

Dedicated offer for SMEs

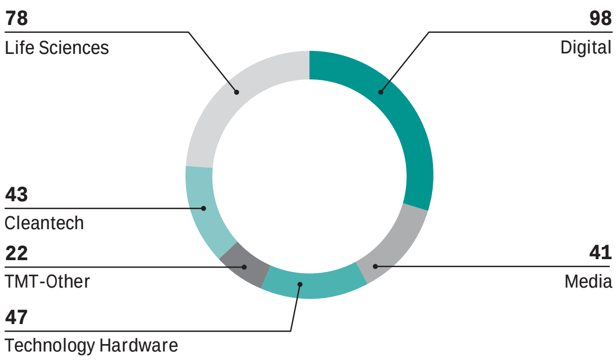
Euronext decided to put a specific focus on small and mid-caps and launched in 2013, EnterNext, its subsidiary dedicated to developing and promoting SMEs on its stock markets, that actively facilitates SME's access to financial markets and help them generate the necessary funding to grow. EnterNext assists company executives in choosing a financing solution which suits their growth project through a wide range of initiatives, events and one-to-one meetings. Furthermore, EnterNext contributes to increasing the visibility of the Small & Mid-Caps among investors through roadshows, investor events and equity research programmes.

EnterNext covers domestic companies listed on the Euronext and Alternext markets, which have a market capitalisation of up to €1 billion. As of 31 December 2016, Euronext SMEs comprises 755 companies in Belgium, France, the Netherlands and Portugal, representing a total market capitalisation of €146 billion.

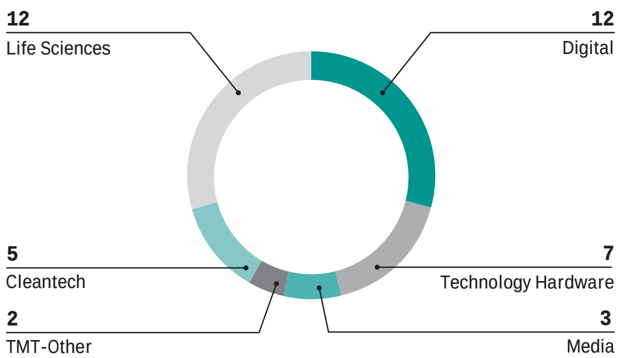
Over the last years, Euronext has developed a series of initiatives to better accompany business leaders in their financing decisions and raise awareness towards investors. Among other, Euronext developed initiatives targeting the Tech sector, family business, equity research and advisory services.

Tech initiatives

SPLIT BY SECTOR/NB OF ISSUES



SPLIT BY SECTOR/MKT CAPITALISATION (€ BN)



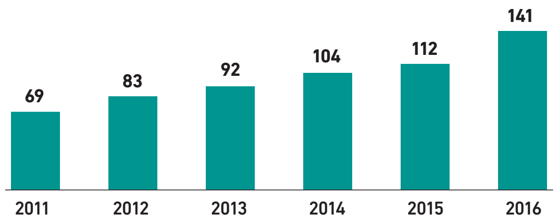
1.3.3.2 Recent developments

Market activity in 2016

Euronext's markets in 2016 provided financing to the real economy with nearly €141 billion raised on its markets in equity and debt financing through securities admitted to trading as of 31 December 2016, up 26% compared to 2015. An excellent performance given market conditions and largely driven by secondary offerings and bond issuances.

In total in 2016, Euronext welcomed twenty eight new listings raising a total of €3.7billion across all markets with a combined market cap of €222billion.

EURONEXT – TOTAL MONEY RAISED (€ BN)



New initiatives

Euronext will launch new initiatives for family businesses in the course of 2017. The aim is to encourage them to view financial markets as a source of financing, a governance and transmission tool, a way to enhance their visibility and a mean of raising their profile with investors. Today, 216 family businesses are listed on Euronext markets, representing a total market capitalisation of €853 billion. This includes 154 SMEs with a total market capitalisation of €33 billion.

Family-owned SME stocks will benefit from increased assistance in several areas. This includes European roadshows to meet investors, improved financial analysis coverage through the Morningstar programme and Euronext Family Business index®, a new European index with ninety component companies in the four countries covered by Euronext. Finally, FamilyShare, a dedicated programme offering support and coaching to unlisted family businesses, will be set up across Euronext markets and tailored to the specific needs of each country. This unique pan-European initiative is designed to familiarise family-owned businesses with capital markets, both equity and bonds, giving them the information they need to bring their companies to the market.

Agility for growth initiatives

In May 2016, Euronext announced its strategic plan "Agility for Growth". On this occasion, Euronext announced to focus on six growth initiatives in selected segments, two of which concern the Listing business.

European Tech Hub for SMEs

Euronext has identified four target countries – Germany, Switzerland, Italy and Spain – to set up and roll-out dedicated offers to attract Tech SMEs on Euronext markets with the aim to become the number one exchange for European Tech SMEs in continental Europe. With 329 listed Tech SMEs and mid-tier firms representing a total market capitalisation of €41 billion, Euronext is already the leading quotation provider in continental Europe for technology stocks. In view of the growth potential, financing needs and specific features of tech companies, Euronext believes that it can expand its services to include new innovative companies based – among others – in the four target countries. Euronext is setting up a salesforce of seven FTEs to sell a unique value proposition to Tech SMEs in Germany, Switzerland, Italy and Spain.

1.3.4 CASH AND DERIVATIVES MARKETS

1.3.4.1 Products and services

Euronext provides multiple marketplaces for investors, broker-dealers and other market participants to meet directly to buy and sell cash equities, fixed income securities and ETPs. One of the primary functions of the Group's markets is to ensure that orders to purchase and sell securities are executed in a reliable, orderly, liquid and efficient manner. Order execution occurs through a variety of means and Euronext seeks to continue to develop additional and more efficient trading processes.

Corporate Services

Euronext ambitions to help issuers to further unlock the full potential of capital markets. In 2016, Euronext has conducted a survey across its four domestic markets and all segments in order to understand issuers main needs in terms of investor relations and financial communication. Euronext has also performed a market assessment of the current providers of corporate services and therefore intends to act as a complement and not a substitute for the existing ecosystem. Based on the feedback from issuers and providers, Euronext believes there is room to enter the corporate services space and bring value-added services to issuers. The future service offering will be comprised of data analytics and investor communication support services targeting relevant corporates listed on Euronext and on partnering exchanges. It will namely integrate the existing Pre and Post Listing Services. Euronext has also decided to adopt a flexible and case-by-case approach for each one of the services to be provided, including internal developments as well as external partnerships.

Pre & post listing services

Launched in France in 2015, Pre and Post Listing Services are intended to provide companies with assistance during their IPOs (Pre Listing Services), or with their relations with the market for companies that are already listed (Post Listing Services).

Pre Listing Services involve a consulting activity. The team in place is in charge of monitoring and explaining the global process to the Company. They bring support to the management in discussions with the Company's Board, choice of intermediaries, deal structuring, calendar management and stakeholders coordination. In 2016, the Pre Listing Services team successfully delivered its first deal.

Through its Post Listing Services, Euronext aims at helping companies to better understand financial markets and maximise the impact of their financial communication so as to strengthen their relationships with the market. The Post Listing Services team helps the management team with their investor relationship management (roadshows, retail strategies etc.) as well as the conception of their equity story and key financial communication axes. To do so, they monitor investors' activity, conduct investor surveys and perception studies. As of 31 December 2016, the team is servicing ten issuers.

The Pre and Post Listing Services for SMEs are to be rolled out in Belgium, the Netherlands and Portugal in 2017.

Equities

The Company is the market leader in cash equity trading in its four home markets of Belgium, France, the Netherlands and Portugal. As at 31 December 2016, Euronext had a market share of 65% and a strong blue chip issuer presence, with twenty five issuers included in the EURO STOXX 50 stock index and 130 issuers listed on the EURO STOXX benchmark index. Euronext is ranked second in Europe as measured by domestic market capitalisation and second by average monthly equity trading value, excluding BATS-Chi-X. In addition, the Group has a solid ETF trading franchise based on the listing of 790 ETFs in its markets. In 2016, total Euronext transaction value on equity was €1,643 billion, down -15% from €1,938 billion in 2015 and compared to €1,536 billion in 2014. In Equities, Euronext outperforms peer exchanges in yield extraction while maintaining high market share. This is achieved through a combination of superior execution quality, sophisticated liquidity schemes and advanced pricing segmentation. Euronext offers a compelling value proposition across the transaction chain, from blue chips to small companies, with tailored market models to maximise the depth and quality of liquidity available for trading those companies in the secondary market.

Since the introduction of new European Union legislation in 2007, via MiFID, competition for share trading has been intense. Yet Euronext has been successful in maintaining market share above 60% throughout the past decade demonstrating the resilience in its core business. Euronext's product, pricing and client strategy and the execution thereof are vital to maintain the high quality of execution and broad diversity of clients active on Euronext's markets.

INDEX	MARKET	EBBO	GREATEST SIZE	EBBO SETTER	RELATIVE SPREAD	MARKET DEPTH
CAC 40	MTF Average	50%	1%	5%	15,87	18 562,91
	Euronext	90%	58%	73%	3,97	54 265,43
BEL 20	MTF Average	43%	2%	7%	18,32	23 949,01
	Euronext	89%	47%	68%	4,78	73 938,32
AEX-INDEX	MTF Average	45%	1%	6%	15,14	22 490,17
	Euronext	89%	52%	70%	4,12	68 265,66
PSI 20	MTF Average	33%	1%	6%	52,82	10 839,17
	Euronext	89%	51%	71%	14,15	21 168,88
BLUE CHIPS	MTF Average	42%	1%	6%	17,52	19 447,20
	Euronext	88%	51%	70%	4,37	56 214,46
Domestic	MTF Average	36%	1%	7%	-	-
	Euronext	89%	68%	77%	-	-

Euronext operates equity markets of which the main financial instruments are shares. Shares are any share of capital stock or any other equity securities issued by a corporation or other incorporated business enterprise.

Fixed income

Euronext operates bond trading on its regulated market with a particular focus on the retail market. Over 100 members trade 5,500 corporate, financial institutions and government listed bonds, representing a monthly turnover of approximately €0.6 billion.

As part of 'Agility for Growth', Euronext entered into a Joint Venture (JV) with Algomi – a leading FinTech company in the fixed income space, to create a unique Pan-European trading venue, utilizing best-in-class technology and data. As part of the JV, Euronext will host a new MTF with an expected launch date[1] during Q3 2017.

Smartpool / European block trading

SmartPool is a dark pool dedicated to the execution of institutional order flow, offering trading in stocks from fifteen European equity markets, including stocks listed on Euronext's continental markets. Trading is cleared by the European Central Counterparty ("EuroCCP"). Euronext will revamp this service to adapt to the new MiFID II rules on dark trading and to facilitate effective execution of block trades post MiFID II.

Bondmatch

BondMatch, launched in July 2011, is an MTF for bonds that allows qualified debt markets sell side and buy side participants to trade euro-denominated corporate, financial and covered bonds on a transparent order book with firm orders. It has been built to meet the "Expression of Needs" drawn up by representatives of the European bond market community. The objective of BondMatch is to provide liquidity, transparency and a level playing field through an order book with firm orders, pre- and post-trade reporting and clearing and settlement solutions.

(1) Subject to regulatory approvals.

Exchange traded funds

Euronext offers the ETF community a comprehensive solution for multi-national listing and trading in ETFs and investments, within Euronext's Single Order Book. Euronext's ETF markets are supported by robust market infrastructure where product supply and demand meet within a framework of deep liquidity and advanced price formation. Euronext develops relations not only with issuers, but also with liquidity providers, intermediaries, investors, regulators and others in the ETF community to understand their challenges and needs, providing strong alignment with Euronext's business goals and a strong foundation to co-create new products to accelerate growth in the ETF industry with the support of its major participants.

Euronext's client alignment is demonstrated by Euronext winning four awards during 2016, being consistently recognised as the Best ETF Exchange in Europe. These awards are voted for by Euronext's clients.

Agility for Growth, Pan-European ETF MTF

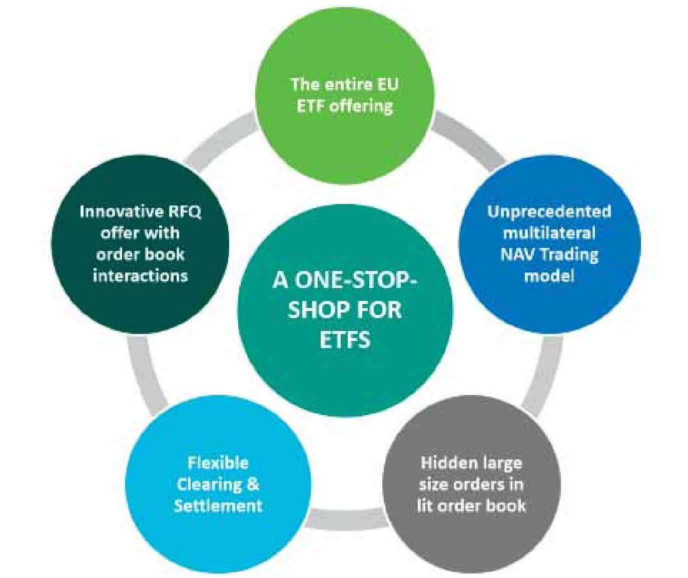
Euronext intends to become the one-stop-shop pan-European ETF platform with an ambition to be the #1 trading venue for ETFs in Europe. Launching an MTF for ETF trading is one of Euronext's selected growth initiatives within Euronext's Agility for Growth strategy. The European ETF market is fragmented and opaque with approximately 70% of trading volume in the region taking place off-exchange. Yet ETFs are increasingly popular among both retail and institutional investors, as the trend for passive investing grows and there is ever increasing focus on investing and managing risk efficiently. Euronext is building a dedicated pan-European platform for ETF trading, with unique features seeking to attract volume into an exchange environment promoting transparency, improving efficiency and deepening liquidity. Euronext's mission is to accelerate the growth of the ETF industry in Europe to the benefit of end investors and intermediaries, Euronext has strong support from a diverse set of stakeholders within the ETF community.

Open ended investment funds

Euronext's fund solutions offer asset managers ways to achieve better operational efficiency and enhance asset gathering opportunities. By engaging in active discussions with key stakeholders, the Company believes its offering is a relevant choice for any issuer considering fund distribution in Europe.

Warrants and certificates

Euronext operates a retail Structured Products business across its continental European franchise, servicing the needs of retail investors via intermediary service provision, namely listing warrants, certificates and structured notes, developing Euronext's market model for high quality liquidity provision and ensuring execution by retail brokers is cost efficient. Euronext develops relationships with its issuers not only to expand their usage of existing tailored services but also to create new and innovative services for operational efficiency and business expansion.



New issuers

Euronext also focuses on attracting new issuers to the market and have a strong pipeline to further diversify Euronext's product range via issuer expansion. For example, Vontobel, a leading private bank and asset manager based in Switzerland, has become a new issuer for the warrants business in both France and the Netherlands at the end of the year and will expand its product range in 2017.

Vontobel

Future growth through pan-Europeanisation and post trade efficiencies

Euronext is investing in this business to strengthen its resilience versus strong competition from alternative trading venues and substitute products. During 2016, Euronext realigned the trading cost for non-Liquidity Providers, designed a more flexible and agile framework for trading Structured Products which will also allow post trade cost optimisation. These improvements and changes will be implemented in 2017, starting with trading costs in January. This will increase the attractiveness of Euronext's market, at a time when market participants are under significant margin pressure. This lays a strong foundation for Euronext to expand beyond its existing domestic markets and reach clients and trading opportunities across Europe.

Market structure and functionality

Cash trading on Euronext's markets is organised using the UTP and will migrate to Euronext's new strategic architecture, Optiq® during 2017. The Group's trading rules provide for an order-driven market using an open electronic central order book for each traded security, various order types and automatic order matching and a guarantee of full anonymity both for orders and trades. While the core trading system is built on this order-driven principle, the flexibility of Euronext's technology enables Euronext to develop different types of matching algorithms and functionalities to suit the different price formation mechanisms that exist amongst the different cash asset classes and to cater for different market participant needs. For example, Euronext has launched a new best execution service for retail investors, called Best of Book in order to bring to retail brokers an additional layer of liquidity specifically aimed at offering price improvement for retail order flow, supported by independent best execution reports for clients. This service is integrated into Euronext's central order book enabling members to interact with this liquidity through the same connection as for the core market.

The Company also operates a sophisticated liquidity provider program for blue chips and liquid mid cap equities which aims at ensuring Euronext offers superior market quality. Euronext's equity markets continue to yield the best market quality metrics amongst its competitors. These metrics include, amongst others, spread, market depth, best price setting and presence time at the best bid and offer spread. The program encompasses both a presence time obligation at the best bid and offer spread and a minimum passive volume obligation. This volume obligation is of particular interest as, in combination with the presence time obligation, it creates order persistence and therefore increases probability of execution. In a fragmented trading environment, market quality metrics are actively used by trading firms as decision making parameters embedded in their order routing systems and therefore contribute to maintaining Euronext's market share.

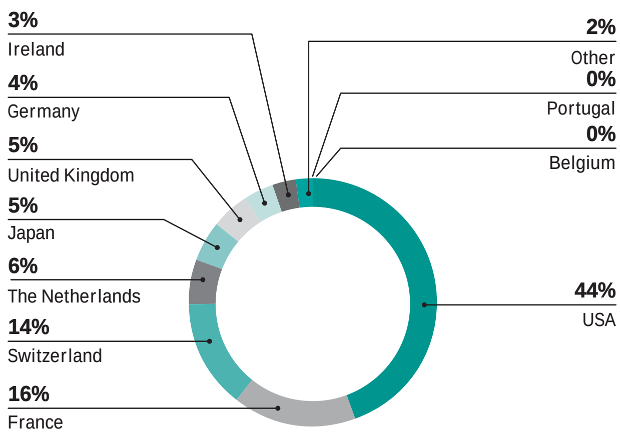
Trading members

As at 31 December 2016, Euronext had 205 direct trading members on its cash business, compared to 213 members as at 31 December 2015 and 195 members as at 31 December 2014. The Group has a diverse member base, with a deep presence in its four domestic markets and a strong international client base in London, which accounts for approximately two-third of equity trading volumes. A continued environment of increased regulation, tighter margins and capital constraints will require cost reduction and sustainable reform from most of Euronext's client base, therefore driving consolidation of continental tier three banks and brokers.

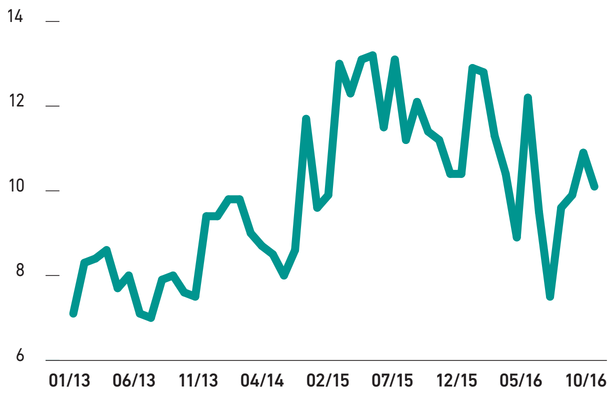
Average daily volume by geographic origin of customers

The average daily volume on Euronext's cash trading markets for the last twelve months ended 31 December 2016 amounted to €7 billion (single counted).

The table below shows the proportion of Euronext's customer base by geographic origin (location of worldwide headquarters) using the Company's cash markets for the last twelve months ended 31 December 2016.

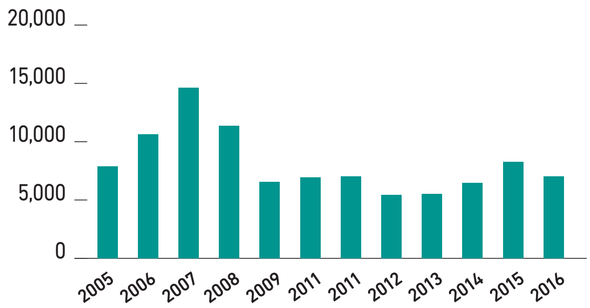


DAILY TRANSACTION VALUE ON EURONEXT STOCKS[(1)]
(€ BILLION/DAY)



(1) Including MTFs and excluding OTC, single counted.g OTC, single counted.

HISTORICAL AVERAGE DAILY VOLUMES *(€MILLION)*.



Derivatives trading

Euronext is a leading pan-European derivatives trading venue with trading activities across financial and commodity derivatives products.

Euronext offers financial derivatives trading in its markets in Amsterdam, Brussels, Lisbon and Paris, and, as of 31 December 2016, was the second largest market in index futures and the third largest in index options in Europe. Euronext offers local markets access to the trading of futures and options based on global equities, dividends, local market indices including the AEX®, BEL20®, CAC 40®, PSI20® and established pan-European equity indices such as FTSEurofirst and FTSE EPRA/NAREIT real estate indices. Euronext's derivatives trade capture service, AtomX, enables institutional customers to benefit from flexible, bespoke trading opportunities as well as reporting of large-in-size standard trades.

Euronext offers commodity derivatives trading with futures and options based on milling wheat, corn and rapeseed, and futures on dairy products, wood pellets, and UAN 30 fertiliser. The Group is the leading agricultural commodity franchise in Europe and its core commodity contracts have long been relied upon as trusted global and European benchmarks.

In 2016, the notional value of the derivatives traded on Euronext's derivatives markets was €3.1 trillion, equivalent to an average of €12.1 billion per day.

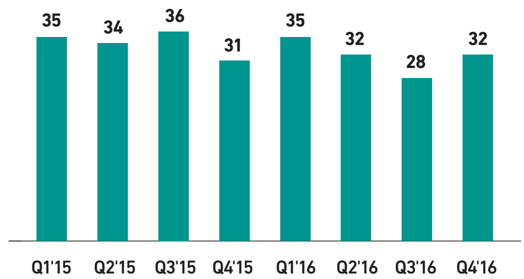
Euronext's mission: innovation, agility, strengthening Euronext's core.

Euronext's derivatives team has a mission to bring innovation and agility to the derivatives markets. Since Euronext's IPO in June 2014, Euronext focused on researching and developing new derivatives products together with its client community. These are now beginning to come to market and Euronext is excited about expanding its capabilities and making its business work better for Euronext's customers.

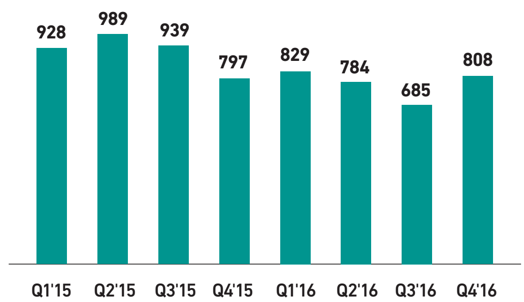
Euronext is pursuing the expansion of its commodity derivatives strategy along two axes:

1. become the European specialist content provider of reference on agricultural products and markets. Euronext will provide economic analysis, training and establish price reporting services for European agricultural markets;
2. expand Euronext's trading offering by entering the OTC cleared instruments space in these markets.

EURONEXT – NUMBER OF CONTRACTS TRADED
(LOTS IN MILLION)



EURONEXT – NOTIONAL VALUE *(€ BILLION)*



Products and services; Financial Derivatives

EQUITY PRODUCTS: VERSATILITY AND LEVERAGE

Equity options and futures enable holders to hedge against, or take position on, changes in the underlying share. More than 210 equity options and over 385 equity futures can be traded on Euronext, making the Company one of the leading markets for equity derivatives trading. Equity options trading has historically been particularly active in Amsterdam due to high retail participation. Recent innovations include Euronext's spotlight options segment and Euronext's ETF options.

EQUITY INDEX PRODUCTS: HEDGE AGAINST FLUCTUATIONS IN THE EUROPEAN EQUITY MARKET

Equity index derivatives allow holders to hedge against, or take position on, changes in the future level of a particular index, the investor paying or receiving a cash sum representing its loss or gain on the future or option. Euronext's equity index derivatives allow customers to hedge against fluctuations in a range of European stock market indices and the European equity market as a whole, and many are available as weekly or daily contracts as well as the more usual monthly contracts.

Euronext's flagship equity index products include the CAC 40® futures contract, which is the second most traded national index future in Europe, and the AEX® Index options contract, which is one of the most on-exchange traded national index options in Europe. Euronext's mini index derivatives ('minis') allow investors to follow the same investment strategies but with less initial margin or a smaller trading amount.

DIVIDEND PRODUCTS: A NEW AND RAPIDLY GROWING ASSET CLASS

Dividend index futures and stock dividend futures allow holders to hedge against, or take position on, changes in the dividend of a particular index or underlying share. Euronext's flagship dividend products include the CAC 40® dividend index futures, which is one of the most traded dividend index futures in Europe and more than 230 Single Stock Dividend Futures, making up the broadest offering in Europe.

ATOMX DERIVATIVES TRADE CAPTURE SERVICE: FLEXIBLE TRADING FOR EUROPE

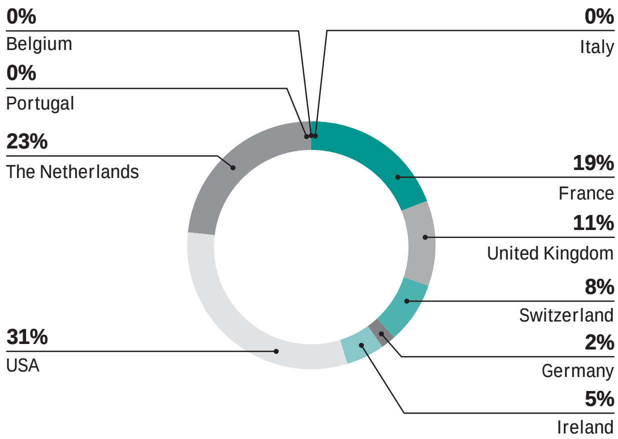
AtomX is an off-order book, on-exchange derivatives trade capture service, which allows clients to maintain OTC flexibility while benefiting from the efficiency and security of central clearing, i.e. more operational and capital efficiency and lower risk. Trades reported via AtomX are cleared by LCH.Clearnet alongside other Euronext derivatives business, providing efficiency for market participants who trade a mix of bespoke and standard contracts.

CURRENCY DERIVATIVES

Currency derivatives allow investors to invest in, or protect themselves from, changes in the exchange rate between two currencies. Euronext offers six cash-settled FX contracts listed on the Euronext Amsterdam Derivatives Market.

Average daily volume by geographic origin

The average daily volume on Euronext's derivatives markets for the last twelve months ended 31 December 2016 reached 491,214 contracts representing a total open interest exceeding 11.5 million contracts at the end of December 2016. The table below shows the proportion of Euronext's customer base by geographic origin (location of worldwide headquarters) using derivatives listed on its markets for the last twelve months ended 31 December 2016.



Products and services: Commodity Derivatives

Euronext is a leading provider of agricultural commodity derivatives with several of the Company's contracts established as global price benchmarks for the international commercial and financial community. Volumes have grown strongly in recent years as commercials and investors alike increasingly seek to hedge their risks or use commodities to help diversify their portfolios.

Despite dry weather conditions in Europe this year, most agricultural commodities again experienced record production underpinned by increased acreage.

The average daily volume of the milling wheat futures contract continued to grow and reached a volume of more than 35,000 lots traded on a daily basis, representing the equivalent of 1.75 million tonnes of wheat representing around 3.3 times the milling wheat quality EU production traded over the course of one year. This futures contract has obtained international recognition status, alongside with Euronext's rapeseed derivatives, both of which have been included in the main global commodity indices (S&P World Commodity Index, Rogers International Commodity index), making them the first non-U.S. grains contracts to be included in these global indices.

Since April 2015 with the end of milk quotas within the common agricultural policy, Euronext has offered the market a complete suite of dairy contracts with skimmed milk powder, whey powder and butter, designed to facilitate hedging of price risk of market participants.

In November 2015, Euronext launched the first Residential Wood Pellets futures contract to provide with efficient hedging tool to the entire industry.

In November 2016, Euronext launched the first physically-deliverable futures contract on fertiliser (UAN 30 nitrogen solution in Rouen, France) to provide efficient fertiliser hedging tools for European farmers.

Trading members

Trading members in Euronext's derivative markets are either dealers, brokers or both. Their activities range from retail broking, investment banking, dealing, algorithmic and high frequency trading to international physical trading. The Group's client base comprises 195 direct trading members (of which seventy nine are both cash and derivatives and ninety are commodities trading members) as of 31 December 2016 and is significantly diversified both in terms of types of clients and geographic coverage. Trading members can also become liquidity providers, which is crucial to the good functioning of the price formation mechanism for derivative instruments. Liquidity providers enter into agreements with Euronext, specifying their obligations in terms of liquidity providing. Liquidity providers are able to place several orders at the same time through the use of mass quotes, allowing trading members to send buy and sell orders for many contract months using only one message, leading to optimal efficiency in updating Euronext's full range of derivatives prices in a timely manner.

1.3.4.2 Recent developments

Cash trading

Euronext launched several new initiatives during 2016 to further strengthen the resilience of Euronext's core cash business. In Equities, its competitive position has been enhanced due to evolution in the blue chip liquidity scheme, a new fee scheme for non-member proprietary flow, a new best execution service for retail investors (Best of Book) and new incentives embedded in the agency tariff to attract incremental flow from trading members. Euronext has re-positioned both the equity and warrants business to ensure its offering to local members in Euronext's home markets is attractive and that flow from the local client community is either retained or repatriated. These initiatives enable Euronext to continue enhancing execution quality available on Euronext's markets which is key to add value to clients and to compete effectively.

Advanced pricing strategy

During 2016, Euronext deployed a new tariff for equities creating several incentives for growth from medium sized continental brokers, SME specialist firms, global brokers and independent trading firms.

New Best of Book service for retail best execution

A new service designed to maximise price improvement for retail brokers was developed and officially launched in Q4, called Best of Book. This helps ensure best execution for brokers executing orders on behalf of retail clients, in a way that ensures compliance and that the end investor achieves an optimum result. The service promotes and strengthens the diversity of Euronext's order book to the benefit of the whole market.

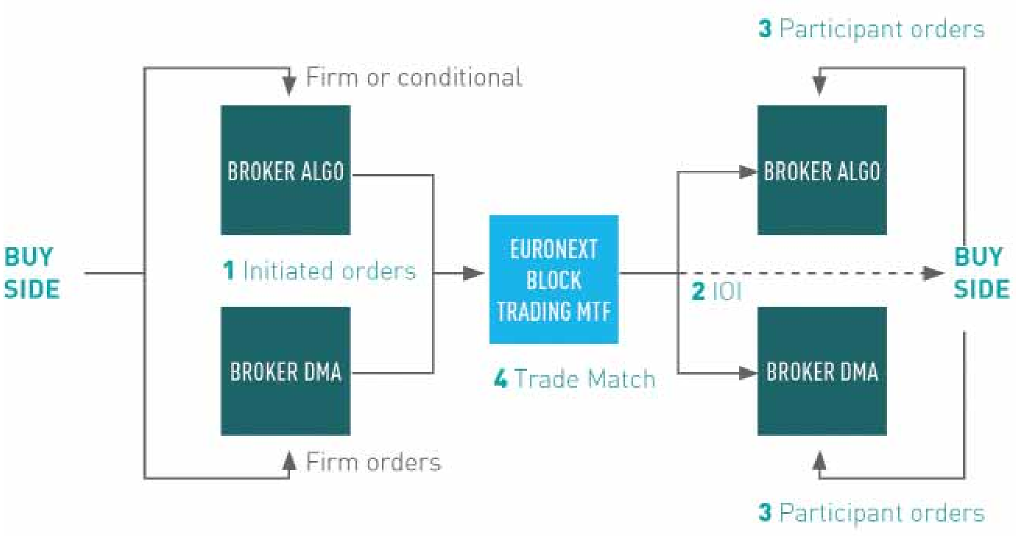
In 2018, MiFID II will be implemented in Europe and seeks to reduce dark trading to promote transparency i.e. share execution which occurs without prior transparency of the trading interest. Euronext is developing several mechanisms to help Euronext's clients achieve compliance with the new rules and to benefit from the trading opportunities created through this structural shift.

New order functionality

Euronext's core markets will be enhanced with new order functionality to assist clients trading with limited or no transparency in a safe way, integrated into its core order book.

New pan-European block trading service

Euronext is also developing a new pan-European service to upgrade the existing Smartpool product, and capture large institutional trading interests in which Euronext rarely participates today. In partnership with AX Trading, a US based FinTech company, Euronext will launch an innovative platform for block trading that empowers clients to proactively solicit the other side of a large trade while controlling the level of information disclosed to the market which could otherwise negatively impact their own performance. Growth in electronic block trading is emerging as a sustainable trend and Euronext's main competitors are also focused on the space. Euronext's approach however is unique and garnering significant support among market participants.



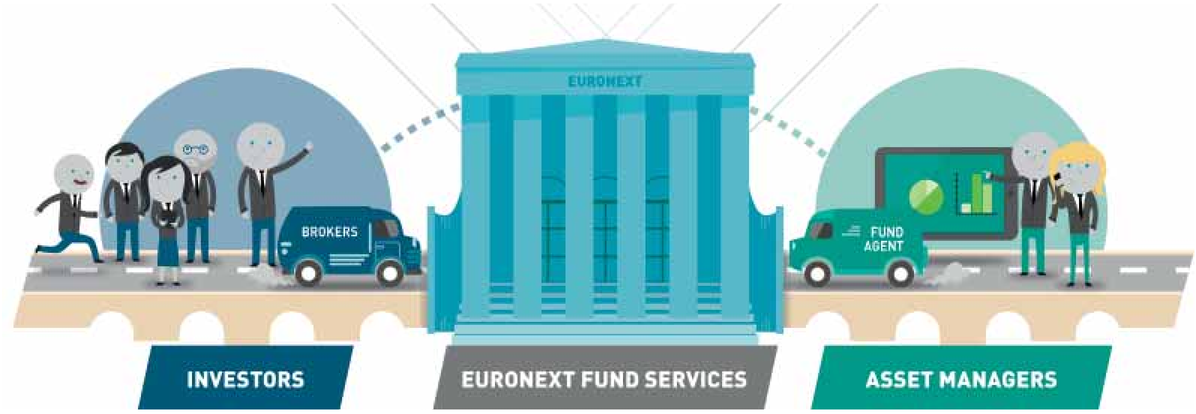
In Warrants, Euronext is attracting new issuers and executing on a strategic roadmap to promote the sustainability of the products over competing substitute products (like Contract For Differences which are traded OTC, away from exchanges) and significant regulatory challenges facing Euronext's clients.

A new liquidity scheme was also launched in fixed income to improve execution quality.

The Company developed its partnership with ETF issuers to attract new listings and create further innovation with Euronext's ETF product range. The first renminbi-denominated ETFs were listed on Euronext in partnership with a leading Chinese bank.

New distribution channel via the Euronext Fund Service

In 2017, Euronext plans to launch a new Fund Service, based in France, enabling both local and global asset managers to list their funds (whether large or small) on Euronext's regulated platform, enhancing the profile of the funds and helping to attract higher levels of investment into those funds. The service has been designed in close co-operation with the industry and there is strong demand from many French issuers as well as interest from outside France. This is an important initiative to help service the distribution needs of asset managers and match those with investor appetite.



Fixed income trading

In 2016, Euronext was able to prevent internalisation of flows through implementing of a specific fee for the internal matching service.

Euronext recognises that the value in capital markets is migrating and that it is increasingly driven by regulation pushing elements of the OTC markets to more transparent and open markets.

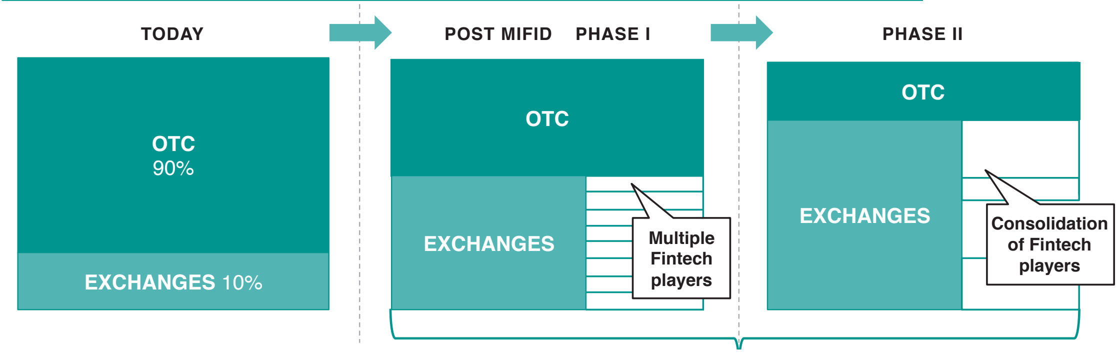
At the same time, Euronext also sees that local and global bond markets are very important and hugely inefficient.

Next is an illustration showing where Euronext sees the structural change in EU FICC landscape happening...

VALUE IN CAPITAL MARKETS IS MIGRATING

"As the competitive landscape shifts, key players will reinvent themselves, creating new capabilities and converged roles…few elements of the value chain will be off-limits to exchanges…" - The Value Migration, Boston Consulting Group May 2016

Structural change in EU FICC trading post MiFID could open unparalleled opportunities for Euronext*



Euronext is well positioned to establish a Fin Tech consolidation trend in Ficc and maximise return from the inevitable value migration trend.

...and opportunities arising in the FICC industry.

REGULATION INCREASINGLY DRIVING VALUE TO TRANSPARENT AND OPEN MARKETS

Pressure of disintermediation will remain	• CRD IV • Prospectus directive	• Push for more equity and debt market-based financing • Easier SME access to public listing • Rise of electronic markets for capital intensive products
Push of OTC towards transparent market models will increase	• EMIR • MiFIDII /R • Benchmark regulation	• Push of OTC and dark volumes in equity towards transparent markets • Most standard and liquid OTC derivatives pushed towards on-exchange trading • Benchmark regulation will end banks marking their own homework
No material move on market data and post-trade before 2020	• EMIR • MiFIDII /R • Benchmark regulation	• Increased transparency over market data fees and costs
European single market will be further incentivised	• CSDR • Target 2 Securities • CMU	• Pan-European settlement framework and platform • Further European integration of laws on securities • MiFID III…

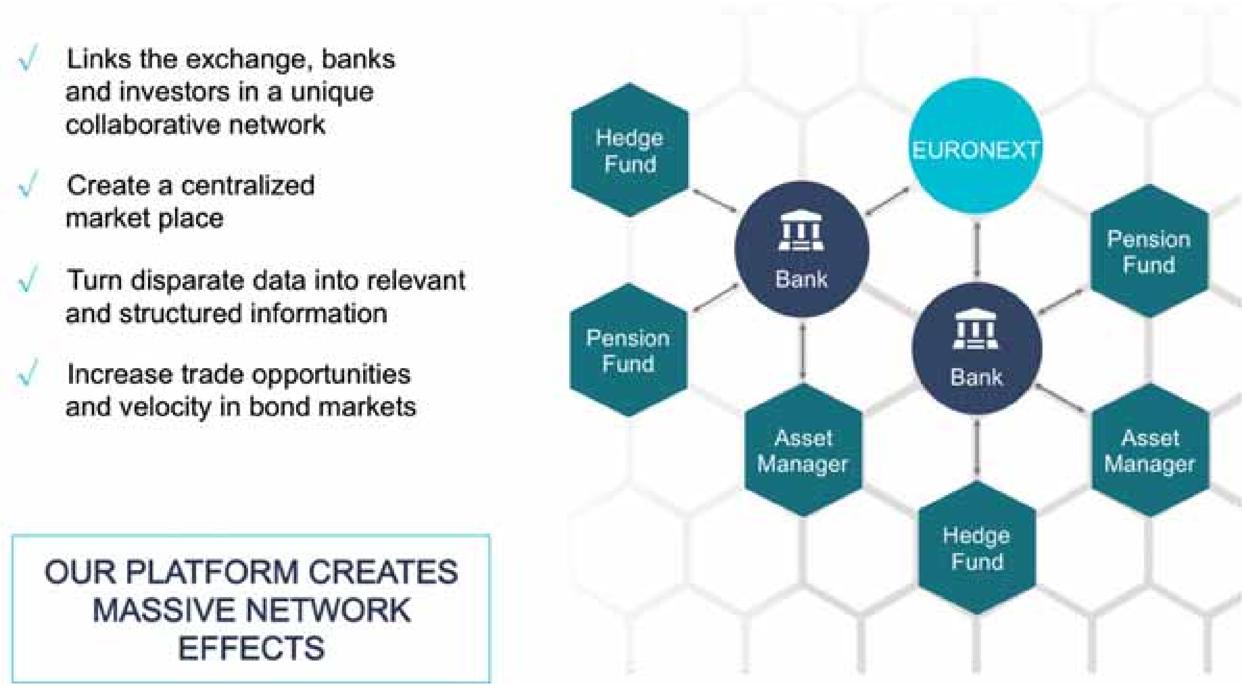
Opportunities in FICC

A diversification into FICC would allow Euronext to:

- Deliver a relevant platform to a broad range of customers (borrowers/investors) along their evolution
- Deliver existing Euronext products through these new channels
- Attract clients leveraging a strong Euronext brand
- Broaden our scope with Market Data, Indices, Market Solutions and Outsourcing in these asset classes
- Expand our products with new trading opportunities

In 2016, Euronext announced a partnership with Algomi, which aims to deliver a cutting-edge fixed income platform to improve liquidity in pan-European corporate bond trading.

Under a ten year strategic partnership agreement, Euronext and Algomi will form a Joint Venture Special Purpose Vehicle ("JV SPV"), capitalised by Euronext, with technology supplied by Algomi, to improve liquidity in pan-European corporate bond trading. The JV SPV will license Algomi's leading edge technology to a newly established multilateral trading facility (MTF) owned and operated by Euronext, pending relevant regulatory approvals. By linking together Euronext, the banks and investors in a collaborative network, Euronext becomes a centralised market place for pan-European corporate bond trading. Multiple streams of synergies in technology and market data will be explored jointly with Algomi through the JV SPV. The JV SPV combines Algomi's award winning and innovative technology with Euronext's clients network, reputation, neutrality and industry positioning.



Derivatives trading

On the financial derivatives markets, Euronext continued to reposition and expand its franchise. New products launched in 2016 included:

- options on the Portuguese PSI 20 Index, completing Euronext's futures and options offer in Portugal;
- new ETF options (standard and weekly) on the iShares FTSE 100 ETF;
- eleven new Individual Equity Options;
- seven Single Stock Futures (both standard and 'flex');
- twenty six Single Stock Dividend Futures;
- ten new options in Euronext's innovative Spotlight segment.

Other enhancements included the introduction of longer expiries (to five years) on some of Euronext's key contracts, for both standard and 'flex' trading, and of weekly expiries for French IEOs, the CAC 40® Index, ABN AMRO Group options and ETF options contracts.

Euronext's wholesale facilities were streamlined and harmonised across the Euronext Derivatives Markets, while enhancements were also implemented to the market making volume protection functionality.

The derivatives trade capture service, AtomX, launched in 2015, enables institutional customers to benefit from flexible, bespoke trading by reporting bilaterally negotiated trades while enjoying the efficiency and security of a regulated market with central clearing. The service was further expanded in 2016 with a fully flexible expiry date, and new products added to the range, including Single Stock Dividend Futures in November.

On commodity derivatives, Euronext continued to expand its offering with:

- launch of physically-deliverable UAN 30 Fertiliser futures contract with Rubis Terminal and LCH.Clearnet;
- extension of the delivery points for Euronext's flagship Milling Wheat futures contract (Silo Lecureur in Rouen – France) starting with Crop Year 2017. Negotiations engaged with Groupe InVivo for further extension of the Milling Wheat delivery point in Nantes/Montoir;
- reinforcement of quality criteria for the Milling Wheat contract starting Crop Year 2017: 11% minimum protein content, Hagberg Index of minimum 220 seconds;
- design of a EU White Sugar contract for Spring 2017 to accompany the dismantlement of the EU sugar quotas in Autumn 2017;
- since 1 November 2016, resumption of Euronext's New Market Participant programme to offer 1 year of discounted fees to new traders worldwide.

1.3.5 MARKET DATA AND INDICES

1.3.5.1 Products and Services

Euronext's market data portfolio provides a wide range of data products to the global investment community, including pre- and post-trade market prices, indices, and reference data spanning its Cash and Derivatives markets in Amsterdam, Brussels, Lisbon, London and Paris. The data is used by traders and investors to make buy or sell decisions with confidence, and by issuers to create new tradable products such as ETF's. Euronext's market data clients range from the largest investment banks in the world to individual investors trading from their front room.

Over 430 vendors currently disseminate Euronext market data to approximately 138.000 screens in over 130 countries. During 2016 Euronext continued to see an increase in the use of Euronext's data in automated trading applications, and a corresponding decrease in the number of users viewing data on traditional trading screens.

Euronext's market data business consists of three product and service categories:

i) Real-Time Market Data

Euronext's main data offering involves the distribution of real-time market data. This data includes price, trade and order book data on all instruments traded on the Company's cash and derivatives markets, as well as information about Euronext's indices. The data is marketed through different information products which are packaged according to the type of instrument, the depth of the information, and the type of customer. The data is disseminated primarily via data vendors but also directly to financial institutions and other service providers in the financial sector.

Highlights for 2016 include:

- forty four new data vendors signed up making a total of 430 companies distributing Euronext data to market participants;
- fifty four new clients using Euronext data within automated trading applications;
- thirty two new clients for Euronext's on-line corporate actions portal.

Retail clients have access to data from Euronext's markets through the Euronext Market Data app, which now has over 27,000 registered users. In 2017, Euronext will launch an Android version of the app, as well as a chargeable premium version containing enhanced content and functionality such as research, analytics and real-time data.

In 2017, Euronext will introduce a new market data agreement which will incorporate the changes required to ensure compliance with MiFID II relating to disaggregation of data.

Euronext is also working with a number of innovative fintech and data companies to create new analytic data packages and services aimed at both retail and professional users.

ii) Historical and Reference Data

In addition to real-time market data, Euronext also provides daily summary, historical and analytical data services, as well as reference and corporate action data services.

In 2016, the services provided via the Euronext Corporate Actions Portal have been extended with the inclusion of Derivatives Corporate actions Data. Additionally, Euronext added new reference and historical data products to the portfolio including Cash Reference Data and Euronext Funds Master File products. Euronext also added NextHistory Derivatives products that include EOD summary data, Trades and BBO packages and NextHistory Indices to the historic data product suite.

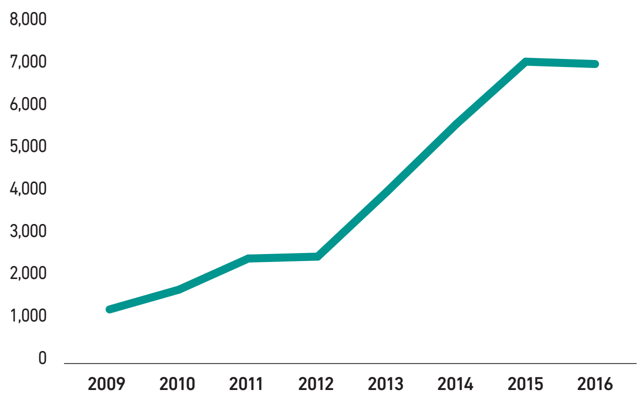
In 2017, Euronext plans to expand the historical data product suite by offering full order book data for Euronext's Cash and Derivatives markets and to launch new products aimed at retail investors.

iii) Indices

Euronext owns and operates a leading benchmark and strategy index franchise that measures different segments of the Euronext and other global markets, including AEX®, BEL 20®, CAC 40® and PSI 20®. The Company also creates new proprietary indices creating added value for its market participants or to provide measurement tools for all types of investment categories regardless of listing venue. Euronext offers a fully customisable index service which includes index calculation across equities, commodities and currencies twenty three hours a day, five days a week, with three end-of-day runs reflecting market close in Asia, Europe and the Americas. Many of Euronext's indices are licenced as the basis for ETPs (including ETFs) of which the majority is listed on the Company's markets.

As of 31 December 2016, there were over 7,000 Euronext Traded Products (ETPs) linked to Euronext indices listed on the Company's market, almost the same as last year. Therefore stabilising at the record levels:

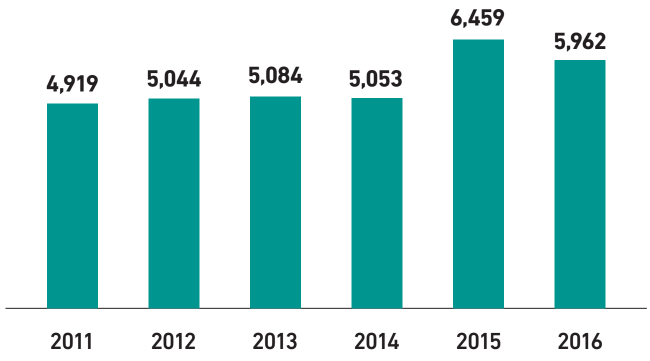
ETP PRODUCTS ON EURONEXT INDICES LISTED ON EURONEXT



1

Exchange traded funds (ETFs) linked to Euronext indices had a total of 6 billion in Assets Under Management (AUM) in 2016, an 8% decrease compared to the end of last year, but well above (+20%) the average of 5 Million of the years before.

ATF AUM ON EURONEXT INDICES



Other ETP and ETF highlights include:

- End of year record for Euronext Listed ETPs on the CAC 40® to 5,016 (up 8%);

CONTINUOUS GROWTH OF ETPS LINKED TO CAC 40 LISTED ON EURONEXT

Year	2009	2010	2011	2012	2013	2014	2015	2016
Nr. of Products	846	1,058	1,486	1,593	2,908	4,073	4,648	5,016

- End of year record for ETPs on the PSI 20 to 95 (up 32%);

STRONG GROWTH AS OF 2012 OF ETPS LINKED TO PSI 20 LISTED ON EURONEXT

Year	2012	2013	2014	2015	2016
Nr. of Products	8	48	73	72	95

- In 2016, ETFs linked to the CAC 40® Short and CAC 40® Double Short had a net inflow of €125 million.

Other highlights include:

- the successful re-launch of Euronext index services under the brand name indexmotion® continued with the launch and licencing of a new Climate index family and the expanding of several existing index motion families;
- a Memorandum of Understanding ("MOU") was signed with Shenzhen Stock Exchange to explore potential new Index related (amongst other subjects) business opportunities. Several steps have already been taken to explore opportunities for the coming years;
- in terms of clients agreements the Company concluded four new large blanket licence agreements and extended two existing blanket licence agreements allowing clients to create a significantly increased number and range of ETPs. A new Euronext Vigeo Benchmark ETF agreement was concluded, in addition Euronext signed over sixty five one-off licence agreements;
- as part of the Agility for Growth strategy, Euronext signed a strategic collaboration on 20 march 2017 whith an independent investment research provider, Morningstar. This partnership will create opportunities to launch a family of European Indices on which clients will be able to create ETPs. In addition Euronext will launch futures and options linked to these indices.

1.3.5.2 Recent developments

On its market data and indices business Euronext signed forty four new vendors distributing real time and delayed information. The market data app had over 27,000 users at 31 December 2016. Euronext also grew its index franchises as it launched ten new indices in 2016 and has licenced the majority of these indices for certificates and Notes. Among others, these indices included:

- the Euronext Climate Europe;
- the Euronext Climate Orientation Priority 50 EW;
- the CAC Large 60 EW NR JPY Hedged; and
- the Euronext BeNe 40 EW Volatility Target.

1.3.6 POST TRADE

Euronext's post-trade business offers or facilitates clearing, settlement, risk management and custody services. The Group owns Interbolsa, the Portuguese national Central Securities Depository (CSD), national Securities Settlement System (SSS) and national numbering agency. Other pan European settlement services are provided by Euroclear.

1.3.6.1 Products and services

Clearing

Clearing of Regulated Market trades executed on Euronext are currently handled by LCH.Clearnet for central counterparty (CCP) clearing. Trades on London Recognised Investment Exchange are cleared by EuroCCP.

LCH.CLEARNET S.A.

LCH.Clearnet provides clearing services for the full scope of Euronext listed cash and derivative products under two separate agreements for Cash markets and Derivatives markets. Under the terms of Euronext's Derivatives Clearing Agreement, which commenced 1 April 2014, the Company agreed a revenue share deal with LCH. Clearnet. Euronext therefore receives clearing fee revenues based on the number of financial and commodities derivatives trades cleared through LCH.Clearnet. Euronext pays to LCH.Clearnet a fixed fee plus a variable fee based on revenues. The Derivatives Clearing Agreement features strong governance rights and Euronext is involved in all commercial aspects. Both agreements end in December 2018.

In May 2016, as part of the Agility for Growth strategy, Euronext announced that it was considering its options for ongoing clearing services. This work is ongoing.

On 3 January 2017, Euronext announced that it had made an irrevocable offer to acquire 100% of LCH.Clearnet. On 29 March 2017 the European Union prohibited the potential merger between LSEG and DBAG; as a result, the agreement for the potential acquisition of LCH.Clearnet terminated.

The Company remains a willing buyer of LCH.Clearnet in the terms agreed on 3 January 2017.

EuroCCP

In December 2016, Euronext completed the acquisition of a 20% equity stake in EuroCCP. EuroCCP is the leading CCP for pan-European cash equity markets. This deal delivers on Euronext's commitment to ensure optionality and will enable Euronext to offer user choice in clearing for the equity markets within the Eurozone. This will be done through the implementation of a preferred CCP model followed by a fully interoperable service with other CCPs in due course.

CUSTODY & SETTLEMENT

Settlement of transactions in the Portuguese market are managed through Interbolsa while trades in all other Euronext markets are settled through Euroclear Group.

Interbolsa is the national Central Securities Depository ("CSD") and the national Securities Settlement System for Portugal. As national Securities Settlement System, Interbolsa provides settlement services for regulated markets and MTFs, securities lending transactions, OTC transactions, free-of-payment and delivery-versus-payment transfers. It also processes corporate actions with respect to securities registered or deposited in the CSD as well as the calculation of corresponding financial settlement and sending of payment instructions to the TARGET2-Securities (T2S) system for payments in central bank money (Euro) and Caixa Geral de Depósitos for payments in commercial bank money (in respect of currencies other than Euro). Interbolsa is also the national numbering agency in charge of the assignment of ISIN and CFI codes according to the ISIN and CFI codification rules in force (namely to all Portuguese-issued equities and for debt instruments registered or deposited in Interbolsa's systems), nationwide disclosure of assigned ISIN and CFI codes and intermediating between national entities, other national numbering agencies and ANNA Service Bureau. The use of Interbolsa is currently required by local rules and regulations.

Interbolsa is one of Euronext's wholly owned subsidiaries, while LCH.Clearnet and Euroclear are independent entities that provide services to the Company. Euronext has a representation on the boards of LCH.Clearnet and LCH.Clearnet Group.

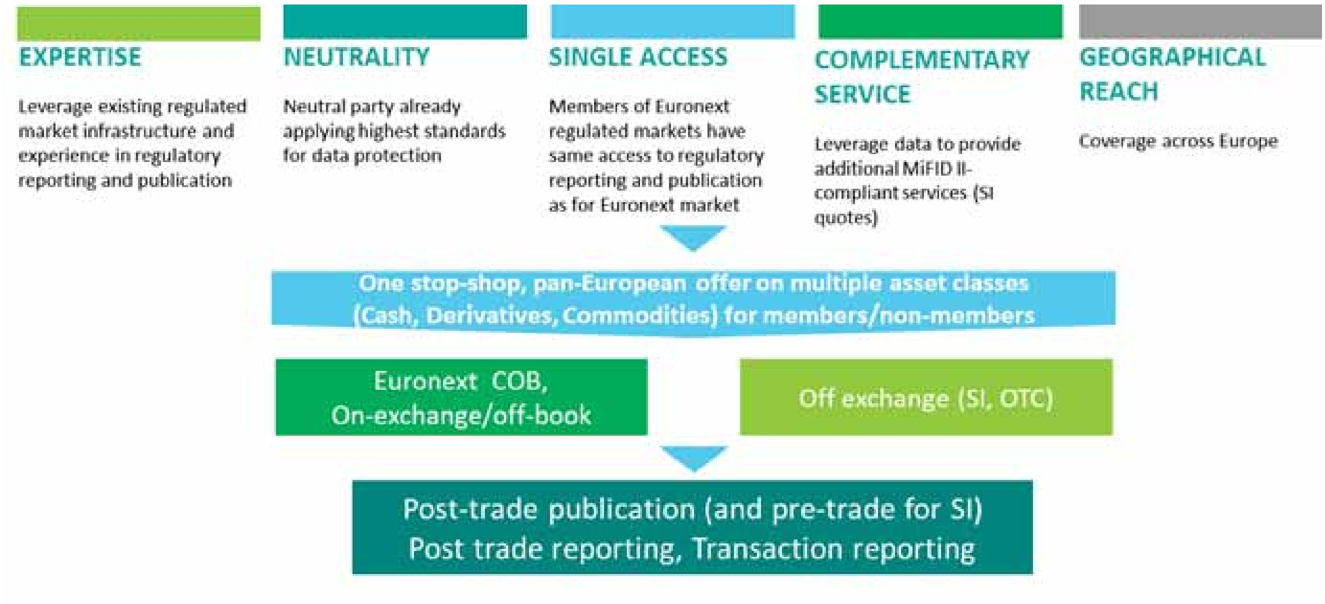
In March 2016, Interbolsa has successfully migrated to the new pan-European settlement platform – TARGET2-Securities (T2S), as originally scheduled, integrated in the second T2S migration wave.

1.3.6.2 Recent developments

Post-trade; Clearing

In December 2016, Euronext acquired 20% of EuroCCP, the pan-European cash equities clearing house. It is seen as a step towards the introduction and support of competitive clearing to the benefit of Euronext customers. The initial implementation will be a user choice/ preferred clearing model, without interoperability. In addition Euronext has now deployed the first major phases and features of the Euronext RiskGuard pre-trade risk management solution. These are currently available for Euronext's derivatives markets, either via API or GUI. RiskGuard will be extended for additional advanced features in the future.

In addition, Euronext has made public its intention to deliver a MiFID II compliant system for trade reporting and transaction reporting. This will require authorisation as an Approved Publication Arrangement, ("APA") and an Approved Reporting Mechanism ("ARM") under MiFID II. This service offers a single interface for MiFID II trade publication and Transactions Reporting and will be ready in advance of the MiFID II deadline.



As part of the Agility for Growth strategy, launched in May 2016, Euronext also announced its intention to deploy a suite of collateral services. This project is driven by the growing regulatory pressure, which is increasing margin funding requirements. Banks and non-financial counterparties have to improve the use of available assets. This includes converting assets that are ineligible for posting as margin into eligible collateral to help ensure firms have the right amount of collateral in the right place at the right time. The system will be based on an electronic, all to all asset financing platform, and will deploy electronic inventory management as well as collateral transformation.

Figure 1: Euronext Collateral Inventory enables warrants to be traded using the OTC market, so commodities can be delivered to one of the export silos, with market forces handling the price difference.

- Deal is brokered though usual channels with physical (OTC) brokers
- Euronext Collateral Inventory supports these trades through the electronic transfer of ownership of warrants, giving clear title to commodities
- Euronext's existing export locations, as well as inland locations, are within the scope of the system
- Location differentials are determined by market forces.

Post-trade; Custody & settlement

TARGET2-Securities

Interbolsa has performed a smooth and successful migration to the new pan-European settlement platform T2S in March 2016 (integrated in the second migration wave). T2S provides integrated and harmonised cross-border settlement of transactions in central bank money.

Countries of CSDs who signed to join T2S

Following its migration, Interbolsa has been highly recognised by its customers, as well as by the most relevant international organisations involved in T2S, namely the European Central Bank and Banco de Portugal, SWIFT and other securities industry players, as well as various domestic and international CSDs.

PORTUGAL IS THE T2S POSTER CHILD

The Portuguese transition to TARGET2-Securities (T2S), completed on time and without any noticeable disruption to the smooth operation of the financial markets, has become a byword for excellence in the management of a major infrastructural project.

Direct CSD Links: in order to take further advantage of the easier and more efficient way to settle cross-border transactions using the T2S platform, Interbolsa is already working in setting up direct investor links with some of the major domestic CSDs in Europe, with a view to materialising them throughout 2017/2018.

By establishing the above-mentioned direct CSD links, Euronext wishes to be able to attract foreign securities currently held by domestic financial intermediaries via international custodians and/or other domestic and international Central Securities Depositories, hence enabling Interbolsa to be their sole access point to the main European markets.

These are the CSDs in scope:

Fund Management Platform

Interbolsa has recently announced to the market participants that its Fund Management Platform and Order Routing system is now fully adapted to the specificities of T2S, therefore readily available to be used by any fund management company, for investment funds.

The main objective is to leverage the use of the mentioned platform and its order routing capabilities and enable Interbolsa to attract investment funds from independent and bank owned fund managers.

Since this announcement, Euronext already integrated twelve open-end funds and Euronext expects clients and volumes to raise in the months to come.

STEP – Short-Term European Paper

STEP is an initiative aimed to foster the integration of the European markets for short-term paper, through the convergence of market standards and practices. It is aimed for issuers (both financial and non-financial institutions) and investors, providing market depth and liquidity, as well as increased diversification of opportunities for issuers and investors.

Interbolsa has been approved by the STEP Market Committee as an accredited Securities Settlement System (a STEP-compliant SSS). The main benefits of the STEP brand include:

- the promotion of the short-term paper market;
- their eligibility for European Central Bank market operations;
- more visibility and transparency;
- reduced cost to establish the information memorandum.

Following Interbolsa's above-mentioned approval by the STEP Market Committee, Euronext worked on – and distributed by its clients – a flyer communicating the details, scope and advantages of having Interbolsa as a STEP-compliant Securities Settlement System:

New Pricing

After Interbolsa's migration to T2S, therefore having gained experience regarding the functioning of this platform, besides witnessing the different markets behaviour within T2S, Euronext's CSD has worked on the new pricing to be implemented as from January 2017. The readjustments in its price list – for both Issuers and Financial Intermediaries – have in mind reinforcing the attractiveness of the Portuguese market while also striving to balance this goal with the need to protect both Euronext's competitiveness and profitability.

Commercial intensity

Starting from first quarter 2017, Euronext will intensify one-to-one meetings with existing and prospective clients (Issuers, FIs and Fund Managers), in order to ensure that (a) Euronext keeps them abreast of recent, on-going and planned developments in Euronext's service portfolio, while (b) aiming to attract more debt securities, commercial paper and equities, as well as investment funds, with the objective of increasing the volumes of (i) assets under custody and (ii) settlement of transactions, with a direct and positive impact on Interbolsa revenues by year-end and beyond.

1.3.7 MARKET SOLUTIONS & OTHER

1.3.7.1 Products and services

Market Solutions & Other comprises Euronext's commercial technology solutions and services businesses. Euronext offers turnkey solutions and managed services for market operators who require complex functional capabilities and low latency processing across multiple-asset classes.

The commercial technology business benefits from the developments made by Euronext for its own markets and, in return, contributes recurring revenue that is non-cyclic and not trading related. Operating as a commercial technology vendor also gives Euronext an opportunity to benchmark its technology against other vendors and maintain its position at the forefront of the industry.

At present, the majority of Market Solutions' business is based on Euronext's core trading platform, UTP. However, the long-term nature of trading engine contracts means that the business still receives revenue from installations of the *Nouveau Système de Cotation* ("NSC") platform.

Euronext has a perpetual licence from ICE to use, modify and sub-licence UTP and NSC® trading technology source code. In November 2016 a sub-license agreement was completed with a third-party for the onward development and support of certain legacy software modules. In addition to generating license revenue, such agreements also enable Euronext to increase its focus on Optiq® and future extensions thereof.

The launch of the Optiq® platform in 2017 will be a significant opportunity for the commercial technology business. Replacing the UTP (originally developed in 2009) with the new Optiq® platform will transform the proposition and enable the Market Solutions business to be more competitive by offering solutions that are faster, more resilient and cheaper to operate. Five of Euronext's existing NSC® and UTP clients have already signed agreements covering migration to Optiq® and the first migrations are due to occur in 2018.

Optiq® has been designed for high-volume markets and so the core platform will meet the throughput and resilience needs of most global exchange operators. As a result, Market Solutions' priorities for the Optiq® roadmap will be integrating new capabilities to increase the flexibility, configurability and extensibility offered to commercial clients.

In addition to the core trading platform, most solutions provided to Market Solutions' clients include software for reference data management, price calculation and market control functions that is critical to the operation of an orderly market. The high level of commonality between exchange operations around the world means that many of these solutions can be delivered to clients with little or no client-specific customisation. In some cases client requirements can be met by simple configuration changes and in others only minor software modifications are required. Whichever approach is taken, the rights to new platform capabilities remain with Euronext and are incorporated into the core product for the benefit of all users (including Euronext itself). This mutually beneficial, user-community approach means that Euronext can maintain an industry leading platform with greater cost efficiency than would otherwise be the case.

Historically, revenue from the Market Solutions and Other business came from software license and maintenance fees from other Exchange operators. However, Euronext's ability to configure its technology for a wide range of market models means that the same core technology can be configured to meet the needs of many segments of the marketplace, including global exchange operators, regional exchanges and commercial markets such as MTFs and SIs.

In recent years, commercial market operators have been the earliest adopters of managed services and, as a result, Market Solutions' managed services business lines have grown in scope and value faster than software sales. Euronext currently provides managed venue services to four external clients. These services include order matching, market supervision, end-user connectivity and surveillance.

In July 2016, a new surveillance service was launched, offering monitoring of compliance with the Market Abuse Regulation. This service enables clients to outsource their MAR monitoring operations and take advantage of the investments in technology and processes made by Euronext for its own markets.

Optiq® will facilitate the development of more such services, specifically those which present analytic and regulatory insights into the large volumes of trading data generated by electronic exchanges. Demand for these applications is expected to grow as the scope and rigour of regulatory monitoring requirements increase with MiFID II and future regulations.

To maximise the opportunities that can be captured in the future, Market Solutions has begun a programme of third-party cooperation aimed at integrating external applications with Optiq® to provide broad and highly functional business solutions for capital markets. Arrangements are already in place for options pricing and for market surveillance and similar arrangements are planned for post-trade functions, analytics and project delivery capabilities.

Euronext uses the global SFTI® network and colocation services to enable end-users to trade on its core markets. These same services are made available to commercial clients to increase the value of the software applications and support processes offered. For more information on SFTI® and colocation (see section 5.2 *"Material contracts and related party transactions"*).

By combining the software, infrastructure and technology developed for its internal markets with the expertise of its Market Solutions sales team, Euronext is able to offer a unique market technology service to exchanges and market operators around the world.

1.3.7.2 Recent developments

In 2016, Market Solutions entered into a number of commercial cooperation agreements with third-party providers of software complementary to the Optiq® platform. The general form of these agreements is to facilitate the integration of third-party components with Optiq® to offer solutions that cover a broader range of client business needs. The first of these agreements enabled the launch of a new MAR compliance monitoring service in Q3 2016.

In Q4 2016 an agreement was signed sub-licensing development and support of the legacy NSC® platform. This enabled future revenue to be generated from this asset while maintaining the focus of internal IT resources on Optiq® opportunities.

2016 also saw the opening of Euronext's IT centre of excellence in Porto (Portugal). The Porto the facility will become the primary site for the customisation and support of Market Solutions software sales in the future. A dedicated IT team will enable further improvements to the levels of responsiveness and support already provided by Euronext to its commercial clients, while the lower cost-base will improve the competitiveness of the solutions offered.

1.4 Regulation

1.4.1 OVERVIEW

Euronext is an organisation that provides exchange listing, trading, post-trade and related services in Europe. The Company operates exchanges in five European countries. Each of the European exchanges and/or its respective operator holds an exchange licence granted by the relevant national exchange regulatory authority and operates under its supervision. Each market operator is subject to national laws and regulations and other regulatory requirements imposed by exchange authorities, central banks and finance ministries as appropriate.

The five national regulatory authorities coordinate their regulation and supervision of the regulated markets operated by the Euronext Group through the "Euronext College of Regulators", acting pursuant to memoranda of understanding which Euronext has committed to respect.

1.4.2 EUROPEAN REGULATION

The regulatory framework in which Euronext operates is substantially influenced and governed by European directives and regulations in the financial services area, many of which have been adopted pursuant to the Financial Services Action Plan, which was adopted by the European Union in 1999 to create a single market for financial services. This has enabled and increased the degree of harmonisation of the regulatory regime for financial services, public offers, listing and trading, amongst other activities.

Markets and Trading

There are currently two key pieces of European legislation that govern the fair and orderly operation of markets and trading: the Markets in Financial Instruments Directive ("MiFID I") and, since 3 July 2016, the MAR/MAD II (as defined below) framework which replaced the Market Abuse Directive ("MAD I"). The European legislator is completing an overhaul of the MiFID I framework: MiFID II/ MiFIR with an initial market application date of January 2017 which has been extended to January 2018.

MiFID Framework

MiFID I

MiFID I came into effect on 1 November 2007 and was designed to enhance the single market for financial services by harmonising the Member States' rules on authorisation of investment firms, conduct of business, operation of trading venues and other related activities. The scope was limited to shares only.

MiFID II / MiFIR

MiFID II / MiFIR was adopted by the European Parliament on 15 April 2014 and by the Council on 13 May 2014 and entered into force on 2 July 2014. EU Member States are required to implement MiFID II in their national legislation within 24 months of the entry into force (i.e. June 2016 postponed by one year to June 2017). While MiFID II/MiFIR was due to apply in the markets from January 2017, the application date has now been postponed by one year to January 2018.

From an Exchange perspective, the revised framework includes the following important elements:

- a review of the equities' trading and transparency framework to take into account of evolutions in market structure as a result of MiFID I, leading to:
  - caps on dark trading on MiFID venues together with revised waivers from transparency,
  - requirement for shares to be traded on MiFID venues (with appropriate exemptions),
  - framework for the emergence of competing consolidated tape providers and potentially cost base disclosure with price regulation for the provision of market data by venues;
- introduction of transparency in the non-equities space, leading to:
  - the creation of a new trading venue – organised trading facility ('OTF'),
  - the completion of the implementation of the G20 obligation in the European Union with a requirement to trade standardised OTC derivatives on MiFID venues (i.e. deemed clearing eligible under EMIR and meeting MiFIR's qualifying conditions for the trading mandate),
  - a generalised extension of pre – and post – trade transparency requirements to non-equities, subject to there being a liquid market and with provision for relevant waivers;
- introduction of a system of position limits and reporting in respect of commodity derivatives;
- introduction of trading venue – CCP open access provisions to facilitate further competition;
- new and strengthened provisions in respect of market microstructure, including:
  - authorisation and regulation of HFT market participants, with specific focus on the nature of the market making agreements to be adopted with trading venues,
  - European harmonised tick size regime for Equities,
  - a broad range of new provisions to implement existing ESMA Guidelines on trading venues' requirements in respect of market microstructure.

MAR Framework

MAR / MAD II

The MAR/MADII framework includes the Market Abuse Regulation ("MAR") and a Directive on criminal sanctions for market abuse ("MAD II") (both applicable since 3 July 2016). The new rules on market abuse, applicable to all trading venues, update and strengthen the framework to ensure market integrity and investor protection provided by the MAD I regime. MAR is designed to ensure regulation keeps pace with market developments such as the growth of new trading platforms, over the counter ("OTC") trading and new technology such as high frequency trading ("HFT"). The new framework is also intended to strengthen the fight against market abuse across commodity and related derivative markets, explicitly bans the manipulation of benchmarks (such as LIBOR), reinforces the investigative and administrative sanctioning powers of regulators and ensures a single rulebook while reducing, where possible, the administrative burdens on SME issuers.

MAD II complements the Market Abuse Regulation by requiring all Member States to provide for harmonised criminal offences of insider dealing and market manipulation, and to impose maximum criminal penalties including imprisonment for the most serious market abuse offences. Member States will have to make sure that such behaviour, including the manipulation of benchmarks, is a criminal offence, punishable with effective sanctions everywhere in Europe.

Clearing and Settlement

EMIR

EMIR is primarily focused on the regulation of CCPs and includes the obligation for standardised OTC derivative contracts to be cleared through a CCP. EMIR came into effect on 16 August 2012, but most provisions only apply after associated delegated acts and regulatory technical standards enter into force. Delegated acts and regulatory technical standards in respect of, inter alia, the clearing obligation became effective on 15 March 2013.

CSDR

The Regulation to harmonise securities settlement and regulate CSDs (CSD Regulation) was formally adopted in July 2014. It sets out uniform requirements for the settlement of financial instruments and rules on the organisation and conduct of CSDs in order to ensure secure, efficient and timely settlement of transactions. The CSD Regulation will impact the functioning of Euronext's CSD, Interbolsa, and will require regulatory or operational amendments to bring Interbolsa into compliance with the new requirements. In the meantime, the European Central Bank has introduced Target 2 Securities (T2S) to provide a central settlement function for the Euro area, with other European currencies invited to join. Euronext, through Interbolsa, has dully and successfully completed the migration to TARGET2-Securities (T2S) in March 2016, bringing substantial benefits to the European post-trading industry by providing a single pan-European platform for securities settlement in central bank money.

Listing

The rules regarding public offerings of financial instruments and prospectuses, as well as on-going disclosure requirements for listed companies, are set out in the Prospectus Directive and corresponding implementation regulation, and the Transparency Directive, as implemented in the countries in which Euronext operates.

Companies seeking to list their securities on Euronext's regulated markets must prepare a listing prospectus in accordance with the requirements of the Prospectus Directive and corresponding implementing regulation, comply with the requirements of Euronext Rulebook I, the harmonised rulebook for the Euronext Market Subsidiaries, and any additional local listing requirements of Rulebook II and, following admission, comply with the on-going disclosure requirements set forth by the competent authority of their home Member State.

The objective of the Transparency Directive for listed companies is to reduce the gaps in the different national law. The modifications requires disclosure of major holdings of all financial instruments that could be used to acquire economic interest in listed companies and has the same effect as holdings of equity. The revised Directive will also provide for more harmonisation concerning the rules of notification of major holdings in particular by requiring aggregation of holdings of financial instruments with holdings of shares for the purpose of calculation of the thresholds that trigger the notification requirement.

Concerning the storage and access to regulated information the Transparency Directive provides that a European electronic access point to regulated information will be developed and operated by ESMA.

The Operation of Regulated Markets and MTFs

MiFID, MAD, ESMA standards and the Euronext Rulebooks all provide minimum requirements for monitoring of trading and enforcement of rules by Euronext as the operator of regulated markets and MTFs. In particular, market operators are required to meet, inter alia, all the requirements set out in MiFID (and reinforced in MAD) including the obligation to ensure that the markets they operate allow financial instruments to trade "in a fair, orderly and efficient manner".

To this end, Euronext has set up a framework to organise market monitoring by which it:

- monitors trading in order to identify breaches of the rules, disorderly trading conditions or conduct that may involve market abuse;
- reports breaches of rules or of legal obligations relating to market integrity to the competent authority.

Market surveillance and monitoring are implemented through a two-step process consisting of real-time market surveillance and post-trade (*i.e.*, "next day") analysis of executed trades. Euronext ensures member compliance with its rules by conducting on-site investigations and inspections.

Group-Wide Supervision and Regulation

The national regulators of Euronext's markets are parties to a memorandum of understanding most recently amended and restated on 26 March 2015 that established a "Euronext College of Regulators" and provides a framework to coordinate their supervision and regulation of the business and of the markets operated by Euronext. The Company commits itself to the memorandum of understanding, to the extent that any obligations arising from the memorandum of understanding apply to the Company or its subsidiaries.

These regulatory authorities have identified certain areas of common interest and have adopted a coordinated approach to the exercise of their respective national rules, regulations and supervisory practices regarding listing requirements, prospectus disclosure requirements, on-going obligations of listed companies, takeover bid rules and disclosure of large shareholdings. Representatives of each national authority meet in working groups on a regular basis in order to coordinate their actions in areas of common interest and agree upon measures to promote harmonisation of their respective National Regulations.

National Regulation

Euronext's market operators each hold licences for operating regulated markets. Some market operators also operate a number of markets that do not fall within the European Union definition of "regulated markets" or MTFs. Each market operator is subject to national laws and regulations pursuant to its market operator status.

Netherlands

Both Euronext and Euronext Amsterdam have an exchange licence from the Dutch authorities to operate regulated markets. This means that they are subject to the regulation and supervision of the Dutch Minister of Finance and the *Autoriteit Financiële Markten* ("AFM"). Since the creation of Euronext in 2000, the Dutch regulators have taken the view that the direct parent company of Euronext Amsterdam, as controlling shareholder, has to be seen as co-market operator and, accordingly, also requires an exchange licence. Pursuant to section 5:26 paragraph 1 of the Dutch Financial Supervision Act it is prohibited in the Netherlands to operate or to manage a regulated market without a licence granted by the Dutch Minister of Finance.

The Dutch Minister of Finance may, at any time, amend or revoke the licence if necessary to ensure the proper functioning of the markets or the protection of investors. The licence may also be revoked for non-compliance with applicable rules.

Belgium

Euronext Brussels is governed by the Belgian Act of 2 August 2002 and is recognised as a market undertaking according to Article 16 of the Belgian Act of 2 August 2002. Accordingly to the Act, Euronext Brussels is responsible for matters such as the organisation of the markets and the admission, suspension and exclusion of members and has been appointed by law as the "competent authority" for listing matters within the meaning of EU Directive 2001/34/EC dated 28 May 2001. Euronext Brussels is subject to the supervision of the Financial Services and Markets Authority (FSMA), an independent public authority which strives to ensure the honest and equitable treatment of financial consumers and the integrity of the financial markets.

Portugal

As a market operator, Euronext Lisbon is governed by Portuguese Decree of Law No. 357-C/2007 of 31 October 2007 which, along with the Portuguese Securities Code and regulations of the *Comissão do Mercado de Valores Mobiliários* ("CMVM"), governs the regime applicable to regulated markets and MTFs, market operators and other companies with related activities in Portugal. The creation of regulated market operators requires the prior authorisation in the form of a decree-law from the Portuguese Minister of Finance, following consultation with the CMVM.

The CMVM is an independent public authority that supervises and regulates markets and market participants, public offerings and collective investment undertakings. Its objectives are to ensure investor protection and an efficient and regular functioning of markets, monitor information, prevent risk and prevent and suppress illegal actions. The entities subject to the supervision of the CMVM should co-operate with the CMVM as requested. The CMVM carries out "on-site" supervision of the entities subject to its supervision and makes public infringements and fines imposed in accordance with applicable law.

France

As a market operator, Euronext Paris, which is the market of reference for the Euronext shares, manages the Euronext regulated markets in France. In accordance with Article L.421-10 of the French Monetary and Financial Code, Euronext Paris adopts rules for each of these markets to ensure fair and orderly trading and efficient order execution. The requirements for market access and admission of financial instruments to trading are also covered by these rules, which are approved by the *Autorité des Marchés Financiers* ("AMF") and published on the market operator's website.

Euronext Paris markets are subject to the provisions of Article L.421-4 *et seq.* of the French Monetary and Financial Code, which authorises the French Minister of Economy to confer and revoke regulated market status upon proposal of the AMF, which has to consult with the *Autorité de Contrôle Prudentiel et de Résolution* ("ACPR").

United Kingdom

Euronext London has been granted recognition by the *Financial Conduct Authority* ("FCA") to operate as a United Kingdom recognised investment exchange ("RIE"), pursuant to section 290 of the Financial Services and Markets Act 2000 (the "UK FSMA"). As such, Euronext London has certain self-regulatory responsibilities for its markets. In order to retain its status as an RIE, Euronext London is required to meet various legislative and regulatory requirements and failure to comply with these requirements could subject it to significant penalties, including de-recognition.

The regulatory framework applicable to Euronext London is supplemented by a series of legislative provisions regulating the conduct of participants. Importantly, the UK FSMA contains provisions making it an offense for any person to engage in certain market behaviour and prohibits market abuse through the misuse of information, the giving of false or misleading impressions or the creation of market distortions. Breaches of those provisions give rise to the risk of sanctions, including financial penalties.

Stichting

In connection with obtaining regulatory approval of the acquisition of Euronext by NYSE Group, Inc. in 2007, NYSE Euronext implemented certain special arrangements which included a standby structure involving a Dutch foundation (*stichting*). Following the acquisition of NYSE Euronext by ICE and the Demerger, the Company became a party to these arrangements, which include a Further Amended and Restated Governance and Option Agreement (the "GOA"), to which ICE, the *stichting* and Euronext are parties. The *stichting* has been incorporated to mitigate the effects of any potential change in U.S. law that could have extraterritorial effects on the regulated markets operated by the Euronext Market Subsidiaries as a result of a U.S. shareholder holding a controlling interest in the Company. The board members of the *stichting* are independent from Euronext. Pursuant to the GOA, while the Company has U.S. shareholders with a controlling interest in the Company, the *stichting* is empowered to take actions to mitigate the adverse effects of any potential change in U.S. law that have certain extraterritorial effects on the regulated markets operated by the Euronext Market Subsidiaries. If there is no such controlling U.S. shareholder, the *stichting* becomes dormant and unable to exercise such powers. If a new U.S. shareholder were to gain control of the Company, the *stichting* would be automatically revived.

Up until 20 June 2014, the *stichting* was active through ICE's shareholdership. Since the IPO, ICE sold its shareholdership, and there has been no controlling American' shareholder. At the Euronext College of Regulators' request, the Stichting has become dormant.

1.4.3 OWNERSHIP LIMITATIONS AND ADDITIONAL NOTIFICATION REQUIREMENTS

The rules set forth below apply to an acquisition of a direct or indirect interest in Euronext's market operators. These rules are in addition to shareholder reporting rules applicable to listed companies generally set out above.

- Under Dutch law, a declaration of no-objection of the Dutch Minister of Finance is required for any holding, acquisition or increase of a Qualifying Participation (defined as direct or indirect participation of at least 10% of the issued capital of the relevant entity or the power to exercise at least 10% of the voting rights) in an operator or holder of a regulated market in the Netherlands which has been granted an Exchange License to operate such market pursuant to section 5:26 of the Dutch Financial Supervision Act. The Dutch Minister of Finance has delegated its powers to grant a declaration of no-objection under section 5:32d of the Dutch Financial Supervision Act to the AFM except in cases where the acquisition of the Qualifying Participation involves a fundamental change to the shareholding structure of the relevant licensed operator or holder of a regulated market in the Netherlands. Euronext N.V. controls Euronext Amsterdam, which is the licensed holder and operator of a regulated market in the Netherlands, and has obtained a declaration of no-objection under section 5:32d referred to above. Therefore, any acquisition or holding increase of a direct or indirect interest in the Company that results in an indirect Qualifying Participation in Euronext Amsterdam, will trigger the requirement to obtain a declaration of no-objection of the AFM or, in case of a fundamental change in the shareholding structure, the Dutch Minister of Finance. Such declaration should be granted unless such holding, the acquisition or increase: (1) could or would lead to a formal or actual control structure that is lacking in transparency and would therefore constitute an impediment to the adequate supervision of the compliance by the market operator with the rules applicable to the operator of a regulated market; (2) could or would lead to an influence on the regulated market operator or effect on the exploited or managed regulated market that forms a threat to the interests which the Dutch Financial Supervision Act seeks to protect; or (3) could jeopardise the healthy and prudent operation of the regulated market concerned. Non-compliance with the requirement to obtain a declaration of no-objection is an economic offense and may lead to criminal prosecution. In addition, if a person acquires or increases a Qualifying Participation without having obtained a declaration of no-objection, it will be obliged to cancel the transaction within a period to be set by the Dutch Minister of Finance or the AFM unless the person cures the offense and obtains a declaration of no-objection. The Dutch Minister of Finance or the AFM may request the District Court in Amsterdam to annul any resolutions that have been passed in a general meeting of shareholders in which such person exercised its voting rights, if such resolution would not have been passed or would have been passed differently if such person would not have exercised its voting rights. The District Court will not annul the resolution if the relevant person obtains a declaration of no-objection prior to the decision of the court.
- Under French law, any person or group of persons acting in concert who acquires or increases, directly or indirectly, a holding in Euronext Paris shares or voting rights in excess of 10%, 20%, 33 1/3%, 50% or 66 2/3% is required to inform Euronext Paris, which in turn must notify the AMF and make the information public. Any person acquiring direct or indirect control of a market operator must obtain the prior approval of the Minister of Economy upon proposal of the AMF. Further, Euronext Paris shall promptly notify the AMF prior to any changes to the identity and the details of the holding of any existing shareholder or shareholders, alone or in concert, who is in a position to exercise, directly or indirectly, significant influence (10% or more of the share capital or voting right) over the management of Euronext Paris and the proposed change can proceed as long as Euronext Paris does not receive any objection from the AMF within the period of time provided by the AMF General Regulation.
- Under Belgian law, any person who intends to acquire securities in a Belgian market undertaking and who would, as a result of such acquisition, hold directly or indirectly 10% or more of the share capital or of the voting rights in that market undertaking, must provide prior notice to the FSMA. The same obligation applies each time such person intends to increase its ownership by an additional 5%.
- Under Portuguese law, a shareholder who intends to acquire, directly or indirectly, a dominant holding (broadly defined as 50% or more of the share capital or voting rights) or a dominant influence (broadly defined as the majority of voting rights or the possibility to appoint or dismiss the majority of the members of the managing or supervisory bodies) in a Portuguese market operator must obtain the prior authorisation of the Portuguese ministry of finance (with prior advice of the CMVM). In addition, all entities envisaging (i) acquiring or disposing of a (direct or indirect) qualifying holding (10% or more of the share capital or voting rights or otherwise establishing a significant influence) or increasing a qualifying holding at the level of 10%, 20%, 33 1/3% and 50% or more of the shares capital or voting rights in a market undertaking in Portugal or (ii) otherwise establishing a control relationship with a market subsidiary in Portugal, must notify the CMVM of the acquisition or disposal as soon as a decision has been taken to proceed within four business days following the relevant transaction and seek a prior declaration of non-objection. The disposal/reduction of the aforementioned qualifying holdings (considering each threshold above) or change in the control relationship is also required to be notified to the CMVM.

2

CORPORATE GOVERNANCE

2.1 Dutch Corporate Governance Code, "Comply or Explain"

The Dutch Corporate Governance Code ("the Code") became effective in 2009 and finds its statutory basis in Book 2 of the Dutch Civil Code. The Code applies to Euronext as it has its registered office in the Netherlands and its shares are listed on the regulated markets of Euronext Amsterdam, Euronext Brussels, Euronext Lisbon and Euronext Paris. A Dutch and an English version of the Code can be found at www.commissiecorporategovernance.nl

The Code defines a company as a long-term form of collaboration between the principal corporate bodies of a company. For Euronext, these corporate bodies include the Managing Board, the Supervisory Board and the General Meeting.

According to the Code, good Corporate Governance results in effective decision-making in a manner which enhances shareholder value and enables a company to maintain a culture of integrity, transparency and trust.

The Code is based on a "comply or explain" principle. Accordingly, companies are required to disclose any deviations from the principles and best practices of the Code in their annual report and to explain the reason why.

Euronext acknowledges the importance of good Corporate Governance and endeavours to comply in general with the provisions of the Code. However, there are a limited number of best practice provisions that it currently does not comply with. The fact that Euronext is not compliant with a number of best practice provisions is related to the fact that Euronext is an international company uniquely supervised since its creation in 2000 by a College of international Regulators, supervising Euronext on a joint basis, which has required some specific features which may interfere with the specific provisions of the Dutch Code. Euronext is active in a number of European jurisdictions, each with different laws, regulations, best practices, codes of conduct, regulatory guidelines and views.

Provisions of the Dutch Code regarding corporate law matters, that Euronext did not apply in 2016:

- Euronext did not fully apply best practice provision II.1.1 (*"a Managing Board member is appointed for a maximum period of four years"*). The terms of appointment of the members of the Managing Board who had been appointed for an indefinite term before Euronext became a listed company have remained unchanged. With regard to the members of the Managing Board who were appointed since Euronext became a listed company, Euronext complied with this best practice provision. It is envisaged that the full Managing Board's members' appointment terms are progressively harmonised to comply with this best practice provision.
- Euronext did not apply best practice provision III.2.1 (*"all Supervisory Board members, with the exception of not more than one person, shall be independent. One of the criteria qualifying "dependence" is to represent a legal entity which holds at least ten per cent or more of the shares of the Company"*). Three members of the Supervisory Board have been proposed by Euronext's Reference Shareholders, who as a group acting via the Reference Shareholders' Agreement hold more than a third of Euronext's shares (33.36%). Although this group of Shareholders is not a legal entity, but act jointly and has been granted a declaration of non-objection by the Dutch Ministry of Finance, Euronext regards these three members of the Supervisory Board as non-independent. The background of the presence of three non-independent members in Euronext's Supervisory Board is related to the request of the Euronext College of Regulators for it to have a number of stable, long-term shareholders who could propose, for so long as their aggregate shareholding amounts to at least 25%, one third of the members of the Supervisory Board.

Provisions of the Dutch Code regarding certain aspects of the remuneration policy of the Managing Board that Euronext did not apply in 2016:

- Euronext did not apply best practice provision II.2.5 (among others: *"shares granted to Managing Board members without financial consideration shall be retained for a period of at least five years or until at least the end of the employment, if this period is shorter"*). Equity awards granted to the members of the Managing Board under the long term incentive plan ("LTIP") can be exercised and subsequently sold three years after the grant date. Euronext believes that its current remuneration plan is overall in line with the majority of the relevant rules, views and best practices in the various jurisdictions in which it is active.
- Euronext did not apply best practice provision II.2.8 (*"the remuneration in the event of dismissal may not exceed one year's salary (the "fixed" remuneration component), and if the maximum of one year's salary would be manifestly unreasonable for a Managing Board member who is dismissed during his first term of office, such Board member shall be eligible for severance pay not exceeding twice the annual salary"*). In the event of termination by the Company of a member of the Managing Board the Company has decided to align progressively all Managing Board members' contracts on the same line as was decided at the time of recruitment of the Chairman of the Managing Board in September 2015, and disclosed at the Shareholders' Meeting of 27 October 2015: the limitation to twelve months of fixed salary as provided in the Dutch Corporate Governance Code has been balanced against the French AFEP-MEDEF Corporate Governance Code ("the Code") recommendations, which provide for a maximum termination indemnity of twenty-four months compensation, fixed and variable remuneration. In view of the Dutch Corporate Governance Code, the termination indemnity has been limited to twice the annual fixed salary, which is in line with the relevant best practices in the various jurisdictions in which it is active. Managing Board members' contracts have been amended to that effect.

Provisions of the Dutch Code regarding the shareholders and the general meeting of shareholders, that Euronext did not fully apply in 2016:

- Euronext did not fully comply with best practice provision IV.1.1., which provides that the general meeting of shareholders of a company may pass a resolution to cancel the binding nature of a nomination for the appointment of a member of the management board or of the Supervisory Board or a resolution to dismiss a member of the management board or the Supervisory Board by a simple majority of the votes cast. It may be provided that this simple majority should represent a certain proportion of the issued share capital, which proportion may not exceed one-third. Pursuant to Euronext's Articles of Association, the General Meeting may only overrule the binding nature of such nominations by resolution of the General Meeting adopted with a two-thirds majority of the votes cast, representing at least one-third of the issued share capital. The same applies for a resolution to dismiss a member of the management or Supervisory Board other than upon a proposal of the Supervisory Board. In view of the continuity of the Company and taking into account that Euronext does not apply any anti-takeover provisions, the Company considers it justified to apply the two-thirds majority as provided for in Article 2: 133 of the Dutch Civil Code.

Provision of the Dutch Code regarding meetings with analysts:

- Euronext did not apply best practice provision IV.3.1 (*"meetings with analysts, presentations to analysts, presentations to investors and institutional investors and press conferences shall be announced in advance on the Company's website and by means of press releases, enabling all shareholders to follow these meetings and presentations in real time, for example by means of webcasting or telephone"*): Euronext always ensures that all Shareholders and other parties are provided with equal and simultaneous information about matters that may influence the share price. All material developments are disclosed via press releases and all presentations used during analysts and investors meetings are available on Euronext website at the time the presentation starts. Euronext also provides real time webcast and conference call facilities for all its results presentations and other financial presentations.

2.2 Management & Control Structure

Enterprise Risk Management and Internal Control Objectives

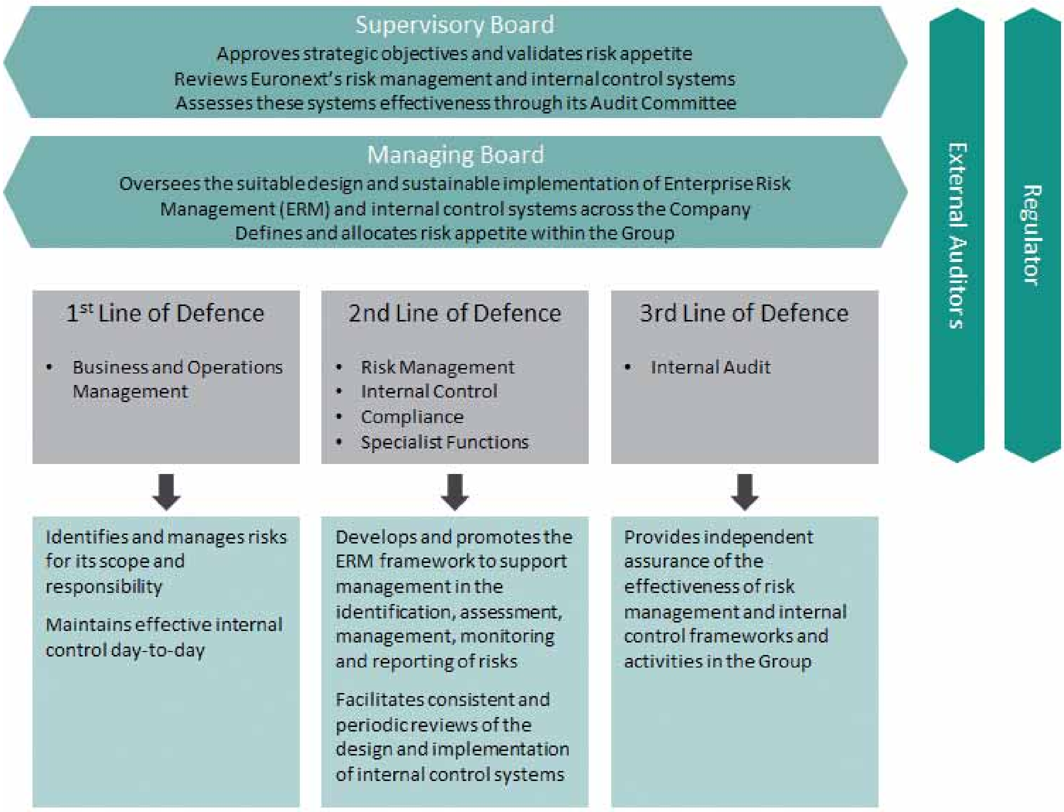
The objective of the Enterprise risk management framework (ERM) is to create and preserve value for the Company's stakeholders. It is designed and operated to identify potential events that may affect the Company, assess risk to be within the defined guidelines, manage the risk through control mechanisms, and monitor the risk to understand the evolution. Euronext embeds the risk management philosophy into the Company culture, in order to make risk and opportunity management a regular and everyday process for employees. The Supervisory Board and Managing Board regard ERM as a key management process to steer Euronext and enable management to effectively deal with risks and opportunities.

Enterprisewide Risk Management Framework and Governance

The ERM framework and governance is designed to allow the Managing Board and the Supervisory Board, as part of Euronext's business model, to identify and assess the Company's principal risks to enable strong decision making with regards to the execution of the stated strategy. Reporting is made and consolidated on a regular basis to support this process. The ERM also enables the Supervisory Board and Managing Board to maintain and attest to the effectiveness of the systems of internal control and risk management as set out in the Dutch Corporate Governance Code.

Governance Structure and related responsibilities for ERM process are as follows:

- the Supervisory Board, through the Audit Committee, supervises the effectiveness of the ERM system, including management actions to mitigate the risks inherent in the Group's business activities;
- the Group's Chief Executive Officer ("CEO"), backed by the Managing Board and supported by the Chief Financial Officer ("CFO") and the Chief Risk Officer ("CRO"), is responsible for an effective ERM system;
- the Group's CRO has primary responsibility for the ERM strategy, priorities, process design, culture development and related tools; the risk management organisation is structured cross-division, networked with risk owners on different organisation levels and drives a proactive risk management culture;
- the Group's CFO has primary responsibility for the controls over financial reporting;
- the senior management of the Company assume responsibility for the operation and monitoring of the ERM system in their respective areas of responsibility, including appropriate responses to reduce probability and impact of risk exposures and increase probability and impact of opportunities.



ERM Framework

The objectives and principles for the ERM process are set forth in the Company's ERM Policy. The ERM process is based on best practices regarding the Internal Control and Enterprise risk management, including the Committee of Sponsoring Organisations of the Treadway Commission ("COSO") initiative. It uses a bottom-up and top-down process to enable better management and transparency of risks and opportunities. At the top, the Supervisory Board and Managing Board discuss major risks and opportunities, related risk responses and opportunity capture as well as the status of the ERM process, including significant changes and planned improvements. The design of the ERM process seeks to ensure compliance with applicable laws and regulations with respect to internal control and risk management addressing both subjects in parallel.

2.2.1 SECOND LINE OF DEFENCE

2.2.1.1 Risk Management

Risk Appetite is the level and nature of risk the business is willing to accept in achieving its strategic objectives. Risk appetite sets the basis for the requirements for monitoring and reporting on risk. Overall risk appetite is recommended by the Managing Board to the Supervisory Board as part of setting and implementing strategic and operational objectives.

Risk appetite is considered at an operational level and strategic level with quantitative and qualitative components. These components are used during the assessment process to develop the residual risks and support what is escalated to the Managing Board and Supervisory Board.

Risk Identification involves the identification of threats to the Company as well as causes of loss and potential disruptions. Risks are composed of the following categories:

- strategic: the effect of uncertainty on Euronext's strategic and business aims and objectives;
- financial: risks that can impact the way in which Euronext's financial resources are managed and profitability is achieved;
- compliance: Risk that one or more of the Group's entities may fail to comply with legal or regulatory requirements;
- operational: the risk of loss or inefficiency resulting from inadequate or failed internal processes, people and systems, or from external events; key programmes or projects are not delivered effectively.

An emphasis is put on operational risk due to the importance of operations and initiatives for Euronext.

Risk Assessment is made in the possible event of an incident or a potential risk development. It aims to assess the risk qualitatively and quantitatively where possible, using supporting information, such as performance indicators. This assessment, defining the residual risk level (inherent risk – control effectiveness), takes into account mitigation measures currently in place such as business continuity measures or insurance policies. The overall Risk Assessment phase is carried out by the risk management team ("RMT") in conjunction with Risk Coordinators ("RCs") based on data and information produced by and collected from the relevant areas *via* the periodic and *ad hoc* reporting or upon request of the RMT as necessary. Assessments are discussed with the business areas. Mitigations for each risk will be identified, evaluated, and the residual risk will be assessed and reported.

Risk Management determines and implements the most appropriate treatment to the identified risks. It encompasses the following: avoidance, reduction, transfer and acceptance. Organisational units and employees perform risk management and implement mitigating actions as required by the risk appetite and escalation process. As noted, risks may remain after such management process is applied (see Risks section).

Risk Reporting – The Supervisory and Managing Boards and a Business Risk Group (BRG), made up of senior managers, are informed in a timely and consistent manner about material risks, whether existing or potential, and about related risk management measures in order to take appropriate action. Reports are issued to the above mentioned groups of the Company on a regular basis. *Ad hoc* reports may be issued when a new risk or the development of an existing risk warrants escalation to the relevant committees of the Company.

Program Development – Euronext continues to drive improvements to its risk management process and the quality of risk information generation, while at the same time maintaining a simple and practical approach. The roadmap for 2016 for the ERM evolution included 3 key elements:

- embedding culture of risk management: Focus on first line risk discussions in the Operations and Information Technology areas;
- involvement in key initiatives related to Optiq® technology platform, MiFID II compliance and Agility for Growth initiatives;
- framework evolution: ongoing risk appetite evolution, enhanced management reporting, facilitating discussions and governance processes, further alignment of risk management and internal control approach for addressing risk and identifying controls.

The 2017 plan will continue with the topics above and will additionally focus on further defining primary and secondary business processes, to facilitate process-based risk management discussion and use of key risk indicators. Euronext will continue to work on risk management and internal control alignment of approach for addressing risk and identifying controls.

Euronext seeks to continuously evaluate and improve the operating effectiveness of the ERM process.

2.2.1.2 Internal Control

Euronext has established a strong framework of internal control across its business areas and functions. This framework is based on ethical principles, established procedures and training of the key personnel who are responsible for implementing and overseeing it.

The Internal control function as a second line of defence, aims at ensuring, in a permanent manner that identified risks are mitigated by controls, that controls are effective, documented and reported and that internal procedures exist and are updated on a regular basis.

2.2.1.3 Corporate Compliance – Code of conduct and Ethics

Euronext is strongly committed to conducting its business with integrity, excellence and responsibility and to adhering to high standards of ethical conduct. The role of Corporate Compliance is to establish and maintain a first class compliance culture within the Company and to ensure that Euronext's business approach is in line with the highest ethical standards.

The Compliance department supports Euronext and its employees in complying with applicable laws and regulations and promotes ethical standards in accordance with good Corporate Governance. The Compliance department raises awareness among employees by articulating the responsibilities of the Company and its employees through policies and training and the monitoring of those policies and by providing a path for communication for employees. Compliance with applicable rules and principles and ethics is key to Euronext's success and it is the obligation of every employee to support this effort.

Euronext's code of conduct and Ethics sets and reaffirms Euronext's high standards of ethical conduct and reinforces its business ethics, policies and procedures. Compliance with the Code is required of all board members (Managing Board, Supervisory Board and any other Board) and all employees including consultants, contractors and temporary employees. The code of conduct and Ethics, which is supplemented by nine corporate policies, governs without exception all business activities of the Company.

Compliance processes are established as follows:

COMPLIANCE RISK ASSESSMENT

Guidelines and procedures are defined notably to ensure that anti-money laundering and sanctions, bribery and fraud and conflicts of interest concerns are managed and that business is always conducted in a fair manner. Staff training and awareness sessions are conducted regularly in all company locations to promote compliance and ethics standards.

The Company protects anyone who reports an alleged breach of laws or company policies in good faith and ensures that they shall in no way be put at a disadvantage by the Company as a result of the report.

Finally, given the dual positions of Euronext as a market operator and a listed issuer on the Euronext markets, the Compliance department has imposed strict personal dealing rules and a conflicts of interest procedure to ensure that neither the staff nor the Company itself could take undue benefits from this situation.

2.2.1.4 Chief Risk and Compliance Officer

The Chief Risk and Compliance Officer is appointed by the Managing Board, reports to the Chief Executive Officer and has a line of communication to the Audit Committee of the Supervisory Board. This reporting ensures the necessary independence of the Compliance department activities. Compliance officers are located in countries where Euronext conducts its activities and are supported as necessary by local legal staff in order to benefit from the local expertise and knowledge of the local business and environment.

2.2.2 INTERNAL AUDIT – THIRD LINE OF DEFENCE

As a third line of defence, Internal Audit has no operational responsibilities over the entities/processes it reviews. The objectivity and organisational independence of the internal audit function is achieved through the Head of Internal Audit not performing operational management functions and reporting directly to the Chairman of the Audit Committee. He also has a dotted reporting line to the CEO.

For each audit, a formal report is issued and circulated. This includes recommendations for corrective actions with an implementation plan and the comments of the auditees. Implementation of accepted corrective actions is followed up systematically and documented in a formal report.

2.2.3 GENERAL INFORMATION

No information on family relationships between members of the Supervisory Board, members of the Managing Board and senior staff, as well as on convictions in relation to fraudulent offences, bankruptcies, receiverships, liquidations or official public incriminations with regard to these persons has been included in this Registration Document, as these matters are to the best knowledge of Euronext not applicable to these persons.

Further, to the best of Euronext's knowledge, the members of the Supervisory Board and the Managing Board had no potential conflicts of interest in 2016 and up to and including the date of the publication of this Registration Document.

Statement of the Managing Board

Responsibilities for the Financial Statements

In accordance with Article 5: 25c(2)(c) of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*), the Managing Board of Euronext hereby declares that, to the best of its knowledge, (i) the Financial Statements prepared in accordance with IFRS as adopted by the European Union and with Part 9, Book 2 of the Dutch Civil Code give a true and fair view of the assets, liabilities, financial position and profit or loss of Euronext and the enterprises included in the consolidation as a whole, and (ii) the Registration Document gives a true and fair view of the position on the balance sheet date, the course of events during the financial year of Euronext and the enterprises included in the consolidation as a whole, together with a description of the principal risks that Euronext faces.

Responsibility for this Registration Document

The entity responsible for the Registration Document is Euronext N.V.. The Company declares that, having taken all reasonable care to ensure that such is the case, the information contained in the Registration Document is, to the best of the Company's knowledge, in accordance with the facts and contains no omission likely to affect its import. Euronext N.V. is represented by: Stéphane Boujnah, Chief Executive Officer.

In Control statement

In accordance with best practice provision II.1.5 of the Dutch Corporate Governance Code, Euronext's Managing Board is of the opinion that, in respect of financial reporting risks, the internal risk management and control system, as described in 2.2.1.1 *"Risk management"* and 2.2.1.2 *"Internal control"* (i) provides a reasonable level of assurance that the financial reporting in this Registration Document does not contain any errors of material importance, and (ii) has worked properly during the financial year 2016.

The Managing Board has assessed the risk profile and the design and operating effectiveness of the risk management and control systems; this was discussed with the Audit Committee of the Supervisory Board.

The Managing Board declares that, having taken all reasonable care to ensure that such is the case, the information contained in the Registration Document is, to the best of the Managing Board's knowledge, in accordance with the facts and contains no omission likely to affect its import.

Availability of Documentation

The Articles of Association of Euronext, historical information and relevant documentation for investors and shareholders may be viewed on Euronext's website in the Investor Relations section at www.euronext.com/en/investors

2.2.4 SUPERVISORY BOARD

Euronext has a two-tier governance structure with a Supervisory Board and a Managing Board. The governance arrangements of the Supervisory Board described in this section are based on, among other things, Dutch law, Euronext's Articles of Association and the rules of procedures for the Supervisory Board. These arrangements include additional provisions and modifications agreed with the Euronext College of Regulators designed to ensure the long-term stability and autonomy of Euronext and curb possible disproportionate levels of influence that large shareholders may have on it.

Responsibilities

The Supervisory Board is responsible for the supervision of the activities of the Managing Board and the supervision of the general course of the business of Euronext. The Supervisory Board may on its own initiative provides the Managing Board with advice and may request any information from the Managing Board that it deems appropriate. In performing their duties, the members of the Supervisory Board must act in the interests of Euronext and those of its business. The Supervisory Board is collectively responsible for carrying out its duties.

Appointment and Dismissal

Members of the Supervisory Board are appointed by the General Meeting (i) in accordance with a proposal of the Supervisory Board or (ii) from a binding nomination to be drawn up by the Supervisory Board, with due observance of the profile (*profielschets*) for the size and the composition of the Supervisory Board adopted by the Supervisory Board and reviewed annually. The profile sets out the scope and composition of the Supervisory Board, taking into account the nature of the business, its activities, and the desired expertise, experience, diversity and independence in matters of capital markets in general and in particular in the areas of finance, economics, human resources and organisation, information technology and data processing, legislation and regulation, legal matters and compliance.

The Articles of Association of Euronext provide that each member of the Supervisory Board is appointed for a maximum period of four years provided that unless such member of the Supervisory Board has resigned or is removed at an earlier date or unless otherwise specified in the relevant proposal for appointment, his or her term of office shall ultimately lapse immediately after the day of the first General Meeting to be held during the fourth year after the year of his or her appointment. An appointment can be renewed for a term of up to four years at a time.

The General Meeting may suspend or dismiss a member of the Supervisory Board at all times. The Supervisory Board can make a proposal for the suspension or dismissal of a member of the Supervisory Board. If the suspension or dismissal occurs in accordance with a proposal thereto by the Supervisory Board, a resolution of the General Meeting for suspension or dismissal of a member of the Supervisory Board requires an absolute majority of the votes cast. However, such resolution of the General Meeting requires a majority of at least two-thirds of the votes cast representing more than one third of the outstanding and issued share capital, if the suspension or dismissal does not occur in accordance with a proposal by the Supervisory Board.

Meetings and Decision-making

The Articles of Association provide that the Supervisory Board shall adopt resolutions by an absolute majority of the votes cast. Each member of the Supervisory Board has one vote. In the event of a tie of votes, the Chairman of the Supervisory Board has a casting vote.

A member of the Supervisory Board may not participate in the deliberation and the decision-making process of the Supervisory Board if it concerns a subject in which this member of the Supervisory Board has a direct or indirect personal interest which conflicts with the interest of Euronext and its business enterprise. In such event, the other members of the Supervisory Board shall be authorised to adopt the resolution. If all members of the Supervisory Board have a conflict of interest as indicated, the resolution shall nevertheless be adopted by the Supervisory Board, notwithstanding the conflict of interests.

Members of the Supervisory Board

The Articles of Association provide that the number of members of the Supervisory Board will be determined by the Supervisory Board and will consist of a minimum of three members. Only natural persons can be members of the Supervisory Board. In the event of a vacancy, the Supervisory Board continues to be validly constituted by the remaining member or members of the Supervisory Board.

As per 1 January 2016, the Supervisory Board was composed of Rijnhard van Tets, Dominique Aubernon, Arnoud de Pret, Koenraad Dom, Ramon Fernandez, Manuel Ferreira da Silva, Jim Gollan, Jan-Michiel Hessels and Lieve Mostrey. Arnoud de Pret and Jan-Michiel Hessels retired from the Supervisory Board on 12 May 2016, following the Annual General Meeting. In that meeting, Kerstin Günther and Dick Sluimers were appointed to the Supervisory Board subject to regulatory approval; their appointment took effect on 14 July 2016.

Euronext has assessed that all appointments to the Supervisory Board in 2016 are in compliance with the requirements as included in the Dutch "Wet bestuur en toezicht" regarding the maximum number of Supervisory Board positions.

Kerstin Günther and Dick Sluimers took part in an induction program offered by Euronext. The induction program consisted of a series of meetings with key staff members, with whom the various aspects of Euronext business, clients and initiatives, governance and regulatory environment, finance and the risk and compliance program at Euronext were discussed.

The Supervisory Board consisted of nine members as at 31 December 2016 and was composed as follows:

Rijnhard van Tets

Rijnhard van Tets chairs the Supervisory Board and chairs the Nomination and Governance Committee. He was appointed to the Supervisory Board of Euronext N.V. in 2003 and became Chairman in 2007. He is also the Chairman of the Supervisory Board of Euronext Amsterdam N.V. He served as a director of NYSE Euronext from 2007 to 2013.

Mr Van Tets served thirteen years on the Managing Board of ABN AMRO. He has extensive experience as a senior executive at European companies across a variety of sectors. He is Chairman of the board of Petrofac Ltd and Chairman of the Supervisory Board of OBAM. Amongst other board appointments he was previously the Chairman of the Supervisory Boards of Arcadis – where he served for twelve years – and Wegener – where he served for four years – and a member of the Supervisory Boards of Reliant Energy and Stichting Holland Casino. He was Chairman of Equity Trust Holdings S.A.R.L. and chair of the Investment Committee of SFB, one of the largest Dutch pension funds.

Dick Sluimers

Dick Sluimers is the vice-chair of the Supervisory Board and is a member of the Audit Committee. He was appointed to the Supervisory Board of Euronext N.V. in 2016. He is also a member of the Supervisory Board of Euronext Amsterdam N.V.

Mr Sluimers is the former CEO of APG Group. He currently is Extraordinary State Councillor at the Dutch Council of State. Furthermore he is a member of the Supervisory Boards of AkzoNobel N.V., NIBC N.V. and Atradius N.V., as well as a member of the board of directors of FWD Group Limited. He is also a member of the board of Governors of the State Academy of Finance and Economics, a Trustee of the Erasmus University Trustfund, a member of the board of the Amsterdam Concert Hall Fund, and a member of the Electoral committee of the Dutch Liberal Party, and a member of the advisory boards of Quore Capital and Hemingway Corporate Finance.

Mr Sluimers was CFO and later CEO in the management board of pension fund ABP from 2003 to 2008. Between 1991 and 2003 he held various positions at the Dutch Ministry of Finance, most recently as Director General of the Budget. Prior to that he was Deputy Director General at the Ministry of Public Health and held senior positions at the Ministry of Social Affairs and the Ministry of Finance. In addition, he was a member of the Supervisory Boards of Fokker N.V., the National Investment Bank N.V., Inter Access N.V. and ABP Insurance N.V. He was also Trustee of the International Financial Reporting Standards Foundation (IFRS), a member of the Advisory Board of Rabobank, Chairman of the board of Governors of the Postgraduate Programme for Treasury Management at the Vrije Universiteit Amsterdam, a member of the Advisory Board of Netspar and a Board member of Holland Financial Centre.

He studied economics at the Erasmus University in Rotterdam and read politics at the University of Amsterdam for several years.

Dominique Aubernon

Dominique Aubernon is a member of the Supervisory Board and a member of the Nomination and Governance Committee. She was appointed to the Supervisory Board in 2014.

Ms Aubernon is currently the Head of Strategic Advisory of BNP Paribas Group which focuses on defining and implementing the financial policy. She serves as vice-chair of the Supervisory Board of Klépierre and she is a board member of BNP Paribas New Zealand Ltd. Prior to her present position, she was CFO of BNP Paribas International Retail Services, a position she held from 2006 to 2008. Previously Ms Aubernon held several senior positions within BNP's and BNP Paribas' Structured Finance, beginning in 1988 when she took an active part in the creation of the Structured Capital Markets and Structured Leasing activities, a department that she headed first in France, then in Europe, and finally worldwide. Her responsibility was then extended to Aircraft and Shipping financing, as Global Head of Asset Financing, from 2002 to 2006. From 1984 to 1990, she was in charge of Origination and Syndication for French issuers within BNP Fixed Income. She joined BNP in 1980 and began her career as asset manager on money market funds. Ms Aubernon holds a BA in Mathematics and Statistics, and a MA in Corporate Finance and Sales Strategy.

Koenraad Dom

Koenraad Dom is a member of the Supervisory Board and a member of the Audit Committee. He was appointed to the Supervisory Board in 2014.

Mr Dom is a finance and risk professional with extensive experience in banking, financial markets, energy and commodities. He has been a member of the board of directors and chairs the Audit Committee at Federal Holding & Investment Company (FHIC) since 2006. Before 2012, he was also Group Manager Commodity Risk at Nyrstar, and before 2007 Senior Risk Manager at EDF Luminus. Before that, he held several managing positions at Capco and Fortis AG Group. He started his career as a financial analyst and broker-dealer at Delta Lloyd. Mr Dom holds three masters degrees (Commercial Engineer, European Affairs and Risk Management) and an executive MBA with distinction.

Ramon Fernandez

Ramon Fernandez is a member of the Supervisory Board and a member of the Remuneration Committee. He was appointed to the Supervisory Board in 2015.

Mr Fernandez has a dual experience in the public and private sectors. He is currently the Deputy CEO and Group Chief Financial and Strategy Officer of Orange. He is also the Chairman of the board of Groupama Banque, a member of the board of directors at Médi Télécom, Orange Middle East Africa, Rapp 77 S.A.S. and a member of the Supervisory Board at Orange Polska S.A., Euler Hermes and at Iris Capital Management S.A.S.

Manuel Ferreira da Silva

Manuel Ferreira da Silva is a member of the Supervisory Board, a member of the Remuneration Committee and a member of the Nomination and Governance Committee. He was appointed to the Supervisory Board of Euronext N.V. in 2012.

Mr Ferreira da Silva has been an executive member of the board of directors of Banco BPI since 2001 and is the CEO of its wholly-owned investment bank. He is also Vice-Chairman of the board of the SERRALVES Foundation, Museum of Contemporary Art. He was a member and, between 2012 and 2014, Chairman of the council of the University of Porto School of Economics and is a member of the Supervisory Board of Porto Business School. He was member of the board of the Lisbon and Porto Stock Exchanges between 2000 and 2001 and a member of the advisory board of the Portuguese Securities Market Commission (CMVM) between 2001 and 2005. Between 1980 and 1989, Mr Ferreira da Silva lectured at the University of Porto School of Economics and spent two years as an assistant director of the Navy's Centre of Operational Research. He graduated with a degree in Economics from the Universidade do Porto in 1980 and holds a MBA from the Nova School of Business and Economics (Lisbon, 1982).

Jim Gollan

Jim Gollan is a member of the Supervisory Board and chairs the Audit Committee. He was appointed to the Supervisory Board in 2015. He is the Chairman of Euronext London and was previously a board member of NYSE LIFFE.

Mr Gollan is currently a non-executive director of Merrill Lynch International, where he chairs the board Risk Committee, and Bank of America Merrill Lynch International Limited, where he chairs the board. He is also a Governor of the University for the Creative Arts and Vice Chair of the charity, Brain Research Trust. His executive career includes roles as Board Chair, CEO and CFO, working in the United Kingdom, Europe and Asia in banking, fund management and financial markets with Standard Chartered, Lloyds Bank, Gartmore and SIX Group. Mr Gollan was also the practice leader of KPMG's Financial Services Consulting, Asia and is a Fellow of the Institute of Chartered Accountants in England and Wales.

Kerstin Günther

Kerstin Günther is a member of the Supervisory Board. She was appointed to the Supervisory Board in 2016.

Ms Günther is an engineer in electronics with an MBA in finance.

Since April 2015, Ms Günther is Managing Director of 'Deutsche Telekom Pan-Net', Deutsche Telekom's international company to design, operate and steer the joint pan-European network.

Ms Günther joined the Deutsche Telekom Group in 1991 and since then held various management positions. She is member of the board of directors of several companies of the Deutsche Telekom group in Europe. She was Senior Vice President Technology Europe, with responsibility for Technology, IT and the Technical Service in all twelve countries of Deutsche Telekom's Europe Board area, SVP Planning Technology for Deutsche Telekom Germany and SVP Service and Demand Management at T-Home. Before she led the largest Technical Infrastructure Branch Office of T-Home and the Personal Service Centre of Deutsche Telekom.

Before coming back to Germany in 2003, Kerstin held the position of SVP Regulatory and External Affairs at Slovak Telekom, SVP Wholesale and VP Regulatory Affairs at Magyar Telekom in Hungary.

Lieve Mostrey

Lieve Mostrey is a member of the Supervisory Board, chairs the Remuneration Committee, and is a member of the Nomination and Governance Committee. She was appointed to the Supervisory Board in 2014.

Ms Mostrey joined Euroclear in 2010 as executive director and Chief Technology & Services Officer of the Euroclear group and became its Chief Executive Officer on 1 January 2017. She is a member of the Euroclear Group Management Committee and an executive director of the board. She also chairs the boards of Euroclear Belgium, Euroclear Finland, Euroclear France, Euroclear Nederland and Euroclear Sweden, and is a non-executive director at Euroclear Bank and a member of the board and of the Audit Committee of RealDolmen. Previously, Ms Mostrey was a member of the Executive Committee of BNP Paribas Fortis in Brussels, where she was responsible for IT technology, operations (including securities, payments, credit cards, mortgages, clients and accounts), property and purchasing. Ms Mostrey began her career in 1983 within the IT department of Generale Bank in Brussels, moving to Operations in 1997 and, upon its merger with Fortis in 2006, became country manager for Fortis Bank Belgium. She became Chief Operating Officer of Fortis Bank in 2008, which was acquired by BNP Paribas in 2009. She was also a non-executive director of the boards of Euroclear PLC and Euroclear S.A./N.V. between 2006 and May 2010. Having earned a degree in civil engineering from Katholieke Universiteit Leuven in 1983, Ms Mostrey completed a post-graduate degree in economics from Vrije Universiteit Brussel in 1988.

The table below contains information on the members of the Supervisory Board that has not been included above (as at 31 December 2016).

NAME	AGE	GENDER	NATIONALITY	PROFESSION	MEMBER SINCE	INDEPENDENT/ NON-INDEPENDENT	END OF CURRENT TERM
Rijnhard van Tets	69	Male	Dutch	Asset manager	15/03/2014	Independent	2018
Dick Sluimers	63	Male	Dutch	Economist	14/07/2016	Independent	2020
Dominique Aubernon	60	Female	French	Banker	19/12/2014	Non-independent	2018
Koenraad Dom	48	Male	Belgian	Consultant	19/12/2014	Non-independent	2018
Ramon Fernandez	49	Male	French	Deputy CEO	20/07/2015	Independent	2019
Manuel Ferreira da Silva	59	Male	Portuguese	Banker	15/03/2014	Independent	2018
Jim Gollan	61	Male	British	Accountant	20/07/2015	Independent	2019
Kerstin Günther	49	Female	German	Engineer	14/07/2016	Independent	2020
Lieve Mostrey	56	Female	Belgian	CEO	19/12/2014	Non-independent	2018

Three members of the Supervisory Board, namely Dominique Aubernon, Koenraad Dom and Lieve Mostrey, were proposed by the Company's Reference Shareholders, who as a group hold more than a third of the Company's shares. Although this group of shareholders is not a legal entity, the Company regards these three members of the Supervisory Board as non-independent within the meaning of the Dutch Corporate Governance Code. The background of the presence of three non-independent members in Euronext's Supervisory Board is related to the wish of Euronext College of Regulators for Euronext to have a number of stable, long-term shareholders.

Dutch law requires large Dutch companies to pursue a policy of having at least 30% of the seats on both the Managing Board and the Supervisory Board held by men and at least 30% of those seats held by women. This rule was intended to be temporary till 1 January 2016, but has been extended till 2019. Euronext qualifies as a large Dutch Company and meets these gender diversity targets with respect to the Supervisory Board, as three of the nine members are women.

During 2016, no Supervisory Board member acted as a delegated Supervisory Board member, nor was any Supervisory Board member involved in Euronext's management.

As far as Euronext is aware, there were no transactions in which there were conflicts of interest with the members of the Supervisory Board that were of material significance to Euronext and/or to any of its subsidiaries during the 2016 financial year.

Euronext's Articles of Association provide for an indemnity for each present or former member of the Managing Board and each present or former member of the Supervisory Board against all costs, charges, losses and liabilities incurred by them in the proper execution of their duties or the proper exercise of their powers in any such capacities in the Company including, without limitation, any liability incurred in defending proceedings in which judgment is given in their favour or in which they are acquitted, or which are otherwise disposed of without a finding or admission of material breach of duty on their part, other than cases of wilful misconduct or gross negligence (*opzet of grove nalatigheid*).

The Supervisory Board is supported by Euronext N.V.'s Company secretary, Paul Theunissen.

Euronext N.V.'s registered address serves as the business address for all members of the Supervisory Board, being Beursplein 5, 1012 JW, Amsterdam, the Netherlands.

Committees Supervisory Board

Audit Committee

As per 1 January 2016, the Audit Committee was composed of, Arnoud de Pret (Chairman), Koenraad Dom and Jim Gollan. After the retirement of Arnoud de Pret from the Supervisory Board on 12 May 2016, Jim Gollan became the Chairman of the Audit Committee. Dick Sluimers became a member of the Audit Committee upon his appointment to the Supervisory Board with effect from 14 July 2016. The Audit Committees assists the Supervisory Board in supervising and monitoring the Managing Board by advising on matters such as the compliance by Euronext with applicable laws and regulations, Euronext's disclosure of financial information, including its accounting principles, the recommendation for the appointment of Euronext's external auditor to the General Meeting, the recommendations from Euronext's internal auditor and external auditor, and the review of the internal risk management and control systems and IT and business continuity safeguards.

The roles and responsibilities of the Audit Committee as well as the composition and the manner in which it discharges its duties are set out in the charter of the Audit Committee included in the regulations of the Supervisory Board. The Audit Committee will meet as often as the Chairman of the Audit Committee or a majority of the members of the Audit Committee deems necessary but in any event at least twice a year.

Nomination and Governance Committee

As per 1 January 2016, the Nomination and Governance Committee was composed of Rijnhard van Tets, Dominique Aubernon, Arnoud de Pret and Manuel Ferreira da Silva. After the retirement of Arnoud de Pret from the Supervisory Board on 12 May 2016, Lieve Mostrey became a member of the Nomination and Governance Committee. The Committee is chaired by Rijnhard van Tets.

The responsibilities of the Nomination and Governance Committee relating to selection and appointment include recommending criteria and procedures to the Supervisory Board for the selection of candidates to the Managing Board and the Supervisory Board and its Committees, identifying and recommending to the Supervisory Board candidates eligible to serve on the Managing Board and the Supervisory Board and its Committees, establishing and overseeing self-assessment by the Managing Board and the Supervisory Board and its Committees, conducting timely succession planning for the CEO and the other positions of the Supervisory Board and the Managing Board and reviewing and evaluating the size, composition, function and duties of the Managing Board and the Supervisory Board, consistent with their respective needs.

The responsibilities of the Nomination and Governance Committee relating to governance include the supervision and evaluation of compliance with the Dutch Corporate Governance Code.

The roles and responsibilities of the Nomination and Governance Committee as well as the composition and the manner in which it discharges its duties are set out in the charter of the Nomination and Governance Committee included in the regulations of the Supervisory Board. The Nomination and Governance Committee will meet as often as necessary and whenever any of its members requests a meeting.

Remuneration Committee

As per 1 January 2016, the Remuneration Committee was composed of Lieve Mostrey, Manuel Ferreira da Silva and Jan-Michiel Hessels. After the retirement of Jan-Michiel Hessels from the Supervisory Board on 12 May 2016, Ramon Fernandez became a member of the Nomination and Governance Committee. The Committee is chaired by Lieve Mostrey.

The responsibilities of the Remuneration Committee include analysing the possible outcomes of the variable remuneration components and how they may affect the remuneration of the members of the Managing Board, preparing proposals for the Supervisory Board concerning remuneration policies for the Managing Board to be adopted by the General Meeting, preparing proposals for the Supervisory Board concerning the terms of the service agreements and total compensation of the individual members of the Managing Board, preparing proposals for the Supervisory Board concerning the performance criteria and the application thereof for the Managing Board, preparing proposals for the Supervisory Board concerning the approval of any compensation plans in the form of share or options, reviewing the terms of employment and total compensation of employees directly reporting to the Managing Board and the total compensation of certain other specified employees, defined in consultation with the Managing Board, overseeing the total cost of the approved compensation programmes, preparing and publishing on an annual basis a report of its deliberations and findings and appointing any consultant in respect of executive remuneration.

The roles and responsibilities of the Remuneration Committee as well as the composition and the manner in which it discharges its duties are set out in the charter of the Remuneration Committee included in the regulations of the Supervisory Board. The Remuneration Committee will meet as often as necessary and whenever any of its members requests a meeting.

2.2.5 MANAGING BOARD

The Managing Board is responsible for the day-to-day management of the operations of Euronext and is supervised by the Supervisory Board. As described in the Articles of Associations, the Managing Board is required to inform or seek approval from the Supervisory Board depending on the matter. In performing their duties, the members of the Managing Board must act in the interests of Euronext and those of its business. The Managing Board as a whole is authorised to represent Euronext.

As per rules of procedure of the Managing Board, the Managing Board consists of the Chief Executive Officer ("CEO") of the Euronext Group, the Head of Markets and Global Sales, the CEOs of the local exchanges and the Chief Operating Officer ("COO"). The members of the Managing Board are appointed by the General Meeting only in accordance with a proposal of the Supervisory Board or upon a binding nomination by the Supervisory Board. Prior to making a nomination, the proposed nomination must be submitted to the College of Regulators and the Dutch Ministry of Finance for approval.

The Managing Board shall adopt resolutions by an absolute majority of the votes cast knowing that conflicted members cannot participate and that the Chairman of the Managing Board has a casting vote.

The following matters require the approval of the Supervisory Board:

- issue and acquisition of shares in the capital of Euronext and debt instruments issued by it or of debt instruments issued by a limited partnership or general partnership of which Euronext is a fully liable partner;
- application for admission of such shares to trading on a regulated market or a multilateral trading facility as described in section 1: 1 of the Dutch Financial Supervision Act or a similar system comparable to a regulated market or multilateral trading facility from a state which is not a member state or the withdrawal of such admission;
- a proposal to reduce the issued share capital;
- entering into or terminating a long-term cooperation with a legal entity or company or as fully liable partner in a limited partnership or general partnership, if such cooperation or termination is of major significance to Euronext;
- the acquisition or disposal of a participating interest in the capital of a company, if the participating interest represents an amount of at least €25 million or such greater amount as the Supervisory Board may determine from time to time and communicates to the Managing Board in writing;
- other investments representing an amount of at least of €25 million or such greater amount as the Supervisory Board may determine from time to time and communicates to the Managing Board in writing;
- a proposal to amend the Articles of Association;
- a proposal to dissolve Euronext;
- a proposal to conclude a legal merger or a legal demerger or to convert Euronext in another legal form;
- application for bankruptcy and for suspension of payments;
- termination of the employment of a considerable number of employees at the same time or within a short period of time;
- far-reaching changes in the employment conditions of a significant number of employees, or far-reaching changes in management incentive schemes or pension schemes;
- the annual budget for the next financial year, including the underlying budgets of the Euronext Market Subsidiaries; and

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- proposed investments not covered by the budgets referred to in the preceding paragraph, including proposed investments submitted to the Managing Board by any of the local exchanges, in each case involving an amount greater than such amount as the Supervisory Board may determine from time to time and communicates to the Managing Board in writing.

Additionally, pursuant to Dutch law, resolutions of the Managing Board involving a major change in Euronext's identity or its business require the prior approval of the General Meeting and the Supervisory Board, which in any case include:

- the transfer of the enterprise or practically the whole enterprise to third parties;
- the entering into or the termination of a long-term joint cooperation with another legal entity or company or as fully liable partner in a limited partnership or a general partnership if this cooperation or termination of such a cooperation is of major significance to Euronext;
- the acquisition or disposal of a participating interest in the capital of a company having a value of at least one-third of the amount of the assets according to the balance sheet with explanatory notes thereto, or if Euronext prepares a consolidated balance sheet, according to such consolidated balance sheet with explanatory notes in the last adopted annual accounts.

The Rules of Procedure of the Managing Board provide that the Managing Board of a Euronext Market Subsidiary has the right to reject a resolution by the Managing Board if such resolution solely or principally has an impact on the exchange operated by such Euronext Market Subsidiary and such impact is material or of strategic importance for the Exchange operated by such Euronext Market Subsidiary. Each member of the Managing Board of such Euronext Market Subsidiary has the right to request that the item is placed on the agenda of the Supervisory Board of Euronext. The Supervisory Board shall then discuss the matter with the Managing Board of Euronext, and consider the arguments of the Managing Board of the Euronext Market Subsidiary, following which the Supervisory Board will take a final and binding decision on the matter.

Members of the Managing Board

The table below lists the members of the Managing Board at 31 December 2016.

NAME	AGE	POSITION	APPOINTED ON
Stéphane Boujnah	52	Group CEO	4 November 2015
Anthony Attia	42	CEO Euronext Paris & Global Head of Listing	15 March 2014
Jos Dijsselhof	51	Group COO	16 June 2014
Lee Hodgkinson	44	Head of Markets and Global Sales and CEO of Euronext London	15 March 2014
Maria João Carioca	45	CEO, Euronext Lisbon	14 July 2016
Vincent Van Dessel	58	CEO, Euronext Brussels	15 March 2014
Maurice van Tilburg	45	CEO, Euronext Amsterdam	6 May 2015

On 1 January 2016, the Managing Board was composed of Stéphane Boujnah (Chairman), Anthony Attia, Jos Dijsselhof, Lee Hodgkinson, Luís Laginha de Sousa, Maurice van Tilburg and Vincent Van Dessel.

Luís Laginha de Sousa resigned from the Managing Board on 22 February 2016. During an interim period, Isabel Ucha attended the meetings of the Managing Board in her position as the interim CEO of Euronext Lisbon.

Maria João Carioca was appointed to the Managing Board on 12 May 2016, subject to regulatory approval, which was granted on 14 July 2016. In December 2016 she informed Euronext of the Portuguese Ministry of Finance's proposition to include her in the new, management structure of the Caixa Geral de Depósitos, and she thereafter resigned. Euronext announced her departure on 13 December 2016, and a recruitment process was launched. The Supervisory Board has nominated Paulo Rodrigues da Silva for appointement into the Managing Board in its meeting of 21 March 2017. This appointment will be on the agenda of the Annual General Meeting to be held on 19 may 2017. Paulo Rodrigues da Silva has already been appointed as the chair of the Board of Directors of Euronext Lisbon, S.A. , Interbolsa S.A. and Euronext Technologies Unipesoal, Lda, all subsidiaries of Euronext N.V..

All members of the Managing Board who were appointed before Euronext N.V. became a listed company were appointed for an indefinite period of time; the appointments that occurred in 2015 and 2016 were made in compliance with the Dutch Corporate Governance Code for four years terms. All appointments' terms will progressively be compliant with the Dutch Corporate Governance Code.

Euronext has assessed that all appointments to the Managing Board in 2016 are in compliance with the requirements as included in the Dutch "Wet bestuur en toezicht" regarding the maximum number of Supervisory Board positions.

Euronext's registered address serves as the business address for all members of the Managing Board, being Beursplein 5, 1012 JW, Amsterdam, the Netherlands.

Stéphane Boujnah, Chairman and CEO

Stéphane Boujnah has been the CEO of Euronext and Chairman of the Managing Board of Euronext since 2015.

Before joining Euronext, Mr Boujnah was Head of Santander Global Banking and Markets for continental Europe. From 2005 to 2010, he was Managing Director at Deutsche Bank responsible for the development of the investment banking operations in France. Previously he founded KM5 Capital, an advisory company specialised in equity raising and M&A advice for venture capital funds and innovative technology companies.

From 2000 to 2002, he was Director of the European M&A team of Credit Suisse First Boston Technology Group in Palo Alto and London. From 1997 to 1999, Mr Boujnah was senior adviser to the French Minister for Economy, Finance and Industry. He began his career in 1991 as a business lawyer at Freshfields.

Mr Boujnah was a member of the Commission pour la Liberation de la Croissance Française established by the then President Nicolas Sarkozy in 2007. He is founder and President of the board of directors of the think tank En Temps Réel and President of the board of directors of Accentus and Insula Orchestra.

He graduated from the Institut d'Etudes Politiques de Paris. He holds a Master degree and a DEA in Law from La Sorbonne Paris, a LLM in Law from the University of Kent, and a MBA from Insead.

Anthony Attia

Anthony Attia has been the CEO of Euronext Paris since 2014. In May 2016, he was also appointed Global Head of Listing. Since he joined Société des Bourses Françaises in 1997, Mr Attia has held a number of responsibilities including market organisation, business strategy, mergers and integration, and trading system design. Mr Attia served as Chief of Staff to the President and Deputy CEO of NYSE Euronext from 2010 to 2013, based in New York. In 2008, following the merger between NYSE and Euronext, he was appointed Senior Vice President in charge of designing and deploying the Universal Trading Platform. In 2004, he served as executive director, Head of Operations for Euronext. He was responsible for market surveillance, the operational relationship with customers, and business development projects in Amsterdam, Brussels, Lisbon and Paris. In 2000 he was the Program Director for the Euronext integration, in charge of migrating the French, Belgian and Dutch exchanges to the Euronext Market Model and NSC trading system. Mr Attia is a board member of LCH.Clearnet, EnterNext, and the French Capital Markets Association (Amafi), as well as a member of the AMF Markets and Exchanges commission. He holds an Engineering degree in computer science, applied mathematics and finance from the Institut d'Informatique d'Entreprise and also studied at INSEAD.

Maria João Borges Carioca Rodrigues

Maria João Borges Carioca Rodrigues has joined Euronext as the CEO of Euronext Lisbon in July 2016. Euronext announced her departure in December 2016. Ms Carioca joined Caixa Geral de Depósitos, S.A. (CGD) in 2013 as an Executive Board Member, and has since then been in charge of the banks IT/Systems, Operations, Marketing, Organisation, and, more recently Corporate NPE. In her joint responsibilities as head of Marketing and IT/Operations, she had an active role in several of the work fronts of CGD's corporate transformation programme.

Before that date, she was Executive Board Member for SIBS PAGAMENTOS – the SIBS Group unit in charge of managing Portugal's Multibanco card payment scheme – while heading the Group's Corporate Office since 2008. Previously, from 2004, she headed the Strategy Unit at Unicre.

Her professional career started in 1993 as a consultant for McKinsey & Company, where she focused her practice in the Financial Services and Public Administration sectors, working mainly from Lisbon, Madrid and Amsterdam. As an Associate Principal she worked with the McKinsey Global Institute for the 2003 study on Portugal's productivity conducted for the Economy Ministry. Mrs Borges Carioca Rodrigues has actively contributed to several projects in the economic and social arenas, including the book "Conquistar o Futuro da Europa" and the initiatives "Novo Portugal" and INSEAD's "Portugal Leaping Forward". Mrs Borges Carioca Rodrigues has also lectured at the Executive Programme (PAME) by Universidade Católica de Lisboa.

She holds a degree in Economics by Universidade Nova de Lisboa and an MBA by INSEAD with honors (Dean's list). She has also completed the LCOR Programme at Harvard Business School.

Jos Dijsselhof

Jos Dijsselhof has joined Euronext as Chief Operating Officer in 2014. Mr Dijsselhof joined from Australia and New Zealand Bank where he was General Manager Group Hubs based in Singapore. He was responsible for the offshore services for Banking Operations, Shared Services, Technology and Corporate Functions. Before that, in 2008, he joined The Royal Bank of Scotland ("RBS") as Head Group Operations Asia Pacific and managed the integration of ABN AMRO into RBS. Mr. Dijsselhof began his career at ABN AMRO in 1993. At ABN AMRO, he has managed Derivatives, Options Operations and was appointed Regional Head of Markets Operations EMEA in 2000. Subsequently he was promoted to Global Head of Market Operations in 2003 and became the Regional Head of Operations Asia Pacific in 2005. Mr Dijsselhof studied Computer Science and Business Administration and graduated from INSEAD's Advanced Management Program.

Lee Hodgkinson

Lee Hodgkinson is the Head of Markets and Global Sales of Euronext and CEO of Euronext London. Mr Hodgkinson joined Euronext, when it was part of NYSE Euronext, in 2009 as CEO of SmartPool, the European dark pool joint venture with J.P. Morgan, HSBC and BNP Paribas. As a member of the Executive Committee of NYSE Euronext he led the sales and client coverage division in Europe and Asia for the LIFFE and Euronext businesses. Prior to holding these positions, he was CEO of SIX Swiss Exchange's blue-chip international equity business, SWX Europe (formerly known as virt-x). A member of the Management Board of SIX Swiss Exchange since 2003, he held various executive leadership roles in Zurich including head of the client and products division and head of market operations. Prior to this he spent two years as Head of Market Development at the Cayman Islands Stock Exchange. Mr Hodgkinson began his career with the Markets Division of the London Stock Exchange, where he worked for nine years and is an alumnus of Harvard Business School.

Vincent Van Dessel

Vincent Van Dessel has been the CEO of Euronext Brussels since 2009. From 2003 to 2009, Mr Van Dessel was General Manager of Euronext Brussels. From 2000 to 2003, he was Chairman of the Market Authority of the Brussels Exchanges, responsible for members' admission, listing, company information and the supervision of the markets. Upon the merger of the Amsterdam, Paris and Brussels exchanges into Euronext in 2000, he became member of the Executive Committee of Euronext N.V. Group. He joined the Brussels Stock Exchange in 1992 as Director Markets and Listing and later became member of the Managing Board of the Brussels Exchanges. Mr Van Dessel started his career as a stockbroker in 1984. He has an MSc in Applied Economics from KU Leuven University and is also a guest lecturer at several universities, including the KU Leuven, UCL Mons and Paris Sorbonne.

Maurice van Tilburg

Maurice van Tilburg has been the CEO of Euronext Amsterdam since February 2015. He was appointed to the Managing Board in May 2015. Until this appointment, he was Head of Business Projects & Design of the European Equity and Equity Derivatives Markets at Euronext, where he was responsible for the process reform of business initiatives and project delivery of new products and services. Prior to that Mr Van Tilburg was in charge of issuer support and execution of corporate actions across all Euronext Cash Markets in Europe. Mr Van Tilburg started his career in the exchange sector in 1995 at the EOE Options Exchange in Amsterdam and then moved to Euroclear Netherlands where he was responsible for the operational delivery of all settlement and custody services for the Dutch market. He holds an engineering degree and a post graduate audit degree from the VU University Amsterdam.

Senior Management

Amaury Houdart

Amaury Houdart is the Chief Talent Officer of the Company. He leads the Human Resources function and strategic initiatives related to employee engagement, talent development, and organisational changes across Euronext. Mr Houdart joined Euronext in March 2016.

Prior to joining Euronext, Mr Houdart was Group Director of Human Resources and Employee Shareholding at Groupe Steria SCA, a leading European IT services company. In his earlier roles, he was Business Consulting Manager, Mergers & Acquisitions Director and then Human Resources Director at Unilog LogicaCMG, a leading international IT services company. Mr Houdart graduated from Paris Dauphine University in International Affairs.

Catherine Langlais

Catherine Langlais is the Executive Legal Director and General Counsel of the Company. Catherine Langlais joined Euronext Paris' subsidiary Matif S.A. (the French Derivatives exchange) in 1990. Prior to joining Euronext, she had been working since 1977 as an in-house lawyer at Credit National, a French bank (now Natixis). Ms Langlais was involved in the creation of the Euronext Group in 2000 and its subsequent listing in Paris in 2001. She was also involved in the merger of NYSE with Euronext in 2007, the acquisition of NYSE Euronext by ICE in 2013 and subsequent separation and IPO of Euronext in 2014.

Ms Langlais has been the executive director of Legal and Regulatory Affairs of the Euronext Group since 2004, and was a member of the Management Committee of NYSE Euronext. Her present responsibilities include participating in strategy, development policy, and the supervision of all legal matters for the Euronext Group. In addition, she coordinates and manages the regulatory and public affairs tasks of the Euronext markets (encompassing Amsterdam, Brussels, Lisbon, London and Paris): rulebook preparation, discussions with the Euronext College of Regulators and approval of all regulatory matters. She also coordinates Euronext Group's corporate social responsibility activities. She graduated from the Paris XI Sorbonne University in International Law and from the Paris IV-Sorbonne University in Anglo-American civilisation and literature. Ms Langlais has been a *Chevalier de la Légion d'Honneur* since 2009.

Giorgio Modica

Giorgio Modica joined Euronext as Chief Financial Officer in May 2016. His present responsibility include both Euronext's financial and corporate services. Mr Modica joined from BNP Paribas (Paris and Milan), where he was a senior Corporate Finance banker in Financial Institutions for nine years, holding the responsibility for the Stock Exchange sector globally and for the overall FIG markets in Italy and Spain. In over fifteen years of international investment banking experience, Mr Modica covered both M&A and ECM, as well as the structuring of financing solutions (equity and debt).

Since 2011, as advisor to NYSE Euronext and then Euronext, Mr Modica has supported the Euronext Group very closely throughout its key milestone transactions, including the attempted combination with Deutsche Börse, the carve-out of Euronext and its subsequent IPO. Mr Modica started his career at the venture capitalist firm MyQube in Geneva, and then moved to investment banking at HSBC in Milan and MCC/Capitalia in Rome. Mr Modica graduated cum-laude from Bocconi University and holds a Master in Finance from SDA Bocconi.

Diversity

Dutch law requires large Dutch companies to pursue a policy of having at least 30% of the seats on both the Managing Board and the Supervisory Board held by men and at least 30% of those seats held by women. This rule was intented to be temporary till 1 January 2016, but has been extended till 2019. Euronext qualifies as a large Dutch Company and currently does not meet these gender diversity targets with respect to the Managing Board, as less than 30% of its members are women. This is partly related to historical circumstances and partly to the sectors in which Euronext is active. The Managing Board is composed of all countries of Euronext representatives. Out of nine members (including extended members and Stéphane Boujnah), two are female.

The Senior Leadership team in 2016 was composed of 25% of females. The balance of country representation was the following: 57% France, 15% the Netherlands, 13% United Kingdom, 8% Portugal and 8% Belgium. The average age of this group is 44.5 years.

Euronext will continue to promote gender diversity within its Managing Board by striving to increase the proportion of female members by taking into account all relevant selection criteria including, but not limited to, gender balance, with regard to future appointments.

2.3 Report of the Supervisory Board

2.3.1 MEETING

The Supervisory Board met twelve times in 2016: there were six in-person meetings and six conference calls.

2.3.2 SUPERVISORY BOARD ATTENDANCE RECORD

On average, 86% of the Supervisory Board members were present at these meetings.

Each Supervisory Board meeting was also attended by all or by most members of the Managing Board. In addition, several managers were invited to discuss specific items included on the Supervisory Board's agenda.

2.3.3 SUPERVISORY BOARD ACTIVITIES

The Supervisory Board was informed and consulted by the Managing Board in all meetings on the course of business and the main risks attached to it, Euronext's financial and operational performance and matters related to the Euronext's governance and strategy. A meeting of the Supervisory Board that was held on 24 March 2016 was entirely dedicated to Euronext's strategy.

During the meetings held in 2016, the Supervisory Board approved the quarterly and semi-annual statements, the semi-annual report, the annual report for 2015, the budget for 2017, and the agendas of the General Meetings, including the nomination for appointments to the Supervisory Board and the Managing Board, the nomination of the external auditor, and a proposal regarding the dividend. All meetings of the Supervisory Board were prepared by the Chairman of the Managing Board in close co-operation with the Chairman of the Supervisory Board.

2.3.4 BOARD EVALUATION

The annual evaluation of the Supervisory Board and its Committees relating to 2016 took place in March 2017. This evaluation was conducted by an independent consultant through individual interviews with each Board member.

The outcome of the interviews was presented in a report, including recommendations, which were discussed by the Supervisory Board as a whole.

The report covered the following sections: "Composition and Profile of the Supervisory Board", "Meeting Process and Culture", "Key Areas for the Supervisory Board", "Committees", "Chairman of the Supervisory Board" and "Recommendations".

The discussion focused on some specific topics, namely: "strategic agenda for the Supervisory Board", "talent management and succession", "key risks', "required Board competencies", "effectiveness of Board interactions".

Recommendations regarding these topics were accepted and implementation will be periodically reviewed.

After discussing the outcomes of the interviews, the Supervisory Board concluded that the Supervisory Board and its Committees had properly discharged their responsibilities during 2016.

2.3.5 REPORT AUDIT COMMITTEE

The Audit Committee convened seven times in 2016. These meetings were regularly attended by, in addition to the members of the Audit Committee, the Chairman of the Supervisory Board, the CEO, the CFO, the Head of Risk and Compliance department, the General Counsel, the Head of Internal Audit and the external auditors.

In addition, the Audit Committee held regular individual discussions with – among others – the external auditors and the General Auditor. The Supervisory Board was regularly informed about the results of these discussions. The Chairman of the Audit Committee reported to the Supervisory Board about the activities of the Committee and about its meetings and discussions in the Supervisory Board meetings.

Among the items that were discussed by the Audit Committee were the annual, semi-annual and quarterly figures, risk management, the investor base, the share price development, the appointment of the external auditors, the Head of Internal Audit audit planning and reports, litigations, and the external auditors' reports.

2.3.6 REPORT REMUNERATION COMMITTEE

The Remuneration Committee held three meetings in 2016. The Committee focused on reviewing short term and long term incentives decisions after year end results, with a specific focus on Managing Board members. The Committee also reviewed proposed compensation for new hires, and the succession plan of the Senior Leadership team.

2.3.7 REPORT NOMINATION AND GOVERNANCE COMMITTEE

The Nomination and Governance Committee met five times in 2016. Topics that were discussed in the Committee's meetings included the evaluation and assessment of the Managing Board, the evaluation and assessment of the Supervisory Board, the composition of the Managing Board, the composition and rotation schedule of the Supervisory Board and succession planning.

2.3.8 FINANCIAL STATEMENTS

The Managing Board has prepared the 2016 Financial Statements and has discussed these with the Supervisory Board. The Financial Statements will be submitted for adoption at the 2017 Annual General Meeting as part of the Registration Document.

2.4 Remuneration report

2.4.1 REMUNERATION POLICY

Remuneration

The principles of Euronext's remuneration policy are to ensure adequate performance based rewards are paid to ensure alignment of management with its shareholders' short-term and long-term interests creating the ability for the Company to attract and retain high calibre staff at all levels.

Therefore Euronext's remuneration policy:

- creates a remuneration structure that will allow the Company to attract, reward and retain qualified executives; and
- provides and motivates executives with a balanced and competitive remuneration that is focused on sustainable results and is aligned with Euronext's long-term strategy.

In determining the level and structure of the remuneration of the members of the Managing Board, the Remuneration Committee takes into account, among other things, the financial and operational results as well as non-financial indicators relevant to Euronext's long-term objectives. The Remuneration Committee has performed and will perform scenario analyses to assess that the outcomes of variable remuneration components appropriately reflect performance and with due regard for the risks to which variable remuneration may expose the Company.

In determining the compensation of members of the Managing Board, the Supervisory Board has taken and will take into account the impact of the overall remuneration of the Managing Board on the pay differentials within the Company.

The remuneration of the members of the Managing Board consists of the following components:

- a fixed (base) salary component ("base salary");
- a short term incentive (STI) in the form of cash reward ("STI");
- a long term incentive (LTI) in the form of equity ("LTI"); and
- pension provisions (post-employment benefits) and fringe benefits.

Euronext believes that it is crucial to provide shareholders with transparent and comprehensible information about its remuneration philosophy. The first source of information for shareholders is the Remuneration Report. The information provided during the Company's analyst presentations, meetings with shareholders and during the Annual General Meeting of shareholders is the second most important source of information. It is also critical to explain to shareholders why a proper remuneration system has a positive impact on the Company and how it helps to align the interest of all stakeholders.

For instance, in some countries, listed companies already have to submit the remuneration of their executives (board of directors, Executive Committee and/or Advisory Board) to a binding shareholders say-on-pay vote at the Annual General Meeting. In other countries strong recommendations by national or international Corporate Governance bodies (such as the International Corporate Governance Network) exist. Euronext is committed to implement best practice for say-on-pay, considering existing applicable legislation, planned legislation such as the European Union shareholders rights Directive, and recommendations in the jurisdictions in which it is active as guiding principles. Other best practices will be followed such as benchmarking against comparable institutions, defining measurable performance targets and balancing short-term and long-term remuneration components notably through an adequate cash-to-stock ratio.

These principles are applied in the framework of the remuneration policy as adopted by the Annual General Meeting in May 2015.

The tables hereafter reflect the current remuneration of the Managing Board.

Executive Remuneration Summary

The remuneration of the Managing Board is composed of the following key elements:

ELEMENT	PURPOSE	COMMENTARY
Base salary	Reflect the responsibility and scope of the role taking into account seniority and experience	Base salary is reviewed annually against the relevant market.
STI	Reward annual financial and individual performance	Target 75% of base salary for the CEO and 50% or 40% of base salary for other Managing Board members.
		For the Managing Board, 100% of total STI is paid in cash.
		The performance criteria are based on delivery against pre-set EBITDA, market share and cost targets, on successful execution of the strategic plan and on individual qualitative targets.
		The full STI percentage is payable if 100% of the relevant targets are met. If the relevant targets are over performed by 20%, the payment of the STI will be increased by 50%. The level of outperformance reflects the absolute cap of the STI. If the relevant targets are underperformed by 20%, the payment of the STI will be decreased by 50%. Linear extrapolation between performance bands is applied.
LTI	Incentivise performance over the longer term and aim to retain key employees	On target performances of 100% of base salary for the CEO, and ranging from 50% to 75% for other Managing Board members depending on role and seniority. LTI awards vest after three years. The grant of LTI awards will be determined on the rules set by the Remuneration Committee and are linked to performance criteria.
		The grant of the LTI is conditional and depends on two performance measures to be met: Total Shareholders Return compared with 4 selected peers and actual EBITDA compared to budgeted EBITDA, both over a 3 years period. See for more details section 2.4.2. If the relevant measures are outperformed by 33.3%, the actual number to vest will increase with 100%, being the absolute cap of the LTI. If the relevant measures are underperformed with more than 20%, the actual number will lapse completely. Linear extrapolation between performance bands is applied.

2.4.2 REMUNERATION CHART

Short Term Incentive (STI) 2016

Performance conditions for the short term incentive are set by the Supervisory Board annually for the relevant year. They include criteria concerning Euronext's financial performance, quantitative criteria representing company performance and/or individual qualitative performance. In 2016 the performance criteria of the Group CEO short term incentive were based on:

- 40% on delivery pre-set EBITDA, market share and operational costs targets;
- 30% on financing the real economy, designing & implementing the strategic plan;
- 30% on strict Individual target.

The targets that are set for the individual Managing Board members are challenging but realistic. All short term incentive objectives are supportive of the long term strategy of Euronext and aligned with shareholder interests.

An overall underperformance of the set objectives will lead to a discount of the STI payment whereby a 20% negative deviation leads to a 50% reduction of STI. Over performance will lead to a multiplier whereby a 20% outperformance of the set objectives will lead to an increase of 50% of STI. This level of outperformance reflects the absolute cap of the STI. Linear extrapolation between performance bands is applied.

SHORT-TERM INCENTIVE (STI) COMPONENT AS A PERCENTAGE OF THE BASE SALARY FOR MANAGING BOARD MEMBERS

POSITION	ON TARGET ANNUAL STI AS % OF BASE SALARY	MAXIMUM STI AS % OF BASE SALARY
CEO	75.00%	112.50%
COO / Head of Global Markets & Sales	50.00%	75.00%
CEO France / Netherlands	50.00%	75.00%
CEO Belgium / Portugal	40.00%	60.00%

Long Term Incentive (LTI) as of 2016

The actual number of conditional LTI Performance Share Plan ('PSP') PSP awards that vest depends on the performance of the following two performance measures:

- total Shareholder Return ("TSR") (50% weighting): The TSR performance of Euronext will be measured over a three-year period against the TSR of a peer group of four exchanges which are the London Stock Exchange, Deutsche Börse, Bolsas y Mercados Españoles and the Warsaw Stock Exchange. After the three-year vesting period, the final performance of Euronext over this period compared to the performance of the peer group will determine the number of shares to be vested;

- average Earnings Before Interest, Tax, Depreciation and Amortisation and Exceptional Items (EBITDA) margin (50% weighting): the average of the difference between the Company's actual EBITDA Margin on 31 December of the year of the Grant Date and 31 December of the first and second financial year thereafter compared to the budgeted EBITDA Margin for the financial year of the Grant Date and first and second financial year thereafter;
- these percentages are independent and both weighted equally; they are being used as the discount or multiplier percentage on the conditionally granted LTI;
- the degree of Vesting of the Performance Shares, taking into account the relevant percentage difference at the Vesting Date calculated in accordance with the provisions set out above, is as follows:
  - a positive percentage difference of 33.3% or higher will lead to an increase of 100% of the number of Shares that were conditionally granted,
  - a positive percentage difference of 0% up to and including 33.3% will lead to an increase on a linear basis between 0% up to and including 100% of the number of Shares that were conditionally granted,
  - a negative percentage difference of more than 0% up to and including 20% will lead to a decrease on a linear basis between 0% up to and including 50% of the number of Shares that were conditionally granted, and
  - a negative percentage difference of more than 20% will lead to the lapse of 100% of the number of Shares that were conditionally granted.

A SUMMARY TABLE OF THE ABOVE IS AS FOLLOWS

EURONEXT PERFORMANCE CONDITION (FOR EACH PART OF THE PERFORMANCE CONDITIONS)	VESTING % OF THE NUMBER OF SHARES
+33.3% or higher	increase of 100%
At target to +33.3%	Increase on linear basis from original grant up to and including 100% increase
At target	Original granted number
At target to -20%	Decrease on linear basis from original grant to lapse of 50% of the shares
More than -20%	Lapse of 100% of the shares

The main features of the LTI arrangements are the following:

- equity awards will be made in the form of performance shares with a three year cliff vesting schedule;
- the provisional and conditional target grant of LTI will be a percentage of gross annual salary;
- at vesting date the actual grant will be determined taking into consideration the performance of Euronext against the criteria of TSR and EBITDA (as described above);
- participants are not entitled to dividends during the vesting period.

The number of LTI awards will be determined annually by the Supervisory Board depending on the contribution to the long term development of Euronext. In principle it is the intention to:

- issue a maximum of 5,250,000 Performance Shares;
- determine the conditions of the grant of the Performance Shares in accordance with the terms and conditions set forth in the decision of the Annual General Meeting; and
- award the Performance Shares to Eligible Employees during a fixed period of five (5) years from the date of said Annual General Meeting, in accordance with Dutch law, the Plan rules and the Remuneration Policy 2015 as adopted by the Annual General Meeting.

LONG-TERM INCENTIVE (LTI) COMPONENT AS A PERCENTAGE OF THE BASE SALARY FOR MANAGING BOARD MEMBERS

POSITION	ON TARGET ANNUAL CONDITIONAL LTI AS % OF BASE SALARY	MAXIMUM LTI AS % OF BASE SALARY AT VESTING, ALL PERFORMANCE CONDITIONS OVERACHIEVED BY 33.3%
CEO	100.00%	200.00%
COO / Head of Global Markets & Sales	75.00%	150.00%
CEO France / CEO Netherlands	75.00%	150.00%
CEO Belgium / CEO Portugal	50.00%	100.00%

2.4.3 REMUNERATION OF MANAGING BOARD MEMBERS

Managing Board and Senior Management Remuneration for 2016

Euronext's Supervisory Board establishes the individual remuneration of the members of the Managing Board within the framework of its remuneration policy as adopted by the Annual General Meeting upon a recommendation by the Remuneration Committee.

For the actual remuneration expensed for the year 2016, reference is made to Note 47 of the Financial Statements included in this Registration Document. The total remuneration for the members of the Managing Board, for the year 2016 amounts to €5.417.633 This total remuneration amount consists of (i) an aggregate base salary, (ii) the aggregate short-term incentive compensation based on the achievements against objective measureable criteria and (iii) the aggregate LTI compensation recognised in accordance with IFRS 2 and (iv) an amount to be contributed to post-employment benefits. For the members of the Managing Board in active service on 31 December 2016 these amounts are as described herewith:

NAME	CURRENCY	BASE SALARY (ANNUALISED PER 31/12/2016)	STI OVER 2016	LTI COMPENSATION BASED ON IFRS 2 (d)	POST-EMPLOYMENT BENEFITS
Stéphane Boujnah	EUR	725,000	797,500	65,924	
Anthony Attia	EUR	300,000	210,000	160,886	
Jos Dijsselhof	EUR	400,274	160,139	219,851	18,965
Lee Hodgkinson[(a)]	EUR	390,659	273,461	209,540	16,717
Maria Joao Borges Carioca Rodrigues[(b)]	EUR	230,000	30,000	10,456	17,250
Maurice van Tilburg[(c)]	EUR	270,000	162,000	86,394	16,093
Vincent Van Dessel	EUR	264,764	105,905	77,374	33,507

(a) Lee Hodgkinson is based in the United Kingdom and is paid in GBP; All amounts for his remuneration are stated in EUR. The corresponding GBP numbers are as follows: Base salary 320,000, Actual paid STI over 2016: 224,000, LTI compensation based on IFRS 171,640 and post-employment benefit 13,693.

(b) On 28 January 2016 it was announced that Luis Laginha de Sousa had resigned and would step down from his role in the Managing Board. His resignation became effective on 22 February 2016. No remuneration was paid in 2016. At the Annual General Meeting held on 12 May 2016, Maria João Borges Carioca Rodrigues has been formally appointed as CEO of Portugal. In December 2016, she announced she had to resign being asked by the Government of Portugal to join the Management Board of Caixa Geral de Depósitos. Euronext adopted all necessary measures to ensure a smooth and orderly transition. Her actual earned salary in 2016 was €135,038; LTI compensation and Post-employment benefits reflect the pro rata amounts for 2016.

(c) Maurice van Tilburg actual earned salary in 2016 was €261,667 (salary increase effective as of 01/03/2016 further promotion as Country CEO).

(d) IFRS standard 2 on "Shared-vased payments" prescribes recognition of expense for share based grants on the fair value as per grant date. This "grant date fair value" is expensed over the 3-year vesting period.

The base salary is linked to the overall job responsibilities of the individual Managing Board member and reflects internal consistency.

The STI consists of an annual performance compensation component as a percentage of base salary. The variable component levels are set by the Supervisory Board and may vary per member of the Managing Board. They are set annually for the relevant year and shall include criteria concerning Euronext's financial performance, quantitative criteria representing company performance and/or individual qualitative performance.

2.4.4 REMUNERATION OF SUPERVISORY BOARD MEMBERS

Reference is made to Note 47 of the Financial Statements included in this Registration Document where an overview of remuneration paid to Euronext's Supervisory Board members is provided.

The General Meeting held on 19 May 2014 has set the annual remuneration for the members of the Supervisory Board in accordance with the schedule below.

Chairman of the Supervisory Board	€70,000
Vice-Chairman of the Supervisory Board	€60,000
Member of the Supervisory Board	€55,000
Chairman of the Audit Committee (in addition)	€10,000
Member of the Audit Committee (in addition)	€6,000
Chairman of the Nominating and Governance Committee (in addition)	€8,000
Member of the Nominating and Governance Committee (in addition)	€6,000
Chairman of the Remuneration Committee (in addition)	€10,000
Member of the Remuneration Committee (in addition)	€6,000

The gross amounts that were paid to members of the Supervisory Board in 2016 are as follows:

Rijnhard van Tets	€93,000
Arnoud de Pret	€27,721
Dick Sluimers	€51,661
Dominique Aubernon	€0
Koenraad Dom	€61.000
Ramon Fernandez	€58,820
Manuel Ferreira da Silva	€67,000
Jim Gollan	€100,163
Kerstin Günther	€35,014
Jan-Michiel Hessels	€26,471
Lieve Mostrey	€0
TOTAL	**€520.850**

Three members of the Supervisory Board, Rijnhard van Tets, Jan-Michiel Hessels and Dick Sluimers also receive remuneration in relation to their positions in the Supervisory Board of Euronext Amsterdam, one of Euronext's subsidiaries. One member of the Supervisory Board, Jim Gollan, also receives remuneration in relation to his position as Chairman of the board of Euronext London Limited, one of Euronext's subsidiaries.

These remunerations are included in the figures as illustrated above.

Arnoud de Pret and Jan-Michiel Hessels retired from the Supervisory Board as per 12 May 2016 and were replaced by Kerstin Günther and Dick Sluimers.

Euronext does not issue option or share plans or other incentive plans to the Supervisory Board. Euronext has not granted any loans to members of the Supervisory Board.

Costs and expenses related to Supervisory Board membership may be reimbursed.

There are no service contracts which provide for benefits upon termination of employment with members of the Supervisory Board.

2.4.5 LOCK-UP OF ORDINARY SHARES

There is currently no lock-up of ordinary shares.

2.4.6 EMPLOYEE PROFIT SHARING AND INCENTIVE PLANS

At the time of the IPO in 2014, the Company offered Ordinary Shares to all eligible employees, which Ordinary Shares are held through the French *Fonds Commun de Placement d'Entreprise* "Euronext Group" ("FCPE"). The number of units held by the members of the Managing Board per 31 December 2016 in the FCPE are included in the table below.

NAME	NUMBER OF FCPE UNITS
Anthony Attia	1,309
TOTAL	**1,309**

2.5 Corporate social responsibility

Euronext considers corporate social responsibility ("CSR") as an ongoing commitment towards all of its stakeholders and was mindful of corporate responsibility all along the year 2016.

The core values that Euronext focused on in 2016 were unity, integrity, agility, energy and accountability. These are notably reflected in the Company's governance.

The CSR Committee pursued the tasks it had started in 2015: raising awareness, and making sure of the coordination in the different countries of financial literacy events.

The Company's corporate responsibility encompasses the following four areas: Stakeholders, Employees, Communities, and Sustainability Awareness.

The corporate responsibility mission statement of Euronext covers the following:

- deliver a high integrity ecosystem, for all its global stakeholders and its community, thereby contributing to enhancing the security and transparency of Euronext's markets;
- favour the wellness of its employees through responsible Human Resources policies;
- engage in contributing to developing the environmental sustainability of the ecosystem.

2.5.1 STAKEHOLDERS

Governance

The Company is respecting the Corporate Governance Guidelines, Recommendations and Codes set in place in its different locations, and notably: the Dutch Corporate Governance Code by priority, as it is registered and listed in the Netherlands (see section 2.1), but also the French Afep – Medef Recommendations, and the Belgian Code of Governance 2009.

The governance of Euronext reflects the highest standards of independence, oversight, and transparency. The Company applies strict principles and guidelines to its own governance practice and to the companies that list on its markets.

Euronext's two-tier governance is composed of a Supervisory Board and a Managing Board. The Supervisory Board's main task is the supervision of the Company's management. The functions of Chief Executive Officer ("CEO") (chairing the Managing Board) and Chairman (chairing the Supervisory Board) are separated.

By the end of 2016, the Supervisory Board included nine directors including three female directors. Six directors are independent, which corresponds to a ratio of 67% independent directors. Newly appointed directors meet with key managers from within the Company and receive appropriate training.

Three independent committees report to the Supervisory Board: the Audit Committee, the Nomination and Governance Committee and the Remuneration Committee. Each committee is chaired by one of the Supervisory Board members and includes several Supervisory Board members.

The General Meeting held on 19 May 2014 has set the annual remuneration for the members of the Supervisory Board in accordance to their role(s), see section 2.4.4 *"Remuneration of the Supervisory Board members"*.

In 2016, the Supervisory Board and its three related committees held twenty-seven sessions through in person meetings or conference calls.

By the end of 2016 the Managing Board included seven directors and three Executive Managers who attended all its meetings (Chief Financial Officer, General Counsel and Chief Talent Officer)

In 2016, the Company has reviewed its internal governance, reaffirmy the role of the Euronext Managing Board, creating an investment committee, reinforcing monthly risk review and creating an enlarged Senior Leadership team with fifty three Senior Managers.

The Senior Leadership team, a new Executive group created in 2016, was composed of 25% of females. The balance of country representation was the following: 57% France, 15% Netherlands, 13% United Kingdom, 7,5% Portugal and 7,5% Belgium. The average age of this group is 44.5 years old.

Executive compensation respects the Company's remuneration policy, ensuring adequate performance based rewards. For further details see section 2.4.1 *"Remuneration Policy"*.

Detailed information about Euronext's Governance can be found on the Corporate Governance page on Euronext's website as well as in sections *"Corporate Governance"* and *"Management control structure"* of this Registration Document.

The enterprise risk management framework also illustrates Euronext's commitment to CSR (see section 2.2. *"Management & Control structure"*).

Euronext governance includes dedicated internal auditing and internal control teams. Additionally, in 2016, Euronext hired external firms to audit specific items, provide guidance and control.

Shareholders

Euronext has an ongoing dialogue with financial analysts, shareholders and investors. The Company focuses on communicating clearly and providing transparent explanations. Euronext has decided to publish full Financial Results on a quarterly basis. These results are commented in either physical meetings or conference calls for analysts and investors and are accessible via webcast from the Company's website. In addition, Euronext participated in eleven conferences in 2016, conducted roadshows in nine countries (England, Scotland, France, Germany, Switzerland, the Netherlands, Belgium, United States and Canada) and met with around 250 investors. Euronext is willing to continue to engage with its shareholders on a regular basis so as to enhance the knowledge of the Company and the understanding of its strategy.

Detailed information about Euronext's share capital can be found in the *"Share Capital"* section of this Registration Document.

Euronext's issued share capital amounts to €112 million and is divided into 70 million Ordinary Shares. All of Euronext's shares have been created under Dutch law. Euronext is subject to the provisions of the Dutch Financial Supervision Act and the Articles of Association with regard to the issue of shares following admission. The shares are in registered form and are only available in the form of an entry in Euronext's shareholders' register and not in certificated form. Under its Articles of Association Euronext may issue shares, or grant rights to subscribe for shares, only pursuant to a resolution of the General Meeting upon proposal of the Supervisory Board or upon proposal of the Managing Board, which proposal has been approved by the Supervisory Board.

On 12 May 2016, the General Meeting designated the Managing Board as a competent body, subject to the approval of the Supervisory Board, to issue ordinary shares and grant rights to subscribe ordinary shares for general purposes including but not limited to the financing (in cash or in kind by way of ordinary shares) of mergers and acquisitions, as well as facilitating grants under the Company remuneration and long term incentive plans.

The remuneration policy that was approved during the General Meeting held on 6 May 2015 governs the remuneration of the members of the Managing Board, which consist of the following components:

- a fixed (base) salary component ("gross annual salary");
- a short term incentive (STI) in the form of cash reward;
- a long term incentive (LTI) in the form of equity; and
- pension provisions and fringe benefits.

Detailed information about Euronext's shareholders can be found in the *"Share Classes and major shareholders"* section of this Registration Document.

Prior to the IPO, on 27 May 2014, a group of institutional investors (collectively, the *"Reference Shareholders"*, and each a *"Reference Shareholder"*) purchased an aggregate percentage of the issued and outstanding Ordinary Shares from ICE, the selling shareholder at the IPO. The Reference Shareholders have entered into a reference shareholders' agreement (the *"Reference Shareholders Agreement"*) governing the relationship among the Reference Shareholders.

There is only one class of Euronext shares issued and each of these shares has only one vote. Shares held by the Company or its subsidiaries do not have voting rights.

Clients

Euronext continues to reinforce its business integrity by striving to improve the services it provides, making responsible business decisions, and actively managing the social and environmental impacts of its actions to help individuals, communities, businesses and economies progress and grow.

Euronext is a leading service provider of services for issuers, investors, intermediaries and technology data vendors. The Product and Sales teams, the Issuer- Client Coverage Group, the Market Supervision team and the Technology department provide competent care in the relationship management across all of the Group's customers.

At EnterNext, over 1,000 individual meetings were held with a broad spectrum of listed and non-listed companies to promote financial markets and accompany entrepreneurs in their development projects. To fulfil its mission, EnterNext capitalises on the local representations that have been set up in major French cities as well as in Lisbon, Brussels and Amsterdam. Pedagogy, education and proximity are core values which underpin EnterNext's strategic deployment. In keeping with this logic, EnterNext seeks to make its issuers aware of social responsibility issues. As an example, over the last three years, newly listed issuers donated around €140,000 to charities.

Euronext has also been actively involved with several charitable associations, specifically UpRising, focused on youth leadership and development, as well as grass-roots organisations in local communities working with disadvantaged women in need of career development and professional mentoring through its partnership with Charis Coaching.

In 2016, local representatives took part in "Entreprendre Pour Apprendre" (EPA) initiative. Transparency and knowledge sharing are also at the very heart of EnterNext values. Before launching new projects, the team consults with local ecosystems. As an illustration, EnterNext is currently consulting on family businesses.

On an annualised basis Euronext's client coverage centre held over 750 transactions client meetings in 2016 and the client coverage centre exchanged over 8,500 e-mails and 12,000 calls with clients, covering a vast array of topics, either bilaterally or on a Group level, during which it consulted closely with trading customers to create products and services that meet their needs and requirements. Euronext has been particularly active with regard to new cash equity fee grids and the derivatives and commodities product launches, in many cases receiving clients' public endorsement for the Company's development plans.

A customer satisfaction survey was conducted in 2016 whereby clients provided anonymous feedback on a wide range of topics covering each aspect of the business. Several hundred contacts participated in the survey, providing valuable insight into client perception of Euronext's strategic initiatives, client relationship management, and product offering.

Suppliers

Euronext's goal is to drive excellence throughout its organisation and to support and positively influence its supply chain.

Euronext works with suppliers who share its own values. In 2015, it focused on the preparation and assessment of a chart for suppliers, to complete its existing internal procedure. In 2016, this chart (referred to as Euronext Supplier code of conduct), including provisions regarding human rights, diversity and inclusion, and environmental protection, was provided together with requests for proposal to each envisaged supplier.

2.5.2 EMPLOYEES

As part of the new Agility for Growth strategic plan released in May 2016, client centricity, entrepreneurship, innovation, talent development and the open federal model of the Company were identified as key drivers for the Euronext teams to deliver this plan.

Euronext's Human resources policy is continuing to evolve, in accordance with the Agility for Growth strategic plan, while at the same time recognizing that candidates and employees expectations are changing and responding to this.

This evolution is supported by the Euronext values of integrity, accountability, agility, energy and unity. These values guide the actions, style and expertise of all Euronext's activities and are shared and celebrated with employees, customers and partners to ensure success.

In this context the Company launched a transformation program called "One European Team" in order to improve the Euronext Human Resources practices, processes and tools over a period of three years.

This new People roadmap is composed of four main pillars: i) Engagement, ii) Performance, iii) Talent and iv) HR transformation.

Actions are formulated at group and local level, ensuring cross fertilisation of best initiatives. The Managing Board, local management teams and HR teams monitor progress on a monthly basis.

i. Engagement

Euronext promotes an environment that encourages collaborative work and innovation allowing each employee to shape his/her future and the future of the Company. The Company aims to develop employee engagement and client centricity mind-set.

In 2016 the Company has reviewed its internal governance, reaffirming the role of the Euronext Managing Board, creating an Investment Committee, reinforcing monthly risk reviews and creating an enlarged Senior Leadership team with fifty three Senior Managers.

This Senior Leadership team is responsible for implementing the Agility for Growth strategy and sharing progress, challenges and performance with other members of the senior team. The Company has also reinforced in 2016 town halls (all staff meetings) and team meetings in each country and function in order to foster a culture of transparency in communication.

Together with the external Client Survey, an internal People Survey has been launched in 2016 in order to identify the internal perceptions of client satisfaction. More than 100 employees are involved in the Client Centricity program using the results of the survey to build internal momentum and increased engagement towards the clients.

ii. Performance

This aspect aims at strengthening Euronext's performance culture by equipping Euronext's managers with the tools to develop and motivate their teams and to recognise the contributions of each employee and each team.

In order to contribute to this objective, a new talent and performance management approach was developed in 2016. 50 employees and managers were involved in the design of improvements to the existing approach. Thanks to this initiative the existing process was enhanced and simplified. The objective of the new approach is to give more room for talent development, focusing the annual and mid-year discussions towards the future rather than on the past. Continuous feedback is promoted throughout the year rather than only at formalised appraisal points. All managers and employees were invited to open discussions around the new approach during "lunch & learn" sessions. Further improvements will be designed in the course of 2017.

By the end of 2016, 501 (85% of) employees completed their self-appraisal and could identify key development needs with their manager. The annual review process was finalised in January 2017 in an annual meeting and new objectives were set for 2017 in line with Agility for Growth priorities.

Euronext also aims to ensure competitive and fair compensation, fostering new initiatives, growth and sustainable performance.

The Company provides a competitive base salary in line with market standards and short term incentive to reward performance.

The Company also uses a long term incentive (LTI) plan, in the form of performance shares reward. The LTI plan for 2016 is a discretionary performance share plan that benefited 125 employees in 2016.

The plan helps to align the interests of Euronext executives and other eligible employees with those of the Company and long term (or prospective) shareholders. It also provides an incentive for longer term commitment and retention of key employees. LTI vesting is conditional to presence and performance conditions.

Our remuneration policy also includes local benefits plans.

iii. Talent

The goal of this facet is to develop the right skills for the future of the Company while offering all employees development opportunities during their career at Euronext.

In 2016 the Euronext teams initiated the design of a Career framework in order to provide a clear map of the professional roles available within Euronext. The aim of the career framework is to provide a simple and efficient tool to support talent acquisition, performance management, talent development and mobility. The framework was designed involving all Euronext countries and functions in collaboration and will be deployed in 2017.

A new talent review approach was also launched in 2016 in order to identify employees showing potential as future leaders of the Company, thus ensuring the sustainability of Euronext's organisational structure. Talent reviews are held in a consultative manner by senior managers within one department; this consultation focuses on mutual exchange of feedback on employee performance and potential. Talent Reviews also help identify employees' development needs. Talent Reviews are held in each function and output is discussed by the Managing Board. They are also used to identify potential successors in the organisation's key roles and formalise a succession plan.

Euronext also strives to hire the best talents in the right role, at the right place and in the right moment in order to achieve its ambitions. Euronext's Talent Acquisition strategy encourages managers to promote diversity when recruiting external talents and KPIs were implemented in 2016 in order to track progress in particular in the recruitment of female employees.

Euronext runs internal educational and information programs with in particular frequent "lunch & learn" sessions in order to develop expertise in each of the key functions in line with the Agility for Growth strategy. Thirty four Lunch & Learn sessions were held in the Group in 2016. All employees were invited to these "lunch & learn" sessions. A dedicated budget is also set and spent for external vendor training purposes across Euronext locations. 51% of Euronext employees benefited from external training and development in 2016.

Employee training was focused on the following key areas: specific industry skills, communication, personal and professional development, including management skills, languages, security and information technology.

Specific training is also available for employee representatives upon needs.

iv. HR Transformation

During 2016, several projects were launched in order to reinforce Euronext's HR organisation, tools and processes.

In June 2016 the HR team was reorganised around countries, functions (Market & Global Sales, Listings, Information Technology, Operations, Central Functions) and specialist skills. The objective of the reorganisation was to continue to support the federal model of Euronext whilst also reinforcing the implementation of the Euronext strategy.

An HR Transformation program was initiated in 2016 in order to formalise Euronext's main HR principles and processes for each HR domain and to ensure accountability and adherence. An external audit was carried out with an external partner early 2016 in order to identify gaps versus best practices. This program will continue in 2017 in order to reinforce the Company people practices with relevant processes and tools.

Euronext Staff as of 31 December 2016

The total number of permanent employees as of 31 December 2016 was 589. This headcount represents 573.7 full-time equivalents (FTE) at the end of December 2016. The net evolution of headcount between 31 December 2015 (652 employees in headcount) and 31 December 2016 is minus sixty three (or -10%).

In addition, forty non-permanent employees, whether trainees, apprentices or internships, worked for Euronext in 2016.

Several organisational changes were implemented in 2016 in order to adapt to the strategic objectives with restructuring plans where necessary. The plans included specific measures such as financial, training and outplacement schemes in order to support impacted employees in line with best practices and with the Company corporate social responsibility commitment. All re-organisations were implemented involving the relevant works councils and external bodies where appropriate.

In particular the Voluntary departure plan initiated in 2015 in France was implemented in 2016. The plan resulted in a net decrease in headcount of sixty one employees in France.

The other restructuring was the transformation and transfer of the IT activities from Belfast to Porto which resulted at the end of 2016 in minus forty eight employees in Belfast and a growth in headcount of 42 in Porto. The transfer of IT activities from Belfast to Porto was finalised in March 2017.

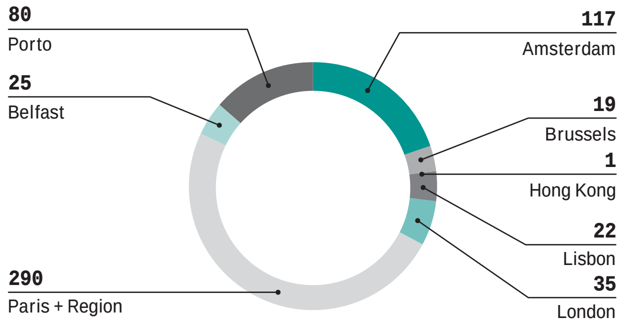
Overall in 2016, Euronext hired ninety four permanent and non-permanent employees, across the various locations.

Euronext's average employee is 44 years old, with 12% under 30 years old, 28% in the 31-40 age bracket, 36% in the 41-50 age bracket and 24% above 51 years old.

Euronext has employees in France (49% of Euronext employee total headcount), in the Netherlands (20%), in Portugal (17%), in the United Kingdom (10%), in Belgium (3%) and in Hong Kong (less than 1%).

The number of employees located in each of the countries where Euronext operates is shown in the graph below:

HEADCOUNT 2016



No Euronext employees are working in countries that do not respect fundamental work rights.

Ethics

Euronext's commitment to high ethical and legal standards of conduct remains a top priority, and the Group aims to be a model for the industry by supporting the highest ethical standards in its dealings with its colleagues, employees, business partners, customers and in its communities.

Euronext is committed to ensure a proper balance between the needs of its employees with those of the Company ensuring each and every employee can excel and develop in a safe, discrimination and harassment free environment.

Euronext has adopted a Code of Business Conduct and Ethics that reaffirms Euronext's commitment to high standards of ethical conduct and reinforces its business ethics, policies and procedures.

The Code of Business Conduct and Ethics explains the Company's core values and basic ethical obligations in conducting business. In particular, it addresses the following themes:

- conflicts of interest;
- inside information and personal trading;
- confidential information and privacy;
- anti-money laundering, sanctions and anti-bribery.

Euronext has implemented an anti-bribery policy, a gift, meals and business entertainment policy and a conflict of interest policy to prevent corruption. Euronext has also implemented an anti-money laundering and sanctions policy to prevent the use of the Company for financial crime, money laundering and terrorist financing. These policies apply to Euronext and its majority owned subsidiaries and to all Euronext employees including consultants (among which interns and temporary staff) and agents.

For more information on the Code of Business Conduct and Ethics see section 2.2.1.3 *"Corporate Compliance – Code of Business Conduct and Ethics"*.

Additionally, the Company is committed to providing all employees and others who are on Company property with a safe and healthy work environment. Accordingly, all employees will comply with all health and safety laws and regulations as well as Company policies governing health and safety. All employees are responsible for immediately reporting accidents, injuries and unsafe equipment, practices or conditions to a manager or other designated person.

All employees signed the Code of Business Conduct and Ethics and are committed to comply with it.

Diversity

Euronext is a great supporter of professional and personal development and strongly promotes diversity in the workplace and focuses attention on anti-discriminatory behaviours. The Company's core values, for example "unity", reflect the importance of working together with people of diverse background, culture, age, gender, race and religion.

In 2016, Euronext continued to inspire employees and promote diversity. A set of examples relates to women leadership and gender balance: Euronext was once again involved in promoting and participating in "International Women's Day", sponsored social enterprise focused on gender-balance coaching, and promoted an "Aspire" webinar to all employees across all Euronext locations. Leadership in this context relates to understanding personal leadership qualities and applies to all levels in the organisation and not just managerial roles. Although the initiatives were primarily aimed at female members of staff, all staff is encouraged to attend, to further inspire diversity.

Eleven registered disabled employees were employed by Euronext in 2016.

As the operator of several regulated markets and MTFs spread over Europe, Euronext has offices in Belgium, France, Hong-Kong, Portugal, the Netherlands and the United Kingdom.

Euronext's employees represent twenty different nationalities, reflecting the diversity of its customer base.

The composition of the Supervisory Board and Managing Board also represent the blend of Euronext's cultures. At management level in particular, the Managing Board is composed in 2016, of Executives from five nationalities, and among the extended Board there are eight male and two female executive directors representing six nationalities.

Social Dialogue

Euronext is committed to social dialogue, support union representative rights and facilitate worker representative bodies.

In accordance with national laws, local works councils are set in France, in the Netherlands and in Portugal (Porto). The works councils represent Euronext employees, are informed and/or consulted on economic, financial, social and organisation matters and complement collective or national labour negotiations.

Euronext has established a European Works Council (EWC) which is a body for information, consultation and discussion about economic, financial and social matters which, owing to their strategic significance or cross-border European nature, are important for all establishments of Euronext or for at least two of the establishments of Euronext within the European Union. Two sessions were held in 2016.

The Company continues to have a constructive dialogue with all its workers' representative bodies.

2.5.3 COMMUNITY

The CSR strategy of Euronext mainly focuses on Financial Literacy and Sustainability. However, the Company also devotes attention to explaining the role of an exchange, and how it contributes to the growth of the economy and the well-being of people.

Volunteering

Euronext's employees give time to volunteering initiatives.

In 2016 several initiatives were pursued locally, such as:

- in Amsterdam: 433 groups took part in pedagogic tours of the Exchange in 2016. Next to this, some educational seminars for private investors were organised. Staff joined a charity cycle tour with six colleagues for which they raised €2,500 from family and friends. They also funded from the local CSR budget the National Children Help Fund. Furthermore, Amsterdam staff volunteered in an elderly home with Christmas decorations;
- in Brussels: courses were given in HEC (Ecole de Gestion de l'Université de Liège) together with the organisation VLAJO, aiming to create a positive image of entrepreneurship; lectures on Exchange Financial matters were regularly given at universities by the CEO;
- in Lisbon and Porto: participation to Junior Achievement, in the project "Leaders-for-a-Day", which invites young graduates of entrepreneurship programs to learn from a leader by following them during a normal business day; participation of Interbolsa staff into the program Financial Literacy, schoolyear 2015-2016, to assist 9th graders (age 13-15) to understand the basics of financial economics; organisation of a Colloquium at Interbolsa with some personalities from the Social Economy Sector and Social Stock Exchange, to discuss sustainability; partnership with "Grace", an organisation that creates company volunteering initiatives, through which three Lisbon employees participated in mobility and inclusion initiatives; organisation in Lisbon of ten visits from Universities and high school students, attended by 610 students and forty one teachers;
- in London: participation of staff to a running race for the Association London's Air Ambulance, to raise funds for this charity;
- in Paris: long-term volunteering with "Entreprendre pour Apprendre-EPA" (Junior Achievement mini-company programmes): eighteen volunteers participated to one day jury for the National mini-company championship; Two presentations were made by Paris staff to groups of students and teachers for universities or business schools (ESSCA Boulogne and Master Droit Financier de la Sorbonne) and two presentations for students (through Crée Ton Avenir association in November), dedicated to pedagogic explanations on the role of an exchange.

Giving Visibility

Euronext has a program of opening or closing the markets with a bell event ("Gong" in Amsterdam). Some of these events gave visibility to international causes or charities – in particular to the following:

- in Amsterdam: CSR organisations were provided a platform for their activities through the Gong ceremony, among which International Women's Day and Global Money Week. Charities linked to Euronext clients were offered (media) visibility by organising joint gong ceremonies;
- in Brussels: International Women's Day; Global Money Week; National Compliment Day;
- in Lisbon: International Women's Day; World Wish Day; Autism Awareness Day; European Money Week; Partnership of the awards given by CDP (Carbon Disclosure Project), including full day conference on several climate change topics;
- in Paris: International Women's Day (bell ceremony); Sustainable Stock Exchange Initiative, together with United Nations Conference on Trade and Development and United Nations Environment Program; partnership of the awards given by CDP (Carbon Disclosure Project); new ESG award created during the «Grand Prix» celebration of Euronext annual conference;
- in London, for the celebration of International Women's Day, an event at London City Guildhall with female staff from the London office raised money for the charity Refuge.

Sponsoring and Donations

- The Company encourages its staff to volunteer in the financial literacy field, but has also granted a few sponsorship or donations: sponsorship to "Entreprendre pour Apprendre – EPA" in France (junior achievement projects), and to "La Chaîne de l'Espoir" (French NGO assisting and financing disadvantaged countries in developing education), to "Cordaid" in the Netherlands (development aid organisation in areas where urgent help is needed), and "Business Council for Sustainable Development" in Portugal;
- in Brussels, donation to non-profit organisation TADA http://toekomstatelierdelavenir.be/fr/); Euronext Brussels has a contract with VFB (Flemish Federation of Investments clubs), and in that context has sponsored free tickets for the students of Financial Flemish High Schools to attend the event organised by VFB;
- in Paris, sponsorship to "Entreprendre pour Apprendre – EPA", "La Chaîne de l'Espoir" (French NGO assisting and financing disadvantaged countries in developing education), Banyan association for the sponsoring to *Journée Internationale des Jeunes Crée Ton Avenir*, the latter two associations participated to presentations held with staff involvement for students in the Paris office;
- in Lisbon: Euronext sponsored GRACE, a think tank dedicated to corporate citizenship that also offered volunteering opportunities to several employees, BCSD – Business Council for Sustainable Development, and EPIS – an institution dedicated to educate children in difficult environments.

2.5.4 ENVIRONMENT

Advisory and Research firm Corporate Knights Capital published its annual report in July 2016 on the ranking of the world´s stock exchanges in terms of disclosure of the performance of sustainability indicators. Euronext Amsterdam is ranked number one, and Euronext Paris is ranked number two. This analysis explored the extent to which the world's publicly traded companies are disclosing the seven basic metrics: employee turnover, energy, greenhouse gas emissions, injury rate, payroll, water consumption and waste.

Environmental Impact

Euronext is committed to taking environmental impacts into account when conducting its business.

Euronext has become an organisation that is proactively improving its environmental credentials, particularly the management of its greenhouse gas emissions (GHG). The Group's primary GHG arise from energy, waste and water in its offices and data centres, from staff travel, and indirectly from its supply chain.

In most of its buildings across the five locations, the Group rolls out water-saving initiatives such as motion sensors on taps and water saving toilet flushes. Motion detector lighting saves the necessary energy in meeting rooms, storages and sanitary rooms. In 2016, all regular lamps are being replaced by LED and other energy saving lamps. The use of organic products for the cleaning and maintenance of the building is being developed. Euronext aims to send as little waste as possible to the incinerators. The Company separates waste at the source and works with secondary parties who specialise in sorting and recycling waste. In addition, Euronext uses free air (natural air) for its air-conditioning systems when the outside temperature drops below 12°C. Thanks to the Group's building management system, technical installations are automatically switched off during the night and at week-ends. High efficiency boilers provide buildings with the necessary heating during the winter season, and where possible thermal insulation is placed in the form of wall and roof insulation and double-glazed windows.

Euronext decided it would relocate its Paris office to new premises in the La Défense business centre in 2015 for a nine year lease. The new office Praetorium benefits from the following certifications: HEQ (High environmental quality), BREEAM (sustainable building design and construction) and VHEP (very high energetic performance). More specifically, Praetorium benefits from presence detectors to monitor external blinds, lighting and air conditioning, depending on the climate; it has triple glazed windows to optimise insulation and enable maximum natural heating, and possesses sensors to analyse air quality to ensure employees have access to a clean environment. Finally, the bee hives on the roof (with 85kg of honey produced in 2016) and the newly created aromatic herbs' square contribute to a more sustainable environment.

TOTAL CONSUMPTION OF ELECTRICITY, GAS AND OIL FOR THE YEAR IN AMSTERDAM AND PARIS LOCATIONS

CONSUMPTION UTILITIES 2016

	AMSTERDAM	PARIS
Gas	112,100 m^3	
Water	4,659 m^3	3,155.9 m^3 (for 2 months only)
Frozen water	Not Applicable	225,641 m^3
Cold water production	Not Applicable	740 MWh
Electricity	3,442,860 Kwh	2,445,093 Kwh
Oil (diesel)	4,000 L	150 L

Plans are in place to improve waste and/or hazardous waste management in Euronext's major offices, Amsterdam and Paris.

In the Amsterdam building, all public areas and traffic areas are equipped with recycle bins. In order to reduce paper waste, all copiers have been converted to print on both sides of the paper by default. In 2016, Euronext Amsterdam will implement a cradle to cradle concept that collects office paper and recycles it into new office paper, toilet paper and tissues. The slightly higher values for gas are likely to be the result of the long and cool spring period held in 2016. Compared to 2015, the heating systems had to be operational for a longer period of time. In addition to the ongoing measures, the technical staff has started to monitor the building management system on a regular basis in order to keep the energy consumption within the specified levels.

The Amsterdam building is also occupied by 28 tenants whereby the utility costs are shared between the parties in the building.

Euronext Paris also brought full attention to reducing the quantity of waste when moving to the building at La Défense: under a voluntary system, the staff members are asked to take care of making a selective quality sorting, by reducing their own quantity of waste. Individual paper baskets were removed, and 127 waste sorting bins were displayed in the whole building (one point selective sorting for approximately fifteen occupants).

Green IT

Euronext is using more and more videoconference system, as well as the «skype for Business» tool in order to reduce international travels.

Euronext moved its Disaster Recovery (DR) site from London to Saint-Denis. Euronext used this opportunity to move most of the equipment from physical infrastructure to virtual environments (number of impacted equipment is around five hundred servers). The power consumption was divided by four in the DR site.

2.5.5 SUSTAINABILITY – PRODUCTS WITH ENVIRONMENTAL ADDED VALUE

Sustainability Indices – A Stock Exchange Committed to Sustainability

Low Carbon 100 Europe Index

In 2008, Euronext was the first exchange to launch a pan-European index focusing on CO_2 emissions, designed with the support from a group of international experts and in close collaboration with Non-Governmental Organisations. The index measures the performance of Europe's 100 largest blue chips with the lowest CO_2 emissions in their respective sectors or sub-sectors. Today, the index is an underlying for ETF products.

In November 2015, Euronext announced a major change in the methodology used for its Low Carbon 100 Europe Index®, revolutionising the traditional approach to assess companies' CO_2 emissions. This new method is based on a more efficient means of measuring the energy performance of businesses.

The new version of the index, designed with Carbone 4, the leading consulting firm specialised in carbon strategy, is based on a more in-depth and relevant assessment of each company's carbon footprint. This identifies, for the first time, businesses making a positive contribution to the transition process-not only through their own day-to-day performance, but also through the products they sell. Selection of index component companies will also reflect the emissions avoided as a result of their innovative approach to products and services.

CAC 40® Governance Index

Launched in February 2017, the CAC 40® Governance Index measures the performance of the CAC 40® members weighted according to their respective Vigeo Eiris governance rating.

The Corporate Governance structure specifies the distribution of rights and responsibilities among the different participants in the organisation – such as the board, managers, shareholders and other stakeholders – and lays down the rules and procedures for decision-making (ECB annual report 2004). According to Organisation for Economic Co-operation and Development ('OECD'), there are several benefits resulting from a good Corporate Governance.

Utilizing its teams' expertise and its unique and well-regarded methodologies, Vigeo Eiris rating provides Euronext with a Corporate Governance score for each stock of the CAC 40® index.

Euronext® Climate Europe Index

Launched in 2016, the Euronext® Climate Europe is a free float market cap index designed to be a low carbon Universe. Composed of 200 large companies based on their climate score, it paves the way to many climate friendly innovative variants (high yields, low risk, growth, …). The index is well established with several Structured Products linked to the index.

To perform this best in class approach, Euronext calculates a climate score by combining the scores of two cutting-edge experts, Carbone 4 and the Carbon Disclosure Project ('CDP').

Carbone 4 assesses the Company's impact on climate change and its contribution to reduced Green House Gas ('GHG') emissions, while taking into account induced & avoided emissions and the forward-looking analysis.

The CDP performance score assesses the level of action taken on climate change in term of mitigation, adaptation and transparency.

Euronext Vigeo Eiris Indices

Euronext entered into a cooperation agreement with Vigeo Eiris in March 2013. Vigeo Eiris is the leading European expert in the assessment of companies and organisations with regard to their practices and performance on environmental, social and governance ("ESG") issues.

Seven indices exist (Euronext Vigeo Eiris World 120, Euronext Vigeo Eiris Europe 120, Euronext Vigeo Eiris Eurozone 120, Euronext Vigeo Eiris US 50, Euronext Vigeo Eiris France 20, Euronext Vigeo Eiris United Kingdom 20 and Euronext Vigeo Eiris Benelux 20), whose components are reviewed and updated twice a year. Two filters are applied to determine the new indices' constituents. Companies are excluded if:

- their level of commitment is insufficient with regard to their overall score or their score in one of six key areas reviewed by Vigeo Eiris;
- they are subject to recurrent and critical controversies to which they failed to provide visible evidence of corrective measures or to engage with stakeholders.

Green Bonds: a continued growth of issuances

Green Bonds are any type of bond instruments where the proceeds will be exclusively applied to finance or re-finance, in part or in full, new and/or existing, eligible Green Projects e.g.: renewable energy, energy efficiency, sustainable waste management, sustainable land use, biodiversity conservation, clean transportation, climate change adaptation, etc.

By promoting green and climate bonds to issuers from various sectors and geographies, Euronext provides them with new sources of financing and promotes a sustainable growth strategy which encourages the dialogue between ESG and Socially Responsible Investment investors. Green bonds represent a growing, innovative and sustainable way of financing:

- on 6 October 2016, EDF issued a third Green Bond for €1.75 billion, the largest tranche in euros to date. This third issuance followed the extension of EDF's Green Bond Framework to finance investments to renovate and modernise hydroelectric assets in France, in addition to the construction of new wind and solar projects;
- SNCF Réseau has raised €900 m with its inaugural 15-years green bond. It was the first to be issued by a railway infrastructure manager and the first issued by a European transport company.

By favouring development of those transparency disclosures within its listed companies, Euronext is actively showing its support of sustainability indicators.

In 2016, €6 billion has been raised through ten Green Bond issues.

United Nations Sustainable Stock Exchange Initiative Membership

Euronext has joined the United Nations SSE Initiative in December 2015, which aims to explore how exchanges can work together with investors, regulators, and companies to enhance corporate transparency on Environmental, Social and Corporate Governance (ESG) issues and encourage responsible long-term approaches to investment.

Euronext's five market operators have voluntarily committed—through dialogue with investors, companies and regulators— to promote sustainable, long-term investment and improved ESG governance disclosure and performance among the companies listed on their respective exchange.

Commodities: Wood Pellets Future

Developed in close cooperation with the biomass committees, the new futures contract ("Residential Wood Pellets Contract") launched in November 2015 has been designed to meet the needs of market professionals looking for portfolio diversification and price-hedging tools against fluctuations in the prices of pellets or closely-related products.

EU Package "Clean Energy for all Europeans"

In November 2016, the Commission presented a package of measures to keep the European Union competitive. This package includes several legislative proposals, some of which set provisions that are of the utmost importance for the EU bioenergy sector. This is particularly the case for new measures in the heating and cooling sector and on bioenergy sustainability. While the 2009 Renewable Energy Directive focused on the electricity production from renewable sources, attention is brought to the Heating and Cooling sector in the recast of the directive through a new provision recommending Member States to set a renewable obligation (increase 1% share of RES in the H&C sector per year).

New measures on Bioenergy Sustainability

The European Commission has now proposed legislation on sustainability criteria for all bioenergy uses, as part of the revised Renewable Energy Directive. Bioenergy sustainability finally getting clarity at EU level is a major outcome for the entire European renewables industry and for the EU's climate and energy targets, as bioenergy represents 60% of all European renewable energy consumption. The European Commission's proposal took a pragmatic approach considering some ground realities faced by many European bioenergy players. Proposing sustainability requirements for installations over 20 Megawatt capacity, and endorsing a risk-based approach for forest biomass are among the crucial outcomes of the proposal.

3

SELECTED HISTORICAL CONSOLIDATED FINANCIAL INFORMATION AND OTHER FINANCIAL INFORMATION

In compliance with Article 28 of EC Regulation No. 809/2004, the following information is incorporated by reference in the Registration Document:

For Financial Year 2014

Required disclosures in the Report of the Managing Board appearing in the Statement of the Managing Board, the Consolidated Financial Statements are presented on pages 105-149 and the corresponding auditors report is presented on page 159 of the 2014 Registration Document filed with the *Autoriteit Financiële Markten* on 24 March 2015.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL INFORMATION

The selected consolidated financial information set out below is derived from the audited Consolidated Financial Statements for the financial years ended 31 December 2016, 2015 and 2014 and should be read in conjunction with, and is qualified by reference to, those Financial Statements.

Selected Consolidated Income Statement Data

	YEAR ENDED		
In thousands of euros	31 DECEMBER 2016	31 DECEMBER 2015	31 DECEMBER 2014
Revenue			
Listing	68,708	70,516	61,737
Trading revenue	220,835	241,699	212,013
of which			
• Cash trading	180,727	197,243	165,565
• Derivatives trading	40,108	44,456	46,448
Market data & indices	105,697	99,759	93,348
Post-trade	67,627	71,682	57,268
of which			
• Clearing	47,992	51,937	35,979
• Custody and Settlement	19,635	19,745	21,289
Market Solutions & Other revenue	33,009	34,147	33,443
Other income	560	744	645
TOTAL THIRD PARTY REVENUE	**496,436**	**518,547**	**458,454**
Total ICE transitional revenue and other income	-	-	34,044
TOTAL REVENUE	**496,436**	**518,547**	**492,498**
Salaries and employee benefits	(99,776)	(112,218)	(123,991)
Depreciation and amortisation	(15,088)	(17,071)	(16,644)
Other operational expenses	(112,766)	(122,487)	(143,100)
Operating profit before exceptional items	**268,806**	**266,771**	**208,763**
Exceptional items	(10,038)	(28,659)	(44,603)
Operating profit	**258,768**	**238,112**	**164,160**
Finance costs	(2,142)	(2,906)	(2,381)
Other net financing income/(expense)	1,336	(1,238)	(4,071)
Results from available-for-sale financial assets	6,032	4,634	4,557
Share of net (loss) of associates and joint ventures accounted for using the equity method	(19)	-	-
Profit before income tax	**263,975**	**238,602**	**162,265**
Income tax expense	(66,962)	(65,948)	(44,091)
Profit for the year	**197,013**	**172,654**	**118,174**

Selected Consolidated Balance Sheet Data

In thousands of euros	AS AT 31 DECEMBER 2016	AS AT 31 DECEMBER 2015	AS AT 31 DECEMBER 2014
Assets			
Non-current assets			
Property, plant and equipment	27,492	28,779	25,948
Goodwill and other intangible assets	321,156	321,357	321,266
Deferred income tax assets	5,021	12,691	9,712
Investments in associates and joint ventures	15,957	-	-
Available-for-sale financial assets	117,060	114,282	113,596
Other receivables	7,086	7,451	1,702
TOTAL NON-CURRENT ASSETS	**493,772**	**484,560**	**472,224**
Current assets			
Trade and other receivables	81,599	96,188	105,825
Income tax receivable	7,645	10,506	22,375
Financial investments	-	-	15,000
Cash and cash equivalents	174,501	158,642	241,639
TOTAL CURRENT ASSETS	**263,745**	**265,336**	**384,839**
TOTAL ASSETS	**757,517**	**749,896**	**857,063**
Equity and liabilities			
TOTAL EQUITY	**548,018**	**447,167**	**341,750**
Non-current liabilities			
Borrowings	69,005	108,153	248,369
Deferred income tax liabilities	600	345	483
Post-employment benefits	13,249	8,235	14,997
Provisions	6,488	6,560	32,418
Other liabilities	-	700	1,400
TOTAL NON-CURRENT LIABILITIES	**89,342**	**123,993**	**297,667**
Current liabilities			
Borrowings	96	104	129
Current income tax liabilities	27,202	50,301	78,043
Trade and other payables	90,607	105,749	126,427
Provisions	2,252	22,582	13,047
TOTAL CURRENT LIABILITIES	**120,157**	**178,736**	**217,646**
TOTAL EQUITY AND LIABILITIES	**757,517**	**749,896**	**857,063**

Selected Statement of cash flows Data

In thousands of euros	YEAR ENDED 31 DECEMBER 2016	31 DECEMBER 2015	31 DECEMBER 2014
Net cash provided by operating activities	**181,127**	**139,972**	**148,591**
Net cash (used in) investing activities	**(29,572)**	**(5,277)**	**(28,124)**
Net cash provided by/(used in) financing activities	**(128,628)**	**(220,274)**	**39,863**
Net increase/(decrease) in cash and cash equivalents	**22,927**	**(85,579)**	**160,330**
Cash and cash equivalents – Beginning of year	158,642	241,639	80,827
Non-cash exchange gains/(losses) on cash and cash equivalents	(7,068)	2,582	482
Cash and cash equivalents – End of year	**174,501**	**158,642**	**241,639**

OTHER FINANCIAL INFORMATION

EBITDA Margin

The table below presents Euronext's EBITDA margin for the years ended 31 December 2016, 2015 and 2014. The Company defines EBITDA margin as operating profit before exceptional items and depreciation and amortisation, divided by total revenue.

In thousands of euros (except for percentages)	YEAR ENDED 31 DECEMBER 2016	31 DECEMBER 2015	31 DECEMBER 2014
Operating profit before exceptional items	268,806	266,771	208,763
Depreciation and amortisation	15,088	17,071	16,644
Operating profit before exceptional items and depreciation and amortisation (EBITDA)	283,894	283,842	225,407
TOTAL REVENUE	**496,436**	**518,547**	**492,498**
EBITDA margin[(a)]	57%	55%	46%

(a) EBITDA margin is a non-IFRS measure and is not audited. EBITDA margin should not be considered as an alternative to, or more meaningful than, and should be read in conjunction with, operating profit before exceptional items.

4

GENERAL DESCRIPTION OF THE COMPANY AND ITS SHARE CAPITAL

4.1 Legal Information on the Company

4.1.1 GENERAL

Euronext is a public company with limited liability (*naamloze vennootschap*) incorporated under the laws of the Netherlands and is domiciled in the Netherlands. The Company was incorporated in the Netherlands on 15 March 2014. Euronext's statutory seat (*statutaire zetel*) is in Amsterdam, the Netherlands, and its registered office and principal place of business is at Beursplein 5, 1012 JW Amsterdam, the Netherlands. The Company is registered with the trade register of the Chamber of Commerce for Amsterdam, the Netherlands, under number 60234520, and the telephone number is +31 (0)20-7214444.

4.1.2 CORPORATE OBJECTS

Euronext's corporate objects, as set out in Article 3 of the Articles of Association, are to participate and to manage other enterprises and companies of which the objects are to set up, develop, hold and operate, directly or indirectly, one or more regulated and other markets or other facilities with regard to the listing of, the trading in, the post-trade processing of transactions in, and related services and process in, securities and derivatives, as well as to manage and finance subsidiaries, to enter into joint ventures with other enterprises and other companies engaged in one or more of the activities referred to above; to acquire, operate and dispose of industrial and intellectual property rights as well as real property; to provide security for the debts of the Company, its subsidiaries or any other legal person and to undertake all that is connected to the foregoing or in furtherance thereof.

4.2 Share Capital

4.2.1 AUTHORISED AND ISSUED SHARE CAPITAL

Under the Articles of Association, Euronext's authorised share capital amounts to €200,000,001.60 and is divided into 125,000,000 Ordinary Shares, each with a nominal value of €1.60 and one priority share with a nominal value of €1.60. All of Euronext's shares have been or will be created under Dutch law.

As of 31 December 2016, Euronext's issued share capital amounts to €112,000,000 and is divided into 70,000,000 Ordinary Shares. The Priority Share is currently not outstanding. As of 31 December 2016, Euronext held 464,822 shares in its own share capital before settlement (463,799 shares after settlement) and custody of trades made on 29 and 30 December 2016. All shares that are issued at the date of the Registration Document are fully paid up.

Euronext is subject to the provisions of the Dutch Financial Supervision Act and the Articles of Association with regard to the issue of shares following admission. The shares are in registered form and are only available in the form of an entry in Euronext's shareholders' register and not in certificated form.

4.2.2 ISSUE OF SHARES

Under its Articles of Association Euronext may issue shares, or grant rights to subscribe for shares, only pursuant to a resolution of the General Meeting upon proposal of the Supervisory Board or upon proposal of the Managing Board, which proposal has been approved by the Supervisory Board.

Euronext's Articles of Association provide that the General Meeting may designate the authority to issue shares or grant rights to subscribe for shares, to the Managing Board upon proposal of the Supervisory Board on a proposal of the Managing Board, which proposal has been approved by the Supervisory Board. Pursuant to the Dutch Civil Code and Euronext's Articles of Association, the period of designation may not exceed five years. Such designation may be renewed by a resolution of the General Meeting for a subsequent period of up to five years each time. Unless the resolution determines otherwise, the designation is irrevocable. At the designation, the number of shares which may be issued by the Managing Board must be determined.

On 12 May 2016, the General Meeting designated the Managing Board as per 12 May 2016 for a period of eighteen months or until the date on which the meeting again extends the designation, if earlier, as the competent body to, subject to the approval of the Supervisory Board, issue ordinary shares and to grant rights to subscribe for ordinary shares up to a total of 10% of the currently issued ordinary share capital, which 10% can be used for general purposes, including but not limited to the financing (in cash or in kind by way of ordinary shares) of mergers and acquisitions as well as facilitating grants under the Company's employee remuneration and long term incentive plans; whereby not more than 2% of the currently issued ordinary share capital out of the aforementioned 10% will be issued for facilitating these plans, it being understood that it is the intention of the Company that they will in principle be funded by means of ordinary shares held as treasury stock (if need be, purchased from the market for this purpose).

4.2.3 PRE-EMPTION RIGHTS

Dutch company law and Euronext's Articles of Association in most cases give shareholders pre-emption rights to subscribe on a *pro rata* basis for any issue of new shares or upon a grant of rights to subscribe for shares. Exceptions to these pre-emption rights include the issue of shares and the grant of rights to subscribe for shares (i) to Euronext's employees, (ii) in return for non-cash consideration, or (iii) the issue of shares to persons exercising a previously granted right to subscribe for shares.

A shareholder may exercise pre-emption rights during a period of two weeks from the date of the announcement of the issue or grant. The General Meeting or the Managing Board, if so designated by the General Meeting, may restrict the right or exclude shareholder pre-emption rights. A resolution by the General Meeting to designate the authority to exclude or limit pre-emption rights to the Managing Board requires a majority of at least two-thirds of the votes cast if less than 50% of Euronext's issued share capital is represented and can only be taken upon proposal of the Supervisory Board or upon proposal of the Managing Board, which proposal has been approved by the Supervisory Board. If the General Meeting has not designated this authority to the Managing Board, the General Meeting may itself vote to limit or exclude pre-emption rights and will also require a majority of at least two-thirds of the votes cast, if less than 50% of Euronext's issued share capital is represented at the General Meeting.

On 12 May 2016, the General Meeting designated the Managing Board as per 12 May 2016 for a period of eighteen months or until the date on which the meeting again extends the designation, if earlier, as the competent body to, subject to the approval of the Supervisory Board, restrict or exclude the pre-emptive rights of shareholders pertaining to (the right to subscribe for) ordinary shares upon any issuance of ordinary shares (as referred to in Item 8a of the agenda of the meeting) to the extent such issuance pertains to the payment in ordinary shares in case of mergers and acquisitions or facilitating grants under the Company's employee remuneration and long term incentive plans.

The Company has an agreement with its Reference Shareholders (see section 4.4.1.) to give reasonable prior notice if Euronext uses this authority for share issuances in case of a merger or acquisition transaction. By supplemental letter agreement dated 25 March 2015 Euronext has, in addition, undertaken towards its Reference Shareholders that Euronext will not use this authority for any share issuances, if and to the extent pursuant to such issuance the joint shareholding of the Reference Shareholders in Euronext N.V. would dilute to below 31%.

4.2.4 ACQUISITION OF SHARES IN EURONEXT'S CAPITAL

Euronext may acquire fully paid shares at any time for no consideration (*om niet*), or, subject to the following provisions of Dutch law and its Articles of Association, Euronext may acquire fully paid shares for consideration, namely if (i) its shareholders' equity, less the payment required to make the acquisition, does not fall below the sum of paid-in and called-up share capital and any statutory reserves, (ii) Euronext and its subsidiaries would thereafter not hold shares or hold a pledge over Euronext shares with an aggregate nominal value exceeding 50% of its issued share capital, and (iii) the Managing Board has been authorised by the General Meeting, with the prior approval of the Supervisory Board.

Authorisation from the General Meeting to acquire Euronext shares must specify the number and class of shares that may be acquired, the manner in which shares may be acquired and the price range within which shares may be acquired. Such authorisation will be valid for no more than eighteen months. Any shares Euronext holds may not be voted or counted for voting quorum purposes.

On 12 May 2016, the General Meeting designated the Managing Board as per 12 May 2016 for a period of eighteen months or until the date on which the meeting again extends the authorisation, if earlier, to, subject to the approval of the Supervisory Board, have the Company acquire ordinary shares in the share capital of the Company through purchase on a stock exchange or otherwise. The authorisation is given for the purchase of up to 10% of the issued ordinary shares at the time of the purchase, for a purchase price between (a) the par value of the ordinary shares at the time of the purchase and (b) the average closing price of the ordinary shares on Euronext Paris, Euronext Amsterdam, Euronext Brussels and Euronext Lisbon, during the five trading days preceding the day of purchase within a margin of 10% of that purchase price. Under the Facilities Agreement (see section 5.1.10), Euronext's ability to acquire its shares is restricted, subject to certain exceptions.

4.2.5 REDUCTION OF SHARE CAPITAL

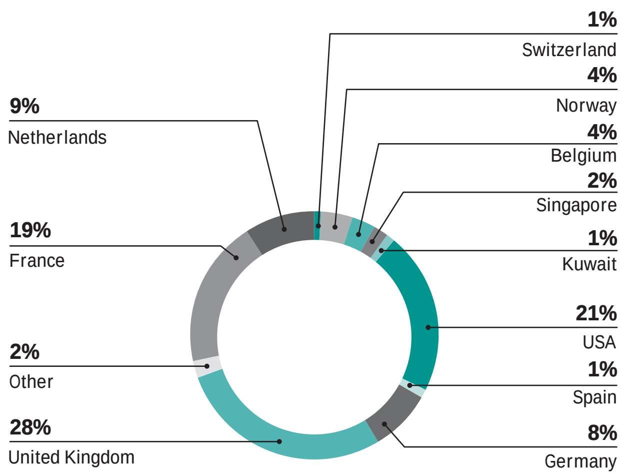
Under Euronext's Articles of Association, upon a proposal from the Supervisory Board, or upon proposal of the Managing Board, which has been approved by the Supervisory Board, the General Meeting may resolve to reduce Euronext's issued and outstanding share capital by cancelling its shares, or by amending Euronext's Articles of Association to reduce the nominal value of its shares. The decision to reduce Euronext's share capital requires a majority of at least two-thirds of the votes cast if less than 50% of Euronext's issued share capital is present or represented at the General Meeting.

4.3 Shareholder structure

The shareholding structure as of 31 December 2016 was as follows.

SHAREHOLDER	NUMBER OF SHARES	% OF CAPITAL
Reference shareholders	23,352,000	33.36%
Treasury Shares	463,799	0.66%
Employees	153,592	0.22%
Free float	46,030,609	65.76%
TOTAL	**70,000,000**	**100%**

GEOGRAPHIC BREAKDOWN OF THE FREE FLOAT IN 2016



4.4 Share Classes and Major Shareholders

4.4.1 REFERENCE SHAREHOLDERS

Prior to the IPO, on 27 May 2014, a group of institutional investors (collectively, the "Reference Shareholders", and each a "Reference Shareholder") purchased an aggregate of 33.36% of the issued and outstanding Ordinary Shares from the ICE, the selling shareholder at the IPO, at €19.20 or a 4% discount to the Offer Price (€20.00).

This Group of Reference Shareholders is comprised of Novo Banco, an affiliate of Banco Espírito Santo, S.A., BNP Paribas S.A., BNP Paribas Fortis S.A./N.V., ABN AMRO Bank N.V. through its subsidiary ABN AMRO Participaties Fund I B.V., ASR Levensverzekering N.V. (a company of the ASR Nederland group), Caisse des Dépôts et Consignations, Bpifrance Participations, Euroclear S.A./N.V., Société Fédérale de Participations et d'Investissement/Federale Participatie – en Investeringsmaatschappij, Société Générale and BancoBPI Pension Fund represented by BPI Vida e Pensões – Companhia de Seguros, S.A.

NAME OF REFERENCE SHAREHOLDER	NUMBER OF SHARES	INDIVIDUAL SHAREHOLDING (% OF CAPITAL)
BNP Paribas S.A.	3,850,000	5.50%
BNP Paribas Fortis S.A./N.V.	1,050,000	1.50%
ABN AMRO Bank N.V. through its subsidiary ABN AMRO Participaties Fund I B.V.	1,148,000	1.64%
ASR Levensverzekering N.V.	581,000	0.83%
Caisse des Dépôts et Consignations	2,100,000	3.00%
Bpifrance Participations	2,100,000	3.00%
Euroclear S.A./N.V.	5,600,000	8.00%
Novo Banco B.A.	875,000	1.25%
Société Fédérale de Participations et d'Investissement/ Federale Participatie – en Investeringsmaatschappij	3,150,000	4.50%
Société Générale	2,100,000	3.00%
BancoBPI Pension Fund represented by BPI Vida e Pensões – Companhia de Seguros, S.A.	798,000	1.14%
TOTAL SHAREHOLDING	**23,352,000**	**33.36%**

Reference Shareholders Agreement

The Reference Shareholders have entered into a reference shareholders agreement (the "Reference Shareholders Agreement") governing the relationship among the Reference Shareholders.

Share Transfer Restriction

Under the Reference Shareholders Agreement, each of the Reference Shareholders has agreed not to sell or otherwise transfer or dispose of any of the Ordinary Shares such Reference Shareholder acquires pursuant to the Share Purchase Agreement for a period of three years commencing on the date of pricing of the Offering on 19 June 2014. This transfer restriction will not apply to any transfers to (i) affiliates of a Reference Shareholder, provided that the transferee agrees to be bound by this transfer restriction and the other terms and conditions of the Reference Shareholders Agreement and shall accede to the Reference Shareholders Agreement, (ii) another Reference Shareholder, provided that the Ordinary Shares transferred will continue to be subject to the transfer restriction and the other terms and conditions of the Reference Shareholders Agreement as if originally held by the acquiring Reference Shareholder, and (iii) a third party with the unanimous consent in writing of the Reference Shareholders (subject to the consent of the relevant regulator(s), such consent not to be unreasonably withheld and provided the third party shall accede to the Reference Shareholders Agreement, and further provided that no mandatory bid obligation is triggered by such transfer. In the case of transfers to an affiliate of a Reference Shareholder, such affiliate must re transfer the relevant Ordinary Shares to the original Reference Shareholder prior to ceasing to be an affiliate of such Reference Shareholder. In the case of proposed transfers to another Reference Shareholder, the other Reference Shareholders will have a right of first refusal *pro rata* to their respective holdings, and such transfer may not result in any Reference Shareholder, together with its affiliates, holding one third or more of the aggregate shareholding of the Reference Shareholders. In addition, repo and securities lending transactions may be excluded from this restriction on the basis of guidelines to be agreed.

In the event of a tender offer announced or made by any person to acquire all or a portion of the Ordinary Shares, the Reference Shareholders will review and assess the merits of the proposed bid and adopt a common position. Subject to consulting with the Euronext College of Regulators, if the outcome of that procedure is that the Reference Shareholders decide to accept the offer, once made, the transfer restriction will not apply, except as provided to the contrary in any declaration of no-objection and subject to any and all other requirements and restrictions under applicable law and regulation, and with the understanding that no Reference Shareholder will be obliged to sell its Ordinary Shares regardless the common position taken.

Further Restrictions

Each of the Reference Shareholders has agreed not to enter into any transaction or do anything, and not to permit its affiliates to enter into any transaction or do anything, if such transaction or action would result in the Reference Shareholders or any of them becoming obligated to make a mandatory bid (verplicht openbaar bod) for the Ordinary Shares within the meaning of section 5.70 of the Netherlands Wet op het financiëel toezicht (Financial Supervision Act) implementing Article 5 of Directive 2004/25/EC.

Supervisory Board Representation

For so long as the aggregate shareholding of the Reference Shareholders amounts to at least 25% of the issued share capital of the Company, the Reference Shareholders, acting jointly, will have the right to one third of the Supervisory Board seats. Members of the Supervisory Board who are appointed upon a nomination by the Reference Shareholders are referred to as "Reference Shareholder directors". If one third of the number of members of the Supervisory Board is not a round number, the next higher integral number shall apply. The Supervisory Board undertakes to include the name of the person nominated by the Reference Shareholders in its binding nomination to the shareholders meeting of Euronext, unless the Supervisory Board objects against the nomination if it reasonably believes that the nominee may not fulfil the suitability and integrity criteria under applicable Dutch law, and always subject to any applicable regulatory assessments, approvals and requirements.

The Reference Shareholder directors have been appointed by the Extraordinary General Meeting of the shareholders that was held in Amsterdam on 19 December 2014 each for a term of four years, provided that his or her term of office shall lapse immediately after the day of the first General Meeting of Euronext to be held in 2018. However if the Reference Shareholders Agreement is terminated earlier, his or her term of office shall lapse immediately after the day of the first General Meeting of Euronext to be held after the date of termination of the Reference Shareholders Agreement.

Committee of Representatives

Each Reference Shareholder has appointed one representative and one alternate duly authorised to represent and act for and in the name of the relevant Reference Shareholder and any and all of its affiliates for all purposes of the Reference Shareholders Agreement, who shall be the contact person vis-à-vis the other Reference Shareholders and the Company. The representatives of all Reference Shareholders constitute the Committee of Representatives which decides on all matters requiring a joint decision of the Reference Shareholders. The decisions of the Committee of Representatives shall be binding upon all Reference Shareholders.

Voting

Depending on the decision concerned, the decisions of the Committee of Representatives shall be adopted by absolute majority of the votes cast or by qualified majority of two thirds of the votes cast, as indicated below. Each Reference Shareholder will have such number of votes equal to the aggregate number of Ordinary Shares held by the Reference Shareholder and its affiliates, provided that no Reference Shareholder shall at any time have one-third or more of the votes within the Committee of Representatives regardless of the number of Ordinary Shares held.

In all instances where the Reference Shareholders Agreement calls for joint decision making of the Reference Shareholders in the General Meeting, each Reference Shareholder will exercise, and will cause any of its affiliates to exercise, its voting rights in such Shareholders' Meeting in accordance with the decision of the Committee of Representatives on the relevant subject.

The Reference Shareholders agree to vote in accordance with the decision of the Committee of Representatives on any proposed shareholders' resolutions.

The following resolutions require a qualified majority of two thirds of the votes cast:

- any issuance of Ordinary Shares by the Company or rights to acquire Ordinary Shares (and exclusion or limitation or pre-emption rights, as the case may be);
- any decrease in the share capital of the Company;
- any authorisation for the Company to acquire its own shares;
- any issuance of securities other than Ordinary Shares, to the extent these give exposure to Ordinary Shares, including but not limited to hybrids and covered bonds;
- any proposal to appoint, suspend or remove any member of the Supervisory Board (including but not limited to any Reference Shareholders Director);
- any going private transaction or other change of control of the Company;
- any major identity transforming transactions requiring shareholders' approval pursuant to section 2: 107a of the Dutch Civil Code;
- any other major acquisitions or disposals not requiring approval under section 2: 107a of the Dutch Civil Code;
- any amendment of the Articles of Association of the Company; and
- any proposal for legal merger, demerger, conversion or dissolution of the Company.

For the following resolutions, the adoption is by absolute majority of the votes cast:

- any proposal to appoint, suspend or remove any member of the Managing Board;
- adoption of the annual Financial Statements of the Company;
- discharge of the members of the Managing Board and the Supervisory Board; and
- any dividend or other distribution to shareholders.

Mandatory Bid Rules

In the Netherlands, the European rules on takeover bids are in force and implemented in the Dutch Financial Supervision Act. In accordance with section 5: 70 of the Dutch Financial Supervision Act, any person who, alone or in concert with others, acquires predominant control (30% of the voting rights) in a listed public company with limited liability established in the Netherlands, is obligated to make a public takeover bid for all the listed shares of the listed public company with limited liability. A party is exempted from the mandatory bid rules, *inter alia*, if that party has acquired predominant control in the Company concerned before an IPO. The Reference Shareholders Agreement and the Share Purchase Agreement are in place to ensure that the Reference Shareholders are acting in compliance with the relevant guidelines. Under the Reference Shareholders Agreement, the Reference Shareholder that will act as coordinator shall actively monitor the obligation of all Reference Shareholders not to enter into any transaction or do anything, nor to permit its affiliates to enter into any transaction or do anything, if such transaction or action would result in the Reference Shareholder or any of the becoming obligated to make a mandatory bid for the Ordinary Shares.

Termination

The Reference Shareholders Agreement and all restrictions and requirements thereunder or pursuant thereto shall terminate upon the earlier of (i) expiry of the Restricted Period, unless extended by written agreement signed by all Reference Shareholders, subject to any regulatory declarations of no objection or regulatory approvals, (ii) the receipt of a written confirmation of all relevant competent regulatory authorities that from their respective regulatory perspectives the transfer restriction described above under *"Share Transfer Restriction"* is no longer required, unless extended by written agreement by all Reference Shareholders ultimately four weeks after receipt of such confirmation, (iii) the Company becoming bankrupt or being granted a (provisional) suspension of payment, and (iv) at any time after the Restricted Period, the aggregate shareholding of the Reference Shareholders becoming less than 25% of the issued share capital of the Company unless increased to at least 25% again within 30 days after such event. The Reference Shareholders Agreement is terminating in June 2017.

Letter Agreement

In connection with the Reference Shareholders Agreement, the Company and the Reference Shareholders (through Euroclear S.A./N.V. as their coordinator) have entered into a letter agreement (the "Letter Agreement") dated 4 June 2014. Pursuant to the Letter Agreement, the Company agreed (i) to take all appropriate action within its power to implement the appointment of the members of the Supervisory Board that will be nominated by the Reference Shareholders; (ii) to give reasonable prior notice to the Reference Shareholders, or if required, to all shareholders, in the event of issuance of Ordinary Shares pursuant to the designation of the Managing Board as the authorised body to issue Ordinary Shares by the General Meeting, as granted on 27 May 2014, in relation to payment in Ordinary Shares in case of merger or acquisition transactions and (iii) not to use the designation of the Managing Board granted by the General Meeting on 27 May 2014 to buy back existing Ordinary Shares if such a buy back could trigger an obligation for the Reference Shareholders to make a mandatory bid for the Ordinary Shares. By supplemental letter agreement dated 25 March 2015, the Company has, in addition, undertaken towards its Reference Shareholders that it will not use the authority to issue shares or to limit or exclude pre-emption rights, for any share issuances, if and to the extent pursuant to such issuance the joint shareholding of the Reference Shareholders' in Euronext would dilute to below 31%.

4.4.2 MAJOR SHAREHOLDINGS

On top of the Reference Shareholders who own jointly 33.36% and whose individual holdings are disclosed above and according to the AFM any substantial holding and gross short positions in issuing institutions and shares with special controlling rights have to be notified.

An issuing institution is: a public limited company (*naamloze vennootschap*) incorporated under Dutch law whose (depositary receipts for) shares are admitted to trading on a regulated market in the Netherlands or in another Member State of the European Union or an EEA State, or a legal entity incorporated under the law of a state that is not an European Union Member State and whose (depositary receipts for) shares are admitted to trading on a regulated market in the Netherlands.

As soon as the substantial holding or short position equals or exceeds 3% of the issued capital, the holder should report this. Subsequently, it should notify the AFM again when its substantial holding or short position consequently reaches, exceeds or falls below a threshold. This can be caused by the acquisition or disposal of shares by the shareholder or because the issued capital of the issuing institution is increased or decreased. Thresholds are: 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%.

The duty to notify applies to legal entities as well as natural persons.

In 2016 the following crossings of thresholds were declared:

DATE	SHAREHOLDER HAVING CROSSED THE THRESHOLD	CROSSING OF THRESHOLD IN CAPITAL AND VOTING RIGHTS	TYPE	NB OF SHARES	% OF VOTING RIGHTS
18/05/2016	Norges Bank	3%	Increase	2,108,976	3.01%
13/05/2016	Norges Bank	3%	Decrease	2,089,820	2.99%
13/05/2016	Standard Life Investments	3%	Increase	2,250,808	3.22%
13/05/2016	UBS Group AG	3%	Decrease	1,907,469	2.72%
09/05/2016	Norges Bank	3%	Increase	2,164,219	3.09%
06/05/2016	Norges Bank	3%	Decrease	2,071,295	2.96%
06/05/2016	UBS Group AG	5%	Decrease	3,484,821	4.98%
05/05/2016	Norges Bank	3%	Increase	2,102,794	3.00%
28/04/2016	Norges Bank	3%	Decrease	1,986,533	2.84%
27/04/2016	Norges Bank	3%	Increase	2,110,545	3.02%
25/04/2016	Norges Bank	3%	Decrease	1,889,931	2.70%
20/04/2016	Norges Bank	3%	Increase	2,115,291	3.02%
08/04/2016	Norges Bank	3%	Decrease	2,058,694	2.94%
07/04/2016	Norges Bank	3%	Increase	2,133,024	3.05%
05/04/2016	Norges Bank	3%	Decrease	2,022,858	2.89%
21/03/2016	Norges Bank	3%	Increase	2,118,513	3.03%
16/03/2016	Norges Bank	3%	Decrease	2,055,452	2.94%

None of Euronext's shareholders hold 10% or more in the capital of the Company.

As of the date of the Registration Document, the only shareholder owning more than 3% (excluding Reference Shareholders) was Norges Bank (3.01%).

4.5 General Meeting of Shareholders and Voting Rights

The Annual General Meeting must be held within six months after the end of each financial year. An Extraordinary General Meeting may be convened, whenever Euronext's interests so require, by the Managing Board or the Supervisory Board. Shareholders representing alone or in aggregate at least one-tenth of Euronext's issued and outstanding share capital may, pursuant to the Dutch Civil Code, request that a General Meeting be convened. Within three months of it becoming apparent to the Managing Board that Euronext's equity has decreased to an amount equal to or lower than one-half of the paid-in and called-up capital, a General Meeting will be held to discuss any requisite measures.

Euronext will give notice of each General Meeting by publication on its website and in any other manner that Euronext may be required to follow in order to comply with and the applicable requirements of regulations pursuant to the listing of its shares on Euronext Amsterdam, Euronext Brussels, Euronext Lisbon and Euronext Paris. The notice convening any General Meeting must include, among other items, an agenda indicating the place and date of the meeting, the items for discussion and voting, the proceedings for registration including the registration date, as well as any proposals for the agenda. Pursuant to Dutch law, shareholders holding at least 3% of Euronext's issued and outstanding share capital have a right to request the Managing Board and the Supervisory Board to include items on the agenda of the General Meeting. The Managing Board and the Supervisory Board must agree to these requests, provided that (i) the request was made in writing and motivated, and (ii) the request was received by the Chairman of the Managing Board or the Chairman of the Supervisory Board at least sixty days prior to the date of the General Meeting.

The Managing Board must give notice of a General Meeting, by at least such number of days prior to the day of the meeting as required by Dutch law, which is currently forty-two days.

Each Shareholder (as well as other persons with voting rights or meeting rights) may attend the General Meeting, to address the General Meeting and, in so far as they have such right, to exercise voting rights *pro rata* to its shareholding, either in person or by proxy. Shareholders may exercise these rights, if they are the holders of shares on the registration date which is currently the 28th day before the day of the meeting, and they or their proxy have notified Euronext of their intention to attend the meeting in writing at the address and by the date specified in the notice of the meeting.

The Managing Board may decide that persons entitled to attend General Meetings and vote there may, within a period prior to the General Meeting to be set by the Managing Board, which period cannot start prior to the registration date, cast their vote electronically or by post in a manner to be decided by the Managing Board. Votes cast in accordance with the previous sentence are equal to votes cast at the meeting.

Each Shareholder may cast one vote for each Ordinary Share held. Members of the Managing Board and the Supervisory Board may attend a General Meeting in which they have an advisory role. The voting rights attached to shares are suspended as long as such shares are held by Euronext. The rights of the holders of Ordinary Shares that were offered and sold in the Offering rank *pari passu* with each other and with all other holders of the Ordinary Shares, including the Reference Shareholders, with respect to voting rights and distributions. Euronext has no intention of changing the rights of Shareholders.

Resolutions of the General Meeting are taken by an absolute majority, except where Dutch law or Euronext's Articles of Association provide for a qualified majority or unanimity.

One General Meeting was held in 2016.

The Annual General Meeting was held on 12 May 2016. In this meeting decisions were taken on the adoption of the 2015 Financial Statements, a dividend of EUR 1.24 per ordinary share, the discharge the members of the Managing Board and Supervisory Board in respect of their duties performed during the year 2015, the appointment of Kerstin Günther and Dick Sluimers as members of the Supervisory Board, the appointment of Maria João Carioca as a member of the Managing Board, the authorisation of the granting of rights to French beneficiaries to receive shares under the French law n°2015-990 of 6 August 2015, the appointment of PwC as the Company's external auditors and the designation of the Managing Board as the competent body to 1) issue ordinary shares, 2) to restrict or exclude the pre-emptive rights of shareholders and 3) to acquire ordinary shares in the share capital of the Company on behalf of the Company.

4.6 Anti-Takeover Provisions

Euronext currently does not have any anti-takeover provisions.

4.7 Obligations of Shareholders and Members of the Managing Board to Disclose Holdings

Shareholders may be subject to notification obligations under the Dutch Financial Supervision Act. Pursuant to chapter 5.3 of the Dutch Financial Supervision Act, any person who, directly or indirectly, acquires or disposes of an actual or potential capital interest and/or voting rights in the Company must immediately give written notice to the AFM of such acquisition or disposal by means of a standard form if, as a result of such acquisition or disposal, the percentage of capital interest and/or voting rights held by such person reaches, exceeds or falls below the following thresholds: 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%. In addition, any person whose capital interest or voting rights reaches, exceeds or falls below a threshold due to a change in Euronext's outstanding share capital, or in votes that can be cast on the shares as notified to the AFM by the Company, should notify the AFM no later than the fourth trading day after the AFM has published Euronext's notification of the change in its outstanding share capital.

Each person holding an interest in Euronext's share capital or voting rights of 3% or more at the time of admission of Euronext's shares to trading must immediately notify the AFM. Furthermore, every holder of 3% or more of the Company's share capital or voting rights whose interest at 31 December at midnight differs from a previous notification to the AFM must notify the AFM within four weeks.

For the purpose of calculating the percentage of capital interest or voting rights, the following interests must be taken into account: (i) shares and/or voting rights directly held (or acquired or disposed of) by any person, (ii) shares and/or voting rights held (or acquired or disposed of) by such person's subsidiaries or by a third party for such person's account or by a third party with whom such person has concluded an oral or written voting agreement, (iii) voting rights acquired pursuant to an agreement providing for a temporary transfer of voting rights in consideration for a payment, and (iv) shares and/or voting rights which such person, or any controlled entity or third party referred to above, may acquire pursuant to any option or other right to acquire shares and/or the attached voting rights.

Special rules apply to the attribution of shares and/or voting rights that are part of the property of a partnership or other form of joint ownership. A holder of a pledge or right of usufruct in respect of shares can also be subject to notification obligations, if such person has, or can acquire, the right to vote on the shares. The acquisition of (conditional) voting rights by a pledgee or beneficial owner may also trigger notification obligations as if the pledgee or beneficial owner were the legal holder of the shares and/or voting rights. Under the Dutch Financial Supervision Act, Euronext was required to file a report with the AFM promptly after the date of listing its shares setting out its issued and outstanding share capital and voting rights. Thereafter, Euronext is required to notify the AFM promptly of any change of 1% or more in its issued and outstanding share capital or voting rights since the previous notification. The AFM must be notified of other changes in Euronext's issued and outstanding share capital or voting rights within eight days after the end of the quarter in which the change occurred. The AFM will publish all Euronext's notifications of its issued and outstanding share capital and voting rights in a public register. If a person's capital interest and/or voting rights reach, exceed or fall below the above-mentioned thresholds as a result of a change in Euronext's issued and outstanding share capital or voting rights, such person is required to make a notification not later than on the fourth trading day after the AFM has published Euronext's notification as described above.

Furthermore, each member of the Managing Board, the Supervisory Board and certain other persons who, *inter alia*, have (co-)managerial responsibilities in respect of the Company, as well as certain persons closely associated with any such members or other persons, must immediately give written notice to the AFM by means of a standard form of all shares and voting rights in Euronext held by him or her at the time of admission of Euronext's shares to listing and thereafter of any change in his or her holding of shares and voting rights in Euronext.

4.8 Short Positions

Each person holding a net short position amounting to 0.2% or more of the issued share capital of a Dutch listed company must report it to the AFM. Each subsequent increase of this position by 0.1% above 0.2% will also have to be reported. Each net short position equal to 0.5% of the issued share capital of a Dutch-listed company and any subsequent increase of that position by 0.1% will be made public *via* the AFM short selling register. To calculate whether a natural person or legal person has a net short position, their short positions and long positions must be set off. A short transaction in a share can only be contracted if a reasonable case can be made that the shares sold can actually be delivered, which requires confirmation of a third party that the shares have been located. There is also an obligation to notify the AFM of gross short positions. The notification thresholds are the same as apply in respect of the notification of actual or potential capital interests in the capital and/or voting rights, as described above.

The AFM keeps a public register of all notification made pursuant to these disclosure obligations and publishes any notification received. In 2016, the following short position was declared to the AFM:

DATE	PERSON OBLIGED TO NOTIFY	NB OF SHARES	% OF VOTING RIGHTS
06/05/2016	UBS Group AG	1,958,860	2.80%

4.9 Market Abuse Regime

The Market Abuse Regulation (EU) nr. 596/2014 (the "MAR") and related Commission Implementing Regulations and Delegated Regulations, provide for specific rules that intend to prevent market abuse, such as the prohibitions on insider trading, divulging inside information and tipping, and market manipulation (the "European Union Market Abuse Rules"). Euronext is subject to the European Union Market Abuse Rules and non-compliance with these rules may lead to criminal fines, administrative fines, imprisonment or other sanctions.

The European Union Market Abuse Rules on market manipulation may restrict Euronext's ability to buy back its shares. In certain circumstances, investors in Euronext can also be subject to the European Union Market Abuse Rules. Pursuant to Article 19 of the MAR ("Managers' transactions"), members of the Managing Board, Supervisory Board and any senior executive who has regular access to inside information relating directly or indirectly to Euronext and power to take managerial decisions affecting the future developments and business prospects of Euronext, (persons dischanging managerial responsibilities (PDMR'S); in case of Euronext Supervisory Board, Managing Board and permanent invitees to Management Board'meetings), must notify the AFM of every transaction conducted on their own account relating to the shares or debt instruments of Euronext or to derivatives or other financial instruments linked thereto.

In addition, certain persons closely associated with members of Euronext's Managing Board or any of the other persons as described above and designated by the MAR PDMR'S must also notify the AFM of every transaction conducted on their own account relating to the shares or debt instruments of Euronext or to derivatives or other financial instruments linked thereto. The MAR determines the following categories of persons: (i) the spouse or any partner considered by national law as equivalent to the spouse, (ii) dependent children, (iii) other relatives who have shared the same household for at least one year at the relevant transaction date and (iv) a legal person, trust or partnership, the managerial responsibilities of which are discharged by a person discharging managerial responsibilities or by a person referred to in point (i), (ii) or (iii), which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person, or the economic interests of which are substantially equivalent to those of such a person. These notifications must be made no later than on the third business day following the transaction date and by means of a standard form. The notification may be postponed until the moment that the value of the transactions performed for the POMR that person's own account, or transactions carried out by the persons closely associated with that person, reaches or exceeds an amount of €5,000 in the calendar year in question.

The AFM keeps a public register of all notifications under art. 19 of the MAR. Third parties can request to be notified automatically by e-mail of changes to the public register. Pursuant to the MAR, Euronext will maintain a list of its insiders. In addition, to further ensure compliance with MAR, Euronext has adopted an internal policy relating to the possession of and transactions by members of its PDMR'S and employees in Euronext shares or in financial instruments of which the value is (co)determined by the value of the shares. Euronext N.V. Insider Trading Policy of Conduct has been published on its website on https://www.euronext.com/en/investors/corporate-governance.

4.10 Transparency Directive

After the admission to listing of its shares on Euronext Amsterdam, Euronext Brussels and Euronext Paris on 20 June 2014, and on Euronext Lisbon on 17 September 2014, Euronext became a public limited liability company (*naamloze vennootschap*) incorporated and existing under the laws of the Netherlands. The Netherlands is Euronext's home member state for the purposes of Directive 2004/109/EC (as amended by Directive 2013/50/EU, the "Transparency Directive") as a consequence of which it is subject to the Dutch Financial Supervision Act in respect of certain on-going transparency and disclosure obligations upon admission to listing and trading of its shares on Euronext Amsterdam, Euronext Brussels, Euronext Lisbon and Euronext Paris.

4.11 Dutch Financial Reporting Supervision Act

The Dutch Financial Reporting Supervision Act (*Wet toezicht financiële verslaggeving*) (the "FRSA") applies to financial years starting from 1 January 2006. On the basis of the FRSA, the AFM supervises the application of financial reporting standards by, among others, companies whose corporate seat is in the Netherlands and whose securities are listed on a Dutch Regulated Market or foreign stock exchange. Pursuant to the FRSA, the AFM has an independent right to (i) request an explanation from Euronext regarding its application of the applicable financial reporting standards and (ii) recommend to Euronext the making available of further explanations. If Euronext does not comply with such a request or recommendation, the AFM may request that the Enterprise Chamber order Euronext to (i) make available further explanations as recommended by the AFM, (ii) provide an explanation of the way it has applied the applicable financial reporting standards to its financial reports or (iii) prepare Euronext's financial reports in accordance with the Enterprise Chamber's instructions.

4.12 Dividends and Other Distributions

Euronext may make distributions to its shareholders only insofar as its shareholders' equity exceeds the sum of the paid-in and called-up share capital plus the reserves as required to be maintained by Dutch law or by its Articles of Association. Under Euronext's Articles of Association, the Managing Board decides which part of any profit will be reserved.

Euronext's dividend policy is to achieve a dividend pay-out ratio of approximately 50% of net income, upon the approval of the Annual General Meeting, and as long as the Company is in position to pay this dividend while meeting all its various duties and obligations.

Euronext is not restricted to distributions, share repurchases or share redemptions up to an amount of 50% of the net income of the Company in any financial year, provided that following any such redemption, repurchase or distribution as the case may be, the leverage ratio as defined in the Facilities Agreement may not be less than 1.5x (see section 5.1.10 for details on the Facility Agreement). Repurchase of shares for the needs of the Employee Offering and employee shareholding and management incentive programs that Euronext may implement from time to time, which may be offered for free or at a discount and repurchase of shares in accordance with liquidity or market making programmes are not restricted within the Facilities Agreement.

Euronext may make a distribution of dividends to its shareholders only after the adoption of Euronext's statutory annual accounts demonstrating that such distribution is legally permitted. The profit, as this appears from the adopted annual accounts, shall be at the free disposal of the General Meeting, provided that the General Meeting may only resolve on any reservation of the profits or the distribution of any profits pursuant to and in accordance with a proposal thereto of the Supervisory Board or a proposal of the Managing Board, which has been approved by the Supervisory Board. Resolutions of the General Meeting with regard to a distribution at the expense of the reserves shall require the approval of the Managing Board and the Supervisory Board.

The Managing Board is permitted to resolve to make interim distributions to Euronext shareholders, subject to approval of the Supervisory Board. The General Meeting may also resolve to make interim distributions to Euronext shareholders, pursuant to and in accordance with a proposal thereto by the Managing Board, which has been approved by the Supervisory Board.

The Managing Board may decide that, subject to approval of the Supervisory Board, a distribution on shares shall not be made in cash or not entirely made in cash but other than in cash, including but not limited in the form of shares in the Company or decide that shareholders shall be given the option to receive a distribution either in cash or other than in cash. The Managing Board shall, subject to approval of the Supervisory Board, determine the conditions under which such option can be given to Euronext's shareholders.

Shareholders are entitled to share the profit *pro rata* to their shareholding. Claims to dividends and other distributions not made within five years from the date that such dividends or distributions became payable will lapse, and any such amounts will be considered to have been forfeited to Euronext (*verjaring*).

4.13 Financial Calendar

First Quarter 2017 Results	19 May 2017
Annual General Meeting	19 May 2017
Second Quarter and First Half 2017 Results	28 July 2017
Third Quarter 2017 Results	8 November 2017

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OPERATING AND FINANCIAL REVIEW

The following review relates to Euronext historical financial condition and results of operations for the years ended 31 December 2016 and 2015. This "Operating and Financial Review" is based on the audited Financial Statements for the years ended 31 December 2016 and 2015, which are included in this Registration Document and should be read in conjunction with "General description of the Company" and "Financial Statements". Prospective investors should read the entire Registration Document and not just rely on the information set out below. The financial information included in this "Operating and Financial Review" has been extracted from the audited Consolidated Financial Statements.

The following discussion of Euronext results of operations and financial condition contains forward-looking statements. Euronext actual results could differ materially from those that are discussed in these forward-looking statements. Factors that could cause or contribute to such differences include those discussed below and elsewhere in this Registration Document, particularly under "Risk Factors".

5.1 Overview

Euronext is a pan-European exchange group, offering a diverse range of products and services and combining transparent and efficient equity, fixed income securities and derivatives markets in Amsterdam, Brussels, Lisbon, London and Paris. Euronext businesses comprise: listing, cash trading, derivatives trading, market data and indices, post-trade and market solutions & other.

Euronext management reviews the performance of the business, and makes decisions on allocation of resources, only on a company-wide basis. Therefore, Euronext has one reportable segment.

Euronext has been operating as an independent, publicly traded company since 20 June 2014. Prior to June 2014, Euronext's businesses were part of ICE as a result of ICE's acquisition of NYSE Euronext on 13 November 2013.

5.1.1 DEFINITIONS

The following defined terms are used in this Operating and Financial Review:

"Legacy Euronext" means the historical operations of the former Euronext N.V. (existing prior to 15 March 2014) and its subsidiaries, including LIFFE.

5.1.2 ESTABLISHMENT OF EURONEXT AS AN INDEPENDENT, PUBLICLY TRADED COMPANY

The legal entities of the Group have been owned by Euronext N.V. since the date that the internal reorganisation was finalised in March 2014. The Consolidated Financial Statements as of and for financial years ended 31 December 2016, 2015 and 2014 have been prepared as described further in Note 3 to the Consolidated Financial Statements (see *"Financial Statements"*). All transactions and balances between subsidiaries have been eliminated on consolidation.

Cost Allocations since 1 January 2014

In March 2014, in connection with the separation of Euronext from ICE, existing transfer pricing agreements were terminated and replaced by transitional and long-term SLAs providing for a specific identification of each individual service rendered to or received from ICE. Each individual service is priced separately, generally on a fixed fee basis, based on actual usage or mutually agreed service level. These SLAs do not provide for the allocation of actual cost incurred, plus overheads and mark-up, in proportion to revenues.

The historical transfer pricing agreements were amended as of 1 January 2014 in order to provide for pricing consistent with the SLAs implemented in March 2014. Accordingly, the recharges to and from ICE are made on a consistent basis throughout the rest of the year 2014. Services rendered to ICE primarily include the IT support to LIFFE, which terminated at the end of 2014, as well as various ancillary services. The income derived from these services is presented as "ICE transitional revenue and other income" in the consolidated income statement for the year ending 31 December 2014.

Services received from ICE under the SLAs include the use of data centre infrastructure, corporate information systems and web support, as well as certain market data, market operations, internal audit and other services. With the exception of data centre infrastructure, the services received from ICE were transitional and have ended at the end of 2014.

Euronext will continue to benefit from a perpetual license to use the Euronext UTP technology on a royalty-free basis.

5.1.3 SOURCES OF REVENUES

Listing

Admission fees comprise fees paid by companies to list and admit to trading equity and debt securities on Euronext markets and corporate activity and other fees, which consist primarily of fees charged for centralising securities in connection with new listings and tender offers and delisting fees. In addition, companies whose securities are listed or admitted to trading on Euronext markets pay annual fees.

Euronext has adopted a common set of admission and annual fees for the Euronext and Alternext markets. Companies having equity securities listed or admitted to trading on Euronext or Alternext markets are subject to the following types of fees:

- initial admission fee charged based on the market capitalisation at first admission and calculated on a cumulative scale with decreasing rates and capped;
- subsequent admission fees charged based on the amount of capital raised and calculated on a cumulative scale with decreasing rates and capped, and other corporate events related fees;
- annual fees based on a variable decreasing percentage of the number of outstanding securities and a fixed fee based on the issuer's market capitalisation over a threshold level. The annual fee is capped.

Euronext distinguishes domestic issuers and non-domestic issuers. Non-domestic issuers primarily use Euronext markets to increase visibility, and the fees charged to this category of issuers have lower caps and lower flat fees. Admission fees for debt securities, issued both on a stand-alone basis or under a note program, are based on the maturity and principal amount admitted to trading, and, in respect of long-term debt (maturity over one year), number of years to maturity. Euronext offers lower admission fees for issuers that access the debt capital markets frequently and for issuers qualifying as SMEs.

The admission fees described above also apply to the EasyNext markets operated by Euronext Brussels and Euronext Lisbon. The admission fees for the Marché Libre of Euronext Paris and Euronext Brussels follow the same principles as the admission fees for Euronext and Alternext markets. Issuers quoted on the Marché Libre pay a flat annual fee.

Euronext offers centralisation services for orders in connection with a public offer, a public tender offer or a sales facility, in respect of securities admitted or to be admitted to any Euronext markets whether regulated or not.

A common set of admission and annual fees apply to ETPs. Issuers of ETPs listed and/or admitted to trading on Euronext markets are subject to the following types of fees:

- for warrants & certificates traded *via* the quote driven model, issuers are invoiced listing fees based on the average size of their products range (grouped in packages). There are several discounts available for which issuers can qualify in order to reduce their listing fees. A one-time admission fee is charged to issuers of structured notes and certificates not traded *via* the quote driven model, as well as a market access fee per instrument;
- primary and secondary listings of ETFs, exchange traded vehicles and exchange traded notes are charged initial admission fees. Additional admission fees are charged per cross and multi-currency listing; charges are also applicable on delisting and merger of instruments. An annual fee is charged each entire calendar year based on the value of the total shares outstanding under each ISIN;
- fund issuers are charged a one-time admission fee and a flat annual fee per listed open-end investment fund. A monthly service fee is also charged per fund traded on the net asset value trading facility. A flat delisting fee is charged per open-end investment fund.

Cash and Derivatives Trading

Revenues from Euronext cash trading and derivatives trading businesses consist of transaction-based fees for executing trades on Euronext cash markets and derivatives markets. These transaction fees are charged per executed order and based on value traded in cash equities and are charged per lot in derivatives. Trading volume in equity products is primarily driven by price volatility in equity markets and indices. The level of trading activity for all products is also influenced by market conditions and other factors.

Derivative trading revenues received from transactions conducted on Euronext markets are variable, based on the volume and value of traded contracts, and recognised when executed. The principal types of derivative contracts traded are equity and index products and commodities products.

Market Data and Indices

The Group charges data vendors and end users, taking data via a direct feed, on a per-user basis for the access to its real-time data and Enterprise licenses are charged for non-display use and access to historic and reference data products. The Group also collects periodic license fees from vendors for the right to distribute the Group data to third parties. These fees are recognised on a monthly basis as services are rendered.

Post-Trade

Euronext operates Interbolsa, the Portuguese national CSD, and receives fees mainly with respect to the settlement of trades/instructions and the custody of securities registered/deposited in the centralised securities systems, namely the securities traded in Portugal. Euronext also receives a share of clearing income based on treasury services and the number of cleared derivatives trades cleared through LCH.Clearnet, in exchange for which Euronext pays LCH.Clearnet a fixed fee plus a variable fee based on derivatives trading volume.

Market Solutions & Other

Market solutions & other revenue includes software license fees and IT services provided to third-party market operators and connection services and data centre co-location services provided to market participants. Licence fees for software that does not need significant customisation is recognised upon delivery or acceptance by the client. Fees for software customisation and implementation services are recognised either on a time and materials basis or under the percentage completion method, depending upon the nature of the contract. When standard UTP software requires significant customisation and implementation work, both software license and professional services fees are recognised together on a percentage of completion basis. The stage of completion is measured based on the number of man days incurred to date as a percentage of total estimated number of man days to complete. Software maintenance fees, managed services fees, connection and subscription fees, and annual license fees are recognised rateably over the life of the agreement.

5.1.4 COMPONENTS OF EXPENSES

Euronext's operating expenses include salaries and employee benefits, depreciation and amortisation, and other operational expenses, which include systems and communications, professional services, accommodation and other expenses.

Salaries and Employee Benefits

Salaries and employee benefits expenses include employee salaries, incentive compensation (including stock-based compensation) and related benefits expenses, including pension and medical charges.

Depreciation and Amortisation

Depreciation and amortisation expenses consist of costs from depreciating fixed assets (including computer hardware and capitalised software) and amortising intangible assets over their estimated useful lives.

Systems and Communications

Systems and communications expenses include costs for development, operation and maintenance of trading, regulatory and administrative systems; investments in system capacity, reliability and security; and cost of network connectivity between customers and data centres, as well as connectivity to various other market centres. Systems and communications expenses also include fees paid to third-party providers of networks and information technology resources, including fees for consulting, research and development services, software rental costs and licenses, hardware rental and related fees paid to third-party maintenance providers.

Professional Services

Professional services expenses include consulting charges related to various technological and operational initiatives as well as legal and audit fees.

Accommodation

Accommodation expenses include costs of leasing the properties used by the Group, as well as utilities, maintenance and security costs to maintain the properties used by the Group.

Other Expenses

Other expenses include marketing, taxes, insurance, travel, professional membership fees and other expenses.

5.1.5 KEY FACTORS AFFECTING BUSINESSES AND RESULTS OF OPERATIONS

The economic and business environment in which Euronext operates directly affects Euronext's results of operations. The results have been and will continue to be affected by many factors, including the factors set out below. Euronext continues to focus its strategy to broaden and diversify its revenue streams, as well as on its company-wide expense reduction initiatives in order to mitigate these uncertainties.

Trading Activity

A large proportion of Euronext's business is transaction-based. For the year ended 31 December 2016, Euronext derived 44,5% of its revenue from its cash trading and derivatives trading businesses. Accordingly, fluctuations in the trading volumes directly affect Euronext revenues. During any period, the level of trading activity in Euronext markets is significantly influenced by factors such as general market conditions, market volatility, competition, regulatory changes, capital maintenance requirements, market share and the pace of industry consolidation.

A reduction in trading activity could make Euronext's markets less attractive to market participants as a source of liquidity, which in turn could further discourage existing and potential market participants and thus accelerate a decline in the level of trading activity in these markets. Because Euronext's cost structure is largely fixed, if the trading volumes and the resulting transaction fee revenues decline, Euronext may not be able to adjust its cost structure to counteract the associated decline in revenues, which would adversely affect its net income. Euronext's largely fixed cost structure also provides operational leverage, such that an increase in its trading volumes and the resulting transaction fee revenues would have a positive effect on its margins.

Targeted Operating Optimisation

From its origination, Euronext has identified various ways to streamline its processes and enhance its operational efficiency. As such Euronext had identified the potential for pre-tax operating optimisation and net efficiencies of approximately €85 million by the end of 2016 on a run-rate basis, i.e. taking into account the full-year impact of any cost saving measure to be undertaken before the end of this period. This target was reached in a reduced timeline, by the end of Q1 of 2016.

As part of the Agility for Growth strategic plan released in May 2016, an additional cost reduction program was announced, aiming to deliver €22 million additional savings (€15 million, net of inflation) by the end of 2019, through infrastructure optimisation and further streamlining of the organisation.

Infrastructure optimisation: Euronext makes continuous efforts to improve its asset utilisation. Together with a rationalisation of the number of sites and the set-up of Euronext's IT team in Porto, this will deliver one third of the €22 million of savings.

Further streamlining of the organisation: Euronext is reducing its footprint in the Basildon data centre, through the deployment of a new trading platform and renegotiation of the contract. In addition, it continues its effort to reinforce the culture of efficiency.

Expenses incurred to realise the efficiencies described above are classified as "Exceptional items" in the Income statement, for a total of €7.1 million in 2016. This expense is included in the total amount of exceptional items (€10.0 million in 2016), disclosed in Note 8 of the Consolidated Financial Statements.

Derivatives Clearing Agreement

On 14 October 2013, Euronext entered into the Derivatives Clearing Agreement with LCH.Clearnet in respect of the clearing of trades on its continental Europe derivatives markets. Under the terms of the Derivatives Clearing Agreement, effective starting 1 April 2014, Euronext has agreed with LCH.Clearnet to share revenues. Euronext receives a share of clearing income based on treasury services and the number of cleared derivatives trades cleared through LCH. Clearnet, in exchange for which Euronext pays LCH.Clearnet a fixed fee plus a variable fee based on derivatives trading volume.

Subject to certain conditions and exceptions, the term of the Derivatives Clearing Agreement is through 31 December 2018, after which date the agreement will renew automatically until terminated by either party upon written notice. Euronext's estimated derivatives clearing revenue would have been €48.5 million and the associated clearing expense would have been €27.1 million for the year ended 31 December 2014, had the contract been in place for 12 months. For the year ended 31 December 2015 those revenues are €51.9 million and the associated expense is €27.8 million. For the year ended 31 December 2016, revenues derived from the Derivatives Clearing agreement are €48.0 million and the associated expense is €26.3 million.

Facilities Agreements

On 6 May 2014, Euronext entered into a syndicated bank loan facilities agreement ("the Facilities Agreement"), with BNP Paribas and ING Bank N.V. as Lead Arrangers, providing for a (i) a €250 million term loan facility and (ii) a €250 million revolving loan facility, both maturing or expiring in three years. On 20 February 2015, Euronext entered into the amended and extended facilities agreement. Based on this agreement, effectively on 23 March 2015 (i) the undrawn revolving credit facility has been increased with €140 million to €390 million and (ii) €140 million has been repaid as an early redemption of the €250 million term loan facility. The facilities mature in three years on 23 March 2018, with a two times one year extension possibility, resulting in (i) a €390 million undrawn revolving credit facility and (ii) a net non-current borrowing of €108 million as of 31 December 2015.

On 23 September 2016, Euronext repaid €40 million as an early redemption of the €110 million term loan facility, resulting in a net non-current borrowing of €69 million as of 31 December 2016. On 23 March 2017, Euronext has repaid the remaining outstanding borrowing, early terminating the term loan facility. The undrawn revolving credit facility of €390 million remained unchanged. Reference is made to section 5.1.10 for more details on the Facilities Agreement.

French Restructuring Plans

In April 2015, as part of the Group restructuring and transformation initiative, the two French entities, Euronext Paris S.A. and Euronext Technologies S.A.S. initiated and presented to the Unions restructuring plans (Plans de Sauvegarde de l'Emploi ("PSE")). These two separate social plans were framed by the relevant legal and administrative process in France and were subject to approval of DIRECCTE, the labour administrative entity in charge of these procedures in France. Following rejection of the PSE for Euronext Paris S.A. by DIRECCTE, and further consultation with the Work Councils and Committees for Health, Safety and Working Conditions for each entity, the Group announced its intention to change the PSE plans into 'Plan de Depart Volontaire' ("PDV's") in October 2015. The respective Unions signed Collective Labour Agreements ("Accord Majoritaire") related to the PDV's for Euronext Paris S.A. and Euronext Technologies S.A.S. These agreements were validated by la DIRECCTE in November 2015 for Euronext Paris S.A., and January 2016 for Euronext Technologies S.A.S. This resulted in a total provision of €22.0 million for both plans recognised as at 31 December 2015.

During 2016, the PDV's for Euronext Paris S.A. and Euronext Technologies S.A.S. have been executed and completed. As such, the provision still recorded is limited to €0.2 million as per 31 December 2016. The indemnities and other additional benefits that were agreed and confirmed but not yet paid, are recognised as a liability in Trade- and other payables as per 31 December 2016. In addition, a provision for third party expenses is still recorded and amounts to €0.2 million for Euronext Paris S.A. and €0.3 million for Euronext Technologies S.A.S. as at 31 December 2016.

Relocation Belfast IT Operations

In order to concentrate its operations in Euronext home countries, and to further rationalise its cost base, Euronext has decided to reduce the number of sites where IT operates. To this end, Euronext will increase its presence in Portugal (Porto) and close its operations in Belfast. In April 2016, the Group announced that for this purpose Euronext has set up a new technology service centre in Porto (Euronext Technologies Unipessoal Lda.) to host these IT activities. For the employee termination benefits in relation to the closure of the Belfast IT operations, a restructuring expense of €2.2 million has been recognised in exceptional items during 2016.

Investments in Associates and Joint Ventures

The following investments in associates and joint ventures were made in 2016:

- on 22 July 2016, Euronext has acquired a 34% stake in Tredzone S.A.S., a highly specialised low latency software developer, as part of its innovation strategy. Euronext has assessed the high level of performance of the Tredzone technology by using it to develop the next generation trading platform "Optiq®". This agreement will enable Tredzone to strengthen its leading edge technology and will allow Euronext to benefit from future developments made by Tredzone. Software development tools from Tredzone allow Euronext to fully leverage multi-core processing, hence enabling substantial savings in use of hardware, simplifying and securing IT infrastructure. Designed by a team of experts from financial markets software design, these tools are specifically adapted to handle large amounts of data in real time within a complex environment. The €1.4 million investment has been recognised as an investment in associate as at 31 December 2016;
- in August 2016, Euronext announced it had signed a definitive agreement to acquire a 20% stake in European Central Counterparty N.V. ("EuroCCP"), the leading CCP for pan-European equity markets, providing clearing and settlement services. This deal will enable Euronext to offer user choice in clearing for the equity markets within the Eurozone, through the implementation of a preferred CCP model followed by a fully interoperable service, which

will be open to other CCPs in due course. Following regulatory approvals, the completion of the transaction was finalised on 15 December 2016 for an amount of €13.4 million. The investment in EuroCCP has been recognised as an investment in associate as at 31 December 2016;

- in November 2016, Euronext announced a 10 year partnership with leading fixed income technology provider Algomi to create a long-term joint venture. This joint venture, capitalised by Euronext, will deploy Algomi's award winning technology to a new multilateral trading facility ("MTF") "Algonext". Dealers will be able to access the trading interface either directly through their existing Algomi technology or through their stand-alone systems. The platform will use algorithmic smart matching processes to create an auction between dealers to improve liquidity and search for best execution. Algonext was incorporated on 16 December 2016 and, based on shared ownership, Euronext has an interest of 50%. The investment in Algonext amounting to €1.2 million has been recognised as an investment in joint ventures as at 31 December 2016.

Euroclear Investment

On 30 April 2014, the Parent contributed to the Group a 2.75% ownership interest into Euroclear plc., an unlisted company involved in the settlement of securities transaction and related banking services. The fair value of the investment at that time was €63 million. Due to share buy-backs by Euroclear plc. in 2014 and 2015 the direct investment in Euroclear plc. increased from 2.75% to 3.26% as per 31 December 2015. The fair value of the investment in Euroclear plc. was measured at €67.1 million as per 31 December 2015.

In 2016 this share buy-back program did not continue, however other valuation approaches have been applied in a consistent manner to prior years, leading to an adjustment of fair value through Other Comprehensive Income of €0.5 million in 2016, bringing the fair value of the 3.26% direct investment in Euroclear plc. to €67.6 million as per 31 December 2016.

The Group also holds a 1.49% indirect investment in Euroclear plc., through its 9.60% ownership interest in Sicovam Holding S.A. as per 31 December 2016. The investment in Sicovam Holding S.A. was valued at €30.0 million as per 31 December 2016 (31 December 2015: €29.4 million). The investments in Euroclear plc. and Sicovam Holding S.A. shares were recorded as non-current available-for-sale financial assets.

LCH.Clearnet Group Limited Investment

As of 31 December 2016, the Group holds a 2.31% ownership in LCH. Clearnet Group Limited plc ("LCH. Group") (2015: 2.31%). LCH is a multi-asset international clearing house managing and mitigating counterparty risks in market transactions. Management determined fair value for its stockholding in LCH. Group based on updated information available as of 31 December 2016. Fair value for LCH. Clearnet is based on application of market multiples to earnings, including the multiple that can be derived from the irrevocable all-cash offer made by Euronext to acquire LCH. Group. This provided Management with sufficient input to record a change in fair value for its investment in LCH of €1.7 million (2015: €0.0 million).

5.1.6 GOODWILL

Goodwill recorded includes the entire goodwill that arose from the acquisition of the Amsterdam and Brussels stock exchanges in 2000 and the Lisbon stock exchange in 2002. It also includes an allocation of the goodwill that arose from the acquisition of Atos Euronext Market Solutions ("AEMS"), Euronext's preferred IT service provider, in 2008.

5.1.7 FINANCIAL AND TRADING POSITION

Other than as described below, there has been no significant change in Euronext's financial or trading position since 1 January 2017.

Acquisition of LCH.Clearnet SA ("Clearnet")

On 3 January 2017, Euronext announced that it has signed a binding offer and been granted exclusivity to acquire 100% of the share capital and voting rights of Clearnet. The purchase price of €510 million, which would be subject to a closing adjustment for any change in surplus regulatory capital, would be funded through a combination of debt facilities and existing cash.

Clearnet is a leading, multi-asset, Eurozone-based Central Counterparty (CCP) serving Euronext's markets, pan-European electronic trading platforms and OTC markets, with gross income of €137 million and profit after tax of €36 million in 2015, and shareholders' equity of €301 million. Together, Euronext and Clearnet would deliver a powerful multi-asset CCP based in the Eurozone.

The transaction was contingent upon:

- Euronext shareholder approval;
- the closing of the merger between Deutsche Börse AG and LSEG;
- customary regulatory, anti-trust approvals and other consents;
- completion of the works council consultation process of Clearnet.

Since 15 February 2017, the condition relating to shareholder approval is met with the approval by Euronext' shareholders of the contemplated transaction during the EGM.

On 29 March 2017, the European Union prohibited the LSEG/DBAG merger, as a result the agreement for the potential acquisition of LCH.Clearnet terminated.

Euronext has communicated to the management and the Board of Directors of both LSE Group and LCH Group that the transaction remains a strategic priority of Euronext and that Euronext will remain a willing buyer of LCH.Clearnet, irrespective of the outcome of the merger between LSEG and DBAG, under the terms agreed. Considering the European Commission's prohibition of the merger between Deutsche Börse AG and LSE Group and the refusal of LSE Group and LCH Group to engage into discussions about completing the agreed sale of LCH.Clearnet, Euronext must ensure its clients obtain the best, sustainable, cost effective and competitive clearing solutions beyond 31st December 2018, at which time the current clearing services agreement with LCH.Clearnet will expire.

On 3 April 2017, Euronext announced it has signed a binding heads of terms with ICE Clear Netherlands for the provision of clearing services for its financial derivatives and commodities markets. The agreement with ICE Clear Netherlands covers the clearing of financial derivatives and commodity derivatives for a period of 10 years with ICE Clear Netherlands. Euronext will contribute a €10 million upfront investment in ICE Clear Netherlands.

The parties intend to significantly reduce explicit and implicit costs for customers, trough a 15% reduction in headline clearing fees, lower treasury management fees and the delivery of strong capital efficiencies.

Commercial open access structure delivers continued long term and sustainable clearing income for Euronext, with comparable levels of EBITDA.

The formal Clearing Services agreement is expected to be completed during Q2 2017, subject to regulatory approval.

Derivatives clearing shall be operated from Amsterdam while settlement and collateral infrastructure shall be operated from Paris.

5.1.8 RESULTS OF OPERATIONS

YEAR ENDED 31 DECEMBER 2016 COMPARED TO YEAR ENDED 31 DECEMBER 2015

The table below sets forth Euronext's results of operations for the years ended 31 December 2016 and 2015.

	YEAR ENDED	
In thousands of euros	31 DECEMBER 2016	31 DECEMBER 2015
Revenue	496,436	518,547
TOTAL REVENUE	**496,436**	**518,547**
Salaries and employee benefits	(99,776)	(112,218)
Depreciation and amortisation	(15,088)	(17,071)
Other operational expenses	(112,766)	(122,487)
Operating profit before exceptional items	**268,806**	**266,771**
Exceptional items	(10,038)	(28,659)
Operating profit	**258,768**	**238,112**
Finance costs	(2,142)	(2,906)
Other net financing income/(expense)	1,336	(1,238)
Result from available-for-sale financial assets	6,032	4,634
Share of net (loss) of associates and joint ventures accounted for using the equity method	(19)	-
Profit before income tax	**263,975**	**238,602**
Income tax expense	(66,962)	(65,948)
Profit for the year	**197,013**	**172,654**

Total Revenue

Euronext's total revenue for the year ended 31 December 2016 was €496.4 million, compared to €518.5 million for the year ended 31 December 2015, a decrease of €-22.1 million or -4%.

The table below sets forth Euronext's revenue for the years ended 31 December 2016 and 2015.

In thousands of euros	2016	2015
Listing	68,708	70,516
Trading revenue	220,835	241,699
of which		
• Cash trading	180,727	197,243
• Derivatives trading	40,108	44,456
Market data & indices	105,697	99,759
Post-trade	67,627	71,682
of which		
• Clearing	47,992	51,937
• Custody and Settlement	19,635	19,745
Market Solutions & Other revenue	33,009	34,147
Other income	560	744
TOTAL REVENUE	**496,436**	**518,547**

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For the year ended 31 December 2016:

Listing

Listing revenue was €68.7 million in 2016, a decrease of -2.6% compared to the €70.5 million achieved in 2015. This decrease was mainly driven by the fall in IPO activity and reduced listing fees for ETPs in comparison with 2015. In 2015, large transactions such as Lafarge-Holcim, Altice, Amundi and ABN Amro were key contributors to the listing revenue performance. In 2016, twenty eight new listings took place (versus fifty two in 2015), with a total of €3.7 billion of capital raised, compared to €12.4 billion in 2015.

Trading

Cash Trading

The cash trading revenue were €180.7 million in 2016, a decrease of -8.4% compared to €197.2 million in 2015. Volumes in cash trading were down -15.3% compared to last year, and average market share for the year has reduced to 61.0%, compared to 63.5% in 2015. Uncertainty created by various global factors throughout the year (United Kingdom referendum, US elections in November), translated into reduced investor confidence and lower volatility.

Activity on the ETF segment was similary impacted. Average daily transaction value was €554 million, down -9.7% compared to €613 million in 2015.

Derivatives Trading

Derivatives trading revenue decreased by -9.8% in 2016 to €40.1 million (compared to €44.5 million in 2015). Index product trading volumes declined by -9.8% in 2016 compared to 2015. Trading activity on Euronext's individual equity option franchise decreased by -5.2% during 2016, compared to 2015 as market volatility was higher last year.

In 2016 a material sub-standard French wheat harvest impacted volumes in commodity products that declined by -4.1% compared to 2015.

Market Data & Indices

Market data & indices revenue, which accounts for 21.3% of Euronext's revenue, posted a +6.0% increase in revenue compared to 2015 (2016: €105.7 million versus 2015: €99.8 million). The 2016 revenue benefited from the positive impact of new products and services launched in the course of 2015, as well as from some fee adjustments.

Post-Trade

Clearing

Consistent with the trend in derivatives trading volumes, clearing revenue decreased by -7.6%, from €51.9 million in 2015 to €48.0 million in 2016.

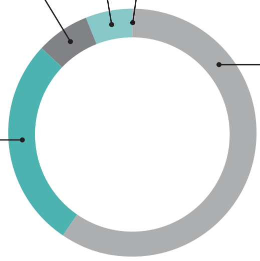
Settlement & Custody

Revenue from Interbolsa in Portugal were €19.6 million in 2016; in line with the €19.7 million achieved in 2015.

Market Solutions & Other

Revenue from market solutions decreased by -3.3% in 2016, to €33.0 million (2015: €34.1 million). The decrease in software solution revenue during the transition to Optiq® platform was partially offset by the introduction of a new Market Abuse Regulation compliance service in July 2016.

EURONEXT 2016 REVENUE BY GEOGRAPHY



Operating Expenses

In thousands of euros	YEAR ENDED 31 DECEMBER 2016	YEAR ENDED 31 DECEMBER 2015
Salaries and employee benefits	(99,776)	(112,218)
Depreciation and amortisation	(15,088)	(17,071)
Other operational expenses	(112,766)	(122,487)
TOTAL OPERATING EXPENSES	**(227,630)**	**(251,776)**

Euronext operating expenses in 2016 were €227.6 million, compared to €251.8 million in 2015, a decrease of €-24.2 million or -10%. The overall cost decrease in 2016 was due to strong cost discipline following Euronext's cost reduction program and also included €3.3 million from releases of accruals. Euronext operating expenses comprise salaries and employee benefits, depreciation and amortisation, and other operational expenses.

Salaries and Employee Benefits

Salaries and Employee Benefits decreased by €-12.4 million, or -11%, to €99.8 million in 2016, compared to €112.2 million in2015. This decrease is attributable to the reduction in headcount following Euronext's restructuring activities, and to a decrease in share based payment expenses related to an unconditional grant of 63,609 RSU's, resulting in immediate vesting and recognition of the related expenses in the comparative period.

Depreciation and Amortisation

Depreciation and Amortisation decreased by €-2.0 million, or -12%, to €15.1 million in 2016, compared to €17.1 million in 2015. This decrease is mainly related to the end of the accelerated depreciation of assets in conjunction with the Company's relocations in Paris and Brussels in 2015.

Other Operational Expenses

In thousands of euros	2016	2015
Systems and communications	(17,099)	(18,582)
Professional services	(38,382)	(39,599)
Clearing expenses	(26,311)	(27,757)
Accommodation	(10,237)	(13,622)
Other expenses	(20,737)	(22,927)
TOTAL	**(112,766)**	**(122,487)**

System and Communication decreased by €-1.5 million, or -8%, to €17.1 million in 2016, compared to €18.6 million in 2015. This decrease is mainly attributable to sustainable maintenance reductions delivered as part of the cost reduction program.

Professional Services decreased by €-1.2 million, or -3%, to €38.4 million in 2016, compared to €39.6 million in 2015. This decrease is mainly attributable to lower costs for Euronext's Data Centre in Basildon following a reduction in number of cabinets, which is partly offset by increased expenses related to studies for the newly defined Group strategy in 2016.

Clearing expenses decreased by €-1.4 million, or -5%, to €26.3 million in 2016, compared to €27.8 million in 2015. This decrease is linked to the lower Clearing revenues in 2016.

Accommodation decreased by €-3.4 million, or -25%, to €10.2 million in 2016, compared to €13.6 million in 2015. This decrease is mainly attributable to the closure of Cannon Bridge House in London and the relocation of premises in Paris and Brussels in 2015.

Other Expenses decreased by €-2.2 million, or -10%, to €20.7 million in 2016 when compared to €22.9 million in 2015. This decrease consists of various smaller elements, the main one being the reduction of the insurance costs that were re-negotiated in 2016.

Operating Profit Before Exceptional Items

Euronext operating profit before exceptional items for the year ended 31 December 2016 was €268.8 million, compared to €266.8 million for the year ended 31 December 2015, an increase of €+2.0 million.

Exceptional Items

In thousands of euros	2016	2015
Restructuring costs	(7,082)	(20,581)
Share plan vesting acceleration/settlement	-	(349)
AMF fine	-	(5,000)
Acquisition costs	(3,322)	-
Litigation settlements	-	(1,976)
Other	366	(753)
TOTAL	**(10,038)**	**(28,659)**

In 2016, exceptional items included:

- €7.1 million of restructuring costs, including:
  - expenses for employee termination benefits in the various Euronext locations for €3.2 million,
  - expenses attributable to the execution and completion of the French restructuring plans for €1.7 million, and
  - restructuring expenses relating to relocation of Belfast IT operations to Porto for €2.2 million;
- €3.3 million of acquisition costs incurred for the contemplated acquisition of Clearnet. This transaction is considered to be transformational and associated costs as exceptional;
- €0.4 million (benefit) of other items.

Operating Profit

Euronext operating profit for the year ended 31 December 2016 was €258.8 million, compared to €238.1 million for the year ended 31 December 2015, an increase of €+20.7 million or +9%.

Net Financing Income / (Expense)

Euronext's net financing income / (expense) for the year ended 31 December 2016 was a net expense of €0.8 million, compared to a net expense of €4.1 million for the year ended 31 December 2015, a decrease in net expense of €-3.3 million. This decrease is mainly attributable to the variance in foreign exchange results. In 2016, foreign exchange results mainly relate to historical cumulative unrealised exchange differences recognised in Other Comprehensive Income, which have been realised following the dissolution of a U.K. subsidiary. The foreign exchange results in 2015 mainly stem from outstanding accounts receivable and accounts payable held in foreign currencies.

In thousands of euros	2016	2015
Interest expense	(2,142)	(2,906)
Finance costs	**(2,142)**	**(2,906)**
Interest income	572	369
Gain/(loss) on disposal of treasury investments	-	113
Net foreign exchange (loss)/gain	764	(1,720)
Other net financing income/(expense)	**1,336**	**(1,238)**
NET FINANCING INCOME/(EXPENSE)	**(806)**	**(4,144)**

Result from available-for-sale financial assets

In 2016, the €6.0 million of dividend income from available-for-sale financial assets mainly related to dividends received from Euroclear plc, LCH.Clearnet Group Ltd. and Sicovam Holding S.A. In the comparative period no dividends from LCH.Clearnet Group Ltd. was received, explaining the variance to the lower amount of €4.6 million in 2015.

Profit before Income Tax

Euronext profit before income tax for the year ended 31 December 2016 was €264.0 million, compared to €238.6 million for the year ended 31 December 2015, an increase of €+25.4 million or +11%.

Income Tax Expense

Euronext's income tax expense for the year ended 31 December 2016 was €67.0 million, compared to €65.9 million for the year ended 31 December 2015, an increase of €+1.1 million or +2%. Euronext's effective tax rate was 25.4% for the year ended 31 December 2016 compared to 27.6% for the year ended 31 December 2015:

- the decrease of the effective tax rate in 2016 is primarily attributable to the release of a €16.3 million tax provision recognised in 2013, as a result of the lapse of the statute of limitation. The effective tax rate in 2015 was impacted by the release of a €13.9 million tax provision recognised in 2012, as a result of the lapse of the statute of limitation.

Profit for the Year

Euronext reported profit for the year ended 31 December 2016 was €197.0 million, compared to €172.7 million for the year ended 31 December 2015, an increase of €+24.3 million or +14%.

YEAR ENDED 31 DECEMBER 2015 COMPARED TO YEAR ENDED 31 DECEMBER 2014

The table below sets forth Euronext's results of operations for the years ended 31 December 2015 and 2014.

	YEAR ENDED	
In thousands of euros	31 DECEMBER 2015	31 DECEMBER 2014
Third party revenue and other income	518,547	458,454
ICE transitional revenue and other income	-	34,044
TOTAL REVENUE	**518,547**	**492,498**
Salaries and employee benefits	(112,218)	(123,991)
Depreciation and amortisation	(17,071)	(16,644)
Other operational expenses	(122,487)	(143,100)
Operating profit before exceptional items	**266,771**	**208,763**
Exceptional items	(28,659)	(44,603)
Operating profit	**238,112**	**164,160**
Finance costs	(2,906)	(2,381)
Other net financing income/(expense)	(1,238)	(4,071)
Result from available-for-sale financial assets	4,634	4,557
Profit before income tax	**238,602**	**162,265**
Income tax expense	(65,948)	(44,091)
Profit for the year	**172,654**	**118,174**

Total Revenue

Euronext's total revenue for the year ended 31 December 2015 was €518.5 million, compared to €492.5 million for the year ended 31 December 2014, an increase of €+26.0 million or +5.3%. Euronext total revenue in 2014 comprised revenue from third parties and related party revenue from Parent entities.

Euronext third party revenue for the year ended 31 December 2015 was €518.5 million, compared to €458.5 million for the year ended 31 December 2014, an increase of €+60.0 million or +13.1%.

Third party revenue. The table below sets forth Euronext's third party revenue for the years ended 31 December 2015 and 2014.

In thousands of euros	2015	2014
Listing	70,516	61,737
Trading revenue	241,699	212,013
of which		
• Cash trading	197,243	165,565
• Derivatives trading	44,456	46,448
Market data & indices	99,759	93,348
Post-trade	71,682	57,268
of which		
• Clearing	51,937	35,979
• Custody and Settlement	19,745	21,289
Market Solutions & Other revenue	34,147	33,443
Other income	744	645
TOTAL THIRD PARTY REVENUE	**518,547**	**458,454**

For the year ended 31 December 2015:

Listing

Listing revenue was €70.5 million in 2015, an increase of +14.2% compared to the €61.7 million achieved in 2014. This strong performance was driven by healthy IPO and secondary market activity. Fifty two new listings took place in 2015 (versus forty five in 2014), with a total of €12.4 billion of capital raised, compared to €11.2 billion in 2014.

Trading

Cash Trading

The cash trading business achieved a strong full-year performance with revenue of €197.2 million, an increase of +19.1% compared to €165.6 million in 2014. This performance results from strong trading volumes, up +27.8% compared to 2014, combined with successful yield management and a stable market share. Euronext's domestic market share in a highly competitive environment was 63.5% for the full year.

The ETF segment was particularly dynamic this year with volumes up +74% compared to 2014.

Derivatives Trading

Derivatives trading revenue decreased by -4.3% in 2015 to €44.5 million (compared to €46.5 million in 2014). This is due to the lower volatility and competition in the Dutch segment of the individual equity options business.

For the full year commodity products achieved a strong performance, with an increase in volumes traded of +8.6% compared to 2014.

Market Data & Indices

Market data & indices revenue, which accounts for 19% of Euronext's revenues, posted a +6.9% increase revenue in 2015, compared to 2014: €99.8 million versus €93.3 million.

This growth was due to a strong client take up of the Continental Derivatives data packages and a record number of licensed products on Euronext indices, which rose by +25%, to over 7,000.

Post-Trade

Clearing

The financial benefits of the derivatives clearing agreement with LCH. Clearnet came into force on 1 April 2014. To facilitate the comparison, Euronext has decided to provide adjusted figures for 2014, estimating the impact this contract would have had, had it been in place from 1 January 2014 onwards.

For the full year of 2015 Euronext recorded clearing revenue of €51.9 million, (full year 2014 adjusted: €48.5 million or 2014 reported: €36.0 million).

This increase compared to the adjusted number for 2014 results from the favourable impact of the derivatives product mix.

Settlement & Custody

Full year revenues for Interbolsa in Portugal in 2015 amounted to €19.7 million compared to €21.3 million over 2014. This decrease of €-1.6 million, or -7.3%, is due to a reduction in settlement instructions, corporate actions and private debt assets under custody in Portugal during the year.

Market Solutions & Other

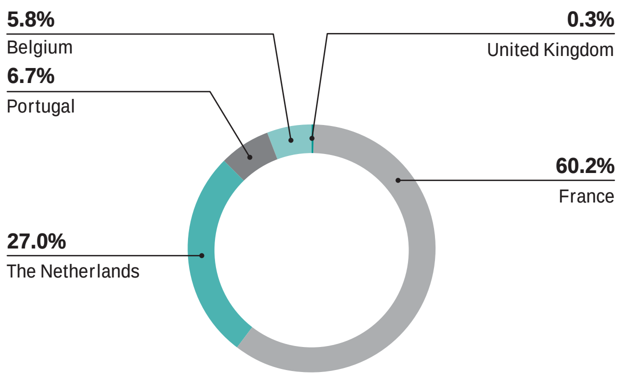
Revenue from market solutions increased in 2015 compared to 2014 (from €33.4 million to €34.1 million). This increase was mainly driven by the recognition of €1.5 million revenue, offsetting the reduction in solutions revenue.

ICE Transitional Revenue & Other Income

In 2014, ICE transitional revenue & other income amounted to €34.0 million.

This revenue reflected (i) the IT support services provided to LIFFE for the operation of its derivatives exchanges in the United Kingdom and in the United States and its migration onto the ICE platform; (ii) the invoicing of Cannon Bridge House (started as of 19 May 2014) and (iii) ancillary services. All Service Level Agreements arranging these services terminated in 2014 and consequently, no ICE transitional revenue & other income has been recorded in 2015.

EURONEXT 2015 THIRD PARTY REVENUE BY GEOGRAPHY



Operating Expenses

The table below sets forth Euronext operating expenses for the years ended 31 December 2015 and 2014:

In thousands of euros	YEAR ENDED	
	31 DECEMBER 2015	31 DECEMBER 2014
Salaries and employee benefits	(112,218)	(123,991)
Depreciation and amortisation	(17,071)	(16,644)
Other operational expenses	(122,487)	(143,100)
TOTAL OPERATING EXPENSES	**(251,776)**	**(283,735)**

Euronext operating expenses for the year ended 31 December 2015 were €251.8 million, compared to €283.7 million for the year ended 31 December 2014, a decrease of €-32.0 million or -11.3%. The 2014 expenses include nine months of clearing contract, which is not comparable with 2015: the adjusted 2014 expenses with twelve months of clearing contract amount to €290.6 million. Euronext delivered robust cost discipline in 2015 and expenses were down by €-38.8 million versus adjusted 2014 expenses. Euronext operating expenses comprise salaries and employee benefits, depreciation and amortisation, and other operational expenses.

Salaries and Employee Benefits

Salaries and Employee Benefits decreased by €-11.8 million, or -9.5%, to €112.2 million for the year ended 31 December 2015, compared to €124.0 million for the year ended 31 December 2014. This decrease is mainly attributable to a decrease in headcount following Euronext's restructuring activities and to a decrease in STI expenses including social charges.

Depreciation and Amortisation

Depreciation and Amortisation increased by €+0.4 million, or +2.6%, to €17.1 million for the year ended 31 December 2014, compared to €16.6 million for the year ended 31 December 14. This increase is mainly due to some accelerated depreciation of assets in conjunction with the Company's relocations in Paris and Brussels.

Other Operational Expenses

In thousands of euros	2015	2014
Systems and communications	(18,582)	(22,201)
Professional services	(39,599)	(51,376)
Clearing expenses	(27,757)	(20,263)
Accommodation	(13,622)	(25,653)
Other expenses	(22,927)	(23,607)
TOTAL	**(122,487)**	**(143,100)**

System and Communication decreased by €-3.6 million, or -16.3%, to €18.6 million for the year ended 31 December 2015, compared to €22.2 million for the year ended 31 December 2014. This decrease is mainly attributable to the elimination of dual infrastructure and simplification of system architecture (ESP program), as well as the renegotiation of term and conditions of existing contracts.

Professional Services decreased by €-11.8 million, or -22.9%, to €39.6 million for the year ended 31 December 2015, compared to €51.4 million for the year ended 31 December 2014. This decrease is mainly attributable to the closure of the London-based IT operations and the ending of the majority of the SLA's with ICE.

Clearing expenses were €27.8 million for the year ended 31 December 2015. These expenses relate to the Clearing agreement that started in April 2014 (full year 2014 adjusted: €27.1 million or 2014 reported: €20.3 million).

Accommodation decreased by €-12.0 million, or -46.9%, to €13.6 million for the year ended 31 December 2015, compared to €25.7 million for the year ended 31 December 2014. This decrease is mainly attributable to the closure of Cannon Bridge House in London and the relocation of premises in Paris and Brussels.

Other Expenses decreased by €-0.7 million, or -2.9%, to €22.9 million for the year ended 31 December 2015 when compared to €23.6 million the year ended 31 December 2014.

Operating Profit Before Exceptional Items

Euronext operating profit before exceptional items for the year ended 31 December 2015 was €266.8 million, compared to €208.8 million for the year ended 31 December 2014, an increase of €+58.0 million.

Exceptional Items

The table below sets forth Euronext's exceptional items for the years ended 31 December 2015 and 2014:

In thousands of euros	2015	2014
Initial public offering costs	-	(2,878)
Restructuring costs	(20,581)	(44,090)
Share plan vesting acceleration/settlement	(349)	(2,803)
Exceptional income	-	5,574
AMF fine	(5,000)	-
Litigation settlements	(1,976)	-
Other	(753)	(406)
TOTAL	**(28,659)**	**(44,603)**

In 2015, exceptional items included:

- €20.6 million of restructuring costs incurred in connection with the Separation from ICE, including:
  - expenses related to the French restructuring plans,
  - expenses for employee termination benefits in other Euronext locations for €12.2 million,
  - offset by the gain related to the surrender of the 'Cannon Bridge House' lease in London,
  - and other restructuring expenses mainly relating to relocation of the Paris head office;
- €0.3 million of expenses for the acceleration of vesting and settlement of share-based plan LTIP 2014;
- €5.0 million of costs related to the AMF fine;
- €2.0 million of expenses related to litigation settlements.

Operating Profit

Euronext operating profit for the year ended 31 December 2015 was €238.1 million, compared to €164.2 million for the year ended 31 December 2014, an increase of €+74.0 million or +45.0%.

Net Financing Income / (Expense)

Euronext's net financing income / (expense) for the year ended 31 December 2015 was a net expense of €4.1 million, compared to a net expense of €6.5 million for the year ended 31 December 2014, a decrease in net expense of €-2.3 million.

In thousands of euros	2015	2014
Interest expense	(2,906)	(2,381)
Finance costs	**(2,906)**	**(2,381)**
Interest income	369	407
Gain/(loss) on disposal of treasury investments	113	89
Net foreign exchange (loss)/gain	(1,720)	(4,567)
Other net financing income/(expense)	**(1,238)**	**(4,071)**
NET FINANCING INCOME/(EXPENSE)	**(4,144)**	**(6,452)**

Result from available-for-sale financial assets

Euronext result from available-for-sale financial assets, which was flat at €4.6 million for the year ended 31 December 2015, is explained by dividends received from Euroclear and Sicovam.

Profit before Income Tax

Euronext profit before income tax for the year ended 31 December 2015 was €238.6 million, compared to €162.3 million for the year ended 31 December 2014, an increase of €+76.3 million or +47%.

Income Tax Expense

Euronext's income tax expense for the year ended 31 December 2015 was €65.9 million, compared to €44.1 million for the year ended 31 December 2014, an increase of €+21.9 million or +50%. Euronext effective tax rate was 27.6% for the year ended 31 December 2015 compared to 27.2% for the year ended 31 December 2014:

- the limited increase of the effective tax rate in 2015 is primarily attributable to the release of a €13.9 million tax provision recognised in 2012, as a result of the lapse of the statute of limitation;
- the calculated income tax at domestic tax rates in 2014 was impacted by an adjustment due to the Separation from ICE at IPO date, reducing the calculated income tax for the year ended 2014.

Profit for the Year

Euronext reported profit for the year ended 31 December 2015 was €172.7 million, compared to €118.2 million for the year ended 31 December 2014, an increase of €+54.5 million or +46%.

5.1.9 CASH FLOW

The table below summarises Euronext consolidated cash flow for the years ended 31 December 2016, 2015 and 2014:

	YEAR ENDED		
In thousands of euros	31 DECEMBER 2016	31 DECEMBER 2015	31 DECEMBER 2014
Net cash provided by operating activities	181,127	139,972	148,591
Net cash (used in) investing activities	(29,572)	(5,277)	(28,124)
Net cash provided by/(used in) financing activities	(128,628)	(220,274)	39,863
Net increase/(decrease) in cash and cash equivalents	**22,927**	**(85,579)**	**160,330**

Net Cash Provided by Operating Activities

Net cash provided by operating activities was €181.1 million in the year ended 31 December 2016, compared to €140.0 million in the year ended 31 December 2015, an increase of €+41.1 million or +29.4%. The main drivers of this increase were:

- operating profit before income tax, corrected for working capital changes, increased from €210.1 million in the year ended 31 December 2015 to €243.7 million in the year ended 31 December 2016. In addition the income tax paid decreased by €-11.8 million or -12.8%, from €92.2 million in 2015 to €80.4 million in 2016, mainly due to refunds made by the French tax authorities in 2016.

Net cash provided by operating activities was €140.0 million in the year ended 31 December 2015, compared to €148.6 million in the year ended 31 December 2014, a decrease of €-8.6 million or -5.8%. The main drivers of this decrease were:

- operating profit before income tax, corrected for working capital changes, increased from €177.9 million in the year ended 31 December 2014 to €210.1 million in the year ended 31 December 2015. This increase of €32.2 million or 18.1% is more than offset by the increase in income tax paid of €42.4 million or +85.2%, from €49.8 million in 2014 to €92.2 million in 2015.

Net Cash Provided by/(Used in) Investing Activities

Net cash used in investing activities was €29.6 million in the year ended 31 December 2016, compared to net cash used in investing activities of €5.3 million in the year ended 31 December 2015. This increase of cash outflow of €+24.3 million is driven by the investment in associates of €14.8 million in 2016, and the cash inflow impact of the return of short-term investments of €15.0 million in 2015. The cash outflows for purchase of property, plant and equipment and purchase of intangible assets amounted to €14.8 million in 2016, a decrease of €-5.5 million in comparison to the capital expenditure of €20.3 million in 2015.

Net cash used in investing activities was €5.3 million in the year ended 31 December 2015, compared to net cash used in investing activities of €28.1 million in the year ended 31 December 2014. This decrease of cash outflow of €-22.8 million or -81.1% is driven by proceeds from sales of short-term investments of €15.0 million in 2015 that had been purchased in 2014 and consequently led to a net cash outflow of €15.0 million in that period. This change in cash flows of €30.0 million is offset by a higher level of capital expenditure in 2015. These cash outflows for purchase of property, plant and equipment and purchase of intangible assets amounted to €20.3 million, an increase of €+6.4 million in comparison to the capital expenditure in 2014 of €13.9 million.

Net Cash Used in Financing Activities

Net cash used in financing activities was €128.6 million in the year ended 31 December 2016, compared to net cash used in financing activities of €220.3 million in the year ended 31 December 2015, a decrease of €-91.7 million. The main financing activities that led to cash outflows in 2016 were a repayment of borrowings of €40.0 million and dividend payments to shareholders of €86.2 million.

Net cash used in financing activities was €220.3 million in the year ended 31 December 2015, compared to net cash generated of €39.9 million in the year ended 31 December 2014, a decrease of €-260.2 million. The main financing activities that led to cash outflows in 2015 were the repayment of borrowings of €141.0 million, the dividends paid to shareholders of €58.8 million and acquisition of own shares for €18.5 million related to the share repurchase program.

5.1.10 FACILITIES AGREEMENT

On 6 May 2014, the Group entered into a syndicated bank loan facilities agreement ("the Facilities Agreement"), with BNP Paribas and ING Bank N.V. as Lead Arrangers, providing for a (i) a €250 million term loan facility and (ii) a €250 million revolving loan facility, both maturing or expiring in three years. On 20 February 2015, Euronext N.V. entered into the amended and extended facilities agreement. Based on this agreement, effectively on 23 March 2015 (i) the undrawn revolving credit facility has been increased with €140 million to €390 million and (ii) €140 million has been repaid as an early redemption of the €250 million term loan facility. The additional transaction costs of €1 million have been capitalised and will be amortised over the facility expected life. On 23 September 2016, Euronext repaid €40 million as an early redemption of the €110 million term loan facility, resulting in a net non-current borrowing of €69 million as of 31 December 2016. On 23 March 2017, Euronext has repaid the remaining outstanding borrowing, early terminating the term loan facility. The undrawn revolving credit facility of €390 million remained unchanged.

Term, Repayment and Cancellation

The facility matures in three years on 23 March 2018, with a two times one year extension possibility. The Group has not made use of and does not intend to make of both these extension possibilities. At 31 December 2016 there was (i) a €390 million undrawn revolving credit facility and (ii) a net non-current borrowing of €69 million. Euronext will be able to voluntarily cancel facilities in whole or part or prepay amounts it borrows under the facilities.

The Facilities Agreement includes a mandatory prepayment provision, which requires the net proceeds raised from any debt capital markets issuance (including convertible instruments) by the Company or any of its subsidiaries guaranteed by the Company be used to prepay and permanently reduce the term loan facility under the Facilities Agreement by a certain percentage (determined on a sliding scale based on the leverage ratio as defined in the Facilities Agreement on the testing date immediately preceding the relevant issuance). Any amount prepaid under the term loan facility may not be redrawn.

Interest Rates and Fees

The term loan facility has borne an interest rate equal to Euribor plus a margin which was initially set at 0.80%. The revolving credit facility have borne an interest rate of Euribor plus a margin initially set at 0.50%. It should be noted that as at 31 December 2016, no advances have been drawn under the revolving credit facility. As the Company leverage ratio decreased, both margins were lowered to 0.70% and 0.40%, respectively.

The table below sets out the range of ratios and the related margin percentage above Euribor per annum for each facility.

LEVERAGE RATIO *In % p.a.*	TERM LOAN FACILITY MARGIN	REVOLVING CREDIT FACILITY MARGIN
Greater than or equal to 2.0: 1	1.05	0.75
Greater than or equal to 1.5: 1 and less than 2.0: 1	0.90	0.60
Greater than or equal to 1.0: 1 and less than 1.5: 1	0.80	0.50
Less than 1.0: 1	0.70	0.40

For each twelve-month extension of the term of the Facilities Agreement, an extension fee of 0.05% of the full amount of the extended facilities is payable to those lenders that consent to extend at the time each extension is consented to. For the revolving credit facility, an utilisation fee accrues on a daily basis at the following applicable rate per annum to be applied on the amount drawn:

- if less than 33% of the total commitment under the revolving credit facility has been drawn at the relevant date, 0.075%;
- if 33% or more (but less than 66%) of the total commitment under the revolving credit facility has been drawn at the relevant date, 0.15%; or
- if 66% or more of the total commitment under the revolving credit facility has been drawn at the relevant date, 0.30%.

There are also customary commitment fees at a rate per annum equal to 35% of the then applicable margin for the relevant facility on each lender's available commitment under the relevant facility during its availability period.

Change of Control

The facilities will be immediately cancelled and all outstanding loans will become immediately due and payable if any person (or persons acting in concert) other than ICE and/or one or more of the Reference Shareholders acquires beneficial ownership of more than 30% of the issued and outstanding shares in the Company.

Certain Covenants and Undertakings

The Facilities Agreement contains a number of additional undertakings and covenants that, among other things, restrict, subject to certain exceptions, Euronext ability to:

- grant security interests over their assets;
- sell, transfer or dispose of their assets;
- incur financial indebtedness;
- invest in or acquire any person or business, or the whole or substantially the whole of the assets of any person;
- enter into certain joint ventures;
- make loans or grant credit;
- enter into any amalgamation, demerger, merger or corporate reconstruction;
- with respect to the Company only, make any dividend, share redemption or any other distributions, save for (i) distributions of an amount of up to 50% of the net income of the Company in any financial year; (ii) following the repayment of more than 50% of the term loan facility, the redemption or repurchase of shares or any other distribution provided that following any such redemption, repurchase or distribution as the case may be, the leverage ratio as defined in the Facilities Agreement is less than 1.5x; and (iii) at any time, repurchase of shares for the needs of the Employee Offering and employee shareholding and management incentive programs that Euronext may implement from time to time, which may be offered for free or at a discount (iv) repurchase shares in accordance with liquidity or market making programmes; and
- make any substantial change to the general nature of Euronext business.

Euronext is permitted, among other things, to dispose of assets in the ordinary course of trading on arm's length terms for full market value without restriction, and otherwise where the aggregate fair market value of the assets disposed of does not exceed 5% of Euronext consolidated total assets in any financial year.

No restrictions on investments in acquisitions and joint ventures apply if Euronext leverage ratio as defined in the Facilities Agreement would not be greater than 2.0x, in each case calculated on a *pro forma* basis taking into account the impact of such acquisition or joint venture.

In addition, Euronext is required to maintain compliance with a maximum leverage ratio. The maximum leverage ratio measures Euronext total gross debt to EBITDA (as such terms are defined in the Facilities Agreement). Euronext is required to maintain a leverage ratio of no more than 2.5x.

Events of Default

The Facilities Agreement contains customary events of default, in each case with customary and appropriate grace periods and thresholds, including, but not limited to:

- non-payment of principal or interest;
- violation of financial covenants or other obligations;
- representations or statements being materially incorrect or misleading;
- cross-default and cross-acceleration relating to indebtedness of at least €12.5 million;
- certain liquidation, insolvency, winding-up or bankruptcy events;
- creditors' process and attachment;
- invalidity and unlawfulness;
- cessation of business;
- loss of any licence required to carry on the Company's or any material subsidiary's business; and
- repudiation by the Company of a finance document.

The fair value of the Term Loan approximates its carrying value.

5.1.11 CONTRACTUAL OBLIGATIONS

The table below summarises Euronext debt, future minimum payment lease obligations under non-cancellable operating leases and capital expenditure commitments as at 31 December 2016:

		PAYMENTS DUE BY YEAR			
In thousands of euros	TOTAL	2017	2018-2021	THEREAFTER	NOTES
Debt (principal and accrued interest obligations)	69,101	96	69,005	-	Note 29.1, "Liquidity risk"
Debt (future interest obligations)	1,283	953	330	-	
Operating leases – minimum payments	46,506	11,316	25,405	9,785	Note 31.2, "Non-cancellable operating leases"
Capital expenditure commitments	542	457	85	-	Note 31.1, "Capital Commitments"
TOTAL	**117,432**	**12,822**	**94,825**	**9,785**	

Capital Expenditures

Euronext's capital expenditures were €14.8 million and €20.3 million for the years ended 31 December 2016 and 2015, respectively. Euronext's capital expenditures in 2016 decreased compared to last year as a result of the investment made for the set-up of the new offices the Group entered into in 2015. Euronext's capital expenditure requirements depend on many factors, including the rate of its trading volume growth, strategic plans and acquisitions, required technology initiatives, regulatory requirements, the timing and introduction of new products and enhancements to existing products, the geographic mix of Euronext's business, and the continuing market acceptance of its electronic platform.

For the year ending 31 December 2016, Euronext has made operational capital expenditures as well as incurred capitalised software development costs. These expenditures were aimed at enhancing Euronext technology and supporting the continued expansion of Euronext's businesses. Euronext has initiated in 2015 a multi-year program in its core technology to deliver improved performance to Euronext's customers that underpins the firm's product growth strategy, reduces the cost footprint, and improves efficiency thus maintaining the Company's status as a leader in the industry. In 2016, Euronext spent approximately €5.5 million on hardware and investments in properties and €9.3 million on development efforts and acquisition of third party licenses.

5.1.12 OFF-BALANCE SHEET ARRANGEMENTS

Euronext is not a party to any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on Euronext's financial condition, results of operations, liquidity, capital expenditure or capital resources, other than the €390 million revolving credit facility under the Facilities Agreement and the commitments described in Note 31 of the Consolidated Financial Statements.

5.1.13 QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a result of its operating and financing activities, the Group is exposed to market risks such as interest rate risk, currency risk and credit risk. The Group has implemented policies and procedures designed to measure, manage, monitor and report risk exposures, which are regularly reviewed by the appropriate management and supervisory bodies. The Group's central treasury team is charged with identifying risk exposures and monitoring and managing such risks on a daily basis. To the extent necessary and permitted by local regulation, the Group's subsidiaries centralise their cash investments, report their risks and hedge their exposures in coordination with the Group's central treasury team. The Group performs sensitivity analyses to determine the effects that may result from market risk exposures. The Group uses derivative instruments solely to hedge financial risks related to its financial position or risks that are otherwise incurred in the normal course of its commercial activities. The Group does not use derivative instruments for speculative purposes.

Interest Rate Risk

Substantially all significant interest-bearing financial assets and liabilities of the Group are either based on floating rates or based on fixed rates with an interest term of less than one year. As a result, the Group is not exposed to fair value risk affecting fixed-rate financial assets and liabilities.

The Group is exposed to cash-flow risk arising from net floating-rate positions. The Group was a net lender in euros at 31 December, 2016 and 2015. The sensitivity of net interest income to a parallel shift in the interest curves is that a 0.5% increase/decrease of the rate would have resulted in an increase/decrease of the net interest income of €0.3 million based on the positions at 31 December 2016 (2015: no material impact). The Group was a net lender in pound sterling at 31 December, 2016 and 2015. The sensitivity of net interest income to a parallel shift in the interest curves is that a 0.5% increase/decrease of the rate would have resulted in an increase/decrease of the net interest income of €0.2 million based on the positions at 31 December 2016 (2015: €0.3 million).

Liquidity Risk

The Group would be exposed to a liquidity risk in the case where its short term liabilities become, at any date, higher than its cash, cash equivalents, short term financial investments and available bank facilities and in the case where the Group is not able to refinance this liquidity deficit, for example, through new banking lines.

Cash, cash equivalents and short term financial investments are managed as a global treasury portfolio invested into non-speculative financial instruments, readily convertible to cash, such as bank balances, money market funds, overnight deposits, term deposits and other money market instruments, thus ensuring a very high liquidity of the financial assets. The Group's policy is to ensure that cash, cash equivalents and available bank facilities allow the Group to repay its financial liabilities at all maturities, even disregarding incoming cash flows generated by operational activities, excluding the related party loans granted by the Group's subsidiaries to its Parent.

The net position of current financial assets, financial liabilities and available credit facilities, excluding working capital items, as of 31 December 2016, is described in the table below:

In thousands of euros	2016	2015
Cash, cash equivalents and short term financial investments	174,501	158,642
Available credit facilities	390,000	390,000
Financial debt	(69,101)	(108,257)
NET POSITION	**495,400**	**440,385**

On 6 May 2014, the Group entered into a syndicated bank loan facilities agreement. Reference is made to Note 5.1.10 for more details on the "Facilities Agreement".

In thousands of euros	MATURITY < 1 YEAR	MATURITY BETWEEN 1 AND 5 YEARS	MATURITY > 5 YEARS	TOTAL
2016				
Trade and other payables	90,607	-	-	90,607
Borrowings	497	70,112	-	70,609
2015				
Trade and other payables	105,749	-	-	105,749
Borrowings	770	111,540	-	112,310

Currency Risk

The Group's net assets are exposed to the foreign currency risk arising from the translation of assets and liabilities of subsidiaries with functional currencies other than the Euro. The following table summarises the assets and liabilities recorded in GBP functional currency and the related impact of a 10% in/decrease in the currency exchange rate on balance sheet:

In thousands	2016	2015
Assets	£52,191	£49,034
Liabilities	£(6,007)	£(6,313)
Net currency position	£46,184	£42,721
Absolute impact on equity of 10% in /decrease in the currency exchange rate	€5,405	€5,793

Most operating revenue and expenses in the various subsidiaries of the Group are denominated in the functional currency of each relevant subsidiary. The Group's consolidated income statement is exposed to foreign currency risk arising from receivables and payables denominated in currencies different from the functional currency of the related entity.

Credit Risk

The Group is exposed to credit risk in the event of a counterparty's default. The Group's exposure to credit risk primarily arises from the investment of cash equivalents and short term financial investments. The Group limits its exposure to credit risk by rigorously selecting the counterparties with which it executes agreements. Credit risk is monitored by using exposure limits depending on ratings assigned by rating agencies as well as the nature and maturity of transactions. Investments of cash and cash equivalents in bank current accounts and money market instruments, such as short term fixed and floating rate interest deposits, are strictly restricted by rules aimed at reducing credit risk: maturity of deposits is lower than six months, counterparties' credit ratings are permanently monitored and individual counterparty limits are reviewed on a regular basis. In addition to the intrinsic creditworthiness of counterparties, the Group's policies also prescribe the diversification of counterparties (banks, financial institutions, funds) so as to avoid a concentration of risk. Derivatives are negotiated with leading high-grade banks.

The Group granted two loans in the total amount of €6.0 million, recorded as non-current other receivable. The loans have a maturity of five years and bear interest rate of Euribor six months plus an average margin of 4.5%. The credit risk is closely monitored by analysing financial information.

In addition, the Group is exposed to credit risk with its customers on trade receivables. Most customers of the Group are leading financial institutions that are highly rated.

5.1.14 SIGNIFICANT ACCOUNTING POLICIES

Euronext Consolidated Financial Statements included in this Registration Document have been prepared and presented in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and adopted by the European Union. See also Note 3 of the Consolidated Financial Statements, on 'Significant accounting policies and judgements'.

5.1.15 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In the application of the Group's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. All assumptions, expectations and forecasts used as a basis for certain estimates within Euronext Financial Statements represent good faith assessments of its future performance for which Euronext management believes there is a reasonable basis. These estimates and assumptions represent Euronext's view at the times they are made, and only then. They involve risks, uncertainties and other factors that could cause Euronext actual future results, performance and achievements to differ materially from those estimated or forecasted. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The estimates and assumptions that may have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. Euronext has discussed the development and selection of these critical accounting policies and estimates with its independent auditors.

Significant judgments made in the preparation of the Consolidated Financial Statements include the following:

Impairment of Goodwill

Goodwill represents the excess of the consideration paid in a business combination over the Group's share in the fair value of the net identifiable assets and liabilities of the acquired business at the date of acquisition. Goodwill is not amortised but is tested at least annually for impairment, or whenever an event or change in circumstances indicate a potential impairment.

For the purpose of impairment testing, goodwill arising in a business combination is allocated to the cash-generating units ("CGUs") or groups of CGUs that are expected to benefit from the synergies of the combination. Each CGU or CGU Group to which goodwill is allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes. Goodwill is monitored and tested at the Group level, which represents a single operating segment.

The carrying value of a CGU Group is compared to its recoverable amount, which is derived from the discounted future free cash flows of the CGU Group. Cash flow projections are based on budget and business plan approved by management and covering a five year period. Cash flows beyond the business plan period are extrapolated using a perpetual growth rate.

The key assumptions used and the related sensitivity analysis are described in Note 13 of the Consolidated Financial Statements included in this Registration Document.

Income Taxes

Due to the inherent complexities arising from the nature of the Group's business, from conducting business and being taxed in a substantial number of jurisdictions, significant judgments and estimates are required to be made for income taxes. The Group computes income tax expense for each of the jurisdictions in which it operates. However, actual amounts of income tax due only become final upon filing and acceptance of the tax return by relevant authorities, which may not occur for several years subsequent to issuance of the Consolidated Financial Statements.

The estimation of income taxes also includes evaluating the recoverability of deferred income tax assets based on an assessment of the ability to use the underlying future tax deductions against future taxable income before they expire. This assessment is based upon existing tax laws and estimates of future taxable income. To the extent estimates differ from the final tax return, earnings may be affected in a subsequent period.

The Group operates in various countries with local tax regulations. New tax legislation being issued in certain territories as well as transactions that the Group enters into regularly result in potential tax exposures. The calculation of Euronext's tax liabilities involves uncertainties in the application of complex tax laws. Euronext's estimate for the potential outcome of any uncertain tax position is highly judgmental. However, Euronext believes that it has adequately provided for uncertain tax positions. Settlement of these uncertainties in a manner inconsistent with Euronext's expectations could have a material impact on its results of operations, financial condition and cash flows. The Group recognises a liability for uncertain tax positions when it's probable that an outflow of economic recourses will occur. Measurement of the liability for uncertain tax positions is based on management's best estimate of the amount of tax benefit/cost that will be realised upon settlement.

Fair Value of Investments

The Group holds investments in unlisted equity securities, which are carried at fair value on the balance sheet. The valuation methodology and key assumptions are described in Note 16 of the Consolidated Financial Statements included in this Registration Document.

5.2 Material contracts and related party transactions

5.2.1 MATERIAL CONTRACTS

The major contracts for Euronext, entered into the ordinary course of business, but essential for its activity as a regulated markets operator, are the clearing agreements signed with LCH.Clearnet, and the licence signed with ICE regarding the use of the UTP electronic platform.

The Clearing Agreements are referred to in section 1.3.6 *"Description of the Business / Post Trade / LCH.Clearnet"* and 5.1.5 *"Key Factors Affecting Businesses and Results of Operation / Derivatives Clearing Agreement"*.

The licence signed with ICE is referred to in section 5.2.2 *"Related Party Transactions / UTP and Trading Technology Licence Deed"* below.

5.2.2 RELATED PARTY TRANSACTIONS

Euronext has related party relationships with its associates and joint ventures, as disclosed in Note 28 of the Consolidated Financial Statements. The other related parties disclosure relates entirely to the key management of Euronext. For the transactions with its key management personnel, see section 2.4 Remuneration Report.

From the IPO on 20 June 2014, the transactions with ICE do not qualify as "related party transactions" under IAS 24. Nevertheless the agreements between Euronext and ICE were in force after the IPO. Some of them are long term agreements. Some of these services have been progressively terminated and replaced over the period 2014-2016.

Over the year 2016, services received from or rendered to ICE include the use of Data centre service, Colocation, Connectivity, UTP and other intellectual property rights as well as ancillary services. As at 31 December 2016, the following agreements remain active:

- Data Centre Services Agreement;
- Colocation Agreement;
- Connectivity Agreement;
- UTP and Trading Technology Licence Deed;
- Intellectual Property Agreement;
- Euronext Equity Index Trademark Licence Agreement;
- Deed of Separation between Euronext and ICE.

Data Centre Services Agreement

ICE provides data centre services to Euronext from the Basildon site. Specifically, ICE houses the data centre equipment in the Data Centre and provides sub-services, such as power, access, physical security, environment, fire protection, connectivity, monitoring, support, remote hands, installation, receiving and warehouse space.

The agreement will subsist for an initial term of five years, starting 1 April 2014, with automatic renewal for a further five-year period, unless notice of termination is provided by either party at least twelve months before expiry of the initial term but no earlier than 24 months before the end of the initial term. ICE will guarantee to continue providing the services for a further two-year period from the date on which notice of non-renewal is received. Accordingly, the minimum period for this service is five years. In the course of 2015, the agreement has been renegotiated, leading to, under certain conditions, a lower price structure, to come into effect on 1 January 2016.

Colocation Agreement

ICE provides co-location services directly to Euronext members on terms that are no worse than the terms on which ICE currently provides equivalent co-location services to its members. As the service is provided to members, there is no services agreement between ICE and Euronext but rather a commitment and payment of commission to Euronext by ICE for the right to provide the services.

This agreement will remain in force for a period of five years, starting 1 April 2014, unless terminated earlier with mutual agreement. ICE will commit not to increase the pricing, nor reduce the service or performance levels of colocation for the initial two-year period to ensure that Euronext customers receive colocation services at an equal (or better) standard to that currently provided by Euronext without any adverse price impact. Euronext is free to build its own colocation facility after the end of this two-year period if it wishes to do so, and in that case ICE will have the right to terminate the agreement on six months' notice.

ICE pays to Euronext commission in respect of the fees received under the colocation contracts as follows: 35% of the colocation hosting fee; 35% of any Liquidity Centre Network ("LCN") fees; and 100% of any subscription fees (for specific Euronext exchanges).

Connectivity Agreement

Euronext's customers are connected to the SFTI® network either via an SFTI® managed connection, a direct connection, or a third-party connection. ICE provides application services, including logical connections to the relevant Euronext products between the subscriber and host infrastructure. ICE agrees to provide the SFTI® services to Euronext customers on terms (including pricing, service, and performance) that, in the aggregate, are no worse than the standard terms on which ICE provides equivalent connectivity services to its customers.

This agreement will remain in force for five years, starting on 1 April 2014, unless terminated earlier with mutual agreement. This agreement contains substantially the same terms as the colocation agreement, including a general commitment not to raise fees or reduce services for two years. Euronext receives a commission based on 50% of the revenue earned from the access/subscription fees to Euronext markets via SFTI®.

UTP and Trading Technology Licence Deed

The intellectual property in the UTP and other trading technology, including core software and technology ("Core Items") and related support items ("Support Items") that are currently being used for the continental Euronext market is licensed by ICE (through NYSE Arca, LLC) to Euronext (through one of its subsidiaries) for the operation of the Euronext trading platforms.

Under the licence agreement, Euronext has been granted a perpetual, irrevocable, worldwide, non-exclusive, royalty-free and fully paid-up licence in respect of the use, modification and maintenance of the Core Items for any purpose and in respect of the use, modification and maintenance of the Support Items for the sole purpose of enabling the use of the Core Items. The licence includes any improvements or enhancements to the Core Items and the Support Items that are made before the IPO on 20 June 2014. Euronext owns improvements or enhancements that it makes or have made to the Core Items and the Support Items after the IPO, and Euronext and ICE are not obliged to share their respective improvements or enhancements after the IPO.

Euronext may sub-licence its rights, including through multiple tiers of sub-licences. However, for a period of two years from the IPO, neither Euronext nor ICE is entitled to permit a defined list of exchange operators or owners of registered swap execution facilities or their affiliates to use UTP (though this will not affect any licences that were already in place as at 13 November 2013). The restricted list includes any of Nasdaq OMX, CME Group, Inc., BM&F Bovespa, London Stock Exchange Group Plc, Singapore Exchange Limited, Hong Kong Stock Exchange, Deutsche Börse Group, BATS Global Markets, Inc., Direct Edge, or Chi-X Global Holdings LLC; any person that acquires all or substantially all of the business of any of these entities; any person that at the time of the assignment or licence operates a registered swap execution facility; and any affiliate of any such persons. This restriction terminated in June 2016.

There are no circumstances in which the licence may be terminated by ICE.

Except where there is a breach of warranty by the indemnified parties, Euronext will indemnify NYSE Arca and its affiliates within ICE for all liability incurred under a third-party claim in connection with use of the UTP by Euronext or any of its sub-licensees after the IPO.

In the event of any infringement of the licensed rights, ICE will have the right to determine what enforcement action to take. ICE will offer Euronext the right to participate in any action it takes. If ICE does not take any enforcement action, Euronext will have the sole right to determine what enforcement action to take. If Euronext or any sub-licensee of Euronext is sued for infringement, ICE will provide all such information and assistance as Euronext may reasonably require.

Intellectual Property Agreement

Under this agreement, Euronext is granted a perpetual, irrevocable, worldwide, non-exclusive, royalty-free and fully paid-up licence to use and sub-license the name "Euronext UTP" in connection with its use of the UTP technology. The licence is not supported by any warranties from ICE. There are no circumstances in which the licence may be terminated by ICE.

To the extent that ICE wishes to use the name "UTP" in connection with its version of the UTP technology, ICE has agreed that it will use the name "NYSE UTP".

Also under this agreement, Euronext and ICE have permitted each other's groups to have until 1 June 2015 to cease current uses of each other's trademarks. From that date onwards, Euronext and ICE have ceased using each other's trademarks.

Euronext Equity Index Trademark Licence Agreement

Under the licence agreement, LIFFE is granted a worldwide and non-exclusive licence in relation to the trademarks and associated logos for the indices generated by the Euronext Regulated Markets. The licence permits the use of these trademarks and associated logos in connection with the marketing, listing and trading of any tradable contract. However, until 1 January 2016, the licensed use is limited to LIFFE's current tradable contracts for listings on Bclear and only in respect of equity indices for AEX®, BEL 20®, CAC 40®, and PSI 20®. This limitation will terminate early in case a third-party infrastructure provider acquires control of any Euronext company, or is granted a licence by Euronext company to use any of the trademarks for any of the indices generated by the Euronext Regulated Markets. Subject to appropriate limitations, LIFFE may sub-license the rights to ICE.

For its use of the licensed trademarks and associated logos, LIFFE pays the greater of (i) €0.05 per traded contract and (ii) 15% of the exchange and clearing fees on the traded contracts.

LIFFE will indemnify Euronext and its affiliates for all liability incurred under a third-party claim in connection with ICE's use of the licensed trademarks, other than where the third-party claim is for trademark infringement.

The licence agreement recognises that the parties may need to renegotiate the terms where Euronext is required, by a change in the law, to grant licences at market rates and on a non-discriminatory basis albeit such renegotiation shall take due account for the fact that ICE has already provided value for the use of the equity indices as part of the acquisition of NYSE Euronext by ICE.

Deed of Separation between Euronext and ICE

Euronext and ICE entered into a deed of separation dealing with the conduct of various matters between the parties following the IPO. The principal terms of the deed of separation are as follows:

- non-solicitation: neither party may solicit or employ any executive or senior management personnel of the other party for a twelve month period, subject to the written consent of the other party;
- mutual release and indemnification: each of the parties: (i) releases and discharges the other party and its group from liability existing or arising in connection with the Separation and IPO; (ii) indemnifies the other party and its group against third-party claims arising out of or in connection with the Separation and the IPO;
- indemnification for guarantees provided by ICE: Euronext indemnifies ICE in respect of guarantees provided by ICE entities of the obligations of the Group; and
- financial reporting, audit and accounting and related covenants: Euronext covenants to provide certain information to ICE for the purposes of ICE's financial reporting, audit and accounting obligations and to act in accordance with ICE's contractual obligations and relevant anti-corruption and sanctions compliance regimes.

Also, in connection with the separation of Euronext from ICE, Euronext and ICE entered into a series of transitional services agreements ("SLAs"). There were some ancillary services provided by ICE to Euronext ("ICE Ancillary Services") and ancillary services provided by Euronext to ICE ("Euronext Ancillary").

ICE Ancillary Services

Over the year 2015 the other SLAs were covering the following ancillary services:

- IT services in the United States: covers the support and development of test tools and services shared with Euronext;
- corporate systems: covers maintenance, user support, and minor enhancements (data migration) of Euronext IT systems for corporate functions such as human resources, finance, accounting and procurement (PeopleSoft, Oracle, Salesforce software);
- digital services: covers the development, test and project management of web services for Euronext and content management and digital strategy for Euronext's websites;
- market data systems and services: covers the maintenance of the web site; the data delivery solution for Euronext's reference data products; market data administration system; Euronext store billing information database; and administrative support and services;
- market operations: covers the maintenance of reference data management services in respect of the Euronext (continental) derivative markets.

Other ancillary agreements, amongst other things, cover the provision of historical trading data as required by Euronext in relation to continental derivatives products to be provided by ICE on request.

Euronext Ancillary Services

The following SLAs were in place up to the end of 2014 and covered the following services:

- market data administration: account management, operational support, administration, billing, compliance/audits (vendor reporting analysis, compliance reviews of combined product sets before product split), and contract management for LIFFE UK market data;
- finance: primarily relating to the use of the existing European Shared Service Centre hosted by Euronext Amsterdam;
- market operations: (i) the management of UK Derivative Corporate Actions in partnership with the LIFFE Database System team at ICE; (ii) the market maker monitoring support for those market maker schemes that are in place for LIFFE; and (iii) the general business and Management Information reporting services in relation to LIFFE. This includes regular activity reports, performance reports and Liquidity Provider monitoring, inter alia regular (daily, weekly, monthly, quarterly, annual) and *ad hoc* reporting provided internally as well as for external distribution to the website, various regulators and other external parties at the request of LIFFE;
- IT services to LIFFE: Euronext IT teams supported the IT operation and development of the LIFFE UK and LIFFE U.S. markets and associated local London-based systems until the end of 2014.

Euronext provides data centre hosting and housing of equipment to ICE for its SFTI access centre requirements in Amsterdam. This SFTI hosting agreement for Amsterdam access centre is a long-term arrangement (i.e. not an SLA) with a rolling two-year term.

5.3 Legal Proceedings

The Group is involved in a number of legal proceedings that have arisen in the ordinary course of its business. Other than as discussed below, management does not expect these pending or threatening legal proceedings to have a significant effect on the Group's financial position or profitability. The outcome of legal proceedings, however, can be extremely difficult to predict and the final outcome may be materially different from management's expectations.

5.3.1 TOM

TOM B.V. ("TOM"), a Dutch MTF operator, introduced new options for which the product name and option symbols included the AEX trademarks. These options were offered via BinckBank N.V. hereinafter referred as "BinckBank", with TOM Broker B.V. acting as smart order router. The TOM options form a competing product for NYSE LIFFE options, which were no longer offered via BinckBank.

Euronext claimed that TOM and BinckBank are in violation of Euronext's intellectual property rights and mislead investors and therefore preliminary proceedings were brought before the District Court of The Hague. On 8 July 2013, the Preliminary Judge of the District Court recognised on an interim basis that the AEX and its related symbols are valid trademarks of Euronext that cannot be copied by third parties. TOM and BinckBank were ordered to cease their infringing activities, as well as to announce on their websites that they have infringed the trademark rights of Euronext and that no NYSE LIFFE options are traded on TOM. Other claims of Euronext, including that TOM's claimed benefits with regard to TOM Broker's Smart Execution are misleading and that the other options contracts caused general confusion, were not reviewed by the Court during the preliminary proceedings because of a lack of urgent interest, but they were referred to the pending proceedings on the merits. Euronext has extended its claims to include database infringement alleging that relevant parts of its database are copied by TOM on a daily basis.

On 22 July 2015, the Court awarded the majority of Euronext's claims and decided that BinckBank and TOM had infringed its trademark rights and database rights, and committed breach of contract and published misleading information for investors. The Court awarded Euronext compensation for legal costs (€65,847.84). The Court has also awarded compensation for damages, the amount of which will be determined in separate proceedings.

On 21 October 2015 Euronext was served a notice of appeal from BinckBank and TOM. This appeal is 'pro forma', which means that the grounds and substantiation are not yet disclosed. On 26 January 2016, TOM reported to the Court that it will not pursue its appeal. As TOM did not pursue the appeal in the 2 weeks grace period hereafter, the Court's verdict against TOM became final and conclusive.

On 26 January 2016, BinckBank reported to the Court that it will pursue its appeal. After several postponements BinckBank filed the grounds for appeal on 27 September 2016. Euronext has filed its statement of defence on appeal on 17 January 2017. BinckBank may file a response to Euronext claims. There is no date set for this yet.

On 20 May 2016, Euronext has served its writ of summons in separate legal proceedings to claim compensation for damages. TOM has filed a statement of defence on 20 July 2016. After Euronext has filed its statement of reply, a hearing was held on 22 November 2016. On 31 March 2017,TOM announced its plan to unwind. Both TOM and Euronext requested the Court to postpone its verdict.

5.3.2 AMF INVESTIGATION

In connection with an investigation by the AMF of the trading pattern of a member firm using algorithmic trading strategies, the AMF notified Euronext Paris on 25 July 2013 that the exemption from certain fees granted in a non-public way to the trading firm under investigation may have been a violation of the General Regulations of the AMF by Euronext Paris in its capacity as a market operator. Euronext Paris has contested the position of the AMF.

On 8 December 2015, the Enforcement Committee of the AMF has sentenced Euronext Paris S.A. to pay a fine of €5.0 million (which has been recorded in trade and other payables at 31 December 2015) for alleged wrong-doing in the HFT pilot program launched by NYSE Euronext in 2009 and discontinued in 2010. After reviewing the ruling of AMF's Enforcement Committee, Euronext Paris has lodged an appeal against the decision in front of Conseil d'Etat on 8 February 2016.

5.3.3 PROPRIETARY TRADERS (*NÉGOCIATEURS POUR COMPTE P*ROPRE)

Fifty-four individual proprietary traders licenced to operate on the futures market of Euronext Paris S.A. (MATIF) commenced legal proceedings against Euronext Paris S.A. before the Paris Commercial Court in November 2005. The plaintiffs allege that Euronext Paris S.A. committed several breaches to their contract and claim that they have suffered an alleged prejudice amounting to a total amount of €90.5 million.

The Paris Commercial Court dismissed the claim in January 2008 and no damages were awarded to the plaintiffs. The individual proprietary traders appealed the decision before the Paris Court of Appeals. On 14 January 2011, the Paris Court of Appeals rendered an interlocutory decision (*"décision avant dire droit"*) to order the appointment of two experts. The experts issued a technical report in March 2014 to the Paris Court of Appeals on the facts alleged by the claimants and to estimate the potential damages incurred by them in the event that the Paris Court of Appeals finds that Euronext is liable. The higher range of the conditional assessment of the theoretical loss that could have been suffered by the proprietary traders should the Court decide that Euronext is liable has been estimated, by the Experts, to €6.69 million.

On 8 June 2015, the Court of Appeal has confirmed the decision of the Commercial Court and rejected all the claims made by the 54 NCPs. Some NCPs lodged an appeal against the decision before the Highest court (*Cour de Cassation*), which is competent to decide whether the rules of law have been correctly applied by the lower courts based on the assessment of facts made by such courts.

Management believes that the actions of the appellants are not supported and has not booked any provision in connection with this case.

5.3.4 EURONEXT AMSTERDAM PENSION FUND

Approximately 120 retired and/or former Euronext Amsterdam employees, united in an association, served summons on Euronext Amsterdam on 3 April 2014. The claim is based on the fact that Euronext Amsterdam terminated its pension agreement with the pension fund Mercurius ("PMA") and transferred the pension of the current employees of Euronext to Delta Lloyd Asset Management ("Delta Lloyd"). The pension entitlements of the retired and/or former employees of Euronext Amsterdam have also been transferred by PMA to Delta Lloyd. The retired and/or former employees have been informed by PMA that the transfer of their entitlements to Delta Lloyd will result in a nominal pension entitlement without indexation in the future. The association claims that Euronext Amsterdam should guarantee the same pension entitlements of the retired Euronext Amsterdam employees under the same or similar conditions as those in the agreement between Euronext Amsterdam and PMA with the considerations that (i) the administration fee will be covered, (ii) the liability ratio will be covered and (iii) the loyalty and solidarity between retired and current employees is provided for. The amount will need to be calculated by an actuary.

After Euronext Amsterdam filed a statement of defence on 27 June 2014, the Subdistrict (Kanton) Division of the Court of Amsterdam on 11 July 2014 granted the retired and/or former employees Euronext Amsterdam a term until 8 August in order to file a rejoinder. On that date the counterparty was granted a postponement until 5 September 2014 for its statement of reply.

Both parties have filed all documents and statements and an oral hearing took place on 11 June 2015. The judge asked both parties to explore a settlement and Euronext currently assesses the costs of potential out of court solutions. The Court has been informed that no agreement on such a settlement could be reached.

On 24 June 2016 the judge delivered a decision. The claim is rejected that Euronext Amsterdam should guarantee the same pension entitlements of the retired Euronext Amsterdam employees under the same or similar conditions as those in the agreement between

Euronext Amsterdam and PMA. However, the judge did hold that there has been an attributable breach by Euronext Amsterdam in the performance of the pension agreements with the members of the association. Euronext Amsterdam is ordered to pay for damages resulting from the loss of indexation perspective incurred by the claimants other than the association. The association is not eligible to claim damages. The amount of the damages needs to be determined in a separate procedure (a "schadestaatprocedure"). Management believes that the decision is insufficiently motivated. On 21 September 2016 Euronext Amsterdam has filed for appeal against the decision. The grounds for appeal were filed on 6 December 2016. On 14 February 2017 the claimants filed their responses and also filed for appeal against certain parts of the decision of 24 June 2016. Euronext has until 25 April 2017 to respond to the grounds for appeal raised by claimants. No provision has been booked in connection with this case.

5.4 Insurance

Euronext maintains a comprehensive insurance program with the assistance of an insurance broker allowing Euronext to make an assessment of its risks, take out the proper insurance policies and deal with insurance management as smoothly as possible.

The main characteristics of the insurance program are the following:

- the main insurance policies are consolidated at the Euronext Group level in order to ensure consistency of coverage across the Euronext Group and to benefit from lower premiums;
- the scope of risks covered is determined by reference to Euronext's activities (listing, trading, market data, post-trade and market solutions & other); and
- all insurance carriers are analysed from a credit rating perspective.

The main risks covered by Euronext's insurance program are the following:

- directors' & officers' liability: this policy covers losses related to an alleged wrongful Act committed by members of Euronext Managing Board, Euronext Supervisory Board and other senior management. Under this policy, any of Euronext past, present or future directors or officers will be insured against liability for negligence, default or breach of duty or other liability, other than cases of wilful misconduct or gross negligence (*opzet of grove nalatigheid*);
- professional indemnity & crime: this policy provides first party coverage and indemnification against third-party claims arising out of negligence, errors or omissions in connection with professional services or failure to meet contractual obligations in the conduct of exchange activities. This policy also covers first party losses resulting directly from dishonest or fraudulent acts committed by Euronext employees or third parties working with Euronext employees;
- cyber: this policy provides coverage for an Euronext's business interruption following malicious action on an IT system. Coverage is provided for claims arising from the interruption of systems or other failures of IT Security caused by damage to computer programs or data that results from a computer attack or unauthorised access or use of system. This policy also covers claims for the failure to protect personality identifiable information or unauthorised disclosure of confidential corporate information in any form;
- property damage & business interruption: this policy provides first party coverage for losses to Euronext's property or business interruption. The coverage includes tenant's liability and liability to third parties;
- terrorism; and
- commercial general liability: this policy provides coverage for negligent acts and/or omissions resulting in bodily injury, property damage, consequential losses and pure financial losses to third parties, their reputation, or their property as a result of using Euronext products and services.

In addition to the insurance program, risk management and business continuity plan policy and procedures are implemented in a complementary manner. Euronext believes that its existing insurance coverage, including the amounts of coverage and the conditions, provides reasonable protection, taking into account the costs for the insurance coverage and the potential risks to business operations.

5.5 Liquidity and Capital Resources

5.5.1 LIQUIDITY

Euronext's financial policy seeks to finance the growth of the business, remunerate shareholders and ensure financial flexibility, while maintaining strong creditworthiness and liquidity.

Euronext primary sources of liquidity are cash flows from operating activities, current assets and existing bank facilities. Euronext's principal liquidity requirements are for working capital, capital expenditures and general corporate use.

Euronext business is highly dependent upon the levels of activity in its exchanges, and in particular upon the volume of financial instruments traded, the number of shares outstanding of listed issuers, the number of new listings, the number of traders in the market and similar factors. Euronext has no direct control over these activities, which have historically resulted in volatility. While Euronext activities are not subject to significant seasonal trends, cash flows vary from month to month due to Euronext billing and collection efforts (most notably the annual billings for listed companies during the first quarter).

Euronext business has historically generated significant cash flow from operating activities to meet its cash requirements as well as to distribute dividends and make share premium repayments. Euronext expects future cash flow from operating activities to be sufficient to fund its capital expenditures, distribute dividends as well as pay its debts as they become due. In addition, Euronext has access to a €390 million revolving credit facility (see section 5.1.10 *"Facilities Agreement"*).

The financial resources ultimo 2016 can be summarised as follows:

In thousands of euros	FINANCIAL RESOURCES
Cash & cash equivalent	174,501
Revolving credit facility	390,000
TOTAL FINANCIAL RESOURCES	**564,501**

5.5.2 CONSOLIDATED REGULATORY CAPITAL REQUIREMENTS

Euronext N.V. is subject to regulatory capital requirements. These requirements were set out in the Exchange License that was issued by the Dutch Minister of Finance in June 2014. Euronext lodged an appeal against this license at the District Court of Rotterdam on 31 March 2015.

On 17 December 2015, the District Court of Rotterdam rendered its verdict in the appeal procedure substantially ruling in favour of Euronext. The court ruled that the new capital requirements imposed in the June 2014 Exchange License no longer apply and that the applicable license is the one of March 2014. The Court further ordered that the March 14 Exchange License had to be amended, as the guarantees with respect to the financial solidity provided by ICE to Euronext N.V. have elapsed, and the prudential requirements need to be re-evaluated. The Minister of Finance was requested to provide Euronext N.V. with the opportunity to demonstrate how it would ensure that the requirements laid down in Article 5:30, preamble and (f), of the *Wet Financieel Toezicht* (Dutch financial supervision act), will be met.

Under the March 2014 Exchange License Euronext N.V. has to confirm and demonstrate annually to the AFM that it has sufficient financial means to run its business during the coming twelve months and that it will be possible to meet its financial obligations during this period. Euronext must also report to the AFM annually, that it had sufficient financial means coming from cash at bank and access to an undrawn credit facility.

On 17 December 2015, Euronext issued a press release stating that pursuant to this verdict, it would maintain its dialogue with the Minister of Finance with a view to continue complying with all applicable requirements in the most transparent manner in order to best serve its clients. On 28 January 2016, the Ministry of Finance informed Euronext that it would appeal against the 17 December 2015 verdict.

After several meetings with the AFM, an agreed interpretation was found and the new exchange license was granted on 23rd of May 2016, including new capital requirements for both Euronext consolidated and Euronext Amsterdam N.V. Following this mutual agreement the Minister of Finance has withdrawn the appeal.

As from 23 May 2016 the following capital requirements apply to Euronext.

Euronext N.V. is subject to minimum regulatory capital requirements defined by the Minister of Finance and the AFM, under which Euronext is required:

- to ensure that its shareholders equity, liquidity and solvency satisfy what is required with a view to the interests which the Dutch Act on Financial Supervision (Wet op het financieel toezicht –Wft) aims to protect;
- Euronext shall have a minimum shareholders equity on a consolidated basis of at least Euro 250 million;
- Euronext shall take care of a stable financing. To that end, the total of long term assets of Euronext will to the satisfaction of the AFM be financed with shareholders equity and long term liabilities;

- Euronext shall have a positive regulatory capital on a consolidated basis. The regulatory capital is calculated according to the following formula: the paid up share capital plus the freely available reserves, less the items listed in section 36 of Regulation (EU) no. 575/2013. The standards drawn up by the European Banking Authority as referred to in section 36, second paragraph, of the Capital Requirements Regulation are taken into account in relation hereto;
- in deviation of the calculation set out in bullet point 4 of the regulatory capital, the value of the intangible fixed assets in connection with the acquiring of a controlling influence through an acquisition will be deducted in ten equal amounts from the regulatory capital, starting in the year that the acquisition has taken place (the year of acquisition pro rata for the number of months). If the value of the intangible assets is higher than factor ten times the most recent profits of the acquired business, the grow-in term can after approval from the AFM be based on a higher, reasonable factor (= grow-in term), taking into account a prudent and consistent dividend policy proposed by Euronext. If the grow-in term and the related dividend policy provide for a negative regulatory capital for a limited number of years of the grow-in term, than this fact will not prevent the execution of the consistent and prudent dividend policy of Euronext in those years;
- if Euronext foresees or reasonably can foresee that its shareholders equity or regulatory capital does not satisfy or will not satisfy the prescribed prudential requirements, it will notify the AFM thereof immediately. If at any moment Euronext does not comply with the prescribed requirements with respect to the minimum shareholders equity, the regulatory capital or the grow-in of the regulatory capital is behind the grow-in term as determined on beforehand, Euronext will provide the AFM with a prognosis of how it expects to again comply with the prescribed prudential requirements. Dividend distributions will be possible in such a situation, unless the AFM is of the opinion that the future development of the shareholders equity or the regulatory capital of Euronext do not allow for this. If necessary, the AFM can prescribe within which term and in which manner Euronext will need to comply with the prudential requirements.

In addition, Euronext is required to obtain the prior approval of the AFM in the following circumstances:

- the granting of personal and in rem security for debts of other enterprises or the assumption of debts and security by Euronext, to the extent this is or can be of influence on the functioning of the regulated markets held by Euronext or possibly can result in Euronext or one or more of its regulated subsidiaries no longer satisfying the prescribed prudential requirements;
- to the extent there is a reorganisation, operational or legal separations of the license holders or merger which can be of material influence of the functioning of the regulated markets in the Netherlands operated by the license holders;
- proposed resolutions of Euronext which can be of significant influence on the financial soundness of Euronext.

Euronext is also required to ensure that, in the event of a possible insolvency of Euronext N.V., the local exchanges can continue to function operationally.

The AFM may impose further requirements with respect to the shareholders equity position, liquidity and solvency of Euronext, to the extent necessary for the compliance with the requirements of the regulated markets.

In addition, each of the Group's subsidiaries that is an operator of a regulated market and subsidiaries that are investment firms are subject to regulatory capital requirements relating to their general financial soundness, which include certain minimum capital requirements.

5.6 Tangible Fixed Assets

The main tangible fixed assets of the Group consist of the following categories:

- Land & buildings;
- Hardware & IT equipment;
- Other Property & Equipment.

5.6.1 PRINCIPAL PROPERTIES

Euronext's headquarters are located in Amsterdam, the Netherlands at Beursplein 5, and in Paris, France, at La Défense (92054), 14 Place des Reflets. Euronext's registered office is located at Beursplein 5, 1012 JW Amsterdam, the Netherlands.

REAL ESTATE EURONEXT – JANUARY 2017

LOCATION/ BUILDING		ADRESS	ZIP	CITY	COUNTRY	LEASE COMMENCE	LEASE EXPIRY	SURFACES (SQ. METERS)	OWNED/ LEASED
JUXON HOUSE	100	ST.PAUL'S CHURCHYARD	EC4M8BU	LONDON	UK	2014	2017	207	Leased
CANNON STREET	110	CANNON STREET	EC4N6EU	LONDON	UK	2017	2022	540	Leased
BEURSPLEIN 5	5	BEURSPLEIN	1012 JW	AMSTERDAM	NETHERLANDS	N/A	N/A	14450	Owned
LE MARQUIS	1	RUE DU MARQUIS	1000	BRUSSELS	BELGIUM	2014	2030	1000	Leased
ADELAIDE EXCHANGE	24-26	ADELAIDE STREET LINK BUILDING	BT2 8GD	BELFAST	N-IRELAND	2010	2016	1582	Leased
VICTORIA-Seuros vida	196-7	AVENIDA DA LIBERDADE	1250-147	LISBON	PORTUGAL	2016	2019	949	Leased
EDIFICIO 3433/ INTERBOLSA	3433	AVENIDA DA BOAVISTA	410-138	PORTO	PORTUGAL	2016	2021	824	Leased
EDIFICIO 3433	3433	AVENIDA DA BOAVISTA	410-138	PORTO	PORTUGAL	2016	2021	1346	Leased
PRAETORIUM	14	PLACE DES REFLETS	92054	PARIS CEDEX	FRANCE	2015	2024	10217	Leased
ZI Rosny sous Bois	17	RUE MONTGOLFIER	93110	ROSNY SOUS BOIS	FRANCE	N/A	N/A	328	Leased
EnterNext Nantes	6	RUE BISSON	44000	NANTES	FRANCE	N/A	N/A	15	Leased
EnterNext Lyon	3	PLACE DE LA BOURSE	69002	LYON	FRANCE	N/A	N/A	15	Leased
EnterNext Bordeaux	17	PLACE DE LA BOURSE	33076	BORDEAUX CEDEX	FRANCE	N/A	N/A	15	Leased
EnterNext Marseille	10	PLACE DE LA JOLLETTE	13567	MARSEILLE CEDEX	FRANCE	N/A	N/A	15	Leased
Hong Kong	18	Westlands Road, level 60 One Island		HONG KONG	HONG KONG	N/A	2016	44	Leased
USA	100	SOUTH WACKER DRIVE, Suite 1800	60606	CHICAGO	USA	2015	2017	20	Leased

6

FINANCIAL STATEMENTS

6.1 Consolidated Income Statement

In thousands of euros (except per share data)	NOTE	YEAR ENDED 31 DECEMBER 2016	YEAR ENDED 31 DECEMBER 2015
Revenue	4	496,436	518,547
TOTAL REVENUE		**496,436**	**518,547**
Salaries and employee benefits	5	(99,776)	(112,218)
Depreciation and amortisation	6	(15,088)	(17,071)
Other operational expenses	7	(112,766)	(122,487)
Operating profit before exceptional items		**268,806**	**266,771**
Exceptional items	8	(10,038)	(28,659)
Operating profit		**258,768**	**238,112**
Finance costs	9	(2,142)	(2,906)
Other net financing income/(expense)	9	1,336	(1,238)
Result from available-for-sale financial assets	10	6,032	4,634
Share of net (loss) of associates and joint ventures accounted for using the equity method	15	(19)	-
Profit before income tax		**263,975**	**238,602**
Income tax expense	11	(66,962)	(65,948)
Profit for the year		**197,013**	**172,654**
Profit attributable to:			
• Owners of the parent		197,013	172,654
Basic earnings per share	20	**2.83**	**2.47**
Diluted earnings per share	20	**2.82**	**2.46**

The above Consolidated Income Statement should be read in conjunction with the accompanying notes.

6.2 Consolidated Statement of Comprehensive Income

In thousands of euros	NOTE	YEAR ENDED 31 DECEMBER 2016	YEAR ENDED 31 DECEMBER 2015
Profit for the year		**197,013**	**172,654**
Other comprehensive income			
Items that will be subsequently reclassified to profit or loss:			
• Currency translation differences		(8,651)	659
• Change in value of available-for-sale financial assets	16	2,779	686
• Income tax impact change in value of available-for-sale financial assets		(846)	(84)
Items that will not be reclassified to profit or loss:			
• Re-measurements of post-employment benefit obligations	23	(4,847)	5,597
• Income tax impact post-employment benefit obligations		298	(525)
Other comprehensive income for the year, net of tax		**(11,267)**	**6,333**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**185,746**	**178,987**
Comprehensive Income attributable to:			
• Owners of the parent		185,746	178,987

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

6.3 Consolidated Balance Sheet

In thousands of euros	NOTE	AS AT 31 DECEMBER 2016	AS AT 31 DECEMBER 2015
Assets			
Non-current assets			
Property, plant and equipment	12	27,492	28,779
Goodwill and other intangible assets	13	321,156	321,357
Deferred income tax assets	14	5,021	12,691
Investments in associates and joint ventures	15	15,957	-
Available-for-sale financial assets	16	117,060	114,282
Other receivables	29.4	7,086	7,451
Total non-current assets		**493,772**	**484,560**
Current assets			
Trade and other receivables	17	81,599	96,188
Income tax receivable		7,645	10,506
Cash and cash equivalents	18	174,501	158,642
Total current assets		**263,745**	**265,336**
TOTAL ASSETS		**757,517**	**749,896**
Equity and liabilities			
Equity			
Issued capital		112,000	112,000
Share premium		116,560	116,560
Reserve own shares		(18,883)	(18,791)
Retained earnings		332,271	224,610
Other reserves		6,070	12,788
Total equity	19	**548,018**	**447,167**
Non-current liabilities			
Borrowings	22	69,005	108,153
Deferred income tax liabilities	14	600	345
Post-employment benefits	23	13,249	8,235
Provisions	24	6,488	6,560
Other liabilities		-	700
Total non-current liabilities		**89,342**	**123,993**
Current liabilities			
Borrowings	22	96	104
Current income tax liabilities	11	27,202	50,301
Trade and other payables	25	90,607	105,749
Provisions	24	2,252	22,582
Total current liabilities		**120,157**	**178,736**
TOTAL EQUITY AND LIABILITIES		**757,517**	**749,896**

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

6.4 Consolidated Statement of cash flows

In thousands of euros	NOTE	YEAR ENDED 31 DECEMBER 2016	31 DECEMBER 2015
Profit before income tax		**263,975**	**238,602**
Adjustments for:			
• Depreciation and amortisation	6	15,088	17,071
• Share based payments	5	2,772	5,010
• Changes in working capital and provisions		(20,279)	(28,501)
Income tax paid		(80,429)	(92,210)
Net cash provided by operating activities		**181,127**	**139,972**
Cash flow from investing activities			
Acquisitions of associates	15	(14,805)	-
Repayment of short-term investments		-	15,000
Purchase of property, plant and equipment	12	(5,539)	(11,105)
Purchase of intangible assets	13	(9,228)	(9,188)
Proceeds from sale of property, plant and equipment and intangible assets		-	16
Net cash (used in) investing activities		**(29,572)**	**(5,277)**
Cash flow from financing activities			
Repayment of borrowings, net of transaction fees	22	(40,000)	(141,043)
Interest paid		(1,269)	(1,770)
Interest received		278	47
Dividend paid to owners of the Company	19	(86,210)	(58,784)
Acquisition own shares	19	(1,427)	(18,484)
Employee Share transactions		-	(240)
Net cash (used in) financing activities		**(128,628)**	**(220,274)**
Net increase/(decrease) in cash and cash equivalents		**22,927**	**(85,579)**
Cash and cash equivalents – Beginning of year		158,642	241,639
Non-cash exchange (losses)/gains on cash and cash equivalents		(7,068)	2,582
CASH AND CASH EQUIVALENTS – END OF YEAR		**174,501**	**158,642**

The above Consolidated Statement of cash flows should be read in conjunction with the accompanying notes.

6.5 Consolidated Statement of Changes in Shareholders' Equity

In thousands of euros	ISSUED CAPITAL	SHARE PREMIUM	RESERVE OWN SHARES	RETAINED EARNINGS	OTHER RESERVES: CURRENCY TRANSLATION RESERVE	OTHER RESERVES: CHANGE IN VALUE OF AVAILABLE-FOR-SALE FINANCIAL ASSETS	OTHER RESERVES: TOTAL OTHER RESERVES	TOTAL EQUITY
Balance as at 31 December 2014	**112,000**	**116,560**	**(541)**	**102,204**	**8,117**	**3,410**	**11,527**	**341,750**
Profit for the year	-	-	-	172,654	-	-	-	172,654
Other comprehensive income for the year	-	-	-	5,072	659	602	1,261	6,333
Total comprehensive income for the year	**-**	**-**	**-**	**177,726**	**659**	**602**	**1,261**	**178,987**
Share based payments	-	-	-	4,134	-	-	-	4,134
Dividend paid to owners of the Company	-	-	-	(58,784)	-	-	-	(58,784)
Acquisition of own shares	-	-	(18,484)	-	-	-	-	(18,484)
Other movements	-	-	234	(670)	-	-	-	(436)
Balance as at 31 December 2015	**112,000**	**116,560**	**(18,791)**	**224,610**	**8,776**	**4,012**	**12,788**	**447,167**
Profit for the year	-	-	-	197,013	-	-	-	197,013
Other comprehensive income for the year	-	-	-	(4,549)	(8,651)	1,933	(6,718)	(11,267)
Total comprehensive income for the year	**-**	**-**	**-**	**192,464**	**(8,651)**	**1,933**	**(6,718)**	**185,746**
Share based payments	-	-	-	3,222	-	-	-	3,222
Dividend paid to owners of the Company	-	-	-	(86,210)	-	-	-	(86,210)
Acquisition of own shares	-	-	(1,427)	-	-	-	-	(1,427)
Other movements	-	-	1,335	(1,815)	-	-	-	(480)
BALANCE AS AT 31 DECEMBER 2016	**112,000**	**116,560**	**(18,883)**	**332,271**	**125**	**5,945**	**6,070**	**548,018**

The above Consolidated Statement of Changes in Shareholders' Equity should be read in conjunction with the accompanying notes.

Detailed summary of the notes to the consolidated financial Statements

6.6 Notes to the Consolidated Financial Statements

NOTE 1 GENERAL INFORMATION

Euronext N.V. ("the Group" or "the Company") is a public limited liability company incorporated and domiciled at Beursplein 5, 1012 JW Amsterdam in the Netherlands and is listed at all continental Euronext local markets i.e. Euronext Amsterdam, Euronext Brussels, Euronext Lisbon and Euronext Paris.

The Group operates securities and derivatives exchanges in Continental Europe. It offers a full range of exchange services including security listings, cash and derivatives trading, and market data dissemination. It combines the Amsterdam, Brussels, Lisbon and Paris exchanges in a highly integrated, cross-border organisation.

The Group has also a securities exchange in London (Euronext London Ltd.) and operates Interbolsa S.A., the Portuguese national Central Securities Depositories. The Group's in-house IT function supports its exchange operations. In addition, the Group provides software licenses as well as IT development and operation and maintenance services to third-party exchanges.

These Consolidated Financial Statements were authorised for issuance by Euronext N.V.'s Supervisory Board on 7 April 2017 and will be submitted for adoption by the Annual General Meeting (AGM) of Shareholders on 19 May 2017.

NOTE 2 SIGNIFICANT EVENTS AND TRANSACTIONS

The financial position and performance of the Group was particularly affected by the following events and transactions that have occurred during the year:

Note 2.1 – French restructuring plans

In April 2015, as part of the Group restructuring and transformation initiative, the two French entities, Euronext Paris S.A. and Euronext Technologies S.A.S. initiated and presented to the Unions restructuring plans (Plans de Sauvegarde de l'Emploi ("PSE")). These two separate social plans were framed by the relevant legal and administrative process in France and were subject to approval of DIRECCTE, the labour administrative entity in charge of these procedures in France. Following rejection of the PSE for Euronext Paris S.A. by DIRECCTE, and further consultation with the Work Councils and Committees for Health, Safety and Working Conditions for each entity, the Group announced its intention to change the PSE plans into 'Plan de Depart Volontaire' ("PDV's") in October 2015. The respective Unions signed Collective Labour Agreements ("Accord Majoritaire") related to the PDV's for Euronext Paris S.A. and Euronext Technologies S.A.S. These agreements were validated by DIRECCTE in November 2015 for Euronext Paris S.A., and in January 2016 for Euronext Technologies S.A.S. This resulted in a total provision of €22.0 million for both plans recognised as at 31 December 2015.

During 2016, the PDV's for Euronext Paris S.A. and Euronext Technologies S.A.S. have been executed and completed. As such, the provision still recorded is limited to €0.2 million as per 31 December 2016. The indemnities that were agreed and confirmed but not yet paid, are recognised as a liability in trade and other payables as per 31 December 2016. In addition, a provision for third party expenses is still recorded and amounts to €0.2 million for Euronext Paris S.A. and €0.3 million for Euronext Technologies S.A.S. as per 31 December 2016 (see Note 24).

Note 2.2 – Relocation Belfast IT operations

In order to concentrate its operations in Euronext home countries, and to further rationalise its cost base, Euronext has decided to reduce the number of sites where IT operates. To this end, Euronext decided to increase its presence in Portugal (Porto) and close its operations in Belfast. In April 2016, the Group announced that for this purpose Euronext has set up a new technology service centre in Porto (*Euronext Technologies Unipessoal Lda.*) to host its IT activities. For the employee termination benefits in relation to the closure of the Belfast IT operations, a restructuring expense of €2.2 million has been recognised in exceptional items during 2016 (see Note 8).

Note 2.3 – Long-Term Incentive Plan 2016

On 9 September 2016, a Long-Term Incentive plan ("LTI 2016") was established under the revised Remuneration Policy that was approved by the AGM on 6 May 2015. The LTI cliff vests after 3 years whereby performance criteria will impact the actual number of shares at vesting date. The share price for this grant at grant date was €39.15 and 154,744 RSU's were granted. The total share based payment expense at the vesting date in 2019 is estimated to be €4.9 million. Compensation expense recorded for this LTI 2016 plan amounted to €0.5 million in 2016 (see Notes 5 and 21).

Note 2.4 – Repayment of term loan

On 6 May 2014, the Group entered into a syndicated bank loan facilities agreement ("the Facilities Agreement"), with BNP Paribas and ING Bank N.V. as Lead Arrangers, providing for a (i) a €250 million term loan facility and (ii) a €250 million revolving loan facility, both maturing or expiring in three years. On 20 February 2015, Euronext N.V. entered into the amended and extended facility agreement. Based on this agreement, effectively on 23 March 2015 (i) the undrawn revolving credit facility was increased by €140 million to €390 million and (ii) €140 million was repaid as an early redemption of the €250 million term loan facility. The additional transaction costs of €1 million have been capitalised and will be amortised over the facility's expected life of three years, to 23 March 2018, resulting in (i) a €390 million undrawn revolving credit facility and (ii) a net non-current borrowing of €108 million as of 31 December 2015.

On 23 September 2016, Euronext repaid €40.0 million as an early redemption of the €110 million term loan facility, resulting in a net non-current borrowing of €69 million (see Note 22) as of 31 December 2016. The undrawn revolving credit facility of €390.0 million remained unchanged. The Facilities Agreement include certain covenants and restrictions, applicable to disposal of assets beyond certain thresholds, grant of security interests, incurrence of financial indebtedness, investments, and other transactions. The Facilities Agreement also requires compliance with a total debt to EBITDA ratio of 2.5x to which the Group complies.

Note 2.5 – AMF fine

On 8 December 2015, the Enforcement Committee of AMF ordered Euronext Paris S.A. to pay a fine of €5.0 million for alleged wrong-doing in the HFT pilot program launched by NYSE Euronext in 2009 and discontinued in 2010. Although the appeal process is still ongoing, Euronext received a payment notification for the €5.0 million in the third quarter of 2016, and paid the notification in November 2016.

Note 2.6 – Acquisition of 20% stake in European Central Counterparty N.V. ("EuroCCP")

In August 2016, Euronext announced it had signed a definitive agreement to acquire a 20% stake in EuroCCP, the leading CCP for pan-European equity markets, providing clearing and settlement services. Following regulatory approvals, the completion of the transaction was finalised on 15 December 2016 for an amount of €13.4 million. The investment in EuroCCP has been recognised as an investment in associate as from acquisition date (see Note 15).

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES AND JUDGMENTS

The significant accounting policies applied in the preparation of these Consolidated Financial Statements are set out below. These policies have been consistently applied to all the years presented, unless stated otherwise. The Financial Statements are for the Group consisting of Euronext N.V. and its subsidiaries.

Note 3.1 – Basis of preparation

The Consolidated Financial Statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union.

They also comply with the financial reporting requirements included in Title 9, Book 2 of the Dutch Civil Code.

The Consolidated Financial Statements have been prepared on a historical cost basis, unless stated otherwise.

Note 3.2 – Changes in accounting policies and disclosures

The International Accounting Standards Board (IASB) continues to issue new standards and interpretations, and amendments to existing standards. The Group applies these new standards when effective and endorsed by the European Union. The Group has not opted for early adoption for any of these standards.

Note 3.2.1 – Implication of new and amended standards and interpretations

A number of amendments to standards became effective for the financial year beginning on 1 January 2016. However none of these amendments to standards had a material impact on the Group's Consolidated Financial Statements.

Note 3.2.2 – Future implications of new and amended standards and interpretations

The following new accounting standards and interpretations will become effective for annual periods beginning after 1 January 2016. Only new and amended standards with a potential impact on the Group are discussed. These standards have not been applied in preparing these Consolidated Financial Statements:

IFRS 9, "Financial instruments" replaces the guidance from International Accounting Standard (IAS) 39. It includes requirements on the classification, measurement and de-recognition of financial assets and liabilities; it also includes an expected credit loss model that replaces the current incurred loss impairment model. As the new standard would mainly affect the Group's available-for-sale financial assets, a first assessment has been performed on these financial instruments in 2016. The available-for-sale financial assets are currently valued at market value with revaluations flowing through other comprehensive income (OCI). Under IFRS 9 these financial assets would appear to satisfy the conditions for classification as at fair value through other comprehensive income (FVOCI) and hence there will be no change to the accounting for these assets. With respect to the new impairment model under IFRS 9, no credit losses are expected to occur for the Group's financial assets and hence an impairment is not expected to take place under the new 'expected credit loss model'.

Following the above, the new standard is not expected to have a material impact on the Group's financial outcomes. The Group does not intend to adopt IFRS 9 before its mandatory date, which is 1 January 2018.

IFRS 15, "Revenue from contracts with customers" will replace IAS 18 and IAS 11. The new standard is based on the principle that revenue is recognised when control transfers to a customer. In 2016, the Group assessed the impact of IFRS 15 on its various revenue streams and did not observe changes to its current accounting methodology in terms of identification of performance obligations and the related timing of recognition of revenue. The main impact of IFRS 15 will be the extended disclosure requirements in the Group's Consolidated Financial Statements, such as; description of performance obligations and their timing/method of satisfaction in general, and other significant judgments in specific cases.

Given the expected non-material impact on its current revenue recognition practice, the Group opts for the 'cumulative effect' transition approach and not to do a full retrospective appliance. The Group does not intend to adopt IFRS 15 before its mandatory date, which is 1 January 2018.

IFRS 16, "Leases" replaces the current IAS 17 on the subject of accounting for lease contracts. IFRS 16 will become effective as from 1 January 2019. Earlier adoption is permitted on the condition that the Group at the same time adopts IFRS 15. The new standard will affect primarily the accounting for the Group's non-cancellable operating lease commitments (see Note 31), which will have to be recognised on the balance sheet under IFRS 16. Against each leased ('right-to-use') asset, the Group will have to recognise a financial liability to pay lease rentals. The new standard will consequently affect both balance sheet sides and the Group will have to depreciate 'right-to-use' assets as any other non-financial asset over the term of the lease contract. The depreciation charge effectively replaces lease costs currently recorded within accommodation expenses. This should however not lead to a material change in net profit for the year. The Group does not intend to adopt IFRS 16 before its mandatory date.

There are no other IFRS's or IFRIC interpretations not yet effective, that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

Note 3.3 – Basis of consolidation

These Consolidated Financial Statements include the financial results of all subsidiaries in which entities in the Group have a controlling financial interest and it also incorporates the share of results from associates and joint ventures. The list of individual legal entities which together form the Group, is provided in Note 32. All transactions and balances between subsidiaries have been eliminated on consolidation. All transactions and balances with associates and joint ventures are reflected as related party transactions and balances (see Note 28).

Note 3.3.1 – Subsidiaries

Subsidiaries are all entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

Intergroup transactions, balances and unrealised gains and losses on transactions between companies within the Group are eliminated upon consolidation unless they provide evidence of impairment. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated statement or profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

Note 3.3.2 – Associates

Associates are entities over which the Group has the ability to exercise significant influence, but does not control. Generally, significant influence is presumed to exist when the Group holds 20% to 50% of the voting rights in an entity. Joint arrangements are joint operations or joint-ventures over which the Group, together with another party or several other parties, has joint control. Investments in associates and joint ventures are accounted for using the equity method of accounting.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. The carrying amount of equity-accounted investments is tested for impairment.

Note 3.4 – Business combinations

Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition by acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. The consideration transferred is measured at the fair value of any assets transferred, liabilities incurred and equity interests issued. The excess of the consideration transferred over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. To the extent applicable, any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree are added to consideration transferred for purposes of calculating goodwill.

Note 3.5 – Segment reporting

Segments are reported in a manner consistent with how the business is operated and reviewed by the chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments. The chief operating decision maker of the Group is the Management Board. The organisation of the Group reflects the high level of mutualisation of resources across geographies and product lines. Operating results are monitored on a group-wide basis and, accordingly, the Group represents one operating segment and one reportable segment. Operating results reported to the Management Board are prepared on a measurement basis consistent with the reported Consolidated Income Statement.

Note 3.6 – Foreign currency transactions and translation

Note 3.6.1 – Functional and presentation currency

These Consolidated Financial Statements are presented in Euro (EUR), which is the Group's presentation currency. The functional currency of each Group entity is the currency of the primary economic environment in which the entity operates.

Note 3.6.2 – Transactions and balances

Foreign currency transactions are converted into the functional currency using the rate ruling at the date of the transactions. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at year-end rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

Exceptions to this are where the monetary items form part of the net investment in a foreign operation or are designated as hedges of a net investment, in which case the exchange differences are recognised in Other Comprehensive Income.

Note 3.6.3 – Group companies

The results and financial position of Group entities that have a functional currency different from the presentation currency are converted into the presentation currency as follows:

- assets and liabilities (including goodwill) are converted at the closing balance sheet rate;
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as currency translation adjustments within Other Comprehensive Income.

Note 3.7 – Property, plant and equipment

Property, plant and equipment are carried at historical cost, less accumulated depreciation and any impairment loss. The cost of purchased property, plant and equipment is the value of the consideration given to acquire the assets and the value of other directly attributable costs. All repairs and maintenance costs are charged to expense as incurred.

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets, except land and construction in process assets, which are not depreciated. The estimated useful lives, which are reviewed annually and adjusted if appropriate, used by the Group in all reporting periods presented are as follows:

Buildings	5 to 40 years
IT equipment	2 to 3 years
Other equipment	5 to 12 years
Fixtures and fittings	4 to 10 years

Note 3.8 – Goodwill and other intangible assets

Note 3.8.1 – Goodwill

Goodwill represents the excess of the consideration transferred in a business combination over the Group's share in the fair value of the net identifiable assets and liabilities of the acquired business at the date of acquisition. Goodwill is not amortised but is tested at least annually for impairment, or whenever an event or change in circumstances indicate a potential impairment.

For the purpose of impairment testing, goodwill arising in a business combination is allocated to the cash-generating units ("CGUs") or groups of CGUs that are expected to benefit from the synergies of the combination. Each CGU or CGU Group to which goodwill is allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes. The Group's goodwill is monitored at the operating segment level.

The carrying value of a CGU Group is compared to its recoverable amount, which is the higher of its value in use and its fair value less costs of disposal. Impairment losses on goodwill are not subsequently reversed. Value in use is derived from the discounted future free cash flows of the CGU Group. Fair value less costs of disposal is based on discounted cash flows and market multiples applied to forecasted earnings. Cash flow projections are based on budget and business plan approved by management and covering a 3-year period in total. Cash flows beyond the business plan period are extrapolated using a perpetual growth rate. Key assumptions used in goodwill impairment test are described in Note 13.

Note 3.8.2 – Internally generated intangible assets

Software development costs are capitalised only from the date when all of the following conditions are met:

- the technical feasibility of the development project is demonstrated;
- it is probable that the project will be completed and will generate future economic benefits; and
- the project development costs can be reliably measured.

Capitalised software development costs are amortised on a straight-line basis over their useful lives, generally from two to five years. Other development expenditures that do not meet these criteria, as well as software maintenance and minor enhancements, are expensed as incurred.

Note 3.8.3 – Other intangible assets

Other intangible assets, which are acquired by the Group, are stated at cost less accumulated amortisation and impairment losses. The estimated useful lives are as follows:

Purchased software and licence	2-5 years
Customer relationships	8-10 years

Note 3.9 – Impairment of non-financial assets other than goodwill

Assets that are subject to amortisation and depreciation are reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. Assets that have an indefinite useful life are neither subject to amortisation nor depreciation and are tested at least annually for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For purposes of assessing impairment, assets are grouped into Cash Generating Units ("CGUs"). A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent from other groups of assets. Non-financial assets, other than goodwill, that were previously impaired are reviewed for possible reversal of the impairment at each reporting date.

Note 3.10 – Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance sheet date. The method of recognising the resulting gain or loss depends on whether or not the derivative is designated as a hedging instrument for accounting purpose, and if so the nature of the item being hedged. In order to qualify for hedge accounting, a transaction must also meet strict criteria as regards to documentation, effectiveness, probability of occurrence and reliability of measurement. To date, the Group did not elect to apply hedge accounting and, accordingly, gains and losses on re-measurement of derivatives instruments are systematically recognised in the income statement, within financial income and expense.

Note 3.11 – Financial assets

Upon initial recognition, the Group classifies its financial assets in one of the categories described hereafter. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at the end of each reporting period (see Note 16 for details about Euronext's financial assets).

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Note 3.11.1 – Financial assets at fair value through profit or loss ("FVPL")

Financial assets at fair value through profit or loss include financial assets held for trading purposes and are initially recognised at fair value and any subsequent changes in fair value are recognised directly in the income statement. This category also includes derivatives financial instruments that are not designated as accounting hedges although they are used to hedge economic risks.

Note 3.11.2 – Available-for-sale ("AFS") financial assets

Other financial assets are classified as Available-for-Sale ("AFS") initially recognised at fair value and re-measured at fair value at each balance sheet date. Unrealised gains and losses resulting from changes in fair value are recognised in Other Comprehensive Income and are recycled in the income statement upon impairment or disposal. AFS financial assets include long-term equity investments in companies over which the Group does not have control, joint control or significant influence. Equity instruments without a quoted priced are valued using valuation techniques with (un)observable inputs. If the fair value of an unlisted equity instrument is not reliably measurable, the investment is held at cost less impairment. Interests and dividends are recognised in the income statement when the Group's right to receive payments is established. If a decline in fair value below cost has occurred and has become other than temporary, impairment is recognised in the income statement. The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset ("loss event") and that the loss event (or events) has an impact on the estimated future cash flows of the financial asset.

Note 3.11.3 – Loans and receivables

Loans and receivables are non-derivative financial assets/liabilities with fixed or determinable payments that are not quoted in an active market. Initially recognised at fair value they subsequently are measured at amortised cost, using the effective interest method, less impairment. They are included in current assets, except for those with maturities greater than twelve months after the balance sheet date which are classified as non-current assets. Loans and receivables include: related party loans, trade and other receivables, cash and cash equivalents in the balance sheet.

Note 3.12 – Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Trade receivables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method, less impairment. Impairment losses are measured as the difference between the assets' carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss.

Note 3.13 – Cash and cash equivalents

Cash and cash equivalents comprise cash at banks, highly liquid investments with original maturities of three months or less and investments in money market funds that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

Further term deposits with maturities longer than three months are also classified as cash equivalents if the term deposits meet the following criteria (i) the term deposit is considered to be held to meet short-term cash needs, (ii) withdrawal can be made either at any time, free of any penalty, or no later than at the end of the initial three month period, with no penalty, (iii) the interest received from the term deposit is equal to or above what the market expected to pay and (iv) all these foregoing conditions must be clear, accepted and met at the subscription date.

Note 3.14 – Borrowings

Borrowings are initially recorded at the fair value of proceeds received, net of transaction costs. Subsequently, these liabilities are carried at amortised cost, and interest is charged to the Income Statements over the period of the borrowings using the effective interest method. Accordingly, any difference between the proceeds received, net of transaction costs, and the redemption value is recognised in the Income Statement over the period of the borrowings using the effective interest rate method.

Note 3.15 – Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Restructuring provisions primarily comprise employee termination payments. Provisions are not recognised for future operating losses, unless there is an onerous contract. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax risk-free discount rate. The increase in the provision due to passage of time is recognised as interest expense.

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

Note 3.16 – Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Note 3.17 – Post-employment benefit plans

The Group operates defined benefit and defined contribution pension schemes. When the Group pays fixed contributions to a pension fund or pension insurance plan and the Group has no legal or constructive obligation to make further contributions if the fund's assets are insufficient to pay all pension benefits, the plan is considered to be a defined contribution plan. In that case, contributions are recognised as employee expense when they become due.

For the defined benefit schemes, the net asset or liability recognised on the balance sheet comprises the difference between the present value of the defined benefit pension obligation and the fair value of plan assets. A net asset is recognised only to the extent the Group has the right to effectively benefit from the plan surplus. The service cost, representing benefits accruing to employees in the period, and the net interest income or expense arising from the net defined benefit asset or liability are recorded within operating expenses in the Income Statements. Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions or differences between actual and expected returns on assets are recognised in equity as a component of Other Comprehensive Income. The impact of a plan amendment, curtailment or settlement is recognised immediately when it arises in the Income Statement.

Note 3.18 – Share-based compensation

Certain employees of the Group participate in Euronext's share-based compensation plans. Awards granted by Euronext under the plans are restricted stock units ("RSUs"). Under these plans, Euronext receives services from its employees as consideration for equity instruments of the Group. As the awards are settled in shares of Euronext N.V., they are classified as equity settled awards.

The share-based compensation reflected in the Income Statements relates to the RSUs granted by Euronext to the Group's employees. The equity instruments granted do not vest until the employee completes a specified period of service, typically three years. The grant-date fair value of the equity settled RSUs is recognised as compensation expense over the required vesting period, with a corresponding credit to equity.

Euronext has performance share plans, under which shares are conditionally granted to certain employees. The fair value of awards at grant date is calculated using market-based pricing, i.e. the fair value of Euronext shares. This value is expensed over their vesting period, with a corresponding credit to equity.

The expense is reviewed and adjusted to reflect changes to the level of awards expected to vest, except where this arises from a failure to meet a market condition or a non-vesting condition in which case no adjustment applies.

Note 3.19 – Treasury shares

The Group reacquires its own equity instruments. Those instruments ("treasury shares") are deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of an entity's own equity instruments. Such treasury shares may be acquired and held by the entity or by other members of the consolidated group. Consideration paid or received is recognised directly in equity.

Note 3.20 – Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, rebates, VAT and other sales related taxes.

Listing fees primarily consist of original listing fees paid by issuers to list securities on the various cash markets (admission fees), subsequent admission fees for other corporate actions (such as admission of additional securities) and annual fees paid by companies whose financial instruments are listed on the cash markets. Admission fees are recognised at the time of admission to trading. Annual listing fees are recognised on a pro rata basis over the annual service period.

The Group earns cash trading fees for customer orders of equity securities, debt securities and other cash instruments on the Group's cash markets. The Group earns derivative trading fees for the execution of trades of derivative contracts on the Group's derivative markets. Cash and Derivative trading fees are recognised when the trade transaction is completed.

The Group charges clients on a per-user basis for the access to its real-time and proprietary market data information services. The Group also collects periodic license fees from clients for the right to distribute the Group data to third parties. These fees are recognised on a monthly basis as services are rendered.

Post-trade revenue primarily includes Clearing, settlement and custody fees. Clearing fees are recognised when the clearing of the trading transaction is completed. Settlement fees are recognised when the settlement of the trading transaction is completed. Custody fees are recognised as the service is performed.

Market solutions and other revenue include software license and IT services provided to third-party market operators, connection services and data centre colocation services provided to market participants, and other revenue. Software license revenue is recognised upon delivery and acceptance when the software does not require significant customisation or modification. Implementation and consulting services are recognised either on a time-and material basis or under the percentage of completion method, depending upon the nature of the contract. When software requires significant modification or customisation, fees from software license and professional services are recognised altogether on a percentage-of-completion basis. The stage of completion is measured based on the number of man-days incurred to date as a percentage of total estimated number of man-days to complete. Software maintenance fees, connection and subscription service fees, and annual license fees are recognised rateably over the life of the agreement.

Note 3.21 – Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards to the lessee. When the Group is the lessee in a finance lease, the underlying asset is recognised in the balance sheet at the inception of the lease, at its fair value or at the present value of minimum lease payments, whichever is lower. The corresponding liability to the lessor is included within borrowings. Payments made under operating leases are recognised in the Income Statement on a straight-line basis over the term of the lease.

Note 3.22 – Exceptional items

Exceptional income and expense are identified based on their size, nature and incidence and are disclosed separately in the Income Statements in order to provide further understanding of the financial performance of the Group. It includes clearly identifiable income and expense items which are infrequent and unusual by their size or by their nature.

Note 3.23 – Taxation

The income tax expense for the fiscal year is comprised of current and deferred income tax. Income tax expense is recognised in the Income Statements, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the income tax impact is also recognised in other comprehensive income or directly in equity.

Note 3.23.1 – Current income tax

The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operates and generates taxable income. The Group recognises liabilities for uncertain tax positions when it is more likely than not that an outflow will occur to settle the position. The liabilities are measured based upon management's estimation of the expected settlement of the matter. Estimated liabilities for uncertain tax positions, along with estimates of interest and penalties, are presented within income taxes payable on the Balance Sheet and are included in current income tax expense in the Income Statement.

Note 3.23.2 – Deferred income tax

Deferred income tax is recognised on temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in these Financial Statements. However, deferred income tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised.

Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on the same taxable entity.

Note 3.24 – Critical accounting estimates and assumptions

In the application of the Group's accounting policies, management is required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following critical assumptions concerning the future, and other critical sources of estimation uncertainty at the end of the reporting period, have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Note 3.24.1 – Impairment of goodwill

The Group performs goodwill impairment reviews in accordance with the accounting policy described above in Note 3. The recoverable amount of a CGU Group is determined based on a discounted cash flow approach, which requires the use of estimates. The critical assumptions used and the related sensitivity analysis are described in Note 13.

Note 3.24.2 – Income taxes

Due to the inherent complexities arising from the nature of the Group's business, and from conducting business and being taxed in a substantial number of jurisdictions, critical assumptions and estimates are required to be made for income taxes. The Group computes income tax expense for each of the jurisdictions in which it operates. However, actual amounts of income tax due only become final upon filing and acceptance of the tax return by relevant authorities, which may not occur for several years subsequent to issuance of these Consolidated Financial Statements.

The estimation of income taxes also includes evaluating the recoverability of deferred income tax assets based on an assessment of the ability to use the underlying future tax deductions against future taxable income before they expire. This assessment is based upon existing tax laws and estimates of future taxable income. To the extent estimates differ from the final tax return, earnings may be affected in a subsequent period.

The Group operates in various countries with local tax regulations. New tax legislation being issued in certain territories as well as transactions that the Group enters into regularly result in potential tax exposures. The calculation of Euronext's tax liabilities involves uncertainties in the application of complex tax laws. Euronext's estimate for the potential outcome of any uncertain tax position is highly judgmental. However Euronext believes that it has adequately provided for uncertain tax positions. Settlement of these uncertainties in a manner inconsistent with Euronext's expectations could have a material impact on Euronext's results of operations, financial condition and cash flows. The Group recognises a liability for uncertain tax positions when it's probable that an outflow of economic recourses will occur. Measurement of the liability for uncertain tax positions is based on management's best estimate of the amount of tax benefit/cost that will be realised upon settlement.

Note 3.24.3 – Fair value of investments

The Group holds investments in unlisted equity securities which are carried at fair value in the balance sheet. The valuation methodology and critical assumptions are described in Note 16.

NOTE 4 REVENUE

In thousands of euros	2016	2015
Listing	68,708	70,516
Trading revenue	220,835	241,699
of which		
• Cash trading	180,727	197,243
• Derivatives trading	40,108	44,456
Market data & indices	105,697	99,759
Post-trade	67,627	71,682
of which		
• Clearing	47,992	51,937
• Custody and Settlement	19,635	19,745
Market Solutions & Other revenue	33,009	34,147
Other income	560	744
TOTAL	**496,436**	**518,547**

At 31 December 2016 and 2015, there were no customers that individually exceeded 10% of the Group's revenue.

Trading and Clearing revenues were impacted by lower volatility on Euronext's markets, decreasing the trading volumes in 2016.

NOTE 5 SALARIES AND EMPLOYEE BENEFITS

In thousands of euros	2016	2015
Salaries and other short-term benefits	(72,258)	(76,414)
Social security contributions	(21,727)	(26,511)
Share-based payment costs	(2,772)	(4,661)
Pension cost – Defined benefit plans	(1,115)	(1,353)
Pension cost – Defined contribution plans	(1,904)	(3,279)
TOTAL	**(99,776)**	**(112,218)**

At the end of the year, the number of employees, based on full-time equivalents, was at 573,7 (2015: 635,5).

The decrease in share-based payment costs is related to the unconditional grant of 63,609 RSU's in 2015 (see Note 21), resulting in immediate vesting and recognition of the related share based payment expenses of €2.4 million in the income statement.

NOTE 6 DEPRECIATION AND AMORTISATION

In thousands of euros	2016	2015
Depreciation of tangible fixed assets	(6,075)	(7,956)
Amortisation of intangible fixed assets	(9,013)	(9,115)
TOTAL	**(15,088)**	**(17,071)**

The decrease in depreciation of tangible fixed assets is mainly related to the end of the accelerated depreciation of assets, following the relocation of premises in Paris and Brussels in 2015.

NOTE 7 OTHER OPERATIONAL EXPENSES

In thousands of euros	2016	2015
Systems and communications	(17,099)	(18,582)
Professional services	(38,382)	(39,599)
Clearing expenses	(26,311)	(27,757)
Accommodation	(10,237)	(13,622)
Other expenses[(a)]	(20,737)	(22,927)
TOTAL	**(112,766)**	**(122,487)**

(a) Other expenses include marketing, taxes, insurance, travel, professional membership fees, corporate management and other expenses.

The decrease in accommodation expenses is mainly attributable to the closure of 'Cannon Bridge House' in London and the relocation of premises in Paris and Brussels in 2015.

NOTE 8 EXCEPTIONAL ITEMS

In thousands of euros	2016	2015
Restructuring costs	(7,082)	(20,581)
Share plan vesting acceleration/settlement	-	(349)
AMF fine	-	(5,000)
Acquisition costs	(3,322)	-
Litigation settlements	-	(1,976)
Other	366	(753)
TOTAL	**(10,038)**	**(28,659)**

In 2016, exceptional items include:

- €7.1 million of restructuring costs, including;
  - expenses for employee termination benefits in the various Euronext locations for €3.2 million,
  - expenses attributable to the execution and completion of the French restructuring plans for €1.7 million, and
  - restructuring expenses relating to the relocation of Belfast IT operations to Porto for €2.2 million (see Note 2);
- €3.3 million of acquisition costs incurred for the contemplated acquisition of LCH.Clearnet (see Note 33). This transaction is considered to be transformational and associated costs as exceptional;
- €0.4 million (benefit) of other items.

In 2015, exceptional items included:

- €20.6 million of restructuring costs, including;
  - expenses related to the French restructuring plans (see Note 2),
  - expenses for employee termination benefits in other Euronext locations for €12.2 million,
  - the gain of €14.4 million related to the surrender of the 'Cannon Bridge House' lease in London, partly offsetting the costs recorded above, and
  - other restructuring expenses mainly relating to relocation of the Paris head office;
- €0.3 million of expenses for the acceleration of vesting and settlement of share-based plan LTIP 2014;
- €5.0 million of costs related to the AMF fine;
- €2.0 million of expenses related to litigation settlements, including €0.9 million related to SunGard;
- €0.8 million of other expenses.

If the exceptional items would be presented by nature, salaries and employee benefits would amount to €6.2 million (2015: €32.5 million), depreciation and amortisation would be nil (2015: €0.6 million) and other operational expenses would amount to a €3.8 million cost (2015: €4.4 million benefit).

NOTE 9 NET FINANCING INCOME/(EXPENSE)

In thousands of euros	2016	2015
Interest expense	(2,142)	(2,906)
Finance costs	**(2,142)**	**(2,906)**
Interest income	572	369
Gain / (loss) on disposal of treasury investments	-	113
Net foreign exchange (loss) / gain[a]	764	(1,720)
Other net financing income/(expense)	**1,336**	**(1,238)**
NET FINANCING INCOME / (EXPENSE)	**(806)**	**(4,144)**

(a) Foreign exchange results in 2016 mainly relate to historical cumulative unrealised exchange differences recognised in other comprehensive income, which have been realised following the dissolution of Euronext Technologies IPR Ltd. The Foreign exchange results in 2015 mainly stem from outstanding accounts receivable and accounts payable held in foreign currencies.

NOTE 10 RESULT FROM AVAILABLE-FOR-SALE FINANCIAL ASSETS

In thousands of euros	2016	2015
Dividend income	6,032	4,634
RESULT FROM AVAILABLE-FOR-SALE FINANCIAL ASSETS	**6,032**	**4,634**

In 2016, the dividend income mainly relates to dividends received from Euroclear plc, LCH.Clearnet Group Ltd. and Sicovam Holding S.A. In the comparative period no dividend from LCH.Clearnet Group Ltd. was received.

NOTE 11 INCOME TAX EXPENSE

In thousands of euros	2016	2015
Current tax expense	(59,968)	(69,344)
Deferred tax expense	(6,994)	3,396
TOTAL INCOME TAX EXPENSE	**(66,962)**	**(65,948)**

The actual tax charge incurred on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rates applicable to profit before income tax of the consolidated entities as follows:

Note 11.1 – Reconciliation of effective tax charge

In thousands of euros	2016	2015
Profit before income tax	263,975	238,602
Income tax calculated at domestic tax rates applicable to profits in the respective countries	(79,246)	(69,462)
Tax effects of:		
(De) recognition tax losses	(65)	(151)
Non-deductible expenses[(a)]	11,887	7,443
Other tax exempt income	1,931	1,444
Over / (under) provided in prior years	1,730	261
Other[(b)]	(3,199)	(5,483)
TOTAL INCOME TAX EXPENSE	**(66,962)**	**(65,948)**

(a) In 2015 the non-deductible expenses mainly related to intercompany interest paid in France and were positively impacted by the release of a €13.9 million tax provision recognised in 2012, as a result of the lapse of the statute of limitation. In 2016 the non-deductible expenses were again positively impacted by the release of a €16.3 million tax provision recognised in 2013, as a result of the lapse of the statute of limitations.

(b) As from 2014, the Company applies the statutory tax rates without (temporary) surcharges (in Portugal and France) to the profit before income tax to calculate tax at domestic rates. The (temporary) surcharges have been included in the line Other. Surcharges have decreased mainly due to the abolishment of certain surcharges in France.

The decrease in effective tax rate from 27.6% for the year ended 31 December 2015 to 25.4% for the year ended 31 December 2016 was primarily attributable to items that were included in the income tax expense for the years ended 31 December 2016 and 2015, as discussed above.

NOTE 12 PROPERTY, PLANT AND EQUIPMENT

In thousands of euros	LAND & BUILDINGS	OTHER[a]	TOTAL
As at 1 January 2015			
Cost	27,747	95,911	123,658
Accumulated depreciation and impairment	(16,535)	(81,175)	(97,710)
Net book amount	11,212	14,736	25,948
As at 1 January 2015 net book amount	**11,212**	**14,736**	**25,948**
Exchange differences	-	397	397
Additions	-	11,105	11,105
Disposals & other	-	(715)	(715)
Transfers	(90)	90	-
Depreciation charge (Note 6)	(596)	(7,360)	(7,956)
As at 31 December 2015 net book amount	**10,526**	**18,253**	**28,779**
As at 31 December 2015			
Cost	17,602	73,531	91,133
Accumulated depreciation and impairment	(7,076)	(55,278)	(62,354)
Net book amount	10,526	18,253	28,779
AS AT 1 JANUARY 2016 NET BOOK AMOUNT	**10,526**	**18,253**	**28,779**
Exchange differences	-	(751)	(751)
Additions	-	5,539	5,539
Depreciation charge (Note 6)	(211)	(5,864)	(6,075)
AS AT 31 DECEMBER 2016 NET BOOK AMOUNT	**10,315**	**17,177**	**27,492**
AS AT 31 DECEMBER 2016			
Cost	14,776	76,756	91,532
Accumulated depreciation and impairment	(4,461)	(59,579)	(64,040)
Net book amount	10,315	17,177	27,492

(a) Other property, plant and equipment include building fixtures and fittings as well as IT and other equipment.

The Company does not hold assets under finance leases.

NOTE 13 GOODWILL AND OTHER INTANGIBLE ASSETS

In thousands of euros	GOODWILL	INTERNALLY DEVELOPED SOFTWARE	OTHER[A]	TOTAL
As at 1 January 2015				
Cost	354,759	52,308	38,612	445,679
Accumulated amortisation and impairment	(53,341)	(39,986)	(31,086)	(124,413)
Net book amount	301,418	12,322	7,526	321,266
As at 1 January 2015 net book amount	**301,418**	**12,322**	**7,526**	**321,266**
Exchange differences	-	3	90	93
Additions	-	5,508	3,680	9,188
Disposals	-	-	(75)	(75)
Transfers	-	222	(222)	-
Amortisation charge (Note 6)	-	(6,478)	(2,637)	(9,115)
As at 31 December 2015 net book amount	**301,418**	**11,577**	**8,362**	**321,357**
As at 31 December 2015				
Cost	354,759	54,673	34,130	443,562
Accumulated amortisation and impairment	(53,341)	(43,096)	(25,768)	(122,205)
Net book amount	301,418	11,577	8,362	321,357
AS AT 1 JANUARY 2016 NET BOOK AMOUNT	**301,418**	**11,577**	**8,362**	**321,357**
Exchange differences	-	-	(416)	(416)
Additions	-	7,340	1,888	9,228
Amortisation charge (Note 6)	-	(5,087)	(3,926)	(9,013)
AS AT 31 DECEMBER 2016 NET BOOK AMOUNT	**301,418**	**13,830**	**5,908**	**321,156**
AS AT 31 DECEMBER 2016				
Cost	354,759	62,013	34,839	451,611
Accumulated amortisation and impairment	(53,341)	(48,183)	(28,931)	(130,455)
Net book amount	301,418	13,830	5,908	321,156

(a) Other intangible assets primarily include purchased software, licenses and acquired customer relationships.

Note 13.1 – Goodwill impairment test

Goodwill is monitored and tested for impairment at Group-level, which represents a single operating segment (see Note 3). The recoverable value of the Group's operating segment is based on its fair value less cost of disposal, applying a discounted cash flow approach, and corroborated by observation of Company's market capitalisation. The fair value measurement uses significant unobservable inputs and is therefore categorised as a Level 3 measurement under IFRS 13.

Cash flow projections are derived from the 2017 budget and 2-year business plan for 2018-2019. Key assumptions used by management include third party revenue growth, which factors future volumes of European equity markets, the Group's market share, average fee per transaction, and the expected impact of new product initiatives. These assumptions are based on past experience, market research and management expectation of market developments. They include an expected recovery in European equity markets, consistent with industry reports.

For the impairment test performed as of 31 December 2016, revenues have been extrapolated using a growth rate of 4% (2015: 5%) for the period 2018-2025, and using a perpetual growth rate of 1.5% (2015: 1.5%) after 2025.

The discount rate is a weighted-average cost of capital determined from observable market data, applying a beta factor and a leverage ratio consistent with a group of comparable listed companies in the exchange industry. The post-tax discount rate applied was 8.5% (8.65% in 2015).

The annual impairment testing performed at each year-end did not result in any instance where the carrying value of the operating segment exceeded its recoverable amount.

Recoverable amount is sensitive to key assumptions. As of 31 December 2016, a reduction to 0% per year of third party revenue growth during the 5-year forecast, a reduction to 1% per year of perpetual growth rate, or an increase by 1% per year in discount rate, which management believes are individually reasonably possible changes to key assumptions, would not result in a goodwill impairment. The sensitivity test on the key assumptions defined in 2016 would not result in a goodwill impairment. Possible correlations between each of these parameters were not considered.

NOTE 14 DEFERRED INCOME TAX

The analysis of deferred tax assets and deferred tax liabilities is as follows:

In thousands of euros	2016	2015
Deferred income tax assets[a]	5,021	12,691
Deferred income tax liabilities[a]	(600)	(345)
TOTAL NET DEFERRED TAX ASSETS/(LIABILITIES)	**4,421**	**12,346**

(a) As shown in the balance sheet, after offsetting deferred tax assets and liabilities related to the same taxable entity.

In thousands of euros	2016	2015
Deferred tax assets / (liabilities):		
Property, plant and equipment	1,203	1,457
Intangible assets	(1,220)	(1,001)
Investments	(2,025)	(1,293)
Provisions and employee benefits[a]	5,328	12,818
Other	430	(211)
Loss carried forward	705	576
Deferred tax assets (net)	**4,421**	**12,346**

(a) The decrease mainly relates to the de-recognition of a deferred tax asset resulting from the execution of the restructuring plans in France.

In thousands of euros	2016	2015
Balance at beginning of the year	**12,346**	**9,229**
Recognised in income statement	(6,994)	3,396
Reclassifications and other movements	61	111
Exchange difference	(444)	219
Charge related to other comprehensive income	(548)	(609)
Balance at end of the year	**4,421**	**12,346**

As of 31 December 2016, no losses were unrecognised by the Group that can be carried forward against future taxable income. In 2015, the Group did not recognise deferred income tax assets of €3.6 million in respect to losses that can be carried forward against future taxable income.

The majority of the net deferred tax asset is expected to be recovered or settled after more than twelve months.

NOTE 15 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Note 15.1 – Interests in associates and joint ventures

Set out below are the associates and joint ventures of the Group as at 31 December 2016. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

NAME OF ENTITY	PLACE OF BUSINESS/ COUNTRY OF INCORPORATION	% OF OWNERSHIP INTEREST 2016	% OF OWNERSHIP INTEREST 2015	NATURE OF RELATIONSHIP	CARRYING AMOUNT *In thousands of euros* 2016	CARRYING AMOUNT *In thousands of euros* 2015
European Central Counterparty N.V.	The Netherlands	20.0%	-	Associate[a]	13,467	-
Immaterial joint ventures					1,171	-
Immaterial associates					1,319	-
TOTAL EQUITY ACCOUNTED INVESTMENTS					**15,957**	**-**

(a) European Central Counterparty N.V. ("EuroCCP") is a CCP for pan-European equity markets providing clearing and settlement services.

Note 15.2 – Contingent liabilities in respect of associates and joint ventures

Financial guarantee contract

As part of the acquisition of its 20% stake in EuroCCP, Euronext is providing a liquidity guarantee towards ABN Amro Clearing Bank, which acts as liquidity provider to EuroCCP. This liquidity guarantee is an independent first demand guarantee, provided by all shareholders in EuroCCP to ABN Amro Clearing Bank, with a maximum amount of €6.0 million per shareholder. This guarantee serves as security for the due fulfilment by EuroCCP of its obligations towards the liquidity provider. Having concluded that its fair value is insignificant, Euronext is not recognizing a liability for this Financial Guarantee contract.

Note 15.3 – Summarised financial information for associates and joint ventures

The tables below provide summarised financial information for those associates and joint ventures that are material to the Group. The information disclosed reflects the amounts presented in the Financial Statements of the relevant associates or joint ventures and not Euronext's share of those amounts.

SUMMARISED BALANCE SHEET *In thousands of euros*	EUROCCP (100%) 31 DECEMBER 2016
Non-current assets	2,260
Current assets	539,058
Non-current liabilities	-
Current liabilities	501,147
Net assets	**40,171**
Reconciliation to carrying amounts:	
Opening net assets 1 January	38,443
Profit/(loss) for the year[a]	4,841
Other comprehensive income	49
Dividends paid	(3,162)
Closing net assets	**40,171**
Group's share in %	20.0%
Group's share in thousands of euros	8,034
Goodwill	5,433
Carrying amount	**13,467**

(a) The share of profit recognised in the Group's income statement amounts to €22k, reflecting the Group's interest as from acquisition date.

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SUMMARISED STATEMENT OF COMPREHENSIVE INCOME *In thousands of euros*	EUROCCP (100%) 2016
Revenue	23,771
Profit from continuing operations	**4,841**
Profit from discontinued operations	-
Profit for the year	**4,841**
Other comprehensive income	49
Total comprehensive income	**4,890**
Dividends received from associates	-

Note 15.4 – Individually immaterial associates and joint ventures

In addition to the interest in material associates and joint ventures disclosed above, the Group also has interests in two individually immater ial associates and joint ventures that are accounted for using the equity method.

Investment in Tredzone S.A.S. (Individually immaterial associate)

On 22 July 2016 Euronext acquired a 34% stake in Tredzone S.A.S., a low latency software developer, as part of its innovation strategy.

In thousands of euros	2016
Aggregate carrying amount of individually immaterial associates	1,360
Aggregate amounts of the Group's share of:	
Profit/(loss) from continuing operations	(41)
Post-tax profit or loss from discontinued operations	-
Other comprehensive income	-
TOTAL COMPREHENSIVE INCOME	**1,319**

Investment in Algonext Ltd. (individually immaterial joint venture)

In December 2016, Euronext entered into a 10 year partnership with fixed income technology provider Algomi to create a long-term joint venture "Algonext Ltd."; was incorporated for this purpose on 16 December 2016. Euronext has an interest of 50%.

In thousands of euros	2016
Aggregate carrying amount of individually immaterial joint ventures	1,171
Aggregate amounts of the Group's share of:	
Profit/(loss) from continuing operations	-
Post-tax profit or loss from discontinued operations	-
Other comprehensive income	-
TOTAL COMPREHENSIVE INCOME	**1,171**

NOTE 16 AVAILABLE-FOR-SALE FINANCIAL ASSETS

In thousands of euros	2016	2015
Euroclear plc.	67,626	67,101
Sicovam Holding S.A.	30,000	29,423
LCH.Clearnet Group Ltd.	19,233	17,557
Other	201	201
TOTAL	**117,060**	**114,282**

Available-for-sale financial assets primarily include long-term investments in unlisted equity securities.

As of 31 December 2016, the Group holds a 3.26% ownership interest in Euroclear plc (2015: 3.26%); an unlisted company involved in the settlement of securities transaction and related banking services. The Group also holds a 9.60% ownership interest in Sicovam Holding S.A. (2015: 9.60%), resulting in an indirect 1.49% interest in Euroclear plc (2015: 1.49%). The common stock of Sicovam Holding S.A. and Euroclear plc are not listed. The valuation techniques used to assess fair value of Euroclear and Sicovam investments are a combination of capitalisation method (discounted cash flow) and present value of dividend flows in perpetuity. In 2015, the investee released information on its equity share transaction prices and invited its shareholders to participate in a share repurchase auction. This share buy-back program did not continue in 2016, however the other valuation approaches have been applied in a consistent manner to prior years, leading to an adjustment to fair value of the equity investments in Euroclear and Sicovam of respectively €0.5 million (2015: €0.3 million) and €0.6 million (2015: €0.4 million) as per 31 December 2016.

As of 31 December 2016, the Group holds a 2.31% ownership in LCH. Clearnet Group Limited plc ("LCH") (2015: 2.31%). LCH is a multi-asset international clearing house managing and mitigating counterparty risks in market transactions. Management determined fair value for this stockholding based on updated information available as of 31 December 2016. Fair value for LCH.Clearnet is based on application of market multiples to earnings, including the multiple that can be derived from the irrevocable all-cash offer made by Euronext to acquire LCH.Clearnet (see also Note 33). This provided Management with sufficient input to record a change in fair value for its investment in LCH of €1.7 million (2015: €0.0 million).

The classification of the measurement within the fair value hierarchy is presented in Note 27.2.

NOTE 17 TRADE AND OTHER RECEIVABLES

In thousands of euros	2016	2015
Trade receivables	46,383	45,000
Less provision for impairment of trade receivables	(1,206)	(1,512)
Trade receivables net	**45,177**	**43,488**
Tax receivables (excluding income tax)[(a)]	5,927	18,768
Prepayments and invoices to establish	24,114	27,592
Other receivables and accrued income	6,381	6,340
TOTAL	**81,599**	**96,188**

(b) The decrease in tax receivables is attributable to refunds of VAT receivables by the French tax authorities related to previous years.

As of 31 December 2016, the total amount of trade receivables that were past due but not impaired was €11.5 million (2015: €13.6 million) of which €2.3 million (2015: €1.9 million) was overdue by more than three months.

The movement in the provision for impaired trade receivables in 2016 reflects usages of €0.8 million (2015: €0.4 million) and accruals of €0.5 million (2015: €0.2 million) recorded during the year.

Management considers the fair value of the trade and other receivables to approximate their carrying value. The carrying value represents the Group's maximum exposure to credit risk.

NOTE 18 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following:

In thousands of euros	2016	2015
Cash and bank balances	129,717	115,397
Short term investments	44,784	43,245
TOTAL	**174,501**	**158,642**

NOTE 19 SHAREHOLDERS' EQUITY

Under the Articles of Association, the Company's authorised share capital amounts to €200,000,001.60 and is divided into 125,000,000 Ordinary Shares and one Priority Share, each with a nominal value of €1.60 per share. All of Euronext's shares have been or will be created under Dutch law.

As of 31 December 2016, the Company's issued share capital amounts to €112,000,000 and is divided into 70,000,000 Ordinary Shares. The Priority Share is currently not outstanding. The fully paid ordinary shares carry one vote per share and rights to dividends, if declared. The Group's ability to declare dividends is limited to distributable reserves as defined by Dutch law.

Number of shares outstanding:

In numbers of shares	2016	2015
Issued shares	70,000,000	70,000,000
Treasury shares		
Treasury shares as at 1 January	(464,387)	(23,436)
Liquidity contract	(33,010)	3,449
Share buy back	-	(450,279)
From share-based payments vesting	33,598	5,879
Treasury shares as at 31 December	**(463,799)**	**(464,387)**
OUTSTANDING AS AT 31 DECEMBER	**69,536,201**	**69,535,613**

Note 19.1 – Reserve own shares

Treasury shares are accounted for at trade date and all held by Euronext N.V.

Note 19.1.1 – Liquidity provider

Part of the movement in the reserve of €1.4 million during the reporting period relates to the transactions in Euronext N.V. shares conducted by the liquidity provider on behalf of the Group under the liquidity contract established.

The liquidity Agreement (the "Agreement") has been established in accordance with applicable rules, in particular the Regulation (EC) 2273/2003 of the European Commission of 22 December 2003 implementing the Directive 2003/6/EC of the European Parliament and Council as regards exemptions for buyback programs and stabilisation of financial instruments, the provisions of Article 2: 95 of the Book II of Dutch Civil Code, the provisions of the General Regulation of the French *Autorité des Marchés Financiers* (the "AMF"), the decision of the AMF dated 21 March 2011 updating the Accepted Market Practice n° 2011-07 on liquidity agreements, the code of conduct issued by the French *Association Française des Marchés Financiers* (AMAFI) on 8 March 2011 and approved by the AMF by its aforementioned decision dated 21 March 2011 (the "AMAFI Code") and as the case maybe the relevant Dutch rules applicable to liquidity agreements in particular the regulation on Accepted Market Practices WFT (Regeling gebruikelijke marktpraktijken WFT) dated 4 May 2011 and section 2.6 of the Book II – General Rules for the Euronext Amsterdam Stock Market (the "Dutch Rules").

As at 31 December 2016 Euronext N.V. held 52,997 shares under the Program with a cost of €1.8 million.

The movement schedule for the reported years is as follows:

IN 2015

TRANSACTION DATE *In euro*	BUY EURONEXT N.V. SHARES	SELL EURONEXT N.V. SHARES	AVERAGE SHARE PRICE	TOTAL VALUE TRANSACTION INCLUDING COMMISSIONS
As at 31 December 2014	23,436			540,897
Purchases January	113,072		€26.51	2,997,594
Sales January		102,566	€26.59	(2,727,419)
Purchases February	83,847		€30.29	2,539,909
Sales February		99,285	€30.58	(3,036,063)
Purchases March	95,656		€37.25	3,563,047
Sales March		84,039	€36.40	(3,058,989)
Purchases April	118,372		€38.54	4,562,332
Sales April		104,951	€38.52	(4,042,641)
Purchases May	97,885		€39.41	3,857,384
Sales May		101,073	€39.30	(3,971,985)
Purchases June	98,836		€36.56	3,613,388
Sales June		98,978	€36.54	(3,616,475)
Purchases July	92,106		€38.93	3,585,285
Sales July		119,096	€38.89	(4,631,310)
Purchases August	49,540		€40.48	2,005,514
Sales August		44,242	€40.50	(1,791,791)
Purchases September	89,287		€39.42	3,519,959
Sales September		78,533	€39.44	(3,097,697)
Purchases October	58,691		€38.88	2,281,711
Sales October		56,093	€38.92	(2,183,030)
Purchases November	63,404		€43.43	2,753,324
Sales November		90,559	€43.59	(3,947,408)
Purchases December	63,542		€46.24	2,938,388
Sales December		48,272	€46.36	(2,237,716)
Total buy/sell	**1,024,238**	**1,027,687**		**(124,689)**
TOTAL AS AT 31 DECEMBER 2015	**19,987**			**416,208**

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IN 2016

TRANSACTION DATE *In euro*	BUY EURONEXT N.V. SHARES	SELL EURONEXT N.V. SHARES	AVERAGE SHARE PRICE	TOTAL VALUE TRANSACTION INCLUDING COMMISSIONS
As at 31 December 2015	19,987			416,208
Purchases January	93,633		€45.07	4,220,149
Sales January		76,218	€44.90	(3,422,544)
Purchases February	87,397		€40.14	3,508,350
Sales February		60,014	€39.84	(2,390,795)
Purchases March	61,434		€37.11	2,279,843
Sales March		59,313	€37.26	(2,209,844)
Purchases April	49,024		€36.07	1,768,157
Sales April		47,325	€36.28	(1,716,930)
Purchases May	35,011		€37.59	1,316,138
Sales May		34,888	€37.85	(1,320,417)
Purchases June	60,521		€34.77	2,104,343
Sales June		56,607	€34.56	(1,956,572)
Purchases July	29,048		€33.46	971,811
Sales July		46,132	€33.86	(1,561,905)
Purchases August	30,015		€39.59	1,188,256
Sales August		33,632	€39.93	(1,343,049)
Purchases September	43,407		€38.24	1,660,047
Sales September		41,048	€38.32	(1,573,070)
Purchases October	37,211		€36.80	1,369,448
Sales October		30,735	€36.88	(1,133,609)
Purchases November	53,593		€35.81	1,919,004
Sales November		47,479	€35.88	(1,703,387)
Purchases December	35,060		€38.25	1,341,030
Sales December		48,953	€38.56	(1,887,621)
Total buy/sell	**615,354**	**582,344**		**1,426,833**
TOTAL AS AT 31 DECEMBER 2016	**52,997**			**1,843,041**

Note 19.1.2 – Share Repurchase Program

Euronext has entered into a discretionary management agreement with a bank to repurchase Euronext shares within the limits of relevant laws and regulations (in particular EC Regulation 2273/2003) and Euronext's Articles of Association to cover Euronext's outstanding obligations resulting from employee shares plans for 2014, 2015 and 2016. The shares repurchase program aims to hedge price risk arising for granted employee share plans. In 2016 no transactions under the Share Repurchase Program occurred. In 2015 Euronext repurchased 450,279 shares for a total consideration of €18.6 million.

The movement schedules for the reported years are as follows:

IN 2015

TRANSACTION DATE *In euro*	BUY EURONEXT N.V. SHARES	AVERAGE SHARE PRICE	TOTAL VALUE TRANSACTION INCLUDING COMMISSIONS
Purchases August	162,190	€39.71	6,440,130
Purchases September	155,005	€39.76	6,162,705
Purchases November	103,603	€44.81	4,642,191
Purchases December	29,481	€46.24	1,363,327
Total buy/sell	**450,279**		**18,608,353**
TOTAL AS AT 31 DECEMBER 2015	**450,279**		**18,608,353**

IN 2016

TRANSACTION DATE *In euro*	BUY EURONEXT N.V. SHARES	AVERAGE SHARE PRICE	TOTAL VALUE TRANSACTION INCLUDING COMMISSIONS
As at 31 December 2015	450,279		18,608,353
Total buy/sell	-		-
TOTAL AS AT 31 DECEMBER 2016	**450,279**		**18,608,353**

Note 19.1.3 – Share-based payments vesting

In 2016 33,598 shares were delivered to employees for whom share plans had early vested (2015: 5,879 shares).

Note 19.2 – Legal reserve

Retained earnings are not freely available for distribution for an amount of €23.6 million relating to legal reserves (see Note 43).

Note 19.3 – Dividend

On 12 May 2016, the Annual General Meeting of shareholders voted for the adoption of the proposed €1.24 dividend per ordinary share. On 20 May 2016, a dividend of €86.2 million has been paid to the shareholders of Euronext N.V.

NOTE 20 EARNINGS PER SHARE

Basic

Earnings per share are computed by dividing profit attributable to the shareholders of the Company by the weighted average number of shares outstanding for the period. The number of shares used for the year ended 31 December 2016 was 69,526,615 and 31 December 2015 was 69,851,603.

Diluted

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The impact of share plans is determined by the number of shares that could have been acquired at fair value (determined as the average quarterly market price of Euronext's shares) based on the fair value (measured in accordance with IFRS 2) of any services to be supplied to Euronext in the future under these plans. The number of shares used for the diluted earnings per share for the year ended 31 December 2016 was 69,849,836 and 31 December 2015 was 70,112,640.

NOTE 21 SHARE-BASED PAYMENTS

Euronext Long-Term incentive plan 2014 ("LTI Plan 2014")

Directors and certain employees of the Group benefited from Restricted Stock Units ("RSUs") granted by Euronext N.V. under the LTI Plan 2014 on 25 August 2014. Each RSU represents the right to receive one share of the Euronext's common stock. The RSUs cliff-vest after 3 years, subject to continued employment. These equity awards are measured by reference to the grant-date market price of Euronext common share and compensation expense is recognised over the three year vesting period. The acquisition date for participants awarded Restricted Stock Units under the French qualified addendum is four (4) years after the grant date.

Euronext Long-Term incentive plan 2015 ("LTI Plan 2015")

Directors and certain employees of the Group benefited from performance shares granted by Euronext N.V. under the LTI Plan 2015 on 29 September 2015. Performance shares granted under LTI Plan 2015 cliff-vest after 3 years, subject to continued employment and a "positive EBITDA" performance condition. These equity awards are measured by reference to the grant-date market price of Euronext's common share ("grant-date fair value").

The acquisition date for French participants is four (4) years after the grant date.

For the members of the Managing Board and Executive Committee, the vesting of these performance shares is subject to two performance conditions:

- 50% of the performance shares vests subject to a Total Shareholder Return ("TSR") condition;
- 50% of the performance shares vests subject to an EBITDA-based performance condition.

The grant-date fair value of such performance shares was adjusted for the possible outcomes of the TSR performance condition. This has been assessed by applying a Monte Carlo simulation to model possible share prices of Euronext and its peer companies. At the end of each reporting period, the number of vesting performance shares is reconsidered based on the Group's EBITDA performance relative to budgeted EBITDA and the total cost for the performance shares could be adjusted accordingly.

Grant-date fair value of performance shares granted under the LTI Plan 2015 reflects the present value of expected dividends over the vesting period.

Euronext Long-Term Incentive Plan 2016 ("LTI Plan 2016")

Directors and certain employees of the Group benefited from performance shares granted by Euronext N.V. under the LTI Plan 2016 on 9 September 2016. Performance shares granted under LTI Plan 2016 cliff-vest after 3 years, subject to continued employment and a 'positive EBITDA' performance condition. These equity awards are measured by reference to the grant-date market price of Euronext's common share ("grant-date fair value").

For the Managing Board and the member of the Senior Leadership team, the vesting of these Performance shares is subject to two performance conditions:

- 50% of the performance shares vests subject to a Total Shareholder Return ("TSR") condition;
- 50% of the performance shares vests subject to an EBITDA-based performance condition.

The grant-date fair value of such performance shares was adjusted for the possible outcomes of the TSR performance condition. This has been assessed by applying a Monte Carlo simulation to model possible share prices of Euronext and its peer companies. At the end of each reporting period, the number of vesting performance shares is reconsidered based on the Group's EBITDA performance relative to budgeted EBITDA and the total cost for the performance RSUs could be adjusted accordingly.

Grant-date fair value of performance shares granted under the LTI Plan 2016 reflects the present value of expected dividends over the vesting period.

Euronext Short-Term Incentive 2015 ("STI Plan 2015")

Directors and certain employees of the Group benefited from Restricted Stock Units ("RSUs") granted by Euronext N.V. under STI plan 2015. Each RSU represents the right to receive one share of the Euronext's common stock.

Compensation expense for these equity awards has been measured by reference to the grant-date market price of Euronext common share. As the grant was made without any service- or performance condition, it vested immediately on the grant date of 20 March 2015. The related compensation expense has been fully recognised as per that date.

Movements in the number of shares granted as awards are as follows:

IN 2015

PLAN	YEAR OF GRANT	1 JANUARY 2015	GRANTED	VESTED	FORFEITED	31 DECEMBER 2015	FAIR VALUE AT GRANT DATE PER SHARE *(in €)*
LTI, no performance	2014	315,110	-	(36,990)	(62,244)	215,876	€17.30
STI	2015	-	63,609	(63,609)	-	-	€38.44
LTI, with performance	2015	-	62,065	-	(3,173)	58,892	€48.03
LTI, no performance	2015	-	87,496	-	(804)	86,692	€34.23
TOTAL		**315,110**	**213,170**	**(100,599)**	**(66,221)**	**361,460**	

IN 2016

PLAN	YEAR OF GRANT	1 JANUARY 2016	GRANTED	VESTED	FORFEITED	31 DECEMBER 2016	FAIR VALUE AT GRANT DATE PER SHARE *(in €)*
LTI, no performance	2014	215,876	-	-	(27,653)	188,223	€17.30
LTI, with performance	2015	58,892	-	-	(10,577)	48,315	€48.03
LTI, no performance	2015	86,692	-	-	(8,710)	77,982	€34.23
LTI, with performance	2016	-	119,019	-	-	119,019	€35.48
LTI, no performance	2016	-	35,725	-	-	35,725	€34.70
TOTAL		**361,460**	**154,744**	**-**	**(46,940)**	**469,264**	

Euronext has taken into consideration the fact that the employees will not receive dividends during the vesting period of three years. The fair value has been adjusted taking into account the financial loss for the participants to not receive the payment of the dividends during the vesting period.

Share-based payment expenses recognised in the income statement for shares granted for all plans to directors and selected employees in 2016 amounted to €2.8 million (2015: €5.0 million). In 2015 this included €0.3 million for vesting acceleration recorded as an exceptional item (see Note 5 and Note 8).

NOTE 22 BORROWINGS

In thousands of euros	2016	2015
Non-current		
Borrowings	69,005	108,153
TOTAL	**69,005**	**108,153**
Current		
Borrowings (accrued interest)	96	104
TOTAL	**96**	**104**

On 6 May 2014, the Group entered into a syndicated bank loan facilities agreement ("the Facilities Agreement"), with BNP Paribas and ING Bank N.V. as Lead Arrangers, providing for (i) a €250 million term loan facility and (ii) a €250 million revolving loan facility, both maturing or expiring in three years. On 20 February 2015, Euronext N.V. entered into the amended and extended facility agreement. Based on this agreement, effectively on 23 March 2015 (i) the undrawn revolving credit facility was increased with €140 million to €390 million and (ii) €140 million was repaid as an early redemption of the €250 million term loan facility. The additional transaction costs of €1 million have been capitalised and will be amortised over the facility expected life. On 23 September 2016, Euronext repaid €40 million as an early redemption of the €110 million term loan facility, resulting in a net non-current borrowing of €69 million as of 31 December 2016. On 23 March 2017, Euronext has repaid the remaining outstanding borrowing, early terminating the term loan facility. The undrawn revolving credit facility of €390 million remained unchanged.

Term, Repayment and Cancellation

The facility matures in three years on 23 March 2018, with a two times one year extension possibility. The Group has not made use of both these extension possibilities. At 31 December 2016 there was (i) a €390 million undrawn revolving credit facility and (ii) a net non-current borrowing of €69 million. Euronext will be able to voluntarily cancel facilities in whole or part or prepay amounts it borrows under the facilities.

The Facilities Agreement includes a mandatory prepayment provision, which requires the net proceeds raised from any debt capital markets issuance (including convertible instruments) by the Company or any of its subsidiaries guaranteed by the Company be used to prepay and permanently reduce the term loan facility under the Facilities Agreement by a certain percentage (determined on a sliding scale based on the leverage ratio as defined in the Facilities Agreement on the testing date immediately preceding the relevant issuance). Any amount prepaid under the term loan facility may not be redrawn.

Interest Rates and Fees

The term loan facility has borne an interest rate equal to Euribor plus a margin which was initially set at 0.80%. The revolving credit facility have borne an interest rate of Euribor plus a margin initially set at 0.50%. It should be noted that as at 31 December 2016, no advances have been drawn under the revolving credit facility. As the Company leverage ratio decreased, both margins were lowered to 0.70% and 0.40%, respectively.

The table below sets out the range of ratios and the related margin percentage above Euribor per annum for each facility.

Leverage Ratio *In % p.a.*	TERM LOAN FACILITY MARGIN	REVOLVING CREDIT FACILITY MARGIN
Greater than or equal to 2.0: 1	1.05	0.75
Greater than or equal to 1.5: 1 and less than 2.0: 1	0.90	0.60
Greater than or equal to 1.0: 1 and less than 1.5: 1	0.80	0.50
Less than 1.0: 1	0.70	0.40

For each twelve-month extension of the term of the Facilities Agreement, an extension fee of 0.05% of the full amount of the extended facilities is payable to those lenders that consent to extend at the time each extension is consented to. For the revolving credit facility, an utilisation fee accrues on a daily basis at the following applicable rate per annum to be applied on the amount drawn:

- if less than 33% of the total commitment under the revolving credit facility has been drawn at the relevant date, 0.075%;
- if 33% or more (but less than 66%) of the total commitment under the revolving credit facility has been drawn at the relevant date, 0.15%; or
- if 66% or more of the total commitment under the revolving credit facility has been drawn at the relevant date, 0.30%.

There are also customary commitment fees at a rate per annum equal to 35% of the then applicable margin for the relevant facility on each lender's available commitment under the relevant facility during its availability period.

Change of Control

The facilities will be immediately cancelled and all outstanding loans will become immediately due and payable if any person (or persons acting in concert) other than ICE and/or one or more of the Reference Shareholders acquires beneficial ownership of more than 30% of the issued and outstanding shares in the Company.

Certain Covenants and Undertakings

The Facilities Agreement contains a number of additional undertakings and covenants that, among other things, restrict, subject to certain exceptions, Euronext ability to:

- grant security interests over their assets;
- sell, transfer or dispose of their assets;
- incur financial indebtedness;
- invest in or acquire any person or business, or the whole or substantially the whole of the assets of any person;
- enter into certain joint ventures;
- make loans or grant credit;
- enter into any amalgamation, demerger, merger or corporate reconstruction;
- with respect to the Company only, make any dividend, share redemption or any other distributions, save for (i) distributions of an amount of up to 50% of the net income of the Company in any financial year; (ii) following the repayment of more than 50% of the term loan facility, the redemption or repurchase of shares or any other distribution provided that following any such redemption, repurchase or distribution as the case may be, the leverage ratio as defined in the Facilities Agreement is less than 1.5x; and (iii) at any time, repurchase of shares for the needs of the Employee Offering and employee shareholding and management incentive programs that Euronext may implement from time to time, which may be offered for free or at a discount (iv) repurchase shares in accordance with liquidity or market making programs; and
- make any substantial change to the general nature of Euronext business.

Euronext is permitted, among other things, to dispose of assets in the ordinary course of trading on arm's length terms for full market value without restriction, and otherwise where the aggregate fair market value of the assets disposed of does not exceed 5% of Euronext consolidated total assets in any financial year.

No restrictions on investments in acquisitions and joint ventures apply if Euronext leverage ratio as defined in the Facilities Agreement would not be greater than 2.0x, in each case calculated on a pro forma basis taking into account the impact of such acquisition or joint venture.

In addition, Euronext is required to maintain compliance with a maximum leverage ratio. The maximum leverage ratio measures Euronext total gross debt to EBITDA (as such terms are defined in the Facilities Agreement). Euronext is required to maintain a leverage ratio of no more than 2.5x.

Events of Default

The Facilities Agreement contains customary events of default, in each case with customary and appropriate grace periods and thresholds, including, but not limited to:

- non-payment of principal or interest;
- violation of financial covenants or other obligations;
- representations or statements being materially incorrect or misleading;
- cross-default and cross-acceleration relating to indebtedness of at least €12.5 million;
- certain liquidation, insolvency, winding-up or bankruptcy events;
- creditors' process and attachment;
- invalidity and unlawfulness;
- cessation of business;
- loss of any license required to carry on the Company's or any material subsidiary's business; and
- repudiation by the Company of a finance document.

The fair value of the Term Loan approximates its carrying value.

NOTE 23 POST-EMPLOYMENT BENEFITS

The Group operates defined benefit pension plans for its employees, with the most significant plans being in France and Portugal. The Group's plans are funded by contributions from the employees and the relevant Group entities, taking into account applicable government regulations and the recommendations of independent, qualified actuaries. The majority of plans have plan assets held in trusts, foundations or similar entities, governed by local regulations and practice in each country. The assets for these plans are generally held in separate trustee administered funds. The benefits provided to employees under these plans are based primarily on years of service and compensation levels. The French plans relate almost completely to retirement indemnities. French law stipulates that employees are paid retirement indemnities in form of lump sums on the basis of the length of service at the retirement date and the amount is prescribed by collective bargaining agreements. The voluntary departure plan for both Euronext Paris S.A. and Euronext Technologies S.A.S. had a curtailment effect of approximately €0.1 million (2015: €1.7 million) lowering the pension provision. The Portugal plan is for both Euronext Lisbon and Interbolsa and is managed by CGD Pensoes – Sociedade Gestora de Fundos de Pensoes S.A. The plan is defined benefit based on final pay. The funds cover payment of pensions to employees with a minimum of five year service. Annual contributions are based on actuarial calculations.

The movement in the defined obligation over the years presented is as follows:

In thousands of euros	PRESENT VALUE OF OBLIGATION	FAIR VALUE OF PLAN ASSETS	TOTAL
As at 31 December 2014	**33,505**	**(18,508)**	**14,997**
• (Income) / expense:			
Current service cost	(558)	-	(558)
Interest expense / (income)	648	(373)	275
	90	**(373)**	**(283)**
• Remeasurements:			
Return on plan assets, excluding amounts included in interest expense / (income)	-	(218)	(218)
(Gain) / loss from change in financial assumptions	(4,722)	-	(4,722)
Experience (gains) / losses	(657)	-	(657)
	(5,379)	**(218)**	**(5,597)**
• Payments:			
Employer contributions	(307)	(575)	(882)
Benefit payments	(95)	95	-
As at 31 December 2015	**27,814**	**(19,579)**	**8,235**
• (Income) / expense:			
Current service cost	757	-	757
Interest expense / (income)	726	(520)	206
	1,483	**(520)**	**963**
• Remeasurements:			
Return on plan assets, excluding amounts included in interest expense / (income)	-	301	301
(Gain) / loss from change in financial assumptions	5,128	-	5,128
Experience (gains) / losses	(582)	-	(582)
	4,546	**301**	**4,847**
• Payments:			
Employer contributions	(258)	(538)	(796)
Benefit payments	(123)	123	-
AS AT 31 DECEMBER 2016	**33,462**	**(20,213)**	**13,249**

The defined benefit obligation and plan assets are composed by country as follows:

	2016			
In thousands of euros	BELGIUM	PORTUGAL	FRANCE	TOTAL
Present value of obligation	100	24,371	8,991	33,462
Fair value of plan assets	-	(16,873)	(3,340)	(20,213)
TOTAL	**100**	**7,498**	**5,651**	**13,249**

	2015			
In thousands of euros	BELGIUM	PORTUGAL	FRANCE	TOTAL
Present value of obligation	252	19,894	7,668	27,814
Fair value of plan assets	-	(16,340)	(3,239)	(19,579)
TOTAL	**252**	**3,554**	**4,429**	**8,235**

The significant actuarial assumptions were as follows:

	2016		
	BELGIUM	PORTUGAL	FRANCE
Discount rate	0.3%	1.9%	1.4%
Salary growth rate	0.0%	2.0%	2.5%
Pension growth rate	0.0%	2.0%	0.0%

	2015		
	BELGIUM	PORTUGAL	FRANCE
Discount rate	0.3%	2.7%	2.5%
Salary growth rate	0.0%	2.0%	2.5%
Pension growth rate	0.0%	2.0%	0.0%

The Group derives the discount rate used to determine the defined benefit obligation from yields on high quality corporate bonds of the duration corresponding to the liabilities.

As of 31 December 2016, the sensitivity of the defined benefit obligation to changes in the weighted principal assumptions were:

		IMPACT ON DEFINED BENEFIT OBLIGATION	
	CHANGE IN ASSUMPTION	INCREASE IN ASSUMPTION	DECREASE IN ASSUMPTION
Discount rate	0.25%	-4.9%	5.2%
Salary growth rate	0.50%	3.5%	-3.2%
Pension growth rate	0.50%	4.4%	-4.1%

The pension plan assets allocation differs per plan. On a weighted average basis, the allocation was as follows:

	2016		2015	
PLAN ASSETS	FAIR VALUE OF PLAN ASSETS *in thousands of euros*	FAIR VALUE OF PLAN ASSETS *in percent*	FAIR VALUE OF PLAN ASSETS *in thousands of euros*	FAIR VALUE OF PLAN ASSETS *in percent*
Equity securities	5,611	27.8%	2,678	13.7%
Debt securities	11,737	58.1%	13,725	70.1%
Property	672	3.3%	1,232	6.3%
Investment funds	1,606	7.9%	-	0.0%
Cash	587	2.9%	1,944	9.9%
TOTAL	**20,213**	**100%**	**19,579**	**100%**

The maturity of expected benefit payments over the next ten years is as follows:

AS AT 31 DECEMBER 2016	LESS THAN A YEAR	BETWEEN 1-2 YEAR	BETWEEN 2-5 YEARS	BETWEEN 5-10 YEARS	TOTAL
Pension benefits	225	195	1,652	3,860	5,932

The weighted average duration of the defined benefit obligation for retirement plans is twenty one years at 31 December 2016.

For 2017, the expected obligations contributions are approximately €0.2 million.

NOTE 24 PROVISIONS

In thousands of euros	RESTRUCTURING	BUILDING	JUBILEE	LEGAL CLAIMS	PLAN AGENTS	OTHERS	TOTAL
Changes in provisions							
AS AT 1 JANUARY 2016	**22,164**	**418**	**2,104**	**284**	**1,470**	**2,702**	**29,142**
Additional provisions charged to income statement	5,574	202	252	102	8	-	6,138
Used during the year	(24,126)	(208)	(18)	(231)	(66)	-	(24,649)
Unused amounts reversed	(1,570)	(95)	-	(75)	(44)	-	(1,784)
Exchange differences	(107)	-	-	-	-	-	(107)
AS AT 31 DECEMBER 2016	**1,935**	**317**	**2,338**	**80**	**1,368**	**2,702**	**8,740**
Composition of provisions							
Current	1,935	317	-	-	-	-	2,252
Non-Current	-	-	2,338	80	1,368	2,702	6,488
TOTAL	**1,935**	**317**	**2,338**	**80**	**1,368**	**2,702**	**8,740**

Restructuring

The restructuring provision decreased following the execution of the French restructuring plans (see Note 2). A total restructuring provision of €0.7 million related to the French restructuring plans was still recognised as per 31 December 2016. In addition, the restructuring provision includes €1.2 million related to the relocation of the Belfast IT operations to Porto as per 31 December 2016.

Building

The building provision decreased due to the use and release of provisions for Evere building in Brussels. The remaining provision fully relates to the Praetorium building in Paris.

Jubilee

The Jubilee provision increased by €0.2 million mainly due to the decrease in discount rates.

Plan Agents

The provision for Plan Agents relates to a retirement allowance for retired stockbrokers in Belgium, which is determined using actuarial assumptions. No cash outflows are expected for 2017.

NOTE 25 TRADE AND OTHER PAYABLES

In thousands of euros	2016	2015
Trade payables	4,408	3,238
Social security and other taxes (excluding income tax)	20,149	25,103
Employees' entitlements and other payables[(a)]	38,118	43,620
Accrued expenses	27,286	33,228
Other	646	560
TOTAL	**90,607**	**105,749**

(a) Amounts include salaries payable, bonus accruals, severance (signed contracts) and vacation accruals.

The carrying values of current trade and other payables are reasonable approximations of their fair values. These balances do not bear interest.

NOTE 26 GEOGRAPHICAL INFORMATION

In thousands of euros	FRANCE	NETHERLANDS	UNITED KINGDOM	BELGIUM	PORTUGAL	TOTAL
2016						
Third party revenue[a]	295,115	137,198	242	29,835	34,046	496,436
Property, plant and equipment	8,138	12,231	4,391	335	2,397	27,492
Intangible assets other than Goodwill[b]	3,990	12,233	1,867	-	1,648	19,738
2015						
Third party revenue[a]	312,307	140,115	1,275	29,949	34,901	518,547
Property, plant and equipment	9,334	12,743	5,557	365	780	28,779
Intangible assets other than Goodwill[b]	6,183	9,521	2,368	-	1,867	19,939

(a) Trading, listing and market data revenue is attributed to the country where the exchange is domiciled. Other revenue is attributed to the billing entity.

(b) Goodwill is monitored at the Group level and therefore not allocated by country.

NOTE 27 FINANCIAL INSTRUMENTS

Note 27.1 – Financial instruments by category

In thousands of euros	2016			
	LOANS AND RECEIVABLES	AVAILABLE FOR SALE	ASSET AT FVTPL	TOTAL
Assets				
Available-for-sale financial assets	-	117,060	-	117,060
Trade and other receivables excluding prepayments	57,485	-	-	57,485
Cash and cash equivalents	174,501	-	-	174,501
TOTAL	**231,986**	**117,060**	**-**	**349,046**
Liabilities				
Bank borrowings	69,005	-	-	69,005
Trade and other payables	90,607	-	-	90,607
TOTAL	**159,612**	**-**	**-**	**159,612**

In thousands of euros	2015			
	LOANS AND RECEIVABLES	AVAILABLE FOR SALE	ASSET AT FVTPL	TOTAL
Assets				
Available-for-sale financial assets	-	114,282	-	114,282
Trade and other receivables excluding prepayments	68,596	-	-	68,596
Cash and cash equivalents	158,642	-	-	158,642
TOTAL	**227,238**	**114,282**	**-**	**341,520**
Liabilities				
Bank borrowings	108,153	-	-	108,153
Trade and other payables	105,749	-	-	105,749
TOTAL	**213,902**	**-**	**-**	**213,902**

The Group's exposure to various risks associated with the financial instruments is discussed in Note 29. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

Note 27.2 – Fair value estimation

The table below analyses financial instrument carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities;
- Level 2: inputs that are based on observable market data, directly or indirectly;
- Level 3: unobservable inputs.

In thousands of euros	LEVEL 1	LEVEL 2	LEVEL 3
AS AT 31 DECEMBER 2016			
Available-for-sale financial assets	-	-	117,060
As at 31 December 2015			
Available-for-sale financial assets	-	-	114,282

The fair value of the equity investments was estimated by applying a combination of valuation methodologies and recent transactions. Key assumptions are a long-term growth rate of 1.5%, cost of equity of 9.76% and a 25-30% discount for lack of marketability.

The fair values of trade and other receivables and payables approximate their carrying amounts.

NOTE 28 RELATED PARTIES

Note 28.1 – Transactions with related parties

Euronext has related party relationships with its associates and joint ventures (as described in Note 15). Transactions with associates and joint ventures are generally conducted with terms equivalent to arm's length transactions. Transactions between subsidiaries are not included in the description as these are eliminated in the Consolidated Financial Statements. The interests in Group Companies are set out in Note 32.

The transactions with related parties and outstanding year-end balances are reported in the tables below:

In thousands of euros	2016	2015
Purchases from related parties	405	-

In thousands of euros	AS AT 31 DECEMBER 2016	AS AT 31 DECEMBER 2015
Payables to related parties	1,309	-

Note 28.2 – Key management remuneration

The other related parties disclosure relates entirely to the key management of Euronext, being represented by the Company's Managing Board and Supervisory Board.

The compensation expense recognised for key management is as follows:

	2016		
In thousands of euros	MANAGING BOARD	SUPERVISORY BOARD	TOTAL
Short term benefits	(4,485)	(521)	(5,006)
Share-based payment costs[(a)]	(830)	-	(830)
Post-employment benefits	(103)	-	(103)
TOTAL BENEFITS	**(5,418)**	**(521)**	**(5,939)**

(a) Share based payments costs are recognised in accordance with IFRS 2.

	2015		
In thousands of euros	MANAGING BOARD	SUPERVISORY BOARD	TOTAL
Short term benefits	(4,003)	(512)	(4,515)
Share-based payment costs[(a)]	(1,774)	-	(1,774)
Post-employment benefits	(143)	-	(143)
Termination benefits	(1,291)	-	(1,291)
TOTAL BENEFITS	**(7,211)**	**(512)**	**(7,723)**

(a) Share based payments costs are recognised in accordance with IFRS 2.

NOTE 29 FINANCIAL RISK MANAGEMENT

As a result of its operating and financing activities, the Group is exposed to market risks such as interest rate risk, currency risk and credit risk. The Group has implemented policies and procedures designed to measure, manage, monitor and report risk exposures, which are regularly reviewed by the appropriate management and supervisory bodies. The Group's central treasury team is charged with identifying risk exposures and monitoring and managing such risks on a daily basis. To the extent necessary and permitted by local regulation, the Group's subsidiaries centralise their cash investments, report their risks and hedge their exposures in coordination with the Group's central treasury team. The Group performs sensitivity analyses to determine the effects that may result from market risk exposures. The Group uses derivative instruments solely to hedge financial risks related to its financial position or risks that are otherwise incurred in the normal course of its commercial activities. The Group does not use derivative instruments for speculative purposes.

Note 29.1 – Liquidity risk

The Group would be exposed to a liquidity risk in the case where its short-term liabilities become, at any date, higher than its cash, cash equivalents, short-term financial investments and available bank facilities and in the case where the Group is not able to refinance this liquidity deficit, for example, through new banking lines.

Cash, cash equivalents and short-term financial investments are managed as a global treasury portfolio invested into non-speculative financial instruments, readily convertible to cash, such as bank balances, money market funds, overnight deposits, term deposits and other money market instruments, thus ensuring a very high liquidity of the financial assets. The Group's policy is to ensure that cash, cash equivalents and available bank facilities allow the Group to repay its financial liabilities at all maturities, even disregarding incoming cash flows generated by operational activities, excluding the related party loans granted by the Group's subsidiaries to its Parent.

The net position of current financial assets, financial liabilities and available credit facilities, excluding working capital items, as of 31 December 2016, is described in the table below:

In thousands of euros	2016	2015
Cash, cash equivalents and short term financial investments	174,501	158,642
Available credit facilities	390,000	390,000
Financial debt	(69,101)	(108,257)
NET POSITION	**495,400**	**440,385**

On 6 May 2014, the Group entered into a syndicated bank loan facilities agreement ("the Facilities Agreement"), with BNP Paribas and ING Bank N.V. as Lead Arrangers, providing for (i) a €250 million term loan facility and (ii) a €250 million revolving loan facility, both maturing or expiring in three years. On 20 February 2015, Euronext N.V. entered into the amended and extended facility agreement. Based on this agreement, effectively on 23 March 2015 (i) the undrawn revolving credit facility has been increased by €140 million to €390 million and (ii) €140 million has been repaid as an early redemption of the €250 million term loan facility. The facility matures in three years on 23 March 2018, with a two times one year extension possibility, resulting in (i) a €390 million undrawn revolving credit facility and (ii) a net non-current borrowing of €108 million as of 31 December 2015. On 23 September 2016, Euronext repaid €40 million as an early redemption of the €110 million term loan facility, resulting in a net non-current borrowing of €69 million as of 31 December 2016. On 23 March 2017, Euronext has repaid the remaining outstanding borrowing, early terminating the term loan facility. The undrawn revolving credit facility of €390 million remain unchanged The Group has not made use of both extension possibilities, therefore the loan facilities will mature on 23 March 2018. For further details on the loan facilities reference is made to Note 22.

In thousands of euros	MATURITY < 1 YEAR	MATURITY BETWEEN 1 AND 5 YEARS	MATURITY > 5 YEARS	TOTAL
2016				
Trade and other payables	90,607	-	-	90,607
Borrowings	497	70,112	-	70,609
2015				
Trade and other payables	105,749	-	-	105,749
Borrowings	770	111,540	-	112,310

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Note 29.2 – Interest rate risk

Substantially all significant interest-bearing financial assets and liabilities of the Group are either based on floating rates or based on fixed rates with an interest term of less than one year. As a result, the Group is not exposed to fair value risk affecting fixed-rate financial assets and liabilities.

As at 31 December 2016, the interest rate exposure of the Company was as follows:

CURRENCY	POSITION IN EUROS		POSITIONS IN POUND STERLING	
TYPE OF RATE AND MATURITY *In thousands of euros*	FLOATING RATE (OR FIXED RATE WITH MATURITY < 1 YEAR)	FLOATING RATE (OR FIXED RATE WITH MATURITY > 1 YEAR)	FLOATING RATE (OR FIXED RATE WITH MATURITY < 1 YEAR)	FLOATING RATE (OR FIXED RATE WITH MATURITY > 1 YEAR)
2016				
Interest bearing financial assets[(a)]	129,064	6,000	45,437	-
Interest bearing financial liabilities	(96)	(69,005)	-	-
Net position before hedging	128,968	(63,005)	45,437	-
Net position after hedging	128,968	(63,005)	45,437	-
2015				
Interest bearing financial assets[(a)]	107,519	6,000	51,123	-
Interest bearing financial liabilities	(104)	(108,153)	-	-
Net position before hedging	107,415	(102,153)	51,123	-
Net position after hedging	107,415	(102,153)	51,123	-

(a) Includes cash and cash equivalent and non-current other receivables.

The Group is exposed to cash-flow risk arising from net floating-rate positions. The Group was a net lender in Euros at 31 December, 2016 and 2015. The sensitivity of net interest income to a parallel shift in the interest curves is that a 0.5% increase/decrease of the rate would have resulted in an increase/decrease of the net interest income of €0.3 million based on the positions at 31 December 2016 (2015: no material impact). The Group was a net lender in pound sterling at 31 December, 2016 and 2015. The sensitivity of net interest income to a parallel shift in the interest curves is that a 0.5% increase/decrease of the rate would have resulted in an increase/decrease of the net interest income of €0.2 million based on the positions at 31 December 2016 (2015: €0.3 million).

Note 29.3 – Currency risk

Foreign currency translation risk:

The Group's net assets are exposed to the foreign currency risk arising from the translation of assets and liabilities of subsidiaries with functional currencies other than the Euro. The following table summarises the assets and liabilities recorded in GBP functional currency, and the related impact of a 10% increase/decrease in the currency exchange rate on balance sheet:

In thousands	2016	2015
Assets	£52,191	£49,034
Liabilities	£(6,007)	£(6,313)
Net currency position	**£46,184**	**£42,721**
Absolute impact on equity of 10% in/decrease in the currency exchange rate	€5,405	€5,793

Most operating revenue and expenses in the various subsidiaries of the Group are denominated in the functional currency of each relevant subsidiary. The Group's consolidated income statement is exposed to foreign currency risk arising from receivables and payables denominated in currencies different from the functional currency of the related entity.

Note 29.4 – Credit risk

The Group is exposed to credit risk in the event of counterparty's default. The Group's exposure to credit risk primarily arises from the investment of cash equivalents and short-term financial investments. The Group limits its exposure to credit risk by rigorously selecting the counterparties with which it executes agreements. Credit risk is monitored by using exposure limits depending on ratings assigned by rating agencies as well as the nature and maturity of transactions. Investments of cash and cash equivalents in bank current accounts and money market instruments, such as short-term fixed and floating rate interest deposits, are strictly restricted by rules aimed at reducing credit risk: maturity of deposits is lower than six months, counterparties' credit ratings are permanently monitored and individual counterparty limits are reviewed on a regular basis. In addition to the intrinsic creditworthiness of counterparties, the Group's policies also prescribe the diversification of counterparties (banks, financial institutions, funds) so as to avoid a concentration of risk. Derivatives are negotiated with leading high-grade banks.

The Group granted two loans in the total amount of €6.0 million, recorded as non-current other receivable. The loans have a maturity of 5 years and bear interest rate of Euribor 6 months plus an average margin of 4.5%. The credit risk is closely monitored by analysing financial information.

In addition, the Group is exposed to credit risk with its customers on trade receivables. Most customers of the Group are leading financial institutions that are highly rated.

Note 29.5 – Equity Market risk

The Group's investment in publicly-traded equity securities was insignificant in 2016 and 2015.

Note 29.6 – Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to comply with regulatory requirements and to maintain an optimal capital structure to reduce the cost of capital and provide return to shareholders.

Certain entities of the Group are regulated as exchanges or as Central Securities Depository ("CSD") and are subject to certain statutory regulatory requirements based on their local statutory Financial Statements. Euronext Amsterdam N.V. is subject to a minimum statutory capital requirement of €730 thousand, shall have a regulatory capital in the amount of 50% of the direct fixed cost of Euronext Amsterdam N.V. during the preceding financial year and in addition the cash and cash equivalents shall be higher than the required minimum regulatory capital to operate as an exchange in the Netherlands. Euronext Paris S.A. shall maintain statutory regulatory equity at no less than 50% of its yearly expenses and a solvency ratio on operational risks at no less than 8%. Euronext Lisbon S.A. and Interbolsa shall maintain minimum statutory share capital of €3.0 million and €2.75 million, respectively, and shall maintain minimum statutory equity of €6.0 million and €5.5 million, respectively. Euronext London Ltd. should maintain a minimum level of financial resources of £5.5 million to be able to properly perform its exchange functions. As at 31 December 2016 and 2015, the regulated entities of the Group were compliant with these statutory regulatory requirements.

NOTE 30 CONTINGENCIES

The Group is involved in a number of legal proceedings that have arisen in the ordinary course of its business. Other than as discussed below, management does not expect these pending or threatening legal proceedings to have a significant effect on the Group's financial position or profitability. The outcome of legal proceedings, however, can be extremely difficult to predict and the final outcome may be materially different from managements' expectation.

Proprietary Traders (*Négociateurs pour Compte Propre* ("NCP"))

Fifty four individual proprietary traders licensed to operate on the futures market of Euronext Paris (MATIF) commenced legal proceedings against Euronext before the Paris Commercial Court in November 2005. The plaintiffs allege that Euronext committed several breaches to their contract and claim that they have suffered an alleged prejudice amounting to a total amount of €90.5 million.

The Paris Commercial Court dismissed the claim in January 2008 and no damages were awarded to the plaintiffs. The individual proprietary traders appealed the decision before the Paris Court of Appeals. On 14 January 2011, the Paris Court of Appeals rendered an interlocutory decision ("décision avant dire droit") to order the appointment of two experts. The experts issued a technical report in March 2014 to the Paris Court of Appeals on the facts alleged by the claimants and to estimate the potential damages incurred by them in the event that the Paris Court of Appeals finds that Euronext is liable. The higher range of the conditional assessment of the theoretical loss that could have been suffered by the proprietary traders should the Court decide that Euronext is liable has been estimated, by the Experts, to €6.69 million.

On 8 June 2015, the Court of Appeal has confirmed the decision of the Commercial Court and rejected all the claims made by the fifty four NCPs. Some NCPs lodged an appeal against the decision before the Highest court (Cour de Cassation), which is competent to decide whether the rules of law have been correctly applied by the lower courts based on the assessment of facts made by such courts.

Management believes that the actions of the appellants are not supported and has not booked any provision in connection with this case.

Euronext Amsterdam Pension Fund

Approximately 120 retired and/or former Euronext Amsterdam employees, united in an association, served summons on Euronext Amsterdam N.V. on 3 April 2014. The claim is based on the fact that Euronext Amsterdam terminated its pension agreement with the pension fund Mercurius ("PMA") and transferred the pension of the current employees of Amsterdam to Delta Lloyd Asset Management ("Delta Lloyd"). The pension entitlements of the retired and/or former employees of Euronext Amsterdam have also been transferred by PMA to Delta Lloyd. The retired and/or former employees have been informed by PMA that the transfer of their entitlements to Delta Lloyd will result in a nominal pension entitlement without indexation in the future. The association claims that Euronext Amsterdam should guarantee the same pension entitlements of the retired Euronext Amsterdam employees under the same or similar conditions as those in the agreement between Euronext Amsterdam and PMA with the considerations that (i) the administration fee will be covered, (ii) the liability ratio will be covered and (iii) the loyalty and solidarity between the retired and current employees is provided for. The amount will need to be calculated by an actuary.

After Euronext Amsterdam filed a statement of defence on 27 June 2014, the Subdistrict (Kanton) Division of the Court of Amsterdam on 11 July 2014 granted the retired and/or former employees of Euronext Amsterdam a term until 8 August 2014 in order to file a rejoinder. On that date the counterparty was granted a postponement until 5 September 2015 for its statement of reply. Both parties have filed all documents and statements and an oral hearing took place on 11 June 2015. The judge asked both parties to explore a settlement and Euronext currently assesses the costs of potential out of court solutions. The Court has been informed that no agreement on such settlement could be reached.

On 24 June 2016 the judge delivered a decision. The claim that Euronext Amsterdam should guarantee the same pension entitlements of the retired Euronext Amsterdam employees under the same or similar conditions as those in the agreement between Euronext Amsterdam and PMA is rejected. However, the judge did hold that there has been an attributable breach by Euronext Amsterdam in the performance of the pension agreements with the members of the association. Euronext Amsterdam is ordered to pay for damages resulting from the loss of indexation perspective incurred by the claimants other than the association. The association is not eligible to claim damages. The amount of the damages needs to be determined in a separate procedure (a *"schadestaatprocedure"*). Management believes that the decision is insufficiently motivated. On 21 September 2016 Euronext Amsterdam has filed for appeal against the decision. The grounds for appeal were filed on 6 December 2016. On 14 February 2017, the claimants filed their responses and also filed for appeal against certain parts of the decision of 24 June 2016. Euronext Amsterdam has until 25 April 2017 to respond to the grounds for appeal raised by claimants. No provision has been booked in connection with this case.

NOTE 31 COMMITMENTS

Note 31.1 – Capital commitments

As of 31 December, capital expenditures contracted but not yet incurred were as follows:

In thousands of euros	2016	2015
No later than one year	457	650
Later than 1 year and no later than 5 years	85	2,037
Later than 5 years	-	467
TOTAL	**542**	**3,154**

Note 31.2 – Non-cancellable operating leases

As of 31 December, minimum lease payments due under non-cancellable operating leases were as follows:

In thousands of euros	2016	2015
No later than one year	11,316	3,669
Later than 1 year and no later than 5 years	25,405	17,376
Later than 5 years	9,785	13,559
TOTAL	**46,506**	**34,604**

Expenses in 2016 for operating leases were €6.8 million (2015: €13.8 million).

Note 31.3 – Guarantees given

Except for the financial guarantee related to its associate European Central Counterparty N.V. (see Note 15), Euronext N.V. has no guarantees given at 31 December 2016.

Note 31.4 – Securities held as custodian

In Portugal, the Group acts as a National Central Securities Depository and managed the National Settlement Securities System.

As at 31 December 2016, the value of securities kept in custody by Interbolsa amounted to €314 billion (2015: €306 billion, which not included securities kept in custody by CIK) based on the market value of shares and the nominal value of bonds.

The procedures of these National Central Securities Depositories are focused on the control of securities registered in its systems and safeguarding the assets in custody. The settlement risks are mitigated by early warning systems for non-settlement, and buy-in procedures in case certain thresholds are surpassed.

NOTE 32 GROUP COMPANIES

The following table provides an overview of the Group's subsidiaries, associates, joint ventures and non-current investments:

		OWNERSHIP	
SUBSIDIARIES	**DOMICILE**	**2016**	**2015**
EnterNext S.A.	France	100.00%	100.00%
Euronext Amsterdam N.V.	The Netherlands	100.00%	100.00%
Euronext Brussels S.A./N.V.	Belgium	100.00%	100.00%
Euronext France (Holding) S.A.S.[a]	France	0.00%	100.00%
Euronext IP & IT Holding B.V.	The Netherlands	100.00%	100.00%
Euronext Hong Kong Limited	Hong Kong	100.00%	100.00%
Euronext Lisbon S.A.[b]	Portugal	100.00%	100.00%
Euronext London Ltd.	United Kingdom	100.00%	100.00%
Euronext Paris S.A.	France	100.00%	100.00%
Euronext Real Estate S.A./N.V.[c]	Belgium	0.00%	100.00%
Euronext Technologies Holding S.A.S.	France	100.00%	100.00%
Euronext Technologies IPR Ltd.[c]	United Kingdom	0.00%	100.00%
Euronext Technologies Ltd.	United Kingdom	100.00%	100.00%
Euronext Technologies S.A.S.	France	100.00%	100.00%
Euronext Technologies Unipessoal Lda.[d]	Portugal	100.00%	0.00%
Interbolsa S.A.[e]	Portugal	100.00%	100.00%
Euronext Qatar LLC	Qatar	0.00%	100.00%
SmartPool Ltd.[c]	United Kingdom	0.00%	100.00%
SmartPool Trading Ltd.[c]	United Kingdom	0.00%	100.00%
Stichting Euronext Foundation[f]	The Netherlands	0.00%	0.00%
Associates			
Tredzone S.A.S.[g]	France	34.04%	0.00%
European Central Counterparty N.V.[g]	The Netherlands	20.00%	0.00%
Joint ventures			
Algonext Ltd.[g]	United Kingdom	50.00%	0.00%
Non-current investments			
Sicovam Holding S.A.	France	9.60%	9.60%
Euroclear plc.	United Kingdom	3.26%	3.26%
LCH.Clearnet Group Ltd.	United Kingdom	2.31%	2.31%

(a) Euronext France (Holding) S.A.S. merged with Euronext Paris S.A. on 22 June 2016.
(b) Legal name of Euronext Lisbon S.A. is Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A.
(c) Euronext Real Estate S.A./N.V., Euronext Technologies IPR Ltd. Euronext Qatar LLC, Smartpool Ltd. and Smartpool Trading Ltd. were liquidated in 2016.
(d) Euronext Technologies Unipessoal Lda. was incorporated on 18 April 2016.
(e) Legal name of Interbolsa S.A. is Interbolsa – Sociedade Gestora de Sistemas de Liquidaçao e de Sistemas Centralizados de Valores Mobiliários, S.A.
(f) Stichting Euronext Foundation is not owned by the Group but included in the scope of consolidation.
(g) In 2016 Euronext acquired the reflected interests in Tredzone S.A.S., European Central Counterparty N.V. and Algonext Ltd.

NOTE 33 EVENTS AFTER THE REPORTING PERIOD

Acquisition of LCH.Clearnet S.A. ("Clearnet")

On 3 January 2017, Euronext announced that it has signed a binding offer and been granted exclusivity to acquire 100% of the share capital and voting rights of Lch. Clearnet. On 29 March 2017, the European Union prohibited the potential merger between LSEG and DBAG; as a result, the agreement for the potential acquisition of LCH. Clearnet terminated.

The Company remains a willing buyer of LCH.Clearnet in the terms agreed on 3 January 2017.

Repayment of Term Loan

On 23 March 2017, Euronext has repaid the remaining outstanding borrowing of €70 million, early terminating the term loan facility.

Detailed summary of the notes to the Company financial Statements

6.7 Euronext N.V. Company Financial Statements for the year ended 31 December 2016

6.7.1 COMPANY INCOME STATEMENT

In thousands of euros	NOTE	YEAR ENDED 31 DECEMBER 2016	YEAR ENDED 31 DECEMBER 2015
Net turnover	35	-	-
Other operating expenses	36	(9,554)	(4,165)
Total operating (loss)		**(9,554)**	**(4,165)**
Income from available-for-sale financial assets	37	3,817	3,316
Other interest income and similar income	37	7,351	20,528
Interest expenses and similar charges	37	(3,603)	(4,694)
Result before tax		**(1,989)**	**(14,985)**
Tax	38	(349)	(3,450)
Share in result of participations	39	199,351	161,119
NET RESULT FOR THE YEAR		**197,013**	**172,654**

The above Company Financial Statements should be read in conjunction with the accompanying notes.

6.7.2 COMPANY BALANCE SHEET

(Before appropriation of profit.)

In thousands of euros	NOTE	AS AT 31 DECEMBER 2016	AS AT 31 DECEMBER 2015
Assets			
Fixed assets			
Investment in consolidated subsidiaries	39	1,040,796	722,568
Investments in associates and joint ventures	39	14,638	-
Available-for-sale financial assets	40	67,626	67,101
Related party loans	39	-	860,000
Other receivables	41	6,000	6,000
TOTAL FINANCIAL FIXED ASSETS		**1,129,060**	**1,655,669**
TOTAL FIXED ASSETS		**1,129,060**	**1,655,669**
Current assets			
Trade and other receivables	42	34,993	28,222
Income tax receivable		17,791	11,299
Related party loans		-	5,850
TOTAL RECEIVABLES		**52,784**	**45,371**
CASH		**2,293**	**6,465**
TOTAL CURRENT ASSETS		**55,077**	**51,836**
TOTAL ASSETS		**1,184,137**	**1,707,505**
Equity and liabilities			
Equity			
Issued capital		112,000	112,000
Share premium		107,562	107,562
Reserve own shares		(18,883)	(18,791)
Retained earnings		124,790	43,989
Legal reserves and other		25,536	29,753
Profit for the year		197,013	172,654
TOTAL EQUITY	43	**548,018**	**447,167**
Long-term liabilities			
Borrowings	44	69,005	108,153
TOTAL LONG-TERM LIABILITIES		**69,005**	**108,153**
Short-term liabilities			
Borrowings	44	96	104
Related party borrowings	45	369,760	1,030,231
Trade and other payables	46	197,258	121,850
TOTAL SHORT-TERM LIABILITIES		**567,114**	**1,152,185**
TOTAL EQUITY AND LIABILITIES		**1,184,137**	**1,707,505**

The above Company Balance Sheet should be read in conjunction with the accompanying notes.

6.8 Notes to Euronext N.V. Financial Statements

NOTE 34 BASIS OF PREPARATION

Euronext N.V. is a Dutch public company with limited liability (*naamloze vennootschap*) which has its registered office in Amsterdam under Chamber of Commerce number 60234520.

The Company Financial Statements of Euronext N.V. (hereafter: the Company) have been prepared in accordance with Part 9, Book 2 of the Dutch Civil Code. In accordance with sub 8 of Article 362, Book 2 of the Dutch Civil Code, the Company's Financial Statements are prepared based on the accounting principles of recognition, measurement and determination of profit, as applied in the Consolidated Financial Statements. These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities.

In case no other policies are mentioned, refer to the accounting policies as described in the accounting policies in the Consolidated Financial Statements of this annual report. For an appropriate interpretation, the Company Financial Statements of Euronext N.V. should be read in conjunction with the Consolidated Financial Statements.

Note 34.1 – Valuation of investments in consolidated subsidiaries

Investments in consolidated subsidiaries are presented at net asset value. Net asset value is based on the measurement of assets, provisions and liabilities and determination of profit based on the principles applied in the Consolidated Financial Statements.

If the valuation of a consolidated subsidiary based on the net asset value is negative, it will be stated at nil. If and insofar the Company can be held fully or partially liable for the debts of the consolidated subsidiary, or has the firm intention of enabling the consolidated subsidiary to settle its debts, a provision is recognised for this. In determining the value of consolidated subsidiaries with a negative equity, any non-current loans, issued to the consolidated subsidiary that should be seen as part of the net investment are taken into account. Non-current loans are considered to be part of the net investment if these loans are not expected to be settled in the near future nor planned to be settled in the near future.

NOTE 35 NET TURNOVER

In thousands of euros	2016	2015
Market Data revenues	99,737	94,218
Recharge of Market Data revenues	(99,737)	(94,218)
TOTAL	-	-

Euronext N.V. receives market data revenues on behalf of its subsidiaries, which is subsequently recharged to these subsidiaries. Euronext N.V. does not charge its subsidiaries a fee for its role of administering the sale of market data to third parties and as such does not recognise a margin on the sales.

NOTE 36 OTHER OPERATING EXPENSES

In thousands of euros	2016	2015
Systems and communications	(52)	(52)
Professional Services	(8,085)	(2,664)
Other expenses	(1,417)	(1,449)
TOTAL	**(9,554)**	**(4,165)**

In 2016 the professional services expenses contain €3.3 million of acquisition costs incurred for the contemplated acquisition of LCH.Clearnet, which qualify as exceptional item (see Note 8 of the Consolidated Financial Statements).

Number of employees

Euronext N.V. had no employees during 2016 and 2015. The remuneration of the Supervisory Board is included in other expenses.

NOTE 37 FINANCIAL INCOME AND EXPENSES

In thousands of euros	2016	2015
Income from available-for-sale financial assets	3,817	3,316
Interest and similar income	7,351	20,528
Interest and similar expenses	(3,128)	(4,587)
Exchange differences	(475)	(107)
TOTAL	**7,565**	**19,150**

The income from available-for-sale financial assets reflects the dividend received from Euroclear plc.

The decrease of interest and similar income was due to the non-current related party loan settlement in 2016 (see Note 39).

NOTE 38 TAX

In thousands of euros	2016	2015
Result before tax	(1,967)	14,985
Corporate income tax current financial year	(382)	(3,499)
Corporate income tax previous financial years	33	49
TOTAL	**(349)**	**(3,450)**

	2016	2015
Effective tax rate	-18%	23%
Applicable tax rate	25%	25%

In 2016, the effective tax rate mainly deviates from the applicable tax rate as a result of non-deductible acquisition expenses.

NOTE 39 INVESTMENTS IN CONSOLIDATED SUBSIDIARIES, ASSOCIATES, JOINT VENTURES AND NON-CURRENT RELATED PARTY LOANS

In thousands of euros	INVESTMENTS IN CONSOLIDATED SUBSIDIARIES	INVESTMENTS IN ASSOCIATES AND JOINT VENTURES	LOANS TO CONSOLIDATED SUBSIDIARIES	TOTAL
NET BOOK VALUE AS AT 1 JANUARY 2015	**645,893**	**-**	**860,000**	**1,505,893**
Exchange differences	658	-	-	658
Share-based payments, subsidiaries	4,134	-	-	4,134
Actuarial gains/ losses IAS 19	5,073	-	-	5,073
Revaluation Sicovam	399	-	-	399
Share in result of participations	161,119	-	-	161,119
Dividend received	(87,864)	-	-	(87,864)
Other	(6,844)	-	-	(6,844)
TOTAL MOVEMENTS IN BOOK VALUE	**76,675**	**-**	**-**	**76,675**
NET BOOK AMOUNT AS AT 31 DECEMBER 2015	**722,568**	**-**	**860,000**	**1,582,568**
Investment	-	14,616	-	14,616
Conversion loan into equity	200,000	-	(200,000)	-
Loan settlement	-	-	(660,000)	(660,000)
Exchange differences	(8,651)	-	-	(8,651)
Share-based payments, subsidiaries	3,222	-	-	3,222
Actuarial gains/ losses IAS 19	(4,549)	-	-	(4,549)
Revaluation available-for-sale financial assets	1,539	-	-	1,539
Share in result of participations	199,329	22	-	199,351
Dividend received	(67,367)	-	-	(67,367)
Other	(5,295)	-	-	(5,295)
TOTAL MOVEMENTS IN BOOK VALUE	**318,228**	**14,638**	**(860,000)**	**(527,134)**
NET BOOK AMOUNT AS AT 31 DECEMBER 2016	**1,040,796**	**14,638**	**-**	**1,055,434**

Investments in associates and joint ventures

In 2016, Euronext N.V. acquired interests in European Central Counterparty N.V. and Algonext Ltd. for a total of €14.6 million. For additional information on the interest in associates and joint ventures, see Notes 15 and 32 of the Consolidated Financial Statements.

Amounts due from subsidiaries

On 22 June 2016 Euronext France (Holding) S.A.S. merged with Euronext Paris S.A. Upfront this merger, Euronext N.V. converted €200 million of loan into equity as a capital increase in Euronext France (Holding) S.A.S.

After the merger, Euronext N.V. settled the outstanding related party loans for €660 million against the loan payable with Euronext Paris S.A. (see Note 45).

NOTE 40 AVAILABLE-FOR-SALE FINANCIAL ASSETS

The equity investment of €67.6 million represents the direct investment in Euroclear plc. For additional information see Note 16 of the Consolidated Financial Statements.

NOTE 41 OTHER RECEIVABLES

For additional information on the other receivables positions, a reference is made to Note 29.4 of the Consolidated Financial Statements.

NOTE 42 TRADE AND OTHER RECEIVABLES

In thousands of euros	AS AT 31 DECEMBER 2016	AS AT 31 DECEMBER 2015
Trade receivables	10,455	11,884
Less provision for impairment of trade receivables	(46)	(31)
Trade receivables net	**10,409**	**11,853**
Related party receivables	14,993	7,205
Tax receivables (excluding income tax)	1,756	1,774
Prepayments and invoices to establish	7,794	7,390
Other receivables and accrued income	41	-
TOTAL	**34,993**	**28,222**

The fair value of the receivables approximates the book value, due to their short-term character.

As of 31 December 2016, the total amount of trade receivables that were past due but not impaired was €2.2 million (2015: €5.3 million) of which €0.7 million (2015: €0.6 million) was overdue more than three months.

NOTE 43 SHAREHOLDERS' EQUITY

The movements in shareholder's equity are as follows:

						LEGAL RESERVES AND OTHER			
	ISSUED CAPITAL	SHARE PREMIUM	RESERVE FOR OWN SHARES	RETAINED EARNINGS	PROFIT CURRENT YEAR	NON-DISTRIBUTABLE PROFITS AND OTHER GAINS REGARDING SUBSIDIARIES	REVALUATION EUROCLEAR RESERVE	RESERVE FOR TRANSLATION DIFFERENCES	TOTAL
As at 1 January 2015	**112,000**	**107,562**	**(541)**	**(4,725)**	**118,174**	**-**	**2,748**	**6,532**	**341,750**
Share based payments	-	-	-	4,134	-	-	-	-	4,134
Appropriation of the result of preceding year	-		-	39,778	(118,174)	19,612	-	-	(58,784)
Net result for the period	-	-	-	-	172,654	-	-	-	172,654
Exchange rate differences	-	-	-	-	-	-	-	658	658
Revaluation subsidiaries	-	-	-	5,472	-	-	-	-	5,472
Other revaluation	-	-	-	-	-	-	203	-	203
Purchase of shares	-	-	(18,484)	-	-	-	-	-	(18,484)
Other movements	-	-	234	(670)	-	-	-	-	(436)
As at 31 December 2015	**112,000**	**107,562**	**(18,791)**	**43,989**	**172,654**	**19,612**	**2,951**	**7,190**	**447,167**
Share based payments	-	-	-	3,222	-	-	-	-	3,222
Appropriation of the result of preceding year	-	-	-	9,877	(172,654)	76,567	-	-	(86,210)
Net result for the period	-	-	-	-	197,013	-	-	-	197,013
Transfer to retained earnings	-	-	-	72,527	-	(72,527)	-	-	-
Exchange rate differences	-	-	-	-	-	-	-	(8,651)	(8,651)
Revaluation subsidiaries	-	-	-	(3,010)	-	-	-	-	(3,010)
Other revaluation	-	-	-	-	-	-	394	-	394
Purchase of shares	-	-	(1,427)	-	-	-	-	-	(1,427)
Other movements	-	-	1,335	(1,815)	-	-	-	-	(480)
AS AT 31 DECEMBER 2016	**112,000**	**107,562**	**(18,883)**	**124,790**	**197,013**	**23,652**	**3,345**	**(1,461)**	**548,018**

For further information to the shareholder's equity, see Note 19 of the Consolidated Financial Statements.

The movements in the shareholder's equity are before the proposed profit appropriation (see Note 50). The proposed profit appropriation included the addition to retained earnings (€98.5 million) and dividend (€98.5 million).

Non-distributable profits and other gains regarding subsidiaries

As per 31 December 2016, profits and other gains from subsidiaries are not freely available for distribution for an amount of €23.6 million relating to legal reserves. In 2016, an amount of €72.6 million was transferred to retained earnings, mainly because distribution restrictions were lifted following the merger between Euronext France (Holding) S.A.S and Euronext Paris S.A.

Revaluation Euroclear reserve

The revaluation reserve is maintained for the revaluation for the available for sale financial instruments, net of tax. This reserve is a non-distributable legal reserve.

Reserve for translation differences

The reserve for translation differences concerns all exchange rate differences arising from the translation of the net investment in foreign entities and the related goodwill. This reserve is a non-distributable legal reserve.

NOTE 44 BORROWINGS

For additional information on the Borrowings positions, a reference is made to Note 22 to the Consolidated Financial Statements.

NOTE 45 RELATED PARTY BORROWINGS

In thousands of euros	AS AT 1 JANUARY 2016	LOAN SETTLEMENTS MADE	INTEREST PAID	AS AT 31 DECEMBER 2016
Current				
Euronext Paris S.A.	860,000	(660,000)	-	200,000
Euronext Technologies Holding S.A.S.	84,686	-	-	84,686
Euronext Amsterdam N.V.	25,000	-	-	25,000
Euronext Brussels S.A./N.V.	60,000	-	-	60,000
Interest payable on intercompany loan	545	-	(471)	74
TOTAL	**1,030,231**	**(660,000)**	**(471)**	**369,760**

The fair value of the related party loans payable approximate their carrying values.

The €200.0 million loan payable to Euronext Paris S.A. has no maturity and is repayable at lender's or borrower's request upon 48 hours' notice. The interest is EONIA OIS plus 0.125% payable annually on the loan. The sensitivity of the related party loan payables to changes in the EONIA interest rate is that a 0.5% increase/decrease of the interest rate will result in an increase/decrease of the interest income by €1.0 million.

The €84.7 million loan payable to Euronext Technologies Holdings S.A.S. has no maturity and is repayable at lender's or borrower's request upon 48 hours' notice. The interest is Euribor 3 months plus 0.125% payable annually on the loan. The sensitivity of the related party loan payables to changes in the Euribor interest rate is that a 0.5% increase/decrease of the interest rate will result in an increase/decrease of the interest income by €0.4 million.

The €25.0 million loan payable to Euronext Amsterdam N.V. has no maturity and is repayable at lender's or borrower's request upon 48 hours' notice. The interest is EONIA plus 0.125% payable annually on the loan. The sensitivity of the related party loan payables to changes in the EONIA interest rate is that a 0.5% increase/decrease of the interest rate will result in an increase/decrease of the interest income by €0.1 million.

The €60.0 million loan payable to Euronext Brussels S.A./N.V. has no maturity and is repayable at lender's or borrower's request upon 48 hours' notice. The interest is Euribor 3 months plus 0.125% payable annually on one loan. The sensitivity of the related party loan payables to changes in the EONIA interest rate is that a 0.5% increase/decrease of the interest rate will result in an increase/decrease of the interest income by €0.3 million.

NOTE 46 TRADE AND OTHER PAYABLES

In thousands of euros	AS AT 31 DECEMBER 2016	AS AT 31 DECEMBER 2015
Trade payables	303	61
Amounts due to subsidiaries	191,928	120,356
Other	5,027	1,433
TOTAL	**197,258**	**121,850**

Amounts due to subsidiaries mainly consist of a €179.0 million payable with Euronext Paris S.A. (2015: €107.9 million).

The carrying values of current trade and other payables are reasonable approximations of their fair values. These balances do not bear interest.

NOTE 47 MANAGING BOARD AND SUPERVISORY BOARD REMUNERATION

Note 47.1 – Managing Board remuneration

	2016				
In thousands of euros	FIXED BENEFITS	VARIABLE BENEFITS	SHARE-BASED PAYMENT COSTS	POST-EMPLOYMENT BENEFITS	TOTAL BENEFITS
Stéphane Boujnah	746	798	66	-	1,610
Anthony Attia	354	210	161	-	725
Jos Dijsselhof	461	160	220	19	860
Lee Hodgkinson	421	273	210	17	921
Vincent van Dessel	304	106	77	34	521
Maurice van Tilburg	311	162	86	16	575
Maria João Carioca[(a)]	149	30	10	17	206
TOTAL	**2,746**	**1,739**	**830**	**103**	**5,418**

	2015					
In thousands of euros	FIXED BENEFITS	VARIABLE BENEFITS	SHARE-BASED PAYMENT COSTS	POST-EMPLOYMENT BENEFITS	TERMINATION PAYMENTS	TOTAL BENEFITS
Stéphane Boujnah	95	250	-	-	-	345
Dominique Cerutti[(b)]	290	-	669	-	757	1,716
Anthony Attia	347	225	218	-	-	790
Jos Dijsselhof	461	388	299	19	-	1,167
Lee Hodgkinson	434	415	286	44	-	1,179
Luis Laginha de Sousa[(c)]	255	-	150	35	534	974
Vincent van Dessel	308	132	100	33	-	573
Maurice van Tilburg	239	164	52	12	-	467
TOTAL	**2,429**	**1,574**	**1,774**	**143**	**1,291**	**7,211**

(a) Maria João Carioca was appointed to the Managing Board on 12 May 2016.

(b) Dominique Cerutti resigned from the Managing Board on 5 May 2015.

(c) On 28 January 2016 it was announced that Luis Laginha de Sousa had resigned and would step down from his role in the Managing Board. His resignation became effective on 22 February 2016. No remuneration was paid in 2016.

The Company has not granted any loans, advanced payments and guarantees to the members of the Managing Board and Supervisory Board.

The fixed compensation components consist of base salary and other benefits in kind like company car and health care insurance, if applicable. These components are linked to the overall job responsibilities of the individual Managing Board member and reflect internal consistency.

The variable salary consists of an annual performance compensation component as a percentage of base salary. The percentages are target percentages of the annual base salary, which are only payable if all objectives are met. Performance criteria are set and reviewed on an annual basis by the Remuneration Committee and the Supervisory Board.

For 2016 all bonus targets have been met by the Managing Board.

Note 47.2 – Euronext Share plans

In number of RSU	PLAN	YEAR OF GRANTING	OUTSTANDING AS AT 1 JANUARY 2015	GRANTED	FORFEITED	VESTED	OUTSTANDING AS AT 31 DECEMBER 2015
Dominique Cerutti	LTI	2014	61,224	-	(61,224)	-	-
	STI	2015	-	17,400		(17,400)	-
	LTI	2015	-	-	-	-	-
Anthony Attia	LTI	2014	18,367	-	-	-	18,367
	STI	2015	-	3,276	-	(3,276)	-
	LTI	2015	-	6,028	-	-	6,028
Jos Dijsselhof	LTI	2014	24,490	-	-	-	24,490
	STI	2015	-	4,578	-	(4,578)	-
	LTI	2015	-	8,038	-	-	8,038
Lee Hodgkinson	LTI	2014	19,765	-	-	-	19,765
	STI	2015	-	4,644	-	(4,644)	-
	LTI	2015	-	8,693	-	-	8,693
Luis Laginha de Sousa	LTI	2014	5,867	-	-	(5,867)	-
	STI	2015	-	969	-	(969)	-
	LTI	2015	-	3,173	(3,173)	-	-
Vincent van Dessel	LTI	2014	6,723	-	-	-	6,723
	STI	2015	-	1,611	-	(1,611)	-
	LTI	2015	-	3,530	-	-	3,530
Maurice van Tilburg	LTI	2014	5,102	-	-	-	5,102
	STI	2015	-	426	-	(426)	-
	LTI	2015	-	4,421	-	-	4,421

In number of RSU	PLAN	YEAR OF GRANTING	OUTSTANDING AS AT 1 JANUARY 2016	GRANTED	FORFEITED	VESTED	OUTSTANDING AS AT 31 DECEMBER 2016
Stéphane Boujnah	LTI	2016	-	18,518	-	-	18,518
Anthony Attia	LTI	2014	18,367	-	-	-	18,367
	LTI	2015	6,028	-	-	-	6,028
	LTI	2016	-	5,747	-	-	5,747
Jos Dijsselhof	LTI	2014	24,490	-	-	-	24,490
	LTI	2015	8,038	-	-	-	8,038
	LTI	2016	-	9,159	-	-	9,159
Lee Hodgkinson	LTI	2014	19,765	-	-	-	19,765
	LTI	2015	8,693	-	-	-	8,693
	LTI	2016	-	9,886	-	-	9,886
Vincent van Dessel	LTI	2014	6,723	-	-	-	6,723
	LTI	2015	3,530	-	-	-	3,530
	LTI	2016	-	3,381	-	-	3,381
Maurice van Tilburg	LTI	2014	5,102	-	-	-	5,102
	LTI	2015	4,421	-	-	-	4,421
	LTI	2016	-	5,172	-	-	5,172
Maria João Carioca	LTI	2016	-	2,937	-	-	2,937

For additional information on the value of awards granted to the Managing Board reference is made to Note 21 of the Consolidated Financial Statements.

Note 47.3 – Supervisory Board remuneration

In thousands of euros	2016	2015
Rijnhard van Tets	93	93
Dick Sluimers	52	-
Dominique Aubernon	-	-
Koenraad Dom	61	63
Ramon Fernandez	59	25
Manuel Ferreira de Silva	67	69
Jim Gollan	100	69
Lieve Mostrey	-	-
Kerstin Günther	35	-
Arnoud de Pret	28	73
Jan-Michel Hessels	26	77
Andre Bergen	-	24
Philippe Oddo	-	19
TOTAL	**521**	**512**

André Bergen and Philippe Oddo retired immediately after the Annual General Meeting that was held on 5 May 2015. Ramon Fernandez and Jim Gollan were appointed on 5 May 2015 subject to regulatory approval. Their appointment became effective on 20 July 2015, the date on which the regulatory approval was granted.

Arnoud de Pret and Jan-Michiel Hessels retired immediately after the Annual General Meeting that was held on 12 May 2016. Dick Sluimers and Kerstin Günther were appointed on 12 May 2016 subject to regulatory approval. Their appointment became effective on 14 July 2016, the date on which the regulatory approval was granted.

NOTE 48 AUDIT FEES

In thousands of euros	2016	2015
Audit of Financial Statements	1,826	2,093
Tax services	63	23
TOTAL	**1,889**	**2,116**

The fees listed above relate to the procedures applied to the Company and its consolidated group entities by external independent auditors as referred to in Article 1 of the Dutch Accounting Firms Oversight Act (*Wet toezicht accountantsorganisaties*). The audit fees relate to the audit of the respective financial year. The tax services relate to services performed in Portugal.

The total fees of Price Waterhouse Coopers Accountants N.V., the Netherlands, charged to Euronext N.V., and its consolidated group entities amounted to €526,000 in 2016 (2015: €623,750).

NOTE 49 COMMITMENTS AND CONTINGENCIES NOT INCLUDED IN THE BALANCE SHEET

Note 49.1 – Tax Group

The Company is the head of a fiscal unity with Euronext Amsterdam N.V., Euronext IP & IT B.V. Under the standard conditions, the members of the tax group are jointly and severally liable for any taxes payable by the fiscal unity. Each company within the fiscal unity recognises its own tax position on its company balance sheet.

The Financial Statements of Euronext N.V., Euronext Amsterdam N.V., Euronext IP & IT B.V. recognise a tax liability based on their taxable profit.

Note 49.2 – Guarantees

The Company participates in a number of guarantees within the Group, the Company act in the guarantor for certain liabilities of its subsidiary up to an amount of €34.7 million. It should be noted that the Group consistently waives guarantee fees for intergroup guarantees, meaning these transactions are not at arm's length.

NOTE 50 EVENTS AFTER THE REPORTING PERIOD

The events occurred between 31 December 2016 and the date of this report that could have a material impact on the economic decisions made based on these Financial Statements, are described in Note 33 of the Consolidated Financial Statements.

6.9 Other information

6.9.1 PROFIT APPROPRIATION SECTION

Provisions in the Articles of Association relating to profit appropriation

Article 28.2 of the Articles of Association states that from the profits, as they appear from the adopted annual accounts, first, in the event that the priority share has been issued and is held by a party other than the Company, a dividend of ten per cent (10%) of the par value of the priority share will be paid to the holder of the priority share.

The profits which remain after application of the first sentence of this Article 28.2 shall be at the free disposal of the General Meeting, provided that there shall be no further distribution on the priority share, and provided that the General Meeting may only resolve on any reservation or distribution of profits pursuant to and in accordance with a proposal thereto of the Supervisory Board or a proposal of the Managing Board, which proposal has been approved by the Supervisory Board.

Proposed profit appropriation

The management board proposes to appropriate the profit of €197.0 million as follows:

In thousands of euros	2016	2015
Addition to legal reserves	-	76,567
Addition to retained earnings	98,507	9,760
At the disposal of the Annual General Meeting of Shareholders (Dividend)	98,506	86,327
TOTAL	**197,013**	**172,654**

A dividend in respect of the year ended 31 December 2016 of €1.42 per share (2015: €1.24 per share), amounting to a total dividend of €98.5 million, representing a 50% pay-out ratio of net profit, is to be proposed at the Annual General Meeting on 19 May 2017. These Financial Statements do not reflect the dividend payable of the result 2016.

In 2016, there were no additions to the legal reserve. Instead, an amount of €72.6 million was transferred from legal reserves to retained earnings, mainly because distribution restrictions were lifted following the merger between Euronext France (Holding) S.A.S and Euronext Paris S.A. (see Note 43).

6.9.2 AUDITOR INFORMATION

PricewaterhouseCoopers Accountants N.V., independent registered public accounting firm with their address at Thomas R. Malthusstraat 5, 1006 BJ Amsterdam, The Netherlands, have audited and rendered an unqualified auditor's report on the Financial Statements of Euronext N.V. for the years ended 31 December 2016, 2015 and 2014. PricewaterhouseCoopers Accountants N.V. and its representative are registered with the NBA (Nederlandse Beroepsorganisatie van Accountants).

6.9.3 INDEPENDENT AUDITORS REPORT

To: the general meeting and Supervisory Board of Euronext N.V.

Report on the Financial Statements 2016

Our opinion

In our opinion:

- the accompanying Consolidated Financial Statements give a true and fair view of the financial position of Euronext N.V. as at 31 December 2016 and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code;
- the accompanying company Financial Statements give a true and fair view of the financial position of Euronext N.V. as at 31 December 2016 and of its result and its cash flows for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying Financial Statements 2016 of Euronext N.V., Amsterdam ('the Company'). The Financial Statements include the Consolidated Financial Statements of Euronext N.V. and its subsidiaries (together: 'the Group') and the Company Financial Statements.

- The Consolidated Financial Statements comprise:
- the consolidated balance sheet as at 31 December 2016;
- the following statements for 2016: the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of cash flows, and consolidated statement of changes in shareholder's equity; and
- the notes, comprising a summary of significant accounting policies and other explanatory information.

The Company Financial Statements comprise:

- the Company balance sheet as at 31 December 2016;
- the Company income statement for the year then ended; and
- the notes, comprising a summary of the accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the Financial Statements is EU-IFRS and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the Consolidated Financial Statements and Part 9 of Book 2 of the Dutch Civil Code for the Company Financial Statements.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the section 'Our responsibilities for the audit of the Financial Statements' of our report.

Independence

We are independent of Euronext N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Overview and context

Euronext N.V. is a group that operates securities and derivatives exchanges in Continental Europe. It offers a full range of exchange services including security listings, cash and derivatives trading, and market data dissemination. It combines the Amsterdam, Brussels, Lisbon, and Paris exchanges in a highly integrated, cross-border organization. The Group has also a securities exchange in London (Euronext London Ltd.) and operates Interbolsa S.A., the Portuguese national Central Securities Depositories. The Group comprises of several components and therefore we considered our group audit scope and approach as set out in the scope of our group audit section. We paid specific attention to the areas of focus driven by the operations of the Company, as set out below.

We designed our audit by determining materiality and assessing the risks of material misstatement in the Financial Statements. In particular, we looked at where the management board made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. In Footnote 3 of the Financial Statements the Company describes the areas of critical accounting estimates and assumptions. Given the assumptions in the assessment of the fair value of equity investees, we consider this to be a key audit matter as set out in the key audit matter section of this report. We have utilized valuation specialists to assist us in testing the fair value associated with equity investees. Furthermore, given the significance of the Information Technology (IT) environment in the revenue process, we also considered the revenue process to be a key audit matter. We have utilized IT auditors to test ITGC's and automated controls for the purpose of our audit.

Besides the key audit matters, other areas of focus were income taxes and non-significant acquisitions that Euronext entered into during the year. As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the management board that may represent a risk of material misstatement due to fraud.

We ensured that the audit teams both at group and at component levels included the appropriate skills and competences which are needed for the audit of Euronext N.V. We therefore included specialists in the areas of tax (including value added tax), Information Technology, and valuations in our team.

The outlines of our audit approach were as follows:

Materiality

- Overall materiality: €13.7 million which represents 5% of profit before tax excluding exceptional items.

Audit scope

- We conducted audit work in all of the Company's locations
- We have performed a full scope audit on entities representing 99% of consolidated revenue and 87% of the operating result.

Key audit matters

- Completeness and accuracy of revenue
- Valuation of available-for-sale financial assets
- Implications of the move of the UK technology operations from Belfast to Porto.

Materiality

The scope of our audit is influenced by the application of materiality which is further explained in the section 'Our responsibilities for the audit of the Financial Statements'.

We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and to evaluate the effect of identified misstatements on our opinion.

Based on our professional judgement, we determined materiality for the Financial Statements as a whole as follows:

Overall group materiality	€13.7 million (2015: €13.3 million).
How we determined it	5% of profit before tax adjusted for exceptional items.
Rationale for benchmark applied	We have applied this benchmark, a generally accepted auditing practice, based on our analysis of the common information needs of users of the Financial Statements. We have adjusted profit before tax for exceptional items, which are detailed in Note (8) of the Financial Statements. Adjusting for these exceptional items increases the profit before tax by €10 million (2014: €29 million). We consider this adjusted benchmark appropriate for a profit oriented company as it reflects Euronext N.V. normalized profit before tax, which is a key business driver and a focus of shareholders. On this basis we believe that the normalized profit before tax is an important metric for the financial performance of the Company.
Component materiality	To each component in our audit scope, we, based on our judgement, allocate materiality that is less than our overall group materiality. The range of overall materiality allocated across components was between €2.2 million and €12 million. Components that were in scope for the Group audit were audited to a local statutory audit materiality that was also less than our overall group materiality.

We also take misstatements and/or possible misstatements into account that, in our judgement, are material for qualitative reasons.

We agreed with the Supervisory Board that we would report to them misstatements identified during our audit above €660 thousand (2015: €660 thousand) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

The scope of our group audit

Euronext N.V. is the parent company of a group of entities. The financial information of this group is included in the Consolidated Financial Statements of Euronext N.V. The Group's accounting process is structured around a local finance function in each of the countries (France, Netherlands, Belgium, Portugal, and the United Kingdom) in which the Group operates. The local finance functions report to the head office finance team through an integrated consolidation system.

A full scope audit of the financial information is performed based on significance and/or risk characteristics, of the entities operating securities and derivatives exchanges. In 2016, there were three components that were subjected to audits of their complete financial information as those components are individually significant to the Group. These components include Euronext Paris SA, France, Euronext Amsterdam N.V., Netherlands, and Euronext N.V., Netherlands. There were two components that were subjected to specific risk-focused audit procedures as they include significant or higher risk areas. These components include Interbolsa SA, Portugal and Euronext Technologies SAS, France.

In total, in performing these procedures, we achieved the following coverage on the financial line items:

Revenue	99%
Total assets	94%
Profit before tax	87%

For group entities Euronext N.V. and Euronext Amsterdam N.V. the Group engagement team performed the audit work. For significant component Euronext Paris SA we used component auditors who are familiar with the local laws and regulations to perform the audit work.

For remaining components we performed, among other things, analytical procedures to corroborate our assessment that there were no significant risks of material misstatements within those components.

We used component auditors who are familiar with the local laws and regulations to perform the audit work. Where the work was performed by component auditors, we determined the level of involvement we needed to have in their audit work to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the Consolidated Financial Statements as a whole.

We applied a central approach on the audit of revenue, trade receivables, trade payables, cash and cash equivalents, property, plant, and equipment, and ITGC's. The results of these centralized procedures have been shared with the respective local component auditors. In addition, the Group consolidation, financial statement disclosures and a number of complex items are audited by the engagement team at the head office in Paris. These include the exceptional items (as outlined in Footnote 8 of the Financial Statements), goodwill impairment analyses, fair value accounting on equity investments, audit of uncertain tax positions, and accounting for share based payment transaction.

By performing the procedures above at components, combined with additional procedures at group level, we have obtained sufficient and appropriate audit evidence regarding the financial information of the Group as a whole to provide a basis for our opinion on the Consolidated Financial Statements.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the Financial Statements. We have communicated the key audit matters to the Supervisory Board, but they are not a comprehensive reflection of all matters that were identified by our audit and that we discussed. We described the key audit matters and included a summary of the audit procedures we performed on those matters. The AX implementation and the French restructuring provision key audit matters that were included in prior year, are not relevant for the current year as they were finalized in 2015 and 2016 respectively.

The key audit matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on these matters or on specific elements of the Financial Statements. Any comments we make on the results of our procedures should be read in this context.

Key audit matter	How our audit addressed the matter
Completeness and accuracy of revenue ***(reference to Notes 3 and 4, for more information on the revenue recognition policy)***	
Revenue of €496 million consists of Listing, Trading, Market data, Post trade and Market Solutions and other revenue, generally characterized by high volumes of transactions and relatively low value per transaction. Accordingly, the invoicing and recognition of revenue is highly dependent on automated systems and processes. In that respect the proper and continued functioning of IT General Controls (change management, access and operations), automated controls, and segregation of duties, is of utmost importance to ensure complete and accurate invoicing and reporting of revenue. As a result we have spent a considerable amount of our audit time on this matter. Therefore we consider this a key matter for our audit.	We obtained an understanding of IT general controls and automated controls in order to determine the relevant IT controls for the audit of the Financial Statements. We tested these relevant IT general controls and automated controls. We specifically addressed segregation of duties and potential conflicts therein. To further address risks of material misstatement we requested external confirmations to substantiate the revenue recognized based on a selection of a sample of customers, performed tests of details on selected revenue transactions on a sample basis for example, by agreeing amounts to subsequent cash receipts and agreeing to signed underlying contracts, and performed testing to ensure the revenue recognition occurred in the appropriate period. Furthermore, we gained an understanding of the process around testing of customer self-reporting implemented by management to ensure completeness and accuracy of the related revenue. We subsequently performed tests of details on the outcome of this process as performed by Euronext by agreeing it to third party information.
Valuation of available-for-sale financial assets ***(reference to Note 16 for more information on the valuation of equity investments)***	
• As of 31 December 2016, Euronext owns both a direct and an indirect interest of 3.26% and 1.49% respectively in Euroclear Plc. Valued at €67.6 million as well as a 2.31% interest in LCH.Clearnet Group Limited Plc., valued at €19.2 million. These interests are classified as available-for-sale financial assets with remeasurement to fair value through Other Comprehensive Income. • Management based the valuation on the following methods: • Euroclear investment: fair values taking into account the present value of dividend flows in perpetuity and application of capitalization method (discounted cash flow); • LCH.Clearnet investment: market multiples to earnings and in reference to the unconditional bid of Euronext for LCH.Clearnet SA. • The determination of the fair value involves significant management judgment and assumptions as the shares are not traded on an active market and is therefore considered a key matter for our audit. Assumptions utilized include long-term growth rates, costs of equity, sample of peers used, discount percentages used for lack of marketability.	We have assessed management's valuation and challenged the key assumptions. We independently developed expectations for the key assumptions driving management's analysis in particular on long term growth rates, cost of equity, sample of peers used and discount percentage used for lack of marketability as well as the weight of each valuation technique retained. We compared the outcome of our independently developed expectations with management's key assumptions. We have found management assumptions to be reasonable. Furthermore we have assessed the disclosures in the Financial Statements. We concluded management's valuation to be acceptable.
Implications of the move of the UK technology operations from Belfast to Porto ***(reference to Notes 2, 8, and 24 for more information on the Belfast Restructuring Provision)***	
Euronext is in the process of moving its UK technology operations from Belfast to Porto. During 2016 charges of €2.2 million have been recorded in the income statement and a provision of €1.2 million has been recognized as at 31 December 2016 in relation to the Belfast restructuring plan. The assessment of the completeness and accuracy of charges and the provision, as well as other potential accounting impacts, such as potential impairment of assets and tax accounting implications requires judgement.	Our audit procedures to assess the completeness and accuracy of charges and the provision made by management included challenging the assumptions, concerning the identification and calculation of restructuring charges, potential impairment of assets and tax implications. We tested the assumptions through supporting documentation such as approved restructuring plans, communication to personnel, by comparing them with external benchmarks received and reconciling with payroll data.

Report on the other information included in the annual report

In addition to the Financial Statements and our auditor's report thereon, the annual report contains other information that consists of:

- the following chapters: Risks, Presentation of the Group, Corporate Governance, Selected historical consolidated financial information and other financial information, General Description of the Company and its share capital, Operating and financial review, and glossary;
- the other information pursuant to Part 9 of Book 2 of the Dutch Civil Code.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the Financial Statements and does not contain material misstatements;
- contains all information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained in our audit of the Financial Statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures were substantially less than the scope of those performed in our audit of the Financial Statements.

The management board is responsible for the preparation of the other information, including the directors' report and the other information pursuant to Part 9 Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Our appointment

We were appointed as auditors of Euronext N.V. on 19 May 2014 following the passing of a resolution by the shareholders at the annual meeting. The appointment has been renewed annually by shareholders representing a total period of uninterrupted engagement appointment of three years.

Responsibilities for the Financial Statements and the audit

Responsibilities of the management board and the Supervisory Board for the Financial Statements

The management board is responsible for:

- the preparation and fair presentation of the Financial Statements in accordance with EU-IFRS and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the management board report in accordance with Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the management board determines is necessary to enable the preparation of the Financial Statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the Financial Statements, the management board is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the management board should prepare the Financial Statements using the going-concern basis of accounting unless the management board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The management board should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the Financial Statements.

The Supervisory Board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the Financial Statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our audit opinion aims to provide reasonable assurance about whether the Financial Statements are free from material misstatement. Reasonable assurance is a high but not absolute level of assurance which makes it possible that we may not detect all misstatements. Misstatements may arise due to fraud or error. They are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 7 April 2017

PricewaterhouseCoopers Accountants N.V.

Original has been signed by

H.C. Wüst RA

Appendix to our auditor's report on the Financial Statements 2016 of Euronext N.V.

In addition to what is included in our auditor's report we have further set out in this appendix our responsibilities for the audit of the Financial Statements and explained what an audit involves.

The auditor's responsibilities for the audit of the Financial Statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error. Our audit consisted, among other things of the following:

- identifying and assessing the risks of material misstatement of the Financial Statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management board;
- concluding on the appropriateness of the management board's use of the going concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the Financial Statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the Financial Statements, including the disclosures, and evaluating whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Considering our ultimate responsibility for the opinion on the Company's Consolidated Financial Statements we are responsible for the direction, supervision and performance of the Group audit. In this context, we have determined the nature and extent of the audit procedures for components of the Group to ensure that we performed enough work to be able to give an opinion on the Financial Statements as a whole. Determining factors are the geographic structure of the Group, the significance and/or risk profile of group entities or activities, the accounting processes and controls, and the industry in which the Group operates. On this basis, we selected group entities for which an audit or review of financial information or specific balances was considered necessary.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Supervisory Board, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest..

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GLOSSARY

ACPR	The French Prudential Supervision and Resolution Authority *(Autorité de Contrôle Prudentiel et de Résolution)*
AFM	*Stichting Autoriteit Financiële Markten*, the Netherlands Authority for the Financial Markets
Alternext	Multilateral trading facilities operated by the Company in Paris, Brussels and Lisbon.
AMF	French Authority for the Financial Markets *(Autorité des Marchés Financiers)*
Articles of Association	The Articles of Association *(statuten)* of the Company
Brexit	British exit, referring to the UK's decision in a referendum on 23 June 2016 to leave the European Union
CAGR	Compounded annual growth rate
Cash Clearing Agreement	The Cash Clearing Agreement entered into between Euronext and certain of its affiliates and LCH.Clearnet S.A. and LCH.Clearnet Group Limited on 22 January 2013
CCPs	Central counterparties
CDP	Carbon Disclosure Project: CDP is a not-for-profit organization that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Clearing Services	Clearing Services is the procedure by which an organisation (CCP) acts as an intermediary and assumes the role of a buyer and seller in a transaction through the process of novation in order to reconcile orders between transacting parties.
CMVM	*Comissão do Mercado de Valores Mobiliários*, the Portuguese Securities Markets Commission
Code of conduct and ethics	Code that reaffirms the Euronext N.V.'s commitment to high standards of ethical conduct and reinforces its business ethics, policies and procedures
Company	Euronext N.V. and its consolidated subsidiaries, unless otherwise indicated
Compliance department	The Compliance department of Euronext N.V.
COO	Chief Operating Officer
Core Items	The intellectual property in the UTP and other trading technology, including core software and technology
CSD	Central Securities Depositories
CSD Regulation	EU Regulation on securities settlement and central securities depositories (published on the Official Journal of the European Union on 23 July 2014)
DBAG	Deutsche Börse AG
Derivatives Clearing Agreement	The Derivatives Clearing Agreement entered into between Euronext and certain of its affiliates and LCH.Clearnet S.A. and LCH. Clearnet Group Limited on 14 October 2013. The revenue sharing agreement became effective as of 1 April 2014
Code	The Dutch Corporate Governance Code
Dutch Financial Supervision Act	The Dutch Financial Supervision Act (Wet op het Financieel Toezicht) and the rules promulgated thereunder
EBITDA	Operating Profit Before Exceptional Items and Depreciation and Amortisation
ECB	European Central Bank
EEA	European Economic Area
EMEA	Europe, Middle East and Africa
EMIR	The EU Regulation on OTC derivative transactions, central counterparties and trade repositories (Regulation 648/2012)
ESG	Environmental, Social and Governance
ESMA	European Securities and Markets Authority
ETF or ETFs	Exchange traded funds
ETPs	Exchange traded products
EU	European Union
EU Market Abuse Rules	The EU Market Abuse Regulation 596/2014/EU, providing for specific rules that intend to prevent market abuse, such as the prohibitions on insider trading, divulging inside information and tipping, and market manipulation.
€, Euro	The lawful currency of the Member states of the European Union that have adopted it
Euroclear	Euroclear Bank S.A./N.V.
Euronext	Euronext N.V. and its consolidated subsidiaries, unless otherwise indicated
Euronext Amsterdam	Euronext Amsterdam N.V. and/or the Regulated Market of the Company in Amsterdam

Euronext Brussels	Euronext Brussels S.A./N.V. and/or the Regulated Market of the Company in Brussels
Euronext College of Regulators	The parties to a Memorandum of Understanding between the competent authorities regarding the co-ordinated regulation and supervision of Euronext being the FCA, the AMF, the AFM, the FSMA and the CMVM
Euronext Lisbon	Euronext Lisba-Sociedade Gestora de Mercados Regulamentados and/or the Regulated Market of the Company in Lisbon
Euronext London	Euronext London Ltd. and/or the Regulated Market of the Company in London
Market Operator	The operator of a Regulated Market
Euronext Market Subsidiary or Subsidiaries	(A) each and any of (1) Euronext Paris S.A., (2) Euronext Amsterdam N.V., (3) Euronext Brussels S.A./N.V., (4) Euronext Lisbon S.A., (5) Euronext London Ltd and (6) any other Subsidiary of the Company operating a Regulated Market, and (B) any other Subsidiary that is subject to regulatory supervision controlled, directly or indirectly, by any of the entities listed in sub-paragraph (A), including without limitation Interbolsa S.A.
Euronext Paris	Euronext Paris S.A. and/or the Regulated Market of the Company in Paris
Euronext Rulebooks	The Euronext Rulebook containing the rules applicable to the Euronext Market Operators (Rulebook I) and the various non-harmonised Euronext Rulebooks containing local exchange-specific rules (Rulebook II)
Exchange Licence	(A) each declaration of no-objection or approval granted by or on behalf of the College of European Regulators to the Company in relation to the operation or holding of one or more Regulated Markets and/or the operation of one or more multilateral trading facilities by the Company or any of the Euronext Market Subsidiaries, (B) each licence granted by or on behalf of the Minister of Finance of the Netherlands to the Company in relation to the operation or holding of one or more Regulated Markets, as well as (C) each declaration of no-objection granted by or on behalf of the Minister of Finance of the Netherlands to any person holding a qualifying participation in the Company and/or any of its Euronext Market Subsidiaries in the Netherlands within the meaning of section 1 of the Act, in each case such licence, approval or declaration of no-objection (i) as granted pursuant to the Act or other applicable law implementing Directive 2004/39/EC or the relevant memorandum of understanding constituting the College of European Regulators and (ii) as in force and as amended at the relevant time
Facilities Agreement	The Facilities Agreement relates to a term loan facilities and a revolving loan facilities entered into between Euronext NV and Bank syndicates
FCA	The UK Financial Conduct Authority
FCPE	Fonds Commun de Placement d'Entreprise "Euronext Group"
FICC	Fixed Income, Currencies and Commodities
FinTech or fintech	abbreviation for Financial Technology
FRSA	The Dutch Financial Reporting Supervision Act *(Wet toezicht financiële verslaggeving)*
FSMA	Belgian Authority for the Financial Markets (Financial Services and Markets Authority)
FTEs	Full-time employee equivalents
FTT	The Financial Transaction Tax proposed by the European Union
General Meeting	The general meeting of shareholders *(algemene vergadering van aandeelhouders)* of Euronext N.V.
GHG	Green House Gaz
GOA	The further amended and restated governance and option agreement, to which ICE, the *stichting* and the Company are parties
Group	The Company and its consolidated subsidiaries
ICE	Intercontinental Exchange, Inc. (formerly named Intercontinental Exchange Group, Inc.), together with its consolidated subsidiaries
IFRS	International Financial Reporting Standards as adopted by the European Union
IPO	Initial public offering
IT	Information technology
Interbolsa	The CSD in Portugal for the Portuguese market
JV SPV	Joint Venture Special Purpose Vehicle
LCH.Clearnet	Banque Centrale de Compensation, trading as LCH.Clearnet
LCH.Clearnet Agreements	The Cash Clearing Agreement and the Derivatives Clearing Agreement
LIFFE	LIFFE Administration and Management
LTI	Long Term Incentive
LSEG	London Stock Exchange Group plc,
MAD	The EU Market Abuse Directive (2003/6/EC), now superseded by MAR
Managing Board	The Managing Board *(bestuur)* of Euronext N.V.
MAR	EU Regulation on insider dealing and market manipulation (published on the Official Journal of the European Union on 16 April 2014) which replaces MAD since its entry into force on 3 July 2016

MiFID I	The EU Markets in Financial Instruments Directive (2004/39/EC)
MiFID II	The revised EU Directive on MiFID (published on the Officiel Journal of the European Union on 12 June 2014)
MiFID II / MiFIR legislation e	MiFID II and MiFIR
MiFIR	EU Regulation on Markets in Financial Instruments (published on the Official Journal of the European Union on 12 June 2014)
MTFs	Multilateral trading facilities designated under MiFID and MiFID II
NYSE Euronext	The Parent through 13 November 2013
Offering	The offering of Ordinary Shares as that took place on 20 June 2014
Optiq ®	New enhanced multi-market trading platform
Ordinary Shares	Issued and outstanding ordinary shares in the share capital of the Company
OTC	Over-the-counter
Parent	NYSE Euronext, through 13 November 2013, and ICE, from 13 November 2013 until 20 June 2014
Priority Share	Priority share in the share capital of the Company
Prospectus Directive	Directive 2003/71/EC of the European Union, and any amendments thereto, including Directive 2010/73/EU
Qualifying Participation	Direct or indirect interest of 10% or more of the share capital or voting rights
Quantitative Easing	Quantitative easing is a monetary policy in which a central bank purchases government securities or other securities from the market in order to lower interest rates and increase the money supply
Reference Shareholders	A group of institutional investors comprised ofNovo Banco., an affiliate of Banco Espírito Santo, S.A., BNP Paribas S.A., BNP Paribas Fortis S.A./N.V., ABN AMRO Bank N.V. through its subsidiary ABN AMRO Participaties Fund I B.V., ASR Levensverzekering N.V. (a company of the ASR Nederland group), Caisse des Dépôts et Consignations, Bpifrance Participations, Euroclear S.A./N.V., Société Fédérale de Participations et d'Investissement/Federale Participatie- en Investeringsmaatschappij, Société Générale and BancoBPI Pension Fund represented by BPI Vida e Pensões – Companhia de Seguros, S.A.
Reference Shareholders Agreement	The agreement entered into by the Reference Shareholders dated 3 June 2014.
Regulated Market	A multi-lateral system or trading venue designated to be a "egulated market" under MiFID and MiFID II
RIE	Recognised investment exchange
Selling Shareholder	ICE Europe Parent Ltd
Separation	Establishment of Euronext as an independent, publicly traded company by means of an initial public offering
SFTI®	Secure Financial Transactions Infrastructure
Shareholder	Any shareholder of the Company at any time
Share Purchase Agreement	The sale and purchase agreement of Ordinary Shares in Euronext N.V. entered into between ICE, the Selling Shareholder and the Reference Shareholders dated 27 May 2014
Single Order Book	Single Order Book for Euronext Paris, Euronext Amsterdam, Euronext Brussels and Euronext London which unites trading, clearing and settlement across the exchanges in France, Belgium, the Netherlands and the United Kingdom, which results in one single trading line for all listed securities, including those listed currently on more than one Euronext markets for which the Single Order Book executes trades on the designated market of reference
SLAs	Transitional services agreements and related agreements
SMEs	Small and medium enterprises
SRI	Socially Responsible Investing refers to investment strategies that seek to maximise financial return while maximising social good and minimizing environmental footprint
Subsidiary	Has the meaning as referred to in section 2: 24a of the Dutch Civil Code
Supervisory Board	The Supervisory Board of Euronext N.V.
Support Items	Related support items to the Core Items
Tech or tech	abbreviation for technology
Transparency Directive	The EU Transparency Directive 2004/109/EC, as amended by Directive 2013/50/EU with respect to transparency and disclosure obligations
T2S	TARGET2-Securities, the European technical platform set up and operated by the Eurosystem that allow core, neutral and borderless settlement of securities transactions on a DvP (delivery-versus-payment) basis in Central Bank Money.
UK FSMA	UK Financial Services and Markets Act 2000
UTP or Euronext UTP	Universal Trading Platform or Euronext Universal Trading Platform

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