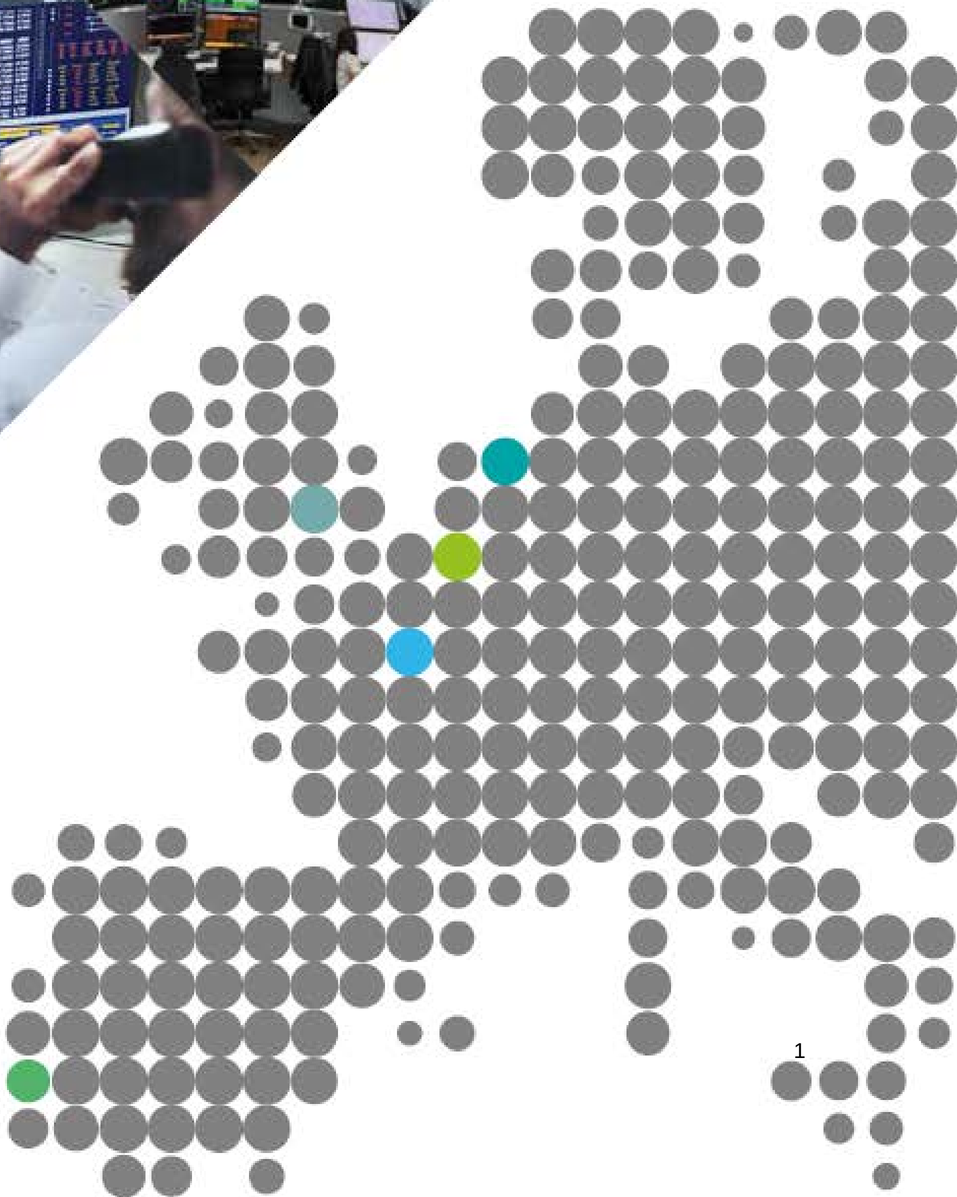
2017 REGISTRATION DOCUMENT



Euronext N.V.

2017 Registration Document

including the Annual Financial Report

as of 29.03.2018

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, and with article 5:25c of the *Wet op het financieel toezicht*, filed in English with, and approved by, the ***Stichting Autoriteit Financiële Markten*** (the "AFM") on 29 March 2018 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.

CONTENTS

The "Risks" section, and chapters 1,2,3,4 and 5, mentioned below are part of the Annual Report within the meaning of Article 2:391 of the Dutch Civil Code

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, including risk appetite, 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 2018: (a) the outlook for economic growth (b) the extension and subsequent tightening of ECB's asset purchase programme and (c) political uncertainty resulting from Brexit and (d) the Trump administration strategy. As a result, volumes are expected to grow in 2018 in comparison to 2017 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 as well as in the corporate services market, where Euronext provides support to newly listed and existing companies. 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 remains challenging as a result of competition and consolidation, which can have an impact on Euronext's pricing and related market share. In addition, Article 35 and 36 of EU Regulation No 600/2014 has brought into force open access clauses which, according to ESMA, may promote greater competition among market infrastructures.

Market Data provides a wide range of data products to the global investment community, including pre- and post-trade market prices, indices, and reference data. The evolving competitive environment around data provision with other exchanges and market participants, coupled with the MIFID II provisions to provide certain data package to clients, the landscape will evolve and the outcome for Euronext is not known.

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 competition from financial institutions that have the ability to divert trading volumes by offering more attractive prices due to the new regulation that MiFID II has brought to this part of the market, and the outcome of the behavior is not yet known. 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. This technology has change impacts to Euronext Market Services and Technology teams given the innovation undertaken. Optiq Market Data Gateway was launched in 2017, and the core trading technology for the regulated markets is expected in 2018. If these programs are not completed, or do not operate as intended, identified synergies may not be delivered and the marketplace may be questioned.

The Company has entered and may continue to 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. Similarly, if acquisitions are initially agreed but not closed, this may impact our reputation and our strategic growth plan. 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 doing so, 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. In addition, if Euronext continues to expand, other jurisdictions such as the United States, in relation to its application to the SEC/FINRA to operate an ATS in the

US related to bonds (Synapse), Ireland, given the acquisition of the Irish Stock Exchange, and Asia, with regards to initiatives for FastMatch expansion, may bring additional requirements. 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 has been amended and extended. Initially scheduled for market application in 2017, the revised European Union Markets in Financial Instruments Directive (MiFID II / MiFIR) is effective since 3 January 2018. Compliance to this new regime by all market actors will potentially change the competitive landscape and may, therefore, have an adverse effect on the Company's business.

Key clauses from MiFID II that are being monitored include the impact of the tick size regime, the growth in size and scale of trading via systematic internalisers approach and open access provisions. The outcome, given the implementation date of 3 January 2018, is not yet known.

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).

A Group of Reference Shareholders, under a shareholders agreement, owns in aggregate 23.86% 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 continued to apply its right to propose a third of the Supervisory Board directors to the General Meeting of Shareholders ,

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.

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.

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.

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 areas.

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 SA, the Paris based clearing house of LCH SA Group Ltd, which is majority owned by LSEG, one of its competitors, Euronext relies on LCH SA 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.

MiFID II has brought into force the open access and interoperability rules in relation to clearinghouses. While there are transitional arrangements (Art. 54 of EU Regulation No 600/2014) that have been granted for Euronext, as well as other trading and clearing venues for a period of 30 months, it is uncertain how this can impact Euronext in the future also because it is not the ultimate owner of its clearing solution.

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 AND INTEGRATION

The Group's change agenda is driven by internally determined programs, acquisitions and external factors. Internal programs include transforming Euronext technology and business operations through Optiq®, the new enhanced multi-market trading platform, evolving its data governance processes and executing its Agility for Growth strategy including launching of new services and acquisitions. Acquisitions include Company Webcast, iBabs, Fastmatch, InsiderLog and the Irish Stock Exchange. External factors include the changing business and regulatory landscape, resulting from global economic factors, as well as MiFID II implementation and Brexit impacts.

The number of significant programs and recent acquisitions, including the acquisition of the Irish Stock Exchange, 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, culture, reputation and financial condition of the Company, including an increased cost base without a proportionate increase in revenues.

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. Euronext's success will depend, in part, on this continued innovation and investment in its trading systems and related ability to 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 business contracts and regulated by various law, including data protection, in the countries in which it operates.

The Group networks may be vulnerable to exfiltration, unauthorised access and other security incidents including:

- third parties to whom Euronext provides information may not take proper care with this information and may not be diligent in safeguarding it ;
- the Group systems may experience security incidents as the volume of cyber-attacks are increasing in general and in particular within the financial sector. Advanced persistent threats are within the most effective and disruptive cyber-attacks.
- 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.

OWNERSHIP AND INTELLECTUAL PROPERTY

Euronext owns or licences rights to a number of trademarks, service marks, trade names, copyrights, free or open source software and databases that are used in its business. To protect its intellectual property rights or any other 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, in defending its ownership or 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 or contributing to open source. 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 defense.

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, data privacy 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. These risks include as well potential liability from disputes as regard non-compliance of the Group to its data privacy obligations as controller or processor.

Dissatisfied customers may make claims against their service providers regarding quality of trade execution, improperly settled trades, mismanagement or even fraud or non-compliance with data privacy obligations. In this specific case (i.e. non-compliance with data privacy regulation), claims may also arise from a data subject as defined by data privacy regulation or data privacy authorities. 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.

KEY FIGURES

2017 saw an improved trading environment, despite very low volatility, with a better macro environment in Europe at the end of the year. This translated into improved trading volumes on both cash and derivatives markets, with derivatives also benefiting from The Order Machine (TOM) ceasing activities in the Netherlands in June 2017. As a consequence, Euronext consolidated revenue increased by +7.2% in 2017, to €532.3 million, mainly driven by volume growth, the positive impact of Agility for Growth initiatives and by the n of FastMatch in August 2017, which diversified Euronext's top line with spot FX trading revenue.

€532.3m
+7.2%
REVENUE

55.9%
EBITDA MARGIN

€241.3m
+22.5%
NET INCOME

€1.73m
+21.8%
DPS

687
HEADCOUNT

€3.7bn
EURONEXT MARKET CAPITALISATION

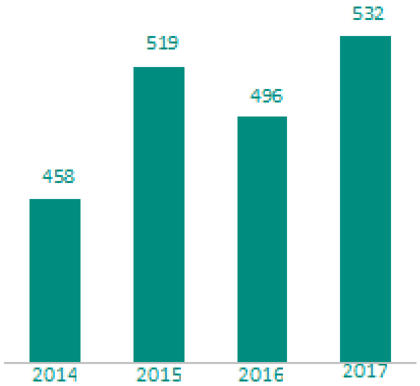
1,300
ISSUERS

€7.5bn
CASH ADV

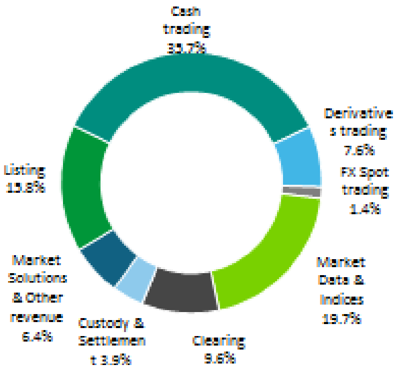
Euronext is the first pan-European exchange, spanning Belgium, France, the Netherlands, Portugal and the UK. Our unique model unites marketplaces that date back as far as the start of the 17th century, and is designed to incorporate the individual strengths and assets of each market, combining heritage and forward-looking modernity.

We operate four national regulated securities and derivatives markets in Amsterdam, Brussels, Lisbon and Paris, and the UK-based regulated securities market, Euronext London.

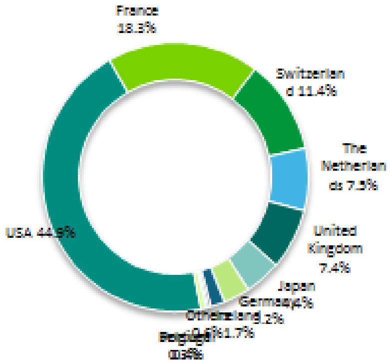
Third party revenue



Source of 2017 revenue



Origins of 2017 flows for cash trading



Key highlights

2017 was a strong year with key milestones reached for Euronext. We launched growth initiatives, resolved the uncertainties related to clearing, secured the first significant acquisitions since our IPO, delivered the first components of Optiq® and became MIFID II compliant.

Over 2017, Euronext invested or committed over €300 million in 8 companies, allowing us notably to expand into new asset classes and for the first time since our IPO, open the federal model to another European exchange.

Building up the Corporate Services offering

Early 2017, Euronext acquired a 51% majority stake in Company Webcast, a Dutch company specialised in professional webcast and webinar services, adding high-end webcast and webinar solutions to its offering. The franchise was strengthened with the acquisition of a 60% stake in iBabs, a leading Dutch provider of dematerialised board portal solutions for corporate and public organisations, in July 2017 marking the achievement of a significant milestone in the development of the Euronext Corporate Services franchise. All these solutions are integrated into the Euronext Corporate Services offering alongside existing services, part of the Agility for Growth initiatives.

Diversifying asset classes: Entering into spot FX markets

In August 2017, Euronext completed the acquisition of 90% of FastMatch, Inc., for – the fastest growing Electronic Communication Network in the spot Foreign Exchange market with leading-edge technology, entrepreneurial spirit and access to a large, transparent and diversified pool of liquidity at unrivalled speed and capacity. Consistent with Euronext's "Agility for Growth" strategy, this transaction diversifies Euronext's top line, accelerates its growth profile and allows the group to extend its "best execution" value proposition to an additional asset class.

Securing a clearing environment and enhanced solutions for our trading members

Following the acquisition of a 20% stake in EuroCCP in December 2016, Euronext implemented in 2017 a user preferred choice clearing model for its equity markets, allowing its cash trading members to choose between LCH SA and EuroCCP. Further, on 1 November 2017, Euronext renewed of its agreement with LCH SA on the continued provision of derivatives and commodities clearing services for a period of 10 years. This was followed, on 29 December, by the completion of the swap of its 2.3% stake in LCH Group for an 11.1% stake in LCH SA, a leading multi-asset CCP in the Eurozone. This transaction strengthened the long-standing relationship between Euronext and LCH SA, and cement the strategic future of LCH SA. In addition, through this transaction, Euronext secured a pre-emption right in circumstances where LCH Group decides to sell more than 50% of the shares of LCH SA[1]

Providing with new innovative solutions to power capital markets

Through a JV and a minority investment, Euronext entered into a strategic collaboration with Algomi, a leading Fixed Income technology provider, resulting in Euronext Synapse, a new MTF that connects pools of liquidity and market participants within a new anonymous inter-dealer centralised market place. Euronext Synapse links banks and their customers together for liquidity, execution and reporting services with the appropriate level of protection for fixed income markets. Euronext also participated in the launch of LiquidShare, a dynamic and innovative company which core objective is to improve SME's access to capital markets, improving the transparency and security of post-trading operations using blockchain.

Renewal of the Reference Shareholder agreements

In June 2017, Euronext's Reference Shareholders decided to extend an amended version of their Reference Shareholders Agreement, with a reduced aggregated holding of 23.86% of Euronext share capital, locked until June 2019. The former Reference Shareholders group previously held 33.36% since Euronext's IPO. This new RSH Agreement maintains a core group of long-term, pan-European shareholders committed to support the growth strategy of Euronext, while the reduction of the number of shares held by the RSH increased Euronext's free float.

Delivering a new state-of-the-art trading platform and MiFID II compliant systems

Euronext worked actively with its clients over 2017 to ensure MiFID II compliance of its IT systems by 3 January 2018. Meanwhile, Euronext delivered the first milestones of its new state-of-the-art trading platform Optiq™, with Optiq® Market Data Gateway for cash delivered to clients in March 2017 and for derivatives in July 2017, providing customers with maximum flexibility, simplified and harmonized messaging as well as high performance and stability. These achievements were supported by Euronext two IT centre of Excellence, in Paris, and since 2017, in Porto, where Euronext has built a specialist team of analysts, developers and engineers to support the commercial technology business.

Supporting the growth of European Tech SMEs: Launch of the European Tech SME initiative

Committed to becoming the reference listing venue for Tech companies in Europe, Euronext announced in September 2017 the opening of new offices in five European cities outside its core markets – in Germany (Frankfurt, Munich), Italy (Milan), Spain (Madrid) and Switzerland (Zurich) – deploying teams on the ground to work collaboratively with local ecosystems to assist Tech companies in developing their business on a greater scale through capital markets.

Expanding the federal model: announced acquisition of the Irish Stock Exchange

On 29 November 2017, Euronext announced the acquisition of 100% of the shares and voting rights of the Irish Stock Exchange ("ISE"), Ireland's incumbent stock exchange operator and a leading global debt and fund listing venue. This transaction, completed on 27 March 2018 brings together two highly complementary businesses with significant growth opportunities and expands Euronext's federal model to a new attractive European country. It creates a leading global player in debt and fund listings, combining the listing expertise of ISE with the traded markets expertise of Euronext. Euronext will benefit from ISE's leading global positions in debt and fund listings as well as its unique product and listing expertise. The acquisition will also enhance Euronext's growth outlook thanks to ISE's embedded core businesses' growth, complemented by the additional strategic growth plans for ISE, which will be reinforced with the full support of Euronext. The acquisition of ISE by Euronext, combined with Ireland's very competitive economic environment, will further strengthen Ireland's position as a strong European anchor to take advantage of Brexit

[1] The parties have agreed that Euronext will have certain minority protection rights connected with its new shareholding in LCH SA. The pre-emption right involves a right of first offer and subject to certain conditions, a matching right.

opportunities. This transaction will also develop the Irish capital markets ecosystem within a European context and as part of Euronext’s core mission to power the real economy.

1

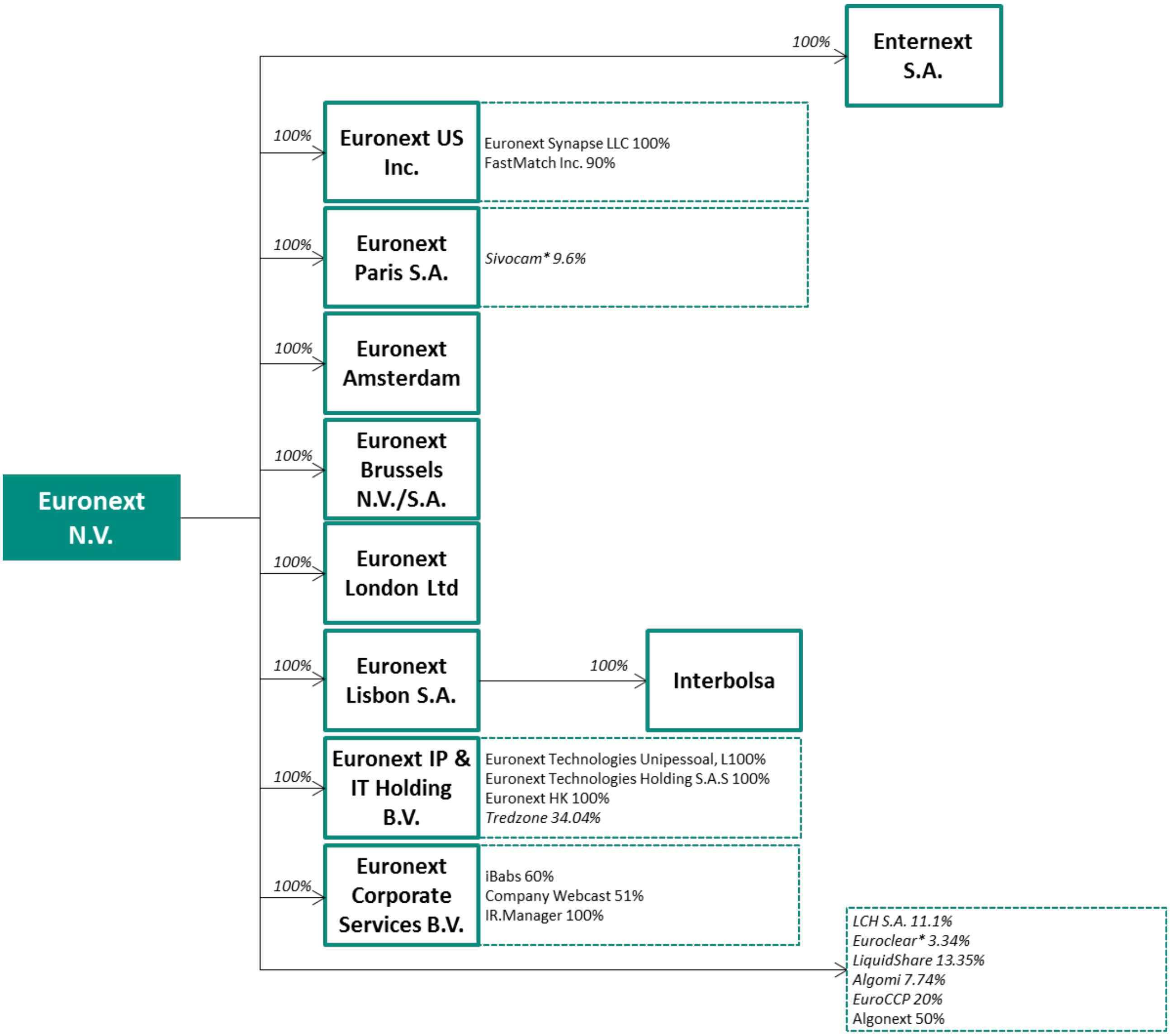
PRESENTATION OF THE GROUP

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. is registered with the trade register of the Chamber of Commerce for Amsterdam, the Netherlands, under number 60234520. Euronext N.V. has its main subsidiaries in Belgium, France, the Netherlands, Portugal and the United Kingdom. In 2017 Euronext has acquired 90% of FastMatch Inc., a North American Electronic Communication Network specialised in spot foreign exchange trading. 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.

The following chart provides with an overview of Euronext N.V. entities. Percentage refer to both share of capital and voting rights.



**Sicovam owns a 15.89% stake in Euroclear*

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, corporate services, cash trading, foreign exchange 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 SA 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.

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.

In May 2016, Euronext N.V. launched its strategic plan named "Agility For Growth" which defines the growth ambitions for 2019, both through organic growth and bolt-on acquisitions. In 2017, Euronext N.V. has diversified its top line, through the acquisition of 90% of the shares of the forex platform FastMatch, and by investing in corporates services companies (see 1.2.5). In addition, Euronext N.V. has continued the expansion of its European federal model, with the proposed acquisition of 100 % of the Irish Stock Exchange in November 2017, which closing occurred on 27 March 2018.

1.1.2 AMBITION

Euronext is the leading continental pan-European marketplace for the real economy. Its core mission and the driver of its strategy is to power pan-european capital markets to finance the real economy, while delivering value to shareholders.

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'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 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, as demonstrated by the announcement on 29 November 2017, and the closing on 27 March 2018, of the acquisition of the Irish Stock Exchange.

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. As part of its Agility for Growth strategic plan, Euronext is developing a complete suite of products offering to help private and public companies make the most effective use of financial markets by providing them with innovative solutions and tailor-made advisory services.

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 together with a global forex trading venue. 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. In 2017, Euronext has opened new offices in five European cities outside its core markets – in Frankfurt and Munich (Germany), in Milan (Italy), in Madrid (Spain) and in Zurich (Switzerland) – to assist Tech companies in developing their business on a greater scale through capital markets

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 fee structure and a reduced cost structure aligned with their narrower service offering.

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. Euronext has built the next generation trading platform, Optiq™, and is well positioned to benefit from its state-of-the art stability and latency.

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 multi-lateral 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 Euronext Growth (formerly Alternext) (Belgium, France, Portugal), Euronext Access (formerly the Marché Libre) in Belgium and in France, BondMatch for institutional bond trading (France) and Euronext Block a pan-European equity block 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 systematic and substantial basis, deals on own account when executing client orders outside a regulated market, an MTF or an OTF without operating a multilateral system. 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)

1.2 Strategy: “Agility for Growth” strategic plan

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 two 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

Client Centricity plays a key role in business development. Euronext launched the second edition of its annual client satisfaction survey in 2017. Last year’s feedback allowed to identify and drive improvements in client interactions, product development and service offerings. In parallel to the client survey, Euronext is conducting an internal online survey to measure employee appreciation and understanding of Client Centricity and the initiatives that have been implemented over the last year.

In terms of proposing innovating services to the financial community, Euronext with other financial institutions has launched on 11 July 2017 Liquidshare, the European blockchain fintech venture for SME post-trade, to improve SME’s access to capital markets, improving the transparency and security of post-trading operations using blockchain.

In line with its announced Agility for Growth strategy, the ongoing cost management discipline has continued all over 2017 to reach the target announced in May 2016 of €22m of costs savings, compared to 1 April 2016.

In order to upgrade its information technology, Euronext continue 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® 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. During the summer 2017, Optiq® Market data gateway went live for cash and derivatives markets, with impressive stability and performance. Optiq® for cash trading is expected to be delivered during the course of 2018.

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;
- launch Euronext Block, an MTF powered by AX Trading technology, in the summer of 2017 to allow participants to trade blocks proactively in a safe environment. So far, trading is available on over 2,000 instruments on 15 markets ;
- 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 focuses 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, 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 2017, Euronext made the following acquisitions and concluded partnerships in accordance with the Agility for Growth strategy:

- **Adding value to issuers – provide modular corporate services:**
  - In February 2017, Euronext acquired a 51% stake in Company Webcast, for an initial consideration of €3.6m. Company Webcast is a Dutch company specialised in professional webcast and webinar services. The company's cutting-edge technology and established market position, combined with the support of Euronext as a strategic shareholder, will enable it to further expand its service offering.
  - In July 2017, Euronext acquired a 60% stake in iBabs, for an initial consideration of €30.1m. iBabs is a leading Dutch company providing corporates and public organisations with a dematerialised board portal solution. The acquisition of iBabs marks a new significant milestone in the development of Euronext's Corporate Services franchise, strengthening Euronext's value proposition to listed companies while targeting a broader audience of private companies and public institutions. iBabs' solutions will support governance, workflow management, efficient decision making process and secured collaboration at board level and more generally across management teams. With the acquisition of iBabs, Euronext will accelerate its growth ambition profile and answer the growing need for streamlining and making governance for organisations more secure.
- **Adding value to investors: enhance Euronext's fixed income offering:** In March 2017, Euronext invested $10m in a minority stake in leading fixed income technology provider, Algomi. Following this partnership, combining Euronext's experience operating fair and orderly markets and Algomi's innovation and award-winning technology led to the launch of a new MTF – Euronext Synapse - that connects pools of liquidity and market participants within a new anonymous inter-dealer centralised market place.
- **Expanding into new asset classes**: In August 2017, Euronext closed the acquisition of a c.90% interest in FastMatch for initial cash consideration of $153 million at closing (on a debt-free cash-free basis). This acquisition was announced in May 2017. FastMatch is a disruptive institutional FX ECN providing customers access to large pools of diversified spot FX liquidity at unparalleled speed. With colocation in three data centers (London, New York and Tokyo), FastMatch offers clients the fastest, most scalable and versatile technology available in the market. FastMatch's cutting-edge proprietary technology offers its established client base, many Tier-1 banks, non-bank market makers, broker-dealers, asset managers and hedge funds, unparalleled execution capabilities, state-of-the-art smart order routing and highly customizable liquidity pools. FastMatch's superior technology allows it to operate with a highly efficient cost structure which in turn gives it the strategic flexibility to competitively price its best-in-class product offering. Euronext will bolster FastMatch's European presence through increased access to institutional clients across Europe. Additionally, FastMatch Inc has launched in September 2017 a consolidated data tape for forex.
- **Expanding Euronext's federal model**: In November 2017, Euronext announced the acquisition of 100% of the shares and voting rights of the Irish Stock Exchange ("ISE"). This transaction was completed on 27 March 2018. Headquartered in Dublin, ISE is Ireland's incumbent stock

exchange operator and a global leader in the listing of debt and funds securities. ISE is the first pool of liquidity for Irish equities, the first debt listing venue globally and the first fund listing venue globally. The transaction brings together two highly complementary businesses with significant growth opportunities and expands Euronext's federal model to a new attractive European country. It creates a leading global player in debt and fund listings, combining the listing expertise of ISE with the traded markets expertise of Euronext. Euronext will benefit from ISE's leading global positions in debt and fund listings as well as its unique product and listing expertise. The acquisition will also enhance Euronext's growth outlook thanks to ISE's embedded core businesses' growth, complemented by the additional strategic growth plans for ISE, which will be reinforced with the full support of Euronext. The acquisition of ISE by Euronext, combined with Ireland's very competitive economic environment, will further strengthen Ireland's position as a strong European anchor to take advantage of Brexit opportunities. This transaction will also develop the Irish capital markets ecosystem within a European context and as part of Euronext's core mission to power the real economy.

1.2.6 SETTING AMBITIOUS FINANCIAL OBJECTIVES

Euronext's Agility for Growth strategy aims to translate into a set of financial objectives.

In May 2016, 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 was expected to reach €575 million, vs. €467 million in 2015, excluding clearing revenue. These expectations relied 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, …).

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 was expected to range between 61% and 63% by 2019.

Update in 2017

2017 has been a very active year for Euronext, with more than 8 investments in companies closed or committed, for more than €300 million. The acquisitions of FastMatch and of the Irish Stock Exchange[2] in 2017, not included in the initial targets, have led the management to allocate resources to highly value creating projects. As a result of these and of the delays related to the on-boarding of clients due to other focus of the industry, the management has also decided to refocus the Agility for Growth initiatives to the most promising projects among those announced in May 2016[3]:

- the Chequers collateral management is cancelled, following client feedbacks, while the inventory management platform is continued,
- the specialist content provider on agricultural commodities is postponed, following the lack of acquisition opportunities that matches Euronext criteria,
- the MTF for ETF opportunity is delayed to H2 2018.

As a result, the 2019 incremental revenue contribution of Agility for Growth initiatives is refined to €55 million (vs. €70 million in May 2016), while core business revenue 2019 targets are unchanged and 2019 revenue will also benefit from the full-year contribution of FastMatch and of the Irish Stock Exchange[4].

Given the recent developments and the current outlook information on risks and opportunities Euronext has, the table below sums up the main 2019 targets:

	2019 targets
Core business revenue *Excluding Clearing, FastMatch, ISE (after closing) and other future acquisitions*	**+2.0%** CAGR$_{15\text{-}19}$ (*unchanged)*
Core business costs savings	**€22m** costs gross savings between 1 April 2016 and 2019 (*unchanged)* *Core business costs reduction expected to start in H2 2018, after the delivery of IT projects*
EBITDA margin	**61 to 63% of EBITDA margin** excluding clearing (*unchanged), FastMatch and Irish Stock Exchange*
Agility for Growth initiatives	**+€55m** revenue between 2015 and 2019 *(vs. €70m in May 2016)* At **50% EBITDA** margin (*unchanged)*

[2] The closing of the Irish Stock Exchange acquisition occurred on 27 March 2018
[3] Please refer to Paragraph 1.2.4

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. In addition, Euronext has set in 2017 a floor at 1.42€ dividend per share for every fiscal year until 2019.

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 2018

Euronext will continue to pursue its Agility for Growth strategic plan to deliver the 2019 targets.

The closing of the Irish Stock Exchange acquisition occurred on 27 March 2018. With the integration of the Irish Stock Exchange in Euronext group, the Group workforce is expected to grow mathematically.

In addition, Euronext will continue the development of Optiq™, with the trading platform for cash planned to be live in the first half of 2018.

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, spot FX 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 2017. Nearly 1,300 issuers representing a combined market capitalisation of approximately €3.6 trillion were admitted to trading on Euronext's markets as at 31 December 2017. In addition, the Company has 804 exchange traded funds ("ETFs"), 596 open-end funds listed on its markets (including Expert Market Funds) and over 60,000 structured products. As of 31 December 2017, 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 2017 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 2017. Euronext market share reached 64.4% on cash trading market in 2017. 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 2017. 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 1,100 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 SA, the Paris-based clearing house of LCH SA Group Limited ("LCH.Group"), in respect of the clearing of Euronext's cash products. In 2017, Euronext renewed the separate derivatives clearing agreement with LCH SA that provides for a revenue sharing arrangement in respect of the clearing of Euronext listed derivatives, and became minority shareholder with strong pre-emption rights, with 11.1% of LCH SA capital. In addition, Euronext owns and operates Interbolsa, the Portuguese national Central Securities Depository ("CSD").

Since 2016, Euronext owns 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 an equal shareholder in the Company alongside ABN Amro Clearing Bank, Bats Europe, The Depository Trust & Clearing Corporation (DTCC) and Nasdaq. This deal enabled 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 venue operators. These solutions and services use Optiq® and other applications developed by Euronext or licensed from third-parties. Optiq® has already been licensed to five international exchanges. This rapid take-up by the exchange industry demonstrates the attractiveness of the reliability, flexibility and cost of ownership benefits that Optiq® offers. To drive further sales, Euronext has appointed a global systems integrator as its sales and delivery partner for Optiq®. The global sales capabilities of this partner will enable Euronext to promote and deliver Optiq® cost effectively to exchanges and venue operators around the world.

Euronext continues to provide software support and maintenance services for the legacy trading platforms, Euronext UTP and *Nouveau Système de Cotation* ("NSC™"). Euronext has a perpetual, royalty-free license from ICE to use, modify and sub-license these platforms (see section 5.2 *"Material contracts and related party transactions"*).

In addition to software licensing, Euronext offers access to its trading software in the form of managed services. Exchanges and venue operators can take advantage of fully-hosted trading and clearing platforms without investing in data center or network infrastructure. With banks and financial intermediaries increasingly seeing migration to cloud and software-as-a-service as solutions to the competing pressures of cost-reduction and regulatory complexity, Euronext's experience as a service provider is receiving renewed interest. Euronext's MiFID II compliant MTF and SI services build on Euronext's own software, processes and infrastructure and offer clients an effective way to reduce costs without increasing regulatory risk.

The market solutions and other business also receives revenue for network connectivity and server colocation under a revenue sharing agreement with ICE. This agreement enables Euronext to benefit from service sales to clients who connect to its markets via the ICE SFTI® network or who take colocation space in the ICE data centers that house Euronext's trading platforms.

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 50% of cash equities trading average daily volume and 72% of derivatives trading average daily volume for the year ended 31 December 2017. 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 45% and 4% respectively of Euronext's cash equities trading average daily volume and 28% and 0% respectively of its derivatives trading average daily volume for the year ended 31 December 2017, 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 2017, approximately 44% of the Company's revenues were generated by the non-volume related businesses. Non-volume related businesses include market data and indices, listings excluding IPOs, custody and settlement, 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 2017 and for the year ended 31 December 2016:

	YEAR ENDED 31 DECEMBER 2017		YEAR ENDED 31 DECEMBER 2016	
In thousands of euros	REVENUE	% OF TOTAL REVENUES	REVENUE	% OF TOTAL REVENUES
Listing	84,247	15.8%	68,708	13.8%
Trading revenue	237,854	44.7%	220,835	44.5%
of which:				
• Cash trading	190,276	35.7%	180,727	36.4%
• Derivatives trading	40,339	7.6%	40,108	8.1%
• Spot FX trading	7,239	1.4%	-	n/a
Market Data and Indices	104,673	19.7%	105,697	21.3%
Post-trade	71,698	13.5%	67,627	13.7%
of which:				
• Clearing	51,132	9.6%	47,992	9.7%
• Custody and Settlement	20,566	3.9%	19,635	4.0%
Market solutions & other	33,465	6.3%	33,009	6.6%
Other income	357	0.1%	560	0.1%
TOTAL REVENUE	532,294		496,436	

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

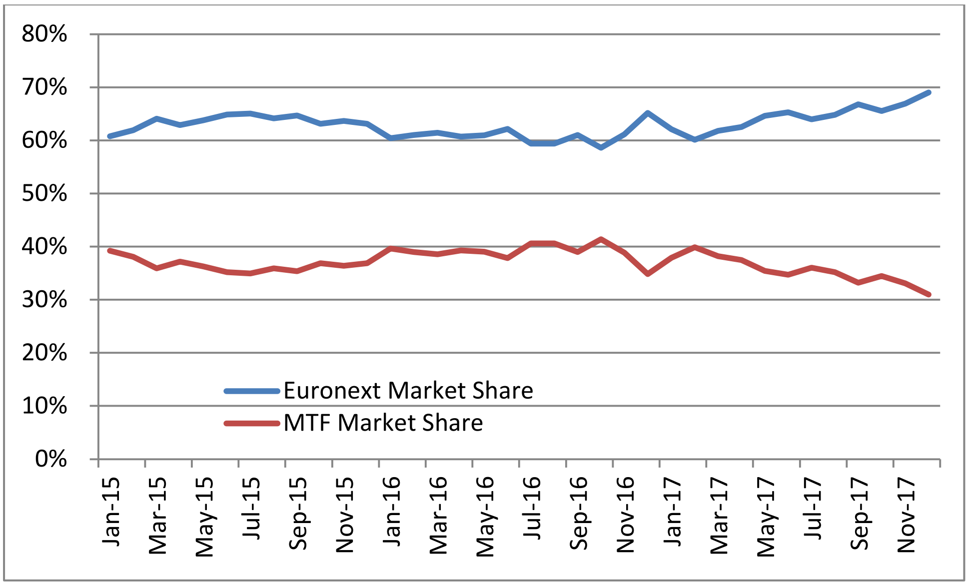
Euronext's cash equities markets have a diverse member base by geography and trading profile, making for a particularly rich and diversified order book.

Euronext offers superior market quality to competitors: in December 2017, Euronext provided for blue-chips on average 80% presence at EBBO (European Best Bid and Offer), of which 65% 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 58,289 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 3.72 basis points.

MARKET QUALITY, DEPTH AND LIQUIDITY OF EURONEXT COMPARED TO MTF

BLUE CHIPS *(December 2017)*	**PRESENCE TIME AT EBBO** *(%)*	**EBBO WITH GREATEST SIZE** *(%)*	**EBBO SETTER** *(%)*	**RELATIVE SPREAD** *(bps)*	**DISPLAYED MARKET DEPTH** *(€)*
EURONEXT	**80%**	**43%**	**65%**	**3.72**	**58,289**
BATS EU	34%	0%	3%	8.01	14,620
Chi-X	55%	2%	10%	6.29	18,375
Equiduct	2%	0%	0%	61.8	23,984
Turquoise	41%	0%	5%	7.33	16,737

The table above is indicative of five metrics allowing to compare Euronext order book liquidity against the most active MTF on the Euronext securities.



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 €3.6 trillion.

The Company is the third-largest exchange traded funds ("ETF") market in continental Europe by number of ETF trades, with 804 listed ETFs and an average daily trading value of approximately €473 million from January to December 2017. Euronext is the second-largest warrants and certificates market in Europe, with over 60,000 instruments at 31 December 2017, and in total nearly 150,000 products have been listed in 2017. More than 5.5 million trades took place on those instruments in the twelve months ended 31 December 2017.

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 €6.6 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 5,600 corporate, financial institutions and government bonds listed on its markets and an internationally recognised derivatives platform.

Optiq™

Euronext is currently upgrading its core trading platform with Optiq, a new enhanced, multi-market trading platform, providing customers with maximum flexibility, simplified and harmonized messaging as well as high performance and stability. Optiq combines latest technologies with in-house expertise.

Optiq is being rolled out across the Euronext markets to replace the Euronext Universal Trading Platform ("UTP") in a phased implementation process. Market data have been managed through Optiq for both cash and derivatives since July 2017, already delivering massive benefits to the clients' community. Migration of the orders management gateway and matching engine for cash will be completed in the first half of 2018.

Some of the third party exchange using UTP or former Euronext solutions have already started projects to migrate to Optiq. Other exchanges and market operators have also shown interest in this best of breed solution.

"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 Listing - 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 €3.6 trillion. Euronext's listing franchise includes 270 large cap companies (companies with a market capitalisation above €1 billion) and 954 small & mid capitalisation companies as at 31 December 2017.

Euronext's listed issuers account for 49% of EURO STOXX 50, and 23% of EURO STOXX 600. In addition, Euronext is one of Europe's venue of choice for the listing of bonds, with approximately 5,600 corporate, financial institutions and government bonds and money market instruments, representing nearly 660 issuers listed on Euronext's markets.

In addition, Euronext issuers are eligible to 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

In 2017, Euronext has changed its market names for easier identification and definition of its listing and service offering towards issuers:

- The Free Market and Easynext became Euronext Access.
- Alternext became Euronext Growth.
- Euronext (compartments A, B and C) remains the group's regulated market, and operates with no changes.
- Euronext opened a new compartment called Euronext Access+, within Euronext Access. Designed for both start-ups and SMEs, Euronext Access+ will help them make a smooth transition and acclimatization to other Euronext markets, notably in terms of investor communications and transparency. This new compartment, which is part of Euronext Access, is a springboard to other Euronext markets. Companies admitted to trading on Euronext Access+ will be given additional assistance and their shares will benefit from greater visibility.

Euronext, Euronext Growth and Euronext Access, 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.

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

Operating in Brussels, Lisbon and Paris, Euronext Access 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 Euronext Access.

Euronext also offers alternative markets such as: 1) Trading Facility, a MTF in Belgium and 2) 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 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, Euronext Growth and the Belgian Euronext Access 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 2017 with a new feature allowing each listed company to download a "Listed Emblems" : a logo that visually declares the listed company status on the Euronext stock exchange. The Listed Emblems increase the visibility and recognition of a listed company within the financial community, sending a powerful message to the target audience.

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

Over the last years, Euronext has developed a series of initiatives to better accompany small and medium businesses leaders in their financing decisions and raise awareness towards investors.

Furthermore, in 2013, Euronext launched EnterNext, its subsidiary dedicated to developing and promoting SMEs on its stock markets.

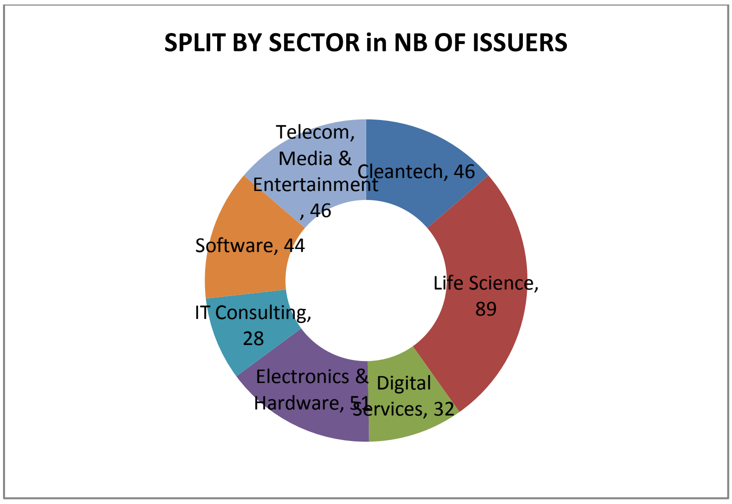
Euronext also contributes to increasing the visibility of the Small & Mid-Caps among investors through roadshows, a wide range of investor events and one-to-one meetings and equity research programmes.

As of 31 December 2017, Euronext SMEs comprises 723 companies in Belgium, France, the Netherlands and Portugal, representing a total market capitalisation of €160 billion.

Tech initiatives[4]

Euronext developed initiatives targeting the Tech sector and family businesses. In particular, TechShare, a free pre- IPO educational programme, has welcomed a growing number of applicants since its launch in 2015, totalizing 143 alumni.

SPLIT BY SECTOR/NB OF ISSUERS



1.3.3.2 Listing - recent developments

Market activity in 2017

Euronext's markets in 2017 provided financing to the real economy with nearly €110 billion raised on its markets in equity and debt financing through securities admitted to trading as of 31 December 2017, a stable total amount compared to 2016 despite a weaker activity on corporate bonds. This performance was largely driven by equity secondary offerings.

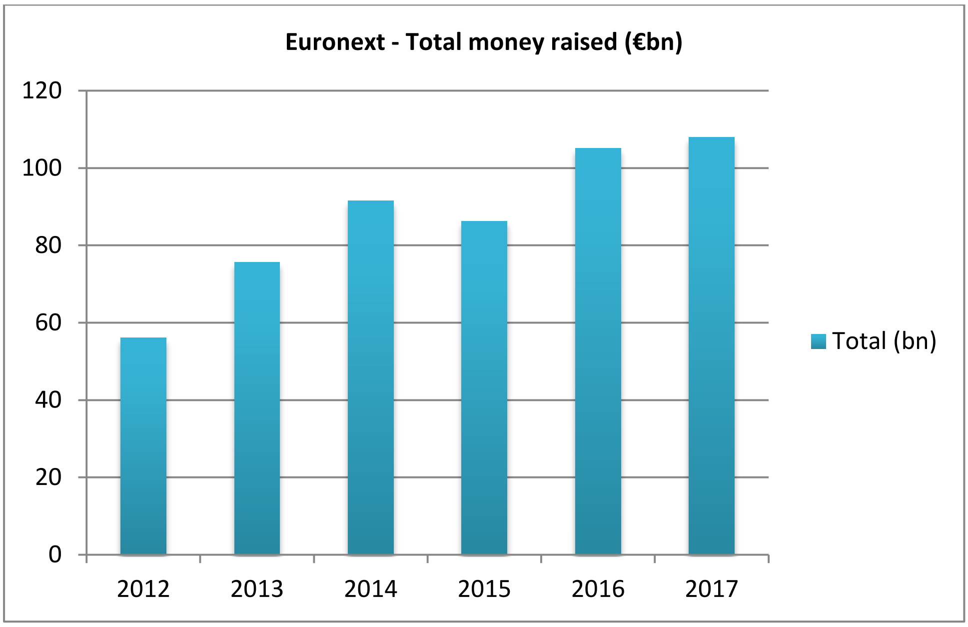
In total in 2017, Euronext welcomed twenty six new listings raising a total of €3.4billion across all markets with a combined market cap of €46billion.

In 2017, Euronext continued to be the venue of choice for SMEs with 16 new listings. In particular, 3 Tech companies from the TechShare programme listed on Euronext during the year: Osmozis, Balyo and Theranexus.

2017 also marked an excellent year for corporate green bond issues with a few landmark deals such as ENGIE (€2.75bn in total) and ICADE (€600m).

[4] Please refer to Paragraph 1.3.3.2 European Tech Hub for SMEs

EURONEXT – TOTAL MONEY RAISED (€ BN)



New initiatives

In 2017, Euronext has launched new initiatives for family businesses. 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, 229 family businesses are listed on Euronext markets, representing a total market capitalisation of €1,060 billion. This includes 153 SMEs with a total market capitalisation of €44 billion.

Family-owned SME stocks 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 launched in 2017 the opening of new offices in five European cities outside its core markets – in Germany (Frankfurt, Munich), Italy (Milan), Spain (Madrid) and Switzerland (Zurich) – to assist Tech companies in developing their business on a greater scale through capital markets.

Euronext had identified the four target countries 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 336 listed Tech SMEs and mid-tier firms representing a total market capitalization of €64 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 has set up a salesforce of six FTEs to sell a unique value proposition to Tech SMEs in Germany, Switzerland, Italy and Spain.

In 2018, Euronext will deploy two new programs specifically for European Tech SMEs:

- Get to know your investors: following their listing, companies will benefit from in-house market intelligence services for six months. The services will be tailored for their business and will help them develop a better understanding of their investor base.

- Trade & Leverage: following their listing, companies will benefit from investor access initiatives sponsored by Euronext, such as equity research, investor events and forums. Market leading providers will be pre-selected to offer the best results and services at the best price.

The Techshare programme will also be deployed in the four new countries in September 2018.

Corporate Services

Euronext Corporate Services is a new activity launched in 2016 as part of the Euronext Group's Agility for Growth plan. Euronext Corporate Services' aim is to help private and public companies make the most effective use of financial markets by providing them with innovative solutions and tailor-made advisory services.

Companies listed on Euronext markets already benefit from a range of services and support. Based on our deep understanding of issuers' needs, our Corporate Services offering is positioned as a complement to our existing Listing services

Solutions

Several milestones have been recently achieved in 2017 in relation with the build-up of a comprehensive suite of solutions. Euronext has performed initially an extensive survey and a large number of interviews with selected issuers to understand issuers needs. Based on this initial assessment, Euronext has built a comprehensive value chain of services to address needs identified in terms of investor relations, communication, governance, advisory and compliance. In that respect, several acquisitions have been made in 2017:

- Company Webcast (51% stake acquisition), a Dutch leading company specialized in professional webcast and webinar services;
- IR.soft (100% stake acquisition), a London-based provider of investor relations workflow and targeting tools;
- iBabs (60% stake acquisition), a leading Dutch provider of dematerialized and secured board portal solutions for corporate and public organizations;

As of 31 December 2017, the Solutions team is servicing around 1,500 clients of which 120 issuers.

Advisory

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

Pre-Listing Advisory involves a consulting activity. The team in place is in charge of monitoring and explaining the global process to the company. They also bring support to the management in discussions with the Company's Board, choice of intermediaries, deal structuring, calendar management and stakeholders coordination. In 2017, the Pre-Listing Advisory team successfully executed its second IPO mandate.

Through its Post-Listing Advisory, Euronext aims at helping companies to better understand financial markets and maximize the impact of their financial communication so as to strengthen their relationships with the market. The Post-Listing Advisory team helps the management team with their investor relationship management as well as the review 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 2017, the team is servicing 15 issuers.

The Post-Listing Advisory for SMEs have been rolled out in Belgium, the Netherlands and Portugal in 2017.

1.3.4 CASH, DERIVATIVES AND SPOT FX MARKETS

1.3.4.1 Cash, derivatives and Spot FX Markets - 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.

Cash trading

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 2017, Euronext had a market share of 69% and a strong blue chip issuer presence, with twenty four issuers included in the EURO STOXX 50 stock index and 137 issuers listed on the EURO STOXX benchmark index. Euronext is ranked first 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 804 ETFs in its markets. In 2017, total Euronext transaction value on equity was €1,769 billion, up +7.7% from €1,643 billion in 2016 and compared to €1,938 billion in 2015. 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 *(December 2017)*	**MARKET**	**EBBO**	**GREATEST SIZE**	**EBBO SETTER**	**RELATIVE SPREAD**	**MARKET DEPTH**
	MTF Average	34%	0%	3%	19,38	17 064
CAC 40	**Euronext**	69%	29%	58%	3,23	50 303
	MTF Average	33%	1%	5%	23,5	23 271
BEL 20	**Euronext**	88%	56%	73%	3,9	80 046
	MTF Average	36%	0%	4%	17,89	20 643
AEX-INDEX	**Euronext**	76%	40%	65%	3,45	70 246
	MTF Average	30%	1%	5%	147,46	7 180
PSI 20	**Euronext**	87%	51%	70%	13,27	23 866
	MTF Average	33%	1%	5%	20,95	18 382
BLUE CHIPS	**Euronext**	80%	43%	65%	3,72	58 313
	MTF Average	31%	1%	6%	-	-
Domestic	**Euronext**	84%	59%	72%	-	-

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 5,600 corporate, financial institutions and government listed bonds, representing a monthly turnover of approximately €0.6 billion.

In December 2017, Euronext launched Euronext Synapse - an innovative MTF in partnership with Algomi. Combining Euronext's experience operating fair and orderly markets and Algomi's innovation and award-winning technology, this new MTF connects pools of liquidity and market participants within a new anonymous inter-dealer centralised market place. It links banks and their customers together for liquidity, execution and reporting services with the appropriate level of protection for fixed income markets. Euronext Synapse turns disparate data into relevant and structured information, and increases trade opportunities and velocity in bond markets.

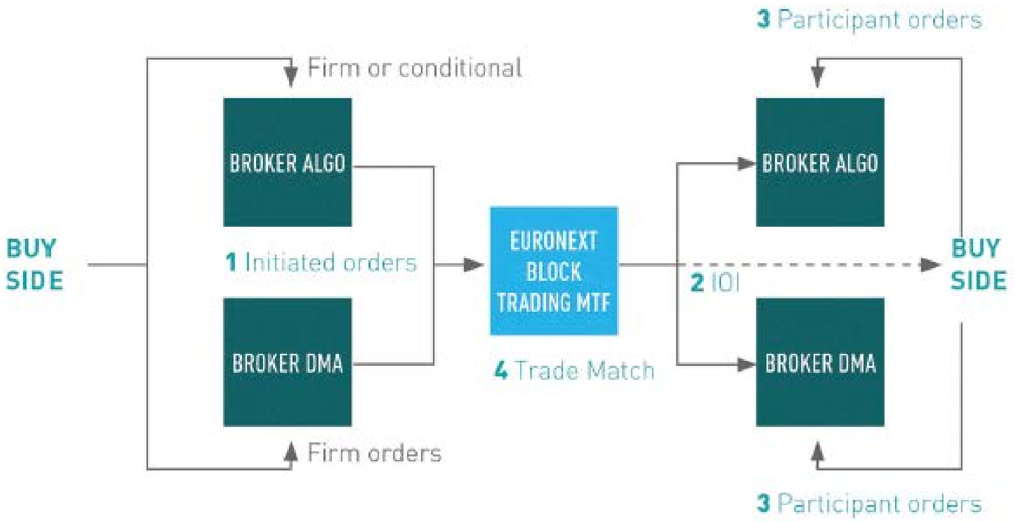
- Euronext is the MTF operator, Algomi is the MTF technical service provider.
- At launch, the focus is on large sizes of illiquid corporate and financial bonds to benefit from the MiFID II Large in Scale (LIS) waiver.
- No pre-trade transparency, and post-trade transparency in line with MiFID II LIS post-trade waiver.
- A straightforward and confidential trading process
- The model includes features covering the whole value chain:
  - For customers to send their indications of interest to their respective bank that will execute what can be internalised in their own pool of liquidity.
  - For banks to flag their active ISINs and send to Euronext Synapse IOI flows that cannot be internalised.
  - Euronext Synapse scan IOI inventories and data signals to all connected participants and propose potential counterparties to join an auction on the same bond.
  - With different types of auctions (bilateral, private, public) always held in a fully confidential and anonymous environment.

- With a secured bilateral negotiation and execution process – and a name give up after matching to perform bilateral settlement.
- The model also includes Euronext's standard set of services: membership, market surveillance, publication and reporting, MiFID II compliance.
- FCA regulated MTF.
- Fast track membership process is available for Euronext members.

Euronext Block

Euronext Block is a new trading venue designed to be compliant with MiFID II regulations. It is designed to facilitate the execution of algorithmically generated block trades on over 2,000 pan-European stocks. The platform is in the process of connecting its first wave of brokers and first trades have already taken place. Euronext Block is an MTF regulated by the FCA and cleared by the European Central Counterparty 'EuroCCP'.

Euronext developed a new pan-European service to upgrade the existing Smartpool product, and capture large institutional trading interests in which Euronext rarely participated. In partnership with AX Trading, an American based FinTech company, Euronext launched an innovative platform, Euronext Block, 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.



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 ETF Express award during 2017 – the second time in a row, being consistently recognised as the Best ETF Exchange in Europe. This award is voted for by Euronext's clients.

etfexpress
AWARD WINNER 2017

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 Services 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.

The services include:

- Euronext Fund Service Amsterdam, first launched in 2007, which enables fund managers to further extend the geographic reach of their funds across Europe and will include a broader choice of trading solutions.
- Euronext Fund Service Paris, launched in May 2017, which is a complementary cutting-edge offer providing a global access to the funds universe, in order to meet the requirements for modern and automated solutions. This service is available for both UCITS funds and AIF (Alternative Investment Funds), and orders will be placed at Net Asset Value (NAV) in euros.

EFS enables 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. As of 31st of December, there were already 96 funds admitted to trading. This is an important initiative to help service the distribution needs of asset managers and match those with investor appetite.

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.

Cash 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 2018. 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 continued to develop its best execution service for retail investors, Best of Book, which brings retail brokers an additional layer of liquidity specifically aimed at offering price improvement for retail order flow. 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. As at year end, all of Euronext's retail brokers had signed up for the service.

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.

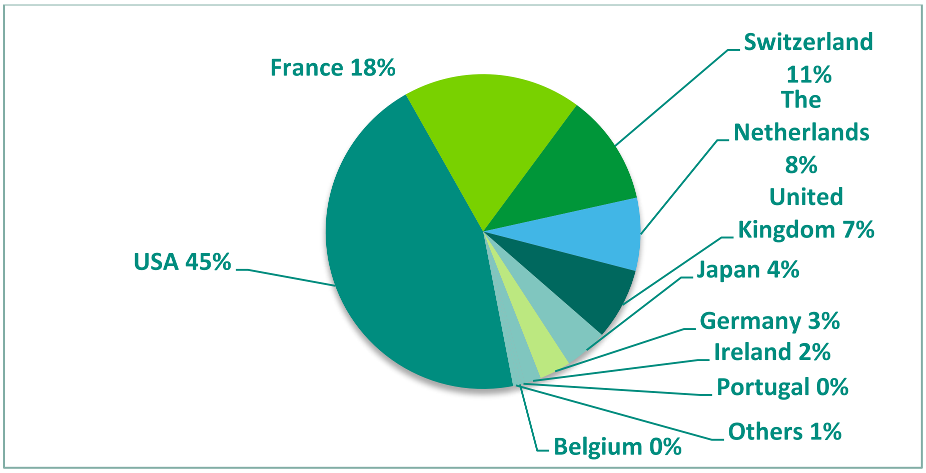
Cash market trading members

As at 31 December 2017, Euronext had 147 direct trading members on its cash business, compared to 205 members as at 31 December 2016 and 213 members as at 31 December 2015, down due to a review of membership ahead of MIFID II. 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.

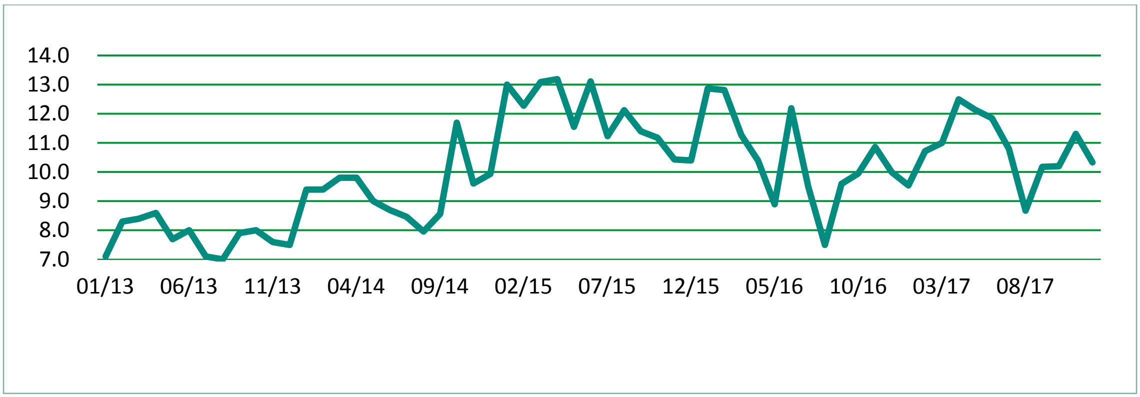
Cash trading average daily volume by geographic origin of customers

The average daily volume on Euronext's cash trading markets for the last twelve months ended 31 December 2017 amounted to €7,5 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 2017.

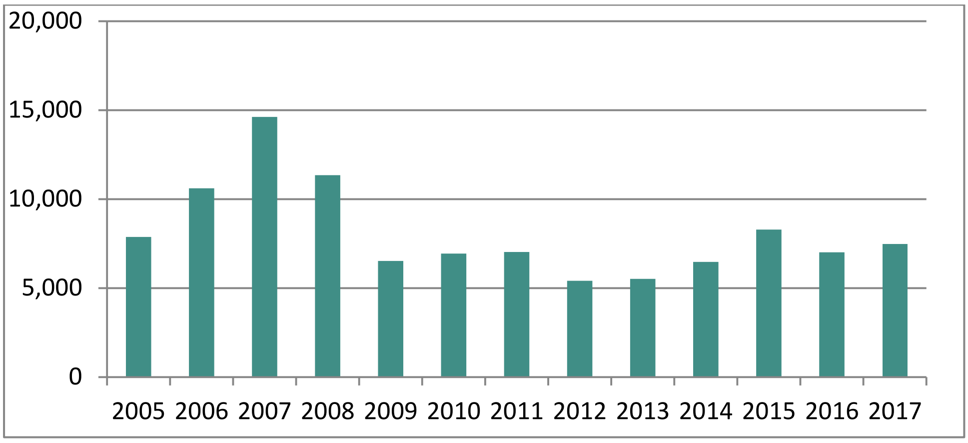

France 18%
Switzerland 11%
The Netherlands 8%
United Kingdom 7%
Japan 4%
Germany 3%
Ireland 2%
Portugal 0%
Others 1%
Belgium 0%
USA 45%

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



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

HISTORICAL AVERAGE DAILY VOLUMES[1] *(€MILLION)*.



(1) All Euronext securities

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 2017, was the second largest market in index futures and the second 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 2017, the notional value of the derivatives traded on Euronext's derivatives markets was €3.7 trillion, equivalent to an average of €14.5 billion per day.

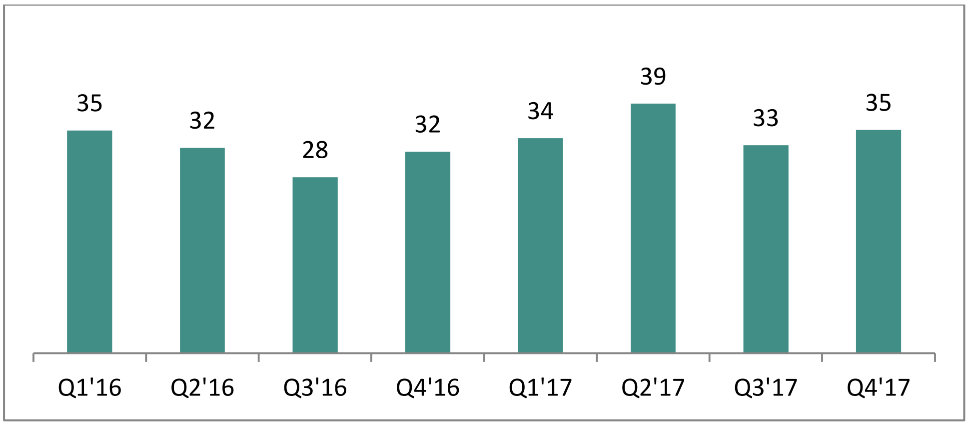
Euronext's mission: innovation, agility, strengthening Euronext's core.

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.

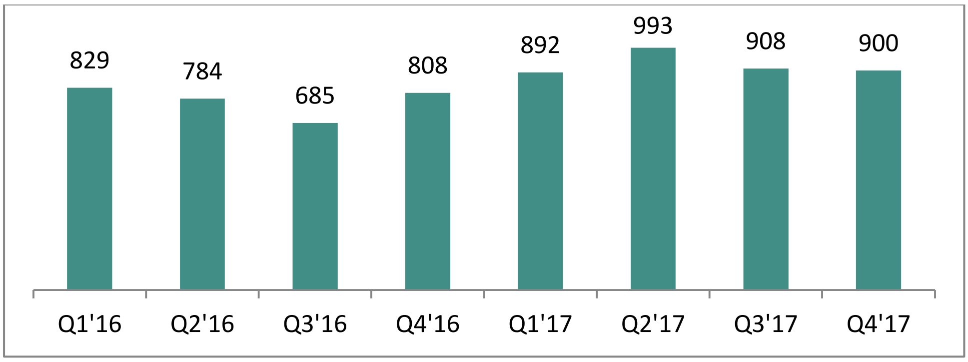
Euronext is pursuing the expansion of its commodity derivatives strategy along two axes:

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)*



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 236 equity options and over 383 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 289 Single Stock Dividend Futures (including 57 contracts on US names), 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 SA alongside other Euronext derivatives business, providing efficiency for market participants who trade a mix of bespoke and standard contracts.

LCH SA CURRENCY DERIVATIVES

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

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.

The average daily volume of the flagship milling wheat futures contract remained stable and reached a level of more than 35,000 lots traded on a daily basis, representing the equivalent of 1.75 million tons of wheat or 3.3 times the milling wheat quality EU production traded over the course of one year. The Rapeseed futures contract volume continued to attract exposure to the European Oilseeds markets and saw growth of just under 10% on the year, including our daily historic record in the summer with over 27,000 lots on the back of a stressed international Settlement & Delivery situation. These futures contracts have obtained international recognition status, 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.

The commodity team is rolling out its new strategy in 2018 which is articulated around:

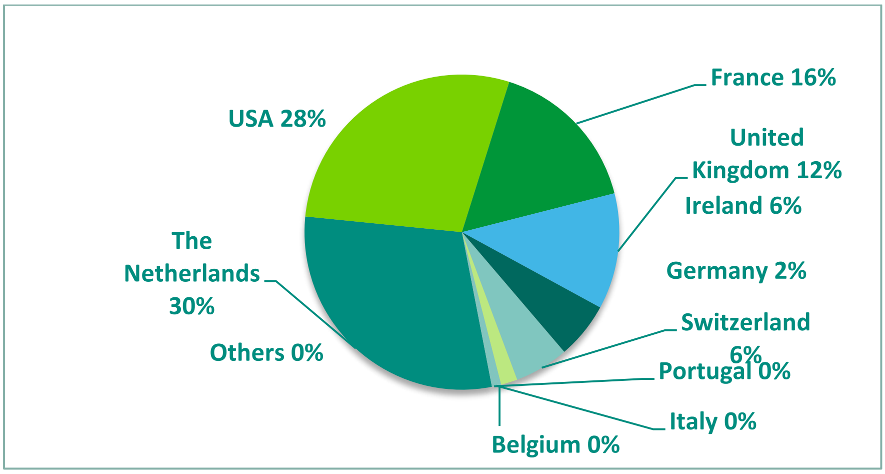
- Focus on building our existing core contracts to their full potential and, in particular, leveraging on the MATIF brand for grains and oilseeds. We will address our stakeholders concerns around the delivery mechanism for our contracts, expressed through our client survey, by extending the use of the Euronext Inventory Management system, along with the introduction of warrants.
- Supporting the development of trade finance in European grains and encouraging international users into our markets
- Rolling out our OTC trade capture and CCP cleared platform
- Continued support on building traction and liquidity in our new contracts launched since 2014
- Monitoring of opportunities for non-organic growth

Derivatives 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 137 direct trading members (of which eighty-eight are both cash and derivatives and sixty-one are commodities trading members) as of 31 December 2017 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.

Derivatives average daily volume by geographic origin

The average daily volume on Euronext's derivatives markets for the last twelve months ended 31 December 2017 reached 550,106 contracts representing a total open interest exceeding 14.7 million contracts at the end of December 2017. 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 2017.



Spot FX trading

In August 2017, Euronext acquired 90% of the shares of FastMatch, Inc. ("FastMatch") – the fastest growing Electronic Communication Network ("ECN") in the spot Foreign Exchange ("FX") market with leading-edge technology, entrepreneurial spirit and access to a large, transparent and diversified pool of liquidity at unrivalled speed and capacity.

FastMatch's bespoke liquidity provision allows granular control of both anonymous and disclosed interactions via Flexible Matching, a configurable Smart Order Router that delivers enhanced execution quality

FastMatch is the only ECN to provide full disclosure of real-time pricing, matching speeds, volumes and a variety of associated pertinent information publicly

Connecting

- Multicenter matching in LD4, NY4 and TY3 for FIX / Binary API and GUI desktop connections
- Swift connectivity for users with Direct Credit or Prime Broker / Credit Intermediary access

Technology

- Developed from Credit Suisse Crossfinder, the world's largest equities matching systems

- The fastest FX ECN offering swiftest possible response times and greater execution success
- Publicly published matching speeds unlike any competitor

Anonymous Trading

- Deep liquidity provided by top tier banks, non-bank market makers and regional specialist
- Fully customisable trading sessions and price provision identified by unique tag
- Flexible Matching SOR technology configurable by fill rate, hold time and market impact
- Resting orders displayed to user specified FastMatch client subset to improve fill rates
- Innovative order types including Pegs, Icebergs and Protection variants

Disclosed Trading

- Direct relationship pricing from user selected market makers and price providers
- Aggregated Best Bid / Offer from multiple disclosed sources across a single taker connection
- Full amount tiered pricing can be aggregated from chosen providers

Algorithmic Execution

- Choose third party algos from Tier 1 Bank providers or proprietary FastMatch algo tools
- Access bespoke algos from FastMatch proprietary suite
- Reduce market impact and remove double hitting with dedicated execution routing
- Avoid information leakage and signaling risk with full control of underlying liquidity pool
- Minimize integration by accessing bespoke FastMatch liquidity via existing platforms
- Post trade forward adjustments provided by the individual Tier 1 bank algo provider

Analytics

- Comprehensive maker / taker reporting suite showing metrics on all transactions
- Automated TCA generated for proprietary FastMatch algo and third party bank algo execution
- Configurable post trade attribution reports tailored for individual requirements

1.3.4.2 Cash, derivatives and Spot FX Markets - Recent developments

Cash trading

Euronext continued in 2017 several new initiatives launched 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 2017, Euronext continued to deploy its segmented pricing strategy to optimize yield and market share. Specific fees were introduced for retail orders, enhancements were made for formal electronic liquidity provision and Euronext rendered its entire fee grid compliant with MiFID II with minimum disruption for customers.

Best of Book service for retail best execution

In 2017, Euronext rolled out its new best execution service for retail orders. In partnership with dedicated liquidity providers, Best of Book offers price improvement in the central order book for retail brokers. 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.

New functionality

In June 2017, following consultation with the small and mid-cap trading community, Euronext implemented important changes to functionality for stocks trading in auction mode. A harmonised trading pattern consisting of two auctions per day was introduced. Furthermore, the trading at last phase for these stocks was extended to allow for extended trading at the auction price. This resulted in an uplift in volumes and liquidity on small and mid-cap stocks. Finally, the randomization of the auction time was deployed on all securities (previously limited to stocks trading in continuous mode).

Euronext Block: new pan-European block trading service

The first brokers connected in the course of the fourth quarter of 2017 and the first trades have taken place on the platform, delivering superior execution quality in sizes significantly above the minimum thresholds defined by regulation. Member connectivity will accelerate throughout 2018 and new functionalities will be rolled out specifically for small and mid-cap trading.

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

Fixed income trading

Fixed Income Regulated Markets:

In 2017, the trading fee scheme was reviewed to meet MiFID II's obligations, to improve market quality and reduce gaming behaviors, and to incentivize members increasing their turnover. A couple of new liquidity providers were on-boarded in 2017 following the implementation of a new liquidity provision scheme end 2016. Fixed Income Regulated Markets remain active despite the low interest rate environment.

Euronext Synapse MTF:

As part of ‘Agility for Growth’, in December 2017, Euronext launched Euronext Synapse - an innovative MTF in partnership 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[5].

Derivatives trading

On the financial derivatives markets, Euronext continued to reposition and expand its franchise. New products launched in 2017 included:

- twenty seven new Individual Equity Options, including 10 new European-style options, 2 new weekly options and 15 option contracts on German underlying;
- sixty Single Stock Dividend Futures;
- five Spotlight Options.

Other enhancements included the introduction of longer *expiries* (to six years) on CAC 40 Dividend Index Futures, following a rapid volume growth during 2017. Euronext also developed the solution for the provisioning of PRIIPs Key Information Documents, which complies with EU regulation requiring the manufacturer to provide a Key Information Document (KID) for every packaged product from 2018.

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 2017 with MiFID II compliance, and new products added to the range, including Individual Equity Options on Germany underlying in November.

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

- Euronext Inventory Management (EIM)- onboarding of all Milling Wheat delivery silos trial of new electronic storage certificate as of August 2017.
- Extension of Milling Wheat delivery point to Simarex silo in Rouen signed in June 2017 for 1st delivery from September 2018
- New pricing programs to continue to attract new users to the Euronext Commodity markets. The NMP (New Market Participant) program was in place throughout 2017 and attracted over 3.7 million lots. Decision taken to prolong new NMP with two-tiered pricing: aggressive fee for all new traders joining the program, second level higher price for those registered in 2016-17 edition.

Spot FX trading

In August 2017, Euronext acquired FastMatch, Inc. (“FastMatch”) – the fastest growing Electronic Communication Network (“ECN”) in the spot Foreign Exchange (“FX”) market with leading-edge technology, entrepreneurial spirit and access to a large, transparent and diversified pool of liquidity at unrivalled speed and capacity. The average daily volume on the FastMatch spot foreign exchange market (of which Euronext owns 90% of the capital since August 2017) was $18.4 billion in 2017, up +44.7% compared to 2016.

In September 2017, FastMatch launched the consolidated data tape:

- Enhanced market transparency from provision of aggregated real time trade data
- Multi source trade contribution from varied market participants
- All data validated by FastMatch to exclude erroneous pricing
- Independent external auditing of all contributors regardless of size and type
- VWAP price and total volume published every 500ms
- API or GUI connectivity as required

[5] See above

1.3.5 MARKET DATA AND INDICES

1.3.5.1 Market data and indices - 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.

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.

Almost 500 vendors currently disseminate Euronext market data to approximately 133.400 screens in over 130 countries. During 2017 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.

Highlights for 2017 include:

- thirty four new data vendors signed up making a total of 500 companies distributing Euronext data to market participants;
- sixty five new clients using Euronext data within automated trading applications;

Retail clients have access to data from Euronext's markets through the Euronext Market Data app, which now has over 41,000 registered users. In 2017, Euronext has launched an Android version of the app, while a chargeable premium version containing enhanced content and functionality such as research, analytics and real-time data will follow in January 2018.

In 2017, Euronext has introduced a new market data agreement which incorporates the changes required to ensure compliance with MiFID II relating to the 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 2017, Euronext launched a web API that enables clients to retrieve historical and reference data for all instruments listed on Euronext regulated markets.

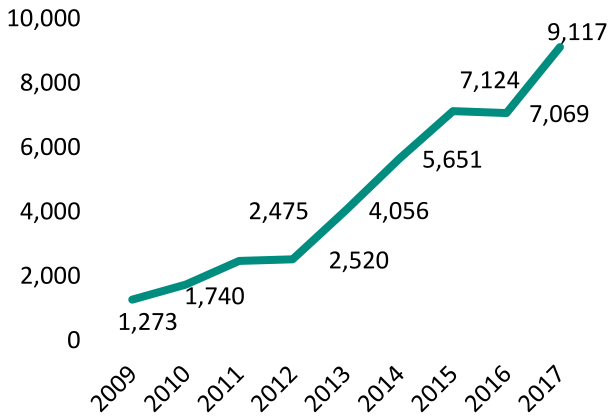
Euronext is also working to launch new products aimed at retail investors as well as an innovative licensing model supported by a new ecommerce platform in the course of 2018.

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 generating 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 two end-of-day runs reflecting market close in 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.

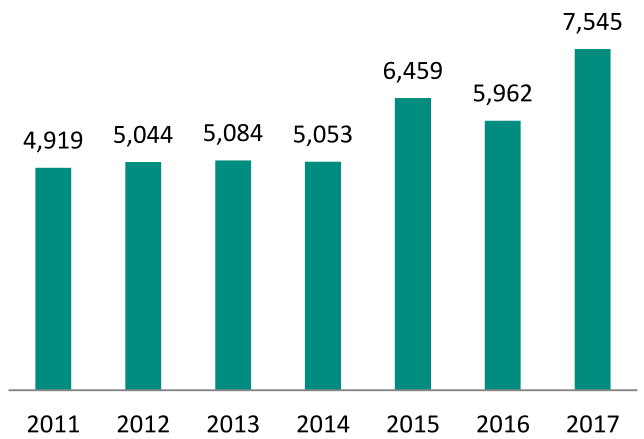
As of 31 December 2017, there were over 9,000 Euronext Traded Products (ETPs) linked to Euronext indices listed on the Company's market. This is an all-time record and 28% above last year.

ETP PRODUCTS ON EURONEXT INDICES LISTED ON EURONEXT



Exchange traded funds (ETFs) linked to Euronext indices had a total of 7.5 billion in Assets Under Management (AUM) at the end of 2017. This is an all-time record and 26.5% above last year

ETF AUM (IN MILLIONS) ON EURONEXT INDICES



Other ETP and ETF highlights include:

- End of year record for Euronext Listed ETPs on the CAC 40® to 6,014 (up 19.9%);

CONTINUOUS GROWTH OF ETPS LINKED TO CAC 40 LISTED ON EURONEXT								
Year	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
Nr. of Products	1,058	1,486	1,593	2,908	4,073	4,648	5,016	6,014

- End of year record for ETPs on the AEX® to 2,816 (up 61.1%);

ETPS LINKED TO AEX LISTED ON EURONEXT								
Year	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
Nr. of Products	579	884	823	977	1,369	2,158	1,748	2,816

- In 2017, ETFs linked to several Euronext Indices had a net inflow:
    - The CAC 40® had a net inflow of €901 million bringing the total AUM to € 6.7 billion.
    - The Low Carbon 100 Europe® had a net inflow of €101 million bringing the total AUM to €166 million.
    - The CAC Mid 60® had a net inflow of €107 million bringing the total AUM to €112 million.
    - The PSI 20® had a net inflow of €13.5 million bringing the total AUM to €68 million.

Other highlights include:

- The successful build out of the launching of new Euronext Indices as an underlying for the Structured Products market; In 2017 the company launched eight new Indices on which many structured products have been launched. These Indices where launched for two existing French Investment Banks relationships and for four new Structured Products clients, one French and three UK Investment banks.
- Following the signing of a Memorandum of Understanding with Shenzhen Stock Exchange (SZSE), Euronext will act as calculation agent for SZSE, who will launch a range of European equity indices covering a range of sectors and themes such as ESG aimed at attracting investment from Mainland Chinese Investment Firms.
- As part of the Agility for Growth strategy, Euronext signed a strategic collaboration on 20 march 2017 with 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. The first new Indices under this partnership went live on 3 July 2017; The Morningstar Eurozone 50 and the Morningstar Developed Markets Europe 100. In addition Euronext will launch futures linked to these indices in the near future.

1.3.5.2 Market data and indices - recent developments

On its market data and indices business Euronext signed thirty four new vendors distributing real time and delayed information. The market data app had over 41,000 users at 31 December 2017. Euronext also grew its index franchises as it launched twelve new indices in 2017 and has licensed the majority of these indices for certificates and Notes. Among others, these indices included:

- the CAC 40 Governance;
- the Euronext Family Business Index;
- the Euronext Climate Objective 50 EW;
- Euronext Core Europe 100 / Euronext Core Europe 30;
- the Euronext France Germany Leaders EW; and
- Euronext Reitsmarket Global Conviction / Euronext Reitsmarket Global Balanced.

1.3.6 POST TRADE

Euronext's post-trade business offers or facilitates clearing, settlement, risk management and custody services. The Group owns 20% of EuroCCP, the cash equities CCP and 11.1% of LCH SA, the multi asset CCP for derivatives, cash equities, Repo and CDS clearing. In addition Euronext owns 100% of 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 Post trade - products and services

Clearing

Clearing of Regulated Market trades executed on Euronext are currently cleared by LCH SA as the default central counterparty (CCP) and with EuroCCP as an alternative option. Trades on London Recognised Investment Exchange are cleared by EuroCCP.

LCH SA

LCH SA provides clearing services for the full scope of Euronext listed cash and derivative products under two separate agreements for Cash markets and Derivatives markets. Euronext signed in 2017 a renewed 10-year agreement for derivatives clearing with LCH SA, whilst at the same time converting it's 2.3% shareholding of LCH Group into 11.1% in LCH SA. The agreement not only provides for a direct investment in a leading multi-asset Eurozone based CCP but also provides an improved value proposition for customers, including reduced clearing fees. The continuity of service, especially with the backdrop of Brexit, is also extremely important for customers.

Under the terms of the Derivatives Clearing Agreement, Euronext continues to benefit from a revenue share deal with LCH SA at approximately the same level of EBITDA as the previous agreement. Euronext therefore receives clearing fee revenues based on the number of financial and commodities derivatives trades cleared through LCH SA. The Derivatives Clearing Agreement features solid governance rights as well as pre-emption rights for Euronext, in the case of a sale of LCH SA. Euronext retains its LCH SA board seat and gains additional representation on the Audit Committee.

EuroCCP

Euronext owns 20% of EuroCCP and completed technical connectivity of Euronext Regulated Markets in Q1 2017. EuroCCP is the leading CCP for pan-European cash equity markets. This deal delivers on Euronext's commitment to ensure optionality and fits with the EU wide mandate to deliver competition in clearing services, as enshrined in MiFIR. In addition, it enables Euronext to offer user choice in clearing for the equity markets, currently achieved through the preferred CCP model but to be 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) platform for payments in central bank money (Euro) and to 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, CFI and FISN codes according to the ISIN, CFI and FISN 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, CFI and FISN 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 SA and Euroclear are independent entities that provide services to the Company. Euronext has a representation on the board of LCH SA.

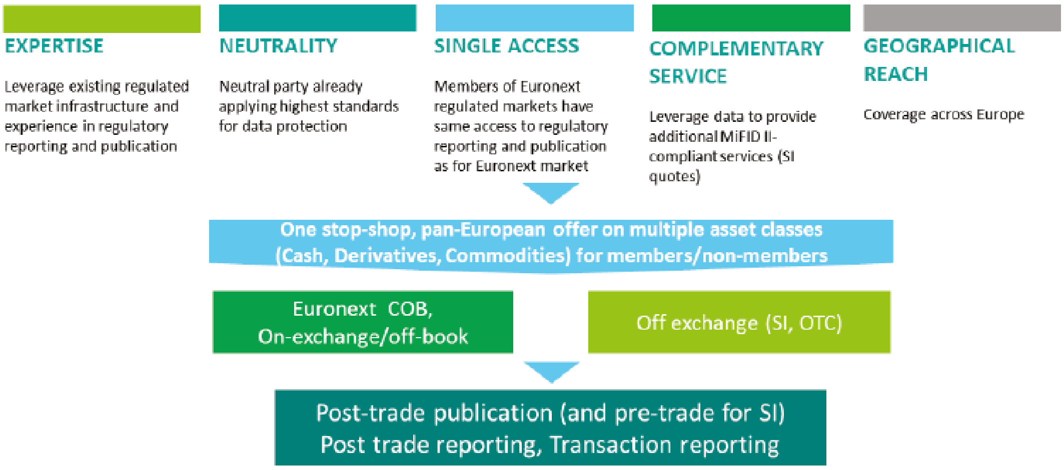
In March 2016, Interbolsa has successfully migrated to the new pan-European settlement platform – TARGET2-Securities (T2S), as originally scheduled, integrated in the second T2S migration wave.

1.3.6.2 Post trade - recent developments

Clearing

Euronext has 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 Paris is authorized by the AMF for the provision of trade reporting and transaction reporting ("APA/ARM") services under MiFID II. This service was launched into pre-production in December 2017, providing a single interface for MiFID II trade publication and Transactions Reporting. It commenced liver operation on the 3rd January and already has a strong client base.



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.

The first phase, covering Euronext Inventory Management, is now in live Production. The first phase enables transferable electronic certificates and warrants to be raised to represent ownership of physical commodities and ETFs. The intention is for this to be extended with a negotiation layer as a second Phase in early 2018.

Custody & settlement

TARGET2-Securities

After its smooth and successful migration to the pan-European settlement platform T2S[6] in March 2016 (integrated in the second migration wave), Interbolsa has been actively involved in the 4th and final migration waves, on February 2017 and September 2017, respectively, as well as working to improve operational processes and implement new software releases, which has allowed to increase the efficiency of the day-to-day operations with T2S.

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 working in setting up direct investor links and relayed investor links with some of the major domestic CSDs in Europe, with will be operational throughout 2018.

[6] T2S provides integrated and harmonised cross-border settlement of transactions in central bank money.

By establishing the above-mentioned direct and relayed 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:

Central Securities Depositories Regulation (CSD Regulation)

The Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories (CSDR) is now fully in force. The main purpose of the CSDR is to harmonize the settlement of financial instruments in Europe and to provide a set of common organisational and conduct requirements for CSDs.

On 10 March 2017 the Regulatory Technical Standards (RTS) issued by ESMA and EBA were published in the Official Journal. The RTS entered into force 20 days after their publication (i.e, 30 March 2017) and Interbolsa had 6 months (until 30 September 2017) to submit to its competent authority the authorisation process in order to be recognised as a CSD under CSD Regulation. The authorisation process was submitted by Interbolsa to its competent authority on 29 September 2017.

Interbolsa is focused in the implementation of the CSDR.

Securities Lending Management System

Interbolsa has recently announced to the market participants that its Securities Lending Management System is now fully adapted to the specificities of T2S, therefore readily available to be used.

This functionality enables its users to: (a) diffuse information regarding demand and offer of securities to all participants; (b) confirm the characteristics of the lending operations between counterparties; and (c) carry out the settlements inherent to the opening and closing of lending operations.

Fund Management Platform

Interbolsa's 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 the number of clients and volumes to raise in the months to come.

New Pricing

After Interbolsa's migration to T2S, Euronext's CSD has worked on a new pricing. The readjustments in its price list – for both Issuers and Financial Intermediaries – was implemented on 1 April 2017 having in mind to reinforce 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

Started in 2017 and throughout the first quarter 2018, Interbolsa 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 Market solutions & other - products and services

Market solutions & other comprises Euronext's commercial technology solutions and services businesses. Euronext offers custom solutions and cost-effective managed services to exchanges and venue operators who require complex functional capabilities and low latency processing across multiple-asset classes.

The market solutions & other business benefits from the technology 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 technology vendor also gives Euronext an opportunity to compare its technology against other vendors and ensure that it maintains its position at the forefront of the industry.

The solutions and services offered use Optiq® and other applications developed by Euronext or licensed from third-parties. Optiq® will enter into production with Euronext in 2018 and has already been licensed to five international exchanges. This rapid take-up by the exchange industry demonstrates the attractiveness of the reliability, flexibility and cost of ownership benefits that Optiq® provides and reflects the insights that Euronext, as a leading market operator itself, can apply in the design of new trading technology.

Trading platform software is a global business and so, to drive further sales outside of Europe, Euronext has appointed a global systems integrator as its sales and delivery partner for Optiq®. The global sales capabilities of this partner will enable Euronext to promote and deliver Optiq® cost effectively to exchanges and venue operators around the world.

Euronext continues to provide software support and maintenance services for the legacy trading platforms, Euronext UTP and "NSC® . Euronext has a perpetual, royalty-free license from ICE to use, modify and sub-license Euronext UTP and NSC® (see section 5.2 *"Material contracts and related party transactions"*).

In 2018, two clients remain on Euronext UTP and both will be offered options for migrating to Optiq® ahead of termination of Euronext UTP maintenance. Support for the previous generation trading platform, NSC®, will cease at the end of 2018 once all clients using NSC® have been migrated to Optiq®. This will further simplify Euronext's technology operation and reduce expenses.

Euronext has issued a sub-license to a third-party for the sale and maintenance of certain legacy software modules including NSC®. In addition to generating license revenue, such agreements enable Euronext to increase its focus on Optiq® and future extensions thereof.

The start of Euronext's production use of Optiq® in 2018 will be a significant opportunity to promote the platform to new cilents. Optiq® enables the market solutions business to be more competitive by offering solutions that are faster, more resilient and cheaper to operate. It has been designed for high-volume markets and so will meet the throughput and resilience needs of most global exchanges. As a result, market solutions' priorities for the future Optiq® roadmap will include integrating new functions and asset classes to increase the flexibility, configurability and extensibility offered to clients.

Most technology solutions provided to clients include software for reference data management, price calculation and market control functions. 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 lower expenses than would otherwise be the case.

Where Euronext does not offer commercial in-house software for a function required by a client, third-party software can easily be integrated with Optiq®. This approach is used for the MAR surveillance service offered to MTF and SI operators which provides monitoring of compliance with the Market Abuse Regulation as a remotely delivered service. This service enables clients to outsource their MAR monitoring operations and take advantage of the investments in staff and processes made by Euronext for its own markets.

Optiq® will facilitate the development of more such services, specifically those performing analytic and regulatory processing of 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.

Historically, revenue from the market solutions & other business came from software license and maintenance fees. However, Euronext's ability to configure its technology for a wide range of market models means that the same Optiq® software can be offered in the form of a managed service. Exchanges and venue operators can take advantage of fully-hosted trading and clearing platforms without investing in data center or network infrastructure. With banks and financial intermediaries increasingly seeing migration to cloud and software-as-a-service as solutions to the competing pressures of cost-reduction and regulatory complexity, Euronext's experience as a service provider is receiving renewed interest. Euronext's MiFID II compliant MTF and SI services build on Euronext's own software, processes and infrastructure and offer clients an effective way to reduce costs without increasing regulatory risk.

The market solutions & other business also receives revenue for network connectivity and server colocation under a revenue sharing agreement with ICE. This agreement enables Euronext to benefit from service sales to clients who connect to its markets via the ICE SFTI® network or who take colocation space in the ICE data centers that house Euronext's trading platforms. 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 technology staff and market managers, Euronext is able to offer a unique technology service to exchanges and venue operators around the world.

1.3.7.2 Market solutions & other - recent developments

Following the opening of the IT centre of excellence in Porto, Euronext has built a specialist team of analysts, developers and engineers to support the commercial technology business. In 2017, this team successfully delivered a complex MiFID II upgrade for a Euronext UTP client. This major release was delivered on-time and enabled the client to complete a smooth transition to the new regulatory regime. The Porto team are now engaged on projects to deliver Optiq® to the five commercial clients scheduled to go-live on the new platform in 2018.

In October 2017, Euronext entered into an IT Commercial Cooperation Framework Agreement with a global systems integrator. This agreement provides a framework under which its partner will undertake: i) business development, sales and delivery support to promote the use of Optiq® around the world and ii) maintenance and delivery activities to support Euronext's legacy software. Activities already completed under this agreement included a technical upgrade to Euronext UTP and the successful on-boarding of NSC® maintenance activities.

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”) and the MAR/MAD II (as defined below) framework which replaced the Market Abuse Directive (“MAD I”). The European legislator has completed an overhaul of the MiFID framework: MiFID II/ MiFIR with a market application date of 3 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 was postponed to 3 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 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 (EU) 909/2014, of the European Parliament and of the Council, of 23 July, on improving securities settlement in the European Union and on central securities depositories (CSD) Regulation or CSDR 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 central securities depositories (CSDs) in order to ensure secure, efficient and timely settlement of transactions. The CSD Regulation impacts the functioning of Euronext's CSD, Interbolsa, and requires regulatory or operational amendments to bring Interbolsa into compliance with the new requirements. According to the CSDR, CSDs had to submit to their competent authorities, within six months from the date of entry into force of all the regulatory technical standards adopted by the European Commission (30 March 2017), their application for authorization in order to be recognised as CSDs under the CSD Regulation. Within six months from the submission of a complete application, the competent authority shall inform the applicant CSD in writing with a fully reasoned decision whether the authorization has been granted or refused. Interbolsa submitted its authorization file to its competent authority (CMVM) on 29 September 2017.

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, participates in the TARGET2-Securities (T2S) platform, since 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 new Prospectus Regulation (Regulation (EU) 2017/1129) is designed to repeal and replace the existing body of European prospectus law.

The Regulation is intended to be of particular benefit to European small and medium enterprises when issuing shares or debt. Companies already listed on public markets will also benefit when they list additional shares or issue corporate bonds.

The key changes to the prospectus regime will impact the following items:

- Monetary thresholds for publication of a prospectus.
- Issuers with securities already admitted to trading.
- Prospectus summary.
- Minimum disclosure regime.

- Fast track approval.
- Publication of prospectus.
- Risk factors.

The Regulation entered into force on 20 July 2017 and will mainly apply from 21 July 2019, other than the following provisions which will apply earlier:

- From 20 July 2017: Certain exemptions from the obligation to publish a prospectus, including where an issuer has securities admitted to trading on a regulated market and wishes to admit further securities up to a limit of 20% over 12 months.
- From 21 July 2018: The exemption from the scope of the Regulation for offers of securities to the public with a total consideration in the EU of less than €1,000,000 (calculated over a period of 12 months).
- From 21 July 2018: The option for Member States to exempt offers of securities to the public from the obligation to publish a prospectus where the total consideration of each offer in the EU is less than €8,000,000 (calculated over a period of 12 months) and it is not subject to notification under Article 25.

Indices

Euronext as an Indices administrator will have to comply with the European Regulation (EU) 2016/ 1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the EU BMR) which will apply from 1 January 2018.

The EU BMR introduces a common framework to ensure the accuracy and integrity of indexes used as benchmarks in the European Union. The EU BMR applies to the:

- provision of benchmarks
- contribution of input data to a benchmark
- use of a benchmark within the European Union

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.

The 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

A description of the shareholding structure of the Company is provided in Section 4 "General description of the Company and its share capital".

2.1 Dutch Corporate Governance Code, "Comply or Explain"

The Dutch Corporate Governance Code ("the Code") became effective in 2016 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 is based on the notion that a company is a long-term alliance between the various stakeholders of the company. Stakeholders are groups and individuals who, directly or indirectly, influence – or are influenced by – the attainment of the company's objectives: employees, shareholders and other lenders, suppliers, customers and other stakeholders. The management board and the supervisory board have responsibility for weighing up these interests, generally with a view to ensuring the continuity of the company and its subsidiaries, as the company seeks to create long-term value. If stakeholders are to cooperate within and with the company, they need to be confident that their interests are duly taken into consideration. Good entrepreneurship and effective supervision are essential conditions for stakeholder confidence in management and supervision. This includes integrity and transparency of the management board's actions and accountability for the supervision by the supervisory board. The compliance with the Code is not determined by the extent to which it is complied with to the letter, but rather by the extent to which all stakeholders are guided by its spirit.

The Code is based on a "comply or explain" principle. Accordingly, companies are required to state the extent to which they comply with the principles and best practice provisions of the Code in the annual report and, where it does not comply with them, why and to what extent it deviates from them.

Euronext acknowledges the importance of good Corporate Governance and endeavors 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 2017:

- Euronext did not fully apply best practice provision 2.2.1 (*"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 2.1.7, item iii (*" for each shareholder, or group of affiliated shareholders, who directly or indirectly hold more than ten percent of the shares in the company, there is at most one supervisory board member who can be considered to be affiliated with or representing them"*). 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 23.86% of Euronext's shares. This group of Shareholders acts jointly and has been granted a declaration of non-objection by the Dutch Ministry of Finance. The background of the presence of three members in Euronext's Supervisory Board who can be considered to be affiliated with or representing the Reference Shareholders is related to the request of the Euronext College of Regulators at the moment of its IPO in 2014 for it to have a number of stable, long-term shareholders who could propose one third of the members of the Supervisory Board.

Provision of the Dutch Code regarding certain aspects of the remuneration policy of the Managing Board that Euronext did not apply in 2017:• Euronext did not apply best practice provision 3.2.3 (*"the remuneration in the event of dismissal should not exceed one year's salary (the "fixed" remuneration component)*. 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 recommendations, which provide for a maximum termination indemnity of twenty-four months compensation, fixed and variable remuneration. 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.

- Euronext did not apply best practice provision 3.4.1.iv (*"the pay ratios within the company and its affiliated enterprise and, if applicable, any changes in these ratios in comparison with the previous financial year")*, due to the diversity of Euronext locations, each with different laws, regulations, best practices, compensation practices, regulatory guidelines and views, no adequate methodology has been defined yet to report on a consistent and reliable pay ratio to be disclosed.

Provision of the Dutch Code regarding meetings with analysts:

• Euronext did not apply best practice provision 4.2.3 ("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 through the distribution via an authorized wire. All material developments are disclosed via press releases and all presentations used during analysts and investors meetings are available on Euronext's 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

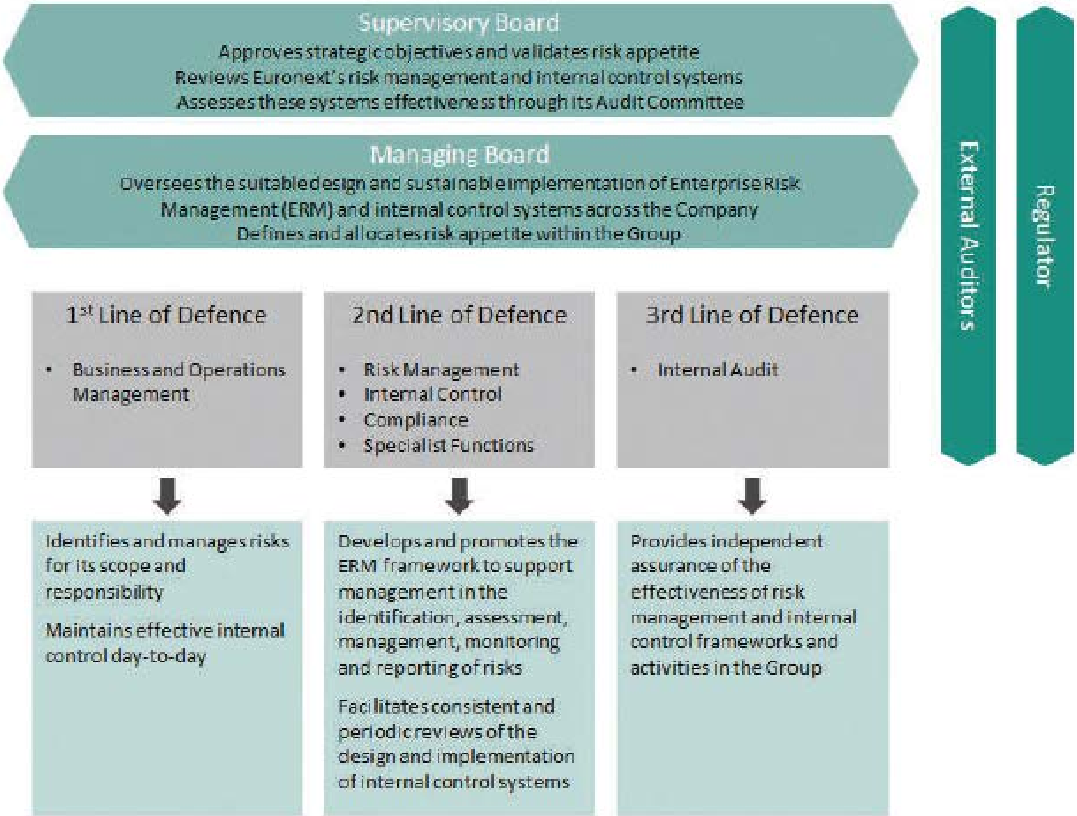
The objective of the Enterprise risk management framework (ERM) is to create and preserve value for the Company's stakeholders. It is designed and operated to identify potential events that may affect the Company, assess risk to be within the defined guidelines, manage the risk through control mechanisms, 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[7], 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 and regulatory capital requirements;
- 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.



[7] For more information on Euronext activities see section 1.3.1 Business Overview

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 of loss an organization faces when it fails to act in accordance with industry laws and regulations, internal policies or prescribed best practices;
- 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 , 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. Organizational 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 2017 for the ERM evolution included 3 key elements:

- embedding culture of risk management: Risk appetite discussions with the first line, key indicator discussions, Managing Board champions;
- involvement in key initiatives related to Optiq® technology platform, MiFID II compliance, Data Governance and Agility for Growth initiatives;
- framework evolution: ongoing risk appetite evolution, enhanced management reporting, further alignment of risk management and internal control approach for addressing risk and identifying controls.

The 2018-9 roadmap will continue with the topics above and will additionally focus the use of key risk indicators, impactful scenario analysis and analysis of a risk tool. 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.

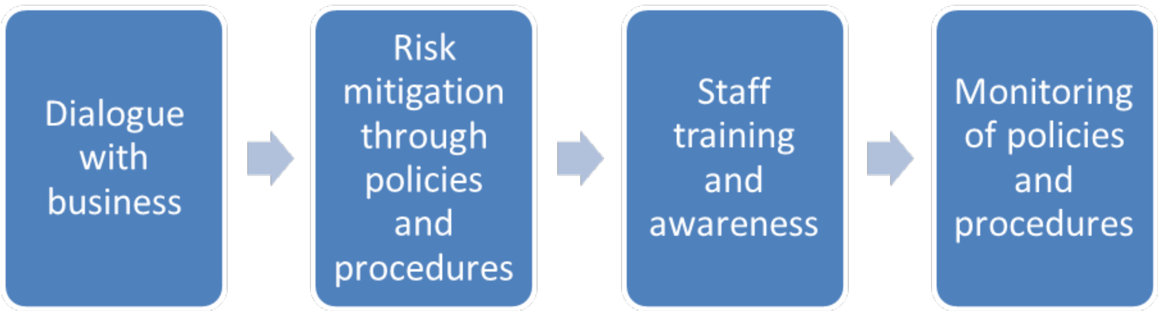
The Compliance department supports Euronext and its employees in complying with applicable laws and regulations and promotes ethical standards in accordance with good Corporate Governance. The Compliance department raises awareness among employees by articulating the responsibilities of the Company and 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.

More information on Euronext's commitment to Ethics are provided in section 2.5.2 "Presentation of the business environment".

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 DEFENSE

As a third line of defense, 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 systematically followed up, documented and reported to the Audit Committee.

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 2017 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.

As required by section 5:25c paragraph 2(c) of the Dutch Financial Supervision Act, each of the signatories hereby confirms that to the best of his or her knowledge:

- the Euronext N.V. 2017 Annual Accounts give a true and fair view of the assets, liabilities, financial position and profit or loss of Euronext N.V. and the enterprises included in the consolidation taken as a whole; and
- the Euronext N.V. 2017 Annual Report gives a true and fair view of the position at the balance sheet date, the development and performance of the business during the financial year 2017 of Euronext N.V. and the enterprises included in the consolidation taken as a whole, together with a description of the principal risks Euronext N.V. is being confronted with.

Stéphane Boujnah,

Group CEO

Paulo da Silva,

CEO Euronext Lisbon and CEO Interbolsa

Vincent Van Dessel,

CEO Euronext Brussels

Anthony Attia,

CEO Euronext Paris & Global Head of Listing

Maurice van Tilburg,

CEO Euronext Amsterdam

In Control statement

In accordance with best practice provision 1.4.3 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 2017.

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 it is justified that the financial reporting is prepared on a going concern basis; and that this 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. Furthermore, as described in the 1.2 and the chapter 'Risks', this Registration Document reflects the material risks and uncertainties that are relevant to the expectation of the company's continuity for the period of twelve months after the preparation of this Registration Document.

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 provide 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. In 2017, no transactions have taken place in which members of the Managing Board and supervisory Board were conflicted.

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 2017, the Supervisory Board was composed of Rijnhard van Tets, Dominique Aubernon, Koenraad Dom, Ramon Fernandez, Manuel Ferreira da Silva, Jim Gollan, Kerstin Günther, Lieve Mostrey and Dick Sluimers. Dominique Aubernon resigned from the Supervisory Board on 19 October 2017, following the Extraordinary General Meeting as the Reference Shareholders' composition changed in June 2017, triggering a change in the appointment of their board representatives. In that meeting, Franck Silvent was appointed to the Supervisory Board subject to regulatory approval; his appointment took effect on 3 November 2017.

Euronext has assessed that the appointment to the Supervisory Board in 2017 is in compliance with the requirements as included in the Dutch "Wet bestuur en toezicht" regarding the maximum number of Supervisory Board positions.

Franck Silvent 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.

Following the announced acquisition of the Irish Stock Exchange, and the closing of the transaction on 27 March 2018, it is expected that Padraic O'Connor, Chairman (Non-Executive) of the Irish Stock Exchange will be proposed as a new member of Euronext's Supervisory Board to the next Annual General Meeting on 15 May 2018. A biography of Padraic O'Connor is provided below.

The Supervisory Board consisted of nine members as at 31 December 2017 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 a member 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.

On 19 March 2018, Euronext announced that Rijnhard van Tets, Chairman of the Supervisory Board of Euronext N.V. decided to step down following the Annual General Meeting of Shareholders (AGM) to be held on 15 May 2018. Rijnhard van Tets notified the Supervisory Board that he will not be available for a new term.

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 the Chairman 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.

Following the announcement of Rijnhard van Tets step down on 19 March 2018, the Supervisory Board has elected Dick Sluimers as its next Chairman, subject to regulatory approval.

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, a member of the Remuneration Committee and a member of the Nomination and Governance 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 Orange Bank, a member of the board of directors at Orange Maroc, Orange Middle East Africa, Compagnie Financière d'Orange Bank and a member of the Supervisory Board at Orange Polska S.A., Euler Hermes and at Iris Capital Management S.A.S.

He is a graduate of the Institut d'Études Politiques and of the École Nationale d'Administration, Graduation Year 1993 – Léon Gambetta.

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 is Vice-Chairman of the board of the SERRALVES Foundation, Museum of Contemporary Art. He served for thirty-five years as a banker at Banco BPI where he was executive member of the Board for the last sixteen years and the CEO of its wholly-owned investment bank. 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 and a member of the Audit Committee. She was appointed to the Supervisory Board in 2016.

Ms Günther is a senior digitalization and transformation executive with 26 years international management experience in the ICT sector. From 1991 till 2017 she worked for the Deutsche Telekom Group with focus on Central and Eastern Europe, where she held various management positions. Ms Günther was Senior Vice President Technology (CTIO) Europe before she founded 'Deutsche Telekom Pan-Net' in 2015, Deutsche Telekom's international, digital, virtualized infrastructure cloud and centralized European service production, which she lead as Managing Director untill June 2017. She is CFO and a member of the Board of the foundation "Bürgerstiftung Rheinviertel" in Bonn, Germany. From 2013 untill 2017 she was Chairperson of the Board of Magyar Telekom and Vice-Chairperson of the Board of Slovak Telekom.

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.

Since January 2017, Ms Mostrey has been appointed Chief Executive Officer of Euroclear Group. Ms Mostrey joined Euroclear in 2010 as Executive Director and Chief Technology & Services Officer. 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 2010 and of ReadDolmen between 2013 and March 2017. 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.

Franck Silvent

Franck Silvent is a member of the Supervisory Board. He was appointed to the Supervisory Board in 2017.

Mr Silvent is a Managing Partner of Degroof Petercam Finance.

Mr Silvent worked in the French Ministry of Finance (Inspection Générale des Finances) as an auditor from 1998 to 2002. In 2002 he was appointed Deputy Director of Strategy, Finance, Management Control and Accounting at Caisse des Dépôts. From 2005 to 2012 he worked at Compagnie des Alpes (CDA) where he served as Director of Finance, Strategy and Development, before becoming Deputy CEO. From 2013 to August 2017, Mr Silvent has been Director of Finance, Strategy and Holdings at Caisse des Dépôts.

He graduated from the École Nationale d’Administration.

Padraic O’Connor

Padraic O'Connor is the Chairman of the ISE and also chairs the Senior Appointments and Remuneration Committee. He is a non-executive director of Rabobank Ireland, Quintillion and a number of other companies. He was Managing Director of NCB Group between 1991 and 1999 prior to which he was Chief Economist at the firm. Before joining NCB, Mr O'Connor worked at the Department of Finance and the Central Bank of Ireland. He holds primary and postgraduate degrees in Economics from University College Dublin.

The table below contains information on the members of the Supervisory Board that has not been included above (as at 31 December 2017).

NAME	AGE	GENDER	NATIONALITY	PROFESSION	MEMBER SINCE	INDEPENDENT/ NON-INDEPENDENT	END OF CURRENT TERM
Rijnhard van Tets	70	Male	Dutch	Asset manager	15/03/2014	Independent	2018
Dick Sluimers	64	Male	Dutch	Economist	14/07/2016	Independent	2020
Koenraad Dom	49	Male	Belgian	Consultant	19/12/2014	Non-independent	2018
Ramon Fernandez	50	Male	French	Deputy CEO	20/07/2015	Independent	2019
Manuel Ferreira da Silva	60	Male	Portuguese	Banker	15/03/2014	Independent	2018
Jim Gollan	62	Male	British	Accountant	20/07/2015	Independent	2019
Kerstin Günther	50	Female	German	Engineer	14/07/2016	Independent	2020
Lieve Mostrey	57	Female	Belgian	CEO	19/12/2014	Non-independent	2018
Franck Silvent	45	Male	French	Managing Partner	03/11/2017	Non-independent	2021

Three members of the Supervisory Board, namely Koenraad Dom, Lieve Mostrey and Franck Silvent, were proposed by the Company’s Reference Shareholders, who as a group hold more than ten percent of the Company’s shares. 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. Euronext qualifies as a large Dutch Company and does not meet these gender diversity targets with respect to the Supervisory Board, as two of the nine members are women. This is partly related to historical circumstances and partly to the sectors in which Euronext is active.

Euronext will continue to promote gender diversity within its Supervisory 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.

During 2017, 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 2017 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 willful 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 2017, the Audit Committee was composed of Jim Gollan (Chairman), Koenraad Dom and Dick Sluimers. Kerstin Günther became a member of the Audit Committee on 27 July 2017. As per 31 December 2017, the Audit Committee was composed of Jim Gollan (Chairman), Koenraad Dom, Kerstin Günther and Dick Sluimers. Franck Silvent was appointed to the Audit Committee with effect from 1 January 2018.

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 2017, the Nomination and Governance Committee was composed of Rijnhard van Tets, Dominique Aubernon, Manuel Ferreira da Silva and Lieve Mostrey. Domique Aubernon retired from the Nomination and Governace Committee on 19 October 2017. As per 31 December 2017, the Nomination and Governance Committee was composed of Rijnhard van Tets, Manuel Ferreira da Silva and Lieve Mostrey. The Committee is chaired by Rijnhard van Tets. Ramon Fernandez was appointed to the Nomination and Governance Committee with effect from 1 January 2018.

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 2017, and as per 31 December 2017, the Remuneration Committee was composed of Lieve Mostrey, Ramon Fernandez and Manuel Ferreira da Silva. 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 currently consists of the Chief Executive Officer ("CEO") of the Euronext Group, the Head of Markets and Global Sales and the CEOs of the local exchanges .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
- 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 2017.

NAME	AGE	POSITION	APPOINTED ON
Stéphane Boujnah	53	Group CEO	4 November 2015
Anthony Attia	43	CEO Euronext Paris & Global Head of Listing	15 March 2014
Paulo da Silva	53	CEO Euronext Lisbon and CEO Interbolsa	19 May 2017
Lee Hodgkinson	45	Head of Markets and Global Sales and CEO of Euronext London	15 March 2014
Vincent Van Dessel	59	CEO Euronext Brussels	15 March 2014
Maurice van Tilburg	46	CEO Euronext Amsterdam	6 May 2015

On 1 January 2017, the Managing Board was composed of Stéphane Boujnah (Chairman), Anthony Attia, Maria João Carioca, Jos Dijsselhof, Lee Hodgkinson, Vincent Van Dessel and Maurice van Tilburg.

Maria João Carioca resigned from the Managing Board on 1 March 2017.

Paulo da Silva was appointed to the Managing Board on 19 May 2017.

Jos Dijsselhof, Chief Operating Officer, left Euronext on 30 June 2017.

Following the announced acquisition of the Irish Stock Exchange, and the closing of the transaction on 27 March 2018, it is expected that Deirdre Somers, current CEO of the Irish Stock Exchange, would join Euronext's Managing Board (subject to regulatory approval) with group-wide responsibility for Debt, Funds & ETFs listing . A biography of Deirdre Somers is provided below.

On 25 January 2018, Euronext announced that Lee Hodgkinson will leave the company in early April 2018 and will therefore resign from the Managing Board .

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 since 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 the appointment to the Managing Board in 2017 is 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 SA, EnterNext, and the French Capital Markets Association (Amafi), as well as a member of the AMF Markets and Exchanges commission. He is the Chairman of Liquishare. He holds an Engineering degree in computer science, applied mathematics and finance from the Institut d'Informatique d'Entreprise and also studied at Insead.

Paulo da Silva

Paulo da Silva has joined Euronext as the CEO of Euronext Lisbon and as the CEO of Interbolsa in 2017. Before joining Euronext, he was a member of the board of Caixa Geral de Depósitos with overall responsibility for IT/IS, operations, marketing, organization, as well as the coordination of the bank's restructuring plan. Prior to that, he was an independent management consultant, working with Private Equity investors, providing restructuring and technology services to companies in Europe, mainly in the telecom area. From 2000 to 2011, Mr da Silva held several positions at Vodafone Group, including Vice-President of Technology and Operations in Portugal, Global Director of IT Services & Development for the whole Vodafone Group, based in Germany and the United Kingdom, and finally Chief Commercial Officer of Vodafone Turkey. From 1991 to 2000, he worked for Banco Português de Investimento (BPI), where he was appointed a Member of the Board of Directors in 1997. He was a Consultant at McKinsey between 1989 and 1991. He was also a Teaching Assistant at Universidade Católica Portuguesa in Lisbon from 1985 to 1987 and Research Assistant and Dean's Assistant at Insead from 1987 to 1989.

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 is a director of Enternext S.A. and of Euronext Hong Kong Limited. 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. Euronext announced on 25 January 2018 his departure in early April 2018.

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. Mr Van Dessel is a director of Enternext S.A.. 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 2015. Until this appointment to the Managing Board, 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. Mr Van Tilburg is a member of the Supervisory Board of Company Webcast B.V. and of the Supervisory Board of iBabs B.V., and a director of Enternext S.A. He holds an engineering degree and a post graduate audit degree from the VU University Amsterdam.

Deirdre Somers

Deirdre Somers is Chief Executive since June 2007. Having joined the ISE in 1995, Ms Somers was Director of Listing where she was instrumental in establishing the ISE's leading position internationally in listing investment funds and debt securities. Ms Somers also oversaw the establishment of two niche markets - the ESM, the ISE's enterprise market which focuses on growth companies and GEM, a professional market for debt issuers. She is outspoken about the importance of the role of markets as a relevant and accessible funding source for issuers, particularly for high potential SME companies. A Fellow of Chartered Accountants Ireland, Ms Somers was elected President of the Federation of European Securities Exchanges (FESE) in June 2015 and sits on the Board. She also sits on the National Council of IBEC. She was Vice-President of FESE from 2010 – 2013 and is also a former Governor of University College Cork.

Senior Management

Alain Courbebaisse

Alain Courbebaisse is the Chief Information and Technology Officer of the Company. He leads the IT function across Euronext. Mr Courbebaisse joined Euronext in June 2017.

Prior to joining Euronext, Mr Courbebaisse was Head of Prime Brokerage and Clearing Services and Head Of Platform Sales at Societe Generale Americas Services, and prior to this he was the Global CIO of Newedge. In his earlier roles, he was European CIO and Global head of Development at Fimat, Head of IT at Draeger Medical SA, Consultant and Developer for IBM. Mr Courbebaisse is a member of the Supervisory Board of Tredzone. Mr Courbebaisse graduated from Conservatoire National des Arts et Metiers in Computer science.

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 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. Ms Langlais is also a member of the Board of Directors of EuroclearPlc and of Euroclear SA/BV. 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 is the Chief Financial Officer of the Company. He joined Euronext in 2016. His responsibilities 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 is a director of Euronext US Inc. 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. 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 ten members (including Senior Management members and Stéphane Boujnah), one is female.

The Senior Leadership team in 2017 was composed of 24% of females. The balance of country representation was the following: 56% France, 13% the Netherlands, 13% United Kingdom, 9% Portugal, 7% Belgium and 2% United States. The average age of this group is 45 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 2017: there were six in-person meetings and six conference calls.

2.3.2 SUPERVISORY BOARD ATTENDANCE RECORD

On average, 88% of the Supervisory Board members were present at these meetings.

In 2017, twelve Supervisory Board meetings were held.

Name	Attended	Absence ratio
Rijnhard van Tets	12 out of 12 meetings	0%
Dick Sluimers	10 out of 12 meetings	16.67%
Dominique Aubernon (retired 17 October 2017)	10 out of 10 meetings	0%
Koenraad Dom	11 out of 12 meetings	8.33%
Ramon Fernandez	8 out of 12 meetings	33.33%
Manuel Ferreira da Silva	10 out of 12 meetings	16.67%
Jim Gollan	12 out of 12 meetings	0%
Kerstin Günther	10 out of 12 meetings	16.67%
Lieve Mostrey	10 out of 12 meetings	16.67%
Franck Silvent (appointed 3 November 2017)	2 out of 2 meetings	0%

In 2017, seven Audit Committee meetings were held.

Name	Attended	Absence ratio
Jim Gollan	7 out of 7 meetings	0%
Koenraad Dom	7 out of 7 meetings	0%
Kerstin Günther	1 out of 1 meeting	0%
Dick Sluimers	5 out of 7 meetings	28.57%

In 2017, four Nomination and Governance Committee meetings were held.

Name	Attended	Absence ratio
Rijnhard van Tets	4 out of 4 meetings	0%
Dominique Aubernon (retired 17 October 2017)	3 out of 3 meetings	0%
Manuel Ferreira da Silva	4 out of 4 meetings	0%
Lieve Mostrey	4 out of 4 meetings	0%

In 2017, five Remuneration Committee meetings were held.

Name	Attended	Absence ratio
Lieve Mostrey	5 out of 5 meetings	0%
Ramon Fernandez	2 out of 5 meetings	60%
Manuel Ferreira da Silva	4 out of 5 meetings	20%

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 21 March 2017 was entirely dedicated to Euronext's strategy.

During the meetings held in 2017, the Supervisory Board approved the quarterly and semi-annual statements, the semi-annual report, the annual report for 2016, the budget for 2018, 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, its Committees and Managing Board by the Supervisory Board relating to the year 2017 took place in January and February 2018. This evaluation was conducted through questionnaires, the results of which were compiled by the Corporate Secretary. In addition, the Chairman had individual conversations with all Supervisory Board members. The report on the outcome of the questionnaires was discussed initially by the Nomination and Governance Committee and subsequently by the Supervisory Board as a whole.

The topics included in the questionnaires covered, among other items, the interaction with the Managing Board, the Supervisory Board meetings, Chairmanship, communications, decision making processes, lessons learned from events that occurred through the year, succession and development planning, shareholder value, the composition and profile of the Supervisory Board, the Committee structure and the competencies and expertise of its members.

The performance of the individual Management Board members and the Management Board as a whole was discussed during the physical meetings of the Nomination and Governance Committee and the executive session of the Supervisory Board in February 2018.

After discussing the results of the questionnaires, the Supervisory Board concluded that the Supervisory Board and its Committees had properly discharged their responsibilities during 2017. During the board evaluation, the Supervisory Board further concluded that the relation and interaction with the Managing Board, including the flow of information, was good. The Vice-Chairman of the Supervisory Board led the review of the performance of the Chairman. The Supervisory Board concluded that the Chairman had performed his duties well.

The Supervisory Board and its Committees agreed that during 2018 they will increase their attention for items such as technology, the middle-management and crisis management.

2.3.5 REPORT AUDIT COMMITTEE

As per 1 January 2017, the Audit Committee was composed of Jim Gollan (Chairman), Koenraad Dom and Dick Sluimers. Kerstin Günther became a member of the Audit Committee on 27 July 2017. As per 31 December 2017, the Audit Committee was composed of Jim Gollan (Chairman), Koenraad Dom, Kerstin Günther and Dick Sluimers. Franck Silvent was appointed to the Audit Committee with effect from 1 January 2018.

The Audit Committee convened seven times in 2017. 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 Head of Internal Audit. 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 internal and external audit planning and reports, litigations, and the external auditors' reports.

2.3.6 REPORT REMUNERATION COMMITTEE

As per 1 January 2017 and as per 31 December 2017, the Remuneration Committee was composed of Lieve Mostrey, Ramon Fernandez and Manuel Ferreira da Silva. The Committee is chaired by Lieve Mostrey.

The Remuneration Committee held five meetings in 2017. 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 a Compensation policy adjustment proposal and proposed compensation for new hires.

2.3.7 REPORT NOMINATION AND GOVERNANCE COMMITTEE

As per 1 January 2017, the Nomination and Governance Committee was composed of Rijnhard van Tets, Dominique Aubernon, Manuel Ferreira da Silva and Lieve Mostrey. Dominique Aubernon retired from the Nomination and Governance Committee on 19 October 2017. As per 31 December 2017, the Nomination and Governance Committee was composed of Rijnhard van Tets, Manuel Ferreira da Silva and Lieve Mostrey. The Committee is chaired by Rijnhard van Tets. Ramon Fernandez was appointed to the Nomination and Governance Committee with effect from 1 January 2018.

The Nomination and Governance Committee met four times in 2017. 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 2017 Financial Statements and has discussed these with the Supervisory Board. The Financial Statements will be submitted for adoption at the 2018 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 strongly aligned with 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.
Pension arrangements and fringe benefits	Ensure competitive benefits package and conformity with local market practice	The pension arrangements of the member of the Managing Board consist of state pension and additional pension schemes that are in line with local practice in the countries where Euronext operates. In addition members of the Managing Board are entitled to the usual fringe benefits such as a company car, expense allowance, medical insurance, accident insurance in line with local market practice in the countries where Euronext operates.

2.4.2 REMUNERATION CHART

Short Term Incentive (STI) 2017

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 2017 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 securing clearing solutions & implementing the Agility for Growth 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%
Head of Global Markets & Sales	50.00%	75.00%
CEO France / CEO Netherlands	50.00%	75.00%
CEO Belgium / CEO Portugal	40.00%	60.00%

Long Term Incentive (LTI) as of 2017

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%
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 2017

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 2017, reference is made to Note 50 of the Financial Statements included in this Registration Document. The total remuneration for the members of the Managing Board, for the year 2017 amounts to €6,153,906. This amount includes exceptional bonus and a pro rata compensation related to Jos Dijsselhof and Maria João Carioca.

The total remuneration 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 2017 these amounts are as described herewith:

NAME	TITLE	CURRENCY	BASE SALARY (ANNUALISED PER 31/12/2017)	STI OVER 2017	LTI COMPENSATION BASED ON IFRS 2 (c)	POST-EMPLOYMENT BENEFITS
Stéphane Boujnah	Group Chief Executive Officer Euronext	EUR	725,000	815,625	291,045	
Anthony Attia	CEO of Euronext Paris and Global Head of Listing	EUR	300,000	225,000	257,948	
Lee Hodgkinson[(a)]	CEO of Euronext London and Head of Markets and Global Sales	EUR	365,101	136,913	420,614	27,793
Paulo da Silva[(b)]	CEO of Euronext Lisbon & Interbolsa and Head of Market Solutions	EUR	230,000	138,000	-	28,750
Maurice van Tilburg	CEO of Euronext Amsterdam and Head of Market Operations and Client Centricity	EUR	270,000	190,000	71,539	16,869
Vincent Van Dessel	CEO of Euronext Brussels	EUR	270,701	110,000	157,460	33,853

(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 2017: 120,000, LTI compensation based on IFRS 368,655 and post-employment benefit 24,360.

(b) On 13 December 2016 it was announced that Maria João Carioca had resigned and would step down from her role in the Managing Board. Her resignation became effective on 1 March 2017. At the Annual General Meeting held on 19 May 2017, Paulo Jorge da Silva has been formally appointed as CEO of Portugal. The base salary has been annualised.

(c) IFRS standard 2 on "Shared-based 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.

There are no specific agreement made by the company with a Managing Board member that provides a payment upon termination of employment as a result of a public takeover bid within the meaning of article 5:70 of the Dutch Financial supervision Act.

2.4.4 REMUNERATION OF SUPERVISORY BOARD MEMBERS

Reference is made to Note 50 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 2017 are as follows:

Rijnhard van Tets	€93,000
Dick Sluimers	€81,000
Dominique Aubernon	€0
Koenraad Dom	€61,000
Ramon Fernandez	€61,000
Manuel Ferreira da Silva	€67,000
Jim Gollan	€99,228
Kerstin Günther	€57,585
Lieve Mostrey	€0
Franck Silvent	€8,890
TOTAL	**€528,703**

Two members of the Supervisory Board, Rijnhard van Tets 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.

Dominique Aubernon retired after the Extraordinary General Meeting on 19 October 2017. Franck Silvent was appointed on 19 October 2017 subject to regulatory approval. His appointment became effective on 3 November 2017, the date on which the regulatory approval was granted. 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 2017 in the FCPE are included in the table below.

NAME	NUMBER OF FCPE UNITS
Anthony Attia	1,343
TOTAL	**1,343**

2.5 Corporate social responsibility

The European Parliament acknowledged the importance of businesses divulging information on diversity and sustainability such as social and environmental factors, with a view to identifying sustainability risks. Indeed, disclosure of non-financial information is vital for managing change towards a sustainable global economy by combining long-term profitability with social justice and environmental protection. In this context, disclosure of non-financial information helps the measuring, monitoring and managing of undertakings' performance and their impact on society.

Also, shareholders and other stakeholders are more and more interested in diversity and non-financial information in order to have a meaningful, comprehensive understanding of a company's development, performance, position and impact of its activity. They thoroughly analyze this information in their investment-decision process. In this context, disclosure of non-financial information helps increasing investor and consumer trust.

In this context, the European Directive 2014/95/UE dated 22 October 2014 imposes to public-interest entities which are large undertakings with more than 500 employees to publish non-financial information including information on environmental, social and employee matters, respect for human rights and on anti-corruption and bribery matters.

Euronext is very keen to comply with its obligations as a listed company and to promote transparency, especially in ESG related matters. Indeed, as a key factor in the financial ecosystem Euronext has a responsibility vis-à-vis the finance community to be one of its pillars in order to contribute to the financial stability in the countries in which it operates. To help achieve this aim, Euronext strives to deliver a high integrity trading environment. Euronext believes that good corporate social responsibility practices are essential in bridging the gap between simply operating within and improving society at large.

This chapter describes how Euronext fulfils the new requirements of the Directive, which has been fully implemented in The Netherlands by a Decree dated 14 March 2017 on disclosure of non-financial information ("*Besluit bekendmaking niet-financiële informatie*"). Euronext operates in different countries, where fundamental rights, in particular social rights, are totally respected. All employees are based in countries where national laws provide strong protection for fundamental work rights. In these circumstances, Euronext has drafted no specific policies on the subject and human rights will therefore not be detailed as such is the section below.

2.5.1. PRESENTATION OF THE CSR MISSIONS AND GOVERNANCE

At Euronext, corporate responsibility is part of our identity. Encouraging transparency in markets, setting high standards of integrity and governance, and bringing the world's leading companies together in a collaborative manner are exchange touchstones. Euronext conducts its business ethically and integrates consideration of the impact of its actions on its communities, its people and the planet. Euronext regards improving financial capability as one of the key ways in which it can have a positive impact.

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 2017.

The core values that Euronext focused on in 2017 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 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;
- favor the wellness of its employees through responsible Human Resources policies;
- engage in contributing to developing the environmental sustainability of the ecosystem.

The Company's corporate responsibility encompasses the following four areas: Stakeholders, Employees, Communities, and Sustainability Awareness. The structure of this chapter is based on these four areas of activity.

CSR Governance

The General Counsel is in charge of coordinating CSR at group level, making sure that all relevant departments integrate the CSR objectives in their missions. The General Counsel keeps the group's managing board informed about CSR initiatives. Euronext's CSR committee has at least one staff member per location helping to implement the Euronext CSR initiatives locally.

United Nations Sustainable Stock Exchange Initiative Membership

Euronext 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.The decision of membership to SSE reflected the commitment of Euronext in these areas. In 2017, the SSE Initiative convened a high-level dialogue on Green Finance alongside the COP 23 in Bonn, Germany. One of the Euronext managing board directors participated as a speaker to this event.

2.5.2. PRESENTATION OF THE BUSINESS ENVIRONMENT

Euronext main activities

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.

For more information on Euronext activities see section 1.3.1 Business Overview

The Agility for growth strategic plan

For more information about Agility for growth strategic plan see section 1.2 "Strategy "Agility for growth strategic plan announced in May 2016"

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. Euronext has opened in 2017 new offices in five European cities outside its core markets – in Germany (Frankfurt, Munich), Italy (Milan), Spain (Madrid) and Switzerland (Zurich) – to assist Tech companies in developing their business on a greater scale through capital markets

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 and reduced cost structure aligned with their narrower service offering.

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.

Interbolsa is the entity that provides post-trade services in Portugal (mainly settlement services and notary and central maintenance services). Interbolsa, as all CSDs in Europe, is facing increased regulatory pressure related to competition. Actually, according to the CSD Regulation, the creation of an integrated market for securities settlement with no distinction between national and cross-border securities transactions avoids distortions of competition. Considering also that, given the systemic importance of CSDs, competition between them should be promoted in order to enable market participants the possibility to choose any CSD in Europe.

For more information on the competition, see section 1.1.3 Business Environment

Regulatory Environment / Regulation

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.

For more information on the regulation see section 1.4 Regulation

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 2016 by priority, as it is registered and listed in the Netherlands (see section 2.1), but also the French Afep – Medef Recommendations, and the 2009 Belgian Code on Corporate Governance.

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.

Until October 2017, the Supervisory Board included nine non-executive directors including three female directors. Following a change in the appointment by the newly composed group of Reference Shareholders during summer 2017, one of the directors designated by this group was replaced and the female representation changed to 2 female directors out of nine.

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 2017, the Supervisory Board and its three related committees held twenty-eight sessions through in person meetings or conference calls.

By the end of 2017 the Managing Board included six directors, and in its "Extended Managing Board composition" it included four Executive Managers who attended all its meetings (Chief Financial Officer, Chief Information & Technology Officer, General Counsel and Chief Talent Officer)

In 2017, the Company has reaffirmed the role of the Euronext Managing Board and of the investment committee, performed monthly risk reviews and strengthened the Senior Leadership team with fifty five Senior Managers.

The Senior Leadership team, a new Executive group created in 2016, was composed of 24% of females. The balance of country representation was the following: 56% France, 13% Netherlands, 13% United Kingdom, 9% Portugal, 7% Belgium and 2% United States. The average age of this group is 45 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 internal auditing and internal control teams, supported by external firms to audit specific items, provide guidance and control. In 2017, 12 assignments on various domains, including Information Technology, Business entities and Support Functions, have been conducted by the Internal Audit department.

Euronext commitment to 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 ensuring a balance between the needs of its employees with those of the Company guaranteeing each

and every employee can excel and develop in a safe, discrimination and harassment free environment.

i. Euronext Code of Business Conduct and Ethics

Euronext has adopted a Code of Business Conduct and Ethics that reaffirms its commitment to high standards of ethical conduct and reinforces its business integrity, 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;
- fair competition.

ii. Euronext Compliance policies

These policies aim at ensuring compliance with the laws and promoting best practice as well as the higher ethical standards.

They intend to raise awareness among Euronext employees and avoid non-compliance or reputational risks.

Euronext has implemented the Anti-Money Laundering and Sanctions Policy and Guidance according to the 4th European Union AML Directive. The financial sector relies on Euronext to act as a gatekeeper preventing money laundering and terrorist financing activities. The Euronext Anti-Money Laundering and Sanctions Policy is designed to ensure compliance with EU AML Directives and Regulations applicable to an operator of regulated markets and trading venues. It includes the need to have in place appropriate systems and controls to identify and mitigate the risk of Euronext being used to facilitate money laundering, other financial crime and terrorist financing.

Furthermore, Euronext maintains a strong focus on detecting integrity breaches such as market abuse, market manipulation, and insider trading which are reported to regulators. Euronext has internal procedures and dedicated teams for this purpose and to ensure compliance with requirements of the REGULATION (EU) No 596/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 16 April 2014 on market abuse (market abuse regulation).

Prevention of market abuse by Euronext staff is supported by a Personal Trading Policy, a Euronext N.V. Insider trading Policy as well as a Confidential and Inside information Policy.

Finally, Euronext has adopted an anti-bribery policy and a conflict of interest policy according to best practice to comply with local laws, as well as a gift meals and entertainment policy which strives to ensure all Euronext staff upholds the highest standards with respect to conflicts of interest and anti-corruption. The Anti-Bribery Policy is established to prevent, identify and report the activities constituting bribery in its many forms. Similarly, Euronext has established the Conflicts of interest Policy to avoid conflicts situations, ensure that Employees understand what a conflict of interest is, in its many forms and offer guidance to Employees on how to manage such conflicts.

The aforementioned policies apply to Euronext and its majority owned subsidiaries, and to all Euronext employees including consultants (including interns and temporary staff) and agents.

iii. Training and awareness

Staff training and awareness sessions are conducted regularly in all company locations to promote compliance and ethics standards.

Each new employee is trained shortly after joining by the Euronext Compliance department.

Euronext conducts ongoing training as refresher and as necessary, such as following the modification of these policies.

Finally, some teams receive specific training as they have been identified as more exposed to certain risks.

iv. Whistleblowing program

The Company, via its Whistleblowing Policy, allows Employees to report in confidence alleged breaches of the laws or Company policies, and protects anyone who reports in good faith, ensuring that they shall in no way be put at a disadvantage by the Company as a result of the report. The Whistleblowing Policy also describes how the reports are treated, how investigations are carried out and contains the rights and obligations of Employees when they want to report an alleged breach.

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 sign the Code of Business Conduct and Ethics and are committed to comply with it.

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"

2.5.3. RELATIONS WITH THE STAKEHOLDERS

Euronext has an ongoing dialogue with all its stakeholders (shareholders, members, issuers, financial analysts, regulators and investors).

In this context, since 2014, every subsidiary exchange of the group has one or more exchange committees to advise and assist the local Managing Board in a non-binding, advisory capacity on new products and market developments. These Councils discuss strategic issues at local level, being the operational and technical issues linked to the business areas (Cash/ Derivatives/ Listing). It is also expected that the Committee participants propose new ideas and be active in raising topics or issues in the scope of the Committee. The Users Committee is consulted on issues of major interest to Euronext users, where products and services might be developed to meet users' needs. Euronext commits to listening to its opinions and taking these into account in its decision-making process insofar as possible, in the interests of both the company and its shareholders

Shareholders

1. Ongoing dialogue

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 investor relations team met with around 240 investors in 2017, notably through conducting roadshows in eight countries (United-Kingdom, France, Germany, Switzerland, the Netherlands, the United States, Canada and Sweden) and attended eleven investors conferences. 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 *"4.2 - Share Capital"* section of this Registration Document.

2. Shares

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 19 May 2017, 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.

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.

Detailed information about Euronext's shareholders can be found in the *"4.4 - Share Classes and major shareholders"* section of this Registration Document.

3. 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 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. This agreement expired on 20 June 2017 and was extended for a further period of two years commencing on 21 June 2017. The new Reference Shareholders group accounts for 23.86% of Euronext's share capital

Detailed information about Euronext's reference shareholders can be found in the *"4.4.1. - Reference shareholders"* section of this Registration Document.

4. Dividend Policy

At the time of its IPO in 2014, Euronext's dividend policy was established 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. In May 2017, Euronext decided to complement this policy, for the remainder of its 'Agility for Growth' strategic plan with the introduction of a floor to the dividend per share. Starting at the Annual General Meeting in 2017 and until the Annual General Meeting in 2020, Euronext dividend policy is to distribute the highest of 50% of the reported net income and a floor at €1.42 per share, 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.

Detailed information about dividend can be found in the *"4.12 - Dividend and other distributions"* section of this Registration Document.

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.

Within the Listing department, over 4,000 individual meetings were held with a broad spectrum of listed, non-listed companies and ecosystem members to promote capital markets benefits and accompany entrepreneurs in their development projects. To fulfil its mission, the Listing team capitalises on the local representations that have been set up in Paris (and in major French cities), Lisbon, Brussels, Amsterdam as well as in Munich, Frankfurt, Zurich, Madrid and Milan given the European expansion in the source of 2017.

Pedagogy, education and proximity are core values which underpin the Listing team's strategic deployment. In keeping with this logic, the Listing team seeks to make its issuers aware of social responsibility issues.

Euronext has also been actively involved with several charitable associations.

Transparency and knowledge sharing are also at the very heart of the Listing team values. Before launching new projects, the team consults with local ecosystem members, acting as the house of collective and inclusive growth. As an illustration, the Listing team is currently consulting on potential sustainable finance.

On an annualised basis Euronext's client coverage center held over 1,400 transactions client meetings in 2017 and the client coverage center exchanged over 28,000 e-mails and 13,000 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.

For the second year, a customer satisfaction survey was conducted in 2017 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. The results of this annual exercise are at the foundation of the continuous internal process to intensify client centricity

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. Since 2016, this chart (referred to as Euronext Supplier code of conduct), including provisions regarding human rights, diversity and inclusion, and environmental protection, is provided together with requests for proposal to each envisaged supplier.

Additionally, any new vendor selected by Euronext is first screened, to identify any post or current sanctions, and is compared to the Euronext country black list (directly based on the OECD blacklist of Non cooperative countries or territories (NCCTs)) – reviewed on a yearly basis.

In 2017, more than 900 suppliers have been screened: a few ones led to further investigation but none were rejected. Investigations were due to suppliers having their bank accounts in a "black listed" country. After escalation with Business & Compliance, they were reviewed and accepted.

2.5.4. SUSTAINABILITY – PRODUCTS WITH ENVIRONMENTAL ADDED VALUE

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, corporate services, cash trading, foreign exchange trading, derivatives trading, market data & indices, post-trade services as well as market solutions

As an operator of regulated markets, Euronext's mission is to bring together buyers and sellers in venues that are transparent, efficient and reliable.

Euronext's team has a mission to bring innovation and agility to the markets. Since Euronext's IPO in June 2014, Euronext focused on researching and developing new 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.

This section describes the way in which Euronext attempts to positively impact the financial markets from an environmental perspective.

Sustainability Indices – A Stock Exchange Committed to Sustainability

Euronext ESG Indexes are designed to support common approaches to environmental, social and governance (ESG) investing. Euronext ESG indices are based on a fully transparent and rules-based selection process and measures risk and performance across a variety of Environmental, Social and Governance (ESG) areas.

1. Low Carbon 100 Europe Index - the first one

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®, revolutionizing 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.

2. 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.

3. 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.

Two indices have been derived over 2017 around this Euronext Climate Euronext Index for investment purpose: The Euronext Climate Orientation Priority index and Euronext® Climate Objective 50 EW index.

4. 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. The index is well established with several Structured Products linked to the index.

As a stock exchange committed to sustainability, Euronext will continue to extend over 2018 its ESG index offering thanks to its partners expertise: Vigeo, CDP and Carbone 4.

5. Euronext® new sustainable indices in 2018

Euronext extended its cooperation with Vigeo Eiris and launched new families of indices that will serve as underlying for structured products.

Launched in February 2018, those indices measure the performance of the top performing companies in the EGS /Energy transition fields, with regards to their respective Vigeo Eiris rating.

The first set of indices covers Europe, Eurozone and France and the selection is made by taking the most sustainable companies with regard to their practices and performance on environmental, social and governance ("ESG") issues:

- Euronext France ESG Leaders 40 EW
- Euronext Eurozone ESG Leaders 40 EW
- Euronext Europe Sustainable 100 EW

The second set of indices covers Eurozone and France. The selection is made by taking the companies with the best Energy Transition Performance scores. The Energy Transition Performance is a forward looking approach that analyses a company's capacity to adapt their business model and manage sector-specific risks and opportunities related to the transition to a low-carbon economy:

- Euronext France Energy Transition Leaders 40 EW
- Euronext Eurozone Energy Transition Leaders 50 EW

Euronext ESG Indices

Launch Date	Name	Nr of components	CCY
2008	Low Carbon 100 Europe Index	100	EUR
2013	Euronext Vigeo Benelux 20 Index	20	EUR
2013	Euronext Vigeo Euro 120 Index	120	EUR
2013	Euronext Vigeo Europe 120 Index	120	EUR

2013	Euronext Vigeo France 20 Index	20	EUR
2013	Euronext Vigeo UK 20 Index	20	GBX
2016	Euronext Climate Europe	200	EUR
2017	CAC 40 Governance	40	EUR
2017	EN Climate Orientation Priority 50 EW	50	EUR
2017	Euronext Climate Objective 50 EW	50	EUR
2018	Euronext France ESG Leaders 40 EW	40	EUR
2018	Euronext France Energy Transition Leaders 40 EW	40	EUR
2018	Euronext Eurozone ESG Leaders 40 EW	40	EUR
2018	Euronext Eurozone Energy Transition Leaders 50 EW	50	EUR
2018	Euronext Europe Sustainable 100 EW	100	EUR

Focus on the 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).

The factsheet below describes the methodology on the index.

Factsheet	**CAC 40® Governance indices**
Index names	CAC 40® Governance CAC 40® Governance NR CAC 40® Governance GR CAC 40® Governance Decrement 5%
Index type	Price, Gross, Net and Decrement 5%
Underlying Index	CAC 40®
Index governance structure	The index follows the selection of the underlying index, which is under supervision of an independent steering committee. Euronext acts as the Compiler and is responsible for the day-to-day management of the index.
Eligible stocks	Companies included in underlying index.
Selection	Same composition as the underlying index on review date
Number of constituents	40
Weighting	Based on Vigeo Eiris Responsible Corporate Governance scores.
Capping	n.a.
Review of composition	Follows annual/quarterly review scheme of underlying index. Effective after the third Friday of March, June, September and December.
Rebalancing	Quarterly. Effective after the third Friday of each month.
Review of number of shares	n.a.
Base Currency	Euro

ESG ETF listed on Euronext

Socially responsible ETFs that follow companies engaged with green investments or environmentally friendly initiatives are beginning to gain in popularity.

The sustainable investing theme has quickly gained momentum and assets related to it are growing on Euronext.

Currently, there are 6 ESG-related ETFs with €545 million in assets under management.

ETF_Name	**Underlying_Index**
LYXOR GREEN BOND (DR) UCITS ETF	Solactive Green Bond EUR USD I
BNPPEASY LOW CARBON UCITSETF	Low Carbon Europe NTR
LYXOR UCITS ETF PEA NEW ENERGY C-EUR	World Alternative Energy CW
AMUNDI ETF MSCI WORLD LOW CARBON UCITS ETF	MSCI World Low Carbon Leaders

AMUNDI ETF MSCI WORLD LOW CARBON UCITS ETF	MSCI World Low Carbon Leaders
LYXOR UCITS ETF NEW ENERGY	World Alternative Energy CW

Recent academic research has shown that high ESG ratings are correlated with lower cost of capital, market-based outperformance and accounting-based outperformance. Harvard Business School discovered that “high sustainability” firms outperform “low sustainability” firms over the long haul with lower volatility.

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 including: renewable energy, energy efficiency (including efficient buildings), sustainable waste management, sustainable land use (including sustainable forestry and agriculture), biodiversity conservation, clean transportation, clean water, climate change adaptation, etc.

2017 was a year of stellar growth for green bonds, as the product provided an efficient and innovative capital market tool to accelerate the ecological transition.

In 2017, Euronext attracted close to €10 billion of additional green bond from corporates mainly driven by utilities (ex: Engie, Tennet holdings), real estate (ex: Icade, CDC, etc.) and transportation players (ex: SNCF, RATP, etc.). Through the year, Euronext green bond franchise (ex-sovereign green bonds) has therefore witnessed tremendous growth (+60%), gathering 28 corporate green bond issuers that raised some €26 billion worth of green bonds through 48 deals since 2012.

Selected green bonds highlights for 2017 include:

- The largest ever sovereign Green Bond issuance occurred in January 2017, by France Trésor (the initial €7 billion programme was later extended to €10 billion in Q4 2017), a turning point on this relatively nascent market;
- In March and September 2017, Engie respectively issued €1.5 billion and €1.25 billion worth of green bonds. These were added to its previous green issuances initiated in 2014 on Euronext markets, totaling €5.25 billion of green bonds from the largest corporate green bond issuer on Euronext markets. The proceeds will be used to finance the global utility player’s growth in renewable energy or energy efficiency projects, and in natural resources preservation projects, as well as R&D investments in such areas and equity participations in projects of the social impact Engie fund “Rassembleurs d’Energies”;
- The Caisse des Dépôts et Consignations issued an inaugural green bond on March 1st 2017, worth €500 million. In addition to the public health and environmental protection issues associated with local pollution, The Caisse des Dépôts et Consignations intends to use the funds for remediation of contaminated sites that also have larger-scale climate and ecological impacts.

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 that is mindful of a low-carbon and resource-efficient economic model while it creates intangible value for Socially Responsible Investment investors.

Euronext has invested considerable effort in the development of its green bond franchise, notably through its partnership with the Finance For Tomorrow initiative, campaigning for the Paris ecosystem to play a leading role in the transition to a more sustainable finance.

Supporting climate-friendly innovation by financing Cleantech SMEs

The Cleantech company cluster refers to enterprises that do not only seek to embody resource efficient, environmentally beneficial business practices in the way they carry out their operations, but develop, create and sell products and services that are resource efficient and benefit the environment. Their models range from but are not limited to production, storage and distribution of renewable or low carbon energy sources as well as pollution mitigation, conservation, and restoration.

From 2013, Euronext has devoted dedicated resources to create proximity with SMEs across its markets, in order to provide stronger education on the benefits of leveraging capital markets to fund growth. Cleantech companies were then identified and as such benefitted from Euronext’s full support.

Some of the major initiatives in this respect include:

- TechShare: 11 Cleantech SMEs part of the community learning how to leverage capital markets
- Tech40 Index: 13% of this increasingly important index is made up Cleantech SMEs
- Morningstar: the programme fully covers the scope of Cleantech SME issuers (46)

In 2017, Euronext has attracted 2 new Cleantech SMEs to its markets, providing them with more than €250 million in equity funding. These operations enriched the Cleantech SMEs community of Euronext, to a total of 46 Cleantech SMEs worth some €6.8 billion.

Selected Cleantech SMEs’ funding deals for 2017 include:

- Avantium IPO: the leading chemical technology company and forerunner in renewable chemistry raised €103 million in March 2017, to accelerate the development of efficient processes and sustainable products made from bio-based materials;
- Fermentalg private placement: the French leader in microalgae for nutrition and health raised €12.6 million in October 2017 to accelerate its development, notably through expansion in Japan further to a partnership signed with DIC Corporation;
- Global bioenergies private placement: innovating in the biological production of hydrocarbons from renewable resources, the Cleantech SME raised €10.2 million in June 2017 to complete the development and the industrialisation of the Isobutene process, finance the detailed engineering studies of the IBN-One plant, launch the commercial roll-out and further diversify the raw materials available to the process.

Supporting the needs of the industry by creating specific commodity contracts

Euronext is pursuing the expansion of its commodity derivatives strategy by becoming 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.

<u>Rapeseed and Corn contracts</u>

Long time developed in close cooperation with the agricultural industry for hedging purposes, Rapeseed products(oilseeds and meal) and Corn contract are said to be non-GMO or conventional products. The underlying is said to be conventional, which is defined as a product containing no genetically modified organisms, or containing genetically modified organisms whose presence is adventitious or technically unavoidable, in accordance with requirements in force under EU Regulations. It refers and complies with EC regulation n° 1829/2003 of the European Parliament and the Council of the 22 September 2003 on genetically modified food and feed (OJEU 18-10-2003).

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.

2.5.5. EMPLOYEES

At Euronext, corporate responsibility is part of our identity. Euronext conducts its business ethically and integrates consideration of the impact of its actions on its employees. Euronext promotes an environment that encourages collaborative work and innovation allowing each employee to shape his/her future and the future of the Company.

"One European Team" transformation program (Engagement, Performance, Talent, Human Resources transformation)

As part of the 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 recognising 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 programme called "One European Team" in order to improve the Euronext Human Resources practices, processes and tools over a period of three years. 2017 is the second year in this plan.

The People roadmap is composed of four main pillars: i) Engagement, ii) Performance, iii) Talent and iv) Human Resources transformation.

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

This transformation program aims at motivate and stimulate current employees and attract new motivated ones. However, 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 fields. A loss of, or an inability to attract senior management or other key staff could have an effect on the business, results of operations, financial condition and cash flows. Actions to mitigate this are detailed below.

i. Engagement

Euronext promotes an environment which 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.

The Senior Leadership team, composed of 55 Senior Managers, is responsible for implementing the Agility for Growth strategy and sharing progress, challenges and performance with other members of the teams. The Company has also continued in 2017 to encourage town halls (all staff meetings) and team meetings in each country and function, in order to foster a culture of transparency in communication.

At the end of 2017, Euronext conducted its second client satisfaction survey, the results of which will be available in March 2018. Conducted in parallel, an employee survey allowed the company to ascertain the evolving internal perception and understanding of client centricity at Euronext. The client centricity programme priorities and roadmap for 2018/19 will be developed based on the findings of both surveys.

In 2017, Euronext deployed an innovation process for employees to express, share and develop new ideas, and for managers to tap into this collective intelligence to solve issues and accelerate the roll-out of our strategic plan, Agility for Growth. To meet this objective, the "Exchange Lab" platform was launched. Sponsored by Euronext's Chief Innovation Officer, this project works to provide Euronext collaborators with a platform that enables them to create and develop an idea. It was used for 3 campaigns in 2017.

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 within each team.

In order to contribute to this objective, a new talent and performance management approach was launched in 2016 and continued to be developed in 2017.

As a reminder, the objective of this new approach is to give more room for talent development, focusing the annual and mid-year discussions onto the future rather than the past. Continuous feedback is promoted throughout the year, rather than only at formalised appraisal points. In 2017, to go a step further in the continuous feedback approach, the mid-year review process was enhanced. The two goals of this reinforced mid-year review process, were to give another opportunity for employees and managers to adapt their objectives where needed, and to exchange key performance feedback.

The annual review process was deployed between December 2017 and January 2018 with an annual review meeting and new objectives set for 2018, 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 incentives to reward performance.

The Company also uses a long-term incentive (LTI) plan, in the form of performance shares reward. The LTI plan for 2017 is a discretionary performance share plan which 150 employees benefited from in 2017

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.

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, whilst offering all employees development opportunities during their career at Euronext. It runs from talent acquisition through to talent development, including learning and development actions.

In continuity with 2016, the talent review was executed in 2017 in order to identify employees who show 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 talent for 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 talent, and KPIs were implemented in 2017 in order to track progress, in particular in the recruitment of female employees: 101 new permanent employees were hired, split across all our historical geographies, but also adding new locations such as Frankfurt, Munich, Zurich, Milan, Madrid and New York. Euronext runs internal educational and information programmes including frequent “lunch & learn” sessions, in order to develop expertise in each of the key functions, in line with the Agility for Growth strategy. 39 Lunch & Learn sessions were held in the Group in 2017, to which all employees were invited. A dedicated budget is also set and spent for external vendor training purposes across Euronext locations. 57% of Euronext employees benefited from external training and development in 2017.

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.

3 training programmes were implemented at the Group level in 2017 focussing on 3 main areas: project management (which involved 151 participants from all Euronext countries, across 10 sessions in 2017), leadership (17 participants, 47% of whom were female, involving all Euronext countries) and pitching for business (9 participants from the Market and Global Sales team).

Specific training is also available for employee representatives based upon their needs.

In 2017, Euronext teams finalised 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 to involve all Euronext countries and functions in collaboration. The deployment will start in 2018 with Information Technology and Market Operations role families.

iv. Human Resources Transformation

During 2017, several projects were launched and/or pursued in order to reinforce Euronext’s Human Resources organisation, tools and processes.

The Human Resources team is organised around countries, functions (Market & Global Sales, Listings, Information Technology, Operations, Central Functions) and specialist skills. The objective of this organisation is to continue to support the federal model of Euronext, whilst also reinforcing the implementation of the Euronext strategy.

The Human Resources Transformation programme, initiated in 2016, was continued in 2017 in order to formalise Euronext’s main Human Resources principles and processes, and to improve managers' and employees’ experiences. This improvement programme will continue in 2018.

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 2017, 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”, including dedicated events for women in each country. Some women were offered to participate in a two day ‘Aspire’ seminar in London dedicated to developing women’s leadership. Leadership in this context relates to understanding personal leadership qualities and applies to all levels of the organisation and not just managerial roles. Although some of these initiatives were primarily aimed at female members of staff, all staff are always encouraged to attend, to further inspire diversity. A focus was also done on gender diversity in recruitment, talent reviews, performance and compensation processes, where permissible by local laws. As a result, in 2017 almost 20% of the annual salary increase budget went to catching-up on gender equality salary situations, and Euronext's total number of joiners in 2017 was composed of 30% female's joiners.

10 registered disabled employees were employed by Euronext in 2017.

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. It has also opened an office in New-York in 2017. Euronext's employees represent 20 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 was, as per year-end 2017, composed of executives from five nationalities. Among the extended Managing Board there are nine males and one female executives representing six nationalities.

Early 2018, Euronext Group adopted a new Company policy formalizing its commitments towards Diversity and Non-Discrimination. *For more information about Diversity see also section "Diversity" in the "Senior management" section (paragraph 2.2.5.).*

Social Dialogue

Euronext is committed to social dialogue, supporting union representative rights and facilitating 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 to their 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 2017.

The Company maintains continuous and constructive dialogue with all its workers' representative bodies. In Paris in 2017, Euronext entered into several collective agreements.

2.5.6. COMMUNITY

Euronext and its employees play important roles in their communities. Euronext takes into account its business impact on its local and global communities. Euronext contributes through volunteerism, philanthropy and thought leadership. Euronext works with its community of global business leaders to foster corporate responsibility more broadly.

As a stock exchange, acting at the center of financial markets and communities, Euronext is committed to financial capability. Euronext strives to improve financial capability far beyond its own company—seeking to reach employees at its broad community of companies, as well as teachers, students, and people in its communities. Euronext believes it can have a broader role to play. Euronext takes the opportunity to partner with international organizations in the field, namely by celebrating Global Money Week, Global Entrepreneurship Week, Financial Literacy Week, with events and bell ceremonies across all its locations.

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 volunteer for several organizations in all its European locations, Euronext helping to identify and select the themes and institutions with a wide offer of company sponsored initiatives, that most suit its employees wishes and abilities.

Euronext's employees give time to volunteering initiatives.

In 2017 several initiatives were pursued locally, such as:

- in Amsterdam: through the AEX Experience at the exchange building, Euronext Amsterdam hosted numerous financial literacy and education tours about the role of the exchange and the functioning of capital markets. In total, 529 groups representing over 10,000 persons took part in these tours in 2017. Next to this, educational seminars for private investors were organised. Furthermore, a workshop CDP (Driving Sustainable Economics) Benelux was organized in March. Finally, a team of 12 employees spend 2.5 hours during working hours and 2 hours their free time to decorate the elderly home Flesseman;
- in London: several workshops (together with Charis, the local partner charity) which focused on promoting internal teamwork and managing challenging relationships.
- in Porto: a campaign, called "Paper for food", with environmental and solidarity aspects, was organised: staff at the Porto office collected old newspapers, magazines, leaflets, etc., delivered it to the "Food Bank", which received money for this waste paper and used the money to purchase food for the economically most disadvantaged families;
- in Paris: the long-term volunteering with "Entreprendre pour Apprendre-EPA" (Junior Achievement mini-company programs) continued. Furthermore, seven presentations were organized, aiming at giving pedagogic explanations on the role of an exchange to young High School students, and entering into more elaborate details on the functions of an exchange for students in universities and business schools.

Giving Visibility

One of the most unique aspects of Euronext's Corporate Responsibility strategy is the way the company puts its resources, great visibility and business ecosystem relations to raise awareness and promote leadership and best practices in this field. Companies, NGOs, non-profits, associations, foundations are invited into Euronext's opening and closing stock markets bell ringing events, conferences and seminars.

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: International Women's Day and Global Money Week;
- in Brussels: International Women's Day and Week of the Global Money Week; the organization of a bell ceremony for "International Women's Day", a bell ceremony for the "Week of the Money";

- in Paris: International Women's Day;
- in London: a brunch for International Women's day was organized;
- in Porto and Lisbon: organization of the International Women's Day (including a conference) and collaboration with and support to the Business Council for Sustainable Development (an initiative of many leading firms to promote environment, social and governance development).

Sponsoring and Donations

The Company encourages its staff to volunteer in the financial literacy field, but has also granted a few sponsorship or donations:

- in Amsterdam: donations were made to Stofwisselkracht to sponsor a cycle tour for children with a metabolic diseases (and a team of Euronext has participated in the tour and raised money for the organisation), to Surfkids to support a special magazine for sick children who are in Hospital, to Dierenambulance Amsterdam, who makes sure that special Ambulance are prepared to take off and rescue and support sick and wounded animals, to Opkikker, an organisation who organise special events for sick children, so they can forget their illness for just one day and to Koffiehuis Haarlemerstraat, this organisation give homeless people a place to come together for coffee/tea and advice and to give them an opportunity to make themselves useful in the neighbourhood and for the community (keeping the streets clean, selling clothes and furniture in their second-hand shop etc). Finally, special gifts we bought to decorate the elderly home de Flesseman for Christmas.
- in Brussels, donation to VLAJO a non-profit organisation which promotes entrepreneurship with students;
- In London: donations to Charis Coaching, an organisation that provides support to companies.
- in Paris, sponsorship to Banyan association for the sponsoring to Journée Internationale des Jeunes and to the association Crée Ton Avenir, which helps teenagers with their professional orientation and the development of their competences and knowledge of the professional world; furthermore a donation was made with regard to the organization of the International Women's Day;
- in Porto and Lisbon: donations to the Universidade Catolica Porto (for a scholarship, based on merit and economic need criteria, for students of the Master of Social Economics).

2.5.7. ENVIRONMENT

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.

Advisory and Research firm Corporate Knights Capital published its annual report in September 2017 on the ranking of the world´s stock exchanges in terms of disclosure of the performance of sustainability indicators. Euronext Paris is ranked number three, and Euronext Amsterdam is ranked number six. 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.

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 95kg of honey produced in 2017) and the newly created aromatic herbs' square contribute to a more sustainable environment.

Euronext Brussels moved its offices in May 2015. The Marquis building, where Euronext Brussels have now its premises, has BREEAM certification (sustainable building design and construction).

Euronext concluded in 2017 the transfer of IT operations located in Belfast to Porto, to the same premises as Interbolsa, Euronext's Portuguese Central Securities Depositary (" CSD").

Green IT

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

In the past, Euronext used the opportunity of moving its Disaster Recovery (DR) site from London to Saint-Denis, to move most of the equipment from physical infrastructure to virtual environments which is now becoming the standard. Only critical production environment is still on physical platform.

Euronext's goal is to continue to reduce hardware and datacenter footprints in the future. Optiq, the new trading system that will be put in place is less hardware consuming than UTP the existing one. Euronext aims also to use cloud capabilities to increase its level of virtualization in the future.

2.5.8. NON FINANCIAL RISKS AND DASHBOARD

CSR risks

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 and oversight , 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 in the section "Risks" at the very beginning of the report. Euronext has not identified any material CSR risks to date, however the Company will continue to monitor the risk landscape including potential CSR risks in tandem with the evolution of our business.

For more information about Risks and a description of the risk management system see section "Risks" at the beginning of the report and Section "Risk management" (paragraph 2.2.1.1.).

Dashboard

EURONEXT STAFF AS OF 31 DECEMBER 2017	
Permanent employees	687
Employees linked of new acquired entities	69
Trainees, apprentices or interns	51

The total number of permanent employees as of 31 December 2017 was 687 including 69 employees linked to new acquired entities. This headcount represents 670,77 full-time equivalents (FTE) at the end of December 2017. The net evolution of headcount between 31 December 2016 (589 employees in headcount) and 31 December 2017, is plus 98 (or +17%), split between 69 employees working for new acquisitions and 29 employees for Euronext.

In addition, 51 trainees, apprentices or interns worked for Euronext in 2017.

Several organisational changes were implemented in 2017 in order to adapt to the strategic objectives by restructuring plans where necessary, including the closure of the Belfast office as well as the upscaling of the IT Technology office in Porto. These 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 by involving the relevant works councils and external bodies where appropriate.

Overall in 2017, Euronext hired 101 permanent and non-permanent employees, across the various locations.

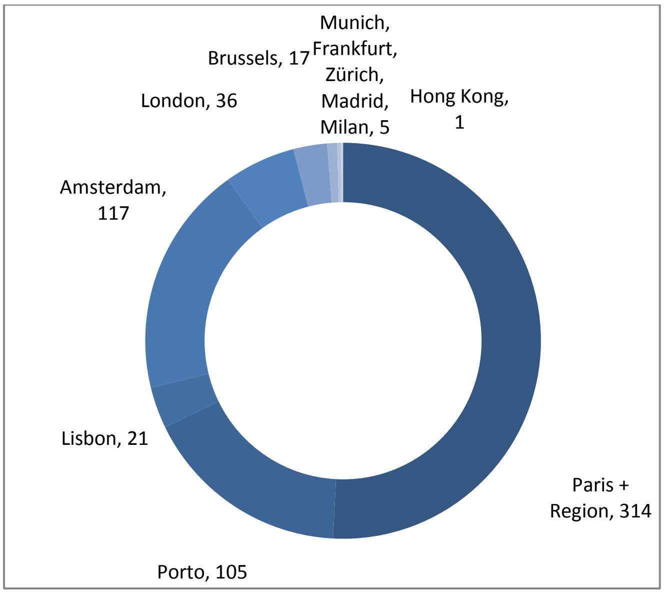
Euronext's average employee is 43 years old, with 12% under 30 years old, 27% in the 31-40 age bracket, 36% in the 41-50 age bracket and 25% above 51 years old.

Euronext has employees in France (51% of Euronext employee total headcount), in the Netherlands (19%), in Portugal (20%), in the United Kingdom (6%), in Belgium (3%) and in other countries (US, Hong Kong, Germany, Spain, Italy and Switzerland) (1%).

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

HEADCOUNT 2017

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



TOTAL CONSUMPTION OF ELECTRICITY, GAS AND OIL FOR THE YEAR

CONSUMPTION UTILITIES 2017

	Amsterdam	Brussels	Lisbon and Porto	Paris	London
Gas	123.010 m3	14.552,7 m³	42,541 m3	Not Applicable	Not Applicable

Water	4.943 m3	1408 m3	2,125 m3	2.925,8 m^3	Not Applicable
Frozen water	Not Applicable	Not Applicable		233.219 m^3	Not Applicable
Cold water production	Not Applicable	Not Applicable	Not Applicable	829 mWh	Not Applicable
Electricity	3.533.369 kWh	133.277 kWh	465.133 kWh	1.915.119 kWh	433,044 kWh[8]
Oil (diesel)	4,500 L	Not Applicable	550 L	Not applicable	Not Applicable

RECYCLING 2017

	Amsterdam	Brussels	Lisbon and Porto	Paris	London
Recycled paper (kg)	14.200	1.386	238,6	26.080,7	480
Ink Cartridges (kg)	136	/	/	565	5
Batteries (kg)	26	/	/	15	50[9]

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

A project to gradually replace a significant part of the existing TL light with LED within the Amsterdam building been started in 2017. This project will continue in 2018. Also, in 2017 the emergency power supply has been replaced by a more advanced and economical version. This new so called 'UPS system' is more energy-efficient than its predecessor.

The possibilities for reuse and also recycling of coffee cups is currently being investigated in collaboration with suppliers and waste processors.

The technical staff is continuously monitoring the building management system in order to optimize the energy consumption.

The Amsterdam building is also occupied by 31 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).

In Brussels, Euronext accounts for 2.67% of overall gas, electricity and water consumption (fixed percentage). The landlord organizes a recycling process with the help of an external supplier specialised in installing selective sorting systems for company waste (paper, cardboard, plastic, glass, cans, drink carton, waste (class II)). The cleaning company uses ecological products and there is a small honey production on the roof of the building.

In Lisbon, the recycling process is managed by the landlord for the whole building where Euronext Lisbon is located. The cleaning company makes a selective quality sorting of paper, plastic, glass, and common waste that is treated by a specialised company.

Porto office participates in the campaign "Paper for Food" that is an action promoted by the Portuguese Federation of Food Banks, (Federação Portuguesa de Bancos Alimentares) with environmental and solidarity purposes. All paper collected is converted into food products to be distributed by those in need. During 2017, 238,600 kgs. of paper was delivered to the Food Bank that was converted in 19 thousand euros of food products.

OTHER INDICATORS

	2017	2016
Clients and suppliers		
transactions client meetings	1400	750
Exchange of emails with clients	28,000 e-mails	8,500 emails
Calls with clients	13,000 calls	12,000 calls
Number of suppliers screened	900	

[8] For 8 months only, as Euronext London moved offices during the year.
9 Includes also other electronics

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 2015

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 103-149 and the corresponding auditors report is presented on page 161 of the 2015 Registration Document filed with the *Autoriteit Financiële Markten* on 31 March 2016.

For Financial Year 2016

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 116 - 163 and the corresponding auditors report is presented on page 177 of the 2016 Registration Document filed with the *Autoriteit Financiële Markten* on 7 April 2017.

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 2017, 2016 and 2015 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 2017**	**31 DECEMBER 2016**	**31 DECEMBER 2015**
Revenue			
Listing	84,247	68,708	70,516
Trading revenue	237,854	220,835	241,699
of which			
• Cash trading	190,276	180,727	197,243
• Derivatives trading	40,339	40,108	44,456
• FX trading	7,239	-	-
Market data & indices	104,673	105,697	99,759
Post-trade	71,698	67,627	71,682
of which			
• Clearing	51,132	47,992	51,937
• Custody and Settlement	20,566	19,635	19,745
Market Solutions & Other revenue	33,465	33,009	34,147
Other income	357	560	744
TOTAL REVENUE	**532,294**	**496,436**	**518,547**
Salaries and employee benefits	(104,363)	(99,776)	(112,218)
Depreciation and amortisation	(16,932)	(15,088)	(17,071)
Other operational expenses	(130,149)	(112,766)	(122,487)
Operating profit before exceptional items	**280,850**	**268,806**	**266,771**
Exceptional items	(14,787)	(10,038)	(28,659)
Operating profit	**266,063**	**258,768**	**238,112**
Finance costs	(3,553)	(2,142)	(2,906)
Other net financing income/(expense)	(47)	1,336	(1,238)
Results from available-for-sale financial assets	48,325	6,032	4,634
Share of net (loss) of associates and joint ventures accounted for using the equity method	287	(19)	-
Profit before income tax	**311,075**	**263,975**	**238,602**
Income tax expense	(68,886)	(66,962)	(65,948)
Profit for the year	**242,189**	**197,013**	**172,654**

Profit attributable to:			
Owners of the parent	241,297	197,013	172,654
Non-controlling interest	892	-	-

Selected Consolidated Balance Sheet Data

In thousands of euros	AS AT 31 DECEMBER 2017	AS AT 31 DECEMBER 2016	AS AT 31 DECEMBER 2015
Assets			
Non-current assets			
Property, plant and equipment	27,782	27,492	28,779
Goodwill and other intangible assets	515,134	321,156	321,357
Deferred income tax assets	7,991	5,021	12,691
Investments in associates and joint ventures	75,004	15,957	-
Available-for-sale financial assets	147,503	117,060	114,282
Other receivables	7,968	7,086	7,451
TOTAL NON-CURRENT ASSETS	**781,382**	**493,772**	**484,560**
Current assets			
Trade and other receivables	94,986	81,599	96,188
Income tax receivable	1,428	7,645	10,506
Cash and cash equivalents	187,785	174,501	158,642
TOTAL CURRENT ASSETS	**284,199**	**263,745**	**265,336**
TOTAL ASSETS	**1,065,581**	**757,517**	**749,896**
Equity and liabilities			
TOTAL EQUITY	**729,480**	**548,018**	**447,167**
Non-current liabilities			
Borrowings	164,682	69,005	108,153
Other long-term financial liabilities	10,000	-	-
Deferred income tax liabilities	19,834	600	345
Post-employment benefits	11,713	13,249	8,235
Provisions	5,081	6,488	6,560
Other liabilities	-	-	700
TOTAL NON-CURRENT LIABILITIES	**211,310**	**89,342**	**123,993**
Current liabilities			
Borrowings	203	96	104
Other short-term financial liabilities	6,654	-	-
Current income tax liabilities	17,429	27,202	50,301
Trade and other payables	99,161	90,607	105,749
Provisions	1,344	2,252	22,582
TOTAL CURRENT LIABILITIES	124,791	**120,157**	**178,736**
TOTAL EQUITY AND LIABILITIES	**1,065,581**	**757,517**	**749,896**

Selected Statement of cash flows Data

	YEAR ENDED		
In thousands of euros	31 DECEMBER 2017	31 DECEMBER 2016	31 DECEMBER 2015
Net cash provided by operating activities	**213,108**	**181,127**	**139,972**
Net cash (used in) investing activities	**(191,198)**	**(29,572)**	**(5,277)**
Net cash (used in) financing activities	**(8,524)**	**(128,628)**	**(220,274)**
Net increase/(decrease) in cash and cash equivalents	**13,386**	**22,927**	**(85,579)**
Cash and cash equivalents – Beginning of year	174,501	158,642	241,639
Non-cash exchange gains/(losses) on cash and cash equivalents	(102)	(7,068)	2,582
Cash and cash equivalents – End of year	**187,785**	**174,501**	**158,642**

OTHER FINANCIAL INFORMATION

Non-IFRS financial mesure

Euronext uses the following non-IFRS measures as supplemental measures since it believes they provide meaningful supplemental information regarding its financial and operational performance. These measures should not be used instead of, or considered as alternatives to operating result or any other performance measure derived in accordance with IFRS:

- EBITDA,
- EBITDA margin

Non-IFRS measures are not prepared in accordance with IFRS and may be different from, and not comparable to, similarly titled measures reported by other companies. These measures should be read in conjunction with the Consolidated Financial Statements:

- EBITDA is defined as the operating profit before exceptional items and depreciation and amortisation
- EBITDA margin is defined as the operating profit before exceptional items and depreciation and amortisation, divided by total revenue

Reconciliation of EBITDA and EBITDA margin

	YEAR ENDED		
In thousands of euros (except for percentages)	**31 DECEMBER 2017**	**31 DECEMBER 2016**	**31 DECEMBER 2015**
Operating profit before exceptional items	280,850	268,806	266,771
Depreciation and amortization	16,932	15,088	17,071
Operating profit before exceptional items and depreciation and amortisation (EBITDA)	297,782	283,894	283,842
TOTAL REVENUE	**532,294**	**496,436**	**518,547**
EBITDA margin *(a)*	56%	57%	55%

(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.

Adjusted EPS definition

In €m and EPS in €/share	**YEAR ENDED 31 DECEMBER 2017**	**YEAR ENDED 31 DECEMBER 2016**
Net Income Reported	241.3	197.0
EPS Reported	*3.47*	*2.83*
Intangible assets related to acquisitions (PPA, …)	- 2.40	
Exceptional items	- 14.8	- 10.0
Capital gains or losses	40.6	-
Tax related to those items	2.7	1.9
Adjusted for intangible assets related to acquisitions, capital gains or losses and exceptional items, incl. tax		
Adj. Net Income	215.2	205.2
Adj. EPS	**3.09**	**2.95**

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 2017, 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 2017, Euronext held 413,320 shares in its own share capital after settlement and custody of trades made on 28 and 29 December 2017. 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 19 May 2017, the General Meeting designated the Managing Board as per 19 May 2017 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 19 May 2017, the General Meeting designated the Managing Board as per 19 May 2017 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 6a 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.

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 19 May 2017, the General Meeting designated the Managing Board as per 19 May 2017 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

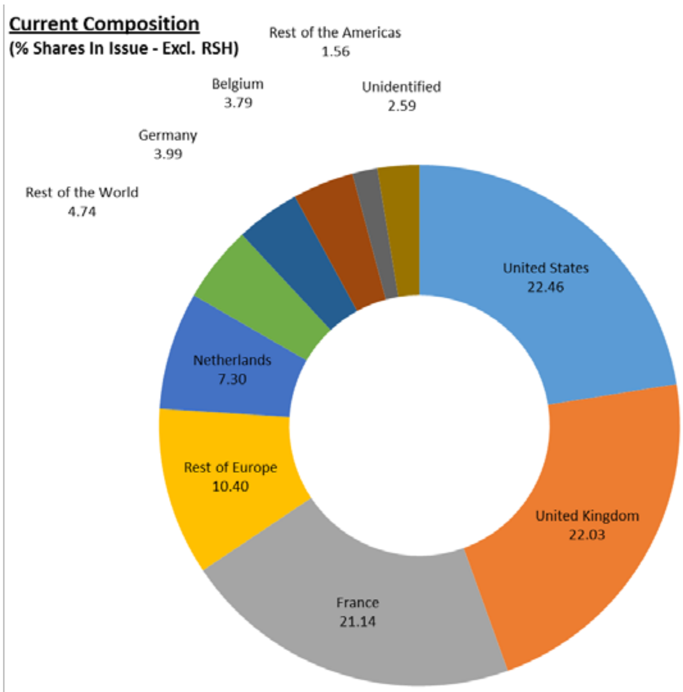
Under Euronext's Articles of Association, upon a proposal from the Supervisory Board, or upon proposal of the Managing Board, which has been approved by the Supervisory Board, the General Meeting may resolve to reduce Euronext's issued and outstanding share capital by cancelling its shares, or by amending 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 2017 was as follows.

SHAREHOLDER	NUMBER OF SHARES	% OF CAPITAL
Reference shareholders	16,702,000	23.86%
Treasury Shares	413,320	0.59%
Employees	155,317	0.22%
Free float	52,729,363	75.33%
TOTAL	**70,000,000**	**100%**

GEOGRAPHIC BREAKDOWN OF THE FREE FLOAT IN 2017



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 was comprised of Novo Banco, 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. The Reference Shareholders had entered into a reference shareholders agreement (the “Reference Shareholders Agreement”) governing the relationship among the Reference Shareholders.

On 13 June 2017, Euronext was informed that the Reference Shareholders had decided to extend an amended version of their agreement dated 3 June 2014, which was due to expire on 20 June 2017 and which was extended for a further period of two years commencing on 21 June 2017. Eight of the initial Reference Shareholders adhered to the extension, now accounting for 23.86% of Euronext’s share capital. The new Reference Shareholders group has agreed to a new lock-up period of two years commencing on 21 June 2017 and expiring on 20 June 2019. The Supervisory Board representation of the Reference Shareholders will be maintained, as the Reference Shareholders, acting jointly, will retain their right to nominate one third of the Supervisory Board seats.

Since 21 June 2017, the group of Reference Shareholders comprises:

NAME OF REFERENCE SHAREHOLDER	NUMBER OF SHARES	INDIVIDUAL SHAREHOLDING (% OF CAPITAL)
BNP Paribas Group	1,554,000	2.22%
ABN AMRO Bank N.V. through its subsidiary ABN AMRO Participaties Fund I B.V.	1,148,000	1.64%
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%
Société Fédérale de Participations et d'Investissement/ Federale Participatie – en Investeringsmaatschappij	3,150,000	4.50%
Société Générale	1,050,000	1.50%
TOTAL SHAREHOLDING	**16,702,000**	**23.86%**

From 27 May 2014 to 20 June 2017, the Reference Shareholders comprised:

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 FORMER SHAREHOLDING	**23,352,000**	**33.36%**

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 two years commencing on 21 June 2017. 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 retransfer 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 Dutch Wet op het financiëel toezicht (Financial Supervision Act) implementing Article 5 of Directive 2004/25/EC.

Supervisory Board Representation

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”. 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 General Meeting each for a term of four years. If the Reference Shareholders Agreement is terminated before the end of term of office of each Reference Shareholder director, 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.

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 Company becoming bankrupt or being granted a (provisional) suspension of payment, and (iii) at any time after the Restricted Period, the aggregate shareholding of the Reference Shareholders becoming less than 23% of the issued share capital of the Company unless increased to at least 23% again within 30 days after such event. The Reference Shareholders Agreement is terminating in June 2019.

Letter Agreement

In addition to the renewed Reference Shareholders Agreement, the Letter Agreement of 4 June 2014 between Euronext and its Reference Shareholders, as supplemented on 25 March 2015, has been amended and extended. The focus of the revised Letter Agreement dated 13 June 2017 is to strengthen the regular dialogue between Euronext and its Reference Shareholders, addressing (i) the right of the Reference Shareholders to retain one third of the Supervisory Board seats, (ii) the use by Euronext of the delegated authorities for the issuance / repurchase of shares, with the possible exclusion or restriction of pre-emption rights, (iii) the process of communication between Euronext and the Reference Shareholders, which includes periodical meetings on topics including strategy, governance and financing structure; and (iv) the involvement of the Reference Shareholders in the selection procedure in case of any vacancies for the CEO, the COO or Supervisory Board positions.

4.4.2 MAJOR SHAREHOLDINGS

On top of the Reference Shareholders who own jointly 23.86% 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.

Excluding the renewal of the Reference Shareholders Agreement related crossing thresholds, in 2017 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
03/01/2017	Standard Life Investments	3%	Decrease	1,997,904	2.85%
16/05/2017	GIC Private Ltd	3%	Increase	2,137,066	3.05%
22/05/2017	Norges Bank	3%	Decrease	2,025,003	2.89%
26/05/2017	Norges Bank	3%	Increase	2,215,837	3.17%
14/06/2017	BlackRock, Inc.	3%	Increase	2,049,814	3.13%
15/06/2017	BlackRock, Inc.	3%	Increase	2,118,352	3.30%
05/07/2017	BlackRock, Inc.	3%	Decrease	2,068,120	3.15%
10/07/2017	BlackRock, Inc.	3%	Increase	2,116,840	3.15%
17/07/2017	Amundi	3%	Increase	2,110,258	3.01%

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

As of the date of publication of the 2017 Registration Document, the only shareholders owning more than 3% (excluding Reference Shareholders) and declaring it to the AFM are listed below:

Shareholder having crossed the threshold	Nb of shares	% of voting rights
Blackrock, Inc.	2,116,840	3.15%
Norges Bank	2,120,520	3.05%
Amundi	2,110,258	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.

Three General Meetings were held in 2017.

An Extraordinary General Meeting was held on 15 February 2017. In this meeting the proposal to approve the acquisition by Euronext N.V. of 100% of the issued share capital of Banque Centrale de Compensation S.A., trading as LCH SA S.A., was approved.

The Annual General Meeting was held on 19 May 2017. In this meeting decisions were taken on the adoption of the 2016 Financial Statements, a dividend of EUR 1.42 per ordinary share, the discharge the members of the Managing Board and Supervisory Board in respect of their duties performed during the year 2016, the appointment of Paulo da Silva as a member of the Managing Board, the appointment of Ernst & Young Accountants LLP 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.

Another Extraordinary General Meeting was held on 19 October 2017. In that meeting a decision was taken on the appointment of Franck Silvent to the Supervisory Board.

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 2017, no short position was declared to the AFM

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 has the power to take managerial decisions affecting the future developments and business prospects of Euronext, (persons discharging 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 PDMR 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 listed 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.

This Registration Document also concerns the annual financial reporting within the meaning of 5:25c(2) of the Dutch Financial Supervision Act. The section "Risk" and the Chapters 1, 2 (excluding 2.3 and 2.4), 3, 4 and 5 concern the directors' report within the meaning of 2:391 of the Dutch Civil Code, the statement of the managing board has been included in Chapter 2.2.3 and the financial statements in Chapter 6.

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.

At the time of its IPO in 2014, Euronext's dividend policy was established 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. In May 2017, Euronext decided to complement this policy, for the remainder of its 'Agility for Growth' strategic plan with the introduction of a floor to the dividend per share. Starting at the Annual General Meeting in 2017 and until the Annual General Meeting in 2020, Euronext dividend policy is to distribute the highest of 50% of the reported net income and a floor at €1.42 per share, 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

Following the early repayment of its previous term loan facility on 23 March 2017 (See section 5.1.10), and under the conditions of the new bank loan facility in which the Group entered on 18 July 2017, Euronext is no longer restricted to distributions, share repurchases or share redemptions. 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 2018 Results	15 May 2018
Annual General Meeting	15 May 2018
Second Quarter and First Half 2018 Results	3 August 2018
Third Quarter 2018 Results	12 November 2018

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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 2017 and 2016. This "Operating and Financial Review" is based on the audited Financial Statements for the years ended 31 December 2017 and 2016, which are included and incorporated by reference 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, spot FX 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 2017, 2016 and 2015 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 Euronext Growth™ markets. Companies having equity securities listed or admitted to trading on Euronext or Euronext Growth™ 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.

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, Derivatives and spot FX 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.

Derivatives 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.

Spot FX trading revenues consist of transaction-based fees for executing trades. These transaction fees are charged per executed order and based on value traded.

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 SA, in exchange for which Euronext pays LCH SA 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 2017, Euronext derived 45% of its revenue from its cash trading, derivatives and spot FX 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, 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 €2.2 million in 2017. This expense is included in the total amount of exceptional items (€14.8 million in 2017), disclosed in Note 12 of the Consolidated Financial Statements.

Derivatives Clearing Agreement

On 14 October 2013, Euronext entered into the Derivatives Clearing Agreement with LCH SA 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 SA to share revenues. Euronext receives a share of clearing income based on treasury services and the number of cleared derivatives trades cleared through LCH SA, in exchange for which Euronext pays LCH SA a fixed fee plus a variable fee based on derivatives trading volume.

The term of the existing Derivatives Clearing Agreement is through 31 December 2018. On November 2017, Euronext announced the signing of the renewal of its agreement with LCH SA on the continued provision of derivatives and commodities clearing services for a period of 10 years.

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. For the year ended 31 December 2017, revenues derived from the Derivatives Clearing agreement are €51.1 million and the associated expense is €27.9 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, the Group repaid the remaining outstanding non-current borrowing of €70 million, enabling the Group to terminate its term loan facility, which was supposed to mature on 23 March 2018. The Group also terminated its €390 million revolving credit facility agreement and entered into a new €250 million revolving credit facility ("RCF") on 12 April 2017.

The Group signed a new term loan facility as per 18 July 2017 with five banks to the amount of €175 million and accordion of €125 million. This resulted in the recognition of a non-current borrowing of €165 million, used to fund the acquisitions of iBabs B.V. and FastMatch Inc. 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 was 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, were recognised as a liability in Trade- and other payables as per 31 December 2016. In addition, a provision for third party expenses was 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. The provision for these expenses still recorded, amounted to €0.1 million for Euronext Paris S.A. and €0.1 million for Euronext Technologies S.A.S., as per 31 December 2017

Acquisitions of subsidiaries

The following material acquisitions of subsidiaries were made in 2017:

- **Acquisition of Company Webcast B.V.**
  On 14 February 2017, the Group acquired a 51% majority stake in Company Webcast B.V., a Dutch company specialised in professional webcast and webinar services. The transaction includes an initial cash payment of €3.6 million and a deferred payment estimated at €1.8 million. Call- and put options were granted by minority shareholders and the Group, with similar conditions. When executed, the Group acquires the minority stake of 49%, in 2020 at the earliest. A redemption liability is recorded at fair value of €8.2 million reflecting this commitment.

- **Acquisition of iBabs B.V.**
  On 7 July 2017, the Group acquired a 60% majority stake in iBabs B.V., a Dutch provider of dematerialised board portal solutions for corporate and public organisations, for an initial consideration of €30.1 million. iBabs' solutions will be integrated into the Euronext Corporate Services offering. The founding management team of iBabs B.V. will remain in place.

- **Acquisition of FastMatch Inc.**
  On 14 August 2017, the Group acquired a 90% majority stake in FastMatch Inc., a US-based Electronic Communication Network in the spot Foreign Exchange market. The acquisition includes an initial cash payment of $153 million (on a cash-free and debt-free basis), a contingent earn-out payment for an additional $10 million and customary minority rights for the management of FastMatch Inc. that will remain committed to the development of the business and stay invested with a 10% interest.

More details on these material acquisitions can be found in Note 5 "Business Combinations" of the Consolidated Financial Statements (Section 6).

Investments in Associates and Joint Ventures

The following investments in associates and joint ventures were made in 2017 and 2016:

- **LiquidShare S.A.**

On 10 July 2017 the Group, together with six other leading financial institutions, incorporated LiquidShare S.A., a fintech joint venture with the objective to improve SME's access to capital markets and improving the transparency and security of post-trading operations using blockchain technology. The Group, sharing joint control with the other founders, has an interest of 13.57% in LiquidShare. The investment in LiquidShare amounting to €0.9 million was recognised as an investment in joint ventures as at 31 December 2017.

- **Tredzone**

On 22 July 2016, Euronext acquired a 34.04% 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 was recognised as an investment in associate as at 31 December 2016. As per 31 December 2017 the investment amounted to €1.1 million.

- **European Central Counterparty N.V. ("EuroCCP"),**

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. As per 31 December 2017 the investment amounted to €14.1 million.

- **Algonext Ltd.**

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") "Synapse". 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. As per 31 December 2017 the investment amounted to €0.9 million.

- **Euroclear Investment**

On 30 April 2014, ICE 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 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 were applied in a consistent manner to 2015, 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.

Due to share buy-backs by Euroclear plc. in 2017 the direct investment in Euroclear plc. increased from 3.26% to 3.34% as per 31 December 2017. The Group also holds an 1.53% indirect investment in Euroclear plc., through its 9.60% ownership interest in Sicovam Holding S.A.

Following the outcome of EU referendum in the UK and elections in the US, euro-zone was facing additional political pressure at the end of 2016. Increased political risk in economies long considered bastions of political stability were expected to affect risk-free rates, potentially reviving the euro crisis and raising the risk of an EU break-up scenario. In the first part of the year, this risk of destabilization in Europe was reduced by the results of elections in the Netherlands, France and Germany. The economic sentiment and outlook significantly improved and funds are flowing back to the euro-zone and translated into a robust share price performance across listed financial institutions within the EU.

This changing environment had an impact on the valuation of the Group's available-for-sale financial assets, especially on investments in financial institutions with a significant EU exposure, such as Euroclear plc. The sentiment in Europe, that had a dampening effect on the value of our direct- and indirect (through Sicovam Holding S.A.) equity investment in Euroclear plc at the end of 2016, positively impacted this value as per 31 December 2017. This ultimately led to an increase in fair value of the Group's investments in Euroclear plc and Sicovam S.A. in 2017 of €40.2 million.

As per 31 December 2017, following the above, the fair value of the investment in Euroclear plc. was measured at €96.2 million and the fair value of the investment in Sicovam Holding S.A. was measured at €41.7 million.

- **Algomi Limited Investment**

On 2 March 2017, the Group acquired a 7.59% stake in Algomi Ltd. for $10.0 million, including a warrant. By executing this warrant the Group received additional shares, increasing the total interest in Algomi Ltd. to 7.74% in November 2017. The investment was recognized as an available-for-sale financial asset at fair value for €9.6 million as per 31 December 2017.

- **LCH Group Investment**

As per 31 December 2016, the Group held an 2.31% ownership in LCH Group Limited ("LCH Group") (2015: 2.31%). LCH Group 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. The updated information provided Management with sufficient input to record a change in fair value for its investment in LCH Group of €1.7 million in 2016 (2015: €0.0 million) to €19.2 million as per 31 December 2016 (31 December 2015: €17.5 million).

In 2017, the Group entered into a share swap transaction of its 2.31% interest in LCH Group for an 11.1% interest in LCH SA, which was finalised on 29 December 2017. The 2.31% interest in LCH Group, representing a fair value of €19.2 million, was fully disposed at transaction date, leaving no value for this investment as per 31 December 2017.

- **Share swap of 2.31% stake in LCH Group for a 11.1% stake in LCH SA**

In the second half of 2017, the Group announced its intentions to swap its current 2.31% stake in LCH Group for a 11.1% stake in LCH SA, subject to regulatory approvals and other customary conditions. The transaction was finalised on 29 December 2017 and will strengthen the long-standing relationship between Euronext and LCH SA. Euronext will remain on the Board of LCH SA following completion of the share swap. Euronext will also nominate one representative to LCH SA Audit Committee and will continue to be represented at LCH SA Risk Committee. A new Consultative Committee dedicated to Euronext derivatives business will be created. The parties have agreed that Euronext will have certain minority protection rights connected with its new shareholding in LCH SA.

The share swap transaction led to a change in fair value of €38.4 million and subsequent de-recognition in available-for-sale financial assets with carrying value of €57.6 million, in relation to the 2.31% stake in LCH Group Ltd.. The 11.1% stake in LCH SA has been recognised in investments in associates and joint ventures. The share swap transaction resulted in a capital gain recognised in results from equity investments of €40.6 million , from the recycling to profit or loss of cumulative historical revaluations that were recognised in Other Comprehensive Income.

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. In 2017, additional goodwill was recorded in relation to the acquisitions of Company Webcast, iBabs and FastMatch.

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 2018.

Acquisition of the Irish Stock Exchange plc.

On 29 November 2017, the Group announced the acquisition of 100% of the shares and voting rights of the Irish Stock Exchange plc ("ISE"), Ireland's incumbent stock exchange operator and a leading global debt and fund listing venue. The Group is to pay for 100 % of ISE's shares €137 million of enterprise value on a debt free, cash free basis, and excluding existing regulatory capital requirements (estimated at €21.8m). The transaction will be fully funded by debt.

On 27 March 2018, Euronext announced the completion of the acquisition of 100% of the shares and voting rights of The Irish Stock Exchange plc[10], after receiving regulatory approvals.

- **Major milestone achieved in the expansion of Euronext's federal model, in line with its mission to power pan-European capital markets to finance the real economy and its long term strategy, demonstrating its ability to welcome independent European exchanges:**
  - The Irish Stock Exchange plc today joins Euronext's federal model and will operate under the business name Euronext Dublin[11], with Ireland becoming one of the six core countries of Euronext
  - Deirdre Somers is appointed Chief Executive Officer of Euronext Dublin and is to join the Managing Board of Euronext N.V.[12] with Group level responsibilities to develop the Irish equity market and the centre of excellence in Listings of Debt & Funds and ETFs
- **Leading position of the combined Group as the largest centre for debt and funds listings in the world, with more than 37,000 listed bonds and 5,600 funds, and as a major player in ETFs with 1,050 listings, paving the way for future value creation for its shareholders and stakeholders**
- **High prospects of value creation from this transaction confirmed:**
  - Significant growth opportunities arising for the combined Group, through diversification of its top line:
    - Becoming the European ETF listing venue of choice for investors globally, providing an easy single entry point to Europe and a pan-European trading platform through its new MTF for ETFs to be launched in H2 2018
    - Strengthening the Group's leading position in debt listings with the launch of a new platform to improve corporate bonds liquidity, Euronext Synapse
    - Increasing market choice to existing and future Irish listed companies and the Irish capital markets' ecosystem, with a single pool of liquidity, and leveraging of Euronext corporate services for SME and technology companies to support scaling companies in Ireland
  - Confirmed €6m of expected pre-tax run-rate cost synergies, to be fully delivered in 2020, primarily driven by:
    - the migration to Optiq™, Euronext's new state-of-the-art proprietary trading platform
    - the aggregation of a pan-European offering on market data by migrating Euronext Dublin's current offering onto Euronext's platform
    - Euronext Dublin benefitting from the Group's support functions
    - Immediate start of the integration work to meet the 2020 target date
  - Expected return on capital employed above the cost of capital within year three, in line with Euronext's disciplined M&A approach, and EPS accretive from year one
  - Euronext Dublin to be consolidated in Euronext financials starting 1 April 2018. As a reminder, Euronext Dublin generated[13] €32.3 million revenue at an EBITDA margin of 31.9% in 2017

5.1.8 RESULTS OF OPERATIONS

YEAR ENDED 31 DECEMBER 2017 COMPARED TO YEAR ENDED 31 DECEMBER 2016

The table below sets forth Euronext's results of operations for the years ended 31 December 2017 and 2016.

	YEAR ENDED	
In thousands of euros	**31 DECEMBER 2017**	**31 DECEMBER 2016**
Revenue	532,294	496,436
TOTAL REVENUE	**532,294**	**496,436**
Salaries and employee benefits	(104,363)	(99,776)
Depreciation and amortisation	(16,932)	(15,088)
Other operational expenses	(130,149)	(112,766)
Operating profit before exceptional items	**280,850**	**268,806**
Exceptional items	(14,787)	(10,038)
Operating profit	**266,063**	**258,768**
Finance costs	(3,553)	(2,142)
Other net financing income/(expense)	(47)	1,336
Result from available-for-sale financial assets	48,325	6,032

[10] The announcement of 29 November 2017 on the signing of the agreement with the shareholders of the ISE is available on www.euronext.com

[11] From 27 March 2018, the Irish Stock Exchange plc will use the business name Euronext Dublin to carry out its commercial activities. Legal name change will take place in due course, pending regulatory approval.

[12] Appointment subject to regulatory and shareholders' approval

[13] Unaudited figures

Share of net (loss) of associates and joint ventures accounted for using the equity method	287	(19)
Profit before income tax	**311,075**	**263,975**
Income tax expense	(68,886)	(66,962)
Profit for the year	**242,189**	**197,013**
Profit attributable to:		
– Owners of the parent	241,297	197,013
– Non-controlling interests	892	-

Total Revenue

Euronext's total revenue for the year ended 31 December 2017 was €532.3 million, compared to €496.4 million for the year ended 31 December 2016, an increase of €35.9 million or 7.2%.

The table below sets forth Euronext's revenue for the years ended 31 December 2017 and 2016.

In thousands of euros	**2017**	**2016**
Listing	84,247	68,708
Trading revenue	237,854	220,835
of which		
• Cash trading	190,276	180,727
• Derivatives trading	40,339	40,108
• Spot FX trading	7,239	-
Market data & indices	104,673	105,697
Post-trade	71,698	67,627
of which		
• Clearing	51,132	47,992
• Custody and Settlement	20,566	19,635
Market Solutions & Other revenue	33,465	33,009
Other income	357	560
TOTAL REVENUE	**532,294**	**496,436**

For the year ended 31 December 2017:

Listing

Listing revenue was €84.2 in 2017, an increase of +22.6% compared to 2016 , confirming the growing use of equity financing on capital markets. This solid performance was driven by a continuing strong increase in follow-on activity and the positive impact of the Corporate Services initiative, part of the "Agility for Growth" strategic plan.

Primary market activity was slightly impacted by uncertainties around political environment in Europe during the first quarter. However, 2017 saw the continued return of large capitalizations to Euronext's markets with listings such as ALD and VolkerWessels. During the year 2017, 26 new listings, including 16 SME deals, were completed, compared to 28 listings in 2016. This translated into €3.4bn raised in 2017, a decrease from €3.7bn last year.

In 2017, Euronext continued to be the venue of choice for Tech SMEs with 13 new listings. In particular, 3 Tech companies from the first TechShare cohort listed on Euronext during the year. Euronext also successfully launched its European Tech SME initiative in four new countries outside of Euronext's markets to assist tech companies in developing their business on a greater scale through capital markets.

Secondary markets recorded a very strong year on the back of strong M&A environment, confirming the use of capital market financing. This trend contributed to the strong increase in follow-on activity and in a record year with €57.9bn of secondary equity issues, compared to €56.4bn in 2016.

In total, €323.9bn in equity and debt were raised on Euronext markets in 2017, compared to €304.1bn in 2016

Corporate Services, an Agility for Growth initiative, expanded its offering in 2017 and generated €9.1 million revenue, mainly due to the good performance of 2017 acquisitions, namely iBabs and Company Webcast, and to the commercial effort deployed this year.

Trading

Cash Trading

Average daily volume for cash trading increased by +6.7% to €7.5 billion compared to 2016, benefiting from i/a better trading environment, despite very low volatility, with an improved macro environment in Europe at the end of the year, ii/reduced political uncertainty across Europe and iii/ improved corporate earnings across the Eurozone. In this environment of rising volume, revenue increased by +5.3% in 2017, to a total of €190.3 million. Yield remained stable over the year averaging 0.50 bps, at a comparable level to 2016.

Euronext continuously strengthened its cash trading market share throughout the year, averaging 64.4% in 2017 and reaching 67.1% in Q4 2017. This significant increase of +3.5 points compared to 2016 reflects the successful onboarding of additional participants to the new non-member proprietary fee scheme Omega, as well as the completed onboarding of all Euronext's retail brokers to the Best of Book service which attracted additional retail flow to Euronext markets. In addition, the implementation of further optimisation within the SLP programme attracted incremental volumes in 2017.

The average daily transaction value of ETFs was €473 million over 2017 and was down (-14.6%) compared to 2016, mainly due to lower volatility. 74 new ETF products were listed over 2017, bringing the total number of ETFs listed on Euronext to 804 at end of 2017.

Derivatives Trading

Derivatives trading revenue remained almost stable in 2017, at €40.3 million, compared to €40.1 million in 2016. Individual equity derivatives achieved a +24.0% increase on average daily volume to 276,483 contracts, while the average daily volume on equity index derivatives was up +3.5% to 221,922 contracts. As a reminder, TOM, the former competitor of Euronext on the Dutch market, ceased operations in June 2017. Because of this exceptional circumstance, a non-recurring migration of open-interest from TOM to Euronext took place in June at marginal rates and impacted the average yield for 2017.

Commodity products recorded declining average daily volumes in 2017, down -3.6% to 51,629 contracts. Despite a low-volatility market, the activity saw a recovery from mid-year in an improved competitive landscape, partially offsetting a weak start to the year.

Yield on derivatives averaged 0.29 bps over 2017, a decrease from 0.32 bps in 2016, due to the special Dutch circumstances stated above.

Spot FX Trading

The average daily volume on the FastMatch spot foreign exchange market was up +44.7% compared to 2016. Spot FX trading generated €7.2 million of revenue in 2017, for 4.6 months of consolidation after the acquisition of FastMatch in mid-August 2017.

Market Data & Indices

Market data and indices organic performance remained robust, while revenue was down -1.0% to €104.7 million over the year, as a result of higher contractual audit findings in the second and third quarters of 2016. In 2017, Euronext onboarded 34 new data vendors, bringing the total number of vendors to 500, while 65 new clients for non-displayed policies were signed up.

Post-Trade

Clearing

Clearing revenue increased by +6.5%, to €51.1 million in 2017, compared to €48.0 million in 2016, reflecting stronger derivatives trading activity as well as higher treasury and other clearing income.

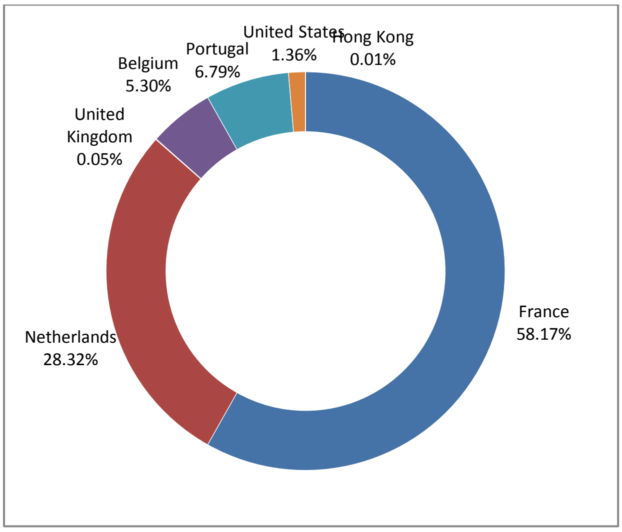
Settlement & Custody

Revenue from Interbolsa in Portugal increased by +4.7%, to €20.6 million in 2017, compared €19.6 million, driven by an increase of settlement, public debt and equities under custody during the year.

Market Solutions

Revenue from Market Solutions increased by +1.4% in 2017, to €33.5 million. The business continued to benefit from MiFID II projects and related work for commercial technology clients.

EURONEXT 2017 THIRD PARTY REVENUE BY GEOGRAPHY



Operating Expenses

	YEAR ENDED	
In thousands of euros	**31 DECEMBER 2017**	**31 DECEMBER 2016**
Salaries and employee benefits	(104,363)	(99,776)
Depreciation and amortisation	(16,932)	(15,088)
Other operational expenses	(130,149)	(112,766)
TOTAL OPERATING EXPENSES	**(251,444)**	**(227,630)**

Euronext operating expenses in 2017 were €251.4 million, compared to €227.6 million in 2016, an increase of €23.8 million or 10.5%. The overall cost increase in 2017 was due to:

- The acquisitions of Company Webcast, iBabs and FastMatch
- PPA and earn-out adjustment, related to the acquisitions mentioned above
- Costs related to Agilty for Growth initiatives and key projects such as the development of Euronext's new trading platform, Optiq®, and compliance with MiFID II

Euronext operating expenses comprise salaries and employee benefits, depreciation and amortisation, and other operational expenses.

Salaries and Employee Benefits

Salaries and Employee Benefits increased by €4.6 million, or 4.6%, to €104.4 million in 2017, compared to €99.8 million in 2016. This increase is attributable to the increase in headcount following the incorporation of newly acquired businesses.

Depreciation and Amortisation

Depreciation and Amortisation increased by €1.8 million, or 12.2%, to €16.9 million in 2017, compared to €15.1 million in 2016. This increase is mainly related to the acquisition of Company Webcast, iBabs and FastMatch in 2017 and their respective PPA

Other Operational Expenses

In thousands of euros	**2017**	**2016**
Systems and communications	(22,354)	(17,099)
Professional services	(45,545)	(38,382)
Clearing expenses	(27,925)	(26,311)
Accommodation	(9,961)	(10,237)
Other expenses	(24,364)	(20,737)
TOTAL	**(130,149)**	**(112,766)**

System and Communications increased by €5.3 million, or 30.7%, to €22.4 million in 2017, compared to €17.1 million in 2016. This increase is mainly attributable to costs related to key projects such as the development of Euronext's new trading platform, Optiq™, and compliance with MiFID I.

Professional Services increased by €7.2 million, or 18.7%, to €45.5 million in 2017, compared to €38.4 million in 2016. This increase is mainly attributable to an increase in consultant costs in 2017 related to key projects such as Optiq™ and MiFID II.

Clearing expenses increased by €1.6 million, or 6.1%, to €27.9 million in 2017, compared to €26.3 million in 2016. This increase is linked to the higher Clearing revenues in 2016.

Accommodation decreased by €0.3 million, or -2.7%, to €10.0 million in 2017, compared to €10.2 million in 2016. This decrease is mainly attributable to the impact additional utilities costs for Cannon Bridge House in London in 2016 and the Belfast office termination in 2017.

Other Expenses increased by €3.6 million, or 17.5%, to €24.4 million in 2017 when compared to €20.7 million in 2016. This increase consists of various smaller elements, the main one being the increase in non-recoverable VAT expenses, membership fees and other expenses related to Agility for Growth initiatives in 2017.

Operating Profit Before Exceptional Items

Euronext operating profit before exceptional items for the year ended 31 December 2017 was €280.9 million, compared to €268.8 million for the year ended 31 December 2016, an increase of €12.0 million.

Exceptional Items

In thousands of euros	**2017**	**2016**
Restructuring costs	(2,159)	(7,082)
ICE Clear Netherlands termination fee	(5,000)	-
Acquisition costs	(5,280)	(3,322)

Portuguese pension plan settlement	(1,565)	-
Refund pre-retirement plan Paris	2,208	-
Litigation provisions/settlements	(388)	-
Impairment intangible assets	(2,621)	-
Other	18	366
Total	**(14,787)**	**(10,038)**

In 2017, main exceptional items included:

- €2.2 million of restructuring costs
- €5.0 million resulting from the termination of the agreement with ICE Clear Netherlands
- €5.3 million of acquisition costs incurred

Operating Profit

Euronext operating profit for the year ended 31 December 2017 was €266.1 million, compared to €258.8 million for the year ended 31 December 2016, an increase of €7.3 million or 2.8%.

Net Financing Income / (Expense)

Euronext's net financing income / (expense) for the year ended 31 December 2017 was a net expense of €3.6 million, compared to a net expense of €0.8 million for the year ended 31 December 2016, an increase in net expense of €1.4 million. This increase is mainly driven up by the early termination of the previous loan leading to accelerated amortization of transaction cost for €1.0 million and by one-off costs relating to Portuguese stamp duty tax.

In thousands of euros	**2017**	**2016**
Interest expense	(2,373)	(2,142)
Other finance costs	(1,180)	-
Finance costs	**(3,553)**	**(2,142)**
Interest income	314	572
Gain / (loss) on disposal of treasury investments	(5)	-
Net foreign exchange (loss)/gain	(356)	764
Other net financing income/(expense)	**(47)**	**1,336**
Total	**(3,600)**	**(806)**

Result from available-for-sale financial assets

In 2017, the €48.3 million of results from available-for-sale financial assets mainly related to the following items:

- €40.6 million capital gain from the swap of the 2.31% stake in LCH Group for 11.1% stake into LCH SA
- €1.7 million of deferred consideration of the sale of some LCH.Clearnet Ltd share to LSE in 2013
- €6.1 million of dividends received from Euroclear plc, LCH Group Ltd. and Sicovam Holding S.A.

Profit before Income Tax

Euronext profit before income tax for the year ended 31 December 2017 was €311.1 million, compared to €264.0 million for the year ended 31 December 2016, an increase of €47.1 million or +17.8%.

Income Tax Expense

Euronext's income tax expense for the year ended 31 December 2017 was €68.9 million, compared to €67.0 million for the year ended 31 December 2016, an increase of €1.9 million or 2.9%. Euronext's effective tax rate was 22.1% for the year ended 31 December 2017 compared to 25.4% for the year ended 31 December 2016. The decrease of the effective tax rate in 2017 is primarily attributable to:

- the release of a €20.4 million tax provision due to the lapse of the statute of limitations
- a positive tax impact from the partially exempt the capital gain recognized on the LCH swap in December 2017.

Profit for the Year

Euronext reported profit for the year ended 31 December 2017 was €242.2 million, compared to €197.0 million for the year ended 31 December 2016, an increase of €45.2million or 22.9%. Of this profit ,€241.3 million was attributable to the shareholders of the parent.

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.

In thousands of euros	***YEAR ENDED***

	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 -4.3%.

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***

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 was €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.

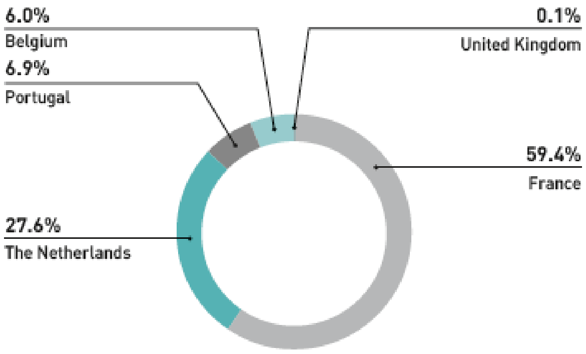
Settlement & Custody

Revenue from Interbolsa in Portugal was €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 -9.6%. 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 LCH SA. 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 +8.7%.

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 Group Ltd. and Sicovam Holding S.A. In the comparative period no dividends from LCH 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%.

5.1.9 CASH FLOW

The table below summarises Euronext consolidated cash flow for the years ended 31 December 2017, 2016 and 2015:

	YEAR ENDED		
In thousands of euros	**31 DECEMBER 2017**	**31 DECEMBER 2016**	**31 DECEMBER 2015**
Net cash provided by operating activities	213,108	181,127	139,972
Net cash (used in) investing activities	(191,198)	(29,572)	(5,277)
Net cash (used in) financing activities	(8,524)	(128,628)	(220,274)
Net increase/(decrease) in cash and cash equivalents	**13,386**	**22,927**	**(85,579)**

Net Cash Provided by Operating Activities

Net cash provided by operating activities was €213.1 million in the year ended 31 December 2017, compared to €181.1 million in the year ended 31 December 2016, an increase of €32.0 million or 17.7%. The main drivers of this increase were:

- Operating profit before income tax, corrected for working capital changes, increased from €243.7 million in the year ended 31 December 2016 to €303.3 million in the year ended 31 December 2017.
- In addition, the income tax paid decreased by €12.0 million in 2017 to €68.4 million from €80.4 million in 2016, mainly due to refunds made by French tax authorities.

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 (Used in) Investing Activities

Net cash used in investing activities was €191.2 million in the year ended 31 December 2017, compared to net cash used in investing activities of €29.6 million in the year ended 31 December 2016. This increase of cash outflow of €161.6 million is mainly driven by the acquisitions of subsidiaries (net of cash acquired) in 2017 for €157.3 million, and increased capital expenditures, mainly related to the increased activity on the Optiq™ project.

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) Financing Activities

Net cash used in financing activities was €8.5 million in the year ended 31 December 2017, compared to net cash used in financing activities of €128.6 million in the year ended 31 December 2016, a decrease of €120.1 million. The main financing activities that led to cash outflows in 2016 were a repayment of borrowings of €71.2 million and dividend payments to shareholders of €98.8 million. The main financing activity that led to cash inflow in 2017 was the proceed of the new Bank Loan facility agreement to fund the acquisitions of iBabs and FastMatch.

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.

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 (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, effective on 23 March 2015 (i) the undrawn revolving credit facility had been increased by €140 million to €390 million and (ii) €140 million had been repaid as an early redemption of the €250 million term loan facility. 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 made an early repayment of the outstanding balance resulting in the termination of the term loan facility.

On 12 April 2017, the Group entered into a new revolving loan facility agreement ("the Facility") with BNP Paribas and ABN AMRO BANK N.V. as Lead Arrangers. This new Facility has replaced the revolving credit facility of €390 million.

On 18 July 2017, the Group entered into a syndicated bank loan facility ("the Bank Loan") with BNP Paribas and ABN AMRO BANK N.V. as Lead Arrangers, providing for €175 million. The Bank Loan has been drawn in the amount of €165 million on 9 August 2017 in order to (i) fund the acquisition of 89.8% of the shares and voting rights in FastMatch Inc and (ii) refinance the acquisition of 60% of the shares and voting rights in iBabs B.V. previously financed through the Facility. The Bank Loan and Facility are together referred to as Instruments.

Term, Repayment and Cancellation

The Bank Loan and the Facility mature in three and five years, respectively. They include a two times one year extension possibility. At 31 December 2017 the Facility of €250 million was undrawn and the Bank Loan was drawn resulting in a net non-current borrowing of €164.7 million. Euronext will be able to voluntarily cancel both the Bank Loan and Facility in whole or part or prepay amounts it borrows under both the Bank Loan and Facility.

The Bank Loan 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 Bank Loan. Any amount prepaid under the Bank Loan may not be redrawn.

Interest Rates and Fees

The €250 million term loan facility bore an interest rate equal to EURIBOR plus a margin which was initially set at 0.80%. The €390 million revolving credit facility bore an interest rate of EURIBOR plus a margin initially set at 0.50%. As the Company leverage ratio decreased, both margins were lowered to 0.70% and 0.40%, respectively. EURIBOR is floored at 0%.

The new €175 million Bank Loan has borne an interest rate equal to EURIBOR plus a margin initially set at 0.45%. The Facility has borne an interest rate of EURIBOR plus a margin initially set at 0.25%. It should be noted that as at 31 December 2017, there was no outstanding advance drawn under the Facility. EURIBOR is floored at 0%.

For the Bank Loan, Euronext may request that the maturity date be extended to the fourth or the fifth anniversary date of the facility agreement. For the revolving credit facility, Euronext may request that the maturity date be extended to the sixth or to the seventh anniversary date of the Facility.

An extension fee of (i) 0.05% of the full amount of the relevant Instrument is payable if Euronext requests that the initial maturity date be extended to the first relevant anniversary date or, (ii) 0.10% of the full amount of the relevant Instrument is payable if Euronext requests that the initial maturity date be extended to the second relevant anniversary date.

For the Facility, a 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 Facility has been drawn at the relevant date, 0.10%;
- if 33% or more (but less than 66%) of the total commitment under the Facility has been drawn at the relevant date, 0.20%; or
- if 66% or more of the total commitment under the Facility has been drawn at the relevant date, 0.40%.

Euronext must also pay customary commitment fees at a rate per annum equal to 35% of the then applicable margin for the relevant Instrument on each lender's available commitment under the relevant Instrument during its availability period.

Certain Covenants and Undertakings

The Bank Loan 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 certain assets;
- make certain loans or grant certain credit;
- enter into any amalgamation, demerger, merger or corporate reconstruction, unless the Company remains the surviving entity;
- make any substantial change to the general nature of Euronext business;
- retain a (private rating).

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 value of the assets disposed of does not exceed 5% of Euronext consolidated total assets in any financial year.

In case of a downgrading event of Euronext, below BBB+ or equivalent by rating agencies, Euronext shall ensure that the leverage ratio as defined in the Bank Loan Agreement would not be greater than 3.5x.

Events of Default

The Bank Loan 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 €50.0 million;
- certain liquidation, insolvency, winding-up or bankruptcy events;
- creditors' process and attachment having an aggregate value of more than €25.0 million;
- 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 Bank 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 2017:

	PAYMENTS DUE BY YEAR				
In thousands of euros	**TOTAL**	**2018**	**2019-2022**	**THEREAFTER**	**NOTES**
Debt (principal and accrued interest obligations)	164,885	203	164,682	-	Note 32.1, "Liquidity risk"
Debt (future interest obligations)	2,215	975	1,240	-	
Operating leases – minimum payments	61,362	17,078	34,171	10,113	Note 34.2, "Non-cancellable operating leases"
Capital expenditure commitments	1,162	662	500	-	Note 34.1, "Capital Commitments"
TOTAL	229,624	18,918	200,593	10,113	

Capital Expenditures

Euronext's capital expenditures were €23.9 million and €14.8 million for the years ended 31 December 2017 and 2016, respectively. Capital expenditures increased in 2017 when compared to 2016, which is primarily driven by investments in Euronext's new trading platform (Optiq™) and "Agility for Growth" initiatives. 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 2017, 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. In 2017, Euronext spent approximately €6.1 million on hardware and investments in properties and €17.8 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 €250 million revolving credit facility under the Facilities Agreement and the commitments described in Note 34 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, 2017 and 2016. 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 €0.1 million based on the positions at 31 December 2017 (2016: €0.3 million). The Group was a net lender in pound sterling at 31 December, 2017 and 2016. 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 €0.06 million based on the positions at 31 December 2017 (2016: €0.2 million). The Group was a net lender in US dollars at 31 December, 2017. 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 €0.06 million based on the positions at 31 December 2017.

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 in 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, 2017 and 2016 is described in the table below:

In thousands of euros	**2017**	**2016**
Cash, cash equivalents and short term financial investments	187,785	174,501
Available credit facilities	250,000	390,000
Financial debt	(164,885)	(69,101)
NET POSITION	**272,900**	**495,400**

On 12 April 2017, the Group entered into a syndicated new revolving loan facility agreement, replacing the €390 million revolving credit facility entered into on 6 May 2014. 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**
2017				
Trade and other payables	99,161	-	-	99,161
Other short-term financial liabilities	6,654	-	-	6,654
Borrowings	753	166,165	-	166,918
Other long-term financial liabilities	-	10,000	-	10,000
2016				
Trade and other payables	90,607	-	-	90,607
Borrowings	497	70,112	-	70,609

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	**2017**	**2016**
Assets	£17,975	£52,191
Liabilities	£(3,310)	£(6,007)
Net currency position	£14,665	£46,184
Absolute impact on equity of 10% in /decrease in the currency exchange rate	€1,650	€5,405

The following table summarises the assets and liabilities recorded in US$ functional currency and the related impact of a 10% in/decrease in the currency exchange rate on balance sheet:

In thousands	**2017**	**2016**
Assets	$182,147	$-
Liabilities	$(20,207)	$-
Net currency position	$161,940	$-
Absolute impact on equity of 10% in /decrease in the currency exchange rate	€13,470	€-

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 17 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 Equity Investments

The Group holds investments in unlisted equity securities, which are carried at fair value on the balance sheet. In 2017, the Group changed its valuation technique applied to value the Group’s investments in unlisted equity securities, which are further described in Notes 19 and 30 of the Consolidated Financial Statements included in this Registration Document.

Classification of investments in associates

The Group classifies the interest in LCH SA as an investment in associate suggesting significant influence even though it owns less than 20% of the voting rights (see Note 7). The Group concludes it has significant influence over this investment, which is derived from the governance structure that was put in place and the Group’s position as the largest customer and sole minority shareholder of LCH SA.

Contingent consideration and buy options resulting from business combinations

The Group may structure its business combinations in a way that leads to recognition of contingent consideration to selling shareholders and/or buy options for equity held by non-controlling interests (see Note 5). Contingent consideration and buy options are recognized at fair value on acquisition date. When the contingent consideration or buy option meets the definition of a financial liability or financial instrument, it is subsequently re-measured to fair value at each reporting date. The determination of fair value is based on the expected level of EBITDA over the last 12 months that precede the contractual date (in case of contingent consideration) or exercise date of the underlying call- and put options (in case of buy option). The Group monitors the expected EBITDA based on updated forecast information from the acquired companies involved.

Purchase price allocation

The cost of other intangible assets that are acquired in the course of business combinations, corresponds to their acquisition date fair values. Assets with a finite useful life are amortized using the straight-line method over their expected useful life. Assets with an indefinite useful life are tested for impairment at least once a year.

Derivatives clearing agreement

On 14 October 2013, the Group entered into a clearing agreement with LCH SA in respect of the clearing of trades on our continental Europe derivatives markets (the “Derivatives Clearing Agreement”). Under the terms of this Derivatives Clearing Agreement Euronext agreed with LCH SA to share revenues and receives clearing fee revenues based on the number of trades on these markets cleared through LCH SA. In exchange for that we have agreed to pay LCH SA a fixed fee plus a variable fee based on revenues.

The definition of the accounting treatment of this agreement requires significant management judgment for the valuation and weighting of the indicators leading the principal versus agent accounting analysis. Based on all facts and circumstances around this arrangement, management has concluded that Euronext is ‘principal’ in providing Derivatives clearing services to its trading members. Therefore Euronext recognizes (i) the clearing fees received are classified as post trade revenues, and (ii) the fixed and variable fees paid to LCH SA as other operational expenses.

Reference is also made to ‘Changes in accounting policies and disclosures’, with regards to the implication of new IFRS 15 ‘Revenue from contracts with customers’ under ‘Principle versus agent considerations’.

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 SA, 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 SA"* 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 31 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 2017, 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 2017, 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”).

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.

Crossfinder licence agreement

FastMatch's operating system for its matching engine is based on the Crossfinder(R) software licensed by FastMatch from Credit Suisse pursuant to a perpetual license. The license granted by Credit Suisse is limited in scope to use by FastMatch in its operations as an electronic exchange for the trading of foreign exchange. Pursuant to that license, FastMatch has exclusive and unrestricted ownership of all modifications made to the Crossfinder code by FastMatch, as well as to any software developed by FastMatch independently.

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 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 2014 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 responded to the grounds for appeal raised by claimants on 25 April 2017. An oral hearing took place on 24 November 2017. A decision is expected on 1 May 2018. 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 and exchange related 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 €250 million revolving credit facility (see section 5.1.10 *"Facilities Agreement"*).

More information on Euronext's cash flows is provided in section 5.1.9 "Cash Flow"

Because of its strict financial policy of maintaining strong creditworthiness and liquidity, and its significant operating cash flow generation capacities, Euronext N.V. considers its financial position as at 31 December 2017 as solid, both from a solvency and a liquidity perspective.

The financial resources ultimo 2017 can be summarised as follows:

In thousands of euros	**FINANCIAL RESOURCES**
Cash & cash equivalent	187,785
Revolving credit facility	250,000
TOTAL FINANCIAL RESOURCES	**437,785**

5.5.2 CONSOLIDATED REGULATORY CAPITAL REQUIREMENTS

Euronext N.V. is subject to regulatory capital requirements. These requirements were first set out in the Exchange License that was issued by the Dutch Minister of Finance in June 2014. Following discussion with the Dutch Minister of Finance in 2015 and 2016 a new exchange license was granted on 23rd of May 2016, including new capital requirements for both Euronext consolidated and Euronext Amsterdam N.V.

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 – per 31 December 2017

Location / Building	Address	ZIP	City	Country	Lease commence	Lease expiry	Surfaces (sqm)	Owned / Leased
Amsterdam, BEURSPLEIN 5	5 BEURSPLEIN	1012 JW	Amsterdam	Netherlands	N/A	N/A	14450	Owned
London	110 Cannon Street	EC4N6EU	London	UK	2017	2022	540	Leased
Brussels / LE MARQUIS	1 RUE DE MARQUIS	1000	Brussels	Belgium	2014	2030	860	Leased
Lisbon / VICTORIA-Seuros vida	196-7 AVENIDA DA LIBERDADE	1250-147	Lisbon	Portugal	2016	2018	949	Leased
Porto / INTERBOLSA	3433 AVENIDA DA BOAVISTA	410-138	Porto	Portugal	2016	2021	1089	Leased
Porto / ENX Technologies	3433 AVENIDA DA BOAVISTA	410-138	Porto	Portugal	2016	2021	2265	Leased
Paris / 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	2012	2021	328	Leased
Enternext Nantes	6 RUE BISSON	44000	Nantes	France	2017	2018	15	Leased
Enternext Lyon	3 PLACE DE LA BOURSE	69002	Lyon	France	2017	2018	15	Leased
Enternext Bordeaux	17 PLACE DE LA BOURSE	33076	Bordeaux Cedex	France	2017	2018	15	Leased
Enternext Marseille	10 PLACE DE LA JOLLETTE	13567	Marseille Cedex	France	2017	2018	15	Leased
Suisse / TECHNOPARK	1 Technoparkstrasse	CH-8005	Zurich	Switzerland	2017	2018	24	Leased
Espagne / REGUS / Cuzco IV	141 Paseo de Castellana - 5 floor	28046	Madrid	Spain	2017	2018	12	Leased
Italie / Thurma Business Center	1 Corso Italia	20122	Milan	Italy	2017	2018	16	Leased
Francfort / Contora	1 TaunusTor	60310	Frankfurt	Germany	2017	2018	16	Leased
Munich / Design Offices	4 Mies-van-der-Rohe-Str.	80807	Munich	Germany	2017	2018	14.45	Leased
Hong Kong	18 Westlands Road, level 60 One Island		Hong Kong	Hong Kong	2017	2018	44	Leased

6

FINANCIAL STATEMENTS

6.1 Consolidated Income Statement

In thousands of euros (except per share data)	Note	Year ended 31 December 2017	31 December 2016
Revenue	8	532,294	496,436
Total revenue		**532,294**	**496,436**
Salaries and employee benefits	9	(104,363)	(99,776)
Depreciation and amortisation	10	(16,932)	(15,088)
Other operational expenses	11	(130,149)	(112,766)
Operating profit before exceptional items		**280,850**	**268,806**
Exceptional items	12	(14,787)	(10,038)
Operating profit		**266,063**	**258,768**
Finance costs	13	(3,553)	(2,142)
Other net financing income/(expense)	13	(47)	1,336
Results from available-for-sale financial assets	14	48,325	6,032
Share of net profit/(loss) of associates and joint ventures accounted for using the equity method	7	287	(19)
Profit before income tax		**311,075**	**263,975**
Income tax expense	15	(68,886)	(66,962)
Profit for the year		**242,189**	**197,013**
Profit attributable to:			
– Owners of the parent		241,297	197,013
– Non-controlling interests		892	-
Basic earnings per share	23	**3.47**	**2.83**
Diluted earnings per share	23	**3.45**	**2.82**

The above Consolidated Statement of Profit or Loss should be read in conjunction with the accompanying notes.

6.2 Consolidated Statement of Comprehensive Income

In thousands of euros	Note	31 December 2017	31 December 2016
Profit for the year		**242,189**	**197,013**
Other comprehensive income			
Items that may be reclassified to profit or loss:			
– Exchange differences on translation of foreign operations		(2,763)	(8,651)
– Change in value of available-for-sale financial assets	19	78,635	2,779
– Realisation of historical revaluation upon sale of available-for-sale financial assets	19	(40,534)	-
– Income tax impact change in value of available-for-sale financial assets		(6,401)	(846)
Items that will not be reclassified to profit or loss:			
– Remeasurements of post-employment benefit obligations	26	3,629	(4,847)
– Income tax impact post-employment benefit obligations		(255)	298
Other comprehensive income for the year, net of tax		**32,311**	**(11,267)**
Total comprehensive income for the year		**274,500**	**185,746**
Comprehensive income attributable to:			
– Owners of the parent		273,697	185,746
– Non-controlling interests		803	-

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 2017	As at 31 December 2016
Assets			
Non-current assets			
Property, plant and equipment	16	27,782	27,492
Goodwill and other intangible assets	17	515,134	321,156
Deferred tax assets	18	7,991	5,021
Investments in associates and joint ventures	7	75,004	15,957
Available-for-sale financial assets	19	147,503	117,060
Other receivables	32.4	7,968	7,086
Total non-current assets		**781,382**	**493,772**
Current assets			
Trade and other receivables	20	94,986	81,599
Income tax receivable		1,428	7,645
Cash and cash equivalents	21	187,785	174,501
Total current assets		**284,199**	**263,745**
Total assets		**1,065,581**	**757,517**
Equity and liabilities			
Equity			
Issued capital		112,000	112,000
Share premium		116,560	116,560
Reserve own shares		(17,269)	(18,883)
Retained earnings		468,882	332,271
Other reserves		35,096	6,070
Shareholders' equity	22	**715,269**	**548,018**
Non-controlling interests		14,211	-
Total equity		**729,480**	**548,018**
Non-current liabilities			
Borrowings	25	164,682	69,005
Other long-term financial liabilities	30	10,000	-
Deferred tax liabilities	18	19,834	600
Post-employment benefits	26	11,713	13,249
Provisions	27	5,081	6,488
Total non-current liabilities		**211,310**	**89,342**
Current liabilities			
Borrowings	25	203	96
Other short-term financial liabilities	30	6,654	-
Current income tax liabilities		17,429	27,202
Trade and other payables	28	99,161	90,607
Provisions	27	1,344	2,252
Total current liabilities		**124,791**	**120,157**
Total equity and liabilities		**1,065,581**	**757,517**

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	31 December 2017	31 December 2016
Profit before income tax		**311,075**	**263,975**
Adjustments for:			
• Depreciation and amortisation	10	16,932	15,088
• Share based payments	9	3,782	2,772
• Impairment losses	14	5	-
• Gain on disposal of available-for-sale financial assets	14	(42,225)	-
• Share of profit from associates and joint ventures		(287)	19
• Changes in working capital and provisions		(7,740)	(20,298)
Cash flow from operating activities		**281,542**	**261,556**
Income tax paid		(68,434)	(80,429)
Net cash generated by operating activities		**213,108**	**181,127**
Cash flow from investing activities			
Acquisition of associates and joint ventures	7	(2,107)	(14,805)
Acquisition of subsidiaries, net of cash acquired	5	(157,343)	-
Purchase of available-for-sale financial assets	19	(9,583)	-
Proceeds from disposal of available-for-sale financial assets	14	1,707	-
Purchase of property, plant and equipment	16	(6,103)	(5,539)
Purchase of intangible assets	17	(17,774)	(9,228)
Proceeds from sale of property, plant and equipment and intangible assets		5	-
Net cash (used in) investing activities		**(191,198)**	**(29,572)**
Cash flow from financing activities			
Proceeds from borrowings, net of transaction fees	25	165,000	-
Repayment of borrowings, net of transaction fees	25	(71,150)	(40,000)
Interest paid		(712)	(1,269)
Interest received			

		275	278
Dividends paid to the company's shareholders	22	(98,809)	(86,210)
Transactions of own shares	22	(986)	(1,427)
Employee Share transactions		(2,142)	-
Net cash (used in) financing activities		**(8,524)**	**(128,628)**
Net (decrease)/increase in cash and cash equivalents		**13,386**	**22,927**
Cash and cash equivalents - Beginning of year		174,501	158,642
Non-cash exchange (losses)/gains on cash and cash equivalents		(102)	(7,068)
Cash and cash equivalents - End of year		**187,785**	**174,501**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

6.5 Consolidated Statement of Changes in Equity

					Other reserves					
In thousands of euros	**Issued capital**	**Share premium**	**Reserve own shares**	**Retained Earnings**	**Currency translation reserve**	**Change in value of available-for-sale financial assets**	**Total other reserves**	**Total Shareholders' equity**	**Non-controlling interests**	**Total equity**
Balance as at 31 December 2015	**112,000**	**116,560**	**(18,791)**	**224,610**	**8,776**	**4,012**	**12,788**	**447,167**	**-**	**447,167**
Profit for the year	-	-	-	197,013	-	-	-	197,013	-	197,013
Other comprehensive income for the year	-	-	-	(4,549)	(8,651)	1,933	(6,718)	(11,267)	-	(11,267)
Total comprehensive income for the year	**-**	**-**	**-**	**192,464**	**(8,651)**	**1,933**	**(6,718)**	**185,746**	**-**	**185,746**
Share based payments	-	-	-	3,222	-	-	-	3,222	-	3,222
Dividend paid to owners of the company	-	-	-	(86,210)	-	-	-	(86,210)	-	(86,210)
Acquisition of own shares	-	-	(1,427)	-	-	-	-	(1,427)	-	(1,427)
Other movements	-	-	1,335	(1,815)	-	-	-	(480)	-	(480)
Balance as at 31 December 2016	**112,000**	**116,560**	**(18,883)**	**332,271**	**125**	**5,945**	**6,070**	**548,018**	**-**	**548,018**
Profit for the year	-	-	-	241,297	-	-	-	241,297	892	242,189
Other comprehensive income for the year	-	-	-	3,374	(2,674)	31,700	29,026	32,400	(89)	32,311
Total comprehensive income for the year	**-**	**-**	**-**	**244,671**	**(2,674)**	**31,700**	**29,026**	**273,697**	**803**	**274,500**
Share based payments	-	-	-	3,778	-	-	-	3,778	-	3,778
Recognition of redemption liability	-	-	-	(8,200)	-	-	-	(8,200)	-	(8,200)
Dividend paid to owners of the company	-	-	-	(98,809)	-	-	-	(98,809)	-	(98,809)
Acquisition of own shares	-	-	(986)	-	-	-	-	(986)	-	(986)
Non-controlling interests on acquisition of subsidiary	-	-	-	-	-	-	-	-	13,408	13,408
Other movements	-	-	2,600	(4,829)	-	-	-	(2,229)	-	(2,229)
Balance as at 31 December 2017	**112,000**	**116,560**	**(17,269)**	**468,882**	**(2,549)**	**37,645**	**35,096**	**715,269**	**14,211**	**729,480**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

6.6 Notes to the Consolidated Financial Statements

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 under Chamber of Commerce number 60234520 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 –and corporate 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. In 2017, the Group acquired several new businesses of which the main acquisition related to a majority stake in FastMatch Inc., a US-based Electronic Communication Network in the spot foreign exchange market.

These Consolidated Financial Statements were authorised for issuance by Euronext N.V.'s Supervisory Board on 29 March 2018 and will be submitted for adoption by the Annual General Meeting (AGM) of Shareholders on 15 May 2018.

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:

- **Acquisition of Company Webcast B.V.**
  On 14 February 2017, the Group acquired a 51% majority stake in Company Webcast B.V., a Dutch company specialised in professional webcast and webinar services. The transaction includes an initial cash payment of €3.6 million and a deferred payment estimated at €1.8 million. Call- and put options were granted by minority shareholders and the Group, with similar conditions. When executed, the Group acquires the minority stake of 49%, in 2020 at the earliest. A redemption liability is recorded at fair value of €8.2 million reflecting this commitment (see Note 5).

- **Investment in Algomi Ltd.**
  On 2 March 2017, the Group acquired a 7.59% stake in Algomi Ltd. for $10.0 million, including a warrant. By executing this warrant the Group acquired additional shares, increasing the total interest in Algomi Ltd. to 7.74%, in November 2017. The investment was recognized as an available-for-sale financial asset at fair value for €9.6 million as per 31 December 2017 (see Note 19).

- **Long-Term Incentive Plan 2017**
  On 22 May 2017, a Long-Term Incentive plan ("LTI 2017") 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 €46.87 and 129,181 RSU's were granted. The total share based payment expense at the vesting date in 2020 is estimated to be €5.0 million. Compensation expense recorded during the year for this LTI 2017 plan amounted to €1.0 million (see Notes 9 and 24).

- **Repayment and renewal of term loan facility and revolving credit facility**
  On 23 March 2017, the Group repaid the remaining outstanding non-current borrowing of €70.0 million, enabling the Group to terminate its term loan facility, which was supposed to mature on 23 March 2018. The Group also terminated its €390.0 million revolving credit facility agreement and entered into a new €250.0 million revolving credit facility ("RCF") on 12 April 2017.

  The Group signed a new bank loan facility as per 18 July 2017 with five banks to the amount of €175.0 million with accordion of €125.0 million. This resulted in the recognition of a non-current borrowing of €165.0 million to fund the acquisitions of iBabs B.V. and FastMatch Inc.

  The bank loan facility has a maturity of three years, with two one-year extensions and will bear an interest rate of EURIBOR plus a margin initially set at 0.45%. Euronext is required to maintain a leverage ratio of no more than 3.5x. For further details on the bank loan facility, the RCF and the non-current borrowing recognised as per 31 December 2017, reference is made to Note 25.

- **Acquisition of iBabs B.V.** [14]
  On 7 July 2017, the Group acquired a 60% majority stake in iBabs B.V., a Dutch provider of dematerialised board portal solutions for corporate and public organisations, for a consideration of €32.1 million. iBabs' solutions will be integrated into the Euronext Corporate Services offering (see Note 5).

- **Acquisition of FastMatch Inc.**
  On 14 August 2017, the Group acquired a 90% majority stake in FastMatch Inc., a US-based Electronic Communication Network in the spot Foreign Exchange market. The acquisition includes an initial cash payment of $153 million (on a cash-free and debt-free basis), a contingent earn-out payment for an additional $10 million and customary minority rights for the management of FastMatch Inc. that will remain committed to the development of the business and stay invested with a 10% interest (see Note 5).

- **Renewal Clearing services contract with LCH SA for derivatives markets post 2018**

[14] Includes the individually immaterial acquisition of MSI Services B.V.

On 1 November 2017, the Group announced the signing of the renewal of its agreement with LCH SA on the continued provision of derivatives and commodities clearing services for a period of 10 years, starting 2019. As a consequence, the Group terminated the agreement on derivatives clearing signed in April 2017 with ICE Clear Netherlands, resulting in a €5.0 million breakup fee, which was recognised in exceptional items (see Note 12).

- **Revaluation of available-for-sale financial assets Euroclear plc. and Sicovam Holding S.A.**
  Following the outcome of EU referendum in the UK and elections in the US, euro-zone was facing additional political pressure at the end of 2016. Increased political risk in economies long considered bastions of political stability were expected to affect risk-free rates, potentially reviving the euro crisis and raising the risk of an EU break-up scenario. In the first part of the year, this risk of destabilization in Europe was reduced by the results of elections in the Netherlands, France and Germany. The economic sentiment and outlook significantly improved and funds are flowing back to the euro-zone and translated into a robust share price performance across listed financial institutions within the EU.

  This changing environment had an impact on the valuation of our available-for-sale financial assets, especially on investments in financial institutions with a significant EU exposure, such as Euroclear plc. The sentiment in Europe, that had a dampening effect on the value of our direct- and indirect (through Sicovam Holding S.A.) equity investment in Euroclear plc at the end of 2016, positively impacted this value as per 31 December 2017. This ultimately led to an increase in fair value of our investments in Euroclear plc and Sicovam S.A. in 2017 of €40.2 million (see also Note 19).

- **Share swap of 2.31% stake in LCH Group for a 11.1% stake in LCH SA**
  In the second half of 2017, the Group announced its intentions to swap its current 2.31% stake in LCH Group for a 11.1% stake in LCH SA, subject to regulatory approvals and other customary conditions. The transaction was finalised, and shares were transferred, on 29 December 2017 and will strengthen the long-standing relationship between Euronext and LCH SA. Euronext will remain on the Board of LCH SA following completion of the share swap. Euronext will also nominate one representative to LCH SA Audit Committee and will continue to be represented at LCH SA Risk Committee. A new Consultative Committee dedicated to Euronext derivatives business will be created. The parties have agreed that Euronext will have certain minority protection rights connected with its new shareholding in LCH SA.

  The share swap transaction led to a change in fair value of €38.4 million and subsequent de-recognition in available-for-sale financial assets with carrying value of €57.6 million, in relation to the 2.31% stake in LCH Group Ltd. (see Note 19). The 11.1% stake in LCH SA has been recognised in investments in associates and joint ventures (see Note 7). The share swap transaction resulted in a capital gain recognised in results from equity investments of €40.6 million (see Note 14), from the recycling to profit or loss of cumulative historical revaluations that were recognised in Other Comprehensive Income.

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.

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, as far as applicable.

The Consolidated Financial Statements have been prepared on a historical cost basis, unless stated otherwise.

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 4. 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 31).

(i) 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.

(ii) Associates and joint arrangements
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.

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. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently re-measured to fair value with changes in fair value recognised in profit or loss.

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 Managing 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 Managing Board are prepared on a measurement basis consistent with the reported Consolidated Statement of Profit or Loss.

Foreign currency transactions and translation

(i) 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.

(ii) 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.

(iii) 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.

Property, plant and equipment
Property, plant and equipment is 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 is 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 (including leasehold improvement	5 to 40 years
IT equipment	2 to 3 years
Other equipment	5 to 12 years
Fixtures and fittings	4 to 10 years

Goodwill and other intangible assets

(i) 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 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 2-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 17.

(ii) 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 2 to 7 years. Other development expenditures that do not meet these criteria, as well as software maintenance and minor enhancements, are expensed as incurred.

(iii) Other intangible assets
Other intangible assets, which are acquired by the Group, are stated at cost less accumulated amortisation and impairment losses (if applicable). The estimated useful lives are as follows:

Purchased software and licenses:	2-5 years
Customer relationships:	17-18 years
Brand names:	indefinite

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 not 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.

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 remeasured 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 remeasurement of derivatives instruments are systematically recognised in profit or loss, within financial income and expense.

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 30 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 derecognized 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.

(i) 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 profit or loss. This category also includes derivatives financial instruments that are not designated as accounting hedges although they are used to hedge economic risks.

(ii) Available-for-sale ("AFS") financial assets
Financial assets classified as Available-for-Sale ("AFS") are initially recognised at fair value and remeasured at fair value at the end of each reporting period. 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 price 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 profit or loss 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, an impairment is recognised in profit or loss. 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.

(iii) 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 12 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.

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 asset's 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.

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.

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 profit or loss 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 profit or loss over the period of the borrowings using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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.

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.

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 Statement of Profit or Loss. 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 profit or loss.

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 Statement of Profit or Loss 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.

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.

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 include 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 center 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 ratably over the life of the agreement.

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.

Exceptional items
Exceptional income and expense are identified based on their size, nature and incidence, and are disclosed separately in the Statement of Profit or Loss 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.

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.

(i) 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 Statement of Profit or Loss.

(ii) 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 Consolidated 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.

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:

Impairment of goodwill — The Group performs goodwill impairment reviews in accordance with the accounting policy described above in Note 17. 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 17.

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 our tax liabilities involves uncertainties in the application of complex tax laws. Our estimate for the potential outcome of any uncertain tax position is highly judgmental. However, the Group believes that it has adequately provided for uncertain tax positions. Settlement of these uncertainties in a manner inconsistent with our expectations could have a material impact on our 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 equity investments - The Group holds investments in unlisted equity securities which are carried at fair value in the balance sheet. In 2017, the Group changed its valuation technique applied to value the Group's investments in unlisted equity securities, which are further described in Notes 19 and 30.

Classification of investments in associates – The Group classifies the interest in LCH SA as an investment in associate suggesting significant influence even though it owns less than 20% of the voting rights (see Note 7). The Group concludes it has significant influence over this investment, which is derived from the governance structure that was put in place and the Group's position as the largest customer and sole minority shareholder of LCH SA.

Contingent consideration and buy options resulting from business combinations – The Group may structure its business combinations in a way that leads to recognition of contingent consideration to selling shareholders and/or buy options for equity held by non-controlling interests (see Note 5). Contingent consideration and buy options are recognized at fair value on acquisition date. When the contingent consideration or buy option meets the definition of a financial liability or financial instrument, it is subsequently re-measured to fair value at each reporting date. The determination of fair value is based on the expected level of EBITDA over the last 12 months that precede the contractual date (in case of contingent consideration) or exercise date of the underlying call- and put options (in case of buy option). The Group monitors the expected EBITDA based on updated forecast information from the acquired companies involved.

Purchase price allocation – The cost of other intangible assets that are acquired in the course of business combinations, corresponds to their acquisition date fair values. Depending on the nature of the intangible asset, fair value is determined by application of:

- Market approach (by reference to comparable transactions)
- Income approach (Relief-from-Royalty- or Multi-period Excess Earnings Method
- Cost approach

Assets with a finite useful life are amortized using the straight-line method over their expected useful life. Assets with an indefinite useful life are tested for impairment at least once a year.

Derivatives Clearing agreement
On 14 October 2013, the Group entered into a clearing agreement with LCH SA in respect of the clearing of trades on our continental Europe derivatives markets (the "Derivatives Clearing Agreement"). Under the terms of this Derivatives Clearing Agreement Euronext agreed with LCH SA to share revenues and receives clearing fee revenues based on the number of trades on these markets cleared through LCH SA. In exchange for that we have agreed to pay LCH SA a fixed fee plus a variable fee based on revenues.

The definition of the accounting treatment of this agreement requires significant management judgment for the valuation and weighting of the indicators leading the principal versus agent accounting analysis. Based on all facts and circumstances around this arrangement, management has concluded that Euronext is 'principal' in providing Derivatives clearing services to its trading members. Therefore Euronext recognizes (i) the clearing fees received are classified as post trade revenues, and (ii) the fixed and variable fees paid to LCH SA as other operational expenses.

Reference is also made to 'Changes in accounting policies and disclosures', with regards to the implication of new IFRS 15 'Revenue from contracts with customers' under 'Principle versus agent considerations'.

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.

(i) Implication of new and amended standards and interpretations
The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2017:

- *Amendments to IAS 7 'Statement of Cash Flows: Disclosure Initiative'*
  The amendments require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The Group has provided the information for both the current and the comparative period in Note 32.7.

- *Amendments to IAS 12 'Income Taxes: Recognition of deferred tax assets for unrealized losses'*
  The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of deductible temporary difference related to unrealized losses. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. The application of these amendments had no effect on the Group's financial position and performance, as the Group has no deductible temporary differences or assets that are in scope of the amendments.

- *Annual Improvement Cycle 2014-2016*
  Amendments to IFRS 12 'Disclosure of interests in other entities: Clarification of the scope of disclosure requirements in IFRS 12'
  The amendments clarify that the disclosure requirements in IFRS 12, other than those in paragraphs B10-B16, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale. These amendments did not affect the Consolidated Financial Statements, as the Group had no interests in other entities classified as held for sale.

(ii) Future implications of new and amended standards and interpretations not yet adopted
Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2017 reporting periods. The Group's assessment of the impact of these new standards and interpretations is set out below. These standards have not been applied in preparing these Consolidated Financial Statements. The quantitative information disclosed in this note may be subject to further changes in 2018.

IFRS 9 'Financial instruments'
IFRS 9 replaces the guidance from International Accounting Standard (IAS) 39. The new standard addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

The Group plans to adopt the new standard on the required effected date of 1 January 2018 and will not restate comparative information. During 2017, the Group has assessed the impact of IFRS 9 on its financial assets and liabilities. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the Group in 2018. Overall, the Group expects no significant impact on its Consolidated Financial Statements.

Classification and measurement
The Group's financial assets currently held as available-for-sale (AFS), consist of unlisted equity securities held for long-term strategic purposes. No impairment losses were recognised in profit or loss during prior periods for these instruments. The Group opts to apply the available election for classification as fair value through other comprehensive income (FVOCI) for these instruments under IFRS 9. Accordingly, the Group does not expect the new guidance to significantly affect the classification and measurements of these financial assets. However, gains and losses realised on the sale of financial assets at FVOCI will no longer be transferred to profit or loss on sale, but instead reclassified below the line from FVOCI reserve to retained earnings. During the 2017 financial year, €40.6 million of such gains were recognised in profit or loss in relation to the disposal of available-for-sale financial assets. The AFS reserve of €37.6 million related to these financial assets, which is currently presented as accumulated OCI, will be reclassified to retained earnings on transition to the new standard.

Trade receivables are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. The Group analysed the contractual cash flow characteristics of these instruments and concluded that they meet the criteria for amortised cost measurement under IFRS 9. Therefore, reclassification of these instruments is not required.

On the classification and measurement of financial liabilities under IFRS 9, the Group's assessment did not indicate any significant impact.

Impairment
IFRS 9 requires the recognition of impairment provisions based on expected credit losses (ECL) rather than only incurred credit losses as it is the case under the current standard. The new standard requires the Group to record lifetime expected credit losses on all of its trade receivables, for which the Group will apply the simplified approach by using a provision matrix for determining the impairment provision. The Group determined that, based on the assessment undertaken to date and due to the secure nature of its trade receivables, a possible increase of the loss allowance is not expected to be material (approximately €0.2 million).

Hedge accounting

The new hedge accounting rules will have no impact as the Group doesn't apply hedge accounting.

Derivative instruments
Derivative instruments continue to be recorded at fair value through profit or loss and carried as assets when their fair value is positive, and as liabilities when their fair value is negative. Embedded derivative instruments are no longer separated and the financial assets are classified as a whole based on the business model and SPPI assessments.

In summary, as at reporting date the adoption of IFRS 9 is expected to negatively impact total assets and equity by €0.2 million.

The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Group's disclosures about its financial instruments particularly in the year of adoption of the new standard.

IFRS 15, 'Revenue from contracts with customers'
IFRS 15 will replace IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control transfers to a customer.

The Group plans to adopt the new standard on the required effective date of 1 January 2018 using the modified retrospective approach, which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 January 2018 and that comparatives will not be restated. During 2016, the Group performed a preliminary assessment of IFRS 15, which was continued with a more detailed analyses in 2017. In preparing to adopt IFRS 15, the Group's main considerations are the following:

Revenues - Trading and post-trade
For contracts with customers in which the service provided to exchange securities is generally expected to be the only performance obligation, adoption of IFRS 15 is not expected to have any impact on the Group's revenue and profit or loss. The Group expects the revenue recognition to occur at a point in time when control of the asset is transferred to the customer, generally on execution of the trade.

Revenues - Listing
For contracts with customers containing listing services, the Group is still assessing the expected impact of IFRS 15 and in particular on determining performance obligations and the related timing of listing revenue recognition. The Group will finalise its assessment of the impact of the new standard on their listing revenues before adoption of the impact in both the interim and annual 2018 financial statements.

Revenues - Market Data & Indices
For contracts with customers in which providing an index-license is generally expected to be the only performance obligation, adoption of IFRS 15 is not expected to have any impact on the Group's revenue and profit or loss. The nature of an index-license is considered a 'right-to-access' license as the customer can reasonably expect the Group to undertake ongoing activities to support and maintain the value of its trademark names. Revenue generated from these licenses are therefore recognised over time being the contractual period, as the customer simultaneously receives and consumes the benefit from the license. Outstanding contract balances flowing over the period-end will be recognised as 'contract liabilities' under IFRS 15. On transition the 'contract liabilities' related to index license revenues amounted to €0.1 million.

Revenues - Market Solutions & other
For contracts with customers containing software licenses that are distinct or combined with a significant modification service, adoption of IFRS 15 is not expected to have any impact on the Group's revenue and profit or loss. Given the significant stand-alone functionality of the underlying intellectual property, a distinct software license can be considered a 'right-to-use' license and consequently revenue will be recognised at the point in time of acceptance of the software and the source code by the customer. Software licenses that are combined with a significant modification service are recognised over time, being the significant modification period, as the Group has no alternative use for these combined performance obligations and would have an enforceable right to payment for performance completed to date. Outstanding contract balances flowing over the period-end will be recognised as 'contract liabilities' under IFRS 15. On transition the 'contract liabilities' related to software license revenues amounted to €1.9 million.

For contracts with customers that reflect hosting services, the adoption of IFRS 15 will have an impact on the Group's revenue and profit or loss. The service applied by the Group for installing software in Euronext's data centre in Basildon before starting the hosting service are currently recognised at the moment the installation service is finalised. Under IFRS 15 however, as the installation service itself does not transfer a good or service to the customer, these installation services will be combined with the hosting services and are used as inputs to produce the combined output specified in the contract. Consequently revenue will be recognised over time, being the full service period of the combined hosting contract. During 2017, €0.1 million of such installation service revenues were recognised in profit or loss. On transition this change in recognition would have an impact of €0.1 million on retained earnings. Outstanding contract balances flowing over the period-end will be recognised as 'contract liabilities' under IFRS 15. On transition the 'contract liabilities' related to combined hosting revenues amounted to €1.1 million.

Principle versus agent considerations
IFRS 15 requires assessment of whether the Group controls a specified good or service before it is transferred to the customer. Customers of the Group that are willing to trade on Euronext's markets are obliged to obtain clearing service for that trade. The promise that the Group makes to its customers is to execute the trade and arrange for the clearing of that trade. As the Group does not own its own clearing operation, it has put in place an agreement with LCH SA in which the latter is providing clearing service as a sub-contractor, executing the service under control of the Group. The nature of the promise is the execution of a cleared trade on the Group's derivatives platform. The Group controls this services that are derived from that promise, before it is transferred to the customer. This makes the Group the principal in the transaction of providing derivative clearing services to its customers. Consequently, the adoption of IFRS 15 is not expected to have any impact on the Group's revenue and profit or loss, as the Group will still recognises revenue for the gross amount of consideration to which it expects to be entitled in exchange for the derivatives service transferred.

Cost incurred for obtaining a contract
The Group does not incur material costs to obtain contracts such as sales commissions.

Financing components
The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Presentation and disclosure requirements
The presentation and disclosure requirements in IFRS 15 are more detailed than under current IFRS. The presentation requirements present a significant change from current practice and significant increase the volumes of disclosure required in the Group's Consolidated Financial

Statements. The Group will disaggregate revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. It will also disclose information to illustrate the relationship between the revenue recognised and changes in the overall balances of the total contract assets and liabilities during a particular reporting period. In addition, extended disclosure are expected on significant judgements made and descriptive information of performance obligations.

As the Group is still assessing the impact of IFRS 15 on its listing revenues, quantitative information on the impact of the adoption of IFRS 15 on the Group's total assets, total liabilities and equity can't be disclosed yet.

IFRS 16, 'Leases'
IFRS 16 replaces the current IAS 17 guidance on the subject of accounting for lease contracts. The new standard will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard an asset (right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term (i.e., leases with a lease term of 12 months or less) and low value leases (e.g., personal computers).

The standard will affect the accounting of the Group's operating leases. As at reporting date, the group has non-cancellable operating lease commitments of €61.4 million (see Note 34). The Group estimates that approximately 10% of these relate to payments for short-term and low value leases which will be recognised on a straight-line basis as an expense in profit or loss.

However, the Group has not yet assessed what other adjustments, if any, are necessary. It is therefore not yet possible to estimate the amount of right-to-use assets and lease liabilities that will have to be recognised on adoption of the new standard and how this may affect the Group's profit or loss and classification of cash flows going forward.

The Group does not intend to adopt the standard before its effective date of 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

IFRS 17 'Insurance Contracts'
In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features.

A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

• A specific adaptation for contracts with direct participation features (the variable fee approach)
• A simplified approach (the premium allocation approach) mainly for short-duration contracts.

IFRS 17 is effective for reporting periods beginning on or after 1 January 2021, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Group.

Amendments to IFRS 2 – 'Classification and Measurement of Share-based Payment Transactions'
The IASB issued amendments to IFRS 2 Share-based Payment that address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding tax obligations; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash settled to equity settled. On adoption, entities are required to apply the amendments without restating prior periods, but retrospective application is permitted if elected for all three amendments and other criteria are met. The amendments are effective for annual periods beginning on or after 1 January 2018, with early application permitted. The Group is assessing the potential effect of the amendments on its consolidated financial statements.

Amendments to IFRS 4 – 'Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts'
The amendments address concerns arising from implementing the new financial instruments standard, IFRS 9, before implementing IFRS 17 Insurance Contracts, which replaces IFRS 4. The amendments introduce two options for entities issuing insurance contracts: a temporary exemption from applying IFRS 9 and an overlay approach. The temporary exemption is first applied for reporting periods beginning on or after 1 January 2018. An entity may elect the overlay approach when it first applies IFRS 9 and apply that approach retrospectively to financial assets designated on transition to IFRS 9. The entity restates comparative information reflecting the overlay approach if, and only if, the entity restates comparative information when applying IFRS 9. These amendments are not applicable to the Group.

Amendments to IAS 40 - 'Transfers of Investment Property'
The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. Entities should apply the amendments prospectively to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. An entity should reassess the classification of property held at that date and, if applicable, reclassify property to reflect the conditions that exist at that date. Retrospective application in accordance with IAS 8 is only permitted if it is possible without the use of hindsight. Effective for annual periods beginning on or after 1 January 2018. Early application of the amendments is permitted and must be disclosed. The Group will apply the amendments when they become effective. However, since Group's current practice is in line with the clarifications issued, the Group does not expect any effect on its consolidated financial statements.

Amendments to IFRS 10 and IAS 28: 'Sale or Contribution of Assets between an Investor and its Associate or Joint Venture'
The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, between an investor and its associate or joint venture, is recognised in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture. The IASB has deferred the effective date of these amendments indefinitely, but an entity that early adopts the amendments must apply them prospectively. The Group will apply these amendments when they become effective.

Annual Improvements 2014-2016 Cycle (issued in December 2016)
These improvements include:

IFRS 1 First-time Adoption of International Financial Reporting Standards – 'Deletion of short-term exemptions for first-time adopters'
Short-term exemptions in paragraphs E3–E7 of IFRS 1 were deleted because they have now served their intended purpose. The amendment is effective from 1 January 2018. This amendment is not applicable to the Group.

IAS 28 Investments in Associates and Joint Ventures – 'Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice'

The amendments clarify that:

• An entity that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss.
• If an entity, that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent.

The amendments should be applied retrospectively and are effective from 1 January 2018, with earlier application permitted. If an entity applies those amendments for an earlier period, it must disclose that fact. These amendments are not applicable to the Group.

IFRIC Interpretation 22 'Foreign Currency Transactions and Advance Consideration'
The Interpretation clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration. Entities may apply the amendments on a fully retrospective basis. Alternatively, an entity may apply the Interpretation prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

(i) The beginning of the reporting period in which the entity first applies the interpretation
Or
(ii) The beginning of a prior reporting period presented as comparative information in the financial statements
of the reporting period in which the entity first applies the interpretation.

The Interpretation is effective for annual periods beginning on or after 1 January 2018. Early application of interpretation is permitted and must be disclosed. However, since the Group's current practice is in line with the Interpretation, the Group does not expect any effect on its consolidated financial statements.

IFRIC Interpretation 23 'Uncertainty over Income Tax Treatment'
The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12 and does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments.

The Interpretation specifically addresses the following:
• Whether an entity considers uncertain tax treatments separately
• The assumptions an entity makes about the examination of tax treatments by taxation authorities
• How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
• How an entity considers changes in facts and circumstances

An entity must determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. The interpretation is effective for annual reporting periods beginning on or after 1 January 2019, but certain transition reliefs are available. The Group will apply interpretation from its effective date. Since the Group operates in a multinational tax environment, applying the Interpretation may affect its consolidated financial statements and the required disclosures. In 2018, the Group will further assess the potential impact of this IFRIC interpretation.

Amendments to IFRS 9 – 'Prepayment Features with Negative Compensation'
The amendments enable companies to measure at amortised cost some pre-payable financial assets with negative compensation. The assets affected, that include some loans and debt securities, would otherwise have been measured at fair value through profit or loss (FVTPL). In addition, the amendments address on how to account for the modification of a financial liability. The amendment confirms that most of such modifications will result in immediate recognition of a gain or loss. The amendments are effective for annual periods beginning on or after 1 January 2019. The Group will apply the amendments when they become effective. In 2018, the Group will further assess the potential impact of these amendments.

Amendments to IAS 28 – 'Long-term Interests in Associates and Joint Ventures'
The amendments clarify that an entity should apply IFRS 9 to long-term interests in an associate or joint venture to which it does not apply the equity method. This includes long-term interests that, in substance, form part of the entity's net investment in an associate or joint venture. The amendments are effective for annual periods beginning on or after 1 January 2019. The Group will apply the amendments when they become effective. In 2018, the Group will further assess the potential impact of these amendments.

Annual Improvements 2015-2017 Cycle (issued in December 2017)
These improvements include:

IFRS 3 Business Combinations and IFRS 11 Joint Arrangements – 'Previously held interest in a joint operation'
The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to IFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business.

IAS 12 Income Taxes – 'Income tax consequences of payments on financial instruments classified as equity'
The amendments clarify that all income tax consequences of dividends (i.e. distribution of profits) should be recognised in profit or loss, regardless of how the tax arises.

IAS 23 Borrowing Costs – 'Borrowing costs eligible for capitalisation'
The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

The amendments must be applied for annual reporting periods beginning on or after 1 January 2019. The Group will apply the amendments when they become effective. In 2018, the Group will further assess the potential impact of these amendments.

Amendments to IAS 19 – 'Plan Amendment, Curtailment or Settlement'
The amendments address if a plan amendment, curtailment or settlement occurs, it is now mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The amendments must be applied to plan amendments, curtailments or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 1 January 2019. The Group will apply the amendments when they become effective. In 2018, the Group will further assess the potential impact of these amendments.

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.

4. GROUP INFORMATION

The following tables provide an overview of the Group's subsidiaries, associates, joint-ventures and non-current investments:

		Ownership	
Subsidiaries	**Domicile**	**As at 31 December 2017**	**As at 31 December 2016**
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 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. (a)	Portugal	100.00%	100.00%
Euronext London Ltd.	United Kingdom	100.00%	100.00%
Euronext Paris S.A.	France	100.00%	100.00%
Euronext Technologies Holding S.A.S.	France	100.00%	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.	Portugal	100.00%	100.00%
Interbolsa S.A. (b)	Portugal	100.00%	100.00%
Euronext Corporate Services B.V. (c)	The Netherlands	100.00%	0.00%
Company Webcast B.V. (d)	The Netherlands	51.00%	0.00%
iBabs B.V. (e)	The Netherlands	60.00%	0.00%
MSI Services B.V. (e)	The Netherlands	60.00%	0.00%
IR Soft Ltd.(f)	United Kingdom	100.00%	0.00%
Euronext US Inc. (g)	United States	100.00%	0.00%
Euronext Synapse LLC (h)	United States	100.00%	0.00%
FastMatch Inc. (i)	United States	89.78%	0.00%
Stichting Euronext Foundation (j)	The Netherlands	0.00%	0.00%
Associates	**Domicile**		
Tredzone S.A.S.	France	34.04%	34.04%
European Central Counterparty N.V.	The Netherlands	20.00%	20.00%
LCH SA (k)	France	11.10%	0.00%
Joint Ventures	**Domicile**		
Algonext Ltd.	United Kingdom	50.00%	50.00%
LiquidShare S.A. (l)	France	13.57%	0.00%
Non-current investments	**Domicile**		
Sicovam Holding S.A.	France	9.60%	9.60%
Euroclear plc.	United Kingdom	3.34%	3.26%
LCH Group (m)	United Kingdom	0.00%	2.31%
Algomi Ltd. (n)	United Kingdom	7.74%	0.00%

(a) Legal name of Euronext Lisbon S.A. is Euronext Lisbon - Sociedade Gestora de Mercados Regulamentados, S.A.
(b) Legal name of Interbolsa S.A. is Interbolsa - Sociedade Gestora de Sistemas de Liquidaçao e de Sistemas Centralizados de Valores Mobiliários, S.A.
(c) Euronext Corporate Services B.V. was incorporated on 9 February 2017.
(d) Company Webcast B.V. was acquired on 14 February 2017. The Group was able to derive benefits from this investment as from 1 January 2017.
(e) iBabs B.V. and MSI Services B.V. were acquired on 7 July 2017.
(f) IR Soft Ltd. was acquired on 1 March 2017.
(g) Euronext US Inc. was incorporated on 15 May 2017.
(h) Euronext Synapse LLC was incorporated on 7 July 2017.
(i) FastMatch Inc. was acquired on 14 August 2017.
(j) Stichting Euronext Foundation is not owned by the group but included in the scope of consolidation.
(k) The investment in associate LCH SA became effective on 29 December 2017, following the finalisation of regulatory approvals.
(l) LiquidShare S.A. was incorporated on 10 July 2017 and was setup as a joint venture arrangement together with six other founders.
(m) The disposal of the interest in LCH Group became effective on 29 December 2017, following the finalisation of regulatory approvals.
(n) On 2 March 2017, the Group acquired a 7.59% in joint venture partner Algomi Ltd., which was increased to 7.74% on 17 November 2017.

5. BUSINESS COMBINATIONS

The material acquisitions that occurred during the year are set out below.

5.1 Acquisition of Company Webcast B.V.
On 14 February 2017, the Group acquired 51% of the ordinary shares in Company Webcast B.V., a Dutch company specialised in professional webcast and webinar services, for a consideration of €5.4 million. The Group has acquired Company Webcast B.V. to expand the "Euronext's Corporate Services" offer, which aims to help issuers make the most effective use of capital markets. The Group was able to derive benefits from this investment as from 1 January 2017.

Details of the purchase consideration, the net assets acquired and goodwill are reflected in the tables below (fair value approximates book value).

Purchase consideration :

In thousands of euros	Fair value
Cash paid	3,600
Contingent consideration	1,800
Total purchase consideration	**5,400**

The assets and liabilities recognised as a result of the acquisition are as follows:

In thousands of euros	Fair value
Assets	
Property, plant and equipment	328
Other intangible assets	170
Deferred tax assets	243
Non-current other receivables	2
Trade and other receivables	988
Cash and cash equivalents	778
Liabilities	
Non-current borrowings	(82)
Current borrowings	(35)
Current income tax liabilities	(8)
Trade and other payables	(1,612)
Net identifiable assets acquired	**772**
Less: non-controlling interest	(378)
Add: Goodwill	5,006
Total purchase consideration	**5,400**

The goodwill is primarily attributable to the expected synergies and other benefits from combining the assets and activities of Company Webcast B.V. with those of the Group. The goodwill is not deductible for income tax purposes.

Contingent consideration
The contingent consideration arrangement requires the Group to pay the former owners of Company Webcast B.V. 30% of the purchase consideration, ultimately on 31 March 2020. The fair value of the contingent consideration arrangement of €1.8 million was estimated based on a multiple of earnings and the average of actual 2016 and forecasted 2019 EBITDA. The liability is presented within other long-term financial liabilities in the balance sheet and subsequent measurement will be through profit or loss (see Note 30).

Acquired receivables
The fair value of trade and other receivables was €1.0 million and included €0.9 million of trade receivables, which is not materially different to the gross contractual amount. None of the trade receivables have been impaired and it is expected that the full contractual amounts can be collected.

Non-controlling interest

The Group has chosen to recognise the non-controlling interest at the proportionate share of the net assets acquired. As such, non-controlling interest on acquisition amounted to €0.4 million (49% of €0.8 million).

Revenue and profit contribution
From the date of the acquisition, Company Webcast B.V. has contributed €4.3 million of revenue and €0.3 million of net profit to the Group. As the Group was able to derive benefits from this investment as from 1 January 2017, the Group's full year result includes the full year contribution from Company Webcast B.V.

Analysis of cash flows on acquisition

In thousands of euros	**2017**
Acquisition related costs	(141)
Included in cash flows from operating activities	**(141)**
Cash consideration	(3,600)
Less: Balances acquired	778
Included in cash flows from investing activities	**(2,822)**
Net cash flow on acquisition	**(2,963)**

Acquisition related costs
Acquisition related costs of €0.1 million have been expensed and are included in professional services in profit or loss.

Related transaction of 49% minority stake
As from 1 January 2020, the Group will be entitled to acquire all shares from the minority shareholders ("call option"). As from the same date, the minority shareholders will be entitled to sell their shares to the Group ("put option"). The call- and put options have similar conditions. Based on a multiple of earnings and the forecasted 2019 EBITDA, the fair value of this transaction consideration is estimated at €8.2 million, for which the Group recorded a redemption liability as a reduction of shareholders' equity. The liability is presented in other long-term financial liabilities in the balance sheet and subsequent measurement will be through profit or loss (see Note 30).

5.2 Acquisition of iBabs B.V.[15]
On 7 July 2017, the Group acquired 60% of the ordinary shares in iBabs B.V., a leading Dutch provider of dematerialised board portal solutions for corporate and public organisations, for a total consideration of €32.1 million. As the use of board portal services is expected to grow significantly over the coming years, the Group has acquired iBabs B.V. to expand the "Euronext's Corporate Services" offer, into which the iBabs' solutions will be integrated. The founding management team of iBabs B.V. will remain in place, continuing to grow the business while benefiting from the Group's reach and expertise with listed companies.

Details of the purchase consideration, the net assets acquired and goodwill are reflected in the tables below.

In thousands of euros	**Fair value**
Cash paid	30,106
Purchase consideration finalisation payment accrued (a)	2,020
Total purchase consideration	**32,126**

(a) At reporting date an amount of €2.0 million was recognised in trade and other payables relating to the finalisation of the purchase consideration. This amount was paid in January 2018.

The assets and liabilities recognised as a result of the acquisition are as follows:

In thousands of euros	**Fair value**
Assets	
Property, plant and equipment	103
Intangible assets: brand names	1,243
Intangible assets: customer relations	20,349
Intangible assets: software platform	3,549
Trade and other receivables	725
Cash and cash equivalents	2,704

[15] Includes the individually immaterial acquisition of MSI Services B.V.

Liabilities	
Deferred tax liabilities	(6,285)
Trade and other payables	(1,502)
Net identifiable assets acquired	**20,886**
Less: non-controlling interest	(8,354)
Add: Goodwill	19,594
Total purchase consideration	**32,126**

The goodwill is primarily attributable to the expected synergies and other benefits from combining the assets and activities of iBabs B.V. with those of the Group. The goodwill is not deductible for income tax purposes.

Acquired receivables
The fair value of trade and other receivables was €0.7 million and included €0.3 million of trade receivables, which is not materially different to the gross contractual amount. None of the trade receivables have been impaired and it is expected that the full contractual amounts can be collected.

Non-controlling interest
The Group has chosen to recognise the non-controlling interest at the proportionate share of the net assets acquired. As such, non-controlling interest on acquisition amounted to €8.4 million (40% of €20.9 million).

Revenue and profit contribution
From the date of the acquisition, iBabs B.V. has contributed €4.1 million of revenue and €0.8 million of net profit to the Group. If the acquisition would have occurred on 1 January 2017, consolidated revenue and profit for the year ended 31 December 2017 would have been €536.4 million and €242.1 million respectively.

Analysis of cash flows on acquisition

In thousands of euros	2017
Acquisition related costs	(298)
Included in cash flows from operating activities	**(298)**
Cash consideration	(30,106)
Less: Balances acquired	2,704
Included in cash flows from investing activities	**(27,402)**
Net cash flow on acquisition	**(27,700)**

Acquisition related costs
Acquisition related costs of €0.3 million have been expensed and are included in professional services in profit or loss.

Related transaction of 40% minority stake
As from 1 January 2021, the Group has the right to acquire all of the shares held by the minority shareholders. This right to acquire the remaining 40% minority stake meets the definition of a derivative financial instrument. The exercise price of this call option is based on an EBITDA multiple which also is considered best proxy for fair market value. The value of this instrument is therefore zero at initial recognition. The Group will continue to monitor this instrument over its lifetime and will recognise any future change in value through profit or loss.

In addition, if the minority shares are sold to a third party, the Group has the obligation (or the right) to compensate (or to get compensated) for any variance between the price and a lower actual third party price offered. Whenever the value of the expected exercise price is lower than fair value, a negative value for the option will be recorded, for the part that relates to the ‘make-good’ condition.

5.3 Acquisition of FastMatch Inc.
On 14 August 2017, the Group acquired 89.78% of the ordinary shares in FastMatch Inc., a US-based Electronic Communication Network (ECM) in the spot foreign exchange market, for a consideration of €138.5 million. The Group has acquired FastMatch Inc. to strengthen the Group’s revenue-, product- and geographic diversification and accelerate its growth profile. The current FastMatch Inc. management will remain invested with a 10.22% ownership.

Details of the purchase consideration, the net assets acquired and goodwill are reflected in the tables below.

In thousands of euros	Fair value
Cash paid	131,674
Contingent consideration	6,784
Total purchase consideration	**138,458**

The assets and liabilities recognised as a result of the acquisition are as follows:

In thousands of euros	**Fair value**
Assets	
Property, plant and equipment	541
Intangible assets: brand names	5,766
Intangible assets: customer relations	32,477
Intangible assets: software platform	4,240
Other intangible assets	2,504
Non-current other receivables	132
Trade and other receivables	3,790
Cash and cash equivalents	4,723
Liabilities	
Deferred tax liabilities	(6,005)
Current income tax liabilities	(151)
Trade and other payables	(2,271)
Net identifiable assets acquired	**45,746**
Less: non-controlling interest	(4,675)
Add: Goodwill	97,387
Total purchase consideration	138,458

The goodwill is primarily attributable to the expected synergies and other benefits from combining the assets and activities of FastMatch Inc. with those of the Group. The goodwill is not deductible for income tax purposes.

Contingent consideration
The acquisition includes a contingent earn-out payment payable on the 1st anniversary of the acquisition date. At acquisition date a financial liability of €6.8 million was recognised as contingent consideration in other short-term financial liabilities and subsequent measurement will be through profit or loss (see Notes 30).

Acquired receivables
The fair value of trade and other receivables was €3.8 million and included €3.6 million of trade receivables, which is not materially different to the gross contractual amount. None of the trade receivables have been impaired and it is expected that the full contractual amounts can be collected.

Non-controlling interest
The Group has chosen to recognise the non-controlling interest at the proportionate share of the net assets acquired. As such, non-controlling interest on acquisition amounted to €4.7 million (10.22% of €45.8 million).

Revenue and profit contribution
From the date of the acquisition, FastMatch Inc. has contributed €7.2 million of revenue and €0.3 million of net profit to the Group. If the acquisition would have occurred on 1 January 2017, consolidated revenue and profit for the year ended 31 December 2017 would have been €551.6 million and €242.0 million respectively.

Analysis of cash flows on acquisition

In thousands of euros	**2017**
Acquisition related costs	(2,899)
Included in cash flows from operating activities	**(2,899)**
Cash consideration	(131,674)
Less: Balances acquired	4,723
Included in cash flows from investing activities	**(126,951)**
Net cash flow on acquisition	**(129,850)**

Acquisition related costs

Acquisition related costs of €2.9 million have been expensed and are included in professional services in profit or loss.

Related transaction of 10.22% minority stake

The minority shareholders will have to offer their shares in FastMatch Inc. for sale to the Group between the 2nd and 4th anniversary of the acquisition date. This right to acquire the remaining 10.22% minority stake by the Group meets the definition of a derivative financial instrument. The exercise price of this call option is based on an EBITDA multiple which also is considered best proxy for fair value. The value of this instrument is therefore zero at initial recognition. The Group will continue to monitor this instrument over its lifetime and will recognise any future change in value through profit or loss.

In addition, if the minority shares are sold to a third party, the Group has the obligation (or the right) to compensate (or to get compensated) for any variance between the price and a lower actual third party price offered. Whenever the value of the expected exercise price is lower than fair value, a negative value for the option will be recorded, for the part that relates to the 'make-good' condition.

6. NON-CONTROLLING INTERESTS (NCI)

Financial information of subsidiaries that are significant to the Group is provided below:

Proportion of equity interest held by non-controlling interests:

Name of entity	Place of business / country of Incorporation	% of ownership interest held by NCI 2017	2016
		%	%
Company Webcast B.V.	The Netherlands	49.00	-
iBabs B.V.	The Netherlands	40.00	-
FastMatch Inc.	United States	10.22	-

The summarized financial information of these subsidiaries is provided below. This information is based on amounts before inter-company eliminations.

Summarised balance sheet *(In thousands of euros)*	Company Webcast B.V. 31-déc 2017	31-déc 2016	iBabs B.V. 31-déc 2017	31-déc 2016	FastMatch Inc. 31-déc 2017	31-déc 2016
Current assets	1,708	-	4,838	-	11,660	-
Current liabilities	1,345	-	1,300	-	3,476	-
Current net assets	**363**	-	**3,538**	-	**8,184**	-
Non-current assets	1,101	-	24,333	-	43,536	-
Non-current liabilities	47	-	6,059	-	6,556	-
Non-current net assets	**1,054**	**-**	**18,274**	**-**	**36,980**	**-**
Net assets	**1,417**	**-**	**21,812**	**-**	**45,164**	**-**
Accumulated NCI	694	-	8,725	-	4,616	-

Summarised statement of comprehensive income *(In thousands of euros)*	Company Webcast B.V. 31-déc 2017	31-déc 2016	iBabs B.V. 31-déc 2017	31-déc 2016	FastMatch Inc. 31-déc 2017	31-déc 2016
Revenue	4,336	-	3,867	-	7,239	-
Profit for the year	**645**	**-**	**1,206**	**-**	**269**	**-**
Other comprehensive income	-	-	-	-	29	-
Total comprehensive income	**645**	**-**	**1,206**	**-**	**298**	**-**
Profit / (loss) allocated to NCI	316	-	483	-	30	-
Dividends paid to NCI	-	-	-	-	-	-

Summarised cash flow information *(In thousands of euros)*	Company Webcast B.V. 31-déc 2017	31-déc 2016	iBabs B.V. 31-déc 2017	31-déc 2016	FastMatch Inc. 31-déc 2017	31-déc 2016
Cash flow from operating activities	715	-	878	-	4,551	-
Cash flow from investing activities	(31)	-	2,270	-	3,981	-
Cash flow from financing activities	(35)	-	-	-	(162)	-
Net increase / (decrease) in cash and cash equivalents	**649**	**-**	**3,148**	**-**	**8,370**	**-**

7. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

7.1 Interests in associates and joint ventures

Set out below are the associates and joint ventures of the Group as at 31 December 2017. 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 2017	% of ownership interest 2016	Nature of relationship	Measurement method 2017	Measurement method 2016	Quoted fair value *(In thousands of euros)* / Carrying amount *(In thousands of euros)* 2017	2016
		%	%					
European Central Counterparty N.V.	The Netherlands	20.0	20.0	Associate (a)	-	-	14,109	13,467
LCH SA	France	11.1	-	Associate (b)	-	-	57,951	-
Immaterial joint ventures					-	-	1,799	1,171
Immaterial associates					-	-	1,145	1,319
Total equity accounted investments							**75,004**	**15,957**

(b) European Central Counterparty N.V. ("EuroCCP") is a CCP for pan-European equity markets providing clearing and settlement services.

(c) LCH SA is a Continental European clearing house, offering clearing services for a diverse range of asset classes. As described in Note 3, the Group has determined that it has significant influence over LCH SA even though it only holds 11.1% of the voting rights.

7.2 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, who 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.

7.3 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. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

Summarised balance sheet *(In thousands of euros)*	EuroCCP 31-déc 2017	EuroCCP 31-déc 2016	LCH SA 31-déc 2017	LCH SA 31-déc 2016
				-
Non-current assets	2,216	2,260	102,721	-
Current assets	598,189	539,058	289,076,000	-
Non-current liabilities	-	-	6,400	-
Current liabilities	557,024	501,147	288,812,000	-
Net assets	**43,381**	**40,171**	**360,321**	-
				-
Reconciliation to carrying amounts:				-
Opening net assets 1 January	40,171	38,443	324,800	-
Additions	-	-	32,621	-
Profit/(loss) for the year (a)	3,217	4,841	42,600	-
Other comprehensive income	(7)	49	300	-
Dividends paid	-	(3,162)	(40,000)	-
Closing net assets	**43,381**	**40,171**	**360,321**	-
				-
Group's share in %	20.0%	20.0%	11.1%	-
Group's share in thousands of euros	8,676	8,034	39,996	-
Goodwill	5,433	5,433	17,955	-
Carrying amount	**14,109**	**13,467**	**57,951**	**-**

(a) The share of profit from EuroCCP recognised in the Group's Statement of Profit or Loss amounted to €0.6 million in 2017 (2016: €22k, reflecting the Group's interest as from the acquisition date of 15 December 2016). The investment in LCH SA did not generate any share of profit in 2017, as the acquisition was finalised on 29 December 2017.

Summarised statement of comprehensive income *(In thousands of euros)*	EuroCCP 2017	EuroCCP 2016	LCH SA 2017	LCH SA 2016
Revenue	22,556	23,771	118,500	-
Profit from continuing operations	**3,217**	**4,841**	**42,600**	-
Profit from discontinued operations	-	-	-	-
Profit for the year	**3,217**	**4,841**	**42,600**	-
Other comprehensive income	(7)	49	300	-
Total comprehensive income	**3,210**	**4,890**	**42,900**	-
Dividends received from associates	-	-	-	-

7.4 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 an individually immaterial associate and two individually immaterial joint ventures, that are all accounted for using the equity method.

Individually immaterial associate

The Group has an 34.04% interest in Tredzone S.A.S., a low latency software developer, as part of its innovation strategy.

(In thousands of euros)	2017	2016
Aggregate carrying amount of individually immaterial associates	1,145	1,319
Aggregate amounts of the group's share of:		
Profit/(loss) from continuing operations	(175)	(41)
Post-tax profit or loss from discontinued operations	-	-
Other comprehensive income	-	-
Total comprehensive income	**(175)**	**(41)**

Individually immaterial joint ventures

On 10 July 2017 the Group, together with six other leading financial institutions, incorporated LiquidShare, a fintech joint venture with the objective to improve SME's access to capital markets and improving the transparency and security of post-trading operations using blockchain technology. The Group, sharing joint control with the other founders, has an interest of 13.57% in LiquidShare.

The Group also has an interest of 50% in Algonext Ltd. that was incorporated after the Group entered into a 10 year partnership with fixed income technology provider Algomi Ltd. in 2016, to create a long-term joint venture.

(In thousands of euros)	2017	2016
Aggregate carrying amount of individually immaterial joint ventures	1,799	1,171
Aggregate amounts of the group's share of:		
Profit/(loss) from continuing operations	(181)	-
Post-tax profit or loss from discontinued operations	-	-
Other comprehensive income	-	-
Total comprehensive income	**(181)**	**-**

8. REVENUE

In thousands of euros	Year ended 31 December 2017	 31 December 2016
Listing	84,247	68,708
Trading revenue	237,854	220,835
of which		
Cash trading	*190,276*	180,727
Derivatives trading	*40,339*	40,108
FX trading	*7,239*	-
Market data & indices	104,673	105,697
Post-trade	71,698	67,627
of which		
Clearing	*51,132*	47,992
Custody and Settlement	*20,566*	19,635
Market solutions & other revenue	33,465	33,009
Other income	357	560
Total	**532,294**	**496,436**

At 31 December 2017 and 2016, there were no customers that individually exceeded 10% of the Group's revenue. The revenue line "FX trading" results from the acquisition of FastMatch Inc. in 2017 (see Note 5).

9. SALARIES AND EMPLOYEE BENEFITS

In thousands of euros	31 December 2017	31 December 2016
Salaries and other short term benefits	(74,893)	(72,258)
Social security contributions (a)	(23,536)	(22,569)
Share-based payment costs	(3,782)	(2,772)
Pension cost - defined benefit plans	(1,106)	(1,115)
Pension cost - defined contribution plans (a)	(1,046)	(1,062)
Total	**(104,363)**	**(99,776)**

(a) In the comparative period a reclassification of €0.8 million has been made from 'pension costs – defined contribution plans' to 'social security contributions' to better reflect the nature of those expenses.

At the end of the year, the number of employees, based on full-time equivalents (FTE) stood at 670.8 (2016:573.7). The increase in FTE was primarily caused by the newly acquired companies during the year.

In 2017, 'Share based payments costs' primarily contain costs related to the LTI Plans 2015, 2016 and 2017. Details of these plans are disclosed in Note 24.

10. DEPRECIATION AND AMORTIZATION

In thousands of euros	31 December 2017	31 December 2016
Depreciation of tangible fixed assets	(6,684)	(6,075)
Amortisation of intangible fixed assets	(10,248)	(9,013)
Total	**(16,932)**	**(15,088)**

In 2017, the amortisation of intangible fixed assets includes €2.4 million of software and customer relations amortisation from newly acquired companies in 2017 (see Note 17).

11. OTHER OPERATIONAL EXPENSES

In thousands of euros	Year ended 31 December 2017	 31 December 2016
Systems and communications	(22,354)	(17,099)
Professional services	(45,545)	(38,382)
Clearing expenses	(27,925)	(26,311)
Accommodation	(9,961)	(10,237)
Other expenses (a)	(24,364)	(20,737)
Total	**(130,149)**	**(112,766)**

(a) Other expenses include marketing, taxes, insurance, travel, professional membership fees, corporate management and other expenses.

12. EXCEPTIONAL ITEMS

	Year ended	
In thousands of euros	31 December 2017	31 December 2016
Restructuring costs	(2,159)	(7,082)
ICE Clear Netherlands termination fee	(5,000)	-
Acquisition costs	(5,280)	(3,322)
Portuguese pension plan settlement	(1,565)	-
Refund pre-retirement plan Paris	2,208	-
Litigation provisions/settlements	(388)	-
Impairment intangible assets	(2,621)	-
Other	18	366
Total	**(14,787)**	**(10,038)**

In 2017, exceptional items included:

- €2.2 million of restructuring costs mainly related to expenses for employee termination benefits in the various Euronext locations;
- €5.0 million of breakup fee following the terminated agreement on derivatives clearing signed with ICE Clear Netherlands in 2017 (see Note 2);
- €5.3 million of costs incurred for contemplated acquisitions of major significance to the Group, potentially changing the Group's form or character (transformational acquisitions);
- €1.6 million of past service costs recognised as a result of the Portuguese pension plan settlement from defined benefit to defined contribution (see Note 26);
- €2.2 million of benefit, related to the over funding of a pre-retirement plan ended in 2017;
- €0.4 million of litigation provisions/settlements attributable to individual legal cases (see Note 27);
- €2.6 million of costs related to the impairment of intangible assets (see Note 17).

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 the relocation of Belfast IT operations to Porto for €2.2 million
- €3.3 million of transformational acquisition costs incurred for the envisaged acquisition of LCH S.A.
- €0.4 million (benefit) of other items.

If the exceptional items were presented by nature, salaries and employee benefits would amount to €0.7 million (2016: €6.2 million), depreciation and amortization would amount to €3.2 million (2016: €0.0 million) and other operational items would amount to €10.9 million (2016: €3.8 million).They relate to both income and expense.

13. NET FINANCING INCOME / (EXPENSE)

	Year ended	
In thousands of euros	31 December 2017	31 December 2016
Interest expense	(2,373)	(2,142)
Other finance costs	(1,180)	-
Finance costs	**(3,553)**	**(2,142)**
Interest income	314	572
Gain / (loss) on disposal of treasury investments	(5)	-
Net foreign exchange (loss)/gain	(356)	764
Other net financing income/(expense)	**(47)**	**1,336**
Total	**(3,600)**	**(806)**

In 2017, the other finance costs relate to a provision made for stamp duty tax on cash-pooling arrangements in Portugal.

14. RESULT FROM AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Year ended	
In thousands of euros	31 December 2017	31 December 2016
Dividend income	6,105	6,032
Impairment of non-current investments	(5)	-
Gains on disposal of non-current investments	42,225	-
Total	**48,325**	**6,032**

The gains on disposal of non-current investments primarily include: (i) €1.7 million of deferred consideration received from LSE Group, in connection to a partial sale of LCH Group shares in 2013 and (ii) a €40.6 million gain related to the share exchange transaction of the Group's 2.31% interest in LCH Group for an 11.1% interest in LCH SA, which is further described in Notes 2 and 7.

15. INCOME TAX EXPENSE

In thousands of euros	2017	2016
Current tax expense	(71,127)	(59,968)
Deferred tax expense	2,241	(6,994)
Total	**(68,886)**	**(66,962)**

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:

Reconciliation of effective tax charge

In thousands of euros	2017	2016
Profit before income tax	311,075	263,975
Income tax calculated at domestic tax rates applicable to profits in the respective countries	(96,184)	(79,246)
Tax effects of:		
(De) recognition tax losses	(125)	(65)
Non-deductible expenses	(2,065)	(1,839)
Other tax exempt income (a)	12,676	1,931
Over provided in prior years (b)	22,096	15,456
Other (c)	(5,284)	(3,199)
Total	**(68,886)**	**(66,962)**

(a) *Other tax exempt income includes the partially exempt capital gain recognized on the LCH share swap transaction in December 2017.*
(b) *In 2016 'over provided in prior years' were 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. In 2017 'over provided in prior years' were again positively impacted by the release of €20.4 million tax provisions recognised in 2013 and 2014, as a result of the lapse of statute of limitations.*
(c) *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'. Within 'Other' a one off impairment on a tax receivable resulting from the carve out in 2014 was recognised.*

The decrease in effective tax rate from 25.4% for the year ended 31 December 2016 to 22.1% for the year ended 31 December 2017 was primarily attributable to items that were included in the income tax expense for the years ended 31 December, 2017 and 2016, as discussed above.
Due to the implementation of new US federal corporate income tax rate (21%) as per 1 January 2018, the recognised deferred taxes have been calculated at these new rates.

16. PROPERTY, PLANT AND EQUIPMENT

In thousands of euros	**Land & Buildings**	**Hardware & IT**	**Other Equipment (a)**	**Total**
As at 1 January 2016				
Cost	17,602	28,100	45,431	91,133
Accumulated depreciation and impairment	(7,076)	(20,307)	(34,971)	(62,354)
Net book amount	**10,526**	**7,793**	**10,460**	**28,779**
As at 1 January 2016 net book amount	**10,526**	**7,793**	**10,460**	**28,779**
Exchange differences	-	(749)	(2)	(751)
Additions	-	3,204	2,335	5,539
Depreciation charge (Note 10)	(211)	(4,078)	(1,786)	(6,075)
As at 31 December 2016 net book amount	**10,315**	**6,170**	**11,007**	**27,492**
As at 31 December 2016				
Cost	14,776	29,265	47,491	91,532
Accumulated depreciation and impairment	(4,461)	(23,095)	(36,484)	(64,040)
Net book amount	**10,315**	**6,170**	**11,007**	**27,492**
As at 1 January 2017 net book amount	**10,315**	**6,170**	**11,007**	**27,492**
Exchange differences	-	(63)	(6)	(69)
Additions	-	4,357	1,746	6,103
Disposals & other	-	31	(64)	(33)
Acquisitions of subsidiaries (Note 5)	-	286	687	973
Depreciation charge (Note 10)	(212)	(4,188)	(2,284)	(6,684)
As at 31 December 2017 net book amount	**10,103**	**6,593**	**11,086**	**27,782**
As at 31 December 2017				
Cost	14,776	24,702	50,204	89,682
Accumulated depreciation and impairment	(4,673)	(18,109)	(39,118)	(61,900)
Net book amount	**10,103**	**6,593**	**11,086**	**27,782**

(a) Other Equipment includes building fixtures and fitting and lease improvements

The Company does not hold assets under finance leases.

17. GOODWILL AND OTHER INTANGIBLE ASSETS

				Intangible assets recognised on acquisition of subsidiaries			
In thousands of euros	**Goodwill**	**Internally developed software**	**Purchased software Constr. in Pr. Patents & TradeMark**	**Software**	**Customer Relations**	**Brand Names**	**Total**
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 10)	-	(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**
As at 1 January 2016 net book amount	**301,418**	**13,830**	**5,908**	**-**	**-**	**-**	**321,156**
Exchange differences	(1,857)	(44)	(71)	(66)	(605)	(110)	(2,753)
Additions	-	13,277	4,497	-	-	-	17,774
Impairment charge	-	(523)	(2,621)	-	-	-	(3,144)
Transfers and other	-	(608)	608	-	-	-	-
Acquisitions of subsidiaries (Note 5)	122,052	2,334	339	7,789	52,826	7,009	192,349
Amortisation charge (Note 10)	-	(5,136)	(2,757)	(1,152)	(1,203)	-	(10,248)
As at 31 December 2017 net book amount	**421,613**	**23,130**	**5,903**	**6,571**	**51,018**	**6,899**	**515,134**
As at 31 December 2017							
Cost	474,953	80,365	43,689	7,708	52,208	6,899	665,822
Accumulated amortisation and impairment	(53,340)	(57,235)	(37,786)	(1,137)	(1,190)	-	(150,688)
Net book amount	**421,613**	**23,130**	**5,903**	**6,571**	**51,018**	**6,899**	**515,134**

Goodwill impairment test

Goodwill is monitored and tested for impairment at the lowest CGU Group level of the Group to which goodwill acquired in a business combination is allocated (see Note 3). Following the acquisition of FastMatch Inc. in 2017 and the allocation of goodwill from this transaction to the “FX Trading” CGU, the Group tests goodwill at the level of two CGU (Group)’s: “Euronext” and “FX Trading”.

The recoverable value of the “Euronext” CGU Group 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 2018 budget and the business plan for 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.

For the impairment test performed as of 31 December 2017, revenues have been extrapolated using a perpetual growth rate of 2.3% (2016: 1.5%) after 2019. The weighted average cost of capital applied was 8.6% (2016: 8.5%).

The annual impairment testing of the “Euronext” CGU Group 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 2017, a reduction to 0% per year of third party revenue growth during the explicit forecast period , 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 2017 would not result in a goodwill impairment. Possible correlations between each of these parameters were not considered.
Given the recent nature of the acquisition of FastMatch Inc., the Group considers the purchase price in this transaction as the best proxy for fair value and recoverable amount of FastMatch Inc.

18. DEFERRED INCOME TAX

The analysis of deferred tax assets and deferred tax liabilities is as follows:

In thousands of euros	2017	2016
Deferred income tax assets (a)	7,991	5,021
Deferred income tax liabilities (a)	(19,834)	(600)
Total net deferred tax assets (liabilities)	**(11,843)**	**4,421**

(a) As shown in the balance sheet, after offsetting deferred tax assets and liabilities related to the same taxable entity.

In thousands of euros	2017	2016
Deferred tax assets / (liabilities):		
Property, plant and equipment	(812)	1,203
Intangible assets (a)	(16,206)	(1,220)
Investments (b)	(7,556)	(2,025)
Provisions and employee benefits	6,650	5,328
Other	177	430
Loss carried forward (c)	5,904	705
Deferred tax assets (net)	**(11,843)**	**4,421**

(a) The increase mainly relates to the recognition of a deferred tax liability resulting from the intangible assets recognised upon the acquisitions of Fastmatch Inc. and iBabs B.V.

(b) The increase in investments mainly relates to the increase in the revaluation of assets available for sale (Euroclear plc. and Sicovam Holding S.A.S.).

(c) The increase relates to losses carried forward recognized on carry forward losses of Fastmatch Inc and losses recognised on the closure of Euronext Technology Ltd in the UK.

In thousands of euros	2017	2016
Balance at beginning of the year	**4,421**	**12,346**
Recognised in income statement	2,241	(6,994)
Reclassifications and other movements (a)	(11,851)	61
Exchange difference	2	(444)
Charge related to other comprehensive income	(6,656)	(548)
Balance at end of the year	**(11,843)**	**4,421**

(a) 'Reclassifications and other movements's includess (i) a deferred tax asset of €2.9 million as part of the net assets acquired of FastMatch Inc. and (ii) deferred tax liabilities for FastMmatch Inc.(€8.9 million) and iBabs B.V. (€6.3 million) resulting from the intangible assets recognised upon acquisition of those subsidiaries in 2017.

As per 31 December 2017, no losses were unrecognised by the Group that can be carried forward against future taxable income.

In 2016, no losses were unrecognised by the Group 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.
Due to the implementation of new US federal corporate income tax rate (21%) as per 1 January 2018, the recognised deferred taxes have been calculated at these new rates.

19. AVAILABLE-FOR-SALE FINANCIAL ASSETS

In thousands of euros	As at 31 December 2017	As at 31 December 2016
Euroclear plc.	96,159	67,626
Sicovam Holding S.A.	41,696	30,000
LCH Group	-	19,233
Algomi Ltd.	9,583	-
Other	65	201
Total	**147,503**	**117,060**

Available-for-sale financial assets primarily include long-term investments in unlisted equity securities.

Euroclear plc and Sicovam Holding S.A.
As of 31 December 2017, the Group holds a 3.34% ownership interest in Euroclear plc. (31 December 2016: 3.26%), an unlisted company involved in the settlement of securities transaction and related banking services. The increase from 3.26% to 3.34% was due to share buy-backs by Euroclear plc. in 2017. The Group also holds a 9.60% ownership interest in Sicovam Holding S.A. (31 December 2016: 9.60%), resulting in an indirect 1.53% interest in Euroclear plc. (31 December 2016: 1.49%). The common stock of Sicovam Holding S.A. and Euroclear plc are not listed.

In relation to a changing political- and economic sentiment in Europe in 2017, the Group identified a significant increase in value of its investments in Euroclear plc and Sicovam Holding S.A. (see also Note 2 “Significant events and transactions”). This ultimately led to an increase in fair value of €40.2 million for these investments in combination in 2017, recognized against Other Comprehensive Income.

Until 31 December 2016, the Group applied a combination of Capitalization- and Present value of dividend flows in perpetuity valuation techniques to establish fair value for the investments in Euroclear plc and Sicovam Holding S.A. In 2017, the Group changed methodology and applied a standardised multicriteria approach valuation for financial institutions based on the Gordon Growth Model valuation technique as its primary valuation method and the regression valuation technique (P/BV and ROE) and trading multiples as control methods. With this change, the Group is shifting its valuation methodology to what is the industries’ standard.

Having performed a fair-value calculation of the investments in Euroclear plc and Sicovam Holding S.A. as per 31 December 2016 and 31 December 2017 applying both the legacy- and the newly adopted methodology, the Group concludes that the change in methodology is not a material factor in the revaluation that is recognized over 2017.

LCH Group
In 2017, as for the investments in Euroclear plc. and Sicovam Holding S.A., the Group changed methodology and applied the Gordon valuation technique to measure fair value of its investment in LCH Group. This however did not lead to a change in fair value of the investment in LCH Group until 29 December 2017.

On 29 December 2017, the Group finalised the share exchange transaction of its 2.31% interest in LCH Group for an 11.1% interest in LCH SA, resulting in a full disposal of the investment in LCH Group as per 31 December 2017. Immediately before this disposal, a revaluation to transaction value of €57.6 million was recorded against Other Comprehensive Income. The total revaluation of the investment in LCH Group of €40.6 million has been recognised through the Statement of Profit or Loss upon finalization of the share exchange transaction in the fourth quarter of 2017.The 11.1% interest in LCH SA was classified as an investment in associate as per transaction date and therefore further described in Note 7 ‘Investments in associates and joint ventures’.

Algomi Ltd.
On 2 March 2017, the Group acquired a 7.59% interest in fixed income technology provider and joint venture partner Algomi Ltd., for a purchase consideration of €9.6 million ($10.0 million). As part of this investment, the Group acquired a warrant to receive additional shares. The Group excercised this warrant in the second half of the year, increasing the total interest in Algomi Ltd. to 7.74% as per 31 December 2017. The Group determined the purchase price observed in this acquisition and another recent transaction to be best proxy for fair value as per 31 December 2017.

The classification of the measurement within the fair value hierarchy is presented in Note 30.

20. TRADE AND OTHER RECEIVABLES

In thousands of euros	2017	2016
Trade receivables	61,156	46,383
Less provision for impairment of trade receivables	(1,256)	(1,206)
Trade receivables net	**59,900**	**45,177**
Tax receivables (excluding income tax)	7,673	5,927
Prepayments and accrued income	24,492	24,114
Other receivables	2,921	6,381
Total	**94,986**	**81,599**

As of 31 December 2017, the total amount of trade receivables that were past due but not impaired was €19.0 million (2016: €11.5 million) of which €2.3 million (2016: €2.3 million) was overdue by more than three months.

The movement in the provision for impaired trade receivables in 2017 reflects usages of €0.3 million (2016: €0.8 million) and accruals of €0.3 million (2016: €0.5 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.

21. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following:

In thousands of euros	2017	2016
Cash and bank balances	162,387	129,717
Short term investments	25,398	44,784
Total	**187,785**	**174,501**

Short term investments are presented as cash and cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours’ notice with no loss of interest.

22. 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 2017, 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)	**2017**	**2016**
Issued shares	70,000,000	70,000,000
Treasury shares		
Treasury shares as at 1 January	(463,799)	(464,387)
Liquidity contract	30,691	(33,010)
Share buy back	(45,659)	-
From share-based payments vesting	65,447	33,598
Treasury shares as at 31 December	**(413,320)**	**(463,799)**
Outstanding as at 31 December	**69,586,680**	**69,536,201**

22.1 Reserve own shares

Treasury shares are accounted for at trade date and all held by Euronext N.V.

The movement on the line 'acquisition of own shares' in the Consolidated Statement of Changes in Equity consists of the impact from transactions by the liquidity provider of €1.3 million, minus the impact from transactions under the share repurchase program for €2.3 million. Details of these movements are disclosed below at (i) and (ii).

(i) Liquidity provider

Part of the movement in the reserve 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 (€1.3 million in 2017).

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 8th 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 2017 Euronext N.V. holds 22,306 shares under the program with a cost of €0.5 million.

The movement schedule for the reported years are as follows:

In 2016:

Transaction date	**Buy Euronext N.V. shares**	**Sell Euronext N.V. shares**	**Average share price**	**Total value transaction including commissions**
(in euro)				
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			€ 37.85	

		34,888		(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**

In 2017:

Transaction date	Buy Euronext N.V. shares	Sell Euronext N.V. shares	Average share price	Total value transaction including commissions
(in euro)				
As at 31 December 2016	52,997			1,843,041
Purchases January	40,132		€ 41.62	1,670,312
Sales January		50,802	€ 41.93	(2,130,039)
Purchases February	48,882		€ 40.73	1,990,988
Sales February		53,509	€ 40.83	(2,184,720)
Purchases March	31,558		€ 40.55	1,279,792
Sales March		32,677	€ 40.62	(1,327,439)
Purchases April	24,714		€ 42.79	1,057,423
Sales April		28,318	€ 42.92	(1,215,437)
Purchases May	49,451		€ 47.02	2,325,173
Sales May		66,413	€ 46.82	(3,109,212)
Purchases June	48,939		€ 46.39	2,270,157
Sales June		44,908	€ 46.47	(2,087,073)
Purchases July	35,276		€ 46.97	1,656,801
Sales July		39,055	€ 47.17	(1,842,238)
Purchases August	49,270		€ 48.66	2,397,318
Sales August		48,011	€ 48.78	(2,342,024)
Purchases September	19,395		€ 50.37	976,946
Sales September		29,415	€ 50.52	(1,486,158)
Purchases October	38,346		€ 52.27	2,004,455
Sales October		30,126	€ 52.37	(1,577,619)
Purchases November	70,903		€ 48.99	3,473,558
Sales November		68,850	€ 49.03	(3,375,474)
Purchases December	33,206		€ 51.42	1,707,508
Sales December		28,679	€ 51.48	(1,476,397)
Total buy/sell	**490,072**	**520,763**		**(1,343,401)**
Total as at 31 December 2017	**22,306**			**499,640**

(ii) Share Repurchase Program

The Group 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 the Group's articles of association to cover the Group's outstanding obligations resulting from employee shares plans for 2014, 2015, 2016 and 2017. The share repurchase program aims to hedge price risk arising for granted employee share plans. In 2017 the Group repurchased 45,659 shares for a total consideration of €2.3 million. In 2016 no transactions under the Share Repurchase Program occurred.

The movement schedule for the reported years are as follows:

In 2016:

Transaction date	Buy Euronext N.V. shares	Average share price	Total value transaction including commissions
(in euro)			
As at 31 December 2015	450,279		18,608,353
Total buy/sell	-		-
Total as at 31 December 2016	**450,279**		**18,608,353**

In 2017:

Transaction date	Buy Euronext N.V. shares	Average share price	Total value transaction including commissions
(in euro)			
As at 31 December 2016	450,279		18,608,353
Purchases September	42,959	€ 51.04	2,192,627
Purchases October	2,700	€ 50.69	136,863
Total buy/sell	**45,659**		**2,329,490**
Total as at 31 December 2017	**495,938**		**20,937,843**

(iii) Share-based payments vesting

In 2017, the Group delivered 65,447 shares with a cost of €2.6 million to employees for whom share plans had (early) vested (2016: 33,598 shares, with a cost of €1.3 million). This movement is disclosed on the line 'other' in the Consolidated Statement of Changes in Equity.

22.2 Legal reserve

Retained earnings are not freely available for distribution for an amount of €1.1 million relating to legal reserves (see Note 46).

22.3 Dividend

On 19 May 2017, the Annual General Meeting of shareholders voted for the adoption of the proposed €1.42 dividend per ordinary share. On 26 May 2017, a dividend of €98.8 million was paid to the shareholders of Euronext N.V.

23. 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 weighted average shares used for the year ended 31 December 2017 as 69,580,344 and 31 December 2016 was 69,526,615.

Diluted

Diluted earnings per share is 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 weighted average shares used for the diluted earnings per share for the year ended 31 December 2017 was 69,908,523 and 31 December 2016 was 69,849,836.

24. SHARE-BASED PAYMENTS

Euronext Long-Term Incentive Plan 2014 ("LTI Plan 2014")
The Restricted Stock Units ("RSUs") granted under LTI Plan 2014 fully cliff-vested in 2017.

Euronext Long-Term Incentive Plans ("LTI Plan") 2015, 2016 and 2017
Directors and certain employees of the Group benefited from Restricted Stock Units ("RSUs") granted by Euronext N.V. under the LTI Plans on their applicable grant dates. RSUs granted under LTI Plans 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").

In addition to these RSUs granted to all participants in the LTI Plans, Performance RSUs have been awarded to members of the Managing Board and Senior Leadership team. The vesting of these Performance RSUs is subject to two performance conditions:

- 50% of the performance RSUs vests subject to a Total Shareholder Return ("TSR") condition;
- 50% of the performance RSUs 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 RSU's granted under the LTI Plans 2015, 2016 and 2017 reflect the present value of expected dividends over the vesting period.

Movements in the number of shares granted as awards is as follows:

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**	

In 2017:

Plan	Year of grant	1 January 2017	Granted	Vested	Forfeited	31 December 2017	Fair value at grant date per share (in €)
LTI, no performance	2014	188,223	-	(185,672)	(2,551)	-	€ 17.30
LTI, with performance	2015	48,315	-	-	(10,717)	37,598	€ 48.03
LTI, no performance	2015	77,982	-	-	(12,862)	65,120	€ 34.23
LTI, with performance	2016	119,019	-	-	(22,566)	96,453	€ 35.48
LTI, no performance	2016	35,725	-	-	-	35,725	€ 34.70
LTI, with performance	2017	-	88,468	-	(3,413)	85,055	€ 45.40
LTI, no performance	2017	-	40,713	-	-	40,713	€ 42.19
Total		**469,264**	**129,181**	**(185,672)**	**(52,109)**	**360,664**	

Euronext has taken into consideration the fact that the employees will not receive dividends during the vesting period of 3 years. The fair value has been adjusted taking into account the financials 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 2017 amounted to €3.8 million (2016: €2.8 million), see Note 9.

25. BORROWINGS

In thousands of euros	2017	2016
Non-current		
Borrowings		
Term Loan facility	-	70,000
Bank Loan facility	165,000	-
Issue costs	(318)	(995)
Total	**164,682**	**69,005**
Current		

Borrowings (accrued interest)	203	96
Total	**203**	**96**

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, effective on 23 March 2015 (i) the undrawn revolving credit facility had been increased by €140 million to €390 million and (ii) €140 million had been repaid as an early redemption of the €250 million term loan facility. 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 made an early repayment of the outstanding balance resulting in the termination of the term loan facility.

On 12 April 2017, the Group entered into a new revolving loan facility agreement ("the Facility") with BNP Paribas and ABN AMRO BANK N.V. as Lead Arrangers. This new Facility has replaced the revolving credit facility of €390 million.

On 18 July 2017, the Group entered into a syndicated bank loan facility ("the Bank Loan") with BNP Paribas and ABN AMRO BANK N.V. as Lead Arrangers, providing for €175 million. The Bank Loan has been drawn in the amount of €165 million on 9 August 2017 in order to (i) fund the acquisition of 89.8% of the shares and voting rights in FastMatch Inc and (ii) refinance the acquisition of 60% of the shares and voting rights in iBabs B.V. previously financed through the Facility. The Bank Loan and Facility are together referred to as Instruments.

Term, Repayment and Cancellation
The Bank Loan and the Facility mature in three and five years, respectively. They include a two times one year extension possibility. At 31 December 2017 the Facility of €250 million was undrawn and the Bank Loan was drawn resulting in a net non-current borrowing of €164.7 million. Euronext will be able to voluntarily cancel both the Bank Loan and Facility in whole or part or prepay amounts it borrows under both the Bank Loan and Facility.

The Bank Loan 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 Bank Loan. Any amount prepaid under the Bank Loan may not be redrawn.

Interest Rates and Fees
The €250 million term loan facility bore an interest rate equal to EURIBOR plus a margin which was initially set at 0.80%. The €390 million revolving credit facility bore an interest rate of EURIBOR plus a margin initially set at 0.50%. As the Company leverage ratio decreased, both margins were lowered to 0.70% and 0.40%, respectively. EURIBOR is floored at 0%.

The new €175 million Bank Loan has borne an interest rate equal to EURIBOR plus a margin initially set at 0.45%. The Facility has borne an interest rate of EURIBOR plus a margin initially set at 0.25%. It should be noted that as at 31 December 2017, there was no outstanding advance drawn under the Facility. EURIBOR is floored at 0%.

For the Bank Loan, Euronext may request that the maturity date be extended to the fourth or the fifth anniversary date of the facility agreement. For the revolving credit facility, Euronext may request that the maturity date be extended to the sixth or to the seventh anniversary date of the Facility.

An extension fee of (i) 0.05% of the full amount of the relevant Instrument is payable if Euronext requests that the initial maturity date be extended to the first relevant anniversary date or, (ii) 0.10% of the full amount of the relevant Instrument is payable if Euronext requests that the initial maturity date be extended to the second relevant anniversary date.

For the 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 Facility has been drawn at the relevant date, 0.10%;
• if 33% or more (but less than 66%) of the total commitment under the Facility has been drawn at the relevant date, 0.20%; or
• if 66% or more of the total commitment under the Facility has been drawn at the relevant date, 0.40%.

Euronext must also pay customary commitment fees at a rate per annum equal to 35% of the then applicable margin for the relevant Instrument on each lender's available commitment under the relevant Instrument during its availability period.

Certain Covenants and Undertakings
The Bank Loan 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 certain assets;
• make certain loans or grant certain credit;
• enter into any amalgamation, demerger, merger or corporate reconstruction, unless the Company remains the surviving entity;
• make any substantial change to the general nature of Euronext business;
• retain a (private rating).

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 value of the assets disposed of does not exceed 5% of Euronext consolidated total assets in any financial year.

In case of a downgrading event of Euronext, below BBB+ or equivalent by rating agencies, Euronext shall ensure that the leverage ratio as defined in the Bank Loan Agreement would not be greater than3.5x.

Events of Default
The Bank Loan 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 €50.0 million;
• certain liquidation, insolvency, winding-up or bankruptcy events;
• creditors' process and attachment having an aggregate value of more than €25.0 million;
• 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 Bank Loan approximates its carrying value.

26. 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 Portuguese plan is for both Euronext Lisbon and Interbolsa and is managed by CGD Pensoes – Sociedade Gestora de Fundos de Pensoes SA. The plan was defined benefit based on final pay. The funds covered payment of pensions to employees with a minimum of 5 year service. Annual contributions were based on actuarial calculations.

In September 2017, the Portuguese defined benefit plan was frozen and replaced by a new defined contribution plan, with an retroactive impact as from 1 January 2017. The old arrangement remains a defined benefit plan, and is disclosed as such in this Note. The one-off costs related to the frozen defined benefit plan amounted to €1.6 million and are reflected in exceptional items (see Note 12). Part of these one-off costs are the past service costs as disclosed in this Note.

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 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**
(Income) / expense:			
Current service cost	636	-	636
Past service cost	1,396	-	1,396
Interest expense / (income)	618	(367)	251
	2,650	**(367)**	**2,283**
Remeasurements:			
- Return on plan assets, excluding amounts included in interest expense / (income)	-	(641)	(641)
- (Gain) / loss from change in financial assumptions	(2,186)	-	(2,186)
- Experience (gains) / losses	(802)	-	(802)
	(2,988)	**(641)**	**(3,629)**
Payments:			
- Employer contributions	(58)	(132)	(190)
- Benefit payments	(140)	140	-
- Settlement payments from plan assets	(50)	50	-
As at 31 December 2017	**32,876**	**(21,163)**	**11,713**

The defined benefit obligation and plan assets are composed by country as follows:

	2017			
In thousands of euros	Belgium	Portugal	France	Total
Present value of obligation	54	23,755	9,067	32,876
Fair value of plan assets	-	(17,720)	(3,443)	(21,163)
Total	**54**	**6,035**	**5,624**	**11,713**

	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**

The significant actuarial assumptions were as follows:

	2017		
	Belgium	Portugal	France
Discount rate	0.5%	2.2%	1.9%
Salary growth rate	0.0%	2.0%	1.8%
Pension growth rate	0.0%	2.0%	0.0%

	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%

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 2017, 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%	-4.7%	5.0%
Salary growth rate	0.50%	2.0%	-1.8%
Pension growth rate	0.50%	4.2%	-3.9%

The pension plan assets allocation differs per plan. On a weighted average basis, the allocation was as follows:

	2017		2016	
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	6,005	28.4%	5,611	27.8%

Debt securities	12,487	59.0%	11,737	58.1%
Property	648	3.1%	672	3.3%
Investment funds	1,694	8.0%	1,606	7.9%
Cash	329	1.5%	587	2.9%
Total	**21,163**	**100%**	**20,213**	**100%**

The maturity of expected benefit payments over the next ten years is as follows:

As at 31 December 2017	Less than a year	Between 1-2 year	Between 2-5 years	Between 5-10 years	Total
Pension benefits	181	267	1,666	4,567	**6,681**

The weighted average duration of the defined benefit obligation for retirement plans is twenty years at 31 December 2017.

For 2018, the expected obligations contributions are approximately €0.1 million.

27. PROVISIONS

In thousands of euros	Restructuring	Building	Jubilee	Legal claims	Plan Agents	Others	Total
Changes in provisions							
As at 1 January 2017	**1,935**	**317**	**2,338**	**80**	**1,368**	**2,702**	**8,740**
Additional provisions charged to income statement	251	204	160	840	-	1,180	**2,635**
Used during the year	(1,837)	-	(108)	(1)	-	-	**(1,946)**
Unused amounts reversed	(92)	-	(195)	-	-	(2,702)	**(2,989)**
Exchange differences	(15)	-	-	-	-	-	**(15)**
As at 31 December 2017	**242**	**521**	**2,195**	**919**	**1,368**	**1,180**	**6,425**
Composition of provisions							
Current	242	521	-	581	-	-	**1,344**
Non Current	-	-	2,195	338	1,368	1,180	**5,081**
Total	**242**	**521**	**2,195**	**919**	**1,368**	**1,180**	**6,425**

Restructuring
The provision decreased following the execution of the restructuring plan for the relocation of Belfast IT operations to Porto in the first half of the 2017.

Building
The increase in building provision fully relates to the Praetorium building in Paris.

Jubilee
The Jubilee provision decreased, mainly due to the increase in discount rates.

Legal claims
The increase in legal claims provision related to two individual litigation settlement cases, which expenses were recognised in exceptional items (see Note 12).

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 2018.

Others
As per 31 December 2017, the Others provision relates to a €1.2 million provision made for stamp duty tax on cash-pooling arrangements in Portugal (see Note 13). The unused amounts reversed of €2.7 million fully reflect the opening balance position at 1 January 2017. This opening balance position related to provisions made in 2014 for certain taxes, which have been fully released in 2017.

28. TRADE AND OTHER PAYABLES

In thousands of euros	2017	2016
Trade payables	3,539	4,408
Social security and other taxes (excluding income tax)	21,290	20,149
Employees' entitlements and other payables (a)	40,315	38,118
Accrued expenses	28,772	27,286
Other	5,245	

		646
Total	**99,161**	**90,607**

(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.

29. GEOGRAPHICAL INFORMATION

In thousands of euros	France	Netherlands	United Kingdom	Belgium	Portugal	United States	Hong Kong	Total
2017								
Revenue and other income (a)	309,617	150,751	266	28,229	36,138	7,239	54	532,294
Property, plant and equipment	8,715	12,898	81	300	5,245	543	-	27,782
Intangible assets other than Goodwill (b)	1,806	45,738	907	-	2,209	42,861	-	93,521
2016								
Revenue and other income (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

(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.

30. FINANCIAL INSTRUMENTS

30.1 Financial instruments by category

	As at 31 December 2017			
In thousands of euros	Loans and receivables / payables	Available-for-sale	FVTPL	Total
Assets				
Available-for-sale financial assets	-	147,503	-	147,503
Trade and other receivables excluding prepayments	70,494	-	-	70,494
Cash and cash equivalents	187,785	-	-	187,785
Total	**258,279**	**147,503**	**-**	**405,782**
Liabilities				
Borrowings (non-current)	164,682	-	-	164,682
Other long-term financial liabilities (a)	-	-	10,000	10,000
Other short-term financial liabilities (b)	-	-	6,654	6,654
Trade and other payables	99,161	-	-	99,161
Total	**263,843**	**-**	**16,654**	**280,497**

(a) Consists of the contingent consideration payable of €1.8 million and the redemption liability of €8.2 million, both related to the acquisition of Company Webcast B.V. (see Note 5.1).
(b) Reflects the FastMatch Inc. contingent consideration payable including foreign exchange impacts after acquisition date (see Note 5.3).

	As at 31 December 2016			
In thousands of euros	Loans and receivables / payables	Available-for-sale	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				
Borrowings (non-current)	69,005	-	-	69,005
Trade and other payables	90,607	-	-	90,607
Total	**159,612**	**-**	**-**	**159,612**

The Group's exposure to various risks associated with the financial instruments is discussed in Note 32. 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.

30.2 Recognised fair value measurement

30.2.1 Fair value hierarchy

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 2017			
Assets			
Available-for-sale financial assets			
Unlisted equity securities (Note 19)	-	-	147,503
Total assets	**-**	**-**	**147,503**
Liabilities			
Financial liabilities at FVPL			
Contingent consideration payables (Note 5)	-	-	8,454
Redemption liability (Note 5)	-	-	8,200
Total liabilities	**-**	**-**	**16,654**

As at 31 December 2016	**Level 1**	**Level 2**	**Level 3**
Assets			
Available-for-sale financial assets			
Unlisted equity securities (Note 19)	-	-	117,060
Total assets	**-**	**-**	**117,060**

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period. The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 31 December 2017.

30.2.2 Fair value measurements using unobservable inputs (level 3)

The following table presents the changes in level 3 instruments for the period ended 31 December 2017:

In thousands of euros	**Unlisted equity securities**	**Contingent consideration payables**	**Redemption liability**	**Total**
As at 31 December 2015	**114,282**	**-**	**-**	**114,282**
Revaluation recognised in OCI	2,779	-	-	2,779
Acquisitions / (incurrences)	-	-	-	-
As at 31 December 2016	**117,060**	**-**	**-**	**117,060**
Revaluation recognised in OCI	78,635	-	-	78,635

Gains/(losses) recognised in OCI	(40,534)	-	-	(40,534)
Disposals	(17,241)	-	-	(17,241)
Acquisitions / (incurrences)	9,583	(8,454)	(8,200)	(7,071)
As at 31 December 2017	**147,503**	**(8,454)**	**(8,200)**	**130,849**

There were no transfers between the levels of fair value hierarchy in 2017 and 2016.

Valuation process

Concerning the valuation process for fair value measurement categorised within level 3 of the fair value hierarchy, the Group's central treasury department collects and validates the available level 3 inputs and performs the valuation according to the Group's valuation methodology for each reporting period. The fair value estimates are discussed with-, and challenged by the Group Financial Controller and the Chief Financial Officer. Periodically the values of investments categorized in "level 3" are validated by staff with extensive knowledge of the industry in which the invested companies operate. Although valuation techniques are applied consistently as a principle, Management, upon advice from the Group's valuation experts, may decide to replace a valuation technique if such a change would improve the quality or the reliability of the valuation process. Management decided to change valuation techniques in 2017, as described in this footnote.

Unlisted equity securities in Euroclear plc, Sicovam Holding S.A. and LCH Group

In 2017, the Group changed its valuation methodology for measuring fair value of its long-term investments in unlisted equity securities in Euroclear plc, Sicovam Holding S.A. and LCH Group (see Note 19) and applied the Gordon valuation technique as its primary valuation method with return on equity and expected dividend growth rate as key non-observable parameters. In 2017, the Group swapped its 2.31% interest in LCH Group, resulting in a full disposal of the investment at 31 December 2017.

As at 31 December 2016, the fair value of the long-term investments in these unlisted equity securities was estimated by applying a combination of capitalization and present value of dividend flows. Key assumptions were a long-term growth rate of 1.5%, cost of equity of 9.76% and a 25-20% discount for lack of marketability.

As per 31 December 2017, the fair value of these investments was estimated by applying the Gordon valuation model. Key assumptions were as follows:

In thousands of euros	**Fair value at 31 December 2017**	**Unobservable inputs *)**	**Range of inputs (probability-weighted average)**	**Relationship of unobservable inputs to fair value**	
				Increase	**decrease**
Euroclear Plc	96,159	Return on equity	7.9% - 8.9% (8.4%)	10,131	(6,321)
		Expected dividend growth rate	0.83% - 1.83% (1.33%)		
Sicovam Holding S.A.	41,696	Return on equity	7.9% - 8.9% (8.4%)	4,386	(2,374)
		Expected dividend growth rate	0.83% - 1.83% (1.33%)		

**) There were no significant inter-relationships between unobservable inputs that materially affect fair value*

The sensitivity analysis shows the impact on fair value using the most favorable combination (increase), or least favorable combination (decrease) of the unobservable inputs per investment in unlisted equity securities.

Unlisted equity securities in Algomi Ltd.

The long-term investment in unlisted equity securities of Algomi Ltd was acquired in 2017 (see Note 19). The Group determined the purchase price observed in this acquisition and another recent transaction to be best proxy for fair value as per 31 December 2017.

Contingent consideration payable and redemption liability

The inputs used for the valuation of the contingent consideration payables and the redemption liability related to the acquisitions of Company Webcast B.V. and FastMatch Inc. are described in Note 5 'Business combinations'. Management considers the impact of changes of these unobservable inputs not material for the total level 3 portfolio.

30.2.3 Fair values of other financial instruments

The fair values of trade and other receivables and payables, as well as borrowings, approximate their carrying amounts.

31. RELATED PARTIES

31.1 Transactions with related parties

Euronext has related party relationships with its associates and joint ventures (as described in Note 7). 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 4.

For more information on the share exchange transaction with associate LCH SA, please refer to Note 2.

The transactions with related parties and outstanding year-end balances are reported in the tables below:

In thousands of euros	2017	2016
Sales to related parties	3	-
Purchases from related parties	9	405

In thousands of euros	As at 31 December 2017	As at 31 December 2016
Receivables from related parties	2,809	-
Payables to related parties	113	1,309

31.2 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:

	2017		
In thousands of euros	Managing Board	Supervisory Board	Total
Short term benefits	(4,302)	(529)	(4,831)
Share-based payment costs (a)	(1,511)	-	(1,511)
Post-employment benefits	(123)	-	(123)
Termination benefits	(218)	-	(218)
Total benefits	**(6,154)**	**(529)**	**(6,683)**

(a) *Share based payments costs are recognised in accordance with IFRS 2.*

	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)
Termination benefits	-	-	-
Total benefits	**(5,418)**	**(521)**	**(5,939)**

(a) *Share based payments costs are recognised in accordance with IFRS 2.*

32. 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.

32.1. 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 in 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, 2017 and 2016 is described in the table below:

In thousands of euros	2017	2016
Cash, cash equivalents and short term financial investments	187,785	174,501
Available credit facilities	250,000	390,000
Financial debt	(164,885)	(69,101)
Net position	**272,900**	**495,400**

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, effective on 23 March 2015 (i) the undrawn revolving credit facility had been increased by €140 million to €390 million and (ii) €140 million had been repaid as an early redemption of the €250 million term loan facility. 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 made an early repayment of the outstanding balance resulting in the termination of the term loan facility.

On 12 April 2017, the Group entered into a new revolving loan facility agreement ("the Facility") with BNP Paribas and ABN AMRO BANK N.V. as Lead Arrangers. This new Facility has replaced the revolving credit facility of €390 million.

On 18 July 2017, the Group entered into a syndicated bank loan facility ("the Bank Loan") with BNP Paribas and ABN AMRO BANK N.V. as Lead Arrangers, providing for €175 million. The Bank Loan has been drawn in the amount of €165 million on 9 August 2017 in order to (i) fund the acquisition of 89.8% of the shares and voting rights in FastMatch Inc and (ii) refinance the acquisition of 60% of the shares and voting rights in iBabs B.V. previously financed through the Facility. The Bank Loan and Facility are together referred to as Instruments.

In thousands of euros	Maturity < 1 year	Maturity between 1 and 5 years	Maturity > 5 years	Total
2017				
Trade and other payables	99,161	-	-	99,161
Other short-term financial liabilities	6,654	-	-	6,654
Borrowings	753	166,165	-	166,918
Other long-term financial liabilities	-	10,000	-	10,000
2016				
Trade and other payables	90,607	-	-	90,607
Other short-term financial liabilities	-	-	-	-
Borrowings	497	70,112	-	70,609

32.2. 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. The Group may enter into derivatives contracts in order to hedge interest rate risk if need be. The sole purpose of using derivatives would be to limit interest rate exposure to safeguard shareholder value. The Group will not use derivative instruments for speculative purposes. As at 31 December 2017, the Group has not any interest rate derivatives contracts outstanding.
As at 31 December 2017, the interest rate exposure of the Company was as follows:

Currency	Position in Euros	Positions in Pound Sterling	Positions in Dollar

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)	Floating rate (or fixed rate with maturity < 1 year)	Floating rate (or fixed rate with maturity > 1 year)
2017						
Interest bearing financial assets (a)	165,137	6,000	13,329	-	9,319	-
Interest bearing financial liabilities	(203)	(164,682)	-	-	-	-
Net position before hedging	164,934	(158,682)	13,329	-	9,319	-
Net position after hedging	164,934	(158,682)	13,329	-	9,319	-
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	-	-	-

(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, 2017 and 2016. 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 not have had a material impact on the net interest income based on the positions at 31 December 2017 (2016: €0.3 million).

The Group was a net lender in Pound Sterling at 31 December, 2017 and 2016. 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 not have had a material impact on the net interest income based on the positions at 31 December 2017 (2016: €0.2 million).

The Group was a net lender in US Dollar at 31 December, 2017 and 2016. 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 not have had a material impact on net interest income based on the positions at 31 December 2017.

32.3. 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 respectively GBP and USD functional currency and the related impact of a 10% in/decrease in the currency exchange rate on balance sheet:

In thousands	**2017**	**2016**
Assets	£ 17,975	£ 52,191
Liabilities	£ (3,310)	£ (6,007)
Net currency position	**£ 14,665**	**£ 46,184**
Absolute impact on equity of 10% in/decrease in the currency exchange rate	**€ 1,650**	**€ 5,405**

In thousands	**2017**	**2016**
Assets	$ 182,147	$ -
Liabilities	$ (20,207)	$ -
Net currency position	**$ 161,940**	**$ -**
Absolute impact on equity of 10% in/decrease in the currency exchange rate	**€ 13,470**	**€ -**

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.
The Group may use derivatives instruments designated as hedge of net investment or foreign denominated debt to manage its net Investment exposures. The decision to hedge the exposure is considered on a case by case basis since the Group is generally exposed to major, well established and liquid currencies. The Group would, by the same token, hedge transaction risk arising from cash flows paid or received in a currency different from the functional currency of the group contracting entity on a case by case basis. As at 31 December 2017, the Group has not any foreign exchange rate derivatives outstanding.

32.4. 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 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.

32.5. Equity Market risk

The Group's investment in publicly-traded equity securities was insignificant in 2017 and 2016.

32.6. 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 £5.3 million to be able to properly perform its exchange functions. As at 31 December 2017 and 2016, the regulated entities of the Group were compliant with these statutory regulatory requirements.

32.7. Changes in liabilities arising from financing activities

The changes in liabilities arising from the Group's financing activities in 2017 and 2016 were as follows:

In thousands of euros	**Borrowings due within 1 year**	**Borrowings due after 1 year**	**Total liabilities from financing activity**
As at 1 January 2016	**104**	**108,153**	**108,257**
Cash flows	(1,269)	(40,000)	(41,269)
Accrued interest	1,260	-	1,260
Amortisation and transfer of issue costs	-	852	852
As at 31 December 2016	**95**	**69,005**	**69,100**
Cash flows	(712)	93,850	93,138
Accrued interest	820	-	820
Amortisation and transfer of issue costs	-	1,827	1,827
As at 31 December 2017	**203**	**164,682**	**164,885**

33. CONTINGENCIES

The Group is involved in a number of legal proceedings that have arisen in the ordinary course of our 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.

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 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 consideration 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 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 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 assessed the costs of potential out of court solutions. The Court has been informed that no arrangement 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 claimants filed their responses and also filed for appeal against certain parts of the decision of 24 June 2016. Euronext Amsterdam has responded to the grounds for appeal raised by claimants on 25 April 2017. An oral hearing took place on 24 November 2017. A decision is expected on 1 May 2018. No provision has been booked in connection with this case.

34. COMMITMENTS

34.1. Capital commitments

As of 31 December, capital expenditures contracted but not yet incurred were as follows:

In thousands of euros	2017	2016
No later than one year	662	457
Later than 1 year and no later than 5 years	500	85
Later than 5 years	-	-
Total	**1,162**	**542**

34.2. Non-cancellable operating leases

As of 31 December, minimum lease payments due under non-cancellable operating leases were as follows:

In thousands of euros	2017	2016
No later than one year	17,078	11,316
Later than 1 year and no later than 5 years	34,171	25,405
Later than 5 years	10,113	9,785
Total	**61,362**	**46,506**

Expenses in 2017 for operating leases were €18.8 million (2016: €6.8 million).

34.3. Guarantees given

Except for the financial guarantee related to its associate European Central Counterparty N.V. (see Note 7), Euronext N.V. has no guarantees given at 31 December 2017.

34.4. Securities held as custodian

In Portugal, the Group acts as a National Central Securities Depository and manages the National Settlement Securities System.

As at 31 December 2017, the value of securities kept in custody by Interbolsa amounted to €338 billion (2016: €314 billion) 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.

35. EVENTS AFTER THE REPORTING PERIOD

Acquisition of the Irish Stock Exchange plc.

On 29 November 2017, the Group announced the acquisition of 100% of the shares and voting rights of the Irish Stock Exchange plc ("ISE"), Ireland's incumbent stock exchange operator and a leading global debt and fund listing venue. The Group is to pay for 100 % of ISE's shares €137 million of enterprise value on a debt free, cash free basis, and excluding existing regulatory capital requirements (estimated at €21.8m). The transaction will be fully funded by debt.

On 27 March 2018, Euronext announces the completion of the acquisition of 100% of the shares and voting rights of The Irish Stock Exchange plc[1], after receiving regulatory approvals.

At the time these Consolidated Financial Statements were authorised for issue, the Group had not yet completed the accounting for the acquisition of the Irish Stock Exchange plc. As a consequence it is not yet possible to provide all detailed information required under IFRS 3, B66.

Departure of Lee Hodgkinson, member of the Managing Board
On 25 January 2018, Euronext, announced that Lee Hodgkinson, Head of Markets and Global Sales of Euronext and CEO of Euronext London Ltd, has decided to pursue a new professional project and will leave the Company in early April 2018.

Announced step down of Rijnhard van Tets, Chairman of the Supervisory Board
On 19 March 2018, Euronext announced that Rijnhard van Tets, Chairman of the Supervisory Board of Euronext N.V. decided to step down following the Annual General Meeting of Shareholders (AGM) to be held on 15 May 2018. Rijnhard van Tets notified the Supervisory Board that he will not be available for a new term.
Following the announcement of Rijnhard van Tets step down on 19 March 2018, the Supervisory Board has elected Dick Sluimers as its next Chairman, subject to regulatory approval.

Nomination of Paul Humphrey as Interim Managing Board member
On 22 March 2018, Euronext announced that Paul Humphrey, Head of Fixed Income, Rates and FX (FICC), has been appointed in addition to his current position and subject to regulatory approvals, interim CEO of Euronext London, interim Head of Global Sales, and interim member of the Managing Board of Euronext N.V., in replacement of Lee Hodgkinson.
Euronext is in the process of actively searching for Lee Hodgkinson's permanent replacement.

AUTHORISATION OF CONSOLIDATED FINANCIAL STATEMENTS

Amsterdam, 29 March 2018

Supervisory Board
Rijnhard van Tets (Chairman)
Dick Sluimers (Vice-Chairman)
Koenraad Dom
Ramon Fernandez
Manuel Ferreira da Silva
Jim Gollan
Kerstin Günther
Lieve Mostrey
Franck Silvent

Managing Board
Stéphane Boujnah (CEO and Chairman)
Anthony Attia

Maurice van Tilburg
Vincent van Dessel
Paulo Rodrigues da Silva

[1] *The announcement of 29 November 2017 on the signing of the agreement with the shareholders of the ISE is available on* www.euronext.com

6.7 Company Financial Statements for the year ended 31 December 2017

Company Income Statement

In thousands of euros	**Note**	**Year ended 31 December 2017**	**31 December 2016**
Net turnover	37	-	-
Other operating expenses	38	(12,143)	(9,554)
Total operating (loss)		**(12,143)**	**(9,554)**
Income from available-for-sale financial assets	39	3,891	3,817
Other interest income and similar income	39	1,478	7,351
Interest expenses and similar charges	39	(4,695)	(3,603)
Result before tax		**(11,469)**	**(1,989)**
Tax	40	3,213	(349)
Share in result of participations	41	249,553	199,351
Net result for the year		**241,297**	**197,013**

The above Company Income Statement should be read in conjunction with the accompanying notes.

Company Balance Sheet

(Before appropriation of profit)

In thousands of euros	Note	As at 31 December 2017	As at 31 December 2016
Assets			
Fixed assets			
Goodwill and other intangible assets		1,513	
Investments in consolidated subsidiaries	41	1,251,109	1,040,796
Investments in associates and joint ventures	41	73,860	14,638
Available-for-sale financial assets	42	105,742	67,626
Related party loans	41	91,715	
Other receivables	43	6,605	6,000
Total financial fixed assets		**1,530,544**	**1,129,060**
Total fixed assets		**1,530,544**	**1,129,060**
Current assets			
Trade and other receivables	44	42,200	34,993
Income tax receivable		20,102	17,791
Related party loans	45	34,974	
Total receivables		**97,276**	**52,784**
Cash		**2,866**	**2,293**
Total current assets		**100,142**	**55,077**
Total assets		**1,630,686**	**1,184,137**
Shareholders' equity and liabilities			
Shareholders' equity			
Issued capital		112,000	112,000
Share premium		107,562	107,562
Reserve for own shares		(17,269)	(18,883)
Retained earnings		249,932	124,790
Legal reserves and other		21,747	25,536
Profit for the year		241,297	197,013
Total shareholders' equity	**46**	**715,269**	**548,018**
Long-term liabilities			
Borrowings	47	164,635	69,005
Deferred tax liabilities		6,551	
Total long-term liabilities		**171,186**	**69,005**

Short-term liabilities			
Borrowings	47	159	96
Related party borrowings	48	427,398	369,760
Trade and other payables	49	316,674	197,258
Total short-term liabilities		**744,231**	**567,114**
Total shareholders' equity and liabilities		**1,630,686**	**1,184,137**

The above Company Balance Sheet should be read in conjunction with the accompanying notes.

6.8 Notes to the Company Financial Statements

36. 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.

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 an 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.

37. NET TURNOVER

In thousands of euros	2017	2016
Market Data revenues	97,186	99,737
Recharge of Market Data revenues	(97,186)	(99,737)
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.

38. OTHER OPERATING EXPENSES

In thousands of euros	2017	2016
Systems and communications	(116)	(52)
Professional Services	(10,937)	(8,085)
Other expenses	(1,090)	(1,417)
Total	**(12,143)**	**(9,554)**

In 2017 the professional services expenses contain €4.6 million (2016: €3.3 million) of acquisition costs which qualify as exceptional item (see Note 12 of the Consolidated Financial Statements).

Number of employees
Euronext N.V. had no employees during 2017 and 2016. The remuneration of the Supervisory Board is included in other expenses.

39. FINANCIAL INCOME AND EXPENSES

In thousands of euros	2017	2016
Income from available-for-sale financial assets	3,891	3,817
Interest and similar income	1,478	7,351
Interest and similar expenses	(2,695)	(3,128)
Exchange differences	(2,000)	(475)
Total	**674**	**7,565**

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 41). The increase in exchange differences related to foreign exchange impacts resulting from the $110 million non-current related party loan with Euronext US Inc. (see Note 41).

40. TAX

In thousands of euros	2017	2016
Result before tax	(11,469)	(1,989)
Corporate income tax current financial year	2,276	(382)
Corporate income tax previous financial years	937	33
Total	**3,213**	**(349)**

In 2017, the effective tax rate mainly deviates from the applicable tax rate as a result of acquisition costs not being tax deductible in 2016, becoming tax deductible in 2017 as contemplated acquisition was not closed. In 2016, the effective tax rate mainly deviates from the applicable tax rate as a result of non-deductible acquisition expenses.

	2017	2016
Effective tax rate	28%	-18%
Applicable tax rate	25%	25%

41. 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	Related party loans	Total
Net book amount as at 31 December 2015	**722,568**	**-**	**860,000**	**1,582,568**
Investments	-	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
Acturial 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	38,307	58,901	91,715	188,923
Redemption liability	(8,200)	-	-	(8,200)
Exchange differences	(2,534)	(140)	-	(2,674)
Share-based payments, subsidiaries	3,778	-	-	3,778
Acturial gains/ losses IAS 19	3,374	-	-	3,374
Revaluation available-for-sale financial assets	10,301	-	-	10,301
Share in result of participations	249,092	461	-	249,553
Dividend received	(76,548)	-	-	(76,548)
Other	(7,257)	-	-	(7,257)
Total movements in book value	**210,313**	**59,222**	**91,715**	**361,250**
Net book amount as at 31 December 2017	**1,251,109**	**73,860**	**91,715**	**1,416,684**

Investments in consolidated subsidiaries
In 2017, Euronext N.V. acquired the interests in Euronext Corporate Services B.V. and Euronext US Inc. for a total of €38.3 million. For additional information on these interests please refer to Note 4 of the Consolidated Financial Statements.

Investments in associates and joint ventures
In 2017, Euronext N.V. acquired interests in LiquidShare S.A. and LCH S.A. for a total of €58.9 million. 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 4 and 7 of the Consolidated Financial Statements.

Amounts due from subsidiaries
On 14 August 2017, Euronext N.V. entered into a loan agreement of $110 million with Euronext US Inc. to enable the acquisition of FastMatch Inc. The loan has a maturity of ten years with a fixed interest rate of 3.36%. The interest amount is received annually and recognised in note 45.

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 48).

42. AVAILABLE-FOR-SALE FINANCIAL ASSETS

The available-for-sale financial assets of €105.7 million represent the direct investments in Euroclear plc. and Algomi Ltd. For additional information see Note 19 of the Consolidated Financial Statements.

43. OTHER RECEIVABLES

For additional information on the other receivables positions, a reference is made to Note 32.4 of the Consolidated Financial Statements.

44. TRADE AND OTHER RECEIVABLES

In thousands of euros	As at 31 December 2017	As at 31 December 2016
Trade receivables	11,382	10,455
Less provision for impairment of trade receivables	(22)	(46)
Trade receivables net	**11,360**	**10,409**
Related party receivables	20,089	14,993
Tax receivables (excluding income tax)	2,838	1,756
Prepayments and accrued income	7,913	7,794
Other receivables	-	41
Total	**42,200**	**34,993**

The fair value of the receivables approximates the book value, due to their short-term character.

As of 31 December 2017, the total amount of trade receivables that were past due but not impaired was €3.2 million (2016: €2.2 million) of which €0.3 million (2016: €0.7 million) was overdue more than three months.

45. CURRENT RELATED PARTY LOANS

In thousands of euros	As at 1 January 2017	Loans advanced	Interest accrued	As at 31 December 2017
Current				
Euronext Corporate Services B.V.	-	33,784	-	33,784
Interest receivable on non current intercompany loans	-	-	1,180	1,180
Interest receivable on current intercompany loans	-	-	10	10
Total	**-**	**33,784**	**1,190**	**34,974**

The fair value of the related party loans receivable approximate their carrying values.

The €33.8 million loan receivable from Euronext Corporate Services B.V. has no maturity and is repayable at lender's or borrower's request upon 48 hours' notice. The interest amount is paid received and based on EONIA OIS and EURIBOR 3 months as reference rates plus 0.125%.

46. SHAREHOLDERS' EQUITY

The movements in shareholder's equity were as follows:

In thousands of euros	Issued capital	Share premium	Reserve for own shares	Retained earnings	Profit for the year	Legal reserves and other: Non-distributable profits and other gains regarding subsidiaries	Revaluation Euroclear reserve	Reserve for translation differences	Total
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**
Share based payments	-	-	-	3,778	-	-	-	-	3,778
Appropriation of the result of preceding year	-	-	-	98,204	(197,013)	-	-	-	(98,809)
Net result for the period	-	-	-	-	241,297	-	-	-	241,297
Redemption liability subsidiaries	-	-	-	(8,200)	-	-	-	-	(8,200)
Transfer to retained earnings	-	-	-	22,513	-	(22,513)	-	-	-
Exchange rate differences	-	-	-	-	-	-	-	(2,674)	(2,674)
Revaluation subsidiaries	-	-	-	13,675	-	-	-	-	13,675
Other revaluation	-	-	-	-	-	-	21,399	-	21,399
Purchase of shares	-	-	(986)	-	-	-	-	-	(986)
Other movements	-	-	2,600	(4,829)	-	-	-	-	(2,229)
As at 31 December 2017	**112,000**	**107,562**	**(17,269)**	**249,931**	**241,297**	**1,139**	**24,744**	**(4,135)**	**715,269**

For further information to the shareholder's equity, see Note 22 of the Consolidated Financial Statements.

The movements in the shareholder's equity are before the proposed profit appropriation (see Note 53). The proposed profit appropriation included the addition to retained earnings (€120.6 million) and dividends (€120.6 million).

Non-distributable profits and other gains regarding subsidiaries
As per 31 December 2017, profits and other gains from subsidiaries are not freely available for distribution for an amount of €1.1 million relating to legal reserves. In 2017, an amount of €22.5 million was transferred to retained earnings, because distribution restrictions that were remaining from prior year were lifted for Euronext Paris S.A. 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.

47. BORROWINGS

For additional information on the borrowings positions, a reference is made to Note 25 of the Consolidated Financial Statements.

48. RELATED PARTY BORROWINGS

In thousands of euros	As at 1 January 2017	Loan settlements made	Loans advanced	Interest paid	As at 31 December 2017
Current					
Euronext Paris S.A.	200,000	-	57,639	-	257,639
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	74	-	-	(1)	73
Total	**369,760**	**-**	**57,639**	**(1)**	**427,398**

In thousands of euros	As at 1 January 2016	Loan settlements made	Loans advanced	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 €257.6 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 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 €1.3 million (2016: €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 two loans. 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 (2016: €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 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 €0.1 million (2016: €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 (2016: €0.3 million).

49. TRADE AND OTHER PAYABLES

In thousands of euros	2017	2016
Trade payables	510	303
Amounts due to subsidiaries	308,018	191,928
Other	8,146	5,027
Total	**316,674**	**197,258**

Amounts due to subsidiaries mainly consist of a €298.9 million payable with Euronext Paris S.A. (2016: €179.0 million).

The carrying values of current trade and other payables are reasonable approximations of their fair values. These balances do not bear interest.

50. MANAGING BOARD AND SUPERVISORY BOARD REMUNERATION

50.1 Managing Board remuneration

	2017					
In thousands of euros	Fixed Benefits	Variable Benefits	Share-based payment costs	Post-employment benefits	Termination payments	Total Benefits
Stéphane Boujnah	776	816	291	-	-	**1,883**
Anthony Attia	356	265	258	-	-	**879**
Jos Dijsselhof (a)	265	-	311	10	204	**790**
Lee Hodgkinson	384	137	421	28	-	**970**
Vincent van Dessel	298	110	157	34	-	**599**
Maurice van Tilburg	325	190	72	17	-	**604**
Paulo Rodrigues da Silva (b)	201	138	-	29	-	**368**
Maria João Carioca (c)	41	-	1	5	14	**61**
Total	**2,646**	**1,656**	**1,511**	**123**	**218**	**6,154**

	2016					
In thousands of euros	Fixed Benefits	Variable Benefits	Share-based payment costs	Post-employment benefits	Termination payments	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**
Luis Laginha de Sousa (d)	-	-	-	-	-	**-**
Maria João Carioca	149	30	10	17	-	**206**
Total	**2,746**	**1,739**	**830**	**103**	**-**	**5,418**

(a) *Jos Dijsselhof resigned from the Managing Board on 30 June 2017.*
(b) *Paulo Rodrigues da Silva was formally appointed to the Managing Board at the Annual General Meeting on 19 May 2017.*
(c) *On 1 March 2017 Maria João Carioca resigned from the Managing Board.*
(d) *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 2017 all bonus targets have been met by the Managing Board.

50.2 Euronext Share plans

2017:

in number of RSU	Plan	Year of Granting	Outstanding as at 1 January 2017	Granted	Forfeited	Vested	Outstanding as at 31 December 2017
Stéphane Boujnah	LTI	2016	18,518	-	-	-	18,518
	LTI	2017	-	15,469	-	-	15,469
Anthony Attia	LTI	2014	18,367	-	-	(18,367)	-
	LTI	2015	6,028	-	-	-	6,028
	LTI	2016	5,747	-	-	-	5,747
	LTI	2017	-	4,801	-	-	4,801
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
	LTI	2017	-	6,042	-	-	6,042
Vincent van Dessel	LTI	2014	6,723	-	-	(6,723)	-
	LTI	2015	3,530	-	-	-	3,530
	LTI	2016	3,381	-	-	-	3,381
	LTI	2017	-	2,856	-	-	2,856
Maurice van Tilburg	LTI	2014	5,102	-	-	(5,102)	-
	LTI	2015	4,421	-	-	-	4,421
	LTI	2016	5,172	-	-	-	5,172
	LTI	2017	-	4,320	-	-	4,320
Paulo Rodrigues da Silva	LTI	2017	-	-	-	-	-
Maria João Carioca	LTI	2016	2,937	-	(2,937)	-	-

2016:

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 24 of the Consolidated Financial Statements.

50.3 Supervisory Board Remuneration

In thousands of euros	**2017**	**2016**
Rijnhard van Tets	93	93
Dick Sluimers	81	52
Koenraad Dom	61	61
Ramon Fernandez	61	59
Manuel Ferreira de Silva	67	67
Jim Gollan	99	100
Kerstin Günther	58	35
Lieve Mostrey	-	-
Franck Silvent	9	-
Dominique Aubernon	-	-
Arnoud de Pret	-	28
Jan-Michel Hessels	-	26
Total	**529**	**521**

Dominique Aubernon retired immediately after the Extraordinary General Meeting that was held on 19 October 2017. Franck Silvent was appointed on 19 October 2017 subject to regulatory approval. His appointment became effective on 3 November 2017, the date on which the regulatory approval was granted.

During the comparative period, 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.

51. AUDIT FEES

In thousands of euros	EY Accountants 2017	PWC Accountants 2016
Audit services - group and statutory	1,018	1,426
Other assurance services	125	400
Tax services	-	63
Other non-audit services	-	-
Total	**1,143**	**1,889**

The audit services relate to the financial year to which the financial statements relate, regardless of whether the activities were performed by the external auditor and the audit firm during the financial year. In addition to the performance of the statutory audit of the Group financial statements and other (statutory) financial statements of Euronext N.V. and its subsidiaries, EY provides a number of other assurance services. These other assurance services consist of the review of the half-year interim financial statements and the work related to the registration document. The comparative figures have been adjusted accordingly, in line with the relevant EU regulation.

The total fees of EY Netherlands, charged to Euronext N.V. and its consolidated group entities amounted to €384,000 in 2017 (2016: €526,000 charged by PWC Netherlands).

52. COMMITMENTS AND CONTINGENCIES NOT INCLUDED IN THE BALANCE SHEET

Tax group
The company is the head of a fiscal unity with Euronext Amsterdam N.V., Euronext IP & IT Holding B.V. and Euronext Corporate Services 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 Holding B.V., and Euronext Corporate Services B.V. recognise a tax liability based on their taxable profit.

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 €13.3 million. It should be noted that the Group consistently waives guarantee fees for intergroup guarantees, meaning these transactions are not at arm's length.

53. APPROPRIATION OF PROFIT

Proposed profit appropriation

The management board proposes to appropriate the profit of €241.3 million as follows:

In thousands of euros	2017	2016
Addition to legal reserves	-	-
Addition to retained earnings	120,649	98,507
At the disposal of the Annual General Meeting of Shareholders (Dividend)	120,648	98,506
Total	**241,297**	**197,013**

A dividend in respect of the year ended 31 December 2017 of €1.73 per share (2016: €1.42 per share), amounting to a total dividend of €120.6 million, representing a 50% pay-out ratio of net profit, is to be proposed at the annual general meeting on 15 May 2018. These financial statements do not reflect the dividend payable of the result 2017.

In 2017, there were no additions to the legal reserve. Instead, an amount of €22.5 million was transferred to retained earnings, because distribution restrictions that were remaining from prior year were lifted for Euronext Paris S.A. (see Note 46).

In 2016, 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 46).

54. EVENTS AFTER THE REPORTING PERIOD

The events occurred between 31 December 2017 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 35 of the Consolidated Financial Statements.

AUTHORISATION OF COMPANY FINANCIAL STATEMENTS

Amsterdam, 29 March 2018

Supervisory Board
Rijnhard van Tets (Chairman)
Dick Sluimers (Vice-Chairman)
Koenraad Dom
Ramon Fernandez
Manuel Ferreira da Silva
Jim Gollan
Kerstin Günther
Lieve Mostrey
Franck Silvent

Managing Board
Stéphane Boujnah (CEO and Chairman)
Anthony Attia

Maurice van Tilburg
Vincent van Dessel
Paulo Rodrigues da Silva

7.1 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.

Auditor Information

Pursuant to mandatory audit firm rotation rules in The Netherlands, Ernst & Young Accountants LLP has succeeded PricewaterhouseCoopers Accountants N.V. as independent auditor of Euronext N.V. and audited the financial statements for the year ended 31 December 2017 included in this Registration Document and issued an unqualified independent auditor's report thereon.
Ernst & Young Accountants LLP, whose principal place of business is at Boompjes 258, 3011 XZ Rotterdam, The Netherlands. Ernst & Young Accountants LLP is registered at the Chamber of Commerce of Rotterdam in The Netherlands under number 24432944. The registeraccountants of Ernst & Young Accountants LLP are members of the NBA (Koninklijke Nederlandse Beroepsorganisatie van Accountants - the Royal Netherlands Institute of Chartered Accountants). The NBA is the professional body for accountants in the Netherlands.

7.2 INDEPENDENT AUDITORS REPORT

To: the Shareholders and Supervisory Board of Euronext N.V.

Report on the audit of the financial statements 2017 included in the registration document

Our opinion

We have audited the financial statements 2017 of Euronext N.V. based in Amsterdam. The financial statements include the consolidated financial statements and the company financial statements.

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 2017, and of its result and its cash flows for 2017 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 2017, and of its result for 2017 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

- The consolidated balance sheet as at 31 December 2017.
- The consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for 2017.
- The notes, comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

- The company balance sheet as at 31 December 2017.
- The company income statement for 2017.
- The notes comprising a summary of the accounting policies and other explanatory information.

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 "Our responsibilities for the audit of the financial statements" section of our report.

We are independent of Euronext N.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Materiality

Materiality	€ 15.5 million (2016: € 13.7 million)
Benchmark applied	5% of profit before tax
Explanation	Based on our professional judgement we consider profit before tax as the most appropriate basis to determine materiality as it is the key performance measure for the users of the financial statements.

We have also taken misstatements into account and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the supervisory board that misstatements in excess of €0.7 million, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the 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.

A full scope audit of the financial information is performed based on significance and risk characteristics of the group components. In 2017, four components have been subject to a full scope audit as those components are individually significant to the Group. These components comprise Euronext Paris SA, Euronext Technologies SAS, Euronext Amsterdam N.V. and Euronext N.V. Two components, Interbolsa SA and Fastmatch Inc, were subject to specific risk-focused audit procedures as they include significant risk areas.

In total these procedures represent approximately 90% of the group’s total assets and 96% of profit before income tax. For the remaining entities we performed, among other things, analytical procedures to corroborate our assessment that there were no significant risks of material misstatements within those components.

We applied a central combined approach on the audit of revenue, trade receivables, trade payables, cash and cash equivalents, property, plant and equipment and ITGC’s for the French and Dutch group components. The group consolidation and financial statement disclosures are audited by the engagement team in the Netherlands. We also used component auditors, who are familiar with the local laws and regulations, for the specific risk-focused audit procedures. 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 has been obtained.

By performing the procedures mentioned above at group entities, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group’s financial information to provide an opinion about the consolidated financial statements as a whole.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accounting for the acquisition of businesses	
Key audit matter	During 2017 Euronext acquired majority interests in a number of companies. As disclosed in notes 2 and 5 to the financial statements total considerations were EUR 176 million, of which EUR 19 million is deferred or contingent. The acquisitions have been included in the consolidated financial position and results of Euronext from the moment control was obtained. Based on the purchase price allocations performed, with the help of external valuators, separately identifiable intangible assets of € 67 million and goodwill of € 122 million have been recognized. Accounting for business combinations involves a number of judgments concerning, among others, the identification of intangible assets, the choice of valuation techniques and the allocation to cash generating units. The use of different techniques and assumptions could produce significantly different estimates. Given the relative size of the amounts involved and the inherent complexity, we consider the accounting for acquisition of businesses as a key audit matter.
Our audit approach	We gained an understanding of the material business acquisitions and assessed whether the correct accounting treatment has been applied. Furthermore, we tested the considerations paid and the identification and valuation of the identifiable tangible and intangible assets acquired, as well as the liabilities and non-controlling interests resulting from the acquired majority stakes. We have tested whether the accounting treatment is in line with IFRS 3. We have engaged our valuation specialists to evaluate the methodology and assumptions applied by Euronext in the valuation of the separately identifiable intangible assets, in particular the brand name, customer relations and software platforms. We evaluated whether the assumptions used for the purpose of valuing acquired intangible assets were consistent with what a market participant would use, challenged the key assumptions (for example discount rate and longevity of acquired client relationships) against available market data and tested key data inputs to source records. We also performed sensitivity analysis to determine the impact of changes in the key assumptions, both individually and in aggregate. We have evaluated the completeness and appropriateness of the disclosure related to business combinations, included in note 5 within the financial statements, to assess compliance with the disclosure requirements, as included in EU-IFRS.
Key observations	We found the identification and measurement of the identifiable assets, liabilities and non controlling interests related to the 2017 acquisitions reasonable. The disclosures on the business combinations are in line with the requirements under EU-IFRS.

Valuation of available for sale financial assets	
Key audit matter	Euronext holds a direct and indirect minority interest in Euroclear Plc. As described in note 19 to the financial statements this interest is classified as available for sale with re-measurement to fair value through the other comprehensive income component of equity. As Euroclear is a non-listed company, Euronext is applying internal models to measure the fair value of its interests. During 2017, as part of its effort to further standardize and formalize the valuation policies, the company undertook a study of universal valuation methods used in the industry. Accordingly, the model framework was enhanced with valuation techniques driven by return on equity and expected dividend growth rates and regression approaches and trading multiples as control methods. Following the share swap transaction as disclosed in note 2 to the financial statements, Euronext derecognized its minority interest in LCH Group Ltd. in return for an interest in LCH SA, a subsidiary of LCH Group Ltd. The interest in LCH Group Ltd. used to be classified as available for sale and was remeasured based on the internal valuation methodology and benchmarked against the envisaged bid on all shares of LCH Group Ltd. from the beginning of 2017. As the new interest in LCH SA is accompanied with certain representative and protective rights for Euronext, the interest has been classified as an investment in associate. Reference is made to note 7 of the financial statements. The determination of the fair value of the investments involves significant management judgement and assumptions as the shares are not traded on an active market. Given the inherent subjectivity we determined this to be a key matter for our audit.
Our audit approach	Our audit procedures comprised, amongst others of an assessment of the methodology and the

	appropriateness of the valuation models against generally accepted market practice and inputs used to value the available for sale financial assets. Further, we used our valuation specialists to independently assess the valuations performed. As part of these audit procedures we assessed the accuracy of key inputs used in the valuation such as return on equity and expected dividend growth rates. Finally, we evaluated the completeness and appropriateness of the disclosure related to available-for-sale financial assets as included in note 7 and note 19 of the financial statements, to assess compliance with the disclosure requirements, as included in EU-IFRS.
Key observations	Based on our procedures we assessed the valuation techniques used adequate and the key inputs reasonable. We have not identified any material misstatements regarding the measurement of the fair value of financial instruments as at 31 December 2017. We found the disclosures on the fair value of available for sale financial assets and investment in associates are in line with the requirements under EU-IFRS.
Reliability and continuity of the information technology and systems	
Key audit matter	A proper IT infrastructure ensures the reliability and continuity of Euronext's business processes and financial reporting. Euronext continuously makes investments to further improve the IT environment and IT systems. As described in the other information under the section operational risk, Euronext's business depends on the performance and stability of complex computer systems and the company is transforming its technology organization to meet the new regulatory requirements under MIFID2 and to develop a new core trading platform. The role of external reports and the increased granularity of financial and non-financial data are important to stakeholders and supervisors, and require high quality data and an adequate IT environment. We therefore consider this as a key audit matter.
Our audit approach	We tested the IT general controls at Euronext related to logical access and change management and application controls as embedded in the automated data processing systems, where we relied upon for financial reporting. In some areas we performed additional procedures on access management for the related systems. We also assessed the reliability and continuity of the IT environment and the possible impact of changes during the year resulting from the internal transformation activities. We assessed the reliability and continuity of automated data processing only to the extent necessary within the scope of the audit of the financial statements. In addition, our audit procedures consisted of assessing the developments in the IT infrastructure and analyzing the impact on the IT organization.
Key observations	For the audit of the financial statements we found the reliability and continuity of the automated data processing systems reasonable.

Report on other information included in the registration document

In addition to the financial statements and our auditor's report thereon, the registration document contains other information that consists of:

- The section Risks and the Chapters 1, 2 (excluding 2.3 and 2.4), 3, 4 and 5 concern the managing board report within the meaning of 2:391 of the Dutch Civil Code.
- The section 2.3 Report of the Supervisory board and the section 2.4 Remuneration report.
- The other information pursuant to Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as 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 through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the management board's report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information pursuant to Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Euronext N.V.

We were engaged by the general meeting of shareholders of Euronext N.V. on 19 May 2017, as of the audit for the year 2017 and have operated as statutory auditor since that date.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

Description of responsibilities for the financial statements

Responsibilities of management board and the supervisory board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management 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, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management 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 objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material errors and fraud.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.,:

- 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 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 management
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events 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. However, future events or conditions may cause a company to cease to continue as a going concern
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures

- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

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 findings in internal control that we identify during our audit. In this respect we also submit an additional report to the supervisory board in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

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.

Amsterdam, 29 March 2018

Ernst & Young Accountants LLP

A.B. Roeders

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 SA S.A. and LCH SA 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 SA S.A. and LCH SA 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 SA	Banque Centrale de Compensation, trading as LCH SA
LCH SA 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 "regulated 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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